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THE
BANK OF TORONTO,
TORONTO

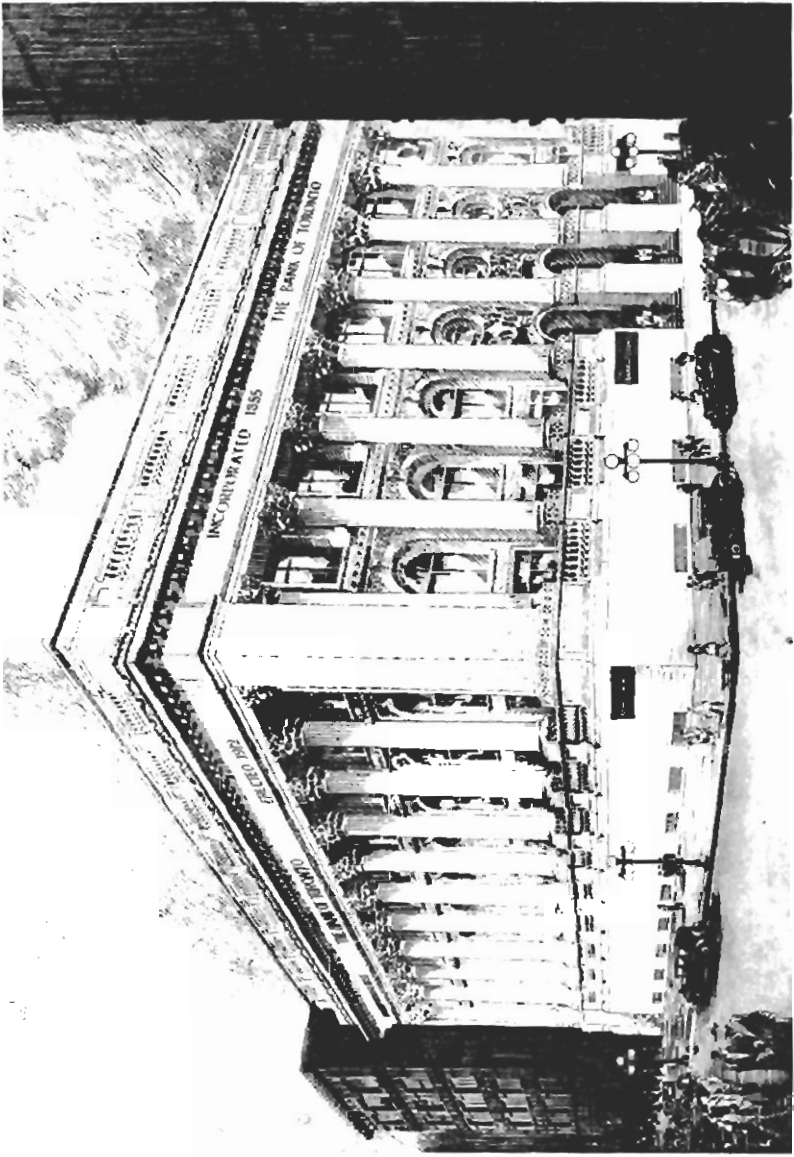


SEVENTY FOURTH
ANNUAL REPORT
NOV. 30. 1929

THE
BANK OF TORONTO
TORONTO



SEVENTY-FOURTH
ANNUAL REPORT
NOV. 30, 1930



THE BANK OF TORONTO, TORONTO

SEVENTY-FOURTH

ANNUAL REPORT

Stability and Experience

WITH a record of 74 years' steady contribution to the basic elements of Canada's progress, and the wide experience of commercial, industrial, agricultural and mining activities gained in that period, The Bank of Toronto is the logical Bank for your business.

You will find our wide banking facilities of decided value in your transactions either in foreign or Canadian fields.

THE BANK OF TORONTO

Harvey B. Henwood, *General Manager*

NOVEMBER 30TH, 1929

INCORPORATED 1855

CAPITAL AUTHORIZED, -	\$10,000,000.00
CAPITAL SUBSCRIBED, - - -	6,000,000.00
CAPITAL PAID-UP, - - - -	6,000,000.00
REST, - - - - -	9,000,000.00
PROFIT and LOSS ACCOUNT, - -	163,120.72

THE BANK OF TORONTO

PRESIDENT

W. G. GOODERHAM, { President Canada Permanent Mortgage Corporation.
TORONTO. { " Manufacturers Life Insurance Co.
" Canada Permanent Trust Company.

VICE-PRESIDENT

JOHN R. LAMB, { General Manager
TORONTO. { The Bank of Toronto 1922 to 1928.

DIRECTORS

WILLIAM STONE, { Director Manufacturers Life Insurance Co.
TORONTO. { " Canada Permanent Mortgage Corporation.
" Canada Permanent Trust Co.

COL. A. E. GOODERHAM, { President Dominion of Canada General Insurance
TORONTO. { Company.
" Casualty Company of Canada.
Director Canada Permanent Mortgage Corporation.

BRIG.-GEN. F. S. MEIGHEN, { President & Managing Director Lake of the Woods
MONTREAL. { Milling Company, Ltd.
" New Brunswick Railway Company.
" Inter City Baking Company, Ltd.
Director Canadian Pacific Railway Co.
" Canada North West Land Company, Ltd.
" Paton Manufacturing Company.

COL. WILLIAM I. GEAR, { President Crown Trust Co.
MONTREAL. { Vice-President Keewatin Flour Mills Co., Limited.
Director Wabasso Cotton Co., Limited.
Chairman, Board of Directors, Cassidy's Limited.

PAUL J. MYLER, { President Canadian Westinghouse Company, Ltd.
HAMILTON. { Vice-President Landed Banking & Loan Co.
Director The Toronto General Trusts Corporation.

ARCHIBALD H. CAMPBELL, { Director Consumers Gas Company.
TORONTO. { " The Toronto General Trusts Corporation.

JOHN I. MCFARLAND, { President Imperial Motors, Ltd.
CALGARY. { Director Metals, Limited.
" Burns & Co., Limited.
" Manitoba Bridge and Iron Works.

THE BANK OF TORONTO

DIRECTORS—CONTINUED

HON. JAMES D. CHAPLIN, { President Welland Vale Manufacturing Co., Ltd.
M.P., ST. CATHARINES. { St. Catharines.
" Canada Axe and Harvest Tool Co.,
Limited, Montreal.
" Hayes Wheels and Forgings Limited,
Chatham.

THOS. F. HOW, TORONTO. { Retired.

FREDERICK K. MORROW, { Director, Christie, Brown & Co., Limited.
TORONTO. { " Consolidated Bakeries of Canada, Limited.
" Gold Dust Corporation.
" Trusts and Guarantee Co., Limited.
" The Ogilvie Flour Mills Co., Limited.

HARVEY B. HENWOOD, { General Manager
TORONTO. { The Bank of Toronto.

JOHN L. AGNEW { Vice-President The International Nickel Co., of
COPPER CLIFF. { Canada, Limited.
President Huronian Co., Limited.

OFFICERS

HARVEY B. HENWOOD General Manager.
F. H. MARSH - Assistant General Manager.
H. HOPKINS - Chief Inspector.
R. PASHBY - Secretary.
W. A. RUTHERFORD - Chief Accountant.

WESTERN OFFICIALS

J. A. WOODS - Western Superintendent.
E. W. LAMPREY - Superintendent of
British Columbia Branches.

AUDITORS 1930

D. McK. McCLELLAND, F.C.A. A. B. SHEPHERD, C.A.
of Price, Waterhouse & Co. of Peat, Marwick & Co.
London, Eng. Toronto, Ont.

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THE BANK OF TORONTO

PROCEEDINGS OF THE

SEVENTY-FOURTH ANNUAL GENERAL MEETING

HELD ON

WEDNESDAY, 15TH JANUARY, 1930

The Annual General Meeting of the Stockholders of The Bank (being the Seventy-Fourth since the commencement of business) was held, pursuant to the terms of the Charter, at the Banking House of the Institution, corner King and Bay Streets, Toronto, on Wednesday, 15th January, 1930.

Moved by Hon. JAMES D. CHAPLIN, seconded by Brig.-Gen. F. S. MEIGHEN, and

Resolved—That Mr. W. G. Gooderham be appointed Chairman of this Meeting and that Mr. F. H. Marsh be requested to act as Secretary.

Carried

Moved by Col. WILLIAM I. GEAR, seconded by Mr. A. H. CAMPBELL, and

Resolved—That the Minutes of the proceedings of the last Annual Meeting be taken as read and approved.

Carried

Moved by Col. A. E. GOODERHAM, seconded by Mr. F. K. MORROW and

Resolved—That Mr. Duncan Coulson and Mr. Harold B. Scandrett, be appointed Scrutineers, and that after the ballot they report to the Chairman.

Carried

The Secretary then read the Annual Report as follows:

The Directors of The Bank of Toronto beg to present their Report for the year ending 30th November, 1929, together with the Statement of the Bank's affairs and the results of the operations for the year.

THE BANK OF TORONTO

PROFIT AND LOSS ACCOUNT

The Balance at credit of Profit and Loss, on 30th November, 1928, was.....\$ 901,175 11

The Net Profits for the year, after making full provision for all bad and doubtful debts, and deducting expenses, interest accrued on deposits and rebate on current discounts, amounted to the sum of..... 1,453,436 28

Premiums on New Stock..... 1,000,000 00

\$3,354,611 39

This sum has been appropriated as follows:—

Dividend No. 190, Three % paid 1st March, 1929...\$176,703 00

Dividend No. 191, Three % paid 1st June, 1929.... 178,125 00

Dividend No. 192, Three % paid 3rd Sept., 1929... 178,608 00

Dividend No. 193, Three % payable 2nd Dec., 1929. 180,000 00

Bonus of 1% payable 2nd Dec., 1929..... 60,000 00

—————\$773,436 00

Tax on Circulation..... \$58,054 67

Reserve for Accrued Taxes..... 100,000 00

Transferred to Officers' Pension Fund..... 60,000 00

Written off Bank Premises..... 200,000 00

————— 418,054 67

Transferred to Rest Account..... 2,000,000 00

Carried forward to next year..... 163,120 72

\$3,354,611 39

The Head Office and Branches have been regularly inspected by the Bank's Inspection Staff, and at the Head Office the usual verification of cash and securities has been made.

The Auditors appointed by the Shareholders, Mr. D. McK. McClelland, F.C.A., and Mr. W. D. Glendinning, C.A. made their examination of our Head Office and principal Branches, and their report accompanies the General Statement herewith.

Thirteen Branches were opened during the year, and five closed, making 199 now in operation.

All of which is respectfully submitted,

W. G. GOODERHAM,

President

GENERAL

NOVEMBER 30TH

LIABILITIES

Notes of the Bank in Circulation	\$8,796,048 00
Deposits bearing interest, including interest accrued to date of statement.....	\$86,849,625 23
Deposits not bearing interest.....	18,147,009 84
	<u>104,996,635 07</u>
Advances under the Finance Act.....	3,000,000 00
Balances due to other Banks in Canada (daily exchanges)	1,212,859 54
Balances due to Banks and Banking corres- pondents in the United Kingdom and Foreign Countries.....	4,513,517 57
	<u>5,726,377 11</u>
Bills Payable.....	1,015,339 38
Quarterly Dividend, payable 2nd Dec., 1929.	180,000 00
Bonus of 1% payable 2nd December, 1929....	60,000 00
Dividends unpaid.....	1,321 00
	<u>241,321 00</u>
Letters of Credit outstanding	2,965,582 67
Liabilities not included in the foregoing	281,195 55
	<u>\$127,022,498 78</u>
Capital paid up.....	\$6,000,000 00
Rest	9,000,000 00
Balance of Profit and Loss Account carried forward.....	163,120 72
	<u>15,163,120 72</u>
	<u>\$142,185,619 50</u>

STATEMENT

1929

ASSETS

Current Gold and Silver coin.....	\$ 376,049 09
Dominion Notes.....	10,853,893 00
Deposit in the Central Gold Reserves....	3,880,866 66
Notes of other Banks.....	817,275 00
United States and other foreign currencies..	54,634 41
Cheques on other Banks.....	8,070,774 84
Balances due by Banks and banking corres- pondents elsewhere than in Canada.....	6,042,828 84
	<u>\$30,096,321 84</u>
Dominion and Provincial Government Securi- ties, not exceeding market value.....	11,252,906 41
Canadian Municipal Securities and British, foreign and colonial public Securities other than Canadian not exceeding market value.....	3,182,436 85
Railway and other Bonds, Debentures and Stocks, not exceeding market value....	1,648,639 73
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures and Stocks and other securities of a suf- ficient marketable value to cover.....	11,711,020 94
	<u>27,795,003 93</u>
	<u>\$57,891,325 77</u>
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful Debts	77,385,795 95
Non Current Loans (estimated loss provided for).....	46,440 18
	<u>77,432,236 13</u>
Deposit with the Minister for the purposes of the Circulation Fund.....	280,585 60
Mortgages on Real Estate Sold.....	46,426 32
Liabilities of Customers under Letters of Credit, as per contra Bank Premises, at not more than cost, less amounts written off.....	2,965,582 67
	<u>3,569,463 01</u>
	<u>\$142,185,619 50</u>

W. G. GOODERHAM,
President.

HARVEY B. HENWOOD,
General Manager.

AUDITORS' REPORT TO THE SHAREHOLDERS

To the Shareholders of The Bank of Toronto:

We have examined the books and accounts of The Bank of Toronto at its Head Office and have been furnished with certified returns from the branches, and certify that the above statement of liabilities and assets as at 30th November, 1929, is in accordance therewith and in our opinion discloses the true condition of the Bank. The Bank's investments and the cash on hand at the Head Office and at the Toronto and Montreal Branches were verified by us as at 30th November, 1929. We have received all the information and explanations we have required, and all transactions of the Bank which have come under our notice have in our opinion been within the powers of the Bank.

D. McK. McCLELLAND
of the firm of Price, Waterhouse & Co.
W. D. GLENDINNING

Toronto, 20nd December, 1929

of the firm of Riddell, Stodd, Graham & Hutchison

PRESIDENT'S ADDRESS

GENTLEMEN:

After the passing of another year it is again my privilege to move the adoption of the Annual Report. It is a privilege which I exercise from year to year with ever-increasing satisfaction as the Bank continues to add to its surplus and earning power.

You will see from the figures which have been read to you that our dividends and bonus for the year have again been earned with a good margin, and that we have been able to add One million dollars to Rest Account from accumulated profits, together with One million dollars representing the premium on new capital paid up during the year, bringing the Rest Account up from Seven to Nine millions of dollars, or 150% of paid up capital.

Since the post-war deflation was completed, and particularly during the past five years, the business curve has been almost steadily upward. New peaks in both volume and profits have been achieved year after year. General prosperity usually induces free spending, both public and private, and speculation invariably follows; in fact, to some extent each helps the other, but speculation is apt to outgrow the factors supporting it, and when this occurs, and it does occur every few years, a readjustment more or less severe becomes inevitable. We are clearly in a readjustment period of some importance at the present time, but so far confined chiefly to the stock markets. Fortunately there has been no speculation in commodities, and there are few excessive inventories to liquidate. We have reason, therefore, to look forward to at least a fair turnover in manufactured goods at steady prices, and normal employment for workers.

The crop situation is of much greater importance in Canada than anything that may happen in the stock markets, and unfortunately we had an exceptionally dry season in 1929, resulting in a short crop of the principal grains. The yield of wheat in the Western Provinces is placed at approximately 270 million bushels, or just about 50% of the previous year, and although grades were exceptionally high, which greatly helps the money return, the uneven distribution gives the effect of an unsatisfactory crop on the whole. The yield per acre of oats and barley, which are very important from the standpoint of feed, is the lowest in over twenty years. A partial failure of cereal crops is exceptional, but when it occurs the effect is immediately felt in all branches of trade.

The Canadian mines set up a new high record in production, and although some of the base metals have weakened in price, the total value, as well as the output for the year, is higher. There has been real progress in exploration and in actual mining, which is a marked contrast to the weakness of the market for mining stocks, and the latter must be attributed in large degree to practices of over-capitalization and manipulation. Several of the base metal properties now under development will reach production in the next year or two, and should add greatly to our output. In gold and silver there have been few new discoveries of commercial importance, but some of the older companies have increased their scale of operation.

Building has set a new high record for the year. The activity has extended to almost all classes of structure. Materials and labor have, if anything, advanced, and the total cost of building under present conditions means heavy charges for interest and depreciation, which in the case of an industrial building can be met only from high earnings, while for residential purposes a corresponding income is necessary. Our feeling is that building costs are too high, and that only abounding and continuous prosperity can maintain activity in this line at the present level of costs.

The consumption of electric power in Canada continues to grow very rapidly, and is now double that of four years ago. Our water power resources are an increasing factor of the greatest importance in our industrial situation.

A year ago we were congratulating ourselves on an increase in savings deposits in the Banks of over One hundred million Dollars, and average yearly increases since 1925 of Seventy-five Millions. This year we have to record a decrease of Seventy Millions for the twelve months ending November. In the past five years savings deposits have shown a net increase of \$221,000,000, while in current loans and loans to municipalities there has been an advance of \$526,000,000. This is fairly rapid expansion in credit, as is natural in a period of growth, but present indications are that a reverse movement will again restore the balance.

In recent years the public has turned to investment and speculation. Although not considered a favorable year for the marketing of securities, bond issues put out in 1929 amounted to Six hundred and fifty Millions, the highest since 1919, and when we add new stocks and rights, together estimated at Four hundred and thirty Millions, the total exceeds all previous records. Government, Railway and City issues, because of size and quality are largely taken by New York and by our own investment institutions. The smaller Municipal issues are largely purchased by conservative investors at home, but the mass of industrial and mining stocks are absorbed by the general public who are our savings depositors. It is not surprising that savings deposits show some decline; indeed, the wonder is that they have held up so well.

The appetite of our people in recent years for corporate issues (many of which discount continuous prosperity for years ahead), and the purchasing power displayed, can only be described as amazing.

We have also to meet increasing competition, some of it very aggressive, from other institutions authorized by their Charters to accept deposits, and from Governments, several of which have set up systems for the receiving of deposits from the public. Public deposits in such institutions amount to about Two hundred Millions.

It should be remembered that the savings deposits of the Banks constitute the chief source of bank credit available to agriculture, commerce and industry, and the country is as much interested as the Banks themselves in the question of whether or not that fund is growing fast enough to take care of the credit needs of all the interests that look to it for legitimate assistance.

These remarks leave demand deposits out of consideration, for the reason that these deposits, partly consisting of the proceeds of loans still undischarged, are not to any large extent available for time loans but are represented in the picture by reserves in cash and in other forms.

In external trade the surplus of exports has continued to decline because imports have been increasing faster than exports. For the twelve months ending 30th November last the increase in imports was 100 millions, while exports declined 122 millions, resulting in an adverse balance of 58 millions, the first in many years. This situation partly accounts for our adverse exchange position, which has existed for some months.

Against this unfavorable balance, however, we have an asset in excess stocks of wheat held for export which, when sold, will turn the existing deficit into a credit balance, but will not create a surplus equal to that of a year ago.

More interesting and striking, perhaps, is a comparison over a longer period. For the twelve months ending November 30th, 1924, imports amounted to 813 millions against One billion three hundred and nine millions for the same period 1929, an increase of 495 millions. Exports increased only 181 millions. We had a favorable balance of 257 millions in 1924, against a deficit of 58 millions this past year.

During this period of five years the United States increased her sales to us by 374 millions, or 70%. As considerably more than half our imports

THE BANK OF TORONTO

from the United States are fully manufactured goods, it is evident that our friends to the South, with the assistance of mass production and a very large home market, have small difficulty in scaling our tariff wall. The answer is to give our own industries every reasonable encouragement to produce more of what we need at home, and at the same time to increase our exportable surplus of both raw materials and manufactured goods as fast as we can.

The prosperity of Canada has kept public revenues from taxation and other sources high, even although certain taxes have been reduced. The Dominion Government revenue for the current fiscal year to date shows an increase of about 3%; the increase in expenditures, however, is about 6%. The net Dominion debt as at November 30th was 66 million Dollars lower than a year ago.

Revenues and expenditures of the Provinces are also growing. For fiscal years ended in 1928 the total Provincial receipts are calculated at over 168 Millions, or slightly above the expenditures, and both were probably higher in 1929. Municipal budgets are also growing, and tax levies, even on growing assessments, show no sign of decrease.

In conclusion let me say that while conditions on the whole are somewhat mixed we have entire confidence in the future, even the near future. If we should run into a quiet time it will not be an unmixed evil, and will soon pass. We need a check at frequent intervals to enable us to recognize and repent the economic sins which we are prone to commit in times of prosperity and over-confidence. Given good crops in 1930 we shall again be on our way, and all the better for our experiences.

GENERAL MANAGER'S ADDRESS

MR. CHAIRMAN AND GENTLEMEN:

I am very glad to be able to present, in our Seventy-fourth Annual Balance Sheet showing the condition of the Bank as on 30th November last, another report of progress, which I think may be taken as some indication of the continued prosperity of Canadian business.

PROFITS:

The volume of our business has been heavier, and is reflected in a moderate increase in our profits, which you will observe are the largest in our history and are shown at \$1,453,436.28. This, with the amount carried forward in Profit and Loss Account from last year, \$901,175.11, and the premium on new stock issued during the year, \$1,000,000, makes a total of \$3,354,611.39, from which we deduct, to take care of our dividends and bonus to shareholders, tax on circulation, reserve for accrued taxes, transfer to Officers' Pension Fund, and an appropriation for Bank Premises account, \$1,191,490.67, leaving a balance of \$2,163,120.72, of which \$2,000,000 is transferred to Rest Account and a balance of \$163,120.72 carried forward.

CAPITAL AND RESERVE FUND:

Our capital structure will now show as follows:

Paid-Up Capital.....	\$6,000,000
Reserve Fund.....	9,000,000

which gives to our shares a book value of \$250. per share—slightly above their present market quotation.

TOTAL ASSETS:

A comparison of the principal asset items in the statement with the figures of a year ago shows total assets at \$142,185,619.50, an increase of \$6,912,164.98. Of these assets \$58,171,911.37, or 45.79% of total liabilities to the public, are of cash or sufficiently liquid to be quickly converted into cash.

THE BANK OF TORONTO

CURRENT LOANS AND DISCOUNTS:

Current Loans and Discounts, \$77,432,236.13, an increase for the year of \$9,510,710.32, reflect a heavy increase in our commercial loans, more particularly against the security of grain, which, as you no doubt are aware, has not moved out as rapidly as in former years. This accounts for the liability of \$3,000,000 under The Finance Act.

BANK PREMISES:

Bank Premises account \$3,569,463.01 an increase for the year of \$282,075.20. During the past year our expenditures have been heavier than usual owing, mainly, to the purchase of properties in Montreal, Toronto and Victoria, B.C., and the necessary provision for 13 new branch offices opened during the year. Our premises are included in our statement at not more than 50% of their cost.

CIRCULATION:

A similar comparison of our items in the liability column with those of a year ago shows Notes in Circulation \$8,796,048, a decrease from last year of \$293,980. An early movement of the grain crops from the farms to elevators put the peak of our circulation to \$9,749,733 in October, somewhat earlier than in former years.

DEPOSITS:

Total deposits of \$104,995,635 are practically unchanged, while savings deposits show a very small increase of .45% compared with a decrease of 4.62% for all banks.

In common with other Banks our deposits suffered in the period following the collapse of the stock markets in October and November. Substantial withdrawals of money by our depositors were made for investment in securities at the low prices reached, and undoubtedly a considerable total was required for margins by depositors who were in the market, but a close study of our depositors' accounts reveals the fact that a very large percentage that have steadily accumulated their savings for years were unaffected by the serious collapse in the market. They have the satisfaction of seeing their funds intact and in the keeping of a sound Bank, and many who have been guided in their investments by our Securities Department have the satisfaction of holding sound securities that have shown comparatively small declines in values.

GENERAL:

In general, it may be said that while it was a profitable year, banking conditions in 1929 were subject to more anxiety than usual owing to the speculative position that had been built up to unprecedented figures in the New York Stock Exchange, where Brokers' Loans reached figures never before known.

The situation in Canada was not comparable to that in New York, but speculation was sufficiently over-extended and widespread to place a strain upon credit and create a situation fraught with dangerous possibilities. The break, when it came, caused a shock to confidence in security values, and the individual losses that were made no doubt weakened buying power for the time being, but the effects will gradually pass we hope without serious economic consequences. It is well that this storm-cloud is now behind us, and it is a matter of some relief to bankers to be able to proceed with less apprehension in caring for the banking requirements of the business interests of the country.

EMPIRE TRADE:

The President, in his address, has covered the general business conditions in Canada, and, if I may, I would like to say a few words regarding Empire Trade, which is one of the most important subjects that has engaged

THE BANK OF TORONTO

the attention of the Canadian people during the past year. The Canadian Chamber of Commerce, at their annual session held in Calgary in the month of September, placed Empire Trade on their Agenda for discussion, with the result that they led the way in appointing the first Overseas Committee to study the question from the Canadian point of view in order to be prepared in the event of the discussion of the whole problem by delegates from the component parts of the Empire at a later date.

The people of this Country are indebted to the Canadian Chambers of Commerce for the valuable work this non-political organization is doing in promoting a greater bond of sympathy between the citizens of our great West and those of Eastern Canada and in discussing the many problems of national importance to the future development of our country, and we pay our tribute to the fine men who conceived this national organization and have, with much personal sacrifice of time, devoted themselves to its success.

Empire Trade is a fascinating subject but is not without its difficulties.

Each and every component part of the British Empire must determine always what tariffs or trade arrangements are best calculated to safeguard their industries and thus promote the comfort of their workers. It remains to be seen whether any system of preference can be devised without detriment to any particular part of the Empire, which will bring about a greater volume of Empire trade. The subject is one which will require careful study by a conference of business men from every part of the Empire, each of whom will have an intimate knowledge of the make-up of the imports and exports of his particular unit of the Empire. An assembling of these items with a careful check off of exportable surplus and import requirements may reveal many items now being sold or purchased in foreign countries that might be brought within the scope of an Empire trade agreement without difficulty.

Insofar as Canada is concerned, the whole subject involves a close study of our domestic trade. Canadian industries and any new industries that are established in our country are entitled first to the protection necessary to enable them to produce and sell in our own markets the products of our natural resources without the interference of goods produced in other countries. We must maintain our industries on a basis that will ensure a reasonable scale of wages for those they employ; we must aim always to have the workers of this country so paid that they will be able to live in some comfort, and if we follow this policy this country must not be made a target for the mass production of other countries, or foreign goods produced on a much lower wage scale than our own.

A study of our Foreign trade will show us those countries outside of the Empire from which we over-buy for our requirements. A careful study of these purchases will enable us to ascertain whether or not these goods can be obtained from within the Empire itself at approximately the same prices, and, if so, we should be able to divert these purchases to the Empire. In such an arrangement the wages and profits on any interchange of goods within the Empire would go into the pockets of our own people.

The Canadian industrial field is open to development by outside as well as Canadian capital, and, generally speaking, the greater part of this outside capital for the promotion of Canadian plants is provided and controlled from the United States. We call it the penetration of American capital. The dividends earned by these Companies are paid largely to American shareholders. Many of these plants have been erected not only for the purpose of selling to the Canadian trade, but much of their output is exported to various parts of the British Empire. Add to this the everyday sales pressure of hundreds of representatives of American firms who can make prompt deliveries of goods, and it is not difficult to account for our excess purchases from our neighbors each year.

THE BANK OF TORONTO

Take, if you will, the other side of the picture. It is unfortunate that British capital has not been more alive to the opportunities for Canadian trade and the development of plants in Canada; in fact it may be said that British industries, we think mainly because they have not fully investigated the opportunities for doing trade in Canada, have lacked a proper organization of sales force to meet the competition of American industries.

In buying foreign goods there is a distinct sentiment in the minds of Canadians for British made goods because we know they are made within the family, and I have no doubt British firms could very considerably increase their sales to us in many lines, but it cannot be done without carefully studying our requirements, *plus good salesmanship and prompt delivery.* The day of advance orders and long-deferred deliveries is rapidly passing. Undoubtedly Empire trade could be greatly developed by a far greater penetration of British capital in this rapidly growing country which, in years to come, will be capable of absorbing many industries and the labor that will be required to operate them, and it presents a fine field for the development of British industrial plants which would, indirectly, materially assist in Empire Trade.

We hold here, within the Empire, a vast country, rich in undeveloped natural resources, with a reserve of unoccupied lands and water-powers capable of immense production and able to maintain a great increase in population. As a result of the foresight and vision of our statesmen who have managed our affairs, we are equipped with modern port facilities on the Atlantic and Pacific, and in the St. Lawrence River, with fine inland waterway transportation from the head of the lakes to the sea, and two trans-continental railway systems as fine and efficiently managed as any in the world, linking up these two great oceans with bands of steel across Canada, an Empire traffic route between Great Britain and the far East that in the years to come will be of great importance.

Through the overseas transportation system of the Canadian Pacific Railway Company our country is well-known in practically all the important parts of the world. We have a land of great promise, and everything, it seems to me, to justify us in taking a broad view in anything we may be able to contribute towards developing a greater trade within the Empire to which we are proud to belong.

My excuse for somewhat lengthy reference to this subject is that I would like to lend such support as I can to a movement which is already creating considerable interest, both at home and abroad, and which I hope will lead to some practical good for our own country as well as other parts of the Empire.

BRANCHES:

It was my pleasure during the year to visit many of the Bank's branches, including all the large offices from Winnipeg to Victoria. I had opportunities of meeting many of the Bank's depositors and commercial customers, from whom I received the greatest kindness and many expressions of goodwill and appreciation for the service which we try to render to those who find their way to our doors. It is a great satisfaction to know so many of our friends and to hear from them that our efforts to serve the Bank's large family of clients are appreciated, and I would like at this time to express my appreciation to our clients throughout the country for their fine spirit of friendliness to us at Head Office as well as to those who represent us in the field.

STAFF:

I cannot take my seat without a closing reference to the Staff of the Bank, which now numbers over 1,300. I pay my tribute to the loyalty and devotion of every one of these to the interests of the Bank day by day throughout the year, and am glad to tell you that on your behalf the Directors have recently been very glad to show our appreciation for their services in a tangible way.

THE BANK OF TORONTO

Moved by the President Mr. W. G. GOODERHAM, seconded by Mr. WM. STONE and

Resolved—That the Report of the Directors and the Statement be approved and adopted, and printed for distribution to the Stockholders of the Bank.

Carried

Moved by Mr. S. R. PARSONS, seconded by Mr. W. B. MACLEAN and

Resolved—That Mr. D. MCK. MCCLELLAND, F.C.A. of Price, Waterhouse & Company and Mr. A. B. Shepherd, C.A., of Peat, Marwick, Mitchell & Company, be and are hereby appointed Auditors of this Bank for the ensuing year at a remuneration not to exceed \$10,000.

Carried

Moved by Sir HENRY L. DRAYTON, seconded by Mr. SIGMUND SAMUEL, and

Resolved—That the best thanks of the Stockholders be presented to the President, Vice-President and Directors for their very successful management of the Bank's business, and to the General Manager, Assistant General Manager and other officers of the Bank for their efficient services during the year.

Carried

Moved by Mr. C. A. WITHERS, seconded by Mr. G. HORSLEY TOWNSEND and

Resolved—That the Scrutineers cast one ballot for the election of the following named gentlemen as Directors of The Bank of Toronto:

Carried

REPORT OF THE SCRUTINEERS

We, the undersigned Scrutineers, hereby declare that the following named gentlemen were to-day elected as Directors of The Bank of Toronto:

JOHN L. AGNEW	THOS. F. HOW
ARCHIBALD H. CAMPBELL	JOHN R. LAMB
HON. JAMES D. CHAPLIN, M.P.	JOHN I. MCFARLAND
COL. WILLIAM I. GEAR	BRIG.-GEN. FRANK S. MEIGHEN
COL. ALBERT E. GOODERHAM	FREDERICK K. MORROW
WILLIAM G. GOODERHAM	PAUL J. MYLER
HARVEY B. HENWOOD	WILLIAM STONE

DUNCAN COULSON, }
HAROLD B. SCANDRETT } *Scrutineers*

TORONTO, 15th January, 1930.

At a subsequent meeting of the new Board, Mr. W. G. GOODERHAM was elected President, and Mr. JOHN R. LAMB, Vice-President.

By order of the Board,

HARVEY B. HENWOOD,
General Manager

THE BANK OF TORONTO

... BRANCHES ...

ONTARIO

Toronto, King St. W., cor. Bay St. (Main Office)	R. H. Cardy, R. J. Burtis,	Manager Asst. Mgr.
" Bloor & Bay	M. G. Davey,	Manager.
" Bloor & Brunswick Ave.	J. A. Eplett,	"
" Bloor & Jane St.	V. R. Tufford,	"
" Church & Wellington Sts.	A. S. Towers,	"
" College and Dovercourt	S. E. Scarlett,	"
" Danforth & Langford Aves.	G. W. Harrington,	"
" Dundas St., cor. Ossington Ave.	G. M. Kennedy,	"
" Dupont and Christie	G. A. Langstaff,	"
" Elm St., cor. Elizabeth St.	Jas. Stewart,	"
" King St. W., cor. Bathurst St.	S. G. Leonard,	"
" Mount Pleasant Rd. No. 549	W. B. Young	"
" Queen & Kenilworth Ave.	O. M. Chapelle,	"
" Queen St. E., cor. Parliament St.	L. R. Atkinson,	"
" Queen St. W., cor. Spadina Ave.	Wm. Miller,	"
" Riverdale, Queen E. & Logan Ave.	J. C. Wolfram,	"
" Roncesvalles Ave., cor. Dundas St.	G. B. McKay,	"
" St. Clair Ave. and Christie St.	J. H. Mills,	"
" W. Toronto, Dundas & Keelo	T. W. Harper,	"
" Yonge St., No. 205, opp. Albert St.	J. H. Brown,	"
" Yonge St. & Bedford Park Ave.	K. S. Herald,	"
" Yonge St. & Belsize Drive	F. C. Whetter,	"
" Yonge & St. Clair	R. C. Waram,	"
Allandale	Sub. to Barrie	"
Alliston	A. Weaver,	"
Barrie	H. A. Sims,	"
Bethany	R. H. McBride,	"
Bradford	F. Stevenson,	"
Brantford	D. McLennan,	"
Brockville	B. F. A. Lewis,	"
Burford	R. P. Bellamy,	"
Cardinal	S. J. W. Clarke,	"
Clarksburg	H. R. Warren,	"
Cobalt	C. P. Roper,	"
Cobourg	A. C. Hodgetts,	"
Colborne	L. J. L. Redfearn,	"
Coldwater	J. L. Thompson,	"
Collingwood	O. G. Bernhardt,	"
Copper Cliff	R. Gray,	"
Creemore	B. T. Ferguson,	"
Dorchester	J. B. Sandy,	"
Dunnville	H. E. Lambert,	"
Elmvale	T. B. Chester,	"
Faversham	H. C. Francis,	"
Fort William	C. C. Eddy,	"
Freelton	F. W. W. Small,	"
Frood Mines	D. G. Nairn,	"
Galt	P. J. Wright,	"
Gananoque	G. Hay,	"
Hamilton	J. Stephen,	"

THE BANK OF TORONTO

Hamilton Market Branch	C. J. Davey,	Manager.
Hastings	A. U. Bailey,	"
Havelock	H. F. McNichol,	"
Keene	D. D. Brown,	"
Kerwood	S. R. Nichols,	"
Kingston	J. R. Meggs,	"
Kitchener	W. B. McCririck,	"
" North Ward Branch	J. R. Clark,	"
Lansdowne	L. A. Gould,	"
London (Main Office)	C. R. Latimer,	"
" City Hall Branch	T. F. Walker,	"
" East End Branch	T. C. Margrett,	"
" Market Branch	H. R. Nettleton,	"
" North End Branch	E. J. Fitzgerald,	"
" West End Branch	H. R. Nettleton,	"
Lyndhurst	J. S. McMillan,	"
MacTier	M. Weller,	"
Markdale	A. E. Hunt,	"
Meaford	F. A. Maples,	"
Millbrook	E. G. Britton,	"
Milton	M. F. Panton,	"
Mount Dennis	J. P. Denny,	"
Newmarket	F. A. M. Lister,	"
Oakville	J. B. L. Grout,	"
Oil Springs	B. J. Grahame,	"
Omeme	G. D. Gowans,	"
Orangeville	G. T. Sullivan,	"
Oshawa	F. S. Potter,	"
Ottawa	Geo. C. Gardner,	"
" Ottawa South	J. H. Smith,	"
" Union Station Branch	J. V. Stanley,	"
" West End, 1256 Wellington	W. M. Weylie,	"
Owen Sound	F. W. B. Fitzgerald	"
Paris	W. E. Sharpe,	"
Parry Sound	F. N. Hurst,	"
Penetanguishene	A. T. Kelly,	"
Peterborough	C. P. Borland,	"
Petrolia	R. L. Daniel,	"
Port Hope	J. R. Bunting,	"
Preston	A. N. B. Rogers,	"
St. Catharines	E. J. H. Vanston	"
St. Marys	A. C. Lord,	"
Sarnia	J. W. Simpson,	"
Shelburne	H. A. Livingstone,	"
South Porcupine	W. S. McDowell,	"
Stayner	H. A. Kerr,	"
Stratford	L. S. Barr,	"
Sudbury	W. E. Van Norman,	"
Thornbury	S. C. Houston,	"
Trenton	G. A. Ross,	"
Walkerville	J. R. Wilson,	"
Wallaceburg	A. F. Sanders,	"

THE BANK OF TORONTO

Waterloo	S. J. Adams,	Manager.
Welland	J. E. Curry,	"
Windsor	W. H. Hiscock,	"
Wyoming	C. H. Smith,	"

QUEBEC

Montreal, Main Office	J. L. Carson,	Manager.
(St. James St., cor. McGill)	L. G. Gillett,	Asst. Mgr.
" Atwater Ave., cor. St. Antoine	C. J. Cracknell,	Manager.
" Board of Trade	I. J. Hutton,	"
" Maisonneuve	E. F. McNicholl,	"
" Melrose Ave. & Sherbrooke St.	W. M. Hogan,	"
" Montclair & Sherbrooke Sts.	G. H. Gaudin,	"
" Park & Bernard Ave.	G. B. Brown,	"
" Peel St. (Mount Royal Hotel)	B. M. Currie,	"
" St. Catherine St., cor. Guy	A. H. Walsh,	"
" St. Catherine St. E., No. 1490	P. E. Leveille,	"
" St. Hubert St., No. 6920	J. E. Long,	"
" St. Lawrence Blvd. & Ontario St.	H. L. Lennon,	"
" Van Horne No. 1541, Outremont	B. C. Case,	"
Gaspé	W. W. Annett	"
St. Lambert	C. F. Potter,	"
Westmount	Claremont & Sherbrooke	A. W. Roper,

MANITOBA

Winnipeg	G. A. Doyle,	Manager.
" Academy Rd. & Niagara St.	A. Stephenson,	"
Benito	F. O. Johnston,	"
Cartwright	A. B. Fee,	"
Cold Lake	S. D. Markham,	"
Durban (Mon., Wed., Fri.)	Sub to Swan River	"
Inglis	W. J. McKeown,	"
Kenville (Tues., Sat.)	Sub to Swan River	"
Pilot Mound	J. Hayward,	"
Rosburn	C. R. Dawson,	"
St. Boniface, (Union Stock Yds.)	H. S. Chambers,	"
Swan River	W. R. Lawrie,	"
The Pas	H. J. Carmichael,	"
Transcona	H. N. Modeland,	"

ALBERTA

Barrhead	T. M. Bole,	Manager.
Black Diamond	F. J. Goodman,	"
Calgary	S. B. Chamberlain,	"
" 17th Ave. & 4th St. W.	R. F. Larcombe,	"
Clandonald	O. C. Cornwell,	"
Compeer	H. Desroches,	"
Coronation	G. A. Hetherington,	"
Derwent	A. K. Robertson,	"
Edmonton	T. E. Fletcher,	"
Marwayne	J. C. Thom,	"
Oyen	H. R. Chapin,	"
Stettler	L. Gemmill,	"
Sunnyside	C. E. Beirnes,	"
Veteran	H. L. Staples,	"
Youngstown	T. R. Menzies,	"

THE BANK OF TORONTO

SASKATCHEWAN

Assiniboia	M. L. Magee,	Manager.
Bateman	R. H. Babb,	"
Bredenbury	F. J. Goldsmith,	"
Chaplin	M. E. Kerr,	"
Colonsay	F. F. Osborn,	"
Corning	C. C. Wyldman,	"
Coronach	C. C. Henderson,	"
Fairlight	Geo. Kay,	"
Glenavon	P. R. Fleming,	"
Glentworth	W. Langrish,	"
Gravelbourg	H. L. Knight,	"
Hodgeville	J. C. McGuckin,	"
Kennedy	W. N. Bradley,	"
Kipling	Jas. Milmine,	"
Kyle	B. Collins,	"
Lafecche	M. C. Manhard,	"
Langenburg	N. Toland,	"
McCord	H. W. Thompson,	"
Madison	John Gaw,	"
Mayfair	I. G. Weylie,	"
Maznod	C. F. Drager,	"
Meyronne	W. J. Miller,	"
Montmartre	J. E. Conn,	"
Mortlach	R. H. Wilson,	"
Neidpath	G. J. McLeod,	"
Neilburg	W. M. Cardiff,	"
Pelly	J. S. Armstrong,	"
Preeceville	B. F. Joyce,	"
Regina	F. C. Burnett,	"
Rosetown	C. D. McMillan,	"
St. Boswells	A. J. Mahen,	"
Smiley	I. L. Hay,	"
Stenen	V. E. French,	"
Vanguard	F. C. Millard,	"
Vibank	H. H. Stevens,	"
Welwyn	G. R. Tucker,	"
Wolseley	W. H. Hambly,	"
Wood Mountain Station	E. R. Ridgway,	"
Woodrow	W. W. Wright,	"
Yorkton	W. A. Stewart,	"

BRITISH COLUMBIA

Merritt	J. E. Boyle,	Manager.
New Westminster	A. Logan,	"
Vancouver	E. W. Lamprey,	"
"	G. St. John,	Asst. Mgr.
" Burrard & Robson	L. J. Lacey,	Manager.
" Kerrisdale Branch	A. R. Lavell,	"
" 10th Ave. & Alma Rd	Jas. McKendrick	"
" 12th Ave. & Granville	S. H. Abrams,	"
Victoria	C. W. Pangman,	"
" Douglas St.	A. B. Christopher,	"

THE BANK OF TORONTO

AGENTS BRITISH AND FOREIGN

GREAT BRITAIN and IRELAND	Midland Bank, Limited.
AUSTRALASIA	Bank of Australasia.
AUSTRIA	Oesterreichische Credit-Anstalt Fur Handel und Gewerbe.
Belgium	Guaranty Trust Co. of New York.
CHINA	National City Bank of New York.
CZECHO-SLOVAKIA	Zivnostenska Banka V. Praze.
Denmark	Kjobenhavns Handelsbank.
Finland	Nordiska Foreningsbanken.
FRANCE	Credit Commercial de France
do.	Bankers Trust Company.
GERMANY	Commerz-und Privat-Bank.
GREECE	Ionian Bank Limited.
Holland	Nederlandsche Handel Maatschappij.
ITALY	Banca Commerciale Italiana.
JUGO-SLAVIA	Prva Hrvatska Stedionica.
Norway	Den Norske Creditbank.
POLAND	Warsaw Discount Bank.
SWEDEN	A/B Goteborgs Handelsbank
SWITZERLAND	Banque Populaire Suisse.

UNITED STATES

NEW YORK, N.Y.	Bankers Trust Company.
do.	Chatham and Phenix National Bank.
do.	Empire Trust Company.
do.	First National Bank.
do.	Guaranty Trust Company of New York.
do.	International Acceptance Bank Inc.
do.	Irving Trust Company.
do.	Manufacturers' Trust Co.
do.	National City Bank of New York.
ALBANY, N.Y.	National Commercial Bank & Trust Company.
BALTIMORE, MD.	Continental Trust Company.
BOSTON, MASS.	Atlantic National Bank of Boston.
do.	First National Bank of Boston.
do.	National Shawmut Bank of Boston.
BUFFALO, N.Y.	Manufacturers & Traders Peoples Trust Company.
do.	Marine Trust Company.
CHICAGO, ILL.	First National Bank in Chicagn.
do.	Continental Illinois Bank & Trust Company.
do.	National Bank of the Republic.
do.	Standard Trust and Savings Bank.
CINCINNATI, OHIO	First National Bank.
do.	Fifth, Third Union Trust Company.
CLEVELAND, OHIO	Central United National Bank of Cleveland.
do.	Union Trust Company.
DETROIT, MICH.	First National Bank in Detroit.
DULUTH, MINN.	First & American Exchange National Bank of [Duluth].
LOS ANGELES	California Bank.
do.	Citizens National Bank.
MILWAUKEE, WIS.	Marine National Bank.
do.	First Wisconsin National Bank.
MINNEAPOLIS, MINN.	First National Bank of Minneapolis.
PHILADELPHIA, PENN.	Corn Exchange National Bank.

THE BANK OF TORONTO

AGENTS—UNITED STATES—Continued

PHILADELPHIA, PENN.	First National Bank.
do.	Market Street National Bank.
do.	Penn National Bank.
do.	Philadelphia National Bank.
do.	Union National Bank & Trust Company.
PITTSBURG, PENN.	Bank of Pittsburg National Association.
do.	Keystone National Bank.
do.	Union National Bank.
PORTLAND, ORE.	Hibernia Commercial Savings Bank.
do.	West Coast National Bank.
ST. LOUIS, MO.	Mercantile Commerce Bank & Trust Co.
SAN FRANCISCO, CAL.	American Trust Company.
do.	Bank of Italy National Trust & Savings Ass'n.
do.	California Bank.
do.	Pacific National Bank.
SEATTLE, WASH.	Metropolitan National Bank.
ST. PAUL, MINN.	Stock Yards National Bank.
TROY, N. Y.	Manufacturers' National Bank.

The following comparative figures taken from the Annual Statements show the growth of the Bank since its Incorporation

Year.	Capital and Reserves.	Deposits.	Loans and Investments.	Assets.
1857	\$ 439,148	\$ 263,100	\$ 1,103,078	\$ 1,268,413
1869	1,143,847	1,769,305	2,908,433	3,746,330
1879	2,754,136	2,629,346	5,431,060	6,411,307
1889	3,441,963	6,197,518	9,356,755	11,007,279
1899	3,915,446	11,560,474	13,984,561	17,247,630
1909	8,818,871	34,573,897	37,438,588	47,989,693
1919	11,793,983	86,712,997	81,048,649	109,285,118
1927	12,646,204	101,302,649	96,751,242	129,295,378
1929	15,163,120	104,996,635	105,227,239	142,185,619

Paid-up Capital	- -	\$6,000,000.00
Reserve Account	- -	9,000,000.00
Profit and Loss Account		163,120.72
		<u>\$15,163,120.72</u>

Service to Foreign Correspondents

THE BANK OF TORONTO places at the service of clients and correspondents a network of correspondents covering every banking point in Canada. Through this Dominion-wide organization we are well equipped to handle collections, drafts, cheques, credits and remittances and to provide specific and timely data on Canadian market conditions. We also furnish credit information. When you avail yourself of our complete collections service you are assured of prompt returns. We invite your correspondence.

THE BANK OF TORONTO

INCORPORATED 1855

Harvey B. Henwood, General Manager

