

many years running. There are manufacturing companies in this city, that have paid their stockholders nothing for many years back. If a turn in the tide came, and they paid ten per cent. steadily for years to come, it would not make an average return of five per cent. It is only reasonable, therefore, to look at both sides of the question. And experience is showing that it is more and more difficult to carry on business successfully. There was a time when almost anybody could make money, either out of farming, or any other pursuit. In these days it is impossible to succeed without a practical knowledge of business, close application, the adoption of all new methods and appliances, and the exercise of sound judgment, and self-restraint in giving credit. The banks as a whole, hold the purse-strings of the supply of money for mercantile purposes, and all my experience points to this conclusion, that they have it in their power to do much to promote mercantile success or failure. I verily believe, looking back over the varied events of thirty years' management in Toronto and Montreal, that if the Banks generally came to a good understanding among themselves, as to the manner in which they would lend money, the rules they would adopt about the security for it, and as to limitation in amounts according to the circumstances of borrowers, the number and amount of the failures that occur year by year, might be diminished one-half. I put this on record as my deliberate opinion, and would be glad if due note were taken of it. What benefit would arise from this, you can readily imagine. I, for one, would be well pleased to see it.

THE DISCUSSION.

The President having invited remarks from the shareholders present, Mr. John Morrison said that if the directors had increased the rate and lowered the amount of their discounts by \$2,000,000, they would have been putting their theories into practice.

Mr. John Crawford spoke of the interest with which he had listened to the General Manager's address. There was no doubt that competition was very difficult to offset, but he thought that bankers, as a rule, had the remedy in their own hands; there should be an understanding among them, that they would not cut each other's throats, though competition was very desirable. He touched upon loans on call, and alluded to the reduction of \$900,000 in advances on this account made by the Bank, and then went on to speak upon the question salaries, contending that the time was approaching, if not already at hand, when the question of expenses incidental to the management of public institutions, and private establishments, would have to be considered. He did not, however, wish to be misunderstood, as he favoured the liberal payment of the officers of that institution for the services they rendered. In conclusion, he urged that the amount of gross losses should be made known to the shareholders.

In reply to Mr. John Crawford, the General Manager said, that so far, no appropriation had been made for the rebate of the \$18,000,000 on discounted notes, but it was a matter which was worthy of consideration, and he had no doubt that it would be taken up by the directors. Nothing had been written off for destroyed notes for many years. His impression was, that sufficient had been written off for some time to come.

The motion for the adoption of the report was then carried unanimously. The General Manager—If you will allow me just one word, Mr. President, I think it might be just as well to say that there seems to be an impression that the reduction in call loans, was made very suddenly and unexpectedly, and that all at once, an amount of \$900,000 was called in from the brokers to whom we lent money. That is very far, indeed, from being the case. We began

to call in money last October, and called it in very gradually, and with due regard to the circumstances of the borrowers; in fact, we are invariably very considerate to our borrowers, and never press beyond what circumstances compel us to do. There was no complaint at that time; but the stock market became very weak about the middle of March, and then the complaint came that we were calling more rapidly than borrowers could respond to, and we refrained from doing what is invariably done in New York—selling the stocks. With regard to the matter of expenses, the expenses of the bank have to be invariably calculated with regard to the amount of business done, and the amount of gross profits earned. I have told you that the business of the bank is constantly increasing, the turnover we make is constantly increasing, we have more and more work to do every year, and there must be more and more men every year to do it, and therefore there must be more and more cost. The interest we pay has a tendency to increase also; we pay too much interest. Therefore, although we are doing more and more business, and making more and more gross profits, when we come to make all the reductions, there is no more for final distribution, than there was some few years ago. With regard to the ratio of expenses to gross profits, they are very little more than they were some time ago. There is a tendency to an increase in salaries universally, but the stockholders may rest assured that the utmost care is taken to secure value for the amount of salary given. We do not pay idle and useless men, and I can assure the stockholders, that very great vigilance is exercised in seeing that every man does his duty, and renders a full return for all the salary he receives. Now, one word with regard to the matter of the statement of losses. There has been, as Mr. Crawford knows very well, no general call on the part of the stockholders for this information; the Directors have never refused it when such a general call has been made. There are very good reasons, you may rest assured, why the amount of the losses is not stated generally. I may remind you that on extraordinary occasions the losses of banks, and of this bank in particular, have been stated to shareholders and the public. So far as this bank is concerned, they were stated in this very room some few years ago, and they were given for special reasons, which reasons were pertinent to the circumstances at the time, but which do not apply now. There are very good reasons why, in ordinary times, this information should not be given, though sometimes it may be given to a stockholder in the General Manager's room.

Mr. John Crawford moved, and Mr. J. H. R. Molson seconded:—

"That the thanks of the stockholders are due, and are hereby tendered to the President, Vice-President, and Directors, for the manner in which they have conducted the institution during the past year, and to the General Manager for his efficient management during the year."

The motion was carried unanimously. Col Kippen moved, and Mr. Francis seconded:—

"That Messrs. J. Y. Gilmour and J. P. Cleghorn be appointed scrutineers of the election of Directors about to take place; that they proceed to take the votes immediately; that the ballot shall close at three o'clock p. m., but if an interval of ten minutes elapse without a vote being tendered, that the ballot shall thereupon be closed immediately."

The motion was unanimously concurred in.

It was moved by Mr. Hector Mackenzie, seconded by Mr. T. H. Dunn:—

"That the thanks of the meeting are due and are hereby tendered to the chairman for his efficient conduct of the business of the meeting."

The motion was carried unanimously, and shortly afterwards the Scrutineers reported that the following gentlemen had been duly elected as Directors:—

ANDREW ALLAN,
ROBERT ANDERSON,
HECTOR MACKENZIE,
JONATHAN HODGSON,
JOHN CASSILS,
H. MONTAGU ALLAN,
JAMES P. DAWES,
T. H. DUNN,
SIR JOSEPH HICKSON.

The meeting then adjourned.

The new Board of Directors met in the afternoon, when Mr. Andrew Allan was re-elected President, and Mr. Robert Anderson Vice-President.

THE TRADERS' BANK OF CANADA.

EIGHTH ANNUAL MEETING OF THE INSTITUTION.

The Directors' Report and Financial Statement—Steady Progressive Increase in Business—The Old Board Re-Elected.

Proceedings of the eighth annual general meeting of shareholders, held at its banking house in Toronto, on Tuesday, the 20th of June, 1893.

The President having taken the chair, Messrs. W. J. Thomas and John F. Ellis were appointed scrutineers and Mr. Strathy secretary.

EIGHTH ANNUAL REPORT.

Your Directors have pleasure in submitting to the shareholders the eighth annual report of the Bank, together with statement showing the result of business for the year ending 31st May 1893.

The net profits, after making full provision for all bad and doubtful debts, crediting interest to date on all interest-bearing accounts, reserving accrued interest on outstanding deposit receipts, exchange, etc., amounted to..... \$56,309 92
To which has to be added balance of profits carried forward from last year..... 4,884 91

Making in all..... \$61,194 83
Which has been applied as follows, viz:
Dividend No. 14, payable 1st December 1892, 3 per cent. \$18,222 00
Dividend No. 15, payable 1st June 1893, 3 per cent. 18,222 00
Added to Rest Account..... 20,000 00
Profit and loss carried forward 4,750 83

The business of the Bank shows a steady progressive increase in every department. The increase in deposits amounting to \$656,610.42, exceeds that of any previous year, although the rates of interest paid have been lower than formerly.

The net profits were 9.27 on paid-up capital, or on capital and rest combined over 8½ per cent., a result comparing not unfavourably with that of like institutions.

Your Directors have given close personal attention to all lines of credit, keeping them within limits proportioned to the Bank's capital.

Desirable premises, fully equipped with every convenience and protection, have been purchased in Hamilton at a cost equivalent to a nominal rental, and recently a branch office was opened in Windsor, Ont., under the management of Mr. George Mair, a Banker of proved experience.

The Head Office and different branches of the Bank have all been carefully inspected once or oftener during the year.

The different officers of the Bank have discharged their respective duties to the satisfaction of the Board.

All which is respectfully submitted.

GENERAL STATEMENT.

31st May, 1893.

LIABILITIES.

Capital Stock paid up.....	\$607,400 00
Rest Account.....	75,000 00
Dividend No. 15, payable 1st June.....	18,222 00
Former Dividends unpaid.....	140 16
Interest accrued on Deposit Receipts.....	3,595 36
Balance of Profits carried forward.....	4,750 83
	\$709,108 35