

Fifty-Ninth Birthday
of
THE
DOMINION BANK



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DO YOU KNOW?

By FRED WILLIAMS.

THAT to-day is the 59th birthday of The Dominion Bank? It was on February 1, 1871, that a modest banking house was opened in premises at 40 King Street east, backed entirely by Ontario, and very largely by Toronto, capital. The banking situation in Ontario at that time was peculiar. Not one of the long-established banks had its headquarters in Ontario. The Bank of Upper Canada, with head office in Toronto, and the Commercial Bank, of Kingston, had both gone into liquidation. The Montreal banks dominated the situation; all the Ontario banks were junior and failed to fill the gap left by the old pillars of Upper Canada finance. True, there were the Bank of Toronto, founded in 1855; the Ontario Bank, and the Canadian Bank of Commerce founded in 1867; but it was felt that there was room for others.

The history of *The Dominion Bank*, which has never absorbed another bank, dates back to April 26, 1869, when, at a meeting held in the office of Ross, Lauder and Mulock, it was decided to apply for a charter. Only four men are recorded in the minute book as being present at that meeting—John Worthington, James Crowther, James Holden and William Mulock (all passed on save our perennial Chief Justice). But the names which appeared on the preamble of the charter (granted two months later) were John Worthington, James Crowther, John Crawford, M.P.; Hon. J. C. Aikins, Walter Sutherland Lee, Joseph Gould, Hon. John Ross, James Holden and Aaron Ross. Mr. Worthington was a

Toronto building contractor. James Crowther was a barrister of the firm of Bell and Crowther, which William Mulock later joined. John Crawford was a barrister and bencher of Upper Canada, who had varied the practice of the law by fighting George Brown in Toronto constituencies and by taking the foremost part in the promotion of the narrow-gauge Toronto and Nipissing Railway, and was to be later Ontario's third Lieutenant-Governor. Hon. J. C. Aikins was a prominent barrister who had been called to the Senate at Confederation, was Secretary of State in the first Macdonald ministry and was Lieutenant-Governor of Manitoba, 1882-88. Hon. John Ross had been Solicitor-General and Speaker of the Legislative Council in old Canada, was for ten years president of the Grand Trunk Railway, and one of the original senators from Ontario. Walter Sutherland Lee was a financier, active in militia, hospital and school affairs. Joseph Gould, who had fought at Montgomery's tavern with Mackenzie's forces and later represented North Ontario in the Legislature, was the outstanding business figure at Uxbridge, where his woollen mills, saw mills and flour mills had done much to bring prosperity and plenty. James Holden of Whitby was the chief builder and later the managing director of the Whitby and Port Perry Railway, then under construction—to the outsider just a little lumber road joining Lake Ontario with some inland lakes, but, in Mr. Holden's eyes, the first link in a railway to Georgian Bay, in fact the

first link in a railroad from Toronto to the Pacific. Aaron Ross was a substantial merchant of Whitby.

It was not an easy matter to raise the necessary capital, especially in view of the fact that some of the promoters, notably Hon. John Crawford, were trying to save the Royal Canadian Bank; but on Nov. 18, 1870, new blood was brought in in the persons of James Austin, Frank Smith, Peleg Howland, Samuel Nordheimer and J. H. Mead, and Mr. Austin was chosen president. James Austin and Frank Smith, who were thenceforth to play the foremost part in upbuilding The Dominion Bank, had been led to link their fortunes with it as the result of a series of differences of opinion as to Canadian banking policy. When in 1866 the gold situation in New York and the dubious condition of trade in Canada West caused E. H. King, the manager of the Bank of Montreal, to withdraw funds from the province, the local director of the Bank of Montreal in Toronto, Hon. William McMaster, and the manager of the Toronto branch, Archibald Grier, vigorously dissented from this policy, and finally withdrew. Taking up the charter of the Bank of Canada, issued in 1858, and having it amended in name and in more material points to suit their larger plans, they launched the Canadian Bank of Commerce, Mr. McMaster serving as its first president.

A difference of opinion arose between Mr. McMaster and Mr. Austin and the latter retired as director in 1870. Mr. Austin and Frank Smith were invited and joined the board of the new bank. The capital was completed, a general manager (or cashier as he was called in those days) was appointed in the person of R. H. Bethune, who had been manager of the Quebec Bank in Toronto, and the first meeting of

shareholders was held on January 10, 1871. Mr. Austin was elected president and Peleg Howland vice-president and the bank was opened for business on February 1. In the first year branches were opened at Whitby, Oshawa, Orillia and Uxbridge, and for the first time in our banking annals a city branch was opened on Queen Street west near the corner of Peter (later transferred to the corner of Esther Street, now Augusta), thereby inaugurating a policy since adopted by other banks.

In 1877 tenders were called for the erection of a building on the corner of King and Yonge Streets. Fifty years earlier, in 1826, this plot of ground had been described as "a meadow with a very offensive pool of water thereon" and had been sold for £750. The new building was completed in 1879 but, although enlarged in 1884, grew too small so that a new building was decided upon. The northeast corner of King and Yonge was bought with the intention of moving across, but eventually the land to the south and west of the bank building was secured and the present building erected and opened in November, 1914.

The Dominion Bank has had only five presidents: James Austin, 1871-97; Sir Frank Smith, 1897-1901; Sir Edmund Osler, 1901-1924; Sir Augustus Nanton, 1924-25, and A. W. Austin, 1925 to date. It has only had four general managers: R. H. Bethune, 1870-1895; R. D. Gamble, 1895-1899; T. G. Brough, 1899-1906, and C. A. Bogert, 1906 to date, the latter being also vice-president. Its total deposits have grown from \$1,057,000 in 1871 to \$113,351,584 in 1929; its total assets from \$2,541,000 in 1871 to \$154,181,303, and its profits from \$107,000 in 1871-2 to \$1,522,808 in 1929. Next year The Dominion Bank will celebrate its diamond jubilee.

THE DOMINION BANK

ESTABLISHED 1871

HEAD OFFICE - - - TORONTO

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

RESERVE FUND AND UNDIVIDED PROFITS - \$9,500,000

BOARD OF DIRECTORS

A. W. AUSTIN
President

C. A. BOGERT
Vice-President and
General Manager

C. S. BLACKWELL
Chairman of the Board

C. H. CARLISLE
President, Goodyear Tire and
Rubber Co. of Canada, Limited
New Toronto

R. Y. EATON
President, The T. Eaton Company
Limited, Toronto

E. W. HAMBER
President, B. C. Mills Timber
& Trading Co. Limited
Vancouver

JOHN M. MACKIE
President, Brinton-Peterboro
Carpet Co., Limited, Montreal

WILMOT L. MATTHEWS
President, Canada Malting Co.
Limited, Toronto

R. S. McLAUGHLIN
President, General Motors of Canada
Limited, Oshawa

W. W. NEAR
President, Page-Hersey Tubes
Limited, Toronto

F. GORDON OSLER
Financier, Toronto

F. L. PATTON
Banker, Winnipeg

J. ALLAN ROSS
President, Wm. Wrigley Jr. Co. Ltd.
Toronto

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President, Imperial Oil, Limited
Toronto

H. H. WILLIAMS
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