

4.—Estates, Trust and Agency Funds of Trust Companies, Chartered by or Supervised by the Federal Government and by Provincial Governments, as at Dec. 31, 1952-61

Year	Federal Companies ¹	Provincial Companies ²	Total	Year	Federal Companies ¹	Provincial Companies ²	Total
	\$	\$	\$		\$	\$	\$
1952.....	588,550,279	3,383,650,088	3,972,200,367	1957.....	886,560,559	4,695,817,867	5,582,378,426
1953.....	631,231,540	3,470,781,614	4,102,013,154	1958.....	990,078,160	5,328,920,074	6,318,998,234
1954.....	663,520,956	3,734,874,516	4,398,395,472	1959.....	1,127,767,607	5,774,745,226	6,902,512,833
1955.....	734,670,479	3,985,662,299	4,720,332,778	1960.....	1,246,508,258	6,143,921,379	7,390,429,637
1956.....	815,367,349	4,318,560,879	5,133,928,228	1961.....	1,948,445,628	6,170,097,541	8,118,543,169

¹ Includes companies chartered by the Governments of Nova Scotia, New Brunswick and Manitoba which, by arrangement, are inspected by the federal Department of Insurance. ² Excludes provincial companies of Nova Scotia, New Brunswick and Manitoba which are included with federal companies.

Section 2.—Licensed Small Loans Companies and Licensed Money-Lenders*

Licensed small loans companies and licensed money-lenders are subject to the provisions of the Small Loans Act (RSC 1952, c. 251, as amended by c. 46 of the Statutes of 1956) an enactment of the Parliament of Canada regulating personal loans not in excess of \$1,500 made on the security of promissory notes of borrowers. Most of these notes are additionally secured by endorsements or chattel mortgages. The Act permits, in the case of licensed lenders, maximum rates of cost of loan, including charges of every kind, of 2 p.c. per month 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 76, 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 1958-61.

5.—Assets and Liabilities of Small Loans Companies and Money-Lenders, 1958-61

Assets and Liabilities	1958	1959	1960	1961
	\$	\$	\$	\$
Assets.....	408,581,861	489,458,577	549,397,569	589,671,958
Small loan balances.....	315,827,669	360,019,949	391,548,554	426,157,274
Balances, large loans and other contracts.....	81,597,731	117,019,123	143,809,201	149,610,423
Cash.....	5,334,230	5,422,060	7,136,432	6,114,919
Other.....	5,822,231	6,997,445	6,903,382	7,789,342
Liabilities.....	408,581,861	489,458,577	549,397,569	589,671,958
Borrowed money.....	326,274,370	398,296,116	446,112,043	477,639,594
Reserves for losses.....	8,454,003	9,536,367	10,966,543	11,603,200
Paid-up capital.....	26,620,278	36,106,703	39,495,327	42,375,438
Surplus paid in by shareholders.....	9,475,379	377,890	390,390	390,390
Earned surplus.....	17,877,114	17,999,186	20,107,677	25,195,896
Other.....	19,880,717	27,142,315	32,325,589	32,467,440

The combined companies showed a sizable increase in the amount of business done in 1961 compared with 1960. The number of small loans made to the public during 1961 increased from 1,094,512 to 1,169,699, or by about 7 p.c., and the amount of such loans rose from \$547,824,471 to \$605,687,740, or by about 11 p.c. The average small loan made

* Further details are given in the Department of Insurance report *Small Loans Companies and Money-Lenders* for the year ended Dec. 31, 1961.