to Mr. Murray who supervises their work.

Assets have Increased

Turning to the statement of assets and liabilities, we find that the total assets of the company have increased from $1,531,782.00 last year to $1,619,-342.00 in the present year, or an increase of about $88,000.00.

There has also been a satisfactory increase in the capital stock of the company considering the year we have passed thru. The total subscribed capital now stands at $1,199,400.00. The increase in the paid-up capital has been $96,015.00, somewhat less than the increase in the previous year, but I think satisfactory considering the conditions we have passed thru and the poor crop in the West last year. The paid-up capital of the company now stands at $876,422.00. Our reserves a year ago stood at $200,000.00 and $15,000.00 in a special reserve.

Out of the profits of $226,000.00 for the present year, the directors have set aside $80,000.00 for dividend account, and have increased the general reserve to $340,000.00, leaving a balance to carry forward to next year at the credit of profit and loss of $7,156.73.

Livestock Commission Branch

During the past year the company has received several requests to open up a livestock commission branch in its business for the handling of livestock on commission. During the summer a committee of the directors was appointed to investigate this matter thoroughly, and after consultation with a committee of the Livestock Men's Association, they brought in a recommendation to the board of directors that the company should open up a department of this work at the earliest possible date. It may, therefore, be of interest to you to know that in accordance with present plans this department will be opened up next February or March with a view to getting thoroughly organized to handle this line of business next season. There is some reason for thinking that the conditions under which our livestock is sold today is, if anything, rather worse than the conditions under which our grain was sold ten years ago. The development of the livestock industry in Western Canada is very essential to the success of agriculture. At the same time, it is well to recognise that the company, if it enters this department of business, will probably find many obstacles and difficulties that will be even greater than those they encountered in building up the grain end of our business. Such a branch will probably not prove profitable for the first year or so.

Location of Shareholders

A little less than a year ago the executive opened what might be called a statistical and publicity branch in the office, the work of which would consist in gathering information from the records of the company as to the sources from which its business comes, and also keeping matters of interest to the shareholders before them by way of a bulletin service or otherwise.

It will be of interest to you to know that the total number of shareholders in the company at the 31st August last was 16,773. Of these 8,034 were in the Province of Manitoba, 6,764 in the Province of Saskatchewan, 582 in the Province of Alberta and 663 in British Columbia. Those remaining might be classed under the heading of miscellaneous location.

Patronage Dividends

I would strongly favor the plan, if such could be worked out, whereby the return on the investment to shareholders who did not support the company would be reduced say to half the return of those who did support the company. In this connection it is well to bear in mind that many shareholders of the company have, I think, more than others been exposed to inducements to send their business elsewhere.

A Great Possibility

The future of the company is bound up very largely with the future of the other farmers' organizations in Western Canada. I think the conviction is steadily growing in the minds of those who might be termed the leaders of the various organizations, that some step must be taken to draw them more closely together in such a way and by such means as will tend steadily with the passing of time to weave into the very fibre of the organizations the elements that will lead