

ment of the affairs of the Bank. The Board are elected for a certain purpose, and every member of it has a right to give his opinion on the subjects coming before it. Acting upon these principles, the majority of the Board has taken the course I have indicated to you, and I am perfectly willing to leave it with you to say whether they have taken the right course or not. (Applause.)

Mr. John McLennan—I am sorry that it should be necessary for me to make an explanation at this meeting. I did not attend this meeting with the intention of making any formal statement. I have simply to say that I had nothing to ask of the shareholders and nothing to promise. I became Vice-President, as stated in the President's paper, at a very critical period in the history of the Bank. The affairs of the Bank have been managed during a very critical period without any difference of opinion of a serious character in the Board or in the management. The difficulties in question have cropped up within the last six months, when the President and myself found that there were some views enunciated, and some that were not announced, but practiced by the General Manager that were contrary to our views of the proper discipline of the Bank. Sir Hugh Allan has made a statement that is different from ours. I shall not characterize it, but the President and myself are of an entirely different opinion. The intervention of the other members of the Board came before the statement of the General Manager, that his differences with his assistant could not be reconciled. Up to that point the President and myself had every reason to believe, and we had the assurance of the General Manager himself, that their differences could be reconciled, and it was only after the intervention of the Board that the announcement was made that those differences could not be reconciled. I am not going to discuss this point. It is one for the meeting to decide. The Board have determined it; Sir Hugh Allan and his supporters on the one side and the President and myself on the other. The shareholders will now have to decide it according to their convictions. We decided upon a statement of fact. The duty devolving upon me in connection with this Bank is of an onerous character. It was not of my seeking, and I should be glad to be relieved of it; but I think after years of service, since the time the Bank became involved in some difficulty, that I am entitled to ask for an honorable discharge. (Hear, hear and applause.) I do not think the shareholders can ever repay me for the labor I have given the Bank. It has been my misfortune to differ from Sir Hugh Allan and the General Manager, but I have no desire to say anything further in regard to that difference. I am not, I hope, so foolish as to come before this meeting and sustain a deputy against its head. My ideas of the management of a bank are not so loose as that, and I would only state further, that in the course of my experience with this Bank I have discovered that the management of an institution of this kind is a question of administration of men quite as much as of money, and that any man who undertakes it will probably get some light on the subject. I shall not prolong the discussion on this head. I can make no explanation that will go beyond the simple statement of fact, and I shall, therefore, leave it with the shareholders. (Applause.)

Mr. Crawford—I wish to ask, before the motion is carried, whether it is the policy of the Board to expand or contract the system of agencies, and whether there is a regular systematic course pursued by the inspectors? In other words, I wish to know whether they make regular inspections at stated times, or are the inspections made when least expected?

Mr. Hague—I may say that the policy of the Bank has been for some time rather to avoid the extension of the branches than otherwise. In Ontario and Quebec we have every year closed one or two branches. This last year we have closed one, but we have thought it advisable to meet the expanding business of the North-West, and take up a position at one or two salient points as they are developed

and become important, with a view to the large possibilities of the future. We have, in our Winnipeg manager, a gentleman of more than ordinary capacity, and of more than ordinary experience and knowledge. He has been in the country ever since it began to develop, and under his supervision the minor offices have been placed. We hold him responsible for the management, not only at Winnipeg, but at Emerson and Brandon also. I think the interests of the Bank in that quarter are quite safe in his hands. With regard to the opening of new branches in Ontario and Quebec, I think it is extremely unlikely the Board will listen to applications of this nature that they receive from time to time, and which they have invariably refused to entertain. With regard to the mode of inspection, the remark suggests a condition of things which I should have thought had entirely passed away—that is, a system in which the officer proceeds in regular order around the whole system of branches, and times his visits in such a manner that it is well known when the inspection will be made. That, I should think, in all banks, is a thing of the past. At any rate it has not been my method of conducting the business of inspection for the last fifteen years or more. The utmost care is taken in the inspection, the entire control of which is with the General Manager himself. No person knows to what point the Inspector is to proceed except the General Manager. This information is not even confided to the Assistant Manager or the Board of Directors. It is a secret service that should be conducted in so secret a manner that no Manager of a branch should know when he is likely to receive a visit from the Inspector. The utmost care is taken that the visit may be as unexpected as possible. The reports of inspectors, however, are always laid before the Board.

Mr. Morrison—Are any of the funds of the Bank invested in railway bonds or other railway accounts?

Mr. Hague—The Bank, along with the Bank of British North America and the Bank of Montreal, has taken a certain share of the bonds of the Canadian Pacific Railway Company. These bonds, however, have been sold at par, giving us a nice little profit. (Applause.)

Mr. Crawford—Is that profit represented in the last statement?

Mr. Hague—It is not.

The resolution was then carried.

Hon. I. Thibaudeau moved the following resolution:

That the thanks of the stockholders are due and are hereby tendered to the President, Vice-President and Directors for the manner in which they have conducted the institution during the past year.

Mr. G. W. Simpson seconded the resolution.

Ald. Holland—I think I notice here in the list of directors the names of two gentlemen to whom it is moved to return our thanks, have been left off. I hope if we pass this vote we will do a little more.

Ald. Hood—It is proposed to thank them for past services.

Ald. Holland—But if they are deserving our thanks for the past they deserve our confidence for the future.

The resolution was adopted.

Mr. Anderson then moved:—

That the thanks of the stockholders are due and are hereby tendered to the General Manager for his efficient management during the year, and that the action of the Board in making with him a new engagement for a term of five years be hereby confirmed; also, that thanks be tendered to the officers of the institution for their services.

I have very great pleasure in moving this resolution. The state of the Bank speaks for the management, and the matter now rests with you, the confirmation of the appointment having been placed in your hands.

Ald. Hood—The duty of seconding that resolution is one most pleasing that has devolved

upon me for a long time. I feel that Mr. Hague during the past five years has, by his judicious management and energy, lifted it from the mire, removed it in fact from the slough of despond in which it was a few years ago. I feel proud to-day that the Bank is in the position it is in, and this happy result is greatly due to Mr. Hague and the Board of Directors associated with him. No business man would change his managers and clerks while he could advantageously retain those who had been in his employ for years. No, he would retain those who had served him well, and I feel that every stockholder in this Bank and every citizen in Montreal who is not a stockholder will feel that it is due to Mr. Hague that we should confirm his reappointment for another five years. I think it is the smallest mark of gratitude the stockholders of this Bank should show him. I think it desirable that in this manner the shareholders should afford an evidence of the estimation in which they hold him. As one of the stockholders who have suffered in connection with this Bank, I am proud of its position to-day, a position due to the able and untiring energy of Mr. Hague. I hope a unanimous vote in favor of this resolution will be given. (Applause.)

The resolution was carried unanimously.

Mr. Hague—I may state, Mr. President and gentlemen, that this vote is one that cannot fail to be very gratifying to myself and the staff. Even in the best of times very trying difficulties beset the general manager of a bank. Not to speak of the difficulty of navigating the ship through a storm, or a continued series of storms, such as we had for two or three years, even in calm weather the conduct of a great bank like this is a matter of great difficulty indeed. And such generous manifestations on your part will be a great support to me in the future. I shall feel, I shall know, that I have the support not only of the Board but of the whole body of the stockholders. It has been with great pleasure that I have had the entire support and hearty co-operation, until quite recently, of the whole Board. It has been, however, my great misfortune to have differed during the last few months with the President and Vice-President. I felt that I could give way to suggestions which involved no material sacrifice of the interests of the Bank; but when it came to a point where the interests of the Bank were affected, I could go no farther. I had to make a stand, and say, when it seemed to me, speaking from a professional standpoint, that the interests of the Bank were involved, that beyond that point I could not go. With regard to the ordinary business of the Bank, it has gone on as usual, but in this matter it did come to a position that required decisive action. With regard to the officers, I may thank you on their behalf. We have now, as stated in the report, 220 officers of the Bank at various points, and they have, many of them, especially managers and inspectors, very arduous duties to discharge. We have on our staff a large number of young men beginning life, many of them under promising auspices. Some of our young managers are giving promise of becoming most useful servants in higher positions. Altogether I think the staff of the Bank will compare favorably with the staff of any bank in the country. On their behalf I thank you again.

Hon. Mr. Thibaudeau—I have been led to believe that if the ticket headed by Mr. Hamilton's name prevails, the services of Mr. Hague would be dispensed with, and on the other hand, that if the ticket with Sir Hugh Allan's name at the head prevails that his services will be retained. The resolution which we have just passed unanimously does not seem to agree with that statement. I presume that which ever ticket prevails, Mr. Hague must be retained another five years. I have not had the pleasure of knowing Mr. Hague until I came to this Bank to-day, but I have a very heavy vote to give. The institution which I represent do not wish me to have anything to do with the election, but we all know Mr.