

use of proxies, he had taken some trouble in respect to it, and he urged that they should be made renewable every year, instead of every three years. His advice to his fellow-shareholders was that they should never give a proxy to a President or Director or any other man except upon very special occasions. Directors and Shareholders injured their own property by giving these proxies. During the last three decades there had not been a *bona fide* election of Directors. Those elected were, as a rule, the nominees of the President. He wished it to be understood that he was speaking of proxies in general, and was making no special allusion to the President of the Molsons Bank, who was a man of great judgment and prudence, and who was second to no other Bank President in Montreal.

THE PRESIDENT REPLIES.

The President said: Well, gentlemen, as nobody else but Mr. Crawford seems desirous of asking any questions, I will endeavor, as far as I can remember, to reply to some of them. Two or three are small and unimportant and can be easily disposed of. One question was a little thing that rather astonished me, as it did also the General Manager. It was to the effect that we had invested in second-class mortgage bonds. I could not make out what was meant, and the General Manager had the same feeling. This important question is this: The Board of Trade have undertaken to erect a new building, and they have issued some second mortgage bonds, to which business men of Montreal generally have subscribed. The Board of Trade should have a proper building in which to transact its business; and the gentlemen having the interest of this Board of Trade on their hands communicated with the banks as well as with individuals to know if they would take some of these second mortgage bonds, so as to prevent the thing falling through, as it seemed to require all the assistance it could have. This Bank, like the others, was approached, and we subscribed the sum of \$2,500. I believe we can stand that, if we lose it. I was approached also, and I have personally subscribed nearly the same amount. That disposes of that question. I do not think it was a very serious step, and I suppose you will justify or confirm it. Mr. Crawford also alluded at considerable length to proxies, saying that directors, bank presidents and others were in the habit of getting a large number of proxies and in that way succeeding in placing whom they pleased on the Board. I may say, personally, that during the time I have been connected with this Bank, two years as President and ten as Vice-President, I have never asked for a proxy, and the Bank has never asked for one that I am aware of. No proxies have ever been asked with the expectation or intention that votes might be required. That settles that question. It is complained that the statement is bald. I do not think it is; it is the same as is usually given by banks, quite as full, and the opportunity is given to anybody to ask questions and get information. I think the statement cannot be called bald by anybody who looks at it reasonably. You cannot give the whole account of the bank to a meeting. However, that is sufficient. I think the statement is reasonably full, in that way. Mr. Crawford has also enquired, as usual, I should say, as to what the losses of the Bank have been. I answered that question last year and the year before, and my answer then was the same as now: that if any good purpose was to be served, there would be no objection to it; but what good purpose could be served by merely telling the shareholders that we have lost ten, twenty-five or fifty thousand dollars? I do not see there is any good to be served. Mr. Crawford made the same enquiry at the Bank of Montreal and some other banks, and he received the same answer from them. Our statements are quite as full as those of other banks. I do not see that the comparison of one year with another is of any interest—whether we have got a few hundred thousand dollars more or less out in discounts than there was last year. There is no particular object in it. Mr. Crawford also would like a large reserve. I think it is ample and equal to what all other banks have. If money is to be made, it is not made by locking it or depositing it in vaults; you have got to lend it. Shareholders want a dividend, and if the money is not used, where is the dividend to come from. The Bank has gone on in the past, and its statements are pretty much the same as they have always been. Mr. Crawford mentions we have a small amount out on short calls, which, I suppose, would mean money loaned for a few days on stocks or something of that kind. This Bank does not do much in that way. I do not know whether I have omitted anything, but if I have, if any other gentleman wants to ask anything I shall be happy to answer him.

The motion for the adoption of the report was then carried. Mr. T. McCarthy made the following motion, seconded by Mr. Henry Hogan: "That the thanks of the Shareholders are due and are hereby tendered to the President, Vice-President and Directors for their attention to the interests of the Bank during the past year." The motion having been unanimously carried, the President said: In acknowledging that resolution, gentlemen, I wish to tender thanks for myself, the Vice-President, and the Directors for your kindness in adopting it. I also desire to say that we have endeavored to the best of our ability to discharge our duty faithfully to the institution. I may perhaps now make a few remarks as to the general business of the Bank. The Bank has had a fair year—nothing very exceptional. The earnings are not quite as large as last year, but nearly so. We have been enabled to pay a dividend of 4 per cent. each half year, and have carried to the credit of the profit and loss, or contingent fund, the sum of \$56,000 odd, making, with \$31,000 odd to the credit of the account last year, the sum of \$87,000, at which it now stands. The Bank has during the year opened two new branches. The Directors have looked for some time at the North-West as being a field for banking business. Five or six years ago they thought of opening at Winnipeg, but they did not do so during the time there was such an unusual inflation there, and I think we were wise in not carrying out our intention of opening then. We opened a branch at Winnipeg at the beginning of the year, and the prospects are very encouraging. We have done very well there. We have also opened a branch in Calgary quite recently, and it is too soon to say what the result of the business will be, but there is no reason to suppose that it will be otherwise than satisfactory, with proper management. Our Board of Directors, as you know, last year contained the name of Sir David Macpherson as one of our number. He has expressed his wish to retire from the Board, on account of his frequent absence from the country in Europe. Therefore, he will not be a candidate for re-election. The business of the country generally during the past year has been just fair, compared with previous years. The bad crops, of course, had their effect on the present year's business, and the Baring Bros.' trouble in November last also interrupted business a good deal and checked the profits of the banks by causing a general feeling of insecurity. But that is over now, and we think for the coming year we have every prospect of a good business. The crops in the North-West are good, also in Ontario, and even in Quebec, and we may look forward with hope for a good year. The competition between banks is severer now than it used to be, and the earnings are necessarily curtailed. The McKinley Bill last year interfered materially with the prosperity of the country by diminishing the price received by farmers for their eggs, horses, butter, hay and so forth; but this year having a good harvest will materially check any feeling of loss in that way. I do not know, gentlemen, that I have much else to add. There is one industry I think of, that we have in Canada, the very large and valuable mineral property there is from the Pacific to the Atlantic, and which must in the future be a source of great wealth to our country, if properly developed, or, rather, if not strangled. Our wealth in that way is very large, but I am sorry to say it seems to me that some of the legislation of the local legislatures is such as to materially injure and check investments of money in mines. The prizes in mining are few, the blanks are many, and everything, I think, should be done to develop our mining industry. It requires help at first, rather than obstruction, but there seems to be in this province an attempt to almost strangle it. In the Eastern Townships we have great mineral wealth, and it seemed to be in a very fair way of being developed; but it is receiving a check now, and considerable loss is likely to ensue if the taxation proposed to be levied upon the mines is carried out. I hope it will not be so, and that the authorities will see the wisdom of allowing an infant industry of such great value to the country a fair share of development. I thank you again for your kind resolution, and with that I will sit down.

In reply to Mr. Crawford, the President said that besides the head office, the Bank had twenty-two other offices. He did not suppose that the Directors in the future, any more than in the past, would

rush wildly into new offices. They had hitherto been conservative in this respect, more so, probably, than many banks. The branches at Winnipeg and Calgary were the only two new offices that had been opened for some years. It was proposed to substitute the name of Mr. William Molson Macpherson, son of Sir David Macpherson, for the name of the latter on the Board of Directors. It was only reasonable to expect that where a family had such a large interest in the Bank as the Macphersons had that they should be represented on the Board. In the remarks which he (the President) had made respecting the mining tax nothing of a political nature was intended to be conveyed. There were no politics in banking; there were no politics in dollars and cents. It was a simple fact that the great wealth which we had under our feet in this province only required proper care and justice in its development to be a source of great wealth to the community. The carrying on of mines gave a very great deal of employment to both skilled and unskilled labor. The valuable mechanical apparatus required in developing the industry, the amount of traffic it gave to railways and steamboats, and the number of men employed made it a matter beyond all politics. It was just a matter of dollars and cents. An infant industry should be left to itself, and not harassed when it was making nothing. At the present time the profits were small; later on they might be important. The wealth was there and it required developing. If it had a fair opportunity of being developed, the chances were that the country would be greatly benefited; but if it was checked by an imposition at the present time it might probably be ruined.

THE ELECTION OF DIRECTORS.

The scrutineers for the election of Directors reported as follows:—

MONTREAL, 12th October, 1891.

To the General Manager of the Molsons Bank:

SIR,—We, the undersigned, acting as scrutineers at the annual meeting of the Shareholders of the Molsons Bank, held this day, beg to report the following gentlemen elected to act as Directors for the ensuing year:

- | | |
|------------------|-------------------|
| HENRY ARCHBALD, | W. M. MACPHERSON, |
| S. H. EWING, | W. M. RAMSAY, |
| SAMUEL FINLEY, | R. W. SHEPHERD, |
| J. H. R. MOLSON. | |
| | J. TRY DAVIES, |
| | W. N. EVANS, |
- Scrutineers.

The President having thanked the scrutineers for their services, the meeting adjourned.

At a subsequent meeting of the Board of Directors, Mr. John H. R. Molson was elected President, and Mr. R. W. Shepherd, Vice-President for the ensuing year.

THE LONDON AND CANADIAN
LOAN AND AGENCY COMPANY, Limited.

The Eighteenth annual meeting of the above Company was held in the office of the Company, 103 Bay Street, Toronto, at noon on Wednesday, 14th October, 1891, the President, Sir W. P. Howland, in the chair.

The Manager, Mr. J. F. Kirk, acted as secretary of the meeting. Among those present were the following: Sir Casimir S. Gzowski, Dr. Larratt W. Smith, Q.C.; Rev. R. C. Moffatt, Hon. J. C. Aikins, Dr. R. D. Moffatt, and Messrs. George R. R. Cockburn, M. P.; T. R. Wadsworth, C. E. Hooper, F. Arnoldi, Q.C.; O. A. Howland, John Aitkin, C. S. Gzowski, jr., David Higgins, C. E. Maddison, Jacob Moerschfelder, George Robinson, John Scott, F. J. Stewart, John M. Treble and John A. Wood.

The President read the report of the Directors, which was as follows:

REPORT.

The Directors beg to submit to the shareholders the eighteenth annual report of the Company, together with relative accounts to the 31st August, 1891.

The stock of the Company on the date named was held as follows:

	Shares.	Paid up.
In Britain, 62 shareholders, holding.....	18,546	\$129,822 00
In Canada, 325 shareholders, holding.....	81,454	570,178 00
Total.....	387	100,000 \$700,000 00

The following summary of the year's operations is submitted:

Amount borrowed on debentures and certificates during the year.....	\$933,495 54
Amount repaid during the year.....	879,405 16
Net increase of "borrowings" for the year.....	\$ 54,090 38
Applications for loans were received to the extent of \$1,794,901, on property estimated as worth \$3,332,283.	
Loans were approved and effected during the year to the amount of.....	\$495,126 12
on property valued by the Company's own appraisers at \$1,042,469.	
Loans repaid during the year amounted to.....	\$595,958 84
Net decrease of the Company's mortgage investments since last year.....	\$100,832 72
The Revenue account, after all interest and charges have been deducted and all ascertained losses written off, shows a balance of.....	\$ 88,460 22
From which, deducting two half-yearly dividends, amounting with the tax thereon, to.....	\$ 56,938 00
There remains a balance of.....	\$ 31,522 22

Of which \$15,000 has been added to the Company's "Revenue Fund" and \$16,522.22 is carried forward at the credit of "Revenue Account" to next year.

Notwithstanding the financial crisis in London at the last November term, occasioned by the Baring failure and the consequent loss of public confidence in almost all classes of securities, the effects of which still continue, the Company found no difficulty in meeting the large amount of obligations falling due, and the debentures issued by the Company show an increase over the figures of last year. The average rate of interest payable by the Company has been reduced to about 4 1-7 per cent.

The Directors have exercised very great prudence and caution in closely scrutinizing the applications for loans, and during the year out of \$1,795,000 of proposals only \$495,000 were accepted.

Payments of interest on loans have been well met, especially in Ontario, and there can be no doubt that the abundant crops of this season both in Ontario and Manitoba will materially increase the prosperity of the country and place the farmers in a position to meet their engagements promptly.

About the commencement of harvesting operations in Manitoba the President and Chief Inspector made their annual trip through the province, and found that the area under cultivation was much in excess of that of the previous year, and the yield of all kinds of cereals and root crops much above the average, affording further evidence of the great productiveness of the soil of that province.

The Directors have pleasure in testifying to the efficiency and fidelity of the Manager and Officers of the Company, both here and in Manitoba, in the performance of their duties.

W. P. HOWLAND, President,

TORONTO, October 14th, 1891.

AUDITORS' CERTIFICATE.

To the President and Directors of the London and Canadian Loan and Agency Company (Limited):

GENTLEMEN,—We have completed the annual audit of the books and accounts of the Company for the year ending 31st August, 1891, and have found them correct, and the cash balances to agree with the bankers' books.

We have also examined the Company's statement of "Assets and Liabilities" and "Revenue Account," have compared them with the ledger balances and found them correct.

The mortgages, debentures and other securities have been carefully examined. They agree with the schedule submitted to us, and with their respective entries in the ledger.

The "Loans on Call or Short Date on Debentures and Securities" have been valued at their respective market prices, and we find that the amounts advanced on them are amply covered.

We are, Gentlemen, yours faithfully,

DAVID HIGGINS, }
J. J. WOODHOUSE, } Auditors.

TORONTO, 9th October, 1891.

ASSETS.	
Loans on mortgages and interest.....	\$3,845,224 52
Properties Account—	
Company's offices and building in Toronto.....	\$75,000 00
Company's offices and building in Winnipeg.....	45,000 00
Other real estate vested in the Company.....	116,767 48
	236,767 48
Municipal and other negotiable debentures.....	\$316,082 57
Loans on call or short date on debentures and securities.....	160,765 11
Sundry debtors.....	476,847 68
Cash in hand—	2,353 83
With Company's bankers in Canada.....	\$43,282 49
With Company's bankers in Britain.....	7,073 42
	50,355 91
	\$4,611,549 43
LIABILITIES.	
Capital stock subscribed, 100,000 shares, at \$50 each.....	\$5,000,000 00
Capital stock paid up, 14 per cent.....	700,000 00
Reserve fund.....	375,000 00
Debentures and certificates payable at fixed dates.....	3,452,966 02
Reserved for interest accrued on debentures and certificates to date.....	23,858 26
Sundry creditors.....	13,204 34
Due to Company's agents in Britain.....	1,208 58
Dividend No. 35, payable 15th September, 1891.....	28,000 00
Balance at credit of revenue account carried to next year.....	16,522 22
	\$4,611,549 42

REVENUE ACCOUNT FOR THE YEAR ENDING
31st AUGUST, 1891.

Dr.	
Cost of management.....	\$18,632 62
Commission on debentures issued and loans effected during the year, and agency charges.....	24,983 81
Debenture and certificate interest paid and accrued to 31st August, 1891.....	\$167,114 90
Less amount received last year for interest accrued on debentures and certificates.....	23,859 05
Balance from 31st August, 1890, after writing off all ascertained losses, as per contra.....	\$9,660 40
Profits for the year.....	78,799 82
	\$88,460 22
Appropriated as follows:	
Dividend No. 35, 4 per cent., paid 14th March, '91.....	28,000 00
Dividend No. 36, 4 per cent., payable 15th September, 1891.....	938 00
Municipal tax thereon.....	15,000 00
Carried to credit of Company's Reserve Fund.....	15,000 00
Balance at credit of Revenue Account carried to next year.....	16,522 22
	\$88,460 22
	\$275,332 50
Cr.	
Balance at credit of Revenue Account, 31st Aug., '90.....	\$23,601 08
Less amount voted to President and Auditors at the last annual meeting.....	\$2,300 00
Losses on properties sold during the year.....	11,640 68
Net interest, etc., received and accrued to 31st August, 1891.....	13,910 68
	\$9,660 40
	\$275,332 50
1891.	
August 31st.—By balance carried to next year.....	\$16,522 22

J. F. KIRK, Manager.

On motion of the President the report was adopted. The following gentlemen were duly elected directors: Sir W. P. Howland, Sir C. S. Gzowski, Sir D. A. Smith, Donald McKay, Dr. L. W. Smith, Q.C., T. R. Wadsworth, C. E. Hooper, G. R. R. Cockburn, M.P., and James Henderson.

At a subsequent meeting of the newly elected Board Sir W. P. Howland was elected President, and Sir C. S. Gzowski, Vice-President.

PINE, ROSE, & FLEUR DE LIS.

POEMS BY SERANUS.

"All who prize local colour and young enthusiasm, and deep-hearted patriotism will find them in this book. The series of songs—'Down the River,' are veritable caskets of precious New World conceits."—*Saturday Review* (London, Eng.).

"Spirit and tone genuinely Canadian. . . . French models of versification are successfully and appropriately imitated. The author might become a Canadian Longfellow."—*Spectator* (London, Eng.).

"The pretty French phrases and refrains come like the notes of a guitar into our Saxon symphony. As Mr. Cable brought into use the rich colouring of the French Creole regions, the Canadian poets began timidly to use the same resources among the Frenchmen of Canada, and the best fruit of the new effort is to be found in the present volume."—*New York Nation*.

"A new singer from Canada who possesses a brilliant natural voice. It is not likely that there is in America or in England another writer who could describe a woodland sojourn, naturally and without strain, by means of half a hundred villanelles."—*Boston Literary World*.

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