plicated matters with which directors could not ordinarily be thoroughly conversant, are placed before the board from week to week, and the board is thereby enabled to judge intelligently of all that goes on from the head office down to the smallest branch. The auditor, as I explained on a former occasion, is an entirely independent officer, not in any way under the control of the head office management, but appointed, and subject to dismissal only by your Directors, who fix his remuneration and define his duties. Our experience is such that not only in our own personal interest, but in the interest of all banks, a thorough and efficient audit by an independent officer is of the greatest value, and we heartily concur in the suggestion of the appointment of such auditors. I need only add that the Directors feel convinced that a competent and conscientious auditor, performing his work thoroughly, would be of immense advantage to banks and the public, but his work must be efficiently done, otherwise false confidence may be created and grave injustice done to those who may depend too much on his results. We shall be glad to see a searching and practical system of bank auditing adopted in this country, and hope that some measure having this object in view may become law at the earliest moment.

I do not intend to deal with the condition or prospects of business in any detail. The annual statement and returns of our various banks show the progressive strides Canada is making far more than mere words could do. Our own share in the forward movement is very gratifying. Without further comment, therefore, I move the adoption of this report presented for your consideration.

### Vice-President's Address.

Hon. J. R. Stratton, the Vice-President, in seconding the motion for the adoption of the report, said:

In seconding the motion, I feel that no very extended remarks are called for. The President has covered the ground so completely that little that has not been said is left for me to say in commendation of the statement, whose favorable features so amply justify the motion. I may say that I fully and freely endorse what has been said. It is very gratifying to me, as it must be to all concerned, that the Traders Bank signalizes the first year of its entrance upon the second quarter century of its existence with a statement so eminently satisfactory, and under auspices which promise a continuous growth and advance. The commercial, industrial and prospectively continuous development of our great and widely distributed and diversified resources will tend to create an active demand and profitable employment of capital. In this regard the Traders Bank is well equipped to have its share; its assets, very considerably increased during the past year, are strong, while a very important increase of deposits evidences the growing confidence and favor of the public—two of the prime elements in justifying anticipation of a progressively improving and profitable business. We can, I feel sure, regard the future with confidence. If the next decade shows the splendid ratio of advance of the past ten years, with their five-fold increase in assets, their six-fold growth in deposits, and their thirty-three-fold increase in reserve, we who may live to see 1921 will be very agreeably astonished. The generally satisfactory character of the statement is gratifying, not only on account of the creditable accomplishment shown, but it is further to be regarded as the result of shrewd, careful and aggressive management, a circumstance not only of importance to the Shareholders, but to the public as well, as additionally conducing to that confidence both in skill and efficiency of administration, and in stability, which is the foundation of financial success. If there is an indication of necessity in these regards in respect of the banking business generally, for an improvement in assurance in the returns suggestive of amendment of the Banking Act, there will be little ground to objection. As far as the Bank is concerned, there is no objection to the closest scrutiny of its securities, investments, and methods. In [illegible] connection, I agree with the remarks [illegible] the President in regard to any inspection that may be considered desirable to verify the several essential items of the annual statement and monthly returns of Canadian banks. The one now before us would not be affected either as to its correctness or favorable showing by the rigorous scrutiny of securities and the most thorough independent audit; it must be satisfactory—as it is a credit—to the management, to the Shareholders, to the Bank's clientele, and I have great pleasure in seconding the motion for the adoption of the Report.

The motion for the adoption of the Report was carried unanimously.

It was moved by E. F. B. Johnston, K. C., Director, seconded by Rev. J. S. Williamson, Shareholder, and resolved:

That the Shareholders and Directors of the Traders Bank of Canada place on record their hearty approval of any legislation of the Dominion Parliament whereby an independent examination and audit under the direction of the Government of all Canadian banks shall be made from time to time;

Resolved also, That whilst the system of auditing should be determined by the Government, it is hoped that in the public interest the method to be devised will be thorough and efficient, and of a practical character, as the result of a defective system would create injustice and tend to injure those who might be induced to rely on reports having the sanction of a Government or other official auditor.

That a copy of this resolution be forwarded to the Honorable the Minister of Finance.

In speaking to the motion, Mr. E. F. B. Johnston, K. C., strongly advocated the principle of independent inspection and audit. He pointed out the great benefit which the Directors receive from our present system of auditing in this Bank, and, although not claiming it to be perfect, he pointed out that it was a long step in the right direction. The Traders Bank is undoubtedly the pioneer in seeking to work out some method whereby the Directors and Shareholders may receive information and details apart from the general management. Under the proposed legislation the duties of Directors are found to be much more onerous than heretofore, and the penalties attached to want of care or lack of thoroughness will be severe. It is, therefore, most important that the Directors, who are endeavoring to be honest and watchful in their management, should be protected, as well as the public, by some practical method of auditing. He emphasized the fact that whatever system may be adopted would have to be efficient, otherwise there might be a tendency to do more harm than good. The greatest care will have to be taken in devising a scheme which will ensure safety to the public, on the one hand, and avoid danger on the other hand, from too much reliance upon the results obtained from any official examining the affairs of a bank. He read the resolution appointing the present Auditor to the Board, and showed how very wide and comprehensive are his duties, as defined by the resolution, and how satisfactorily they are carried into actual practice. This official is outside the general management, and responsible to the Board only. His duties involve continuous work, and there is perhaps no officer who works harder than he does. A more extended and comprehensive system, applicable to all Banks, would protect Shareholders and Directors alike, and would be of the greatest value to the public.

Mr. Williamson, in seconding, entirely agreed with these remarks.

It was moved by Mr. Geo. Watson, and seconded by Mr. C. D. McLeod, that the thanks of the Shareholders are due and are hereby tendered to the President, Vice-President, and Directors of the Bank, for their attention to the interests of the Bank during the past year. Carried.

It was moved by Dr. J. F. Overholt, and seconded by Rev. Wm. Cooper, than the thanks of the Directors and Shareholders are due, and are hereby tendered to the General Manager, the Assistant General Manager, and the staff of the Bank for their diligent attention to the interests of the Bank during the past year. Carried.

It was moved by J. Parker, seconded by Mr. [illegible], that a sum not exceeding $20,000 be set apart each year out of the [illegible] of the Bank for the purpose of [illegible] for all the services, fees, and expenses of the President, Vice-President and [illegible] Directors as now receive remuneration; said sum, or such portion thereof as may be required, to be apportioned as the Board may think proper. Carried.

It was moved by Mr. Jos. E. Baillie, and seconded by Mr. Gideon Grant, that the ballot be now open for the election of Directors, and to be kept open until three o'clock, unless five minutes elapse without a vote being cast, when it shall be closed, and until that time, and for that purpose only, this meeting be continued. Carried.

The Scrutineers reported the following gentlemen duly elected to act as Directors for the ensuing year, viz., C. D. Warren, Hon. J. R. Stratton, C. Kloepfer (Guelph); W. J. Sheppard, (Waubaushene); C. S. Wilcox, (Hamilton); E. F. B. Johnston, K. C., H. S. Strathy.

The meeting then adjourned.

At a subsequent meeting of the newly-elected Directors, Mr. C. D. Warren was re-elected President, and Hon. J. R. Stratton, Vice-President, by a unanimous vote.

STUART STRATHY,
General Manager.

The Traders Bank of Canada, Toronto, 24th January, 1911.

## GOSSIP.

The attention of sheep-breeders is called to the advertisement in this issue of The Shepherd's Journal, published in Chicago, and edited by "Shepherd Boy." The outlook for the sheep-breeding industry under the proposed tariff changes, is bright indeed for increased trade with our neighbors of the United States.

LARGE CALF—WHO CAN BEAT IT?

Ferndale Maid =6953=, a Holstein cow belonging to J. C. Brown, Welland Co., Ont., is reported to have given birth, on January 18th, 1911, to a heifer calf weighing 120 pounds when dropped. This cow had given 17,163 pounds of milk in eleven months, in Record of Performance, in her six-year-old form, in 1910.

LAST CALL FOR THE GREAT SHORTHORN SALE.

The opportunity to choose from 100 head of such choice animals of such choice breeding as those catalogued for the great combination sale, to take place at Union Stock-yards, Toronto, on Wednesday and Thursday, February 8th and 9th, is one which occurs not more than once in a lifetime. Selected from eight of the most prominent herds in the Dominion, and representing many of the most popular tribes of the breed, the offering should meet the expectations and fill the requirements of the most discriminating of breeders and judges of Shorthorns. If they are equal to the offerings of former years at this annual event, there will be no disappointment, and we are assured they are better, individually and collectively than the offering at any of the previous events. While the best of the cattle will doubtless bring good prices, there will, no doubt, be many real good things, as desirably bred as the best, which will go at moderate prices, and in which breeders in average circumstances may safely and profitably invest for the improvement of the character of their herds. For a combination of high-class type, quality and breeding, it is safe to say that the equal of this offering has never before been placed at the disposal of the public on the American continent. The dates fixed for the sale make it exceedingly convenient for breeders, coming, as it does, the day after the annual meeting of the Shorthorn Breeders' Association, in Toronto, and cheap railway fares may be arranged for on the certificate plan by all attending this or the other breed society meetings of the week. Get certificate from your station agent, pay one way, get ticket vised at meetings for 25 cents, and return free. Don't forget to bring your catalogue, as the demand has been great, and the supply may be short.

## TRADE TOPIC.

The Earl of Arran, K. T., has recently accepted a military appointment in Dublin, and, as this entails residence in that city, he has had to resign the chairmanship of Bovril, Limited. His place on the board of the company has been filled by the Earl of Errol, K. T., who has been appointed as chairman.

# MARKETS.

## Toronto.

### LIVE STOCK.

At West Toronto, on Monday, January 30th, receipts numbered 65 cars, comprising 1,139 cattle, 19 hogs, 215 sheep and lambs, 2 calves. Quality of cattle good; trade slow; prices about the same as last Thursday. Exporters, $5.75 to $6.30; bulls, $5 to $5.50; prime picked butchers, $5.90 to $6.25; loads of good, $5.50 to $5.75; medium, $5.15 to $5.40; common, $4.80 to $5.10; cows, $3.50 to $5; milkers, $40 to $70; calves, $3.50 to $8.50 per cwt. Sheep, $4 to $4.50; lambs firmer, at $6.25 to $6.35. Hogs, $7.50 fed and watered, and $7.15 f. o. b. cars.

REVIEW OF LAST WEEK'S MARKETS.

The total receipts of live stock at the City and Union Stock-yards last week were as follows:

| | City. | Union. | Total. |
|---|---|---|---|
| Cars | 206 | 176 | 382 |
| Cattle | 3,056 | 2,780 | 5,836 |
| Hogs | 5,087 | 1,736 | 6,823 |
| Sheep | 745 | 1,155 | 1,900 |
| Calves | 148 | 36 | 184 |
| Horses | 20 | 235 | 255 |

The total receipts for the corresponding week of 1910 were as follows:

| | City. | Union. | Total. |
|---|---|---|---|
| Cars | 188 | 138 | 326 |
| Cattle | 2,954 | 2,175 | 5,129 |
| Hogs | 4,461 | 1,373 | 5,834 |
| Sheep | 1,003 | 416 | 1,419 |
| Calves | 180 | 29 | 209 |
| Horses | 1 | 139 | 140 |

The above figures show an increase in the combined receipts at the two yards of 56 carloads, 707 cattle, 989 hogs, 481 sheep and lambs, and 115 horses; but a decrease of 25 calves, in comparison with the corresponding week of 1910.

Receipts of live stock, especially cattle, were liberal. At the commencement of the week, prices for the good to choice cattle, for export, were steady to firm, but butchers' cattle were 5c. to 10c. per cwt. lower. At the close of the week, the market for butchers' cattle had slumped from 10c. to 25c. per cwt. on the best grades, and 20c. to 40c. per cwt. for the common to medium grades. Cows and bulls sold from 20c. to 50c. per cwt. lower; and still cattle prices are high. Several drovers, whose word is as good as their bond, informed your correspondent that they had to take less for their cattle than they had paid in the country.

Exporters.—E. L. Woodward bought for Swift & Co., 237 cattle, as follows: 206 steers, 1,140 to 1,367 lbs., at $6 to $6.25, 4 heifers, 1,050 lbs., $6; 27 bulls, 1,580 to 1,950 lbs., at $5.10 to $5.50.

Geo. R. Campbell bought for Morris & Co., 185 cattle. For Liverpool, 95 steers, 1,160 lbs., at $6; 90 steers for London, 1,260 lbs., at $6.25.

The top price paid during the week for the best export cattle was $6.35, and there were about six loads sold at that figure.

Butchers'.—Prime picked lots of butchers', which are scarce, sold at $6 to $6.25; loads of good, at $5.75 to $5.90, on Monday; but on Thursday, $5.50 to $5.75; medium, $5.40 to $5.60 on Monday, on Thursday, $5.10 to $5.35; common, $5 to $5.35 on Monday; Thursday, $4.70 to $5; cows, $3.75 to $5.50, but closed on Thursday at $3.75 to $5.15.

Milkers and Springers.—Prices about steady, at $40 to $70 each.

Veal Calves.—Market steady, at $3.50 to $8.50.

Sheep and Lambs.—Prices closed firmer at the end of the week, as follows: Ewes, $4.50 to $4.75 per cwt.; lambs, $6 to $6.37½ per cwt.

Hogs.—Selects, fed and watered at the market, $7.50, and $7.15 to the drovers for hogs f. o. b. cars at country points. In some few instances, we heard of 5c. to 10c. more being paid. The prospects are for lower prices.

Horses.—Shipments of horses to the Union Horse Exchange at the Union Stock-yards last week were larger than