Proceedings at the 90th Annual Meeting of the Bank of Montreal.

Staunch Canadian Institution Reports Very Prosperous Year

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or Fellow! of, beauty. of delight

Addresses of the President and Vice-President of National Interest---The Financial Situation in Canada Explained --- General Conditions of the Country Are Good.

The ninetieth Annual General Meeting of the Shareholders of the Bank Montreal was held in the Board Room of the institution on Monday, Dec.

These were present: Sir George Drummond, K.C.M.G., president; Mr. E. S. Clouston, vice-president and general Manager; Sir William C. Macdonald, Sir Robert G. Reid, Hon. Robert Mackay, Messrs. James Ross, R. B. Angus, A. T. Paterson, James Croil, W. H. Evans, R. C. Fisher, A. C. Lyman, H. W. Aird, W. B. Blackader, C. J. Fleet, K. C.; James Kirby, K. C.; E. Goff Penny, James Tasker, G. F. C. Smith, Henry Dobell, Richard White, Huntley-Drummond, F. S. Lyman, K.C.; M. S. Foley, B. A. Boas, R. W. Shepherd, Henry Mason, Willam Stanway, B. Dawson, A. G. Watson.

On the motion of Mr. R. B. Angus, Sir George Drummond, President, was unanimously voted to the chair, and after this, it was resolved: "That the following he appointed to act as Scrutineers: Messrs F. S. Lyman, K.C.

the following be appointed to act as scrutineers: Messrs. F. S. Lyman, K.C., and G. F. C. Smith; and that Mr. James Aird be secretary of the meeting."

Mr. E. S. Clouston then submitted the report of the Directors as follows: THE DIRECTORS' REPORT.

charges of management, and making full provision for all bad and doubtful debts

 Dividend
 2
 1-2
 per cent., paid 1st March, 1907
 360,000 00

 Dividend
 2
 1-2
 per cent., paid 1st June, 1907
 360,000 00

 Dividend
 2
 1-2
 per cent., paid 1st September, 1907
 360,000 00

 Dividend
 2
 1-2
 per cent., paid 1st December, 1907
 360,000 00

 1,440,000 00 Balance of Profit and Loss carried forward Since the last Annual Meeting Branches have been opened at Medicine Hat, Alta,, and Charlottetown, P.E.I., and sub-Agencies at Chilliwack, B.C.,

Summerland, B.C., Rosenfeld, Man., Westminster-avenue (Vancouver), Hull, P.Q., St. Roch's (Quebec), Marysville, N.B., and Dundas-street (Toronto). Arrangements have also been made for opening a branch at Prince Rupert, B.C.

On 20th April last the Bank acquired the business of the People's Bank

New Brunswick at Fredericton, N.B.
All the Offices of the Bank, including the Head Office, have been inspected during the past year.
G. A. DRUMMOND.

President. Bank of Montreal, Montreal, 2nd December, 1907. GENERAL STATEMENT.

The General Statement of the position of the Bank, 31st October, 1907, is LIABILITIES.

Capital Stock\$14,400,000 00 Balance of Profits carried forward \$11,000,000 00 699,969 88

\$26,461,867 89 Notes of the Bank in circulation \$12,500,549 00
 Deposits not bearing interest
 36,043,275 92

 Deposits bearing interest
 90,094,882 91

 Balances due to other Banks in Canada
 134,193 13

138,772,900 96 \$165,234,768 85

ASSETS.

Gold and Silver Coin current 7,729,734 99 of Parliament for security of general bank note banks in Great Britain\$4,530,021 75
Due by agencies of this bank and other banks in foreign countries 3,084,813 32
Call and Short Loans in Great Britain

inion and Provincial Government Securities 1,329,927 69 Bank Premises at Montreal and Branches ...

\$59,263,257 84 Current Loans and Discounts in Canada and elsewhere (rebate interest reserved) and other assets \$105,107,113 91

Debts secured by mortgage or otherwise Dverdue debts not specially secured (loss provided - 105,371,511 01

\$165,234,768 85 E. S. CLOUSTON,

Bank of Montreal, Montreal, 31st October, 1907.

special comment. Deposits not bearing interest have temporarily increased since last year \$5,200,000. Deposits bearing interest have decreased \$9,000,000: partly thru the withdrawal of funds for railway construction and partly owing to our depositors making more permanent investments in securities at the present tempting low prices. There has been, however, a satisfactory and general increase in our regular deposit

proaching stringency in the money markets of the world, we slightly ad-

their flight. of an artist, hy of note; -Phiadelphia Bulletta

though the process may be, in the development of the country and a consequent preponderating influence on the development of the country and a substantial assistance in raising the price receivably by the agriculturists. There is not much in the general statement, laid before you, calling for special comment. Deposits not bearing interest have temporarily increasing the special comment.

General Manager.

mak been, however, a satisfactory and general increase in our regular deposit this sense thru the entire Dominion. To meet the special withdrawals and to provide for the increase in our current loans in Canada, we have reduced our call loans in other countries \$6,400,000. Our profits have been satisfactory, showing \$1,980,000, as against \$1,797,000 last year. The Bank Premises Account remains at the nominal amount of \$600,000. Every year a certain expenditure will be made on this account, and I do not see that any good object will be served by increasing the figure at which it stands.

Early in the year, in view of the approaching stringency in the money markets of the world, we slightly administration of pressure to move the crop promptly. To meet this, the Government asked the banks to co-operate with them in assisting the export of wheat as rapidly as possible. The joint action has had the desired effect; the crop is now being forwarded in a normal way, and there are buyers for all grades of wheat in the market. There is one factor in the condition of affairs in the Northwest which must not be lost sight of, and that is the large amount of low grade wheat in this year's crop, making it a much more risky one for exporters to handle, and rendering it in granting credits.

Answer to Criticism.

States, and transfer the proceeds to England, whence we could easily im-port gold here if it should be considered advisable. But as we know how liquid and available they are, we continue to retain all that is not needed here, both as part of our reserves and as a valuable aid to our international

exchanges.
The President's Remarks.

period of unexampled prosperity and inflation, during which credit was abundant, capital poured forth freely, with in consequence a more or less general rise in the proce of commodi-ties and labor, when sound principles of finance were forgotten, and fictitious capital created to an enormous extent, it was only consistent with all previcus experience, and apparently inevitable, that a reaction should come.
To this result, various causes contributed. Among the most prominent was a wave of distrust and hostility to corporations and capital, which seems to have passed over the United States, and for which some justification was given by the management of some great companies within its borders. This hostility to corporations, to my view, merely hastened the coming

and added to the violence of a collapse, National Resources Undiminished. Strangely enough, the hostility to which I refer has manifested itself strongly against railways, in spite of the fact that railways on this con-tinent have been constructed and are operated at least as cheaply and effi-

ditions may be expected to pass away and normal and saner views once more rule, and it must not be overlooked that all the present trouble leaves the resources of that country practically undiminished and its powers of recuperation unimpaired.

Here in Canada we have escaped most, if not all, of the troubles of our neighbors. The collapse in stocks has, no doubt, affected many investors, but beyond a certain tightening of the money market and advancing interest, I see no evidence of serious ill effects. The banks have been acting with cau-tior and reserve, which is eminently proper with a conflagration raging next door; but, as the detailed review which follows will show, consumptive demand has been good, and the excellent business of the early part of the year has shown little abatement up to

the present time. State of Trade. Woollens—A good volume of trade in imported goods; our home mills not

flourishing under increasing importa-Boots and Shoes—The advance in leather has left insufficient margin, and spring trade is expected to be

Domestic trade, measured by the amount of currency in circulation, is seen to have experienced a similar ex
Wonderful Changes. seen to have experienced a similar expansion. In ten years the circulation of Dominion notes of small denomina-tions has risen from \$7,560,000 to \$16.

orable year for agriculture. Inclement weather has reduced the product of cereals, hay and feed, below the normal, and the important dairy output has also been diminished. Higher prices of farm products of all kinds prevail, and it is believed that the higher prices will compensate the farmer for the lessened supply.

The foreign Trade Against Us.

The foreign trade belance is running.

Foreign Trade Against Us.

The foreign trade balance is running somewhat heavily against Canada. In the five years, 1898-1902 inclusive, the excess of our imports over exports of domestic products was only \$25,250,000, the smallest adverse balance of trade in the history of Canada in a like period. In the five years elapsed since 1902 the value of imports for home consumption has exceeded the value of domestic exports by no less than \$291, 50,000, and in the fiscal year ended June 30, 1907, the excess of imports we had neither mowing, nor reaping, nor threshing machines, and the women had no sewing machines. If threshed my first crop of grain in the same way that Ornan, the Jebusite, did 3000 years before, and learned the meaning of the Mosale injunction:

Thou shalt not muzzle the ox when he treadeth out the corn."

There was no money in circulation in those days. Everything was done in those days. Everything was done in the fiscal year ended the farm were exchanged by the store-keeper for his firy goods and grocer-willing was done in the fiscal year ended the farm were exchanged by the store-keeper for his firy goods and grocer-willing was done in the fiscal year ended the farm were exchanged by the store-keeper for his firy goods and grocer-willing was done in the fiscal year ended the farm were exchanged by the store-keeper for his firy goods and grocer-willing was done in the farm were exchanged by the store-keeper for his firy goods and grocer-willing was done in the first crop of grain in the was done way that Ornan, the Jebusite, did 3000 years before, and learned the meaning of the Mosale injunction:

Thou shalt not muzzle the ox when he treadeth out the corn."

There are at the present time thirty-five chartered banks in the Dominion, six of which have a paid-up capital and rest combined exceeding eight millions of dollars, as follows: by barter. The surplus products of the farm were exchanged by the store-keeper for his dry goods and grocer-less may seeper for his dry goods and grocer-less. Most obliging of men was the storekeeper. He gave unlimited credit. If the account was overdrawn, he took a little promissory note; when that matured, it might be renewed, with compound interest added, when the development of her resources. The condition of the foreign money markets may, however, temporarily check the flow of capital into this country, and reduce somewhat the activity of enterprises which contribute to the commercial industrial prosperity of Canada.

A good deal depends on the duration

by railway construction, give reasonable assurance of continued commercial progress, while our financial and When banking methods are so sound and conservative as to mitigate, when they cannot altogether prevent, the severi-

ties of the natural law of reaction. I beg to move: "That the report of the directors now read, be adopted and printed for distribution among the shareholders." If any shareholder has any questions to ask, we shall be

final rest, encount of morties, being in the second to the control of the control

My first voyage to New York, in 1841, was made in forty days, then ac tions has risen from \$7,560,000 to \$10.
433,000, or upwards of 100 per cent. ship. The Lusitania trotted leisures, while the bank note circulation has exacross the ocean's race course last month in four days and 19 hours! Such month in four days and 19 hours! Such The President's Remarks.

The President, in moving the adoption of the directors' report, said:
Our review would be imperfect without reference to the startling financial collapse which has taken place in the neighboring Republic. It first evidenced itself in the decline in values of stocks and securities of all kinds and this shrinkage, before long, assumed unexampled proportions as the ings, attest. Since 1897 the aggregate across the ocean's race course last month in four days and 19 hours! Such is the advance of ocean navigation in the pank note circulation has expanded from \$36,000,000 to \$364,290,000, or last month in four days and 19 hours! Such is the advance of ocean navigation in the sainty-six years. The journey from New York to Montreal then took four days, for we did not travel by night. The last stage was by the rickety railway from St. Johns and contributed to the enrichment of all classes, the public deposits in the bank note circulation has expanded from \$36,000,000 to \$364,290,000, or last month in four days and 19 hours! Such is the advance of ocean navigation in these sixty-six years. The journey from New York to Montreal then took four days, for we did not travel by night. The last stage was by the rickety railway from St. Johns and contributed to the enrichment of all classes, the public deposits in the bank note circulation has expanded from \$36,000,000 to \$364,290,000, or last month in four days and 19 hours! Such is the advance of ocean navigation in these sixty-six years. The journey from New York to Montreal then took four days, for we did not travel by night. The last stage was by the rickety railway from St. Johns and this shrinkage, before long, as the four days and 19 hours! of stocks and securities of all kinds and this shrinkage, before long, assumed unexampled proportions as the supply of credit for speculation failed. The distrust spread to banks and trust companies, and was duly followed by the hoarding of currency, and, of course, a serious interference with of course, a serious interference with of clination of credit, the suspension or failure of several important financial institutions ensued.

all classes, the public deposits in the banks, chartered, government and savings, attest. Since 1897 the aggregate of these deposits has mounted up from \$270,000,000 to \$677,400,000, and in the last six years the deposits of the public in the banks have increased from \$74 per head of population to \$103 per head.

This is the bright side of the shield; what of the reverse? We have had, the country over, a somewhat unfavorable year for agriculture. Inclement you may travel from Montreal to Vangather has reduced the product of the section of the public in the banks have increased from \$74 per head of population to \$103 per head.

This is the bright side of the shield; what of the reverse? We have had, the country over, a somewhat unfavorable year for agriculture. Inclement you may travel from Montreal to Vangather has reduced the product of these deposits in the only passenger.

It was opened in 1836. In 1905, Government and savings and in the last six years the deposits of the public in the banks have increased from \$74 per head of population to \$103 per head.

This is the bright side of the shield; what of the reverse? We have had, the country over, a somewhat unfavorable year for agriculture. Inclement you may travel from Montreal to Vangather has reduced the product of the section of the public in the particle.

When I began farming in Ontario, we had neither mowing, nor reaping,

A good deal depends on the duration of dear money in the financial centres of the world, and, not having the gift of prophecy, I refrain from expressing any opinion on that point. What the situation does appear to counsel, is the wisdom of refraining from speculative ventures, from embarking much in enterprises in new fields, until capital flows more freely. The general state flows more freely. The general state of trade I believe to be sound, and if we have reached a period of pause, if the pendulum is to swing back somewhat, there is no reason to believe that the recoil will be severe or protracted. what, there is no reason to believe that the recoil will be severe or protracted. The large emigration we are now receiving, the opening of new territory

Growth of the Bank.

When I entered into partnershi with the Bank of Montreal in 1847 its capital was \$3,000,000, and Rest no quite \$100,000. To-day, its combine Capital and Rest is \$25,400,000; it has 134 branches and agencies, and a staf of more than 1000 persons in its of the world. Mr. Alexander Simpson was the

waretes of the world, we slightly advance in discount, not so much with a desire to increase our promits, but more to give a practical indication which has recently been made in the press respecting the practice of the trend of financial affairs, that is the press respecting the practice of the trend of financial affairs, that is the single of the trend of financial affairs, that is the single of the trend of financial affairs, that is the single of the trend of financial affairs, that is the press respecting the practice of the pressure and spring trade is expected to be short. Lumbur—Exports to Great Britain have fallen off, tho the total exports have fallen off, tho the total exports have fallen off, the third is the conduct of their business they must spring trade is expected to be increased from 10 to 12 members. To effect this will a free city the consideration the present Archibishop of Canterbury. He became manager in the Stolonom the fallen off, the three for the present archibishop of Canterbury. He became manager in the stolonom that the safe in the discount that a fall in other than the fallen off, the three for the present archibitors are asking, with such and the directors I beg to state that afform the directors I beg to state that afform the directors I beg to state that afform the city of the directors I beg to state that afform the director

Paid up Total Paid	4	Paid up		Total	Paid	of the
Name. Fo	.papunded.	Founded. capital.	Rest.	capital.	dividend.	which
Bank of Montreal 1817	1817	\$14,400,000	\$11,000,000	\$25,400,000	10 p.c.	wing
Bank of N. Brunswick. 1820	1820	709,380	1,195,428	1,904,898	12 p.c.	stil
The Quebec Bank	1822	2,500,000	1,250,000	3,750,000	7 p.c.	l in assif
Bank of Nova Scotia 1832	1832	3,000,000	5,250,000	8,250,000	12 p.c.	exis
Bank of British North America 1836	1836	4,866,666	2,238,666	7,105,322	7 p.c.	stence, ons:
St. Stephen's Bank, N. B.	. 1836	200,0 00	20,000	250,000	5 p.c.	as per

During this interval of sixty years many other banks were founded, some of them destined to be short-lived, some amalgamated with kindred institutions, while others had resort to the dire expedient of writing off large pertions of capital. But the Bank of Montreal has encountered no such dis-

n l.		di	,						. 0
n a t. e	Total	capital.	\$ 8,499,820		10,000,000	15,000,000	8,290,000	8,585,536	9,720,612
a s f g - n		Rest.	\$4,499,910		4,000,000	5,000,000	4,390,000	4,782,900 °	4,860,306
s s s o o o	Paid up	capital.	\$ 3,999,910		6,000,000	10,000,000	3,900,000	3,802,636	4,860,306
e il it r g e		Founded. capital.	1855	Jo	1863	7981 90	1869	nk 1871	nk 1875
ni, natie sasis nss-red, telltrse pritism-s e		Name.	Bank of Toronto	Merchants Bank of	Canada	Bank of Commerce 1867	The Royal Bank 1869	The Dominion Bank 1871	The Imperial Bank 1875
e	Th	ese	m thirty	-fiv	е В	m anks	H ha	ve i	n all

Mr. Alexander Simpson was the pleased to answer them.

The motion was seconded by the Vice-President, and was unanimously adopted, without discussion.

Mr. David Davidson, who became the first general manager in 1862 till am now about to say, I know that I am now about to say, I know that I am treading on dangerous ground, so March, 1863. Mr. Davidson was an

DAVID MORRICE. A. T. PATERSON SIR ROBERT G. REID.

JAMES ROSS. SIR THOMAS G. SHAUGHNESSY. THE RIGHT HON. LORD STRATH-CONA AND MOUNT ROYAL, G.C.

The Honorary President, President, and Vice-President will, in the ordinary course of business, be elected at to-day's meeting of the Directors.

WINNIPEG NOMINATIONS. Mayor Ashdown Elected by Acclama-

tion-The List. WINNIPEG, Dec. 3.—(Special).— Mayor Ashdown will again be head of city as to-day's nominations brought out no candidate against him. The

lineup is as follows:
Controllers: J. W. Baker, Jas. Burridge, J. W. Cockburn, W. S. Evans, W. G. Garson, J. G. Harvey, J. G. Lati-

For alderman-Ward 1: F. W. Adams, For alderman—Ward 1: F. W. Adams, acclamation: Ward 2: F. O. Fowler, J. R. Wynne; Ward 3: A. H. Fulford, R. T. Riley; Ward 4: A. T. Davidson, W. G. Douglas; Ward 5: C. A. Baskerville, A. H. McArthur; Ward 6: F. J. C. Cox, Thomas Fairbairn, J. A. Jastrewsy, Peter Thornton; Ward 7: Chas. Midwinter, J. A. Potter.

Would Bar Cigarets. Would Bar Cigarets.

OTTAWA, Dec. 3.—Sir Wilfrid Laurier, Hon. R. W. Scott and Hon. Geo. P. Graham received a large delegation of ladies in the railway committee room of the house of commons to-day, who asked for the prohibition of the manufacture, sale and importation of cigarets.

Sir Wilfrid Laurier would not commit himself to favoring the abolition of tobacco for use by men, but as to extending the power of the provinces to pass a law, the same as was done with the Scott Act in regard to counties, that was a new proposition which would be looked into.

Great Bargains in Pianos. Large selling of their own famous instruments has brought together in the warerooms of Heintzman & Co. Limited, 115-117 West King-street, Toronto, an unsually large number of second-hand instruments, taken in exchange. These can be bought to-day at almost ones own price. You can get a plano as low as \$60. Terms of payment are but a trifle each month.

Killed by Robbers. SALEM, Ore., Dec. 3.—The bodies of Mrs. Casteel, her daughter, aged 24; her son, aged 15, and a man named Montgomery, aged 50, foreman of the ranch, were found in the burned ruins of their home, near MacLeay, yester-day. They probably had been killed by robbers.



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D. O. Roblin OF TORONTO