Meetings.

CANADIAN BANK OF COMMERCE.

The annual meeting of the shareholders of the Canadian Bank of Commerce was held in the banking house, Toronto, on Tuesday, 16th inst., at 12 o'clock. Among those present were:

Messrs. Geo. A. Cox, Robert Kilgour, Wm. B. Hamilton, Matthew Leggat (Hamilton), James Crathern (Montreal), James Neilson, A. V. Delaporte, John Tucker (Oakville), Rev. A. B. Lawler, Rev. Dr. Chaffee (Coboconk), Thos. Walmsley, H. M. Pellatt, Henry Beatty, Thos. Gilmour (Brockville), Edward Martin, Q.C. (Hamilton), Thos. Gray (York), Wm. Spry, Philip Browne, John Stark, J. W. Flavelle, A. I. Hubbard, W. W. Osborne (Hamilton), F. W. Kittermaster (Sarnia), J. Lorne Campbell, Hy. Swan, Geo. Robinson, Rev. Dr. Dewart, John Nicol, Robt. Summerville, G. B. Burns, Æmelius Jarvis, John F. Risley and others.

On motion, the president, Mr. Geo. A. Cox, was requested to take the chair, and Mr. J. H. Plummer, the assistant general manager, was appointed to act as secretary.

It was moved by Mr. Robert Kilgour, seconded by Mr. W. B. Hamilton, that Messrs. Philip Browne, J. Lorne Campbell and H. M. Pellatt act as scrutineers. Carried.

The president called upon the secretary to read the annual report of the directors as follows:

REPORT.

The directors beg to present to the shareholders the twenty-ninth annual report, covering the year ending 30th May, 1896, together with the usual statement of assets and liabilities:

The balance at credit of profit and loss account, brought forward from last year is........	$ 22,685 52
The net profits for the year ending 30th May, after providing for all ascertained losses amounted to	466,623 44
Transferred from rest account....	200,000 00
	$689,308 96

Which has been appropriated as follows:

Dividends Nos. 57 and 58, at seven per cent. per annum	$420,000 00
Transferred to contingent account, as a provision for doubtful debts	233,560 00
Transferred to pension fund......	10,000 00
Written off bank premises and furniture	7,500 00
Balance carried forward	18,248 96
	$689,308 96

The usual careful revaluation of the entire assets of the bank has been made, and all bad and doubtful debts have been amply provided for. It will be seen that in order to do this it has been necessary to draw upon the profits of former years by reducing the Reserve Fund to one million dollars. We have had another year of severe depression, during which losses have been abnormally large, while throughout at least the first half of the year the profits were on a much lower level than in years previous to 1894, despite the hope expressed in our report a year ago.

The various branches, agencies and departments of the bank have been inspected during the year. Three sub-branches have been closed, those at Jarvis, Ailsa Craig, and St. Lawrence street, Montreal. It was found that the main portion of the business done at Jarvis and Ailsa Craig could be readily transferred to the offices under which the sub-branches have been worked, thus saving considerable expense of management. The sub-branch in Montreal was established in a part of the city where we have found such competition in rates paid for deposits as to render it improbable that we could build up a profitable business.

The board regret having received the resignation of Mr. John I. Davidson of his position as a director. Mr. Robert Kilgour was elected vice-president in his stead. As the resignation of Mr. Davidson was tendered late in the year it was not thought necessary to fill the vacancy on the board until the annual meeting.

The directors have again pleasure in recording their appreciation of the efficiency and zeal with which their respective duties have been performed by the officers of the bank.

Geo. A. Cox,
President.

GENERAL STATEMENT, 30TH MAY, 1896.

Liabilities.

Notes of the bank in circulation.		$ 2,358,058 00
Deposits not bearing interest........	$ 3,343,744 20	
Deposits bearing interest, including interest accrued to date	14,868,674 08	
		18,212,418 28
Balances due to other banks in Canada....................		11,456 02
Balances due to agents in Great Britain		785,033 64
Dividends unpaid		945 37
Dividend No. 58, payable 1st June		210,000 00
Capital paid up..	$6,000,000 00	
Rest	1,000,000 00	
Balance of profit and loss account carried forward	18,248 96	
		7,018,248 96
		$28,596,160 27

Assets.

Specie............	$419,828 63	
Dominion notes....	841,755 00	
		$1,261,583 63
Deposit with Dominion Government for security of note circulation		155,530 00
Notes of and cheques on other banks		745,052 94
Balances due by other banks in Canada		89,796 48
Balances due by agents of the bank in the United States ..		2,857,032 66
Balances due by foreign correspondents................		11,431 20
Canadian Government securities, municipal and other bonds		3,229,605 86
Call loans on stocks and bonds		2,297,539 87
		$10,647,572 64
Time loans on stocks and bonds		921,424 97
Other current loans and discounts		15,803,183 89
Overdue debts (loss fully provided for)		191,605 68
Real estate (other than bank premises)		46,869 68
Mortgages		142,837 23
Bank premises and furniture ..		747,312 85
Other assets.................		95,353 33
		$28,596,160 27

The report having been read, the president said:

PRESIDENT'S ADDRESS.

In moving the adoption of the report, I have to express the regret of the board that for the first time during the present administration we have not been able to take a forward step. To bankers, as well as to almost all who are engaged in trade, the year has been one of constant anxiety and almost unexampled difficulty in making profits and avoiding losses. If, however, we had only to deal with the losses, large as they were, which actually occurred during the year, we would have reason to be satisfied with that through which we have just passed—although taken with the previous year it covers the worst period for profit-making we have ever had. Still 1895-6 was sufficiently better in profits than 1894-5, to warrant the hope that before long we will be again upon a favorable basis. It will be noticed that it was not necessary to touch our reserve fund in order to provide for ascertained losses, but it is the effect of examining by the light of such a year of acute depression a bank's entire assets, not merely its suspended debts and the properties which have fallen into its hands, but the entire current loans, which makes a year like that just closed so different from one of normal prosperity. When we turn to our statement, in other respects we find in it many gratifying features. The total of capital at command of the bank is $28,596,160, as compared with $28,408,274 a year ago. These figures might be considerably increased if it were desirable to do so, but deposits naturally do not grow rapidly under a steady lowering of the rate of interest, and the refusal to accept certain classes of deposits on which interest was readily allowed a few years ago; nevertheless our deposits have increased during the past year by $575,929, standing now at the handsome total of $18,212,418. The note circulation, which a year ago stood at the lowest figure since 1888, has increased somewhat, although not very materially.

On the assets side we present much the strongest statement in the history of the bank, the total of cash balances and securities either immediately available or nearly so amounting to $10,647,572, while if time loans on securities are added, the total is $11,568,997. We experience, however, a somewhat mixed satisfaction at these figures, because they very largely indicate the contraction of the mercantile discounts from which the profits of banking are mostly derived. For some years past, the borrowing needs of the Canadian mercantile and manufacturing community have absorbed the capital at the command of the banks to such a degree that very few were able to make investments in securities, and the percentage of easily available assets was at times uncomfortably small. We have, perhaps, at present gone to the other extreme, but it appears to be clear that when we are again in a normal condition the volume of mercantile discounts will bear a much more healthy relation to the capital at command of the banks than has been the case for many years. We seem to be entering upon a new condition of things under which a considerable portion of our resources will be invested in securities which, while safe beyond doubt, will yield a very low rate of interest, but may we not hope that greater immunity from loss will compensate for the lower rate of interest and leave the net results equally, if not more, favorable to our shareholders?

I now beg to move the adoption of the report, to be seconded by the vice-president, but before submitting the resolution the general manager will address you.

The vice-president briefly seconded the resolution, and the general manager then spoke as follows:

GENERAL MANAGER'S ADDRESS.

For some years past in addressing the shareholders it has generally been a source of satisfaction that our Canadian business is entirely transacted in Ontario, apart from the cities of Montreal and Winnipeg. This cause of satisfaction has sometimes even been more noticeable in lean years than in years of general prosperity. We have, however, fallen upon a year in which amidst general depression the weight of it has pressed more heavily upon Ontario than upon any of the other provinces.

AGRICULTURAL INTERESTS.

Diversity in our agricultural interests has secured to our farmers, as a rule, steadier results than in the other provinces. If one article of farm produce has fallen in price, another has brought a good return, or if nature has been stingy in the growth of an article, she has been prolific in another. But during the past year there have been few good features to set against the bad ones. Not only were the grain crops, apart from oats, quite below the average in yield, but hay, which is, perhaps, more important in this province than any other crop, was a failure except in a few favored spots. When we hear of Ontario farmers having nothing to sell apart from cattle and dairy products, because everything was required to feed their stock, and, worse still, when we hear of farmers in two adjoining counties having to buy hay at a distance, and at prices ranging from $14 to $20 a ton, we realize that this time at all events the farmer has cause to complain. The effect, however, in Ontario of a short hay crop might have been mitigated by high prices for dairy products, for cattle, pigs and horses. But we had to meet precisely the reverse condition. A once large and profitable business in horses has been ruined by the substitution of electricity, and while a new trade is being built up with Great Britain, it is not as yet on a profitable basis. The production of hogs has apparently trebled in ten years and prices have been quite remunerative, but since last year there has been a decline of one to one and a half cents a pound. Farmers to a considerable extent have accepted the advice of packers and are now raising hogs of a better class, from which pork products of the highest grade are made for the British trade. But the decline in the prices of cattle and cheese has had the most far reaching effect