

Mr. Herbert Mortimer moved, seconded by Mr. Jacob Bull, "That the thanks of this meeting be and are hereby tendered to the Board of Directors for their careful attention to the interests of the Company during the past year."

Moved by Mr. James Young, seconded by Dr. Bull, "That the thanks of the shareholders be tendered to their British agents, more especially Messrs. Hamilton, Kinnear & Beatson, W. S. Edinburgh, for their valuable services to the Company during the past year."

Mr. M. O'Donnell moved, seconded by Mr. Alexander Smith, "That the thanks of meeting be and are hereby tendered to the Secretary and the other officers of the Company for the efficient manner in which they have discharged their respective duties."

Moved by Mr. J. B. Osborne, seconded by Mr. J. S. Playfair, "That Messrs. W. B. Phipps and William Hope be appointed auditors for the ensuing year, and that the sum of \$150 each be paid them for their services."

Mr. John Dunlop moved, seconded by Mr. John Y. Reid, "That Messrs. W. J. Baines and John Stark be scrutineers, and that they report the results of the ballot for the election of six directors, the poll to be closed when ten minutes shall have elapsed without any vote being taken."

Moved by Mr. Jas. Scott, seconded by Mr. W. J. Baines, "That the thanks of this meeting be given to the Chairman for his able and impartial conduct in the chair, and for his constant attention to the interests of the Company, and that the sum of \$2,000 be paid him for his services during the past year."

The poll was then opened, and at the lapse of ten minutes the scrutineers reported the unanimous re-election of the six retiring directors as follows:—Messrs. John L. Blaikie, W. A. Parlane, Edward Bull, M.D., John Dunlop, Thos. Lailey, John S. Playfair.

The meeting then adjourned.

At a subsequent meeting of the Board, Mr. John L. Blaikie was re-elected President, and Mr. John Macdonald, ex M.P. Vice-President for the ensuing year.

THE MONTREAL TEL GRAPH COMPANY.

The annual meeting of shareholders of this company was held in the head office, St. Francois Xavier street, Montreal, on Thursday last. The attendance was smaller than usual, and among those present were Sir Hugh Allan, Hon. E. G. Penny, Dr. Campbell, Hy. Joseph, Jesse Joseph, W. Mackenzie, W. Chalmers, R. Moat, John Crawford, Jas. Crathern, J. Caverhill, &c. The chair was taken by the President, Sir Hugh Allan, who read the report of the Directors, which we summarise as follows:—The Directors congratulate the shareholders upon the fact that, notwithstanding the continued business depression, the company has been in a position to pay a 7 per cent. dividend, and at the same time been able to thoroughly overhaul the lines and put them in thorough working order. The printed statements which have been issued are full enough as to render further explanations unnecessary. Comparing the business of 1878 with that of 1877, the number of messages has decreased by 84,027; 106 miles of poles, 594 miles of wire and 32 offices have been added. With some assistance from the Government of the Dominion the line of telegraph on the south shore of the St. Lawrence, which before reached only to Matane, has been carried down to Gaspe. By this means the principal fishing stations are reached, the different lighthouses are communicated with, and casualties occurring anywhere on the coast can be at once reported. The report refers to the opening and subsequent breaking off of the pooling negotiations with the Dominion Company, but this is

of no special interest just now, and the Directors claim that they have no cause to regret the result. The accounts of the company have been fully audited and duly certified to. The following financial statements show the position of the company.

Revenue and Expenditure for the year ending November 30th, 1878.

REVENUE.	
Received for Messages	\$436,020 34
" Reports	31,574 10
" Interest	11,045 69
" Rents	6,662 27
	<u>\$485,302 40</u>

* These Reports are credited, as heretofore, at the net sum received for them after payment of cost of obtaining them, &c.

EXPENDITURE.	
Office Furniture	\$10,521 78
Fuel and Lights	9,146 86
Battery	8,939 33
Repairs	44,886 89
Stationery	11,374 02
Salaries	234,552 07
Rent and Taxes	19,854 59
Miscellaneous	3,929 27
	<u>\$343,204 81</u>

Net profit..... \$142,097 65

FINANCIAL STATEMENT.

Balance Contingent Fund, Nov. 30th, 1877.....	\$195,475 27
Add Profit this year as above....	142,097 65
	<u>\$337,572 92</u>

Less.

Paid for New Lines, Offices, &c., &c....	\$45,784 52
Less Bonuses received and work done for R'wys	19,644 31
	<u>\$26,140 21</u>
Dividend paid July, '78, 3 per cent.....	\$60,000 00
Dividend now payable, 4 per cent.....	80,000 00
	<u>\$166,140 21</u>
	<u>\$171,432 71</u>

Accounted for thus:

Dr.	
Bal of Contingent Fund as above..	\$171,432 71
Cr.	
Cash in Bank and in hand	\$98,398 17
Due from Offices, Railways, Governm'ts, &c	66,251 42
Stores on hand.....	91,701 60
	<u>\$256,351 19</u>
Less.	
Dividend now payable. \$80,000 00	
Due connecting lines & unpaid Dividends ..	4,918 48
	<u>\$171,432 71</u>

N.B.—The diminution of the Contingent Fund from last year is accounted for as follows: Am't of Contingent Fund last year \$195,475 27 Add balance of profit this year after paying Dividend..... 2,097 65

	<u>\$197,572 92</u>
Less.	
Paid for new lines, offices, &c....	26,140 21
Balance.....	<u>\$171,432 71</u>

Assets and Liabilities.

ASSETS.

12,299 Miles Poles, at \$60	\$737,940 00
20,996 Miles Wire, at \$40	839,840 00
1,569 Offices, at \$125.	196,125 00
Cables in use.....	34,886 19
Buildings—Montreal, Ottawa, Toronto & Quebec	298,131 43
Stores on hand.....	91,701 60
Due from Offices, Railways, Governments, &c	66,251 42
Cash in Bank and on hand	98,398 17
	<u>\$2,363,273 81</u>

LIABILITIES.

Capital Stock.....	\$2,000,000 00
Div'd now payable..	80,000 00
Due connecting lines and unpaid Div'ds.	4,018 48
	<u>\$2,084,918 48</u>
Estimated Surplus of Assets over Liabilities.....	<u>\$278,355 33</u>

JAMES DAKERS, Secretary.

Montreal, Jan. 4, '79.

Sir Hugh Allan said, respecting the efforts recently made by some persons to depreciate the stock of the company, that the poles, wires and offices included in the assets were wholly the property of the company. As regarded the value of the poles and wires he thought it would be apparent to all that they were set down in the assets at a low estimate; the poles were worth \$1 each, and the transportation and erection of them added largely to their value. The lines could not now be built at the figures at which they were estimated in the assets. Moreover, the company had franchises and railway privileges, which, although not entered in the accounts, were most valuable to the company, and the assets altogether were put down in the estimate at a very low figure. The Dominion Company, estimating their poles at \$60 and wires at \$40 per mile, would show, instead of a surplus, a deficiency of \$204,000, while the Montreal Co. had a surplus of \$273,000.

Mr. John Crawford suggested that in addition to the financial statements, a list of shareholders should be issued before the annual meeting. This he considered would be the means of dissipating the erroneous conclusions sometimes arrived at by operators in the stock and would enable the shareholders to know in what manner the stock was held. He went on to say that the working expenses appeared to be large, being 71 per cent. of the revenue, and he thought the expenditure should be closely looked into by the directors. He regarded it as a fortunate matter for the shareholders, that the "pooling" arrangement had not been carried out.

Sir Hugh Allan, in reply, stated that the subject of printing the list of shareholders had received the consideration of the directors, and while not opposed to it on principle, they considered it unadvisable, inasmuch as the large transactions in the stock (the transfers averaging about 75 a day) rendered it impossible to give an exact list of shareholders for any length of time. With regard to the working expenses, he said there was no company on the continent, and none anywhere, so far as he was aware, whose working expense were proportionally less than those of the Montreal Company; the per centage of their working expenses to earnings was less than that of the Dominion Company, and he thought it would be unwise to attempt further reductions, as it would impair the efficiency of the company, than which none was at