

companies and trust companies incorporated by the Province of Nova Scotia and brought by the laws of that Province under the examination of the Federal Department of Insurance, have been included in Tables 2 and 3 as well as those for trust companies in New Brunswick since 1934 and in Manitoba since 1938. In 1920, the Department of Insurance took over from the Department of Finance the administration of the legislation concerning federal loan and trust companies.

The progress of the aggregate of loan company business in Canada is indicated by the increase in the book value of the assets of all loan companies from \$188,637,298 in 1922 to \$243,548,783 in 1948. 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 \$366,544,305 in 1948. In the former year, the total of estates, trust and agency funds administered amounted to \$1,077,953,643 and in 1948 to \$3,312,445,115.

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. In the war years from 1939 to 1945 the amount invested in mortgages declined by almost \$27,000,000, which was practically all accounted for by an increase in the amount of bonds and stocks held. The 1948 figure of \$93,000,000 was greater by \$14,000,000 than that for 1947.

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 for investment, but both the investing and lending of such deposits and of actual trust funds are restricted by law.

Statistics of Loan and Trust Companies.—A summary of operations of provincial and federal loan and trust companies is given in Table 1. As a result of the nature of these operations, which are intimately connected with the matter of probate, the larger trust companies usually choose to operate under provincial charters, and the provincial figures represent much larger amounts than those of the federal companies.

The figures for federal loan companies include companies chartered by the Government of Nova Scotia which, by arrangement, come under inspection by the Federal Department of Insurance. The data for federal trust companies, likewise, cover companies chartered by the Governments of Nova Scotia, New Brunswick and Manitoba for the same reason.

Table 1 gives complete coverage for all companies for the final analyses shown. Table 2 breaks down the assets and liabilities of federal loan companies: it is not possible to give comparable analyses for provincial companies. The Department of Insurance is undertaking the compilation of the necessary information the results of which will be made available in the 1952 Year Book.

As regards trust companies, provincial figures are given for Ontario and Quebec only in Table 3B but, since companies operating under charters issued by Nova Scotia, New Brunswick and Manitoba are included with federal companies (see headnote to Table 3A), the coverage is fairly complete: actually the coverage is 95 p.c. of all companies.