

on the part of the public in the bank. He also referred with great regret to the retirement from the board of Mr. John Stuart, after a continuous efficient service upon it since the organization of the bank in 1872, and called attention to the fact that at a later stage a resolution bearing on the subject would be submitted.

Mr. Ramsay concluded by moving the adoption of the report, which was seconded by Mr. George Roach, and carried.

Mr. Ramsay then asked Mr. Turnbull to read the agreement entered into between the bank and Mr. John Stuart, which provides for a retiring allowance of \$5,000 a year, payable monthly in advance, for life, and then moved that the agreement of the 6th June, 1903, between the Bank of Hamilton and Mr. Stuart, the late president, be confirmed by the shareholders.

Mr. William Hendrie, as an original and perhaps the largest shareholder, seconded the motion, which was carried unanimously.

It was moved by Mr. Samuel Barker, M.P., seconded by Mr. Edward Martin, K.C., that the thanks of this meeting be given to the directors of the bank for their services during the year.

The motion carried unanimously, and Mr. Ramsay returned thanks for himself and the board.

Moved by Mr. William Hendrie, seconded by Mr. David Kidd,—That the thanks of this meeting be given to the general manager, assistant general manager, inspectors, agents, and other officers of the bank, for the efficient performance of their respective duties.

Mr. Hendrie, in moving this resolution, referred to the necessity for an efficient staff of officers and thought that they should be well paid. The motion was carried unanimously.

Mr. Turnbull, in reply, said:

I am glad, on another annual occasion, to have the opportunity of returning thanks, on behalf of my brother officers and myself, for the kind and hearty vote of thanks which has again been offered to us. It is a special gratification that a more than usually prosperous year has, perhaps, added zest to it. The bank has done, I think, very well indeed, and it is reasonable that the shareholders should be well satisfied with the results of the year's operations. Our losses have been a little less than the normal; and, so far as I know, we have a clean and good business, with the appearance of abundant promise for the future. The general prosperity of the country continues, and I see nothing ahead to indicate a cessation. The large immigration presently existing, especially in the Northwest, must bring a good deal of money into the country, and what is worth more than money, a good class of settlers, prepared and destined, no doubt, to take a part, like their predecessors, in the rapid and permanent upbuilding of this great country. Manufacturing is becoming more and more extended, and we are becoming less and less dependent upon foreign goods. On the other hand, our exports keep increasing as to quantity and improving as to quality. We keep learning, year by year, better methods of manufacturing, packing and shipping, and the result, of course, cannot fail to bring not only largely increased returns, but much more profitable ones. A danger to be guarded against, of course, in a rapidly growing country like this, is the tendency to become over-sanguine and over-speculative. The banks and other large institutions can do a good deal to discourage this tendency, and for our part, we have done, and will continue to try to do, our best in this direction. There is no doubt that there is a real danger in this characteristic of ours, and it is the part of all prudent persons and those who have the best interests of the country at heart, to spare no effort to discourage such business methods and enterprises, and to try, by precept and example, to confine all over whom they have any influence within the paths of moderate simplicity, careful living and good sense.

The shareholders may pardon me on this occasion if I detain them for a few moments in an effort to give a little retrospect of what has passed during the fifteen years in which I have been in the bank's service. The time is not unfitting, and the number of years I have named represents, perhaps, a period sufficient to justify a fair after-view of what has passed. I wish it to be understood, however, that I desire to join my co-officers in anything I have to say, as no one can be more sensible than I am of the co-operation I have received, and the impossibility of accomplishing what has been accomplished without their ready and faithful help.

In 1888, when I joined the service, the bank's deposits were about two millions and a half, its total assets under five millions, its capital one million, and its rest three hundred and sixty thousand, the dividend being 8 per cent. To-day, as you will see from the report, the deposits are nearly sixteen millions, the total assets nearly twenty-two millions, the capital two millions, and the rest one million seven hundred thousand, or, with undivided profits, one million seven hundred and seventy thousand. Of the additions to the reserve, the shareholders have, at the times of the various new stock issues, contributed five hundred and ninety-seven

thousand, which leaves eight hundred and thirteen thousand earned out of surplus profit, or an average during the 15 years—good years and bad years—of between fifty-four and fifty-five thousand a year. It may be of some interest to say that the average earnings during these fifteen years are 12.47. The experience, therefore, of the last few years indicates that the bank's business is becoming more and more profitable, even allowing for the effect produced in our favor by the rapidly accumulating reserve. When I came to the bank in 1888, I found that business was mostly confined to Hamilton and a few points on lines of railway directly identified with this city. The number of branches at that date were ten. I could not help being impressed with the possibilities which Hamilton presented, nor could I see any reason why the business of the bank should be confined within the comparatively narrow limits which had been customary. I resolved, therefore, with the consent of the directors, to widen out its scope, and to make the most of the inherent importance of this city and the possibilities of the place and neighborhood, combined with the general opportunities which the condition of the country presented, to make the concern a more important factor in the financial affairs of the country than it had been before.

One of the first steps was the opening of an office in Toronto, where, I may say, we have almost from the very first done a profitable and satisfactory business, not only adding considerably to the revenue of the bank, but materially to its importance and reputation. The next step was to open some agencies wider afield, not confining ourselves to the particular lines of railway to which we had been hitherto mostly limited. Then, after consultation with the other chief officers of the staff, and with the consent of the directors, we began opening branch offices in this city, and the satisfactory result of this policy is self-apparent and need not be emphasized.

The next step was to embrace the opportunities which Manitoba presented, and an office was opened in Winnipeg, and in one or two other apparently favorable points in the province of Manitoba. These we have gradually extended, and some offices in the Northwest Territories have also been added. Our Manitoba and Northwest policy has been decidedly successful, and we have not only obtained very material profits from that section of the country, but have, probably, more efficiently by that means than any other, spread the name and reputation of the bank throughout the country. It is quite well known that in Manitoba the name of the Bank of Hamilton stands high, and it is recognized as a substantial and important part of the financial system of that district.

Three or four years ago we added British Columbia to our field of operations, and while we have only two offices there so far, enough has been done to show that we have made no mistake in going, and that we have just made a beginning of what may ultimately be an important field of usefulness and profit.

The general result of the above has been that instead of the ten agencies which we had when I joined the bank in 1888, we have now fifty-six, and while some of them have admittedly not been such decided successes as we had hoped for, none has been unsuccessful, and nearly all have been highly successful. It is necessary to repeat that these results have been accomplished by the heartiest co-operation on the part of the staff, and all have been effected with the consent of the directors.

I have the strongest faith in the position and prospects of this city. The Hamilton merchants, manufacturers, and other financial interests are spreading themselves all over the country, and making their mark wherever they go, and it would be out of all reason if the Bank of Hamilton did not take its full part. I hope, therefore, that we shall continue the policy of judicious and yet energetic extension, and that with the next and all future boards of directors there will be the heartiest co-operation in the carrying out and elaborating of this policy, and that the Bank of Hamilton will continue to hold that important relative place among the financial institutions of the country to which, in my judgment, it has attained now.

Mr. Ramsay took the opportunity now to say that, as had been already announced, he was, after twenty years' service as a director, desirous of retiring from the duties of that position, and warmly thanked the shareholders for the confidence that had been placed in him by continuous election as a director during those years.

Alexander Bruce moved a vote of thanks to Mr. Ramsay, which was seconded by Hon. William Gibson, and was carried unanimously.

The scrutineers reported the election of the following directors:

George Roach, John Proctor, Hon. William Gibson, A. B. Lee, John S. Hendrie, George Rutherford, J. Turnbull.

At a subsequent meeting of the directors, Hon. William Gibson was elected president, and J. Turnbull, vice-president.