



IMPERIAL BANK OF CANADA

FIFTY-FIRST
ANNUAL REPORT
PRESENTED TO THE
SHAREHOLDERS
NOVEMBER 25th
1925

Imperial Bank of Canada

Head Office: Toronto

Established 1875

CAPITAL AUTHORIZED	.	\$10,000,000.00
CAPITAL PAID UP	. .	7,000,000.00
RESERVE FUND	. .	7,500,000.00

Fifty-First Annual Report
1925

Imperial Bank of Canada

ESTABLISHED 1875

CAPITAL (AUTHORIZED) - - - - -	\$10,000,000.00
CAPITAL (PAID UP) - - - - -	7,000,000.00
RESERVE FUND - - - - -	7,500,000.00

DIRECTORS

PELEG HOWLAND.....	PRESIDENT
SIR JAMES WOODS.....	VICE-PRESIDENT
SIR JAMES AIKINS, K.C. (Winnipeg)	
JOHN NORTHWAY.....	J. F. MICHIE
R. S. WALDIE.....	G. C. HEINTZMAN
	WALTER C. LAIDLAW
	FRANK A. ROLPH
	J. W. HOBBS

HEAD OFFICE, TORONTO

A. E. PHIPPS, GENERAL MANAGER	
G. D. BOULTON, ASSISTANT GENERAL MANAGER	
H. T. JAFFRAY, ASSISTANT GENERAL MANAGER—(WINNIPEG)	
R. S. CLARK, GENERAL SUPERVISOR	W. G. MORE, SECRETARY AND SUPERINTENDENT OF BRANCHES

SUPERVISORS

E. K. BOULTBEE	H. C. HOUSTON
B. E. HOWARD	W. G. LAIRD

INSPECTORS

A. L. OGDEN	W. BOURKE
J. F. SCARTH	J. MacLENNAN

BRANCHES

PROVINCE OF ONTARIO

AMHERSTBURG.....	C. A. CUDDY.....	Manager
AURORA.....	R. R. BROWN.....	"
BELWOOD.....	G. MCNEE.....	Acting "
BOLTON.....	J. F. WARBRICK.....	"
BRANTFORD.....	I. K. JOHNSTON.....	"
CALEDON EAST.....	(Sub Branch to Bolton)	"
COBALT.....	A. H. SEGUIN.....	"
COCHRANE.....	L. T. CHARLTON.....	"
CONNAUGHT STATION.....	(Sub Branch to Timmins)	"
COTTAM.....	W. J. GOLDEN.....	"
CRAMPTON.....	(Sub Branch to Ingersoll)	"
CRYSTAL BEACH.....	(Sub Branch to Ridgeway)	"
ENGLEHART.....	C. H. HAZLETT.....	"
ESSEX.....	E. J. BAKER.....	"
FERGUS.....	F. A. BLACK.....	"
FONTHILL.....	F. T. KYLE.....	"
FORT WILLIAM.....	W. K. WICKENS.....	"
GALT.....	H. ROBERTS.....	"
GORMLEY.....	(Sub Branch to Aurora)	"
GRAND VALLEY.....	R. C. GORDON.....	"
HAMILTON.....	F. S. GLASSCO.....	"
HARROW.....	P. T. CLARK.....	"
HEARST.....	T. TREMBLAY.....	Acting "
HUMBERSTONE.....	(Sub Branch to Port Colborne)	"

INGERSOLL	A. O. MURRAY	Manager
JORDAN	(Sub Branch to Vineland)	
KAPUSKASING	J. D. PATTERSON	"
KENORA	C. G. ROYDS	"
KETTLEBY	(Sub Branch to Schomberg)	"
KIRKLAND LAKE	S. B. MOORE	"
LISTOWEL	M. R. HAY	"
LONDON	A. J. GOODALL	"
MATHESON	A. W. BARLOW	"
NASHVILLE	(Sub Branch to Bolton)	"
NEW LISKEARD	J. H. MCCAW	"
NEWMARKET	F. H. HEWSON	"
NIAGARA FALLS	J. D. HOOD	"
NIAGARA FALLS, QUEEN ST.	D. HUGHES, JR.	"
NIAGARA FALLS, SOUTH	J. H. ARKELL	"
NIAGARA-ON-THE-LAKE	L. A. RUSSELL	"
NOBLETON	(Sub Branch to Bolton)	"
NORTH BAY	C. H. LLOYD	"
OTTAWA	E. S. HOUSTON	"
PALGRAVE	(Sub Branch to Bolton)	"
PORT ARTHUR	C. G. T. HARCOURT	"
PORT COLBORNE	JOHN H. ROLPH	"
PRESTON	BLAIN CHERRY	"
QUEENSTON	(Sub Branch to St. Davids)	"
RICHARDS LANDING	(Sub Branch to Sault Ste. Marie)	"
RICHMOND HILL	A. T. MINNIS	"
RIDGEWAY	C. A. HAMILTON	"
ST. CATHARINES	J. A. FORSTER	"
ST. CATHARINES, EAST END	D. P. G. FORBES	"
ST. CATHARINES, MARKET	A. F. ROBERTSON	"
SANDWICH	E. B. REYNOLDS	"
ST. DAVIDS	J. B. THOMPSON	"
ST. THOMAS, EAST END	H. W. SCARFF	"
ST. THOMAS, WEST END	E. J. KAY	Acting
SAULT STE. MARIE	JAS. WALKER	"
SAULT STE. MARIE, GORE & QUEEN STS.	F. C. TROTT	"
SAULT STE. MARIE, JAMES ST.	C. A. KEHOE	"
SCHOMBERG	W. R. RODGER	"
SIOUX LOOKOUT	J. A. HODDER	"
SOUTH PORCUPINE	J. P. MICHAUD	"
SOUTH WOODSLEE	H. M. MCKENZIE	"
SPARTA	(Sub Branch to W. E. St. Thomas)	"
STAMFORD	C. H. SEAMAN	"
THESSALON	W. McGUIRE	"
THOROLD	G. R. NELLES	"
TIMMINS	D. SUTHERLAND	"

TORONTO—

WELLINGTON & LEADER LANE (HEAD OFFICE)	A. R. MARTIN	Manager
ADELAIDE & VICTORIA STS.	E. N. BATE	Assistant
BATHURST & DUPONT STS.	R. G. WILKINSON	"
BAY ST.	G. R. MURTON	"
BLOOR & BATHURST	W. M. SELLENS	"
BLOOR ST. & LANSDOWNE AVE.	I. C. WEDD	"
CHURCH ST.	J. W. WILLIS	"
DANFORTH & CARLAW	W. WALLACE	"
DAVISVILLE	D. N. WRIGHT	"
DUNDAS & BLOOR STS.	A. H. WILSON	"
KING & MARKET STS.	W. H. COCHILL	"
KING & SHERBOURNE STS.	H. A. INGLIS	"
KING ST. & SPADINA AVE.	W. H. SWAN	"
KING & YORK STS.	J. B. PRIESTMAN	"
KINGSTON ROAD & BALSAM	E. H. ANDERSON	"
MONARCH PARK & DANFORTH	J. B. ATKINS	"
QUEEN & BATHURST	H. T. BEATY	"
QUEEN ST. & CARLAW AVE.	H. F. WESTERN	"
QUEEN ST. & KINGSTON RD.	M. R. MCKEE	"
QUEEN ST. & RONCESVALLES AVE.	E. F. H. BADKE	"
RUNNYMEDE & ANNETTE	R. ARKELL	"
ST. CLAIR & BOON AVE.	S. S. JONES	"
WEST TORONTO	H. F. RICE	"
WELLESLEY & SHERBOURNE STS.	W. E. CUSLER	"
YONGE & ANN STS.	G. L. BONYUN	"
YONGE & BLOOR STS.	B. E. YOUNG	"
YONGE & QUEEN STS.	O. D. ROBINSON	"
VINELAND	G. D. RITCHIE	"
WALKERVILLE	F. C. CAPREOL	"
WELLAND	W. T. CARTHEW	"
	G. C. BROWN	"

WINDSOR	G. J. LACKNER	Manager
WOODSTOCK	L. R. LLOYD	"

PROVINCE OF QUEBEC

MONTREAL	A. R. B. HEARN	Manager
QUEBEC	G. F. C. LOVE	"

PROVINCE OF MANITOBA

BRANDON	J. A. WETMORE	Manager
GIMLI	(Sub Branch to Riverton)	"
PORTAGE LA PRAIRIE	F. L. GRABAN	"
RIVERTON	H. M. SAMPSON	"
WINNIPEG	A. D. DUNCAN	"
	T. R. RICHARDSON	Assistant
ARLINGTON & WESTMINSTER	J. MacGREGOR	Acting
NORTH END	R. S. McCLAY	"
ST. VITAL	R. MAVOR	"

PROVINCE OF SASKATCHEWAN

BALGONIE	J. CURRIE	Manager
BROADVIEW	V. J. MANN	"
CANWOOD	P. R. CARTER	"
DAFOE	L. F. A. JOHNSTONE	"
DENHOLM	(Sub Branch to North Battleford)	"
FIELDING	A. MacMILLAN	"
FORT QU'APPELLE	J. F. MacKAY	"
HAGUE	(Sub Branch to Rosthern)	"
HANDEL	W. P. GRAHAM	"
HEPBURN	N. B. CUMMINS	"
LAIRD	J. A. G. CLOKIE	"
LEBRET	(Sub Branch to Fort Qu'Appelle)	"
MAYMONT	(Sub Branch to Fielding)	"
MCLEAN	(Sub Branch to Balgonie)	"
MOOSE JAW	JOHN THOMSON	"
NORTH BATTLEFORD	F. R. MUIR	"
PIAPOT	C. C. PAWCETT	"
PRINCE ALBERT	S. N. DAVIDSON	"
REGINA	W. L. GILLILAND	"
ROSTHERN	C. S. REMPEL	"
RUDDELL	E. REBURN	"
SASKATOON	F. W. SCRIMES	"
SPRINGWATER	S. T. SKENE	"
WALDHEIM	(Sub Branch to Hepburn)	"
WILKIE	C. C. ANNETT	"
WYNYARD	H. J. MORGAN	"

PROVINCE OF ALBERTA

ATHABASCA	J. F. PERCIVAL	Manager
BANFF	W. V. GODDARD	"
BIG VALLEY	L. R. ANDERSON	"
CALGARY	A. H. WEAVER	"
CALGARY, EAST END	C. I. B. BELL	"
DAYSLAND	C. C. CASE	"
EDBERG	(Sub Branch to Ferintosh)	"
EDMONTON	G. R. F. KIRKPATRICK	"
	P. E. REEVE	Assistant
NORWOOD BOULEVARD	P. COOPER	"
SOUTH	C. W. READE	"
WEST	H. W. HARRISON	"
EDSON	J. G. DEACON	"
FERINTOSH	A. S. ROSENROLL	"
GRANDE PRAIRIE	C. L. GRISDALE	"
JASPER	J. M. KINNEAR	"
MILLET	J. A. ENGLISH	"
NEW NORWAY	J. BURGOYNE	"
REDCLIFF	A. MCKENZIE	"
RED DEER	H. WILLSON	"
ROCKY MOUNTAIN HOUSE	P. C. ROUTLEDGE	"
SANGUDO	J. BALLANTYNE	"
SYLVAN LAKE	F. L. APPLETON	"
TROCHU	W. M. PORTER	"
WETASKIWIN	H. W. WRIGHT	"

PROVINCE OF BRITISH COLUMBIA

CHASE.....	H. J. HAYLOCK.....	Manager
CRANBROOK.....	W. R. GRUBBE.....	"
CRESTON.....	C. W. ALLEN.....	"
FERNIE.....	A. M. OWEN.....	"
FIELD.....	(Sub Branch to Golden)	"
GOLDEN.....	W. A. PATTERSON.....	"
INVERMERE.....	(Sub Branch to Golden)	"
MICHEL.....	(Sub Branch to Natal)	"
NATAL.....	H. L. REID.....	"
NELSON.....	J. H. D. BENSON.....	"
REVELSTOKE.....	T. R. JONES.....	"
VANCOUVER.....	J. M. LAY.....	"
FAIRVIEW.....	K. ANDERSON.....	"
HASTINGS & ABBOTT STS.....	F. B. THOMSON.....	"
VICTORIA.....	A. R. GREEN.....	"

Imperial Bank of Canada

Agents and Correspondents

CANADA.....	Bank of Montreal
GREAT BRITAIN AND IRELAND	{ Lloyds Bank Limited District Bank Limited The Commercial Bank of Scotland Limited Northern Banking Co. Limited
FRANCE.....	{ Lloyds & National Provincial Foreign Bank Limited Credit Lyonnais
GERMANY.....	Deutsche Bank
NORWAY.....	Bergens Privatbank
ITALY.....	Banca Commerciale Italiana
BELGIUM AND SWITZERLAND..	{ Lloyds & National Provincial Foreign Bank Limited
UNITED STATES..	NEW YORK—Bank of the Manhattan Com- pany Bank of America Bankers Trust Co. Guaranty Trust Co. Irving Bank-Columbia Trust Co. National Bank of Commerce National City Bank Hanover National Bank BOSTON—National Shawmut Bank BUFFALO—Marine Trust Co. CHICAGO—First National Bank Illinois Merchants Trust Co. CLEVELAND—Union Trust Co. DETROIT—First National Bank DULUTH—First National Bank LOS ANGELES—Citizens' National Bank MINNEAPOLIS—First National Bank PHILADELPHIA—Fourth St. National Bank Franklin National Bank Philadelphia National Bank First National Bank PITTSBURGH—Bank of Pittsburgh PORTLAND, ORE.—United States National Bank SAN FRANCISCO—Wells Fargo Bank and Union Trust Co. SEATTLE, WASH.—Seattle National Bank SPOKANE—Exchange National Bank St. PAUL—First National Bank
CHINA AND JAPAN.	Hong Kong & Shanghai Banking Corporation
AUSTRALIA AND NEW ZEALAND..	{ Bank of New South Wales Union Bank of Australia
SANDWICH ISLANDS.....	{ Yokohama Specie Bank Bank of Hawaii Limited
SOUTH AFRICA...	Standard Bank of South Africa Limited
INDIA.....	{ Lloyds Bank Limited National Bank of India Limited

Imperial Bank of Canada

PROCEEDINGS

OF THE

FIFTY-FIRST ANNUAL GENERAL MEETING OF THE
SHAREHOLDERS

*Held at the Banking House of the Institution in Toronto,
on Wednesday, 25th November, 1925.*

The Fifty-first Annual General Meeting of the Imperial Bank of Canada was held at the Head Office of the Bank in Toronto, on Wednesday, 25th November, 1925, the Chair being taken by the President, Mr. Peleg Howland.

Amongst those present were:—F. J. Black (Aurora), D. H. McDonald (Fort Qu'Appelle), F. E. Luke, C. M. Gipton (Niagara-on-the-Lake), Calvin Lawrence (Ottawa), Duncan Cameron, A. Rankin, John J. Cook, Jas. McNeil (New York), L. J. West, John Duncan, A. B. Cayley, F. Beemer (Vittoria), F. G. Inwood, A. S. Knowlton, J. D. Shields, J. C. Moor, J. T. Parker, J. C. Black, C. A. Case (St. Catharines), W. Swaine, E. C. F. Wood, G. G. Le-Mesurier, F. W. Christie, J. F. Ellis, H. W. Evans, E. A. Smith, W. Howland (Kleinburg), F. G. Osler, D. S. Cassels, G. W. Blaikie, Alfred Bicknell, W. A. Medland, F. H. Gooch, J. G. Ramsey, John Watt, Rev. T. W. Paterson, Peleg Howland, Sir James Woods, Sir James Aikins (Winnipeg), R. S. Waldie, Lt.-Col. J. F. Michie, F. A. Rolph, John Northway, J. W. Hobbs, G. C. Heintzman, W. C. Laidlaw, G. R. Nelles (Thorold), C. A. Hamilton (Ridgeway), L. R. Lloyd (Woodstock), H. T. Jaffray (Winnipeg), G. R. F. Kirkpatrick, (Edmonton), A. E. Phipps, G. D. Boulton, W. G. More, R. S. Clark, A. L. Ogden, J. F. Scarth, J. Hadden, H. P. Baker, G. C. Foster, H. Vigeon, E. J. Case, A. C. Rome, H. P. Taylor, E. N. Bate, Henry Swan,

Imperial Bank of Canada

W. C. Crowther, A. E. Ferrie, W. J. Fleury (Aurora), W. F. Beck (Penetang), G. B. Woods, Ven. Archdeacon Doherty (London), Dr. Grasett, J. A. Northway, James Scott, J. K. Fiske, G. M. Gardner, Prof. McLennan, Robert Carswell, F. A. Warren, T. L. Walker, W. H. Lamont, E. B. Gillbard (East Orange, N.J.), J. W. Gillbard, A. M. M. Kirkpatrick, Thomas H. Wood, L. L. McMurray, W. H. Greacen, H. B. Patton, H. C. Houston, W. H. Knowlton.

THE PRESIDENT: Gentlemen, if you will kindly come to order, my first duty is to read the notice calling the meeting. (Notice read.)

I shall ask your approval of the appointment of Mr. More, the Secretary of the Bank, to act as Secretary of the meeting, and Messrs. D. S. Cassels and G. W. Blaikie to act as Scrutineers. (Approved.)

The next matter is the reading of the minutes of the last Annual Meeting. Would you care to take them as read? (Consent given and Minutes taken as read.)

I shall now ask the Secretary to read the Report of the Directors and Statement of Affairs, and Auditors' Report.

Imperial Bank of Canada

The Directors' Report and Annual Statement were read by the Secretary as follows:—

REPORT

The Directors have pleasure in presenting to the Shareholders the Fifty-first Annual Report and Balance Sheet of the affairs of the Bank as on 31st October, 1925, together with Statement of Profit and Loss Account, showing the result of the operations for the year.

The balance at credit of Profit and Loss Account brought forward from last year was. \$1,039,223.19

Profits for the year ended 31st October, 1925, after deducting charges of management, auditors' fees and interest due depositors and after making full provision for bad and doubtful debts and for rebate on bills under discount were. 1,162,148.73

Making a total at credit of Profit and Loss Account of. \$2,201,371.92

This amount has been appropriated as follows:—

Dividends at the rate of 12% per annum. . . .	\$ 840,000.00
Bonus of 1% for the year.	70,000.00
Annual contribution to Officers' and Employees' Pension and Guarantee Funds. . . .	42,500.00
Dominion Government Taxes Paid and Reserved.	150,000.00
Balance of Account Carried Forward.	1,098,871.92
	<u>\$2,201,371.92</u>

During the year a branch of the Bank was opened at Maymont, Sask. The following branches have been closed: Athalmer and Kamloops in the Province of British Columbia; Carmichael, Edenwold, Primate and Tompkins in the Province of Saskatchewan; College and Shaw Sts. in the City of Toronto, while the business of the branch at Queen St. and Palmerston Ave. in the City of Toronto has been transferred to the branch at Queen St. and Bathurst St., Toronto.

Imperial Bank of Canada

The Head Office and branches have as usual been carefully inspected during the year and the Auditors appointed by you have also made their examinations as required by law. Their report and certificate is attached to the Balance Sheet. Under the Bank Act a change will require to be made this year in one of your Auditors.

The Directors have again much pleasure in bearing testimony to the satisfactory manner in which the various officers of the Bank have discharged their respective duties during the past year.

All of which is respectfully submitted.

PELEG HOWLAND,
President.

PROFIT AND LOSS ACCOUNT

31st OCTOBER, 1925

Dividends Nos. 138, 139, 140 and 141, at the rate of 12% per annum\$840,000	Balance at credit of account October 31st, 1924, brought forward\$1,039,223.19
Bonus of 1% payable November 2nd, 1925 70,000 —————\$910,000.00	Profits for the year ended 31st October, 1925, after de- ducting charges of manage- ment, auditors' fees and interest due depositors, and after making provision for bad and doubtful debts and for rebate on bills under discount1,162,148.73
Contribution to Officers' Guarantee Fund..... 2,500.00	
Contribution to Officers' Pen- sion Fund as per By-Law No. 33..... 40,000.00	
DOMINION GOVERNMENT TAXES, including tax paid on Circulation and Re- serve for Income Tax.... 150,000.00	
Balance of Account carried forward.....1,098,871.92	
<u>\$2,201,371.92</u>	<u>\$2,201,371.92</u>

RESERVE FUND

Balance at Credit of Account October 31st, 1925..... \$7,500,000.00

PELEG HOWLAND,
President.

A. E. PHIPPS,
General Manager.

FIFTY-FIRST ANNUAL

31st OCTOBER

LIABILITIES

Notes of the Bank in circulation.....	\$10,678,152.00	
Deposits not bearing interest.....	\$19,527,420.91	
Deposits bearing interest, including interest accrued to date of State- ment.....	76,406,747.38	95,934,168.29
Balances due to other Banks in Canada	\$ 1,641,922.78	
Due to Banks and Banking Correspond- ents in the United Kingdom.....	3,697.49	
Due to Banks elsewhere than in Canada and the United Kingdom.....	228,320.89	
Letters of Credit Outstanding.....	503,784.99	2,377,726.15
Total Liabilities to the Public.....	\$108,990,046.44	
Capital Stock paid in.....	\$7,000,000.00	
Reserve Fund Account.....	7,500,000.00	
Dividend No. 141 (payable 2nd Novem- ber, 1925) for three months at the rate of 12% per annum.....	210,000.00	
Bonus of 1% payable 2nd November, 1925.....	70,000.00	
Unclaimed Dividends.....	1,399.75	
Balance of Profit and Loss Account carried forward.....	1,098,871.92	15,880,271.67

AUDITORS' REPORT TO SHARE-
HOLDERS.

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

That we have audited the above Balance Sheet as at October 31, 1925, and compared it with the books and vouchers at Head Office and with the certified returns from the Branches. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

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

The above Balance Sheet does not include monies which have been set aside by the Shareholders from time to time for the purpose of a Pension Fund, a portion of which is invested in shares of the Bank.

A. B. SHEPHERD, C.A.
of Peat, Marwick, Mitchell & Co.
PERCY C. BAXTER, C.A.
of Macintosh, Cole & Robertson.

Toronto, November 20, 1925.

\$124,870,318.11

BALANCE SHEET

1925.

ASSETS

Current Coin held by the Bank.....	\$ 980,555.60	
Dominion Government Notes.....	11,244,965.50	
United States and other Foreign Currencies.....	124,173.72	\$12,349,694.82
Deposit in the Central Gold Reserves.....		3,504,466.65
Deposit with the Minister for the purposes of the Cir- culation Fund.....		323,040.75
Notes of other Banks.....		753,238.00
Cheques on other Banks.....		5,889,793.04
Balances due by other Banks in Canada.....		627,610.11
Due from Banks and Banking Correspondents in the United Kingdom.....		1,323,807.76
Due from Banks and Banking Correspondents, else- where than in Canada and the United Kingdom....		1,566,620.25
		\$26,338,271.38
Dominion and Provincial Government Securities not exceeding market value.....	\$15,317,561.11	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value.....	6,468,246.06	
Railway and other Bonds, Debentures and Stocks, not exceeding market value.....	132,802.37	21,918,609.54
Loans to Provincial Governments.....	\$ 1,262,685.71	
Loans to Cities, Towns, Municipalities and School Districts.....	5,793,169.53	
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures and Bonds, and other Securities of a sufficient marketable value to cover.....	6,563,093.60	
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Stocks, Debentures and Bonds, and other Securities of a suffi- cient marketable value to cover.....	5,000,000.00	18,618,948.84
		\$66,875,829.76
Other Current Loans and Discounts in Canada (less rebate of interest), after making full provision for all bad and doubtful debts.....		50,225,800.94
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest), after making full provision for all bad and doubtful debts.....		614,044.72
Non Current Loans estimated loss provided for.....		201,955.00
Real Estate other than Bank Premises.....		612,437.19
Mortgages on Real Estate sold by the Bank.....		410,531.36
Bank Premises, at not more than cost, less amounts written off.....		5,056,813.14
Liabilities of Customers under Letters of Credit as per contra.....		503,784.99
Other Assets not included in the foregoing.....		369,121.01
		<u>\$124,870,318.11</u>

PELEG HOWLAND,
President.

A. E. PHIPPS,
General Manager.

PRESIDENT'S ADDRESS

It is my duty to move the adoption of this Report. It is not necessary that I should make any comments on the statement which the Secretary has read. The statement that your Directors are able to lay before you to-day will, it is hoped, meet with your approval.

Our affairs, as before, have been conducted with reasonable economy, and a large measure of caution has been used, but we have not escaped losses. Our profits have been moderate, but have enabled us to pay the usual dividend and bonus, the balance carried forward being again in excess of that of the year previous.

The conditions under which Banks have been working have changed but little since last year, and might with reasonable accuracy be described in the same words.

Commercial loans have not expanded, nor has there been an increase in the number of revenue producing transactions. Advances to farmers have been curtailed still further, the one improved feature being a higher rate of interest on money loaned on Call in New York for a portion of the year. Expenses of necessity continue high, and the burden of taxation has not been lightened. Would that some means could be found of replacing the irritating impositions, such as stamps on cheques, notes, receipts, and so forth, which are not only annoying but cost much in time to the payer.

As is customary, I am compelled to say a few words on general conditions, but I will not detain you long.

This country has again been blessed with a bountiful harvest; the production of grains much exceeding, as far as the Western Provinces are concerned, that of last year. Reasonable prices, too, are being received for it, but, unfortunately, bad weather delayed the threshing on the Prairies of much of it, affecting its quality and postponing the liquidation of many farmers' accounts. In the older Provinces the returns will be equally as good as last year; in some fruit sections, better perhaps, in dollars and cents.

Apples have been an enormous crop over the whole of Ontario, but there has been much injury from early frost. Those who saw the display of apples at the Winter Fair, here, must have been gladdened and impressed. Hay has been a fair crop, but not heavy; Roots will make a good return, Potatoes and Turnips particularly, owing to shortage in the United States. Tobacco growers in Essex County, Ontario, are doing very well. The production of Dairy Products is increasing, as also of Eggs and Poultry. The raising of Hogs is profitable; but Beef Cattle raising is still affected by the loss of the United States market. But, take it all in all, it is safe, I think, to conclude that the farmer in the East is prospering generally, and that in the West he has much improved his position.

In regard to other lines of activity, the production of Pulp and Paper is increasing and bids fair soon to exceed, if it has not already done so, that of the United States. Pulp and Paper combined make, perhaps, the largest item in dollars in our exports. Lumber has not been doing very well, and there is likely to be a curtailment in woods operations. The fisheries have done fairly well, the canning of Salmon in British Columbia yielding a profit. Mining in Northern Ontario and in British Columbia is becoming yearly more important, and great things are promised for the newer discoveries in the Province of Quebec. Canada is becoming a very large producer of gold. If minted at Ottawa as is the prospect if New York exchange remains at a discount, the probability of a return to specie payment should be hastened. Coal, though, does not seem to yield satisfactory returns to the operators, though the quantity raised is large, and happily, labour troubles have been overcome.

Manufacturing and trading, generally, it is anticipated, *will show somewhat better returns than last year, partly through economies and greater efficiency and partly through somewhat increased turnover.* The necessity for economy is showing itself in the extension of the chain store system, in syndicate buying and in the tendency to merge on the part of both traders and manufacturers.

Reports of the Department of Labour would indicate some reduction in the percentage of the unemployed.

Immigrants have been comparatively few in number, but judging from their origin, which has been chiefly British and American, they should be desirable.

Our foreign trade increases—our exports growing in greater proportion than our imports with a large balance in our favour, maintaining the Canadian dollar at a premium in New York. Altogether, there has been recently considerable improvement in our commercial affairs, and I think that we may count with reasonable confidence on its continuation for some time, though it must be remembered that a portion of the activity comes from expenditure of the Dominion, Provincial and Municipal Governments, on the wants, not needs, of transportation, education, administration and philanthropy—for which we are running into debt—and that our taxation has not been lessened in any direction, but on the contrary must increase.

Just here it might not be out of place to say a word as to Municipal affairs. Assessment values of Real Property and Buildings are very high and, at least as far as this City is concerned, are being increased, and it may be presumed that what is occurring here is occurring elsewhere. The franchise is practically universal with which perhaps no fault should be found. Exemptions are large. Those applying to owners of small houses leave many voters on Money by-laws with small stakes in the Community. The Mill Rate, 30 Mills on the Dollar (3%) varies and in some places exceeds 50 (5%). Our Rate is over sixty per cent. over what it was before the war, and on an assessment nearly double what it was then. The business tax, too, has increased with the increase in Assessments. Very high rentals must be obtained on business properties in order to pay the regular tax, the business tax, local improvement taxes, insurance, depreciation, and a reasonable interest return on even their assessed values. These increased rentals must be recovered from some source, or business collapse. I wish it were possible to make all voters realize that they must help to pay these increases in the price paid for goods or services, and that all might join in urging that our affairs be so managed that we may not be further burdened directly by increased rates or indirectly by increased assessments. Surely, we can wait for widened streets, new bridges or subways and whatnot, until we are better able to bear the burdens they impose.

It is of the utmost importance that our Railway problem be solved; that a period be put to the increase in the Country's obligations caused by the expenditure on the Government Road and the deficits from its operation. These more than over-balance any apparent reduction in the net Dominion Debt. How can we hope that desirable immigrants will voluntarily seek us out if our burdens are not becoming lighter, or that new enterprises will be established or satisfactory development undertaken if Sales and Profit Taxes give promise of indefinite continuation. Are we not paying, altogether, too much for our experiment in Government ownership? I do not think I am astray in saying that the expenditure on the Government Road since ownership was assumed added to the fixed charges not earned, for all of which the country is either directly or indirectly in debt, will reach a sum equal to one-third the published net debt in which it is not included; and this debt is constantly growing. Why not get rid of the Road, if a purchaser can be found for it, on a basis that would give a reasonable chance in the future to the buyer and thus peg our loss? Once the country can show a surplus in its revenue that is real, new heart will be put into the whole community. What defence is there for Public Ownership, if it does not pay? There is no magic about it! There is no inherent benefit irrespective of results.

Affairs abroad are none too satisfactory, though there has been some progress made towards the insurance of peace between the greater powers of Europe; but Nations have little confidence in one another, and the disposition to trade other than in a one-sided way does not seem to be growing, and only through well-balanced trading, it seems to me, can they become truly friendly. Europe, Asia, Africa, Australia, all have their troubles that threaten to be serious. It is distressing to see nations that are suffering from heavy burdens of debt, some of them on the verge of bankruptcy, maintaining large military establishments and engaged in wars with peoples who are subjects through conquest, and are not allowed "Self-determination." I mention these things, because they must, of necessity, affect our prosperity as we are finding markets for our produce in nearly all parts of the world, and are taking in exchange the products of many foreign countries.

To touch on the Bank's immediate affairs, an examination of the statement and comparison with last year will show that we are in a very strong and liquid position, and show quite large increases in our readily realizable assets, and are prepared to take advantage of increased business should there be the hoped-for revival. Fortunately, the condition of Exchange and the better Call Money rates in New York are enabling us meanwhile to use our surplus funds to better advantage than last year, but all this the General Manager will explain much better than I am able to do.

There has been one more bank merger during the year—making the number of Chartered Banks now in existence in Canada, eleven. There should be plenty of room for this number to thrive without undue competition, and they should continue to prosper, with the confidence of the public restored, manifested as it is in increased deposits and the advance in the price of Bank Shares.

The letters of the Managers, written annually, are of the usual careful nature, and are, I would say, considerably more optimistic than those of last year.

One of your auditors, Mr. Percy C. Baxter, in accordance with the terms of the amended Bank Act, is retiring, and it is necessary that you appoint another in his place. Mr. D. McK. McClelland, C.A., Toronto, of Price, Waterhouse & Co., is offering himself for the position. He is personally well recommended and is connected with a firm of high reputation.

I would like again to testify to the zeal and faithfulness of the staff.

The motion is that the Report which has been read be adopted, printed and circulated amongst the Shareholders. I shall ask Sir James Woods, Vice-President, to second that motion. (Applause.)

VICE-PRESIDENT'S ADDRESS

In seconding the President's motion to adopt our Annual Report, I do so with complete satisfaction because of the gratifying results of the year's business, as shown by our financial statement, also, because of the comfortable position in which the Bank stands and the complete freedom from all cause of worry about our loans; and a further very real ground for satisfaction lies in the outlook.

I have no hesitation in committing myself to the forecast that Canada is coming quite soon into a period of prosperity, sound and enduring. (Applause.) The chief reason for the increase in trade activity that has already taken place is the confidence created by crop reports during the growing and harvesting periods just ended. Confidence, as well as timidity, is contagious and spreads like a prairie fire, and the excellent reports of the last three or four months have done much to establish confidence and security in the minds of the Canadian people. Harvesting conditions in the West were not altogether favourable, but there was little sprouting of wheat and any lowering of grade was more than made up by recent firming of price. The condition of agriculture generally is sure to further stimulate trade and place it on a more satisfactory basis.

Of the outside incidents affecting Canada, the Treaty of Locarno is the outstanding one. Every Britisher may feel proud of the service rendered by Britain in the furtherance of World Peace. The bringing of France and Germany into agreement was accomplished only because Britain assumed a responsibility that no other nation would have undertaken, namely, that of guaranteeing to both France and Germany that they would never be at war with one another again, and already throughout Europe fear is subsiding and attention is being centred on peace, order and progress, all born of confidence in Great Britain. The outcome of this will be an expansion of trade, the galvanizing of industry, and the earning and spending of money. Europe will buy more freely of what Canada has to sell, but, even if Canada had nothing to sell to Europe, the benefits of this Peace Pact will surely be reflected here. Already in Great Britain an increased cheerfulness is noticed and some improvement in trade is reported.

Satisfaction is expressed on both sides of the Atlantic over the Italian War Debt Agreement made in Washington and the Hundred Million Dollar Loan for stabilizing her currency which was floated in New York last week and over-subscribed. Mussolini seems to have Italy completely under his control and to be making substantial progress towards rehabilitation.

In Russia there does not appear to be much improvement.

The other spot in Europe which measurably affects Canada, not showing signs of returning prosperity, is France, where the vacillation of her Government on financial matters raises doubt as to the ultimate fate of the franc. Nothing has a more demoralizing effect on the commerce and industry of a country than a fluctuating and uncertain exchange. The seller objects to booking advance orders which may be paid for with francs at one-half their price at the time of sale and for the same reason buying is speculative in character. This is an undesirable and unhealthy condition, but it is to be expected that France will find some solution of the problem, in which event her international trade difficulties will largely disappear.

The nations are inter-related and interdependent. The happenings in any one country affect, directly or indirectly, every other country, and this European Peace Pact will react on the affairs of the whole world, Canada included.

What are the danger points in Canada's outlook? The main one is loss of population to the United States. So great is the industrial expansion of that country that it is not possible to find native born workers to meet the need. Immigration from foreign countries is held in close check, while Canadians are admitted freely. Obviously, and of necessity, we are losing many of our best work people. Then, the reduction in the Income Tax of the United States may tempt many Canadians of fixed, unearned incomes, to whom "the flag" means little, to change their residence. But, taken broadly, the Canadian outlook is bright and full of promise and no nation has sounder ground for optimism, and your Bank is in fine shape to take full advantage of any situation that may develop.

It gives me great pleasure to second the adoption of the Report. (Applause.)

THE PRESIDENT: Before I put the motion I will ask Mr. Phipps to address you.

GENERAL MANAGER'S ADDRESS

This is the fifth occasion on which I have had the privilege of addressing you in accordance with the custom whereby the Balance Sheet of the Bank is explained to the Shareholders by the General Manager, and it is most gratifying to call your attention to the fact that the statement before you to-day shows a substantial improvement in every particular. While we have not regained the peak figures reached by the Bank during the boom years of 1919 to 1921, it is noteworthy that the deposits which fell in 1924 to a total of \$88,000,000 from a peak of \$99,000,000 in 1921 have reached the substantial total of \$96,000,000 as shown by the Balance Sheet. The total assets which in 1921 were \$128,000,000 and which shrank during the period of re-adjustment to \$115,000,000, have again risen until they are now practically \$125,000,000, while the profits are some \$55,000 in excess of last year. The greater part of the improvement has occurred during the last six months of the Bank's year and I hope and believe it may be taken as an indication of the generally improved condition in the business of the country.

You have heard in the Report that the profits of the year amounted to \$1,162,148.73 compared with \$1,107,889.99 last year. After making the customary deductions for dividend, bonus, Guarantee and Pension Fund and setting aside \$150,000 required for taxes, there is left to be carried over to the next account \$1,098,871.92 compared with \$1,039,223.19 last year.

Dealing with the Balance Sheet:—The Circulation at \$10,678,152 shows an increase of \$1,151,598 which can be ascribed to earlier requirements in connection with the Northwest crop and perhaps in part to better business conditions generally.

The increase in deposits from \$88,123,096 to \$95,934,168 is \$7,811,072 and is made up of \$1,631,403 deposits not bearing interest and \$6,179,688 deposits bearing interest. A common error in commenting on Bank's statements is to classify the whole of the interest-bearing accounts as Savings Bank deposits but this is not correct. The Actual Savings Department deposits and deposits of that kind amount to \$62,581,366 as compared with \$57,079,167 a

year ago—an increase of \$5,501,159. A satisfactory feature of our deposit business is that notwithstanding the closing of a number of unprofitable branches, as mentioned in the Report, the number of depositors of the Bank is not less but shows some increase.

The other liabilities of the Bank apart from Letters of Credit offset by a contra entry on the other side of the statement and the Capital, Reserve, etc., are merely balances due to other Banks and Correspondents in their ordinary Current Accounts and are really deposits. We have no borrowings under the Finance Act nor loans from our Correspondents or anything of that sort, nor have we had any during the year.

Passing to the Assets. Current Coin \$980,555 held by the Bank is less by \$1,127,174. During the year we considered it advisable to exchange \$1,000,000 of our gold for a like amount of legals already deposited in the Central Gold Reserves as security for excess circulation. The gold, of course, still remains the property of the Bank and is included in the heading—Deposits in the Central Gold Reserves, \$3,504,466 which is practically unchanged from last year. Dominion Government Notes \$11,244,965 compares with \$11,217,427 last year. All the other items of cash holdings are substantially the same, the exceptions being balances due from our Agents in the United Kingdom which are \$713,406 more and balances with our Agents elsewhere (which means Agents in the United States) which are greater by \$509,019. The item Cheques on Other Banks \$5,889,793 (meaning items held over for clearing next day and which of course fluctuate considerably) is some \$650,000 less than last year.

Our total cash holdings are \$26,338,271 compared with \$27,153,070 a year ago. This equals 24.16% of our liabilities to the public which, while slightly less than last year, is a very high percentage and fully up to the showing of former years.

Our investments of the first grade consisting of Dominion and Provincial Government securities, Canadian Municipal securities and items of that character, total \$21,918,609 compared with \$17,334,346 in 1924—an increase of upwards of \$4,500,000. Our Call Loans in New York are \$5,000,000

as compared with \$2,000,000 last year and our Call Loans in Canada are \$6,563,093 compared with \$5,954,066, a total increase in those three classes of investments of \$8,211,389. If we add these to our cash holdings we get a total of \$59,819,964, equal to 55 $\frac{3}{4}$ % of our total liabilities to the public, and if we include our loans to Provincial Governments and to Municipal Corporations \$6,509,634 which are very high class assets, the total is \$66,875,829 and the percentage is 61 $\frac{1}{2}$ % compared with 58 $\frac{1}{2}$ % last year, which in turn was the highest for a number of years.

Current Loans are \$50,225,800 compared with \$49,356,226—an increase of slightly under \$1,000,000 which we consider quite satisfactory considering that according to the Government Statement of 30th September, 1925, the Current Loans of all the Banks in Canada show a shrinkage for the twelve months of \$53,000,000. It will be noted that the position of the Bank is exceedingly favourable for taking on desirable commercial loans as soon as renewed business activities brings about a demand for that class of accommodation.

The next heading, Current Loans elsewhere than in Canada, is new. Owing to satisfactory rates of discount and exchange early in the year we were able to employ profitably some of our surplus funds by investing in Guaranteed Bankers' Bills in London. The amount \$614,044.72 shown under this heading is the remainder of investments of several million dollars in that way and will be returned to the ordinary banking channels in Canada as required.

The Non-Current Loans I am happy to say, are smaller being \$201,955 compared with \$355,264.36 in the 1924 Balance Sheet. The aggregate of Real Estate not Bank Premises, Mortgages Receivable and Other Assets Accounts is about \$100,000 less.

The only other important account in the Assets is the Bank Premises Account. It amounts to \$5,056,813 compared with \$5,063,808—a decrease of \$6,995. During the year we made several additions and improvements to our premises, including the erection of a suitable building at the corner of Runnymede and Annette Streets, Toronto, a necessary addition to the premises at Queen St. and Carlaw Ave., Toronto, the remodelling of the office at Queen and Bathurst, Toronto, and a modern banking

building now being completed at North Bay, Ontario. Also, early in May we moved into our handsome recently acquired premises at Vancouver, which, from all I can hear, are a distinct improvement on what we had before. On the other hand, the Branch at Kamloops, B.C., being closed, we disposed of our premises there to the Bank of Montreal at a satisfactory figure and we have also disposed of various small sites and properties that we acquired for Bank Premises in the past but which afterwards were found not to be required. We are now, generally speaking, well equipped for bank premises and it is not likely that any substantial outlays will be required for some time to come.

In concluding my remarks on the Balance Sheet, I give you the following taken from the Dominion Government Return of Chartered Banks for September, 1924, compared with the same Return for September, 1925—the last Return published—Total Assets All Banks increased one hundred and forty-six millions or 5.4%; Imperial Bank increased twelve-and-a-half millions or 11.1%. Current Accounts All Banks increased ninety-two and a half millions or 18.6%; Imperial Bank increased \$5,400,000 or 22%. Savings Deposits All Banks increased ninety-one millions or 7.8%; Imperial Bank \$6,100,000 or 10.8%. Current Loans in Canada All Banks decreased fifty-three millions or 5.5% decrease; Imperial Bank increased \$713,000 or .14% increase. Circulation All Banks increased four millions or 2.3%; Imperial Bank \$250,000 or .25%.

BRANCHES

Changes in the total number of branches for the year have been brought about by a general policy of the Banks whereby one Bank would withdraw in favour of another at a point where both were represented and where there was really not room for two or more, as the case might be, in exchange for a similar concession in another place. Following out this policy we withdrew from six points as outlined in the Report, opposing Banks withdrawing in our favour from a like or larger number of other places. In completing the exchanges it was found necessary to establish a branch at Maymont, Sask., which point was vacated by the Royal Bank, and that was the only new Branch opened during the year. Our sub-branch at Athalmer, B.C., which was not remunerative, was closed. The most important point

from which we withdrew was Kamloops, B.C., where we had been established for a number of years but which City was obviously overbanked. In exchange we obtained a very advantageous concession by another Bank withdrawing from two points where we came into competition. It is interesting to observe here that at the beginning of the War the total number of branch Banks in Canada was 3,047, that by October, 1921, the total had reached 4,720, since which date, following the policy that I have mentioned, there has been a steady contraction until the number of Branch Banks in Canada on October 31, 1925, has been reduced to 3,853, with, of course, an enormous saving in overhead to the Banks.

STAFF

The staff of the Bank consists of 1,212 officers, of whom 239 are young women. They continue to perform their respective duties with zeal and efficiency and to the entire satisfaction of the management.

SHAREHOLDERS

The number of shareholders on 31st October, 1920, was 2,055, last year it was 2,364, to-day it is 2,517. We consider it a mark of confidence that the number of shareholders continues to increase and it also must be gratifying to you to know that the price of all Bank shares including those of your own Bank, have recently shown substantial gains due, of course, to restored confidence in the Canadian banking situation and to the fact that the rates obtainable on sound investments have declined steadily during the last two years. Indeed, it is a wonder to me, in view of the high character of the security and the very satisfactory yield, that Canadian Bank stocks have been neglected for so long by those having money to invest.

GENERAL

It is not my custom to do more than touch lightly on general conditions and I do not propose to do so to-day. Last year and the year before I remarked that conditions were gradually improving and the lesson I take from the statement in your hands to-day is that the improvement is continuing and though business conditions still leave a good deal to be desired, it would seem possible that better times are not far away. In the United States business has

been booming for some time past and good times in Canada usually follow good times in the United States about a year later. There seems to be a better feeling in the air in Canada. The position of the agriculturist has greatly improved in the last two or three years. The mining of precious metals is improving steadily under favourable conditions. The water powers of the country are being steadily developed with a consequent increase in business activity, particularly in the production of pulp and paper, which has become a very important industry and is continually growing so much that Canada is now running neck and neck with the United States of America for the position of the greatest producers of newsprint in the world. Exchanges with London and New York have returned to practically parity. The Banking situation has been cleared up and the losses due to deflation pretty well liquidated or absorbed, and, although there is still need for caution and difficulties will undoubtedly confront bankers and profits will still be hard to get, there is reason to hope that these difficulties will be substantially less than for the last few years. The unsatisfactory features, of course, are that business is still oppressed by heavy and, in some cases, hampering taxation. The flour-milling industry, the lumber industry and some branches of iron and steel production are suffering from lack of turnover and heavy overhead expenses, and we still have the railway situation to face; but, on the whole, the outlook might be very much worse. It is our policy to go on as we have been, not contemplating alliances but attending to our own business with the best care we can give it for the purpose of rendering service to our clients and obtaining satisfactory results for our shareholders, and I have no reason to suppose that we will not be able to continue to achieve a reasonable measure of success. (Applause.)

THE PRESIDENT: Gentlemen, if you are ready, I shall put the motion. It is moved that the Report which has been read be adopted, printed and circulated amongst the Shareholders. Is that your pleasure? (Carried.)

The next matter of business is the appointment of Auditors.

MR. ALFRED BICKNELL: I have pleasure in moving that Mr. A. B. Shepherd, C.A., of Peat, Marwick, Mitchell & Company, and D. McK. McClelland, C.A., of Price, Waterhouse & Company, be appointed Auditors of the Bank for the ensuing year at a remuneration not to exceed \$10,000.

I have much pleasure in moving this motion, as I have known the Scotchman for 12 years, and the Englishman for upwards of 3 years, and have found them to possess a keen sense of their duties as Auditors. I am sure that the Scotchman will take care of the Scotch shareholders and we may rely upon the Englishman for his thoroughness. (Applause.)

MR. C. A. CASE (St. Catharines): I have pleasure in seconding the motion. (Carried.)

THE PRESIDENT: I am always very diffident about calling for the third motion that is before us.

PROFESSOR MCLENNAN: Mr. President and Gentlemen: One could not listen to the reading of the Presidential address, to that of the Vice-President, or to a statement like the one we have just heard from the General Manager without feeling that the position the Imperial Bank has attained is an exceedingly gratifying one. I noticed there were no wrinkles on your brows as you listened to the reports of the Bank's progress. You appear to be highly satisfied with the dividends received for the year, and with the brightness of the prospects held out for the future.

As a University man I cannot help thinking of the happy relations that exist between the Universities of Canada and the Bankers. I recall with pleasure that last year when it was proposed to bring to this country the British Association for the Advancement of Science, strong support was immediately given to the proposal by the Directors of this Bank and by the Directors generally of the leading financial institutions of Toronto. For this support we were very grateful. In many ways you have shown that you value highly the presence of the University of Toronto in your midst.

On questions of engineering and of science generally, as well as of economics and finance, I find there is a continuously growing interchange of opinion between the experts on the staff of the University and the leaders of your industrial and financial institutions.

I am told that through these contacts views become clarified and the way made easier for finding the correct solutions to many of the different problems with which you are confronted from time to time. In dealing with matters

of a sociological nature and with those of public hygiene, I understand that the University, through its co-operative effort at the present time, is performing a very important public service.

We have heard that the success of the Bank is largely dependent upon the general prosperity that prevails in Canada.

I would like to direct your attention, too, to the important work being done by the National Research Council of Canada, to promote and increase the prosperity of our country. It is estimated that if "rust" could be eliminated from the wheat fields of the West, vast annual additions could be made to the wealth of the farmers in our Prairie Provinces. To eliminate the rust pest the Council has put into effect a strong and aggressive policy. All scientific information bearing on this subject is being collected, numerous scientific investigations are being undertaken and the services of all scientists likely to be able to contribute help of any kind in attacking the problem, are being enlisted.

A very special effort is also being made by the Research Council to eradicate tuberculosis from our cattle herds or at least to lessen to a considerable extent the losses due to this disease.

Efforts are being made by the Council to develop through research, better means than are at present known of treating our low grade iron ores.

The Council has also initiated a number of researches for the betterment of our pulp and paper industries. In connection with the fox-rearing industry, the Council has been particularly useful, for it has successfully solved through research, problems met with by the breeders generally, arising from malnutrition in the animals. To the canning industry as well the Council has rendered valuable assistance, for it is a matter of common knowledge that the lobster canning industry in the Maritime Provinces, whose very existence was threatened a few years ago, is now re-established on a sound footing by means of investigations successfully carried out under the auspices of the Council.

The Directors of the Imperial Bank, I am glad to say, appreciate to the full the value of the efforts now being made in Canada to promote the application of the principles of Science to Industry, and invariably give their sympathetic support to those putting forth these efforts.

Mr. President and Gentlemen, it gives me very great pleasure, as it has before, to move that the thanks of the shareholders are due and are hereby tendered to the President, Vice-President, and Directors of the Bank for their services during the past year. (Applause.)

MR. F. G. OSLER: I have much pleasure in seconding Professor McLennan's motion.

THE PRESIDENT: You have heard the motion: moved by Professor McLennan, seconded by Mr. F. G. Osler, that the thanks of the Shareholders are due and are hereby tendered to the President, Vice-President and Directors of the Bank for their services during the past year. What is your pleasure? (Carried.)

THE PRESIDENT: I am sure we appreciate the motion very much indeed.

We have with us to-day a gentleman we do not very often have at our Annual Meeting, our Director from Winnipeg, Sir James Aikins, K.C., who is Lieutenant-Governor of the Province, a barrister, and also a farmer, so his time is pretty well occupied. We shall be glad if Sir James Aikins will speak to us briefly, as to this motion.

SIR JAMES AIKINS: I suppose the reason for the President calling upon me to express for the President and Directors our pleasure for the vote of thanks just now passed is that I represent the West and am the oldest in years and in membership on the Board and because of my varied experiences with the Bank, a customer and its legal adviser since 1882 and a long time shareholder. That versatility may account for the compass of my remarks. On behalf of my co-Directors let me assure you that we thank you for your kindly resolution of appreciation of our work as Directors. The Bank as a body, including all its shareholders as well as its Directors and officers, has reason to congratulate itself on its satisfactory position as shown in the excellent statement presented to this meeting, supplemented and illumined by the addresses of our President, Vice-President

and General Manager, a position satisfactory to both shareholder and customer. A Bank is created for two purposes: To pay reasonable reward to those who have invested in its shares, and who take the risk of its successful continuance or failure, in other words, a fair dividend and to give good service to its customers. To that end the shareholders desire to have the Bank well managed. Mismanagement has been, in the main, the cause in Canada of Bank failures and disappearances. A well managed Bank will normally make profits to pay its shareholders and to secure them against loss by having strong reserves, and by so doing will hold the confidence of the public and the loyalty and confidence of its customers, without which a bank has an uphill struggle. Though the Imperial Bank is not the biggest bank in Canada (bigness does not mean greatness), in my judgment it is on its merits as great as any, and there are none better managed. Big banks have advantages, also drawbacks. I heard a business and financial man the other day say that one of the larger banks with which he dealt, being large, could readily absorb losses up to a million because it had much reserve, not always shown obtrusively in its statement, and because its size attracted deposits and customers and because having much assets it could help a lame customer, weakened by misfortune, over a stile. But the customer of a smaller bank gets closer up to its heart and head, is better known and understood by it and more sympathetically cared for. I unhesitatingly say that our capable, painstaking and cautious President knows the business and financial condition of every customer of the Bank and can wisely and sympathetically conclude upon the discreet treatment of them. In that he has also an alert and gifted General Manager. I assure you shareholders that during the past year at no meetings of the Directors have I had any occasion to differ from them in judgment. I thank the management for the courteous yet true statement concerning my non-attendance. Other banks have Western Boards of Directors who hold meetings of which a record is kept, but I cannot well be called a Board, and have a record kept of my meeting with myself. If the attention of the Bankers' Association, of which our General Manager is Vice-President, were called to this defect, they might get an amendment to provide for it.

I was pleased to hear the views here expressed concerning the dependence of other parts of Canada upon the crop conditions and livestock industry in the West. Canada is a unit, and it may be said of the provinces that they are members one of the other, and of course if one suffers the others suffer with it. If one prospers, the others benefit. Therefore we should sympathetically endeavour in all parts of Canada to make the people contented and prosperous. (Applause.)

THE PRESIDENT: I shall ask for the fourth motion: Vote of thanks to the Staff. It gives me a great deal of pleasure to ask for this vote.

MR. JOHN WATT: Mr. Chairman and Gentlemen, this motion was placed in my hands; I feel I owe an apology to my fellow Shareholders for undertaking this motion. I would rather it had been placed in the hands of someone who could more adequately express the appreciation which I know everyone feels towards the staff for their efforts. I think perhaps the Secretary overlooked the handicap which a person of Scotch origin is apt to feel himself under when he is asked to say anything directly laudatory. I am somewhat comforted by the knowledge that the gentleman who is to second this motion is of Irish extraction, and I am sure the matter will be perfectly safe in his hands.

I very well remember speaking to an honoured employee of this Bank, about the affairs of the Bank, and he remarked to me, "If I had \$100,000 to-day, I would buy Imperial Bank Stock." A motion of this kind, if not taken as a matter of formal routine, must have a tendency to create and stimulate that sentiment of loyalty to the Bank which, in these days of restlessness, is necessary for the putting forth of our best efforts.

I do not consider this motion is a matter of formal routine, and I should like, as far as in me lies, to convey to the staff our very real satisfaction in moving this vote of thanks of the Shareholders to the General Manager, the Assistant General Managers, and other officers of the Bank for their attention to the interests of the Bank and for the efficient performance of their respective duties. (Applause.)

MR. JAMES MCNEIL (New York): Mr. President, I should like to correct Mr. Watt by saying I am not Irish, but Scotch, all the way through. I was born in Dumfries, Scot-

land, came to this country when a young man 21 years of age, and engaged in the banking business with the Merchants Bank of Canada, which, if I had stayed there, would probably be doing business in Canada to-day. (Laughter.)

In seconding this resolution, I should like to say that I have known all the General Managers, and most of the Assistant General Managers of the Bank. During that period the history of the Imperial Bank of Canada has been clean, big, and progressive, and whilst I would not take one iota of praise from the previous General Managers, I conscientiously believe that the management at the present time is the most efficient management we have ever had in the Imperial Bank of Canada. (Applause.)

We have been passing through several years of trying times, there has been fluctuation of the value of securities, real estate, and commodities, and it is a satisfaction to know that the General Manager and his assistants have been instrumental in guiding this Bank through that difficult period without any substantial loss, which I think is very creditable to them. The financial statement which has been rendered shows there has been an increase in deposits, higher earnings, and no losses to speak of.

I have abiding faith in the General Manager, the Assistant General Manager and other officers of the Bank, in their control of the affairs of the Bank. I believe that the Imperial Bank of Canada is going to march on to even greater usefulness, to greater strength, than it has in the past, and that it will be an increasing factor in ministering to the community it serves. (Applause.)

THE PRESIDENT: It has been moved by Mr. John Watt, seconded by Mr. James McNeil, that the thanks of the Shareholders be given to the General Manager, the Assistant General Managers, and other officers of the Bank for their attention to the interests of the Bank and for the efficient performance of their respective duties. What is your pleasure? (Carried.)

THE PRESIDENT: I am going to ask Mr. Kirkpatrick, of Edmonton, who is the Manager at Edmonton, and one of the very old members of the staff, and Mr. G. J. Lackner, of Windsor, to reply to this motion.

Imperial Bank of Canada

MR. G. R. F. KIRKPATRICK: Mr. Chairman and Gentlemen, I wish to thank you on behalf of the staff for the resolution which you have passed. It is true that it is, to a certain extent, formal; at the same time, I think I can say on behalf of the staff, that it is deserved, otherwise it would not have been so unanimously passed.

I have been a member of the staff for forty years; I have seen the Bank grow from its very infancy to the strong Bank it is at the present time, and while it is not one of the largest Banks, it is one of the strongest Banks in the Dominion of Canada.

We were glad to hear from the West about the crops there this year, that they are very much better than they have been in the past years. Saskatchewan has had a bumper crop. The Alberta wheat crop is better than it was last year, and other grains are giving a much larger yield. Increased prosperity in the West means increased prosperity in the East, therefore this Bank should continue to show increased prosperity. And I am quite sure that with the able leadership of the Directors, the General Manager, Assistant General Managers and officers of the Bank, and the true loyalty of the staff, the Imperial Bank of Canada will continue to forge ahead.

I wish to thank you very much on behalf of the staff for the vote of thanks you have just passed. (Applause.)

MR. G. J. LACKNER: Mr. President and Gentlemen: I do not think there is much I can add to what Mr. Kirkpatrick has said. I beg to thank you, gentlemen, for your hearty vote of thanks, and wish to assure you it is much appreciated by every member of the staff. The faithfulness, co-operation and loyalty of the staff are essential to the success of any institution, and we can assure the Shareholders of the Imperial Bank of Canada that its staff is truly loyal and ever ready and willing to do its best in the interests of the institution. I thank you. (Applause.)

THE PRESIDENT: The last motion on the agenda is the motion for Election of Directors. I suppose the Scrutineers are here and prepared to do their duty.

MR. D. H. McDONALD: Mr. President, I have much pleasure in moving that the ballot box be now opened and remain open until two o'clock this day for the receipt of ballot papers for the election of ten Directors, the poll to be closed as soon as five minutes shall have elapsed without a vote being tendered.

MR. A. RANKIN: I have much pleasure in seconding the motion. (Carried.)

THE PRESIDENT: I hope you will remain in your seats until the result of the ballot is announced. I might say the usual luncheon is provided upstairs and I trust you will partake of it. The quarters are rather small, but the goodwill is there.

The Scrutineers appointed at the meeting reported the following Shareholders duly elected as Directors:—Messrs. Peleg Howland, Sir James Woods, Sir James Aikins, K.C., John Northway, J. F. Michie, Frank A. Rolph, R. S. Waldie, George C. Heintzman, J. W. Hobbs, Walter C. Laidlaw.

The meeting then adjourned.

Imperial Bank of Canada

BOND DEPARTMENT

HEAD OFFICE

Investments

WE REGARD

INVESTMENT BANKING

AS ONE OF THE IMPORTANT SERVICES WE
AFFORD TO OUR CUSTOMERS

YOU ARE INVITED TO MAKE FULL
USE OF OUR SERVICES WHEN
QUOTATIONS, OR OTHER
INFORMATION, ARE REQUIRED
CONCERNING ALL CLASSES OF
INVESTMENTS IN WHICH YOU
ARE INTERESTED, AND OUR
LOCAL MANAGERS WILL BE
PLEASED TO TALK OVER YOUR

BOND INVESTMENTS

WITH YOU

CORRESPONDENCE INVITED

*Address: The Manager, Imperial Bank of Canada,
Bond Dept., Toronto.*

K. W. Lawrence, Manager.

Imperial Bank of Canada

BRITISH AND FOREIGN DEPARTMENT

HEAD OFFICE

WE maintain particularly close and advantageous connections with the leading Banks in foreign countries and are thereby enabled to offer our customers a comprehensive and efficient Foreign Banking Service.

We are extensive dealers in
ALL FOREIGN EXCHANGES.

Quotations and information will be gladly furnished by Branch Managers or by

BRITISH & FOREIGN DEPARTMENT

HEAD OFFICE:

TORONTO

H. D. SCOTT, Manager

