

LA BANQUE DU PEUPLE

Annual General Meeting of Shareholders.

The annual meeting of the shareholders of La Banque du Peuple was held in the bank premises, Monday, 5th March last. The president, Mr Jacques Grenier, occupied the chair, and among those present were Hon A. W. Ogilvie, Messrs. J. Y. Gilmour, H. Beaugrand, William Francis, W. S. Evans, John Morrison, John Crawford, Nolan DeLisle, G. B. Muir, L. Armstrong, Chas. Lamothe, Chas. Wittman, Arthur Provost, A. W. Stevenson, Alph Leclair, H. B. Warren, J. B. R. Sther, Samuel B. H., N. B. Desmarieau, G. S. Brush, Chas. Lacaille, Michael Burko, P. P. Martin, and D. Masson. Mr. J. S. Bousquet, cashier, acted as secretary of the meeting.

Report of the Directors.

The Directors beg to submit to the Shareholders the statement of the affairs of this Bank for the year ending 28th February, 1894.

The net profits of the year, after having provided for all bad and doubtful debts and deducting costs of management, amount to \$108,915 49.

Out of this sum we have paid dividends at the rate of six per cent per annum amounting to \$72,000.00 and carried to the reserve \$50,000.00, which raises that fund to \$600,000.

The demand for money for mercantile purposes has kept our capital fully employed at remunerative rates of interest.

All our agencies have been thoroughly inspected during the year, and we notice a large increase in the volume of transactions, they are working very satisfactorily.

We have also to acknowledge to the shareholders the efficacy of services rendered by our staff of officers, their fidelity and attentive work have reflected credit to the Institution. The whole respectfully submitted.

J. GRENIER,
President.

Montreal, 1st March, 1894.

General Statement.

The secretary submitted the following general statement.—

STATEMENT OF PROFITS FOR THE YEAR ENDING 1ST MARCH, 1894.	
<i>Dr.</i>	
Dividend, 3 per cent, paid September 1st, 1893	\$36,000 00
Dividend, 3 per cent, payable March 6th, 1894	36,000 00
Amount carried to Reserve Fund	60,000 00
Balance of Profit and Loss carried forward	12,577 42
	\$134,577 42

<i>Cr.</i>	
Balance of Profit and Loss account, 28th February, 1893	\$25,661 93
Net profits of the year after paying expenses and providing for all bad and doubtful debts	103,915 49
	\$134,577 42

GENERAL STATEMENT CLOSE OF BUSINESS, 28th FEBRUARY, 1894

<i>Dr.</i>	
To Circulation	\$ 813,250 00
To Deposits not bearing interest	1,643,680 21
To Deposits bearing interest	4,369,928 38
To amount due to other banks	156,367 84
To Capital paid up	\$1,200,000 00
To Reserve fund	600,000 00
To Profit and Loss	12,577 42
To Dividend No. 96, payable March 6, 1894	36,000 00
To unclaimed dividends	4,111 17
	1,852,688 69
	\$8,737,216 02
<i>Cr.</i>	
By Specie	\$ 64,988 35
By Dominion notes	290,340 00
By Circulation Redemption Fund	40,000 00
By notes and cheques on other banks	154,228 72
By balances due by other Banks	51,637 66
By Call and short loans on stock and bonds	929,515 38
Immediately available	\$1,640,910 11
By loans and discounts current	\$6,637,608 52
By Notes and Bills overdue, secured	21,014 18
By Notes and Bills overdue, unsecured	18,627 32
By Mortgages and hypothecues	83,465 06
By Real Estate	68,779 38
By Bank premises	100,910 44
	\$8,737,216 02

J. S. Bousquet, Cashier.

We, the undersigned Auditors, named at the last General Annual Meeting of the Shareholders, after having examined the Books, verified the Specie and Legal Tenders on hand, in a word, after having taken cognizance of the Assets and Liabilities of the Corporation of "La Banque du Peuple," have the honor to report that we have found the whole to be correct and deserving our approval

P. P. MARTIN,
NOLAN DELISLE,
LOUIS ARMSTRONG,
Auditors.

Montreal, 1st March, 1894.

The President's Address.

The president then rose and said:—As you will have observed, gentlemen, I have taken the same position as other banks do. Hereto-

fore, we used to have a meeting to appoint directors, but there is nothing in the charter which binds us to do so, and I thought that, like the president of other banks, I would take the chair. I have asked the cashier to act as secretary. With regard to some other things I want to do the same as they do in other banks. It has been usual in this bank that the adoption of the report of the auditors, as well as that of the directors, be moved by individual stockholders, but, as you are aware, in other banks, the adoption of the report is moved by the president and seconded by the vice-president or one of the directors. I will take the same course this year, and hereafter it is understood that this will be followed. I will move, seconded by Mr. Brush, vice-president, "That the annual report of the auditors, as well as that of the directors, now submitted, be received and adopted," and to save as much of your valuable time as possible I will subsequently ask the cashier to give, as usual, his annual address on the general business transactions. I will only take the opportunity to give you some comparative figures with regard to the progress of the institution. Although you must have observed that increased securities generally have diminished among some of the other banks some \$2,000,000 or \$3,000,000, the circulation of this bank has increased \$61,510. The deposits not bearing interest have increased only a very little, but when you consider the hardness of the times during the year, and that cash was scarce, you will see that the object was to try and keep as small a balance as possible. The increase of the deposits not bearing interest was \$6,297, an amount which shows the progress of this bank and which also shows the confidence the public have in it. The deposits bearing interest amounted to \$544,595 more than they were a year ago, which shows that if money was scarce for ordinary deposits, it seems to have been plentiful with those who deposited at interest. This year the deposits bearing interest amounted to \$1,369,928, against \$3,825,333 last year, which shows a surplus of \$544,545. I think that this is very satisfactory, and it shows the confidence that there is in the bank. I am now going to enter into some explanations which, I believe, have been refused by some other institutions, but we have nothing to hide. The whole responsibility rests on the directors of this bank. The stockholders are fortunate in not having any double liabilities, neither have they any responsibilities. The gross receipts this year amounted to 16 1/2 per cent. on the capital, against 14 per cent. last year, which shows that we are also making some little progress with regard to profits; but it does not look so well on the net profit side, which this year is only equal to 9 per cent. on the capital, whereas in the previous year it was equal to 13 per cent. on the capital. You will remember that last year I made you aware of a judgment against us from the Privy Council on the other side for some \$50,000. That judgment came just on the eve of our last annual meeting. We have kept \$25,000 to meet part of this, which we had to meet this year. Unfortunately I have also to make you aware of another suit we have had in Three Rivers, in which we were successful in the Superior Court, as well as the Court of Appeals here, but we were defeated in the Supreme Court. We made application to have recourse to appeal in England, but we were refused, and we had to pay. During the year, the head office has not lost anything on debentures, but, unfortunately, some of our branches have made small losses. We have distributed 9 per cent. this year, that is to say, 6 per cent. to the stockholders and the balance to the cost of management. I am happy to inform you that the cost of the management of this bank is as limited as possible, we try to curtail the expenses as much as possible, and I think that we have succeeded so far. Last year I made you aware of the expectations we had in regard to our new building. I told you it was expected that if we could rent our offices the bank would derive about 4 or 5 per cent. on its outlay, and we should have free the whole of the bank premises proper. I am now pleased to tell you that, although we have not yet rented all the offices, we have rented about three-fifths of them, and we are in hope that the remainder will be let by May 1, as we have applications for some more. If we should succeed in renting the whole we calculate that the revenue from this source will be \$18,000. What we have let we have rented at the rate of 80 cents a foot; the New York Life lets theirs at \$1 a foot. We have rented ours on the same conditions as the New York Life, viz., to supply light, fuel and cleaning. We calculate that \$8,000 expenses will cover everything, and out of this I think we shall be justified in deducting 75 per cent. for the bank, which will leave, including two stores which we think we can rent easily, a net profit of \$12,000, or 5 per

cent. on an expenditure of \$240,000. We are satisfied that the expenditure will not be more than that. Having our bank, which will be nearly three times the size of the old one, and with a revenue of 7 per cent. for rents on our outlay, I think we shall be doing well. We are satisfied that for the shareholders the investment will be a good one. Well, gentlemen, with these few remarks, I will call upon the cashier to make his annual address on the general business, and after that I shall be happy to answer any questions which any stockholder may be pleased to ask either myself or any of the directors.

The Cashier's Address.

Mr. J. S. Bousquet then spoke as follows:—During the last year we have had a period of what I may call prosperity without any great inflation, the trade of the country is not growing by leaps and bounds, but it is showing steady progress.

The bank is now in a position that the directors can afford to distribute a larger share of the yearly profits to its shareholders, and, as Mr. the President just said, they propose to do so on the first of September next.

There has been a steady increase in the number of new accounts opened, both at the head office and the branches, and it is satisfactory to state that the bank's general business has been fully maintained, while the local facilities afforded by the branches continue to be appreciated by our customers and the public.

REVIEW OF THE YEAR.

It has been the custom during recent months to contrast the happy condition of the mercantile affairs in Canada with the distress which has marked all classes of trade in the United States. The record of the insolvencies sums up the contrast in a striking way; of course, we could scarcely expect to escape absolutely from the adverse influences which have wrought so much havoc among our neighbors, trading with them so largely as we do, and affected in our financial operations as we must be by the financial crisis there. Up to the present, at all events, no Canadian interest has perceptibly suffered from the cash in the United States, although, as I have already said, the business relations of the two countries are somewhat intimate and the conditions of trade in both, as a rule, run upon nearly parallel lines. Money has been lost in Canada by those who operate in stocks, but happily the number of people interested as speculators is not very large and the losses entailed by the shrinkage in market values did not effect the community as a whole.

But how comparatively little we have been touched by the collapse of trade will be understood by the following figures of failures.—The number of failures there was more than 50 per cent. greater than last year, with liabilities of \$108,000,000 in 1892 as against \$382,000,000 in 1893, while in Canada the increase was only a slight fraction over 2 1/2 per cent. in number and 40 per cent. in liabilities. Tested by the record of mercantile failures, the condition of business in Canada has been good.

AGRICULTURE.

It must be gratifying to every one who has the interest of the farmers of the province of Quebec at heart to have learned what a splendid success has been made by cheese and butter from the province at the World's Fair. Mixed culture has been advocated since many years in this room, because it was felt that progress in culture meant progress in business; people live to enrich themselves and in an essentially agricultural province like ours wealth must come first from the land. The fatal mistake of our farmers of depending entirely on one crop for their living is rapidly disappearing to be replaced by the variety of products, and this year has been a year of rapid advance in the dairy industry among farmers. There has certainly been vigor on the part of the Government, or the Department of Agriculture, in fostering the necessity of improved methods in the general working of the farm to be adopted by farmers, but even the Government now would show meagre results without an active co-operation among farmers themselves. As said a well known professor whose energy, ability and devotion to the advancement of progress in agriculture makes him an authority, in answer to the question of where should the farmers look for guidance in making changes which imply progress. In reply he would say:—1st. To the Agricultural Societies and exhibitions which had furnished object lessons and stimulation; 2nd. To farmers' conventions, meeting of clubs and farmers' institutes, which had made information of the leading farmers the common property of all; 3rd. To the Government experimental farms, whose experiments had a capacity of a two fold service,

"investigation for discovery and illustration for guidance."

To farmers' syndicates formed during the last three or four years in this province is chiefly due the considerable increase noticeable in the manufacture of dairy products, and the most sincere sympathies should be extended to and encouragement given by every citizen to the Society of Dairy Products of this Province which has so largely contributed to the formation of these syndicates. The Honorable Minister of Agriculture in a speech delivered at St. Hyacinthe lately, before a conference held in that city of the forty-nine clubs of the diocese of St. Hyacinthe, said that there was actually in this province 425 clubs and that he expected that within eight or ten months the number would reach 1000. It is to be hoped that his expectations will be realized, for those clubs are the torch light bearers of progress in agriculture.

That this year has been a year in the good direction is undoubted, and the results are already noticeable. To the large increase of our dairy products is partly due the improvements noticeable during last year in the general business of this province. Cheese has been an exceptionally good season, with a record of export higher than any yet recorded, and the farmers have reason to congratulate themselves. The hay, owing to a short crop in Great Britain, has been exported and has proved a source of immense revenue. But the singular coincidence of unexpected shortages in this crop in Europe, with the unusual abundance on this side, are not to be realized every year, and should not carry out farmers' enthusiasm for the culture, for such an exceptional condition is not likely to be realized. But it continues to be in favor in England, and our creameries compare favorably with those of Denmark and Ireland. There has been a foreign demand for it at remunerative prices for all we could make.

The course the United States will adopt with regard to the tariff is awaited with some anxiety, as it is likely to form some guide as to possible chances in Canadian agriculture, for the new tariff under discussion, though altogether protective in its character, is far more favorable to Canada than any one expected. If adopted as proposed actually, the Canadian farmer could once more export his eggs, his barley, his horses and his hay across the lines with some chance of profit, and this would be interesting news to them who would likely prepare at once for an increased production in these lines.

OUTLOOK.

The general actual commercial condition of trade is sound at bottom, thanks to our excellent banking system and the avoidance during recent years of rash speculations, but it does not warrant undue risks; on the contrary, it counsels a continuance of caution, both in accepting and in granting credits. We have reaped in this country a good harvest, but for many products of the field prices continue abnormally low. If we can maintain business on the plane of the last year or two our progress will be substantial. There is at present no reason to fear that any serious check to the prosperity so long enjoyed will be sustained, but a prolonged period of depression, of declining values, of forced sales of merchandise, of curtailed credit in the neighboring republic would, doubtless, exercise a baneful influence on Canada's commerce by diminishing the commercial exchanges between the two countries and exposing some of our industries to undue competition through the slaughter of American wares, but the causes of the critical state of things in the United States being, mainly, local and removable by wise legislation, there is good ground for believing that they will prove transient.

There certainly exists actually in Canada a feeling of uncertainty as to the future, due partly to pending industrial legislation which promises a change from the present status, and the fear of radical tariff changes is always detrimental to business, is a potent influence in arresting the wheels of commerce.

So far as the present conditions are concerned, while the uncertainty exists, it causes suspense, and this in itself cause strangulation in all the departments of trade and industry. Manufacturers will not work up stocks for the future, capitalists will not move in new enterprises, traders will not purchase beyond present needs.

But when manufacturers and merchants know what to expect, then they can go to work and adapt themselves to the changes; when this is done there will exist the most favorable conditions for a general and permanent business revival, as money is now easy and abundant, banks and other money institutions paying their usual dividends, demand for all our products large. These are many indices of general prosperity.