



IMPERIAL BANK OF CANADA

THIRTY-FOURTH
ANNUAL REPORT
PRESENTED TO THE
SHAREHOLDERS
MAY 26TH 1909

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Imperial Bank of Canada

Head Office: Toronto

ESTABLISHED 1875

<i>CAPITAL AUTHORIZED</i>	<i>.</i>	<i>\$10,000,000.00</i>
<i>CAPITAL PAID UP</i>	<i>. .</i>	<i>5,000,000.00</i>
<i>RESERVE FUND</i>	<i>. . .</i>	<i>5,000,000.00</i>

Thirty-Fourth Annual Report
1909

IMPERIAL BANK OF CANADA.

ESTABLISHED 1875

Capital (Authorized) \$10,000,000.00

Capital (paid up) \$5,000,000.00

Reserve Fund and Undivided Profits \$5,600,000.00

DIRECTORS:

D. R. WILKIE.....PRESIDENT.
 HON. ROBERT JAFFRAY.....VICE-PRESIDENT.
 WM. RAMSAY of Bowland, Stow, Scotland. ELIAS ROGERS. J. KERR OSBORNE.
 CHARLES COCKSHUTT. PELEG HOWLAND. WM. WHYTE, Winnipeg.
 CAWTHRA MULLOCK. HON. RICHARD TURNER, Quebec.
 WM. HAMILTON MERRITT, M.D., St. Catharines.

HEAD OFFICE, TORONTO.

D. R. WILKIE, GENERAL MANAGER. E. HAY, ASST. GENERAL MANAGER.
 W. MOFFAT, CHIEF INSPECTOR.
 G. D. BOULTON, M. MORRIS, A. E. PHIPPS, GEO. WILSON, R. S. CLARK, INSPECTORS.
 R. G. O. THOMSON, SECRETARY.

BRANCHES:

Province of Ontario.

TORONTO—

Wellington and Leader Lane (Head Office).....	{ O. F. RICE.....	Manager.
	{ J. M. MacKENZIE.....	Asst. "
Yonge and Queen Sts.....	G. G. LEMESURIER.....	Manager.
Yonge and Bloor Sts.....	J. D. LEWIS.....	"
King and York Sts.....	A. R. CAPREOL.....	"
West Market and Front Sts.....	F. J. PETERSON.....	"
King and Spadina Ave.....	J. F. SCARTH.....	"
Bloor and Lansdowne Ave.....	R. S. GALBRAITH.....	"
King and Sherbourne Sts.....	F. J. PETERSON.....	"
Bathurst and Dupont Sts.....	E. H. ANDERSON.....	"
Queen St. and Palmerston Ave.....		
AMHERSTBURG.....	C. A. CUDDY.....	"
BELWOOD.....	(Sub-Branch to Fergus).	
BOLTON.....	J. F. WARBRICK.....	"
BRANTFORD.....	A. H. MURRAY.....	"
CALEDON EAST.....	(Sub-Branch to Bolton).	
COBALT.....	A. J. GOODALL.....	"
COCHRANE.....	C. H. LLOYD.....	"
COTTAM.....	(Sub-Branch to Essex).	
ELK LAKE.....	A. H. SEGUN.....	"
ESSEX.....	G. J. LACKNER.....	"
FERGUS.....	E. C. ROBERTS.....	"
FONTHILL.....	J. H. ROLPH.....	"
FORT WILLIAM.....	H. C. HOUSTON.....	"
GALT.....	G. C. EASTON.....	"
GOWGANDA.....	W. M. SELLENS.....	"
HAMILTON.....	F. S. GLASSCO.....	"
HARROW.....	W. T. HENDERSON.....	"
HUMBERSTONE.....	(Sub-Branch to Port Colborne).	
INGERSOLL.....	C. WHITE.....	"
KENORA.....	JAMES WALKER.....	"
LISTOWEL.....	A. L. OGDEN.....	"
LONDON.....	R. ARKELL.....	"

MARSHVILLE.....	(Sub-Branch to Port Colborne).	
NEW LISKEARD.....	D. G. ROY.....	Manager.
NIAGARA FALLS.....	H. T. JAFFRAY.....	"
" (UPPER BRIDGE).....	"	"
NIAGARA-ON-THE-LAKE.....	H. MACKLEM.....	"
NORTH BAY.....	C. S. WATSON.....	"
OTTAWA.....	E. S. HOUSTON.....	"
PALGRAVE.....	(Sub-Branch to Bolton).	"
PORT ARTHUR.....	H. C. HOUSTON.....	"
PORT COLBORNE.....	J. A. FORSTER.....	"
PORT ROBINSON.....	(Sub-Branch to Welland).	"
RIDGEWAY.....	W. H. COLLARD.....	"
SAULT STE. MARIE.....	E. K. BOULTBEE.....	"
SOUTH WOODSLEE.....	(Sub-Branch to Essex).	"
ST. CATHARINES.....	S. W. SECORD.....	"
" (MARKET).....	"	"
ST. DAVIDS.....	C. W. PATTERSON.....	"
ST. THOMAS.....	J. D. HOOD.....	"
" (EAST END).....	C. A. LOVE.....	"
THESSALON.....	W. McGUIRE.....	"
WELLAND.....	G. C. BROWN.....	"
WOODSTOCK.....	H. P. TAYLOR.....	"

Province of Quebec.

MONTREAL.....	J. A. RICHARDSON.....	Manager.
QUEBEC.....	W. A. WEIR.....	"
" (UPPER TOWN).....	"	"

Province of Manitoba.

BRANDON.....	A. R. B. HEARN.....	Manager.
PORTAGE LA PRAIRIE.....	W. H. THOMSON.....	"
WINNIPEG.....	N. G. LESLIE.....	"
" (NORTH END).....	W. A. HEBBLEWHITE.....	"

Province of Saskatchewan.

BALGONIE.....	P. BIDWELL.....	Act g. Manager.
BROADVIEW.....	R. G. WILKINSON.....	Manager.
HAGUE.....	(Sub-Branch to Rosthern).	"
MOOSE JAW.....	W. R. SCOTT.....	"
NORTH BATTLEFORD.....	A. T. SPOHN.....	"
PRINCE ALBERT.....	T. R. S. FENTON.....	"
REGINA.....	J. A. WETMORE.....	"
ROSTHERN.....	A. D. DUNCAN.....	"
WILKIE.....	J. R. TWEEDDALE.....	"

Province of Alberta.

ATHABASCA LANDING.....	A. L. SAWLE.....	Manager.
BANFF.....	A. E. FOSTER.....	"
CALGARY.....	A. L. NUNNS.....	"
" (EAST END).....	J. H. WILSON.....	"
EDMONTON.....	G. R. F. KIRKPATRICK.....	"
" (WEST END).....	"	"
LETHBRIDGE.....	W. R. SEATLE.....	"
RED DEER.....	H. W. WRIGHT.....	Act'g.
STRATHCONA.....	H. W. SUPPLE.....	Manager.
WETASKIWIN.....	H. N. McADAM.....	"

Province of British Columbia.

ARROWHEAD.....	H. L. REID.....	Manager.
CRANBROOK.....	J. F. M. PINKHAM.....	"
FERNIE.....	G. I. B. BELL.....	"
GOLDEN.....	J. H. D. BENSON.....	"
KAMLOOPS.....	R. A. BETHUNE.....	"
MICHEL.....	T. B. BAKER.....	"
NEW MICHEL.....	(Sub-Branch to Michel).	"
MOYIE.....	(Sub-Branch to Cranbrook).	"
NELSON.....	J. M. LAY.....	"
REVELSTOKE.....	A. B. McLENEGHAN.....	"
VANCOUVER.....	"	"
" (Fairview).....	A. JUKES.....	"
" (Hastings and Abbott Sts.).....	A. R. GREEN.....	"
VICTORIA.....	J. S. GIBB.....	"

Imperial Bank of Canada

Agents and Correspondents :

CANADA. . . .	Bank of Montreal.
GREAT BRITAIN	Lloyds Bank Limited. Manchester and Liverpool District Banking Co. Limited. The Commercial Bank of Scotland Limited.
FRANCE. . . .	Crédit Lyonnais.
GERMANY	Deutsche Bank.
UNITED STATES	NEW YORK—Bank of the Manhattan Co. Bank of Montreal. Bank of America. National Bank of Commerce. Merchants National Bank. National City Bank. Bankers Trust Co. BOSTON—National Shawmut Bank. BUFFALO—Bank of Buffalo. Columbia National Bank. The Marine National Bank. CHICAGO—First National Bank. Corn Exchange National Bank. Merchants Loan & Trust Co. CLEVELAND—First National Bank. DETROIT—Old Detroit National Bank. DULUTH—First National Bank. MINNEAPOLIS—First National Bank. PHILADELPHIA—Farmers & Mechanics National Bank. Franklin National Bank. Fourth St. National Bank. Philadelphia National Bank. PITTSBURGH—The Bank of Pittsburgh. PORTLAND, ORE.—United States National Bank. SAN FRANCISCO—Wells Fargo Nevada National Bank. SEATTLE, WASH.—Seattle National Bank. SPOKANE—Exchange National Bank. ST. PAUL—Second National Bank.
CHINA AND JAPAN. . . .	Hong Kong & Shanghai Banking Corpora- tion.
AUSTRALIA	} Union Bank of Australia.
NEW ZEALAND	
TASMANIA	
SANDWICH ISLANDS	} Yokohama Specie Bank. Bank of Hawaii, Limited.
SOUTH AFRICA	Standard Bank of South Africa Limited.

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PROCEEDINGS

OF THE

THIRTY-FOURTH ANNUAL GENERAL MEETING OF THE
SHAREHOLDERS.

*Held at the Banking House of the Institution in Toronto,
on Wednesday, the 26th May, 1909.*

The Thirty-fourth Annual General Meeting of the Imperial Bank of Canada was held in pursuance of the terms of the Charter at the Banking House of the Institution, 26th May, 1909.

There were present:—Messrs. D. R. Wilkie, Hon. Robert Jaffray, Wm. Ramsay of Bowland, Stow (Scotland), Elias Rogers, J. Kerr Osborne, Charles Cockshutt, Peleg Howland, Cawthra Mulock, Hon. Richard Turner (Quebec), Wm. Hamilton Merritt, M.D. (St. Catharines), M. McAuliff (Welland), H. W. Evans, F. H. Gooch, J. G. Ramsey, Thomas Walmsley, Ira Standish, John Stewart, C. H. Wethey, Alex. Morris, J. G. Paterson, J. W. Beaty, William Crocker, W. H. Knowlton, A. P. Burritt, Dr. Andrew Smith, F.R.C.V.S., Thomas Long, W. E. Booth, Major W. Napier Keefer, Alex. Nairn, R. H. Temple, Rev. T. W. Paterson, Æmilius Baldwin, B. Pontifex, H. Crewe, A. A. McFall (Bolton), James Bicknell, K.C., J. C. Sinclair, O. F. Rice, G. G. LeMesurier, W. J. Gage, James McLenaghan, Andrew Semple, Wm. Black (Cobourg), H. C. Boomer, V. H. E. Hutcheson, George W. Howland, David Kidd (Hamilton), F. J. Harris (Hamilton), L. H. Baldwin, W. Gibson Cassels, Edward Hay, H. M. Fowlds (Hastings), Harry Vigeon, J. K. Fiske, W. C. Harvey, R. W. Thompson, W. Cecil Lee,

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Samuel Nordheimer, A. A. Thompson, J. Gordon Jones, A. E. Webb, E. Gurney, J. W. Langmuir, Dr. Chas. O'Reilly, J. H. Eddis.

The chair was taken by the President, Mr. D. R. Wilkie, and the Assistant General Manager, Mr. E. Hay, was requested to act as Secretary.

Moved by The Honourable Richard Turner, seconded by Dr. Wm. Hamilton Merritt:—

That Mr. R. H. Temple, Mr. W. Gibson Cassels and Mr. A. P. Burritt, be and are hereby appointed Scrutineers. Carried.

The Assistant General Manager, at the request of the Chairman, read the Report of the Directors and the Statement of Affairs.

THE REPORT.

The Directors have pleasure in submitting to the Shareholders their Thirty-fourth Annual Report and Balance Sheet of the affairs of the Bank as on 30th April, 1909, together with the result of the operations of the Bank for the year ended on that day.

The net profits of the year (after making full provision for all bad and doubtful debts, for interest on unmatured bills under discount, for the usual contributions to the Pension and Guarantee Funds, for the payment of all Provincial and other Taxes and for all preliminary expenses incurred in connection with the opening of new Branches) amounted to \$743,524.17, which has been applied as follows:—

- (a) Dividends have been paid at the rate of
11 per cent. per annum, amounting to. . \$549,539.52
- (b) Bank Premises and Furniture Account
has been credited with 69,921.01
- (c) Profit and Loss Account has been in-
creased by 124,063.64

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The premium amounting to \$34,242.50 received on the balance of the 1906 issue of new Capital Stock has been credited to Rest Account, which now amounts to \$5,000,000.

Branches of the Bank have been opened during the year : In the Province of Ontario, at Bathurst and Dupont Streets (Toronto), at the Market (St. Catharines), also at Cochrane, Elk Lake and Gowganda in the Cobalt district. In the Province of Alberta at Lethbridge. In the Province of British Columbia at Kamloops and Michel.

Arrangements have been completed for the opening of Branches in Ontario at the corner of Queen Street and Palmerston Avenue (Toronto); and at Palgrave. In the Province of Quebec in John Street, Upper Town of Quebec (sub-branch). In Saskatchewan at Wilkie and Moose Jaw. In Alberta at Edmonton West (sub-branch). In British Columbia at Fernie and New Michel and sub-branches at Fairview (Vancouver) and Hastings Street (Vancouver).

The sub-branch in Bank Street, Ottawa, has been closed.

The Head Office and Branches of the Bank have all been carefully inspected during the year; and your Directors have again much pleasure in bearing testimony to the zeal, faithfulness and efficiency of the staff.

D. R. WILKIE, President.

26th May, 1909.

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PROFIT AND LOSS ACCOUNT.

30TH APRIL, 1909.

Dividends Nos. 72, 73, 74 and 75, paid quarterly, for year ended 30th April, 1909, at 11 per cent. per annum....	\$549,539.52	Balance at credit of account 30th April, 1908, brought forward.....	\$475,914.62
Transferred to Reserve Fund	34,242.50	Profits for the twelve months ended 30th April, 1909, after deducting charges of management and interest due depositors, and after making full provision for all bad and doubtful debts and for rebate on bills under discount.	743,524.17
Written off Bank Premises and Furniture Account.....	69,921.01	Premium received on new Capital Stock.....	34,242.50
Balance of Account carried forward.....	599,978.26		
	<u>\$1,253,681.29</u>		<u>\$1,253,681.29</u>

RESERVE FUND.

Balance at Credit of Account, 30th April, 1908.....	\$4,965,757.50
Premium received on new Capital Stock.....	34,242.50
	<u>\$5,000,000.00</u>

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THIRTY-FOURTH ANNUAL

ASSETS.

Gold and Silver Coin.....	\$1,143,947.82	
Dominion Government Notes.....	7,337,972.00	
		<u>\$ 8,481,919.82</u>
Deposit with Dominion Government for security of note circulation.....		195,293.52
Notes of and Cheques on other Banks.....		1,941,611.48
Loans to other Banks in Canada secured, including bills re-discounted.....		450,278.46
Balance due from other Banks in Canada.....		610,945.60
Balance due from Agents in the United Kingdom..		115,758.53
Balance due from Agents in Foreign Countries....		2,491,315.97
		<u>\$14,287,123.38</u>
Dominion and Provincial Govern- ment Securities.....	\$ 819,241.97	
Loans to Provincial Governments...	819,199.09	
Canadian Municipal Securities and British or Foreign or Colonial Public Securities other than Canadian.....	2,036,977.50	
Railway and other Bonds, Deben- tures and Stocks.....	1,020,506.60	
		<u>4,695,925.16</u>
Call and Short Loans on Stocks and Bonds in Canada.....		3,338,253.71
		<u>\$22,321,302.25</u>
Other Current Loans, Discounts and Advances....	26,571,958.46	
Overdue Debts (loss provided for).....	21,540.95	
Real Estate (other than Bank premises).....	26,455.38	
Mortgages on Real Estate sold by the Bank.....	92,457.91	
Bank Premises, including Safes, Vaults and Office Furniture, at Head Office and Branches.....	1,200,000.00	
Other Assets, not included under foregoing heads...	20,351.25	
		<u><u>\$50,254,066.20</u></u>

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BALANCE SHEET.

LIABILITIES.

Notes of the Bank in circulation.....	\$ 3,115,100.00
Deposits not bearing interest.....	\$6,517,731.82
Deposits bearing interest (including interest accrued to date).....	29,545,784.19
	<hr/> 36,063,516.01
Deposits by other Banks in Canada.....	252,037.82
	<hr/>
Total liabilities to the public.....	\$39,430,653.83
Capital stock (paid-up).....	5,000,000.00
Reserve Fund.....	\$5,000 000.00
Dividend No. 75 (payable 1st May, 1909), for three months, at the rate of 11% per annum.....	137,500.00
Rebate on Bills discounted.....	85,934.11
Balance of Profit and Loss Account carried forward.....	599,978.26
	<hr/> 5,823,412.37

\$50,254,066.20

D. R. WILKIE,
General Manager.

E. HAY,
Asst. General Manager.

W. MOFFAT,
Chief Inspector.

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THE PRESIDENT:—Gentlemen,—You have heard the Report read. Will you take the balance sheet as read, or have it read now?

(Assent of members was given to taking the Balance Sheet as read.)

Now, gentlemen, I have much pleasure in rising to move the adoption of the Report. Before making the motion I shall draw your attention to the operations of the Bank during the year.

DEPOSITS AND CIRCULATION.

Our deposits have increased by about 20 per cent., from \$30,150,000 to a little over \$36,000,000. There has been an increase in circulation of over \$200,000, and our ordinary discount loans during the same period have increased from \$23,862,812 to \$26,571,958.

I am happy to say that the increase in deposits is not confined to fluctuating Current Account balances. Our Savings Accounts show an increase of \$2,500,000, indicating a very substantial improvement in the condition of affairs throughout the country.

RESERVES.

I have pleasure in drawing your attention to our conservative policy by way of maintaining at all times substantial Cash Reserves, the proportion of what is known as liquid assets being over fifty per cent. of our total liabilities to the public.

The maintenance of large reserves while affording a sense of security to depositors and giving confidence to Shareholders, and, I may say, to the Directors and the staff, must undoubtedly curtail immediate profits, but in the long run the advantages are on the side of the safer course and must ultimately lead to greater gains. We have, I am

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satisfied, reaped great benefits both at home and abroad from the conservative course which we adopted many years ago and which we have endeavoured to follow constantly.

STATISTICS.

We do not claim any pre-eminence for enterprise, nor that we have gained more than our share of the expansion in deposits, circulation, and business loans which has taken place in Canada during the year. The monthly returns to the Government for 30th April, 1909, indicate a total Bank Note circulation in the Dominion of \$67,266,664, as compared with \$66,713,000 on the 30th April, 1908, with a total Bank Capital in 1909 of \$97,149,528, as compared with \$96,253,658 on the same day in 1908. Deposits in the Banks on 30th April, 1909, were \$657,489,753, as compared with \$551,871,716 on 30th April, 1908. This condition is in part the result of a fairly good crop in the North-West in 1908, valued at \$126,000,000, as compared with only \$96,000,000 in 1907; of large expenditures on public works, of borrowings abroad on the part of the Dominion, Provincial and Municipal Governments and by railway and other corporations; of a considerable increase in the population of the Dominion and of a steady improvement in general trade.

Our population is now stated to be 7,145,040, as compared with 6,853,500 in 1907.

The estimated acreage under crop in the three North-West provinces in 1908 was 10,336,070, yielding in all 238,664,000 bushels of wheat, oats, barley and other grains. This year the estimated acreage under crop is 11,200,000. Wheat seeding, although later than last year, has been finished under good conditions and there are favourable prospects of an average crop. When we look forward to the day when even twenty per cent. of the arable lands of the

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North-West provinces, which are estimated to number 253,000,000 acres, and of which little more than four per cent. are under crop, are cultivated, can we overestimate the results which will follow therefrom and the effect which the output will have upon the industrial progress and on the carrying trade of the Dominion?

But our grain industries are not the only ones that are adding to the wealth and prosperity of the Dominion. Our cattle are not only sufficient to meet the requirements of the ever-increasing population, but we exported during the year 1908, mainly to Great Britain:—

		VALUE.
Cattle (number).....	162,963	\$10,872,800.
Butter (pounds).....	6,560,731	1,575,877.
Cheese (pounds).....	165,004,549	20,398,482.
Hams (pounds).....	3,296,042	422,851.
Bacon (pounds).....	72,179,189	8,415,247.
Flour (barrels).....	1,738,048	7,591,517.

to which has to be added

70,520,000 bushels of grain, valued at \$63,883,589.

I am not one of those who think that the prohibition of the importation into England of live stock is an unmixed evil. We are making more money, I believe, in feeding our young cattle than we would by their shipment and the exportation of the native grain and fodder which they consume. I shall say nothing of our lumber interests which, owing to the depression which preceded and followed the crisis of 1907, have been in a somewhat depressed condition. But the tide has turned and we have good accounts from our saw-mill customers from Ontario to British Columbia; and last but not least let me draw your attention to the extraordinary increase in the output of our mines. Our mineral output for 1908 is valued at \$87,323,849 by the Dominion Government officials. From the Cobalt district alone there has been an

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increase in the value of the output of silver from \$136,217 in 1904 to \$9,284,869 in 1908, and this, mark you, is but the beginning of greater things to come.

The total imports of Canada in 1908 were valued at \$298,123,792, the total exports at \$261,512,159. It is estimated that there were borrowings abroad during the same period of over \$200,000,000, otherwise we should have had a very stringent money market.

NEW BRANCHES.

Under our system of banking it is impossible for an institution having its own and the country's interests at heart to stand still. It is our duty not only to endeavour to keep pace with the development of the country, but to foster and encourage it by extending banking facilities to still larger radii besides affording to points in the inner circles that have grown in importance the facilities which they demand and that we are in a position to extend to them. Our desire to carry out such a policy accounts for the eight new branches which have been opened during the year and for the ten additional branches which are now being established.

BANK PREMISES.

Bank Premises Account continues to grow, notwithstanding the appropriations which we make from year to year, but this is unavoidable. I can only assure you that so far as that item is concerned it is, as it stands in our Balance Sheet, one of the most profitable of our investments. We expended during the year in the purchase of property and in the construction and fitting up of buildings the sum of \$169,921.01, and we have, as you have been advised, written off from the account out of the profits of the year the sum of \$69,921.01. Our policy has not been to purchase property or construct buildings improvidently. At the same time we must, in a modest way at least, provide for our requirements but without laying ourselves open to the charge of extravagance.

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