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Annual

REPORT

1950

PROVINCIAL BANK OF CANADA

FEB 19 1951

McGILL UNIVERSITY



Board of Directors

Honorary President: HON. Es. L. PATENAUDE, P.C., K.C.

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

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

Vice-Presidents: HON. JULES A. BRILLANT, M.L.C., C.B.E.

J. UBALD BOYER

L. EMERY BEAULIEU, K.C., Montreal

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

HERVE DUVAL, Montreal

HON. R. O. GROTHE, M.L.C., Montreal

LOUIS LEVESQUE, Montreal

LUCIEN MASSE, C.A., Hull.

DR. R. H. PARENT, Ottawa

G. PRATTE, Quebec

C. E. PREFONTAINE, Montreal

J. ULYSSE STE-MARIE, Quebec

BOARD OF COMMISSIONER-CENSORS

Victor Morin, N.P., Montreal, *President*

Narcisse Ducharme, Montreal, *Vice-President*

Odilon Crevier, Chicoutimi

Maurice Fortin, Trois-Rivières

L. E. Langis Calipeault, K.C., Quebec

Edouard Gohier, St. Laurent

J. Edouard Labelle, K.C., O.B.E., Montreal "*member ex-officio*"

Calixte F. Savoie, Moncton

Clément Tremblay, O.B.E., Lachute

Gaston Vincent, Ottawa

*Minutes of the fiftieth 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, P.Q., on the 10th of January,
1951, at eleven o'clock a.m..*

T H E P R O V I N C I A L B A N K O F

Among those present were : Messrs. Donat Audet, J. Emery Beaulieu, K.C., J. O. Bélanger, Paul Bonhomme, Félix Borduas, Raymond Boucher, J. U. Boyer, Hon. Jules A. Brillant, M.L.C. C.B.E., Messrs. C. F. Carsley, M.B.E. Rodolphe Casgrain, C. R. Charbonneau, H. Chrétien, Dr. Côté, Hector Cousineau, René Cousineau, P. E. Courtois, C.A., Arthur Dansereau, Misses Marie Rose Daoust, Agnès Dault, Messrs. Gonzague Desaulniers, Roger Desgroseillers, D. Desrosiers, Narcisse Ducharme, Hervé Duval, Joseph Ethier, Joachim Faubert, R. M. Ferrand, B. Fortin, William Gagnon, L. E. Langis Galipeault, K.C., G. Gauthier, L. S. Gauthier, Henri Gérin-Lajoie, K.C., Barthélémi Giroux, Dr. L. Groleau, Hon. R. O. Grothé, M.L.C., Messrs. J. Jolicoeur, J. Edouard Labelle, K.C., O.B.E., Eugène Laflamme, Donat Lalande, L. P. Larose, Jacques LaRue, C.A., J. A. LaRue, J. P. Lavallée, R. Leclerc, J. R. Lefebvre, Gaston Levesque, J. Louis Lévesque, Victor Lévesque, Gérard Lortie, Hector MacKay, Miss A. Magnan, Messrs. Roger Martel, Lucien Massé, C.A., Dr. Gérard Matte, Maurice McNulty, Gérard Moreau, Victor Morin, N.P., Gédéon Nadeau, Aurélien Noël, C.A., Bernard Normandin, P. Ouellet, Ph. Ouellette, Aimé Parent, Dr. R. H. Parent, Gérard Parizeau, Hon. Es. L. Patenaude, P.C., K.C., Messrs. Ovide Pichette, Gaston Pratte, C. E. Préfontaine, Richard Redler, Ernest Renaud, A. Samoïsette, M. Schum, J. E. St-André, Roch Ste-Marie, J. Ulysse Ste-Marie, A. E. Styles, G. Thibodeau, Clément Tremblay, O.B.E., L. G. Trempe, L. J. Trottier, C.A., J. B. Trudel, J. A. Trudelle, Gaston Vincent, J. A. Vincent.

The Chair was taken by the President, Hon. Es. L. Patenaude, P.C., K.C., and Mr. L. J. Trottier, Assistant General Manager, acted as Secretary of the Meeting.

At the request of the Chairman, the notice convening the meeting was read by the Secretary.

On motion of Mr. H. Chrétien, seconded by Mr. Gaston Vincent, Mr. Victor Levesque and Mr. H. Cousineau were appointed Scrutineers of the Meeting.

The minutes of the last Annual Meeting having been printed and distributed to all Shareholders, were taken as read, and on motion of Mr. Donat Desrosiers, seconded by Mr. Joseph Ethier, were confirmed.

At the request of the Chairman, the Secretary read the Directors' and Auditors' reports to the Shareholders.

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS

Gentlemen:

Your Directors have pleasure in presenting the 50th annual report on the Bank's operation for the year ended November 30th, 1950.

CANADA

PROFIT AND LOSS ACCOUNT

| | |
|---|--------------|
| Profits for the year ended November 30th, 1950, after appropriations to contingency reserves, out of which accounts full provision for bad and doubtful debts has been made | \$732,629.37 |
| Less : | |
| Provision for federal taxes | \$150,000.00 |
| Depreciation on bank premises | 146,135.64 |
| Provision for Staff Provident Fund | 100,000.00 |
| | 396,135.64 |
| Quarterly dividends as follows: | |
| Paid March 1st, 1950 (at the rate of 6% per annum) | 60,000.00 |
| Paid June 1st, 1950 (at the rate of 6% per annum) | 60,000.00 |
| Paid Sept. 1st, 1950 (at the rate of 6% per annum) | 60,000.00 |
| Payable Dec. 1st, 1950 (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 |
| Balance of profits carried forward | 56,493.73 |
| Balance profit and loss account, November 30th, 1949 | 502,020.66 |
| Balance profit and loss account, November 30th, 1950 | \$558,514.39 |

FOR THE BOARD OF DIRECTORS:

Es. L. PATENAUDE, *President.*

J. U. BOYER, *General Manager.*

**FIFTIETH
ANNUAL REPORT**

BALANCE SHEET AS AT

ASSETS

| | |
|---|------------------------------|
| Gold and subsidiary coin held in Canada | \$ 482,283.49 |
| Notes of Bank of Canada | 5,007,983.00 |
| Deposits with Bank of Canada | 10,945,783.47 |
| Notes of and cheques on other banks | 16,117,953.49 |
| Government and bank notes other than Canadian | 92,783.14 |
| Due by banks and banking correspondents elsewhere than in Canada | 1,771,017.87 |
| | <hr/> |
| | 34,417,804.46 |
| Dominion government direct and guaranteed securities ma- turing within two years, not exceeding market value | 18,519,942.06 |
| Other Dominion government direct and guaranteed se- curities, not exceeding market value | 27,329,820.66 |
| Provincial government direct and guaranteed securities maturing within two years, not exceeding market value | 6,070,026.78 |
| Other provincial government direct and guaranteed se- curities, not exceeding market value | 14,797,082.39 |
| Canadian municipal securities, not exceeding market value Other bonds, debentures and stocks, not exceeding market value | 6,623,091.77 8,383,269.64 |
| Call and short (not exceeding thirty days) loans in Canada on stocks, debentures, bonds and other securities, of a sufficient marketable value to cover | 2,786,709.17 |
| | <hr/> |
| | 84,509,942.47 |
| Current loans and discounts in Canada, not otherwise in- cluded, estimated loss provided for | 52,598,028.24 |
| Loans to provincial governments | 93,512.66 |
| Loans to cities, towns, municipalities and school districts | 4,152,474.91 |
| Non-current loans, estimated loss provided for | 25,338.05 |
| | <hr/> |
| | 56,869,353.86 |
| Liabilities of customers under acceptances and letters of credit as per contra | 304,757.93 |
| Real estate other than bank premises | 104,303.27 |
| Mortgages on real estate sold by the bank | 134,578.57 |
| Bank premises at not more than cost, less amounts, if any, written off | 2,545,589.37 |
| Other assets not included under the foregoing heads | 270,864.20 |
| | <hr/> |
| | <u>\$179,157,194.13</u> |

NOVEMBER 30TH, 1950

| | |
|---|-------------------------|
| Capital paid up | \$ 4,000,000.00 |
| Rest or reserve fund | 2,000,000.00 |
| Dividends declared and unpaid | 107,685.27 |
| Balance of profits, as per profit and loss account | 558,514.39 |
| | <hr/> |
| | 6,666,199.66 |
| Deposits by and balances due to Dominion Government | 3,395,081.85 |
| Deposits by and balances due to provincial governments | 3,015,887.20 |
| Deposits by the public not bearing interest | 43,032,180.26 |
| Deposits by the public bearing interest, including interest accrued to date of statement | 119,703,136.73 |
| | <hr/> |
| | 169,146,286.04 |
| Deposits by and balances due to other chartered banks in Canada | 2,348,875.58 |
| Deposits by and balances due to banks and banking correspondents elsewhere than in Canada | 539,824.54 |
| Acceptances and letters of credit outstanding | 304,757.93 |
| Liabilities to the public not included under the foregoing heads | 151,250.38 |
| | <hr/> |
| | <u>\$179,157,194.13</u> |

LIABILITIES

FOR THE BOARD OF DIRECTORS:

Es. L. PATENAUDE, *President.*

J. U. BOYER, *General Manager.*

C. R. CHARBONNEAU, *Chief Accountant.*

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. In our opinion, the transactions of the Bank which have come under our notice have been within the powers of the Bank and the above statement discloses the true condition of the Bank and is as shown by the books of the Bank.

JACQUES LARUE, C.A.
PAUL E. COURTOIS, C.A.

Montreal, December 12th, 1950.

of Courtois Fredette & Cie.

FIFTIETH ANNUAL REPORT OF

During the year one new branch and one agency were opened and three agencies were closed. The number of branches and agencies in operation on 30th November last numbered 335, including 135 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. Courtois, 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:

Es. L. PATENAUDE,
President.

MONTREAL,
January 10th, 1951.

ADDRESS OF THE PRESIDENT

Gentlemen:

It is my privilege to draw your attention to the substantial progress the Bank has made during the financial year just ended, particularly to the increase in demand and notice deposits, the systematic expansion into commercial banking, the very pleasing percentage of its liquid assets, together with a staff expressing an ever growing satisfaction with its working conditions. The General Manager will have more to say on these several points in a few moments.

Hon. Es.-L. Patenaude We regret the departure of Mr. C. G. de Tonnancour, Senior Member of the Board of Directors, and we extend

to him our wishes for a lengthy and happy retirement; we mourn the loss of Mr. Alfred Marois, stricken while still a young man in the midst of his industrial activities; and likewise the death of the Hon. Senator A. J. Léger, Commissioner-Censor, a worthy representative of old Acadia, where our Bank does much business. We have invited to a seat on the board, Mr. L. Emery Beaulieu, of Montreal, and Mr. Gaston Pratte, of Quebec city, and more recently, Messrs. Louis Lévesque of Montreal, and Lucien Massé, of Hull. On your behalf, we wish them the warmest welcome. Doubtless their wide experience in business will be a valuable asset to your institution.

We have just entered into the second half of the Twentieth Century, the century which had been prophesied as the one belonging to Canada. I would like, today, in casting a glance back on the past, on these fifty years of extraordinary development, to reveal the basic reasons for our faith in the future, in spite of the dark clouds which are gathering on the political and economic horizon of the world, the fundamental grounds for everybody to go ahead with his professional tasks, in the light of elemental truths within the Canadian nation.

The Canada of yesterday. . .

The Canadian Confederation consisted in 1900 only of 5,371,000 inhabitants, with the rural element predominating. At that date, agriculture was holding to traditional methods of cereal and fodder production and its value scarcely reached the figure of four hundred million dollars. The stepped-up production of wheat had not then begun, with experts predicting for it but a moderate future in Canada.

The profitable exploitation of our sub-soil had hardly begun and the total of mineral production reached only 65 million dollars, of which 24 millions were for gold and 12 millions for coal. Oil registered a declining production of 600,000 barrels a year; there was no iron and the blast furnaces then existing turned out only 250,000 tons of pig iron.



TOTAL ASSETS

| | |
|------|-------------|
| 1900 | \$2,909,161 |
| 1915 | 14,369,491 |
| 1929 | 55,575,699 |
| 1932 | 47,201,271 |
| 1939 | 64,843,998 |
| 1943 | 92,399,691 |
| 1946 | 141,657,913 |
| 1949 | 161,544,327 |
| 1950 | 179,157,194 |

The value of forest products did not exceed 60 million dollars as compared with the approximate figure of one billion dollars in 1950.

Electricity had just appeared on the scene, but nobody could then guess the tremendous part it was destined to play. Hydro-power stations turned out a total of 238,000 h.p., in which was tied up some twelve million dollars of capital. We can see the distance we have travelled, the unbelievable industrial progress which has been made possible by hydroelectric power, when we compare with these two amounts the two billions of capital tied up at the present time in hydro-stations providing some twelve millions h.p.

For its part, the manufacturing industry, thanks to the impetus received from the national policy instituted in 1879, already held an important place in the economy. Just the same, with its half-billion dollars of gross production, it barely represented one-twentieth of what it has become today.

Already, foreign trade was beginning to assert its importance. Exports and imports were maintained almost at a balance of some 177 million dollars and were particularly distributed between two great countries: The United Kingdom and the United States. Suppliers much rather than customers, the United States were selling us 60% of our imports as against 24% for the United Kingdom; they were buying 37.75% of our exports, in comparison with the United Kingdom's 52.3%.

The Government of Canada, out to extend its markets, to find a sure outlet for its growing agricultural and mineral production, was directing its trade policy towards imperial preference, while leaving the door open for negotiations with the United States. In the next few years, it was to inaugurate a succession of trade treaties with the various countries of the world.

Our railway system was at the time 18,000 miles; a first transcontinental track, that of the Canadian Pacific, connected both our coasts and already Canada was ready to embark on the great adventure of railway buildings, ambitious but ill-advised, which was to confer on us two other transcontinental lines before we were ready for them and to leave us a heavy heritage of deficit enterprises and which were to be



brought together under one management and known as the National Railways.

Such is, in its main outlines and in summarized form, the picture of the Canadian economy at the dawn of the Twentieth Century. An economy which was clearly agricultural, exporting foodstuffs and raw materials, importing particularly a wide variety of manufactured products. But there was within that economy a tremendous potential of natural resources of the soil and the sub-soil as well as a huge reserve of human energy and talent; this material and human potential was to serve as a magnetic pole for the rest of the world; venture capital and direct investments were to be poured advantageously into our country. Canada was therefore to experience during the fifty years just beginning an extraordinary development, but one which was to suffer many ups and downs: a first world war in 1914, followed after a short depression with a boom remarkable for that period; then, the decline of the years '30 to '34, the slow reabsorption of the aftermath of depression, the uncertain, hesitating resumption. And suddenly the second world war, from 1939 to 1945, was to stress our industrial production capacity and to tie up, gradually, our economy with the rest of the world in the closest way we have seen. Finally, came the post-war period, with its endeavour to adapt itself to new conditions: a return to peacetime production, to participation in the restoration of an impoverished and devastated Europe, and building up and expansion of the productive forces of the nation.

Canada today. . .

And so we come to 1950. Fourteen millions population, 5,200,000 of whom are gainfully employed, some twelve billion dollars of investments since 1945, a third of which is for the single year 1950, a material and human capacity of production at its peak or nearly so, and a national output in excess of seventeen and a half billion dollars, twenty times higher than at the start of the century.

The Canadian economy gained new strength in 1950 despite the uncertainties of the first few months. The war in Korea served as a further stimulus, sudden-

LOANS

| | |
|-------------|------|
| \$1,310,694 | 1900 |
| 6,194,169 | 1915 |
| 22,005,115 | 1929 |
| 17,875,330 | 1945 |
| 25,503,909 | 1946 |
| 33,536,855 | 1947 |
| 42,887,494 | 1948 |
| 49,916,468 | 1949 |
| 56,869,354 | 1950 |

ly bringing about greatly increased defence budgets, and producing a mentality likely to send up prices and expenditures, even before supplementary budgets had come for good into the picture.

Notwithstanding these favorable aspects, the present situation is not without some dangers. In the first place, the evolution of our export trade, while appreciably reducing our trade deficit with the United States, appears to have further stressed the dependence of our economy on that of our neighbor. The latter takes, in fact, 64% of all our exports instead of 50% in 1949, and 41% in 1939.

A second danger, more pressing and more to be feared, is found in the inflationary drive. The partial mobilization of the economy resulting from the rearmament policy outlined by the country, if only yet equivalent to 6% of the total production, comes at a time when operations are at full capacity and therefore will necessitate transfers of man power and of productive force. These will not take place without some strains and inconveniences. Essentially, the increase in expenditure for national defence is an inflationary factor. The Government has taken various steps, some with the purpose of cutting down the demands of civilian consumption—restrictions on consumers' credits and housing loans — others by increasing taxes on corporation profits and on excise. These measures are of a kind to supply the State with the resources necessary for balancing the budget. Will the Government be successful in this way in going ahead with its rearmament program without provoking a further inflationary drive? Who can say this with any certainty? That is why the greatest prudence is necessary for the Government of the country in its program of national rearmament, if at the same time it intends to maintain a sound economy and safeguard the welfare of the citizens.

Inflation accentuates existing inequalities and brings about new ones. It strikes blindly and cruelly at the class of people whose income remains fixed and who have to face the ascending price spiral. However serious this danger is, the control of prices and wages is not the only way to meet it. Doubtless the State must be granted priority in its orders for raw materials and, perhaps also, but as late as possible, for man power. Direct controls are of value only for urgent short-term situations. The present adventure which lines the East and the West in opposition may prove to be of longer than of shorter duration and may

NON-INTEREST BEARING DEPOSITS*

| | |
|------------|------|
| \$139,725 | 1900 |
| 2,696,234 | 1915 |
| 4,791,112 | 1923 |
| 4,983,313 | 1931 |
| 12,701,135 | 1939 |
| 29,323,673 | 1943 |
| 30,714,228 | 1947 |
| 39,458,369 | 1949 |
| 49,443,149 | 1950 |

* Including deposits by Dominion and Provincial Governments.



INTEREST-BEARING DEPOSITS

| | |
|------|-------------|
| 1900 | \$1,222,693 |
| 1915 | 7,913,055 |
| 1923 | 24,584,462 |
| 1931 | 34,698,414 |
| 1939 | 40,188,964 |
| 1943 | 56,316,870 |
| 1947 | 104,610,658 |
| 1949 | 110,834,933 |
| 1950 | 119,703,137 |

demand those measures which a free society is normally capable of applying with success. Among those measures it is fitting to put forward the three following: a well-planned reduction in public expenditure other than defence; a system of taxation fairly and properly distributed; a monetary policy carefully drawn up in terms of the present as well as of the future.

What makes the situation even more delicate are the engagements we signed with Washington last October with a view to coordinating our rearmament efforts with those of the United States. Does the recent proclamation of a state of national emergency by President Truman and the coming establishment of the strictest controls which he forecast in his speech leave us any choice? Let us not rush headlong into an economic policy of mobilization which compromises, without absolute necessity, the main stays of our economy.

Whatever the extent of the difficulties which are already pressing us, we must keep cool and strengthen our determination. To maintain for our country, despite the obstacles, a stable economy which assures to the Canadian people the maximum of comfort in freedom and justice, it is important that everybody, each in his own walk of life, does his duty without flinching and with the greatest professional conscience. In this respect, the part which the banks are called upon to play is of interest to the entire economic life of a people. By the action they take in regard to savings, to the formation and conservation of capital, they will succeed in setting up, in some measure, "a regulator which helps to overcome the difficult periods without running to the precipice".

This rôle must be taken on by all in varied degree and to the best of their possibilities and means. Looking at the picture of the astonishing achievement of the Canadian nation during the last fifty years, we cannot fail to admire the examples of initiative, energy and perseverance, of enterprising character and fearlessness shown equally by its most famous as well as its least-known sons. We shall search in these examples, and with the help of Providence, for the will-power and the courage to maintain ourselves and to march ahead.

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



*Remarks of***Mr. J. UBALD BOYER**
GENERAL MANAGER

Gentlemen :

I have the honour to present to you the fiftieth annual report of the Bank, which reflects a continued strong liquid position, together with healthy growth in assets and deposits and in commercial loans.

Total assets of your Institution have reached the record figure of \$179,157,194, which is \$17,612,867 more than in 1949. Readily realizable assets amount to \$119,008,246, compared with \$107,698,681 last year. Analysis of this latter item shows that cash assets have increased by \$5,375,634 and now stand at \$34,498,304. You will also note appreciable increases in the securities held in the Bank's portfolio. Our holdings of Federal and Provincial bonds maturing within two years have increased \$3,001,401 and now stand at \$24,589,868, while our investments of the same nature but of longer maturity than two years disclose an increase of \$5,058,617 and have reached a total of \$42,126,903. It follows, then, that cash and readily realizable securities represent 68.90 per cent of your Bank's liabilities to the public. This compares with 69.5 per cent in 1949 and 84 per cent in 1946. These successive reductions are a most healthy indication of the ever increasing part that your Institution is taking in the expanding business affairs of the country, just as the other banking institutions in Canada are doing.

Current loans and discounts at November 30th last totalled \$52,598,-028; compared with \$47,124,826 in 1949 this shows a gratifying increase

CAPITAL, RESERVE AND SURPLUS 1900
\$763,293

of \$5,473,202. Loans to cities, municipalities and school corporations amount to \$4,152,474 as compared with \$2,699,051 for the previous year.

This latter increase of more than 35 per cent is particularly worthy of note since these temporary advances constitute in general sound loans and an important source of revenue. Your Bank is always in a position to respond to requests for first-class bank credits. I am pleased to bring to your attention especially our ever increasing number of borrowing customers as well as the diversified nature of our loans.

Total deposits at the end of our fiscal year reached the record figure of \$169,146,286, which is almost \$19 millions more than for the same period last year. You will note here that commercial deposits, that is to say deposits by the public not bearing interest, increased by \$9,052,038 and stood at \$43,032,180, while deposits of the Federal and Provincial governments showed an increase of \$932,742 for a total of \$6,410,969. Savings deposits, that is to say deposits by the public bearing interest, reached \$119,703,136, up \$8,868,143 from last year. All of the important increases to which I have drawn your attention constitute an unmistakable expression of confidence on the part of the public toward your Bank.

The expansion in our volume of business has resulted in an increase in profits, which at November 30th last amounted to \$732,629 after the usual appropriations to contingency accounts. From these profits the

| 1910 | 1920 | 1926 | 1946 | 1950 |
|-----------|-----------|-----------|-----------|-----------|
| 1,438,674 | 3,138,466 | 5,776,436 | 6,306,629 | 6,558,514 |

following provisions have been made : \$150,000 for Federal taxes ; and \$146,135 for amortization or depreciation on real estate, representing an increase of \$67,109 over the previous fiscal year. A new regulation under the income tax act allows us a larger percentage of depreciation on the total of our real estate, which now amounts to \$2,545,589.

For the fourth consecutive year, \$100,000 has been contributed from our profits to the Staff Pension Fund, a provision which, while encouraging to our staff, is equally gratifying to our Institution. The sum of \$240,000 has been set aside for regular dividends and an additional \$40,000 for a special dividend of 1 per cent. After dividend payments totalling 7% to the shareholders, the sum of \$56,493 has been carried to Profit & Loss Account, which amounted to \$558,514 at November 30th, 1950.

We have in operation at present, in the provinces of Quebec, Ontario, New Brunswick and Prince Edward Island, 135 branches and 200 agencies. During the year our agency at Labelle was converted into a regular branch and we propose to open some additional new branches in the near future.

The preceding summary shows that the past fiscal year of your Bank has produced encouraging results, a condition which we trust will continue through 1951. It is to be hoped that the anticipated increase in taxes will not be unduly onerous, for in that case industrial and commercial activity will inevitably suffer and individual incentive be diminished.

Canada is a land of vast opportunity and of almost limitless resources, with more of her riches being discovered year by year. With the great iron and titanium discoveries of Quebec, with the oil discoveries in Western Canada, and with her great hydro electric power potentiality, Canada affords for her own citizens and for outside enterprise as well, a most fruitful field. It follows that in employment for our own people, and for trade development both domestically and abroad, the outlook here is brighter than anywhere. It is, then, the more regrettable that all of our thinking and planning as a people in these days has to be conditioned by the fear of war, a fear constantly fanned by the one source — imperialistic communism. Once remove the menace of war from the world,

and mankind, with all its great advancement in the fields of science and production, could enter upon a golden age never before reached in human history — a golden age in which life for Canada and Canadians would be filled with opportunity and enriched by new and higher standards of living.

It is a concomitant of present world conditions, however, that greater military preparedness for the defence of freedom and opportunity, must impinge upon an already buoyant economy wherein the nation's manpower and resources are practically fully employed. This being so, enhanced military efforts can only be achieved by diverting resources and materials and manpower from present productive uses and by embarking upon greater government spending.

The inflationary potential in these hard facts can readily be seen. Unless anti-inflationary fiscal measures meet with public co-operation and succeed, the facts which I have noted foretell an unwanted return — in some degree at least — to the fetters of a directed economy.

In conclusion, it is my pleasant duty to say a word of appreciation for the co-operation and efforts made by all members of our staff during the year just ended. These have aided very materially in bringing about the results which I have just presented to you. In your name and my own it gives me pleasure to extend to them the warmest thanks.

The world of today is torn anew by tension and anxiety. But I have confidence that the diplomacy of the free world can win through to peace. That is a hope we must never abandon. But whether the hope is realized or not, our staff and this Bank can be depended upon now more than ever before, to do their part in meeting the banking needs of Canadians.

On motion of Mr. Gérin-Lajoie, K.C., seconded by Mr. J. B. Trudel, the Report of the Board of Directors to the Shareholders, including the statements submitted, was unanimously adopted.

The Hon. Es. L. Patenaude, P.C., K.C., then invited Mr. Victor Morin, N.P., 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 respectfully submit the fiftieth report of your Board of Commissioner-Censors for the year ending 30th November 1950.

In accordance with the by-laws governing the Board of Commissioner-Censors, we have held our regular monthly meetings, in the course of which, after the usual examination, we ascertained that the Bank holds among its assets, readily realizable securities in excess of the amount stipulated in the said by-laws.

We wish to thank the Bank's staff for the keen co-operation they have shown in placing at our disposal the information we have required.

We note with pleasure the Bank's most satisfactory results for the fiscal period which has just ended, and we are pleased to join you in accepting the reports presented to the meeting.

FOR THE BOARD OF COMMISSIONER-CENSORS

VICTOR MORIN, N.P.,

President.

MONTREAL, December 18th, 1950.

On motion of Mr. B. Giroux, seconded by Mr. G. Nadeau, the report of the Board of Commissioner-Censors was unanimously adopted.

It was then moved by Dr. Gérard Matte, seconded by Mr. William Gagnon, that Messrs. Jacques LaRue, C.A., and P. E. Courtois, C.A., 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. G. Parizeau, seconded by Mr. J. P. Laval-
lée, 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 Beaugard, 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.
Mr. Hervé Duval, Montreal, Que.
Hon. R. O. Grothé, M.L.C., Montreal, Que.
Mr. J. Edouard Labelle, K.C., O.B.E., Montreal, Que.
Mr. Louis Lévesque, Montreal, Que.
Mr. Lucien Massé, C.A., Hull, Que.
Dr. R. H. Parent, 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 Ste-Marie, Quebec, Que.

The ballot having been taken and the Scrutineers having re-
ported, 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. Eugène Laflamme, seconded by Mr. Ro-
dolphe Casgrain, 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, 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. H. Gérin-Lajoie, K.C., 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 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 elected President and Vice-President, respectively, for the ensuing year.

PRINCIPAL FOREIGN CORRESPONDENTS

UNITED STATES

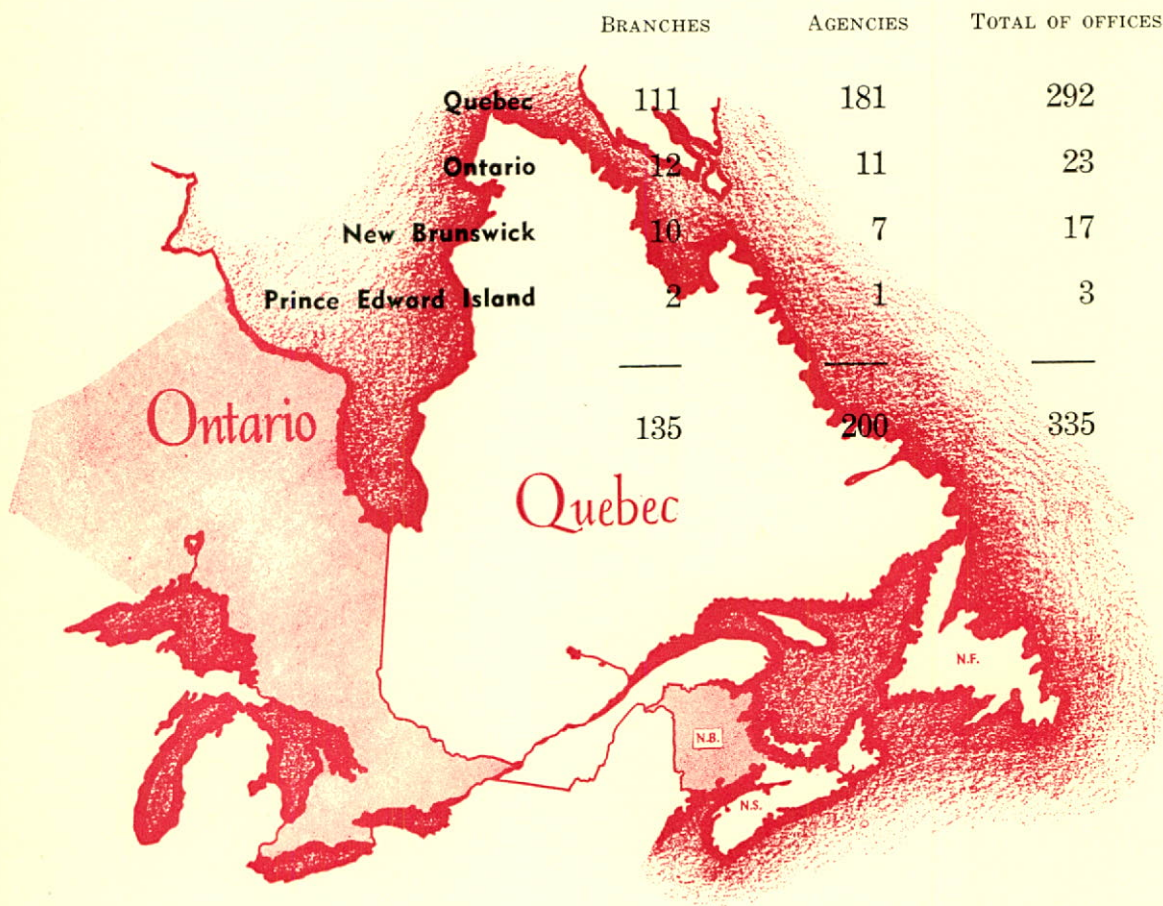
| | |
|--------------|---|
| BOSTON | The National Shawmut Bank of Boston. |
| BUFFALO | The Marine Trust Company of Buffalo. |
| CHICAGO | Continental Illinois National Bank and Trust Co. of Chicago. |
| DETROIT | The National Bank of Detroit. |
| PHILADELPHIA | Philadelphia National Bank. |
| VAN BUREN | 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. |
| 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. |

The Provincial Bank of Canada

established in Montreal, July 9, 1900, had then only 8 branches. It operates now a stout network of 135 branches and 200 agencies, covering four provinces and extending from Windsor, Ontario, to Charlottetown, Prince Edward Island.



Branches • PROVINCE OF QUEBEC

ISLAND OF MONTREAL

| Street Address | Postal Zone | | Telephone |
|--|-------------|------------------|------------|
| 221 St. James St. W. | 1 | Montréal | HA: 7151 |
| Main Office | " | " | " |
| Foreign Business Dept. | " | " | " |
| Investment Dept.. | " | " | " |
| 937 Bélanger St. East | 10 | " | DO: 1710 |
| 200 Bernard St. West | 8 | " | CR: 6611 |
| | | " | VI: 2715 |
| 3538 Delorimier St. | 24 | " | AM: 6502 |
| 3896 Gouin Blvd. West | 9 | " | BY: 2777 |
| 10850 Lajeunesse St. | 12 | " | DU: 3927 |
| 1909 Laurier St. East | 34 | " | FR: 4438 |
| 6069 Monk Blvd. | 20 | " | FI: 5710 |
| 1390 Mont Royal St. East | 34 | " | AM: 6498 |
| 150 Notre Dame St. East | 1 | " | PL: 3829 |
| | | " | PL: 3820 |
| 2441 Notre Dame St. West | 3 | " | WI: 1796 |
| 4440 Notre Dame St. West | 30 | " | WE: 5416 |
| 520 Ogilvy Ave. | 15 | " | TA: 6925 |
| 1346 Ontario St. East | 24 | " | FA: 4912 |
| | | " | AM: 0441 |
| 3401 Ontario St. East | 4 | " | FR: 2286 |
| 772 Rachel St. East | 34 | " | FA: 1913 |
| 2550 Rouen St. | 24 | " | CH: 6266 |
| 175 Roy St. East | 18 | " | LA: 9320 |
| | | " | LA: 8507 |
| 821 Ste. Catherine St. East | 24 | " | HA: 1183 |
| | | " | HA: 1184 |
| 1894 Ste. Catherine St. East | 24 | " | CH: 5048 |
| | | " | CH: 4854 |
| 4137 Ste. Catherine St. East | 4 | " | AM: 8033 |
| | | " | HO: 5341 |
| 4494 St. Denis St. | 18 | " | HA: 4657 |
| 8501 St. Denis St. | 10 | " | DU: 3211 |
| 6420 St. Hubert St. | 10 | " | CR: 3820 |
| 3543 Van Horne Ave. | 26 | " | AT: 4331 |
| 1051 Laurier St. West, Outremont | 8 | Outremont | CR: 2026 |
| 255 Décarie Blvd., Ville St. Laurent | 9 | Ville St-Laurent | BY: 2187 |
| | | " | BY: 7601 |
| 321 Church Ave., Verdun | 19 | Verdun | TR: 9431 |
| 1498 Notre Dame St., Lachine | 32 | Lachine | Zone 8-213 |

QUEBEC CITY

| | |
|-----------------------------------|--------|
| 2 de la Fabrique St. | 2-3125 |
| 402 St. Joseph St. | 3-0721 |
| 56 St. Peter St. | 2-4717 |
| 595 3rd Ave., Limoilou | 4-3252 |
| Industrial Centre No. 5 | 3-6042 |

ELSEWHERE IN QUEBEC

| Town | County |
|--|----------------|
| AMQUI | Matapédia |
| ASBESTOS | Richmond |
| AYLMER | Gatineau |
| BAIE ST. PAUL | Charlevoix |
| BEAUPORT | Quebec |
| BOUCHERVILLE | Chambly |
| CAUSAPSCAL | Matapédia |
| CHICOUTIMI | Chicoutimi |
| COTEAU-STATION | Soulanges |
| DANVILLE | Richmond |
| DISRAELI | Wolfe |
| DRUMMONDVILLE (Heriot St.) | Drummond |
| GATINEAU | Gatineau |
| GENTILLY | Nicolet |
| GRANBY (215 Principale St.) | Shefford |
| HULL (161 Principale St.) | Hull |
| HULL (St. Laurent & Champlain) | Hull |
| JOLIETTE | Joliette |
| JONQUIERE | Chicoutimi |
| LABELLE | Labelle |
| LACHUTE | Argenteuil |
| LAC-MEGANTIC | Frontenac |
| LA MALBAIE | Charlevoix |
| LAURENTIDES (P.O. St. Lin) | L'Assomption |
| L'ÉPIPHANIE | L'Assomption |
| LORETTEVILLE | Quebec |
| MANIWAKI | Gatineau |
| MASSON | Papineau |
| MATANE | Matane |
| MONTMAGNY | Montmagny |
| NICOLET | Nicolet |
| NOTRE DAME DE CHARNY | Lévis |
| PAPINEAUVILLE | Papineau |
| PIERREVILLE | Yamaska |
| RIMOUSKI | Rimouski |
| RIVIERE DU LOUP | Témiscouata |
| RIVIERE DU LOUP STATION | Témiscouata |
| STE. AGATHE DES MONTS | Terrebonne |
| ST. ANDRE AVELLIN | Papineau |
| ST. ANSELME | Dorchester |
| ST. BARTHELEMI | Berthier |
| ST. CLET | Soulanges |
| STE. CROIX | Lotbinière |
| ST. DENIS SUR RICHELIEU | Richelieu |
| ST. DONAT | Montcalm |
| ST. EUSTACHE | Deux-Montagnes |
| ST. FLAVIEN | Lotbinière |
| ST. GABRIEL DE BRANDON | Berthier |
| ST. GUILLAUME D'UPTON | Yamaska |
| ST. HYACINTHE | St-Hyacinthe |
| ST. JEAN PORT JOLI | L'Islet |
| ST. JEROME | Terrebonne |
| ST. JOSEPH DE SOREL | Richelieu |
| ST. MALACHIE | Dorchester |
| ST. PASCAL | Kamouraska |
| ST. POLYCARPE | Soulanges |
| ST. RAPHAEL | Bellechasse |

| Town | County |
|--|----------------|
| STE. ROSE DE LAVAL | Laval |
| ST. SYLVESTRE | Lotbinière |
| SAYABEC | Matapédia |
| SHAWINIGAN FALLS | St-Maurice |
| SHERBROOKE | Sherbrooke |
| SOREL | Richelieu |
| TERREBONNE | Terrebonne |
| THURSO | Papineau |
| TROIS RIVIERES (1433 Notre Dame St.) | Trois-Rivières |
| TROIS RIVIERES (Laviolette & St. Maurice Sts.) | Trois-Rivières |
| VAL-BRILLANT | Matapédia |
| VALLEYFIELD (68 Ste. Cécile St.) | Beauharnois |
| VALLEYFIELD (69 de la Grande-Ile) | Beauharnois |
| VARENNES | Verchères |
| VERCHERES | Verchères |
| VICTORIAVILLE | Arthabaska |
| VILLE ST. JOSEPH | Drummond |
| WARWICK | Arthabaska |
| WINDSOR | Richmond |
| YAMACHICHE | St. Maurice |

ONTARIO

| | |
|---|----------|
| ALFRED | Prescott |
| BELLE RIVER | Essex |
| OTTAWA (152 Rideau St.) | Carleton |
| PEMBROKE | Renfrew |
| ROCKLAND | Russell |
| TECUMSEH | Essex |
| TILBURY | Kent |
| TORONTO (68 King St. West) | York |
| WINDSOR (London & Victoria Sts.) | Essex |
| “ (Wyandotte & Parent Sts.) | Essex |
| “ (Drouillard Road & St. Charles St.) | Essex |
| “ (Ottawa & Lincoln Sts.) | Essex |

NEW BRUNSWICK

| | |
|---------------------------------------|--------------|
| BATHURST | Gloucester |
| CAMPBELLTON | Restigouche |
| CARAQUET | Gloucester |
| EDMUNDSTON | Madawaska |
| MONCTON | Westmoreland |
| NORTON | Kings |
| ST. JOHN (33 Charlotte St.) | St. John |
| ST. LEONARD | Madawaska |
| ST. QUENTIN | Restigouche |
| TRACADIE | Gloucester |

PRINCE EDWARD ISLAND

| | |
|-------------------------|--------|
| CHARLOTTETOWN | Queens |
| SUMMERSIDE | Prince |

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 & General-Manager*

L. J. TROTTIER, *Ass't Gen.-Manager and Sec'y to the Board*

*Assistant to the General
Manager* — DONAT LALANDE

GENERAL SUPERINTENDENT
GASTON LEVESQUE

Secretary
R. COUSINEAU

DISTRICT SUPERINTENDENTS

J. L. BOULANGER

A. E. STYLES

CHIEF CONTROLLER OF CREDIT
J. A. LARUE

CONTROLLERS OF CREDIT

D. W. AUDET

P. BLANCHET

E. LEBLANC

A. MALFARA

OVIDE PICHETTE

CHIEF INSPECTOR
BERNARD NORMANDIN

CHIEF ACCOUNTANT
C. R. CHARBONNEAU

*Manager
Legal Department*
ROCH STE. MARIE

*Manager
Securities Department*
L. P. LAROSE

*Manager Foreign
Business Department*
M. SCHUM

*Manager Bank
Premises Department*
C. A. CASTONGUAY

*Director
of Personnel*
J. A. TRUELLE

*Manager
Publicity Department*
P. OUELLET

