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The Montreal  
City and District  
Savings Bank.

ESTABLISHED 1846

ANNUAL REPORT  
1942

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1942

# The Montreal City & District Savings Bank

(ESTABLISHED 1846)

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Capital Subscribed	-	-	-	-	\$2,000,000.00
Capital Paid-up	-	-	-	-	2,000,000.00
Reserve Fund	-	-	-	-	3,300,000.00
Balance of Profits Account	-	-	-	-	149,473.46

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## BOARD OF DIRECTORS

THE RIGHT HON. R. DANDURAND, - *President*

DONALD A. HINGSTON, - *Vice-President*

H. H. JUDAH,

GUY VANIER,

ZÉPHIRIN HÉBERT,

PAUL AMOS,

H. J. TRIHEY,

WALTER MOLSON,

M. A. PHELAN,

G. F. BENSON

## GENERAL MANAGER

T. TAGGART SMYTH

## ASSISTANT GENERAL MANAGER

CHARLES MONCEL

## CHIEF INSPECTOR

L. GEORGES LACOSTE

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## HEAD OFFICE

Corner St. James and St. John Streets

# The Montreal City & District Savings Bank

## Ninety-Fifth Annual Report

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MONTREAL, February 9th, 1942.

TO THE SHAREHOLDERS.

Gentlemen,

Your Directors have pleasure in presenting the ninety-fifth Annual Report of the affairs of the Bank and the result of its operations for the year ending December 31st, 1941.

The net profits for the year were \$388,461.23 and the balance brought forward from last year's Profits Account was \$351,462.23, making a total of \$739,923.46. In addition to the usual quarterly distributions to its shareholders, the Bank contributed from this amount \$10,450.00 to various charitable and philanthropic Funds — independently of the amount of \$10,150.00, interest on the Charity Donation Fund, distributed as usual — and has transferred \$300,000.00 to the Reserve Fund, bringing the latter to \$3,300,000.00, leaving a balance at the credit of undivided Profits Account of \$149,473.46 to be carried forward to next year.

As usual a frequent and thorough inspection of the books and assets of the Bank has been made during the year.

The Report of the Auditors and the Balance Sheet are herewith submitted.

R. DANDURAND,  
*President.*

STATEMENT OF THE AFFAIRS OF THE MONTREAL CITY AND

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ASSETS

Cash on hand and in chartered banks.....	\$8,159,655.13	
Dominion and Provincial Government Bonds.....	38,010,904.58	
Canadian Municipal Bonds and Debentures.....	15,358,980.92	
Bonds of Canadian School Municipalities.....	184,358.76	
Bonds of Canadian Public Utilities Corporations....	5,117,110.00	
Sundry Securities.....	200,000.00	
Call and Short Loans, secured by Collateral.....	2,997,931.61	
Charity Donation Fund, invested in Dominion and Canadian Municipal Securities approved by the Dominion Government..	180,000.00	
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		\$70,208,941.00
Bank premises (Head Office and Branches).....	\$1,000,000.00	
Other Assets.....	8,237.24	
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		1,008,237.24
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		\$71,217,178.24

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On behalf of the Board,  
R. DANDURAND,  
*President.*

DISTRICT SAVINGS BANK ON THE 31ST. DECEMBER, 1941

**LIABILITIES**

**TO THE PUBLIC:**

Deposits bearing interest including interest ac- crued to date. . . . .	\$63,038,850.84
Deposits not bearing in- terest. . . . .	1,401,960.11
Charity Donation Fund. . . . .	180,000.00
Other Liabilities. . . . .	1,146,893.83
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	\$65,767,704.78

**TO THE SHAREHOLDERS:**

Capital Stock (Amount subscribed \$2,000,000.) paid up. . . . .	\$2,000,000.00
Reserve Fund. . . . .	3,300,000.00
Balance of Profits carried forward. . . . .	149,473.46
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	5,449,473.46
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	\$71,217,178.24

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T. TAGGART SMYTH,  
*General Manager.*

## AUDITORS' REPORT

Having obtained all the information and explanations we have required, and having satisfied ourselves of the correctness of the Cash Balances and examined the Securities held against the money at Call and Short Notice, and those representing the investments of the Bank, and having examined the foregoing Balance Sheet and compared it with the Books at the Head Office, and with the Certified Returns from the Branches, we are of opinion that the transactions of the Bank have been within its powers, and that the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs, according to the best of our information and the explanations given to us, and as shown by the Books of the Bank.

C. A. SHANNON, L.I.A., C.P.A.,  
of P. C. SHANNON SON & Co.

JEAN VALIQUETTE, C.A., L.I.A.,  
of ANDERSON & VALIQUETTE

Auditors

MONTREAL, January 31st, 1942.





# The Montreal City & District Savings Bank

*Ninety-fifth Annual General Meeting of Shareholders  
February 9th, 1942.*

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The ninety-fifth Annual Meeting of the Shareholders was held at the Head Office of the Bank on Monday the 9th February, at noon.

Amongst those present were:—

The Right Honourable Raoul Dandurand, Dr. D. A. Hingston, H. H. Judah, Lt.-Col. H. J. Trihey, K.C., M. Arthur Phelan, K.C., Guy Vanier, K.C., Paul Amos, Walter Molson, George F. Benson, Ls. Edmour Bernard, K.C., W. B. Blackader, W. J. Wall, Joseph Hurtubise, B. Panet-Raymond, K.C., J. V. Désaulniers, W. D. Munro, Hon. Léon Mercier-Gouin, A. Terroux, Alfred Tourigny, H. Gérin-Lajoie, K.C., W. P. O'Brien, Harold Hingston, J. O'Brien Amos, Paul Ouimet, P. R. Gault, T. Taggart Smyth, Charles Moncel, J. M. R. Longtin, L. G. Lacoste, J. G. Ouimet, J. A. Dubuc, P. Alph. Perreault, Arthur Ostiguy, Emile Vinet, Emile Desjardins, A. Percy Grant, S. Martin, R. Raymond, Paul Loiselle, J. O. G. LaRose, René St-Cyr, L. Charbonneau.

On motion of Dr. Donald A. Hingston, seconded by Mr. Guy Vanier, K.C., The Right Hon. Raoul Dandurand took the Chair.

The Chairman appointed Mr. T. Taggart Smyth to act as secretary of the meeting and Messrs Ls. Edmour Bernard, K.C., and W. B. Blackader, to act as scrutineers.

The minutes of the last annual meeting were taken as read and the report of the Directors was read by the

President, The Right Hon. Raoul Dandurand, whilst the General Manager, Mr. T. Taggart Smyth, read the Balance Sheet and report of Auditors, adding the following remarks:

Gentlemen,

I am confident that the report which I have the honour to present to you, and which is the 95th Annual Report of the Bank, will have the good fortune of meeting with your approval. It shows conclusively, that, in spite of the perilous times through which we are passing and the heavy burden imposed upon us by the world war, not only has the Bank maintained its excellent position, but it has even succeeded in registering further progress.

In consequence, it is our privilege to be in a position to report an increase in all the items of our Balance Sheet. Our deposits are higher than those of last year by close to a million and a quarter and the number of our customers has increased considerably.

Our profits also have maintained their usual steady course. They have enabled us to pay the same dividends and bonuses as in the preceding years; to carry about \$100,000.00 to our Undivided Profits and to transfer, out of this account, a sum of \$300,000.00 to our Reserve Fund, which now stands at \$3,300,000.00.

As regards the assets, may I first point out that the same rules of prudence and safety have been adhered to in the selection of all our investments. Thus, our securities are all of the highest grade; they are readily convertible into cash and, as in the past, they represent about 107% of our liabilities to the public.

On the other hand, the statement is so clear and easily understandable that it could, I fancy, be presented without comment, were it not that an analysis may be helpful. It shows: Cash on Hand and in Banks at more than eight million dollars; Bonds of the Dominion of Canada, of the Provinces and of sundry Municipal and School Corporations at about \$54,000,000.00; an increase of a million and a quarter dollars over last year; Bonds of some of our best Public Utilities Companies and other investments at five and a third millions and Call and Short Loans at close to three million dollars, forming an aggregate of \$70,000,000.00 or almost the total amount of the assets of the Bank. I need only repeat that all our securities are of the highest class; that they command an ever ready market and point out that they are entered in our Balance Sheet at rates considerably lower than those prevailing on the securities market, to enable you to form a clear idea of the value and liquidity of our holdings. As to our Call and Short Loans, they are all fully secured by collateral, which is also readily marketable. Finally, the Bank owns, free from encumbrance of any kind, all the buildings in use as offices—Head Office and twenty-five branches—and these are carried in our books at \$1,000,000.00, or about one third of their municipal valuation.

I trust that this brief analysis of our report will prove satisfactory both to our shareholders and our numerous customers.

Incidentally, I should like to add that it is a tribute to the character and good sense of our population that bank deposits are progressively on the increase. This, in my opinion, shows without a shadow of doubt that Canada is happy in the posses-

sion of an intelligent citizenry, fully conscious of its responsibilities and duties, and quite worthy of the confidence we have in it. Our thrifty population is fully aware of the fact that it is by the accumulation of small savings, that industry and commerce are fostered and that they are working in their own best interests when they contribute to the development of our national wealth.

I should not like to end these short remarks without saying a word about our devoted staff. In spite of the added burden imposed upon them by the exigencies of the war, our employes have fulfilled their duties to our entire satisfaction and it is with pleasure that I express to them my very sincere thanks.

On their behalf, on behalf of my assistants and in my own name, I wish to reiterate the assurance of our loyalty to the interests of the Bank.

In conclusion, it is my pleasant duty to express to the ever increasing family of our clients, those of yesteryear and those of today, my appreciation of their confidence and to assure them of my esteem.

In moving the adoption of the report, which was seconded by Dr. Donald A. Hingston, the President, The Right Hon. Raoul Dandurand, said:—

Gentlemen,

During the period which has elapsed since our last meeting, the war has been intensified. It now covers the five continents.

Following a lengthy preparation, Japan, the partner of Germany and Italy, has launched a ruthless attack on the United States and Great Britain, the suddenness of which was apparently unexpected.

On the other hand, Russia, invaded by Hitler's forces, is putting up a successful resistance to the German armies.

Our American neighbours, who had contributed in such a large measure to help us win the war in 1918 and thereafter had done all the needful to lose the peace by retiring to their tents, have at last been compelled to enter the conflict. It was this that caused Mr. Churchill to say, in addressing the Congress in Washington, in December last that: "If we had kept together after the last war, if we had taken common measures for our safety, this renewal of the curse need never have fallen upon us".

I had expressed the same thought to President Roosevelt, in January 1933, as he was about to enter the White House, but I realized that he could not even command a majority in the Senate to secure the adhesion of the United States to the League of Nations nor even to join the Hague Permanent Court of International Justice and thus bring the moral support of his great Country to the maintenance of peace in the world. It must be acknowledged, however, that President Roosevelt has never missed an opportunity of showing his sympathy for our cause and to promise Canada his support, should we need it.

Canada, which was the only country in the two Americas to join with Britain in September 1939, as a partner in the British Commonwealth of Nations, has consistently been arming its forces and marshalling all its economic resources for the prosecution of the war.

The transformation of our peacetime industries into wartime industries and the production of enormous

quantities of war material for the supply of our armies, those of Great Britain and of our allies, have made this country one of the main arsenals, granaries and shipyards providing for their requirements.

It is estimated that, today, more than 700,000 men are employed in our war industries.

As it is our intention to maintain and further develop our war effort, we shall have to make use to the fullest extent of all able-bodied men and women in a position to be of service.

Unemployment is becoming a thing of the past, and, it is imperative, even now, that we set ourselves to the task of studying post-war problems, the most important of which will be to secure employment for the 500,000 soldiers returning to civil life and the 700,000 workers to be eventually released by the war industries.

It is the duty of both the State and the heads of industry to get together and work out ways and means of transforming war industries into peacetime industries and this, not only with the object of supplying the demands of our domestic market, but also to make available to the outside world the commodities Canada will then be in a position to dispose of advantageously, thanks to its inexhaustible natural resources.

Committees of experts are at work both in London, Washington and Ottawa, studying this alarming post-war period problem which will require the joint collaboration of all countries. It must also be the individual task of the citizens of all nations who should be interested in the question of their own sur-

vival, to share in these studies and, with this end in view, I appeal directly to our entire population.

It is inevitable that the suspension of hostilities will bring in its wake a sudden halt in the activities of our industries and other establishments. A period of transition, between the end of the war and the setting-up of a new order, is bound to happen and one must never lose sight of the temporary unemployment which may occur in consequence.

These will be trying days for everyone. Even those in steady employment will have to share the burden through the heavy taxes which will have to be levied in order to provide for the thousands of unemployed. To ward off this danger, every one must save now as much as possible.

For years past, we have been persistent in our advocacy of purchasing on a cash basis, that is the putting aside before rather than after of the sums required for what we purchase, thus assuring the ideal conditions of living, free from debt and enabled to sleep peacefully and without nightmares.

The Government has recently enacted measures to restrict the practice of instalment buying, but today we must do even more and think of depriving ourselves of many things, if we are to provide for the days of general depression.

For the same reason and also to provide for the requirements of our own defence, the Government has had to restrict, through rationing, the free purchase of some commodities.

In order to prevent inflation, which would result in the impairment of the buying power of our money

and the impoverishment of the working and fixed income classes, the Government has fixed a ceiling on wages, salaries and on the prices of commodities and rentals.

We are happy to note that our depositors, who have the instinct for self-preservation, have, from the very beginning, seen fit to put aside a large part of the increased remuneration they have earned, because of the war and the fact that labour has been in greater demand. To that end, they have subscribed to War Savings Certificates and have steadily increased their deposits with the Bank.

The General Manager has given you a concise analysis of the Bank's operations during the past year and I have every reason to believe that you will be satisfied with the results.

The same auditors were reelected and, on motion by Mr. Arthur Terroux, seconded by Mr. P. R. Gault, the following were elected Directors for the ensuing year:—

THE RIGHT HON. RAOUL DANDURAND  
DR. DONALD A. HINGSTON  
H. H. JUDAH  
ZÉPHIRIN HÉBERT  
LT.-COL. HENRY J. TRIHEY, K.C.  
M. ARTHUR PHELAN, K.C.  
GUY VANIER, K.C.  
PAUL AMOS  
WALTER MOLSON  
G. F. BENSON,

whereupon the meeting was adjourned.

At a subsequent meeting of the Board of Directors, The Right Hon. Raoul Dandurand was reelected President and Dr. Donald A. Hingston, Vice-President.



