

gentleman who last spoke said it was a question of confidence. Sir E. Head may have said that the directors would retire in case another policy was carried out. Very likely they would have done so, because they would have felt that they were no longer able to manage the affairs of the Company successfully, and would desire to leave them to other hands. Sir E. Head honestly did what he thought best for the interest of the shareholders ; and I do say that, if we had thus early carried out the proposed policy of colonization, instead of your getting 4 per cent. dividend, you would have had none at all. There is no doubt whatever that you are not in a worse position for not having early carried out that policy. There may come a time when it may be necessary to alter our plans. At all events we should not have done our duty towards you if we had attempted colonization prematurely in the way that several gentlemen have recommended.

A SHAREHOLDER : What has become of the £370,000 ?

The DEPUTY-GOVERNOR : The working capital of the business has increased and must necessarily increase. The stock of goods in hand is larger. We bought several new ships, and it is impossible to carry on the trade from year to year without some increase in the capital. All the money we have is employed,—fully employed.

The CHAIRMAN : I agree with Mr. Newmarch that it would be to the last degree unwise, in this room to depreciate the value of the territory we possess. I believe that, far from our territory being worth less than it was a few years ago, it is worth more, and for this simple reason. The territory adjoining ours, principally occupied by the State of Minnesota, has been in rapid process of colonization, and naturally, as colonization approaches nearer to