

THE CANADIAN BANK
OF COMMERCE



ANNUAL REPORT

30TH NOVEMBER, 1911

THE CANADIAN BANK OF COMMERCE

CAPITAL PAID-UP - - - - - \$11,697,275
REST - - - - - 9,757,820

DIRECTORS:

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L. - - - PRESIDENT
Z. A. LASH, Esq., K.C., LL.D. - - - - - VICE-PRESIDENT

HON. GEO. A. COX - - - E. R. WOOD, Esq.
JOHN HOSKIN, Esq., K.C., LL.D. - - - WM. McMASTER, Esq.
J. W. FLAVELLE, Esq., LL.D. - - - ROBERT STUART, Esq.
A. KINGMAN, Esq. - - - SIR JOHN MORISON GIBSON, K.C.M.G., K.C., LL.D.
HON. SIR LYMAN MELVIN JONES - - - G. F. GALT, Esq.
HON. W. C. EDWARDS. - - - ALEXANDER LAIRD, Esq.

LONDON BOARD:

WILLIAM C. WARD, Esq., Chairman
HENRY J. GARDINER, Esq.

HALIFAX BOARD:

H. N. WALLACE, Esq., Chairman
C. W. ANDERSON, Esq. - - - W. J. G. THOMSON, Esq.
JOHN MACNAB, Esq.

CHARLOTTETOWN BOARD:

WM. A. WEEKS, Esq., Chairman
F. R. HEARTZ, Esq. - - - A. P. PROWSE, Esq.



THE CANADIAN BANK OF COMMERCE

HEAD OFFICE: TORONTO

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L. - PRESIDENT

ALEXANDER LAIRD - - - - - GENERAL MANAGER

JOHN AIRD - - - - - ASST. GENERAL MANAGER

A. H. IRELAND, Superintendent of Branches

H. H. MORRIS, Superintendent of Pacific Coast Branches

V. C. BROWN, Superintendent of Central Western Branches

R. A. RUMSEY, WM. HOGG and F. B. FRANCIS, Inspectors

C. L. FOSTER, J. B. CORBET, J. A. C. KEMP and

E. E. HENDERSON, Assistant Inspectors

T. F. ASPDEN, Supervisor of Banking Accounts and Exchanges

A. ST. L. TRIGGE, Secretary

BRANCHES

BRITISH COLUMBIA AND YUKON—

CHILLIWACK	K. V. MUNRO	Manager
CRANBROOK	R. T. BRYMNER	"
CRESTON	P. B. FOWLER	"
CUMBERLAND	W. T. WHITE	"
DAWSON	H. C. MORRIS	"
DUNCAN	E. W. CARR HILTON	"
FERNIE	L. A. S. DACK	"
GOLDEN	N. M. FOULKES	Pro Mgr
GREENWOOD	J. T. BEATTIE	Manager
KAMLOOPS	G. S. HOLT	"
KELOWNA	H. G. PANGMAN	"
LADYSMITH	L. M. DE GEX	"
MISSION CITY	W. H. MATHEWSON	"
NAKUSP	H. L. ROTHWELL	"
NANAIMO	E. H. BIRD	"
NELSON	J. S. MUNRO	"
NEW WESTMINSTER	H. R. DAVIDSON	"
PENTICTON	THOS. ANDREWS	"
PRINCE RUPERT	J. M. CHRISTIE	"
PRINCETON	J. D. ANDRAS	"
REVELSTOKE	F. M. GIBSON	"
SALMON ARM	A. J. MARLOW	"
SOUTH HILL	F. W. HEATHCOTE	"
STEWART	F. F. HANINGTON	Pro Mgr.
VANCOUVER	WILLIAM MURRAY	Manager
	M. D. HAMILTON	Asst. Mgr.
Do. EAST	C. W. DURRANT	Manager
Do. FAIRVIEW	M. NICHOLSON	"
Do. MOUNT PLEASANT	J. G. MULLEN	"
Do. PARK DRIVE	W. H. JAMES	"
Do. POWELL STREET	H. B. GORDON	Act. Mgr.
VERNON	J. I. E. CORBET	Manager
VICTORIA	F. L. CRAWFORD	"
Do. NORTH	H. R. BRAVEN	"
WHITE HORSE	D. ROSS	"

WESTERN PROVINCES—

BASSANO, ALTA.	H. C. STRANGE	Manager
BAWLF, ALTA.	W. G. HAMILTON	"
BEAVER LODGE, ALTA.	A. J. BRODIE	Pro Mgr.
BENGOUGH, SASK.	N. C. PRICE	"
BIGGAR, SASK.	J. A. CLARK	Manager
BOUNTY, SASK.	J. P. KENNEDY	Pro Mgr.
BRANDON, MAN.	A. MAYBEE	Manager
BRIERCREST, SASK.	H. H. LOWE	"
BRODERICK, SASK.	G. W. SUTHERLAND	"
CALGARY, ALTA.	E. M. SAUNDERS	"
Do. EAST	M. R. COMPLIN	Act. Mgr.
Do. MOUNT ROYAL	E. M. SAUNDERS	Manager
Do. SOUTH	"	"

CANORA, SASK.	A. L. JENSEN	Manager
CARMAN, MAN.	F. J. MACOUN	"
CARMANGAY, ALTA.	H. G. HURLBURT	"
CHAMPION, ALTA.	E. G. OGILVIE	Act. Mgr.
CLARESHOLM, ALTA.	W. A. CORNWALL	Manager
CROSSFIELD, ALTA.	J. C. KENNEDY	"
CUDWORTH, SASK.	H. O. GUDGIN	"
DAUPHIN, MAN.	E. R. JARVIS	"
DELISLE, SASK.	J. O. MACCALLUM	"
DRINKWATER, SASK.	H. H. LOWE	"
EDAM, SASK.	S. H. CURRAN	Pro Mgr.
EDMONTON, ALTA.	T. M. TURNBULL	Manager
ELBOW, SASK.	R. P. MORRISON	"
ELFROS, SASK.	A. W. PENTLAND	"
ELGIN, MAN.	M. ST. C. MCLLEAN	"
ELKHORN, MAN.	R. H. BROTHERHOOD	"
GILBERT PLAINS, MAN.	C. A. MERCER	"
GLEICHEN, ALTA.	JAS. CAMERON	"
GRANDVIEW, MAN.	F. W. DE MILLE	"
GRANUM, ALTA.	A. W. CHAMBERS	Act. Mgr.
GROUARD, ALTA.	H. S. BRUCE	Pro Mgr.
HARDISTY, ALTA.	W. R. ALGER	Manager
HAWARDEN, SASK.	H. E. MILLER	"
HERBERT, SASK.	R. N. SHAW	"
HIGH RIVER, ALTA.	A. G. VERCHERE	"
HUMBOLDT, SASK.	H. G. MATHEWSON	"
INNISFAIL, ALTA.	WM. HILBORN	"
INNISFREE, ALTA.	H. J. MATTHEW	Act. Mgr.
KAMSACK, SASK.	W. J. F. ROSS	Manager
KERROBERT, SASK.	J. P. TAILLON	"
KINDERSLEY, SASK.	W. V. GORDON	"
KITSCOTY, ALTA.	J. S. BARKER	"
LANGHAM, SASK.	A. W. WHITE	"
LANIGAN, SASK.	W. E. D. FARMER	"
LASHBURN, SASK.	A. J. REYNOLDS	"
LETHBRIDGE, ALTA.	C. G. K. NOURSE	"
LLOYDMINSTER, SASK.	H. B. HAINES	"
LOUGHEED, ALTA.	R. W. WINFIELD	Act. Mgr.
MACLEOD, ALTA.	A. H. ALLEN	Manager
MARCELIN, SASK.	J. B. ROBINSON	Act. Mgr.
MEDICINE HAT, ALTA.	W. G. LYNCH	Manager
MELFORT, SASK.	H. J. NEALE	"
MELVILLE, SASK.	A. N. STRANG	"
MILESTONE, SASK.	W. J. SAVAGE	"
MILK RIVER, ALTA.	A. J. MAYNARD	"
MIRROR, ALTA.	N. H. G. RUTHVEN	"
MONARCH, ALTA.	J. H. S. GORDON	Pro Mgr.
MOOSEJAW, SASK.	H. M. STEWART	Manager
MOOSOMIN, SASK.	D. I. FORBES	"
MORSE, SASK.	S. R. TUFFLEY	Act. Mgr.
NANTON, ALTA.	R. MORRIS SAUNDERS	Manager
NEEPAWA, MAN.	C. BALLARD	"
NEW DAYTON, ALTA.	A. J. MAYNARD	"
NOKOMIS, SASK.	K. W. REIKIH	"

BRANCHES—Continued

NORTH BATTLEFORD, SASK.	E. A. FOX	Manager
NUTANA, SASK.	W. P. KIRKPATRICK	"
OLDS, ALTA.	W. C. DUNCAN	"
OUTLOOK, SASK.	J. A. SMITH	"
THE PAS, N.W.T.	C. H. ANDERSON	"
PINCHER CREEK, ALTA.	L. F. CROSS	"
PONOKA, ALTA.	L. G. CROZIER	"
PORTAGE LA PRAIRIE, MAN.	J. H. MORRISON	"
PRINCE ALBERT, SASK.	E. G. SHANNON	"
PROVOST, ALTA.	F. W. WEST	"
RADISSON, SASK.	C. CADY	"
RADVILE, SASK.	C. PADLEY	Act. Mgr.
RED DEER, ALTA.	W. L. GIBSON	Manager
REGINA, SASK.	A. W. RIDOUT	"
RIVERS, MAN.	B. L. BROWN	"
SASKATOON, SASK.	W. P. KIRKPATRICK	"
Do. WEST SIDE	"	"
SHELLBROOK, SASK.	R. H. NELSON	"
STAVELY, ALTA.	J. WALTON	"
STONY PLAIN, ALTA.	T. S. LEITCH	Act. Mgr.
STRATHCONA, ALTA.	G. W. MARRIOTT	Manager
STRATHMORE, ALTA.	C. LOMER MILES	"
SWAN RIVER, MAN.	G. H. WINSTANLEY	Act. Mgr.
SWIFT CURRENT, SASK.	J. E. H. LAIDLAW	Manager
TRANSCONA, MAN.	E. W. BASSETT	"
TREHERNE, MAN.	H. L. WETHEY	"
TUGASKE, SASK.	C. S. FREEMAN	"
VEGREVILLE, ALTA.	W. P. PERKINS	"
VERMILION, ALTA.	A. F. TURNER	"
VIRDEN, MAN.	F. C. WHITEHOUSE	"
VONDA, SASK.	W. C. HOPKINS	"
WADENA, SASK.	F. A. CHAPMAN	Act. Mgr.
WARNER, ALTA.	A. J. BURNSIDE	Manager
WATROUS, SASK.	J. H. DENT	"
WATSON, SASK.	HENRY KERR	"
WETASKIWIN, ALTA.	H. I. MILLAR	"
WEYBURN, SASK.	A. S. SWINFORD	"
WILCOX, SASK.	H. J. WHITE	"
WILLOW BUNCH, SASK.	H. R. MAIN	Pro Mgr.
WINNIPEG, MAN.	C. W. ROWLEY	Manager
Do. ALEXANDER AVE.	C. GORDON	Asst. Mgr.
Do. BLAKE ST.	R. E. N. JONES	Manager
Do. ELMWOOD	J. E. D. BELT	Act. Mgr.
Do. FORT ROUGE	F. C. BIGGAR	Manager
Do. NORTH	L. E. GRIFFITH	"
Do. PORTAGE AVE.	C. F. A. GREGORY	"
Do. PORTAGE AVE.	G. M. PATTERSON	"
YELLOWGRASS, SASK.	C. HENSLEY	"
YORKTON, SASK.	H. L. EDMONDS	"

ONTARIO AND QUEBEC—

AYR	E. M. LOCKIE	Manager
BARRIE	H. J. GRASSETT	"
BELLEVILLE	C. M. STORK	"

BRANCHES—Continued

BERLIN	G. M. WEDD	Manager
BLENHEIM	W. C. JOHNSTON	"
BRANTFORD	H. W. FITTON	"
CAYUGA	C. D. NEVILL	"
CHATHAM	JAMES SIMON	"
COBALT	S. H. LOGAN	"
COLLINGWOOD	H. C. DUNCAN	"
CREDITON	W. H. COLLINS	"
DRESDEN	W. H. GREEN	"
DUNDAS	S. N. MOFFAT	"
DUNNVILLE	G. E. PARKES	"
EXETER	W. H. COLLINS	"
FOREST	H. E. TYLOR	"
FORT FRANCES	B. P. ALLEY	"
FORT WILLIAM	A. A. WILSON	"
GALT	C. E. A. DOWLER	"
GODERICH	G. WILLIAMS	"
GOWGANDA	B. G. CARNEGIE	"
GUELPH	J. M. DUFF	"
HAMILTON	D. B. DEWAR	"
KINGSTON	P. C. STEVENSON	"
LINDSAY	H. A. HOLMES	"
LONDON	JEFFERY HALE	"
MONTREAL	H. B. WALKER	"
Do. WEST END	WM. LEGGAT	Asst. Mgr.
ORANGEVILLE	D. McLENNAN	Manager
OTTAWA	W. H. LUGSDIN	"
Do. BANK ST.	C. CAMBIE	"
PARIS	C. R. ARMSTRONG	"
PARKHILL	D. H. DOWNIE	"
PARRY SOUND	T. L. ROGERS	"
PETERBORO	H. C. COWDRY	"
PORT ARTHUR	W. H. DUNSFORD	"
PORT PERRY	A. W. ROBERTS	"
QUEBEC	J. McE. MURRAY	"
RAINY RIVER	A. L. HAMILTON	"
ST. CATHARINES	H. W. GRAHAM	"
SARNIA	R. G. W. CONOLLY	"
SAULT STE. MARIE	J. L. BUCHAN	"
SEAFORTH	A. D. McLEAN	"
SIMCOE	W. C. T. MORSON	"
SOUTH PORCUPINE	W. C. J. KING	"
STRATFORD	W. G. WHITESIDE	"
STRATHROY	WM. MAYNARD	"
THEDFORD	L. H. DAMPIER	"
TORONTO	J. FULLER	"
Do. BLOOR AND DUFFERIN	D. A. CAMERON	"
Do. BLOOR AND YONGE	E. P. GOWER	Asst. Mgr.
Do. COLLEGE & DOVERCOURT	E. C. PRINGLE	Manager
Do. GERRARD AND PAPE	N. ST. B. YOUNG	"
Do. MARKET	T. A. CHISHOLM	"
Do. PARKDALE	W. A. COOKE	"

BRANCHES—Continued

TORONTO, PARLIAMENT ST.	A. H. CREASE	Manager
Do. QUEEN AND BATHURST	E. M. PLAYTER	"
Do. QUEEN EAST	J. M. HEDLEY	"
Do. SPADINA AND COLLEGE	H. F. D. SEWELL	"
Do. WEST TORONTO	J. B. MCCUAIG	"
Do. YONGE AND COLLEGE	G. C. T. PEMBERTON	"
Do. YONGE AND QUEEN	H. C. RAE	"
WALKERTON	H. M. LAY	"
WALKERVILLE	H. B. PARSONS	"
WATERLOO	G. W. HARRISON	"
WIARTON	G. A. HOLLAND	"
WINDSOR	A. E. TAYLER	"
WINGHAM	D. DAVIES	"
WOODSTOCK	F. CROSSLEY	"

MARITIME PROVINCES—

ALBERTON	W. C. LAWSON	Manager
AMHERST	R. C. MACPHERSON	"
ANTIGONISH	W. H. HARRISON	"
BARRINGTON	F. W. HOMER	"
BRIDGEWATER	E. C. GRUNDY	"
CHARLOTTETOWN	F. E. DENCH	"
HALIFAX	D. MACGILLIVRAY	"
MIDDLETON	J. R. HARRISON	"
MONTAGUE	L. H. COFFIN	"
NEW GLASGOW	B. DEVEBER	"
PARRSBORO.	A. E. CURRIE	"
ST. JOHN	C. W. HALLAMORE	"
SHELburnE	T. W. MAGEE	"
SOURIS	J. H. McQUAID	"
SPRINGHILL	E. B. FAIRBANKS	"
SUMMERSIDE	R. T. MUSSEN	"
SYDNEY	E. B. IRELAND	"
TRURO	C. W. MONTGOMERY	"
WINDSOR	J. A. RUSSELL	"

UNITED STATES—

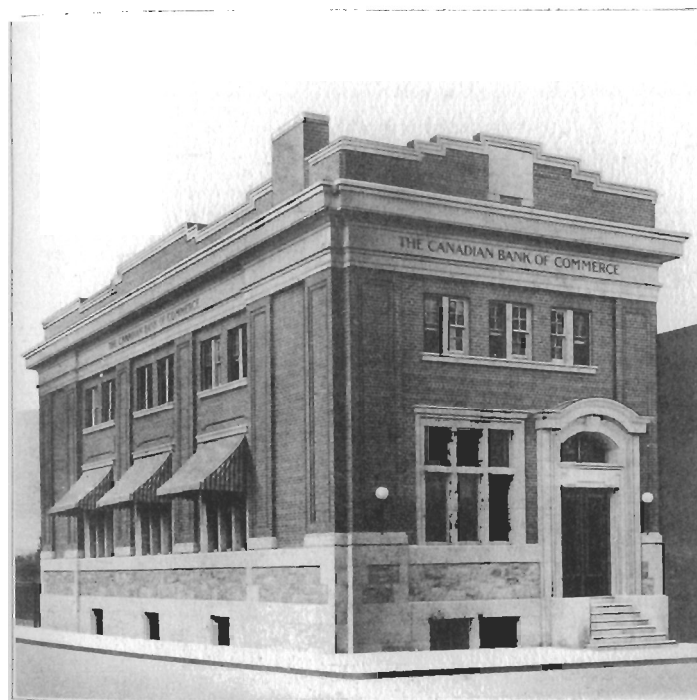
NEW YORK	{ Wm. GRAY	} Agents
	{ H. P. SCHELL	
PORTLAND, ORE	F. C. MALPAS	Manager
SAN FRANCISCO	G. W. B. HEATHCOTE	"
SEATTLE	G. V. HOLT	"

GREAT BRITAIN—

LONDON, 2 Lombard Street, E.C.		
H. V. F. JONES	Manager	
A. R. PHIPPS	Asst. Manager	

MEXICO—

MEXICO, D.F., Avenida San Francisco, No. 50		
J. P. BELL	Manager	
D. MUIRHEAD	Asst. Manager	



PENTICTON, B.C.

BANKERS AND CHIEF CORRESPONDENTS

LONDON BANKERS—

Bank of England; Bank of Scotland; Lloyds Bank Limited; Union of London and Smiths Bank, Ltd.; London and South Western Bank Ltd.

ENGLAND—

Barclay & Co., Ltd.; Lloyds Bank Limited; Manchester and Liverpool District Banking Co., Ltd.

SCOTLAND—

Bank of Scotland; North of Scotland and Town and County Bank, Ltd.; Union Bank of Scotland, Ltd.

IRELAND—

Northern Banking Co., Ltd.; Provincial Bank of Ireland, Ltd.

UNITED STATES—

NEW YORK—American Exchange National Bank; Chase National Bank.

ALBANY—New York State National Bank.

BALTIMORE—Citizens National Bank.

BOSTON—National Shawmut Bank; Second National Bank.

BUFFALO—Citizens Bank of Buffalo.

CHICAGO—First National Bank; National City Bank; Northern Trust Company.

CLEVELAND—First National Bank.

DENVER—Denver National Bank; Colorado National Bank.

DETROIT—Peoples-State Bank; First National Bank.

LOS ANGELES—Farmers and Merchants National Bank; Citizens National Bank.

MILWAUKEE—Wisconsin National Bank.

MINNEAPOLIS—Northwestern National Bank; First National Bank.

NEW ORLEANS—Commercial National Bank.

PHILADELPHIA—Girard National Bank; Franklin National Bank.

PITTSBURG—Mellon National Bank.

ST. LOUIS—Mechanics-American National Bank.

ST. PAUL—National German American Bank.

SALT LAKE CITY—Deseret National Bank.

SPOKANE—Traders National Bank.

TACOMA—Bank of California National Association.

AUSTRIA—

Anglo-Austrian Bank.

BELGIUM—

J. Matthieu & Fils, Brussels; Banque d'Anvers, Antwerp.

DENMARK—

Den Danske Landmandsbank, Copenhagen.

FRANCE—

Crédit Lyonnais; Société Générale; Lazard Frères & Cie., Paris.

GERMANY—

Deutsche Bank; Direction der Disconto-Gesellschaft.

HOLLAND—

Twentsche Bankvereening, Amsterdam; Disconto Maatschappij, Rotterdam.

ITALY—

Banca Commerciale Italiana.

NORWAY—

Centralbanken for Norge, Christiania.

SWITZERLAND—

Banque Fédérale, Zurich; Schweizerische Kreditanstalt, Zurich.

INDIA, CHINA, JAPAN AND THE PHILIPPINE ISLANDS—

Chartered Bank of India, Australia and China; Hong Kong and Shanghai Banking Corporation.

SOUTH AFRICA—

Standard Bank of South Africa, Ltd.; National Bank of South Africa, Ltd.; Bank of Africa, Ltd.

AUSTRALIA AND NEW ZEALAND—

Union Bank of Australia, Ltd.; Bank of Australasia; National Bank of Australasia, Ltd.

HAWAIIAN ISLANDS—

First National Bank of Hawaii, Honolulu; Bishop & Co., Honolulu.

SOUTH AMERICA—

British Bank of South America, Ltd.; London & Brazilian Bank, Ltd.; Anglo-South American Bank, Ltd.

WEST INDIES—

Colonial Bank and Branches; Banco Nacional de Cuba, Havana, Cuba.

BERMUDA—

Bank of Bermuda, Ltd., Hamilton.

GENERAL STATEMENT

30TH NOVEMBER, 1911

LIABILITIES

Notes of the Bank in circulation.....	\$ 12,004,649 68	
Deposits not bearing interest.....	\$ 41,288,032 95	
Deposits bearing interest, including interest accrued to date.....	104,677,701 81	145,965,734 76
Balances due to Banks in Canada.....		196,618 80
Balances due to Agents in the United Kingdom and Banks in foreign countries.....		2,273,529 13
	\$ 160,440,532 37	
Dividends unpaid.....	2,021 47	
Dividend No. 99, payable 1st December.....	288,940 00	
Capital paid up.....	\$ 11,697,275 00	
Rest.....	9,757,820 00	
Balance of Profit and Loss Account carried forward.....	203,394 89	21,658,489 89
		<u>\$ 182,389,983 73</u>

ASSETS

Coin and Bullion.....	\$ 10,736,214 55	
Dominion Notes.....	15,093,480 00	\$ 25,829,694 55
Balances due by Agents in the United Kingdom and Banks in foreign countries.....	\$ 6,982,375 82	
Balances due by Banks in Canada..	6,854 59	
Notes of and Cheques on other Banks	7,526,242 58	14,515,472 99
Call and Short Loans in Canada.....		6,604,716 44
Call and Short Loans in the United States.....		8,420,602 53
Government Bonds, Municipal and other Securities..		11,541,092 11
Deposit with the Dominion Government for security of Note circulation.....		475,000 00
	\$ 67,386,578 62	
Other Current Loans and Discounts.....	110,999,611 31	
Overdue Debts (loss fully provided for).....	293,240 08	
Real Estate (other than Bank Premises).....	138,061 35	
Mortgages.....	347,091 02	
Bank Premises.....	3,142,487 82	
Other Assets.....	82,913 53	
		<u>\$ 182,389,983 73</u>

ALEXANDER LAIRD
General Manager

THE CANADIAN BANK OF COMMERCE

REPORT OF THE PROCEEDINGS

OF

THE ANNUAL MEETING OF SHAREHOLDERS

TUESDAY, 9TH JANUARY, 1912

The forty-fifth Annual Meeting of the Shareholders of The Canadian Bank of Commerce was held in the banking house on Tuesday, 9th January, 1912, at 12 o'clock.

Among those present were:—

Trumbull Warren, Mark Sparkhall, John L. Blaikie, E. R. Wood, Hon. G. A. Cox, J. O. Thorn, Albert Grant, John Hoskin, K.C., LL.D., W. D. Ross, Dr. R. A. Falconer, F. W. Kingston, J. W. Flavelle, LL.D., Sir Henry Pellatt, H. Vigeon, W. D. Lummiss, Z. A. Lash, K.C., LL.D., W. Davidson, S. B. Gundy, W. E. Rundle, W. R. Houston, F. A. Rolph, Sir Lyman Melvin Jones, Dr. J. H. Carrique, Thomas West, W. H. Lockhart-Gordon, Frederic Nicholls, S. R. Wickett, A. E. Ames, H. C. Carson, Richard Brown, E. R. Cassels, A. E. Dymont, Rev. Daniel C. Strachan, Sir Edmund Walker, C.V.O., LL.D., D.C.L., T. Plummer, S. Nordheimer, Wm. Craig, Alexander Laird, A. E. Ferrie, P. G. Van Vleet, L. J. Cosgrave, John Aird, F. Sanderson, F. G. Jemmett, A. H. Ireland, David Smith, T. A. Russell, The Right Rev. the Bishop of Toronto, J. K. Macdonald, W. Garside, K. J. Dunstan, J. Short McMaster, E. D. Howe, A. J. Helliwell, F. A. Mouré, Charles Niehaus, J. L. Watt, Henry Biddie, Thomas Gilmour, F. W. Baillie, Glyn Osler, Alex. Bruce, K.C., G. A. Somerville, George W. Howland,

F. H. Deacon, J. J. Ashworth, Victor Ross, Miller Lash, Wm. Prendergast, A. W. Anglin, K.C., Angus Sinclair, J. Lash, H. L. Watt, E. W. Cox, A. G. Mitchell, J. E. Baillie, J. R. Warwick, G. Murray, J. M. Clark, K.C., James Hedley, Sir John Morison Gibson, K.C.M.G., T. W. Patterson, R. S. Williams, R. P. Ormsby, Edward Cronyn, G. H. Wood, G. A. Morrow, F. H. Gooch, Robert Cassels, Frank Darling, Wm. Crocker; H. R. Silver, Halifax; John Leggat, Hamilton; R. T. Brymner, Cranbrook; H. C. Duncan, Collingwood; J. S. Munro, Nelson; R. Gill, Ottawa; H. W. Tylor, Forest; F. B. McCurdy, Halifax; Hon. W. C. Edwards, Ottawa; E. M. Saunders, Calgary; William McMaster, Montreal; H. M. Stewart, Moosejaw; H. G. Wallace, London, Eng.; A. Kingman, Montreal; H. B. Parsons, Walkerville; A. L. Hamilton, Quebec; W. W. Tamblin, Bowmanville; George F. Galt, Winnipeg; F. E. Dench, Charlottetown; J. M. Savage, Victoria; H. A. Holmes, Lindsay; J. G. Borland, Claremont; J. H. Fulton, New Orleans; W. A. Murray, Montreal; W. H. Dore, Fort William; F. A. Emerick, Oswego; C. M. Gripton, St. Catharines; J. L. Buchan, Sarnia; Crawford Gordon, Winnipeg; A. E. Tayler, Windsor; C. W. Hallamore, St. John; H. B. Walker, Montreal; A. A. Wilson, Fort William; Wm. Maynard, Stratford; D. Macgillivray, Halifax; Robert Stuart, Chicago; F. L. Crawford, Victoria; H. J. White, Wilcox; C. Cambie, Ottawa; S.R.Tarr, Winnipeg; A. W. White, Langham; W. C. Hawkins, Hamilton; J. Hale, London, Ont.; D'Arcy Martin, Hamilton; William Cook, Carrville; W. A. Murray, Montreal; V. C. Brown, Winnipeg; D. B. Dewar, Hamilton; S. N. Moffat, Dundas; J. P. Morton, Hamilton; G. M. Patterson, Winnipeg.

The President, Sir Edmund Walker, having taken the chair, Mr. A. St. L. Trigge was appointed to act as Secretary, and Messrs. Edward Cronyn and H. L. Watt were appointed scrutineers.

The President called upon the Secretary to read the Annual Report of the Directors, as follows:

REPORT

The Directors beg to present to the Shareholders the forty-fifth Annual Report, covering the year ending 30th November, 1911, together with the usual statement of Assets and Liabilities:

The balance at credit of Profit and Loss Account, brought forward from last year, was.....	\$ 310,204 06
The net profits for the year ending 30th November, after providing for all bad and doubtful debts, amounted to.....	2,305,409 42
Amount recovered from over-appropriations in connection with assets now realized, including the \$350,000 appearing in the statement of 31st May, 1911.....	500,000 00
Premium on new stock.....	1,357,820 00
	<u>\$ 4,473,433 48</u>

This has been appropriated as follows:

Dividends Nos. 96, 97, 98 and 99, at Ten per cent. per annum.....	\$ 1,057,218 59
Written off Bank Premises.....	400,000 00
Transferred to Pension Fund (annual contribution).....	55,000 00
Transferred to Rest.....	\$ 1,400,000 00
Transferred to Rest, premium on new stock... ..	1,357,820 00
	2,757,820 00
Balance carried forward.....	203,394 89
	<u>\$ 4,473,433 48</u>

As is customary a careful re-valuation of all the assets of the Bank has been made and all bad and doubtful debts have been fully provided for.

As made known to you in May last, your Directors decided to issue, at a premium of 80 per cent., \$2,000,000 of the \$5,000,000 new stock authorized in January, 1908. At the closing of the books \$1,861,550 of this amount had been subscribed and \$1,697,275 paid up. When the payments in this connection have been completed the paid-up capital of the Bank will stand at \$12,000,000 and the Rest at \$10,000,000.

The following branches have been opened during the year: In Ontario—Porcupine, South Porcupine, Bloor and Dufferin (Toronto); in the North-West Territories—The Pas; in Saskatchewan—Bengough, Biggar, Briercrest, Brooking, Cudworth, Edam, Mirror, Nutana, Radville, West Side (Saskatoon), Tilley, Willow Bunch; in Alberta—Beaver Lodge, Mount Royal (Calgary), Grouard; and in British Columbia—Chilliwack, Duncan, Golden, Kelowna, Salmon Arm and Vernon. The branches at Latchford and Porcupine, Ontario; Durban, Manitoba, and Brooking and Tilley, Saskatchewan, have been closed. Since the close of the year a branch has been opened at Powell Street, Vancouver, B.C.

The various offices of the Bank in Canada, the United States, Great Britain and Mexico, and the departments of the Head Office have been thoroughly inspected as usual during the year.

Your Directors wish again to express their appreciation of the efficiency and zeal with which the officers of the Bank continue to perform their respective duties.

B. E. WALKER

President

TORONTO, 9th January, 1912

In moving the adoption of the Report, the President asked the General Manager to address the shareholders.

GENERAL MANAGER'S ADDRESS

The General Manager then said:

In presenting you with our report for the year just closed, it is gratifying to know that our predictions regarding the probable course of our business, when last we had the honour of addressing you, have been fully confirmed, and we have great pleasure in submitting a statement which we feel sure will be regarded as more than usually satisfactory.

The record of the year is remarkable for the evidence it affords of a steady and continued prosperity, and notwithstanding the large increase of our resources we have been able to make a profitable use of the funds committed to our care with a reasonable assurance of safety.

The average paid-up capital during the year was \$10,591,405 and the net profits were \$2,305,409.42, the latter item showing an increase of \$467,344.38 as compared with our last report, and amounting to 21.76% on the capital employed. It is proper to remark that this satisfactory showing was the result of our operations after the usual very careful revaluation of our entire assets, ample provision having been made for bad and doubtful debts.

In our report for the year ending 30th November, 1909, it was recorded that we had recovered \$300,000 from the realization of assets in connection with which appropriations had previously been made. We direct your attention to the announcement in this year's report that \$500,000 has been similarly recovered. We believe you have always given us credit for being conservative and careful in the administration of your affairs, and the policy of making ample provision for doubtful assets might well, over a series of years, result in important recoveries. The recoveries now referred to, however, come mainly from two sources. During the entire administration of our business in the

Yukon Territory carried on at the Dawson branch and begun in 1898, because of the dangers and difficulties surrounding the venture in this new field, we held in reserve the whole of the profits made at this branch, awaiting the outcome of the business in that district. Secondly, in purchasing the assets of the Bank of British Columbia in 1900, we found a considerable quantity of real estate, in valuing which we made large appropriations as compared with the figures at which such assets stood in the books of the selling bank. There has been, as you know, a very large increase in the value of real estate in British Columbia, owing to the extraordinary development of that province, and through sales of such real estate and through the liquidation of most of the important assets in the Yukon Territory, we are warranted in transferring to the ordinary profits so much of these reserves as are represented by the two amounts referred to.

We recommended the payment of dividends at the rate of ten per cent. per annum, and in this connection \$1,057,218.59 has been disbursed. Our programme for the erection of suitable bank premises, particularly in the west, and the necessity for increasing our equipment of this character throughout the country, make it imperative to continue the appropriation of large sums for this purpose. We are hopeful that with the completion of the Winnipeg office extraordinary expenditures may be curtailed, but we must keep pace with the requirements of a growing business, and our commitments, while relatively moderate, are considerable in the aggregate. We have written off Bank Premises \$400,000, and have added \$866,092.61 to the account, which now stands at \$3,142,487.82, representing about 45 per cent. of the value of our properties. The resolution passed at the last annual meeting authorized the contribution of a sum not exceeding \$100 per annum per member of the Pension Fund, and we have appropriated \$55,000 for this purpose. We are pleased to report that

after making these appropriations \$1,400,000 has been transferred to Rest Account, in addition to \$1,357,820 received as premium on new stock.

It is interesting to note the course of the Bank's circulation during the period under review. Our last report showed \$10,222,953 outstanding; during the succeeding months there were important fluctuations, the highest and lowest points touched in July being \$10,016,000 and \$8,289,418 respectively. The early crop movement gave an impetus to business, and our available margin of circulation was quickly absorbed. The total amount outstanding in September was \$10,842,000, and but for the issue of new stock we should have had difficulty in keeping within the limits of the law, and, as it was, we had unusual difficulty in meeting the demands on us for currency. In October we exceeded the amount authorized under ordinary conditions, and had recourse to the provisions of the Bank Act amendment of 1908. At the close of November we reported notes in circulation amounting to \$12,004,649, this being \$307,374 more than we were allowed to issue except under the emergency provisions. There is a real necessity for a large increase of the amount of circulation, and it does not seem unreasonable that the period for emergency issues should be extended to include the months of September and February. In connection with this suggestion it should be noted that because of the great development of business it is altogether likely that we shall in the near future experience a currency stringency in the spring and summer months. This matter should have very serious consideration, and immediate action should be taken to guard against the possibility of such an occurrence. The augmentation of capital by the banks is of course the first remedy to be applied, but this is of necessity a slow process and would scarcely keep pace with requirements. We venture to hope that during the discussion of the Bank Act means will be found to enable any Canadian bank possessed of sufficient resources to be able always

to pay out its own notes across the counter without resorting to other forms of currency.

During the year our deposits were increased by \$19,131,480, showing a handsome growth, although we received under this head large amounts which are held temporarily and will be withdrawn in the near future. Our branches in the west contributed a handsome addition to our deposit account. On the other side of the balance sheet, current loans and discounts show an increase of \$19,757,171 as compared with last year's report, and our investments in government bonds, municipal and other securities were increased by \$2,616,826. Cash resources increased \$8,390,979.

In view of the franchise we enjoy, we recognize the duty and responsibility upon us to aid in the development of the country, and we have endeavoured to keep abreast of its rapidly growing needs. We are confident that the work of establishing branches has been undertaken with great care and a conscientious regard for every interest involved. It is gratifying to know that our labours have not been in vain. The distribution of the branches at the close of the year was as follows:—

Ontario.....	66
Quebec.....	3
Nova Scotia.....	13
New Brunswick.....	1
Prince Edward Island.....	5
Manitoba.....	21
Saskatchewan.....	52
Alberta.....	40
British Columbia.....	33
North-West Territories and Yukon.....	3
<hr/>	
Total Branches in Canada.....	237
England.....	1
Mexico.....	1
United States.....	4
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Total number of Branches.....	243

The management of so large a number of branch banks brings up the question of our staff, which now numbers over two thousand, and you will readily understand that this is a difficult problem. We have not overlooked the importance of a strict supervision of our branches, and have endeavoured to devise a system which will ensure a freedom of action and quick response to the demands of customers, and at the same time keep in control managers who lack experience and judgment. We sometimes fear lest we should fail in our appreciation of the claims of our large staff, particularly in these latter days of profitable employment in other occupations when promotion in banking appears slow. In our service we often ask officers to perform onerous duties under trying circumstances, but our experience almost invariably is that they meet the emergency with commendable efficiency and loyalty.

We look into the future from the vantage ground of a successful year's business, and we have reason to hope for a continuance of prosperity so far as Canada is concerned, and as a bank we shall expect to share in the general good. The steady and persistent demand for money for legitimate purposes should keep our funds fully employed for some time to come. There will doubtless, as usual, be adverse influences at work, but at the moment there is no apparent cause for a feeling of apprehension. The noticeable improvement in trade conditions in the United States encourages us to think that our neighbours will emerge from a period of depression not unusual on the eve of a Presidential election. We shall probably see easier conditions in Great Britain after the year's accounts have been settled. This is important and desirable when we consider the large amounts of Canadian securities awaiting a favourable market.

We look forward confidently to the duties and responsibilities of the coming year, and trust you will not be disappointed with our efforts to render you good service.

PRESIDENT'S ADDRESS

The President then spoke as follows:—

The progress of the Bank during the past year has been so gratifying and the subjects to which the General Manager has been asking your attention are so important that I feel less confidence than usual in taking up your time merely to review some of those features of the prosperity of the country with most of which you are already familiar. As you all know the year has been a momentous one for Canada in directions which cannot be discussed here, but on the purely business side it has demonstrated in an unusual degree the fact that the general progress of such a large area as Canada is likely to be accompanied by untoward as well as fortunate events.

The totals of our imports and exports for the fiscal year of the Dominion, ending March, 1911, are again record figures. Our imports were \$472,194,000 and our exports \$297,196,000, the balance against us being the large sum of \$174,998,000, not far from the balances of any two previous years put together. The total trade was \$769,390,000, against \$693,161,000 a year ago. The significant fact, however, is that while our imports increased \$80,391,000 our exports declined \$4,162,000. This is of course principally due to very free imports in anticipation of the present large cereal crop; to the increase in railroad construction and public and private building; and to larger immigration, the value of such settlers' effects as are declared, appearing as imports. It is also partly due to somewhat larger imports of gold bullion and silver. For the first six months, ending September, 1911, of the current fiscal year, the figures are even more striking, the imports being \$266,187,000 and the exports \$141,865,000, the balance against us for the six months being \$124,322,000 as against \$94,404,000 for the corresponding period in 1910. The imports for the half-year in 1911 include, however, an increase of about \$7,500,000 in gold coin. An examina-

tion of the items of imports and exports in the trade returns will suggest many explanations for the respective increases and decreases, but the fact remains that we must enlarge the volume of products we have to export and either lessen our imports by curtailment of expenditure or by manufacturing at home many of the articles we buy abroad, especially from the United States. Our trade with that country, always one-sided, is growing more so. During the fiscal year ending March, 1911, we bought from them \$293,403,000 and sold them \$119,203,000, leaving a balance in their favour to be paid in cash of \$174,200,000, over \$50,000,000 more than in any previous year. In 1901 our total trade with them was \$191,689,000 and in ten years it has grown to \$412,606,000, or an increase of 115 per cent. The part we have to pay in cash has, however, grown from \$46,924,000 to \$174,200,000, an increase of 271 per cent. Our trade with Great Britain makes the worst showing for many years. The imports have grown to \$110,390,000 while the exports have fallen to \$137,158,000, leaving a balance in our favour of only \$26,768,000, a much smaller sum than in any of the last ten years. In spite of the decrease, our exports are still the largest for any year except the previous one, but the volume of imports is much greater than ever before. It is useless to repeat arguments often advanced in other years. Few nations have such an alluring future and few can afford to mortgage their future to such an extent, but our power to do so depends upon our credit and there are those in England who are asking whether we are not borrowing too much. There is of course one great reason why we must go more and more largely into debt for many years to come. At present we are preparing for the settlement of about 400,000 immigrants in one year. This is an addition of five per cent. to our population, or the same as if 4,500,000 new people entered the United States in one year. To provide everything for these people, from transportation to housing, is a huge task, quite large enough to account for more than

the difference between our imports and exports. Not only must the improvements necessary to create many new farming districts be made, but new towns, and great additions and improvements to older ones are required, indeed, betterments of all kinds throughout the community. More important than all, two new transcontinental railway systems must be completed and many branch lines added to our three great systems. There is, therefore, little cause for wonder that we need so much new money every year. The import returns show settlers' effects at only \$14,000,000, doubtless far below the actual value, but the main part of the settler's property consists of money. The estimated wealth of the new settlers for 1911 based on the lowest experience of several years is about \$160,000,000.

The revenues and expenditures of the Federal Government show plainly the growth of the country as a whole. Apparently the ordinary revenue for the year ending 31st March, 1912, will be between \$130,000,000 and \$140,000,000, as compared with \$117,780,000 in 1911 and with \$36,000,000 in 1896, only 15 years ago. Thus far the new capital expenditure, estimated at about \$46,000,000 for the year, has been met out of revenue.

The clearing house returns of twenty cities for 1911 were \$7,336,866,000, against \$6,153,701,000 for seventeen cities in 1910, a gain of 19 per cent.; the gain between 1909 and 1910 being 18 per cent.

The building permits of the chief cities again illustrate the rate of growth in Canada.

	1910.	1911.
Montreal.....	\$15,713,000	\$14,580,000
Toronto.....	21,127,000	24,374,000
Winnipeg.....	15,106,000	17,550,000
Vancouver.....	13,150,000	17,652,000

Proposals for municipal expenditures are on a scale never attempted before.

MARITIME PROVINCES

The year has been one of general progress and prosperity in the Maritime Provinces. While in some respects the results from agriculture in the three provinces have not been quite as good as for the previous year, mainly because of drought, the very unusual apple crop and other favourable features have helped out the money total. Drought affected hay and all dairy products, in some parts seriously. Fruit was so plentiful that the apple crop will yield over three times as much money as in 1910. The trade in horses, cattle, hogs and poultry was satisfactory and it is pleasant to learn that in some parts the live stock on the land is now increasing in numbers. There is a large increase in attendance at the Agricultural College, a marked advance in apple culture and in the methods of handling and disposing of the crop, more attention given to live stock and dairying, and evidence generally that the Maritime Provinces are sharing in the awakening to the much greater possibilities of profit in all varieties of farm life. Some settlers are coming in from abroad and as the real facts regarding the productivity of this part of Canada become known, settlement should increase.

From the fisheries the money results were probably higher than ever before, because of good prices, but the quantity caught, larger in some places and in some varieties, smaller in others, was an average. The price offered at the moment for dried cod-fish is the highest ever known, but sales have been so active that the stocks on hand are very small as compared with those of a few years ago. The market steadily broadens, more vessels are being added to the fleet and new areas are being sought for supplies of fish, but men are so scarce as to make it difficult to meet the demand for crews. The results in other kinds of fishing were satisfactory as a whole. The value of the fisheries in the three provinces was about \$16,000,000. What is made abundantly clear, year after year, is that we have in our Atlantic fisheries a source

of continuous wealth if, as a nation, we possess reasonable instincts of conservation. We should take active measures regarding the destructive dog-fish; we know that our wonderful lobster fisheries need the most persistent and jealous care, and yet they are frequently menaced by permanent injury owing to lack of vigilant inspection; and the recent report of the Conservation Commission regarding the shocking history of our oyster beds, and the positive need of quick action now and of sane regulations hereafter, should surely arouse enough indignation to enforce action of some kind.

The breeding of black foxes at various points in Prince Edward Island is growing in volume and has become a regular and very profitable industry.

The year began favourably for lumbering operations and the cut of logs was large, but owing to the drought a great portion of this did not reach the mills. There was a fair demand for deals at about last year's prices, but the Coronation, strikes in Great Britain and other causes interfered with trade. The markets in the United States and elsewhere were fair. High freights and scarcity of tonnage at the close of the season made it difficult to ship at a profit and large stocks will be carried over. For these reasons the cut of the ensuing season will be smaller.

The collieries of Nova Scotia have had a record year, the quantity mined being in excess of 6,000,000 tons, as compared with 5,477,146 tons in 1910. Prices were practically unchanged and the demand was excellent. Very important work has been done in opening new shafts and collieries.

The noticeable fact in steel-making in Nova Scotia is that while some of the large improvements looking to an increased output are completed, others are not and as a whole the works have not yet reached the stage of larger production. This may, however, be expected very soon. The output for 1911 was somewhat larger than for 1910 and the present demand is excellent, but the dull condition of



RADVILLE, SASK.

the steel trade in the United States, with consequent lower prices, naturally affects the profits of Canadian producers.

Manufacturers in the Maritime Provinces, especially in view of the prosperous conditions in other parts of Canada, have had a successful year. Extensions to plants and increased building permits have been general in the manufacturing and other large towns and cities.

ONTARIO AND QUEBEC

The farmers in Ontario and Quebec have made progress during the past year, but while in many parts the year would be described as an average, in others it was hardly so and in few respects was it better than the average. Hay and grain crops, except fall wheat in some parts, after an early spring and a good start, suffered in varying degrees but often badly, by the prolonged drought so general in Eastern Canada and in Europe. The acreage of Indian corn is increasing and the ownership of plenty of cattle with proper silo accommodation has made the result quite satisfactory to farmers who otherwise would have suffered from drought. For this reason there are some districts where dairying results have been as good as usual and farming profits quite satisfactory. The revival in fruit farming accompanied by care in the treatment of orchards is producing a most marked effect in many parts of Ontario and doubtless fruit growing will be extended to several areas hitherto devoted solely to agriculture and pasture. Horses and hogs have done well for the farmer, but those who bought cattle in the autumn to feed through the winter found the spring prices little higher. Cattle to be fed this winter were bought on a lower basis and as roots, fodder, corn and alfalfa crops were satisfactory, the outlook for the cattle feeder who grew these crops is good. While we cannot follow the increased consumption at home or the shipments to the United States, the shipments of cattle from Montreal to some extent show

the conditions of the trade. The number shipped was the smallest in 29 years, being only 45,966, against 72,555 last year and 99,830 in 1908, and of this small total about 15,000 head were from the United States. The falling off is, however, due somewhat to the fact that United States exporters who had contracted for ocean space were obliged to draw their supplies largely from Canada. We evidently cannot learn much from our export figures at the moment. The very high prices in 1910 certainly caused a great increase in the raising of live stock in Canada and the United States. This is at present more evident in the case of hogs, sheep and lambs than in cattle, as the former come to maturity and to marketing condition so much more quickly. The home demand, both in Canada and the United States, has been greater than ever before and prices therefore often better on this side than in Europe. Notwithstanding that large quantities of western cattle have been brought east and slaughtered, there has not been the usual quantity for export. On the other hand hogs are not raised in any important way yet in the west and the bacon curers of Ontario and Quebec are sending large quantities of cured meats there instead of abroad. Apart from the growing requirements of the meat trade more cattle are being kept for dairy purposes, but the number of cattle on the land has been too small for several years.

In view of the drought much smaller figures for dairy exports might have been expected but the impulse given by high prices has prevented this. Cheese exports from Montreal amounted to 1,810,000 boxes, slightly less than for 1909 and 1910, while the exports of butter were five fold those of 1910 and were higher than for five years past. Prices of both articles were at the highest point, and the results for 1911 in money were \$22,705,000, against \$17,872,000 in 1910. The total is the largest since 1906.

That there has been much planting of new fruit trees and spraying and pruning of old ones neglected hitherto,

and a great revival in fruit farming generally, there can be no doubt. The year in Ontario and Quebec was not very favourable, however, and the home market being large, the exports of apples from Montreal were only 274,887 barrels, much better than the low year of 1910, but far below the average of ten years, which is 455,618 barrels. There has been a handsome increase in the exports of grain and a very large increase in exported flour and hay as compared with recent years. Notwithstanding the short season the volume of traffic both in passengers and in freight exceeded that of any previous year in the history of the port of Montreal.

In manufacturing we have again to record general additions to plant, a much increased output, and in many cases inability to cope with the demand for goods.

The cut of lumber in the Ottawa valley and in most districts in Ontario and Quebec will, because of low water, be slightly smaller than for the previous year, and the cost of production will again be higher. Deals are all sold at higher prices, the market for high grade white pine is good, while the common grades of lumber which have been so difficult to sell since the depression of 1907 in the United States, are in better demand, although the cheap southern pine is still a menace to our product. In the United States and Canada the use of fire-proof building material and of cement and iron generally in place of wood is growing rapidly. Already it is suggested that the United States has passed the highest point of per capita consumption of lumber. As yet, however, we use only a fractional amount of fire-proof material as compared with an old-world country such as Germany. So that an important readjustment of our lumber requirements relatively to other things will gradually come about. This will certainly not lessen the necessity for conservation but it may cause the punishment for our wastefulness to fall a trifle less heavily than we deserve.

Ontario's mineral production grows rapidly. For 1910 the total was \$39,313,000 (at the mines, or \$43,017,000 when marketed), against \$17,854,000 in 1905, the largest items being silver and nickel. Out of a total production of minerals for all Canada of \$105,000,000 as marketed, Ontario contributes about 40 per cent., although it possesses no coal and that mineral makes 28 per cent. of the total for all Canada. The estimated silver production at Cobalt for 1911 is about 31,500,000 ounces, worth about \$16,300,000. The value for 1910 was \$15,478,000 and the total product of the Cobalt camp to date is a little under \$65,000,000. This means with freight and smelter charges added, a value in the silver markets of about \$69,000,000. A few years ago we moved into the third place among the silver producers of the world, but our production was still very small as compared with Mexico and the United States. Now, however, we contribute 15.1 per cent. against 25.9 from the United States and 33.3 from Mexico. Adding 8.6 per cent. from Central and South America we find that 82.9 per cent. of the world's production of silver comes from America. We are watching with keen interest the developments in the Porcupine district where the question of the importance of Ontario as a gold producer is being tested. Very important sums, running altogether into millions, are being spent in development by men of experience and there is certainly a large value of gold in sight. It seems probable that the production for 1912 will be enough to attract still further attention to this district. The whole north country of Ontario has great possibilities in agriculture, mining and other industries, but much more must be done in affording transportation before even a moderate scale of development is possible. It is nearly impossible, for instance, to demonstrate the merits of a camp such as Gowganda so long as supplies have to be hauled about fifty miles after leaving the railway.

Notwithstanding the general effect of the drought, the provinces of Ontario and Quebec had a very successful year.

Farm and town real estate values continue to rise and real estate transactions have exceeded all previous experience in scale and price. Building was perhaps never on so large a scale, whether for municipal, manufacturing, business or residential purposes. There has been an unusual amount of investment in securities and in this respect the public has had some experience of the folly of creating so-called mergers, not so much to improve the conditions of the particular business as to create bonds and shares on an imaginary basis of profits for stock-jobbing purposes. A very large amount of savings in these provinces is also being risked in real estate speculation in the outlying sections of rapidly growing cities in other parts of Canada. These properties on which such rash speculation is based often lie many miles from any settled part of the particular city, and it is to be regretted that the individual who is induced to invest the savings of years in such ventures, very often possesses slight idea of the risk he is running.

MANITOBA, SASKATCHEWAN AND ALBERTA

Practically all the early estimates of the yields of produce for 1910 in the western provinces were astray, the error in underestimation varying in the case of wheat from 12,000,000 to 25,000,000 bushels. The drought throughout the west had not affected the yield or the grade as seriously as was expected, and this was particularly the case in Manitoba where the bulk of the high-grade wheat was produced.

Opinions as to the outcome of the crop of 1911 have also been widely different, owing largely to unsatisfactory weather conditions. The season of 1911 did not open altogether favourably although preceded by a favourable autumn, in so far as the preparation of the land and increased acreage were concerned. The area under cultivation had been increased 15 per cent. for wheat, 4 per cent. for oats, 12 per cent. for barley and 4 per cent. for flax over the year 1910.

The weather conditions were such that the grain grew rapidly and the outlook was promising well into the month of August. At that date estimates of a wheat yield of 200,000,000 to 225,000,000 bushels, of oats 200,000,000 bushels, barley 40,000,000 bushels, and flax 10,000,000 bushels, were made by competent judges and it appeared for a short time as if these figures might be reached. Towards the end of August, however, the weather became cold and wet. The result was that the ripening season was shortened and throughout large areas in Saskatchewan and Alberta the grain was in a green condition when the frost came in September. In Manitoba, however, the crop had ripened somewhat earlier than in Saskatchewan and Alberta and the results in the older province, both as regards grade and yield, have been satisfactory. Despite the extraordinarily unfavourable weather which prevailed during September, October and November over a large part of the west, it is conceded by competent authorities that the three western provinces have the largest and most valuable crop which they have yet produced. From recent information collected by our own staff we estimate that the final results will be approximately as follows:

Wheat.....	175,000,000 bushels
Oats.....	180,000,000 "
Barley.....	35,000,000 "
Flax.....	6,000,000 "

having a money value to the farmer of upwards of \$200,000,000. Of the wheat not quite 50 per cent. will grade as milling wheat. In the case of the other cereals the percentage of high-grade grain will be somewhat higher. The high prices which have existed for the lower grades, however, in consequence of the export demand for all kinds of coarse grains, have largely offset the loss consequent upon the damage by unfavourable weather.

There are some object-lessons to the farmer in connection with the past season's work which might well cause him to pause and seriously consider. Most important of all is the question of a greater diversity of farming. We have frequently touched upon this question, and while something has been accomplished, there is still great room for improvement. We refer particularly to the apparent indifference of a very large percentage of our farmers to the raising of high-grade cattle, hogs, horses and sheep and also to the lack of effort on their part to produce such profitable commodities as milk, butter, eggs, cheese, vegetables, fruit, meats, poultry and all the minor by-products which the farm is capable of producing. It is a deplorable state of affairs that western Canada imports from the United States very large quantities of the commodities mentioned, the value of which runs into millions of dollars yearly. The main cause of these unsatisfactory conditions is that the majority of farmers confine their efforts almost solely to the raising of grain, and appear to forget entirely the value of the home market for the products mentioned. It is true that the agricultural colleges in the three provinces are doing excellent work, but the progress which is being made is comparatively slow and can only be materially accelerated by the farmers generally helping in the good work. Experience has proved that large profits, not long delayed, await the farmer who will intelligently carry out a system of intensified farming. He must pay attention to a proper rotation of crops, to the value of increasing and preserving the fertility of the soil by the use of manure and other fertilizers, and to the extermination of noxious weeds. He must also have a right conception of the amount of labour required, in addition to his own and that of his family, for carrying on properly the work of the farm.

The weather conditions in the autumn of 1911 would almost warrant us in predicting a considerably smaller

acreage of wheat in 1912. Much will depend upon the weather conditions of the coming spring. Little ploughing was done during October and November owing to the unusually early freezing of the soil. In view of the improved facilities for carrying on all kinds of farm work, much can still be accomplished if we have an early spring. It may not, however, in the end be a serious drawback to the country if a late spring should result in having large areas of land put into summer fallow. Such a process undoubtedly enriches the land and experience proves that land so treated over a series of years gives the best total results. Grain, other than wheat, such as oats, barley and flax, as well as roots, can be seeded somewhat later and excellent results obtained.

While speaking on this subject it may be of interest to know that last year Canada stood fifth among the nations of the world engaged in the production of wheat. The figures are as follows:

	Acres.	Bushels.
United States.....	52,123,000	658,567,000
Russia in Europe..	73,818,000	629,300,000
British India.....	29,670,000	370,413,000
France.....	15,644,000	320,142,000
Canada.....	10,503,000	204,634,000
Hungary.....	9,095,000	192,691,000

It will doubtless not be many years before Canada will advance to a much higher position in the above list.

The winter of 1910-11 cannot be regarded as having been altogether satisfactory for the live stock industry. The early months of 1911 were very cold, with heavy snow-storms and blizzards in the districts where the animals wintered and it was feared that heavy losses would fall on the ranchers. The spring, however, opened favourably with plenty of moisture in the ground, the grasses grew rapidly and luxuriantly, and cattle which had grown thin soon showed signs of improving. As a general rule the

cattle came on the market in good condition and prices for all grades have been higher than during the past 15 or 20 years. Quite a large number, however, will be carried over till the spring, as farmers and dealers will take advantage of the large quantity of low grade grain in the country and by feeding it during the winter will have their animals ready for the market early in the year. Hogs and sheep have commanded high prices throughout the year, but it is to be regretted that they are not raised in sufficient numbers to meet the demands of the local packing houses. It is a satisfaction to note, however, that at several points in Saskatchewan and Manitoba farmers have recently been purchasing small flocks of sheep. As a further matter of interest we may add that between the 1st January, 1911, and the 18th November, 1911, live stock were received at the stock yards in Winnipeg as follows:

Cattle.....	89,765 head
Hogs.....	73,494 "
Sheep.....	38,289 "

An agreement has now been concluded between the railways centering at Winnipeg for the establishment of more extensive stock yards at St. Boniface, Manitoba. Such improved facilities should encourage the rancher and farmer to develop the live stock industry to a greater extent in order that the requirements of our local packing houses may be fully supplied from our own country.

During the past five years a great change in conditions has taken place in the raising of horses. Ranges which were formerly used for the purpose have been divided into farms and as a consequence the stock of range horses is rapidly diminishing and a good market has developed for farm horses imported from the eastern provinces. Prices for this class of animal vary from \$500 to \$700 per team. A good demand for horses has also been created on account of the

amount of work being carried on by the railways and irrigation companies.

The logging season of 1910-11 opened quite actively and a large cut was made by most of the operators. The weather was satisfactory for the greater part of the winter, although towards the end of it the snowfall was heavy and interfered a little with getting the logs out of the woods. The big operator was able in the main not only to secure the logs of the year's cut but also to draw out the logs of the previous season, left in the woods owing to the early breaking up of the previous winter. In the spring the demand for lumber was general, satisfactory sales were made and prices continued good until June, when keen competition developed between the manufacturers of spruce and the coast and mountain mills. A large quantity of low grade stuff was also brought in from the United States. Favourable freight arrangements were also conceded by the railways to the coast and mountain mills. This concession, coupled with the cheap article from the United States, placed the manufacturer of spruce at a disadvantage and sales and profits alike were somewhat curtailed. Taken as a whole, however, both manufacturer and jobber have had a satisfactory year. The present season also promises to be an active one and a large cut of logs is predicted.

It is noticeable that the new settlers who entered the prairie provinces in 1911 were of a better class than in any previous year. Commenting recently upon the matter the Dominion Government officials report that from the 1st January, 1911, to the 25th November, 1911, there entered Canada as immigrants 338,986 persons. Of these 214,458 entered at ocean ports, and 124,528 came from the United States. Of those entering by ocean ports 169,429 were British, while the balance, 45,038, were from Continental Europe. Of the combined British and Europeans (214,458) it is estimated that 50 per cent. settled west of the Great Lakes,

whilst of the American settlers (124,528) it is estimated that 85 per cent. also settled in western Canada. It is estimated that the amount of money and other assets which each settler brings into the country is as follows:

British.....	\$150 to \$200
Other European.....	10
American.....	1000

The fish and fur industries do not as yet represent a large volume of business to the western provinces. They are capable, however, of very great development and the progress made during the past year has been satisfactory. The lakes of Manitoba, Saskatchewan and Alberta contain almost unlimited quantities of valuable fish, and good markets at profitable prices are found for the catches in the United States and the western provinces. The Dominion Government have at last realized the importance of the fishing industry to the western provinces and a Commission has been appointed to investigate existing conditions thoroughly. A report by the Commission is now in course of preparation. The industry during the winter months affords employment to a large number of settlers and Indians in the northern parts of the provinces who are thus able to supplement their earnings derived from farming and other pursuits. The fur catch is an important industry to such places as Edmonton and Prince Albert. Owing to the severity of the winter of 1910 trapping conditions were not altogether favourable and the catch fell somewhat below normal figures. To offset this it is satisfactory to note that prices were higher and the year's business has been profitable.

The coal industry has been in a very unsatisfactory condition for nearly a year in consequence of the labour troubles existing in the coal districts of western Canada. Fortunately, in September last, a basis for settlement was reached between the owners of the mines affected and the

miners. A contract has been entered into for a period of $3\frac{1}{2}$ years, and it is expected that no further trouble will arise during this period of time. It is devoutly to be hoped that the results expected from the agreement will be realized. Undoubtedly a great injury was done to the industry as well as to manufacturing and commercial enterprises, and the loss of wages to the men was very large. The local Governments and the railways, however, realized the gravity of the situation and have done a great deal to relieve matters.

There has been great activity in real estate during the year throughout the west as regards farm, city and town properties. In cities and towns the great danger has been in the number of outlying subdivisions placed on the market. The cure for this unhealthy state of affairs rests in the hands of the more reliable firms, and we cannot too strongly urge upon them the importance of applying the remedy without delay. It is not our desire to point to any particular place or district as the reliable dealers are undoubtedly in a better position to know the situation than ourselves. It is to them, however, that the commercial community look for protection from a catastrophe which will inevitably come if present methods are allowed to continue. Undoubtedly desirable inside properties in our principal cities and towns have a good basis for existing values, but these must suffer materially unless something is done to stop the inflation in the values of outlying districts. Farm lands are firmly held at advancing prices, justified perhaps by the results of several years of good average crops. It will be a great detriment to the west, however, if our cheap lands are advanced so rapidly in price as to make the new settler hesitate about coming to us.

The building trade, with few exceptions, has been exceedingly active in western cities and towns. The record figures reached in 1910 in such cities as Winnipeg,

Calgary, Edmonton, Regina, Saskatoon, Moosejaw, Medicine Hat and Prince Albert will probably be exceeded by the final figures of 1911. We understand, too, that in the larger centres a decided effort is being made to improve the standard of the buildings erected. The industrial development taking place in our chief business centres is an important factor in such activity, and as the population increases we shall doubtless find that such development will be much more rapid than many of us at present realize.

The extension of the three railways, the Canadian Pacific Railway, the Canadian Northern Railway and the Grand Trunk Pacific Railway has been carried on to a greater extent than at any previous time and the disbursement of money in this connection has materially helped the prosperity of the western provinces. It is likely that these expenditures will continue for some years to come in order to meet the growing requirements of the country.

New capital has come freely from Great Britain, Continental Europe and the United States. Municipal, mortgage and industrial securities have been eagerly sought and we think the results will prove generally satisfactory to the investor. Capital, however, is timid of investment in new countries and new enterprises, and every care should be exercised to guard the interests of bona fide investors. There are some things already of which our local Governments and municipal authorities might well take notice.

The increase of population and wealth in the centres has created a desire for the best class of pavements, roadways, sewers, etc. This is very commendable, but the authorities in providing such improvements are inclined to load the future to too great an extent. Debentures which are drawn for 5, 10, 15, 25 and 30 years would be more sound if drawn for 2, 5, 7, 10 and 15 years, the shorter periods of time more nearly representing the life of the improvement.

Municipal and Government ownership of public utilities has a tendency to extend unduly and there are already signs of failure in this connection in several directions. Any considerable disaster would undoubtedly result not only in new capital being withheld from us but investments already made might be realized upon in a way which would reflect seriously upon the credit of the people and the country.

Before passing from this subject we should like to say that there is one matter at least which might well be regarded by Provincial Governments and rural municipalities as coming within their scope of operations. We refer to protection to the farmer from the effect of hailstorms. We allude particularly at this time to the subject as the number of farmers who suffered in this respect last year is greater than in any previous year, and the individual loss has been heavier. As the area under cultivation increases the number who will suffer loss and the aggregate losses will increase considerably. It is well, therefore, to consider what protection can be given to minimize the loss. The Government of Alberta gives some protection to farmers who pay certain schedule rates of insurance, and local companies also operate in that province as well as in the provinces of Saskatchewan and Manitoba. This protection on the existing basis is not generally made use of, and it appears to us that a regular tax authorized by the Legislature would be feasible. Were all farmers obliged to pay on the basis of an approved schedule, the obligation would not be burdensome.

In concluding our remarks regarding these provinces it is but fair to say that although the western crops will produce a larger amount of money than those of any previous year, yet the conditions under which they will have been gathered and marketed will interfere with an early liquidation of the indebtedness of the farmer and merchant. The wholesale dealers and manufacturers, however, practically in all lines of business, report large

increases in the volume of trade over previous years, and they evidently feel satisfied with the credit thus extended to their customers.

BRITISH COLUMBIA

The development of British Columbia in agriculture and kindred pursuits, a slower process than in fishing, lumbering, and mining, is now advancing rapidly, and the number of districts in which fruit growing and mixed farming are becoming important industries is very marked when compared with a few years ago. Unfortunately, considering the great cost of clearing and the richness of the soil, the price of land fit for settlement in this province seems high, and, indeed, it might be better for the future of the province if it was lower. The promise of fruit farming is, however, very attractive, and those who are wise enough to develop mixed farming should find a ready market for many years to come in a rich province, where the absence of sufficient cultivation of the soil causes the importation of enormous quantities of butter, eggs, cheese, meat and other products, all of which should be produced at home. In several districts plans are being considered for ready-made farms, and these, if properly carried out, should enable the less experienced settler to start under more favourable conditions than at present. The winter was unusually severe for this part of Canada, and was followed by a late and wet spring. This was hard on all fruit crops, too much growth of wood and too little of fruit resulting. Prices were, however, so high that the results were fairly satisfactory. Only a small part of the trees planted are old enough to bear, and only a small part of the land suitable for fruit culture is so occupied. The high quality of British Columbia fruit is becoming more widely known every year. Hay—an important crop—roots and potatoes all yielded plentifully and sold readily at good prices. The year has been profitable to the stock raiser, notwithstanding the high price of hay, and,

generally speaking, those who have followed agricultural, pastoral or fruit farming in British Columbia are more than ever convinced of the great future of that province. What is wanted is land not too dear, which may come if the Dominion Railway Belt is opened for settlement, and with increased transportation facilities. For most products the market is at hand.

The year has been better than was expected as regards the catch of salmon, the total being 948,965 cases, against 453,511 cases in 1907, the natural year for comparison. This is to some extent due to the packing of cheaper varieties of salmon, for which there is a large demand, and sales were readily made at high prices. The packers are, as a rule, in a strong position financially, and the industry has never been in a better state so far as management and market conditions are concerned. The one regrettable fact is that we are not doing all that is possible to conserve and to promote an industry of such a profitable nature. We have not yet arrived at an arrangement with the United States to protect the salmon in Puget Sound, and our halibut fishing is still being interfered with by poachers from that country. The great market in our own prairie provinces, present and prospective, and the demand elsewhere in the world; the knowledge that the Pacific possesses many food fishes which are practically unfished; the need of large communities of white fishermen on our Pacific coast; and the value to the province, direct and indirect, of the profits from such an industry when properly developed, should cause the energy necessary to a larger success to be put forth, whether by Government regulation or by the enterprise of capitalists.

A year ago we stated that the immediate outlook for the sale of the lumber from the mountain mills was good, apart from the prospect of more dumping by United States manufacturers. Unfortunately, trade has continued to be bad in the United States, and great quantities of low grade lumber have been sold in Canada at less than the cost of production.



RED DEER, ALTA.

Some of this lumber is entered fraudulently, being billed as rough lumber or as surfaced only on one side, when it is actually lumber finished for the United States market and treated later so as to look like partly rough lumber. The mountain mills prepared for a heavy season, but their calculations were entirely upset by this state of affairs. Immediately south of British Columbia lies the greatest lumber-producing area in North America, and its natural output has been greatly increased by the necessity to cut over large areas in Idaho, Washington and Montana, where there have been extensive forest fires recently. If manufacturers there are pressed by their obligations and their bankers are less able to take care of them than are Canadian banks to take care of their customers, the result is evident so long as Canada is a free dumping ground. Our manufacturers must pile up stocks which the banks must carry, or the cut of lumber in our mills must be curtailed and workmen be thrown out of employment, in order that United States mills may be kept in operation. This winter, in any event, the cut will be reduced awaiting some adjustment of the situation. Mills more favourably situated as to freights than the mountain mills, but also depending on the prairie trade, have done well, despite a certain amount of loss from United States dumping. The coast lumbermen have suffered even more from this competition than the mountain lumbermen, both by dumping and by the loss of export trade, due to the United States manufacturers being willing to fill orders at less than cost. Shipments from Washington, the State which produces most lumber, to points in Canada from Winnipeg to the Pacific coast, are said to have increased from three to five times in volume since the depression in that country set in. The circular of the Secretary of the Canadian Lumbermen's Association issued in August last gives the following figures as the shipments of boards, deals, planks, joists and scantling for the years ending 30th June, 1909, 1910, 1911:

Year.	Ft. B.M.	Value.	Average Price per 1,000 Ft.
1909....	127,099,000	\$3,317,043	\$26.09
1910....	189,193,000	5,163,477	27.23
1911....	403,285,000	9,266,275	22.97

The comparison of 1909 and 1911 for the nine months ending 30th September, as follows, is still more striking:

Year.	Ft. B.M.	Value.	Average Price per 1,000 Ft.
1909....	104,750,000	\$2,845,695	\$27.16
1911....	379,226,000	7,946,072	20.95

The increase between 1909 and 1911 for the nine months referred to is, therefore, nearly 275,000,000 feet board measure, or 162 per cent., while the decrease in the average price is \$6.21 per 1,000 feet board measure, or nearly 23 per cent. These figures apply to all Canada, but the conditions of the industry in British Columbia are much worse than elsewhere. The average price received by British Columbia lumbermen is \$3 to \$4 per 1000 feet less than the average for all Canada. Since the preparation of these figures we are told that larger quantities than ever are being dumped and that prices have declined still further. It does not appear that the consumer has benefited by this dumping, the profit apparently going to the middleman.

The year has been one of unusual importance in mining in the province. The coast coal mines have all done a larger business at good prices and with an active demand. Improvements on an extensive scale, looking to an increased output, are being made. In the Crows Nest district, to which reference has already been made, the mines, of course, suffered from not being worked, and had to begin, after the strike, with a much smaller number of men, so that the full output cannot be attained at once. The miners seem to have gained nothing, while smelters have been idle or have worked at a loss, railroad companies

in some cases have installed oil-burning engines, new coal properties have been exploited, perhaps unnecessarily, and the people who depend on coal for their comfort may suffer this winter for lack of fuel. The total output of British Columbia for 1911 is estimated at 2,440,000 tons, as compared with 3,139,000 tons in 1910. The history of copper mining and smelting for the year turns on the coal strike. But for that it would have been a record of high production. When the strike occurred, an effort was made to work with Pennsylvania coal, but the cost and quality of the coal made this impossible for one company and most unprofitable to others. Work will now be resumed on a full scale. The decline in the output is shown in the following figures, which are for the Boundary mines alone: 1909, 1,595,000 tons; 1910, 1,699,000 tons; 1911, estimated at 1,200,000 tons. The price of copper has been lower, averaging about 12.26 cents per pound, against 12.86 cents in 1910 and 13.05 cents in 1909. Labour conditions have been excellent. In the Kootenay district there has been unusual activity. Consolidation of interests, more efficient management and larger capital should result in more profitable working of these difficult silver, lead and copper ores. Elsewhere in British Columbia, especially in the north, very interesting developments in mining in widely separated districts are taking place, but it is too early to speak confidently as to results.

The growth of the city of Vancouver continues to be remarkable, as shown by the great increases in building permits, in the assessed values of property, in bank clearings, in customs duties paid and in the earnings of tramways. The only feature calling for discouragement is the speculation in real estate values, for much of which promoters in other financial centres, even in England, are almost as responsible as are those in British Columbia.

There is great activity in the province at present in railway, tramway and ordinary road building, in adding to dock

accommodation to take care of the increasing ocean traffic, and in provincial, municipal and individual building of all kinds.

YUKON DISTRICT

The year was marked by further consolidation of properties in the hands of the dredging companies as opposed to the individual operator. Coal mined in the district has been used for the first time as fuel in thawing operations, and has proved satisfactory. The season was unusually dry, and this affected the output of gold, which is estimated at about \$4,200,000. In southern Yukon very extensive work in opening up mines in several localities is under way, and eventually this must become a mining region of great importance.

UNITED STATES

We have passed through another year in which conditions have remained steadily better in Canada than in the United States. The cost of living still presses hardly upon the average earner; the tariff remains unadjusted; the attacks, in the supposed interest of the people, upon large industrial corporations, for alleged illegal actions, continue, and a Presidential election is at hand. While the underlying conditions are sound, it is quite natural that enterprise in every form should hesitate until such clouds pass away. The tendency at the moment, however, is towards an increased volume of trade and a more hopeful outlook. Low prices for iron and steel are producing in a marked manner the natural result of increased purchases. The price of copper is advancing, and the trade in cotton goods is decidedly better. This improvement in main staples follows a period of widespread industrial liquidation in which much plant was kept idle, purchases of raw material were largely curtailed, and prices were sharply marked down. Such a course of trade was really due in 1908 as a result of the collapse of 1907. The imports for the ten months of 1911 were \$1,264,000,000, only slightly less than for 1910, but the exports were \$1,666,000,-

000, bringing the excess up to \$402,000,000 against \$134,000,000 in 1910. This is a long move towards restoring the condition preceding 1907, but whether it will be maintained when expenditure becomes more active remains to be seen.

Turning to the States in which we are directly interested, in Washington the grain crops were satisfactory as a whole in both yield and price; the fruit crop was lessened somewhat by frosts, but high prices prevailed; and dairying continues to make good progress. The salmon pack was the largest and most profitable on record, resulting in a total of 5,877,000 cases, worth about \$30,000,000, and the trade in other fish continues to grow rapidly. The lumber business as already stated has been very unprofitable, partly because obligations resulting from the extensive speculation in timber lands in recent years have left many manufacturers without the choice of curtailing their operations, and the hitherto sufficient eastern market has failed to absorb the output. The production of this State, which lies alongside British Columbia, has again been the largest of any State in the Union, amounting to 4,097,500,000 feet, worth about \$42,000,000, or including shingles, about \$52,000,000. There has been a marked increase in shipping, and there are now five regular lines leaving Puget Sound.

The year has again been very prosperous for Oregon. The wheat crop was large, and the foreign trade in wheat and flour excellent. In lumber there was the same loss from over-production as in Washington. Portland is now established as the chief live-stock market on the Pacific slope, and attracts shipments from as far east as Montana and Nebraska. The railroads have spent over twenty million dollars recently in opening eastern Oregon to settlers, and further expenditures are probable. Large tracts of land hitherto used for cattle and sheep will be converted into farms and irrigation supplied where necessary.

California as usual presents a year with excellent results. Fruit growing and canning and grape culture have done well, the value of the product of the orchard and vineyard together being about \$85,000,000. Shipments of fresh deciduous fruits reached 15,000 cars, worth about \$14,000,000. The cultivation of 342,519 acres in vines produced in table grapes, raisins, wine and brandy about \$24,000,000. The crop of raisins reached 56,000 tons, more than twice the product of Spain. Shipments of citrus fruits reached 40,000 cars, worth \$35,000,000 to \$40,000,000. The production of oil for eight months of 1911 was 63,835,000 barrels, compared with 62,630,000 for the same period in 1910. The consumption for the same time was 54,605,000 compared with 41,280,000 in 1910. This very great and very necessary increase in consumption was mainly due to the extended use of oil by railway systems and steamship companies. It looks as if the production and consumption would meet in the near future, and the large reserve stocks of oil which have been accumulated be brought into use. The total mineral product of California is estimated roughly at about \$88,000,000.

It is thought that the sugar crop of the Hawaiian Islands will be about 550,000 tons. Rather to the surprise of the planters, prices have advanced owing to a shortage in the world's supply of perhaps 2,000,000 tons. In population California in the last decade has advanced from the twenty-first to the twelfth place in the Union. The total value of the products of the soil for 1911, including minerals and live stock, has been about \$525,000,000. Little more need be said for the wealth of this remarkable State.

MEXICO

During the year, as you know, the government of President Diaz, which had existed for thirty years, and which seemed peculiarly secure, has been overthrown, partly by armed force, but also, as we must now recognize, by widespread public opinion. It is too early to feel assured that

the country will settle down peacefully under the new administration, but it is very satisfactory to realize that such a change could take place with so little disturbance of business conditions and especially with so little damage to property. The foreign trade of Mexico shows how little the revolution affected business conditions. The imports for the fiscal year ending 30th June, 1911, were \$206,000,000, Mexican currency, against \$194,000,000 in 1909-10 and \$232,000,000 in 1906-7, the highest year on record. The exports, happily larger than the imports, were for last year \$294,000,000, against \$260,000,000 in 1909-10 and \$271,000,000 in 1905-6, the largest previous record. Of the imports, machinery accounts for \$26,000,000, reflecting the development in mining and other industries, and \$25,000,000 is accounted for by textiles and wearing apparel. Of the exports the striking figure is \$33,000,000 for raw and finished rubber, an increase of \$7,000,000 over the previous year, and an item of export practically not produced in Mexico a few years ago. The most important development, however, is in oil production. Out of a world consumption in 1910 of 43,000,000 metric tons, Mexico provided over 6,000,000, or one-seventh of the whole. Railways and industrial plants are naturally being equipped for this cheaper fuel.

The adoption of the Report was then moved by the President, seconded by the Vice-President, and carried unanimously.

The President: Since the close of the Bank's fiscal year we have entered into an agreement with the Directors of the Eastern Townships Bank for the union of the two institutions, the basis being that we are to give 60,000 fully paid-up shares of stock in this Bank of the par value of \$3,000,000, in exchange for the assets of the Eastern Townships Bank, the par value of the capital stock of that Bank being \$3,000,000. The matter awaits the approval of the shareholders of the Eastern

Townships Bank, for which purpose a meeting will be held on 14th February next.

If you will look at the map of Canada in this room which shows the position of our branches, you will see that such a union is greatly in the interest of the two institutions, and that it will make the united branches of the two Banks throughout Canada a very nearly perfect system.

The customers and shareholders of the Eastern Townships Bank have always been peculiarly loyal to that institution, and, should the union take place, it will be our strong desire, not only to retain, but to foster and increase the valuable asset represented by that goodwill, which, indeed, has been one of the main reasons for trying to bring about such a union. Under the system we have followed in other cases, the name of the Eastern Townships Bank will be kept prominently before the public in connection with our own. It will, doubtless, be our purpose to add to the many branches of the Eastern Townships Bank further establishments in the Province of Quebec, and to improve, if possible, by our larger capital and facilities, the service hitherto afforded by the Eastern Townships Bank to its customers in that part of Canada, which has depended mainly upon that institution for banking service. In anticipation of the completion of this transaction, a by-law and resolution are necessary, which the Vice-President will now propose.

The Vice-President: The Board of The Canadian Bank of Commerce at present consists of fourteen. In the proposed agreement with the Eastern Townships Bank there is a clause that, when it takes effect, after having been approved by the Government, we are to elect a certain number of the present Directors of the Eastern Townships Bank upon the Board of this Bank, and, to enable this to be carried out, it is necessary to increase the number of our Directors. There is a clause in the by-law which I am about to read postponing its coming into force until the agreement with the Eastern Townships Bank becomes effective. The Bank-

ing Act authorizes the filling of vacancies which occur between annual meetings by the Board itself. The by-law is as follows:

"Be it enacted as a by-law by the shareholders of The Canadian Bank of Commerce assembled at the annual general meeting, held in the Board Room of The Canadian Bank of Commerce, at the corner of King and Jordan Streets, Toronto, on Tuesday, the 9th day of January, A.D. 1912, as follows:

"1. That the number of the Board of Directors of The Canadian Bank of Commerce be and it hereby is increased from fourteen to not exceeding nineteen.

"2. Unless and until the proposed agreement between The Canadian Bank of Commerce and the Eastern Townships Bank, under Section 99 of the Bank Act, shall have been entered into and shall have been approved by the Governor-in-Council, this by-law shall not come into effect, but, forthwith upon such approval, this by-law shall come into effect, and vacancies thereunder in the Board of Directors shall be filled by the remaining Directors by election from among the qualified shareholders."

I beg to move, seconded by Mr. Flavelle, that the said by-law of The Canadian Bank of Commerce increasing the number of Directors, read to the meeting by the Vice-President, be passed by the shareholders, and that the same be executed under the corporate seal of the Bank and countersigned by the President and the General Manager. Carried.

The Vice-President then moved, seconded by Mr. Flavelle:

"Whereas, by resolution of the shareholders passed at the annual meeting held on the 10th day of January, 1911, the action of the Board in enlarging the Pension Fund of The Canadian Bank of Commerce and placing it upon a basis sufficient to include therein provisions for widows, orphans and other dependents of deceased employees of the Bank, and for certain payments in the nature of insurance benefits to the representatives or dependents of certain

employees, was approved and confirmed, and there was set aside out of the surplus profits of the Bank, commencing in 1911, a sum not exceeding one hundred dollars per annum per member of the fund, and it was provided that out of the sum so set aside there should be transferred to the fund, from time to time, such sums as the Board might think necessary;

“And whereas, if the proposed agreement between The Canadian Bank of Commerce and the Eastern Townships Bank, under Section 99 of the Bank Act, should take effect, it may be necessary upon the transfer of the Pension Fund of the Eastern Townships Bank to the Pension Fund of this Bank, and upon admission to the fund of officers and employees of the Eastern Townships Bank, as provided for in said agreement, to transfer to the Pension Fund of this Bank sums in addition to those authorized by said resolution, in order that said Pension Fund may be maintained upon a proper basis;

“Be it therefore resolved that, upon the said agreement being entered into and taking effect, the Board of Directors may from time to time transfer to the said Pension Fund out of the surplus profits of the Bank such additional sums as the Board may think necessary in order that the said fund may be maintained upon the basis contemplated in said resolution.” Carried.

The President: If this transaction is completed, it will absorb the entire authorized capital of the Bank. In order that we may prepare for that growth in connection with the development of Canada which we expect, and that we may not again in the near future need to ask the approval of the Government to an increase of capital, the Vice-President will propose a by-law increasing the authorized capital from \$15,000,000 to \$25,000,000.

The Vice-President then read the by-law as follows:

“Whereas the capital stock of The Canadian Bank of Commerce is now \$15,000,000, and it is expedient that the same should be increased by \$10,000,000,

“Now, therefore, be it enacted as a by-law by the shareholders of The Canadian Bank of Commerce assembled at the annual general meeting, held in the Board Room of The Canadian Bank of Commerce, at the corner of King and Jordan Streets, Toronto, on Tuesday, the 9th day of January, A.D. 1912, as follows:

“That the capital stock of The Canadian Bank of Commerce be and the same is hereby increased from the sum of \$15,000,000 to the sum of \$25,000,000, by the addition thereto of 200,000 shares of \$50 each, equal to \$10,000,000.”

He then moved, seconded by Sir Lyman Melvin Jones: “That the said by-law of The Canadian Bank of Commerce increasing the capital stock thereof, read to the meeting by the Vice-President, be passed by the shareholders, and that the same be executed under the corporate seal of the Bank, and countersigned by the President and the General Manager.” Carried.

The President: The shares of the Bank have stood, as you know, through its entire history at a par value of \$50 each. This is very clumsy, and we should like to ask your approval to the necessary steps to bring about a change. The Vice-President will again move the necessary resolution.

The Vice-President: In the Act which was introduced last session, and which is, of course, public property, there was a clause authorizing any bank, the shares of which were \$50, to re-divide its capital stock into shares of \$100 each, but it required the sanction of the shareholders before being acted upon. We have not yet seen the Banking Act which the present Government intends to introduce, but we hope it will contain a similar clause. If it does not, then, in order that we may not wait longer, we desire to apply for a special Act. I will now move, seconded by Sir John Gibson:

“Whereas the shares of the capital stock of The Canadian Bank of Commerce are now divided into shares of fifty dollars each;

“And whereas it is expedient and in the interest of the Bank and its shareholders that the capital stock should be divided into shares of one hundred dollars each:

“Therefore, be it resolved that the Directors are hereby authorized and requested to do what may be necessary in order that the shares of the capital stock of this Bank may be one hundred dollars each, instead of fifty dollars each, and the Directors are requested to act under any general legislation which may be passed authorizing such division, and, if necessary, to apply for a special Act of Parliament to authorize the same.”

The motion was then seconded by His Honour Sir John Gibson, K.C.M.G., K.C., LL.D., and carried unanimously.

Mr. William Davidson: I beg to move, seconded by Mr. Alexander Bruce, that the thanks of this meeting are due and are hereby tendered to the President, Vice-President and other Directors for their careful attention to the interests of the Bank. Very little need be said in connection with this resolution after such a statement as has been presented to this meeting. The result of the combined efforts of the Directors is shown in the Report before you, and it must be eminently satisfactory to every shareholder. There are one or two things about it which are exceedingly gratifying, one being the \$500,000 which has been recovered. It shows that the affairs of this Bank are being looked after with a great deal of care and diligence, and that the foundations of the Bank are well secured. The other item is the fact that out of the earnings of the Bank we have been able to add to the Rest \$1,400,000. I am sure this Report will give to every one the very greatest confidence in the Bank and in those who are looking after and discharging the responsibilities and duties of carrying on its affairs.

Mr. Alexander Bruce, K.C.: I have much pleasure in seconding the resolution. The results of the year's business are so eminently satisfactory, showing profits of \$2,300,000, in addition to the recovery of \$500,000, which

is a very strong indication of wonderfully conservative management, that any words from the mover or seconder are totally unnecessary. Carried.

The President: On behalf of the Board I thank you very much for the renewed expression of your confidence. It gives us very great satisfaction to have the time arrive when we can explain to the shareholders that we have never taken one dollar of the profits made at the Dawson Branch into the ordinary profits of the Bank until now, when we have practically cleaned up the situation there.

Mr. F. B. McCurdy, M.P.: I have much pleasure in moving that the thanks of the meeting be tendered the General Manager, Assistant General Manager and other officers of the Bank for the satisfactory discharge of their duties during the past twelve months. The Canadian Bank of Commerce has a very large capital, including the Reserve Fund, of some \$20,000,000. It is self-evident that it is only by the intelligent employment of these funds that we are placed in the position where we can all sit down four times a year and endorse our comfortable dividend cheques. The President, the General Manager and the other officials have succeeded in developing throughout the service of this Bank a staff of employees and officers which will ensure its successful management in the future. For some years I had the honour of serving the Halifax Banking Company, an old bank incorporated in 1825, and I know something about the feelings of the man lower down, and I think his services should be appreciated. He is the man who comes in touch, day by day, with the customers of the Bank. He is the coming branch manager—he may become the General Manager, for all we know. He should be encouraged in every way possible. The Canadian Bank of Commerce has the reputation of treating its staff exceptionally well, probably better than any other of the banks, and the management are to be commended for adopting that policy, which brings patriotism and loyalty to the service.

The resolution was then seconded by Messrs. S. Nordheimer and Henry Beatty, and carried unanimously.

The General Manager: On behalf of the Executive and staff of the Bank, I thank you very cordially for this resolution, and for the very flattering remarks acknowledging our services during the past year. We appreciate very highly your very kind commendation. I take great pleasure in introducing to you Mr. John Aird, my yoke-fellow, a man of wide experience and knowledge of the Bank's business, whom we welcome to our councils here. I would ask the Assistant General Manager to make some remarks in this connection.

Mr. John Aird: I have to thank you very much for the kind words which you have said about me, and also to assure the Directors and shareholders that I fully appreciate the responsibilities of the important position to which I have been called during the last few months. As to the other matter, I must thank Mr. McCurdy for his remarks. The General Manager has, in his statement to you, referred to the onerous duties which the members of the staff frequently are called on to undertake. This is particularly the case in the newer parts of the western provinces, with which I have been connected for the last ten or twelve years, but we very seldom find that officers hesitate to discharge those duties thoroughly.

The General Manager: I should like to have a few words from a western representative. Mr. Saunders, of Calgary, whom we have here to-day.

Mr. Saunders: On behalf of the officers and the staff of the western branches, it gives me great pleasure, indeed, to speak to this resolution, which has been so strongly presented by my friend, Mr. McCurdy, from the Maritime Provinces. We appreciate these motions far more than you shareholders, perhaps, realize, and do not look upon them at all as formal. We recognize, as Mr. McCurdy says, that we do play our part in the up-building of the Bank's busi-

ness, but it is only fitting on an occasion such as this—I speak as a manager and I think I am speaking the sentiments of all the other managers—that a tribute should be paid to our Head Office Executive and our Board of Directors. It is true we come directly in contact with the customers, but without their assistance and their co-operation our efforts in the direction of building up the business of the Bank would be fruitless. Mr. Laird remarked in his annual address that he kept an efficient check on the managers of the branch banks. I can vouch for that—I have had personal experience—but I think he might have added, and I am going to take the liberty of adding, that when they find they have managers in their employ who are capable of using good discretion and good judgment, they give us all sorts of liberties, and we are always ready to cope with any transaction that comes before us. I thank you very kindly for this resolution.

The President: Before the resolution is offered for the election of Directors for the coming year, I regret to have to announce the retirement from the Board of Mr. Robert Kilgour. Mr. Kilgour has been a Director for over twenty years, during which time he has always taken a sincere interest in the development of the Bank. Your Directors will, therefore, propose the name of our General Manager, Mr. Alexander Laird, for election as a Director.

I am sure that you will be pleased if I take this opportunity on your behalf of tendering our congratulations to the two members of the Board who have been honoured by the King since our last meeting. The Hon. Sir Lyman Melvin Jones was knighted at the time of the Coronation and His Honour Sir John Morison Gibson, K.C.M.G., at the New Year.

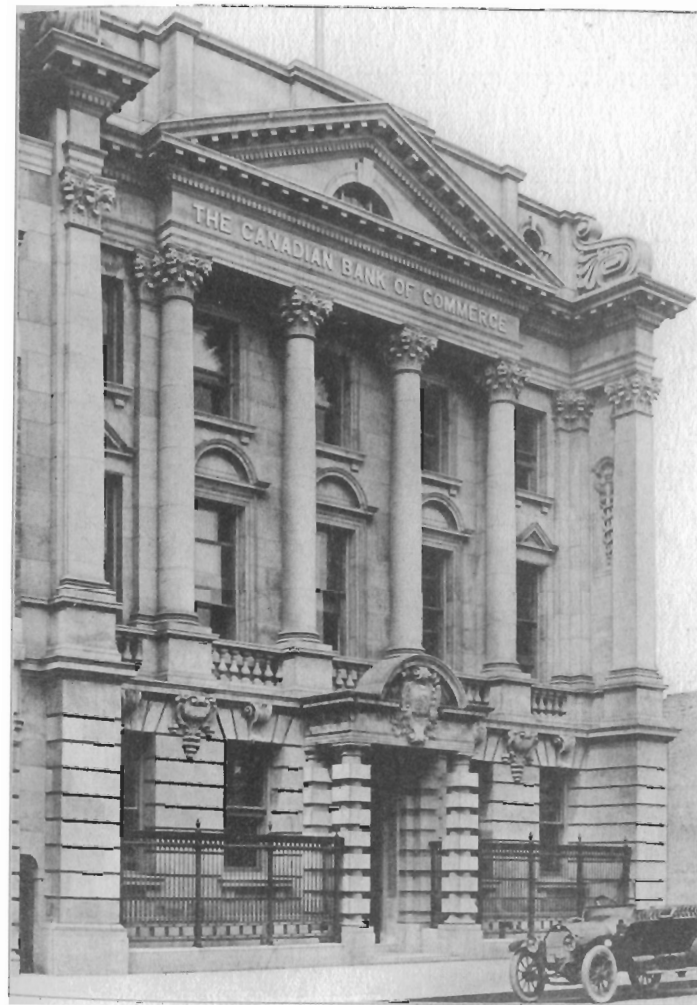
It was then moved by Hon. W. C. Edwards, seconded by Mr. Robert Stuart: "That the meeting do now proceed to elect Directors for the coming year, and that for this purpose the ballot-box be opened and remain open until 3

o'clock this day, the poll to be closed, however, whenever five minutes shall have elapsed without a vote being tendered, the result of the election to be reported by the scrutineers to the General Manager."

The meeting then adjourned.

The scrutineers subsequently reported that the by-laws submitted to the meeting had been passed by a unanimous vote, and that the following gentlemen had been elected as Directors for the ensuing year: Sir Edmund Walker, C.V.O., LL.D., D.C.L., Hon. George A. Cox, John Hoskin, K.C., LL.D., J. W. Flavelle, LL.D., A. Kingman, Hon. Sir Lyman Melvin Jones, Hon. W. C. Edwards, Z. A. Lash, K.C., LL.D., E. R. Wood, Sir John Morison Gibson, K.C.M.G., K.C., LL.D., William McMaster, Robert Stuart, George F. Galt, Alexander Laird.

At a meeting of the newly-elected Board of Directors held subsequently, Sir Edmund Walker, C.V.O., LL.D., D.C.L., was elected President, and Mr. Z. A. Lash, K.C., LL.D., Vice-President.



REGINA, SASK.

