sooner or later. With fire insurance companies the contingency is not within such calculable distance, because fires are not absolutely certain, like death, and they cannot be reckoned by the same mathematical process. While ordinary fires can be more nearly taken into account, than people imagine, the lives, so to speak, of different classes of risks, having a pretty close average number of years, there is beyond and outside, a hazard from conflagrations in large cities, which is as uncertain as to time, as it is in the amount of loss. Yet, if this hazard were not provided for, where would both the companies and the insured be to-day? Ask Chicago, Boston, Baltimore and Toronto. Had the companies generally been incapable of meeting those disasters, the public might have had some reason in applying such terms as "robbery" and "extortion," and compared the companies to the house built upon the sand, which the tempest destroyed. As it is, those reserve funds accumulated by the large stable companies, prove that the money handed to them "in trust," was neither robbed nor maladministered.

Some commercial men seem to think, that though banks are a necessity as being the outgrowth of civilization, it is possible to do without the fire insurance companies, which is a very short-sighted view of a broad question. The banks and insurance companies may be said to work in double harness to the commercial coach. Take one steed away, and the other could not draw the load. Without fire insurance, numberless merchants and manufacturers would be bereft of their banking facilities, which would curtail the business of the banks, materially reduce trade, and tend to send us back three hundred years, when commerce was barter, and bankers were merely local money dealers,

Fire insurance is undoubtedly a tax, and if such tax can be reduced by lessening the hazard, by all means let it be done. But those who talk of doing without it altogether, we would remind of the fable of King Log and King Stork, as such a "change" would be suicidal.

THE CANADA PERMANENT MORTGAGE CORPORATION.

The Canada Permanent enjoyed greater prosperity last year than in any period since it was reorganized.

The net earnings were $537,193. This is equal to over 9 per cent. on the paid-up capital, which is a very satisfactory rate of profit in these days when money is so plentiful as to yield far less return on investments than some years ago. The margin indeed between the rate of interest on deposits and on the debentures issued by our mortgage loan companies, and the interest realized on loans secured by a mortgage of such a class of real estate as the Canada Permanent accepts, has been so reduced as to make the profits of this class of business quite meagre in comparison with earlier days. This presents a situation in which sagacious management tells, as every movement of the business has to be watched, scrutinized and every point made to secure safety and economy. In the most experienced and shrewdest judge of mortgage business in Canada as its vice-president, who was its architect and builder, the Canada Permanent has an invaluable official. Indeed, every mortgage loan company in Canada is indebted to Mr. J. Herbert Mason, for having given an example of management which has kept this class of business in Canada free from those scandals associated with loan companies in the United States.

The year's profits of $537,193 were supplemented by the balance of $133,822 brought from previous year. These made an aggregate of $671,015 for distribution as follows. Two dividends of three per cent. each absorbed $357,081, $250,000 was transferred to reserve fund, and $63,934 was carried forward to next year. The reserve fund now stands at $2,000,000, with $63,904 as a contingent fund. Since the end of 1902, the reserve fund has been increased to extent of $409,943, and now equals over 33 per cent. of the paid-up capital.

The mortgage loans of the company amount to $21,554,624, the funds for which are derived from the following sources, deposits, $2,734,577; sterling debentures, $8,943,414; currency debentures, $3,767,794; debenture stock $446,760; the balance of $5,662,079 utilizing the main part of the capital.

The report shows short loans on securities to have been made to amount of $1,380,733, and that municipal debentures are owned for value of $481,208. A remarkable item is $786, the estimated value of properties acquired by foreclosure, etc. For a company with over 21 millions invested in real estate loans to have only $786 worth of real estate on its hands, other than its office premises, is an almost incredible condition, it differs so widely from the ordinary, we might say, the almost universal experience of mortgage loan companies. Doubtless this happy circumstance is chiefly attributable to the improved state of the country, which has enabled old circumbrances to be cleared off and forfeited lands and buildings to be redeemed or sold. But that cause, like most causes, proves to be an effect when traced out, the effect of judicious, expert, cautious selection of the properties to be accepted as security for loans.

At the annual meeting on 7th inst., when the report was presented which appears on a later page in this issue, Mr. George Gooderham was re-elected president, Mr. J. Herbert Mason, 1st vice-president, and Mr. W. H. Beatty, 2nd vice-president. This pioneer institution is evidently renewing its strength, on which all concerned have our congratulations.

LIFE ASSURANCE BUSINESS IN CANADA, 1904.

We republish in this issue the table of life assurance business in Canada, for 1904, which appeared last week. A few corrections have been made in two of the companies' figures.