

REPORT OF THE DIRECTORS
OF THE
CANADA PERMANENT LOAN AND SAVINGS COMPANY
FOR THE YEAR 1896.

The Directors have pleasure in presenting to the Shareholders the Forty-second Annual Report and Statement of the affairs of the Company.

The general business of the Company during the year was satisfactory. Receipts from Mortgagors of maturing instalments of principal and interest were quite up to the average, while the demand for money on acceptable securities was sufficient to absorb all capital repaid, at fairly remunerative rates. All Debenture Bonds falling due were renewed or replaced by others at reduced rates of interest.

As was to be expected from the diminished earning power of money, the net proceeds of the year's transactions were less than formerly, but were more than sufficient, after paying all charges and writing off all losses, to pay two half-yearly dividends of four per cent. each on the paid-up Capital Stock, which, together with the income tax thereon, amounted to \$212,257.83. The surplus profits, with a portion of the Contingent Fund, were applied in writing down the sums standing against certain properties not immediately productive. In accordance with established usage, no interest has been charged against any uncertain account.

In consequence of the lack of demand for real estate, either for use or for investment, not excepting even such as are yielding a remunerative return, a considerable number of properties remain unsold, the great majority of which are bringing fair rentals. A slight improvement in the agricultural and industrial conditions of the country will enable the management to largely reduce this class of assets, although it has never been found practicable to extinguish it entirely.

The Directors desire to recognize the faithful and efficient services of the Company's employees at the Head and Branch Offices, as well as of the large staff of local Appraisers, in protecting and promoting the Company's interests during an exceptionally difficult and trying period; and also to acknowledge the valuable and influential services of the representatives of the Company in Great Britain.

All which is respectfully submitted.

J. HERBERT MASON,

President