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IMPERIAL BANK OF CANADA

SEVENTY-SECOND
ANNUAL REPORT
PRESENTED TO THE
SHAREHOLDERS
NOVEMBER 27th
1946

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McGILL UNIVERSITY

72nd Annual General Statement—31st October, 1946

IMPERIAL BANK OF CANADA

ESTABLISHED 1875

Head Office, Toronto

CAPITAL (AUTHORIZED) \$10,000,000.

CAPITAL (PAID-UP) \$7,000,000

RESERVE FUND AND UNDIVIDED PROFITS \$9,141,006.

Directors

R. S. WALDIE, PRESIDENT

J. W. HOBBS, VICE-PRESIDENT

W. G. MORE, VICE-PRESIDENT

COL. J. F. MICHIE

WALTER C. LAIDLAW

JOHN A. NORTHWAY

G. H. AIKINS, K.C. (Winnipeg)

H. E. SELLERS (Winnipeg)

W. B. WOODS

ARTHUR L. BISHOP

E. E. BUCKERFIELD (Vancouver)

C. G. COCKSHUTT (Brantford)

H. L. McCULLOCH (Galt)

J. R. TIMMINS (Montreal)

ELIOT S. FROSST (Montreal)

F. G. ROLPH

W. P. WALKER

A. W. BAILLIE

Officers

W. G. MORE,

GENERAL MANAGER

I. K. JOHNSTON,

ASSISTANT GENERAL MANAGER

L. S. MACKERSY,

ASSISTANT GENERAL MANAGER

A. D. DUNCAN, ASSISTANT GENERAL MANAGER (Winnipeg)

W. BOURKE,

CHIEF INSPECTOR

B. E. HOWARD,

GENERAL SUPERVISOR

JOHN HADDEN,

SECRETARY

H. D. SCOTT,

SUPERINTENDENT OF FOREIGN BUSINESS

P. H. JONES,

EASTERN SUPERINTENDENT

H. F. RICE,

SUPERINTENDENT OF INVESTMENTS

W. E. LEWIS,

CHIEF ACCOUNTANT

H. P. BAKER,

EXECUTIVE SECRETARY

Imperial Bank of Canada

Head Office, Toronto

72nd Annual General Statement

31st October, 1946

PROFIT AND LOSS ACCOUNT

Profits for the year ended 31st October, 1946, after providing for Dominion Government taxes of \$500,053.77, after contributions to Staff Pension Fund and after making appropriations to Contingency Reserves out of which full provision for bad and doubtful debts has been made.....	\$ 940,095.57
Dividends at the rate of \$1.00 per share.....	700,000.00
	<hr/>
Written off Bank Premises.....	\$ 240,095.57
	222,795.80
	<hr/>
Balance of Profits carried forward.....	\$ 17,299.77
Profit and Loss Balance 31st October, 1945.....	1,123,706.53
	<hr/>
Profit and Loss Balance 31st October, 1946.....	<u>\$1,141,006.30</u>

RESERVE FUND

Balance at Credit of Account 31st October, 1946.....	<u>\$8,000,000.00</u>
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R. S. WALDIE,
President

W. G. MORE,
General Manager

The ANNUAL GENERAL MEETING of the Shareholders will be held at the

Head Office of the Bank

51 KING STREET WEST, TORONTO,

On Wednesday, 27th November, 1946,

At 11.30 A.M.

Seventy-Second Annual General Statement, 31st October, 1946

LIABILITIES

Capital Paid Up.....	\$ 7,000,000.00	
Reserve Fund.....	8,000,000.00	
Dividends declared and unpaid.....	176,131.49	
Balance of Profits, as per Profit and Loss Account.....	1,141,006.30	
		\$ 16,317,137.79
Notes in Circulation.....		995,312.50
Deposits by and balances due to Dominion Government.....	\$ 18,418,354.96	
Deposits by and balances due to Provincial Governments.....	20,225,083.27	
Deposits by the public not bearing interest.....	121,919,419.34	
Deposits by the public bearing interest, including interest accrued to date of Statement.....	212,184,980.34	
		372,747,837.91
Deposits by and balances due to other Chartered Banks in Canada.....	\$ 3,611,168.22	
Deposits by and balances due to Banks and Banking Correspondents elsewhere than in Canada.....	4,923,339.09	
		8,534,507.31
Acceptances and Letters of Credit Outstanding.....		4,955,623.17
		<u>\$403,550,418.68</u>

ASSETS

Gold and Subsidiary Coin held in Canada.....	\$ 687,446.34	
Notes of Bank of Canada.....	\$ 10,055,332.25	
Deposits with Bank of Canada.....	27,732,140.31	
		37,787,472.56
Notes of and Cheques on other Banks.....		16,736,146.09
Government and Bank Notes other than Canadian.....		305,550.38
Deposits with and balances due by other Chartered Banks in Canada.....		718,068.52
Due by Banks and Banking Correspondents elsewhere than in Canada.....		6,704,409.82
		\$ 62,939,093.71
Dominion Government direct and guaranteed Securities maturing within two years, not exceeding market value.....	\$102,898,898.70	
Other Dominion Government direct and guaranteed Securities, not exceeding market value.....	88,970,714.51	
Provincial Government direct and guaranteed Securities maturing within two years, not exceeding market value.....	2,994,312.20	
Other Provincial Government direct and guaranteed Securities, not exceeding market value.....	5,734,339.72	
Canadian Municipal Securities, not exceeding market value.....	7,063,085.67	
Other Bonds, Debentures and Stocks, not exceeding market value.....	7,949,602.21	
		215,610,953.01
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures, Bonds and other Securities, of a sufficient marketable value to cover Current Loans and Discounts in Canada, not otherwise included, estimated loss provided for.....	\$ 7,284,417.55	
Loans to Provincial Governments.....	105,688,527.14	
Loans to Cities, Towns, Municipalities and School Districts.....	312,245.57	
	989,215.70	
		114,274,405.96
Non-current Loans, estimated loss provided for.....		25,903.14
Liabilities of Customers under Acceptances and Letters of Credit as per contra.....		4,955,623.17
Bank Premises, at not more than cost, less amounts written off.....		5,620,729.89
Deposit with the Minister of Finance for the security of note circulation.....		58,215.22
Other Assets not included under the foregoing heads.....		65,494.58
		<u>\$403,550,418.68</u>

R. S. WALDIE, *President*

W. G. MORE, *General Manager*

AUDITORS' REPORT TO SHAREHOLDERS:

We report to the Shareholders of the Imperial Bank of Canada:—

That we have examined the above Statement of Liabilities and Assets as at 31st October, 1946, and compared it with the books at Head Office and with the certified returns from the 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.

In our opinion the Statement discloses the true condition of the Bank, and is as shown by the books of the Bank.

T. A. M. HUTCHISON, C.A.
of Peat, Marwick, Mitchell & Co.
J. W. TAYLOR, F.C.A.
of Price, Waterhouse & Co.

Imperial Bank of Canada

Branches

PROVINCE OF ONTARIO

Toronto—King and Bay Sts. (Head Office)
 Adelaide and Victoria Sts.
 Bathurst and Dupont Sts.
 Bay and Temperance Sts.
 Bayview Ave., Leaside
 Bloor and Bathurst Sts.
 Bloor St. and Lansdowne Ave.
 Church and Carlton Sts.
 Danforth and Carlaw Aves.
 Dundas and Bloor Sts.
 Dundas and Jarvis Sts.
 Dundas St. and Runnymede Rd.
 Dundas St. and University Ave.
 Dundas and Victoria Sts.
 Eglinton Ave. and Mount Pleasant Rd.
 King and Market Sts.
 King and Sherbourne Sts.
 King St. and Spadina Ave.
 King and York Sts.
 Kingston Rd. and Balsam Ave.
 Leaside
 Monarch Park and Danforth Aves.
 New Toronto
 Oakwood Ave. and Rogers Rd.
 Queen and Bathurst Sts.
 Queen St. and Carlaw Ave.
 Queen St. and Kingston Rd.
 Queen St. and Roncesvalles Ave.
 Runnymede Rd. and Annette St.
 St. Clair and Boon Aves.
 Silverthorn Ave. and Rogers Rd.
 Wellington and Yonge Sts.
 West Toronto
 1953 Yonge St.
 Yonge and Bloor Sts.
 Yonge and Queen Sts.

Amherstburg
 Aurora
 Bolton
 Brantford
 Caledon East—Sub-branch to Bolton
 Central Patricia—Sub-branch to Pickle
 Crow

Chatham
 Cobalt
 Cochrane
 Cottam
 Delhi
 Englehart
 Essex
 Fergus
 Fonthill
 Fort William
 Galt
 Hamilton
 Harrow
 Hearst
 Hudson
 Humberstone
 Ingersoll
 Jordan—Sub-branch to Vineland
 Jordan Station—Sub-branch to Vineland
 Kapuskasing
 Kenora
 Kirkland Lake

Kitchener
 Langton
 Larder Lake
 Listowel
 London
 Matachewan
 Matheson
 McKenzie Island
 New Liskeard
 Niagara Falls
 " Bridge St.
 " South
 Niagara-on-the-Lake
 North Bay
 Ottawa
 Palgrave—Sub-branch to Bolton
 Pickle Crow
 Port Arthur
 Port Colborne
 Preston
 Red Lake
 Ridgeway
 St. Catharines
 " East End
 " Market
 St. Davids
 St. Thomas—East End
 " West End
 Sandwich
 Sault Ste. Marie
 " Gore and Queen Sts.
 Schomberg
 Sioux Lookout
 South Porcupine
 Stamford
 Sudbury
 Terrace Bay
 Thessalon
 Timmins
 Vineland
 Virginiatown
 Walkerville
 Welland
 Windsor
 " Tecumseh Blvd.
 Woodstock

PROVINCE OF QUEBEC

Bourlamaque
 Montreal
 " East
 Noranda

PROVINCE OF MANITOBA

Brandon
 Gimli
 Portage La Prairie
 Riverton—Sub to Gimli
 Winnipeg
 " North End
 " St. Vital

PROVINCE OF SASKATCHEWAN

Assiniboia
 Bengough
 Broadview
 Canwood
 Fort Qu'Appelle
 Hepburn
 Laird
 Landis
 Maymont
 Meadow Lake
 Moose Jaw
 Mossbank
 Pangman
 Piapot
 Prince Albert
 Regina
 Rockglen
 Rosthern
 Saskatoon
 Stoughton
 Weyburn
 Wilkie
 Yellow Grass

PROVINCE OF ALBERTA

Athabasca
 Banff
 Calgary
 " East End
 Donalda
 Eckville
 Edmonton
 " Alberta Ave.—Sub-branch to
 Norwood Blvd.
 " Norwood Blvd.
 " South
 " West
 Edson
 Ferintosh
 Grande Prairie
 Jasper
 Mercoal—Sub-branch to Edson
 Millet
 Red Deer
 Rocky Mountain House
 Sangudo
 Sylvan Lake
 Wetaskiwin

PROVINCE OF BRITISH COLUMBIA

Cranbrook
 Fernie
 Golden
 Invermere
 Natal
 Nelson
 Revelstoke
 Vancouver
 " Hastings and Abbott Sts.
 " Hastings and Clinton Sts.
 " West
 Victoria

NORTH WEST TERRITORIES

Yellowknife

Imperial Bank of Canada

Head Office: Toronto

Established 1875

CAPITAL AUTHORIZED	.	\$10,000,000
CAPITAL PAID UP	. . .	7,000,000
RESERVE FUND	. . .	8,000,000
UNDIVIDED PROFITS	. .	1,141,006

Seventy-Second Annual Report 1946

(R) Pres. - Imp. Bk. of Canada - Jan. 1953

Imperial Bank of Canada

ESTABLISHED 1875

CAPITAL (AUTHORIZED) - - - - -	\$10,000,000
CAPITAL (PAID UP) - - - - -	7,000,000
RESERVE FUND AND UNDIVIDED PROFITS -	9,141,006

DIRECTORS

R. S. WALDIE, PRESIDENT		
J. W. HOBBS, VICE-PRESIDENT		
W. G. MORE, VICE-PRESIDENT		
Col. J. F. MICHIE	WALTER C. LAIDLAW	JOHN A. NORTHWAY
G. H. AIKINS, K.C. (Winnipeg)	H. E. SELLERS (Winnipeg)	
W. B. WOODS	ARTHUR L. BISHOP	E. E. BUCKERFIELD (Vancouver)
C. G. COCKSHUTT (Brantford)	H. L. McCULLOCH (Galt)	
JULES R. TIMMINS (Montreal)	ELIOT S. FROSST (Montreal)	
F. G. ROLPH	W. P. WALKER	A. W. BAILLIE

OFFICERS

W. G. MORE, GENERAL MANAGER	
I. K. JOHNSTON, ASSISTANT GENERAL MANAGER	
L. S. MACKERSY, ASSISTANT GENERAL MANAGER	
A. D. DUNCAN, ASSISTANT GENERAL MANAGER (Winnipeg)	
JOHN HADDEN, SECRETARY	
H. D. SCOTT, SUPERINTENDENT OF FOREIGN BUSINESS	
P. H. JONES, SUPERINTENDENT OF EASTERN BRANCHES (Toronto)	
H. F. RICE, SUPERINTENDENT OF INVESTMENTS	
W. E. LEWIS, CHIEF ACCOUNTANT	
H. P. BAKER, EXECUTIVE SECRETARY	

SUPERVISORS' DEPARTMENT

B. E. HOWARD, GENERAL SUPERVISOR

Supervisors

R. M. VIRTUE (Winnipeg)		A. YOUNG
H. RILEY	G. R. MURTON	J. R. BUNN (Winnipeg)
		E. J. FRIESEN

INSPECTORS' DEPARTMENT

W. BOURKE, CHIEF INSPECTOR

Inspectors

A. C. ROME	P. W. PAIN	C. G. ROYDS	M. E. A. MARSHALL
T. A. HENSON		A. E. GRANGE	

BRANCHES

PROVINCE OF ONTARIO

TORONTO—

KING & BAY STS. (HEAD OFFICE)	A. R. MARTIN.....	Manager
	R. J. REDRUPP.....	Assistant
ADELAIDE & VICTORIA STS.	F. FINDLAY.....	"
BATHURST & DUPONT STS.	C. G. GREEN.....	"
BAY & TEMPERANCE STS.	M. J. GOULD.....	"
	E. J. CASE.....	"
BAYVIEW AVE., LEASIDE	J. F. MCGINN.....	Assistant
BLOOR & BATHURST STS.	G. WELFORD.....	"
BLOOR ST. & LANSLOWNE AVE.	F. TURNER.....	"
CHURCH & CARLTON STS.	R. R. BROWN.....	"
	G. S. THOMPSON.....	"
	A. D. RIDDELL.....	Assistant
DANFORTH & CARLAW AVES.	D. N. WRIGHT.....	"
DUNDAS & BLOOR STS.	L. R. ANDERSON.....	"
DUNDAS & JARVIS STS.	R. W. TROWERN.....	"
DUNDAS ST. & RUNNYMEDE ROAD.	W. J. ARNOLD.....	"
DUNDAS ST. & UNIVERSITY AVE.	A. T. SMITH.....	"
DUNDAS & VICTORIA STS.	A. H. WEAVER.....	"
EGLINTON AVE. & MOUNT PLEASANT ROAD	B. B. VALE.....	"
KING & MARKET STS.	J. F. MacKAY.....	"
KING & SHERBOURNE STS.	H. E. BEMROSE.....	"
KING ST. & SPADINA AVE.	W. M. PORTER.....	"
KING & YORK STS.	C. L. GRIDDALE.....	"
KINGSTON ROAD & BALSAM AVE.	J. B. ATKINS.....	"
LEASIDE	H. G. WATERS.....	"
MONARCH PARK & DANFORTH AVES.	H. T. BEATY.....	"
NEW TORONTO	P. E. THOMLINSON.....	"
OAKWOOD AVE. & ROGERS RD.	T. M. SUTTON.....	"
QUEEN & BATHURST STS.	J. M. HOUSTON.....	"
QUEEN ST. & CARLAW AVE.	H. A. CROSS.....	"
QUEEN ST. & KINGSTON RD.	H. S. HADGRAFT.....	"
QUEEN ST. & RONCESVALLES AVE.	J. W. FLETT.....	"
RUNNYMEDE RD. & ANNETTE ST.	J. ANDERSON.....	"
ST. CLAIR & BOON AVES.	W. W. FIELD.....	"
SILVERTHORN AVE. & ROGERS RD.	W. M. RENWICK.....	"
WELLINGTON & YONGE STS.	J. W. THOMSON.....	"
WEST TORONTO	J. VEREKER.....	"
1953 YONGE ST.	H. G. SCOTT.....	"
YONGE & BLOOR STS.	J. B. PRIESTMAN.....	"
	C. R. BLAKLEY.....	Assistant
YONGE & QUEEN STS.	W. L. GILLILAND.....	"
	A. C. DUNCAN.....	Assistant
AMHERSTBURG	A. E. MacGIRR.....	"
AURORA	H. M. MCKENZIE.....	"
BOLTON	W. A. GREENWOOD.....	"
BRANTFORD	D. SUTHERLAND.....	"
CALEDON EAST	(Sub Branch to Bolton)	"
CENTRAL PATRICIA	(Sub Branch to Pickle Crow)	"
CHATHAM	N. B. CUMMINS.....	"
COBALT	E. T. CUTTLE.....	"
COCHRANE	A. L. SONLEY.....	"
COTTAM	E. W. GAMBLE.....	"
DELHI	A. S. WAGNER.....	"
ENGLEHART	R. E. TRACY.....	"
ESSEX	C. A. SIMPSON.....	"
FERGUS	F. T. KYLE.....	"
FONTHILL	G. L. GORDON.....	"
FORT WILLIAM	C. A. KEHOE.....	"
GALT	T. R. RICHARDSON.....	"
HAMILTON	W. H. COGHILL.....	"
HARROW	W. J. GOLDEN.....	"
HEARST	H. MARTENS.....	"
HUDSON	J. P. DUNCAN.....	"
HUMBERSTONE	F. R. WILSON.....	"
INGERSOLL	J. R. HENLEY.....	"
JORDAN	(Sub Branch to Vineland)	"
JORDAN STATION	(Sub Branch to Vineland)	"
KAPUSKASING	A. I. MCINTYRE.....	"
KENORA	C. C. FAWCETT.....	"
KIRKLAND LAKE	A. FREESON.....	"

PROVINCE OF ONTARIO—(Cont.)

KITCHENER.....	D. G. P. FORBES.....	Manager
LANGTON.....	J. BRAWLEY.....	"
LARDER LAKE.....	N. B. SCOTT.....	"
LISTOWEL.....	L. T. CHARLTON.....	"
LONDON.....	H. ROBERTS.....	"
MATACHEWAN.....	N. M. PLANT.....	"
MATHESON.....	K. N. K. ALLAN.....	"
McKENZIE ISLAND.....	F. G. MOORE.....	"
NEW LISKEARD.....	J. A. GROSKURTH.....	"
NIAGARA FALLS.....	JOHN THOMSON.....	"
" BRIDGE ST.....	H. M. SAMPSON.....	"
" SOUTH.....	J. H. ARKELL.....	"
NIAGARA-ON-THE-LAKE.....	F. H. HEWSON.....	"
NORTH BAY.....	M. G. COBURN.....	"
OTTAWA.....	P. B. REEVE.....	"
	A. CRAIGIE.....	Assistant
	(Sub Branch to Bolton)	"
PALGRAVE.....	F. C. MALONE.....	"
PICKLE CROW.....	J. W. WILLIS.....	"
PORT ARTHUR.....	W. R. RODGER.....	"
PORT COLBORNE.....	R. E. Y. BALDWIN.....	"
PRESTON.....	W. CALVERT.....	"
RED LAKE.....	C. A. HAMILTON.....	"
RIDGEWAY.....	E. J. BAKER.....	"
ST. CATHARINES.....	F. B. THOMSON.....	"
" EAST END.....	J. S. INK.....	"
" MARKET.....	A. T. MINNIS.....	"
ST. DAVIDS.....	W. R. CUMMING.....	"
ST. THOMAS, EAST END.....	O. L. METLER.....	"
" WEST END.....	E. B. REYNOLDS.....	"
SANDWICH.....	J. D. PATTERSON.....	"
SAULT STE. MARIE.....	R. B. WANSBROUGH.....	"
	E. SMITH.....	"
SCHOMBERG.....	H. B. HENDERSON.....	"
SIOUX LOOKOUT.....	F. E. COOPER.....	"
SOUTH PORCUPINE.....	C. W. GRIME.....	"
STAMFORD.....	W. G. CHAMBERS.....	"
SUDBURY.....	G. COULTER.....	"
TERRACE BAY.....	A. D. LEWIS.....	"
THESSALON.....	H. C. SCARTH.....	"
TIMMINS.....	E. H. COLEMAN.....	"
VINELAND.....	A. E. BUTLER.....	"
VIRGINIATOWN.....	W. T. CARTHEW.....	"
WALKERVILLE.....	F. C. TROTT.....	"
WELLAND.....	T. R. JONES.....	"
WINDSOR.....	R. W. MUIR.....	Assistant
" TECUMSEH BLVD.....	H. J. ARBUCKLE.....	"
WOODSTOCK.....	L. R. LLOYD.....	"

PROVINCE OF QUEBEC

BOURLAMAQUE.....	J. S. HARRISON.....	Manager
MONTREAL.....	J. S. PROCTOR.....	"
	R. A. GEORGE.....	Assistant
" EAST.....	A. P. GRANT.....	"
NORANDA.....	G. C. DUNLOP.....	"

PROVINCE OF MANITOBA

BRANDON.....	H. J. MORGAN.....	Manager
GIMLI.....	R. L. WASSON.....	"
PORTAGE LA PRAIRIE.....	W. P. GRAHAM.....	"
RIVERTON.....	(Sub to Gimli)	"
WINNIPEG.....	H. W. THOMSON.....	"
	G. T. WINCHESTER.....	Assistant
" NORTH END.....	T. J. SLATTERY.....	"
" ST. VITAL.....	R. S. McCLAY.....	"

PROVINCE OF SASKATCHEWAN

ASSINIBOIA.....	A. J. RICHES.....	Manager
BENGOUGH.....	E. KRISTENSEN.....	"
BROADVIEW.....	R. MAVOR.....	"
CANWOOD.....	W. D. TALMEY.....	"
FORT QU'APPELLE.....	E. C. KOCHEN.....	"

PROVINCE OF SASKATCHEWAN—(Cont.)

HEPBURN.....	J. B. SCHMOR.....	Manager
LAIRD.....	D. MURRAY.....	"
LANDIS.....	P. V. ALLEN.....	"
MAYMONT.....	L. J. BERGMAN.....	"
MEADOW LAKE.....	E. L. MEERES.....	"
MOOSE JAW.....	A. S. ROSENROLL.....	"
MOSSBANK.....	J. GARRISON.....	"
PANGMAN.....	M. J. MONGEON.....	"
PIAPOT.....	R. D. FORRESTER.....	"
PRINCE ALBERT.....	J. BALLANTYNE.....	"
REGINA.....	F. W. SCRIMES.....	"
ROCKGLEN.....	O. L. KIMBALL.....	"
ROSTHERN.....	L. F. FLURY.....	"
SASKATOON.....	J. D. MCGILLIVRAY.....	"
STOUGHTON.....	H. I. SHAW.....	"
WEYBURN.....	J. MacGREGOR.....	"
WILKIE.....	S. A. HERON.....	"
YELLOW GRASS.....	J. C. MOSS.....	"

PROVINCE OF ALBERTA

ATHABASCA.....	D. C. SHIRREFF.....	Manager
BANFF.....	W. V. GODDARD.....	"
CALGARY.....	J. W. McDIARMID.....	"
" EAST END.....	E. E. CHAMBERLIN.....	Assistant
DONALDA.....	J. S. W. CLOWES.....	"
ECKVILLE.....	J. H. LYONS.....	"
EDMONTON.....	H. S. MANN.....	"
".....	R. CARSON.....	"
" ALBERTA AVE.....	N. S. MACKIE.....	Assistant
" NORWOOD BOULEVARD.....	(Sub to Norwood Blvd.)	"
" SOUTH.....	L. L. MASON.....	"
" WEST.....	D. C. HOWELL.....	"
EDSON.....	H. W. HARRISON.....	"
FERINTOSH.....	H. C. MACDONALD.....	"
GRANDE PRAIRIE.....	W. L. M. SISSON.....	"
JASPER.....	J. H. NELSON.....	"
MERCOAL.....	A. MCKENZIE.....	"
MILLET.....	(Sub to Edson)	"
RED DEER.....	J. A. ENGLISH.....	"
ROCKY MOUNTAIN HOUSE.....	P. C. F. ROUTLEDGE.....	"
SANGUDO.....	S. G. HOOKER.....	"
SYLVAN LAKE.....	W. H. STOCKMAN.....	"
WETASKIWIN.....	L. B. GRABAN.....	"
	J. H. CLARK.....	"

PROVINCE OF BRITISH COLUMBIA

CRANBROOK.....	MARK COOK.....	Manager
FERNIE.....	G. B. TURNER.....	"
GOLDEN.....	F. P. THOMAS.....	"
INVERMERE.....	A. ASHWORTH.....	"
NATAL.....	W. E. GODFREY.....	"
NELSON.....	G. W. STERLING.....	"
REVELSTOKE.....	F. L. APPLETON.....	"
VANCOUVER.....	W. M. SELLENS.....	"
" HASTINGS & ABBOTT STS.....	P. R. NEELY.....	Assistant
".....	C. G. T. HARCOURT.....	"
" WEST.....	R. T. ASTLEY.....	Assistant
VICTORIA.....	A. W. PERRY.....	"
	D. N. GRUBB.....	"

NORTH WEST TERRITORIES

YELLOWKNIFE.....	J. GORDON.....	Manager
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CORRESPONDENTS THROUGHOUT THE WORLD

Imperial Bank of Canada

PROCEEDINGS

OF THE

SEVENTY-SECOND ANNUAL GENERAL MEETING OF
SHAREHOLDERS

The Seventy-second Annual General Meeting was held at the Head Office of the Bank in Toronto on Wednesday, the Twenty-seventh day of November, 1946, at 11.30 a.m.

Among those present were:—A. W. Baillie, H. E. Bemrose, A. M. Bethune, W. Bourke, Everett Bristol, K.C., E. E. Buckerfield (Vancouver), Colin Campbell, A. R. Capreol, E. J. Case, W. H. Coghill (Hamilton), A. Cosgrove, D. R. Derry, Ven. Archdeacon W. J. Doherty, A. D. Duncan (Winnipeg), G. C. Foster, Eliot S. Frosst (Montreal), D. N. W. Grubb (Victoria), John Hadden, C. G. T. Harcourt (Vancouver), Frank A. Harrison, J. W. Hobbs, B. E. Howard, I. K. Johnston, Malcolm D. Kinsella, M.D., Walter C. Laidlaw, W. E. Lewis, L. S. Mackersy, A. R. Martin, W. S. McCartney, J. W. McDiarmid (Calgary), H. L. McCulloch (Galt), M. R. Medland, Thomas G. Molloy, W. G. More, H. J. Morgan (Brandon), D. M. Murton, John A. Northway, John H. Northway, A. G. Parker, Richard Pearce, G. E. Phipps, N. E. Phipps, J. S. Proctor (Montreal), H. F. Rice, J. S. Roberts, F. G. Rolph, A. S. Rosenroll (Moose Jaw), H. D. Scott, A. H. Seguin, H. E. Sellers (Winnipeg), G. E. Spragge, H. W. Thomson (Winnipeg), J. R. Timmins (Montreal), H. Frank Vigeon, R. S. Waldie, W. P. Walker, J. W. Willis (Port Arthur).

The chair was taken by the President, Mr. R. S. Waldie, and Mr. John Hadden, the Secretary of the Bank, was appointed to act as Secretary of the Meeting. Messrs. A. H. Seguin and G. E. Spragge were appointed Scrutineers.

The Notice calling the Meeting was read by the Secretary and the Minutes of the last Annual General Meeting were taken as read.

Imperial Bank of Canada

The Directors' Report and the Annual Statement and Auditors' Report to the Shareholders were read by the Secretary, following which addresses were made by the General Manager and the President.

DIRECTORS' REPORT

The Directors have pleasure in presenting the Seventy-second Annual Report and Statement of the business and affairs of the Bank as on 31st October, 1946, together with Statement of Profit and Loss Account showing the result of the operations for the year.

After providing for Dominion Government Taxes of \$500,053.77, after Contributions to Staff Pension Fund and after making appropriations to Contingency Reserves out of which full provision for bad and doubtful debts has been made, the Profits for the year ended 31st October, 1946, were.....	\$ 940,095.57
Dividends were paid at the rate of \$1.00 per share.....	700,000.00
leaving.....	\$ 240,095.57
Out of this amount there was written off Bank Premises.....	222,795.80
leaving a balance of Profits of.....	\$ 17,299.77
to carry forward and add to the Profit and Loss Balance of 31st October, 1945.....	1,123,706.53
making the Profit and Loss Balance on 31st October, 1946.....	<u>\$1,141,006.30</u>

It will be noted that as usual the profits are arrived at after making contributions to Pension Fund. Such contributions have heretofore been made in accordance with an existing By-Law of the Bank under which your Directors were authorized to contribute annually an amount not exceeding 5% of the amount of the salaries of officers who enter the Fund. A similar limitation was subsequently included in the Income War Tax Act with respect to allowable deductions from taxable income. An actuarial report

Imperial Bank of Canada

obtained by your Directors discloses that contributions on the scale previously authorized are insufficient to maintain the Fund on a sound basis, and, as the limitation in the Income War Tax Act has now been removed, a By-law will be submitted for your approval authorizing your Directors to contribute annually such amounts as they deem necessary to maintain the Fund on a sound actuarial basis.

The actuarial report also discloses a past ascertained deficiency in the Fund caused to some extent by the rates of interest now available on authorized pension fund investments having decreased substantially. Under the amended Income War Tax Act this deficiency may be provided out of the earnings of the Bank over a period of years and your Directors propose to provide same accordingly. The By-law which will be submitted for your approval will, therefore, include authority to your Directors in this regard, the authorization in each case to be retroactive to cover the fiscal year just ended.

During the year Branches at Bourlamaque in the Province of Quebec, Hudson in the Province of Ontario and West Vancouver in the Province of British Columbia, all of which had been closed as a temporary war measure in 1942, were re-opened, in addition to which new Branches were opened at Terrace Bay in the Province of Ontario and at Mercoal and Alberta Avenue, Edmonton, in the Province of Alberta.

The Branch of the Bank at Scarboro, Toronto, in the Province of Ontario was closed.

All offices of the Bank including the Head Office have, in accordance with the invariable custom, been carefully inspected during the year and the Auditors appointed by you have also made their examinations as required by The Bank Act. Their Report and Certificate is attached to the Statement.

It again affords your Directors much pleasure to record their high appreciation of the efficient manner in which the various officers of the Bank continue to discharge their respective duties.

All of which is respectfully submitted.

Toronto, November 27th, 1946.

R. S. WALDIE,
President.

Imperial Bank of Canada

PROFIT AND LOSS ACCOUNT

31st OCTOBER, 1946

Profits for the year ended 31st October, 1946, after providing for Dominion Government taxes of \$500,053.77, after Contributions to Staff Pension Fund and after making appropriations to Contingency Reserves out of which full provision for bad and doubtful debts has been made.....	\$ 940,095.57
Dividends at the rate of \$1.00 per share.....	700,000.00
	<hr/>
Written off Bank Premises.....	\$ 240,095.57
	222,795.80
	<hr/>
Balance of Profits carried forward.....	\$ 17,299.77
Profit and Loss Balance 31st October, 1945.....	1,123,706.53
	<hr/>
Profit and Loss Balance 31st October, 1946.....	\$1,141,006.30
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RESERVE FUND

Balance at Credit of Account 31st October, 1946.....	\$8,000,000.00
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R. S. WALDIE,
President.

W. G. MORE,
General Manager.

Imperial Bank of Canada

SEVENTY-SECOND ANNUAL

31st OCTOBER

LIABILITIES

Capital Paid Up.....	\$ 7,000,000.00	
Reserve Fund.....	8,000,000.00	
Dividends declared and unpaid.....	176,131.49	
Balance of Profits, as per Profit and Loss Account.....	1,141,006.30	
		\$ 16,317,137.79
Notes in Circulation.....		995,312.50
Deposits by and balances due to Dominion Government.....	\$ 18,418,354.96	
Deposits by and balances due to Provincial Governments.....	20,225,083.27	
Deposits by the public not bearing interest.....	121,919,419.34	
Deposits by the public bearing interest, including interest accrued to date of Statement.....	212,184,980.34	
		372,747,837.91
Deposits by and balances due to other Chartered Banks in Canada.....	\$ 3,611,168.22	
Deposits by and balances due to Banks and Banking Correspondents elsewhere than in Canada.....	4,923,339.09	
		8,534,507.31
Acceptances and Letters of Credit Outstanding.....		4,955,623.17

AUDITORS' REPORT TO
SHAREHOLDERS:

We report to the Shareholders of the Imperial Bank of Canada:—

That we have examined the above Statement of Liabilities and Assets as at 31st October, 1946, and compared it with the books at Head Office and with the certified returns from the 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.

In our opinion the Statement discloses the true condition of the Bank, and is as shown by the books of the Bank.

T. A. M. HUTCHISON, C.A.
of Peat, Marwick, Mitchell
& Co.

J. W. TAYLOR, F.C.A.
of Price, Waterhouse & Co.

Toronto, 19th November, 1946.

\$403,550,418.68

Imperial Bank of Canada

GENERAL STATEMENT

1946

ASSETS

Gold and Subsidiary Coin held in Canada.....	\$	687,446.34	
Notes of Bank of Canada.....	\$10,055,332.25		
Deposits with Bank of Canada.....	27,732,140.31		
		37,787,472.56	
Notes of and Cheques on other Banks.		16,736,146.09	
Government and Bank Notes other than Canadian.....		305,550.38	
Deposits with and balances due by other Chartered Banks in Canada.....		718,068.52	
Due by Banks and Banking Correspondents elsewhere than in Canada.		6,704,409.82	
			\$ 62,939,093.71
Dominion Government direct and guaranteed Securities maturing within two years, not exceeding market value.....	\$102,898,898.70		
Other Dominion Government direct and guaranteed Securities, not exceeding market value.....		88,970,714.51	
Provincial Government direct and guaranteed Securities maturing within two years, not exceeding market value.....		2,994,312.20	
Other Provincial Government direct and guaranteed Securities, not exceeding market value.....		5,734,339.72	
Canadian Municipal Securities, not exceeding market value.....		7,063,085.67	
Other Bonds, Debentures and Stocks, not exceeding market value.....		7,949,602.21	
			215,610,953.01
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures, Bonds and other Securities, of a sufficient marketable value to cover.....	\$	7,284,417.55	
Current Loans and Discounts in Canada, not otherwise included, estimated loss provided for.....	105,688,527.14		
Loans to Provincial Governments.....		312,245.57	
Loans to Cities, Towns, Municipalities and School Districts.....		989,215.70	
			114,274,405.96
Non-current Loans, estimated loss provided for.....			25,903.14
Liabilities of Customers under Acceptances and Letters of Credit as per contra.....			4,955,623.17
Bank Premises, at not more than cost, less amounts written off.....			5,620,729.89
Deposit with the Minister of Finance for the security of note circulation.....			58,215.22
Other Assets not included under the foregoing heads.			65,494.58
			<u>\$403,550,418.68</u>

R. S. WALDIE, *President.*

W. G. MORE, *General Manager.*

Imperial Bank of Canada

THE GENERAL MANAGER'S ADDRESS

Mr. Chairman and Gentlemen,

The Annual General Statement for the year ended 31st October, 1946, now before you shows a year of steady progress and indicates that the Bank continues in a strong and healthy condition.

PROFITS

After payment of taxes, expenses of administration and contributions to Pension Fund and after making full provision for contingencies, net profits at \$940,095 show a modest increase permitting payment of a dividend of \$1.00 per share, an increase of 20 cents per share over the dividend paid previously for some years past. Profit and Loss carried forward now stands at \$1,140,000.

ASSETS

Total Assets increased during the year by \$24,000,000 to \$403,550,000 and are at an all-time high.

DEPOSITS

Deposits increased by over \$23,000,000 to \$381,000,000 and are also at an all-time high. Major changes were increases of \$8,000,000 in Deposits by and balances due to Dominion Government and of \$35,000,000 in Deposits by the public bearing interest, and a decrease of \$21,000,000 in Deposits by and balances due to Provincial Governments. The last mentioned is accounted for by payment out in redemption of bonds of a temporary deposit by the Province of Alberta to which I made reference in my remarks last year.

CASH

Cash holdings, consisting of Gold and Subsidiary Coin, and notes of and deposits with the Bank of Canada, amounting together to \$38,400,000, show a decrease of \$5,000,000 but are amply sufficient and represent 10% of liabilities to the public. Adding to these other quick assets consisting of our portfolio of investments, notes and cheques of and deposits with other banks and Call Loans, makes a total

Imperial Bank of Canada

of \$286,000,000, or 75% of public liabilities — a highly liquid position.

INVESTMENTS

Our portfolio of investments has increased by \$10,000,000 and now stands at \$215,600,000. Included in these investments are \$105,000,000 of Dominion and Provincial Government securities maturing within two years and \$94,000,000 of other Dominion and Provincial Government securities. Call Loans at \$7,200,000 are down \$1,200,000, reflecting slightly lessened activity in the stock markets.

CURRENT LOANS

Current Loans and Discounts in Canada at \$105,600,000 are up \$24,000,000. This, with the increase in our deposits previously referred to, is perhaps the most gratifying feature of the statement and indicates that your Bank is ready at all times to assist the legitimate needs of its customers and is doing its full share in servicing the commercial requirements of the country at large.

LETTERS OF CREDIT

Another gratifying feature is the increase to \$5,000,000 of Letters of Credit outstanding. During the year we have extended our connections with banking correspondents in practically every country in the world with which trade with Canada is carried on. These facilities have been placed at the disposal of our exporting and importing clients.

BANK PREMISES

Bank Premises Account now stands at \$5,620,000 compared with \$5,532,000 a year ago, an increase of approximately \$100,000 after writing off \$222,000 for depreciation. The only increases of importance were the purchase of a site in St. Catharines, Ontario, to house our main office there, and of a building adjoining our branch at Queen and Bathurst Streets, Toronto, to extend our premises at that point. These two projects will be undertaken when building conditions permit. New buildings and renovations are being undertaken at a few other points and should be completed in the course of the current year.

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BRANCHES

Branches of the Bank now number 178. Since our last Annual Meeting two branches have been opened or re-opened in Ontario, two in Alberta and one in British Columbia. The branch at Scarboro, Ontario, which was opened to service a war plant there, has been closed. We also have in contemplation the opening of further branches at strategically placed centres where we have already acquired premises or sites.

SHAREHOLDERS

Shareholders now number 2868 an increase during the year of 42. The average number of shares held per Shareholder is 244.07.

STAFF

Our total Staff now number 2016 of whom 969 are women. It again affords me great pleasure to testify to the high quality of their service and to thank them for their loyalty and devotion to duty during the past year.

Of the original 600 members who enlisted with the Forces during the war, 53 paid the supreme sacrifice, 413 have returned to the service, 123 resigned to further their education or accept other employment, and 11 are still with the Forces. A special word of praise is due to those who have returned for the manner in which they are re-establishing themselves in the service; reports upon them are uniformly good.

GENERAL BUSINESS

Business on the whole can be said to have been reasonably good during the year just closed, though, with continuing shortage in many materials and commodities, somewhat unstable. Probably the most unsettling factor has been the strikes and threat of strikes that have occurred in many industries. It seems that most of our troubles in this regard would be eliminated if greater emphasis were placed upon increased production, thus bringing about those conditions which all men desire, namely, increased employment and increased supply of goods at lower prices. In all of this labour itself would be the chief gainer with steadier and greater purchasing power which is the true measure of real wages. Canada probably never had a better opportunity than now

Imperial Bank of Canada

to supply the markets of the world with goods so sorely needed and that it is in our power to supply. Such trade is essential if our standard of living, to which we have become accustomed, is to be maintained, but it cannot be accomplished if costs continue to rise. If we can settle down to work with enlightened leadership and a spirit of give and take all round, the future of Canada cannot but be bright. Canada's Banks are prepared and ready to do their part to make it so. The Banks have the strength and resources to meet any demand however substantial that free enterprisers of Canadian business may make upon them. Just as the banking system was able to meet every demand of the conversion to war-time production, there is no demand of the reconversion to peace-time production that we cannot meet with equal readiness.

THE PRESIDENT'S ADDRESS

In his explanation of the various items in the Balance Sheet and Profit and Loss Account the General Manager has given you a comprehensive review of the year's business and I wish only to add that your Directors are well satisfied with the results and we hope that the statements will meet with your full approval. The Report of the Directors draws attention to the fact that you will be asked to pass a by-law to increase the Bank's contributions to the Staff Pension Fund. The welfare of the staff is much in the mind of your Directors and I am sure that you will gladly give this by-law your full approval.

Notwithstanding unsettled world conditions Canada has achieved about 80 per cent of the physical reconversion of her economy during the fifteen months between the end of hostilities and now. Volume of production, national income, and employment were less affected by reconversion than had been expected. The index of the physical volume of business was about 16 per cent lower in the first ten months of 1946 than in the corresponding months of 1945, but owing to the change from war to peace production this is not surprising, and our physical output is now at a level of about 85 per cent above pre-war standards. Wholesale sales have been about 20 per cent higher in 1946 than in

1945, and retail sales about 14 per cent above the 1945 level. This gives an indication of the shift to peace-time economy. Part of the rise in sales values is caused by the increase in prices; the index of wholesale prices having risen by about 5 per cent over 1945, and the index of the cost of living showing an increase of about 4 per cent.

Employment has remained at a high level. The working force increased as a result of the war and the natural population growth by over 1,000,000 persons, from 3,800,000 in 1939 to almost 5,000,000 in 1945 and gainful employment has receded from its war-time peak of 5,000,000 by only about 300,000 persons. Unemployment in industry is at a low figure and generally those seeking work have been able to find it without long delay, and returning men and women of the forces have been largely absorbed in employment. The main problem has been to get enough workers for the farm and for mining and woods operations.

The money income of the country reflects this high level of economic activities. It is officially estimated that Canada's national income is at present running at about the 1945 level. For 1945 the Dominion Bureau of Statistics estimates national income received at \$8,954,000,000, national income produced at \$9,627,000,000, and gross national expenditure at \$11,359,000,000, the difference having been borrowed from the people's savings by way of Victory Loans. This means that Canada's present national income is over twice as large as the average pre-war national income. Part of this increase is caused by the rise in prices to which I have already referred.

Production and employment have been adversely affected by labour disputes in various industries including steel, rubber, electrical and textile plants and in British Columbia logging camps. The Dominion Bureau of Statistics estimates the time lost during the first nine months of 1946 at 4.1 million man-days. That would amount to a production loss of about \$40,000,000 but the real losses are greater since shortages in basic materials, especially in steel, affect a great number of dependent industries and contribute to a general slowing down of production. While post-war strikes may be partly the result of a psychological let-down, it appears that neither the Government nor the industries

and the trade unions concerned have shown sufficient foresight and energy in handling the situation. It seems evident that the freezing of wages during the war was at too low a level and with too great a spread in some industries as compared with others. The National War Labour Board has recently ruled that there should be no general formula for the adjustment of wages, but a more flexible procedure which makes allowance for individual conditions. It is to be hoped that this procedure may lead to the adjustment of wage levels and to a more balanced distribution of worker's income. The final result will depend on the understanding collaboration of management and labour, the development of which should be the special concern of the Government and a more enlightened public opinion.

Merchandise exports, the most important single influence upon our national income, have dropped from \$2,332,000,000 during the first eight months of 1945 to \$1,511,000,000 during the first eight months of 1946, or by about 35 per cent. Further reductions can be anticipated. Imports, on the other hand, have tended to increase and in 1946 were about 11 per cent higher, as to value, than during the corresponding months of 1945.

Falling exports and growing imports have reduced the favourable balance of merchandise trade which Canada normally enjoyed and which had been greatly expanded during, and as a result of, the war. The balance on merchandise account is still in our favour to the extent of \$300,000,000 calculated on a yearly basis but this balance is shrinking. Since a sizeable proportion of Canada's present exports is financed by credits provided by the Canadian nation itself, while almost all Canadian imports—of which nearly three quarters come at present from the United States—are paid on a cash basis, Canada appears to have even now an adverse balance of cash trade in merchandise. The deficit on merchandise account with the United States which at present runs at an annual rate of about \$400,000,000, is only partly met by gold shipments and by the growing balance on tourist trade. Also it must be borne in mind that Canada has still a high net indebtedness to the United States, and the corresponding debt service can only be

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discharged, if Canada maintains a considerable surplus in her current account with the United States.

We still maintain a substantial favourable balance of trade with countries other than the United States. During the first seven months of 1946 our export surplus amounted in relation to the United Kingdom to \$174,000,000; to the British Empire \$92,000,000; to all other countries (excepting the United States) \$204,000,000; altogether about \$470,000,000, but it would be a mistake to assume that this surplus will help us in equalizing our accounts with the United States. As already pointed out, a considerable proportion of our trade outside of the United States is financed by credits and, besides, most of the countries with which we have a favourable balance of trade, have an adverse balance of trade with the United States and are thus unable to provide surplus American dollars which Canada could use for the equalization of her accounts with the United States.

It will therefore need great efforts on Canada's part to straighten the Canadian-American balance of payments in the future. It is a hopeful sign that newsprint production has grown during 1946 by about 30 per cent in comparison to 1945, and that the values of newsprint exports have in the same period risen by about 40 per cent.

Non-ferrous metals, Canada's other great export item, have recently lost ground. The aluminium industry had during the war developed to the most important branch of base metal production, and during the later war years about 40 per cent of the export value of all non-ferrous metals was represented by aluminium products. Since the armistice aluminium exports have fallen to about 20 per cent of their war level. The value of copper exports has during 1946 remained about the same, and nickel exports in 1946 have only fallen by about 5 per cent. The value of lead and zinc exports has greatly increased, but production and export are too small to compensate for the loss in the aluminium exports. On balance, Canada's base metal exports have decreased in value to about one half of the war level. Since at the same time the export values of iron and its products have fallen to about one-third of the war standards, a large deficit in Canada's metal exports has appeared which has greatly contributed to reducing our

active balance of trade. Production and exports of precious metals have failed to make up for these losses. Silver production has recently revived as a result of an increase in price, but total production remains small; and silver exports are negligible. It should be a general policy to promote our mining industry, especially in the interest of our foreign trade balance.

Gold production and gold exports appear to be lagging far behind the desirable growth. Gold receipts at the mint during 1946 until now were only about 8 per cent higher than during the same period of 1945, and net exports of non-monetary gold have increased by no more than 6 per cent. However as gold production and exports had since 1942 been reduced, owing to the policy of shifting labour to more urgently needed war production, to less than one-half of the peak level of 1940-41, it is clear that the recovery of the industry has not been sufficiently rapid to soon secure for gold its previous function to balance our payments with the United States. The revaluation of the Canadian dollar to parity with the United States dollar is a serious obstacle to the resumption of this role by the gold mining industry. It has reduced the profit margin of all companies and even made operations of a number of companies unprofitable. Concessions on the part of the Government will be necessary to help the gold mining industry regain its important position. Such policies would be all the more justifiable since the gold mining industry, unlike other industries, is unable to adjust the price of its product to the revaluation of the Canadian dollar and the general increase in costs.

While Canada's national income has in the main preserved its high war level, its distribution among the major groups of recipients has recently substantially changed, to the disadvantage of the farmer and, still more, the incomes from investment that were actually paid out to investors. The better crops of 1946 and rising prices for most farm products should contribute towards some improvement during the current year—this year's wheat crop is estimated at 420,000,000 bushels, as against a final estimate of 305,000,000 bushels for 1945—but this improvement is likely to be offset in part by the rise in farm wages and in prices for industrial products entering the farmer's costs. Since the importance of Canada's agriculture, as the basis of our whole economy,

can hardly be overrated, I should like to dwell somewhat on this question.

In my judgment the income of the farmer is not commensurate with the labour of the farmer. According to latest estimates Canada's agricultural labour force (which includes the farmer and the farm worker) is about 26 per cent of the total labour force of the country. But farmers, excluding in this case the farm workers, have normally received no more than 10 to 12 per cent of Canada's national income. The share of national income that is paid to the farm worker increases this percentage somewhat but the fact remains that the total farm labour force making up one-quarter of our national labour force is rewarded by no more than one-sixth of the national income.

It is possible that the relief the war economy brought to the farmer may prove to be only transitory and that the pre-war shift of the national income to the other economic groups will continue. This would hardly do justice to the farmer's contribution to the national wealth. It would lead to other undesirable developments, too. The migration from country to city would continue. During the war years alone, the population of Canada's metropolitan counties has grown by over 10 per cent, and the other urban population by about 5 per cent; while the rural population, for the first time in Canada's history, has decreased by about 5 per cent. Once the post-war industrial boom has come to an end, the pool of potential unemployment will prove to have greatly increased, while at the same time farm labour will remain in great demand. The farmer's income could be improved if new markets, especially abroad, could be found. It should be borne in mind that the share of farm products in total exports declined steadily during the inter-war period, and our economic policies should be directed towards regaining lost outlets and finding new ones.

I now come to my last subject, that of interest rates. The Government's policy is to retain the low wartime rates of interest but it is impossible to keep down the rate of interest and at the same time keep a limit on the volume of money put in circulation. Money circulation has increased about five times during the war and deposits with the commercial banks have about doubled. During the war years our people,

Imperial Bank of Canada

realizing a common danger, refrained from avoidable expenditures, which with the large sums of money drained off by Government taxes and War Loan purchases prevented run-away prices. Now that the national effort has spent itself, the pent-up desire of the people to spend and consume reasserts itself. This suggests a price pressure on the limited quantity of available goods leading to an undesirable rise in prices. The best method to avoid this would be through stabilization or reduction in the volume of money which would be brought about through a rise in the rate of interest. This would, besides reducing the volume of circulation, encourage people to save and invest and would also create conditions under which the remaining controls could be abolished.

It must always be remembered that this country is dependent for its prosperity upon its exports and if our prices are too high we may find that our greatly expanded industry will lack export outlets.

Today Canada finds herself in as good, or even better, condition than any other country in the world. We have had a bountiful harvest and if past experience may be taken as a guide this should be followed by a year of active business. I am convinced that Canadians will not be found wanting in a continuance of that self-discipline which has helped us to overcome the many difficulties of the past.

It was moved by the President, seconded by Vice-President J. W. Hobbs and resolved that the Report which has been read be adopted, printed and circulated among the Shareholders.

It was moved by Mr. J. S. Roberts, seconded by Mr. G. E. Phipps and resolved that T. A. M. Hutchison, C.A., of Peat, Marwick, Mitchell & Co., and J. W. Taylor, F.C.A., of Price, Waterhouse & Co., be appointed Auditors of the Bank for the ensuing year at a remuneration not to exceed \$12,000.

The Chairman asked the Secretary to read the By-law respecting the Pension Fund of the Bank referred to in

Imperial Bank of Canada

the Directors' Report, to be enacted as By-law No. 47 of the Bank.

The Secretary read By-law No. 47 as follows:

WHEREAS a Pension Fund for the officers and employees of Imperial Bank of Canada has been established pursuant to By-laws Nos. 17 and 33 of the Bank.

AND WHEREAS in order to place and maintain the said Fund on a sound actuarial basis the Directors of the Bank deem it advisable to provide for an ascertained deficiency in the said Fund by making annual payments to the Fund out of the funds of the Bank over a period of years, and also to make annual contributions to the Fund out of the funds of the Bank, all in accordance with an actuarial report received by the Directors.

NOW THEREFORE be it enacted by the Shareholders of Imperial Bank of Canada assembled at the Annual General Meeting of the said Bank:—

1. That the Directors of the Bank be and they are hereby authorized to contribute to the Pension Fund of the Bank out of the funds of the Bank such sums annually as they deem fit in order to provide for the deficiency in the said Pension Fund as ascertained by a report made by a qualified Actuary.

2. That the Directors of the Bank be and they are hereby authorized also to contribute annually to the said Pension Fund out of the funds of the Bank such sums by way of percentage of the amount of the salaries of officers of the Bank or otherwise as they, the Directors, shall deem necessary in order to maintain the said Pension Fund on a sound actuarial basis sufficient to provide pensions and allowances in accordance with the Constitution and Rules of the Fund in force and effect from time to time without the amount of such annual contributions being restricted as provided in Paragraph 2 of By-law No. 33.

3. That the foregoing authorizations shall be deemed to be retroactive to include the fiscal year ended 31st October 1946 and that all payments and contributions made out of the funds of the Bank to the Pension Fund of the Bank by the Directors during such year be and they are hereby authorized and confirmed.

It was moved by Mr. J. W. Hobbs, seconded by Mr. J. A. Northway and resolved that By-law No. 47 as read by the Secretary be enacted as a By-law of the Bank.

It was moved by Mr. Everett Bristol, K.C., seconded by Mr. H. F. Vigeon and resolved that the thanks of the Share-

Imperial Bank of Canada

holders are due and are hereby tendered to the President, the Vice-Presidents and Directors for their able and careful management of the Bank's affairs and to the General Manager, the Assistant General Managers and other officers of the Bank for their valuable services during the past year.

Mr. H. E. Sellers and Mr. I. K. Johnston replied to the motion, expressing appreciation on behalf of the Directors and Staff respectively.

It was moved by Mr. A. M. Bethune, seconded by Mr. Richard Pearce and resolved that the ballot box be now opened for the receipt of ballot papers for the election of eighteen Directors, the poll to close as soon as two minutes shall have elapsed without a vote being tendered.

The ballot having been taken, the Scrutineers reported the following to have been elected Directors for the ensuing year:—R. S. Waldie, J. W. Hobbs, W. G. More, Col. J. F. Michie, Walter C. Laidlaw, John A. Northway, G. H. Aikins, K.C., H. E. Sellers, W. B. Woods, Arthur L. Bishop, E. E. Buckerfield, C. Gordon Cockshutt, H. L. McCulloch, Jules R. Timmins, Eliot S. Frosst, F. G. Rolph, W. P. Walker and A. W. Baillie.

The Meeting was then adjourned.

At a subsequent meeting of the Board of Directors, R. S. Waldie was re-elected President, and J. W. Hobbs and W. G. More Vice-Presidents, for the ensuing year.

