

Functions of Loan Companies.—The principal function of loan companies is the lending of funds on first-mortgage security, the money thus made available for development purposes being secured mainly by the sale of debentures to the investing public and by savings-department deposits. Of the loan companies operating under provincial charters, the majority conduct loan, savings and mortgage business, generally in the more prosperous farming communities.

Functions of Trust Companies.—Trust companies act as executors, trustees and administrators under wills or by appointment, as trustees under marriage or other settlements, as agents or attorneys in the management of the estates of the living, as guardians of minor or incapable persons, as financial agents for municipalities and companies and, where so appointed, as authorized trustees in bankruptcy. Such companies receive deposits, but the lending of actual trust funds is restricted by law.

Statistics of Loan and Trust Companies.—The figures of Table 1 are of particular interest in the case of trust companies. On account of the nature of their functions, they are mainly provincial institutions, their chief duties being intimately connected with the matter of probate, which lies within the sole jurisdiction of the provinces.

1.—Operations of Provincial and Dominion Loan and Trust Companies in Canada, as at Dec. 31, 1942 and 1943

Item	1942			1943		
	Provincial Companies	Dominion Companies	Total	Provincial Companies	Dominion Companies	Total
	\$	\$	\$	\$	\$	\$
Loan Companies—						
Assets (book values)	58,220,073	126,662,960	184,883,033	59,081,710	126,943,566	186,025,276
Liabilities to the public.....	30,030,856	92,976,410	123,007,266	32,308,360	93,776,695	126,085,055
Capital Stock—						
Authorized.....	29,202,290	59,150,000	88,352,290	29,502,290	59,000,000	88,502,290
Subscribed.....	18,602,946	25,381,600	43,984,546	17,854,355	25,039,900	42,894,255
Paid-up.....	16,975,292	19,038,552	36,013,844	16,207,797	18,885,241	35,093,038
Reserve and contingency funds.....	9,467,845	13,258,225	22,726,070	9,130,430	12,966,837	22,097,267
Other liabilities to shareholders.....	1,746,080	1,228,138	2,974,218	1,435,123	1,289,177	2,724,300
Total liabilities to shareholders.....	28,189,217	33,524,915	61,714,132	26,773,350	33,141,255	59,914,605
Net profits realized during year.....	898,985	700,817	1,599,802	962,886	966,868	1,929,754
Trust Companies—						
Assets (book values)						
Company funds...	60,938,710	20,190,928	81,129,638	60,385,651	20,569,787	80,955,438
Guaranteed funds.	107,280,804	37,843,773	145,124,577	112,006,133	41,504,191	153,510,324
Totals.....	168,219,514	58,034,701	226,254,215	172,391,784	62,073,978	234,465,762
Estates, trust, and agency funds.....	2,444,979,796	290,630,617	2,735,610,413	2,528,566,545	313,457,551	2,842,024,096
Capital Stock—						
Authorized.....	52,030,000	25,060,000	77,090,000	51,980,000	25,050,000	77,030,000
Subscribed.....	24,315,250	13,033,570	37,348,820	25,357,750	13,036,570	38,394,320
Paid-up.....	24,080,813	12,128,931	36,209,744	24,079,561	12,171,035	36,250,596
Reserve and contingency funds.....	15,808,326	5,570,760	21,379,086	16,089,694	6,221,927	22,311,621
Unappropriated surpluses.....	4,467,000	883,369	5,350,369	4,743,426	1,193,570	5,936,996
Net profits realized during year.....	1,970,212	492,327	2,462,539	2,100,976	1,010,912	3,111,888