The Great West Permanent Loan Company---continued

Profits from First Mortgages and Stock, for year ending December 31st, 1910 (after deducting charges of Management), $187,772.93, which with $42,615.79 Premium on Capital Stock, amounted to..	$230,388 72
	$230,388 72

Cr.

RESERVE FUND.

Balance at Credit of Account December 31st, 1909...		$449,454 75
Transferred from Profit and Loss Account..........		68,732 92
Premium on Capital Stock...........	$42,615 79	
From Profits of the Year...............	26,117 13	
		$518,187 67

AUDITORS' STATEMENT.

We, the undersigned, beg to report that we have made a full examination of the books, accounts and vouchers of The Great West Permanent Loan Company to the 31st of December, 1910, and find the same to be correct and properly set forth in the above statement.

A detailed audit of the cash receipts and disbursements, with vouchers, has been made and found correct. The securities for loans, as above shown, in the hands of the Company, have been carefully scrutinized and compared with the detailed list of Mortgages and found correct.

(Signed) D. A. PENDER, C.A.,
W. RAMAGE, C.A.,
Auditors.

Winnipeg, January 27th, 1911.

ADOPTION OF THE REPORT.

THE PRESIDENT, MR. W. T. ALEXANDER, in moving the adoption of the report, spoke as follows:

The time has again arrived when we meet for the purpose of considering the Financial Statement and reviewing, in a general way, the business of our Company for another year.

I am sure that, after listening to the splendid report of the Directors, you will be of the unanimous opinion that the business of 1910 eclipsed all previous records in the Company's history.

To illustrate briefly the growth of the Company during the past year, it might be well to make a few comparisons with the previous record figures of 1909.

The Paid-up Capital has now reached $1,823,784.12, whereas at December 31st, 1909, it was only $1,277,442.95; the increase for last year being $546,341.17, which in itself is as large a Capital as many of our smaller financial institutions have, after being in business for many years, and to which they refer with a feeling of pride. The Debentures and Deposits, which show a very satisfactory growth, now amount to $602,408.46, or an increase of $239,753.40 over the previous year. The Reserve Fund, which represents so clearly and concisely the progress of the Company, now stands at $518,187.67, which is a gain of $68,732.92 over the figures of 1909. The total Assets now exceed the $4,000,000 mark and show the splendid increase of $1,352,672.01 over the previous year.

From these figures it will at once be observed that the Company had, in every respect, a most successful year.

Referring again to the Company's Debentures, I may say that particular attention is now being directed to this department. Our Company has now reached that splendid financial position when its Debentures will find a ready sale among judicious investors who are satisfied with a reasonable rate of interest, but who demand absolute security for their investments.

As referred to at our last Annual Meeting, we made satisfactory arrangements in Glasgow and Edinburgh with very responsible firms for the placing of our Sterling Debentures. We did not anticipate very large returns for the first year following the appointment of our agents, as it requires considerable time for the agents to complete all the necessary details and to thoroughly advertise the Debenture Issues. However, I am pleased to state that our agents have already met with splendid success in the sale of our Debentures, as was shown by the handsome remittances which we received from them at various times during the past year.

In order that our Agents might become thoroughly familiar with the character of the Company's securities, and at the same time secure much valuable information regarding our Western Provinces, which knowledge would be of very great value to them when advertising the Company's Debentures, they decided to visit Canada and obtain through personal observation and enquiry as much direct information as possible about our Company and its securities, as well as the conditions prevailing throughout Western Canada.

During their month's sojourn in this country they visited the Head Office of the Company and met the Board of Directors, discussing the question of Debentures very thoroughly with them. They also visited all the Branch Offices of the Company and made an extensive inspection of the Company's securities at all of these points, and enquired very fully into the detail workings of our Company.

Their reports on the Company's securities, and, in fact, on our business generally, were indeed of a most satisfactory nature.

Our Agents' trip to Canada should prove of very material benefit to our Company, and I have every confidence that, as the Company becomes thoroughly advertised in the Agents' respective districts, our Debentures will grow in great demand, and I feel reasonably assured that the active efforts on the part of our Debenture Agents will be attended with marked success, and that during the present year we may expect substantial returns from the sale of our Debentures.

In reviewing business conditions throughout Canada during 1910, it is worthy of note that, owing to the lack of sufficient moisture in the early part of the summer and the subsequent period of drought and extremely hot weather, considerable apprehension prevailed that our Western Provinces would suffer to a very great extent, and, notwithstanding the increased acreage under cultivation, the average yield, as well as the total grain production of the Prairie Provinces, would be much lower than that of former years.

The crop returns to date, however, indicate in no uncertain manner that, while climatic conditions seriously affected certain districts, yet, taking Western Canada as a whole, it is most encouraging to learn that not only was the average yield quite gratifying, but the aggregate production exceeded the most sanguine expectations.

Under such adverse conditions it is nothing short of remarkable that the quality of the grain was not seriously impaired, and that, instead of a great reduction in the quantity of grain produced, the total yield compared very favorably with that of even record years.

It is worthy of note that in the districts most directly affected by drought last year, very little depression or actual hardships were experienced owing to the fact that these districts have been favored with splendid crops during recent years, with the result that the farmers and merchants were, generally speaking, well prepared to meet any temporary reverses.

As pointed out, however, by the Minister of Agriculture for Saskatchewan, and others well conversant with Western farming methods, indifferent farming is very unprofitable, and instead of depending to a great extent on nature to supply the necessary moisture, the farmers should give more attention to the proper tilling of the soil, with a view to conserving as much moisture as possible.

Reliable information obtained in this connection shows that, in districts where there was but little rainfall, yet scientific farming carried on, the crop returns were quite encouraging.

The following crop returns for 1910, as prepared by the Secretary of the Northwest Grain Dealers' Association at Winnipeg, will prove of especial interest, showing comparative values for the last three years of our Western crops, comprising wheat, oats, barley and flax:

1908	$146,598,618
1909	179,472,049
1910	150,280,000

Other Western farm products for 1910, including such items as cattle, hogs, dairy products, potatoes, hay and clover, etc., will increase the above by at least $18,000,000.

These facts demonstrate most conclusively that Western Canada is indeed a country of great resources and wonderful possibilities, and, with its millions of acres of rich agricultural land awaiting cultivation, it is destined to become one of the greatest grain producing countries in the world.

As further evidence of the great prosperity which prevailed throughout the entire Dominion last year, it might be well to refer to other important items of trade and commerce, making a few comparisons to illustrate the rapid growth of Canada.

Our Foreign Trade, including Imports and Exports, during the last thirty years, are shown below, as follows:

In 1880	$175,000,000
In 1890	218,000,000
In 1900	381,000,000
In 1906	550,854,246

Whereas, for the fiscal year ending March 1, 1910, Canada's total foreign trade amounted to $6,693,161,865, or a gain of 25.8 per cent., since 1906. The enormous expansion of business in Western Canada is very evident, as shown by its foreign trade, which, during the same period, amounted to practically $100,000,000.

Customs duties collected in Canada in 1910 amounted to $61,010,489, which show an increase of $14,343,067.07, or 30.7 per cent., during the last five years. In respect to the four Western Provinces, however, for the same periods, the customs increased from $8,224,083 to $13,303,962, or 61.7 per cent. increase.

The Postal Returns for the Dominion have also grown very rapidly during recent years, as is shown by the fact that they have increased from $7,299,554.68 in 1906 to $10,275,326.00 in 1910, or a gain of 40.7 per cent. in five years. Of this large amount, Western Canada contributed $2,780,750.52 in 1910, which represents an increase of 82.2 per cent. over the returns of 1906.

In respect to the production of silver, Canada now stands third in the list of Mineral Producing Countries, the output during 1909 being $14,358,310.

In British Columbia the mineral production in 1910 was $26,000,000, or an increase of nearly $1,600,000 over the previous year.

While the mining industry in Canada is only in its infancy, statistics show that, during the year 1909, the mineral production of the Dominion amounted to the large sum of $90,415,763.

With such active development of our great mineral resources that has been carried on during recent years in every part of the Dominion, the annual production will increase very rapidly, with the result that the enormous output of Canada's mines, constantly