

THE CANADIAN BANK OF COMMERCE

WITH WHICH IS AMALGAMATED
THE BANK OF BRITISH COLUMBIA

HEAD OFFICE - TORONTO, ONTARIO

CAPITAL PAID-UP	- - - -	\$8,000,000
REST	- - - - -	\$2,000,000

DIRECTORS:

HON. GEO. A. COX, - - - - PRESIDENT.
ROBERT KILGOUR, ESQ., - - - VICE-PRESIDENT.
JAMES CRATHERN, ESQ. MATTHEW LEGGAT, ESQ.
WM. B. HAMILTON, ESQ. JOHN HOSKIN, ESQ., K.C., LL.D.
JOSEPH W. FLAVELLE, ESQ. A. KINGMAN, ESQ.
HON. L. MELVIN JONES. FREDERIC NICHOLLS, ESQ.

LONDON BOARD:

WILLIAM C. WARD, ESQ., - Chairman.
HENRY J. GARDINER, ESQ. T. G. GILLESPIE, ESQ.
GUY OSWALD SMITH, ESQ.

B. E. WALKER, General Manager.
J. H. PLUMMER, Asst. General Manager.
A. H. IRELAND, Chief Inspector and Superintendent of Branches.
H. H. MORRIS, Inspector.
V. C. BROWN, Asst. Inspector.

BRANCHES AND AGENCIES

BRITISH COLUMBIA AND YUKON—

ATLIN.....	J. S. MUNRO.....	Manager.
CRANBROOK.....	H. HAINES.....	“
DAWSON.....	H. T. WILLS.....	“
FERNIE.....	JOHN KAY.....	“
GREENWOOD.....	H. F. MYTTON.....	“
KAMLOOPS.....	W. H. PEGRAM.....	“
NANAIMO.....	G. WILLIAMS.....	“
NELSON.....	G. V. HOLT.....	“
NEW WESTMINSTER.....	G. E. PARKES.....	“
SANDON.....	T. B. MAY.....	“
VANCOUVER.....	WM. MURRAY.....	“
VICTORIA.....	GEO. GILLESPIE.....	“
WHITE HORSE.....	C. J. K. NOURSE.....	“

MANITOBA—

WINNIPEG.....	JOHN AIRD.....	Manager.
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ONTARIO AND QUEBEC—

AYR.....	A. G. VERCHÈRE.....	Manager.
BARRIE.....	H. J. GRASSET.....	“
BELLEVILLE.....	C. M. STORK.....	“
BERLIN.....	E. P. GOWER.....	“
BLENHEIM.....	J. L. HUBBELL.....	“
BRANTFORD.....	JEFFERY HALE.....	“
CAYUGA.....	W. C. T. MORSON.....	“
CHATHAM.....	J. E. THOMAS.....	“
COLLINGWOOD.....	JAS. BRYDON.....	“
DRESDEN.....	R. T. MUSSEN.....	“
DUNDAS.....	J. L. BARNUM.....	“
DUNNVILLE.....	R. G. W. CONOLLY.....	“
FORT FRANCES.....	J. A. SMITH.....	“
GALT.....	D. H. CHARLES.....	“
GODERICH.....	R. S. WILLIAMS.....	“
GUELPH.....	J. M. DUFF.....	“
HAMILTON.....	D. B. DEWAR.....	“
LONDON.....	G. de C. O'GRADY.....	“
MONTREAL.....	{ F. H. MATHEWSON.....	“
	{ W. C. J. KING.....	Asst. Mgr.

BRANCHES AND AGENCIES—Continued.

ORANGEVILLE	G. A. HOLLAND.....	Manager.
OTTAWA	ROBERT GILL.....	"
PARIS.....	R. C. MACPHERSON.....	"
PARKHILL	G. M. WEDD.....	"
PETERBORO		"
PORT PERRY	G. M. GIBBS	"
ST. CATHARINES.....	F. O. CROSS.....	"
SARNIA	A. D. MCLEAN.....	"
SAULT STE. MARIE.....	D. MCGREGOR	"
SEAFORTH	F. C. G. MINTY.....	"
SIMCOE.....	E. COWDRY	"
STRATFORD	W. MAYNARD.....	"
STRATHROY.....	L. H. DAMPIER	"
TORONTO (Chief Office) ..	{ JOHN C. KEMP.....	"
	{ M. MORRIS.....	Asst. Mgr.
268 COLLEGE, COR. SPADINA	W. MANSON.....	Manager.
163 KING ST. EAST.....	H. W. FITTON	"
399 PARLIAMENT ST.....	V. E. HART.....	"
712 QUEEN ST. EAST.....	J. G. BOYCE.....	"
QUEEN W., COR. BATHURST.E.	M. PLAYTER	"
450 YONGE, COR. COLLEGE.T.	S. HARRISON.....	"
796-798 YONGE, COR. BLOOR.	R. J. MONTGOMERY....	"
TORONTO JUNCTION	R. C. JENNINGS.....	"
WALKERTON	D. MACGILLIVRAY.....	"
WALKERVILLE.....	J. L. HARCOURT.....	"
WATERLOO.....	A. W. ROBARTS.....	"
WINDSOR.....	J. L. HARCOURT.....	"
WOODSTOCK	G. W. MCKEE.....	"

UNITED STATES—

NEW YORK	{ ALEX. LAIRD.....	} Agents.
	{ WM. GRAY.....	
PORTLAND, ORE.....	E. A. WYLD.....	Manager.
SAN FRANCISCO	W. POWELL.....	"
SEATTLE.....	D. A. CAMERON.....	"
SKAGWAY, ALASKA	H. M. LAY.....	Agent.

GREAT BRITAIN—

LONDON, 60 Lombard Street, E.C.
S. CAMERON ALEXANDER, Manager.

BANKERS AND CHIEF CORRESPONDENTS.

GREAT BRITAIN—

The Bank of Scotland.
Lloyds Bank, Limited.
Messrs. Smith, Payne & Smiths, London.

FRANCE—

Crédit Lyonnais, Paris.
Messrs. Lazard Frères & Cie, Paris.

GERMANY—

Deutsche Bank.

HOLLAND—

Disconto Maatschappij, Rotterdam.

BELGIUM—

Messrs. J. Matthieu & Fils, Brussels.

INDIA, CHINA AND JAPAN—

Chartered Bank of India, Australia and China.
Hong Kong and Shanghai Banking Corporation.

SOUTH AFRICA—

Standard Bank of South Africa, Limited.
Bank of Africa, Limited.

AUSTRALIA AND NEW ZEALAND—

Union Bank of Australia, Limited.
Bank of Australasia.

HAWAIIAN ISLANDS—

First National Bank of Hawaii.
Bishop & Co., Honolulu.

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.

GENERAL STATEMENT

30TH NOVEMBER, 1901.

LIABILITIES

Notes of the Bank in circulation.....	\$ 7,266,266 00
Deposits not bearing interest.....	\$14,974,600 45
Deposits bearing interest, including interest accrued to date	36,704,765 50
	51,679,365 95
Balances due to other Banks in Canada.....	240,567 54
Balances due to other Banks in foreign countries.....	166,770 63
Balances due to Agents in Great Britain.....	730,458 34
Dividends unpaid	1,906 87
Dividend No. 69, payable 2nd December.....	280,000 00
Capital paid up.....	\$8,000,000 00
Rest.....	2,000,000 00
Balance of Profit and Loss Account carried forward	251,047 84
	10,251,047 84
	\$70,616,383 17

ASSETS

Coin and Bullion	\$1,350,579 07
Dominion Notes	1,649,395 50
	\$ 2,999,974 57
Deposit with Dominion Government for security of Note circulation.....	300,000 00
Notes of and Cheques on other Banks.....	2,252,245 53
Balances due by other Banks in Canada	227,846 03
Balances due by Agents of the Bank and other Banks in foreign countries.....	1,952,398 82
Government Bonds, Municipal and other Securities	9,401,700 85
Call and Short Loans on Stocks and Bonds.....	8,691,429 93
	\$25,825,595 73
Other Current Loans and Discounts.....	43,081,354 84
Overdue Debts (loss fully provided for)	269,843 24
Real Estate (other than Bank Premises)	174,879 06
Mortgages.....	178,032 64
Bank Premises.....	1,000,000 00
Other Assets.....	86,677 66
	\$70,616,383 17
	\$70,616,383 17

B. E. WALKER,
General Manager.

THE CANADIAN BANK OF COMMERCE

WITH WHICH IS AMALGAMATED

THE BANK OF BRITISH COLUMBIA.

REPORT OF THE PROCEEDINGS

OF

THE ANNUAL MEETING OF SHAREHOLDERS

TUESDAY, 14TH JANUARY, 1902.

The thirty-fifth Annual Meeting of the Shareholders of The Canadian Bank of Commerce was held in the banking-house on Tuesday, 14th January, 1902, at 12 o'clock.

Among those present were:—Wm. Cook, Carrville; Jno. H. Taylor, Hon. Geo. A. Cox, Miss H. M. Robinson, Henry Beatty, James Hedley, John C. G. Curry, Robert Kilgour, C. S. Gzowski, E. Martin, K.C., Hamilton; Hon. L. M. Jones, W. B. Hamilton, Thomas Gilmour, Brockville; Rev. Dr. Dewart, W. Glenney, Oshawa; John L. Blaikie, Æmilius Jarvis, M. Leggat, Hamilton; Edward Gurney, John Nicol, S. McCallum, James Crathern, Montreal; John Hoskin, K.C., LL.D., J. W. Flavelle, A. Kingman, Montreal; William MacKenzie, F. Plumb, H. M. Ferguson, Rev. Dr. Warden, Alex. Buntin, A. V. Delaporte, David Smith, F. Nicholls, William Garside, John Firstbrook, William Dineen, R. C. Carlyle, W. F. Findlay, Hamilton; H. D. Warren, Thomas Walmsley, H. H. Fudger, J. Lorne Campbell, Melfort Boulton, W. K. McNaught, William McCabe, Colonel Mason, H. P. Dwight, H. B. Walker, George N. Morang, A. E. Ames, John Taylor, A. E. Webb, Samuel May, Alex. Laird, New York.

The President, Hon. George A. Cox, having taken the chair, Mr. J. H. Plummer, the Assistant General Manager, was appointed to act as Secretary, and Messrs. Æmilius Jarvis, J. Lorne Campbell, and Melfort Boulton were appointed 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 thirty-fifth Annual Report, covering the half year ending 30th November, 1901, together with the usual Statement of Assets and Liabilities :—

The balance at credit of Profit and Loss Account brought forward from last year, was	\$117,876 03
The net profits of the half year ending 30th November, after providing for all bad and doubtful debts, amounted to	477,595 32
	<u>\$595,471 35</u>

Which has been appropriated as follows :—

Dividend No. 69 at seven per cent. per annum	\$280,000 00
Transferred to Pension Fund	7,500 00
Expenditure on Bank Premises charged to Profit and Loss Account	56,923 51
Balance carried forward	251,047 84
	<u>\$595,471 35</u>

The entire assets of the Bank have been again subjected to the usual careful re-valuation, and all bad and doubtful debts have been amply provided for.

The Shareholders are asked to bear in mind that the foregoing statement of profits is for the period of *six months only*, the Shareholders having at their last meeting consented to a

change in the date of the Annual Meeting, which necessitates closing the books of the Bank on the 30th November in each year.

The profits of the Bank have continued to be as satisfactory as during the preceding two years. After payment of the dividend and of an expenditure of \$56,923.51 on new bank premises, we have added to the balance carried forward \$133,171.81. In view of the fact that we are not dealing with the whole year, the Directors have thought it well to leave the accumulated profits in the balance carried forward instead of transferring them to the Rest Account.

The Directors record with deep regret the death of their late colleague, Mr. Walter E. H. Massey, who joined the Board as late as June, 1900. The number of Directors as at present authorized by the Shareholders is nine. The maximum permitted by the Bank Act is ten. The Directors intend to ask the Shareholders at this meeting to increase the number to ten.

The inspection of the various branches, agencies, and departments of the Bank has been proceeded with, and will be completed within the usual twelve months.

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

GEO. A. COX,

President.

Toronto, December 13th, 1901.

In moving the adoption of the Report, the President said:—

PRESIDENT'S ADDRESS.

Before discussing the Report of the Directors which has just been laid before you, will you permit me to express my very great regret at not having been present at the last Annual Meeting? My absence, as the Vice-President explained, was unavoidable, and you can readily understand my disappointment at not taking part on an occasion of such

unusual importance. At that time the results of the step we had taken in amalgamating the Bank of British Columbia were explained, and I am sure you all felt that our course had been amply justified. In addition, however, to that large and exceptional transaction we had to report a year of prosperity and handsome earnings.

Owing to the change in the date of the Annual Meeting, we have now only a period of six months to account for; but you will be glad to see by the Statement in your hands that our growth and prosperity have continued, as the profits of \$477,595 for the six months amply demonstrate.

We are still spending a good deal of money on bank premises. During the year we have built a City branch office at the corner of Queen and Bathurst Streets, Toronto, and also a new office in Dawson, our original office in the Government quarter being unsuitable for the present character of mercantile business there. The expenditures for one of these offices were not completed at the date of closing the books, and part of the cost will fall on next year; but you will see that the sum of \$56,923 has been taken from the profits in connection with these buildings, the Bank Premises Account remaining at \$1,000,000. After this and all other deductions the sum of \$133,171 remains as the surplus profits of the six months, which added to the sum carried over from last year, namely, \$117,876, makes a total of \$251,047 in undivided profits. As the period we have to deal with is so short it seems undesirable to make an addition to the Rest Account at this time. *These are very satisfactory figures, and I hope they will be so regarded by the Shareholders.*

Our deposits keep up the steady growth of recent years: at May 31st they were \$48,004,599, at November 30th they were \$51,679,365, showing a growth in six months of \$3,674,766. Our note circulation has largely increased, but a comparison between the 30th November and 31st May is not instructive. At the latter date our circulation was \$5,446,773; on 30th November it was \$7,266,266, an increase of \$1,819,-

493. But, as you know, this is the time of year when the circulation is large, and the figures just shown are, therefore, misleading. Our circulation this autumn, however, reached a maximum of \$7,741,000, and this is \$941,810 higher than the maximum joint circulation of The Canadian Bank of Commerce and the Bank of British Columbia during the previous year.

We regret to have to report to the Shareholders the death of the youngest and most lately appointed Director, Mr. Walter E. H. Massey, in whose untimely and lamented death the Bank has lost an able and valued counsellor, his colleagues a warm and trusted friend, and the community an enterprising and honoured citizen.

At present the By-law of the Bank dealing with the number of the Board permits nine Directors. We shall ask the Shareholders to amend this By-law and make the number ten, the maximum permitted by the Bank Act. All the present Directors are, of course, eligible for re-election, and this will leave two additional directorships to be filled by you.

The remarkable growth of the Bank, to which I have already referred, has very largely increased the labour and responsibilities, especially of the General Manager and Assistant General Manager, and I cannot close my remarks without giving expression to my warmest appreciation of the untiring zeal and marked ability with which not only these gentlemen but the other officials and general staff of the Bank, both at the Head Office and its branches, have discharged their duties, and in doing this I am sure I voice the opinion of every one of my colleagues upon the Board, as well as every Shareholder of the Bank. The increasing responsibilities devolving upon the Executive officers will be more clearly realized when I remind you that at the close of 1887 (the year in which the present General Manager entered upon his duties) our total assets were less than \$20,000,000, while at the present time they are over \$70,000,000. Our deposits have grown during the same period from less than

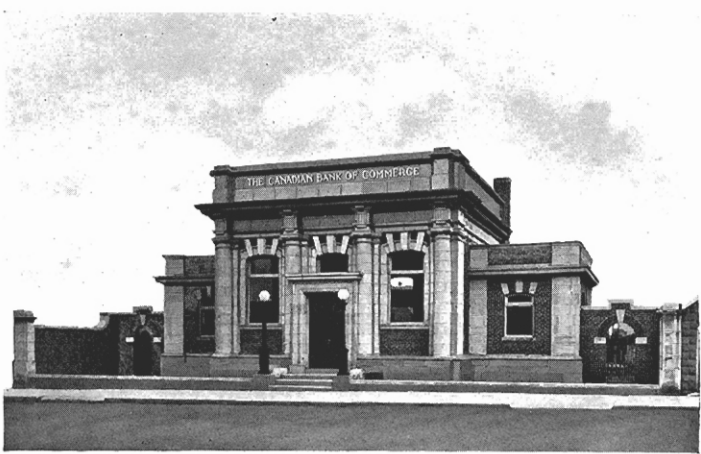
\$10,000,000 to over \$51,000,000 ; and our circulation from less than \$2,500,000 to over \$7,000,000. Our total number of branches in 1887 was 33, while they now number 67 ; and with the exception of Montreal and New York, all of the former were located in the Province of Ontario, whereas at present, as you all know, we have branches in British Columbia, California, Washington Territory and Oregon on the Pacific Coast, the Yukon Territory in the north, and London, England, in the east ; all of which entails much additional labour and responsibility upon our Executive officers, and to them we are much indebted for their constant care and attention to the interests of the Bank.

The General Manager spoke as follows :—

GENERAL MANAGER'S ADDRESS.

We are so used to measuring the results of one year by another that it seems difficult to adjust our mind to the shorter period with which, on this particular occasion, we have to deal. We hope that hereafter the date fixed for the meeting of the Shareholders will prove a more natural time for our annual revision of business events than that in use heretofore, but for the time being we have upset our scale of comparison in some things, although not in all.

If, however, without further comment, we were to say that the past six months have witnessed a very satisfactory extension of the prosperity of the previous year, we might, perhaps, be regarded as having sufficiently covered the situation. Indeed, what is most generally noticeable is that, throughout Canada and the United States, whatever may be in store for us in the comparatively near future, there is little sign as yet of a check in our prosperity. It is not as if there were no eddies in the current of business affairs. Local checks of a quite serious nature are frequently occurring in one part or other of North America, but they do not so easily as in the past affect the general result. The wheat crop may fail as it did a year ago in Manitoba ; the corn crop in the United States may shrink as it has this year to the enormous



TORONTO, ONT.
Parkdale Branch

extent of six or seven hundred million bushels, and the oat crop may shrink one hundred and fifty million bushels; there may be incipient panics in Wall Street, which only very strong men are able to quell; there may be collapses of even gigantic speculations; entire mining areas may disappoint the most confident expectations; particular kinds of trading and of manufacturing may experience reverses, and so on; but the total result of the energies of the people shows a distinct progress. This happy state of affairs will some day be altered. We are glad to notice, however, that there is a much less speculative spirit in many communities, and more care is being exercised in making investments. In view of our good crops and the great volume of goods being sold, this is perhaps what is mainly necessary at the moment.

ONTARIO.

In our own Province of Ontario we have had a marked example of uneven conditions, resulting in an excellent total outcome. Our cereal crops in many parts of Ontario were very disappointing in yield; the hay and grass in some parts unsatisfactory, in others quite good; the combined output of cheese and butter and the results in money less than usual; the fruit crops partially a failure. On the other hand, what with excellent results from cattle, hogs and horses, and high prices for almost all other farm products, our farmers found themselves at the end of the year unusually well off. This state of affairs is naturally reflected in the payment of debts of all kinds and in an increased expenditure for new purchases. In the manufacturing towns we have a continuation of the activity and struggle to keep up with orders in almost every class of goods except certain lines which have been unfavourably affected by tariff changes.

In North Western Ontario and in lake towns with which the trade of that district is naturally connected, there is unusual activity, and several enterprises in which many millions of capital have been invested are being brought to the point of production. These industries will mean, among

other things, the manufacture on our upper lakes on a large scale of iron and steel, including steel rails, the working of iron mines, the refining of nickel, ship building, etc., accompanied by important railroad building opening up new areas. Although the extent of lumbering operations in Eastern Ontario is apparently decreasing, the increase in North Western Ontario is so great that the Crown dues paid this year are the largest in the history of the Province. Labour is very hard to obtain in many localities, there are fewer vacant dwellings than for many years, and, taken as a whole, this wealthy Province was never from a material point of view in a better position. In the cities there is less disposition towards speculation and less readiness to tie up money in new ventures of any kind, but in connection with agriculture there is an epidemic of proposed beet-root sugar, and of actual binder-twine factories, which unless checked in number, and the various enterprises administered with sufficient technical skill, may result in grave disappointment to some of the shareholders. That we have a good Province in which to make beet-root sugar few doubt, but like all new manufacturing businesses, especially where the processes are difficult, it will be best to move cautiously.

MANITOBA AND NORTH-WEST TERRITORIES.

The prosperity of Manitoba and the North-West Territories is so patent to all that we may only weary you by repeating well-known evidences of it. And yet we feel that the significance of the fact that in this part of Canada the largest crop in its history of all kinds of grain and other products of the ground has been grown and successfully harvested, and has been or is being sold at such good prices that the money yield to that still quite small body of farmers amounts to about \$50,000,000, is not fully appreciated even by the majority of intelligent Canadians. The area devoted to wheat, oats and barley was about 2,900,000 acres, and this produced about 85,000,000 bushels, of which about 50,000,000 bushels was wheat. This is a gain in area since the large

crop of 1899 of 500,000 acres, and in quantity of nearly 30,000,000 bushels. Of this gain, nearly 22,000,000 bushels is in wheat, the average yield per acre being 25.1 bushels this season as compared with 17.13 in 1899.

In hay and root crops, and in dairy products, there has also been a great gain in Manitoba. In the export of cattle there is a falling off, the conditions in the Territories being apparently less favourable than usual. With all this prosperity there are a few things on the other side. When the wet weather came in September fears were entertained of a very large loss in the value of the wheat, owing to its usual unprotected state in that country after cutting, and although the result was only to lower a point or so the grade of the wheat thus exposed, the farmers are none the less to blame. We are sometimes told that the cost of better protection to the grain would be as great as the occasional loss in grade from the lack of it, but even if this be true, it seems a very bad point of view for the Province as a whole. If nothing was saved over the cost of the labour for better protection, the Province would nevertheless gain by the money thus spent to obtain such protection.

And this leads us naturally to the fact made uncomfortably plain when this great crop had to be harvested, that there are not enough permanent farm labourers in the North-West, and not enough farm machinery. It is, of course, very natural for each farmer seeing the great future of the country, to secure more land than he can perhaps make the best use of, but although the remedy is not easily seen, it will do no good to disguise the fact that the results of farming, splendid as they are, will be much better when these and other conditions are improved. And while we may expect the farmers to do more for the North-West, it is well to consider the duty of the main body of the people of Canada to that section. It is now growing satisfactorily in population, the land sales exceeding anything ever before known, but as the area under cultivation grows, more and better transportation facilities

become necessary. The wheat alone held over this season is estimated at 30,000,000 bushels, so that to whatever extent we can improve the lake and rail facilities, with a view to a larger proportion of shipments in the autumn and winter, we shall have effected good in the right direction.

The mail service is almost as important as ordinary transportation, and there is much to be done in this respect throughout all Western Canada. In saying this, we must not be understood as complaining. We merely wish to draw attention to the fact that the people should be prepared to support the Government in a liberal expenditure of money for the purpose of meeting the ever recurring demand for new or more adequate mail services.

Manitoba will hereafter have two great railroad systems coming to the head of Lake Superior, and with better lake facilities and the enlargement of her boundaries so that many settlers now under territorial government may feel that they are part of a great Province, she is destined to go on steadily increasing in wealth and in usefulness to the food-consuming world.

In our prairie and foot-hills we have a vast stretch of country with numerous large and widely separated districts, having in all a most varied range of excellent agricultural land, awaiting the farmers and farm labourers of other countries who wish to own the land they work, and promising returns for earnest effort such as can be found in few parts of the world. No more convincing evidence of the value of the country can be offered to the halting European emigrant than the incoming of farmers in large numbers from the Western United States. The men who put the future of Manitoba beyond a doubt were from Eastern Canada. Used to farming new lands they soon found the country's advantages, and made little trouble about discomforts which were temporary. That the farmer in the United States wanting cheap land should be the next to see the great opportunity is but natural. All of the other nationalities who have settled in this part of

our country have done well, and doubtless the tide of emigration from many parts of Europe will now flow in that direction.

BRITISH COLUMBIA.

Notwithstanding the unsatisfactory state of some kinds of mining and the effect of this on other trades, the general outcome of the year to British Columbia has been good. The catch of salmon, as expected, was very large, and although prices are disappointing, the result as a whole has been the distribution of money for labour on a greatly increased scale, the liquidation of many debts and the addition of much wealth to the Province. There seems to be no reason why, if this industry is carried on by men with adequate capital and experience, it should not be a great source of wealth for all time to come, and for this reason its importance can scarcely be over-estimated. It has, perhaps, been too easy in the past to borrow money for salmon canning, but lenders are beginning to recognize that, as in other trades, success comes in proportion to the results of a precise knowledge of the conditions which surround the business. Labour is one of the great elements in salmon canning, and it is to be hoped that if the Government or individual politicians interfere, it will be with a view to protecting an industry which, because of the shortness of the season, is peculiarly at the mercy of the striker. The lumber industry is prosperous where the prairie and other markets to the east can be reached, unprofitable in most of the mining districts, and unsatisfactory in the foreign trade. It has, in our opinion, nevertheless a great future. It may have to await a further depletion of eastern forests, but in any event the growth of the Pacific Coast Provinces and of the Asiatic trade will assure its ultimate success as a leading industry. The growth of coal mining and coke making is quite satisfactory, and already the pay-rolls of the Nanaimo and Crow's Nest collieries are foundation-stones in the industrial structure of British Columbia, although but the promise of what they may reasonably

hope to be in the near future. In other branches of mining there is little of a satisfactory nature to be said. We must, however, distinguish clearly between mining ventures which have failed because the necessary ore does not exist and other enterprises where lack of present success is due to conditions which are not likely to be permanent. There is no doubt that but for repeated labour troubles, high freight and smelter charges, the low prices of silver and lead, and the recent fall in copper, the mining industries of British Columbia would be in a *flourishing condition instead of the reverse*. The market prices must, of course, take their natural way, but is it not to be deplored that an industry in which success is in any event difficult, should be hampered by legislation regarding labour, which can only result in destroying the power to employ labour? We can but hope that the legislators of British Columbia will gradually learn how unwise it is to kill the goose that lays the golden egg. In the coast cities and towns collections have been good, building operations are on an increasing but healthy scale, and while there have been some failures, they are related to an unsound state of trade and credit which is gradually passing away.

YUKON TERRITORY.

In the Yukon Territory there has been a continuance of prosperity. It is still difficult to estimate the actual annual product of gold in this district, but owing to trouble with labour, lack of water, etc., the output for the past season is less than that for 1900, although considerably more than for 1899. Statements from Dawson show that permits to ship were obtained for upwards of \$21,000,000, but from such information as we have been able to get at the assay offices we would think an estimate of \$18,000,000 to \$19,000,000 a safer statement. Dawson has been largely rebuilt, and there is less doubt about its permanency than heretofore. Ground is being worked each year with profit, which could not have been worked earlier because of the high cost of everything.

There is much yet to be done in cheapening the cost, but when all that can be done is accomplished, a great area will come under work which now lies untouched.

UNITED STATES.

As our Shareholders know, we have large interests on the Pacific Coast, outside of Canada, the most important being at San Francisco. California has had another prosperous year, and San Francisco for this reason and because of its advantages as the leading port on the Pacific Coast, has made another great forward stride. In shipping the development is most striking. The coast-wise traffic reaching to Alaska and to South America, the trans-oceanic trade with the Hawaiian Islands, the Philippines, Australia and China, is all growing rapidly, and many new ships have been built as a consequence.

In San Francisco, Portland and Seattle, the three cities in which we have branches, there has been a steady growth in population, activity in building and real estate, and a greater volume of general trade and bank deposits than ever known before. In the prominent industry in which Canada shares, that of salmon canning, the total pack as estimated by our managers, is about 4,500,000 cases, of which 1,100,000 falls to Canada, and the balance to Alaska, Puget Sound and the Columbia. The fish were indeed so plentiful that it was not possible for canners to make use of all that nature offered.

GENERAL REMARKS.

Looking at our affairs from a national or international, instead of a provincial point of view, there are a few facts which should not be overlooked. We have in Nova Scotia already made a good start as exporters of coal and pig iron, and we have just begun the making of steel on a large scale. Just how much this may mean for Canada no one can foretell, but these facts in our industrial history are worth recording. The manufacture of iron and steel in the United States is greater in volume than ever, with the time set for deliveries

further than ever ahead of the booking of orders. So that the future could hardly look better for our Canadian ventures. We have, however, to remember that in Germany and elsewhere there have been serious industrial collapses, and the foreign markets on which the United States depends for the increased output in some articles, such as copper, has probably disappeared for the moment. How long the United States can expand manufactures, increase prices, and have a large surplus of exports over imports, while they are expecting Europe to take this excess of manufactured goods at the higher prices and pay the balance due on the international trading account, no one can tell, but it cannot last forever. Indeed, it is quite clear that conditions are already changing in this respect. What we should remember is that the prosperity of Europe, while not necessary for our prosperity, is necessary to an unchecked course of increased production and increased prices.

I will close my remarks by once more referring to transportation. The tonnage out of Montreal has decreased every year since 1898. Our foreign trade grows steadily, we own the most direct waterways to the Atlantic from the interior, we have fine harbours, we are nearer Europe than our neighbours, and yet we allow our products to reach Europe through the United States instead of to some extent reversing the situation. Is it not time for us to realize that this is a subject not only transcending in importance almost all others connected with our material well-being, but one which will require such a large and courageous treatment by our Government that the people of Quebec, Ontario and Manitoba should leave our Ministers in no doubt whatever as to their opinion in the matter? It seems useless to pretend that the conditions of navigation from Montreal to the deep Atlantic are all that they should be. We know that they are not. If the insurance companies and our shipping men say that we need more lights, that our system of pilotage is obsolete, and other derogatory things, their statements are doubtless true,

and it will do no good to deny them. What we must do is so to improve the St. Lawrence route that insurance and shipping men cannot continue to make these statements. But in order to accomplish this we may have to run counter to local prejudices favouring the existing order of things, and unless we are determined to effect reform these local conditions will remain unchanged. When the St. Lawrence route is all that it should be we may find it necessary to still further enlarge our canals, and even under present conditions we need more and larger vessels on our lakes. But if other conditions were as they should be, we might hope that vessels suitable for our lake traffic would soon be created. At the moment we can but hope that such a cry for the improvement of our waterways will go up from the Canadian people that no Government will dare to disregard it.

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

Moved by Dr. Hoskin, K.C., and seconded by Mr. James Crathern :—That By-law No. 1, adopted by the Shareholders on 18th June, 1901, be amended by substituting the word “ten” for the word “nine” in the first line of the said By-law.

The resolution was unanimously adopted.

Mr. Edward Martin, K.C.—I have great pleasure in bringing forward a resolution of thanks to the Directors. The report we have had presented to us is another illustration of the saying that nothing is so successful as success. I think their works have spoken for them, and without further remarks I move this resolution :—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.

Mr. Edward Gurney.—I have great pleasure in seconding Mr. Martin's resolution. If my experience as a bank director counts for anything, this is by no means a formal resolution.

The resolution was carried unanimously, and the President expressed the thanks of his colleagues and himself for the kindly recognition of their work expressed in the resolution, and in the remarks of the mover and seconder.

Mr. John L. Blaikie.—It gives me pleasure to move the following resolution :—That the thanks of the meeting are tendered to the General Manager, the Assistant General Manager, and other officers of the Bank, for the satisfactory discharge of their respective duties during the past six months. There can be no question that these gentlemen merit the thanks of the Shareholders. It is a heavy undertaking to handle aright the Bank's vast and important interests, and that they are well handled is evidenced by the present handsome balance sheet and handsome showing of profits. I am sure the resolution will receive the hearty support of every Shareholder present.

Mr. Henry Beatty briefly seconded the resolution, which was carried unanimously.

Mr. Walker.—It is always pleasant to hear this particular resolution, as I have had occasion to say in the past not only on my own account but also on behalf of the staff. Our staff now exceeds six hundred men ; the exact number at the moment is, I think, six hundred and three, scattered all over Canada, with some in London, and many in the United States, and this annual vote of your thanks and acknowledgments is one which they appreciate.

Mr. Plummer also briefly returned thanks.—The resolution is somewhat formal, inasmuch as it is couched in the same terms each year, but the circumstances under which it is passed each year make it an acknowledgment which the staff greatly appreciate. This year I think the staff generally deserve it more than ever, for the rapid growth of the Bank's business has been greater than the growth of the staff, with the natural result that the men have at all points had very heavy work to do, and have had to suffer very generally in the matter of holidays. We are trying our best to relieve

this difficulty, but the officers of the Bank have done the extra work devolving on them cheerfully and ungrudgingly.

The President.—We have with us to-day the Manager of one of our most important branch offices, if not the most important. I mean Mr. Laird, of New York, and I will ask him as well to reply to this resolution.

Mr. Laird.—It affords me very great pleasure to be present, and to hear the very kind remarks that have been made. With regard to the services that the officers of the Bank have rendered during the past year, this resolution may in form be formal, but it certainly should not be so in reality. It is not always possible to reward men properly in salary for their work, but the officers who carry on the work of the Bank (I refer chiefly to those in the junior ranks of the service) deserve, and should receive, these marks of appreciation. I think most of our men would feel it a great wrench to leave the service. I certainly would, after having been an officer of the Bank for twenty-five years; and this is a feeling which should be cultivated. I thank you, gentlemen, for the kind words which have been extended to us all.

Moved by Mr. W. B. Hamilton, seconded by Mr. A. Kingman, and resolved:—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, Robert Kilgour, W. B. Hamilton, M. Leggat, James Crathern, John Hoskin, K.C., LL.D., J. W. Flavelle, A. Kingman, Hon. L. Melvin Jones, Frederic Nicholls.

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

