

parative case the large debt of the Dominion. It is the enormous productiveness of the United States and consequent heavy exports that has made the country what it is to-day. The failure of the crops of 1881 has illustrated this in a way not to be forgotten, resulting in a heavy outflow of gold, as already explained. One word now as regards the fiscal year of the Bank of Montreal upon which we have just entered. You know I never make promises, and can only say that if you re-elect us, we will continue to serve you to the best of our ability, as we have heretofore done. It has become increasingly difficult of late years to make money at banking in Canada. Competition is always on the increase, and additional taxes have just been imposed in the province, though it remains to be seen whether they are constitutional, a question which will undoubtedly be tested. However, notwithstanding all this, if we are favored with a good harvest, which will do more than anything else to stave off trouble, I am not without hopes that we may have a tolerably successful year. I think the outlook is in favor of fair employment of our funds at moderately remunerative rates, and there are one or two encouraging features. For example, I may mention the passage of what is known in the State of New York as Kiernan's Usury bill, which permits call loans on collateral security to be made at any rate agreed upon, and will be very advantageous to the borrower as well as the lender, as it will certainly tend to modify the enormous rates hitherto paid in seasons of stringency, and it will, at the same time, enable us to receive our share of the benefit to be derived from dear money in times of scarcity. In addition to this there is still some hope that before Congress adjourns the internal revenue tax upon bank capital and deposits may be repealed, which, coupled with the measure just referred to, will afford signal relief. Before closing you will expect me to say something about the Canadian Pacific bonds. Soon after they were taken the money markets of both London and New York took an unfavorable turn, which made them rather too high for investors, though they still remained a very desirable purchase for parties requiring them to pay for land, as you are all no doubt aware that they are available for that purpose at 110, and that therefore no one will dream of paying for land in cash so long as these bonds can be purchased at anything below 110. In the face of all difficulties, however, I am happy to say that we have succeeded in placing somewhere in the neighborhood of \$3,000,000—perhaps not quite that amount, but very little short of it; and I have also the pleasure of informing you that negotiations are going on for the sale of a very large block of land by the Railway Company, which, if carried out, will make a market for a correspondingly large amount of bonds, and tend to enhance the value of all that will be left. You will therefore understand that the prospect for the successful placing of the whole issue is to-day much more encouraging than it has been at any previous time. (Applause).

THE LATE DR. CAMPBELL.

The CHAIRMAN—I have, before proceeding further, a very painful duty to discharge. The resolution I am about to propose is entirely out of our ordinary course, and I wish to bring it up here before we take another step. I do not propose to say anything in reference to this resolution; in fact, I could not find words to say what I would like to say. It would be utterly impossible for me to do it justice. I refer to the great calamity that has befallen us all as a community, but that has fallen especially upon this Bank. I need not tell you that I allude to the sad news we received but a few days ago of the death of our late Vice-President, Dr. G. W. Campbell. The news came after our report had been drawn up and after all arrangements had been made for the general meeting. The late Dr. Campbell was beloved and honored by everybody in the community. His name is a household word in almost every family, and anything I could say in addition would only, I fear, tend to weaken the force of the resolution. Personally, I had the highest regard for him, and I can assure you, as a stockholder of the Bank of Montreal, that there never was a director of any concern who took so much interest in its affairs as did the late Dr. Campbell in the affairs of the Bank of Montreal. I feel that I cannot do justice to this resolution. I will now merely move it, and I ask the seconder, Mr. Stephen, to do that which I am utterly incapable of doing:—

Resolved,—That the shareholders here assembled, having heard with unfeigned sorrow and regret of the death of their late much esteemed Vice-President, George W. Campbell, Esq., M.D., desire hereby to record their high appreciation of his valuable services and unwearied devotion to the interests of the Bank as a director, for upwards of thirteen years, during the last six of which he held office as Vice-President, and they painfully recognize the loss the institution sustains through his decease.

Mr. STEPHEN—I think I shall but discharge my duty upon this melancholy occasion by simply saying that I second Mr. Smithers' motion and then sitting down. I would, however, add that the Bank, in the decease of Dr. Campbell, has lost a very efficient officer. He was connected with the Bank long before I was, but from my knowledge of him I can only say and repeat what Mr. Smithers has said to you as to his devotion to the interests of the Bank. Independently, however, of the Bank, there is scarcely a family in this community that does not mourn his loss as an old, kind and considerate friend on all occasions.

The motion was then carried.

It was then moved by Geo. Macrae, Esq., seconded by Robert Anderson, Esq.,

That the thanks of the meeting be presented to the President and directors for their attention to the interests of the Bank.

He said: It is hardly necessary to say anything in

addition to this except a word or two. I think you must all have been struck with the report of the affairs of the Bank, and especially with the address of the President. What struck me was that in style it was very much the same as his address of last year. It was very cautious, but at the same time very hopeful, and I think we have not been disappointed in any of the hopes he threw out last year. I trust the hopes expressed in this address will be carried out with equal success during the coming year. There is only one thing I regret very much, especially after the remarks that have fallen from the President and Mr. Stephen, that in this motion could not be included the name of one who has usually been here. I am not an officer of this Bank, and therefore I can speak as an outsider. I fully agree with everything that has been said of the late Dr. Campbell. His name was truly a household word, and, more than that, his personal character, his learning and his whole position in this city created a certain want in this board which probably no other individual engaged in commercial pursuits could have done. I regret his name could not be included in this motion. His memory is revered by all, and I am sure that the sympathy of all is with his friends in their sad bereavement. In concluding these remarks, I would say this: I think it would be more satisfactory to most shareholders—I have heard a good many say so, but of course we yield to the superior wisdom of the managers of the Bank—it would be highly satisfactory if the Rest could rest (to use a repetition of the word) here, and if the rest could all go to the profits. But of course the affairs of the Bank have been managed with such wisdom that I think it would be out of place for me to find fault with it. I beg, therefore, to renew my motion.

Mr. ROBERT ANDERSON—I have great pleasure in seconding the motion.

Mr. YATES—I desire to say a few words in reference to the Rest. I am not a resident of Montreal. I live in the country, and when I come here I always tell the shareholders of the Bank of Montreal that it would be a good thing if we could close up this Rest, proceed on a straightforward basis, and know what we are earning. I am neither a banker nor a professional accountant, but I think it would be more satisfactory to the present shareholders if the rest is set down at \$6,000,000; that they should contribute *pro rata* the sum necessary to bring it up to \$6,000,000. (Laughter.) Then we would know what we are about, and an end would be put to speculation, and the shareholders would feel more comfortable. There is another matter to which I wish to allude. I understand we have a clean sheet now, and that we do not owe anything to anybody. What I mean is we have no bad debts.

The CHAIRMAN—We have cleared off all those we supposed to be bad or doubtful.

Mr. YATES—Now, with regard to our directors. There are a great many gentlemen ambitious of being directors. Nearly every man you meet thinks he is qualified for that position. (Laughter.) Now, I think that we ought to set an example to other banks in proportion to our capital. We have in this Bank a capital much larger than that of the joint capital of all the banks of Philadelphia, with its population of 900,000. There is a general ambition on the part of the shareholders to become directors, and I think that a new departure should be made—this Board should be required to hold itself responsible for all the bad debts they incur. (Laughter.) I think if every director came upon the board with that understanding and remedied the mistakes he made, that the result would be more satisfactory to the shareholders. (Renewed laughter.) If this were done, I believe the shares of the Bank would advance 25 per cent. (Hear, hear, and laughter.) Not only that; it would have the effect of preventing our customers coming back to us and urging us to settle their accounts at something less than 100 cents on the dollar. Now, there is another matter with regard to which I should like to offer some practical suggestions. I remember that some 13 years ago railway accounts were kept the same as your accounts are kept now. They were so complicated that the father of sin himself could not fathom them. It is something the same with the bank accounts. I cannot fathom them or get at the details. I would suggest that the accounts of every agency and branch should be kept separate, so that we can tell who does the best business. To those who do the best business we should be able to give good wages and good bonuses. I object to men receiving bonuses who have not been making any money for us.

The CHAIRMAN—Some of your suggestions would be gladly concurred in by other shareholders if they could be carried out. I am afraid that if the directors were made responsible for the bad debts of the Bank it would be a difficult matter to find a board. That, I think, is an answer to that point. So far as salaries and bonuses are concerned they are matters of detail which must be left to the directors, as it is for just such purposes that they are elected. I can say that no bonuses or salaries were given to anybody by this board who do not deserve them. Every matter of that kind was criticized closely, and I think we give this money where it is best deserved. The accounts spoken of have all to go before the board. It is impossible to put all these things before the shareholders. The Board knows exactly how much is made at each office and how much is lost at each office and what the salary and bonus of each officer is. This gives me an opportunity of saying what otherwise I might not have thought necessary. It would be impossible to find a board that would give better attention to the affairs of the Bank than the expiring board have done. I never in my life had anything to do with a board that took so deep and intelligent an interest in the affairs of the Bank.

Mr. YATES—You did not, Mr. President, touch upon the question of the Rest. I am of opinion that the shareholders should be put in possession of the same amount of information as that possessed by the board.

The CHAIRMAN—It is almost impossible in a short

meeting which lasts only an hour or two to tell all that has been under our notice for twelve months. The accounts of some offices show that there is very little done in the way of discounting, but then they may have large deposits and the money is used elsewhere and the profit made in other places. It is utterly impossible that the large body of shareholders should be familiar with all these details. It is just for such purposes that the directors are appointed. As to the Rest, I have only to tell you, of course, what I stated in my opening remarks, that I had no doubt there might be differences of opinion on the subject, but I said I still thought the majority approved of the course adopted. The policy of the Bank for the future in this respect rests with the board you elect to-day. They have yet to be elected, and we do not know who they will be. (Laughter.)

Mr. LYMAN—I hope Mr. Stephen will be able to give us some information about the money brought into the country by the emigrants coming here now.

Mr. STEPHEN—I am sorry to say I cannot give you any information upon that subject.

The CHAIRMAN—It is estimated that the emigrants coming to Castle Garden bring \$90 a piece.

Mr. STEPHEN—The last time I was in Winnipeg the streets were more crowded than Broadway, New York. They were for the most part the finest looking lot of young fellows I have ever seen in my life. How much money they brought with them I do not know. A banker recently told me that there were \$8,000,000 on deposit there, for investment, I suppose.

The motion was carried.

It was then moved by Alex. Murray, Esq., seconded by Alfred Brown,

That the thanks of the meeting be given to the General Manager, the Assistant General Manager, the managers and other officers of the Bank for their services during the past year. Carried.

He said: I think we are very fortunate in our staff of officers, and since I have had the honor of being a director of the Bank, my attention has been frequently called to this gratifying circumstance. We have large and important offices established at different points outside of the city of Montreal, where a great deal of money is earned. I think we are very fortunate in having able and intelligent men at the head of these establishments. The whole staff so far as I am aware do their duty well and ably towards the Bank. For a great number of years past the Bank has pursued the policy of taking on young men and allowing them to rise by seniority, which I believe is the best policy. The total number employed is some 350, and we are almost always sure of being able to fill vacancies satisfactorily from that number. There were some practical remarks made by Mr. Yates, with reference to bonuses and salaries. I believe that the board in this respect have done what was fair. We recognized the increasing cost of living in Canada, and we wish that our employees shall be fairly remunerated.

The motion was carried.

Mr. BUCHANAN, in responding on behalf of the officers, said—I have to thank you very much for the handsome way in which you have spoken of the services of myself and my fellow-officers. I am sure you have our thanks, one and all. I think I can say without fear of contradiction that the best energies of the staff are devoted to the service of the Bank. I know also that there is not only great loyalty but great affection for the Bank in the hearts of many. It is a service, which as a general thing they take a pride in. Of course occasionally we have men leave us, more especially this last year. With a magnificent country opening up in the North-west, it is not to be wondered at that some of our plucky and adventurous men should seek their fortunes in our own North-west, but there are always plenty to supply their places. With regard to the Great Lone Land I would suggest that it would be for the board to consider the advisability of planting ourselves down in some of the posts advancing out towards the Rocky Mountains. We have not followed the example of other banks in going beyond Winnipeg, but I hope that good time is coming. Mr. Smithers has left very little for me to say. He has not, however, alluded to the question of inspection, in regard to which some of our lady stockholders—none of whom I see here to-day—have been very particular about in the past. (Laughter.) But I may say the branch banks, both in Canada and the United States, have been very carefully inspected, and our London offices have been inspected by our able chairman, Mr. King, with the aid of the other gentlemen with whom he is associated. I had an opportunity within the last few weeks of seeing these gentlemen, and I can vouch for the interest they take in the Bank generally. Another thing not spoken of is the stock of the Bank and the number of our families so to speak. The number of shareholders this year is 2,012, or an average held by each of 30 shares. Last year the number of shareholders was 2,191, or an average of 29 shares held by each shareholder. So it will be seen that our families have slightly diminished, and each one holds on an average one share more. The precise number of shares on the street it is difficult to ascertain. Last year we had in the hands of bankers and brokers 6,086; this year the number is 5,087. That would appear as though regular investors held more, but I think after an examination of our list that there are more shares on the street now than last year. I thank you again for the kind manner in which you have recognized the services of the officers.

Mr. HENRY LYMAN said: I have a very formal resolution to move which does not require any display of eloquence on my part to enforce it. It is as follows:—

That the ballot now open for the election of directors be kept open until three o'clock, unless fifteen minutes elapse without a vote being cast, when it shall be closed, and until that time and for that purpose only this meeting be continued.

Carried.

I may be pardoned, perhaps, in making a remark