

we have not, and that is very much larger deposits for which they pay nothing. The Bank of England has been mentioned as an example of a bank that had met with some difficulty, and one which might have been avoided, possibly, had more care been taken by the board. Mr. Crawford, perhaps, is not aware that it has a committee sitting daily to deal with all matters connected with the bank.

As to the paying of a dividend quarterly, spoken of by Mr. Arnton, I would say that the remarks I made last year upon this subject were earnestly meant, and the question had not been absent from the minds of the directors. The past year, however, would hardly have been an opportune time to deal with the question, owing to the crisis which we have, happily, in a great measure averted. But after the argument of Mr. Morrison—economy and providence—I think that I need not say much more on the subject. Economy is a very great virtue, and those who most closely exercise it will be best off at the end of the quarter, half-year or year, or at whatever period the dividend may be paid.

The motion for the adoption of the report was then agreed to unanimously.

Mr. Hector Mackenzie moved:—

"That the thanks of the meeting be presented to the president, vice-president and directors for their attention to the interests of the bank."

This was seconded by Mr. James O'Brien, and carried unanimously.

The president made a brief response.

Mr. A. F. Gault, in moving thanks to the general manager, the inspector, the managers and other officials, said: You are all aware of the very great ability the general manager has put forth ever since he was connected with the bank, but more especially during the year which has just passed. In that period he has had a very trying time, but, to use a common expression, he has come through with flying colors. With regard to the inspector, he is a gentleman who has given a great deal of time to the work, and he has the utmost confidence of every one connected with the bank. I know many of the managers personally, and they would be a credit to any institution; it is not necessary for me to detain you by giving any single instance, but I may say that we have in London one of the best men, perhaps, in the banking community, whilst the manager here, Mr. Meredith, has proved his ability, and in the affairs of the bank has displayed much zeal. There has not been one defalcation or irregularity among the bank's officers during the year. I think that is sufficient to show that we have a staff of whom we may well be proud, and who deserve our cordial thanks.

The motion, which was seconded by Mr. W. H. Meredith, was unanimously carried, after which the general manager briefly returned thanks.

A ballot was then taken for the election of directors, and at the close of the poll the scrutineers declared the following elected as directors: Mr. R. B. Angus, Hon. George A. Drummond, Messrs. A. F. Gault, E. B. Green-shields, W. C. McDonald, Hugh McLennan, W. H. Meredith, A. T. Patterson and Sir Donald A. Smith, K.C.M.G.

At a meeting of the newly elected directors held on Tuesday, Sir Donald A. Smith was re-elected president, and Hon. George A. Drummond, vice-president.

QUEBEC BANK.

Proceedings of the seventy-sixth annual general meeting of the shareholders of the Quebec Bank, held at the banking house in Quebec, on Monday, 4th June, 1894.

Present: R. H. Smith, T. H. Dunn, Capt. W. H. Carter, John Shaw, T. H. Norris, Peter Johnston, John R. Young, John Laird, Gas-pard LeMoine, Wm. Tofteld, John T. Ross, E. H. Taylor, S. J. Shaw, G. R. Renfrew, Edwin Jones, and others.

The chair was taken by R. H. Smith, president, and Wm. R. Dean, inspector, acted as secretary of the meeting.

The president read the report of the directors, and James Stevenson, general manager, read the statement of the affairs of the bank, as on the 15th May, 1894:—

REPORT.

The directors beg to present to the shareholders the seventy-sixth annual report of the

business of the bank, showing the result for the fiscal year ended the 15th of May.

The balance at credit of Profit and Loss account on the 15th May, 1893, is brought forward.....\$ 61,666 66

The profits for the year (after deducting charges of management and making provision for bad and doubtful debts) amount to.. 197,072 82

\$258,739 48

Dividend $\frac{3}{4}$ per cent. paid on the 1st December, 1893.....\$87,500

Dividend $\frac{3}{4}$ per cent. paid on the 1st June, 1894.. 87,500

175,000 00

Leaving at credit of Profit and Loss account.....\$ 83,739 48

The Rest remains intact at..... 550,000 00

The statement of the business of the bank since the directors last had the pleasure of meeting the shareholders, notwithstanding the prevailing depression in trade, shows a fairly satisfactory result. The prosperity of the bank is closely allied to the prosperity of its customers. In order to promote that prosperity the directors last year consented to a considerable reduction in the charge for interest. They fully realize the fact that banks are far more interested in the safe business conditions of their customers than in obtaining increased rates of discount and high interest on loans.

Having been encouraged to open a branch of the bank in Upper Town, the directors have leased for a term of years, at moderate rental, those conspicuous and convenient premises belonging to the Seminary of Quebec, recently occupied by Mr. Burke, chemist. It is the intention of the directors, should they be re-elected, to fit up a banking office in the best style—provided with a fire and burglar proof vault. The office will be one of discount and deposit, including a savings department. Drafts on all points of the Dominion will be issued where banks are represented, and bills of exchange on London and New York will be bought and sold, on the same favorable terms as to rates as they are bought and sold at head office.

An Insolvency Bill is now before the Dominion Parliament. It is to be regretted that the tenor of an important section, viz., section 62, has been changed by the Senate Committee. The effect of this change, if maintained, will be prejudicial to the true interests of the commercial community. The directors are hopeful that the Senate as a whole will reverse the decision of their committee, and restore the section to what it was in the original draft of the bill as introduced by the Government.

The head office and the branches of the bank have been duly inspected and found in order.

The directors have pleasure in expressing their satisfaction with the manner in which the several officers of the bank have discharged their respective duties.

All which is respectfully submitted.

By order of the board of directors,

ROBERT H. SMITH,

President.

Quebec, 4th June, 1894.

STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDED 15TH MAY, 1894.

Profit and Loss Account.

Balance of Profit and Loss Account, 15th May, 1893.....\$ 61,666 66

Profits for the year ended 15th May, 1894, after deducting charges of management, and making provision for bad and doubtful debts..... 197,072 82

\$258,739 48

Dividend $\frac{3}{4}$ per cent. paid 1st December, 1893.....\$87,500 00

Dividend $\frac{3}{4}$ per cent. payable 1st June, 1894 87,500 00

175,000 00

Balance of Profit and Loss carried forward.....\$83,739 48

The rest is now.....\$550,000 00

GENERAL STATEMENT, 15TH MAY, 1894.

Liabilities.

Capital stock.....\$2,500,000 00

Rest..... 550,000 00

Reserved for interest due depositors, etc..... 109,204 27

Balance of profits carried forward..... 83,739 48

Unclaimed dividends..... 1,461 40

Half-yearly dividend No. 144, payable 1st June, 1894..... 87,500 00

Notes in circulation..... 654,630 00

Deposits not bearing interest.... 505,051 92

Deposits bearing interest..... 6,119,515 33

Balances due to other banks in Canada..... 27,855 02

Balances due to agents in the United Kingdom..... 188,780 22

\$10,827,737 64

Assets.

Gold and silver coin.....\$ 994,657 24

Government demand notes..... 733,447 00

Balances due from foreign countries..... 104,604 56

Notes and cheques on other banks..... 294,842 48

Deposit with the Dominion Government for security of note circulation..... 36,949 11

Loans and bills discounted—Securities and other assets..... 9,176,974 48

Debts secured by mortgage or otherwise..... 34,181 48

Overdue debts not specially secured (estimated loss provided for)..... 96,664 13

Real estate (not bank premises) and mortgages on real estate..... 81,182 63

Bank premises and furniture in provinces of Quebec and Ontario..... 174,234 53

\$10,827,737 64

JAMES STEVENSON,

General Manager.

Quebec Bank,

Quebec, 15th May, 1894.

Mr. Stevenson, general manager, made the following remarks:—

From the report of the directors you have learnt that notwithstanding the prevailing depression in trade, the result of the business of the bank during the fiscal year has been fairly satisfactory. After paying our usual dividend of 7 per cent.; we carry over a sum of \$83,739 to credit of Profit and Loss account. I have frequently stated to you that, for the protection of our capital we have our Rest, which is \$550,000; and for the protection of our Rest, we have the fund at credit of Profit and Loss account. The present amount at credit of that account may appear to you unnecessarily large, and it may be asked, why not increase the Rest by a transfer from Profit and Loss account? This might have been done in ordinary times, because we are not aware of anything calculated to interfere with the application of the fund. To the best of my knowledge, the bank never was in a safer position than it is now; but we realize that we are now in times of exceptional business derangement, I may say, throughout the whole world; and as yet we see no sign of improvement.

It is interesting to observe how varied are the explanations given by different authorities for the present derangement. One refers it to the low price of wheat; another to low freights and short railway earnings; while a third puts the blame on strikes. With wheat selling as low as 29 shillings per Imperial quarter in England, no doubt the pursuit of agriculture is rendered wholly unprofitable. Farms in various parts of England are offered to tenants free of rent, provided they agree to pay tithes and taxes. Incomes, therefore, in many cases formerly derived by landlords are wholly wiped out. In the great wheat producing West and North-West, the prices obtained for wheat are so low that it does not pay to cultivate the crop. Freights never were lower than they are now, and the shipping interest is suffering accordingly, while the adverse effects of the depression are manifest in the reduction of railway earnings. As regards the strikes, there cannot be a question as to the injurious effect which they have upon industrial interests and trade generally. I believe that no one of those causes specially accounts for the existing depression, but that they are some of the incidents combining with others and tending in one direction, i. e., to the restriction of enterprise. There is, however, one class of goods which does not appear to fall in value nor fail in demand to the same extent as