

arose year by year, and the stockholders may receive the statement as conveying as truly the position of the Bank as it is possible for the management to place before it. I, therefore, think, in entering on a new year, that, with another good harvest and improving trade, the position of the Bank may be even more satisfactory than in the past. In every direction its influence has been beneficial, and with the support of a body of shareholders almost wholly residents of Canada (and most of our shareholders are residents of Canada), I trust it will continue to be a matter of pride to Canada, as it is a credit to her, that we have such an institution as the Bank of Montreal.

Hon. Thos. Ryan then moved the following resolution, seconded by Mr. Andrew Robertson:—"That the thanks of the meeting be given to the General Manager, the managers, agents, and other officers of the Bank, for their services during the past year."

Mr. Ryan said—I can only attribute this motion being put into my hands to the fact that I, being the oldest Director at the Board, may be supposed to have more experience than my *confreres* on the subject to which it relates. You have heard the remarks of Sir A. T. Galt, taking a great deal of credit to the Board of Direction for their services and attention; and I believe that these remarks have been fully merited. But I need not say that without a good Manager a Board of Directors would be of very little service. They can support and they can back up the measures of a manager but it is his measures, and his discrimination, and his insight into the business and conduct of the business of the bank that give you your dividends. (Hear, hear.) One of the duties devolving on him is the selection of subordinate officers, and in that I think our friend, Mr. Angus, has shown a discrimination which has certainly been unsurpassed. And I believe, besides, that while he has selected good officers throughout in every branch of this widespread bank, I think I can appeal to all who serve under him to confirm me in the statement that he (Mr. Angus) is highly appreciated by the whole banking community as well as the managers and subordinate officers of the bank. Of course, in the management and in the selection of officers there may sometimes be mistakes, and among the officers there may sometimes be men that disappoint the trust reposed in them, but these, I think, in the Bank of Montreal have been few to an unexampled degree. I think those with whom we have had to find any fault have been very few compared with what we see every day around us. After briefly reviewing the past history of the institution and its management, Mr. Ryan said he regarded the high position which the bank now held, as in a great measure due to the urbanity of manner and conduct of the General Manager who had always looked to the general interests, of the country in his dealings for the bank rather than that of operating to the disadvantage of similar institutions. No one, he thought, had promoted that feeling more than Mr. Angus.

Mr. Andrew Robertson, in seconding the resolution, wished to add only a word. In regard to the services of Mr. Angus, we must not forget that, when he took the management, he came in on the flood-tide, and he has stood the breakers for two or three years; and no one could have better managed the business of the Bank.

Mr. R. B. Angus, the General Manager, in reply to the resolution said:—I thank you for this continued mark of your confidence, coming, as it does, at a time when we are surrounded with more than usual difficulty and responsibility in the discharge of our duties. I consider it a very great honour to occupy the position which has been filled by my predecessors—men of great renown and position in the banking world. And

I have also much satisfaction in being associated with my fellow-officers, who are known, not only in this country, but in England and in the United States, as men—some of them the leading gentlemen of the profession—of high standing, integrity, and ability in their respective spheres. I have been asked since I came into the room as to whether the decline in the discount that was noticed took place chiefly at Montreal? I may say in reply—Undoubtedly it did; our loans here are larger than elsewhere, and the decline was in a great measure at this office. But the words of the report were correct, that the decline was to be accounted for by the diminution of discounts at the chief commercial centres of Canada. At Toronto the decline was proportionate to that in Montreal, and in some of the larger cities it was also considerable. I may take this opportunity of telling you that the diminution of the value of banking business has been gradual throughout the year; therefore, the full effects may not have been experienced, and it is quite possible that it may affect the profits of the coming year to a greater extent than the past. I think it also well to remind you, while you are taking, perhaps, a somewhat sanguine view of the position of affairs, that there is, perhaps, no department of business where competition is more keenly felt than in banking. We have, perhaps, as great an excess of banking capital and banks in Canada as in any other line of business. We have to compete, not only with the capital wielded by our neighbours in Canada, but also with the very cheap money of Great Britain, which is finding its way more and more into this country, and with the very low rates of interest that have prevailed, and do still prevail, throughout the United States. The time was when we had the opportunity of employing money to very considerable advantage in such great commercial cities as New York and Chicago; but that, I regret to say, has been—almost entirely—reversed during the last two years. Money has ruled very low at these points, and the competition for business has cut down profits to a minimum. While, therefore, there are some favorable indications of the present, that have been already referred to, such as the promise of abundant crops for the coming year, and several indications of a more encouraging nature with regard to business generally in the United States and Canada, I think it well to caution the shareholders not to look with too much expectation on the probable results of the immediate future. I hope there has been nothing said in the report of the Directors, or in the speeches of our friends, that would indicate the certainty of twelve per cent. dividends being maintained, because I think that it is quite possible that we may be unable to make such a return for the coming year. If the business continues in its present position, it would not be a satisfactory measure for any of us to continue a twelve per cent. dividend when there was so little margin, or rather, as you have seen this year, no surplus over the amount required for the dividend, and for bad and doubtful debts. Still, I may say that I enter upon the year with a considerable degree of hopefulness myself; and the efforts of the executive will be directed, as they have been in the past, to achieve as good results as can possibly be obtained, and I believe that the Bank occupies a position second to none, I may say, on the continent, for profitable prosecution of the banking business. While I have this opportunity of addressing you, I may mention that the point we have alluded to on several occasions, as to the number of shares held by bankers and brokers—shares held presumably on speculation—that that is a question which, at any rate for the present, is not a practical one, and which may for the future be dismissed. While in June, 1875, there appeared to be 6,775 shares so held,

the number this year, so far as we can make it out, does not amount to 1,000. The number of shareholders is increased from 1,831 in 1875, to 2,286 this year. Mr. Angus then stated that he would be happy to give any further information that was asked, or reply to any questions suggested.

Mr. R. W. Shepherd then moved, seconded by Mr. Thomas W. Ritchie:—

That the ballot now open for the election of directors be kept open until three 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. Carried.

The meeting then adjourned.

The following is the report of the scrutineers:

Montreal, 3rd June, 1878.

SIR,—We declare the following gentlemen duly elected Directors this day:—

G. W. Campbell, M.D., Hon. Donald A. Smith,
Sir A. T. Galt, Allan Gilmour,
Edward Mackay, Peter Redpath,
Hon. Thomas Ryan, Gilbert Scott,
George Stephen.

We are, Sir,

Your very obedient servants,
W. B. CUMMING,
THOS. DAVIDSON.

To the General Manager, Bank of Montreal.

FREEHOLD LOAN AND SAVINGS COMPANY.

The annual general meeting of this Company was held in the offices on Church Street, on Tuesday the 4th inst., the President in the Chair. Mr. Charles Robertson was appointed Secretary. The minutes of previous annual meeting having been taken as read, the Secretary then read the

REPORT.

The Directors have pleasure in submitting the Nineteenth Annual Report, with the accompanying statements, showing the result of the twelve months' business ending the 30th April, which, considering the increased competition occasioned by new companies, should be satisfactory to the shareholders.

The gross profits, the year amount to \$145,294.12, which have been disposed of in the following manner, viz.:—

Paid two half-yearly dividends of 5 per cent each	\$60,000 00
Paid interest on Deposits and Debentures	51,033 65
Cost of Management	13,380 52
Proportion of expense for placing Debentures	532 05
Carried to Reserve Account	20,000 00
Carried to Contingent Fund	347 90
	<hr/> 145,294 12

It will be seen that after paying two half-yearly dividends of 5 per cent. each, the interest on deposits and debentures, cost of management etc., the sum of \$20,000 has been carried to reserve account, making that fund \$200,000, or one-third the entire capital.

The debentures and deposits, amounting together to \$953,917 92, constitute the entire liabilities of the Company to the public; the assets held as security for this sum amount to \$1,781,770, composed of the following items, viz.:—Mortgages for \$1,668,707 on real estate, the value of which is not less than \$4,000,000; premises purchased for office accommodation, \$11,797 60; advance on stock, \$5,442 67; furniture, etc., \$3,425 63; cash in bank, \$95,738 42, and \$85 09 on hand.

In order to meet the views of the holders of debentures in Great Britain, who prefer the security of subscribed stock on which a moderate