

of speculation being carried beyond legitimate bounds, and we have probably reached a point where investors and lenders would do well to look more closely into the intrinsic value of the securities they purchase or accept as collaterals.

If there are any questions relative to the business of the Bank on which the shareholders wish explanation, I shall be pleased to answer them.

THE CHAIRMAN'S ADDRESS.

Hon. George A. Drummond then said:—

Gentlemen,—The statements presented by Mr. Clouston will, no doubt, be received by you with satisfaction, showing, as they do, the prosperity and progress of the Bank. That it has made substantial progress you may gather from the figures periodically submitted to you. In 1873, when the Capital was raised to its present amount of \$12,000,000, and the Rest stood at \$5,000,000, the assets were about \$35,250,000.

In 1880 they were nearly 45 millions (\$44,661,681).

In 1890 they were over 46 millions (\$46,166,448).

In 1900 they were nearly 79 millions (\$78,852,197).

And in the present year over 100 millions (\$113,000,000).

The keen competition among banks necessitates a greatly enlarged business to maintain dividends, and the public gets its financial business done much more cheaply now than formerly.

The increase of our Rest by one million of dollars will, no doubt, commend itself to your judgment as a prudent step, and should enhance the value of our property.

The large addition to our Head Office building, now in progress, was rendered necessary by the inconvenient overcrowding of our present premises. The addition is on a considerable scale, and will, it is hoped, suffice for the wants of the Bank for years to come. Large as it is, however, it is not more in advance of our present wants than our present structure was when erected to the conditions then existing. The beautiful facade of our present building will not be impaired; but the interior will be remodelled to adjust it to the new premises and make it fire-proof. The marked increase in the general banking business of the Dominion is an evidence of the prosperity of the country. Since April, 1897, the total assets of all the banks have increased from \$243,400,000 to \$448,300,000, the deposits alone having risen from \$196,700,000 in the former year to \$339,000,000, and the note circulation from \$30,800,000 to \$59,700,000. The Bank of Montreal has fully shared in the great improvement in business above noted, the general increase in the public deposits in the last five years being equal to 72½ per cent., and that of our Bank alone considerably exceeds 100 per cent. The conservative course of your directors, in continuing to strengthen the resources of the Bank, will, I am sure, meet with your approval, for while the general prosperity of the country shows no sign of abatement, it seems an undeniable proposition to say that bad times may be expected sooner or later. In commercial matters generally nothing is so striking as the growth of the foreign commerce of the Dominion. In the first nine months of the current fiscal year, that is to March 31, the aggregate foreign trade has reached \$302,500,000, as compared with \$282,300,000 in the corresponding period of the preceding year, while only five years ago our foreign commerce for the entire period of twelve months barely reached \$249,900,000, a figure which in the fiscal year ending this month will probably be exceeded by more than 50 per cent. This expansion covers both exports and imports. The most gratifying feature of the trade returns is the increased sales abroad of Canadian products, which from 1st July to 1st April amounted in value to \$144,547,000, and for the full period of twelve months will probably exceed \$190,000,000; whereas six years ago the value of our shipments was only \$110,000,000. Products of the soil still constitute much the largest portion of this trade, but it is satisfactory to note that in manufactures the increase is about 30 per cent., or as \$12,800,000 to \$9,800,000; and I need scarcely refer to the enormous activity in the production of iron, steel, nickel, etc., to say nothing of the extraction of the precious metals, which for the present is under a cloud. Meanwhile the carrying trade of the country has been in an unprecedented state of activity and prosperity; the great railways are spending liberally on track improvements and rolling stock to meet the demands on them, and new trunk lines are under construction. Immigration is increasing rapidly, and will have a favourable influence in every direction. Lands, especially in the North-West, which have for years been in little demand, have latterly been actively sought for and taken up. Turning to general conditions

outside of the Dominion, the immense aggregations of capital in the hands of corporations and individuals is bringing about economic results of the most startling character. The control of railway lines, the absorption of ocean transport, the consolidation of industries, all fly directly in the face of economic theories based on unlimited competition, and he would be bold who attempted to predict the outcome. No fewer than four new banks were incorporated during the present session of Parliament. Questions of vital importance to ourselves and the Empire are to be considered by the Imperial Government and the Premiers of the Colonies at the conference to be held in London. Its decisions will be watched with absorbing interest and involve momentous possibilities. The present moment seems to be most favourable for securing an independent line of steamships to a Canadian port. They should in speed and equipment be equal to any afloat, and the prospects of financial success for the undertaking were never, in my opinion, so bright as now, while its realization would be of enormous benefit to this country. It is with the highest satisfaction and gratitude that we receive to-day the news of peace in South Africa. Compared with the proud satisfaction we feel at having had a share in bringing the harassing and protracted struggle to a successful termination, all the sacrifices made by the country are trivial. But the gratitude we owe to those who fought and bled for us will never, I trust, be forgotten. The glorious record of courage and endurance made by her sons has lifted Canada into a higher plane of national life. The auspicious visit last autumn to this country of Their Royal Highnesses the Duke and Duchess of Cornwall and York was the occasion of the unanimous display of loyal welcome from one end of the Dominion to the other, and was happily marked by the absence of misadventure of any kind. The approaching coronation of our Gracious Sovereign will, we trust, be succeeded by a long and prosperous reign. I move that the report of the directors be adopted and printed for distribution among the shareholders.

THE REPORT ADOPTED.

Mr. A. T. Paterson, in seconding the motion for the adoption of the report, said that it was quite unnecessary to add anything to the remarks which had fallen from the chair and to the statement made by the General Manager, beyond stating that he entirely concurred in them and endorsed them. There was one thing, however, to which he might refer, and that was that on that day he had come of age, not personally, but as a director of the Bank, and he wished to take the opportunity of thanking the shareholders for their long continued confidence in him. He also wished to say that his many years' experience as a director enabled him to most thoroughly endorse the statements made as to the improvement in the position of the Bank.

After a few remarks by Mr. John Morrison, the motion for the adoption of the report was unanimously agreed to.

Hon. Jas. O'Brien moved:—

"That the thanks of the meeting be presented to the President, Vice-President and Directors for their attention to the interests of the Bank."

This was seconded by Mr. Donald Macmaster, K.C., and, having been adopted unanimously, was acknowledged by the Chairman.

Mr. E. B. Greenshields moved:—

"That the thanks of the meeting be given to the General Manager, the Inspector, the Managers and other officers of the Bank for their services during the past year."

The motion was seconded by Mr. James Ross, and the Chairman having added that he fully concurred in it, and thought it was exceedingly well deserved, it was unanimously carried, and was acknowledged by the General Manager.

Mr. George R. Hooper moved:—

"That the ballot now open for the election of Directors be kept open until 3 o'clock, unless 15 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."

This was seconded by Mr. C. J. Fleet, and was unanimously agreed to.

On the motion of Mr. John Morrison, seconded by Mr. A. F. Gault, a hearty vote of thanks was accorded the Chairman for his conduct of the business of the meeting, and he acknowledged the same.

THE DIRECTORS.

The ballot resulted in the election of the following directors:—Right Hon. Lord Strathcona and Mount Royal, G.C.M.G., Hon. George A. Drummond, R. B. Angus, Esq., A. F. Gault, Esq., E. B. Greenshields, Esq., Sir William C. Macdonald, A. T. Paterson, Esq., R. G. Reid, Esq., James Ross, Esq.