

they gained something in the estimation of the public and obtained a better class of business by making them than they could otherwise have had. As stated in the report the increase in the Company's business has been remarkably great and rapid. During the past three years it had more than doubled, and while it had doubled he trusted it had improved. The increase of business had been so great that it was deemed advisable by the Directors last year to give the shareholders an opportunity of subscribing for additional stock, making the subscribed capital, instead of \$500,000 as before, \$625,000. That opportunity had been given and the shareholders generally had gladly availed themselves of it. He might note that this addition to the stock was at par. It had been the custom with a great many institutions in the past to ask the shareholders to make up a reserve fund, not out of the ordinary profits but out of their own pockets. A great many held that this was wrong in principle, that a reserve fund meant a fund created out of the profits legitimately gained in the ordinary way. What stock had not been taken up would be so disposed of that the shareholders would get the full benefit of it. It would be sold for the best price that could be obtained for it. The amendments to the charter referred to in the report had been found exceedingly useful. These were that the Company have now power to purchase mortgages, whether payable by instalments or otherwise, and that the Directors are able to declare dividends, and have them paid in January and July, instead of meeting the shareholders as formerly at the annual meeting, and recommending that the dividends be paid. Under the old system the payments were kept back until a period of the year far later than those at which other companies paid their dividends. Reference was made in the report to his (the Chairman's) having visited Britain during the last summer and made certain arrangements of a character beneficial to the interests of the Company. He was glad to think that these arrangements had proved very valuable to the Company. As they were aware, the Company obtained a great share of the money they loaned out from the sale of their own debentures in Britain. While he (Mr. Blaikie) was there, he made arrangements for obtaining money on much more favourable terms than they had been able to do in the past. Reference was made in the report to the lamented death of an esteemed old friend, who had been a long time a member of this Company, viz., the Hon. Asa A. Burnham. They had many times been much assisted by his advice, and they all deeply regretted his loss. The Board elected Mr. James Campbell, a considerable shareholder of this Company, in Mr. Burnham's stead; and, as Mr. Burnham would have had to be elected a member of the Board of Directors at this meeting, in order to sit at the Board this year, so would Mr. Campbell. There would be six Directors to elect on this occasion, in addition to the five who went out of office by rotation. The Hon. W. P. Howland, who had been a member of the Board, had expressed his wish not to be elected again, in a letter addressed to him (the chairman) which was as follows:—

Toronto, Jan. 7, 1874.

John L. Blaikie, Esq., President Canada Land-
ed Credit Company,

DEAR SIR,—Having accepted the position of President of the London & Canadian Loan and Agency Company, I do not wish to have my name proposed as a candidate at the ensuing election of Directors of your Company. While I deem it unadvisable under the circumstances to continue a Director of this Company, I shall continue to feel an interest in its future welfare and progress.

Yours sincerely,

W. P. HOWLAND.

He (the Chairman) would suggest to the

meeting, the election in Mr. Howland's stead of Mr. Jas. Young, M. P. for South Waterloo, one of the Company's shareholders. Mr. Young was a gentleman of excellent standing in the country and of good judgment, and his services in attending to all legislation effecting any Company of this kind might be very valuable to them. He (the Chairman) did not know that there was anything worth his stating in addition to what he had already said, but if there was any question any gentleman desired to put, he would be very happy to answer it.

Mr. Bain asked what was the amount of stock, that was not taken up by the shareholders.

The Chairman said that he could not tell the exact amount. A very large proportion of what had been set aside for the shareholders had been taken up, but, as they were aware, they had amongst them a very large number of small shareholders, and one in four of their shares did not amount to very much. Among these, therefore, there had not been a great many of the new shares taken up. The Chairman then said that he had great pleasure in moving, "That the report now read be received, approved, and printed for circulation amongst the shareholders."

Mr. Osborne seconded the motion, and in doing so said that he was sorry that a larger number of the shareholders were not present to hear the very satisfactory report which had been submitted. The fact, however, of so many being absent would seem to indicate that they had full confidence in the management of the Company. The motion was then put, and adopted.

Mr. Cowan moved, "That the cordial thanks of this meeting be given to the Chairman and Board of Directors, for their valuable services in promoting the interests of the Company, and for their steady, prudent, and safe management of its affairs, and that the usual remuneration to the Directors be continued as heretofore." He cordially agreed with the remarks of Mr. Osborne, with reference to the smallness of the meeting. He supposed that it was because the shareholders fully approved of the management of the affairs of the Company, and felt certain of receiving their dividends regularly.

The motion was seconded by Mr. Hibblewhite, and carried.

Mr. Lailey moved, seconded by Mr. Campbell, "That Mr. William Williamson, and Mr. W. P. Phipps, be appointed Auditors for the ensuing year, and that their remuneration be \$100 each."

The Chairman said that he might mention that Mr. Hope had been one of the Auditors for some years, but other engagements prevented him attending to the duties of that office any longer; he had therefore resigned, and Mr. Phipps was proposed in his stead. The motion was then put, and carried.

Mr. Dunlop moved, seconded by Mr. Playfair, "That Mr. Hibblewhite, and Mr. W. J. Baines be scrutineers, and that they report the result of the ballot for the election of six Directors; the poll to be closed when ten minutes have elapsed without any vote being recorded." Carried.

Mr. Campbell moved, "that the thanks of the Company be given to the Chairman for his able and impartial conduct in the chair, and for his constant attention to the general interests of the Company, and that the sum of one thousand dollars be granted to him for his valuable services during the past year." He was confident that after the very valuable services the Chairman had rendered the Company in England during the past year, there would be no hesitation in granting him that very insufficient remuneration.

The motion was seconded by Mr. Reid, and carried.

The Chairman briefly returned thanks.

The meeting then adjourned while the ballot

was being taken for Directors. Upon resuming, the Secretary read the report of the scrutineers, which stated that the following gentlemen were elected Directors for the ensuing year, viz:—Messrs. Wm. Alexander, James Campbell, John Macdonald, J. B. Osborne, J. Y. Reid, and James Young.

The report was adopted and the meeting then adjourned.

At a subsequent meeting of the Board, Mr. J. Lang Blaikie, was re-elected President and Mr. John Macdonald, was re-elected Vice-President for the year ensuing.

GORE DISTRICT MUTUAL FIRE INSURANCE COMPANY.

REPORT

of Directors of Gore District Mutual Fire Insurance Company for year ended, 31st Dec. 1873:

The Statute which now regulates the affairs of the Mutual Fire Insurance Companies in Ontario renders it incumbent upon them to hold annual meetings for the election of Directors and the submission of annual reports within two months after the 31st December in each year, such annual reports to include all transactions for the year then ended, statements of receipts and expenditure and assets and liabilities being particularly specified.

All the information required by the Act is given herewith. The present report will therefore embrace the transactions of a period which has already been reported upon: that between the 31st December, 1872, and 31st May, 1873.

The following is a summary of the transactions of the year which ended on the 31st Dec. 1873.

The number of policies issued and renewals was 3,817, the number in force at the end of the year was 5,294; the liabilities under sums insured were \$5,126,254, and the premium notes amounted to \$173,339. The average risk after having deducted sums reinsured was \$937 45. The number of claims paid during the year, including nine, which amounted to \$4,475 of unpaid claims of previous year was 96, which, with contingent expenses amounted to \$47,058. At the end of the year there were ten unadjusted claims, delay in the settlement of which is solely attributable to the claimants themselves. Three claims amounting to \$3,707 have been paid since the 31st December last.

Notwithstanding the unusually large number of claims which the Company has had to pay, it is very satisfactory to be enabled to point to the balance of \$9,872, which remains "to the good" after having provided for every liability including five-twelfths of all cash premiums received during the year.

It will be noticed that the premium note capital of the Company exhibits a very considerable increase. This is doubtless to be attributed to an increasing faith in the cheapness of mutual insurance. It is now a well ascertained fact that the cost of mutual insurance need not fluctuate; for one year with another it will not exceed a certain average unless some extraordinary disaster were to take place, from which, however, mutual insurance companies are not less exempt than proprietary companies. Under any circumstances, however, insurance in mutual companies must, as a rule, cost less than insurance in proprietary companies, because mutual companies have no dividends to provide for.

But while the premium note capital of the Company has shewn so satisfactory an increase, the growth of its cash premium business has not been less marked, and herein is a source of much benefit to a Company adopting as this does, the mixed system; its cash premiums enabling it to pay claims at once and to limit its assessments to yearly periods. Interest ap-