

In Ontario and throughout the Dominion the ownership of the soil is widely distributed. Tenant farmers as a class are unknown. Farmer, or Practical Agriculturist, and Land-owner are almost synonymous terms. A smaller but still considerable proportion of the inhabitants of cities, towns and villages are also land-owners. The enhanced value, or "unearned increment," as it is termed, of land, which results from increase in wealth and population, and which in less favoured communities enriches the absentee landlord, in Canada is enjoyed by those who, by their occupation and labour, contribute to it. A mortgagee, as distinguished from a lessee, has all the advantages of ownership, subject to repayment of the debt. It is a mistake to suppose that all, or a large proportion of land mortgaged is permanently encumbered. The larger proportion of advances are repaid by instalments spread over from two to twenty years. In a great majority of cases the property is redeemed by the owner. This is more especially the case with loans made on the sinking fund plan, which, though decried, is believed to be the best system ever devised for repayment of a mortgage debt. The sinking fund plan has made more than thirty thousand loans, of which two-thirds have been paid off, and about one-third remain on our books. Last year we made 1,534 loans, but far more than that number of other loans were reduced, and 895 were entirely paid off and the mortgagees discharged. As, with the exception of its office premises, we cannot own real estate, the Company holds no real property except as mortgagee, liable to be redeemed by payment of the debt.

In conclusion, gentlemen, it may be expected that I should give some indication of what are the prospects of the Company in the near future. I have always been anxious to avoid giving encouragement to over-sanguine expectations, preferring to appeal to the recorded accomplishments of past years, and let shareholders and the public draw their own conclusions. But I think it only right to say that in my judgment the profit-earning capacity of the Company has not been so great at any time for several years as it is now, and that the augmentation of our Reserved Funds, reduced *pro rata* expenses, increased efficiency in management, arising from enlarged experience and the sub-division of labour which is only practicable in large concerns, together with our improved facilities for obtaining low-priced money, equalize the loss from the decrease in the rates of interest obtained. So that the comparatively low rates at which money is now lent are as remunerative to the Stockholders as the higher rates which formerly prevailed; while borrowers are better able to meet their diminished engagements, and we get a better class of customers and securities, there is less default and less necessity for resort to compulsory proceedings. If, therefore, you continue to elect as Directors, men of high character and business ability, chosen for their special fitness for the position, and the management be conducted on the same progressive and yet conservative lines as hitherto, from all that appears, the dividend paid last year, which is the average amount paid during the past thirty-four years, may be considered assured. And I am not without hope that we may also be able, from time to time, to make still further additions to that sheet anchor of our position, the Reserved Funds.

If any shareholder present desires any further information I shall be happy to furnish it.

The President then moved the adoption of the Directors' Report, which was seconded by the Vice-President, Mr. Hooper, and unanimously adopted.

It was moved by COL. GZOWSKI, A.D.C. to the Queen, seconded by CLARKSON JONES, ESQ.:

That the thanks of this meeting be given to the President, Vice-President and Directors for the care and attention they have given to the Company's business during the past year, and that the same sum be voted to them as compensation as was voted last year.—*Carried.*

In moving the resolution, COL. GZOWSKI said:

Before moving the resolution which has been placed in my hands, Mr. President, I take the liberty of expressing my own satisfaction, and I think the satisfaction of every shareholder of the Company, at seeing you in that chair. The position you have acquired is so deserved that there can be but one opinion among those interested in the Company. It has been earned by long, successful, able, faithful attention to the interests of the Company, which I heard a friend of mine the other day call "your child," and it was your child. You have brought it to maturity; not only to maturity but to strength and health in that maturity.

The arrangement that was made by your colleagues to place you in that chair deserves, I think, the thanks of the shareholders also, and it is evidence that not only you, but the interests of the Company induced them, after the long services they have given to the Company, to place a man in the chair who so thoroughly deserves it as you do. I think I express this as the feeling of all the shareholders; there is none here who can differ from me.

A word more, Sir, as a shareholder who, perhaps, not quite so old in the Company as those you have mentioned, but not very far behind, for I have been a shareholder in it for more than a quarter of a century. I may venture to remark that I was very much pleased in finding that you are preparing by-laws by which able assistance will be afforded you. To fill the offices of President and Managing Director of so enormous a Company, is a strain that no one mind can be entrusted with, and be preserved in that health and vigor required for the management of the Company. The arrangement proposed will also ensure that some one will be on hand to take your place when either from inability or from any other reason your chair may be vacant for the time being. I cannot help giving you a little story, which is a professional one from an Engineer. It was brought to my mind the other day when in conversation with you, Mr. President, on the subject of your having grown up with the Company. A viaduct, 180 feet in height, was being built and a man was on the top of it. A friend of his, also a mechanic, came up and wished to see him, and he said: "Come up." "Why," he said, "I would not come up, for a thousand pounds, because I cannot do it; my head would give out." The man on top of the viaduct replied: "My dear fellow, I have grown up with it, and it is no trouble at all to me." (Pointing to the President). There is the man. To us, Gentlemen, who are deeply interested in this Company it is very important we should have such a man, and for our own sake it is very important that he should be assisted as he needs it.

With regard to the Report I think it would be unnecessary to make any further remarks than these; that it is extremely satisfactory, and that we are greatly indebted to the guardians we have placed in charge of our interests, not only for the good management of last year, but also for the future you held out to us.

In reply to an enquiry from Mr. Clarkson Jones, the President said that several transfers of Debenture Stock had taken place; the latest quotation being 101 to 103.

It was moved by DR. U. OGDEN, seconded by the REV. C. E. THOMSON:

That the thanks of the Shareholders are due and are hereby presented to the Managing Director, Assistant Manager, and Staff of the Office, to the Solicitors and Appraisers, and to the Agents of the Company for their services in the successful management of the Company during the past year.—*Carried.*

A vote of thanks was passed to the Auditors, who were re-appointed.

A Resolution was passed confirming the alterations made by the Directors in the Rules of the Company.

The election of the Directors was then held, and resulted in the unanimous election of MESSRS S. NORDHEIMER, His Honor JUDGE BOYD, HENRY CAWTHRA and J. HERBERT MASON; after which the meeting adjourned.

At a subsequent meeting of the Board, J. HERBERT MASON, ESQ., was re-elected President, and EDWARD HOOPER, ESQ., Vice-President.