

The statistics of Tables 2 and 3 refer both to those companies incorporated by the Government of Canada and by the provinces. Included in the statistics of federal companies, beginning with 1925, are data of loan 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, as well as data for trust companies in New Brunswick since 1934 and in Manitoba since 1938.

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 \$303,306,362 in 1952. 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 \$476,516,402 in 1952. In the former year, the total of estates, trust and agency funds administered amounted to \$1,077,953,643 and in 1952 to \$3,972,200,367.

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. The extent of investments in mortgages by federal and provincial loan companies may be gauged by the following figures: total assets of such companies for the years 1951 and 1952 amounted to \$292,095,485 and \$303,306,362, respectively, which amounts include mortgage loans of \$186,508,636 and \$200,428,729, respectively, with resulting percentages of mortgages to total assets of approximately 64 p.c. and 66 p.c., respectively.

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 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 the operations of the latter companies, 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.