

PROFIT AND LOSS ACCOUNT.

Balance at credit of Profit and Loss Account on 30th Sept., 1905.....	\$ 31,417-93
Net profits for the year, after deducting expenses of management, reservation for interest accrued on deposits, exchange, and provision for bad and doubtful debts...	434,668-34
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	\$466,086.27

Appropriated as follows:	
101st Dividend at rate of 10 per cent. per annum, 2nd January, 1906.....	\$ 75,000-00
102nd Dividend at rate of 10 per cent. per annum, 2nd April, 1906.....	75,000-00
103rd Dividend at rate of 10 per cent. per annum, 3rd July, 1906.....	75,000-00
104th Dividend at rate of 10 per cent. per annum, 1st October, 1906.....	75,000-00
Business Taxes.....	13,709-49
Expenditure on Bank Premises at Branches.....	115,389-55
Contribution to Officers' Pension Fund.....	10,000-00
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	439,099-04
Leaving at credit of Profit and Loss Account, 29th September, 1906.....	\$26,687.23

The President then said:

The result of our year's work carries the assurance of most satisfactory conditions and of expanding business. The statement, which has been submitted to you, is, I think, a gratifying one.

Banks are providing capital and means of expanding, and building up business in all parts of the country.

The total loans in Canada, including the loans to the Dominion and Provincial Governments, shew an increase of \$86,190,100.

The circulation of the chartered banks shews an increase to the end of August, 1906, over the corresponding previous year of 1905, of \$7,611,078.

The deposits through Canada have increased in a gratifying way, shewing an increase of \$80,039,748.

We rejoice in another abundant harvest. The great demand in Great Britain for grain and cattle from our more central and western Provinces, and the inexhaustible demand for butter, bacon, poultry, eggs, etc., which articles come largely under the management of the frugal and diligent wife and daughters of the farmer, has greatly increased in production in the country. Much attention has been paid to building up and improving the character of our farm industries, and much more can be done by fostering and enlarging the production of what has aided so much to build up Holland, Denmark, Belgium, France, and other European countries.

Our Governments have rendered, and are rendering, wonderful service in promoting and assisting railways and the construction of canals; but they must not stop there. The harbors and rivers require a thorough and most modern equipment, to enable rapid trans-shipment to be made. The greatest labor-saving appliances must be established, thus ensuring despatch and cheap handling. If such systems are not adopted, we must be prepared to see our products go through United States ports.

It may be considered that reference to transportation is foreign to bank statements and reports; but such is not the case, for all branches of trade and transportation, which contribute to increase work within our boundaries, must materially assist in fostering our resources; in increasing expendi-

ture on the one hand, and augmenting our savings on the other and so enriching our population by employment of labor and capital.

This year the Canadian Chambers of Commerce visited Great Britain. The manufacturers of Canada held their meeting in Winnipeg, and the Foresters' Association held their meeting in Vancouver. Such gatherings, composed of men interested in various enterprises, desirous of getting information, and contributing information, cannot fail in drawing all parts of Canada closer together, and in increasing the consumption of all manufactures of the different Provinces, and in gaining fuller and most valuable knowledge of our country's resources.

Notwithstanding the large increase of immigration, western farmers and employers of labour in general find it impossible to secure all the workers they require. The employment of labour has been steady, and advantageous to all workers.

The emigration into Canada this year numbers 200,932. Of these 141,664 arrived from Europe, and 59,329 arrived from the United States. The emigration into Canada in 1905 was 145,336; that is up to corresponding dates, the end of August of each year.

As you will see by the bank's statement to 20th ult., its business continues to increase. Your directors, therefore, ask your assent to a further issue of new stock, say \$500,000, at such time (perhaps soon), as they think advisable. They feel that the funds can be employed safely as calls are made, in same manner as in former issues.

I have much pleasure in moving the adoption of the annual report.

The motion for the adoption of the report was seconded by Mr. S. H. Ewing, vice-president, after which the president invited discussion on the report, stating that the directors would like to have the assent of the shareholders to the issuance of the proposed new stock, when it was considered desirable by the directors.

The General Manager—some years ago the capital was authorized to be increased to \$5,000,000, and when getting the assent of the shareholders to that application to Parliament, we promised that it should be issued in portions of, probably, \$500,000 at a time, but the directors promised that it