

which bear disastrous consequences to those who invite it. Wholesale traders chiefly ought to be very cautious in accepting compromises, for a compromise does not involve only the question of losing more or less from the retailer or merchant in actual bankruptcy, but it also involves the question of right and justice for your other clients who pay dollar for dollar.

Agriculture.—During the last year new life seems to have been infused in this most important department of our resources, and credit must be given specially to some commercial papers who, by their judicious and constant editorials on the necessity of new developments to be brought into agriculture in order to relieve the trade, have certainly contributed much towards the advancement noticeable in many districts of improvements in agriculture. The production of cheese is increasing very rapidly, and the trade in 1891 has been done with profit; prices paid for it as a rule were satisfactory, and farmers in this line are devoting their attention to suit the exigencies of the British market, where Canadian cheese continues to hold its leading position.

A decided movement for an increase of production and improvement in quality is noticeable in butter, and the export demand has been good at remunerative prices. Farmers should then devote their energies in that direction, where a constant and unlimited outlet is opened for fine butter, and thus produce more in order to reap the profits offered that only await their energy.

Experience has shown during last year that eggs could be transported to the British market with as low a percentage of breakage as from any other places from which England gets her supply. Our Canadian eggs are admitted to be superior in quality, a fact evidenced by their price, which is always 8 to 10 cents per hundred more than is obtainable for the Irish product, and successful experiments in exporting have been made since their practical exclusion from the American market, and forced farmers to look into another market for placing the same in a large volume. Here is another opportunity offered to our farmers that will enable them to increase their revenue, for all that can be raised can be sold at good prices.

In the cattle export, which is for the Dominion an immense source of revenue, we do not take our share. For instance, in 1891, out of a total export of 140,000 cattle and sheep, which aggregate in value nearly ten millions of dollars, our share of it was 3,500 head. [M. Pouquet is here speaking of Quebec province] But during this year great interest has been manifested by our farmers in cattle breeding, and the number of the increase of our cattle has been considerable. Of course it will take a few years before the benefits to be derived from it will be felt by the trade, and before we can produce enough to furnish our contingent for export, but if the movement is kept forward at that end, one may reasonably expect that shortly Montreal, our home market, which has made Ontario contributory to its nourishment to an extent of nearly four millions of dollars annually, will be compelled to purchase its supplies from the farmers of this province, and thus those four millions will find their way into the channel of our local trade and will become a great factor in its general prosperity.

The raising of hogs has also been an experiment in many districts, but owing to the high prices of grain it has not been very profitable. Better prospects for next year are expected.

Reviewing the agricultural industry for this year we conclude as approximately as possible that a decrease of one-third in the production of hay has taken place; a fair movement towards the advancement of cheese and butter factories has been noted, great interest in the cattle breeding manifested, and also in raising hogs in many districts.

Certainly this year has been one of progress in a good direction, and the fatal mistake of farmers depending entirely on hay or grain crop for their living is gradually disappearing, to be replaced by mixed culture. An agricultural province like ours, covering an area of first-rate producing land, with a population of only a million and a quarter to provide for, and with the unlimited British market at its back, ought to be wealthy. In adapting their culture to the wants of the local markets first and then to the foreign markets for

surplus, no fear of over-production is to be felt by our farmers, for all that can be produced can be sold at good prices. Then increase by all means the production in order to add to your revenue, and thus help to enrich the country; what ails us and our trade is that too little profit is derived from culture. A farmer, like a merchant, a manufacturer, or a banker, to be successful, must not neglect his business. His whole time and devotion must be brought into it. He has to read and to be posted on all subjects regarding farming, so as to be continuously in touch with the movement of progress. If you are sleepy others are awake.

Dry Goods.—A state of depression continues to exist in this most important distributing branch of business, with nothing in sight to relieve it. That this trade is unhealthy is a fact evidenced by the disastrous returns disclosed in the balance sheet of each year, and the amount of liabilities of failures in that line has reached the enormous sum of \$2,957,000 during last year, as against \$1,626,000 in 1890. I would venture to say that very few merchants could swear to a profit on the results of last year's operations. As long as this line will rest on principles of business decidedly opposed to success, no improvement in return has to be expected. All the evils of business seem to have taken a refuge in its long credits, large expenses incurred by the mode of selling, heavy stocks on hand involving heavy interest accounts, small profits and keen competition; also, the ignorance and want of forethought of the strict business principles, which are the basis of success, are the causes to which may be attributed the disasters which have taken place in that line. Merchants ought to awake to that fact.

Groceries.—The volume of business effected in this line has been done without profits and a policy of competition so keen is raging that the gross benefits realised are reduced very low; also inventories disclose large amount of sales and no profits. If that unwise competition is kept up very much longer, disastrous results will certainly follow.

Boots and Shoes.—A series of failures to such an extent in the leather and shoe trade has taken place during the year that a serious crisis has been feared for a while. Fortunately these failures have been limited, with but few exceptions, to small manufacturers without capital, whose sole ambition was to swell the amount of their sales without regard to business principles. Those disasters were anticipated to a great extent, as it was a well-known fact that too many manufacturers were crowding the field, and the excess had to be swept away.

Lumber and Metals.—The work of modernizing the business portion of the town, has kept the lumber, metal and hardware business very lively, and prospects seem to favor a movement of activity in those lines for some time more.

Real Estate.—There is a steady demand for properties in all portions of the city by capitalists seeking investments, and prices paid as a rule have been satisfactory. The lumber export and manufacturing interest I do not refer to, as very few of our clients are connected with it. In the actual state of finance, general ease now prevails in the money market, and the accumulation of money in the banks results from our large exports; rates of interest as a consequence have been ruling easy with a downward tendency. Time money, on account of small requirements of the trade, has been in better supply than demand, and mercantile paper is eagerly sought after at a declining rate. But a demand must come before long, for money is something that won't remain idle, and to depend upon a low rate of interest for any future length of time and contract on the faith of this is a mistake to be avoided by careful merchants. How long those accumulations in bank are to continue must depend largely on the degree of industrial activity that may prevail, and merchants must not feel too confident in the present state in venturing into any new enterprises.

Business matters are in a quiet state just now. The state of trade remains about the same as heretofore—not quite satisfactory and rather below expectation—and on the whole the tone is perhaps somewhat less confident in the absence of the revival, which was so generally looked for; but a thorough analysis of the most salient limits of the actual situation of business shows that prospects are brighter and

that we may have every reason to anticipate a revival of business shortly. Most decidedly the heavy yield of the crops of last year and the large export of grain made at high prices have relieved the farmers' budget and brought money into the country, and if the anticipations of business men have not been realized we have to bear in mind that a portion of the bounteous crop is still on hand, and the trade did not experience the full benefit of it. Hence, with an easy money market, a large portion of the crop still on hand, manufacturers well employed with orders on hand ahead of production, large sums of money to be expended by Government and corporations—those are facts that ought to relieve the trade from its present profitless state.

Mr. John Crawford said he was perfectly satisfied with the reports made and moved their adoption. This was seconded by Hon. Senator Ogilvie, and after some further questions from shareholders, replied to by the president and one of the auditors, unanimously carried.

Hon. F. E. Gilman moved thanks to the president, directors and cashier, expressed his satisfaction that although the dividend he got was small he was always sure of it. This being carried, Mr. Grenier acknowledged the motion and said that if their charter allowed it, the date of the annual meeting would, as had been suggested, be altered to the second or third Monday in March. Congratulating those present on the large meeting, he said he hoped that in two or three years they would have a larger room to meet in, as the adjacent buildings had been acquired with the extension of the bank premises in view, as soon as the statement of the Rest account would permit.

BANK OF BRITISH NORTH AMERICA.

The fifty-sixth yearly meeting of the proprietors of this bank was held on Tuesday, 1st March, at the offices of the bank, 3 Clement's lane, Lombard street, E.C., Mr. Frederic Lubbock in the chair.

The secretary (Mr. A. G. Wallis) having read the notice convening the meeting, and the report and accounts having been taken as read, the chairman moved the adoption of the report and accounts, which reflected the business of the past six months, instead of twelve months, as formerly. The chairman said that the true comparison is with the corresponding period of the previous year, and not with the figures of the previous six months. Taking the figures and the balance-sheet in this way and comparing them with those for the corresponding period of the previous year, in the main items there is again evidenced such an increase in the volume of the business done as to warrant the belief that the bank is continuing to make substantial progress. There has been, in fact, a steady and material increase in the amount of business of the past half-year. The Capital and Reserve Fund are unchanged. The deposits show a material increase. Coming next to the notes in circulation, £245,000, the speaker reminded his hearers that by the Act of Parliament of 1879, the shareholders of banks having limited liability are liable in respect of whatever notes may be issued by the bank of which they may be shareholders. "But this bank is not a limited liability bank, but a chartered bank. The liability of its shareholders, as a consequence, does not extend to the notes it issues, but is limited and defined explicitly by the charter, and this question of note circulation, about which enquiries have been made, is one upon which not the slightest apprehension or anxiety need be entertained. The Profit and Loss account shows, you will see, that we are able to maintain the dividend which we have paid for some six years past of $7\frac{1}{2}$ per cent. per annum, and to carry forward over £6,800 to the next account.

"Passing to the other side of the account, I would call your attention to the proportion shown by the 'cash and specie at bankers and in hand,' and the 'cash at call and short notice'—that is, by the readily available and immediate liabilities. This proportion is something over 40 per cent., and I think this represents a position strong enough for any bank to feel satisfied with. The bank premises show an increase of about £5,000. This is an outlay which the chairman at your last meeting led you to expect. It includes the cost of purchase of a site at Vancouver, and is, we are assured, a wise expenditure, and one