

There is just one other reform in the postal department which has been advocated by this Board, and it, we hope, in due time will be made effective, namely, the introduction of a one cent letter rate for cities. Having received so much, however, it is but reasonable that we should be content to wait until the revenue of the department warrants the reduction.

The construction of the Crow's Nest Pass Railway, advocated by this Board, during Mr. Gurney's presidency, and which has been accomplished within the past year, is a work of national importance. The coal and coke of the Pass are already beginning to reach the smelters of the Kootenay, and the cost of refining is greatly reduced. This will undoubtedly result in the rich mines of that country being developed with increasing rapidity, and in turn merchants, manufacturers and farmers will profit from the valuable and satisfactory trade in miners supplies.

The "Round the Empire Cable" and the "Fast Atlantic Service" are still in the future, but progress comes with startling rapidity in these days.

#### FINANCIAL AFFAIRS OF THE BOARD

It is gratifying to me, as I am sure it must be to our entire membership, to find that the financial condition of affairs of the Board has improved during the year by something over \$6,000.

There have been a number of resignations in consequence of the winding-up of the Gratuity Fund, as was to be expected. A number of new members, however, have been received, and the present condition of the membership and future prospects are most encouraging.

#### GRATUITY FUND

In accordance with the instruction of the resolution passed by the Gratuity members, an Act of Parliament was secured in the early part of the year, granting authority to distribute the fund. The securities were advertised for sale by tender, and \$91,800 face value of securities were sold to the North American Life Insurance Company at a premium of \$332.76, and distribution was made in the month of June.

Although originally opposed to the establishment of this fund, looking back now over its history from first to last, I cannot refrain from saying that we have reason to be proud of the results obtained. We have all had cheap insurance: \$164,215 have been paid to 567 beneficiaries, the families of 123 deceased members; 692 living members have received \$125.00 each in cash, a total of \$86,500.00, and there is \$24 still remaining in the Treasury to the credit of each member.

The winding up of the fund has been a most complicated and difficult task. Many thought it could not be done, and but for the fact that the opponents of the "winding up" were loyal friends of the Board, and consented to sink their personal opinions and interests, and submit to the declared wish of the majority, I do not think it could have been accomplished.

The Board is to be congratulated upon having been able to close up a matter where so large an amount of money was involved, and where the interests of those concerned were so conflicting, without litigation and without a dollar of loss. For this very creditable result, we are largely indebted to the wise counsel of our able solicitor. Now that it is closed, I think we all breathe more freely, and undoubtedly in future the officers of the Board will be less hampered in prosecuting the objects for