

on that portion of the unpaid balance of a loan not exceeding \$300, 1 p.c. per month on that portion of the balance exceeding \$300 but not exceeding \$1,000, and one-half of 1 p.c. per month on any remainder of the balance exceeding \$1,000. The maximum rate permitted to be charged by an unlicensed lender is 1 p.c. per month. Prior to Jan. 1, 1957, the scope of the Act extended only to loans of \$500 and under and the maximum rate permitted to be charged by licensed lenders was 2 p.c. per month and by unlicensed lenders 12 p.c. per annum. The small loans companies—five in number—were incorporated by special Acts of the Parliament of Canada, the first such company commencing business in 1928. Money-lenders, of which there are 75, are made up of companies otherwise incorporated and include a few partnerships and individuals. Table 5 gives the combined financial experience of small loans companies and licensed money-lenders for the years 1957-60.

#### 5.—Assets and Liabilities of Small Loans Companies and Money-Lenders, 1957-60

Assets and Liabilities	1957	1958	1959	1960
	\$	\$	\$	\$
<b>Assets.</b>	<b>326,549,959</b>	<b>408,581,861</b>	<b>489,458,577</b>	<b>549,397,569</b>
Small loan balances.....	229,199,629	315,827,669	380,019,949	391,548,554
Balances, large loans and other contracts.....	86,534,064	81,597,731	117,019,123	143,809,201
Cash.....	5,287,550	5,334,230	5,422,060	7,136,432
Other.....	5,528,716	5,822,231	6,997,445	6,903,382
<b>Liabilities.</b>	<b>326,549,959</b>	<b>408,581,861</b>	<b>489,458,577</b>	<b>549,397,569</b>
Borrowed money.....	258,184,531	326,274,370	398,296,116	446,112,043
Reserves for losses.....	6,766,856	8,454,003	9,536,367	10,968,543
Paid-up capital.....	14,992,722	26,620,278	36,106,703	39,495,327
Surplus paid in by shareholders.....	12,478,629	9,475,379	377,890	390,390
Earned surplus.....	18,184,528	17,877,114	17,999,186	20,107,677
Other.....	15,942,693	19,880,717	27,142,315	32,325,589

The combined companies showed a sizable increase in the amount of business for 1960 as compared with 1959. While the number of small loans made to the public during the year 1960 decreased from 1,097,226 to 1,094,512, or by less than 1 p.c., the amount of such loans rose from \$526,682,817 to \$547,824,471, or by approximately 3 p.c. The average small loan made was approximately \$501 in 1960 compared with \$480 in 1959. At the end of 1960 small loans outstanding numbered 957,965 for an amount of \$391,548,554 or an average of \$409 per loan. These figures compare with 920,747, \$360,019,949 and \$391, respectively, for 1959.

Gross profits of small loans companies and money-lenders before income taxes and before taking into account any increase or decrease in reserves for bad debts, increased from \$24,767,979 in 1959 (\$18,857,377 being the profit on small loans and \$5,910,602 the profit on business other than small loans) to \$28,220,425 in 1960 (\$20,922,425 being the profit on small loans and \$7,298,382 the profit on business other than small loans).

#### Section 3.—Sales of Canadian Bonds\*

Previous editions of the Year Book have traced sales of Canadian bonds to the end of 1960. This review continues a record of new issues placed in 1961 and refers to developments in the first two quarters of 1962.

Excluding all financing of less than one year, the grand totals of new security issues placed amounted to \$5,265,956,355 in 1961 compared with \$4,267,173,888 in 1960. When these totals were broken down into various classifications, they showed the following comparisons: federal and guaranteed financing amounted to \$3,240,430,400 in 1961 compared with \$2,680,048,600 in 1960; provincial and guaranteed financing amounted to

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