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THE ROYAL BANK OF CANADA

INCORPORATED 1869



Proceedings at the Seventy-sixth
Annual Meeting

MONTREAL
JANUARY 11TH, 1945

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THE ROYAL BANK OF CANADA

CAPITAL AUTHORIZED	- - - - -	\$50,000,000
CAPITAL PAID UP	- - - - -	\$35,000,000
RESERVE AND UNDIVIDED PROFITS	- -	\$24,247,671

YEAR ENDED NOVEMBER 30, 1944

DIRECTORS

MORRIS W. WILSON,
President

W. F. ANGUS,
Vice-President

SYDNEY G. DOBSON,
Vice-President

Rt. Hon. Viscount BENNETT, P.C.	Mickleham, Eng.	G. H. MONTGOMERY, K.C.	Montreal, Que.
JOHN BURNS	Calgary, Alta.	JOHN S. NORRIS	Montreal, Que.
HAROLD CRABTREE, C.B.E.	Montreal, Que.	Lt.-Col. W. E. PHILLIPS, C.B.E., D.S.O., M.C.	Oshawa, Ont.
ARTHUR CROSS	Montreal, Que.	CONRAD S. RILEY	Winnipeg, Man.
GEORGE A. DOBBIE	Galt, Ont.	HOWARD P. ROBINSON	Saint John, N.B.
J. D. JOHNSON	Montreal, Que.	JOHN T. ROSS	Quebec, Que.
RAY LAWSON, O.B.E.	London, Ont.	PAUL F. SISE	Montreal, Que.
N. L. LEACH	Winnipeg, Man.	G. HARRISON SMITH	Toronto, Ont.
G. W. MacDOUGALL, K.C.	Montreal, Que.	CYRIL W. STAIRS	Halifax, N.S.
J. W. GRANT MacEWAN	Saskatoon, Sask.	J. McG. STEWART, C.B.E., K.C.	Halifax, N.S.
W. H. MALKIN	Vancouver, B.C.	W. TAYLOR-BAILEY	Montreal, Que.
G. MacGREGOR MITCHELL	Halifax, N.S.	NORMAN C. URQUHART	Toronto, Ont.
		ARTHUR B. WOOD	Montreal, Que.
		Hon WILLIAM C. WOODWARD	Victoria, B.C.

76th Annual General Meeting of Shareholders

JANUARY 11TH, 1945

The Seventy-sixth Annual General Meeting of Shareholders was held at the Head Office of the bank, in Montreal, on Thursday, January 11th, at eleven o'clock a.m.

Among those present were: A. A. Aitken, C. E. Amy, A. D. Anderson, W. F. Angus, W. A. Arbuckle, T. H. Atkinson, A. Baird, R. E. Black, C. E. Bourne, R. M. Boyd, I. R. Carlin, E. Cote, F. D. Chapman, C. B. Clark, J. E. Collin, F. B. Common K.C., R. Emmett Cox, Harold Crabtree, Arthur Cross, C. W. Dewis, G. A. Dobbie, S. G. Dobson, F. W. Doherty, A. R. Duffield, S. A. Duke, E. B. Durham, W. H. Evans, H. C. Flood, G. B. Foster, K.C., A. S. Fraser, A. H. Ginman, H. P. Glencross, A. B. Gordon, R. E. Haldenby, N. G. Hart, J. R. Harris, J. G. Harrison, M. O. Haskell, D. S. Hawkes, J. R. Heron, H. G. Hesler, N. A. Hesler, H. J. Hobbins, Angus Hodgson, R. C. Holbrook, E. C. Holahan, F. H. Hopkins, W. A. Hyndman, John Irwin, A. B. Jamieson, C. R. Johnson, J. D. Johnson, Stanley Johnston, Joseph Joy, J. T. Keay, J. C. Kelly, J. L. Lawson, N. L. Leach, Harold M. Long, E. L. Macdonald, J. W. MacDonald, G. W. MacDougall, K.C., Hugh Mackay, E. A. MacNutt, C. Russell McKenzie, K.C., G. F. MacLure, J. P. MacRae, W. H. Malkin, A. F. McAlpine, H. L. McCormick, D. H. McDougall, R. C. McMichael, K.C., C. T. Medlar, W. D. Melvin, S. Boyd Millen, H. R. Milner, B. L. Mitchell, G. MacGregor Mitchell, W. R. Mitchell, F. S. Moffitt, G. H. Montgomery, K.C., B. O. Moxon, J. Muir, D. G. Munroe, C. B. Neapole, J. C. Nelson, A. J. Nesbitt, S. R. Noble, J. S. Norris, H. B. Norris, J. A. Noonan, J. E. Nutter, C. A. Odel, M. A. O'Hara, A. T. O'Leary, C. J. O'Neill, H. T. O'Neill, Mrs. I. Ornstein, F. T. Palfrey, R. Park, W. E. Paton, Lt. Col. W. E. Phillips, C. C. Pineo, John M. Pritchard, Col. the Hon. J. L. Ralston, K.C., W. Reid, W. R. Riddell, C. S. Riley, Hon. W. MacL. Robertson, Howard P. Robinson, M. H. Robinson, D. L. Ross, John T. Ross, Dr. J. W. Ross, K. M. Sedgewick, D. B. Seeley, R. H. Sims, P. F. Sise, E. Gerald Smith, C. W. Stairs, R. W. Steele, B. B. Stevenson, J. Mc G. Stewart, K.C., B. Strath, W. Taylor-Bailey, P. A. Thompson, H. P. Thornhill, N. A. Timmins, G. M. Todd, C. P. Tomlinson, H. H. Troop, H. C. Tombs, J. E. Trottier, T. C. Twyman, J. W. Tyson, Norman C. Urquhart, M. M. Walter, R. N. Watt, M. W. Wilson, H. G. Welsford, Arthur B. Wood, R. M. Woollatt.

On the motion of Mr. Paul F. Sise, seconded by Mr. Howard P. Robinson, Mr. Morris W. Wilson took the chair.

The Chairman appointed Mr. H. G. Hesler to act as Secretary of the meeting and Mr. A. A. Aitken and Mr. G. M. Todd to act as Scrutineers.

The minutes of the last Annual General Meeting were taken as read.

The Secretary then read the Directors' and Auditors' Reports.

DIRECTORS' REPORT

The Directors have pleasure in submitting to the shareholders the Seventy-fifth Annual Report for the year ended 30th November, 1944, together with the Statement of Assets and Liabilities and Statements of Controlled Companies.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th November, 1943.....	\$3,815,487.77	
Profits for the year ended 30th November, 1944, after providing \$2,127,214.86 for Dominion Government taxes and after making appropriations to Contingency Reserves, out of which Reserves provision for all bad and doubtful debts has been made.....	3,812,183.79	\$7,627,671.56
Appropriated as follows:		
Dividend No. 226 at 6% per annum.....	\$ 525,000.00	
Dividend No. 227 at 6% per annum.....	525,000.00	
Dividend No. 228 at 6% per annum.....	525,000.00	
Dividend No. 229 at 6% per annum.....	525,000.00	
Contribution to the Pension Fund Society.....	\$2,100,000.00	
Appropriation for Bank Premises.....	880,000.00	
Balance of Profit and Loss carried forward.....	400,000.00	
	4,247,671.56	\$7,627,671.56

MORRIS W. WILSON,
President.

SYDNEY G. DOBSON,
General Manager.

The assets of the bank have been, as usual, carefully re-valued and provision made for all bad or doubtful debts. The Head Office and all of the Canadian branches were inspected during the year. Owing to transportation difficulties, several foreign branches were not inspected during the fiscal year but such examinations are now in process.

During the year one foreign branch was closed, leaving the total number of branches and sub-branches in operation at November 30th at 652, of which 589 were in Canada and Newfoundland and 63 in other countries.

Your Directors again desire to record their appreciation of the efficient manner in which the officers of the bank continue to perform their respective duties.

All of which is respectfully submitted.

MORRIS W. WILSON,
President.

General Statement • 30TH NOVEMBER, 1944

LIABILITIES

Capital stock paid up	\$ 35,000,000.00
Reserve fund	20,000,000.00
Balance of profits carried forward as per Profit and Loss Account	4,247,671.56
Dividends unclaimed	50,575.46
Dividend No. 229 (at 6% per annum), payable 1st December, 1944	525,000.00
	\$ 59,823,247.02
Deposits by and balances due to Dominion Government	\$232,148,156.00
Deposits by and balances due to provincial governments	21,453,136.10
Deposits by the public not bearing interest	807,245,414.46
Deposits by the public bearing interest, including interest accrued to date of statement	592,851,469.10
Deposits by and balances due to other chartered banks in Canada	3,161.92
Deposits by and balances due to banks and banking correspondents elsewhere than in Canada	23,183,358.61
	1,676,884,696.19
Notes of the bank in circulation	9,580,371.66
Acceptances and letters of credit outstanding	42,347,097.19
Liabilities to the public not included under the foregoing heads	1,616,390.59
	\$1,790,251,802.65

MORRIS W. WILSON,
President.

ASSETS

Gold and subsidiary coin held in Canada	\$ 1,775,041.40
Gold and subsidiary coin held elsewhere	1,402,082.55
Notes of Bank of Canada	36,421,787.75
Deposits with Bank of Canada	105,209,611.49
Government and bank notes other than Canadian	79,047,151.39
	\$223,855,674.58
Notes of and cheques on other banks	75,260,199.08
Deposits with and balances due by other chartered banks in Canada	6,674.81
Due by banks and banking correspondents elsewhere than in Canada	78,630,240.06
Dominion Government direct and guaranteed securities maturing within two years, not exceeding market value	438,082,169.89
Other Dominion Government direct and guaranteed securities, not exceeding market value	299,945,251.15
Provincial government direct and guaranteed securities maturing within two years, not exceeding market value	43,459,453.93
Other provincial government direct and guaranteed securities, not exceeding market value	28,545,560.60
Canadian municipal securities, not exceeding market value	16,754,325.72
Public securities other than Canadian, not exceeding market value	81,310,288.45
Other bonds, debentures and stocks, not exceeding market value	27,493,292.52
Call and short (not exceeding 30 days) loans in Canada on stocks, debentures, bonds and other securities, of a sufficient marketable value to cover	25,885,985.74
Call and short (not exceeding 30 days) loans elsewhere than in Canada on stocks, debentures, bonds and other securities, of a sufficient marketable value to cover	38,620,089.00
	\$1,377,849,205.53
Current loans and discounts in Canada, not otherwise included, estimated loss provided for	\$261,024,287.72
Current loans and discounts elsewhere than in Canada not otherwise included, estimated loss provided for	79,117,470.17
Loans to provincial governments	2,109,729.68
Loans to cities, towns, municipalities and school districts	8,815,745.35
Non-current loans, estimated loss provided for	585,143.08
Liabilities of customers under acceptances and letters of credit as per contra	42,347,097.19
Real estate other than bank premises	976,301.49
Mortgages on real estate sold by the bank	510,250.57
Bank premises at not more than cost, less amounts, if any, written off	12,276,453.77
Deposit with the Minister of Finance for the security of note circulation	625,000.00
Shares of and loans to controlled companies	2,987,786.72
Other assets not included under the foregoing heads	1,027,331.38
	\$1,790,251,802.65

SYDNEY G. DOBSON,
General Manager.

AUDITORS' REPORT

TO THE SHAREHOLDERS, THE ROYAL BANK OF CANADA:

We have examined the above Statement of Liabilities and Assets as at 30th November, 1944, with the books and accounts of The Royal Bank of Canada at Head Office and with the certified returns from the branches. We have checked the cash and the securities representing the Bank's investments held at the Head Office at the close of the fiscal year, and at various dates during the year have also checked the cash and investment securities at several of the important branches.

We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank, which have come under our notice, have been within the powers of the Bank. The above statement is in our opinion properly drawn up so as to disclose the true condition of the Bank as at 30th November, 1944, and is as shown by the books of the Bank.

M. OGDEN HASKELL, C.A.,
of Haskell, Elderkin & Co.
GUY E. HOULT, C.A.,
of P. S. Ross & Sons.

} Auditors

MONTREAL, Canada.
December 22, 1944.

GLOBE REALTY CORPORATION, LIMITED

AND

ROYAL BUILDING CORPORATION

Consolidated Statement as at 30th November, 1944

LIABILITIES		ASSETS	
Capital Stock	\$ 4,032,000.00	Real Estate, at not more than cost	\$23,916,107.63
Reserve	\$ 1,688,846.95	Cash in Bank	59.30
Profit and Loss Account	922.42	Other Assets	5,823.67
	1,689,769.37		
First Mortgage Bonds	7,100,000.00		
Accrued Interest	88,750.00		
Due to The Royal Bank of Canada	2,987,784.72		
Depreciation Reserve	8,017,023.88		
Liabilities not included in above	6,662.63		
	\$23,921,990.60		\$23,921,990.60

NOTE:—The Royal Bank of Canada owns the entire Capital Stock of Globe Realty Corporation, Limited. It is carried on the books of the Bank at \$1.00. Royal Building Corporation is a wholly owned subsidiary of Globe Realty Corporation, Limited.

AUDITORS' REPORT

We have examined the accounts of the Globe Realty Corporation, Limited, and its subsidiary, the Royal Building Corporation, for the year ended 30th November, 1944, and have obtained all the information and explanations required. We certify that in our opinion the above consolidated statement is properly drawn up so as to exhibit a true and correct view of the state of the Corporations' affairs as at 30th November, 1944, according to the best of our information and the explanations given to us and is as shown by the books of the Corporations.

MONTREAL, CANADA, December 22, 1944.

M. OGDEN HASKELL, C.A.
GUY E. HOULT, C.A.

CANADIAN REALTY CORPORATION, LIMITED

Statement as at 30th November, 1944

LIABILITIES		ASSETS	
Capital Stock	\$ 919,600.00	Real Estate, at not more than cost	\$ 4,538,301.92
Reserve	\$7,756.99	Cash in Bank	145,882.02
Profit and Loss Account	7.01		
	7,764.00		
First Mortgage Serial Bonds	1,700,000.00		
Accrued Interest	34,125.00		
Depreciation Reserve	2,022,694.94		
	\$ 4,684,183.94		\$ 4,684,183.94

NOTE:—The Royal Bank of Canada owns the entire Capital Stock of the above Corporation. It is carried on the books of the Bank at \$1.00.

AUDITORS' REPORT

We have examined the accounts of the Canadian Realty Corporation, Limited, for the year ended 30th November, 1944, and have obtained all the information and explanations required. We certify that in our opinion the above statement is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs as at 30th November, 1944, according to the best of our information and the explanations given to us and is as shown by the books of the Corporation.

MONTREAL, CANADA, December 22, 1944.

M. OGDEN HASKELL, C.A.
GUY E. HOULT, C.A.

Mr. Sydney G. Dobson, General Manager, referring to the Annual Statement, then spoke as follows:

It is with a feeling of pride that we place before you the Annual Report and Balance Sheet reflecting the position of this Bank at the close of seventy-five years of operation. I am sure that you will find in these statements impressive evidence of progress, maintained through all the ups and downs that have marked this three-quarters of a century in the history of our country. The corporation of which you are shareholders has steadfastly carried out the services it was chartered to provide, and has played an impressive role in the development of Canada.

Although the anniversary we mark at this time is our seventy-fifth, we are inheritors through the absorption of other banks, of an enviable record of banking services running back more than one hundred and twenty-five years. It should be said that though there were severe trials in many periods, never in its long history has the bank's staff been put to such a physical test as during the last five years. Our services have had to be expanded to a tremendous extent to take care of the additional work resulting from the war. We are proud that, notwithstanding sharp contraction of our experienced staff, due to heavy enlistments in the armed forces, our services to the public have been kept up to such a high level, and the additional government business handled with expedition and satisfaction.

These services are provided by 580 offices in Canada, and by 70 branches and agencies in other countries. It is 46 years since The Royal Bank of Canada opened its first branch outside Canada, and we now supply banking accommodation in 24 countries outside the Dominion.

STRONG LIQUID POSITION

The Balance Sheet submitted to-day is particularly noteworthy in that assets show the largest annual increase in the history of the bank, namely \$281,154,231, the total having reached the all-time high of \$1,790,251,802.

Our liquid position is exceedingly strong. Cash on Hand and Balances Due by Banks aggregate \$302,492,589 and Dominion and Provincial Securities are held to the value of \$810,032,435. Adding to these, Other Securities, Cheques on Banks, and Call Loans, the Total Liquid Assets add up to \$1,377,849,205, or 81.62% of our Total Liabilities to the Public.

The increase during the year in our holdings in Dominion Government Securities is made up for the most part of short-date, low yielding obligations. During the same period our average Savings Deposits in Canada, on which we pay interest, increased \$86,535,378, so that the additional revenue received from our greater holdings of Dominion Government Securities was to a large extent paid out as interest on the additional Savings Deposits.

Total Commercial and Call Loans show a slight increase. Commercial Loans in Canada are down \$16,896,949, while Call Loans are up \$17,126,897. Commercial Loans outside Canada are up \$23,891,699.

Every effort is being made to increase the total of desirable loaning business in Canada, but the demand is limited. While many new loans are being continually made, repayments offset such new advances. This condition will in all probability continue during the war period, but we may look for an increased demand for financial assistance from many customers when their wartime contracts with the Government are completed.

On the Liability side of the Balance Sheet, Total Deposits have increased \$276,993,498 to a total of \$1,676,884,696. Of the increase \$216,242,718 was in Canada and \$60,750,780 at foreign branches. There has been a month by month, year by year, increase in the number of deposit accounts, and we now have on our books the accounts of 1,450,000 depositors, the increase in 1944 being the largest on record.

Profits for the year, after providing for Dominion Government taxes of \$2,127,214 amounted to \$3,812,183, an increase of \$385,894. Dividends paid amounted to \$2,100,000. We contributed \$880,000 to the Pension Fund Society and \$400,000 was written off Bank Premises, leaving \$432,184 to be carried forward to Profit and Loss Account.

As will be seen, we have increased our contribution to the Pension Fund Society.

We have heretofore been contributing under a provision of the Income War Tax Act which limited the contribution to an amount equal to 5% of the compensation paid to our staff, with a maximum amount of \$300 for any one officer. Our staff also make annual payments into the fund, which up to now have about equalled the contribution by the bank. These contributions, together with the interest from capital investments, constitute the income of the Society. It has now become evident that this income is insufficient to maintain the Society on a basis of actuarial solvency, the reasons for this being that an increasing number of our staff are reaching the retiring age, and as, owing to war conditions, practically no young men are being added to our staff, income which the Society would otherwise have received from that source has not been available. Furthermore, the yield on Government securities, which form the bulk of the investments of the Society, has fallen off considerably. This condition is common to most other pension funds, and the Government, recognizing the situation, introduced new provisions into the Income War Tax Act. The Act now provides that should an actuarial examination disclose that the resources of a pension fund require to be augmented to ensure that all obligations can be discharged in full, further contributions by the employer will be permitted over a period of years if approval of the Minister of National Revenue, on the advice of the Superintendent of Insurance, is obtained.

We have received the necessary authority to make this special contribution over a period of years, and our Directors have authorized a contribution of \$500,000 out of 1944 earnings for this purpose.

The usual reserves for Bank Premises and Sinking Fund appropriations to our property holding companies have been made. Through these appropriations and the sale of properties not required in our operations, our real estate holdings of various kinds show a total reduction on our books of \$1,155,000.

BUILDING PROGRAMME

It is obvious that after the war it will be necessary for us to extend our building programme considerably, if the public are to be given the type of service they were accustomed to receive prior to the war. Our customers have been most considerate of our lack of space and the inexperience of many of our staff. They appreciate the difficulties under which we are working and, without complaint, often stand in line awaiting their turn to reach the banking wicket, but it would not be right to demand or expect the same consideration in peace time.

The printed report of the proceedings of this meeting being mailed to shareholders will, as usual, contain a review of conditions in Canada and other countries in which we have branches.

The steady development of our foreign business is most gratifying.

The situation in the Caribbean area continues to be satisfactory. This is particularly true in Cuba where, as a result of the remunerative prices being paid for the principal crops, the country is enjoying a period of prosperity.

In the South American countries business has been active, due to building construction and an expanding manufacturing industry. Foreign trade again has been largely one-sided

owing to a sustained demand for their exports and the difficulty in obtaining needed requirements from their principal foreign sources of supply. The result is that generally speaking foreign exchange holdings of these countries show a further substantial increase, and this seems likely to continue until the end of the war. They are potential purchasers of large quantities of equipment of all kinds for modernizing and expanding already established manufacturing facilities, for developing new industries, and carrying out public works programmes. A growing interest in Canada and Canadian products is evident, and it is hoped that our manufacturers, exporters, and importers, will reciprocate this interest. Our well-placed branches are in a unique position to offer assistance in the development of trade between Latin America and Canada.

All in all, our foreign branches are a valuable adjunct to our Canadian business.

Perhaps the outstanding event in Canadian banking during the past year was the renewal of the bank charters for a further ten years. The discussions before the Banking and Commerce Committee were protracted, continuing over a period of ten weeks. This period was taken up to a large extent by a small group of the Committee who discussed all phases of banking theory and dealt exhaustively with questions pertaining to the contingent reserves of the banks.

BANK ACT REVISION

The changes made in the Bank Act were for the most part constructive in character, and include provisions which put the banks in a position to increase their lending facilities to farmers and fishermen to an extent which will enable such borrowers to obtain their credit requirements on a wider scale at favourable rates of interest. Provision was also made to simplify the procedure for borrowers obtaining advances under Section 88 of the Act against goods, wares and merchandise.

The note issuing privilege of the banks has been terminated, except with respect to special issues for use in the British West Indies or other British possessions. Since December 31, 1944 it has been unlawful for the banks to pay out their own notes in Canada, and on January 1, 1950, they are required to pay to the Bank of Canada the amount representing the balance of their circulation then outstanding, the Bank of Canada being required to redeem all notes presented after that date. The so-called double liability pertaining to bank shares, now reduced to 25%, by progressive reductions in circulation, will then disappear. The circulation privilege has not been of great value in recent years except as an advertising medium, but the privilege did serve a very practical purpose in years gone by. During the early development period in Canada it enabled the banks to establish branches in small rural communities which otherwise would have been denied banking facilities.

The reduction in the par value of bank shares from \$100 to \$10 should be beneficial in that the change should result in a wider distribution of the ownership of bank shares.

The maximum rate of interest which banks may charge has been reduced from 7% to 6%, which is admitted under certain circumstances to be a very low rate.

An important piece of legislation passed by Parliament last year was the Act to incorporate the Industrial Development Bank as a subsidiary of the Bank of Canada. The powers of the bank, briefly, are:

"To lend or guarantee loans to industrial enterprises to whom credit would not otherwise be available, on reasonable terms and conditions, or to underwrite for or acquire from such enterprises issues of stocks, bonds or debentures."

There are undoubtedly cases of small new industries or industries wishing to expand where the problem of securing capital is a difficult one. In some cases the length of time for which the accommodation would be required might be longer than that for which a chartered bank would be justified in lending its funds, and often the amount required would be too small to warrant financial houses making a public issue. For this reason there appears to be a place in our economy for such an institution as the Industrial Development Bank, and in cases such as those referred to it should serve a useful purpose and be of benefit to the country.

TRIBUTE TO STAFF

Each year since the war started the volume of work for the members of our staff has increased, and it is difficult to do justice to their achievements. They have worked unselfishly in the interests of the bank and merit our deep appreciation.

Our staff, not including those in the Armed Services, now totals 8,204. In Canada 71 percent are young women, compared with only 21 percent in 1939. While the more experienced officers have been under great personal pressure, because of the need to train and help inexperienced newcomers, these new members of the staff have learned quickly, fitted in readily, and performed splendidly the duties allotted to them. All of our officers serve with a sense of public responsibility as well as of duty to the bank.

Leave of absence for military service has been granted to 2,255 of our officers since the war started, of whom 2,154 enlisted from Canadian branches. This is equal to 74 percent of the Canadian male officers who were under 45 at the war's outbreak.

Unhappily some of our young men will not return. Since I last reported to you there have been 74 deaths, bringing the total on our Honour Roll, printed as part of these proceedings, to 141. The death of these gallant men, while it has enriched the country's record of achievement, has at the same time robbed our bank of officers who were rich in promise. The debt incurred for munitions of war can be calculated in dollars, but the debt owed these men by Canada is incalculable, and the least we can do is to pay a reverent tribute of respect to them as our benefactors.

On your behalf, and on behalf of the staff, I extend sympathy to their relatives.

BANK'S POSTWAR ROLE

As the war develops with increasing momentum to its final stages, attention is naturally directed more and more to the conditions we shall experience when the conflict is ended. In the banking field one of the first considerations will be the problem of placing in satisfactory positions the members of our staff who are serving in the various armed services. This matter is uppermost in our minds and is being given careful study. The affairs of customers in many cases will undergo great changes in the transition period from war production to peacetime needs. In this transition we shall be called upon to play an important part in assisting financially in helping to bring about this change. It may be necessary for us to revise to some extent the existing practice of making loans for short terms only, and in certain circumstances to consider loans extending over a period of two, three, or five years to meet changed conditions.

I am not implying that we should depart from our policy of prudent banking, but because of our large holdings of readily negotiable Government securities, we may, without risk to our liquidity, assist deserving borrowers with longer term loans.

Your bank is strong financially and exceedingly well equipped to handle post-war financing, and we shall consider it our patriotic duty to play our full part in assisting business generally in becoming re-established.

Mr. Morris W. Wilson, Chairman, in moving the adoption of the Directors' Report, said:

The Annual Report and Balance Sheet of the bank which the General Manager has just submitted will, I am sure, be received by you with satisfaction. The story of progress which they show is a notable one. Once again your bank has been privileged to establish new records for Canadian banking. The extent of our resources and the efficiency of our organization built up over a period of three-quarters of a century are constructive factors in the economic life of Canada.

This is the sixth time that we have held our Annual Meeting under the shadow of war. Hopes of a victorious ending of the war with Germany in 1944 met with disappointment, all the deeper because those hopes had been so well supported by the prowess of our splendid armies in Europe. However, the recent set-back in the West is only a hesitation on the road to victory. The outcome is assured if we, and the other United Nations, meet the challenge in the same spirit as did Britain in those dark days of 1940, by throwing into the struggle every ounce of our effort and every atom of our resolution.

Without lessening or detracting from our determination to bring the war to a successful conclusion at the earliest possible moment, it is inevitable that the longer we are involved in war the more we find ourselves thinking about what comes after, particularly in the economic sense. It is well that this should be so, provided it does not blur the fact that our principal business is still to win the war.

The transition from a war to a peace economy will be a period of great difficulty even under the most favourable conditions. The untangling of the web of economic controls and expedients that has been spun during more than five years of war, must be done carefully and not by cutting the knots. Gradually there must be absorbed into the peacetime economy of Canada over two millions now engaged directly in the war effort.

It is an opinion frequently expressed that the first few years after the war will provide employment and business stimulus through the physical reparation of devastated areas, and through the satisfaction of domestic consumer demand. There is undoubtedly something to be said for this point of view, but I think its importance tends to be over-emphasized. In the United States the great size of the domestic market will provide a substantial back-log of demand for domestic products, but Canadian prosperity cannot depend to the same extent on internal demand.

FOREIGN TRADE VITAL

Historically, Canada has owed her economic development to foreign trade. Since the days when raw furs were our only export, our growth has been primarily dependent upon the disposition of staple products on a scale out of all proportion to the domestic market. It is estimated that, in the years immediately prior to the outbreak of the present war, between one-quarter and one-third of the Canadian national income was derived from exports of some billion dollars a year. Furthermore, in the future, we must not only maintain our pre-war exports, but, in order to secure an adequate national income, we must expand them further, possibly to double their pre-war value. The importance of foreign trade to our economy is the result of the utilization of our vast natural endowment in agricultural lands, in forests and in minerals. Within the probable future, it is inconceivable that Canada can hope to absorb her normal production of wheat, pulp and paper, and minerals. It is obvious that the Canadian standard of living depends upon markets abroad for our primary products; and the maintenance of such markets cannot depend solely upon the policies of the Dominion Government.

Trade is essentially the *exchange* of commodities or services. If Canada is to maintain the increased volume of export

trade which will ensure the steady and profitable operation of our farms, mines and forest industries, and a level of employment which will provide a minimum of decent living to a majority of our people, world trade conditions must be very different from those which prevailed prior to the war. Then, foreign trade was hampered by a hodge-podge of exchange controls, import restrictions, quotas, tariffs, subsidies and other measures whereby countries endeavoured to secure that degree of balance in their foreign payments which would prevent national bankruptcy.

CANADA CANNOT STAND ALONE

A phase of Canadian foreign trade which must not be forgotten is its peculiar geographical distribution. Normally we export considerably more to Great Britain and other countries of the Empire than we import from them. On the other hand, our imports from the United States are usually in excess of our exports to that country. Under normal exchange conditions it was relatively simple to adjust this situation. Our sterling balances, accumulated through exports to the Empire, were readily exchangeable for U. S. dollars with which to pay for what we purchased in the United States.

War-time experience, however, has shown the difficulties which arise when this multilateral adjustment of trade balances breaks down. As a result of the control of sterling made necessary by the war, Canada has been forced to depend upon her own devices for liquidation of British balances, through interest-free loans, mutual aid, and the repatriation of Canadian securities. We were also forced to restrict purchases and travel in the United States, in order to reduce the demand for U. S. dollars, thereby making it easier for us to pay for essential imports. If the world should be divided into exclusive trading areas after the war, as is frequently suggested, of which one might be based on sterling and another on the U. S. dollar, Canada would be in a peculiarly disadvantageous position since she properly belongs in neither group. Our membership in the British Commonwealth of Nations, and the coincidence that our unit of currency is named "dollar" as in the United States, create an anomalous situation, and obscure our true position in the eyes of many. Because of these factors, and our own selfish interests, we are compelled to prefer a world-wide system of trading. There is no altruism about it.

If international trade on the broadest scale is not fully restored, what can Canada do independently to preserve her foreign markets? There are certain obvious measures, notably maintenance and improvement of the quality of our exports, vigorous salesmanship, and the acceptance of imports from countries to which we export, up to the limit either of their capacity to sell to us or of our ability to absorb their products. These are basic principles which Canada can and should adopt, whatever the rest of the world may do.

What other alternatives will be normally available to us? In the first place, we might have to restrict our exports to the ability of foreign markets to pay for our products. Since many of our major export commodities are produced on a scale out of all proportion to our own consumption, the subsequent unemployment of men and resources, the agricultural depression, and the social problems which would arise, would build up a load that our economy and constitution could not support. Secondly, Canada might provide credits to countries desiring to import goods on a basis similar to the credits which have been established during the war, but with the hope of ultimate repayment. Finally, we could subsidize exports.

Furthermore, as I stated a year ago, I believe it would be sound policy for Canada not only to extend liberal long-term credits to countries who are actual or potential buyers of

Canadian products, but in special cases to make outright gifts of foods, raw material, finished goods and machinery to assist and hasten the rehabilitation of such countries.

Thus far could we go, independently of the policies of other powers. But a moment of consideration will show how slight our hopes of success would be without international co-operation.

The first necessity for a greatly increased world trade is, of course, political stability. As long as countries fear the recurrence of war, the economic benefits of foreign trade will not be sufficient to induce them to forego that measure of economic self-sufficiency which they consider desirable for military security. The second requirement will be employment stability within the individual countries. Debates in the Canadian Parliament, the British White Paper on employment policy, and the published proposals of government and business in the United States, all show clearly the importance that governments and people attach to the maintenance of an adequate volume of employment.

The third need of expanding trade is monetary and exchange stability. Its importance is indicated by the fact that it is the first subject upon which a substantial degree of international agreement has been reached. Money is the oil which lubricates the economic machine.

Economic history is largely the story of man's efforts to solve the problems of easy exchange of commodities and services, and the subsequent improvement of his way of living. Starting from crude barter, the direct exchange of goods for goods, he developed the idea of a medium of exchange in terms of which all other things could be valued. At one time the "beaver" was the monetary unit of the Hudson's Bay Company fur trade. This is an excellent example of such a medium of exchange. Other furs and commodities were exchanged on the basis of their equivalent in beaver skins.

Metals, notably gold and silver, gradually came to be the recognized form in which exchange values were expressed. When these were coined or stamped with a set value guaranteed by the seal upon them, a true international currency, valid in widely separated areas, came into being. The growth of banking after the Renaissance, with the use of cheques, drafts and other instruments of exchange, simplified trading, but until the first World War, that is, well within the lifetime of most of us, gold was still the standard of value. So fixed was this idea that the "gold standard" was accepted as a mechanism of universal application and automatic operation. Indeed there were few dissenting voices when Great Britain and other countries resumed the gold standard after the last war at varying times and at varying rates. They were again on an international standard, and that was considered the most important element in the situation.

GOLD STANDARD

The experience of the inter-war years soon proved that the gold standard did not operate mechanically, and a re-examination of its principles has shown why.

The "gold standard" never functioned entirely automatically. Gold provided a true international currency, and movements of the metal from country to country, in the long run, determined the international equilibrium. But the system could never have been maintained without the unrivalled supremacy of the City of London in the foreign exchange and international investment markets, the degree of liquidity it maintained, the great foreign loans it floated, the willingness of Great Britain to accept imports of goods and services for payment on loans, and last but by no means least, the knowledge and experience of the great London banks and financial houses.

In the second place, all countries observed the code of economic ethics set up by the gold standard. In fact they,

unconsciously and therefore the more readily, surrendered a substantial degree of their national sovereignty in regard to economic policy. Domestic prices and production fluctuated, not in response to local needs, but according to the "automatic" standard. Fluctuations were, on the whole, corrected through the normal operations of market and price policies. Unemployment and hardships which would not be acceptable today, were the result in individual countries, but a balance was maintained as between country and country.

The international position after the war of 1914-18 was fundamentally changed. As in the present conflict, the productive capacities, the financial resources, and the competitive position of the various economic units had become vastly altered. Lack of recognition of these changes prevented the adjustments necessitated by them. The international economic system, which had been disrupted by the war, remained out of balance and the disequilibrium became intensified.

Although international discussions took place, at Brussels in 1920 and Genoa in 1922, and the need for co-operative action was discussed, the actual return to gold was made piecemeal. Each country established what it considered the best rate for its currency, without regard to the actions of others, or to the changed relationships in the economies of the various countries. It is now generally conceded that the over-valuation of sterling and the under-valuation of the franc were two of the principal errors made, if international stabilization were to be achieved.

NATIONS FORSAKE RULES

No country had both the financial authority and the skill that Great Britain had contributed to the maintenance of an international monetary system in the 19th century. Countries ceased to abide by the rules, that is, they ceased to adjust their domestic policies to the requirements of the gold standard system. With the breakdown and the abandonment of the standard in 1931, each country set out on its own course.

Instead of adjusting domestic prices and production to the needs of international exchange stability and balanced payments on international account, countries began to manipulate exchange rates as a means of increasing domestic and foreign trade, in order to maintain employment at home.

International trade became disrupted, with every country seeking to force its exports on others, but to reduce imports to a minimum. Competitive exchange depreciation, higher and higher tariffs on imports, quantitative quotas and bulk purchases, and similar measures, were utilized by all countries in greater or less degree. Well over a third of total world trade was conducted on a basis of crude barter—direct exchange of one country's goods for an exactly corresponding amount of another country's. So had the wheel come full circle—back to the most primitive method of exchange. With the collapse of the gold standard, there disappeared the only operative system for the co-ordination of national economic policies; in its absence, sovereign countries, acting independently and without regard for the external repercussions of their policies, inevitably drifted toward international economic chaos.

ECONOMIC CHAOS

Upon this economic chaos has now been superimposed the new disequilibrium produced by a Second World War—longer, more intense and more destructive than the first. The world economy will be even less balanced than it was in 1939. The great importing countries of the world, including Great Britain and those on the continent of Europe, have suffered devastation, destruction of their industrial machinery and, particularly Great Britain, loss of overseas markets through complete absorption in war effort. The United Nations have already been forced to notify certain of the liberated areas of Europe which need machines and material for re-

construction that, since war needs are still paramount, these materials do not exist in sufficient amount to provide them in any reasonable quantity.

Other countries, notably those of North America, have found their industries and agriculture greatly expanded. In order to maintain employment it will be necessary for these countries, and particularly for Canada, to export to an extent greater than was necessary even before 1939. When the material and machines become available for export from North America are we to inform countries desiring to import that, since they cannot pay immediately, we cannot ship?

At Bretton Woods last July the technical experts of forty-four countries agreed upon systems of international control of foreign exchange and foreign investment. These plans have been criticized from many sources and for many reasons.

Some criticize the International Monetary Fund because it resembles the gold standard too closely; others because it departs too far from that standard. These contradictory criticisms indicate the real nature of the proposals—the provision of exchange stability without the rigidities of the gold standard, and flexibility without the competitive exchange depreciation of the inter-war years. Through the co-operation of all countries in such a Fund, current exchange transactions would be left free, and temporary lack of equilibrium would be adjusted through loans from the Fund. The other instrument of co-operation, The International Bank for Reconstruction and Development, would assist in the control and direction of international capital movements.

NO PANACEA

The experts of Bretton Woods make no claim that their programme is a panacea or that it will automatically solve post-war trade problems. The articles of agreement establishing the International Monetary Fund place among its purposes the facilitating of the expansion and balanced growth of international trade, and thereby the promotion and maintenance of high levels of employment and real income, and the development of the productive resources of all members, as primary objectives of economic policy. This aim is given rank even above exchange stability and the establishment of a multilateral system of payments for current transactions.

U. S. Secretary of the Treasury, Henry Morgenthau in his closing address to the Conference at Bretton Woods last July said:

"I take it as an axiom that after this war is ended no people—and therefore no government of the people—will again tolerate prolonged or widespread unemployment. A revival of international trade is indispensable if full employment is to be achieved in a peaceful world and with standards of living which will permit the realization of man's reasonable hopes.

"What are the fundamental conditions under which the commerce among the nations can once more flourish?

"First, there must be a reasonably stable standard of international exchange to which all countries can adhere without sacrificing the freedom of action necessary to meet their internal economic problems.

"This is the alternative to the desperate tactics of the past—competitive currency depreciation, excessive tariff barriers, uneconomic barter deals, multiple currency practices, and unnecessary exchange restrictions—by which governments vainly sought to maintain employment and uphold living standards. In the final analysis, these tactics only succeeded in contributing to world-wide depression and even war. The International Monetary Fund agreed upon at Bretton Woods will help remedy this situation.

"Second, long-term financial aid must be made available at reasonable rates to those countries whose industry and agriculture have been destroyed by the ruthless torch of an invader or by the heroic scorched earth policy of their defenders.

"Long-term funds must be made available also to promote sound industry and increase industrial and agricultural production in nations whose economic potentialities have not yet been developed. It is essential to us all that these nations play their full part in the exchange of goods throughout the world.

"They must be enabled to produce and to sell if they are to be able to purchase and consume. The International Bank for Reconstruction and Development is designed to meet this need."

As the technical experts of the Monetary Conference think, so do a great many practical businessmen. At Rye, N.Y., in November, businessmen from fifty-two countries, including Canada, met to discuss international problems. They agreed that the objective of commercial policies of nations should be the raising of the standard of living and the restoration of a multilateral trading system. They recommended a Multilateral Trade Convention for all countries to provide for the progressive lowering of trade barriers; the elimination of quotas and import embargoes; the abandonment of discriminatory trade practices; the abandonment of national sales and production monopolies.

NEXT STEP

It appears to me that the next step in preparation for the general resumption of foreign trade after the war must be discussions and agreement between governments on commercial policy. If some standard of commercial policy is not established prior to the resumption of general trading, we may see the continuance of the predatory practices of the pre-war era. These discussions should, as the businessmen at Rye recommended, cover all phases of foreign trade practice including the control of the local market, import restrictions and the problems of international "dumping", which has again loomed on the horizon.

Canadian economic development, in the future as in the past, depends upon the maintenance and development of international trade. Monetary stability is one of the prerequisites of international trade. For Canada, therefore, monetary stability is of paramount importance. If we acknowledge these premises, our course of action is clear. We must implement the measures necessary to secure them.

The economic achievements of Canada during the war have excited the admiration of the Allied world. We have led in the establishment and maintenance of an adequate system of price control, our taxation and borrowing programmes have been highly successful, and our financial experts have made no small contribution to the negotiations of the international monetary agreements. These agreements are as yet at the technical stage, but they will come before the Parliaments of the signatory powers for ratification this year.

Let Canada take the leading role in preparation for peace that her achievements warrant. I sincerely hope that Canada will be one of the first to approve the principles of the Bretton Woods agreements, leaving the government free to deal with matters of detail in consultation and agreement with the other countries concerned. Let us by that means record our confidence that men can reach in the economic sphere, as they have in the winning of the war, that degree of mutual compromise and co-operation essential to the winning of the peace.

Mr. W. F. Angus seconded the motion and the Directors' Report was then unanimously adopted.

It was then moved by Mr. W. H. Malkin, seconded by Mr. W. Taylor-Bailey:—

That Mr. M. Ogden Haskell, C.A., and Mr. Guy E. Hoult, C.A., be and they are hereby appointed Auditors for the ensuing year under Section 55 of the Bank Act, and that their remuneration be not more than \$30,000; also that one ballot be cast.

Upon receiving the Scrutineers' Report, the Chairman declared the motion carried unanimously.

It was moved by Mr. G. W. MacDougall, K.C., seconded by Mr. N. L. Leach, and resolved:—

That Morris W. Wilson, President, and Sydney G. Dobson, General Manager, of The Royal Bank of Canada, be and they are and each of them is hereby appointed the true and lawful attorneys and attorney respectively of The Royal Bank of Canada, with power of substitution, for and in the name of the said The Royal Bank of Canada to attend and vote at any and all meetings of the Shareholders of Globe Realty Corporation Limited, Canadian Realty Corporation Limited, and every other corporation controlled by the said Bank, and at any and all adjournments of such meetings in respect of the shares held by the said Bank in every such corporation respectively, the foregoing to remain in full force and effect until the next annual general meeting of The Royal Bank of Canada.

It was moved by Mr. D. R. Turnbull, seconded by Mr. Harold M. Long, and resolved:—

That the thanks of the shareholders are due and are hereby tendered to the President, Vice-Presidents and Directors for their careful attention to the interests of the bank during the past year.

Mr. Morris W. Wilson replied.

It was moved by Lt.-Col. W. E. Phillips, seconded by Mr. Harold Crabtree, and resolved:—

That the thanks of the shareholders be tendered to the General Manager, Assistant General Managers and staff of the Bank for the efficient manner in which they have performed their respective duties.

Mr. Sydney G. Dobson, General Manager, thanked the speaker for his resolution. Mr. James Muir, Assistant General Manager, replied on behalf of the Officers and staff.

In calling for a motion that a ballot be opened for the election of Directors, the Chairman stated that under paragraph (c) of Shareholders' By-Law No. 4 the Directors have resolved that the number of Directors shall be increased from 28 to 29.

It was moved by Mr. Norman C. Urquhart, seconded by Mr. Cyril W. Stairs, and resolved:—

That a ballot be opened for the election of Directors.

It was moved by Mr. F. D. Chapman, seconded by Mr. James G. Harrison:—

That the following be elected Directors for the ensuing year, and that one ballot be cast.

W. F. Angus
Rt. Hon. Viscount Bennett, P.C.
John Burns
Harold Crabtree, C.B.E.
Arthur Cross
G. A. Dobbie
Sydney G. Dobson
J. D. Johnson
Ray Lawson, O.B.E.
N. L. Leach

Gordon W. MacDougall, K.C.
J. W. Grant MacEwan
W. H. Malkin
G. MacGregor Mitchell
G. H. Montgomery, K.C.
John S. Norris
Lt.-Col. W. E. Phillips, C.B.E., D.S.O., M.C.
Conrad S. Riley
Howard P. Robinson
John T. Ross

Paul F. Sise
G. Harrison Smith
Cyril W. Stairs
James McG. Stewart, C.B.E., K.C.
W. Taylor-Bailey
Norman C. Urquhart
Morris W. Wilson
Arthur B. Wood
Hon. William C. Woodward

Upon receiving the Scrutineers' Report, the Chairman declared those named elected unanimously.

On motion the meeting adjourned.

At a subsequent meeting of the Board of Directors, Morris W. Wilson was re-elected President, and W. F. Angus, and Sydney G. Dobson, Vice-Presidents for the ensuing year.

ROLL OF HONOUR

Members of the Staff of The Royal Bank of Canada
who gave their lives in their Country's Service

SEPTEMBER 10, 1939—NOVEMBER 30, 1944

NAME	BRANCH	NAME	BRANCH
ANDERSON, D. M.	Pembroke, Ont.	ERICKSON, E. H.	Sault Ste-Marie, Queen & Bruce
ANGUS, D. B.	Tillsonburg, Ont.	FERRILL, W. B.	Rock Island, Que.
ARMSTRONG, G. G.	Weyburn, Sask.	FETHERSTON, W. H.	Montreal, Laurier Ave.
ARMSTRONG, J. D.	Ottawa, Bank & Somerset	FIDDES, J. D.	Vancouver, Davie St.
BAKER, W. M.	Niagara Falls, Ont.	FINKLE, W. A.	Calgary, Alta.
BARTLE, G. V.	Vancouver, Cambie & Broadway	FINLAYSON, J. N. G.	Wells, B.C.
BAYARD, J. W.	Gull Lake, Sask.	FRAZEE, D. W.	Vancouver, Robson Street
BEATON, G. E.	Montreal, St. Matthew St.	FRIESEN, V. E.	Lethbridge, Alta.
BLAIR, S. W.	Amherst, N.S.	GAGNON, L. E.	Vancouver, B.C.
BOULTON, R. C. H.	Red Deer, Alta.	GANONG, R. E.	St. Stephen, N.B.
BOUTILIER, E. P.	Halifax, N.S.	GLAZEBROOK, E. H.	Montreal, Bonaventure
BROSSEAU, L. J.	Montreal, Monkland & Harvard	GREENAN, J. F.	Turner Valley, Alta.
BROUILLETTE, S. P. R.	Ottawa, Hintonburgh	HALL, G. S.	Stratford, Ont.
BROWN, A. J.	Victoria, Davie Street	HALLIDAY, R. B.	Hamilton, Barton & Ottawa
CAMERON, L. E.	Montreal, St. Matthew St.	HASTINGS, D. K.	Smooth Rock Falls, Ont.
CAMERON, L. H.	Montreal, St. Matthew St.	HEBB, G. M.	Halifax, Spring Garden Road
CAMPBELL, A. W.	Stratford, Ont.	HENDERSON, A. B.	Chapleau, Ont.
CANN, G. G.	Balcarres, Sask.	HILL, R. G.	Ottawa, Glebe
CHESTNUT, G. A.	Moosomin, Sask.	HOLBROOK, H. E.	Montreal, Monkland & Beaconsfield
CLARKE, R. B.	Toronto, Dundas & Chestnut	HUGHES, W. R.	Montreal, St. Catherine & McGill College
COGGER, P. R.	Moncton, N.B.	JACKSON, R. J.	Toronto, Queen & Close
COLTER, J. C.	Melita, Man.	JANES, F. P.	Montreal, Laurier Ave.
COOK, R. G.	Climax, Sask.	JEANNERET, P. W.	Ladner, B.C.
COTNAM, H. C.	Mount Royal, Que.	JENKINS, F. S.	Roblin, Man.
COULTER, R. L.	New Westminster, B.C.	JOHNSON, F. G.	Montreal, Peel & Sherbrooke
CROCKETT, E. G.	Ottawa, Bank & Sparks	JOHNSTON, P. H. W.	Winnipeg, Portage Ave.
DAVENPORT, J. J.	Imperial, Sask.	KENWARD, S. F.	Brandon, Man.
DAVIES, W. J. R.	Shubenacadie, N.S.	KERTSON, R. A.	Bathurst, N.B.
DE SHANE, W. C.	Guelph, Ont.	KILLIN, R. D.	Kentville, N.S.
DRENNAN, G. M.	Sherbrooke, Que.	LAGIMODIERE, D. R.	Brandon, Man.
DRENNAN, J. D.	Lennoxville, Que.	LANE, C. T.	Toronto, Bay & Temperance
EMBREE, W. D. M.	Port Hood, N.S.		

ROLL OF HONOUR

SEPTEMBER 10, 1939—NOVEMBER 30, 1944

NAME	BRANCH	NAME	BRANCH
LARIN, J. L. B.	Montreal, St. Denis & St. Catherine	RATHWELL, E. E.	Carleton Place, Ont.
LAYTON, P. C.	Great Village, N.S.	RENTON, A.	Montreal, Beaver Hall
LEACH, L. C. R.	Dryden, Ont.	REYNOLDS, J. W. B.	Pembroke, Ont.
LLOYD, W. H.	Kentville, N.S.	RICHARDSON, J. J.	Brandon, Man.
LOVE, R. J.	Winnipeg, Portage & Good	RICHARDSON, R. D.	Norwood, Ont.
McCRACKEN, A. P.	Montreal, Sherbrooke & Guy	RODDY, W. G.	Winnipeg, Carleton & Portage
McDONALD, C. G.	Montreal, Tramways Terminal	ROE, G. R.	Vancouver, Cambie & Broadway
MACDONALD, N. A.	Sydney, N.S.	ROSS, N. W.	Moncton, N.B.
McDONELL, J. D.	Smithers, B.C.	RYLANDS, J. E.	Brockville, Ont.
MacKENZIE, E. M.	Sup. Dept., Vancouver	SAUNDERS, F. J. W.	Vernon, B.C.
MACKENZIE, J. A. H.	Montreal, St. Matthew St.	SCHAEFER, K. G.	Toronto, Queen & Close
McKIGGAN, A. A.	Sault Ste. Marie, Queen & Bruce	SCOTT, R. L.	Prescott, Ont.
MacLEAN, C. W.	Westville, N.S.	SHERLOCK, H. J.	Off. A. G. M., Toronto, Ont.
MacLEAN, R.	Louisburg, N.S.	SHERMAN, L. G.	Calgary, Third Street West
MacLEOD, A. O.	Brooks, Alta.	SIMPSON, E. L.	Wallaceburg, Ont.
MACLEOD, J. G.	Fredericton, N.B.	SINCLAIR, A. I.	Weymouth, N.S.
McMANUS, S.	Brantford, Ont.	SINCLAIR, J. T.	Calgary, Alta.
McMANUS, W. W. S.	Saint John, N.B.	SKINNER, L. N.	Yarmouth, N.S.
MARTIN, J. J. B.	Weymouth, N.S.	SMITH, D. I.	Sydney, Whitney Pier
MELROSE, J. A.	Hamilton, Ont.	SMITH, H. A. E. G.	Abbotsford, B.C.
MESHEAU, G. L. M.	Saint John, N.B.	SMITH, L. I.	Pakenham, Ont.
MIDDLETON, A. J.	Medicine Hat, Alta.	SMITH, R. C.	Turner Valley, Alta.
MONKHOUSE, W. G.	Winnipeg, Selkirk & Salter	SPURR, R. H.	New Westminster, B.C.
MORRIS, G.	Bath, Ont.	STANLEY, W. H.	Winnipeg, Carlton & Portage
MUIR, T. J.	Montreal, St. Catherine & McGill College	STEWART, C. H.	St. John's, Nfld.
MUIR, W. G.	Port Alberni, B.C.	SUMMERWILL, J. L.	Niagara Falls, Ont.
MURRAY, A. I.	Toronto, Woodbine & Danforth	SURGEY, C. K.	Montevideo, Uruguay
MURRAY, J. L.	Halifax, Almon & Agricola	TAYLOR, G. G.	Calgary, Alta.
MURRAY, L. K.	Montreal, Monkland & Harvard	THOMAS, J. E.	Saint John, N.B.
NORTHMORE, M. P.	Toronto, Coxwell & Gerrard	TODD, R. W. A.	Belleville, Ont.
O'REILLY, B. C.	Head Office	TUCKER, G. F.	Guelph, Ont.
PARKS, W. R.	Prince Albert, Sask.	WALTON, L. H.	Kirkland Lake, Ont.
PARRISH, E. D.	Sexsmith, Alta.	WATERMAN, J. D.	Victoria, Fort Street
PATTERSON, R. S.	Calgary, Third Street West	WEBB, A. B. C. C.	London, England
PHILPOTT, J. A. M.	Port Hawkesbury, N.S.	WELCH, H. W.	Brantford, Ont.
PICKERING, W. C.	Warton, Ont.	WELLER, A. L.	Vernon, B.C.
POPE, W. A.	Toronto, Ont.	WILSON, J. A.	Toronto, Yonge & Richmond
POWELL, W.	Toronto, Ont.	WOODWARD, J. A.	Stratford, Ont.
QUANTRILL, E. S.	Wallaceburg, Ont.	WRIGHT, G. A.	Drayton, Ont.

REVIEW OF CONDITIONS IN CANADA AND OTHER COUNTRIES

MARITIME PROVINCES

Although the index of economic activity in the Maritime Provinces declined slightly in 1944, business conditions continued to be prosperous, with little unemployment and, indeed, a scarcity of skilled labour for the coal mines. The Sydney steel plant operated at capacity, and the lumber and fishing industries had a profitable season. Agricultural results were average, with the exception of the apple crop in Nova Scotia, which was one of the best on record.

With the exception of six weeks of dry weather in the summer, weather conditions were exceptionally favourable. Seeding was early and germination excellent. Heavy rains in August offset the drought during the earlier part of the growing season and yields of grain, with the exception of oats in New Brunswick, were above those of 1943. Hay and clover and other fodder crops were adversely affected, however, and yields were below normal in Nova Scotia and New Brunswick. An excellent hay crop was cut in Prince Edward Island. The total value of field crops in the three provinces was \$64,370,000, compared with \$73,000,000 in 1943. The season in Nova Scotia was very favourable for potatoes and the yield was more than double the small output of the previous season. The quality is excellent. The crop in Prince Edward Island was 50 per cent above that of 1943, but production in New Brunswick was down slightly, 9,032,000 cwt., against the large yield of 10,432,000 cwt. in 1943 and some blight has been reported. Other root crops were slightly below normal. The new potato dehydrating plant at Kentville, Nova Scotia, was opened in the previous year and processed in the 1943/44 season 154,000 barrels of potatoes, all of which was sold to the Dominion Government. The company has a similar contract for 150,000 barrels in the 1944/45 season. Potato dehydration plants in New Brunswick and Prince Edward Island are in normal operation.

The growing season in the Nova Scotia apple district was two weeks earlier than usual and exceptionally dry. The crop is estimated at 1,800,000 barrels, compared with 1,615,000 barrels last year, and is of high quality. A considerable loss in certain areas, possibly 200,000 barrels, was caused by the severe wind storm of September 15th, but the loss was almost overcome by the rapid increase in the size of the fruit remaining on the trees. It is estimated that fresh fruit sales this season will be 500,000 barrels, of which 166,000 barrels will be exported to Great Britain and 15,000 barrels to the United States. The balance of the crop will go to the processors, the larger portion being dehydrated under an agreement with the Dominion Government and the remainder being converted into canned apples, canned apple juice, pomace and apple concentrates of various kinds. Subject to the fulfilment of certain conditions, the Government is paying a subsidy of 9c per pound for choice quality evaporated apples up to a maximum quantity of 15,070,000 pounds representing 1,100,000 barrels of fresh fruit. Last year's subsidy was 16c per pound on 10,000,000 pounds and 10c per pound on a further maximum quantity of 6,000,000 pounds. To compensate the industry for the decrease in subsidy the ceiling price on evaporated fruit has been increased from 13c to 20c per pound. The apple crop in New Brunswick is of exceptionally high quality, with excellent colour and size of fruit, but the yield was only 270,000 bushels, 18 per cent below the unusually large 1943 crop of 330,000 bushels. Small fruits were affected by the dry weather and both the yield and quality of strawberries and blueberries were below normal. Prices were high in consequence.

During the early part of the year, pastures were poor but they recovered toward fall and went into the winter in normal condition. Dairy production in general was reduced. The

quantity of butter manufactured in the three provinces during the eleven months ended November 30th was 17,324,077 pounds, compared with 18,232,772 pounds in the same months of 1943. Cheese production, although relatively small, increased during the year, New Brunswick reporting an increase of 14 per cent and Prince Edward Island one of 35 per cent. Hog production in Nova Scotia was slightly higher than in the previous year and 69,000 hogs were reported on farms on June 1st, about 9,000 more than in 1943. With favourable feed supplies, it is anticipated that farmers will not decrease their dairy herds or hog production. The sheep population of Nova Scotia has shown little change although the Government continues to encourage the industry. Chickens hatched in the province last year reached an all-time record, but a scarcity of eggs is reported in some centres and prices remain high.

Manufacturing industries continued to operate at a substantial level of capacity, although aircraft plants reported a falling off in orders. All labour released by these plants was readily absorbed by other local industries. Factories producing civilian goods, notably foodstuffs, and textiles, as well as the pulp and paper industry, operated to the limit of production allowed by restrictions on raw materials and the shortage of skilled labour. Activity in ship repair work at a number of points continued throughout the year, but a reduction in new construction was reported.

The volume of coal output in Nova Scotia and New Brunswick was below that of 1943 but the value was considerably higher. In Nova Scotia 5,808,792 tons valued at \$31,271,704 were mined, compared with 6,086,733 tons valued at \$27,172,655 in 1943. Comparative statistics for New Brunswick output were 347,032 tons and \$1,862,828 in 1944 and 380,001 tons worth \$1,672,361 in 1943. There were no important stoppages of work during the year but the scarcity of experienced miners hampered operations. Gold production in Nova Scotia is relatively unimportant, but a gain was reported during the year; 5,859 fine ounces with a dollar value of \$225,571, compared with an output of 4,129 fine ounces worth \$158,967 in 1943. As a result of the higher prices for coal and the increase in gold output, the total mineral production of Nova Scotia in 1944 was \$35,313,438, compared with \$29,979,837 in 1943.

Exports of lumber from Nova Scotia to Great Britain in the first six months of 1944 were 35 million board feet, an increase of 3 million feet over the same period of 1943. The demand for lumber in all markets continues strong and, with existing prices, operators have realized good returns. The principal problem of the industry is that of labour, particularly the shortage of experienced woodsmen. Present indications are that the demand will remain strong and that substantial quantities will be required by the British market in the immediate post-war years to complete her housing and other construction projects. The demand for pulpwood continues to exceed the supply and prices have risen to \$8 per cord rough and \$10.50 per cord peeled.

A further satisfactory increase in fish landings is reported with a proportionately higher landed value. While prices paid for mackerel have shown some decline, prices for dried, pickled and smoked fish were on the same basis as in 1943. Total landings in the eleven months ended November 30th were 531,000,000 pounds valued at \$20,500,000, compared with 486,800,000 pounds valued at \$17,655,000 in the same period of 1943.

Although Government expenditures on defence construction have come to an end, the value of construction permits shows an increase in most districts. The most notable increase was in the construction of private dwellings, attributable to a

modification in the Government restrictions on this type of building. In spite of this increase in building and the large amount of reconversion of old houses into apartments, the housing situation in many areas remains acute.

Reports from the wholesale trade indicate an increase in total sales compared with 1943 and retail trade was 10/15 per cent above that of the previous year. The supply situation was somewhat improved, with substitutes available for some restricted and discontinued lines. Sales for the most part are on a cash basis and collections are satisfactory. Business failures are negligible. No statistics of tourist travel are available but an increased number of arrivals in 1944 was indicated by resort bookings.

QUEBEC

In spite of dry weather conditions during a large part of the growing season and reduced acreages sown, the output of the principal grain crops was above that of the preceding year. The most notable increase was in oats, with an output of 45,495,000 bushels, or 7,470,000 bushels above the 1943 crop. Wheat, barley and mixed grains showed smaller increases. The hay, clover and alfalfa crops were reduced by the dry weather, but the output of fodder corn, from a substantially smaller acreage, was 778,000 tons, compared with 690,000 tons in 1943.

The area planted to potatoes in 1944 was only slightly larger than in the previous year, but higher yields per acre produced a total crop of 15,201,000 cwt., approximately 4,000,000 cwt. in excess of the 1943 output. Quality is reported to be a good average. Other vegetables varied in yield and quality. Frost in September shortened the season for tender vegetables and rains in October delayed harvesting of late root crops. Carrot, parsnip and onion yields were 20 to 35 per cent above those in 1943, while the beet crop was 75 per cent higher, partly due to the larger size of the vegetables. The turnip crop was small, as a result of small acreage and damage from drought and insects. The acreage of tomatoes was 25 per cent in excess of that in 1943, but the dry summer caused too-rapid ripening, with heavy losses from cracking. Only 5,100 acres were planted to sugar beets, compared with previous expectations of 10,000 acres; yields were not high and the total crop was 31,000 tons.

The apple crop was of good quality, colour and size. The total yield was 900,000 bushels, practically equal to the 1943 yield of 911,000 bushels. Weather conditions early in the season were favourable for growth and bloom of strawberries, but the summer drought seriously affected the crop. Production was only slightly more than 2,000,000 quarts, 65 per cent smaller than the previous harvest of 5,552,000 quarts. Raspberries, on the other hand, maintained output at the level of the previous year, i.e., 866,000 quarts.

Pastures came through the winter of 1943-44 in good condition, but the dry weather during the summer adversely affected growth, particularly in the Eastern Townships. The lack of pasturage reduced the flow of milk during the summer, but heavy rains in September improved pastures and more milk was produced. Sales of fluid milk to consumers continue to gain but production of creamery butter declined 5 per cent, from 83,463,414 pounds in the first eleven months of 1943 to 79,334,916 pounds in the same months of 1944. The output of cheddar cheese, on the other hand, showed the substantial gain of 27.6 per cent, from 46,464,735 pounds in 1943 to 59,305,110 pounds in 1944. As a result of the decline in butter and increase in cheese output, the Quebec Government suspended the premium of two cents per pound for first quality cheese, on November 1st. At the end of October, the number of cows on Quebec farms was $2\frac{1}{2}$ per cent greater than at the same date in the previous year.

Hogs sold by Quebec farmers in the first eleven months of 1944 totalled 732,541, compared with 370,112 in the same months of 1943. The grades were also higher. Marketings of sheep and lambs were slightly lower than in the previous year, but cattle and calf shipments were well above those of 1943. The supply of dressed and live poultry for sale was heavy during the year and prices at times showed a weaker tendency. Egg receipts at market points were also large and prices at the end of the year were below those in 1943 and substantially lower than the high levels of 1942.

Mineral production during the year just ended was valued at \$87,416,810, compared with \$101,610,678 in 1943. Approximately half the decline is attributable to reduced operations in the gold mines; in 1944 only 740,744 fine ounces valued at \$28,518,644 were mined, compared with 922,533 fine ounces valued at \$35,517,521 in the preceding year. Silver recovered showed a further slight gain. The production of base metals, copper, lead and zinc, showed a gain, being valued at \$19,627,000, compared with \$16,749,000 in 1943. The value of chrome production was \$761,229, but, with a generally improved supply position, the Chromeraie property, which had been operated by Wartime Metals, closed down in September. Asbestos, of which Quebec mines produce the total Canadian output, declined in value of production by 20 per cent, to \$18,172,302. The output of clay, cement and other structural materials also declined slightly, from \$15,036,490 in 1943 to \$14,566,455 in 1944.

Construction activity increased during 1944, reversing the trend of the previous year. A substantial part of the increase was in the construction of apartments and other dwellings and in the reconversion of large homes into flats and small apartments. On December 22nd, the Dominion Government announced emergency shelter regulations to meet the demand for housing in congested areas, including Montreal. Under these regulations the Rentals Administrator may prescribe the use of new dwellings or apartments and may take possession of any premises capable of being used as a dwelling or require the owner to rent it. No dwelling premises may be closed or its use restricted without the concurrence of the Administrator.

The trend of employment for the first ten months of the year was slightly downward, but it is reported that the increased emphasis on war production in the latter part of the year reversed the trend. Newsprint and other paper products continue to occupy an important place in the province. In the first eleven months of 1944, Canadian mills produced 2,746,812 tons of newsprint, a slight gain over the 2,733,104 tons produced in the same months of 1943. This is the first increase since 1940. Shipments were 2,769,828 against 2,768,211 tons in 1943 and mill stocks showed a further decline.

Following the great increase in hydro-electric capacity brought about by the war effort during the previous two years, no new installations of equipment were made in Quebec during 1944.

Output of primary and secondary power in the province in the first eleven months of the year was 21,450,270 kilowatt hours, of which 17,162,029 kilowatt hours were consumed in the province, the remainder being shipped to other provinces and to the United States. The resumption of power use by industrial and commercial firms, for civilian production and display purposes, was permitted late in the year and the pulp and paper industry was back to normal power supply in the latter months of 1944.

Total water-power installations in Canada at the end of 1944 were 10,283,213 horse power; of this total, one-fifth or 2,000,000 horse power, has been installed in the past five years, almost wholly for war purposes. In addition, power developed prior to the war had been diverted to war uses and it is officially estimated that one-third of Canada's water-

power development has been used for war production. One industry—aluminum—utilized, at peak operations, one-quarter of all hydro-electric energy produced in the Dominion. Hydro-electric development may be assessed as one of the most significant single factors in Canada's vast war-production effort.

ONTARIO

Although heavy rainfall damaged hay, grain and potato crops in the northwestern part of the province and drought conditions prevailed in Eastern Ontario, the yield of all crops for the province as a whole was slightly above normal. Weather was ideal for harvesting and there was little loss from rain or frost. Lack of moisture interfered with fall ploughing, but the prolonged fine weather in the autumn permitted ploughing of at least the normal acreage. The condition of fall wheat, winter barley and rye was above average when winter set in. Production of grain was almost double that of 1943 with increases in all the principal crops as shown in the following table:

	Total Ontario crop in bushels	
	1943	1944
Fall wheat.....	13,200,000	20,900,000
Oats.....	34,600,000	66,700,000
Barley.....	6,400,000	11,200,000
Mixed grains.....	20,400,000	40,700,000
Corn.....	6,900,000	12,300,000

The average prices for grain were approximately the same as in 1943 and the larger crops gave higher returns to the farmers. A large percentage of the grain, however, is used on the farm for feeding purposes. In addition to the higher yields of feed grains there was a substantial yield of roughage feed and, therefore, while western grain may be needed in some sections to supplement supplies for the winter feeding of stock, it is estimated that the quantity imported will be below that required in the winter of 1943/44.

There was little change in the estimated number of livestock on farms in the province. With the exception of hogs, average prices received for livestock sold were below those of 1943. As a result of the improvement in the feeding situation a slight increase in the number of cattle held for winter feeding is reported and no decrease in the production of swine and other livestock is anticipated.

The yield of turnips and mangels was slightly less than in 1943, with an estimated total crop of 26 million bushels. The yield of potatoes was estimated at 8,500,000 cwt., compared with 7,500,000 cwt. in 1943. There has been a noticeable improvement in the quality of the crop, damage from blight and frost during harvesting being negligible. An increase of more than 50 per cent was reported in the acreage planted to sugar beets and, while the yield per acre was only fair, the sugar content was the highest on record, averaging 18.6 per cent. Prices this year were the highest for many seasons.

As a result of the extremely dry weather during the summer, pastures deteriorated and the flow of milk was reduced. The late fall permitted cattle to remain on the pasture late in the season but the production of dairy products was reduced below that of 1943. Creamery butter production in the first 11 months of 1944 was 71 million pounds, compared with 79 million pounds in the same period of 1943, a reduction of approximately 10 per cent. Cheddar cheese output was less than one per cent below that in 1943, totalling 102,250,000 pounds. The favourable fall weather permitted harvesting of practically all the tobacco crop and losses from frost were considerably less than usual. The total flue cured crop was approximately 75 million pounds, compared with 47 million pounds in 1943 but the average quality of the tobacco was slightly lower. The burley crop last year, with a total production of 11 million pounds, was almost double the output in 1943. Although prices to be paid to growers have not yet been set, it is unofficially reported that the value of the tobacco crop in 1944 reached an all-time high.

The 1944 fruit crop was of average size with the volume slightly above that of 1943. The peach crop was large, 1,740,000 bushels, but prices were lower than those prevailing in 1943. Other crops were also above the level of the previous year and prices paid for berries, apples, pears, plums, cherries and grapes were higher than in the previous year. The canned tomato pack was larger than expected and considerably heavier than the previous year's small pack. The pack of tomato juice alone is estimated to have reached a record, totalling 1,250,000 cases.

The shortage of labour caused a further reduction in the operations of gold mines. Production in 1944 was 1,704,457 ounces valued at \$65,621,595, compared with 2,117,215 ounces valued at \$87,512,777 in 1943. During the first nine months of the year average monthly employment in the gold mines was 17,000 compared with an average of 19,021 men in the twelve months of 1943. Prospecting was active throughout the year, much new ground was staked and with the release of labour for gold mining after the war, an increased output can be confidently anticipated. Shortage of labour has also begun to affect base-metal mining in the province. The average labour force employed in Canadian base-metal mining, smelting and refining was 29,624 in the first nine months of last year, compared with 31,443 in 1943. Actual mining operations at Steep Rock got under way during 1944 and total production of iron ore in the province for the year was 549,922 tons valued at \$1,910,716. Comparable statistics for 1943 were 498,232 tons valued at \$1,452,250.

A high level of production was maintained throughout the year by manufacturing concerns and while a large percentage of the volume represented the manufacture of war supplies, there were some indications that the output of civilian goods was increasing. At one of the large industrial centres it was reported that approximately 75 per cent of the time of a number of key industries was spent on war work in 1944, compared with 85 per cent in 1943. Recent events in Europe and the consequent enlarged demand for war supplies are expected to reverse this trend in 1945. Output of goods for the civilian market will also be limited, as in 1944, by the scarcity of materials and to an even greater extent by a shortage of workers, especially skilled labour. The backlog of orders for civilian goods continues to increase.

The demand for lumber and paper products continues unabated but the supply of logs is insufficient to meet requirements. It is estimated that 20,000 men will be employed in the woods during the winter of 1944/45, but even this number will not produce the required amount of lumber and pulp wood.

Reports indicate that there is an acute shortage of manpower, notably of skilled labour. For example, in some centres the shortage of plasterers and brick layers is reported to be delaying construction of much-needed homes. Shortage of housing accommodation continues acute, although the construction of dwellings was considerably above that in 1943. The shortage of materials and labour with which to undertake the erection of new houses, has resulted in a large number of conversions of older houses into flats and apartments. Office and factory space is also becoming increasingly scarce and a strong demand for good farm properties is reported in certain sections of the province.

Retail sales continued to gain with an average increase of approximately 5 to 10 per cent during the year. Retailers in general experienced difficulty in replacing merchandise and merchants reported less difficulty in disposing of substitute materials and older goods. The fact that practically all sales were on a cash basis coupled with the quick turn-over of goods, maintained healthy conditions in retail trade. The wholesale trade reports a similar excess of demand over supply and lack of supplies kept inventories at a low level.

PRAIRIE PROVINCES

Following a dry fall and a winter of limited snowfall the spring of 1944 was relatively dry in Alberta and seeding began earlier than usual. The reserve of sub-soil and surface moisture in the east-central, southern and Peace River areas was barely sufficient for proper germination but central and northern Alberta had enough moisture for adequate growth. In the two latter areas, rainfall during the growing season was abundant and average yields were 24 bushels per acre for wheat, 50 bushels for oats and 33 bushels for barley. In the other sections of the province, rainfall was considerably below normal, with light yields for all grains. Damage from pests was not excessive, although a few southern points report loss from sawflies. Hail damage was about normal and frost damage was slight. Weather during the harvesting season was favourable and this, with the more extensive use of combines and other machinery, permitted successful completion of harvesting. The shortage of farm labour was relieved during the harvest season, by 2,000 eastern farm workers, mainly from Ontario, and the employment of some 300 soldiers.

Saskatchewan also entered the 1944 sowing season with low moisture supplies, as a result of light rainfall in the preceding autumn and an exceptionally mild winter, with little snow. However, fairly heavy general rains in late April and the beginning of May improved germination and, with the exception of the south-west and west-central areas, growing conditions were favourable throughout the season. Insect damage was not severe, although extensive sawfly damage was reported from south-western areas. Good weather during harvesting and the assistance of labour from Eastern Canada and the armed forces, enabled farmers to complete harvesting and threshing by the end of October. Power farming continued on a large scale and its further growth is only restricted by the difficulties of securing the necessary machinery.

Although moisture conditions in Manitoba were similar to those in Alberta and Saskatchewan early in the season and April was one of the driest on record, heavy rains from May to July caused rapid growth. The excessive moisture resulted in floods in the Red River Valley and other areas with losses in some cases as high as 50 per cent. It also caused bleaching and sprouting of grain and consequently grades, especially in wheat, were lower. Further rains in August and September interrupted harvesting for fairly long periods. The crop was free from insects and pests during the growing season and hail damage was not severe.

The discontinuance of the wheat acreage reduction bonus resulted in a substantial increase in the area sown to wheat with resultant but small declines in the acreage sown to coarse grains and other crops. On the whole yields were above average. The following table gives the latest official estimate of the output of the principal grains in the three provinces, with comparative statistics of the final estimates for the preceding year.

	Wheat		Oats (Thousands of bushels)		Barley	
	1943	1944	1943	1944	1943	1944
Manitoba.....	41,000	54,900	63,000	61,000	68,000	54,700
Saskatchewan.....	146,000	260,000	200,000	208,000	80,000	75,000
Alberta.....	80,000	113,400	129,000	123,100	56,000	53,100
Total.....	267,000	428,300	392,000	392,100	204,000	182,800

The substantial increase in wheat output and the higher prices prevailing are reflected in the greater value of farm production. This was particularly notable in Saskatchewan, where the wheat crop in 1944 was valued at \$273 million, compared with \$149 million in the previous year. The gross value of all field crops in the province rose by 33 per cent, in Alberta the gain was 16 per cent, in Manitoba only 3 per cent. The official estimate of the gross value of all field crops is as follows:

	1942	1943	1944
Manitoba.....	\$116,405,000	\$143,055,000	\$148,042,000
Saskatchewan.....	399,324,000	343,811,000	457,162,000
Alberta.....	244,137,000	216,057,000	249,563,000
Total.....	\$759,866,000	\$702,923,000	\$854,767,000

Under the system established on September 27, 1943, grain trading on the Winnipeg Grain Exchange was suspended. Wheat marketing during 1944 continued to be conducted through the Wheat Board, which pays an initial advance of \$1.25 per bushel, basis No. 1 Northern in store Fort William/Port Arthur. Participation certificates are also issued, entitling the farmers to a share in profits on the 1944 and 1945 crops arising from any improvement in wheat prices. During 1944, the Board made payments of nearly \$60,000,000 to approximately 300,000 wheat producers; this represented the increased value of wheat delivered to the Board in 1940/41/42, as a result of wheat price increases in 1943. The 1940 participation certificates were paid on the basis of 6 $\frac{3}{4}$ ¢ per bushel above the initial payment of 70¢ per bushel at the time of delivery. Payments on the 1941 and 1942 certificates were based on 14 $\frac{1}{2}$ ¢ and 11 $\frac{1}{4}$ ¢ per bushel respectively, above the initial payment of 90¢ per bushel for grain delivered in those years. Prices for other grains were fairly steady during the year, although the demand for oats and barley slackened for a short period. All flaxseed produced in Canada is purchased by the Wheat Board; the price in 1944 was increased to \$2.75 per bushel, compared with \$2.50 in 1943.

Deliveries of wheat during the current season have been substantially above those of the same period of 1943. The supply of railway cars available was larger but movement of grain by rail has continued to be restricted by high-priority wartime traffic. Present delivery quotas at Prairie country elevators indicate a more favourable storage position, but large quantities of 1944 grain are still on farms in temporary granaries, particularly in Saskatchewan. Shipments of grain through the Lakehead ports of Fort William and Port Arthur during the last navigation season broke all records. Total shipments were 441 million bushels, including 291 million bushels of wheat, 80 million of oats, 55 million of barley, 8 million of rye and 7 million of flaxseed.

The yield of flaxseed was higher than in 1943, but as a result of a reduction in acreage from 2,918,400 acres to 1,297,500 acres in 1944, the total output was only 9,405,000 bushels, compared with 17,600,000 bushels in the previous year. Higher yields of potatoes were reported in Alberta but production was lower in Saskatchewan and Manitoba. The total crop was 5,789,000 cwt., considerably less than the 1943 crop of 7,450,000 cwt. The output of alfalfa increased in all three provinces but hay and clover was considerably below normal. The season was favourable for the growth of sugar beets in Alberta and the output was 337,000 tons, compared with 298,000 tons in 1943. Extremely wet weather early in the season flooded out approximately 25 per cent of the acreage planted to sugar beets in Manitoba so that output was only 80,000 tons, compared with 109,000 tons in 1943.

On the whole, livestock raisers in the Prairie Provinces reported another satisfactory year. Prices have remained relatively steady but a shortage of farm labour and scarcity of feed in some areas resulted in increased cattle marketings early in the fall. Some of these were not well-finished and caused a decline in prices for certain classes. The pressure on the cattle market was lighter at the end of the year. Hog marketings in all three provinces were very heavy, particularly in the early months of the year. The number of feeding and breeding hogs on farms has declined substantially, as a result of the higher prices for coarse grains and the heavy labour needs of hog raising. A consequent decline in hog marketings in 1945 is anticipated.

The shortage of labour has also affected dairying. Milk production showed a slight decline from the all-time record of 1943. Creamery butter production totalled 117,458,000

pounds in 1944, compared with 120,356,000 pounds in the previous year. Cheese production, although less important, gained during the year, 8,191,000 pounds, compared with 6,336,000 pounds in 1943. Poultry and eggs are an increasingly important source of income for many farmers and the poultry population continued to increase during the year. Egg production was higher, with grades and prices somewhat lower, but poultry prices were well maintained. An indication of the growing importance of poultry-raising is the fact that the estimated farm revenue from eggs in Manitoba during 1944 was \$9,805,000.

The preliminary estimate of mineral production shows gains in Alberta and Manitoba, but a decline in Saskatchewan. The following table shows this preliminary estimate compared with the output in 1943:

	1944	1943
Manitoba.....	\$13,728,126	\$13,412,266
Saskatchewan.....	22,224,032	26,735,984
Alberta.....	51,376,959	48,179,495
Total.....	\$87,329,117	\$88,327,745

Operations at the mines of the Hudson Bay Mining and Smelting Company at Flin Flon were maintained at capacity until the end of September, when daily tonnage declined from 6,100 tons to 5,000 tons. Shortage of manpower was the main contributing factor in the decline. It is reported that the ore being handled is of higher grade which offsets the decline in tonnage to some extent. The first output of thallium in Canada was reported by the company during the year. Gold production during the year was also reduced by the shortage of labour.

Mild weather in the winter of 1943/44 and the late fall in 1944 reduced domestic consumption and hence production of coal. The majority of mines in Alberta are now working to capacity. Output in 1944 was 7,437,781 tons valued at \$27,033,121, compared with 7,676,726 tons valued at \$24,030,686 in 1943. Higher prices more than offset the lower tonnage. Saskatchewan production was also down, 1,390,155 tons valued at \$2,037,212, compared with 1,665,972 tons valued at \$2,432,249 in 1943.

Despite an increase of nearly one hundred producing wells in Alberta, the total flow of petroleum in the province declined during 1944; 8,952,000 barrels valued at \$14,592,000 were produced, compared with 9,153,277 barrels valued at \$14,962,803 in 1943. Prices paid at the field were slightly higher. Activity in exploration and development continues unabated. During the year, 29 wells were brought into production outside the main Turner Valley field. Of these, the Vermilion field is the largest producer to date but good production is also being obtained at Taber, in the southern part of the province. Recent discoveries indicate other promising areas at Wainwright in the north and the Princess-Steveville field in the southeast.

Manufacturing plants in the three provinces report capacity operations. Packing plants report difficulty in securing sufficient labour, but output was above that of the previous year. A programme of co-operative industrial development has been announced for Saskatchewan, to include the industrial utilization of farm products and the manufacture of feeds and other commodities used on the farm.

Wholesale and retail trades report continued expansion, despite shortages in many lines. Difficulty is experienced in obtaining supplies of a wide variety of consumer goods and inventories are spotty but substitutes are generally accepted. As most retail sales are on a cash basis and there is little instalment buying, retail merchants require only short-term credits. Collections on both present and old obligations have been good. Gasoline rationing has not greatly affected the purchasing habits of farmers, although the number of trips made to larger centres may have been reduced.

BRITISH COLUMBIA

The winter of 1943/44 was very mild throughout the province with the temperature seldom below zero and less snow and rainfall than normal. The spring was cool and the summer on the whole dry. Fall rains helped materially in sizing the apple crop and the fruit has run to very large sizes. The latest estimate of the harvest is 7,500,000 boxes, the largest in the history of the province, and approximately 69 per cent above the 1943 output of 4,433,200 boxes. In order to sell all the early varieties of apples the government guaranteed the price of the first pack sold with the provision that subsidy demands were not to exceed the total of \$250,000, thus early apples were disposed of prior to the harvesting of the main crop. The output of other tree fruits also increased substantially. The increase was particularly notable in the case of peaches and apricots where the yield was approximately four times that of 1943. While not as high as those of 1943, average prices have been satisfactory and it is anticipated that the entire pack will be disposed of without difficulty. Small fruits, with the exception of blackberries, also showed a substantial gain in yield. The grape harvest was 2,900,000 pounds, compared with 1,800,000 pounds in 1943. Hay and oat crops showed an increased production with lower prices. There was little change in potato acreage, but other vegetables showed a considerable increase, particularly in the Okanagan Valley. The output of specialty crops, including vegetable seeds and hops, also showed a general increase. The dairy industry continued to suffer a lack of experienced labour but production of dairy products has shown a substantial gain. The livestock situation in the range areas has shown little change but short hay crops in some sections have resulted in unfinished cattle being marketed. The total value of farm crops in the province for the year 1944 is estimated at \$93,500,000, compared with \$85,900,000 in 1943.

British Columbia continues to be the leading province in the output of its fisheries. Total output in 1943, however, was valued at only \$32,500,000, compared with the peak production of \$38,000,000 in 1942. In 1944 the salmon catch was one of the smallest in the past thirty years, being only slightly more than 1 million cases, compared with 1¼ million in 1943, which was also a poor year. 1½ million cases is considered the average catch. The decline was particularly noteworthy in pinks and chums, while the pack of sockeye and other varieties showed a slight increase. It is unofficially reported that the unprecedented shortage in pinks and chums is the result of the fall floods in 1940, which washed away the spawn and thus resulted in a shortage of mature fish this season. The entire pack, with the exception of 250,000 cases allocated to the Canadian market, has been requisitioned by the Canadian Government for the British Ministry of Food, prices to be the same as in 1942 and 1943. The run of herring has been practically the same as that of the previous season. To November 22nd, 24,235 tons had been caught compared with 24,227 at the same date in 1943. The entire pack is being purchased by the British Ministry of Food. Early reports indicate that the pack of pilchards this season will be at least 85,000 cases, one of the largest on record. It is estimated that the 1944 output of herring and pilchard meal in the reduction plants will amount to 20,000 tons and that the output of oil will be on the same basis as in the previous year. The output of vitamin fish oil in the current season is estimated at from 3 to 3¼ million tons compared with 2 million tons in the previous season. A substantial decline in landings of halibut at Prince Rupert resulted from the landing of a large part of the catch of American boats engaged in this fishery at Alaskan ports. Total halibut landings at Prince Rupert were 13,600,000 pounds, compared with 19,000,000 pounds in the previous year.

Industrial activity during 1944 was maintained at the high levels of the preceding year, but manufacturers do not report the substantial backlog of orders which they had in the

previous year. Shipbuilding yards and engineering trades generally operated to capacity but the aircraft manufacturing plants have had certain adjustments in their contracts. The logging industry reported an increased production in the first nine months of 1944, 2,125 million board feet, compared with 1,985 million board feet in the same period of the previous year. During the year the labour situation showed a slight improvement, but fire hazards during the summer were responsible for serious curtailment in log production. In spite of the shortage of log supply and lack of manpower, sawmill production in the province was maintained at the 1943 level, or approximately 25 per cent below normal. The demand for all grades and species of British Columbia lumber continued to be far in excess of output and the continuance of this demand will necessitate increased efforts to produce the maximum possible under prevailing conditions. Shipments in the first nine months of 1944 were slightly in excess of those in 1943, notably to Eastern Canada and the United States. Production of shingles has been maintained at the 1943 level. Demand has been strong and mills are reported to be sold for several months ahead. The Timber Control raised the percentage of shingles exportable to the United States to 70 per cent in September, the remaining 30 per cent being held for the domestic market. Pulp and paper production continued at 70 per cent of capacity during the year. This rate of operation is the result of log and labour shortages, as the industry reports that demand is far in excess of supply and that customers are being rationed on a quota basis.

Preliminary official estimates of mineral production in 1944 are \$56,365,000 compared with \$68,442,000 in 1943. The reduction is attributed largely to the shortage of labour. The production of metallic minerals was valued at \$42,167,000 compared with \$55,295,000 in 1943 and \$64,157,000 in 1942. Coal output amounted to 2,134,248 tons valued at \$9,009,000 in 1944, compared with 2,001,409 tons valued at \$7,399,085 in 1943. The value of other non-metallic minerals and structural materials was slightly above that in 1943.

An acute housing shortage exists in all the larger centres of British Columbia. The lifting of restrictions on building material resulted in a substantial increase in building construction, particularly in Vancouver, Burnaby, New Westminster and Victoria. During the first ten months of 1944, 3,290 permits for new private contracts valued at \$9,800,000 were issued, compared with 890 permits valued at \$1,680,000 during the same period in 1943. Apartment houses and office buildings in the Vancouver area are filled to capacity with long waiting lists. In 1944 there was also a steady demand for small farm properties in the outskirts of Victoria, in the Fraser Valley and the Okanagan Valley.

Retail and wholesale trade continued to show increases during the year. The satisfactory harvest and the continued rise in industrial payrolls, are reported to have increased retail sales by 17 per cent. In spite of an increase in war savings on the part of individuals, the purchasing power of the general public remains high and active retail distribution will continue, provided retailers can secure stocks. Tourists entering Canada at customs points south of Vancouver showed an increase of approximately 40 per cent over the corresponding period in 1943, the greater number of the visitors being members of the armed services.

NEWFOUNDLAND

Agriculture continues to be a minor industry. Local production of crops and livestock is valued at \$12 million a year with annual imports of foodstuffs of approximately \$8 million. It is possible that there may be greater postwar development in agriculture, since the areas of arable land in the interior are now more accessible as a result of defence construction, and considerable work has been done by the Government in detailed soil surveys with the idea of finding

suitable areas for the possible re-establishment of returned soldiers on the land.

Although there was a reduction in defence construction, the volume of civilian construction remained good. In the municipality of St. John's, building operations were valued at \$1,089,000, compared with \$1,039,000 in 1943. Construction of business premises and public buildings including schools, theatres, etc., increased, but a major decline was reported in construction of dwellings. The housing situation in St. John's continues acute. With the volume of dwellings inadequate for the normal population of 40,000, it has been impossible to cope adequately with the present doubled population of 80,000. The Town Planning Commission of St. John's has been incorporated into a permanent body and has presented its plan for the layout of the new city suburbs, which provide for the construction of a large number of detached houses in the Northern Valley over a period of years. A loan for \$3 million has been authorized for this purpose and half of this amount is now open for subscription.

A temporary movement away from the codfishing industry during the defence construction period is now over and the trend is definitely back to the fisheries. During the 1944 fishing season, the peak number employed in the codfishery was 22,387, compared with 19,929 in 1943 and the low figure of 17,645 in 1942. In normal pre-war years the figure sometimes rose as high as 30,000 fishermen engaged at the peak of the season. Production of salt cod showed a substantial decline from the output in 1943, 773,000 quintals as compared with 880,000 quintals. This year approximately 18,000,000 pounds of fresh fillets were shipped, compared with 12,000,000 pounds in 1942. Average prices paid to fishermen for cod in 1944 have been slightly above those for 1943 and marketing has been carried on under arrangements concluded with the Combined Food Board. The maintenance of high prices for dried and salt cod in the post-war period is not anticipated and the Newfoundland Government has already officially declared its intention of assisting the reorganization of the fresh fish industry in the immediate post-war period by an investment of \$4 million. Production of cod oil continues below demand and local prices have continued to rise. The output of cod liver oil was estimated at 280,000 gallons, approximately equal to that of the previous season. The demand is strong and prices unchanged.

The herring fishery on the Labrador coast was only fair during the early spring but improved somewhat later in the season and the final catch was slightly above that of 1943. The fall fishing began early in December and herring are reported plentiful in some areas. Sales of Scotch-cure herring in the United States were only 25,000 barrels, compared with 40,000 barrels in 1943. Prices remained unchanged at \$19 per barrel. The lobster catch showed a fair increase and shipments of live lobsters to United States markets were 1,623,627 pounds, compared with 1,464,556 pounds in 1943. The output of canned lobster increased to 2,700 cases, compared with 1,892 cases in 1943 and prices were slightly higher. Salmon landings were somewhat lower than in the previous season, although shipments of fresh and frozen salmon, mainly to American and Canadian markets, were 2,000,000 pounds, compared with 1,694,000 pounds in 1943. The pack of canned salmon was reported to be below the 9,448 cases packed in 1943. Total exports of fishery products in the fiscal year 1943/44 were valued at \$18,468,000, compared with \$12,570,000 in the nine months ended March 31, 1943.

Normal production of lumber in Newfoundland is approximately 30 million board feet, all of which is consumed locally. During the past three years the industry has enjoyed a boom, as a result of the high volume of construction, and prices have been high. The lack of shipping has enforced the cessation of the trade in pitprops. Production and shipment of newsprint were at a higher level in 1944 than in the previous year.

It is estimated that 465,000 cords of wood will be cut for the newsprint mills during the 1944/45 season, which is above that of the previous year, but below the amount necessary to maintain full-time operations. Manufacturing industries in St. John's catering to the local market, reported that 1944 sales were well ahead of normal, but below the record set up in the two previous years. The shortage of raw materials evident in the final months of 1943, became more acute during the past year and production was necessarily curtailed.

Estimated revenue and expenditures of the Newfoundland Government for 1944/45 are both in excess of those in the previous year. Actual receipts for the first eight months have greatly exceeded expectations and another substantial surplus is indicated for the present fiscal year. Wholesale and retail trade showed a decline during 1944. Inventories are now reported much lower than in recent years and lack of shipping facilities has hampered stock replacement.

In spite of the decline in defence construction there has been no unemployment. Some of the slack in employment was quickly absorbed by local industries, many of which had been contending with an acute labour shortage. Fishing and logging have absorbed a large number of men and it is reported that approximately 2,500 Newfoundlanders have secured temporary employment in the United States and Canada. Experienced tradesmen are still receiving high wages. Living costs continue abnormally high, although a slight decline in the cost of living index was reported in the latter months of 1944. The official index in November 1944 was 158.8, compared with 100 in October 1938.

Operations at the Bell Island iron mines continued restricted during 1944. In the first 10 months work was on a two-to-four day a week basis with only two mines functioning. Estimated shipments for 1944 are 575,000 gross tons, compared with 900,000 gross tons in 1943. Shipments of base metals from Buchans Mining Company in the fiscal year 1943/44 amounted to 176,709 tons valued at \$4,489,186, compared with 126,421 tons valued at \$3,224,608 in the nine months ended March 31, 1943.

ARGENTINA

The volume of foreign trade in 1944 continued to show substantial gains over 1943 and 1942. In volume, exports during the first ten months of the year were higher than in any preceding year since 1937. Imports showed some increases in volume and in value, with Brazil continuing to be the principal supplier. The United States and Great Britain were second and third among exporters to Argentina, but their shipments showed substantial reduction compared with previous years. The excess of exports over imports in the first ten months of the year was 1,149 million pesos, compared with 977 million and 392 million pesos, in the same periods of 1943 and 1942 respectively.

Business activity has continued on a high level in spite of an increasing shortage of imported raw materials and manufactured goods. Local production has expanded as rapidly as the shortage of raw materials will permit and through the utilization of substitutes. Results of a preliminary study of national income indicate that total gross income in 1941 was 10,800 million pesos. During the first eight months of 1944 revenues from all sources except customs collections and port duties, exceeded those of 1943. Gold and foreign exchange holdings in Argentina and abroad continued to increase. The Government has created a National Postwar Planning Council and subcommittees for the study of foreign trade have been appointed. Plans for the fourth general census of Argentina have been approved and the census will be completed before December 1, 1945. The last general census was taken in 1914. An Argentine Government decree provides for the donation of 100,000 tons of wheat and 5,000 tons of meat to the French authorities for relief in the liberated areas.

The winter drought which was broken by rains in September was the most severe since 1916. The drought had serious consequences not only in Argentina but along the entire Parana River. Water levels became so low that shipping to Asuncion in Paraguay, almost came to a halt and the city faced a serious shortage of dairy products, fruits, vegetables and other food products ordinarily imported from Argentina. Exports from Paraguay, particularly quebracho and hides, which normally come down the river to Buenos Aires for trans-shipment were also held up. Ocean-going vessels were unable to proceed to load grain at Rosario, and vessels were held in Buenos Aires placing a further burden on the river barges which had to transport the grain down to Buenos Aires.

In Argentina, the drought resulted in declines in the area sown to the principal crops and also in the yield of these crops. The first official estimate places the 1944/45 wheat crop at 166,700,000 bushels, compared with last year's crop of 249,800,000 bushels. The new flaxseed crop is estimated at only 33,000,000 bushels, compared with 61,900,000 bushels in 1943/44. The Government has guaranteed prices equivalent to 72c a bushel for new crop wheat and 98c a bushel for flaxseed. With the exception of the 1935/36 prices for wheat, these represent the highest levels of wheat and flaxseed prices which have been established since the adoption of guaranteed minimum price policy in 1933. As a result of the small flaxseed crop, exports of flaxseed during the current season have been prohibited, in order to ensure that local crushing mills should be able to supply sufficient linseed oil for fuel needs.

The maize crop harvested between April and June 1944 is estimated at 344,000,000 bushels. As a result of the reduction in stocks through local consumption and exports, a guaranteed price equivalent to 45c per bushel which had been in effect since May, was discontinued on October 20th. The rains in September improved prospects for corn plantings for the 1944/45 crop but no estimate of the acreage is yet available. The lateness of the plantings, however, is expected to reduce the yield. The purchase by United States interests of 3,000 metric tons during the quarter ended September 30th, provided the first substantial volume of corn exported in the past three or four years. On June 3rd an agreement was reached for the sale to Spain of one million metric tons of wheat in exchange for Spanish iron and steel but final arrangements have not been completed.

The rainfall also improved cattle and pasture conditions in the main cattle-raising areas. Slaughtering of cattle at the frigorificos in the first nine months of 1944 were below those in the preceding year but slaughterings of sheep and hogs showed a continuation of the rising tendency. Hog marketings for the year 1944 are estimated at 3.8 million head, 27 per cent above 1943. This increase in hog production has been a feature of Argentine agriculture since the beginning of the war. In order to assist the industry during 1945, corn for feeding purposes is now available at the same price as corn for fuel. Exports of all meats during the first nine months of the year were 26 per cent above those of the preceding year. Most of the meat exported from the Argentine in recent years has gone to Great Britain. Discussions are underway regarding the renewal of the Argentine-British Meat Agreement which expired on September 30, 1944. In the meantime the agreement is being extended from month to month.

In the months prior to the rains in September the milk flow was small and production of the dairy products reduced, but preliminary reports of production in the year ended August 31st, indicate a new record in the production of butter, cheese and casein. Exports of dairy products during the crop year also established new records. Production of butter has been substantially lower since the start of the present season on September 1st and has shown less than normal seasonal improvement. Exports are subject to license. As a result of

the drought, high winds and severe frost and cold in June and July, the citrus fruit crop was considerably below that of the preceding year. The yield of oranges is estimated at slightly more than 8 million boxes, compared with 14 million boxes in the previous year. The crop of tangerines, lemons and grapefruit was also reduced. The 1944/45 output of pears is expected to be above that of 1943/44, but the grape yield is reported to be about the same as that in the previous year. The 1944 sugar crop is estimated at 506,000 short tons, or 12 per cent above the yield in 1943.

The wool clip for the 1944/45 season is estimated at 500 million pounds, slightly below the record output of 520 million pounds in 1943/44. The quality of the new clip is also reported to be lower. Exports during the season ended September 30th were 280 million pounds, 27 per cent above the war-time low established in 1942/43, but substantially below the pre-war average. Commercial stocks at the opening of the new season on October 1st were 348 million pounds, of which 17 per cent had already been sold and was stored awaiting shipping facilities. In addition, it was estimated that primary producers held stocks in excess of 150 million pounds.

The 1943/44 cotton crop established a new record at 116,000 metric tons, or 535,000 bales. This represents an increase of 37,400 bales or 7.5 per cent over the previous record established in 1942/43. The area planted was the largest on record and yields were well above normal. An increase in the potato crop is reported for the 1944/45 season with growing conditions good.

BRAZIL

The level of general business showed a slight decline during 1944. High prices and shortages of both domestic and imported goods contributed to the reduction in volume of retail and wholesale sales. Manufacturing industries continued to operate at high levels. Textile mills were operating to full capacity and it is officially stated that the value of the output of textiles represents approximately one-half of the country's total manufacturing production. Approximately 3 million spindles are at work in the cotton spinning mills, with smaller numbers in jute, woollen and silk mills. The Federal Council of Foreign Trade reports, however, that a large part of the machinery is not of the most efficient type and that output per worker is low. A programme of modernization is considered necessary if the Brazilian industry is to continue to compete in post-war foreign markets.

Other industrial developments include plans for the development of companies to manufacture electrical equipment, railway materials and quartz crystal oscillators. The Volta Redonda steel plant is not yet in operation but the output of pig iron and steel from other sources increased substantially in 1944.

Foreign trade in the first six months of 1944 was valued at Cr.\$8,554,000,000 compared with Cr.\$6,125,000,000 in the same period of 1943. The excess of exports over imports was slightly higher. The United States and Argentina were the principal markets. Coffee made up 57 per cent of shipments to the United States and cotton textiles represented 37 per cent of the exports to Argentina. Great Britain, Sweden, Uruguay and Chile were other important markets for Brazilian products.

Foreign exchange transactions continued to be controlled under the system established in April 1939. The Minister of Finance delivered an address in Sao Paulo in which he announced that Brazil would eventually participate in the International Monetary Fund and the Bank for Reconstruction and Development. He also stated that the Government would stabilize the cruzeiro at a level which could be maintained in the conduct of post-war international and economic financial relations.

The 1944 Federal budget estimated revenues at Cr.\$6,430 million and expenditures at Cr.\$6,403 million. Returns from income taxes were estimated at double those in 1943 and an excess profits tax was established in January 1944. Concerns liable to this tax have the option of investing double the amount of the tax in "Equipment Certificates", to be used for the eventual acquisition abroad of machinery to re-equip their factories, or in "Guarantee Deposits" at the Banco do Brasil which will be released in January, 1946, if war conditions permit, or earlier if losses have to be covered.

The coffee market was unsettled during 1944 with growers and exporters refusing to sell at United States ceiling prices, on the grounds that present costs of production were higher than the returns received. During the last three months of 1944, the National Coffee Department sold 3,000,000 bags, from government stocks, to exporters at a price which permitted sale at the United States price ceiling. Severe frosts in September 1943 did serious damage to the coffee trees, particularly in Sao Paulo, and the latest estimate of the 1944/45 crop in the State is 3,500,000 bags. A serious drought in the interior lasted for six months in 1944 but was broken by heavy rains in October. The 1945/46 coffee crop in the state of Sao Paulo is now estimated at 6/7,000,000 bags.

The drought was one of the most severe ever experienced in Southern Brazil and delayed planting of cereal and cotton crops by at least 30 days. Excellent rainfall in October and November is expected to repair some of the loss due to late planting. The cotton crop just harvested is the largest ever secured in the area and is estimated at nearly 2,000,000 bales. The northern districts also reported a record output during the year. Seed distribution for the 1944/45 crop was larger than in the preceding year but the drought has necessitated extensive replanting in Sao Paulo. Prices of Brazilian cotton declined late in the year and it is reported that sales for export have been negligible since the United States cotton subsidy plan became effective on November 15, 1944.

Drought conditions also adversely affected the livestock industry. Beef and veal production for 1944 is estimated at 1.5 billion pounds, slightly less than the output in 1943. In the three years 1940/42, production averaged 1.7 billion pounds; exports in those years averaged 468 million pounds, double the pre-war average, and represented 17 per cent of the total supply of beef from the Southern Hemisphere during the period. The large exports, together with the increased local consumption, depleted stock on farms and ranches, and drought in the last two years further reduced output. The sale of meat in Rio de Janeiro is restricted to two days a week, and requisitions of cattle are now being made to supply that market as well as the city of Sao Paulo. Rationing is also in effect in the State of Rio Grande do Sul. The Brazilian Government has arranged for the purchase of 8,000 tons of Argentine beef, and fairly heavy shipments are being received.

The acreage and production of rice in Southern Brazil established a record in 1943/44. Yields were high in Rio Grande do Sul and other states, but the drought reduced those in Sao Paulo. Plantings for the 1944/45 crop are reported to be even larger than in the previous year. The 1944/45 sugar crop in Brazil is estimated at 1,500,000 short tons, a slight increase over the output in 1943/44.

COLOMBIA

Economic indexes in 1944 continued to reflect the upward trend in business and industry of the previous year. Retail and wholesale trade were active, although stocks of imported and domestic goods were comparatively light. Prices are high. Textile mills operated to capacity during the year; demand was strong and it is reported that the goods were sold as soon as they came off the looms. According to a study made by the United States Co-ordinator of Inter-American

Affairs, Colombia's purchases of industrial equipment in the immediate post-war period should reach a total value of \$386,000,000.

Cement production in Colombian mills was at approximately the same rate as in 1943, and imports of foreign cement were necessary in order to satisfy the country's construction requirements. General construction was active during the year and the Government is taking active steps to improve transportation facilities in the Republic. The extension of highways and railways and the building of airports in many cities are part of this programme. Many of the highways under construction or projected are in the mountainous districts of the interior where communication has been practically impossible; the difficult nature of the terrain adds to the construction problems and to the cost.

Petroleum production in the first eleven months of 1944 was 18,992,000 barrels, compared with 9,728,000 barrels in the same months of 1943. An improvement in shipping facilities has permitted the export and hence the production of nearly double the amount of petroleum. After three years study, the Colombian Supreme Court has handed down its decision on the Tropical Oil Company's Concession, fixing the date of expiration at August 25, 1951. Exploration and development work continue active and prospects for post-war expansion of the industry are considered favourable. The new Oil Bill, which was submitted to Congress at its last session, has been held over for consideration in 1945. Its provisions would liberalize the regulations governing "wildcat drilling" and the development of the industry generally.

Other mining industries operated at approximately the levels of the preceding year. Gold production was slightly greater than in 1943, but the output of platinum in the eleven months ended November 30th was only 28,372 fine ounces, compared with 34,564 fine ounces in the entire year 1943. The Institute for Industrial Development has earmarked ten million pesos for the initial development of a large iron-ore deposit, the exploitation of which would give Colombia an iron and steel industry. The Institute has also signed an agreement with the Colombian Government for the construction, at the Government salt mines some thirty miles from Bogota, of a plant for the manufacture of soda ash and other sodium chloride derivatives. Exports of coffee in the first nine months of 1944 were 3,688,035 bags, compared with 4,091,338 bags in the same months of the previous year. The market was inactive in the later months of 1944, with growers holding stocks in anticipation of higher prices; only moderate sales were made following the announcement in November that the United States ceiling price would not be increased. At the end of 1944, The Inter-American Coffee Board doubled quotas of participating countries for shipment to the United States; the Colombian quota effective January 1, 1945 is 5,622,071 bags of 60 kilos. The new crop now being harvested is of excellent quality but slightly below normal in size. A yield of 5,500,000 to 6,000,000 bags is anticipated.

The production of food crops continues to receive government encouragement. The output of rice in 1944 established a new record at 5,923,000 bushels, only slightly higher than the 1943 crop of 5,901,000 bushels. Unfavourable weather early in the year reduced the yield in the principal producing areas or the total crop would have been substantially larger. Wheat production, on the other hand, was the lowest since 1938, as a result of drought in the early spring, followed by floods in May. Following the same crop of 1943, the reduced output caused a shortage of flour and the measures limiting imports of wheat, which had been in effect since 1942, were suspended in August. Mills are required, however, to use large percentages of domestic wheat. The supply of domestic barley was sufficient for requirements and imports were prohibited after September 18th. On September 25th, a new official organization, the National Supplies Institute, was

established to handle all grain imports, as well as to facilitate production and distribution in Colombia.

Unfavourable weather conditions reduced the output of sugar during 1944. Small exports were made early in the year, but the smaller production made imports necessary later in the season. Imports up to the middle of November were approximately 10,000 metric tons and were received from Peru, Cuba and the Dominican Republic. No estimate of the domestic crop in 1945 is yet available. The livestock market was active during the year with steady demand for meat at higher price levels. At the end of the year, the demand for young cattle for fattening was good at proportionately higher prices. Exports to the Canal Zone were maintained during the year and it is reported that further shipments of 10,000 steers have been authorized for the year beginning January 1, 1945.

PERU

The value of retail and wholesale trade has shown a declining tendency in recent months but the total is still considerably above pre-war figures. The index of wholesale prices in October 1944, the latest date for which statistics are available, was 227.2, on the basis of 1934-36 equal 100. The cost of living on the same basis was 188.

The harvesting of the 1944 cotton crop was practically completed in November with production estimated at 1,350,000 quintals (approximately 286,000 bales), an increase of approximately 100,000 quintals over the output in 1943. The industry experienced a favourable year and price levels have been well maintained. Cost of production, however, has been considerably increased due to the higher wages and the difficulty in securing fertilizer. During the past few years there has been an increasing scarcity of guano, as a result of a high death rate among the birds, the reasons for which are not wholly understood. As a result of the scarcity of this fertilizer, its distribution among farmers is now controlled and in certain areas other fertilizers have had to be used with the result that costs have increased and yields have been reduced. In the arid coastal regions which are cultivated under irrigation a regular supply of fertilizer is required and guano is found to give the best results and to be less expensive than other types.

Sales of cotton up to October 31st were in excess of 1 million kilos, largely to Great Britain and other Latin American countries. While sales were large, a scarcity of shipping space hampered movement of the crop and stocks of cotton in Peruvian ports were approximately 350,000 bales at November 9, 1944. Shipments during the first nine months totalled 189,000 bales, compared with 112,000 and 113,000 bales for the same periods of 1943 and 1942 respectively. Domestic consumption during the period was approximately 41,000 bales.

As a result of more stringent regulations, including the establishment of crop rotation and regular planting dates, the production of fibre flax and tow improved in 1944. All the flax and tow produced goes to the United States. The 1944 wool clip is estimated at 19 million pounds, approximately the same as that in 1943 but in excess of the 1942 output. It is estimated that there are in Peru some 14 million sheep, 2 million alpacas and approximately 650 thousand llamas.

The 1944 sugar crop was more than 400,000 metric tons, as a result of adequate water supplies in the sugar valleys and favourable climatic conditions. Exports during the nine months ended September 30th were 215,313 metric tons, compared with 129,873 metric tons in the same months of 1943. No exports outside Latin America were reported in 1944. In August internal transportation and distribution difficulties caused a shortage of sugar in the Lima market and producers were required to increase their quotas for domestic consumption by 25 per cent.

During the first nine months of 1944, 137,000 tons of wheat and an amount of flour equivalent to a further 16,000 tons were imported, compared with total imports of about 130,000 tons during the whole of 1943. The local crop is grown generally in the Sierra districts and is approximately 90,000 tons, the greater part of which is marketed in Southern Peru. The Government is encouraging local production and progress is reported in the creation of seed adapted to local conditions. This seed is being made available to farmers for the 1945 crop. Estimates of rice production for 1944 are high, as a result of good weather conditions and adequate water supplies. Output is estimated to reach 89,000 tons of rice, compared with 76,227 tons in 1943. This production, together with the 1943 carryover of approximately 7,000 tons, is expected to provide an excess over normal requirements. Good barley and corn crops are also anticipated.

The highest floods on the Peruvian Amazon in twenty years reduced domestic food production in the Iquitos area but production of rubber was reported to be less affected. Rotenone, which is prepared from the root of the barbasco plant found in the Amazon forest regions of Peru, is used in the preparation of insecticides as a substitute for products previously obtained from the East Indies. The floods on the Amazon prevented normal shipments of rotenone during the season.

The high level of activity in all branches of the mining industry was maintained throughout the year. On August 25, 1944, the Metals and Minerals Agreement between the Peruvian Government and the United States Commercial Company was extended for one year to June 30, 1945. Under this and similar agreements the United States has been purchasing, at fixed prices, all metals and minerals produced in Peru. The new agreement makes no provision for purchases of antimony and it is also reported that purchases of tungsten are not being made in 1945. Few statistics of output are available, but it is reported that the production of zinc concentrates for the first 8 months of 1944 indicate a new record in zinc output. Recent statistics of petroleum output are not available. Production during 1943 amounted to 14,600,000 barrels, compared with 13,600,000 barrels in 1942.

Domestic manufacturing industries continued operating at high levels. Rayon mills which were not able to obtain full supplies of rayon yarns used mixtures of cotton and other yarns in order to maintain capacity production. Domestic cotton and woollen mills operated at or near capacity. Plans for an increase in the domestic flour milling capacity, for the construction of a match factory of sufficient capacity for local requirements, and for an increase in the capacity of cement plants in the Republic are reported.

Throughout the year building activity was at high levels. A substantial increase in construction of dwelling houses in the suburbs of Lima is reported. The scarcity of building materials was somewhat reduced during the year. An expansion in the road-building programme is also underway, opening up districts previously quite inaccessible to motor traffic. Particular attention is being paid to the Trans-Andean Highways in order to facilitate transportation of products from the Amazon area, exploitation of which has been speeded up during the war.

URUGUAY

Rains during the early part of the 1943/44 crop season were timely and abundant, but later drought reduced the yield of the principal crops, with the exception of flaxseed. The yield per acre of flaxseed was more than double that of the previous year, and, in spite of the reduction in acreage, the total output was also more than double that of 1942/43. Uruguay is reported to be the only country in the Western Hemisphere whose flaxseed crop was equal to that of the previous year. The maize crop was not seriously affected by the drought and the final output was more than five times that of the exceed-

ingly small crop of 1942/43, which was in fact the smallest on record. The output of minor crops, including sunflowers, ground nuts and rice, showed a gain, particularly in sunflower seed. Sowings of the 1944/45 crop were reduced by a somewhat prolonged winter drought. Wheat acreage showed a continuation of the declining trend but the area planted to flaxseed increased. Rains which fell in September and October completely changed the agricultural outlook and the situation at the end of 1944 was regarded as satisfactory.

In so far as rainfall and pasture conditions are concerned, the condition of cattle throughout the country was satisfactory during 1944, but, largely as a result of the acute drought which lasted from September 1942 to April 1943, there has been a shortage of cattle. It is reported that stockyard receipts have been barely sufficient to meet the requirements of the frigorificos. As a result of this situation, supplies of beef for local consumption have been limited and sales to the local public restricted to five days a week. The Uruguayan Government is making efforts to increase the production of hogs and a decree of August 15th authorized them to pay premiums to purchasers of pedigreed hogs for breeding purposes. Hog raising has never been an important industry in Uruguay and at the last official livestock census taken in 1937, there were only 346,000 hogs, compared with 8,297,000 cattle and 7,931,000 sheep. Unofficial estimates indicate that there has been no increase in the hog population since that date.

Shipments of wool during the 1943/44 season which ended September 30th amounted to 108,421 bales, compared with 103,605 in the previous year. The United States was the principal market, but an increase was reported in exports to Sweden and Brazil. Prices were good during the season and the main difficulty with which the industry had to contend was the lack of shipping space. Stocks awaiting shipment on September 30th were 54,000 bales of which 50 per cent represented wool already sold to the United States. Prospects for sale of the 1944/45 clip are encouraging and substantial sales have already been made, at prices equal to those of the previous season and showing a tendency to rise. A special tax on exports of wool was established on October 20, 1944, and will remain in force until September 30, 1945. Proceeds of this tax, which is in addition to the regular export duty, will be used to finance credits to wool workers. The market for hides and sheep skins was relatively active during the year and exports showed an increase.

Wholesale and retail trade have been affected by the scarcity of shipping space and the limited number of foreign markets from which supplies can be secured. Stocks of a majority of both imported and local goods continued to decline and prices showed a rising tendency. Local cotton textile factories and spinning mills have been working to capacity. The price of foodstuffs has also shown a substantial increase and meat which had always been abundant and cheap has been difficult to obtain.

The Government is taking steps to improve the fishing industry and a large fishing company was established in June. By a law of November 24th, import duties on all types of fish and fish products were increased by 10 per cent, the proceeds of this special tax to be used to establish a Government fisheries service for the improvement and encouragement of fisheries.

VENEZUELA

An improved import situation, the maintenance of industrial production at a high level and the steady expansion of petroleum production and drilling operations, resulted in satisfactory business conditions in 1944. Many imported and domestic products were available in more adequate quantity, but food prices rose early in the year as a result of the generally unfavourable weather conditions in 1943. These prices declined in later months, however, as the unusually large corn crops and abundant minor food crops reached the market.

Exports of coffee have been the lowest in some years, reflecting the short crop; the yield in 1945 is expected to be normal. The cocoa crop was normal and sugar output at the high level of the preceding year; the yield of cotton is high but rains have interfered with harvesting. Petroleum production is at the highest level in the history of the industry and exploration and drilling operations are also active. Continued expansion in 1945 may result in a labour shortage in the oil fields, particularly of skilled and semi-skilled men.

Government revenues in the fiscal year ended June 30, 1944, were the highest on record and yielded a surplus of 100,000,000 bolivares. Budgeted expenditures for 1944/45, approximately 30 per cent of which are for public works, also established a new record. In accordance with the Government's announced policy of utilizing receipts from income taxes for the reduction of customs duties, the rates of duty on a large variety of imports were lowered during the year. The products affected included machinery, agricultural equipment, raw materials and mineral products. Internal taxes on salt, matches and gasoline were also reduced. Import-license requirements were eliminated on a wide range of commodities. Construction activity has been general throughout the country, notably public roads, bridges, schools and drainage systems, but also including low cost housing projects and suburban building. Construction of the new University city at Caracas is now underway. The total cost is estimated at 33,000,000 bolivares, of which 8,000,000 bolivares are included in the 1944/45 budget.

BRITISH WEST INDIES, BRITISH GUIANA AND BRITISH HONDURAS

During 1944, there was a considerable degree of readjustment in economic conditions. This readjustment has been most marked in those colonies where military construction activities had increased the volume of purchasing power and strained the local labour and supply situations. Improved shipping facilities permitted the export of 1944 crops and stocks of certain commodities which had accumulated during 1943. The British Government purchased the entire sugar and cotton crops and assisted in the marketing of other products. The mining industries of Trinidad and British Guiana are continuing to play their important part in the general war effort. Local production of foodstuffs has helped to relieve pressure on imported food supplies and the cost of living has remained relatively stable during the past year. The colonies have been receiving substantial quantities of flour from Canada as a free transfer of essential supplies under the Mutual Aid Plan. Unemployment in certain areas has been relieved by temporary employment of labourers from Jamaica, the Bahamas and British Honduras in agriculture and industry in the United States.

Two conferences on economic development took place during the year, both in Barbados. In March, a West Indian Conference was held under the auspices of the Anglo-American Caribbean Commission. In June, the Associated West Indian Chambers of Commerce held their seventh Congress. An important political event took place in Jamaica during the year when that Colony was granted a new constitution affording a large measure of home rule on the basis of universal suffrage. Elections were held on December 14th and resulted in a sweeping victory for the Jamaica Labour Party.

The financial position of all the colonies is good, with surpluses reported by a majority. The estimated deficit in Jamaica was reduced by increased revenues from customs and excise duties and from income and excess profits taxes.

In August, a hurricane, said to be the worst in forty years, struck the island of Jamaica, causing enormous damage to crops and buildings. Some of the loss is discussed in the commodity reports which follow. The serious damage to breadfruit, bananas and vegetables reduced local food supplies, necessitating imports of rice and flour. The shortage

of local foods is expected to continue until the spring. The British Government has announced that it will provide a grant for repair of damage from the hurricane, and will also make loans for the rehabilitation of the banana and coconut industries. Loans will also be granted for the rebuilding of houses.

Damage to crops and buildings was also caused in Grenada by a storm in August, but the losses were much less severe than in Jamaica.

The sugar crop in all producing areas was disappointing. This decline is the result of a variety of causes including labour shortages, unfavourable weather, reduced acreage and lack of fertilizer. The area under cultivation has been reduced by the necessary transfer of land to the production of food crops for local consumption. No change in this respect can be anticipated until the war is over, but there has been an improvement in the other adverse factors. Cane for the 1944/45 crop is reported to be in good condition and an increased yield is anticipated. Total output, aside from local consumption, is under contract to the British Government. Following submission of the Benham Report on the Trinidad sugar industry the Trinidad Government passed a subsidy measure, limited to the period 1944-46 inclusive, which provides for substantial assistance to manufacturers and growers. The estimated total commitment of the Colony for 1944 under the measure was \$1,200,000, \$400,000 of which covered depreciation of plant and machinery of manufacturers, \$400,000 interest on capital of manufacturers and \$400,000 the estimated cost of a guaranteed price of \$5.50 per ton of cane to growers.

Cocoa production was well maintained in Grenada and the coming crop is expected to be only 10 per cent below normal, in spite of damage to trees and fruit from the storm in August. The island has made application to the Colonial Development and Welfare Fund for a loan to finance extensive rehabilitation of the industry. It is proposed that the present plantations would be replaced, over a period of years, by disease-resistant trees of higher yields. Output in Trinidad has continued to decline, with little prospect of an early improvement. In an effort to resuscitate the industry the Trinidad Government has allotted the sum of \$4,000,000 for rehabilitation and has invited applications from planters who wish to participate in the replanting scheme. The plan provides for a maximum grant of \$333 per acre for replanting and special grants in connection with the clearance of lands unsuitable for cocoa and their preparation for substituted crops.

Adverse weather conditions and insect pests reduced cotton yields in Montserrat, St. Kitts and Barbados. In Antigua, where the previous crop was very small, some improvement in output was reported. The entire yield has been purchased by the British Government. Improved shipping conditions permitted export in 1944 of substantial amounts remaining in store from the previous year's crop.

As a result of the extensive damage caused by the August hurricane in Jamaica, the quantity of bananas available in the latter months of 1944 was not sufficient for local consumption. The British Government continues to purchase all available high grade fruit and has extended its undertaking to do so until December 31, 1946. The current price is four shillings and tenpence per count bunch, less fourpence per bunch for leaf spot disease control. As a result of the storm loss, purchases in 1944 did not exceed 3,500,000 bunches, but the 1945 crop is expected to reach 6 or 7 million count bunches.

It is estimated that the hurricane destroyed 40 per cent of the coconut trees in Jamaica, and replacement will take several years. Special measures for the rehabilitation of the industry have been undertaken by the British and Jamaican Governments. Exports of coconuts and copra have ceased and there is little likelihood of resumption before 1946. All products are marketed under government control. Strict control is also maintained in Trinidad, where local output is

largely consumed in the manufacture of edible oils, margarine and soaps.

The heavy stocks of Grenada nutmegs and mace on hand at the end of 1943 were all shipped during 1944, principally to the United States. The 1944 crop was below normal and the August storm reduced prospective yields in 1945. Exports of ginger and pimento from Jamaica are under Government control. The yield of ginger in 1944 was normal but the hurricane seriously damaged pimento trees.

Shipping facilities were more readily available for Dominica lime products. Although exports of green limes have ceased, an increased demand for lime juice and distilled oil resulted in higher local prices for ripe or crushing limes. Hurricane damage in Jamaica reduced the citrus fruit crop by 15 per cent, to approximately the same figure as in 1943. Prices are also the same. Bitter oranges are sold to the British Ministry of Food as marmalade pulp; the Ministry has also purchased a large quantity of concentrated orange and grapefruit juices, which will absorb the greater portion of these crops. Arrangements are reported for the shipment of fresh fruit to New Zealand, the first exports of fresh fruit since 1940. The 1944 grapefruit and orange crops in Trinidad were the smallest in recent years and the 1945 yield is not expected to be much larger.

The 1944 rice crop in British Guiana was larger than in the two preceding years. The industry has shown considerable expansion in the war years, as the sole source of supply for British West Indian islands. Methods of cultivation in the colony are being improved, mechanized equipment is being installed and the Government has established an experimental planting station to demonstrate new methods. Purchase, sale and distribution continue to be under the control of the Rice Marketing Board.

Completion of military construction contracts in the Bahamas affected business conditions but continued air and military activities contributed to the maintenance of a fair volume of business. Food supplies have been sufficient for essential requirements and larger exports of tomatoes to Canada realized above-average prices. A substantially increased acreage has been planted for the 1945 crop and growing conditions have been good. The sponge beds continue to show recovery from blight and it is expected that they will be reopened to commercial fishing in 1945.

Weather conditions in British Honduras in 1944 were favourable for lumbering and exports were in excess of those in the previous year. The banana and coconut markets have been active with prices higher and the output of chicle was above that in 1943.

CUBA

The volume of business during 1944 was maintained at a high level. The largest sugar crop in fifteen years, combined with good domestic and foreign demand for other agricultural products, contributed to this volume. The value of shipments in 1944 is unofficially estimated at \$400,000,000. Wholesale and retail trade was active, bank clearings were 30 per cent above those of 1943 and collections were promptly met. A Presidential Election was held on June 1, 1944; the new president, Dr. Ramon Grau San Martin, took office on October 10th. The provinces of Havana and Pinar del Rio suffered serious damage and loss of property in a hurricane on October 18th; the major damage was to houses and other buildings in the rural areas and to tobacco seed beds and minor crops. Congress has approved a relief project of \$5,000,000. An agreement for the sale of the 1944 sugar crop to the United States Commodity Credit Corporation was concluded in September 1943; it provided for the purchase by the Corporation of a minimum of 4,000,000 short tons of sugar at the same basic price of 2.65c per pound f.o.b. Cuba that had been established for the two preceding crops. Local consumption was estimated at 200,000 tons.

In January 1944, arrangements were completed for the delivery of the equivalent of 800,000 tons, later increased to 1,000,000 tons, of the sugar purchased in the form of invert molasses. In April further arrangements were made for the purchase by the Corporation of the remaining stocks of 1943 black strap molasses and somewhat more than 50 per cent of the 1944 production. The total 1944 sugar crop was set by Government decree at a basic minimum of 4,250,000 long tons, with provision for additional quotas to ensure grinding of all available cane. In view of the sales agreement, grinding began on January 2, 1944, considerably earlier than usual. The sugar content of the cane was below normal early in the season, but the total output was 4,976,243 long tons, of which 793,527 long tons is the equivalent of the 219 millions gallons of invert molasses produced. Negotiations are still in progress for sale of the 1945 crop. It is expected that production will be the maximum possible from available cane, but the very large crop in 1944 utilized practically all of the carryover cane. Moreover, drought conditions in the eastern part of the island and loss of cane in the western sections as a result of the hurricane, will also reduce production. Reliable unofficial estimates indicate a 1945 crop of 4,000,000 long tons. The 1944 tobacco crop was estimated at 453,000 bales, compared with 303,145 bales in 1943. The demand for export and local consumption was high at remunerative prices and there was practically no carryover at the end of the year. The hurricane destroyed seedbeds and tobacco barns in the Vuelta Abajo zones, which will retard the 1945 crop by a month and may curtail production to some extent. Weather in the Vuelta Arriba zone has been favourable and the 1945 crop is expected to show a large increase. Prices of cattle and meat were increased during the year. Although exports were suspended, supply was below demand and slaughtering and meat deliveries were prohibited on Tuesdays and Fridays of each week. Jerked beef and sausage factories slaughtered a larger number of cattle but demand for these products was in excess of supply. In order to provide a more effective check on the industry, the Government has ordered the taking of a livestock census in 1945. Drought conditions early in the year affected pastures, butter and cheese factories had difficulty in securing sufficient supplies of milk and their output was below that in 1943. The 1943/44 coffee crop amounted to 757,000 quintals of which 30 per cent or 227,100 quintals, were set aside for export. The carryover at the end of the crop year on July 31st was heavy but the 1944/45 crop is estimated at only 650,000 quintals. The smaller crop and the recent action of the Inter-American Coffee Board in increasing Cuba's quota for export to the United States to 142,860 bags of 60 kilos, should permit liquidation of a substantial proportion of the carryover. The citrus fruit crop was normal in size and higher prices were realized by the producers. Early shipments of pineapples from the Isle of Pines indicate an increased production in that district but the crop in Pinar del Rio province suffered damage from the hurricane and a yield 20/30 per cent below earlier estimates is anticipated.

DOMINICAN REPUBLIC

Good demand from abroad and improved shipping facilities have permitted the export of all available local products, including heavy stocks of sugar from the 1943 crop. Local sales of available merchandise were well maintained on a dollar basis, but it is reported that they represent a lower volume of business. Credit and collection conditions are good. Preliminary reports of the 1944 census indicate a population of 1,969,773, compared with 1,479,417 at the last census in 1933. The sugar crop of 540,000 tons established a new record and shipments went forward regularly. Drought in the early months of 1944 affected growing canes but the reduction in the yield of the current harvest is not expected to exceed 15 per cent. The present crop and that for 1945/46 have been sold to the British Government at \$2.65 per cwt., the same price as in the preceding year but if the price at which

the Cuban crop is finally sold exceeds this the higher figure will also apply to the Dominican crop. Cocoa and coffee production were below normal as a result of the spring drought but local prices remained at the levels of the ceiling prices in the United States. The corn and bean crops were sufficiently large to allow considerable exports, but the rice crop was small. In February, an agreement was concluded with the United States Government, whereby the entire exportable surplus of several Dominican foodstuffs will be made available to meet shortages of food in Puerto Rico and other Caribbean islands. This agreement, which extends to June 30, 1945, provides for the sale of these products to the United States, but for shipment to points in the areas mentioned; it covers the Dominican surplus of corn, rice, peanuts and peanut cake, beans and live cattle. The United States also has an option to buy butter, eggs, fresh vegetables and fruits.

HAITI

Economic conditions in 1944 continued to reflect the improved shipping situation and higher prices and good demand for Haitian products. Foreign trade during the fiscal year ended September 30, 1944, was valued at \$32,139,000, the highest in many years, and approximately \$12,000,000 in excess of trade in 1942/43. Shipments of sugar amounted to 77,385 metric tons valued at \$4,312,000, compared with 11,534 metric tons valued at \$675,000 in 1942/43. Exports in the past years included the liquidation of the very heavy stocks on hand at the beginning of the season, and the disposal of the large 1944 yield. Grinding of the crop was not completed until July, two months later than normal. The coffee crop moved slowly early in the season, due to the application of the strict regulations of the new Coffee Code. Early estimates of a small crop were later increased to 25,000 metric tons but practically all supplies were shipped by the end of the year. The 1944/45 crop is expected to be slightly larger. Banana exports continued throughout the year at a level of approximately 300,000 stems per month; this is a substantial recovery as the trade was practically at a standstill in 1942. Exports of cotton in 1943/44 amounted to 20,635 bales, compared with 8,827 bales in 1942/43 and 10,095 bales in 1941/42. In these three years, practically all shipments went to Colombia. The programme of development of cryptostegia rubber was abandoned in May, with the release of approximately 70,000 labourers, who had been employed on the project at its peak in 1943. The sisal industry continues to expand, however, and the United States and Haitian Governments are sponsoring an increased production of foodstuffs for export, principally corn, beans and rice. These developments and the prolonged sugar grinding season helped to alleviate the employment situation.

PUERTO RICO

Business continued active during 1944, with the demand exceeding supply in many products. Weather conditions have

been very favourable for the growing crops and higher yields are anticipated. Due to the drought and the shortage of fertilizer the 1944 sugar crop was the smallest in 15 years, production amounting to only 723,611 short tons. The bulk of the output plus approximately 200,000 tons from the previous crop was shipped to the United States during the year. A more adequate supply of fertilizer was available for the 1945 crop and weather conditions were extremely favourable during the growing season. It is reported that acreage was low, however, and the output is estimated at 956,672 tons, which exceeds last year's crop by 32 per cent but is still well below the normal average. Sales were made to the United States Commodity Credit Corporation at the ceiling price of \$3.46 f.o.b., plus an incentive payment of 20c per cwt. to growers. Negotiations are now underway for sale of the 1944/45 crop at the same basic price plus an incentive payment of 40c per cwt. on raw sugar. Because of higher labour and material costs, producers claim that this does not cover cost of production. Activity continues in the rum industry and in October the production quota was suspended, but output is limited by control of the amount of molasses released for the manufacture of rum and shortage of shipping containers. For the fiscal year ended June 30, 1944, the Puerto Rican Government realized \$63 million in excise taxes collected on rum. Present prospects in the United States market are uncertain. The 1944 tobacco crop was estimated at 250,000 cwt., compared with the exceedingly small output of 85,000 cwt. in 1943. No definite acreage allotment for the 1944/45 crop was set but it is understood that fertilizer was available for 36,000 acres, approximately the same as the area planted in the previous year. If this area was actually planted and, with weather conditions favourable in the early part of the season, the new crop should exceed 300,000 cwt. The 1943/44 pineapple crop yielded approximately 300,000 cases of canned fruit and juice and the entire pack was sold, with the exception of a relatively small amount for local consumption, to the United States. It is estimated that the 1944/45 crop will be slightly larger than the previous one and demand for the canned product continues steady. Shipments of fresh fruit to the New York market will depend upon the availability of shipping facilities. The largest coffee crop in many years, estimated at 300,000 cwt., is being harvested, but a shortage of labour has been delaying operations. This yield compares with 175,000 cwt. for the previous crop. The new crop is reported to be above local consumption requirements. Since the principal market for Puerto Rican coffee has always been in Europe, the outlook for exports is obscure. Statistics of the needlework industry are not available but it is reported that the industry enjoyed a relatively prosperous year in 1944, with a steady flow of work. These favourable conditions are expected to continue until the end of the war, when the problem of the serious competition from the Far East and other areas will again have to be faced.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

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ALIX.....	W. D. Clarke.....	Mgr.	CONSORT.....	A. P. Henry.....	Mgr.	INNISFAIL.....	H. P. Filleul.....	Mgr.
BARONS.....	J. W. Doran.....	"	DIDSBURY.....	F. Dunlop.....	"	LACOMBE.....	C. D. Marble.....	"
BASHAW.....	E. M. H. Wegren.....	"	EDMONTON			LETHBRIDGE.....	C. MacMillan.....	"
BASSANO.....	H. W. Harper.....	"	★10023 JASPER AVE.....	J. G. Nickerson.....	"	MEDICINE HAT.....	R. H. A. Lacey.....	"
BEISEKER.....	M. A. Bernier.....	"		L. Crawshaw.....	Asst. Mgr.	MORINVILLE.....	A. Reid.....	"
BELLEVUE.....	W. Innes.....	"	JASPER AVE. WEST.....	G. A. Owen.....	Mgr.	OKOTOKS.....	C. G. M. McBey.....	"
BIG VALLEY.....	J. R. Clark.....	"	FAIRVIEW.....	D. Mackie.....	"	PINCHER CREEK.....	A. E. Ryan.....	"
BLACKIE.....	F. E. Murray.....	"	FOREMOST.....	E. McDowell.....	"	RED DEER.....	S. F. D. Roe.....	"
BLAIRMORE.....	J. B. Wilson.....	"	FORT McMURRAY.....	C. A. Thorp.....	"	SEKSMITH.....	S. W. Smith.....	"
BROOKS.....	D. Macadam.....	"	FORT SASKATCHEWAN.....	A. B. King.....	"	SOUTH EDMONTON.....	J. H. Hunter.....	"
CALGARY			GRANDE PRAIRIE.....	W. J. Fleming.....	"	SPIRIT RIVER.....	N. J. Morris.....	"
★102-108 EIGHTH AVE. {	E. McLean.....	"	HALKIRK.....	R. E. J. Hingston.....	"	STANDARD.....	J. E. Macadam.....	"
3RD STREET WEST.....	B. L. Robinson.....	Asst. Mgr.	HANNA.....	G. C. Siddall.....	"	STETTNER.....	A. E. Morrison.....	"
CAMROSE.....	A. B. McLellan.....	Mgr.	HIGH RIVER.....	C. H. Crooks.....	"	STRATHMORE.....	C. F. Nicholl.....	"
CARDSTON.....	J. K. Campbell.....	"	HILLCREST.....	(Sub to BELLEVUE)		THREE HILLS.....	D. Hutcheson.....	"
COCHRANE.....	J. Dewar.....	"	HOLDEN.....	T. A. Horn.....	Mgr.	TURNER VALLEY.....	L. F. Maggs.....	"
	A. H. O'Keefe.....	"						

BRANCHES IN BRITISH COLUMBIA

ABBOTSFORD.....	L. Caldecott.....	Mgr.	LANGLEY PRAIRIE.....	W. R. Shanks.....	Mgr.	QUESNEL.....	R. Commons.....	Mgr.
BRITANNIA BEACH.....	(Sub to VANCOUVER)		McKAY.....	J. O. Lennie.....	"	SMITHERS.....	L. K. McLeod.....	"
BURNS LAKE.....	P. H. Hoskins.....	Mgr.	NANAIMO.....	R. H. Mawhinney.....	"	STEVESTON.....	J. Grisdale.....	"
CHILLIWACK.....	G. Curven.....	"	NELSON.....	S. A. Maddocks.....	"	UNION BAY.....	(Sub to COURTENAY)	
COURTENAY.....	D. B. Maclean.....	"	NEW WESTMINSTER.....	R. Capstick.....	"	VANCOUVER		
CRANBROOK.....	J. L. Shelton.....	"	NORTH VANCOUVER.....	T. B. Campbell.....	"	★HASTINGS &	F. T. Palfrey.....	Mgr.
CUMBERLAND.....	K. C. York.....	"	PENTICTON.....	W. Heberton.....	"	GRANVILLE.....	W. H. Sharpe.....	Asst. Mgr.
KAMLOOPS.....	C. R. McLeod.....	"	PORT MOODY.....	G. L. Harrison.....	"		A. W. W. Linton.....	"
KELOWNA.....	F. J. Willis.....	"	PRINCE GEORGE.....	F. W. Dobson.....	"			
LADNER.....	E. S. Tierney.....	"	PRINCE RUPERT.....	A. Flaten.....	"			

★ Main branch.

BRANCHES IN BRITISH COLUMBIA—Continued

VANCOUVER—Continued

DUNBAR & 17TH AVE.	H. L. Fraser.....	Mgr.
EAST END.....	{W. J. McFadyen.....	
	{M. O. Knudsen Asst. Mgr.	
FAIRVIEW.....	H. C. Hoppood.....	Mgr.
GEORGIA & DENMAN.....	J. K. H. Currie.....	"
GRANDVIEW.....	G. H. Butler.....	"

VANCOUVER—Continued

HASTINGS & HOMER.....	F. T. E. Robertson.....	Mgr.
HASTINGS ST. & NANAIMO RD.....	J. Howat.....	"
MARPOLE.....	A. D. McLeod.....	"
MT. PLEASANT.....	A. L. Putnam.....	"
ROBSON ST.....	R. Egan.....	"
25TH AVENUE.....	D. P. Lockhart.....	"

VERNON..... A. W. Howlett..... Mgr.

VICTORIA	
★1106-1108 GOV'T ST.....	E. G. MacMinn.....
DOUGLAS ST.....	A. J. Ross.....
FORT ST.....	L. A. Benson.....
WELLS.....	E. E. McDougall.....
WEST VANCOUVER.....	H. Ostrom.....

BRANCHES IN MANITOBA

BALDUR.....	F. H. Bridge.....	Mgr.
BEAUSEJOUR.....	W. Craik.....	"
BINSCARTH.....	R. V. Smith.....	"
BIRTLE.....	C. A. Roberts.....	"
BOISSEVAIN.....	J. W. McLaughlin.....	"
BRANDON.....	D. E. R. Ewer.....	"
CLANWILLIAM.....	T. B. Weekes.....	"
CRYSTAL CITY.....	A. P. Thomson.....	"
FLIN FLON.....	G. O. Bergman.....	"
GLENBORO.....	W. H. Nevill.....	"
HAMIOTA.....	C. G. Webb.....	"
LAC DU BONNET.....	E. F. Shewfelt.....	"
LANGRUTH.....	T. M. Willet.....	"
MANITOU.....	D. F. Rankine.....	"
MC CREARY.....	T. E. Squire.....	"
MELITA.....	G. E. W. N. Branston.....	"
MINIOTA.....	J. C. Vradenburgh.....	"
MINNEDOSA.....	G. A. Holtby.....	"

MINTO.....	W. L. Leppert.....	Mgr.
MORDEN.....	M. W. Gordon.....	"
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PIERSON.....	S. G. Kennedy.....	"
PINE FALLS.....	E. Dixon.....	"
RAPID CITY.....	J. H. McIntosh.....	"
ROBLIN.....	J. W. Fowlie.....	"
ROLAND.....	G. A. Brown.....	"
RUSSELL.....	E. E. Thompson.....	"
ST. BONIFACE.....	W. English.....	"
UNION STOCK YARDS.....	H. E. T. Way.....	"
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SOMERSET.....	J. E. Besette.....	"
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WHITEMOUTH.....	G. Turner.....
WINNIPEG	
★MAIN & WILLIAM.....	{M. A. O'Hara.....
	{C. L. Walker Asst. Mgr.
CARLTON & PORTAGE.....	G. K. Stone.....
GRAIN EXCHANGE.....	S. E. Rae.....
MAIN & LOGAN.....	G. N. Walker.....
MAIN & SELKIRK.....	M. P. Johnson.....
PORTAGE AVE.....	M. L. Roenigk.....
PORTAGE & ARLINGTON.....	J. H. Stafford.....
PORTAGE & GOOD.....	N. G. Wallace.....
ST. JAMES.....	R. E. Emmett.....
SARGENT & SHERBROOK.....	J. G. Hansen.....
SELKIRK & SALTER.....	B. R. Kark.....
SHERBROOK & PORTAGE.....	A. J. Wilson.....
WEST KILDONAN.....	S. B. O'Connell.....
WILLIAM & SHERBROOK.....	T. K. Burke.....

BRANCHES IN NEW BRUNSWICK

BATHURST.....	W. H. Davison.....	Mgr.
BUCTOUCHE.....	R. J. O'Leary.....	"
CAMPBELLTON.....	S. G. Reid.....	"
CANTERBURY.....	A. H. Morell.....	"
DALHOUSIE.....	W. R. Fillmore.....	"
DORCHESTER.....	J. C. G. Cook.....	"
EDMUNDSTON.....	T. J. Scott.....	"
FREDERICTON.....	A. J. Smith.....	"

FREDERICTON JUNCTION.....	E. I. Snell.....	Mgr.
GRAND FALLS.....	A. C. Hutchison.....	"
HARVEY STATION.....	W. A. Thompson.....	"
MONCTON.....	E. H. Page.....	"
NEWCASTLE.....	C. S. Macdonald.....	"
PLASTER ROCK.....	J. H. Sargeant.....	"
REXTON.....	(Sub to RICHIBUCTO)	"

RICHIBUCTO..... H. F. Henderson..... Mgr.

SACKVILLE.....	V. B. Hardwick.....
SAINTE JOHN	
★22-26 KING ST.....	G. W. Bellevue.....
NORTH END.....	W. R. Brown.....
ST. STEPHEN.....	R. H. Frazee.....
SUSSEX.....	W. S. Hay.....
WOODSTOCK.....	C. M. V. Spence.....

BRANCHES IN NOVA SCOTIA

AMHERST.....	G. F. MacNeill.....	Mgr.
ANNAPOLIS ROYAL.....	A. D. Pynn.....	"
ANTIGONISH.....	S. E. Kyte.....	"
ARICHAT.....	E. A. Cosman.....	"
BADDECK.....	H. L. Hall.....	"
BARRINGTON PASSAGE.....	C. A. DeWolf.....	"
BEAR RIVER.....	C. V. Snow.....	"
BERWICK.....	T. W. H. McPherson.....	"
BRIDGETOWN.....	G. O. Long.....	"
BRIDGEWATER.....	A. B. Thomson.....	"
CHETICAMP.....	R. O. Boucher.....	"
CHURCH POINT.....	E. F. LeBlanc.....	"
CLARKE'S HARBOUR.....	E. G. Longley.....	"
DARTMOUTH.....	S. G. Merriam.....	"
DEBERT MILITARY CAMP.....	D. Fisher.....	"
DIGBY.....	A. T. MacLellan.....	"
GLACE BAY.....	I. C. McLeod.....	"
GUYSBORO.....	E. L. Eagles.....	"
HALIFAX		
★GEORGE & HOLLIS.....	{K. M. Sedgewick.....	
	{C. E. P. Rooke Asst. Mgr.	
ALMON & AGRICOLA.....	E. J. Reyno.....	

HALIFAX—Continued

GOTTINGEN ST.....	S. L. Murray.....	Mgr.
MORRIS & BARRINGTON.....	F. W. Schaefer.....	"
QUINPOOL & OXFORD.....	L. A. Murray.....	"
SPRING GARDEN ROAD.....	R. B. Murray.....	"
INVERNESS.....	L. A. Pothier.....	"
KENTVILLE.....	R. Fash.....	"
LA HAVE.....	W. C. Delany.....	"
LAWRENCETOWN.....	J. W. Connell.....	"
LIVERPOOL.....	R. H. Lockward.....	"
LOCKEPORT.....	F. W. Murphy.....	"
LOUISBURG.....	W. Stewart.....	"
LUNenburg.....	R. St. C. Hoppood.....	"
MAITLAND (Hants Co.).....	D. C. MacCready.....	
METEGHAN RIVER.....	J. C. Cormier.....	
MIDDLE MUSQUODOBOIT.....	R. A. Douglas.....	
MIDDLETON.....	W. K. Bagley.....	
MULGRAVE.....	J. A. MacDonald.....	
NEW GERMANY.....	W. G. Kenney.....	
NEW GLASGOW.....	R. H. Pethick.....	
NEW WATERFORD.....	I. N. McLean.....	
NORTH SYDNEY.....	K. A. Clarke.....	

PARRSBORO..... C. L. Godfrey..... Mgr.

PICTOU.....	R. G. Hughes.....
PORT HAWKESBURY.....	G. K. Hammett.....
PORT HOOD.....	C. J. Holder.....
ST. PETER'S.....	G. Johnston.....
SHERBROOKE.....	C. W. Marshall.....
SHUBENACADIE.....	G. D. MacMichael.....
STEWIACKE.....	L. W. Dickie.....
SYDNEY	
★CHARLOTTE & DORCHESTER.....	K. Mackenzie.....
GEORGE & TOWNSEND.....	L. J. McCarthy.....
WHITNEY PIER.....	H. G. Macdonald.....
SYDNEY MINES.....	J. S. Coffey.....
TRURO.....	A. R. Smith.....
WATERVILLE.....	E. U. Hirtle.....
WESTVILLE.....	E. A. Capstick.....
WEYMOUTH.....	J. H. Matheson.....
WHYCOCOMAGH.....	G. E. Puddington.....
WINDSOR.....	L. McCoy.....
WOLFFVILLE.....	D. S. Crosby.....
YARMOUTH.....	E. C. Wilson.....

BRANCHES IN ONTARIO

ALEXANDRIA.....	J. P. Mullett.....	<i>Mgr.</i>	INGERSOLL.....	R. W. Green.....	<i>Mgr.</i>	ROCKWOOD.....	(Sub to GUELPH)
APPIN.....	A. N. McLean.....	"	IROQUOIS FALLS.....	J. W. B. Brandreth.....	"	RODNEY.....	G. S. Robinson.....
ARNPRIOR.....	W. E. Moore.....	"	ISLINGTON.....	W. T. Hodgson.....	"	ROSENEATH.....	(Sub to HASTINGS)
ARTHUR.....	G. G. Connell.....	"	KEEWATIN.....	A. Black.....	"	ST. CATHARINES.....	A. G. Mackenzie.....
AYLMER.....	Q. H. Cook.....	"	KENORA.....	G. T. Sewell.....	"	ST. MARY'S.....	J. V. Eagan.....
AYTON.....	(Sub to HANOVER)	"	KINBURN.....	H. L. Blanchard.....	"	ST. THOMAS.....	J. A. Elliott.....
BARRIE.....	P. H. Fisher.....	<i>Mgr.</i>	KINCARDINE.....	B. D. Henry.....	"	SARNIA.....	H. T. Ross, Jr.....
BATH.....	G. W. Cuppage.....	"	KINGSTON.....	L. H. Leach.....	<i>Rel. Mgr.</i>	SAULT STE. MARIE	
BEETON.....	(Sub to TOTTENHAM)	"	KINGSVILLE.....	W. J. Blankstein.....	<i>Mgr.</i>	★QUEEN & BROCK.....	C. B. Young.....
BELLEVILLE.....	I. G. Hefkey.....	<i>Mgr.</i>	KIRKLAND LAKE.....	G. A. Goddard.....	"	QUEEN & BRUCE.....	R. J. Leach.....
BLIND RIVER.....	D. B. Currie.....	"	KITCHENER.....	J. R. Dier.....	"	STELTON BRANCH.....	W. J. Kelley.....
BRACEBRIDGE.....	W. N. Spearin.....	"	LAKEFIELD.....	J. Mc Kerchar.....	"	SCOTLAND.....	(Sub to BRANTFORD)
BRAMPTON.....	J. E. McArthur.....	"	LAMBETH.....	R. H. Squires.....	"	SHELburne.....	T. H. Gilchrist.....
BRANTFORD.....	F. C. Kennedy.....	"	LEAMINGTON.....	W. L. Barker.....	"	SIMCOE.....	G. R. Martin.....
BROCKVILLE.....	D. S. McKay.....	"	LION'S HEAD.....	H. Youngs.....	"	SMITHS FALLS.....	H. W. W. Allan.....
BROWNSVILLE.....	(Sub to TILLSONBURG)	"	LONDON.....	A. T. Hillary.....	"	SMITHVILLE.....	C. F. Bartle.....
BRUCE MINES.....	C. S. Campbell.....	<i>Mgr.</i>		W. E. McLaughlin.....	<i>Asst. Mgr.</i>	SMOOTH ROCK FALLS.....	J. P. Morgan.....
BURK'S FALLS.....	H. W. Fraser.....	"	LONDON EAST.....	J. H. Fletcher.....	<i>Mgr.</i>	SOUTH RIVER.....	(Sub to SUNDRIDGE)
BURLINGTON.....	E. D. Lucas.....	"	LYNDEN.....	I. C. McClean.....	"	SPENCERVILLE.....	C. G. Simon.....
CALEDON.....	(Sub to ORANGEVILLE)	"	MALLORYTOWN.....	A. H. T. Votier.....	"	SPRINGFIELD.....	(Sub to AYLMEr)
CARGILL.....	J. V. Findly.....	<i>Mgr.</i>	MANOTICK.....	H. O. Balkwill.....	"	STELLA.....	(Sub to BATH)
CARLETON PLACE.....	W. S. McCauley.....	"	MASSEY.....	(Sub to ESPANOLA)	"	STITTSVILLE.....	J. W. Morrow.....
CHAPLEAU.....	A. A. Kinahan.....	"	MELBOURNE.....	(Sub to MOUNT BRYDGES)	"	STONEy CREEK.....	W. E. Scott.....
CHATHAM.....	W. E. Hanley.....	"	MERRICKVILLE.....	W. C. Weaver.....	<i>Mgr.</i>	STRATFORD.....	H. A. Channell.....
CHIPPAWA.....	C. E. Robertson.....	<i>Rel. Mgr.</i>	METCALFE.....	R. K. Runnels.....	"	STRATHROY.....	R. A. Fowlie.....
CLIFFORD.....	J. O. Spence.....	<i>Mgr.</i>	MIDLAND.....	L. T. Brandon.....	"	STURGEON FALLS.....	H. J. Lalande.....
CLINTON.....	J. G. McLay.....	"	MOUNT BRYDGES.....	J. D. Henderson.....	"	SUBURy.....	C. R. Ross.....
COMBER.....	R. S. Patterson.....	"	NAPANEE.....	W. J. Wiggins.....	"	SUNDRIDGE.....	L. Peake.....
COOKSTOWN.....	G. T. Gregory.....	"	NAVAN.....	F. H. Nelson.....	"	SYDENHAM.....	(Sub to ODESSA)
COOKSVILLE.....	W. M. Leonard.....	"	NEUSTADT.....	(Sub to HANOVER)	"	THAMESFORD.....	G. E. Hessenauer.....
CORNWALL.....	J. H. Hunt.....	"	NEWBORO.....	(Sub to PORTLAND)	"	THOROLD.....	R. E. Culbert.....
CRYSLER.....	J. H. E. Lehoux.....	"	NEW LISKEARD.....	J. W. Kearns.....	<i>Mgr.</i>	TILLSONBURG.....	H. W. Riepert.....
CURRAN.....	(Sub to PLANTAGENET)	"	NIAGARA FALLS.....	K. McClintock.....	"	TOLEDO.....	(Sub to SMITHS FALLS)
DRAYTON.....	G. Hendry.....	<i>Mgr.</i>	NIAGARA FALLS CENTRE.....	H. Lawrence.....	"	TORONTO.....	H. T. O'Neill.....
DRYDEN.....	A. McIntyre.....	"	NIPIGON.....	J. C. Reid.....	"	★KING & YONGE.....	A. B. White.....
DUNDAS.....	S. H. Neale.....	"	NORTH BAY.....	D. H. Morison.....	"		L. J. Vokes.....
DUNNVILLE.....	E. M. Jacques.....	"	NORTH GOWER.....	(Sub to MANOTICK)	"	AVENUE ROAD &	
DURHAM.....	C. W. Zilliox.....	"	NORWOOD.....	D. B. Cutcliffe.....	<i>Mgr.</i>	DAVENPORT.....	J. S. Heron.....
DUTTON.....	C. A. Wright.....	"	ODESSA.....	W. S. Holmes.....	"	BAY & TEMPERANCE.....	R. H. Gale.....
ELMIRA.....	J. A. Rowland.....	"	ORANGEVILLE.....	E. C. Maxwell.....	"	BLOOR & BATHURST.....	J. M. Graham.....
ELMWOOD.....	(Sub to HANOVER)	"	ORILLIA.....	R. F. Grant.....	"	BLOOR & DOVERCOURT.....	A. P. Murphy.....
EMBRO.....	W. L. Simpson.....	<i>Mgr.</i>	OSGOODE STATION.....	J. C. Morphy.....	"	COLLEGE & BATHURST.....	R. H. Balfour.....
EMBRUN.....	J. A. Cloutier.....	"	OSHAWA.....	A. R. Huestis.....	"	COXWELL & GERRARD.....	W. M. Gemmell.....
ERIN.....	(Sub to HILLSBURG)	"	OTTAWA		"	DANFORTH & DAWES.....	J. E. Bell.....
ESPANOLA.....	J. F. Freure.....	<i>Mgr.</i>		J. A. Noonan.....	"	DELORAINe & YONGE.....	R. E. Holmes.....
FENWICK.....	G. D. Hannah.....	"	★SPARKS & METCALFE.....	R. F. Garrard.....	<i>Asst. Mgr.</i>	DUNDAS & CHESTNUT.....	H. R. Creighton.....
FERGUS.....	R. S. Foster.....	"	BANK & SOMERSET.....	L. A. G. Robertson.....	<i>Mgr.</i>	HARBOR & SPADINA.....	A. K. Zapfe.....
FORT ERIE NORTH.....	S. A. McKenzie.....	"	BANK & SPARKS.....	W. J. Oram.....	"	JONES & GERRARD.....	J. R. Weekes.....
FORT WILLIAM.....	W. A. Allingham.....	"	GLEBE BRANCH.....	G. R. D. Watson.....	"	KEELE & ST. CLAIR.....	L. H. Woolcott.....
GALT.....	A. S. McKay.....	"	HINTONBURGH.....	J. M. Jackson.....	"	KING & CHURCH.....	J. C. Mayne.....
GERALDTON.....	J. S. Hill.....	"	MARKET BRANCH.....	D. L. Dashney.....	"	KING & SPADINA.....	J. V. Corrigan.....
GODERICH.....	W. G. Dulmage.....	"	SOMERSET & BOOTH.....	W. S. Seeber.....	"	LEASIDE BRANCH.....	D. H. Mills.....
GRAND VALLEY.....	G. H. Hardy.....	"	OTTERVILLE.....	D. C. V. Morrison.....	"	PAPE & DANFORTH.....	A. A. Hutchison.....
GUELPH.....	A. S. Wilkinson.....	"	OWEN SOUND.....	C. E. Brien.....	"	QUEEN & BROADVIEW.....	J. F. Stewart.....
HAGERSVILLE.....	M. C. Wigle.....	"	PAISLEY.....	T. R. McLennan.....	"	ST. CLAIR & OAKWOOD.....	F. W. Clark.....
HAMILTON		"	PAKENHAM.....	C. H. Campbell.....	"	SHERBOURNE & QUEEN.....	G. F. Johnston.....
★21-23 KING ST.....	H. S. Y. Thurstans.....	"	PEMBROKE.....	W. L. Smith.....	"	SPADINA & COLLEGE.....	W. S. Fenwick.....
BARTON & OTTAWA.....	L. G. Irons.....	"	PENDLETON.....	(Sub to PLANTAGENET)	"	SUNNYSIDE.....	W. N. McCartney.....
" & WENTWORTH.....	H. B. Sutherland.....	"	PERTH.....	J. A. Sangster.....	<i>Mgr.</i>	WOODBINE &	
LOCKE & MAIN.....	I. D. Eastman.....	"	PETERBOROUGH.....	H. C. Sootheran.....	"	DANFORTH.....	A. L. Leslie.....
MAIN & SHERMAN.....	C. E. Fairles.....	"	PLANTAGENET.....	J. A. E. Besner.....	"	YONGE & BLOOR.....	R. A. East.....
MARKET BRANCH.....	J. H. Perrin.....	"	PORT ARTHUR.....	N. H. McLennan.....	"	YONGE & COLLEGE.....	D. B. C. Clarkson.....
MOUNT HAMILTON.....	V. P. Heppler.....	"	PORT DOVER.....	T. McMillan.....	"	YONGE & RICHMOND.....	R. G. Allen.....
HANOVER.....	H. L. Reinhardt.....	"	PORT HOPE.....	C. P. Freeman.....	"	YONGE & SHERWOOD.....	R. P. Payne.....
HARRISTON.....	G. Murison.....	"	PORTLAND.....	T. E. Waddell.....	"	TOTTENHAM.....	J. C. Stewart.....
HASTINGS.....	C. A. Putnam.....	"	PRESCOTT.....	D. C. Davidson.....	"	VARS.....	(Sub to NAVAN)
HEPWORTH.....	T. C. Sine.....	"	RENFREW.....	N. E. Zimmerman.....	"	WALKERVILLE.....	A. S. Hill.....
HILLSBURG.....	C. E. Hilton.....	"	RIDGETOWN.....	C. R. Davis.....	"	WALLACEBURG.....	W. P. Spero.....
HUNTSVILLE.....	S. H. Gregg.....	"	RIPLEY.....	J. Willocks.....	"		

BRANCHES IN SASKATCHEWAN—Continued

LEMBERG.....C. C. Carter..... <i>Mgr.</i> LIBERTY.....G. B. Hooker....." LIPTON.....(Sub to BALCARRES) LUMSDEN.....L. E. Guilbault..... <i>Mgr.</i> LUSELAND.....J. J. Hand....." MACKLIN.....W. J. Laurie....." MARYFIELD.....T. D. Holloway....." MELFORT.....A. F. Fairman....." MELVILLE.....W. G. Hart....." MILDEN.....I. E. Austman....." MOOSE JAW.....E. I. Vickers....." MOOSOMIN.....H. C. Allison....." MORSE.....D. Campbell....." NEUDORF.....A. E. Sharp....."	NORTH BATTLEFORD.....N. Tamblin..... <i>Mgr.</i> OGEMA.....A. E. H. Whitehouse....." OXBOW.....A. Kennett....." PERDUE.....J. Dingwall....." PLENTY.....N. Calvert....." PRINCE ALBERT.....C. H. McIntosh....." QU'APPELLE.....G. F. Heron....." REGINA..... { J. L. Vickerson....." { S. H. Ramm..... <i>Asst. Mgr.</i> ROSETOWN.....W. J. Garland..... <i>Mgr.</i> SASKATOON ★241 SECOND AVE. SOUTH W. Dunn....." NUTANA.....E. J. Leicester....." SHAUNAVON.....R. J. Cuthbertson....."	SOUTHEY.....G. A. McARTER..... <i>Mgr.</i> STRASBOURG.....F. P. Smith....." SUTHERLAND.....(Sub to SASKATOON) SWIFT CURRENT.....F. W. Moore..... <i>Mgr.</i> VANGUARD.....H. B. Fairbairn....." VISCOUNT.....W. E. Bowen....." WAPELLA.....W. B. McIntosh....." WATROUS.....F. B. Morfitt....." WAWOTA.....R. Callard....." WEYBURN.....D. R. McDougald....." WILKIE.....J. A. Wilton....." WINDTHORST.....J. W. Fraser....." YORKTON.....A. A. May....." YOUNG.....R. B. Irons....."
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BRANCHES IN NEWFOUNDLAND

GANDER.....L.H. Goreham <i>Actg. Mgr.</i> GOOSE BAY (Labrador)...J. Coulter....." HEART'S CONTENT.....E. B. Rankin..... <i>Mgr.</i>	PLACENTIA.....M. F. Channing..... <i>Mgr.</i> ST. JOHN'S ★226-236 WATER.....J. Baxter....."	ST. JOHN'S, West End....H. B. Hadley..... <i>Mgr.*</i> STEPHENVILLE.....J. F. Turner..... <i>Actg. Mgr.</i> TRINITY.....T. G. Greene..... <i>Mgr.</i>
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BRANCHES IN WEST INDIES

CUBA

BAYAMO.....G. F. Trevejo..... <i>Mgr.</i> CAMAGUEY..... { A. M. Connolly....." { P. Rodriguez..... <i>Asst. Mgr.</i> CIEGO DE AVILA.....C. E. W. Ward..... <i>Mgr.</i> GUANTANAMO.....J. Baro....." HAVANA ★COR. OBRAPIA & AGUIAR..... { A. V. Burn....." { J. A. Ariosa..... <i>Joint Mgr.</i> { J. A. Yznaga....." { P. H. Eaton..... <i>Asst. Mgr.</i> AVENIDA DE ITALIA 407..... { J. Fernandez..... <i>Mgr.</i> { H. Berry..... <i>Asst. Mgr.</i> LONJA DEL COMERCIO { R. T. W. Hill..... <i>Mgr.</i> { A. H. Suarez..... <i>Asst. Mgr.</i> MURALLA 374.....C. M. Garcia..... <i>Mgr.</i>	HAVANA—Continued PADRE VARELA 360....P. Godinez..... <i>Mgr.</i> PASEO DE MARTI 307...E. Juncadella....." HOLGUIN.....F. J. Tobin....." MORON.....L. G. Hairs....." PINAR DEL RIO.....M. Garcia....." SAGUA LA GRANDE.....G. Robau....." SANCTI SPIRITUS.....M. A. Espinosa....." SANTA CLARA.....J. A. Garcia....." SANTIAGO DE CUBA..... { R. M. A. Ros....." { C. L. Freeman..... <i>Asst. Mgr.</i> { A. L. Queral....." MAYAGUEZ.....F. R. Colon..... <i>Mgr.</i>	PUERTO RICO—Continued SAN JUAN..... { H. M. Grindell..... <i>Mgr.</i> { G. R. Conrad..... <i>Asst. Mgr.</i> { J. Ferrer de C....." SANTURCE.....E. P. S. Soler..... <i>Mgr.</i> <h3 style="text-align: center;">DOMINICAN REPUBLIC</h3> CIUDAD TRUJILLO..... { T. B. O'Connell..... <i>Mgr.</i> { W. C. Reid..... <i>Joint Mgr.</i> LA ROMANA.....J. M. Johnson..... <i>Mgr.</i> PUERTO PLATA.....F. Loinaz....." SAN PEDRO DE MACORIS...L. Rodriguez....." SANTIAGO DE LOS CABALLEROS.....L. C. Arzeno....." <h3 style="text-align: center;">HAITI</h3> PORT-AU-PRINCE.....G. H. Gordon..... <i>Mgr.</i>
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BRITISH WEST INDIES

<h3 style="text-align: center;">ANTIGUA</h3> ST. JOHN'S.....E. F. Birkett..... <i>Mgr.</i> <h3 style="text-align: center;">BAHAMAS</h3> NASSAU..... { H. C. McLean..... <i>Mgr.</i> { P. S. Potter..... <i>Asst. Mgr.</i> <h3 style="text-align: center;">BARBADOS</h3> BRIDGETOWN.....C. A. Gilliat..... <i>Mgr.</i>	<h3 style="text-align: center;">DOMINICA</h3> ROSEAU.....V. J. Laughlin..... <i>Mgr.</i> <h3 style="text-align: center;">GRENADA</h3> ST. GEORGE'S.....R. H. Johnson..... <i>Mgr.</i> <h3 style="text-align: center;">JAMAICA</h3> KINGSTON..... { H. J. Evennett..... <i>Mgr.</i> { G. V. S. Sharpe..... <i>Asst. Mgr.</i> { D. McIntosh....." MONTEGO BAY.....W. A. Jemmott..... <i>Mgr.</i>	<h3 style="text-align: center;">MONTSERRAT</h3> PLYMOUTH.....R. White..... <i>Mgr.</i> <h3 style="text-align: center;">ST. KITTS</h3> BASSETERRE.....L. M. Evelyn..... <i>Mgr.</i> <h3 style="text-align: center;">TRINIDAD</h3> PORT OF SPAIN..... { H. P. Urich..... <i>Mgr.</i> { R. K. Mennell..... <i>Asst. Mgr.</i> SAN FERNANDO.....H. W. Whittles..... <i>Mgr.</i>
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BRANCHES IN CENTRAL AND SOUTH AMERICA

<p style="text-align: center;">ARGENTINA</p> <p>BUENOS AIRES ★COR. SAN MARTIN & { Ed. G. Groning... <i>Mgr.</i> BARTOLOME MITRE { W. A. Mosher... <i>Asst. Mgr.</i> CALLE CALLAO..... J. A. W. Birnie, <i>Actg. Mgr.</i> CALLE SANTA FE..... A. Carraro..... <i>Mgr.</i></p> <p style="text-align: center;">BRAZIL</p> <p>PERNAMBUCO (Recife).... A. R. Wright..... <i>Mgr.</i> { S. McAlister, C.B.E. " " RIO DE JANEIRO..... A. M. Christie... <i>Asst. Mgr.</i> { R. J. Rogers. " " " SANTOS..... J. I. Melville..... <i>Mgr.</i> { C. G. Hayes. " " " SAO PAULO..... W. N. Frank... <i>Joint Mgr.</i> { F. G. Langley... <i>Asst. Mgr.</i></p>	<p style="text-align: center;">BRITISH GUIANA</p> <p>GEORGETOWN..... { A. D. Macgillivray, <i>Mgr.</i> { E. A. Lyder... <i>Asst. Mgr.</i> NEW AMSTERDAM..... V. H. Martin..... <i>Mgr.</i></p> <p style="text-align: center;">BRITISH HONDURAS</p> <p>BELIZE..... A. F. Masson..... <i>Mgr.</i></p> <p style="text-align: center;">COLOMBIA</p> <p>BARRANQUILLA..... B. T. O. Bradbury... <i>Mgr.</i> { F. Lazzari..... " " BOGOTA..... R. Glahome... <i>Asst. Mgr.</i> { J. Riley..... <i>Mgr.</i> CALI..... E. A. Lough..... " " CARTAGENA..... A. S. Hamilton..... " " MANIZALES..... D. Robertson... <i>Rel. Mgr.</i> MEDELLIN.....</p>	<p style="text-align: center;">PERU</p> <p>LIMA..... { W. H. Duff..... <i>Mgr.</i> { H. L. Mann... <i>Asst. Mgr.</i></p> <p style="text-align: center;">URUGUAY</p> <p>MONTEVIDEO..... J. R. Peet..... <i>Mgr.</i></p> <p style="text-align: center;">VENEZUELA</p> <p>CARACAS..... { D. M. Coburn.... <i>Mgr.</i> { A. E. S. Hinde... <i>Asst. Mgr.</i> CIUDAD BOLIVAR..... A. L. Escoffery... <i>Mgr.</i> MARACAIBO..... M. W. Newell..... "</p>
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BRANCHES IN GREAT BRITAIN

LONDON	{ E. B. McInerney... <i>Mgr.</i>
★6 LOTHBURY, E.C.2.	{ G. B. Irvine... <i>Asst. Mgr.</i>
	{ F. E. Watson. " " "
WEST END	
2 Cockspur St., S.W.1.	C. H. Hunt... <i>Rel. Mgr.</i>

AGENCY IN UNITED STATES

	{ N. G. Hart..... <i>Agent</i>
	{ E. C. Holahan..... " "
NEW YORK.....	{ E. H. O. Thorne... <i>Asst. Agent</i>
68 WILLIAM ST....	{ N. C. Allingham. " " "
	{ T. A. B. Anderson " " "

RECAPITULATION

BRANCHES IN CANADA AND NFLD:—

Alberta.....	45
British Columbia.....	44
Manitoba.....	52
New Brunswick.....	22
Nova Scotia.....	61
Ontario.....	212
Prince Edward Island.....	5
Quebec.....	70
Saskatchewan.....	70
Newfoundland.....	8

Branches in Canada and Newfoundland..... 589
 (Includes 31 sub-branches)

OTHER COUNTRIES:—

West Indies

Cuba.....	17
Puerto Rico, Dom. Republic and Haiti.....	9
British West Indies.....	11

Central and South America

Argentina, Brazil, Uruguay.....	8
Venezuela and British Guiana.....	5
British Honduras.....	1
Colombia and Peru.....	7

Europe

London.....	2
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United States

New York.....	1
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Branches in other countries.....	61
Branches in Canada and Newfoundland.....	589

TOTAL BRANCHES (Jan. 31st, 1945)..... 650

