

funds with them. United States exchange continues to be provided for business travel, for purposes of health, where necessary, or for travel for educational purposes in certain circumstances and in cases where the only or quickest and most direct route between two Canadian points is through the United States. Travel permits are also issued in cases where no direct or indirect expenditure of Canada's United States dollar resources is involved. The expenditure of sterling or Canadian dollars for travel in sterling-area countries for any purpose and amount is permitted.

(12) Canadian-dollar bank accounts of non-residents. No transfer of Canadian dollars may be made from accounts of residents of the sterling area to accounts of non-residents who are not residents of the sterling area and vice versa. With this exception, withdrawals from Canadian-dollar bank accounts of non-residents with Canadian banks and transfers of Canadian dollars between non-residents or from non-residents to residents may be made without any permit from the Board.

PART II.—MISCELLANEOUS COMMERCIAL FINANCE

Section 1.—Loan and Trust Companies*

The Canada Year Book, 1934-35, presents at p. 993 an outline of the development of loan and trust companies in Canada from 1844 to 1913.

The laws relating to loan and trust companies were revised by the Loan and Trust Companies Acts of 1914 (4-5 Geo. V, cc. 40 and 55), with the result that the statistics of provincially incorporated loan and trust companies ceased to be collected. However, certain summary statistics of provincial companies have been supplied for 1940 by courtesy of those companies and are included in Table 1 in order to complete the picture for loan and trust companies throughout Canada. It is estimated that more than 90 p.c. of the business of provincial companies is represented in the figures, so that they may be accepted as fairly inclusive and representative of the volume of business transacted as compared with Dominion registered companies. The statistics of Tables 2 and 3 refer only to those companies operating under Dominion charter, except that, beginning with 1925, the statistics of loan companies and trust companies incorporated by the Province of Nova Scotia, and brought by the laws of that Province under the examination of the Dominion Department of Insurance, have been included in Table 3 as well as those for trust companies in New Brunswick since 1934 and in Manitoba since 1938. These historical series start with the year 1920, at which time the Dominion Department of Insurance took over the administration of the legislation concerning Dominion loan and trust companies—the Department of Finance had previously exercised supervision of their activities.

As indicating the progress of the aggregate of loan company business in Canada, it may be stated that the book value of the assets of all loan companies increased from \$188,637,298 in 1922 to \$213,649,794 in 1931, or by 13·3 p.c., but declined from 1931 to 1940 by 9·7 p.c. The assets of trust companies (not including estates, trust and agency funds, which cannot be regarded as assets in the same sense as company and guaranteed funds) increased from \$154,202,165 in 1928 to \$221,553,699 in 1940 or by 43·7 p.c. In the former year, the total of estates, trust and agency funds administered amounted to \$1,077,953,643 and in the latter year to \$2,673,859,907. (Table 1.)

* Revised under the direction of G. D. Finlayson, Superintendent of Insurance, Department of Insurance.