

Trusts Company has not suffered at all. I would say further that our business is done on different lines to those in the States. I understand the trust companies there do underwriting, guarantee titles, receive money on deposit, and perform many other duties leading to risks and liabilities, unknown to us, and the result was that one after another those institutions were forced by stress of panicky conditions into suspension. No man can bring his money to The Standard Trusts Company to be placed on deposit, because we take no deposits; but we do invest in mortgage securities our clients' moneys on a guaranteed or allocated plan for given periods of years. Consequently, I think that it is the only safe and wise policy to be adopted, in the light of what has recently occurred.

Our manager has referred briefly to some of the work that has been done in the past year. I think it is only right on this occasion, when submitting our fifth annual report, to review briefly what The Standard Trusts Company has accomplished since its inception.

I never believe, gentlemen, in the phenomenal growth of anything, particularly in business. I always believe in the steady, careful growth of an institution.

The Standard Trusts Company has been in existence for nearly five years. We have paid to the stockholders (outside of the first fractional year) 6 per cent. per annum on the money they invested. We have carried to rest a substantial amount each year, and we find at the end of less than five years that the rest account of the company is about equal to 25 per cent. of the paid-up capital. You have got interest on your money each year and have carried \$40,000 to rest account; or, in other words, for every dollar that you put into The Standard Trusts Company five years ago, you have had your interest on it, and it is worth \$1.25 to-day. I might say, also, that when depression was at its greatest in the past year, some parties sold their stock in The Standard and realized 120 per cent. This was before the present annual report was got out, and I am safe in saying that any person wanting to dispose of his stock will get \$1.25 for every \$1.

Let us see further what this company has done.

In the past year, a year to be remembered by many of us who are in business (and I think the majority of business men will be able to say that profits were not as large as in past years) this company has earned 15¼ per cent. on the paid-up capital stock. I think that is a splendid showing. After deducting for legitimate expenses and \$9,000, and some odd for dividends, we have carried to rest account this year \$15,000.

Then let us look for a moment at our investments.

We have invested to-day something over a million dollars in first mortgage. What constitutes this first mortgage? The mortgages of the Standard Trusts Company are first mortgages on small farmers' homes, i.e., on farm lands under cultivation. In no case, I believe, in the years that we have been in operation have we loaned money on land that was not under cultivation, and I wish to say further, that to me, the investments made by The Standard Trusts Company have no equal. That is a broad statement to make, but these investments have no equal, at least in the Province of Manitoba or the North-West, and for every dollar that we have loaned of our shareholders' or clients' money, we have, if we take the valuation of the men to whom we have lent the money, about four dollars of security to one dollar lent, and taking the conservative estimate of our appraisers and our manager, we have two dollars margin for every dollar invested, and every dollar loaned is at the present time drawing an average rate of 8.11 per cent.

Let us look a little further. We have been doing business as a company for about five years. We have not had to foreclose a mortgage and we have not lost a dollar since we began business. I consider that is a record for any company and any manager to be proud of, and so far as money has been entrusted to this company, I think it has been well and wisely invested. I know that your board of directors to-day feel that they have pursued the best policy in the past, and they have only one aim and one object in view, and that is, to do the business that is entrusted to them in the manner in which they have done it in the past five years, safely and conservatively.

Gentlemen; I do not look for a brightening to any great extent, of the financial position as we find it to-day, in the very near future, but I think you will agree with me that if Manitoba and her sister Provinces are blessed with bountiful harvests this year, the financial position will ease up considerably. On the other hand, conditions brought about such as we have recently experienced, that will shake the confidence of the people in banking and financial institutions will, you will agree with me, take probably some two years to allay. There is, however, no reason why the Standard Trusts Company should not go ahead and, I wish to add here, (as I think I said a year ago at a similar meeting), if the shareholders will give a little of their time, directly or indirectly, in assisting the manager in securing new business, 1908 will be the best year in the history of the company. I

want to go further and say that I do not believe the directors and stockholders do the missionary work, they should do for the Standard Trusts Company. You must remember that every year brings forth new trust companies, and opposition grows more as the years go on, and as I said a year ago, if the shareholders and directors would assist the manager in securing new business, instead of carrying to rest account \$15,000 as in 1907, we will carry at least \$25,000 in 1908. Now that rests with the board of directors and the stockholders.

I do not know that I have very much more to say, beyond this, I am truly thankful at the end of another year to meet you here without having to record any vacancies by death. I am sure we are all grateful and thankful for that, and I would merely reiterate that as far as the executive and the board of directors are concerned, we have only one aim and one object, and that is, that the Standard Trusts Company shall go on and make as steady progress as it has done in the past.

I have very great pleasure, gentlemen, in moving the adoption of the report.

Mr. Wm. Whyte, the vice-president and chairman of the executive then spoke as follows:—

"Mr. Chairman and Gentlemen,—It affords me very much pleasure in seconding the motion for the adoption of the financial report. The president has fully covered all the points in which the Standard Trusts Company is interested, both directly and indirectly. He has alluded to the difficulties under which money could be had, and the financial stringency brought about by perhaps a number of conditions. First, we had a most abnormal winter last year, an unusual spring and summer, followed by snow and frost, having a most damaging effect on the growing crops. Those untoward circumstances followed up by difficulty in getting the necessary funds to move the damaged crop, have reduced the income of the agriculturists and, therefore, had a most serious effect upon their ability to meet their interest charges, but, as the manager has stated to us, on the whole there is only about 15 per cent. uncollected. That I consider highly satisfactory, considering the year.

"The president has touched upon the financial stress under which the country labored, and he has stated that it may take some little time to overcome it, but there is one point that he did not touch upon and that is, the damage done to the crop rendering it unfit for seed. Had the Federal Government not come to the rescue in supplying the proper grain for seed, the effect would have been a most serious one. Those who have given any thought to this matter will agree with me that in the northern parts of the Provinces of Manitoba, Saskatchewan and Alberta, there are very little, if any, oats fit for seed. Oats are somewhat more sensitive to frost than wheat, 2° of frost will render them unfit for use, but, as I have said before, the Government has made arrangements to secure seed for every farmer that requires it.

There is great credit due to the Standard Trusts Company that it has come through this financial storm harmless.

The president has also touched upon the financial disturbances down south and it was a good thing that the leading banks saw fit to arrange not to allow any more money to the business men than would meet their needs and these were supplied by clearing house certificates. It would have been better probably if the banks had brought about that measure sooner, and it would also have been better if many of the Canadian Banks had adopted their later drastic measures earlier in the day.

It is to my mind, at all events, not an unmixed evil to have had this check, because an individual or a community can become, too extravagant.

If we are favored with a bountiful crop this year I think that will bring about a restoration of confidence quicker than anything else.

It is certainly gratifying to me, as a member of the executive, to have such a good showing and I can bear out and with pleasure, what the chairman has stated, that every loan is most carefully and most thoroughly enquired into, and I would be very much disappointed and surprised if this company sustained any loss from its loans on mortgage.

I won't take up your time further, but simply repeat that it affords me much pleasure in seconding the motion for the adoption of the financial report.

The report was unanimously adopted. Mr. John Scott, C.A., was appointed auditor for the company for the ensuing year.

A vote of thanks to the president, vice-president, managing director and other officers of the company was passed and thereafter the following were re-elected directors of the company for the ensuing year:—

J. T. Gordon, Esq., M.P.P., Wm. Whyte, Esq., Wm. Harvey, Esq., B.L., M. Bull, Esq., John Arbuthnot, Esq., John A. Girvin, Esq., R. J. Blanchard, Esq., M.D., Arthur M. Fraser, Esq., O. A. Robertson, Esq., John Persse, Esq., Chas. C. Castle, Esq., P. C. McIntyre, Esq., G. F. Stephens, Esq., William Georgeson, Esq., N. Bawlf, Esq., E. S. Pop-