

It was at one time contemplated to apply to the Canadian Parliament for an Act to ratify the agreement, but it has been found that an Act passed in 1852 can be made available. There has been an endeavor to excite discontent with that part of the agreement which gives the Grand Trunk protection against any encroachment on its share of the net earnings by making a certain Great Western reserve fund liable to make good the Great Western 30 per cent. before coming on the Grand Trunk. This seems a reasonable demand. The respective shares of the net earnings are 30 per cent. for the Great Western, which is to be applied to pay 5 per cent. to the preferential shareholders, and 3 per cent. to the ordinary ones, and if this 30 per cent. should be insufficient, then the deficiency is to be made good out of the Grand Trunk 70 per cent., although before coming on it the Great Western reserve fund is to be applied to the same object. We infer that under the new arrangement that reserve fund will be no longer required, as the gross earnings will be chargeable with the renewals of track and rolling stock for which it was originally set apart.

Sir Henry Tyler dwelt on the increased earnings that would be obtained by the amalgamation, which in 1881 would have yielded to the Grand Trunk £87,000 and in 1880 £140,000 more than was received. He also stated that 4,000 shareholders, representing a capital of £9,901,268, had given their proxies to the Board, while 8, holding £43,000 of stock, were in opposition. These are headed by a Mr. Locock Webb, who attaches Q.C. to his name, and who has handed in a protest. It is not uncharitable to surmise that Mr. Webb and his allies may have an object in view that is hardly compatible with the interests of the other shareholders.

Lord Bury stated the circumstances under which the present directors of the Great Western took office, viz., to carry out the declared wishes of a majority of the shareholders to accept in substance the offer of the Grand Trunk. He said in justice to the late Board that they were right in believing that it was not in their power to lease the road to the Grand Trunk, which was the original proposal. It was, however, found that the Statute of 1852 enabled them to effect their common object. As in the case of the Grand Trunk an amendment was moved, but merely for the purpose of obtaining legal opinions on some doubtful points, and on its being rejected by a large majority, the original resolution, ratifying the amalgamation, was carried without a dissentient voice. There will of course be

no effort spared to excite discontent in Canada, but so long as the amalgamated companies do not violate the conditions on which their charters were granted, we are unable to discover any just ground of complaint, and, moreover, it has been admitted in a recent number of the *Globe* that the Canadian Pacific Co. and the roads under its influence will protect the public against any unreasonable rates. At all events the fusion seems to have become *in fait accompli*.

EXCHANGE BANK OF CANADA.

The annual meeting of the shareholders of the Exchange Bank of Canada was held last Monday in the Board room, Mr. M. H. Gault, M.P., the President, in the chair. Amongst the shareholders present were Hon. Senator Ogilvie, Messrs. Alex. Buntin, E. K. Green, Thomas Craig, N. B. Corse, Frank Caverhill, James Cruthern, J. Try-Davies, W. Norris, representing Mr. Mussen, A. W. Stephenson, T. S. Vipond and R. W. Stoddart.

The chairman opened the meeting by calling upon Mr. Craig to read the notice calling the meeting, after which he proceeded to read the following:

ANNUAL REPORT OF THE DIRECTORS.

The Directors beg to submit to the Shareholders the Tenth Annual Statement, showing the position of the Bank on the 30th June, 1882. It is their pleasing duty to report a continued steady increase in the business, and they feel gratified at the high position the Bank has attained in the public estimation and confidence, as shown by the increased deposits and larger volume of business. The result of the operations of the year is clearly shown in the profit and loss statement herein. As will be seen, the Rest is now \$250,000, equal to fifty per cent. on the capital, and after providing the sum of \$31,000 to allow for rebate of interest on current loans, there remains at credit of Contingent Account \$33,798.29. Four quarterly dividends of two per cent. each have been declared during the year. The Board would take this opportunity of again calling public attention to the want of an Act of Parliament, whereby the estates of insolvent debtors can be promptly and equitably distributed. It is with sincere regret that the Directors refer to the loss by death of two of their colleagues, Messrs. Thomas Caverhill and Thomas Tiffin. They were connected with the Bank since its formation, and were valuable and efficient members of the Board. The vacancies were filled by the election of Messrs. Alexander Buntin and Thomas Craig. The present Board of Directors, Messrs. M. H. Gault, Hon. A. W. Ogilvie, E. K. Greene, A. Buntin, and T. Craig, retire, but are eligible for re-election.

M. H. GAULT,

Montreal, July 10th, 1882. *President.*

PROFIT AND LOSS ACCOUNT.

Balance at Credit Contingent Account, 30th June, 1881,.....	\$ 26,296 11
Net Profits for the year ending 30th June, 1882, after paying all expenses and interest on deposits, and writing off all bad and doubtful debts,.....	97,502 18
	\$ 123,798 29

Appropriated as follows:—

Four quarterly dividends,.....	\$ 40,030 00
Added to Rest Account,.....	50,000 00
Balance at Credit Contingent Account,.....	33,798 29
	123,798 29

BALANCE SHEET, 30TH JUNE, 1882.

Resources.

Cash in hand and in Banks,.....	\$ 391,749 91
Call loans secured by collaterals,.....	503,615 00
Discounts and advances,.....	2,923,252 11
Loans past due, secured,.....	20,362 05
Loans past due, not secured,.....	1,350 60
Real estate owned by the Bank,.....	8,815 70
Mortgages on real estate sold by the Bank,.....	25,248 77
Bank premises,.....	100,000 00
	\$3,974,394 32

Liabilities.

Bank Notes in Circulation,.....	\$ 470,571 00
Deposits on demand,.....	1,455,429 00
Deposits on time,.....	1,133,635 07
(Interest on Deposits paid to date.)	
Due to other Banks in Canada, Great Britain and United States,.....	39,416 96
Mortgage on bank premises, due 1884,.....	50,000 00
Capital,.....	\$500,000 00
Rest,.....	250,000 00
Contingent Account,.....	33,798 29
Reserve for Rebate of Interest on Current Discounts,.....	31,000 00
Dividends declared due,.....	544 00
D dividend declared due 1st August,.....	10,000 00
	825,342 29
	\$3,974,394 32

THOMAS CRAIG,
Managing Director.

"I have much pleasure," remarked the chairman, "in meeting the shareholders at this our tenth annual meeting, and in moving the adoption of the report seconded by my friend Hon. Mr. Ogilvie. It affords me much pleasure to congratulate the shareholders upon the satisfactory statement presented to them, the figures of which speak much more eloquently than any words of mine. While conducting the affairs of the bank during the past year with the greatest prudence the profits realized have been about nineteen per cent.; we have been able to pay \$40,000 in dividends, which is two per cent. quarterly, adding \$50,000 to the rest and increasing the contingent fund to \$33,798. These are figures satisfactory to the Board, and should be equally satisfactory to the shareholders, as I may say that we have exercised the very greatest caution in our line of discounts, and, while I desire that we should still continue to exercise the very greatest caution, still, I believe from the evidence around me that this Dominion has a great future before it. There is a large immigration of the best class, every industry is fully occupied, no workman desirous of employment is idle, and, above all, the prospects of an abundant harvest warrant us in saying that we may look forward to continued prosperity for many years to come. I may say that great inducements have been held out to us to open agencies in many places, we have been induced to go to Winnipeg, to points in our own Province and Ontario, but the Board has long ago come to the conclusion that we should control money under our own eyes in the city of Montreal, and that places desiring to have banking accommodation should have local banks of their own. You will join me in the deep regret I feel at the death of two members of the Board during the year. I would also say that their counsel and advice was always given free from any selfish interest and motive, and in consequence of their death two vacancies occurred on the board which have been filled by Mr. Alexander Buntin, one of the largest shareholders in the bank and