The advisability of establishing a pension fund has been for some time under consideration, and it is felt that it should be no longer deferred.

That pension funds are considered useful and necessary is evidenced by the fact that they have been in existence for years in almost every bank in the country. Where this fund is established bank officers feel that long and faithful service will be rewarded, and a competency more or less adequate secured for themselves or their families, and this necessarily creates a feeling of loyalty that must prove beneficial to the institution.

In the discussion which followed the submission of the General Manager's Report, Mr. John Kennedy, Vice-President of the Grain Growers' Grain Company, addressed the meeting, and referred to the three-weeks' trip he had taken through the Northwest provinces before he arrived to attend the meeting of the Home Bank.

Mr. John Kennedy, one of the Western directors of the Home Bank, and Second Vice-President of the Grain Growers' Grain Company, addressed the meeting, and stated as follows:—I am pleased once more, at this very important meeting, to report good progress from the West, and to say that the Grain Growers' Grain Company, the Home Bank's biggest customer in the West, and one of the largest shareholders, is having another successful year, and will handle more grain than the previous year, which was 28,000,000 bushels.

The leasing of the Manitoba Government system of line elevators, comprising 176 in number, was a very wise move, and gives every indication of being beneficial to producers at all points where they are located.

The action of the company in also leasing from the C.P.R. one of their terminal elevators at Fort William, with a capacity of 2,500,000 bushels, is proving quite successful, and is giving us a wider knowledge of the grain trade. It is gratifying for me, as a director of the Home Bank, to say that the Home Bank is looked upon by many Western producers and others as being an important factor in helping to bring about conditions which are much desired by the farmers of the West.

I am also pleased to say, and in no uncertain way, that the connection formed through the opening of a number of branches of the bank in Manitoba and Saskatchewan is being looked upon as mutually valuable, and requests for opening new branches are very frequently presented.

Our shareholders and customers generally are well pleased with the accommodation received at the hands of the Home Bank throughout our Western provinces.

I wish to point out as clearly as possible that by this connection the Home Bank depositors in the East are helping to a great extent at all points where our branches have opened in relieving the financial situation which is felt very keenly in the West. I can see a great future for the Home Bank in the West, and I would like to assure you that it is the desire of very many of our leading farmers that the Home Bank keep pace with the ever-increasing development and rapid growth of the present time by becoming still more identified with the West.

At the last annual meeting our General Manager referred to the land speculation in the West, and it is to be noted that this still continues, but in a modified way, and I hope that in the future our Canadian banks will be enabled to more largely assist the farmers of the West, who are the real wealth producers of the country.

In conclusion, I would like to refer to the crop conditions in the West this year. I believe that 85 per cent. of the three provinces has had sufficient moisture to assure an average crop, some points not having sufficient moisture.

In a motion from Senator Alexander McCall, seconded by Mr. Edward Galley, the thanks of the shareholders were extended to the officers and directors for their attention to the affairs of the institution.

In moving a vote of thanks to the General Manager and the officers of the bank, the Honorable Attorney-General referred to the attention that he had always observed was extended to customers of the Home Bank. The Honorable Mr. Foy's motion was seconded by Mr. William Crocker.

The by-law to increase the capital of the Home Bank from two to five million dollars, according to the by-law No. 10, was moved by Mr. M. J. Haney, C.E., and seconded by Mr. H. S. Harwood.

The by-law to establish a pension fund for the employees of the Home Bank was moved by Mr. F. E. Luke, and seconded by Mr. J. A. Todd.

The scrutineers reported the election of the following directors for the ensuing year:—

Messrs. Thomas A. Crerar, Thomas Flynn, E. G. Gooderham, John Kennedy, A. Claude Macdonell, M.P., the Hon. James Mason, C. B. McNaught, John Persse.

At a subsequent meeting of the Board of Directors, held immediately after the general meeting, the following officers were reported as elected to office for the ensuing year:—Colonel the Honorable James Mason, President, and Thomas Flynn, Vice-President.

ANNUAL STATEMENT.

Statement of the result of the business of the bank for the year ending 31st of May, 1913:—

Profit and Loss Account.

Cr.

Balance of Profit and Loss Account, 31st May, 1912	$ 86,001.68
Net profits for the year, after deducting charges of management, accrued interest, making full provision for bad and doubtful debts, and rebate of interest on unmatured bills	167,125.58
	$253,127.26

Capital Profit Account.

Premium on Capital Stock received during the year	$183,768.82
	$436,896.08

Which has been appropriated as follows:—

Dr.

Dividend No. 23, quarterly, at the rate of 7 per cent. per annum	$22,548.33	
Dividend No. 24, quarterly, at the rate of 7 per cent. per annum	22,595.04	
Dividend No. 25, quarterly, at the rate of 7 per cent. per annum	22,637.46	
Dividend No. 26, quarterly, at the rate of 7 per cent. per annum	28,644.94	
		$ 96,425.77
Transferred to Rest Account		200,000.00
Balance (Of this balance $40,000 will be written off Bank Premises and Office Furniture)		140,470.31
		$436,896.08

Liabilities.

To the Public—		
Notes of the Bank in Circulation		$ 1,752,220.00
Deposits not bearing interest	$2,120,624.02	
Deposits bearing interest	7,858,357.33	
		9,978,981.35
Balances due other Banks in Canada		6,194.84
Balances due Agents in Foreign Countries		239,416.18
		$11,976,812.37
To the Shareholders—		
Capital (subscribed, $2,000,000.00) paid up	$1,938,208.10	
Rest	650,000.00	
Dividends unclaimed	964.57	
Dividend No. 26 (quarterly), being at the rate of 7 per cent. per annum, payable June 2nd, 1913	28,644.94	
Profit and Loss Account carried forward	140,470.31	
		$ 2,758,287.92
		$14,735,100.29

Assets.

Gold and Silver Coin	$ 271,879.70	
Dominion Government Notes	1,268,750.00	
		$ 1,540,629.70
Deposit with Dominion Government as security for Note Circulation		89,600.00
Notes of and Cheques on other Banks		377,924.39
Balances due from other Banks in Canada		898,466.39
Balances due from Agents in Great Britain		55,019.95
Railway, Municipal and other Bonds		331,202.75
Call Loans secured by Stocks, Bonds and Debentures		1,921,570.19
		$5,214,413.37
Current Loans and Bills Discounted	$8,799,608.56	
Overdue Debts (estimated loss provided for)	29,357.90	
Mortgages on Real Estate sold by the Bank	7,231.70	
Bank Premises, Safes and Office Furniture	665,557.18	
Other Assets	18,931.58	
		$ 9,520,686.92
		$14,735,100.29

JAMES MASON,
General Manager.

Toronto, 31st May, 1913.