THE GENERAL MANAGER.

Mr. Clouston then said :—

The statement before you requires a little explanation, as it is made up to conform to the Amended Bank Act of last session, and now embraces our foreign business as well as our Canadian. Previous statements showed only the balances which would be due us from other countries after our business there had been liquidated. Consequently, our statement now includes all deposits and loans elsewhere than in Canada. This makes a comparison with former statements an impossibility, but, for the information of the shareholders, I may say that the principal changes in our Canadian business are as follows :—

Circulation, increase	$ 321,000
Deposits not bearing interest, increase	1,963,000
Deposits bearing interest, increase	5,422,000
Current loans and discounts, decrease	360,000

You will notice that our profits are a little in excess of those of last year, and the statement is one of the strongest we have had the pleasure of laying before you.

As the charters of all the banks would have expired in July of this year, a further extension of ten years was granted, and certain amendments to the Bank Act were enacted.

The chief changes were :—

The rate of interest on the notes of suspended banks was reduced from 6 per cent. to 5 per cent.

Power has been given to enable a bank to purchase the assets of another, thus overcoming the barrier which formerly existed to the amalgamation of banks.

In addition to the annual return of unclaimed dividends and balances, we are also required to furnish a statement of all drafts and bills of exchange issued and remaining unpaid.

In the case of a suspended bank, the Canadian Bankers' Association has been given power to appoint a curator. The association has also been entrusted with the work of inspecting and supervising the note circulating accounts of all the banks in the Dominion, and added safeguard, if any were needed, to the circulating currency of the country. In this way the association has practically become an agent of the Government in the administration of the Act.

The form of our statement to the Government has been changed, and fuller details are now required. It was this that rendered advisable the new form of statement now laid before you. Other changes were more of interest to bankers themselves than the public. Generally speaking, the alterations were in the direction of strengthening and improving the Act under which we have worked for the last ten years.

At the last session of Parliament the Finance Minister took power to establish a mint. The opinion of the bankers, not from any selfish point of view, but from what we believed to be in the best interest of the country at large, were set forth at the last annual meeting of the Bankers' Association, and I do not propose to say anything more on the subject here. The Act was only permissive, and it may be that on looking more closely into the matter the Government may decide not to incur considerable expense in order to deteriorate the value of one of our products, as the gold is more available to pay our foreign indebtedness, and more valuable for export, as bullion, than if it were minted into coin. As a circulating medium, it will not displace the paper currency here, any more than it does in the United States, while the miners to-day can obtain from the banks the same value for their gold as they would if the mint were established even in British Columbia.

Business during the last year has been generally good, notwithstanding a short crop in the Northwest, and in spite of the unfortunate condition of affairs in the mining districts. In other sections of Canada, even the most pessimistic of farmers should have been satisfied with the results of the last two years. If, from a sentimental point of view, we were eager and willing to aid the Mother Country by the despatch of troops, as will always be the case, the practical result is a magnificent advertisement to Canada and an additional market established for our products, which will probably recoup the outlay of this country. In the last year there has been an increased demand for its products, in consequence of the Boer War in South Africa.

On the other hand, the woolen manufacturing industry has not been prosperous, and I am sorry to say the outlook for the lumber trade is not of the best, prices ruling low and the markets being congested, and we can only hope for an improvement before the season finishes.

There are also signs of over-production in textile goods and in the manufacture of pulp, which only need judicious restraint to be put on a good basis. We must not forget the return of the wave and get so far beyond our depth as to lose our footing.

It is too early to speak of the future crops, though up to the present the reports are good, and, if they turn out according to promise, we ought to have another good year, and if that comes you can see that this Bank is in a position to take advantage of it.

ADOPTION OF REPORT.

Hon. George A. Drummond said :—

You have heard the statement of the General Manager and the report of the Directors, and the statements placed before you appear to me to be so full and complete that I do not consider it necessary to make any further amplification of them. I will content myself, therefore, with moving: "That the report of the Directors now read be adopted and printed for distribution among the Shareholders."

The motion was seconded by Mr. E. B. Greenshields, and after a few remarks by Mr. John Morrison, who thought that the General Manager had taken the correct view with regard to the proposed establishment of a Canadian mint, it was carried unanimously.

Senator O'Brien moved :—

"That the thanks of the meeting be presented to the President, Vice-President and Directors for their attention to the interests of the Bank."

This was seconded by Mr. David Morrice, and was unanimously agreed to

Sir William Macdonald moved :—

"That the thanks of the meeting be given to the General Manager, the Inspector, the Managers and other officers of the Bank for their services during the past year."

The motion was seconded by Mr. R. B. Angus, and having been unanimously concurred in, was acknowledged by the General Manager.

Mr. B. A. Boas moved :—

"That the ballot be now open for the election of Directors be kept open until 3 o'clock unless fifteen minutes elapse without a vote being cast, when it shall be closed, and until that time, and for that purpose only, this meeting be continued.

This was seconded by Mr. Hector Mackenzie, and unanimously agreed to.

On the motion of Mr. John Morrison, seconded by Hon. James O'Brien, a hearty vote of thanks was accorded the Chairman for his conduct of the business of the meeting, and he acknowledged the same.

THE DIRECTORS.

The ballot resulted in the election of the following directors :—

R. B. ANGUS, ESQ.
HON. GEORGE A. DRUMMOND.
A. F. GAULT, ESQ.
E. B. GREENSHIELDS, ESQ.
SIR WILLIAM C. MACDONALD.
A. T. PATERSON, ESQ.
R. G. REID, ESQ.
JAMES ROSS, ESQ.
RT. HON. LORD STRATHCONA AND MOUNT ROYAL, G.C.M.G.

PATENT REPORT.—Messrs. Fetherstonhaugh & Co., Patent Solicitors, Canada Life bldg., furnish us with the following complete weekly list of patents granted to Canadians in the following countries. Any further information may be readily obtained from them direct.

Canadian Patents.—C. Gentle, stoves; J. Flesher, doors for grain cars; L. N. Soper, repeating upright piano actions; E. Perkins, railway track joints; A. I. Shaw, cattle guards; S. Toles, buck saws; A. J. Fowler and Joseph Stauffer, liquid fuel and air burner.

American Patents.—James Guinan, air brake; N. E. Nash, back pedalling brake; S. H. Pocock, money exchanging device; G. E. Smith, saw mill; John R. Smith, miter box; H. A. Wood, valve or tap.