

they require for immediate use. Although business is a little slack at the present time, yet there are encouraging prospects for a good trade.

#### THE ONTARIO LOAN CORPORATIONS.

The importance of Ontario's loan companies among the large and deservedly popular financial institutions of the Dominion is amply attested in the recently issued report of Dr. J. Howard Hunter, Registrar of Loan Corporations for the Province of Ontario. The report amply indicates as well the voluminous nature of his labors. The information given is very extensive and deals with loan, savings, mortgage, trust, building, debenture and investment companies. The oldest of these dates from as far back as 1843. The great mass of tabulated statements on the whole shows steady progress since that date. Including the various kinds of loan companies, and the trust companies, there are now 78 companies in Ontario.

The total mortgages aggregate \$108,327,499.84, in addition to \$1,341,941.52 on land now offered for sale, or an increase for the year of over \$4,000,000. The loans on stocks and bonds at the end of the year amounted to \$20,068,862.49, an increase of almost \$1,000,000 over the preceding year. The deposits held by the companies amount to \$20,150,486.05, also an increase of about \$1,000,000. The total assets of all the companies for 1904 amount to \$171,966,429.68, or an advance on 1903 of over \$7,000,000, the total for that year being \$104,932,523.86.

The companies have been separated into four groups, loan companies having only permanent stock, those having terminating stock, as well as permanent, or having terminating stock only, loaning land companies and trust companies. The total authorized capital of these is \$121,715,571.28, a decrease of nearly \$500,000 from 1903; the permanent capital subscribed is \$74,598,994.15, a decrease of about \$450,000; and the terminating capital subscribed is \$15,825,780, a decrease of over \$2,000,000. The total liabilities to shareholders are placed at \$65,805,637.68, and to the public, \$81,848,419.19, while the contingent liabilities come to \$24,312,372.81, balancing the assets already given. The repayment of trust funds shows a decided increase over 1903, being \$16,129,361.30, while the previous year was \$13,679,791.11.

There is also given a mass of details of a miscellaneous character. Such are the loans written off or transferred to real estate, \$358,849.09; debentures maturing during 1904-05, \$11,886,205.90; average rate of interest paid on deposits, 3.759; on debentures, 4.296. The average rate of interest received on mortgages of realty was 6.102, and on other securities 5.869. The amount of mortgages enforced was \$345,937.21.

An interesting and monitory feature is an appendix giving particulars of proceedings under the loan corporation act, and pointing out the fraudulence and instability of "credit companies," bond-investment schemes, "home-building" projects, and other illegal devices, the methods of which are indicated at length.

#### ABOUT BUSINESS SYSTEMS.

We remember hearing or reading the story of a western rancher who was so unmethodical in his business that he yearly wasted a small fortune through having no perfect system of accounts nor regular routine for each day's work. Yet, in spite of this

drawback, he made a pile of money; he had, we suppose a natural bent or genius for the rearing and disposal of cattle which was more than sufficient to overcome defects in certain of the details.

Another man came along, a smart business man from the East, with his head full of profits and losses and systematic account-keeping. He was quick to see what a good investment was presented by ranching in that favored locality, and if only the leaks could be prevented and the profits and losses both systematized, there was, he saw clearly, a sure prospect for an enormous fortune.

So the Easterner started in and began ranching near to No. 1. The latter went on in his old way, with money pouring in fast, but with large amounts wasted through his rough-and-ready methods. The former on the contrary was much more careful. Every dollar was not only fully accounted for, but was (one may say) tagged and initialed half a dozen times over, on each of its rounds. There was no chance of a dollar or a cent possibly going astray, each one was so carefully booked. It was the same with each animal on the place; a careful system looked after, not its health particularly, but its entry in a set of books.

Five years came and went and comparison was often made between the two ranchers. The first went on in the even tenor of his way, making money hand over fist. The one from the East prospered too and made money but when everything was reckoned up it was found that the element of cost, the sum needed for keeping up the endless routine used in his business, had been so large that it had eaten up a considerable proportion of the profits, and that the net earnings of his ranch were actually a long way behind those of his more easy-going neighbor.

There is an allegory in this for many other business men, though it does not by any means prove that they should not be careful and systematic. Method is good, is essential, but it must be kept in its place. Some of us mistake the means for the end. As we take it, the *raison d'être* of system, or routine, is only to expedite the carrying on of business in an accurate way. But too many are in the habit of regarding the system as the first consideration, whereas rationally it is only a mere crutch with which the better to gain certain results. The instant it becomes cumbersome, or more nuisance than it is worth—and many complicated pieces of red-tape are of this nature—it should be thrown away like a crutch by a well man. To retain it after that stage has been reached is to handicap one's free movements and to buy an aid to success at the price of the success itself. System is good, but it should not be stereotyped; the system that is one man's strength is another's weakness. A carefully thought-out method for reaching an object is important, but not nearly so important as the object itself. The only question to be asked of any man's honest method of conducting his business, however much it may differ from another man's, is: does it do its work speedily, accurately and economically? If it takes more time than it saves, let it be discarded.

#### UP-TO-DATE LIFE INSURANCE.

If we knew no better we might imagine that the promoter, founder, supervisor, and managing director of the Monarch Life Insurance Company, of Toronto, recently "incorporated by special Act of the Parliament of Canada" had a name to conjure with in the

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