

VIII.—*Note on the Operations of some Swiss Land Banks.*

By Murrough O'Brien, Esq.

In connection with two papers published in this Journal* on Continental Land Banks, the editors permit me to add a note as to the operations of some of these banks for the year 1887.

I omit any reference to the Credit Foncier of France, whose loans, amounting to nearly £200,000,000 sterling, are not made solely or chiefly on agricultural property, and confine my remarks to three Swiss banks lending small amounts on rural properties only.

The constitution of these banks has already been explained. The opposite table shows the extent of their operations in 1887, the amount of capital employed, and the dividends earned.

It must be remembered that they operate in districts each of which is no larger than a small Irish county.

The reports of these banks for the last year don't show that their stability has in any way been affected by the agricultural depression, which is quite as marked in Switzerland as in the United Kingdom, or that mortgage loans on agricultural properties are in any way discredited as a safe investment. On the contrary, the Vaudois Bank increased its capital last year. It can now borrow on its debentures at $3\frac{1}{2}$ instead of 4 per cent., and has reduced the interest on its loans to 4 per cent. There are failures to pay in some cases, and the bank had fifty-two estates in liquidation last year, of the value of £64,384. It lost on some sales, but gained on others; the result being a net loss of £153.

The Jura Land Bank is extending its sphere of operations, and has removed its head branch from Delemont, a country village, to Bale. Being a private bank, its dividend is naturally larger than those of the state banks.

The directors of the Fribourg Bank report that 1887 was a bad year for business, but not from mortgage loans having become an insecure investment. The general rate of interest having a tendency to fall, private capitalists now compete with the bank for mortgage investments. The result has been that a number of the bank's loans, amounting to £52,600, were repaid, and a difficulty was found in placing this money again. The directors, in consequence, reduced their rate to $4\frac{1}{4}$ per cent., and on this reduction being made known the demand for loans revived,

Notwithstanding the complaint that 1887 was a bad year for land bank business, the very satisfactory dividend of 5·4 per cent. was earned, and £280 carried to the reserve fund of this bank, now amounting to £11,683.

It appears, then, that in these countries land as a security for loans has increased in value. In the United Kingdom the reverse is the case.

* Vol. viii. p. 578; vol. ix. p. 192.

Bank.	Share Capital.	Amount raised on Debentures.	Total Loans Outstanding.		Loans made in 1887.		Dividend, 1887.	
			No.	Amount.	No.	Amount.		
State Land Bank of Vaud, ...	£ 386,200	£ 860,000 Uses also the State Savings Banks' funds, amounting to £994,361	10,194	£ 2,129,297	1,205	£ 306,059	5 per cent.	Population of Canton Vaud, 239,000.
Jura Land Bank (private), ...	160,000	604,366	1,204	625,936	—	327,772	6 per cent.	—
State Land Bank of Fribourg,	120,000	853,834	6,999	918,048	376	62,415	5.4 per cent.	Population of Canton Fribourg, 115,400.

Evidently, assignable causes for this are these—that in other European countries—

1. The ownership of land is widely diffused among the people.
2. Ownership and occupancy are more frequently combined than in the United Kingdom.
3. As a rule no ownership exists except estates in fee-simple.
4. Transfers can be made, and charges can be effected or released with expedition, cheapness, and absolute safety as to the title.

IX.—*Proceedings of the Statistical and Social Inquiry Society of Ireland.*

FORTY-FIRST SESSION.—FIRST MEETING.

[Tuesday, 22nd November, 1887.]

THE Society met at the Leinster Lecture Hall, 35 Molesworth-street, The President in the chair.

Professor Bastable read a paper on "Homestead Laws."

The ballot having been examined, Mr. J. E. Pim and Mr. C. H. Oldham were declared elected members of the Society.

SECOND MEETING.

[Tuesday, 3rd January, 1888.]

The Society met at the Leinster Lecture Hall, 35 Molesworth-street, The President in the chair.

Mr. R. M. Barrington read a paper on "The Drought of 1887, and some of its Effects on Irish Agriculture."

THIRD MEETING.

[Tuesday, 24th January, 1888.]

The Society met at the Leinster Lecture Hall, 35 Molesworth-street, Mr. H. Dix Hutton, Vice-President, in the chair.

Mr. Thos. Connolly read a paper on "The Story of the North American Fisheries."

The ballot having been examined, Mr. Charles Murphy and Mr. P. H. Bagenal were declared elected members of the Society.

FOURTH MEETING.

[Tuesday, 7th February, 1888.]

The Society met at the Leinster Lecture Hall, 35 Molesworth-street, The President in the chair.

Mr. C. Eason, jun., read a paper on "The Present Position of the National Finances."