

Sinking ns in pro-	43,015 44
ders:-	
.....\$2,008,000 00	
.....1,004,000 00	
.....505,000 00	
.....10,000 00	
.....853 50	
ble 2nd January, 1907.	30,120 00
e 2nd January, 1907.	10,040 00
.....4,121 35	
	\$4,744.170 84

and Loss Account.	
on Company's	\$125,589 18
ck, at six per	
.....\$60,240 00	
.....10,040 00	
s Taxes	1,046 60
.....71,326 60	
anitoba Agency Charges	28,271 10
s on Moneys borrowed	
.....14,435 82	
Building	5,000 00
Fund	45,000 00
.....4,121 35	
	\$293,744 05
	\$ 2,341 17
and accrued on Current	
.....283,897 31	
d claims	7,505 57
	\$293,744 05

EDWARD SAUNDERS,

Manager.

ors' Certificates.

that we have examined the books, of the Canada Landed and National limited, for the year 1906, except the certificate of the Auditor at and them correct.

ts as Auditors have been complied ts of Assets and Liabilities, and ove, exhibit a correct view of the t December, 1906.

TSOON SIME, C.A., (Scotland).

WILLIAMSON,

Auditors at Head Office.

th, 1907.

at I have examined the books, ac- the Canada Landed and National in- ited; at their Winnipeg office for the me correct. I also certify that the d for my inspection and found in rements as Auditor have been com-

J. B. PEPLER,

Auditor at Winnipeg.

th, 1907.

ption of the Report, the President

tifying to your directors to meet 80 ers at another Annual Meeting, and ent Balance Sheet and Statement of ppany.

atement in your hands you will see

ess for the past year are:-

2,341.17, brought forward

er deducting expenses of

st on Debenture Bonds,

r charges

d from old claims.

.....\$116,895 78

.....7,505 57

\$124,401 35

ve has been disposed of as follows:-

two half-yearly

per cent.

.....\$60,240 00

is on the Capital

.....10,040 00

.....5,000 00

Fund

.....45,000 00

.....4,121 35

\$124,401 35

On 31st December, 1905, the Reserve Fund amounted to \$460,000 00 To that has been added from profits of the year 45,000 00 Bringing that up to \$505,000 00

Being over 50 per cent. of our Paid-up Capital.

Not only that. We enter the year 1907 with a Contingent Fund of \$10,000, and carry forward a Balance of \$4,121.35.

Now, gentlemen, you ought to be thoroughly well satisfied. You have got 7 per cent. between Dividend and Bonus, and your Company was never before in so good shape as regards its earning powers nor with its assets, its securities of all kinds, so solid and entirely satisfactory.

As you know, our largest and most important Asset is mortgages on improved farms, and to a limited extent on productive property in Toronto and in Winnipeg. In every case abundant security is the primary consideration and the rate of interest the secondary.

Whilst an active business is done by the Company in Manitoba and the Western Provinces, we still have a large amount of valuable loans in Ontario, and though the rate of interest is lower than in the West, it yields a fair profit. Our lending in all the Northwestern Provinces is carried on in a most careful manner, and after every property offered for a loan has been inspected and reported upon by competent and trustworthy valuers. Our Manager, Mr. Saunders, and our Manager at Winnipeg, Mr. McLaren, travel through all the localities through which we operate, and our skilled Inspector, Mr. Campbell, at Winnipeg, also visits these localities, and by personal observation judges how the borrowers are getting along, and having regard to the class of settlers and quality of the land, advises where desirable business can be done, and where to avoid doing business.

A most gratifying feature of our loans is the way in which both principal and interest are paid. There is next to nothing past due, and where interest may not come in at the very date it is due, that gives us no anxiety, knowing the security is ample, and that no loss will arise from it.

Although a large sum goes out on new loans each year, the gross amount of our mortgages does not increase largely owing to the fact that so many of the borrowers very soon begin to make considerable repayments on account of principal. This is a healthy condition of affairs. The indebtedness all the time growing less, and, with improvements on the mortgaged properties in many cases being made, the security increasing steadily in value.

The year 1906 has been one of very great prosperity throughout the Dominion of Canada, manufactures of nearly every description being full of orders and experiencing difficulty in executing them, arising in many cases from being unable to obtain a sufficient number of workers.

The scarcity of suitable workers is felt not only in many manufactures, but also on the farms. The farmers in Ontario cry aloud for help, and watch the arrival of trains at the railway depot for immigrants to try and engage any who have been accustomed to agricultural life and work. Unfortunately, not a few immigrants have been undesirable additions to our population, and not likely to prove temperate, industrious and persevering in efforts to prosper and do well.

The stream of population continues to pour into Manitoba, Saskatchewan and Alberta. The number of immigrants entering Canada through the Canadian Pacific gateways from January 1st to November 7th, 1906, was 132,000. Official figures give the number of new settlers entering the Dominion of Canada for the year ending June 30th, 1906, as 189,064, and it is estimated that 75 per cent. of these have settled in the Western Provinces.

The population of Manitoba is about 360,000.

The population of Saskatchewan is about 260,000.

The population of Alberta is about 185,000.

There are clear indications that this year there will be heavy emigration from the United States. As I stated a year ago, these settlers are the best, upon the whole, coming into the prairie country. They understand Western farming, they bring with them in most cases their families, their horses and cattle, their agricultural implements, and often considerable money as well, proceed to plough the land and the following harvest reap a crop.

It cannot be doubted that so magnificent a country as Manitoba, and the new Provinces to the West of it, will continue to attract settlers in increasing numbers year by year for a long period of time. How can it be otherwise when the crops exported this year are about 90,250,000 bushels of wheat, 87,216,270 bushels of oats and 20,775,000 bushels of barley. In addition to that a large quantity of flaxseed is grown, also potatoes and other root crops, while a large amount of cash is earned from dairy products and rearing of horses and cattle. A great deal of the crop has to be marketed, as the railways have been unable to supply enough cars to cope with the enormous amount of freight waiting for them. The

railway managers are doing their very utmost to overcome the deficiency, but have not anticipated that the settlement of the country would be so rapid as has proved to be the case. The unusually heavy snowfall has greatly added to their difficulties.

That Canada's prosperity is in a large measure due to the vast resources of the great West is very apparent. The development of these resources will be wonderfully hastened by the fact that there are now four railroads pushing across the continent, viz.:—The Canadian Pacific, Canadian Northern, Grand Trunk Pacific, and Mr. Hill's ambitious plans of penetrating into Canada and building by way of Brandon, Saskatchewan, and Hudson's Bay line, north until Fort Churchill is reached, some time.

The Canadian Pacific has a very large programme on hand, improving their main line and building cross country lines as feeders to the main line.

The Canadian Northern will energetically push the completion of their main line through to the Pacific and extension north from Edmonton to the Peace River country, and open up for settlement a vast territory of valuable agricultural land.

Then the Grand Trunk Pacific is being pushed with all possible speed, and all available men have been working on different parts of it throughout the season. This will also bring new and valuable regions of fine land within easy reach in what is called New Ontario, also minerals of various kinds and forests of pine and spruce. Already many settlers are taking up lands there.

The Temiskaming and Northern Ontario Railway is a road owned by the Ontario Government, and operated under them by a commission. It starts at North Bay, a point where the Grand Trunk from Toronto meets the main line of the Canadian Pacific. From there it goes in a northerly direction, and is in operation to Englehart, 138 miles, and is being built onwards until it will reach the place where the Grand Trunk Pacific main line will pass on its way from the Atlantic to the Pacific.

The Temiskaming & Northern Ontario road passes through the Cobalt mining region. Cobalt is attracting the attention of those interested in mining in all parts of the world. That it is wonderfully rich in silver-producing ores is beyond dispute, and numerous companies have been floated by unscrupulous promoters who may have induced rash investors to put their money into holes in the ground with little or no silver or other valuable ore in them. There are, however, several genuine, rich mines already shipping ore to the smelter, and after sufficient time has elapsed to test fully their quantity and quality, investors may operate in the light and not guess in ignorance and doubt.

The greatest difficulty these great enterprises have to contend with is the procuring of a sufficient number of laborers, but even that difficulty will be overcome by the able men who direct and manage them, and who cannot be daunted by obstacles that would stagger many men. These railway magnates are true nation builders.

Many of the Doukhobors and Galicians who are settled in Saskatchewan go to work on the railways, and earn good money, thus are furnished with ready cash to enable them to make improvements on their homesteads; and in the meantime their women and families stay at home, work unweariedly, manage to raise some crops, some chickens, and enough altogether to put them beyond the danger of want.

As an indication of the growth of Toronto, Montreal and Winnipeg:—

Toronto reports the total estimated cost of her buildings in 1906 at \$13,142,000, Winnipeg at \$12,000,000, perhaps more, and Montreal at \$8,507,478.

The population of these cities is about:—

Montreal, 350,000; Toronto, 275,000; Winnipeg over 100,000.

Our old Chartered Banks, as shown in their Reports and Statements to their shareholders at Annual Meetings held lately, have had another year of unexampled success and prosperity. Besides paying handsome dividends they have added largely to their Reserve or Rest Account, and are finding it expedient to increase their Capital.

At the Annual Meeting, on the 9th January, of the Bank of Toronto, the President in his address very concisely stated what he considered was the duty of the Banks towards the industries and commerce of the country. He remarked:—"The obligation has been laid upon the Chartered Banks of this country to provide the circulating medium which enables the necessary exchanges of commodities to be made. The Banks have received the privilege from Parliament under their Charter to issue their own notes up to the amount of their paid-up Capital, and as the business of the country expands, and as new demands are made from time to time, we feel ourselves bound to share in discharging the duty which Banks owe to the country in providing the currency to assist in facilitating and developing its trade."

Without the assistance and co-operation of the Banks many of the large and successful undertakings of our country could never have been carried to completion, and what