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1928

BANK OF MONTREAL

ANNUAL GENERAL MEETING

HELD 3RD DECEMBER, 1928

The 111th Annual General Meeting of the Shareholders of the Bank of Montreal was held on the 3rd December, 1928, in the Board Room at the Bank's Headquarters.

Among those present were:

The Hon. Thos. Ahearn, D. Forbes Angus, W. M. Bancroft, Arthur Barry, S. M. Baylis, E. W. Beatty, K.C., J. W. Benning, W. A. Black, W. B. Blackader, W. A. Bog, Arthur Browning, W. W. Bruce, R. E. Buzzell, George Caverhill, G. Rutherford Caverhill, W. R. Chenoweth, C. W. Chesterton, D. R. Clarke, R. A. Clark, W. S. Clouston, The Hon. Henry Cockshutt, W. R. Creighton, D. E. Crutchlow, G. A. Campbell, K.C., B. S. Darling, J. H. David, K.C., Benjamin Dawson, D. B. Emeno, C. Fairall Fisher, J. J. Fiske, A. B. Foster, Geo. B. Foster, G. B. Fraser, J. Garrow, Sir Charles Gordon, G.B.E., The Hon. Sir Lomer Gouin, K.C.M.G., E. H. Grubbe, J. A. Guilmet, Samuel Hart, G. H. Harman, H. S. Hase, Jas. E. Hayden, Zephirin Hebert, Jas. Hutchison, C.A., E. W. Jarvis, R. P. Jellett, L. Julien, M. H. Gault, Harold Kennedy, J. M. Kilbourn, C. S. R. Laidlaw, L. L. Lang, W. A. Leney, C. W. Lindsay, H. R. Little, H. B. Loucks, Theo Menier, Frank Mead, Robertson Macculloch, H. B. Mackenzie, J. W. McConnell, Wm. McMaster, F. E. Meredith, K.C., T. E. Merrett, Maj.-Gen. The Hon. S. C. Mewburn, C.M.G., W. R. Miller, Lieut.-Col. Herbert Molson, C.M.G., M.C., Frederick W. Molson, W. A. Murray, D. G. Munn, G. H. Napier, A. E. Nash, G. O. Nesbitt, C. A. Neville, Major S. C. Norsworthy, D.S.O., M.C., Lt.-Col. G. L. Ogilvie, J. G. S. Orchard, Hugh Paton, C. J. Patton, M.D., Frank Pike, H. E. Rawlings, W. A. Ralston, F. C. Ridley, W. H. Robinson, J. W. Ross, O. R. Rowley, O. R. Sharp, F. J. Shepherd, M.D., G. R. H. Sims, H. F. Skey, C. E. Spragge, G. W. Spinney, Sir Wm. Stavert, K.B.E., J. T. Stevens, Gordon Strathy, Jas. Stewart, Arthur Terroux, S. A. A. Watt, R. J. Williams, G. P. Worsley, E. P. Winslow, R. S. White, Sir Frederick Williams-Taylor.

On motion of Maj.-Gen. The Hon. S. C. Mewburn, C.M.G., Sir Charles Gordon, G.B.E., was requested to take the chair.

The Hon. Henry Cockshutt moved, seconded by Mr. H. E. Rawlings, that Lt.-Col. G. L. Ogilvie and Sir William Stavert, K.B.E., be appointed to act as scrutineers, and that Mr. C. H. Cronyn be the secretary of the meeting. This was carried unanimously.

The Chairman then called upon the General Manager, Sir Frederick Williams-Taylor, to read the annual report of the Directors to the Shareholders at their 111th Annual General Meeting, held on Monday, December 3rd, 1928.

THE ANNUAL REPORT

The Directors have pleasure in presenting the Report showing the result of the Bank's business for the year ended 31st October, 1928.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 31st October, 1927.....	\$ 154,799.31
Profits for the year ended 31st October, 1928, after deducting charges of management, and making full provision for all bad and doubtful debts.....	5,847,327.36
	<u>\$6,002,126.67</u>
Quarterly Dividend 3 per cent. paid 1st March, 1928.....	\$ 897,501.00
Quarterly Dividend 3 per cent. paid 1st June, 1928.....	897,501.00
Quarterly Dividend 3 per cent. paid 1st Sept., 1928.....	897,501.00
Quarterly Dividend 3 per cent. payable 1st Dec., 1928.....	897,501.00
Bonus 2 per cent. payable 1st Dec., 1928.....	598,334.00
	<u>\$4,188,338.00</u>
Provision for Taxes, Dominion Government.....	400,000.00
Reservation for Bank Premises.....	700,000.00
	<u>5,288,338.00</u>
Balance of Profit and Loss carried forward.....	<u>\$ 713,788.67</u>

(Signed) CHARLES B. GORDON,
President.

(Signed) FREDERICK WILLIAMS-TAYLOR,
General Manager.

Since the last annual meeting, twenty offices have been opened throughout the Dominion of Canada, and one in Newfoundland. Offices have been closed at three points in Canada during the year.

Mr. W. A. Black was appointed a member of the Board on the 6th January last.

On the 16th October, the Board accepted with regret the resignation of Mr. Bertram E. Holloway as a member of the Mexico Advisory Committee.

All the offices of the Bank, including Head Office, have been inspected during the year.

(Signed) CHARLES B. GORDON,
President.

Bank of Montreal, 3rd December, 1928.

THE GENERAL STATEMENT

The General Statement of the position of the Bank on 31st October, 1928, was read as follows:

LIABILITIES	
Capital Stock.....	\$ 29,916,700.00
Rest.....	\$ 30,916,700.00
Balance of Profits carried forward.....	713,788.67
	\$ 31,630,488.67
Unclaimed Dividends.....	12,831.07
Quarterly Dividend, payable 1st December, 1928.....	897,501.00
Bonus of 2% payable 1st December, 1928.....	598,334.00
	33,139,154.74
	\$ 63,055,854.74
Notes of the Bank in circulation.....	\$ 46,967,574.00
Deposits not bearing interest.....	149,779,430.83
Deposits bearing interest, including interest accrued to date of statement.....	571,685,581.53
Advances under the Finance Act.....	15,000,000.00
Deposits made by and Balances due to other Banks in Canada.....	2,629,397.18
Balances due to Banks and Banking Correspondents elsewhere than in Canada.....	9,394,770.39
Bills Payable.....	305,308.80
	795,762,062.73
Letters of Credit outstanding.....	13,125,226.62
Liabilities not included in the foregoing.....	1,839,379.53
	\$873,782,523.62
ASSETS	
Gold and Subsidiary coin current.....	\$ 33,595,262.87
Dominion notes.....	60,391,802.25
Deposit in the Central Gold Reserves.....	25,000,000.00
Deposits made with and Balances due from other Banks in Canada.....	\$ 4,323.96
Balances due by Banks and Banking Correspondents elsewhere than in Canada.....	14,120,539.85
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures and Stocks, and other securities of a sufficient marketable value to cover.....	39,147,086.08
Call and Short (not exceeding thirty days) Loans in Great Britain and United States on Bonds, Debentures and Stocks, and other securities of a sufficient marketable value to cover.....	138,965,168.92
	192,237,118.81
Dominion and Provincial Government Securities not exceeding market value.....	79,704,087.20
Railway and other Bonds, Debentures and Stocks not exceeding market value.....	3,693,024.06
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian not exceeding market value.....	26,054,892.93
Notes of other Banks.....	4,091,698.00
United States and other foreign currencies.....	921,683.26
Cheques on other Banks.....	48,208,713.18
	\$473,898,282.56
Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts.....	\$308,752,388.68
Loans to Cities, Towns, Municipalities and School Districts.....	22,416,665.58
Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts.....	35,496,446.64
Non-current Loans, estimated loss provided for.....	2,012,919.78
	368,678,420.68
Bank Premises at not more than cost (less amounts written off).....	11,500,000.00
Real Estate other than Bank Premises.....	586,975.30
Mortgages on Real Estate sold by the Bank.....	1,117,449.97
Liabilities of Customers under Letters of Credit (as per Contra).....	13,125,226.62
Deposit with the Minister for the purposes of the Circulation Fund.....	1,407,093.53
Shares of and loans to controlled companies.....	3,013,002.22
Other Assets not included in the foregoing.....	456,072.74
	\$873,782,523.62

NOTE.—The business of the Bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above General Statement.

NOTE.—Bonds of the Merchants Realty Corporation to the extent of \$2,103,000.00 secured on premises leased to the Bank, are in the hands of the public. These bonds do not appear in the above Statement as the Bank is not directly liable therefor.

CHARLES B. GORDON,
President.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

TO THE SHAREHOLDERS OF THE BANK OF MONTREAL.

We have compared the above Statement with the Books and Accounts of the Bank of Montreal at the Head Office, and with the certified Branch Returns. We have checked the cash and verified the investments and securities at the Head Office, and at several of the principal Branches of the Bank at the end of the financial year. We have likewise at various dates throughout the year, checked the cash and verified the securities at several important Branches.

We have to report that (a) we have obtained all the information and explanations we have required; (b) subject to the judgment to be rendered in a suit taken by John Hamilton, Boswell's Limited and Jeffrey Hale's Hospital, of the City of Quebec, which is now pending, in which the power of the Bank to make a donation of \$200,000 (\$50,000 paid and the balance, payable over three years, which has been provided for) to the Royal Victoria Hospital, the Royal Victoria Maternity, the Montreal General and Western General Hospitals, Montreal Joint Campaign Fund, is challenged, in our opinion the transactions of the Bank, which have come under our notice, have been within the powers of the Bank, and (c) in our opinion, the above Statement discloses the true condition of the Bank and it is as shown by the books of the Bank.

JAMES HUTCHISON, C.A.,
of the firm of Riddell, Stead, Graham & Hutchison.
CHARLES A. HODGSON, C.A.,
of the firm of Creak, Cushing & Hodgson. } Auditors.

MONTREAL, 23rd Nov, 1928.

HOCHELAGA REALTY AND DEVELOPMENT COMPANY

Balance Sheet as at 31st October, 1928

ASSETS		LIABILITIES	
Cash in Bank.....	\$ 34,378.81	Capital Stock.....	\$ 10,000.00
Accounts Receivable.....	1,383.35	Debiture Bonds.....	1,220,000.00
Buildings, Real Estate, etc., 64-68 Wall Street, New York, less depreciation.....	1,212,286.66	Accounts Payable.....	13,033.99
Profit and Loss Account Balance.....	85,736.95	Bond Interest Payable and Accrued.....	81,333.28
		Reserved for Taxes.....	9,418.50
	<u>\$1,333,785.77</u>		<u>\$1,333,785.77</u>

NOTE:—

The Company was granted corporate existence by the State of New York on the 27th May, 1909. The object of its formation was to enable the Bank to hold title to real estate in New York City. The Capital Stock and Bonds are entirely owned by the Bank and appear on its books at a nominal value of \$1.00.

MONTREAL, 9th NOVEMBER, 1928.

Auditors' Report

We have examined the Books and Accounts of the Hochelaga Realty and Development Company, and certify that, in our opinion, the above Balance Sheet is drawn up so as to exhibit a true and correct view of the state of the Company's affairs at 31st October, 1928, according to the best of our information and the explanations given to us, and as shown by the Books of the Company. We have obtained all the information and explanations required.

(Signed)

JAMES HUTCHISON, C.A.,
CHARLES A. HODGSON, C.A.,
Auditors.

THE LAND SECURITIES COMPANY OF CANADA, LIMITED

Balance Sheet as at 31st October, 1928

ASSETS		LIABILITIES	
Investments and Advances less Reserves.....	\$237,134.93	Reserves for Commissions, etc.....	\$ 3,009.95
Accrued Interest considered good.....	1,737.76	Bank Loans.....	295,000.00
Cash in Bank of Montreal.....	1,398.63	Capital Stock.....	\$200,000.00
		Profit and Loss Debit Balance.....	257,738.63
	<u>\$240,271.32</u>		<u>\$240,271.32</u>

*Deduction.

NOTE:—

The Land Securities Company of Canada, Limited, was formed in 1893 by the Merchants Bank of Canada to facilitate the liquidation of properties falling into its hands from time to time under mortgages and other securities taken in the course of its business.

The Company is now being liquidated as rapidly as possible consistent with obtaining fair prices for its assets, no further properties being taken into its operations.

The Capital Stock is entirely owned by the Bank and the shares appear on its books at a nominal value of \$1.00; a specific reserve of \$60,000 is also held for this Company.

H. B. MACKENZIE, Director.
R. P. JELLETT, Director.

MONTREAL, 16th NOVEMBER, 1928.

Auditors' Report.

We have examined the Books and Accounts of The Land Securities Company of Canada, Limited, and certify that, in our opinion, the above Balance Sheet is drawn up so as to exhibit a true and correct view of the state of the Company's affairs at 31st October, 1928, according to the best of our information and the explanations given to us, and as shown by the Books of the Company. We have obtained all the information and explanations required.

(Signed)

JAMES HUTCHISON, C.A.,
CHARLES A. HODGSON, C.A.,
Auditors.

THE MERCHANTS REALTY CORPORATION, LIMITED

Balance Sheet as at 31st October, 1928

ASSETS		LIABILITIES	
Real Estate and Properties less Reserves.....	\$5,806,595.61	Capital Stock—Authorized and Issued 20,000 Shs. of \$100. ea.	\$2,000,000.00
Less Balance due in respect of properties purchased.....	601,095.61	First Mortgage 6% Bonds— Authorized and Issued.....	\$4,000,000.00
		Less Redeemed.....	720,000.00
Balance due on Sales of Properties.....	5,205,500.00		3,280,000.00
Cash in Bank.....	54,500.00	Interest accrued.....	49,500.00
Accrued Rentals.....	300.00		
	<u>\$5,329,500.00</u>		<u>\$5,329,500.00</u>

NOTE:—

The Merchants Realty Corporation, Limited, was incorporated by The Merchants Bank of Canada in 1920. The original amount of bonds authorized was \$4,000,000. There are still \$3,280,000 outstanding of which \$2,103,000 are in the hands of the public. The balance, \$1,177,000, is held on the books of the Bank at par, and the amount is included in the heading "Shares of and Loans to controlled companies." The Capital Stock is entirely owned by the Bank and is carried on the books at "Nil."

FREDERICK WILLIAMS-TAYLOR, Director.
C. W. DEAN, Director.

MONTREAL, 19th NOVEMBER, 1928.

Auditors' Report.

We have examined the Books and Accounts of The Merchants Realty Corporation, Limited, for the year ended 31st October, 1928, and we certify that, in our opinion, the above Balance Sheet is drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs at 31st October, 1928, according to the best of our information and the explanations given to us, and as shown by the Books of the Corporation. We have received all the information and explanations required.

(Signed)

JAMES HUTCHISON, C.A.,
CHARLES A. HODGSON, C.A.,
Auditors.

COMPANIA TERRITORIAL MEXICANA S.A. EN LIQUIDACION

Balance Sheet as at 31st October, 1928

ASSETS	Mexican Pesos	LIABILITIES	Mexican Pesos
Real Estate.....	\$ 264,592.01	Capital Stock.....	\$ 50,000.00
Mortgages.....	654,784.80	Mortgage.....	30,000.00
Bonds and Shares.....	21,765.00	Bank of Montreal, Loan Account.....	1,821,782.45
Accounts Receivable.....	15,012.40	Interest Suspense.....	1,120.85
Cash in Bank.....	52,306.76		
Bank of Montreal, Collateral Account, Mortgages.....	844,205.79		
Profit and Loss Account Balance.....	50,236.54		
	<u>\$1,902,903.30</u>		<u>\$1,902,903.30</u>

NOTE:—

This Company was formed by the Bank fifteen years ago to assist in the realization of certain assets taken over by the Bank at that time. The Company is in course of liquidation.

The Capital Stock is entirely owned by the Bank and the shares appear on its books at a nominal value of \$1.

MONTREAL, 19th NOVEMBER, 1928.

Auditors' Report.

The Company's authorized period of operations has expired and at a Meeting held on June 10th, 1924, the Shareholders resolved to voluntarily liquidate the Company.

We have examined the above Balance Sheet with the Books, Title Deeds and other documents submitted to us of the Compania Territorial Mexicana S.A. (in liquidation) and we certify that it is in accordance therewith.

The Real Estate, Bonds of the Pan-American Railway Company and Shares of the American Book and Printing Company are carried at cost, but we are unable to say if this figure will be realized.

From the information given to us, we are of opinion that the Mortgages and Book Debts are worth the amounts at which they are carried.

There is an unrecorded Liability of \$14,400.00 Pesos in respect of the Shares of the Cia. de Terrenos de Churubusco, S.A.

(Signed)

JAMES HUTCHISON, C.A.,
CHARLES A. HODGSON, C.A.,
Auditors.

THE ST. JAMES LAND COMPANY, LIMITED

Balance Sheet as at 31st October, 1928

ASSETS		LIABILITIES	
*The rights of the Company in an emplacement conveyed to Insurance Exchange Corporation, Limited, by a 99 years' lease (emphyteutic lease) and in the building thereon constructed by Insurance Exchange Corporation, Limited, as at 29th September, 1923.....	\$222,396.95	Capital Stock:—	
Expended on the building to date.....	94,808.19	Authorized and Issued 200 shares of \$100 each.....	\$ 20,000.00
	<u>\$317,205.14</u>	Capital Surplus.....	297,205.14
	<u>\$317,205.14</u>		<u>\$317,205.14</u>

***NOTE:—**

The St. James Land Company's rights in the above described emplacement and building have been hypothecated by the St. James Land Company, Limited, to the extent of \$440,000 to secure bonds of Insurance Exchange Corporation, Limited, for the payment of which amount the St. James Land Company, Limited, is not personally liable. The Capital Stock is entirely owned by the Bank and the shares appear on its books at a nominal value of \$1.00.

C. H. CRONYN, Director.

THOMAS CARLISLE, Director.

MONTREAL, 19th NOVEMBER, 1928.

Auditors' Report.

We have examined the Books and Accounts of The St. James Land Company, Limited, for the year ended 31st October, 1928, and we certify that, in our opinion, the above Balance Sheet is drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st October, 1928, according to the best of our information and the explanations given to us, and as shown by the Books of the Company. We have obtained all the information and explanations required.

(Signed)

JAMES HUTCHISON, C.A.,
CHARLES A. HODGSON, C.A.,
Auditors.

THE MONTREAL COMPANY OF NEW YORK, INC.

Balance Sheet as at 31st October, 1928

ASSETS		LIABILITIES	
Cash in Bank.....	\$ 32,278.89	Bank Loan.....	\$805,000.00
Investments at Market Value.....	1,139,559.00	Due to Sundry Clients, including Reserve for Federal Taxes..	195,411.26
Accrued Interest on Investments.....	15,166.64	Capital:	
		Authorized and Issued 1000 shares of \$100	
		fully paid up.....	\$100,000.00
		Reserve Account.....	85,000.00
		Profit and Loss Account Balance.....	1,593.27
	<u>\$1,187,004.53</u>		<u>\$186,593.27</u>
			<u>\$1,187,004.53</u>

NOTE:—

This Company was granted corporate existence by the State of New York in December, 1926. It was formed for the purpose of engaging in the underwriting and distribution of investment securities. The Capital Stock is entirely owned by the Bank.

MONTREAL, 9th NOVEMBER, 1928.

Auditors' Report.

We have examined the Books and Accounts of The Montreal Company of New York, Inc., and certify that, in our opinion, the above Balance Sheet is drawn up so as to exhibit a true and correct view of the state of the Company's affairs at 31st October, 1928, according to the best of our information and the explanations given to us, and as shown by the Books of the Company. We have obtained all the information and explanations required.

(Signed)

JAMES HUTCHISON, C.A.,
CHARLES A. HODGSON, C.A.,
Auditors.

THE PRESIDENT'S ADDRESS

Before moving the adoption of the Report, it is customary for the President to make a few remarks.

My first word is personal. Immediately following the Annual Meeting a year ago, your Directors decided to make a change in the Board whereby the position of Chairman of the Board was created and an additional Vice-President appointed. An Executive Committee was also created, consisting of the Chairman, the President and the two Vice-Presidents. By this arrangement I succeeded Sir Vincent Meredith as President of the Bank. I desire to thank the Directors for the unanimous and valuable support and advice which they have given me during my first year in office, especially the members of the Executive Committee, who have given much time and thought to the affairs of the Bank.

Aided by the knowledge and experience of the General Manager, Sir Frederick Williams-Taylor, and after a careful review by your Directors, a number of changes have been made which we believe will promote a forward movement in the activities of the Bank.

I cannot refrain at this point from expressing my deep regret, a regret which I am sure every one of you shares, at the absence, through ill-health, of Sir Vincent Meredith, who has for so long guided the affairs of this institution with such eminent success, and who, for the past ten years, has presided at these Annual Meetings.

The vacancy on the Board caused by the death of Mr. C. R. Hosmer was filled by the election of Mr. W. A. Black, a gentleman of wide business experience, whose intimate acquaintance with western conditions makes him a valuable colleague.

CONTINUED IMPROVEMENT IN BUSINESS

The statement of the year's operations shows that we have fully participated in the general prosperity. Our funds have found full employment, in particular during the past eight months, due to the continued improvement in trade and industry, to the reaping of another bountiful harvest in the prairie provinces and the generally prosperous state of agriculture in other provinces, and also to the higher rates for call money in New York. On this latter point I shall have a few more words to say presently.

While agricultural, commercial and industrial activities have been carried on during the year in greater volume than ever before, it cannot be said that the banks have felt any great strain from these sources. Here, as in the United States, many companies have carried over from the war period large reserve profits which now serve as working capital, and others have issued securities which, being absorbed by the public, have left them independent of the banks. An even more important factor, perhaps, is that the turnover in wholesale and retail business is now much more rapid and that therefore the banks are not called upon to finance such relatively large stocks as formerly. This change was inaugurated under pressure of necessity following the post-war depression, but the principal reason for its continuance is the extraordinary improvement in transportation facilities, permitting of a more rapid replenishment of stocks. While automobile traffic has had its part in this change, I think the public hardly realizes how much of it is due to the increased efficiency of our railways. Collection, carriage and delivery of freight have been speeded up to a remarkable degree, and whereas, a few years ago, the movement of freight was at best a slow process, to-day, by means of better service, fast freight schedules, better connections with branch lines and improved equipment, the time in transit has been reduced to a minimum. In this

movement our Canadian roads have been in the van and the results they have achieved can truly be described as remarkable. In this and other ways the railways have contributed to the general prosperity, and as the welfare of our transportation interests exercises a profound influence on the economic situation of the Dominion, it is satisfactory to note that they have shared in the general prosperity, the volume of traffic and gross earnings setting up new records. The rapidity of the grain movement this year has been remarkable, inspections during the month of October totalling 89,281 cars, an increase of 24,720 cars over the corresponding month of last year, and by the end of October, that is to say, within practically two months of harvesting, 250,000,000 bushels of wheat had been moved from the farms to elevators and terminals. This immense traffic was made possible by the extension, equipment and efficient operation of the railways and by sufficient elevator accommodation at interior as well as terminal points.

Other classes of commodities have also enlarged the freight movement, particularly pulpwood, paper and other forest products; ore, general merchandise and miscellaneous goods. Total car-loadings for the first ten months of this year were 3,001,000, or 250,000 cars in excess of 1927. Due to this heavy traffic, the Canadian Pacific Railway reported an increase in gross earnings for October of \$5,821,000, and the Canadian National Railway an increase of \$5,367,000.

THE WIDENING BASIS OF PRODUCTION

Reviewing the business situation in Canada, one cannot but remark how rapidly the basic sources of our national wealth are widening. The concurrence of a wide variety of raw material with water powers on a truly gigantic scale gives Canada extraordinary opportunities for all-round development, and the fact that these opportunities are now being realized is resulting in the establishment of primary enterprises involving large investments of capital and contributing in marked degree to the general activity.

The foreign trade of the Dominion has this year, for the first time, been larger in value than that of 1921, when prices were at the peak, and in quantity far exceeds any previous year, amounting in the seven months ending October 31st to \$1,512,549,000. There is a fairly close parity between imports and exports, the latter having an excess of \$35,024,000. Agricultural and animal products continue to constitute the major part of exports, these having a value of \$459,385,000 in the seven months, or nearly 60 per cent. of the whole. Since the sharp decline in prices when the post-war boom collapsed in 1921, the monetary value of Canada's foreign trade has risen no less than 70 per cent.

It is a matter for regret that over-production, with consequent competition and price-cutting, has checked the abounding prosperity of the newsprint industry, but there is no occasion for surprise at a situation which always arises when supply outruns demand. While the field has been too rapidly occupied, the industry is firmly established and its permanence is assured. Adjustment to the rather acute condition brought about by excessive producing capacity may be expected, together with a cessation of the construction of new mills until consumption overtakes supply.

Mineral output is an increasingly large item in Canada's commerce, both domestic and foreign. It is in the baser metals that development has been most active and permanence is more assured. World consumption of nickel, copper and zinc, to which consumption Canada is making an important contribution, now exceeds the pre-war figure. To the world's nickel market Canada sent 85% of the supply, and the proven deposits are so immense

as to ensure this supremacy indefinitely. The output of coal in Nova Scotia has been larger than in recent years. Efforts to find a market in Ontario for Alberta coal by means of freight concessions have not been successful. It seems certain, however, that the mining industry of Canada is destined to make an increasingly important contribution to the national wealth.

The motor industry has reached large proportions. In the first nine months of this year 168,871 passenger cars and 32,819 trucks were turned out by Canadian factories, an increase of 35,687 cars and 4,420 trucks over last year. Whatever may have been the views of economists some years ago as to a possible saturation point, it appears necessary to revise them now in the light of the present demand.

Building construction goes on uninterruptedly. Contracts amounting to \$379,000,000 were awarded in the first nine months of this year and building permits amounting to \$166,000,000 were issued, an increase of \$24,000,000 over the corresponding period last year. These figures imply large employment of labour, as well as activity in the fabrication and sale of builders' supplies.

IMMIGRATION AND INDUSTRIAL DEVELOPMENT

The number of immigrants entering the country continues to be disappointingly small and newcomers have only slightly increased over last year, the number this year in the first eight months being 134,000 as compared with 129,000. One cannot help, however, being impressed with the opportunities for immigrants after having seen the vast tracts of territory in our north-west provinces, including the Peace River district. Our Government needs to offer no apologies in inviting agricultural immigrants to come to this country, as no other country in the world can hold out greater opportunities than our western provinces. It seems to be the unanimous opinion that the one thing Canada needs at present is people. In order, however, to attract families and their friends, it is necessary to provide, in addition to agricultural opportunities, diversified employment. This is necessary not only in the interests of immigration but also in the interests of the rising generation of Canadians, many of whom have no intention of going on the land, and if we are to hold this great asset in this country, we must encourage the efforts to provide industrial and other opportunities here.

If we could be sure of even 350,000 increase in population per annum, which should easily be attained by a moderate immigration and the holding of our natural increase, every three years we would have over a million people added to the population of Canada. This is surely not a very ambitious programme, but it is a programme which, if we could be sure of its being carried out, would give great hopes for the future of that very important problem, the populating of our country.

Great Britain, with a Free Trade Government, has found it necessary to modify its views, and after seeking for a formula, has hit upon one which it has euphoniously described as the "safeguarding of industry," by means of which it expects to give employment to its own people. Perhaps our Government, with the approval of the people of Canada, may also discover a formula which will produce more diversified employment than we have at present and thus attract a greater number of immigrants and also prevent emigration.

Some fears have been expressed that the recent election of a new President in the United States might have detrimental effects upon our agricultural interests in the West. As Canada is by far the best customer which the United States possesses, it seems hardly likely that the latter country will do anything

which will adversely affect the best market it has, especially in view of the fact that one of the announced policies of the new President is the extension of markets abroad.

BUSINESS SITUATION ABROAD

Her steadily expanding international interests make Canada ever more intimately concerned with world affairs. I think it not too much to say that in Europe conditions are more settled than at any time since the war. All important currencies are stabilized and most countries are experiencing improved trade.

Great Britain is still faced with the solution of her unemployment problems, for which the continued depression in basic industries, namely, coal, iron and steel, cotton and wool, is mainly responsible. Nevertheless, thanks to the vast income derived from invisible exports, a favourable total trade balance was disclosed for 1927, and the visible adverse balance at this date is nearly £35,000,000 lower than a year ago. This fact shows that the economic situation of the country has improved materially, and it is largely to what are known as the newer industries, electrical machinery and apparatus, artificial silk, et cetera, that this improvement is due. Internal trade is more active, production is expanding, the standard of living is maintained, and there is no doubt that the prosperity of Great Britain is advancing.

In the United States general conditions are definitely more favourable than at this time last year. It appears certain that 1928 will be set down in business annals as a year of well sustained and profitable activity in trade and the basic industries, and the election of Mr. Hoover has created the belief that economic conditions will not be disturbed.

The high money rate in New York is probably due in part to the usual heavy demand from normal sources, namely, agriculture and commerce, but more especially to the Stock Exchange, where a greatly increased volume of shares is being traded in day by day as compared with a year ago, and at much higher prices, coupled with the fact that demand deposits of the weekly reporting member banks of the Federal Reserve System are lower by some \$360,000,000. Most of this amount, however, has found its way into Wall Street through individual and corporation loanings. In this connection, it may be noted that the average daily volume of transactions on the New York Stock Exchange rose from 270,000 shares in 1913 to 1,900,000 shares in 1927, while in the past two weeks the average has been over 5,500,000 shares per day. There seems to be a somewhat widespread idea that Canadian banks have transferred large amounts of money to New York for employment in call loans. That notion is wholly erroneous. The policy of the Bank of Montreal, and I may say I believe this applies to all Canadian banks, has long been to carry in New York a substantial proportion of ready reserves or quick assets. No funds, however, are ever transferred to New York or London to be loaned on call until every legitimate need of our own country has been carefully examined and, if at all possible, complied with. Our loans in New York have been less than they were a year ago.

Safety and security have always been the cardinal principles of your Bank.

Rampant speculation on the Stock Exchanges, which has persisted over a considerable period, with wide ramifications, is a matter of concern to bankers. I need not tell you that the rise in prices cannot go on forever and that there is a well defined limit to bank loans on stocks. My hope is that reaction may not be sudden or severe.

During my first year as President, I have had an opportunity of visiting the branches of the Bank in Mexico, and while conditions there are not all that one would wish, I am satisfied that there has been, during recent months, a decided change for the better and that at an early date plans will be completed for the rehabilitation of the finances of Mexico. These plans are in the hands of capable people, bankers of standing, and are being carried forward in such a way that when they are put into effect, Mexico should be able to live up to the obligations which these will entail.

I also visited the branches of the Bank in London and Paris, and branches in the Western Provinces. This gave me an opportunity of meeting many of our most important managers and others, and it gives me great pleasure to inform the shareholders that the Bank of Montreal has a high type of men representing it. I am confident that we are well equipped to take full advantage of the expansion which is sure to come in the next few years.

In connection with the acquisition of the Merchants Bank of Canada, we took over a subsidiary company, The Merchants Realty Corporation, Limited, formed for the purpose of carrying a portion of the business premises of that Bank. There are outstanding bonds of this Company to the extent of \$3,280,000, and it is our intention to retire these bonds at their callable figure, 105, increasing the Bank Premises Account in our balance sheet by \$3,000,000 and providing the balance of the amount necessary to retire the bonds from the proceeds of properties which have been sold. As the result of this action, the entire premises of the Bank will be represented by the figure appearing in our balance sheet, and no properties of the Bank will be held by subsidiary companies, with the exception of our New York premises, which stand in our balance sheet at the sum of \$1.

As I have already said, an Executive Committee of the Board was created after the annual meeting a year ago. We propose to increase this Committee to five and will ask you to enact a by-law for the remuneration of the Executive Committee.

INCREASE IN AUTHORIZED CAPITAL

The expansion of Canadian commerce and industry has been rapid, and all signs point to a continuance of this progress. For upwards of a century, the Bank of Montreal has held a foremost place and played an important part in the forward movement, and it was decided by your Board, following upon the return of five of its members from a trip to the Prairie Provinces and British Columbia in September last, to recommend to you at the annual meeting of the Bank an increase in the authorized capital from \$31,175,000 to \$50,000,000. A resolution will be brought before you to-day to enact a by-law for this purpose.

THE GENERAL MANAGER'S ADDRESS

Sir Frederick Williams-Taylor, the General Manager of the Bank, then made his annual address as follows:

Mr. Chairman and Gentlemen:—

In presenting the balance sheet of your Bank for the one hundred and eleventh fiscal year just closed, I am glad to say that results have been highly satisfactory.

Our net profits are well in advance of those of any post-war year; owing, first, to highly prosperous conditions in Canada, resulting in increased demands for loans to be used in productive enterprise, with comparative freedom from losses; and second, to higher rates of interest obtained upon that portion of our funds carried as quickly available assets in New York and London, our reserve centres outside of this country.

This result is highly gratifying, especially when it is remembered that there has been no general increase in interest rates to our Canadian borrowers. Merchants, manufacturers, and farmers have received their money at practically the same rates as before. Borrowers against Stock Exchange and other securities—the form of loan most subject to fluctuation in rates—have been accorded terms which, while higher, have been materially below those in the United States, though financial conditions there necessarily have an important bearing on short-term money rates in this country.

At the close of our Bank year total assets stood at \$873,700,000, being an increase over the previous year of \$42,000,000. Of this amount \$473,800,000, or 59.55% of the total, was liquid; that is, cash, balances with other banks, or securities of a readily realizable nature, this indicating that, whilst there has been an increased demand for loans for commercial and other purposes, the customary strong position of the Bank has been maintained. Commercial loans and discounts in Canada stand at \$308,700,000, an increase of \$53,000,000 from a year ago, whilst our call and short loans in Canada are up some \$10,000,000. Total deposits at \$721,000,000 are higher by \$21,000,000 than a year ago. Deposits bearing interest have increased in the year by \$32,500,000, and now stand at \$571,600,000. I mention this as a particularly gratifying feature, indicating uninterrupted confidence in this Bank by the general public as depositors in our Savings Department. Notes of the Bank in circulation are \$46,900,000, or \$1,200,000 in excess of last year.

Our offices in Great Britain, France and the United States continue to increase in importance both to your Bank and to the widespread business interests of the Dominion.

MONETARY SITUATION ABROAD

In Great Britain a year ago the £ sterling stood at a substantial premium over the American dollar. The reverse is now the case. The Bank of England has lost gold, but its reserve is materially higher than a year ago. By effective control of the credit situation, the Bank has retained a 4½% minimum, and has kept market rates sufficiently attractive to prevent the diversion of unduly large balances for employment elsewhere; a remarkable achievement at a time when high rates in New York are sending borrowers to London for fresh capital. London has held its pre-eminence as a financial centre and acceptance market, and for the first time in years, Canada has secured important capital in London. The satisfactory terms obtained show that the market is available to Canadian borrowers having undoubted credentials. Three of our Provinces have recently borrowed substantial sums in London, and you will be glad to know that your Bank has been the medium through which the London market was reopened to Canadian Government borrowings after a lapse of fourteen years.

In the United States the banking situation is sound. While money rates are high, funds are in plentiful supply for commercial and other legitimate purposes. The steady demand for speculative purposes is reflected in the average call loan rate; for the year—5.42%, against 4.19% for the year ended 31st October, 1927. Action by the Federal Reserve authorities in raising their rates of discount was tantamount to a declaration that the seeking of accommodation at the Reserve Banks must be for legitimate commercial purposes and not to finance the security markets. The New York stock market has had the most spectacular rise ever recorded, and the volume of transactions has also been the largest on record. Speculative fever is country-wide, and attempts to curb it have not met with success.

Business in Mexico continues at low ebb, but there are signs of improvement, and it is hoped that the coming year may see a return to more normal conditions. Our seven branches in the Republic constitute an important feature in our activities.

A PROSPEROUS YEAR FOR CANADA

Canada as a whole has enjoyed more prosperity than ever before. At the commencement of 1928 a succession of good harvests had already placed the country on a prosperous footing, and the position has been further improved this year by good average yields of the staple crops in all the older provinces, while the Prairie Provinces have far surpassed their previous records. In industrial activity an extraordinary enlargement has shown itself in construction works, many being of a most impressive character. These include the further exploitation of those great natural assets, water powers, minerals, and forests. Also, we have seen a further increase in revenue from the tourist trade, now ranking high among Canada's business activities.

These factors have put large sums of money into general circulation; they have increased the demands upon many of our industries, and have created the highest scale of employment since the War. Particularly in the two chief industrial provinces, Quebec and Ontario, manufacturing has been on an unprecedented scale, despite exceptions in a few lines owing to outside competition.

In Western Canada the year has been remarkable, not only for the record grain crops in the Prairie Provinces, but also for a reduction in harvesting cost per bushel, due chiefly to good weather and partly to the growing effectiveness of agricultural machinery.

The relative decline of rural population, often the subject of comment, is partly attributable to the growing production per man-power brought about by machinery. The varied labour-saving equipment increasingly used on farms all over Canada both enlarges the productive capacity and improves the living conditions of our rural population.

These developments show the Canadian farmer to-day as a man of affairs, who is rapidly bringing his methods up to the standard of highly developed urban industries.

Commercial failures for the year ended 1st October numbered 2,073, with liabilities of \$44,000,000. This compares with 2,156 failures with liabilities of \$40,000,000 in 1927.

In merchandising, the year has been for many a difficult one. Modern competitive methods are working a great change in distribution. Mail order houses and the chain store system have seriously affected both wholesale and retail concerns. Many of these find it hard to contrive ways and means of meeting the new order of things, to which business interests must adapt themselves if they are to survive.

Our live-stock industry has shown marked improvement. Stimulated largely by heavy buying from the United States, cattle have been in active demand at better prices than for some years past, and the export of both cattle and sheep has shown notable growth.

Between 1918 and 1927 there was an increase of about 25 per cent. in the output of our dairy factories, and progress has continued during 1928.

BETTER CONDITIONS IN MARITIMES

One of the happiest developments has been the definite revival of prosperity in the Maritime Provinces, now fast coming into line with the rest of Canada in this respect. Old-established

industries are taking on new life; important new industries based on the exploitation of water power and forest wealth are being established; new settlers are being attracted; and tourists in ever-increasing numbers are discovering in these provinces a summer paradise. Much more can be done in these directions, and I think will be done, for the latent enterprise of the fine old stock by which these provinces are peopled is again finding adequate opportunities for expression, and a new spirit of hope and progress is everywhere in evidence.

Canada, as this year's wheat crop has so amply demonstrated, is great in agriculture, but the glory of her heritage lies in the variety of her resources. Among these, minerals are steadily growing in importance. Our mining production this year will substantially exceed a quarter of a billion dollars, and a large increase in the near future is foreshadowed by the mining plants now in construction to work newly-proven bodies of ore. Apart from this, the year has surpassed all records in the intensiveness and breadth of mineral exploration. The building up of mining industries on a large scale, centring on the northern part of the Manitoba-Saskatchewan boundary, and upon new discoveries in Northern Ontario and Northern Quebec, has given a powerful impetus to prospecting in the country between these regions and tide-water to the north. If results are commensurate with past experience in like geological formations, there will be a vast enlargement of the known potential resources of Canada.

TOURIST TRADE OF HIGH IMPORTANCE

The tourist trade, already referred to, has risen so fast from the comparative unimportance of a few years ago that according to Government statistics tourists from abroad spent over \$275,000,000 in Canada in 1927. As every province reports an even larger number of tourists this year, the spending also has no doubt been greater during 1928.

Compare this tourist trade of \$275,000,000 with some other sources of the country's revenue. Thus, the value of Canada's wheat exports in 1927 was \$348,000,000; of our mineral production, \$245,000,000; of the output of our pulp and paper mills, \$220,000,000. Evidently the tourist trade has become a Canadian business interest of high importance.

The year's developments in aviation have demonstrated that aerial communication will have an important bearing on industrial and commercial enterprise in Canada. Air-ports for domestic and international mail services have been created at various strategic centres, notably Montreal, where the nucleus of what is expected to be the terminus for transatlantic dirigibles has been established in preparation for the mail and passenger service now being organized by the Royal Air Force under the auspices of the British Government. Aerial mail and express services have been established between leading Canadian cities, and between these and centres in the United States. Important progress has been made in the manufacture of aerial craft in Canada, and the formation of many flying clubs has greatly promoted the private possession of aeroplanes and the training of pilots. From a business point of view, however, these developments, striking as they are, are insignificant compared with the work done by aeroplane in opening up the hinterland to profitable exploitation, in making forest surveys, and in providing a highly effective means of forest protection. All the great developing mining camps in outlying places now have regular aerial services, carrying not only mails but passengers and freight, and vast new fields for prospecting are being reached by aeroplanes. All this has a bearing on business activity, relatively small perhaps for the moment, but of high importance when considered in relation to our future development.

ENLARGING SCOPE OF BANK'S SERVICES

Your Bank, gentlemen, has kept pace with the progress of Canada. Not only in the expansion of our branch system, but in the amplification of services at home and abroad, and notably in the development of administrative machinery, are we proving equal to the demands of a constantly-enlarging business. The extension of Canada's overseas markets has made it necessary for the Bank to provide special facilities for the financing of trade with many countries, particularly in the Far East. Since our last meeting representatives of the Bank have made an extensive tour embracing Australia, New Zealand, China, Japan, India, and the Straits Settlements. In these countries they have extended our connections and gained experience which cannot fail to be of value in the promotion of Canadian trade. This is only one indication of our forward-looking policy.

A notable feature of the year has been the increase in call loans to brokers both here and in the United States, but the Canadian figures are our more particular concern. In May, 1927, the call loans in Canada of all the banks were \$178,000,000. By May of this year they had increased to \$269,000,000, and at September 30th, the latest figures now available, they stood at \$246,000,000. There is probably a further \$200,000,000 on loan from various companies and individuals.

The development of the country's resources necessarily involves the issue of new securities, and the activity on the Stock Exchange is in part a reflection of new issues representing promotions, mergers, reorganizations, et cetera, but not all of these have been truly constructive or calculated to benefit the country or the public at large. Good times always produce optimism, but harm is bound to come of over-capitalization and of schemes which discount too far in advance the country's future prosperity. It is not for us to dictate to our borrowers against stocks their policy or the manner in which they should conduct their affairs, but it is our duty as custodians of our depositors' and shareholders' money to keep such loans within bounds when there is, as at present, an element of danger in the situation.

To sum up, I think it can be claimed that in an age tense with invention and science applied to production and distribution Canada is keeping abreast of new developments, and should, by the nature of her resources and people, reap greater profit proportionately perhaps than any other country. Canada holds in impressive measure many of the basic resources needed in new methods of production—enormous water powers for the myriad forms of electrical application; abundance of minerals for which industry makes ever-increasing demands; some of the world's greatest forest reserves; wide open plains, ideal for the application of machinery to agriculture; territory enough for unlimited expansion in population and enterprise; and lastly, a virile and aggressive people to make the most of new developments constantly arising. There is but one danger—over-optimism. We have suffered from its effects in the past. If we keep our optimism and ambition within prudent bounds, our feet firmly on solid ground, remembering that national wealth can only be created by production, there need be no fear for the future of Canada. Because we are travelling quickly, there is all the more need for travelling carefully.

QUEBEC

Spring was late and many low-lying lands suffered from floods. The hay crop was fair but much was harvested in poor condition. Cereal crops were below average and, generally, of low grade, oats particularly being affected by unfavourable weather. Potatoes in many districts suffered from rot. In contrast, pastures were good, with prices of cattle and dairy products well main-

tained. Herds in sections of the Eastern Townships were subjected to the tubercular test, resulting in numbers being temporarily reduced. The yield of tobacco, generally, was good but some damage was done by adverse weather.

The past year has witnessed several mergers of paper companies. Mills operated at about 80% of capacity throughout the year. The industry has suffered from over-production and consequent adjustments in prices.

Pulpwood has moved slowly at lower prices. Many log jobbers suffered losses as a result of adverse conditions in the woods last winter. Indications point to a much smaller cut this season. The market for various grades of pulp has been fairly steady.

The domestic demand for lumber has been moderately good throughout the year. Export business remains dull. The cut of logs during the winter will probably be about average.

Manufacturers on the whole have been busy throughout the year. Steel mills and allied industries report better conditions, due in some measure to the sustained activity in the building trade and the needs of transportation companies. There has been some improvement in the woollen industry; competition from artificial silk and the revision of the tariff have resulted in cotton mills being operated at lower capacity than during the previous year. Manufacturers of silk goods enjoyed an increased demand for their product and mills are running on full time.

Flour-milling companies experienced a better year, although they still complain of excessive duties imposed by other countries on flour, as compared with wheat.

Rubber factories have been busy but competition is keen. The export business, developed in recent years, has been well maintained.

The factory capacity of the boot and shoe industry is still greatly in excess of the demand, and the market highly competitive. Stocks of hides and leather are about normal; after a sharp advance during the latter part of 1927, prices have receded and to-day are nearing pre-war levels.

Although the price of furs remains high, competition is keen and profits small.

Wholesale and retail trades have been active. Chain stores are expanding. This, with the competition of mail-order business and the use of the automobile, has tended to divert trade from the smaller towns and villages to the cities. Retailers of groceries in particular have been adversely affected, with consequent reaction on the wholesalers. Collections have been fair to good, except in certain districts which were affected by the weakness in the market for pulpwood.

Activity continues in the mining districts of northwestern Quebec. A notable feature was the bringing into operation of the Noranda smelter. The asbestos industry has been dull, but prospects are brighter.

The development of electric power continues apace and existing plants are being enlarged. The Gatineau Power Company is now one of the largest hydro-electric producers on the Continent and the Aluminum Company of Canada is at work on a new development at Chute-à-Caron on the Saguenay.

Railway construction has been confined mainly to the extension of lines in the mining areas and in the Lake St. John district. In the latter section grading of the Quebec and Chibougamou Railway has been commenced.

Dominion and Provincial Government capital expenditures have been confined principally to harbour improvements and to the construction and maintenance of roads. Good progress has

been made in the construction of the bridge connecting Montreal with the South Shore of the St. Lawrence. Municipal expenditures have been mostly for current needs.

Real estate values have been well maintained. Building trades have been active throughout the year, especially in the construction of office buildings, apartment houses and dwellings in the larger cities.

A large tourist traffic has again put a substantial amount of money into circulation.

To sum up, a moderate harvest has been counterbalanced by good prices for cattle and other farm products. Manufacturers have been well employed, and business, apart from the newsprint situation, can be termed generally good.

ONTARIO

The farmers of Ontario have again harvested a satisfactory crop, although the yield is somewhat below that of 1927, and excessive rainfalls during the autumn resulted in a portion being stored in inferior condition. Hay, due to backward conditions in the spring, was somewhat below the average. The yield of fall wheat was 10% below the average for the past five years. Oats were 7% below the normal yield, while barley, which was a good crop, showed an increase over the past five years' average. Peas were slightly below the average. Corn proved an excellent crop, and as a result of efforts put forward to curb the borer, little damage is reported this year. Potatoes were a heavy crop but subject to rot in low ground. Other root crops, with the exception of beets, were of average volume. The acreage of tobacco was reduced from last year, but the yield is of better quality than last season and was harvested under favourable conditions; slight damage was done by early frosts. Small fruits were plentiful. Winter apples were scarce but the fall varieties were up to the average of recent years. Pastures were excellent throughout the season and live-stock are in good condition. Farmers have an abundance of rough fodder for winter feeding. On the whole, the position of the farmer has been improved and the outlook is favourable.

The market for lumber has improved and prices have strengthened, especially for hardwoods. The cut of lumber and pulpwood will be somewhat in excess of last year's total.

Development of the mining areas of northern Ontario is proceeding actively and prospecting for new fields continues. In the Sudbury district large sums of money are being spent in development of the Frood deposits; more than 1,000 additional men were taken on during the year for these operations, which are likely to assume greater proportions as time goes on. The output of gold in the older districts has been reduced but production from the newer fields has practically made up for the falling off. While the output of silver for the first six months of the year shows a reduction of \$833,763 compared with the corresponding figures of 1927, the total metallic production increased \$3,121,629.

Industry has been well employed and practically all manufacturers report improved conditions. Steel mills and iron foundries have been busy. The volume of automobile production has shown a substantial increase with resulting benefit to manufacturers of tires and accessories. Makers of agricultural implements have experienced an active demand. The production of pulp and paper was in slightly greater volume than last year. Furniture factories report a noticeable improvement in sales, and flour-milling companies found a good domestic demand with a slight improvement in the export market.

The volume of wholesale business in nearly all lines has been in excess of last year and retail merchants experienced a fair

demand, but keen competition and the continued extension of the chain store system has made the position of the small independent store-keeper more difficult.

Immigration of farm labour and domestics was in good volume. The number of boys brought into the Province under the farm boys' scheme is equal to last year and it is expected that the annual quota of 500 boys will be reached by the end of the year.

In larger centres the year was marked by pronounced activity in the building trades, especially in Toronto, where construction has been at record levels. While real estate prices have been firm, there has been little evidence of speculation in property. Farm lands remain inactive.

During the year, the Government completed 28 miles of railway construction towards James Bay, the extension bringing the line within 90 miles of the terminal.

Construction work on the Welland Canal continues and it is expected that the Canal will be finished in 1930. The Provincial Government constructed 228 miles of pavement during the year. Municipal expenditures have been confined to necessary improvements and school extensions.

There have been no outstanding features in power development during the year. An addition of over thirty thousand horse-power is being made at High Falls on the Spanish River and a 220,000 volt line, covering a total distance of 203 miles from the Gatineau River to the new Leaside transmission station, was placed in service.

Generally speaking, commercial fishing on the Great Lakes was at average volume, with steady prices.

The volume of tourist traffic exceeded all previous records.

The agricultural and industrial outlook in the Province is highly satisfactory. There have been no labour disturbances and little or no unemployment. Business in the Province is on a sound basis and all classes of the community look forward with confidence to the coming year.

MARITIME PROVINCES

Crops, generally, were good. Apples, although but 75% of a five-year average yield, were of good size and colour. Potatoes were an average crop of good quality, but growers are faced with low prices because of surplus production elsewhere. Pasturage was good and the hay crop abundant.

Lumber has shown improvement, both in demand and price; the pulpwood market has been weak.

Coal mines have worked practically full time without serious labour trouble. St. Lawrence shipments compare favourably with last year's.

Slightly fewer vessels participated in the deep sea fishery and the catch was less than that of last year, but higher prices made results satisfactory. Nova Scotia shipyards are unusually busy on new fishing vessels.

The lobster catch was slightly below last year, with lower prices.

Manufacturers, except those of shoes, sugar and cotton goods, have been well employed.

Wholesale and retail merchants report improved conditions, with collections satisfactory.

Dominion Government expenditures have again been confined to dredging, harbour and terminal improvements, and those

of the Provincial Governments to roads and power developments. Municipal outlays have been normal.

There has been practically no railway construction other than improvements at terminals.

The population is thought to have increased slightly.

The power at Grand Falls, N.B.—the largest hydro-development in the Maritimes—has been turned on. Work on another large power plant at Liverpool, N.S., is under way to supply a proposed paper mill at that point.

Real estate values have a slightly stronger tone, with no speculation. Building has been fairly active, especially in Halifax.

Good roads and improved hotels are attracting tourists in increasing numbers. Lower railway freight rates have helped business materially and the handing over of Government waterfront properties in Halifax and Saint John to Harbour Commissions is expected to bring improved results.

Conditions, generally, throughout the Maritimes have shown improvement and a more optimistic tone is in evidence than for some years previously.

PRAIRIE PROVINCES

The official forecast credits the three Prairie Provinces with the largest crop of grain on record; approximately 900,000,000 bushels. The estimates of other experienced investigators give figures of over one billion bushels.

Agricultural conditions have been favourable and a heavy crop was harvested, especially in Saskatchewan, which has garnered the biggest in its history, and in Manitoba, where the yield per acre of all grains is estimated to be well above the average. The Dominion Government figures show that the acreage seeded to the various kinds of grains was 2,895,816 more than last year. There were 1,672,849 more acres in wheat and 1,265,904 more in barley. Oats and flax were the only grains with lower acreages than the previous year, whilst that seeded to rye was somewhat higher.

Seeding was completed in good time. There was ample moisture throughout the season and growth was rapid.

There was a considerable amount of hail damage, but almost an entire absence of rust and pests. Frosts toward the end of August and in early September caused serious damage to late grains, which is reflected in lower yields and grades.

Harvesting became general about the middle of August, and despite several interruptions through inclement weather in some districts, was completed under ideal conditions. Deliveries at country points, hastened by the extensive use of motor trucks, were in unprecedented volume, and elevator and railway facilities were taxed to the utmost.

The Dominion Bureau's estimate of the wheat crop in the Prairie Provinces is placed at 479,598,000 bushels, being 64,679,000 bushels more than last year's production and the largest on record. None of the other recognized estimates gives figures of less than 500,000,000 bushels. Coarse grains are estimated at 417,623,000 bushels, or 54,264,000 bushels more than in 1927. Notwithstanding prevailing lower prices and disappointing grades, it is thought that the total value of all grains will probably bring larger returns than the 1926 or 1927 crops, provided price levels do not become further depressed.

Between 4,000 and 5,000 combine-reapers were said to be in use in Alberta and Saskatchewan this year, as compared with less than 1,000 last year.

Open weather in early autumn allowed fall operations to continue without interruption, and more than the average amount of ploughing has been done.

About 7,300 acres were sown to sugar-beets in Alberta this year, which is about 700 acres more than last year, but two thousand acres were abandoned because of early drought and excessive rains in June and July, which interfered with thinning.

There is an increased acreage of irrigated lands under cultivation in Alberta.

The co-operative marketing movement continues to find favour with producers, and membership in the various pools is in many cases growing. There are Selling Agencies now for practically all products of the farm. Recently, the Manitoba Co-operative Fisheries Limited was organized to market the winter catch of lake fish; if successful, it may be extended to deal with the summer catch.

Live-stock will go into winter quarters in good flesh, with abundant feed for their requirements. Whilst the industry is in a satisfactory condition generally, and prices throughout the year have ruled high owing to the ready market across the border, the production of beef cattle has not kept pace with demand, and holdings have been gradually diminishing. The interest manifested by United States buyers, however, is encouraging farmers to build up their herds.

Notwithstanding the fact that horses are being superseded to a considerable extent by mechanical equipment, there is a good demand for the heavy work classes at fair prices. In Alberta attention is being given to increasing their production and improving the quality.

The number of head of sheep is increasing.

There is a decline in the number of hogs, occasioned no doubt by lower prices.

Whilst dairying in Manitoba has been maintained on a level similar to last year, production in Alberta and Saskatchewan has been on the wane. This is due in some measure to the low prices for butter-fat in former years, profitable grain crops and high prices for beef cattle. The shortage of feed in some districts last year was doubtless also a detrimental factor. It is thought that with the increased domestic demand for dairy products, better prices now prevailing and the abundance of feed this year, interest will be stimulated in the industry. The outlook for its recovery and future prosperity is promising.

The lumbering industry is comparatively unimportant in the Prairie Provinces. There has been a greater demand for lumber than last year and prices of all grades are higher.

The output of coal in Alberta for the eight months of this year ending 31st August shows an increase of 257,000 tons, as compared with the same period last year, and the outlook is better than it has been for many years. Production of lignite coal in Saskatchewan is increasing gradually.

There has been pronounced activity in the Alberta oil fields. The output in 1927 was about 330,000 barrels or 66.6% of the total Canadian production, and it is expected that about 500,000 barrels will be produced in 1928. Over six hundred men are now employed in the Turner Valley field. There are sixteen producing wells, and 34 wells are being drilled. Development in the Wainwright district has not been extensive.

Much development work has been done in the Manitoba mining belt, and valuable ore bodies have been uncovered. Two large companies are operating in the northern field, and indica-

tions are sufficiently attractive to warrant continued development. The Central Manitoba Mines, Limited, operating in the central field, commenced regular shipments of bullion this year.

Manufacturing is largely confined to the requirements of the western market. Factories have been fully employed and practically all lines report increased output. Eastern and American companies, realizing that the Prairie Provinces provide a desirable field for expansion, are now establishing branch plants in the larger centres.

Wholesalers report market improvement in business over last year. Dealers in motor cars, farm machinery, hardware and builders' supplies have been particularly active. Retail trade has experienced periods of dullness, but on the whole it has been better than last year. Departmental stores, mail order houses and chain stores report increased sales. Collections have been normal.

Government expenditures, Dominion, provincial and municipal, continue to be confined to essentials. Any increases have been necessitated by the additional needs of growing communities.

There has been active construction of new railway branch lines into territories where density of settlement warranted.

In Alberta, the Canadian Pacific Railway Company has put into operation 88.7 miles during 1928 and has 216 miles under construction. The Canadian National Railways have laid 64.3 miles on three different lines in that Province.

The Canadian Pacific Railway Company has completed 76.5 miles of new line in Saskatchewan and has under construction a further 215.6 miles, whilst the Canadian National Railways have built 158.2 miles on nine different lines.

Good progress is being made with the laying of steel on the Hudson Bay Railway. The railway to the Flin Flon Mines, constructed by the Canadian National Railways, is the only new branch line completed in Manitoba this year.

Whilst there has been a large number of immigrants from Great Britain, the United States and Europe, the influx has fallen short of expectations. It is hoped that the new colonization schemes inaugurated by the Governments and railway companies will have the desired effect of securing more settlers of the preferred type. The British miner-harvester experiment provided some much needed assistance at a critical time, the large majority finding satisfactory employment at good wages; a number will doubtless become permanent residents.

Industrial expansion and increasing domestic needs necessitate the provision of additional electric power, and new hydro-electric projects are either under construction or are contemplated to cope with the growing demand. Electric facilities are gradually reaching rural communities through transmission lines from large plants, and there is considerable development of electric power by steam plants in Alberta and Saskatchewan.

There has been an increased demand for farm properties and good holdings have been changing hands at satisfactory prices. Values of inside city real estate are higher, being strengthened by the demand for suitable building sites for business blocks, stores, warehouses, etc., but there has been little speculation. Whilst many new houses and apartment blocks have been built in the cities and larger towns to accommodate the growing population, the housing situation is still acute.

Tourist traffic has been heavier and more profitable than ever before. Its importance from a revenue-producing standpoint is recognized, and efforts to attract tourists in increasing numbers

are being continued through the wider publicity of railway companies and other agencies, and the maintenance of good highways.

It has been a satisfactory year for almost all lines of endeavour. The biggest crop in the history of the Prairie Provinces has been safely harvested. Live-stock and dairy produce prices have been favourable, and the outlook for the future of all branches of agriculture is bright. Industrial development is making good progress. Coal mines in Alberta have increased their output, and oil production promises to be far in excess of last year. There has been active development of the mines in Northern and Central Manitoba. Large power projects are proposed or are already under construction. The greater building activity, larger turnover in the wholesale and retail trades, and increased sales of farm machinery, motor cars, etc., all bear testimony to the improved purchasing power of the people.

The confidence with which this Bank viewed the potentialities of the Prairies when it established its first branch west of the Great Lakes over fifty years ago—a confidence which it has held ever since—has been amply justified. Improved conditions and careful operations in recent years have made possible the accumulation of greater reserves by the people of the Prairie Provinces, and they look forward with unbounded faith to the future.

BRITISH COLUMBIA

A late spring delayed field work, but favourable weather prevailed throughout the growing season and farming operations, generally, have been successful. Grain and hay yielded large crops, and feed is therefore plentiful. Roots suffered somewhat from lack of moisture, but good average crops were realized. The dairy and poultry industries have shown steady growth, and the position of the farmer is much improved. The demand for live-stock has been very good, and with prices firmly above those of former years, substantial profits have been made. The apple crop was well above average, but due to keen competition from the bordering States prices are low and little or no profit will accrue to the growers.

Lumbering has been moderately successful. The past year witnessed a definite trend toward co-operation among the mills in respect to production and sales activities, with the result that prices have strengthened and optimism is gradually returning to the industry. Export trade showed a slight increase during the year, despite a serious falling off in the Australian demand. Substantial gains were made in shipments to China and also via the Panama Canal to Eastern Canada. The rail trade has been well maintained on a reasonably profitable basis. The shingle industry has shown a marked improvement, and for several months past the mills have been working to full capacity. The log production has been well regulated and prices have remained firm. Production of pulp and paper has shown a steady increase.

The mining industry has been particularly active and this year's production is expected to establish a record, both in quantity and value. An unprecedented activity in local mining stocks during the early part of the year was the means of attracting much capital to the industry, with the result that substantial development work has been possible and a number of prospects have been brought to the production stage. The output of coal increased slightly, notwithstanding the competition of fuel oil.

This season's salmon run was greater than in the previous year; in fact, almost equal to the record pack of 1926. The principal gains, however, were in the lower grade fish, but in view of the reduced operating costs and a good demand for the cheaper varieties at increased prices, cannerymen anticipate a profitable year. The halibut catch has been moderately good, but prices through-

out the entire season were extremely low and unprofitable. The production of fish meal and oil is almost double that of last year, and at prevailing prices will return a satisfactory profit to the manufacturers.

Traffic through the Port of Vancouver has made a marked gain, due principally to an appreciable increase in the volume of grain and flour shipments. During the past crop year approximately eighty million bushels of wheat were shipped from the Port, and present indications point to a much larger movement during the current season. Four additional elevators have been constructed on the Pacific Coast during the year, two at Vancouver and one each at Victoria and New Westminster, bringing the total capacity at the Dominion's Pacific ports to fourteen million bushels. Trade with the United Kingdom, Europe and the Atlantic Coast registered a healthy increase. Commerce with Australasia has been well maintained and business with the Orient is on a more stable basis.

Manufacturers, generally, have experienced a very satisfactory season. By reason of the improved conditions in the basic industries, the demand for their products has shown a material increase and profits have been correspondingly higher.

Wholesale houses have had a satisfactory year both in volume and profits. Retail trade in general shows a moderate increase, and while the smaller retailers find difficulty in competing with the large department stores, they have made a little headway and there have been fewer failures.

Dominion Government expenditures have been confined to harbour and terminal improvements, and the Provincial Government outlays were principally in connection with road maintenance. Municipal expenditures have been normal.

There has been a slight increase in the population of the Province and the total is now estimated at 579,000.

During the year an additional 12,500 horse-power has been developed at Alouette Lake by the British Columbia Electric Railway Company, Limited, bringing their total capacity of generating plants to 211,000 h.p. Work has also been commenced on the Company's Bridge River project, which embraces an initial development of 60,000 h.p. The West Kootenay Power & Light Company have made good progress in the 60,000 h.p. development at South Slocan, and the plant is expected to be in operation by the end of the present year. Installation of a hydro-electric plant at Shuswap Falls, 30 miles east of Vernon, is now in progress, and the energy generated will be transmitted for use in the City of Vernon and neighbouring towns.

The real estate market has been very active, especially in the larger cities, and while values have advanced appreciably, there has been no noticeable speculation. Building has shown a satisfactory increase.

In general, the year has been a satisfactory one. Agriculture made a moderate expansion and the basic industries, namely, lumbering, mining and fishing, have all shown improvement. Labour has been fully employed and retail trade has benefited accordingly. Wholesalers report larger turnovers, and business, generally, is on a sound basis. Tourist traffic is steadily increasing and has become a source of considerable revenue to the Province. Prospects are highly encouraging and the outlook is viewed with every confidence.

NEWFOUNDLAND

Cod-fishing remains the principal industry. The total catch of the 1927-1928 season was estimated at about 1,550,000 quintals. Foreign markets were generally satisfactory and ex-

porters made good profits. The final returns of this year's catch are not yet available, but they will likely be smaller than last year. Fishermen are receiving good prices and, with the present satisfactory demand, exporters are realizing a fair margin of profit. The lobster fishery opened in the spring after having been closed for three years, and it is estimated that about 26,000 cases were packed. A large quantity of fresh frozen salmon was exported to European and Asiatic markets. Seals caught numbered 227,022, as against 211,531 last year. Prices were satisfactory.

The manufacture of cod-liver oil has increased rapidly during the last two or three years, exports having increased from 77,000 gallons for the year 1924-25 to 276,000 gallons for the year 1926-27.

The paper mills at Corner Brook and Grand Falls produced at capacity during the whole of the year. Manufacturers, generally, report an increase in business as compared with last year. Wholesale and retail trade have been comparatively active. Collections were poor during the first half of the year but an improvement has been noticed of late.

The Government are diverting the main line of railway around the Topsails and when this is completed it should result in a substantial economy of operation in that portion of the railway.

The Anglo-Newfoundland Development Company have increased the storage capacity of Red Indian Lake by the construction of a new concrete dam, and it is expected that a new power-house will be built next year.

The iron mines at Bell Island have been fully employed. The Buchan's Mining Company are now in operation and other interests are doing active prospecting work in the same district.

Hay and root crops were adversely affected by lack of rain and both were below average. The exportation of blueberries, which are found in abundance all through the Island, has been developed during the last two or three years.

Building has been active and the demand for lumber good, but with ample supplies prices have had a tendency to weaken. Pulpwood operations have been carried on extensively and it is expected that a large cut will be taken out during the coming season.

The Funded Debt is a large one and increases steadily, imposing a heavy burden of taxation on a population which is practically stationary.

Good prices were obtained for last year's catch of fish; paper mills are fully employed; the mineral possibilities of the Island are being exploited and, provided the present favourable prospects for the sale of this year's catch of fish are realized, a continued improvement in trade conditions may reasonably be expected.

MEXICO

During the past year there has been marked evidence of general improvement in the administration of the various Departments of the Government. Provisional President Portes Gil took office on the 30th November and it is expected that the call for an election will be made shortly, bringing candidates into the field by March next.

Apart from some trouble with rebels along the West Coast, conditions generally continue quiet throughout the Republic.

Business on the whole has been dull and little improvement is anticipated until the political situation clears.

The Government has made satisfactory progress during the year in the construction of roads, irrigation projects and the establishment of experimental farms and schools.

There has been a large reduction in the production of oil, due principally to the excessive cost of production, but the country's total revenue is at a normal level through increases from other sources.

Representatives of the International Bankers' Committee visited the Republic of Mexico recently to negotiate an agreement in respect to payments on the External Debt which were discontinued last year.

Sugar producers report prospects as favourable. They look for a shortage in the coming crop due to decreased acreage and, consequently, higher prices.

The cotton crop, it is estimated, will be 50% greater than that of last year.

Satisfactory conditions prevail in the mining industry, despite decreases in the price of silver, lead and zinc. Production in these metals shows an important increase during the year.

American interests have recently acquired a number of power and lighting companies in different parts of the Republic.

REPORT ADOPTED

The Chairman then said:—"With your permission, we will proceed with the two resolutions to which I have referred, after which I shall move the adoption of the Report."

Mr. William McMaster then moved, seconded by Lt.-Col. Herbert Molson:—

(1) Resolved:—

"That Shareholders' By-law No. 7 be, and it is hereby amended, by adding thereto the following:—

"The Directors may also further provide for the payment to the members of the Executive Committee of the Board of Directors such additional remuneration as the Directors think fit, but not exceeding in all a sum equal to Five thousand dollars (\$5,000) each year for each member of the Executive Committee, and the sum provided for the remuneration of the Executive Committee shall be apportioned among the members of that Committee as that Committee may deem appropriate. The provisions made for the payment of the remuneration to the members of the Executive Committee during the fiscal year ended October 31st, 1928, are hereby approved and confirmed."

(2) Resolved:—

"That the following be enacted as Shareholders' By-law No. II:—

SHAREHOLDERS' BY-LAW No. II

Whereas the capital stock of the Bank is now \$31,175,000, and it is expedient that it be increased as hereinafter provided;

Be it therefore enacted that:

"The capital stock of the Bank be and the same is hereby increased to \$50,000,000, that is, by the sum of \$18,825,000, divided into 188,250 shares of \$100 each."

The Chairman said:—

"The Ballot upon these resolutions will now be taken. With your concurrence, I will cast one Ballot for the meeting, but if any Shareholder desires to vote, he may obtain a Ballot paper from the Secretary."

The Ballot upon the two resolutions was taken, the scrutineers subsequently reporting that they had carried unanimously.

The Chairman then moved, seconded by Maj.-General the Hon. S. C. Mewburn, that the Report of the Directors, now read, be adopted and printed for distribution among the Shareholders.

The Report was unanimously adopted.

The Hon. Sir Lomer Gouin, K.C.M.G., moved, seconded by Mr. G. B. Fraser, that Messrs. James Hutchison, C.A., and Charles A. Hodgson, C.A., be appointed Auditors for the Bank for the ensuing year, and that the Ballot for the Auditors be taken at the same time as the Ballot for Directors is taken.

On motion of Mr. E. W. Beatty, K.C., seconded by Mr. F. E. Meredith, K.C., resolutions appointing the necessary proxies for the Bank at Meetings of controlled companies were unanimously adopted.

THANKS TO OFFICERS

Mr. George A. Campbell, K.C., then moved, seconded by Mr. Arthur Browning, that the thanks of the Meeting are hereby tendered to the Chairman of the Board, the President, the Vice-Presidents and Directors for their attention to the interests of the Bank.

In speaking to this resolution, Mr. Campbell said:—

"I have pleasure in proposing that the Shareholders adopt a resolution expressing their appreciation of the devoted and highly successful services during the year just closed of the Chairman of the Board, the President, the Vice-Presidents and Directors of the Bank. No words of mine are necessary, I know, to secure the adoption of such a motion by this Meeting, but I would like to take advantage of this opportunity to say merely a word or two of thanks and appreciation for the untiring efforts put forth on our behalf by those in charge of the destinies of this Institution.

"More particularly, I would like to refer with deep respect, to the very distinguished Chairman of the Board and to his life-long service to this Bank in many different capacities.

"There is no name that stands higher in the annals of Canadian banking than that of Sir Vincent Meredith. It is a household word for the highest degree of sound banking skill, of inflexible integrity, and of unrelenting devotion to duty.

"We deeply regret his enforced absence from this meeting because of illness.

"We admire the highly efficient manner in which you, Sir, as President, and the Directors and Officers have carried on the work of the Bank during the year, and we note with confidence the continued maintenance of the usual high standard of sound banking practice which, indeed, has become the veritable tradition of this Bank.

"We hear on all sides proclamations of the prevailing prosperity of our country, and we are glad to learn that the Bank of Montreal is playing its rightful role—second to none—in promoting that prosperity and in securing that the foundations are being laid broad and deep and durable, so that this prosperity may become a permanent part of our inheritance."

"I have pleasure in seconding the motion," said Mr. Arthur Browning. "As a shareholder, and, indeed, many years before I became a shareholder, it has always been my feeling that the Bank of Montreal occupies in the minds of the people of Canada an exalted position similar to that held by the Bank of England in the minds of the people of Great Britain. This enviable

position has been gained by more than a century of conservative management by directors selected from amongst the most able and successful citizens of their time.

"We shareholders feel confident that the standard of the directors to-day for ability and integrity is as high as at any period in the Bank's history."

Mr. Campbell then moved the resolution, as above.

The resolution was adopted unanimously.

The Chairman—"On behalf of my co-directors and myself, I thank you for this evidence of your confidence in our administration of the Bank. I appreciate very much what Mr. Campbell has said as to Sir Vincent Meredith. I know all here are heart-broken because he is not able to be with us to-day, and I will take great pleasure in conveying to him what has been said."

Maj.-Gen. the Hon. S. C. Mewburn then moved, seconded by the Hon. Thomas Ahearn, that the thanks of the meeting are hereby tendered to the General Manager, the Assistant General Managers, the Superintendents, the Managers and other officers of the Bank, for their services during the past year.

In speaking to this resolution General Mewburn said: "It is my privilege to move this resolution, which I know will be concurred in by all present. When we speak of the Bank of Montreal or think of it, it is as synonymous of the whole of Canada. The advancement and progress of Canada are linked up very closely with this great organization. The Staff of the Bank of Montreal, going back over the 111 years of its history, have blazed the way and blazed new trails throughout this great country in which we are privileged to live. We have 641 branches in Canada. The number of employees is 6,359. That large Staff under the direction of our very able General Manager, assisted by the Assistant General Managers, the Superintendents and Branch Managers throughout this country, are carrying on their duties to the greatest satisfaction of the Directors of the Bank. They show an esprit de corps worked up by the high ideals of not only the present General Manager, but by his predecessors; and every member of the Staff of the Bank of Montreal is loyal and faithful to duty."

"I have much pleasure in seconding this resolution, and it is unnecessary for me to add to the remarks already made," said The Hon. Thomas Ahearn.

The motion was carried with applause.

In reply to this, the General Manager, Sir Frederick Williams-Taylor, said:—

"On my own behalf, and on behalf of all other members of the Staff, I beg to express my warmest thanks for your commendation. It is inspiring to have our services recognized in such generous terms. I firmly believe that never before in the history of the Bank have we had a more active, efficient and zealous Staff, and, if I may say so, that is the best guarantee of a continued sound and progressive administration."

The Chairman then said: "The remaining business before the meeting is the Ballot for the appointment of Auditors and the election of Directors for the ensuing year. The Ballot is now open for these purposes."

The Ballot for the appointment of Auditors and the election of Directors for the ensuing year was then proceeded with.

The scrutineers appointed for the purpose reported that Messrs. James Hutchison, C.A., and Chas. A. Hodgson, C.A., were duly appointed Auditors, and the following gentlemen duly elected Directors: The Hon. Thomas Ahearn, D. Forbes Angus, E. W. Beatty, K.C., W. A. Black, The Hon. Henry Cockshutt, General Sir Arthur Currie, G.C.M.G., K.C.B., H. R. Drummond, G. B. Fraser, Sir Charles Gordon, G.B.E., The Hon. Sir Lomer Gouin, K.C.M.G., Harold Kennedy, J. W. McConnell, William McMaster, F. E. Meredith, K.C., Sir Vincent Meredith, Bart., Major-General The Hon. S. C. Mewburn, C.M.G., F. W. Molson, Lieut.-Col. Herbert Molson, C.M.G., M.C., James Stewart.

The meeting then terminated.

At a subsequent meeting of the Directors, Sir Vincent Meredith, Bart., was elected Chairman of the Board; Sir Charles Gordon, G.B.E., was elected President, and Mr. H. R. Drummond and Major-Gen. The Hon. S. C. Mewburn, C.M.G., were elected Vice-Presidents.

The Executive Committee of the Board was appointed, consisting of Sir Vincent Meredith, Bart., Sir Charles Gordon, G.B.E., Mr. H. R. Drummond, Major-Gen. The Hon. S. C. Mewburn, C.M.G., and Mr. E. W. Beatty, K.C.

BANK OF MONTREAL

(ESTABLISHED OVER 100 YEARS)

INCORPORATED BY ACT OF PARLIAMENT.

HEAD OFFICE—MONTREAL

SIR VINCENT MEREDITH, BART.

Chairman of the Board and Chairman of the Executive Committee.

PRESIDENT

SIR CHARLES GORDON, G.B.E.

VICE-PRESIDENTS

H. R. DRUMMOND, ESQ.

MAJ.-GEN. THE HON. S. C. MEWBURN, C.M.G.

GENERAL MANAGER

SIR FREDERICK WILLIAMS-TAYLOR

DIRECTORS

D. FORBES ANGUS, ESQ.

HAROLD KENNEDY, ESQ.

E. W. BEATTY, ESQ., K.C.

JAMES STEWART, ESQ.

J. W. McCONNELL, ESQ.

WM. McMASTER, ESQ.

G. B. FRASER, ESQ.

THE HON. SIR LOMER GOUIN,
K.C.M.G.

F. E. MEREDITH, ESQ., K.C.

F. W. MOLSON, ESQ.

LT.-COL. HERBERT MOLSON, C.M.G., M.C.

THE HON. HENRY COCKSHUTT

GEN. SIR ARTHUR CURRIE, G.C.M.G., K.C.B.

THE HON. THOMAS AHEARN

W. A. BLACK, ESQ.

EXECUTIVE COMMITTEE OF THE BOARD

SIR VINCENT MEREDITH, BART. (*Chairman*)

SIR CHARLES GORDON, G.B.E.

MAJ.-GEN. THE HON. S. C. MEWBURN, C.M.G.

H. R. DRUMMOND, ESQ.

E. W. BEATTY, ESQ. K.C.

LONDON COMMITTEE

HIS GRACE THE DUKE OF DEVONSHIRE, K.G. (*Chairman*).

F. R. S. BALFOUR, ESQ.

SIR HARDMAN LEVER, BART., K.C.B.

THE RT. HON. LORD STRATHCONA AND MOUNT ROYAL.

PARIS COMITÉ CONSULTATIF

M. LE SÉNATEUR GASTON MENIER

MEXICO COMMITTEE

FREDERICK ADAMS, ESQ.

C. GORDON PATERSON, ESQ.

CAPITAL <i>paid up</i> ,	-	-	-	-	-	-	-	\$ 29,916,700.00
REST AND UNDIVIDED PROFITS,	-	-	-	-	-	-	-	31,630,488.67
TOTAL ASSETS,	-	-	-	-	-	-	-	873,782,523.62

The Bank has 641 Offices in Canada, Newfoundland, United States, Mexico; at London, England, and at Paris, France, with Correspondents in all Countries, offering exceptional facilities in all departments of General and Foreign Banking business.

FOREIGN DEPARTMENT - - - - - HEAD OFFICE, MONTREAL.

BRANCHES

IN CANADA

ALBERTA

ACME
ALLIANCE
BANFF (May to Sept.)
BASHAW
BENTLEY
BOTH
BROWNVALE
CALGARY
" Elbow Park
" Stock Yards
CAMROSE
CARBON
CARDSTON
CARSTAIRS
CASTOR
CHAUVIN
CHIPMAN
CORONATION
DAYSLAND
DELBURNE
DIDSBURY
DONALDA
DRUMHELLER
EDGERTON
EDMONTON
" Namayo Avenue
FORESTBURG
GLENWOODVILLE
GRANDE PRAIRIE
HIGH RIVER
HUGHENDEN
HYTHE
IRMA
ISLAY
KILLAM
LACOMBE
LAKE LOUISE (June to Sept.)
LEDUC
LETHBRIDGE
MAGRATH
MANNVILLE
MEDICINE HAT
MORRIN
MUNDARE
MYRNAM
NOBLEFORD
OKOTOKS
OLDS
PENHOLD
PONOKA
PROVOST
RAYMOND
RED DEER
RIMBEY
RUMSEY
ST. MICHAEL—Sub to Chipman
SEDEGEWICK
STETTNER
STROME
THREE HILLS
TOFIELD
TROCHU
TWO HILLS
VEGREVILLE
VIKING
VULCAN
WAINWRIGHT
WESTLOCK
WETASKIWIN

BRITISH COLUMBIA

AGASSIZ
ARMSTRONG
ASHCROFT
CHILLIWACK
CLOVERDALE
DUNCAN
ENDERBY
ESQUIMALT
HEDLEY—Sub to Princeton
KAMLOOPS
KASLO
KELOWNA
KERRISDALE
KIMBERLEY
MERRITT
NANAIMO
NELSON
NEW DENVER
NEW WESTMINSTER
NORTH VANCOUVER
OAK BAY
PENTICTON
PORT ALBERNI
PORT HANEY
PRINCE GEORGE
PRINCE RUPERT
PRINCETON
REVELSTOKE
ROSSLAND
SIDNEY
STEWART
TERRACE
TRAIL

BRITISH COLUMBIA—Continued

VANCOUVER
" Carrall Street
" Chinese Branch
" Cordova & Main Streets
" Fourth Avenue & Alma Road
" Granville & Nelson Streets
" Hastings Street East
" Homer & Hastings Streets
" Prior Street
VERNON
VICTORIA
WEST SUMMERLAND
WILLIAMS LAKE

MANITOBA

ALEXANDER
AUSTIN
BELMONT
BOWSMAN RIVER
BRANDON
CARBERRY
DARLINGTON
DAUPHIN
DOMINION CITY
GLADSTONE
GRISWOLD
HARTNEY
MACGREGOR
MINOTONAS
MORRIS
NAPINKA
NEEPAWA
OAK LAKE
OAK RIVER
OAKVILLE
PORTAGE LA PRAIRIE
RESTON
RUSSELL
SELKIRK
SIDNEY—Sub to Carberry
SOURIS
THE PAS
WINNIPEG
" Bannerman Avenue
" Corydon Avenue
" Fort Rouge
" Logan Avenue
" Lombard Street
" McGregor St. & Selkirk Ave.
" Morley Ave. & Osborne St.
" Portage Avenue
" Portage Avenue & Goulding St.
" Portage Avenue & Vaughan St.
" Selkirk Avenue & Arlington St.

NEW BRUNSWICK

BATHURST
CHATHAM
FREDERICTON
GRAND FALLS
HARTLAND
MARYSVILLE
MONCTON
PERTH
SAINT JOHN
" Haymarket Square
" Union Street
ST. STEPHEN
SHEDIAC
WOODSTOCK

NOVA SCOTIA

AMHERST
BRIDGEWATER
CANSON
GLACE BAY
HALIFAX
" North End
" Willow Tree
LUNenburg
MAHON BAY
PORT HOOD
RIVERPORT
SYDNEY
WOLFVILLE
YARMOUTH

ONTARIO

ACTON
AUSA CRAIG
ALLISTON

ONTARIO—Continued

ALMONTE
ALVINSTON
AMHERSTBURG
ARNPRIOR
ATHENS
AULTSVILLE
AURORA
AYLMER
BARRY'S BAY
BEACHVILLE—Sub to Ingersoll
BELLEVILLE
BLENHEIM
BOBCAYGEON
BOTHWELL
BOWMANVILLE
BRAMPTON
BRANTFORD
BRESLAU—Sub to Kitchener
BRIDGEBURG
BRIDGEPORT—Sub to Kitchener
BRINSTON
BROCKVILLE
BRONTE
BRUCEFIELD—Sub to Hensall
CALABOGIE—Sub to Renfrew
CAMPBELLFORD
CHATHAM
CHATSORTH
CHESLEY
CHESTERVILLE
CLARKSON
CLINTON
COBDEN
COLLINGWOOD
CORNWALL
" EAST—Sub to Cornwall
COURTLAND
CREEMORE
DELHI
DELTA
DESBORO—Sub to Chatsworth
DESERONTO
DOUGLAS
DRUMBO
DUTTON
EGANVILLE
ELGIN
ELORA
EXETER
FENELON FALLS
FINCH
FORD
FOREST
FORMOSA—Sub to Teeswater
FORT ERIE
FORT WILLIAM
FRANKFORD
GALT
GANANOQUE
GEORGETOWN
GLENCOE
GODERICH
GORE BAY
GRANTON
GUELPH
HALIBURTON
HAMILTON
" Barton St. & Victoria Ave.
" Central Market
" Gage Avenue & Barton St.
" Holton Avenue
" James & Barton Streets
" Main Street East (Delta)
" Victoria Avenue
" Westinghouse Avenue
HANOVER
HENSALL
HESPELER
HIGHGATE
HOLLAND CENTRE—Sub to Chatsworth
HOLSTEIN
INGERSOLL
IROQUOIS
KAGAWONG—Sub to Gore Bay (May to Oct.)
KINCARDINE
KING CITY
KINGSTON
KINGSVILLE
KIRKTON
KITCHENER
KOMOKA—Sub to Market Square, London, Ont.
LAMBTON MILLS
LANCASTER

ONTARIO—Continued

LANSDOWNE
LA SALLE
LAWRENCE STATION—Sub to Dutton
LEAMINGTON
LINDSAY
LISTOWEL
LITTLE CURRENT
LONDESBOURGH—Sub to Clinton
LONDON
" City Hall
" East
" Market Square
" South
LUCAN
LUCKNOW
MADAWASKA—Sub to Barry's Bay
MANITOWANING
MARKDALE
MEAFORD
MERLIN
MIDLAND
MILDMAY
MIMICO
MINDEMOYA
MITCHELL
MONKLAND—Sub to Finch
MORRISBURG
MOUNT FOREST
MUIRKIRK—Sub to Highgate
NAPANEE
NEWBURY
NEWINGTON
NEWMARKET
NEW TORONTO
NIAGARA FALLS
NORTH BAY
NORWICH
OAKVILLE
OAKWOOD
ORILLIA
OSHAWA
OTTAWA
" Bank Street
" Rideau Street
" Sparks Street
" Sparks & O'Connor Streets
OWEN SOUND
PAISLEY
PARIS
PELEE ISLAND—Sub to Leamington (May to Dec.)
PEMBROKE
PERTH
PETERBORO
" George Street
PICTON
PORT ARTHUR
PORT HOPE
PORT LAMBTON—Sub to Wallaceburg
PRESCOTT
PRESTON
PROVIDENCE BAY—Sub to Mindemoya
RENFREW
RIDGETOWN
ST. CATHARINES
ST. EUGENE
ST. GEORGE—Sub to Brantford
ST. MARYS
ST. THOMAS
" East End
SARNIA
SAULT STE. MARIE
" Wellington St. West
SCHREIBER
SIMCOE
SMITH'S FALLS
STIRLING
STRATFORD
STRATHROY
SUDBURY
TARA
TAVISTOCK
TEESWATER
THAMESVILLE
THORNDALE
THOROLD
TICHBORNE—Sub to Verona
TILBURY
TILLSONBURG
TIMMINS
TORONTO
" Bathurst Street
" Bay Street
" 26 Bloor St. West
" Bloor St. & Lansdowne Avenue
" Bloor St. & Spadina Avenue

ONTARIO—Continued

TORONTO
" Bloor St. & Windermere Ave.
" College Street
" Danforth Ave. and Main Street
" Danforth & Carlaw Avenues
" Dundas St. & Lansdowne Avenue
" Dundas St. & Roncesvalles Ave.
" Dupont Street
" Earls Court
" Eglinton
" Grosvenor & Yonge Streets
" King & Dufferin Streets
" King & Yonge Streets
" Parliament Street
" Queen St. East & Beech Avenue
" Queen Street West & Beaconsfield Ave.
" Queen Street & Broadview Ave.
" Queen Street & O'Hara Avenue
" Queen & Portland Streets
" Royce Avenue
" St. Clair Avenue West
" St. Lawrence Market
" Stock Yards
" West Toronto
" Yonge & Bloor Streets
" Yonge & Queen Streets
" Yonge St. & St. Clair Avenue
TRENTON
TUPPERVILLE—Sub to Wallaceburg
TWEED
VERONA
WALES
WALKERTON
WALKERVILLE
" Walker Road
WALLACEBURG
WATERFORD
WATERLOO
WATFORD
WELLAND
WEST LORNE
WESTON
WESTPORT
WHEATLEY
WILLIAMSBURG
WILLIAMSBURG—Sub to Chatsworth
WILLIAMSTOWN
WINDSOR
" Howard Ave.
" London Street
WOODSTOCK
YARKER
ZURICH
PRINCE EDWARD ISLAND
CHARLOTTETOWN
QUEBEC
AMQUI
ARTHABASKA
ARUNDEL
ARVIDA
ATHELSTAN—Sub to Huntingdon
BEAUHARNOIS
BEDFORD
BREAKEYVILLE
BRISTOL—Sub to Shawville
BUCKINGHAM
BURY
CAMPBELL'S BAY
CHAPEAU
CHICOUTIMI
COOKSHIRE
COWANSVILLE
DANVILLE
DRUMMONDVILLE
FOSTER—Sub to Knowlton
GATINEAU
GRANBY
GRAND MERE
HULL
HUNTINGDON
KNOWLTON
LACHINE
" St. Joseph Street
LACHUTE
LEVIS
LITTLE METIS—Sub to Mont Joli (June to Sept.)

IN CANADA

SASKATCHEWAN—
Continued

KINISTINO
KISBEY
LAKE LENORE
LAMPMAN
LIMERICK
MAPLE CREEK
MEACHAM
MELVILLE
MOOSE JAW
NORTH BATTLEFORD
OUTLOOK
PERDUE
PRELATE
PRINCE ALBERT
PUNNICHY
RAYMORE
REGINA
RHEIN
ROSE VALLEY
ROSTHERN
ST. GREGOR
SALTCOATS
SASKATOON
SEMANS
SENLA
SHAUNAVON
SWIFT CURRENT
TISDALE
UNITY
VERIGIN
WAKAW
WALDRON
WEYBURN
WHITEWOOD
WYNYARD
YORKTON

YUKON

DAWSON
MAYO

ST. JOHN'S

“ “ 9 WATERLOO PLACE, S.W. 1

PARIS—BANK OF MONTREAL (France)—6 PLACE VENDÔME

SAN FRANCISCO, CALIF.—BANK OF MONTREAL (SAN FRANCISCO)—264 CALIFORNIA STREET

VERACRUZ, VER.—BANK OF MONTREAL, CALLE DE MIGUEL LERDO No. 25.

Barclays Bank (Dominion, Colonial & Overseas) formerly, The Colonial Bank
(in which an interest is owned by the Bank of Montreal).

