

Meetings.

BANK OF MONTREAL.

The Sixtieth Annual General Meeting of the Bank of Montreal was held on Tuesday, the 4th instant, at one o'clock, in the Board Room of that institution. Among those present were Messrs. Robert Anderson, Thomas Caverhill, Hon. D. A. Smith, Dr. Campbell, Thomas Davidson, Thomas Workman, M.P., Robert Benny, George Stephen, Gilbert Scott, G. W. Simpson, Edward Mackay, Sir A. T. Galt, Russell Stephenson, A. Drummond, J. R. Reekie, Andrew Robertson, Hon. Thomas Ryan, Campbell Macdougall, John Gordon, T. W. Ritchie, R. W. Shepherd, James Burnett, Robert Moat, Joseph Mackay, Hon. John Hamilton, John Rankin, J. B. Renny, H. S. Scott, Donald L. Macdougall, James O'Brien, A. G. Ramsay, W. B. Cumming, and others.

On motion of Mr. Edward Mackay, Mr. George Stephen, the President of the Bank, was requested to take the chair.

It was then moved by Mr. George Macrae, seconded by Mr. Robert Benny:—

That the following gentlemen be appointed to act as scrutineers, viz., Messrs. W. B. Cumming and Thomas Davidson; and that Mr. R. A. Lindsay be the secretary of this meeting.

Mr. Angus was then called upon to read the report of the directors to the shareholders:—

Report.

The Directors beg to present the 60th annual report, showing the result of the bank's operations for the year ending 30th April last.

The balance of profit and loss account on 30th April, 1877, was..... \$1,199,081 84
The profits for the year ending 30th April, 1878, after deducting charges of management, and making full provision for all bad and doubtful debts, are..... 1,430,903 28

Out of which have been paid dividend 6 per cent., 1st Dec. 1877..... \$719,904
Dividend 6 per cent., 1st June, 1878..... 719,904

Leaving a balance of..... \$1,430,908,00

Leaving a balance of..... \$190,177 07 at credit of profit and loss account to be carried forward.

The general statement of the assets and liabilities of the Bank at the close of the financial year is printed for distribution. Its principal features, as compared with last year, are a decline of \$2,909,689 in loans, most of which is accounted for by the lessened demand for accommodation at the principal commercial centres in Canada; and a loss of \$2,179,582 in deposits, caused chiefly by reduction of Dominion and Provincial Government balances, but also, in part, by withdrawals of money induced by offers of a higher rate of interest elsewhere.

The Directors feel that the anticipation expressed at last annual meeting, and their assurances as to the exceptional character of the accounts then submitted, are justified by the present report, which exhibits an increase of \$241,591 in the net earnings of the Bank, as compared with last year's operations. This improvement, although moderate in degree, has been achieved, it must be remembered, under the very adverse circumstances attending the prolonged stagnation of business, not in Canada only, but also throughout the commercial world.

The natural and enforced curtailment of business which has been taking place in this country having diminished the volume of the Bank's operations, has necessarily caused a reduction of its revenue, and likewise entailed considerable losses in the process of liquidation.

The vigorous contraction practised by sound and prudent merchants is highly to be commended, and the forced withdrawal of many from the overcrowded ranks of commerce may be viewed without regret until we reach a point, if we have not already done so, at which business can be conducted with some degree of confidence and with moderate profit. Some classes of manufacturers have experienced more encouraging results during the year, while others continue to struggle against excessive competition; and but little improvement in the lumber trade can yet be recorded.

On the other hand, last year's abundant harvest has not only added to the wealth of the country, but also stimulated a healthful movement of unemployed labour from the cities and older settlements to

the new lands of the Western Provinces. This movement has been more marked in the neighbouring country than with us, and it has been accompanied there by a decided improvement in mercantile affairs, which will not be without a favourable influence upon our condition. While, therefore, there may not, in the present position of affairs, be enough to justify sanguine anticipations of the future, there seems sufficient to warrant the belief that the extraordinary depression of trade, which we have so long experienced, is being somewhat mitigated, and that it is about to be followed by a moderate degree of prosperity.

Should this forecast prove to be correct, your Directors believe the Bank is in an excellent condition to offer facilities for and to profit by the prosecution of a more extensive and active business.

The Directors have to notice the opening of an agency at Winnipeg, and an increase of the Inspector's staff, which appeared desirable to insure the regular and thorough supervision of the distant branch establishments. They have also to assure the Shareholders that the loans of the Bank have undergone the usual careful scrutiny, and that all known bad and doubtful debts have been amply provided for.

GEORGE STEPHEN,
President.

GENERAL STATEMENT.

30th April, 1878.

Liabilities.	
Capital stock paid up (subscribed \$12,000,000 00)	\$11,998,400 00
Reserve.....	\$ 5,500,000 00
Balance of profit carried forward.....	190,177 07
Unclaimed dividends.....	\$ 5,690,177 07
Half-yearly dividend, payable June, 1878.....	16,460 22
	719,904 00
	\$ 6,426,541 29
	\$18,424,941 29
Assets.	
Amount of notes of the Bank in circulation.....	\$ 3,183,929 00
Deposits not bearing interest.....	4,473,127 09
Deposits bearing interest.....	9,365,867 33
Balances due to other banks and institutions.....	748,456 36
	\$17,771,379 78
	\$36,196,321 07
Assets.	
Gold and silver coin current.....	\$ 1,723,211 74
Government demand notes.....	1,927,541 00
Balances due from other banks and institutions.....	3,091,040 04
Notes and cheques of other banks.....	817,535 99
	\$ 7,559,328 77
Bank premises at Montreal and branches.....	437,000 00
Bills of exchange and discounted notes.....	\$27,718,613 13
Debts secured by mortgages and other securities.....	222,168 47
Overdue debts not specially secured (estimated loss provided for).....	250,210 70
	\$28,199,992 30
	\$36,196,321 07

R. B. ANGUS,
General Manager.

Bank of Montreal,
Montreal, 30th April, 1878.

The chairman, Mr. Geo. Stephen, then addressed the meeting as follows:—In asking you to pass this motion, I will not trespass upon your time further than merely to offer my congratulations on the improvement in the exhibit, as compared with that of last year, with which we have the pleasure of meeting you on this occasion. The statements before you show an increase over last year in the net profits of the Bank of, in round numbers, \$242,000. Considering the difficulties and disasters by which we have been surrounded during the year, and the generally adverse circumstances under which this result has been attained, we would seem to be about justified in expecting at least equally good results in future. In other words, that a 12 per cent. dividend may be looked forward to with some degree of certainty. Without wishing to express any opinion on this point one way or the other we suggest that, in our efforts to forecast and look into the future, we ought not to overlook the note of warning furnished by

the fact stated in the report, that, during the past year, the loans of the Bank had fallen off nearly three million dollars. Neither ought we to forget that, while we may have passed the period of abnormally heavy losses from bad debts—I hope and believe we have—we may be entering upon one of diminished earnings. The difficulty of finding safe and profitable employment in Canada for all the means at the disposal of the Bank is more likely to increase than to diminish.

With regard to the general trade of the country, it is to me, and must be to you, a matter of regret that the events of the past year have justified the few cautionary remarks which I ventured to make last year. I fear the process of liquidation, which our leading merchants have been pursuing for the last three or four years, must still be continued yet a while. There are still too many men in business—too much buying all round and too much borrowing. All this has to be remedied before business can become as profitable as we should all like to see it.

Dr. G. W. Campbell, the Vice-President, seconded the resolution, which was then put to the meeting and carried unanimously.

Mr. Thomas Workman, M.P., then moved, seconded by Mr. Robert Anderson:—“That the thanks of the meeting be presented to the President and Vice-President and the Directors for their attention to the interests of the Bank.”

Mr. Workman said:—I am quite sure that every stockholder here to-day will vote for this resolution with the greatest pleasure. The results of the year's business, as they have just been shown, are so much better than were generally expected—that I am sure every stockholder present or absent, will hear of them with great satisfaction. There was an impression that the semi-annual dividend in June would be less than it is to-day, and even if it had been so, I am sure the stockholders would have been satisfied to accept it. But we find that, notwithstanding the enormous losses that have been sustained by the whole of the commercial community, the Bank of Montreal is able to pay its twelve per cent. per annum; that is, two semi-annual dividends of six per cent. each; and only deducts from the balance of profits carried over from last year the sum of \$8,000. This is a result very astonishing, considering the great losses that have been suffered in every branch of business, and to other Banks more particularly. Therefore, I am satisfied that there must have been a great amount of care and anxiety displayed on the part of the General Manager, the President, and the Directors in order to secure this very beneficial and unexpected result, and I am sure that the whole of the stockholders will agree with me in the sentiment expressed in this resolution.

Mr. Anderson, in seconding the resolution, believed that the shareholders were fully satisfied with the management of the institution and its results.

The resolution was then put to the meeting and carried.

The Chairman then called upon, Sir A. T. Galt to reply on behalf of the Directors. He said:—Our President has been good enough to ask me to respond to this resolution, and I have very great pleasure in doing so. It undoubtedly is more than ever necessary that the Directors should be assured of the support of the stockholders in times such as this institution has been going through for the last three or four years. I may say that, under the circumstances in which the country has been placed, there is no doubt that unless the Directors, aided by the management, had every year taken a careful review of the position of the Bank, and cut down all those loans which they feared would prove losses, we would have been obliged to give a very much worse statement than has been presented to-day. The policy of this Bank has been to face its difficulties as they