

bought when it was low. He wished an explanation on this point, as well as on everything that was done by the delegation in England.

The Chairman said he did not know before he left that there was \$100,000 in the Bank of Toronto at their disposal, though there had been rumours afloat. At all events it would have been of no good in England. The money had to be placed in the Banks in England before an order would be accepted. A draft on the Bank of Toronto would not have done.

Mr. Geo. Laidlaw wished to make a few explanations, although the ground had been pretty well gone over yesterday. He wished this fact to be remembered by the shareholders and the public. The bonds of the Toronto and Nipissing Railway were based upon bonuses of about \$4,500 per mile, and \$200,000 of Stock, while the bonds of the Toronto Grey, and Bruce Railway were based upon bonuses of \$7,800 a mile, and \$325,000 of stock. So that the bonds of the former company were not so good as those of the latter, and yet the sales of the bonds of both companies were continually compared, to the disadvantage of the Nipissing bonds, the fact of these bonds being of less value not being considered at all. Mr. Laidlaw then repeated the statements he made at the previous day's meeting respecting his negotiations with the Ontario Government, Mr. Brydges and Mr. King. The latter gentleman finally agreed to give the company \$200,000 upon their bonds, upon the same terms as those accepted by Messrs. Gooderham & Worts from the Toronto, Grey and Bruce Company—namely, at 10 per cent., and that 30 per cent. of the gross proceeds of the railway be delivered every week to the Bank of Montreal, to remain there as a sinking fund to pay for these bonds. Mr. King was also willing to give Messrs. Gzowski and Macpherson \$200,000 more, provided they would agree to iron the road to Cobocok. After some hesitation, Mr. Macpherson agreed to iron the road to Cobocok, provided he would be authorized to change his bonds into stock. He (Mr. Laidlaw) opposed such a proviso, and the Board would not agree to it. While the negotiations with Mr. Macpherson were pending, he (Mr. Laidlaw) was astounded by a statement made by Senator McMaster in Mr. Macpherson's office, to the effect that he did not believe that Messrs. Gooderham & Worts would buy the bonds at 10 per cent., although at that very time the agreement was signed. He was astonished that a gentleman of Senator McMaster's standing should make such a statement. He next referred to the offer of Messrs. Geo. Stephen and Hugh Allan, of Montreal. These gentlemen had agreed to take \$500,000 of bonds, at 10 per cent. with 12 per cent. commission, but the Board took no action on that offer, partly, he believed, from jealousy of Montreal. While the deputation was in England, Mr. George Stephen arrived, and negotiations were opened again with him, through Sir John Rose; but Mr. Stephen would not do anything better than take \$500,000 of the bonds at 10 per cent. with 9 per cent. commission, which was equivalent to about 11½ per cent. for the money, cash down as fast as the company wanted it, interest to commence when the money was handed over to the company. This offer was telegraphed to the Board in Canada, and they telegraphed back that they could not accept it, but that they would give Mr. Stephen \$150,000 of the bonds upon these terms. Mr. Stephen refused that offer. The refusal was telegraphed back, and the Board replied that they had got the money in Canada. When the delegates came back they found that the Board had sold \$150,000 of bonds to Messrs. Gooderham & Worts up to precisely the same terms as those offered by Stephen for \$500,000 of bonds.

Mr. Worts said he had advised the Board to reject Mr. Stephen's offer, as he believed it would be better for the company to sell only a portion of the bonds now. Mr. Laidlaw was wanting to go

ahead too fast. He (Mr. Worts) would be quite satisfied if the road was in operation to Nipissing in three years.

Mr. Laidlaw continuing said his opinion was that the road should be pushed forward with the utmost diligence this fall, and that it should be opened to Cobocok next June. He thought that the company should petition the Legislature to put forty miles of the road under contract next summer. If an attempt was not made to induce the Legislature next session to assist in the construction of this road through the land grants, two years must elapse before anything could be done. He believed they would live to see the day when the road would pay a fair dividend, and the stock would be worth as much as Bank of Toronto stock.

The report was then adopted unanimously.

Mr. Wm. Thomson moved the following resolution,—"That the thanks of the meeting be given to the President and Directors of the Company for their attention to the business of the railway during the past year, and that each Director be paid the sum of \$5 for every regular meeting attended by such Director during the past year."

Mr. Robert Wilkes seconded the motion which was carried.

Mr. Laidlaw said the railway to Uxbridge would be finished in about six weeks, and the road to Merham would be opened by the time of the Exhibition. He could not see why there should be any delay in opening the road to Cannington in two months. With regard to the charge brought against him of using his knowledge as Director to buy lands along the route of the line, the location of the route had been made public and every one had as good a knowledge where it was to run as he had.

Mr. Dickey proposed "That the thanks of this meeting are due and are hereby tendered to Mr. W. F. McMaster for the valuable services he has rendered to the company; and also to express the regret with which they have heard of his resignation of his seat at the Board." In moving this resolution, he said Mr. McMaster had been a member of the Company from its commencement, and was one of its hardest workers.

Mr. Worts seconded the resolution, and bore high testimony to the esteem in which Mr. McMaster was held.

The Chairman expressed his regret at the resignation of Mr. McMaster, who had done fully as much as any man in seeing that the affairs of the Board were properly managed.

The resolution was carried with cheers.

Mr. McMaster in reply, expressed his gratification at the honour done him. He had done nothing more than any other citizen would have done in his place. He thought, however, that he had been slighted by the deputation in not bringing up a report of the proceedings in England, and he resigned in consequence of that.

The CHAIRMAN and Mr. LAIDLAW said no slight whatever was intended.

On motion of Mr. Worts, seconded by Mr. JOHN FISKEN, Messrs. C. Robertson and J. Lees were appointed scrutineers, and the polls declared open till four o'clock. At four o'clock the scrutineers reported that the following gentlemen had been elected as Directors:—

Messrs William Gooderham, jun., J. Gould, J. C. Fitch, T. C. Chisholm, J. Shedden, J. E. Ellis, Geo. Laidlaw, Hugh McDonald, and J. Gardner. The meeting then separated. A meeting of the Directors was afterwards held, at which Mr. Shedden was elected as President, and Mr. Wm. Gooderham, jun., as Vice-President.

—At the cattle sales at Guelph, on the 7th Sept., beef ranged from 3½c to 4½c, live weight, stock steers from 3c. to 3½c.

PROVINCIAL INSURANCE COMPANY OF CANADA.

Twenty-first Annual Report.

The Directors of the Provincial Insurance Company of Canada have the honor to lay before the shareholders, the following report for the year ended June 30th, 1870.

The resignation of Mr. Crocker having rendered necessary the appointment of another Manager, the Directors choose for the office Mr. Arthur Harvey of the Finance Department, Ottawa. Several other changes in the staff have been subsequently made, chief of which is the selection of Captain C. G. Fortier, to be General Agent, Marine Department. These changes, with the renewed vigor of the agencies, give promise of highly satisfactory results to the Company's operations.

The shareholders at former meetings determined that the doubtful debts of the Company, amounting to nearly \$30,000, should be written off in ten annual instalments. Their sanction is now requested to their being written off in full at once. The balance sheet shows that there are sufficient assets to meet all liabilities, including even the contingent liability of having to re-insure outstanding risks, which, according to the most approved method of calculation, would require \$45,937.52—\$33,411.34 for fire, and \$13,021.87 for marine. The amount of capital net yet called in, \$333,508 beyond the assets shown, is a further guarantee to the public of the perfect safety of the Company's policies.

The Directors draw the attention of the share and policy holders to the small amount of the claims which the Company was felt bound to resist. With an extensive marine business, and with a fire business so large that one out of every twenty dollars lost by stock companies must be lost by the Provincial, it is to be expected that fraudulent claims will arise, and when proved to be fraudulent they must be resisted. Since the commencement of this year, only one claim has arisen which the Directors thought proper to dispute, although several losses have taken place which the Company could have escaped paying if a strictly legal view of the claims had been taken.

During this period no claim has been unadjusted for many days, and where the circumstances of the loss seemed to require it, payment has been made at once. There is now no adjusted claim which remains unpaid.

The fire business of the Company has, for some months past, exhibited a marked revival. The premiums on new applications now average from \$1,200 to \$1,500 per week, and the renewals are much better kept up.

The Halifax Agency having been virtually closed last year, and the St. John's, N.B., agency actually closed at the beginning of this season, the marine business shows a great reduction in the receipt of premiums, which will be balanced by a corresponding reduction in marine losses. It is believed that by confining the Company's operations to risks which can be underwritten at the head office, this branch of the business will hereafter yield a greater percentage of profit.

The Company's thanks are due to its officers for assiduous attention to their duties, and especially to its agents, upon whom it principally depends for its success, and whose renewed exertions will, it is hoped, ere long, largely contribute to place the shareholders in a more enviable position than they have occupied for ten years past, during which the duty has been imposed upon them, of paying off the heavy liabilities incurred when the Company had agencies in every city of the continent, from San Francisco to New York, and from New Orleans to Chicago,—a duty which, the directors have the pleasure of stating, has at last been completely fulfilled.

In accordance with the charter, the following statements are submitted:—