Meetings.

BANK OF MONTREAL.

The seventy-eighth annual meeting of the shareholders of the Bank of Montreal was held in the board room of the institution in the City of Montreal, at 1 o'clock, on Monday, June 1st.

There were present Hon. George A. Drummond, vice-president; Messrs R B. Angus, E. B. Greenshields, Hugh McLennan, W. C. McDonald, and A. T. Paterson, directors; Angus W. Hooper, J. Y. Gilmour, A. T. Taylor, F. S. Lyman, Q.C.; John Crawford, John Morrison, Hector McKenzie, James Wilson, jr., Jonathan Hodgson, R. White, Hon. James O'Brien, R. S. White, James Tasker, G. F. C. Smith, J. Hardisty, John Dunlop, Q.C.; Jesse Joseph, M. Burke, William H. Benyon, W. A. Miller, Alex. Mitchell, W. G. Murray and others.

On the motion of Mr. John Crawford, which was carried by acclamation, Senator Drummond, the vice-president, was voted to the chair in the absence of the president, Sir Donald Smith.

On the motion of Senator James O'Brien, seconded by Mr. Hector McKenzie, it was agreed:—"That the following gentlemen be appointed to act as scrutineers:—Messrs. F. S. Lyman, Q.C., and A. W. Hooper, and that Mr. James Aird be the secretary of this meeting."

At the call of the chair, Mr. E. S. Clouston, general manager, then read the annual report of the directors as follows:

REPORT.

The directors have pleasure in presenting the 78th annual report, showing the result of the bank's business of the year ended 30th April, 1896.

Balance of Profit and Loss account, 30th April, 1895		$ 815,152 10
Profits for the year ended 30th April, 1896, after deducting charges of management and making full provision for all bad and doubtful debts		1,241,196 09
		$2,056,348 19
Dividend 5 per cent. paid 1st Dec., 1895	$600,000	
Dividend 5 per cent. payable 1st June, 1896	600,000	
		$1,200,000 00
Balance of Profit and Loss account carried forward		$ 856,348 19

A branch of the bank has been opened at Amherst, N.S., and also at Rossland, B.C.

The directors having in remembrance the eminent services rendered to the bank by the late Mr. E. H. King during his long connection with it, for the period extending from the year 1857 to the year 1873, in the various and successive capacities of inspector, manager, general manager, and, ultimately, president, and also as chairman of the London board from June, 1879, to November, 1888, desire to place on record their regret at his death, and their opinion that the shareholders reaped very large and substantial benefits from his able administration.

All the offices of the bank, including the head office, have been inspected during the past year.

DONALD A. SMITH,
President.

April 30th, 1896.

GENERAL STATEMENT—30TH APRIL, 1896.

Liabilities.

Capital stock		$12,000,000 00
Rest	$6,000,000 00	
Balance of profits carried forward	856,348 19	
	$6,856,348 19	
Unclaimed dividends	2,442 69	
Half-yearly dividend, payable 1st June, 1896	600,000 00	
		7,458,790 88
		$19,458,790 88
Notes of the bank in circulation	$4,585,038 67	
Deposits not bearing interest	8,096,490 42	
Deposits bearing interest	24,220,386 77	
Balances due to other banks in Canada	28,390 53	
		36,930,306 39
		$56,389,097 27

Assets.

Gold and silver coin current	$ 2,137,114 42	
Government demand notes	3,070,493 25	
Dep'sit with Dominion Government required by Act of Parliament for security of general bank note circulation	265,000 00	
Due by agencies of this bank and other banks in foreign countries	7,735,111 40	
Due by agencies of this bank and other banks in Great Britain	4,288,263 62	
United States railway bonds	2,438,010 77	
Notes and cheques of other banks	991,736 74	
		$20,920,730 20
Bank premises at Montreal and branches		600,000 00
Current loans and discounts (rebate int'rest reserved), and other securities and assets	$34,769,687 58	
Debts secured by mortgage or otherwise	59,902 21	
Overdue debts not specially secured (loss provided for)	38,777 28	
		34,868,367 07
		$56,389,097 27

E. S. CLOUSTON,
General Manager.

Bank of Montreal, Montreal, 30th April, 1896

THE CHAIRMAN'S ADDRESS.

The chairman moved, seconded by Mr. A. T. Paterson, that the report of the directors now read be adopted and printed for distribution among the shareholders.

Before the motion was put, the chairman rose and addressed the meeting as follows:

The directors regret the absence on the present occasion of the president, Sir Donald A. Smith, G.C.M.G., who has accepted the office of High Commissioner for Canada in London, and has gone there on matters of Imperial interest.

It has been the practice for many years that the business of the annual meetings should be introduced by a review by the chairman of the more noteworthy events in the financial and commercial world—more especially those having a bearing on the widespread interests of the bank—and in accordance with these precedents I shall venture to offer a few remarks.

The report of the directors, printed and laid before you, places you in possession of the essential facts of the year's business and its results, and the general manager will be prepared to give further explanations, if necessary.

I feel assured that this statement must be as satisfactory to you as it is gratifying to the directors and creditable to the management. Profits have been maintained and the usual dividends earned—in face of a continued and intensified decline in the value of money and many staple productions of the country.

A REVIEW OF THE SITUATION.

The world-wide and long continued depression in every branch of business, due primarily to want of confidence, has been less felt in Canada than in most countries. Our banking system and financial institutions have stood the test well—such disasters as have recently occurred being relatively of no considerable bulk, and not due to the general causes above referred to. But it is not to be concealed that such a prolonged strain as has been endured must weaken the ultimate power of resistance in many quarters, and it becomes the earnest wish of every one to see disturbing elements speedily removed and confidence restored.

An illustration of the foregoing facts—more or less trustworthy—is to be found in the record of failures for the twelve months ending April last, which number 2,076, as against 1,871 in the preceding twelve months, and show a total for last year of $16,512,000, as against $15,469,000 in 1894-5.

Turning to the general trade of the country, in production of its great staple—wheat—the crop of last year is estimated at 56,850,000 bushels, and that for 1894 at 42,500,000 bushels, an increase of 14,350,000 bushels, or over 33 per cent., notwithstanding a decrease in Ontario of over two and a quarter millions of bushels due to drought.

The increase of the wheat crop in Manitoba and the Territories, we learn from official figures to have been no less than 82.30 per cent. over the crop of 1894, or a total increase of 16,602,000 bushels, and has proved of inestimable value to that portion of the Dominion, and to the railways and the transportation companies serving it.

No better proof of the consequent prosperity can be given than the records of the loan and insurance companies doing business in Manitoba. From a statement I hold in my hand it is shown that up to December 31st, 1895, the arrears of interest and of capital of the total loans in the Province of Manitoba were only 1.7 per cent. at that date.

The crops in Manitoba and the Territories, in 1895, are variously given for wheat from 32,775,000 bushels to 36,775,000 bushels; other grain crops figure at 31,482,000 bushels, while of live stock the exports for the same period were, from Manitoba and the Territories: Cattle, 40,080 head; sheep, 13,036 head; hogs, 4,022 head; horses, 235 head.

In the Province of Quebec the crop of hay yielded a very important return to the farmers. It has been estimated that between 500,000 and 600,000 tons were disposed of to the United States and Ontario at a valuation of about five millions of dollars; this in addition to the supply of the local markets.

PROSPECTS ARE HOPEFUL.

It is not to be concealed that the decline in all purchasing markets of the world in the value of our staple products, such as wheat, cattle, pork and lumber, has been most disappointing—not only to farmers and producers—but also to all who dealt in these commodities—but the hope of better times is largely based on the extreme improbability of any further decline, and indications in favor of enhanced values are not wanting.

The general trade returns show very decided improvement.

Shipping out of this port is fully employed. The tonnage available for grain, it is stated, has been taken up for several weeks ahead at fairly average rates, and the exports since the opening of navigation have been considerably larger than they were in 1895, but inward cargoes have been light.

The Government returns for 10 months ending April 30th last, show an increase in the whole trade of the country.

In exports of home products	$3,232,476
In exports of foreign products	2,420,446
Or a total of	$5,652,922
Imports for consumption have increased	$4,706,110

And the following details show how largely the raw materials for manufacture figure in the foregoing increase:-

Imports, dyes and chemicals, increase	$141,708
Imports, hides and skins	245,056
Imports, India rubber and gutta percha	336,680
Imports, sisal—manilla and hemp	220,165
Imports, metals on free list	813,289

The foreign trade is again expanding. From 1890 to 1894 there was a steady increase in exports from $96,749,000 to $117,524,000. In 1895 they dropped to $113,638,000, but in the 10 months of the fiscal year ending with April they reached $91,250,000—an increase over the same period in the previous year of $5,650,000.