

# THE CANADIAN BANK OF COMMERCE

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HEAD OFFICE - TORONTO, ONTARIO

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CAPITAL PAID-UP	- - - - -	\$6,000,000
REST	- - - - -	\$1,000,000

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*DIRECTORS:*

HON. GEORGE A. COX,	- - -	PRESIDENT.
ROBERT KILGOUR, ESQ.,	- - -	VICE-PRESIDENT.
JAMES CRATHERN, ESQ.		MATTHEW LEGGAT, ESQ.
WM. B. HAMILTON, ESQ.	JOHN HOSKIN, ESQ., Q.C., LL.D.	
JOSEPH W. FLAVELLE, ESQ.		

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<b>B. E. WALKER</b> , General Manager.	
J. H. PLUMMER, Asst. General Manager.	
A. H. IRELAND, Inspector.	G. H. MELDRUM, Asst. Inspector.





PORTLAND, ORE.



## BRANCHES AND AGENCIES

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### ONTARIO—

AYR .....	JOHN WYLLIE.....	Agent.
BARRIE .....	IL. H. MORRIS .....	Manager.
BELLEVILLE .....	C. M. STORK.....	“
BERLIN .....	W. C. J. KING.....	“
BLENHEIM.....	F. Y. CHECKLEY .....	“
BRANTFORD .....	JEFFERY HALE.....	“
CAYUGA .....	W. C. T. MORSON .....	“
CHATHAM .....	J. E. THOMAS .....	“
COLLINGWOOD.....	JAS. BRYDON .....	“
DUNDAS.....	F. W. HOLMESTED .....	“
DUNNVILLE .....	R. G. W. CONOLLY .....	“
GALT.....	D. H. CHARLES .....	“
GODERICH.....	R. S. WILLIAMS.....	“
GUELPH.....	J. M. DUFF .....	“
HAMILTON.....	WM. ROBERTS .....	“
LONDON .....	D. B. DEWAR .....	“
ORANGEVILLE .....	H. T. WILLS.....	“
OTTAWA .....	ROBERT GILL .....	“
PARIS.....	R. C. MACPHERSON .....	“
PARKHILL .....	G. M. WEDD.....	“
PETERBORO .....	WM. MANSON .....	“
ST. CATHARINES.....	F. O. CROSS.....	“
SARNIA .....	A. D. MCLEAN.....	“
SAULT STE. MARIE.....	D. MCGREGOR .....	“
SEAFORTH .....	M. MORRIS.....	“
SIMCOE.....	E. COWDRY .....	“
STRATFORD .....	W. MAYNARD, JR.....	“
STRATHROY.....	L. H. DAMPIER .....	“
TORONTO (Chief Office) ..	{ JOHN C. KEMP.....	“
	{ JOHN AIRD .....	Asst. Mgr.
268 COLLEGE, COR. SPADINA	G. A. HOLLAND.....	Manager.
163 KING ST. EAST.....	R. C. MCHARRIE.....	“
399 PARLIAMENT ST.....	V. E. HART.....	“
712 QUEEN ST. EAST .....	J. G. BOYCE.....	“
544 QUEEN ST. WEST.....	E. M. PLAYTER .....	“



## BANKERS AND CORRESPONDENTS.

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### GREAT BRITAIN—

The Bank of Scotland.

### INDIA, CHINA AND JAPAN—

Chartered Bank of India, Australia and China.

### AUSTRALIA AND NEW ZEALAND—

Union Bank of Australia, Limited.

### SOUTH AMERICA—

British Bank of South America, Limited.

London and Brazilian Bank, Limited.

### MEXICO—

Banco de Londres y Mexico.

### WEST INDIES—

Bank of Nova Scotia, Kingston, Jamaica.

Colonial Bank and Branches.

### BERMUDA—

Bank of Bermuda, Limited, Hamilton.

### SOUTH AFRICA—

Standard Bank of South Africa, Limited.

Bank of Africa, Limited.

### FRANCE—

Crédit Lyonnais, Paris.

Messrs. Lazard Frères & Cie, Paris.

### GERMANY—

Deutsche Bank.

### BELGIUM—

Messrs. J. Matthieu & Fils, Brussels.

### NEW YORK—

The American Exchange National Bank of New York.

### CHICAGO—

The American Exchange National Bank of Chicago.

### SAN FRANCISCO—

The Bank of British Columbia.

### BRITISH COLUMBIA—

The Bank of British Columbia.

### MARITIME PROVINCES—

The Bank of Nova Scotia.

# GENERAL STATEMENT

31ST MAY, 1897.

## LIABILITIES

Notes of the Bank in circulation.....	\$ 2,550,203 00
Deposits not bearing interest.....	\$ 3,026,385 74
Deposits bearing interest, including interest accrued to date .....	16,328,571 29
	19,354,957 03
Balances due to other Banks in Canada.....	16,071 23
Balances due to Agents in Great Britain.....	413,552 51
Dividends unpaid .....	1,347 92
Dividend No. 60, payable 1st June .....	210,000 00
Capital paid up.....	\$6,000,000 00
Rest.....	1,000,000 00
Balance of Profit and Loss Account carried forward .....	20,479 27
	7,020,479 27
	\$29,566,610 96

## ASSETS

Specie .....	\$ 495,394 14
Dominion Notes .....	829,653 25
	\$ 1,325,047 39
Deposit with Dominion Government for security of Note circulation.....	160,195 90
Notes of and Cheques on other Banks.....	736,167 45
Balances due by other Banks in Canada .....	99,321 30
Balances due by Agents of the Bank in the United States..	4,475,134 49
Balances due by Foreign Correspondents .....	52,830 63
Canadian Government Securities, Municipal and other Bonds .....	4,100,894 81
Call Loans on Stocks and Bonds .....	2,222,984 64
	\$13,172,576 61
Time Loans on Stocks and Bonds .....	696,137 00
Other Current Loans and Discounts.....	14,486,491 02
Overdue Debts (loss fully provided for) .....	192,903 66
Real Estate (other than Bank Premises) .....	46,808 66
Mortgages.....	127,063 86
Bank Premises and Furniture.....	756,071 46
Other Assets.....	88,558 69
	\$29,566,610 96
	\$29,566,610 96



# THE CANADIAN BANK OF COMMERCE

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## REPORT OF THE PROCEEDINGS

OF

## THE ANNUAL MEETING OF SHAREHOLDERS

TUESDAY, 15TH JUNE, 1897.

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The thirtieth Annual Meeting of the Shareholders of The Canadian Bank of Commerce was held in the banking-house on Tuesday, 15th June, 1897, at 12 o'clock. There were present:—Hon. Geo. A. Cox, Messrs. Robert Kilgour, James Crathern, Montreal; W. B. Hamilton, Matthew Leggat, Hamilton; J. W. Flavelle, John Nicol, John A. Bruce, Hamilton; George Robinson, Thomas Gilmour, A. B. Lawler, Hugh Ryan, W. E. H. Massey, Thomas Kirkland, M.A., Rev. Dr. Dewart, A. G. Ramsay, Hamilton; Z. A. Lash, Q.C., J. Kerr Osborne, Æmilus Jarvis, C. G. Harston, A. E. Ames, R. K. Connell, William Spry, A. H. Ireland, Henry Beatty, Philip Browne, W. R. Riddell, J. Lorne Campbell, W. J. Gage, Melfort Boulton, A. A. Logan, J. T. Eastwood, A. V. Delaporte, Henry Swan, Robert Somerville, Hon. A. M. Ross and others.

On motion, the President, Hon. Geo. A. Cox, was requested to take the chair, and Mr. J. H. Plummer, the Assistant General Manager, was appointed to act as Secretary.

It was moved by Mr. W. B. Hamilton, seconded by Mr. J. W. Flavelle, that Messrs. Philip Browne, J. Lorne Campbell and Melfort Boulton act as scrutineers.

The President called upon the Secretary to read the Annual Report of the Directors as follows:—

## REPORT.

The Directors beg to present to the Shareholders the thirtieth Annual Report, covering the year ending 31st May, 1897, together with the usual Statement of Assets and Liabilities:—

The balance at credit of Profit and Loss Account, brought forward from last year, is.....	\$ 18,248 96
The net profits for the year ending 31st May, after providing for all bad and doubtful debts, amounted to .....	445,730 31
	<u>\$463,979 27</u>

Which has been appropriated as follows:—

Dividends Nos. 59 and 60, at seven per cent. per annum .....	\$420,000 00
Transferred to Pension Fund.....	10,000 00
Subscription to India Famine Fund .....	1,500 00
Written off Bank Premises and Furniture .....	12,000 00
Balance carried forward.....	20,479 27
	<u>\$463,979 27</u>

The usual careful revaluation of the entire Assets of the Bank has been made, and all bad and doubtful debts have been amply provided for.

During the first half of the year there was a sensible improvement in the earnings of the Bank, but this fell away during the closing half, and at the moment we have an unusually large amount of money invested in loans and securities of a class which yield a very low rate of interest.

The various branches, agencies, and departments of the Bank have been inspected during the year. The sub-branches at Thorold and Waterford have been closed, and the business transferred to St. Catharines and Simcoe respectively.

The Directors have again pleasure in recording their appreciation of the efficiency and zeal with which their respective duties have been performed by the officers of the Bank.

GEO. A. COX,  
President.

The Report having been read the President said :—

PRESIDENT'S ADDRESS.

The Statements now before you exhibit quite forcibly the two most important features in the business of the Bank at the moment ; the rapid increase of resources which are immediately available and therefore of financial ease and strength, and the corresponding difficulty in making profits. You will see that our deposits have increased by \$1,100,000, although, as you may suppose, our policy has not been to increase our liabilities in this direction at a time when new loans at adequate rates cannot be made. In ordinary times this increase in deposits would have been accompanied by an increase in the loans to the Bank's discount customers, but this year we have a decrease in such loans of \$1,300,000 due to the liquidation which is going on throughout North America. Against these two items, aggregating \$2,400,000, we have increased the funds in the hands of our agents in the United States by \$1,600,000, and our holdings of bonds by \$800,000.

With over \$13,000,000 of resources practically immediately available against liabilities to the public of \$22,500,000, we are admittedly too strong from the point of view of earning power, but on the other hand we stand ready to avail ourselves of the first real improvement in business. It should also be borne in mind that although our bond investments do not directly yield a large return we are constantly buying and selling and the total profit makes this a satisfactory feature in our business.

A significant feature of the year is the interest which Great Britain is taking in Canada. This may be gathered from the columns of their daily papers which give prominent

attention to items concerning Canada, her resources, her development, and her sentiments in relation to Imperial interests. The action of the Government of Canada in granting a preferential tariff in favour of Great Britain has no doubt greatly stimulated this interest, and promises to materially widen the circle of those who will use their means in purchasing our securities and products. I make particular mention of this growing sympathy between Great Britain and Canada, because I believe it will have an important bearing upon the profitable disposal of the increased shipments of our produce which are going forward to Great Britain.

I am sure our people will view with peculiar satisfaction the great advantages to be derived from the establishment of the fast Atlantic steamship service. Improved transportation facilities and a reduction of the distance, must result in more closely uniting the business interests of the two countries.

The action of both the late and the present Government of Canada in taking a deep interest in the development of certain branches of agriculture has, doubtless, met with widespread approval. While, I think, all are agreed that it is not prudent for the Government to conduct business which properly should be performed by private capital, yet in a young country where it is difficult to secure a common interest among farmers in any new effort, it seems wise for the Government to undertake the responsibility of starting the more important of such new movements, in order to create that sense of confidence and security which will result in private capital being invested after the experimental stage is passed, thus leading to the establishment of permanent industries.

The establishment under Government patronage and aid of a system of cold storage warehouses throughout the country, and the provision for carrying perishable products both to the sea-board and across the Atlantic in properly refrigerated cars and chambers must be of great service to the community. I can see no reason why with these aids, particularly when

the fast Atlantic line is in operation, an immense volume of business, out of all proportion to anything now generally thought possible, should not be done between Canada and Great Britain in chilled beef, in pork and pork products, in dairy products, in fish and fruit, etc.

In this connection it will be interesting to note that from the little country of Denmark, less than one-fourth the size of Ontario, the exports of butter for 1896 amounted to 117,500,000 pounds, valued at 107,000,000 kroner, equal to \$28,686,000, and of bacon 143,100,000 pounds, valued at 42,000,000 kroner, equal to \$11,260,000. Practically the whole of these exports went to Great Britain.

Canadian producers, however, must remember that a permanent place in the British market for their products can only be secured by absolute fidelity to high standards of excellence. Neither fast Atlantic steamers nor refrigeration service will convert a poor article into a good one, nor should these facilities be made use of for the purpose of speculation, but as a means of landing perishable products of high excellence in perfect condition and in the shortest possible time so as to secure the best prices in a critical market.

There has been a greatly awakened interest in the development of Canada's mineral resources during the past year, particular attention having been directed to the provinces of Ontario and British Columbia, and evidence accumulates that the deposits of precious metals are of great extent and value. Whatever differences of opinion may have existed concerning the terms upon which railway facilities should be afforded to our mining districts, I am sure all will unite in a feeling of satisfaction that a definite policy has been decided upon, and that in the near future the benefits of cheap transportation will be assured.

For some years past the Government has been paying in its post-office and other savings banks, a higher rate of interest than it pays upon its bonds and inscribed stock, and a higher rate than that paid by the leading banks for the bulk of their

interest-bearing deposits. Such a course manifestly interferes with the free movement of the rate of interest downwards when the general tendency is in that direction, and it is a matter for congratulation that the present Government has promptly reduced the rate to three per cent.

The readjustment of our fiscal policy, with its preferential clause bringing us nearer to the mother country ; the settlement of the school question which has so long agitated the country ; the inauguration of a vigorous immigration policy ; the establishment of a fast Atlantic service ; the adoption of a system of cold storage ; the deepening of our canals ; the extension of the Intercolonial Railway to Montreal ; the construction of railways to our mining centres ; and the consequent employment of labour and expenditure of capital incident to the public improvements referred to, seem to afford at least substantial ground to look for improvement in our general condition.

I must not close without saying a word regarding that occasion, the thought of which is near to the heart of all of us just now, the celebration of the sixtieth year of the reign of Her Majesty the Queen. It is not only the occasion of the tribute of affection to a noble woman by the greatest empire the world has ever seen ; it is also the celebration of the progress of that empire. To those Canadians who recall the fact that in the first year of Her Majesty's reign we were fighting for the privilege of a Government responsible to the people, it must, regardless of political convictions, be a source of pride, that in the ceremonies connected with the Jubilee the representative of this country takes precedence of all other colonial representatives. We have always been the first to insist on the rights of self-government and perhaps largely because of this we now take our undisputed place as the most important of those countries which constitute the Greater Britain.

I have now pleasure in moving the adoption of the Report, which will be seconded by the Vice-President, but before submitting it for your approval I will ask the General Manager to address you.

The Vice-President briefly seconded the resolution, and the General Manager then spoke as follows :—

GENERAL MANAGER'S ADDRESS.

It is not easy in a few words to describe the condition of agriculture and trade in Canada during the past year, except that the general result has been unsatisfactory. Our farmers in Ontario have suffered so much during the past three years from meagre crops and low prices that their purchasing ability has, as we all know, seriously diminished, and with their customary caution even those who are able to buy have become very economical. On the one hand we see the desire to get out of debt, shown by the continued satisfactory payment of implement notes and maturing interest on mortgages, with some reduction of principal, and on the other a determination not to buy anything that can be avoided. Eventually this must produce good results to the country as a whole, but for the time being it means the steady restriction of the volume of trade. What with the farmers' inability to buy and the concentration of business in the departmental stores, it is not surprising that the country dealer has in many cases been obliterated.

We are passing through what is always hard to bear patiently—a period of readjustment, not essentially different from other recent periods of readjustment, but much more widespread and severe in its results. The general range of prices has fallen, a more economical scale of living is being forced upon almost everybody, profits in business have been cut down most seriously, and the volume of trade is not only much diminished, but enormously so when measured in money. Few can escape the effect of this, whether they be farmers, traders, manufacturers or bankers.

AGRICULTURAL INTERESTS IN ONTARIO.

Those who indulged, a year ago, as many of us did, the hope that a revival was not far off, are able now to understand why it has been delayed. The grain crops in Ontario

varied considerably. With a somewhat better price for wheat, no longer an important crop here, we had an unsatisfactory yield, while the satisfactory crops in coarse grains met about the worst market on record. In the dairy and cattle-feeding departments of farming, the present much improved conditions came too late in the year to more than mitigate an otherwise very bad situation. The one exception was enjoyed by those who were fortunate enough to have a good supply of properly fed hogs to sell.

Our business, however, is to address ourselves to the year which lies before us, and whether it be because we are always hopeful at this time of the year, or not, there seem to be many things working together for an improvement. The weather, it is true, has been cold and wet, but while this may not be good for some growing things, in this grazing and dairying province splendid pastures and the promise of a fine hay crop is one result, and this will outweigh any damage to grain crops, although there is no reason to apprehend very much damage at the moment. We are reasonably certain, therefore, to increase our product of cheese, butter and fat cattle, in view both of the abundant grass and the improved prices while the promise of fruit is almost as great as last year.

It will be remembered that in our great industry of cheese-making, we had to report an unfortunate condition as to prices last year, the first serious check we have ever experienced. We had shipped 165,382,000 pounds as against 147,039,000 pounds for the previous year, yet had received \$570,000 less in money. For the season 1896-7, the figures are reversed. The year began with very low prices, reaching indeed the lowest point since 1879. This naturally produced an increased consumption, and the season closed with very small stocks on hand, the price having correspondingly improved. During the year we shipped 162,844,000 pounds against 165,382,000 last year, but we received \$14,316,000 against \$14,114,000 last year, or \$202,000 more money for 2,538,000 pounds less cheese. But inasmuch as a heavy



stock of Canadian cheese was in the dealers' hands at the close of 1895-6, which appears in the returns as shipped in the season of 1896-7, while a very light stock existed at the close of 1896-7, it is estimated by some experts that the quantity made last season was 8,000,000 or 9,000,000 pounds less than in the previous year, the highest ever reached.

The market opened this year with active buying at old fashioned prices, and as we have said, considering the price and the condition of pasture, we may hope for a very satisfactory season.

The natural effect of low prices for beef, and bad hay crops, has been to create in North America a scarcity in fat cattle, and now that prices have advanced an active market has opened in the United States for both fat animals and those in condition to be put on grass. It is to be hoped that this will not have the effect of lessening the number to be fed in Canada this season. Cattle, as a rule, came through the winter in good condition and brought fair prices this spring, so that this industry—one of the most important in this province—may now be said to be again on a satisfactory footing. Following the collapse in the trade in horses, caused by the introduction of electricity as a carrying power, a trade is being slowly built up in a special breed of heavy draught horses suitable for Europe. The four-legged animal which has paid the farmer best, however, is the pig. In connection with the proposed free import of corn, much has been said about the quality of our hogs, as compared with those fed in the corn belt of the United States. Quite apart from the general merits of free corn, it is well to bear clearly in mind that we have built up a position for our bacon in Great Britain which places it in the first rank, and while this is largely due to good curing, the foundation is a well-fed pig. It has taken years to establish the reputation and obtain the extra price for bacon made from our pea-fed hogs, and this may be ruined in a few seasons by feeding hogs mainly, or to a greater degree than heretofore, on corn.

## LUMBER.

It is to such a degree a time of waiting in connection with the lumber business that it seems hardly safe to say much about it. Those who are able to make timber, deals and thin lumber for the British market are in these respects doing as well as ever. The cut of deals in the Ottawa district has been already sold at satisfactory prices, and although there is a larger quantity in this country than since the season 1889-90, this is owing to the high freight rates demanded last autumn, and is counterbalanced by correspondingly lower stocks in the yards in Great Britain. The lumber which comes from the remainder of the cut where deals are made, and the entire cut in districts where the pine is of inferior quality is in the main prepared for the United States market. That so long as vast quantities of Canadian logs are exported in order to supply Michigan mills with sawing, our lumber should also go free of duty into the United States, is a statement which would be accepted by any fair mind if tariffs were based upon the principle that trade relations to be lasting must have reciprocal advantages. But we are face to face with perhaps the most narrowly selfish attempt ever made by a nation to absorb all the advantages of trade with other nations and give nothing in return. If the duty on lumber is put at \$1, with no import duty on logs, we would doubtless impose no export duty, but if a prohibitory duty is to be imposed on lumber and pulp, while sawlogs and pulpwood are to be admitted free, this will practically stop all manufacture of lumber and pulp in the portions of Canada less favoured than others for the European trade, and it will remain for us to consider whether we are to submit to such an unfair action by the United States. In the meantime large stocks of lumber are held in Canada, and the cut of logs, whether intended for manufacture into lumber at home or in Michigan, is much curtailed. As we have said, we are waiting, both for a settlement of the tariff and a revival of trade with the United States.

## MANITOBA.

Manitoba has had a different experience from that of Eastern Canada. The grain crops were considerably smaller than the enormous yield of 1895, but the price for wheat was better. The cattle shipments were also smaller and the price unsatisfactory, but the results of the year, as a whole, were not bad. When we consider that about 25,000 farmers in that province have received over \$20,000,000 for their labour during the last two years, we need not wonder at the debt-paying and purchasing power they have exhibited at a time when the ability of others in this respect has been declining. Farmers are paying, both as to interest and principal, very satisfactorily, and payments generally are described as exceptionally good. The volume of trade is increasing, although the farmer buys now with very much greater discrimination than in the days when he could be got to buy almost anything for which he had only to give a note in exchange. The area under crop is from 10 to 20 per cent. greater than last year; a large cattle trade is expected; the weather has been most favourable; markets, whether temporary or permanent, are being opened up for flour throughout the Eastern and Southern parts of the world, quite largely in China and Australia, and altogether the business atmosphere in that province is cheerful.

## MINING.

Our interest in British Columbia is as yet indirect, the Bank having no establishments in the Pacific province, and having regard to the great wave of mining development and mining speculation which is passing over the country literally from the Atlantic to the Pacific, we are naturally more interested in our own province than elsewhere. That there is gold in many parts of Canada, including several districts in Ontario, is established beyond doubt. That much of it may be mined at a profit we believe to be quite true. Let us not, however, place our expectations unreasonably high. It is well to remember that if mining pays fair wages to those engaged in it, and a fair dividend on the capital employed,

that is all we have the right to expect. The world is full of men looking for only fair wages and of capital seeking only a fair dividend. It is also well to remember that mining is a business requiring large capital, and apt to absorb the first earnings as a further investment of capital before settling down to the payment of steady dividends. It also requires, like any other manufacturing venture, absolute knowledge of the business in all its details, if success is to be confidently relied on. But like other manufacturing ventures, if skill and capital are properly applied, the result will, in the majority of cases, justify the venture. We hope, however, it will not be taken amiss if we compare this kind of mining with much that is going on in Canada at present. Many of the ventures offered to the public do not seem to be backed up by skill in the particular business of mining and by adequate capital, and in such ventures hundreds of people are risking sums, not large in themselves, perhaps, but of great consequence to the owners who, in the majority of cases, we fear must lose. No one really interested in the great future which mining doubtless has in Canada, will, we think, dispute the wisdom of such a note of warning at the present time.

#### STATE OF TRADE.

Since 1890 we have experienced, in common with other countries various phases of financial unrest and business depression, and we are not yet completely assured of an immediate return of general industrial growth and prosperity. In Great Britain, from which came the first note of the evil days, prosperity has returned, aided no doubt by great public expenditure in naval and other works, but still it has returned. The effect of a revival in Great Britain generally reaches the United States first, and these two countries being our chief customers, then extends itself to Canada. Perhaps it is not taking too sanguine a view to believe that the very considerable advance in the price of food-stuffs is the premonitory symptom of a revival here. But while we may hope that better prices for our products and more liberal treatment by



PRINCE ALBERT, SASK.



us of imports from Great Britain, may give the needed impetus to trade in that direction, we can see little ground for hope in the direction of the United States.

Whether merchants, manufacturers and other traders and producers will be able to thrive when the tariffs of both countries are settled or not, there can be little industrial activity and practically no new enterprise until the new conditions are known. That the present Government of Canada desire to extend our trade with the United States and are willing to make some sacrifices to that end, there is no doubt, and it is equally true that many intelligent men in the United States have the same desire. One of these intelligent men asks in an ably written pamphlet, "How are we to treat Canada—as an enemy or a friend?" He shows clearly that we buy more from the United States than the purchases of all of the South American republics, to whom so much attention has been paid, and he demonstrates the wisdom of treating us as a friend. Tariff legislation is not settled in the United States as yet, but from present appearances we are to be treated as an enemy. The first principle of trade is very simple. The farmer will buy from the merchant who will take his products in exchange on the fairest terms. Some of the goods we buy from the United States cannot perhaps be bought elsewhere. Some of the goods we have to sell cannot perhaps be sold elsewhere, but it is well for the people of the United States to consider whether they will drive us to both buy and sell elsewhere every dollar's worth that we find it possible to do. When tariff legislation is settled our Southern friends must immediately address themselves to their currency problem. The reforms to be effective must be radical. The tariff measure in its present shape represents a series of compromises made with the representatives of various sections and interests. That these sections in the Senate will be quite as active when the currency measures come to be discussed there is little doubt, and we can but await with anxiety the result of an effort at great national reform surrounded by such narrow and selfish influences.

Our experience in selling our products to Great Britain and the United States has, of late years, brought out a few points which we should study carefully. In Great Britain we have only to demonstrate the quality of our goods in order to obtain a permanent market at the world's price, which as a rule she makes. Individuals there who are competitors in the same goods may dislike to be opposed, but the nation, as a whole, has learned the broad view that it is good to trade, that is, to buy where you sell. We do not find that we offend when we take high-class goods to that market which we are willing to sell at the world's price. If anything we confer a favour. I have already referred to the narrower view which influences adversely trade with the United States. There it is expected that we will buy finished products, but sell none in that condition.

We have, by the recent action of our Government, given Great Britain an opportunity to sell us as much as she can of the kinds of finished product hitherto bought from the United States, and our interest is to sell her as much of our product as possible. We must not, however, blind ourselves to the fact that this is not an easy kind of readjustment to make. Great Britain and the United States are not, to any great extent, competitors for either our export or import trade. Our trade with both countries is in products which, in the majority of cases, are more naturally dealt in with one of these countries than the other. Leaving Great Britain, then, to supplant the United States in selling her products here as much as as she is able, how are we to do our part ?

If we are turning out certain products which are only suitable for the United States, but which by tariff laws are practically excluded from that market, we must clearly stop producing such articles. We are apt, however, to conclude that we cannot make a market in Great Britain for many articles, when in reality we have not made a genuine effort. We have discovered by the manner in which our tariff proposals have been received, that Great Britain is not entirely



without sentiment in trade. She will not pay more for our goods than they are worth, but she will give to her colonies the preference, all other things being equal. This is all we can ask. Unfortunately, however, in Great Britain there are many who do not distinguish very clearly between Canada and the United States. Their close connection with Australia, India and the Cape, is daily present in their minds, but their kinship to Canada is something to which they seem to be only now awakening. We should study the British market with reference to our raw material, and make goods suitable to British tastes, and make them as well as it is possible. We should see that they are sold as *Canadian* goods, not as *English* goods, or, vaguely, as *American* goods. We should in every legitimate manner advertise our country, and increase the knowledge of our importance to the British Empire. A persistent and well-directed energy of this kind, with better crops and prices, and the gradual lifting of the general cloud of business depression, will bring Canada back without doubt to another period of national prosperity.

The motion for the adoption of the Report was then put and carried.

Moved by Mr. A. G. Ramsay, that the thanks of the meeting are due and are hereby tendered to the President, Vice-President and other Directors for their careful attention to the interests of the Bank during the past year.

In moving the resolution Mr. Ramsay said:—Being myself engaged largely in the investing of money in this country, I think I may call the attention of the meeting to the difficulties which the officers of an institution like this must experience in investing the enormous amount of funds which passes through their hands. That they have done it with success I think the Report fully demonstrates, and I am sure they must have devoted a great amount of care, energy and skill in the management of the Bank's affairs to have produced such results. These, I think, fully warrant the thanks of this meeting. I have very great pleasure in moving this vote of thanks.

The resolution was seconded by Mr. Hugh Ryan and carried unanimously.

The President:—On behalf of my colleagues on the Board, and on my own behalf, I can assure the mover and seconder of the resolution, and the meeting, that this vote of thanks is duly appreciated.

Moved by Mr. W. E. H. Massey, that the thanks of the meeting be tendered to the General Manager, Assistant General Manager and other officers of the Bank, for the satisfactory discharge of their respective duties during the past year.

Mr. Massey.—I have very great pleasure in moving this resolution not only as a Shareholder of the Bank, but also as a customer. As large customers we have reason to know how well the Bank's interests are guarded. I feel that as Canadians we have reason to be proud of the management of our banks generally. During the business depression in the United States many banks there suffered severe loss, and it seems to me that we can congratulate ourselves that our financial institutions have been well cared for, and that we have escaped the financial depression, or at least have not suffered from it to the same extent as other countries. I feel particularly that this Bank has been well managed, and have great pleasure in moving this resolution.

Mr. John A. Bruce, of Hamilton, seconded the resolution, which was carried.

The General Manager.—Mr. Massey, Mr. Bruce and gentlemen, I can assure you that although there is a certain amount of formality about this resolution, which comes up every year, it is nevertheless much appreciated. So far as the staff is concerned, these are years when our Shareholders should, I think, particularly remember what is due them, because they exercise, perhaps, even more zeal than usual, and with a less prospect of reward both in the matter of increases in salary, and in the much more important matter of a betterment of position. While the business of the country is restricted banks do not offer the same chances for

advancement as in other years, and therefore it is particularly desirable that the Shareholders should not overlook the staff at this time. For the General Management I have merely to say that the last year has been perhaps the hardest—certainly as hard as any—which we have had to face since the troubles of 1893. We have had no doubts as to the policy we should pursue, but it has nevertheless required courage to carry it out. When banks can lend their money readily it is not hard to exercise discrimination in selecting new accounts. It is not difficult to demand the best if you have plenty of openings for your money, nor is it difficult to drive out undesirable business, if the money withdrawn from it can at once be used in acquiring good business, but we have had to face entirely different conditions, where we have nevertheless tried, and I think, successfully, to stand firmly by approved principles, in retaining good business, in reducing business which did not come up to our standard, and in forcing out business which might ultimately cause a loss to the Bank—the last, I think, without doing injustice to any deserving customer. We have pursued this policy at a time when it meant taking our money from an investment where it earned six or seven per cent., not knowing where we could re-lend it, and at best putting it in investments at a very low rate. These conditions, if they continue, must affect our earnings, but we believe that we have followed and are following the wisest course. We cannot create good business, and we owe it to our Shareholders to get rid of that which is bad.

Mr. Plummer also briefly replied.

Moved by Mr. James Crathern, seconded by Mr. Matthew Leggat, and carried, that the meeting do now proceed to elect Directors for the coming year, and that for this purpose the ballot-box be opened and remain open until three o'clock this day, the poll to be closed, however, whenever five minutes shall have elapsed without a vote being tendered; the result of the election to be reported by the scrutineers to the General Manager.

The meeting then adjourned.

The scrutineers subsequently reported the following gentlemen to be elected Directors for the ensuing year:—  
Hon. Geo. A. Cox, Messrs. James Crathern, William B. Hamilton, John Hoskin, Q.C., LL.D., Robert Kilgour, Matthew Leggat and Joseph W. Flavelle.

At a meeting of the newly elected Board of Directors held subsequently, Hon. George A. Cox was re-elected President, and Robert Kilgour, Esq., Vice-President.