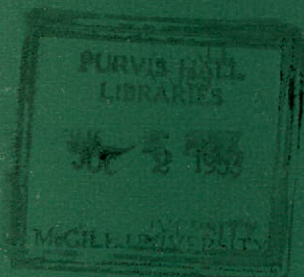


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# ANNUAL REPORT

November 30th, 1951



**The PROVINCIAL BANK of CANADA**



# The Provincial Bank of Canada

## *Board of Directors*

### *Honorary President*

HONOURABLE ES. L. PATENAUDE, P.C., K.C., *Montreal*  
President, Alliance Nationale.  
Vice-President, Crédit Foncier Franco-Canadien.

### *Chairman of the Board*

HONOURABLE SENATOR ELIE BEAUREGARD, K.C., *Montreal*  
President, H. Corby Distillery Limited.  
President, Duval Motors Limited.

### *President*

J. EDOUARD LABELLE, K.C., O.B.E., *Montreal*  
President, Canadian Vickers Limited.  
Director, Laura Secord Candy Shops.

### *Vice-Presidents*

HONOURABLE JULES A. BRILLANT, M.L.C., C.B.E., *Rimouski*  
President, La Compagnie de Pouvoir du Bas Saint-Laurent.  
President, La Corporation de Téléphone de Québec.

J. UBALD BOYER, *Montreal*

President, Institut Bruchési de Montréal, Inc.

L. EMERY BEAULIEU, K.C.

*Montreal*

Director, Trust Général du Canada.  
Director, Mont Tremblant Lodge.

C. F. CARSLEY, M.B.E.

*Montreal*

Director and General Manager,  
The Lion Vinegar Co. Ltd.  
Director, Canada Vinegars Limited.

HONOURABLE R. O. GROTHÉ, M.L.C.

*Montreal*

Director, Montreal Life Assurance Co.  
Director, Société d'Administration et  
de Fiducie.

J. LOUIS LÉVESQUE

*Montreal*

President, Crédit Interprovincial Ltée.  
Director, L'Industrielle Compagnie  
d'Assurance sur la Vie.

LUCIEN MASSÉ, C.A.

*Hull*

President, Canada Match Co. Limited.  
Director, J. B. Harper Limited.

MAJOR R. H. PARENT, M.D.

*Ottawa*

President, L'Union Saint-Joseph du Canada.  
President, Gauthier & Cie Limitée.

GASTON PRATTE

*Quebec*

Director, North American Life Assurance Co.  
Director, Quebec Power Company.

C. E. PRÉFONTAINE

*Montreal*

Director, United Auto Parts Limited.  
Director, Alliance Nationale.

J. ULYSSE SAINTE-MARIE

*Quebec*

President, Standard Construction Co. Ltd.  
Director, Compagnie d'Assurance  
La Prévoyance.

## *Board of Commissioner-Censors*

### *President*

VICTOR MORIN, N.P., *Montreal*

Chairman of the Board, La Société Nationale de Fiducie.  
President, La Société d'Archéologie et de Numismatique de Montréal.

### *Vice-President*

NARCISSE DUCHARME, *Montreal*

President, La Cie d'Assurance sur la vie La Sauvegarde.

### *Member Ex-Officio*

J. EDOUARD LABELLE, K.C., O.B.E., *Montreal*

President of the Bank.

ODILON CREVIER

### *Chicoutimi*

President, Lake St. John Distributing.  
President, La Corporation Saguenéenne.

MAURICE FORTIN

### *Trois-Rivières*

President and Manager, J. L. Fortin Limitée.  
President, Maurice Fortin Inc.

L. E. LANGIS GALIPEAULT, K.C.

### *Quebec*

Director, Sterling Insurance Co. of Canada.  
Director, Le Soleil Limitée.

EDOUARD GOHIER

### *Ville Saint Laurent*

President and General Manager,  
Edouard Gohier Limitée.

CALIXTE F. SAVOIE

### *Moncton*

President and General Manager,  
La Société l'Assomption.  
Director, Central Trust Co. of Canada.

CLEMENT TREMBLAY, O.B.E.

### *Lachute*

Director, Ayers Limited.  
Director, Ayers Realty Company Ltd.

GASTON VINCENT, K.C.

### *Ottawa*

*Minutes of the fifty-first  
annual general meeting  
of the Shareholders of  
The Provincial Bank of Canada,  
held at the Head Office  
of the Bank,  
221 St. James St. West,  
Montreal (Canada),  
on the 9th of January 1952,  
at eleven o'clock a.m.*



Among those present were: Messrs. W. S. Albert, F. Allard, J. C. Arsenault, L. Emery Beaulieu, K.C., L. P. Beaulieu, Hon. Sen. Elie Beauregard, K.C., Messrs. Hervé Belzile, C.A., Gaston Bertrand, P. E. Bonhomme, P. E. Bonnier, R. Boucher, J. L. Boulanger, J. U. Boyer, J. Brassard, Jacques Brillant, C. F. Carsley, M.B.E., C. R. Charbonneau, J. R. Choquette, F. G. Christian, Paul E. Courtois, C.A., Hector Cousineau, René Cousineau, Odilon Crevier, René Crevier, H. R. Delaney, G. Desaulniers, Roger Desgroseilliers, D. Desrosiers, Narcisse Ducharme, J. M. Dufresne, R. M. Ferrand, Maurice Fortin, Eudore Fournier, J. Eudore Fournier, William Gagnon, L. E. Langis Galipeault, K.C., Henri Gareau, Luc Gauthier, Henri Gérin-Lajoie, K.C., Edouard Gohier, Dr. L. Groleau, Hon. R. O. Grothé, M.L.C., Messrs. Robert Guay, J. Edouard Labelle, K.C., O.B.E., Eugène Laflamme, Me. Jacques Lagassé, Donat Lalande, Mrs. Albert Lallemant, Messrs. Jean Paul Lavallée, Marcel Lefebvre, Alfred Legault, Me. Henri Paul Lemay, Gaston Levesque, J. Louis Lévesque, Victor Lévesque, A. Jacob Livinson, G. Lortie, Hector MacKay, K.C., Roger Martel, J. C. Martineau, Lucien Massé, C.A., Emile Massicotte, N.P., Victor Moïin, N.P., J. E. Nadon, C.A., Bernard Normandin, P. Ouellette, Aimé Parent, Dr. R. H. Parent, Gérard Parizeau, Hon. Es. L. Patenaude, P.C., K.C., Dr. Ernest Plante, Messrs. C. E. Préfontaine, Paul Raymond, J. O. Roy, J. E. Saint-André, J. Ulysse Sainte-Marie, Roch Sainte-Marie, W. Saint-Pierre, M. Schum, Chas. Spitzer, A. E. Styles, Clément Tremblay, O.B.E., L. G. Trempe, L. J. Trottier, C.A., J. A. Trudelle, Gaston Vincent, K.C., J. A. Vincent.

The President, Mr. J. Edouard Labelle, K.C., O.B.E., occupied the Chair, and Mr. René Cousineau acted as Secretary of the Meeting.

The President appointed as Scrutineers for the Meeting, Messrs. Victor Lévesque and Hector Cousineau, and the nomination of the Scrutineers was approved unanimously by the Meeting.

At the request of the Chairman, the Scrutineers ascertained and reported that there was a sufficient number of Shareholders to form a quorum of the annual general meeting.

The Secretary then read the notice calling the Meeting.

The Minutes of the last Annual Meeting having been printed and distributed to the Shareholders, were taken as read, and on motion of Mr. L. E. Langis Galipeault, K.C., seconded by Mr. Paul Raymond, were confirmed.

Following this, the Secretary read to the Shareholders the reports of the Board of Directors and of the Auditors.

**REPORT OF THE BOARD OF DIRECTORS  
TO THE SHAREHOLDERS**

Gentlemen:

Your Directors have pleasure in presenting the 51st annual report on the Bank's operation for the year ended November 30th, 1951.

**PROFIT AND LOSS ACCOUNT  
as at November 30th, 1951**

Profits for the year ended November 30th, 1951, after appropriations to contingency reserves, out of which accounts full provision for bad and doubtful debts has been made ..... \$ 834,378.51

*Less:*

Provision for federal and provincial taxes .....	\$ 270,146.27		
Depreciation on bank premises ....	158,207.71		
Provision for Staff Provident Fund ..	100,000.00	\$ 528,353.98	
Quarterly dividends as follows:			
Paid March 1st, 1951 (at the rate of 6% per annum) .....	60,000.00		
Paid June 1st, 1951 (at the rate of 6% per annum) .....	60,000.00		
Paid Sept. 1st, 1951 (at the rate of 6% per annum) .....	60,000.00		
Payable Dec. 1st, 1951 (at the rate of 6% per annum) .....	60,000.00		
	\$ 240,000.00		
Provision for a special dividend of 1% for the current fiscal year ....	40,000.00	280,000.00	808,353.98
Balance of profits carried forward .....			\$ 26,024.53
Balance profit and loss account, November 30th, 1950 .....			558,514.39
Balance profit and loss account, November 30th, 1951 .....			<u>\$ 584,538.92</u>

*For the Board of Directors:*

J. EDOUARD LABELLE,  
President.

J. UBALD BOYER,  
Vice-President and General Manager.

In the course of the year two new branches and one agency were opened. We have also, in 1951, transformed our agency at Ville St. Michel into a Branch. The number of branches and agencies in operation on 30th November was 338, including 138 branches and 200 agencies.

All branches were inspected by the Inspection Department of the Bank and the cash and securities at Head Office were verified.

The Shareholders' auditors Messrs. Jacques Larue, C.A., and Paul E. Courtols, C.A., audited the Bank's records and their report is appended to the general statement hereto.

Your Directors express their appreciation to the officers and employees of the Bank for the loyal co-operation they have shown in the discharge of their duties.

*For the Board of Directors:*

J. Edouard Labelle,  
President.

Montreal, January 9, 1952.

# BALANCE SHEET AS AT

## ASSETS

Gold and subsidiary coin held in Canada .....	\$ 479,870.41	
Notes of Bank of Canada .....	4,972,033.00	
Deposits with Bank of Canada ....	16,908,607.41	
Notes of and cheques on other banks .....	16,488,314.37	
Government and bank notes other than Canadian .....	215,704.35	\$39,061,529.54
Due by banks and banking correspondents elsewhere than in Canada .....	1,478,405.84	\$40,542,935.38
Dominion government direct and guaranteed securities maturing within two years, not exceeding market value .....	13,897,422.97	
Other Dominion government direct and guaranteed securities, not exceeding market value .....	28,944,304.18	
Provincial government direct and guaranteed securities maturing within two years, not exceeding market value .....	4,106,324.60	
Other provincial government direct and guaranteed securities, not exceeding market value .....	13,299,606.42	
Canadian municipal securities, not exceeding market value .....	6,578,212.68	
Other bonds, debentures and stocks, not exceeding market value .....	8,820,811.26	
Call and short (not exceeding thirty days) loans in Canada on stock, debentures, bonds and other securities, of a sufficient marketable value to cover .....	3,155,716.13	78,802,398.21
Current loans and discounts in Canada, not otherwise included, estimated loss provided for .....	\$ 58,222,636.93	
Loans to provincial governments ..	35,908.10	
Loans to cities, towns, municipalities and school districts .....	3,844,683.83	
Non-current loans, estimated loss provided for .....	31,997.07	\$62,135,225.93
Liabilities of customers under acceptances and letters of credit as per contra .....	638,680.78	
Real estate other than bank premises .....	69,814.75	
Mortgages on real estate sold by the bank .....	124,779.42	
Bank premises at not more than cost, less amounts, if any, written off .....	3,105,783.18	
Other assets not included under the foregoing heads .....	227,791.90	66,302,075.96
		<u>\$185,647,409.58</u>



# NOVEMBER 30TH, 1951

## LIABILITIES

Capital paid up .....	\$ 4,000,000.00	
Rest or reserve fund .....	2,000,000.00	
Dividends declared and unpaid .....	107,852.53	
Balance of profits, as per profit and loss account .....	584,538.92	\$ 6,692,391.45
Deposits by and balances due to Dominion Government .....	\$ 590,258.65	
Deposits by and balances due to provincial governments .....	3,135,424.66	
Deposits by the public not bearing interest .....	47,960,335.47	
Deposits by the public bearing inter- est, including interest accrued to date of statement .....	123,541,704.17	\$175,227,722.95
Deposits by and balances due to other chartered banks in Canada .....		2,832,933.80
Deposits by and balances due to banks and banking correspondents elsewhere than in Canada .....	143,638.04	178,204,294.79
Acceptances and letters of credit outstanding .....		638,680.78
Liabilities to the public not included under the foregoing heads .....		112,042.56
		<u>\$185,647,409.58</u>

*For the Board of Directors:*

J. EDOUARD LABELLE,  
President.

J. UBALD BOYER,  
Vice-President and General Manager.

### AUDITORS' REPORT TO SHAREHOLDERS

We have compared the above Balance Sheet with the books of the Head Office of The Provincial Bank of Canada and with the certified returns from the branches. We have counted the cash and have verified the securities at the Principal Branch and at the Head Office at the end of the financial year. We have likewise during the year, counted the cash and verified the securities at two other branches.

We have obtained all the information and explanations we have required and in our opinion, the transactions of the Bank which have come under our notice have been within its powers and the above statement discloses its true condition as at November 30th, 1951, and is as shown by its books.

JACQUES LARUE, C.A.,  
of LaRue, Angers, Gourdeau & Cie.

PAUL E. COURTOIS, C.A.,  
of Courtois, Fredette & Cie.

Montreal, December 15th, 1951.

## ADDRESS OF THE PRESIDENT OF THE BANK

*Mr. J. E. Labelle*

Gentlemen,

It is a pleasure for me, on this first occasion as President of the Bank, to address the general meeting of shareholders, to draw their attention to the very satisfactory results of the financial year 1951. During this period, in fact, as you have been able to see from the financial statements published, assets have reached a new peak, deposits have continued to increase, and the Bank has assumed a larger importance in the field of commercial loans. Gross profits have risen as compared with last year, in spite of substantial readjustments of salaries which we have effected during the year, and we should, I believe, regard the level of net profits as very satisfactory, if we keep in mind the increase in taxes and the fact that the writing off of Bank premises has shown a considerable rise due to the important amounts we have set aside for building and renovating branches for the purpose of serving a more numerous clientele and of improving our services.

I shall not further stress the analysis of the year's financial statements, since the General Manager will comment on them in detail in a few moments, but I feel called upon to mention the particular attention paid by the Bank directors to the welfare of the staff by making important readjustments in basic salary rates, in contributing to the establishment of more favorable group insurance systems and in continuing the Bank's participation in the Pension Fund.

The purpose of this policy is not only to raise the standard of living of our employees, but likewise, while stimulating more interest in the institution among those who are already on its staff, to facilitate and improve the recruitment of personnel and to place the Bank in a position to give better service to its clients.

These few preliminary remarks would not be complete, if I did not mention the regretted departure, at the beginning of 1951, of one of our directors, Mr. Hervé Duval. In Mr. Duval, the Bank has lost one of the best businessmen of this generation. All who knew him admired his very sound judgment, his hardworking qualities, his initiative and the devotion he lavished on those who were near to him. It was these qualities which, despite his modest beginnings, enabled him to rise to the important position he held in the business world and his career may be cited as an example to the young people of today.

Your Board of Directors, as is permitted by art. 3-c of the By-laws, has reduced, by resolution, the number of directors to fourteen.

It has become customary, at the general meetings of the Bank shareholders, to comment on the economic situation of the financial year just concluded, by stressing those events which are the most important for banks. I am, therefore, proceeding at once with this analysis.

#### **Situation of the economy in 1951**

During the year 1951, the Canadian economy continued to make progress. From 198 which was the figure on 1950, the index of the volume of production will have reached by the end of the year a level approximate to, if not higher than 210. We shall then be very close to touching double of the production of 1939. On the other hand, production costs and retail prices have seen a spectacular rise despite the fact that the volume of money in circulation has been comparatively stable. From 222 which was the figure in September 1950 the wholesale price index had reached 240 in September 1951 while hourly wage rates during the same period had risen from \$1.04 to \$1.21. Consequently, it is not surprising that the cost of living should have jumped from 170 to 190 over the same time space. It is evident that in spite of certain resistances here and there the year 1951 has remained one favorable for a selling market.

#### **Continued rise in production costs**

We are therefore reaching a critical phase of the economic postwar equilibrium. The monetary policy of the year has obviously helped, by the stabilisation itself of the volume of currency, towards the stabilisation of the economy. The price rises we have experi-

enced might therefore be especially due to the inflation of previous years and possibly thereafter to the institution of a rearmament program. We have just passed through a year of readjustment! There might be the danger that, instead of accepting the readjustment and the several temporary sacrifices it entails, we might render inevitable new inflationary measures. The rise of production cost, the reflection of which is doubtless to be noticed in the increase of bank loans to the public, indicate to us the present weak points of the economy. The fight against inflation is therefore not at an end.

### **Appeal for the co-operation of the chartered banks**

To continue this struggle, the Bank of Canada has asked for the co-operation of the chartered banks. Hitherto, the latter have particularly directed their loan policy in terms of two basic considerations: the solvability of the customer and the value of the collateral. There is the desire now that they should be directly interested in the restriction of credit to carry on the campaign against inflation. And in consequence every borrower, even if he is solvable and well protected, runs a greater risk today of not obtaining from the banks the new or accrued loans that he needs. Why should the banks have agreed to this discipline, which is of no particular advantage to them and which has the danger of making so many of their clientèle discontented?

### **Seriousness of the inflation problem**

It is because, from the economic viewpoint, inflation is a serious threat for us at the present time. It is a threat more urgent than too many Canadians suppose. The justifiable faith we have in the future of our country tends to make us attach not enough importance to events which are going on under our own eyes. We protest strongly against the rise in prices, but mainly for personal reasons; as for the rest, we recline somewhat easily on the idea that everything has an end, even rising prices. The experience of other countries, even of countries which are well endowed from the viewpoint of natural resources, teaches us, however, that there is no limit to price rises following inflation, if the causes of inflation are not suppressed.

Let us, moreover, take note that in spite of the progress registered by our country, we are already involved on this path, since the buying power of our dollar is reduced by one-half in comparison

with 1939. We can see the same thing by comparing our currency, not with an American dollar which has followed the same evolution, but with the price of gold expressed in dollars. In 1925, \$20.67 was sufficient to buy an ounce of gold; today, it needs \$35.00 at the fixed price, and more on the free market. Hence, Canada might experience the fate of those countries whose history presents us with a pitiful spectacle, unless, I repeat, our fight against inflation is made more effective.

### **Principal monetary sources of inflation**

To provide against inflation, price controls will not be sufficient as we are led too easily to believe. At the most, they are to be recommended, as was stated here a year ago, for urgent situations of a short-term nature. For price rises are only the effect of inflation; it is the causes which must be suppressed. The latter are to be found in a situation such as when the money in circulation is increased or decreased more rapidly than exchangeable goods. In general, there are two main sources of monetary expansion which result in inflationary reaction: Governmental deficits and the growth of bank loans for purposes other than those of expanding production. It is on these two chief points that presently the fight against inflation is being waged.

### **Chief means used to combat inflation**

The efforts made by the Government to avoid deficits are well-known; it is even reproached for its surpluses. On the other hand, we see why the authorities have appealed to the banks to control bank credit through which inflation can equally be introduced either in consumer loans or in business loans originating in the growth of production costs.

In normal times, the responsibility for regularising credit in terms of the general needs of the economy belongs to the Bank of Canada. The chartered banks, for their part, ask for nothing better than to make their cash available to any serious businessman, with a view of helping him to realize profitable economic propositions. They have, however, understood that in the present state of affairs it would be useless to stimulate credit for purposes which might clash with the execution of the rearmament program. With the Canadian economy already at peak production, it is obvious that

civilian output will have to be reduced in favor of war production in keeping with the requirements of the Government program which will demand for its operation more man-power and more raw materials. The increase of bank loans for ends other than current essential production would therefore constitute an inflationary factor. That is why the banks have come to the conclusion that in the general interest the best policy was that indeed proposed by the Bank of Canada: personal discipline.

**Indispensable conditions for the success of  
an anti-inflationary policy**

Such an attitude of personal discipline and sense of responsibility are not commandable only to banks. The steps taken by the Government and the banks will indeed have little effect if everybody — wage-earner or consumer, capitalist or entrepreneur — does not observe the same rules of prudence in so far as concerns himself.

The tendencies of the economy being what they are, for the reasons we have seen, the first rule for every individual therefore seems that he should live according to his means without seeking to increase these by devices such as credit or nominal increases in income. Of what use indeed is the increase in monetary income if the very factors of the general policy are leading towards a decrease in production for civilian consumption?

Let us not endeavor to settle by economic pressures a problem which results from a political decision. If we accept the reasons which justify the present Government policy, it is obvious that we shall have to submit to the economic consequences thereof: which might well mean in an economy of full employment such as ours a reduction in living standards, seeing that a part of the resources used to create civilian production must be diverted therefrom. And inflation does not release us from the consequences of such a policy, it aggravates them. If, on the other hand, we disapprove of the motives which justify this program, it is on the political stage that discussions should be conducted; it is precisely to allow this expression of opinion that we are living in a democracy. But do not let us jeopardise our economic future and that of our children by an illogical attitude.

In present circumstances, it is clear that the lack of moderation in seeking the personal satisfactions will maintain high prices and lead to exaggerated demands whether of salaries, social security or

more leisure time. The increase of wages, for example, without a corresponding rise in productivity, can constitute a powerful inflationary factor in so far as it encourages the employer — if not compelled to do so — to obtain more substantial bank credits, his working capital then becoming insufficient to defray the cost of raw material and manufacture until the products reach the consumer and to pay for the taxes raised by the governments.

On the part of production, the employer and the wage-earner, there is only one good answer to the present situation: it is that each should strive to give the best return from his labor in such a way as to increase the productive capacity of our economy. And, in this regard, it should be strongly noted that the reduction of the working week, without a corresponding expansion of productivity, would particularly aggravate the problem of inflation and would itself work against the interests of the wage-earners.

In the final analysis, the present situation more than ever requires submission to the obligation of working and a return to the practice of self-restraint. Certainly, nobody is compelled to follow this advice. All that the banker can then say is that certain facts nonetheless will continue to exist. Despite all the protests and all the rebuttals, it is greatly to be feared that the refusal to accept this counsel will lead us every day more deeply into inflation.

In spite of the difficulties of the hour, there is no need to take too gloomy a view of the situation facing us. Canadians are not the only people who are asked to make sacrifices for the time being and it must be remembered that our standard of living is high when we compare it with that of most other countries. We have witnessed in recent years a great industrial expansion which has enriched the economic productivity of the nation. And we have in the investments of foreign capital which recently have been pouring into our country a testimony of the confidence that is felt in the development of Canada. We must, faced with our present difficulties, practise that policy of prudence which will allow us, in better times, to take advantage to the utmost of the riches which the future of our country is holding in reserve.

*The Chairman called upon Mr. J. Ubald Boyer, Vice-President and General Manager, to analyse the Annual Statement and the Profit and Loss Account for the year.*

# FIFTY-FIRST ANNUAL REPORT OF T

## ADDRESS OF THE VICE-PRESIDENT & GENERAL MANAGER

**Mr. J. U. BOYER**

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Gentlemen,

I have the honour to present for your approval, the fifty-first annual report of the Bank for the year ending November 30th, 1951.

It gives me pleasure to emphasize again, the important increase in total assets, deposits and commercial loans, which represents a most encouraging development. The excellent liquid position of the Bank, has enabled us to extend and improve our services to the public, in the provinces where we are represented.

Analysis of the Bank's statement as at November 30th, discloses that total assets reached \$185,647,409.58, being an increase of \$6,490,215.45 over the preceding year. Cash assets were \$40,542,935.38 compared to \$34,417,804.46 in November 1950—an increase of \$6,125,130.92—and represent 23.14% of the Bank's liabilities to the public.

Securities held in the Bank's portfolio showed a decrease of \$6,076,551.19 compared to last year, and amounted to \$75,646,682.11, but it should be noted that readily realizable assets stood at \$119,345,333.62 which represents

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# THE PROVINCIAL BANK OF CANADA

66.65 % of the liabilities of your Bank to the public, and this, in spite of the transformation made during the past six years, and the strides made during this period.

Loans of all kinds amounted to \$65,290,942.06. Your Bank having participated to a greater degree, in the industrial, commercial and agricultural activity of the country, commercial loans reached \$58,254,634.00 being an increase of \$5,631,267.71 over the previous year.

This increase represents, more particularly, additional assistance amounting to 26 % to farmers and agriculturists, and 15 % to trade and industry.

As regard loans to provincial governments, cities and municipalities, etc., which amounted to \$3,880,591.93, you will note that there is little change, and the same applies to call loans which stood at \$3,155,716.13.

During the course of the year, in a spirit of co-operation with the Bank of Canada, we have given very special attention to application for loans for essential purposes, while at the same time, restricting long term credits, and those applications for financing unjustified increases in inventories, or for similar purposes.

The total of deposits entrusted to your Bank, has reached a new high of \$175,227,722.95, which is an increase of \$6,081,436.91 over the year 1950. Non-interest bearing deposits from the public were \$47,960,335.47, which is \$4,928,155.21 more than last year, and savings deposits amounted to \$123,541,704.17, which is an increase of \$3,838,567.44. Deposits by the federal government and provincial governments at \$3,725,683.31 showed a decrease of \$2,685,285.74 from the previous year's figures of \$6,410,969.05. (In spite of the steady increase in the cost of living as well as operating costs, it is good to see that many depositors recognize the importance of saving, which, as always, still constitutes the best means of assuring security for the future).

Gross profits for the year, after operating expenses, were \$834,378.51, compared to \$732,629.37, which is an increase of \$101,749.14. The sum of \$216,919.70 has been set aside for Dominion taxes as compared to \$150,000.00 last year — an increase of \$66,919.70 — while provision has also been made for the sum of \$53,226.57 for provincial taxes and \$158,207.71 for depreciation of bank premises.

The Bank has, again, for the fifth consecutive year, contributed \$100,000.00 to the Staff Pension Fund. Our Directors being fully conscious of the loyalty and devotion of our staff, were happy to make again the contribution.

The sum of \$240,000.00 has been set apart for the payment of regular dividends and \$40,000.00 for the distribution of a special dividend of 1 %, for a total of \$280,000.00, leaving a net profit of \$26,024.53 to be added to Profit and Loss Account which stands at \$584,538.92 as at November 30th.

During the year, we have opened two new branches, one in the City of Quebec, at the corner of Charest Boulevard and Crown Street, in the St. Roch district, and the other at Louiseville, in Maskinongé County. We have also, in 1951, transformed our Ville St. Michel agency into a regular branch, as well as opening a new agency at St. Canut.

Our institution has therefore, 138 branches and 200 agencies in the provinces of Quebec, Ontario, New Brunswick and Prince Edward Island.

As you will see by the figures which have just been given, the year 1951 was a year of further progress for our institution. As a result of the combined efforts of the officers and the entire staff, the Bank continues to forge ahead and to participate in increasing measure, in the development of the economy of Canada.

In 1951, our country has experienced a period of great economic activity; production, employment and revenues have reached new highs. Total national production for the year is estimated at around 21 billion dollars, compared to 17.8 billion dollars in 1950. Undoubtedly this increase is attributable in part, to higher prices, but it also reflects an increase in the volume of production. Employment has continued to rise and revenues have reached a level still higher

than last year. It is well however, to point out that certain classes of production have experienced a falling off in business, which can be attributed, in part, to the readjustment which has followed the buying fever touched off by the war in Korea and partly to the measures taken to combat inflation. This has also meant, in some instances, total or partial unemployment, and the number of unemployed has recently been estimated to be about 4 % of the total number employed.

Foreign trade has been very active during the course of the year; imports and exports have greatly exceeded the figures reached in 1950. An important deficit in trade balance is foreseen, however, which deficit is due, for the most part, to our trade with the United States. Despite this, the gold reserves and the american dollar balances of the country have been maintained at a high level, due to the influx of foreign capital into Canada, particularly from the United States.

The productive capacity of the Canadian economy has developed greatly since the end of the war. During the course of 1951 alone, nearly 4½ million dollars have been devoted to capital expenditures. It is well, in this respect, to note the important role which foreign investments play in the economic development of our country and to view with satisfaction the abolition of foreign exchange controls by the Federal Government. This measure will help to restore confidence in the canadian dollar, and will tend to encourage much freer international trade.

Despite this progress, we must not lose sight of the fact that the canadian economy is still confronted with a major problem — inflation. Any aggravation of this inflation would create a risk of jeopardizing the magnificent development which our country has experienced. It is imperative therefore, that we unite all our efforts in combatting it.

In closing, I wish to express my warm appreciation of the devotion and interest shown by the officers and other members of our staff in the carrying out of their duties. The Board of Directors have remarked the devotion and interest of the staff of your Bank, and they have been pleased to revise the salaries in June 1951 and at the end of the present fiscal year. The loyal support of each one

has been of great help to me and to the other senior officers, and I thank them most sincerely for it.

I also wish to mention the very real interest shown by the shareholders as well as our customers, in the development of the Bank, for which I thank them. The support thus given us will enable us to further expand and improve the services of The Provincial Bank of Canada.

*On motion of Mr. J. Edouard Labelle, seconded by Hon. Sen. Elie Beauregard, the Report of the Board of Directors to the Shareholders, including the statements submitted, was unanimously adopted.*

*Mr. J. Edouard Labelle, then invited Mr. Victor Morin, President of the Board of Commissioner-Censors, to read the report of that Board to the Shareholders.*



**REPORT OF**  
**THE BOARD OF COMMISSIONER-CENSORS TO THE SHAREHOLDERS**

Gentlemen:

We beg to submit the fifty-first report of your Board of Commissioner-Censors for the year ending November 30th, 1951.

A glance at the financial statements of your Bank during the course of its half-century of existence will enable you to note with satisfaction the steady progress in Savings Deposits, which in itself is ample proof of the increasing confidence placed in our Bank by the public. In the Balance Sheet presented by the Board of Directors, Savings Deposits as at November 30th last, had reached the sum of \$123,541,704. The duty of your Board of Commissioner-Censors is to assure themselves of the constant liquidity of at least half of these deposits and of their investment in readily realizable securities.

In conformity with the by-laws governing the Board of Commissioner-Censors, we have held our regular monthly meetings during the course of the past year, and we are satisfied that

the Bank held at all times, among its assets, readily realizable securities in excess of the amount stipulated in the said by-laws.

With such an organization, you should, in the course of your efforts to increase the savings deposits, feel at ease to recommend your Bank to those around you. We join you in noting the very satisfactory results for the fiscal year ending November 30th, last and in accepting the reports presented to you.

At the same time we wish to thank the Bank's staff for their readiness at all times to furnish us with the information asked for.

FOR THE BOARD OF COMMISSIONER-CENSORS,

VICTOR MORIN, N.P.,  
*President.*

Montreal, December 17th, 1951.

On motion of Mr. Victor Morin, N.P., seconded by Mr. Narcisse Ducharme, the report of the Board of Commissioner-Censors was unanimously adopted.

It was then moved by Mr. J. Eudore Fournier, seconded by Mr. R. H. Guay, that Messrs. Jacques Larue, C.A., of Larue, Angers, Gourdeau & Cie, and J. Emilien Nadon, C.A., of the Society Nadon & DeCarufel, be and are hereby appointed auditors for the ensuing year, and that their remuneration be not more than \$8,000.

Upon receiving the Scrutineers' report of the balloting the Chairman declared the motion carried unanimously.

Then it was proceeded to the election of Directors.

It was moved by Mr. H. Gérin-Lajoie, K.C., seconded by Dr. L. Groleau, that the following be and are hereby nominated as Directors for the ensuing year, that the vote be taken for their election and that one single ballot be cast.

Mr. L. Emery Beaulieu, K.C., Montreal, Que.

Hon. Sen. Elie Beauregard, K.C., Montreal, Que.

Mr. J. Ubald Boyer, Montreal, Que.

Hon. Jules A. Brillant, M.L.C., C.B.E., Rimouski, Que.

Mr. C. F. Carsley, M.B.E., Montreal, Que.

Hon. R. O. Grothé, M.L.C., Montreal, Que.

Mr. J. Edouard Labelle, K.C., O.B.E., Montreal, Que.

Mr. J. Louis Lévesque, Montreal, Que.

Mr. Lucien Massé, C.A., Hull, Que.

Major R. H. Parent, M.D., Ottawa, Ont.

Hon. Es. L. Patenaude, P.C., K.C., Montreal, Que.

Mr. Gaston Pratte, Quebec, Que.

Mr. C. E. Préfontaine, Montreal, Que.

Mr. J. Ulysse Sainte-Marie, Quebec, Que.

The ballot having been taken and the Scrutineers having reported, the Chairman declared the above named Shareholders elected to the Board of Directors for the ensuing year.

The election of the members of the Board of Commissioner-Censors then followed.

It was moved by Mr. Aimé Parent, seconded by Mr. J. V. Desaulniers, that the following Shareholders be nominated as members of the Board of Commissioner-Censors for the ensuing year, and that a single ballot be cast for the election of the said Shareholders as Commissioner-Censors:

Mr. Odilon Crevier, Chicoutimi, Que.

Mr. Narcisse Ducharme, Montreal, Que.

Mr. Maurice Fortin, Trois-Rivières, Que.  
Mr. L. E. Langis Galipeault, K.C., Quebec, Que.  
Mr. Edouard Gohier, St. Laurent, Que.  
Mr. Victor Morin, N.P., Montreal, Que.  
Mr. Calixte F. Savoie, Moncton, N. B.  
Mr. Clément Tremblay, O.B.E., Lachute, Que.  
Mr. Gaston Vincent, K.C., Ottawa, Ont.

Upon receiving the report of the balloting, the Chairman declared those nominated elected *unanimously* as Commissioner-Censors of The Provincial Bank of Canada.

On motion of Mr. Emile Massicotte, N.P., the Meeting unanimously adopted a vote of congratulations to members of the Board of Directors and of the Board of Commissioner-Censors, as well as to officers and employees of the Bank, for the excellent results of the year's operations and for the services which they have rendered to the Bank.

The Chairman thanked the Shareholders for attending the meeting, which adjourned.

### *Meeting of the Board of Directors*

At a subsequent Meeting of the Board of Directors, the Hon. Es. L. Patenaude, P.C., K.C., was re-elected Honorary President, Hon. Senator Elie Beauregard, K.C., *Chairman of the Board of Directors*, Mr. J. Edouard Labelle, K.C., O.B.E., President of the Bank, Mr. J. U. Boyer and Hon. Jules A. Brillant, M.L.C., C.B.E., Vice-Presidents.

### *Meeting of the Board of Commissioner-Censors*

At a meeting of the Board of Commissioner-Censors held subsequent to the Annual General Meeting of Shareholders, Mr. Victor Morin, N.P., and Mr. Narcisse Ducharme, were re-elected President and Vice-President, respectively, for the ensuing year.



# PRINCIPAL FOREIGN CORRESPONDENTS

## UNITED STATES

- BOSTON: The National Shawmut Bank of Boston.
- BUFFALO: The Marine Trust Company of Buffalo.
- CHICAGO: Continental Illinois National Bank and Trust Co. of Chicago.
- DETROIT: The National Bank of Detroit.
- PHILADELPHIA: Philadelphia National Bank.
- VAN BUREN: Northern National Bank of Presqu'isle.
- NEW YORK: Chemical Bank & Trust Co.  
Guaranty Trust Company of N. Y.  
Irving Trust Company, N. Y.  
The Chase National Bank of the City of New York.

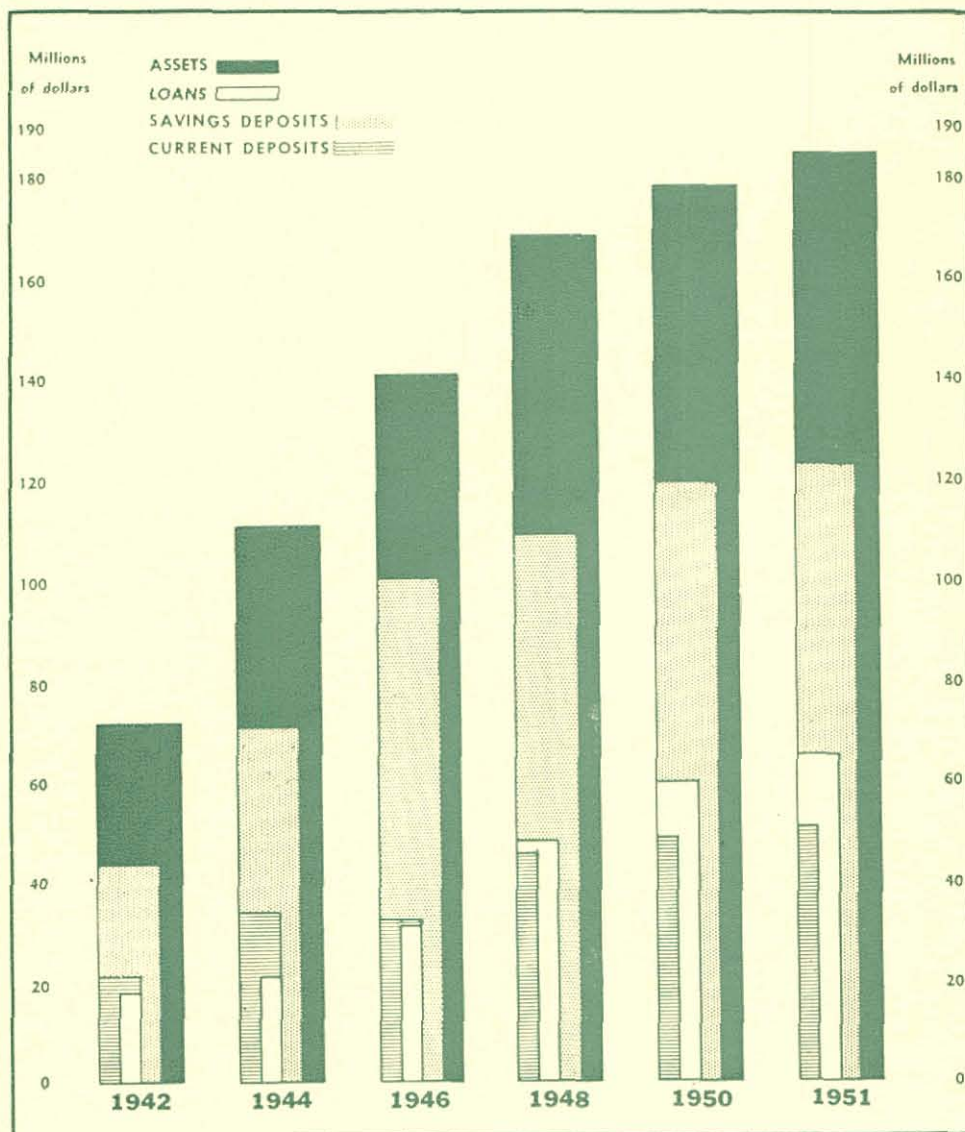
## OTHER COUNTRIES

- ENGLAND: The Lloyds Bank Limited, London.
- FRANCE: Comptoir National d'Escompte de Paris, Paris.  
Banque de Paris et des Pays-Bas, Paris.  
Crédit Lyonnais.
- CZECHOSLOVAKIA: Zivnostenska Banka National Corp., Prague.
- ITALY: Banca Commerciale Italiana, Milan.
- BELGIUM: Banque de Paris et des Pays-Bas, Brussels.
- SWITZERLAND: Union de Banques Suisses, Zurich.
- HUNGARY: Hungarian Commercial Bank of Pest, Budapest.
- MEXICO: Banco de Comercio, S. A.;  
Banco del Pais, S. A., Mexico.
- GERMANY: The Chase National Bank of the City of New York,  
Frankfurt.
- JAPAN: The Chase National Bank of the City of New York,  
Tokyo.

## Increase in total assets, loans and deposits

«... The year 1951 was a year of further progress for our institution. As a result of the combined efforts of the officers and the entire staff, the Bank continues to forge ahead and to participate in increasing measure, in the development of the economy of Canada.»

J. Ubald BOYER,  
Vice-President and General Manager.



# BRANCHES

of The Provincial Bank of Canada

## *Province of Quebec*

### ISLAND OF MONTREAL

221 St. James St. W.	L. G. Trempe
937 Belanger St. East	L. Clément, o/c
200 Bernard St. West	F. Lapierre
3538 Delorimier St.	J. A. Denis
1909 Laurier St. East	J. L. Lacasse
1390 Mount Royal St. East	J. P. Thouin
150 Notre Dame St. East	J. A. Fortier
2441 Notre Dame St. West	A. Arguin
4440 Notre Dame St. West	J. A. Têtreault
520 Ogilvy Avenue	A. Somers
1346 Ontario St. East	F. Borduas
3401 Ontario St. East	R. L. Beauséjour
772 Rachel St. East	M. Lefebvre
2550 Rouen St.	L. Poirier
175 Roy St. East	S. Carbone
801 St. Catherine St. East	R. Leclerc
1894 St. Catherine St. East	L. Courtemanche
4137 St. Catherine St. East	J. Michaud
4494 St. Denis St.	F. G. Labelle
8501 St. Denis St.	J. L. Turcot
6420 St. Hubert St.	G. Mignault
3543 Van Horne Avenue	G. Durivage
AHUNTSIC: 10850 Lajeunesse St.	R. Mongeau
CARTIERVILLE: 3896 Gouin Blvd. West	J. L. Lauzon
LACHINE: 1498 Notre Dame St.	P. E. Collette
OUTREMONT: 1051 Laurier St. West	A. Dalpé
VERDUN: 321 Church Avenue	L. Dubé, o/c
VILLE EMARD: 6069 Monk Blvd.	R. Leduc
VILLE ST. LAURENT: 255 Decarie Blvd.	J. J. Sénécal
VILLE ST. MICHEL: 8060 St. Michel Blvd.	C. E. Lachapelle

### QUEBEC CITY

2 Fabrique St.	J. E. R. Plamondon
402 St. Joseph St. (St. Sauveur)	Jules Gauvreau
56 St. Peter St.	J. A. Labrecque
595 Third Avenue (Limoilou)	J. A. Turgeon, o/c
Industrial Centre No. 5 (St. Malo)	Henri Houle
351 Charest Blvd. (St. Roch)	F. Gamache

o/c Officer in charge.

## ELSEWHERE IN QUEBEC

AMQUI .....	L. Ruel
ASBESTOS .....	J. M. Houle
AYLMER .....	F. Foisy
BAIE ST. PAUL .....	B. Gosselin
BEAUPORT .....	L. A. Dussault
BOUCHERVILLE .....	L. Léger
CAUSAPSCAL .....	L. Richard
CHICOUTIMI .....	R. Saint-Jean
COTEAU STATION .....	J. G. Cadieux, o/c
DANVILLE .....	J. A. S. Hébert
DISRAELI .....	R. Naud
DRUMMONDVILLE .....	R. Brunelle
GATINEAU .....	D. Pharand, o/c
GENTILLY .....	A. Leclerc, o/c
GRANBY .....	H. P. Comeau
HULL (161 Main Street) .....	F. Allard
HULL (St. Laurent & Champlain) .....	G. Ouellette
JOLIETTE .....	E. Patry
JONQUIERE .....	R. Dionne
LABELLE .....	R. Séguin
LACHUTE .....	J. P. Gauthier
LAC MEGANTIC .....	W. Poirier
LA MALBAIE .....	C. Ouellet
LAURENTIDES (via St. Lin) .....	Jean Vi. leneuve
L'ÉPIPHANIE .....	J. A. LeBrun
LORETTEVILLE .....	H. P. Lachance, o/c
LOUISEVILLE .....	E. Bertrand
MANIWAKI .....	J. P. Lemieux
MASSON .....	J. W. Lépine
MATANE .....	H. J. Roy
MONTMAGNY .....	G. Doyon, o/c
NICOLET .....	A. R. Larivée, o/c
NOTRE DAME DE CHARNY .....	Jos. Hubert
PAPINEAUVILLE .....	J. M. Lalonde
PIERREVILLE .....	A. Maillet, o/c
RIMOUSKI .....	J. A. Pricur
RIVIERE DU LOUP .....	L. P. Nadeau
RIVIERE DU LOUP STATION .....	L. Massé
ST. AGATHE DES MONTS .....	L. P. Roy
ST. ANDRE AVELLIN .....	J. L. Valois
ST. ANSELME .....	O. Maillet, o/c
ST. BARTHELEMY .....	J. Hébert, o/c
ST. CLET .....	A. Rousseau
ST. CROIX .....	Jos. Barbeau
ST. DENIS SUR RICHELIEU .....	L. Trudeau, o/c
ST. DONAT .....	J. R. Gauthier
ST. EUSTACHE .....	J. A. Brunet
ST. FLAVIEN .....	J. L. A. Pouliot
ST. GABRIEL DE BRANDON .....	G. Caron
ST. GUILLAUME D'UPTON .....	G. Labelle, o/c
ST. HYACINTHE .....	A. Lauzier

ST. JEAN PORT JOLI .....	E. Masson
ST. JEROME .....	L. Calvé
ST. JOSEPH DE SOREL .....	A. A. Grenier
ST. MALACHIE .....	Aug. Houde, o/c
ST. PASCAL .....	P. E. Drouin
ST. POLYCARPE .....	V. Tremblay
ST. RAPHAEL .....	M. Duchesne, o/c
ST. ROSE DE LAVAL .....	G. Beauchesne
ST. SYLVESTRE .....	M. Morin
SAYABEC .....	G. Robillard
SHAWINIGAN FALLS .....	E. Gagnon
SHERBROOKE .....	J. G. Boyce
SOREL .....	R. Dubois
TERREBONNE .....	J. A. Bacon
THURSO .....	J. M. Halle
THREE RIVERS (1433 Notre Dame St.) .....	L. P. Beaulieu
" (Laviolette & St. Maurice) .....	V. Dupuis, o/c
VAL BRILLANT .....	M. Danis, o/c
VALLEYFIELD (31 Alexander St.) .....	H. Gervais
" (68 St. Cecile St.) .....	"
VARENNES .....	E. Tousignant
VERCHERES .....	J. P. Lavallée
VICTORIAVILLE .....	L. Lavoie
VILLE ST. JOSEPH .....	N. Hotte
WARWICK .....	M. Dragon, o/c
WINDSOR .....	J. P. Ducharme
YAMACHICHE .....	G. Desaulniers

### *Ontario*

ALFRED .....	G. Cossette
BELLE RIVER .....	R. W. Defoe
OTTAWA (152 Rideau St.) .....	J. Héroux
PEMBROKE .....	C. E. Cameron
ROCKLAND .....	J. A. Laniel
TECUMSEH .....	W. J. St. Pierre
TILBURY .....	J. C. Thomas
TORONTO (68 King St. West) .....	F. G. Christian
WINDSOR (London & Victoria) .....	G. Campeau
" (Wyandotte & Parent) .....	J. M. Pilon
" (Drouillard & St. Charles) .....	R. H. McBride
" (Ottawa & Lincoln) .....	W. J. Russette

### *New Brunswick*

BATHURST .....	E. J. Melanson
CAMPBELLTON .....	A. J. Leblanc
CARAQUET .....	J. W. Gaudet
EDMUNDSTON .....	J. E. Thibault
MONCTON .....	W. S. Albert
NORTON .....	E. B. Campbell
SAINT JOHN .....	H. R. Delaney
ST. LEONARD .....	B. E. Boucher
ST. QUENTIN .....	G. Lauzier
TRACADIE .....	D. A. Breau, o/c

### *Prince Edward Island*

CHARLOTTETOWN .....	J. J. Morris
SUMMERSIDE .....	G. Mulholland

# *Executive Officers*

HON. SEN. ELIE BEAUREGARD, K.C., *Chairman of the Board*

J. EDOUARD LABELLE, K.C., O.B.E., *President*

HON. JULES A. BRILLANT, M.L.C., C.B.E., *Vice-President*

J. UBALD BOYER, *Vice-President and General Manager*

*Assistant General Manager*

BERNARD NORMANDIN

*Assistant General Manager*

DONAT LALANDE

*General Superintendent*

GASTON LÉVESQUE

*District Superintendents*

J. L. BOULANGER

A. E. STYLES

*Chief Controller of Credit*

P. BLANCHET

*Controllers of Credit*

D. W. AUDET

L. P. FRÈVE

E. LEBLANC

A. MALFARA

OVIDE PICHETTE

*Secretary*

RENÉ COUSINEAU

*Chief Accountant*

C. R. CHARBONNEAU

*Manager  
Securities Department*

L. P. LAROSE

*Manager  
Legal Department*

ROCH STE. MARIE

*Director  
of Personnel*  
J. A. TRUELLE

*Manager  
Progress Department*  
GASTON BERTRAND

*Manager Bank  
Premises Department*  
C. A. CASTONGUAY

*Manager Foreign  
Business Department*  
M. SCHUM



