

1930  
BANK OF MONTREAL

---

ANNUAL GENERAL MEETING

HELD 1ST DECEMBER, 1930



The 113th Annual General Meeting of the Shareholders of the Bank of Montreal was held on the 1st December, 1930 in the Board Room at the Bank's Headquarters.

Among those present were: The Hon. Thos. Ahearn, P.C., A. D. Anderson, D. Forbes Angus, G. E. Armstrong, M.D., Arthur Barry, F. Beemer, M.D., E. W. Beatty, K.C., J. A. Beaulieu, W. A. Black, W. B. Blackader, W. A. Bog, Arthur Browning, Patrick Burns, T. M. Burns, R. E. Buzzell, C. W. Buchanan, G. Rutherford Caverhill, W. R. Chenoweth, C. W. Chesterton, D. R. Clarke, W. S. Clouston, The Hon. Henry Cockshutt, F. W. Collins, D. E. Crutchlow, General Sir Arthur Currie, G.C.M.G., K.C.B., Norman J. Dawes, A. O. Dawson, Jackson Dodds, W. H. R. Denman, H. R. Drummond, E. G. Evans, G. Filliter, W. C. Finley, H. W. Fobin, A. B. Foster, The Hon. G. G. Foster, K.C., A. E. Francis, H. C. Francis, G. B. Fraser, Alastair A. Gowan, C.A., J. Garrow, G. H. Greening, Sir Charles Gordon, G.B.E., G. Blair Gordon, E. Haberer, Samuel Hart, William Hanson, James Hutchison, C.A., S. E. James, L. Julien, M. H. Gault, Harold Kennedy, J. M. Kilbourn, J. N. Laing, F. X. Leduc, The Hon. Rodolphe Lemieux, K.C., C. W. Lindsay, H. R. Little, Lieut.-Col. Walter E. Lyman, J. W. McConnell, Ross H. McMaster, W. McDonnell, J. McEachern, W. T. A. McFadyen, F. E. Meredith, K.C., W. D. Macmillan, Major-General The Hon. S. C. Mewburn, C.M.G., G. H. Miller, T. E. Merrett, Lieut.-Col. Herbert Molson, C.M.G., M.C., D. J. Munn, Major S. C. Norsworthy, D.S.O., M.C., Lieut.-Col. W. P. O'Brien, Lieut.-Col. G. L. Ogilvie, W. T. Oliver, Mrs. Ida Ornstein, L. H. Pinsonnault, G. F. Pearson, J. R. Pudney, Edward Pope, B. Panet Raymond, A. G. Ross, O. R. Rowley, O. R. Sharp, C. F. Sise, Chris. Spencer, G. W. Spinney, Sir William Stavert, K.B.E., E. H. Stewart, Walter M. Stewart, Arthur Terroux, J. S. Watt, E. P. Winslow, Colin W. Webster, R. S. White, M.P.

On motion of Mr. H. R. Drummond, Sir Charles Gordon, G.B.E., was requested to take the chair.

The Honourable Henry Cockshutt moved, seconded by Mr. Walter M. Stewart, that Sir William Stavert, K.B.E., and Lieut.-Col. G. L. Ogilvie 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 Mr. Jackson Dodds, as Joint General Manager, to read the annual report of the Directors to the Shareholders at their 113th Annual General Meeting, held on Monday, December 1st, 1930.

## 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, 1930.

### PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 31st October, 1929.....	\$ 735,582.31
Profits for the year ended 31st October, 1930, after deducting charges of management, and making full provision for all bad and doubtful debts.....	6,519,031.51
Premiums on New Stock.....	51,459.50
	<u>\$ 7,306,073.32</u>
Quarterly Dividend 3 per cent. paid 1st March, 1930.....	\$ 1,072,647.00
Interest on Instalment Payments for New Stock.....	14,939.99
Quarterly Dividend 3 per cent. paid 2nd June, 1930.....	1,080,000.00
Quarterly Dividend 3 per cent. paid 2nd Sept., 1930.....	1,080,000.00
Quarterly Dividend 3 per cent. payable 1st Dec., 1930.....	1,080,000.00
Bonus 2 per cent. payable 1st Dec., 1930.....	720,000.00
	<u>\$ 5,047,586.99</u>
Amount credited to Rest Account.....	51,459.50
Provision for Taxes Dominion Government.....	459,979.45
Reservation for Bank Premises.....	800,000.00
	<u>6,359,025.94</u>
Balance of Profit and Loss carried forward.....	<u>\$ 947,047.38</u>

(Signed) CHARLES B. GORDON,  
*President.*

(Signed) W. A. BOG,  
JACKSON DODDS,  
*Joint General Managers.*

Since the last Annual Meeting, eighteen offices have been opened throughout the Dominion of Canada and fifteen offices have been closed.

The Directors have to record, with deep regret, the death of their late valued colleague, Mr. Wm. McMaster, a member of the Board since 1913.

In July, Mr. James Stewart tendered his resignation as a Director, which was accepted.

In March, Messrs. Patrick Burns and Chris. Spencer were appointed members of the Board, and in May, Mr. Ross H. McMaster was appointed a member of the Board.

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

(Signed) CHARLES B. GORDON,  
*President.*

Bank of Montreal, 1st December, 1930.



## THE GENERAL STATEMENT

The General Statement of the position of the Bank on 31st October, 1930, was submitted as follows:

### LIABILITIES

Capital Stock .....		\$ 36,000,000.00
Rest .....	\$ 38,000,000.00	
Balance of Profits carried forward .....	947,047.38	
	\$ 38,947,047.38	
Unclaimed Dividends .....	10,653.07	
Quarterly Dividend, payable 1st December, 1930 .....	1,080,000.00	
Bonus of 2% payable 1st December, 1930 .....	720,000.00	
		40,757,700.45
		\$ 76,757,700.45
Notes of the Bank in circulation .....	\$ 39,724,450.50	
Deposits not bearing interest .....	148,045,926.50	
Deposits bearing interest, including interest accrued to date of statement .....	540,977,246.08	
Deposits made by and Balances due to other Banks in Canada .....	2,569,634.57	
Balances due to Banks and Banking Correspondents elsewhere than in Canada .....	5,802,935.19	
Bills Payable .....	1,568,710.05	
		738,688,902.89
Letters of Credit outstanding .....		8,723,863.80
Liabilities not included in the foregoing .....		2,799,070.47
		<u>\$826,969,537.61</u>

### ASSETS

Gold and Subsidiary coin current .....	\$ 33,871,526.29	
Dominion notes .....	56,175,893.50	
Deposit in the Central Gold Reserves .....	10,000,000.00	
Deposits made with and Balances due from other Banks in Canada .....	\$ 260.31	
United States and other foreign currencies .....	910,246.67	
Balances due by Banks and Banking Correspondents elsewhere than in Canada .....	35,118,588.43	
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 .....	17,840,690.03	
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 .....	60,921,712.69	
		114,791,498.13
Dominion and Provincial Government Securities, not exceeding market value .....		131,107,484.82
Railway and other Bonds, Debentures and Stocks, not exceeding market value .....		5,074,726.57
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian not exceeding market value .....		46,447,441.76
Notes of other Banks .....		2,890,525.78
Cheques on other Banks .....		37,833,383.09
		\$ 438,192,479.94
Current Loans and Discounts in Canada, less rebate of interest, after making full provision for all bad and doubtful debts .....	290,872,423.31	
Loans to Cities, Towns, Municipalities and School Districts .....	24,246,054.33	
Current Loans and Discounts elsewhere than in Canada, less rebate of interest, after making full provision for all bad and doubtful debts .....	42,547,341.17	
Non-current Loans, estimated loss provided for .....	2,037,460.54	
		\$ 359,703,279.35
Bank Premises, at not more than cost, less amounts written off .....		14,500,000.00
Real Estate other than Bank Premises .....		321,214.44
Mortgages on Real Estate sold by the Bank .....		1,482,137.65
Liabilities of Customers under Letters of Credit as per Contra .....		8,723,863.80
Deposit with the Minister for the purposes of the Circulation Fund .....		1,642,836.32
Shares of and loans to controlled companies .....		2,353,227.89
Other Assets not included in the foregoing .....		50,498.22
		<u>\$826,969,537.61</u>

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

**CHARLES B. GORDON,**

*President.*

**W. A. BOG,  
JACKSON DODDS,**

*Joint General Managers.*

#### 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) 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,  
ALASTAIR A. GOWAN, C.A.,  
of the firm of George A. Touche & Co.

Auditors.

MONTREAL, November 21st, 1930.



**COMPANIA TERRITORIAL MEXICANA S. A. EN LIQUIDACION**

**Balance Sheet as at 31st October, 1930**

ASSETS		LIABILITIES	
	Mexican Pesos		Mexican Pesos
Real Estate.....	\$ 246,499.63	Capital Stock.....	\$ 50,000.00
Mortgages.....	425,521.18	Accounts Payable.....	7,561.20
Bonds and Shares.....	18,765.00	Bank of Montreal, Loan Account.....	1,848,185.50
Accounts Receivable.....	9,453.37	Interest Suspense.....	7,916.95
Cash on Hand and in Bank.....	33,069.97		
Bank of Montreal, Collateral Account, Mortgages.....	1,106,857.55		
Profit and Loss Account Balance.....	73,496.95		
	<u>\$1,913,663.65</u>		<u>\$1,913,663.65</u>

**NOTE —**

This Company was formed by the Bank in February, 1911, 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; a specific reserve of \$13,000 is also held for this Company.

**MONTREAL, 19th NOVEMBER, 1930.**

**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 and Bonds of the Pan-American Railway Company are carried at cost, but we are unable to say if this figure will be realized. 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.,  
ALASTAIR A. GOWAN, C.A.,  
Auditors.

**THE ST. JAMES LAND COMPANY, LIMITED**

**Balance Sheet as at 31st October, 1930**

ASSETS		LIABILITIES	
*The rights of the Company is 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:— Authorized and Issued 200 shares of \$100 each.....	\$ 20,000.00
Expended on the building to date.....	94,808.19	Capital Surplus.....	297,205.14
	<u>\$317,205.14</u>		
	<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, 18th NOVEMBER, 1930.**

**Auditors' Report**

We have examined the Books and Accounts of The St. James Land Company, Limited, for the year ended 31st October, 1930, 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, 1930, 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.,  
ALASTAIR A. GOWAN, C.A.,  
Auditors.

**THE MONTREAL COMPANY OF NEW YORK, INC.**

**Balance Sheet as at 31st October, 1930**

ASSETS		LIABILITIES	
Cash in Bank.....	\$ 79,777.76	Bank Loans.....	\$1,436,050.06
Investments at Market Value.....	1,679,813.45	Due to Sundry Clients, including Reserve for Federal and State Taxes.....	167,260.44
Accrued Interest on Investments.....	12,861.04	Capital:	
Accounts Receivable.....	61,171.36	Authorized and Issued 1,000 shares of \$100 each fully paid up.....	\$100,000.00
		Reserve Account.....	85,000.00
		Profit and Loss Account Balance.....	45,313.11
			<u>\$ 230,313.11</u>
	<u>\$ 1,833,623.61</u>		<u>\$1,833,623.61</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, 18th NOVEMBER, 1930.**

**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, 1930, 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.,  
ALASTAIR A. GOWAN, C.A.,  
Auditors.



# HOCHELAGA REALTY AND DEVELOPMENT COMPANY

## Balance Sheet as at 31st October, 1930

ASSETS		LIABILITIES	
Cash in Bank.....	\$ 16,492.88	Capital Stock.....	\$ 10,000.00
Accounts Receivable.....	1,333.33	Debenture Bonds.....	1,220,000.00
Buildings, Real Estate, etc., 64-68 Wall Street, New York, less depreciation.....	1,202,341.13	Accounts Payable.....	3,501.35
Profit and Loss Account Balance.....	83,767.34	Bond Interest Payable and Accrued.....	56,933.33
		Reserved for Taxes.....	13,500.00
	<u>\$1,303,934.68</u>		<u>\$1,303,934.68</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, 18th NOVEMBER, 1930.

### 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, 1930, 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.,  
ALASTAIR A. GOWAN, C.A.,  
Auditors.

# THE LAND SECURITIES COMPANY OF CANADA, LIMITED

## Balance Sheet as at 31st October, 1930

ASSETS		LIABILITIES	
Investments and Advances less Reserves.....	\$137,907.40	Reserves for Commissions, etc.....	\$ 1,998.76
Accrued Interest considered good.....	1,272.78	Bank Loans.....	241,581.09
Cash in Bank of Montreal.....	512.31	Capital Stock.....	200,000.00
Profit and Loss Account Balance.....	303,887.36		
	<u>\$443,579.85</u>		<u>\$443,579.85</u>

### 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 \$135,000 is also held for this Company.

O. R. SHARP, Director.  
R. P. JELLET, Director.

MONTREAL, 19th NOVEMBER, 1930.

### 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, 1930, 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.,  
ALASTAIR A. GOWAN, C.A.,  
Auditors.

# EDIFICIO MONTREAL, S.A.

## Balance Sheet as at 31st October, 1930

ASSETS		LIABILITIES	
Real Estate and Building.....	\$750,000.00	Capital Stock—100 Shares of \$7,500 each.....	\$750,000.00
Expended on Building to date.....	189,149.49	Bank of Montreal Loan Account.....	215,219.29
Furniture and Fixtures.....	\$939,149.49		
	26,069.80		
	<u>\$965,219.29</u>		<u>\$965,219.29</u>

### NOTE:—

The Company was formed in July, 1930, in conformance with Mexican legal requirements for the purpose of holding and administering the property in which the Bank's main Mexico City Branch will be housed. The Capital Stock is entirely owned by the Bank and the amount is carried on the Bank's books at "Nil."

MONTREAL, 18th NOVEMBER, 1930.

### Auditors' Report

We have examined the Books and Accounts of the Edificio Montreal, S.A., and have obtained all the information and explanations we have required. 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 October 31st, 1930, according to the best of our information and the explanations given to us, and as shown by the Books of the Company.

(Signed)

JAMES HUTCHISON, C.A.,  
ALASTAIR A. GOWAN, 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.

In moving the adoption of the Report of your Directors, may I first express my deep regret at the death during the past year of two valued colleagues, Mr. H. B. Mackenzie and Mr. William McMaster. Only last year the appointment of Mr. Mackenzie to the position of General Manager, in succession to Sir Frederick Williams-Taylor, was made, and hope was held that for many more years he would give to the service of the Bank the ability, experience, aptitude and capacity he possessed, but ere many months passed we were called to mourn his death. Mr. McMaster had been a member of the Board for a long period, his business career was of unbroken success, and to the service of the Bank he brought those eminent qualities which made him conspicuous in commercial circles. Mr. Ross McMaster, whose business achievements are well known to every one of you, was appointed to fill the vacancy on the Board caused by the death of his father, and two seats on the directorate, following the enlargement of the Board authorized at the last Annual Meeting, have been filled by the appointment of Mr. Patrick Burns and Mr. Chris. Spencer, residing in Calgary and Vancouver respectively, both outstanding in business enterprise in Western Canada.

After the death of Mr. Mackenzie, your Directors deemed it opportune to make the general management a joint office and appointed thereto Mr. W. A. Bog and Mr. Jackson Dodds, who have long been upon the staff of the Bank, have risen by merit and ability to the important positions they now occupy, and are possessed of sound and varied banking knowledge.

## STATEMENT—PROFITS

The Annual Statement has already been published, and as the General Managers will explain some of the details, I will only draw attention to the very strong position which is reflected not only in cash but in Dominion of Canada and Provincial Government securities.

I am sure it will be very gratifying to the shareholders to learn that we have not suffered any losses from depreciation in the securities which the Bank holds as part of its assets. From this you will understand that great care has been exercised in our investments.

The year under review has been a most difficult one not only for banks but for practically all classes of business, and this has been reflected in our profits, but nevertheless ample provision has been made for all losses and prospective losses.

## VISIT TO WESTERN CANADA

Following the custom of which I have had the opportunity of availing myself for the past three years, together with other directors of the Bank I accompanied Mr. Beatty, President of the Canadian Pacific Railway Company, on his annual visit to the West. In this way we are enabled to keep thoroughly familiar with all the ramifications of the Bank in the Western Provinces and British Columbia. Although we passed through the southern section of the Prairie Provinces early in September, nearly all the wheat had been cut and threshed in those districts. It was of a very high quality, but light yield, and commanded a discouragingly low price. Passing on to British Columbia, we found conditions there in the lumber business very quiet, although the pulp and paper business on the Coast was doing well. Those engaged in the fish-packing business were finding the markets rather glutted. Returning through the northern sections of the Prairie Provinces and passing over branch lines serving the newer portions of the country, we found an immense crop in

process of being harvested. No complaints were heard in this section as to the size of the crop. The weather was bad, however, making it difficult to save the grain, and the price was still lower than earlier in the season.

Low prices have also affected the mining industry. As yet, these have not been followed by much reduction in overhead, so that the decrease in the prices of products of the mines comes right out of their profits.

The newsprint industry has been adversely affected by failure of consumption to keep step with growing output. The wisest course to pursue in this circumstance would seem to be to distribute production to a point where each plant would be able to run some of its machines on full time and reduce manufacturing expenses to the lowest possible point. Consumption of newsprint will probably increase gradually, but it would appear that meanwhile construction of new mills should cease.

## DECLINE IN COMMODITY PRICES

Since our last meeting we have been witnessing a decline in commodity prices, but this has not been due to restriction of credit. There is an abundance of money available for sound commercial purposes and credit is not stinted. Prices of many staples of primary production are now extremely low, to which condition the prevalent dullness of trade is principally due. Such important commodities as wheat, sugar, rubber, raw cotton, wool, tin and copper are all now at lower price levels than in 1913. Examination of the figures of the foreign trade of Canada shows how large a part the item of wheat plays. No other single commodity approaches this cereal in volume and value; as a consequence, when crop failure occurs or prices fall below the line of profitable production, the whole business of the country is adversely affected. That has happened. The wheat crop of 1929 was short in quantity; the crop of 1930 faced low prices and a glutted market; and the foreign trade returns disclose the results of these unfavourable factors. In the twelve months ending September 30th, total exports of Canadian produce had a value of \$1,303,228,000 in 1929, and of \$982,098,000 in 1930, being a decrease of \$321,130,000, of which decrease \$167,185,000, or more than 50 per cent, was in the item of wheat and wheat flour alone. To short crops and congested markets can be traced much of the reaction in general business, the decline in railway traffic, the diminished earnings of carriers by land and water, unemployment of labour, and, above all, diminished purchasing power of the agricultural class.

Lower prices account for some of the shrinkage in the foreign commerce of Canada, but lessened volume for more. In the twelve months ending October 31st, 1930, total imports were \$1,064,915,000 and total exports \$945,614,000, being a decrease of \$238,566,000 in imports, and \$335,070,000 in exports from the figures of the preceding year. An unfavourable balance of trade of \$22,797,000 in the twelve months ending October 31st, 1929, was increased to \$119,301,000 for the same period in 1930. In the recession of our import trade during the year to September 30th, the United States has been the chief sufferer, selling \$168,449,000 less merchandise to Canada in 1930 than in 1929, chiefly iron and steel products, while the decrease in our purchases from Great Britain was \$27,000,000. European countries have reduced purchases from Canada, as have also China and Japan, owing to curtailed buying power and the erection of tariff barriers, but it is noteworthy that our commerce with the West Indies and Southern hemisphere countries has been relatively well maintained.

Approximately one-half the population of Canada derive support directly from the farm, and while this year their labour has been rewarded with an aggregate average quantity return, low



prices have reduced profit close to the vanishing point. Of wheat, the crop was 90,000,000 bushels larger than in 1929, but what was gained in quantity was lost in value, an increase of about 30% in production being offset by a 50% decline in price.

Livestock and the dairying industry have also encountered unfavourable conditions, not least being exclusion from the United States market by high tariff duties, while prices sagged to lower levels during much of the year. An effort is being made to regain the British market for Canadian cattle and to establish anew a trade of once considerable magnitude. There is prospect of some success next season in this direction.

Transportation interests have been hit for the second year in succession by reduced wheat shipments and slow export demand for the cereal. Railway gross earnings have steadily decreased, and only by the practice of rigid economy have net earnings been kept within measurable distance of those of recent years. In travelling from one end of Canada to the other, one cannot help being impressed with the splendid physical condition of our railroads. One hears remarks to this effect on every side from those who come to Canada and make use of our transportation facilities, and in this respect Canada seems to be more fortunate than many other countries, including even the United States.

It is the history of all new countries that they depend at first upon the utilization of their most available resources, and later turn to manufacturing and similar pursuits. Canada at the present time is in an intermediate stage. We have been making use of resources most readily converted into money, but are now entering the second stage, that of manufacturing. In 1915 the gross value of Canada's agricultural products was \$1,118,694,000, and of her manufactured products, \$1,381,547,000. In 1928 the figures were: gross value of agricultural products, \$1,730,304,000, and of manufactures, \$3,769,850,000. These figures illustrate the trend of our economic development, and have an important bearing upon our future outlook.

### WATER POWERS

One phase of our industrial activities which is being carried forward with undiminished vigour is the development of our water powers. At the beginning of the present year the total installed capacity was 5,727,162 h.p. During the year, hydro-electric construction has exceeded that of any previous period in the history of the Dominion. A mid-year review issued by the Department of the Interior stated that installations aggregating more than 1,680,000 h.p. were under active construction from coast to coast. Many of these installations comprise the initial stages only of the respective undertakings, and when such plants have reached their ultimate designed capacities a further 2,000,000 h.p. will be added. These impressive figures raise the question as to whether or not the development of power waters is proceeding too rapidly, but as against this it is to be remembered that the uses to which hydro-electric current is being put are constantly expanding in industry, in the home, and on the farm.

Automobile production has fallen this year to nearly half the figure of 1929, yet the importation of crude petroleum and the sale of gasoline has not decreased. In the twelve months ending September 30th last, the importation into Canada of crude petroleum amounted to 1,195,644,000 gallons, and of gasoline to 164,711,000 gallons, of a combined value of \$66,467,000, being an increase of about four per cent over the preceding year. Good roads have helped the motor trade.

The rapid pace of building construction in recent years has moderated, a not surprising occurrence, but there has been much activity in this branch of business during the year, especially in the

prosecution of engineering projects. In the ten months for which figures are available contracts are estimated at \$393,146,000 compared with \$498,727,000 in the corresponding period last year.

In the United States the enactment of a high customs tariff has restricted the sale of our agricultural products in that market, while in Canada the change of Government produced by the general elections in July was followed by a brief Parliamentary Session fruitful of important fiscal legislation. Outstanding was a sharp revision upward of many tariff items in order adequately to foster and protect domestic industries. Some of the anticipated advantages are appearing in the form of increased employment in mills and factories, the establishment of industries new to Canada, and the enlargement of those already in existence.

### IMPERIAL CONFERENCE

On the Imperial Conference in London high hopes may have been built that the various portions of the British Commonwealth would be more closely knit economically by preferential tariffs. No important step to this end was taken, but the proceedings have awakened widespread interest. It is apparent that free trade within the Empire is not a practical possibility, but I feel strongly that much could be accomplished in furthering the exchange of trade between Canada and the United Kingdom by placing that trade upon a reciprocal basis as is the case at present between Canada and some other portions of the Empire. There is an increasing recognition in Canada of the wisdom of trading with those who are willing to trade with us and that principle would find a very practical expression under a system of reciprocal preferences with the United Kingdom, which, though started perhaps only in a small way, would undoubtedly lead to impressive results in regard to the future trade of both countries. These remarks apply also to an extension of the existing agreements with the other Dominions.

The condition of the Dominion finances gives cause for some concern. Last fiscal year the national surplus amounted to the large sum of \$45,500,000; in the current fiscal year ending March 31st next this surplus will be displaced by a deficit of at least a corresponding figure, and it may be even greater. I base this surmise upon the returns for the seven months ending October 31st, which show a decline in Dominion revenue of \$49,000,000 and an increase of \$10,000,000 in ordinary expenditure compared with the like period last year. Obviously the practice of economy is imperatively required.

As regards conditions abroad, unfortunately the situation in Europe is rather clouded by political influences making for uncertainty, as well as by economic troubles, and the outlook is obscure. The flotation of the German reparations loan has disposed of a financial operation of major importance, which is well out of the way. The Bank for International Settlements is in operation and its influence in the international money market will no doubt become increasingly apparent as time goes on. The loan of \$125,000,000 recently arranged for Germany should help that country in its present difficulties, the solution of which is important in the interests of Europe generally.

A practically unbroken trend downward has been experienced in the economic affairs of Great Britain, which country, already badly handicapped in her external trade and by heavy taxation, has felt most acutely the effects of the economic depression from which the whole world is suffering. Sufficient evidence of the unsatisfactory condition of trade and industry is found in progressively declining exports,—particularly of manufactured articles,—the rapidly increasing number of unemployed, declining railway traffic, shipping freights and bank advances. Agriculture is in a particularly distressed condition. The reorgani-



zation of industry on modern lines is proceeding slowly but steadily, with the co-operation of the big banks under the lead of the Bank of England, and this is the best promise of a return to better times.

The United States is passing through a period of far-reaching business readjustment involving decline in commodity prices, greatly reduced employment of labour and greatly curtailed purchasing power. Unlike previous major recessions, however, inventories are light and there are some indications now that the painful fall in price levels and in volume of industrial production and sales has been checked. There are reasons, however, for thinking that the return to prosperity will be slower than usual because of two important factors; first, that the export trade of the United States is being seriously restricted by many countries setting up retaliatory tariffs, and secondly, that credits to foreign countries by United States banks and financial houses will not be forthcoming to the same extent as in the past.

#### BUSINESS OUTLOOK IN CANADA

Summing up conditions in our own country, we can, I think, justly congratulate ourselves upon the inherent vigour and soundness of our general economic structure. The set-back we have received has been a direct reflection of disturbed conditions all over the world. Europe has been in such state of unrest as to cause apprehensions. Great Britain has experienced unemployment on the largest scale in its history. Russia is in the throes of a vast and revolutionary experiment. Armed rebellion has occurred in South American Republics. Civil war has been raging in China. India has been in a state of passive revolt. Japan is passing through a severe industrial depression. All these conditions were bound to affect the marketing of the primary products of the farm, the forest, the mine and the fisheries, upon the export of which Canada has largely depended.

Memory of the stock market debacle will pass; commodity prices will, if they have not already done so, reach a point where production is curtailed to the level of consumption; the period is approaching when the comparison with figures of the previous year will be less unfavourable. When these factors are in evidence there will be bred a more optimistic outlook, spending will become freer, employment will increase, and there will be a return to better times, for in this virile country of Canada with its abounding resources there can be no permanent depression. Whether the pull will be short or long we cannot foretell, but we do know that Canada has been through many periods of depression before and upon each occasion has emerged successfully. We know also that during the year under review hardship and suffering have been less prevalent in Canada than in almost any other country, and we can say of the expenditures that have been undertaken by the various governing authorities for the relief of unemployment that in the main they will be put to productive uses that will tend to speed up our development when trade recovery takes place. Furthermore, the fact that in this period we have been thrown so much upon our own resources, and have paid more attention than ever before to the possibilities of our domestic market, cannot but have effects which will be of lasting benefit to our industries. My own view is that when the turn comes Canada will be found leading the procession in the return to prosperity. That view, I think you will agree, finds full justification from the manner in which this country has been weathering the storm and from the vigorous and practical remedial measures which we as a people have applied.

#### THE GENERAL MANAGERS' ADDRESS

The Chairman then called upon Mr. W. A. Bog, as Joint General Manager, to read the address of the General Managers, which was as follows:

Mr. President and Gentlemen:—

On behalf of Mr. Dodds and myself I have the honour to present to you the 113th Annual Balance Sheet of the Bank, together with our comments upon the various features which it contains.

As you know, the Banks of the world at large are passing through one of the most difficult periods in history. Canada is singularly fortunate in her banking system. It has been able to withstand, without apparent strain, the heavy drop in the price of commodities and in the market value of securities which has taken place in this country as it has elsewhere. A reduction in Bank figures is a natural sequence of this decrease in values.

In times like the present it is inevitable that losses suffered through the heavy fall in prices must affect Banks at least indirectly. It is a satisfaction to be able to assure you that we have made ample provision for all losses and doubtful loans.

You will note that the traditionally strong liquid position of your Bank has been maintained. This was accomplished without curtailing the credit requirements of our customers. Profits, while reflecting the quiet state, during the past year, of the general business of the country and lower money rates in foreign markets, have been more than sufficient to maintain the usual distributions to shareholders.

Our Total Assets now aggregate \$826,900,000 against \$965,300,000 a year ago, a decrease of \$138,400,000, which may be considered a reasonable contraction in view of the conditions which have prevailed. Of this total \$438,100,000 consists of quick assets, namely, cash, call loans, bank balances and securities of a readily realizable nature.

Cash Reserves to Liabilities to the Public are 13.33%.

Capital, Rest and Undivided Profits amount to \$74,947,000, as compared with \$74,632,000. Rest and Undivided Profits are now \$2,947,000 in excess of our capital.

Deposits aggregate \$689,000,000, a decrease of \$83,300,000. Demand Deposits have decreased \$72,500,000. Deposits after Notice amount to \$409,600,000 as compared with \$420,400,000. During recent months deposits in our Savings Department have increased, an indication that with the passing of abnormal conditions in the stock markets, the inherent saving tendency of the people is again in evidence.

A notable increase during the year in the number of small accounts is especially gratifying, as we have consistently emphasized the fact that the Bank of Montreal welcomes small accounts. It is our experience that the amount represented by many small accounts is a more stable quantity than a similar total represented by a few large balances.

Balances due to Banks are \$8,300,000, a decrease of \$31,000,000, as compared with last year, when large amounts were held by us on account of European institutions desirous of taking advantage of high rates of interest then prevailing in New York.

Cash and Bank Balances (including Central Gold Reserves) amount to \$136,000,000, a decrease of \$12,000,000.

Our Call Loans, aggregating \$78,700,000, show a decrease of \$76,200,000 compared with a year ago. Those in Canada are down \$21,600,000; others are down \$54,600,000.



Investments amount to \$182,600,000, an increase of \$53,000,000 over a year ago, these being largely in Dominion and Provincial Government securities.

Bank Premises are carried at \$14,500,000, the same as a year ago.

Current Loans in Canada (including advances to Municipalities) amount to \$315,100,000, a decrease of \$83,700,000, due to lessened activity of business in general.

Current Loans elsewhere aggregate \$42,500,000 as compared with \$35,100,000 a year ago.

Profits are \$6,519,000, as compared with \$7,070,000 reported a year ago. This reflects the quieter state of business conditions coupled with lower rates of interest received on funds necessarily employed elsewhere than in Canada. The net result may be considered satisfactory.

### NEW BRANCHES

Since the last Annual Meeting we have opened 18 new branches and closed 15. Our offices now total 672, of which 653 are in Canada and 6 in Newfoundland. The offices closed were at points where it was found after a trial that there was not sufficient business to warrant a continuance of service.

Following the erection of handsome premises at Hamilton we have now in course of construction main offices at Ottawa and Calgary. When these are completed we shall have at practically every large centre throughout Canada a main branch thoroughly representative of the outstanding position occupied by your Bank.

Our offices abroad have continued to prove of substantial advantage to our general operations and to the international business of the Dominion. Their importance has been particularly noticeable in connection with the growing interest abroad in the establishment in Canada of new industries and branches of existing industries.

### FINANCIAL CONDITIONS ABROAD

Marked changes have taken place in the past twelve months in financial conditions both here and abroad. A year ago the Bank of England rate was  $5\frac{1}{2}\%$ ; it is now  $3\%$ ; while money on call in London has lately ranged from  $1\frac{1}{2}\%$  to  $2\%$ , against  $4\frac{1}{2}\%$  last year. This, and the fact that discount rates for prime paper are only the barest fraction over the rate for Call money, indicate the difficulty there is in employing funds for short periods. There is ample money awaiting long term investment, but its employment in industry must be preceded by a return of confidence. In the London Stock Markets there is all-round depression except in first class investments, especially British Government securities, which are now nearing a  $4\%$  basis. Great Britain is faced with the necessity of solving many difficult problems, among them the fiscal policy. There appears to be evidence of an increasing growth of responsible opinion in the country in favour of a change assuring closer economic unity within the Empire, and the adoption of safeguarding duties where required. Meanwhile the burden of a colossal National Debt, together with the necessity of supporting a growing army of unemployed, is saddling Great Britain with heavy taxation which is handicapping industry and restricting enterprise.

In France both exports and imports are materially lower in volume and value than last year's figures, and there is a substantial adverse foreign trade balance, which, however, is estimated to be more than offset by the expenditure of foreign visitors, even

though the tourist traffic this year has been comparatively light. On the Bourse, Government securities have remained remarkably firm with an improving tendency, but practically all other departments have experienced falling prices during the past year; the recession, however, has been orderly. In spite of the superabundance of money, investors have been out of the market for many months, and in consequence the banks have a large supply of funds which they find very difficult to employ profitably. The Bank of France itself is in an exceptionally strong position, with gold holdings, foreign balances and foreign bills more than covering its note circulation.

In the United States securities markets have experienced heavy liquidation with the result that the volume of credit thus employed has undergone a great shrinkage. Loans to brokers on the New York Stock Exchange are down from \$8,550,000,000 as at October 1st last year to \$2,556,000,000 as at November 1st this year. The reasons for continued ease in money rates lie in reduced activity in trade and speculation. Notwithstanding the difficulties in which some relatively unimportant banks in certain areas of the country have become involved, the banking system in general has emerged with unimpaired strength and usefulness from what was possibly its severest test, and, with very low money rates and plentiful credit reserves, ample resources are assured to meet any demand that may develop.

### SITUATION IN CANADA

In Canada the collapse of stock speculation, which occurred just prior to our last Annual Meeting, has been coupled with a decline in commodity prices sufficiently widespread to affect nearly every form of business. Canada is fortunate in that its income is derived from a variety of important trades and occupations, most of which are based upon raw materials existing in abundance within our own borders.

While Canada is steadily growing in importance in respect of her manufactures, we depend largely upon the export of agricultural and other products, and at present the realizable monetary value of these is at the lowest level reached for many years past.

What is very necessary to improve conditions in Canada is the political and financial stability of the world at large, principally of Europe, and anything Canada can do to this end will redound to our advantage. The large debts overhanging certain European countries have undoubtedly had an adverse effect on their purchasing power abroad and they have endeavoured through tariffs and otherwise to restrict such expenditures. These debts have created a psychological, as well as a material, condition. The flow of gold to France and the United States has contributed to weaken the purchasing power of many countries and the fall in the price of silver has curtailed the buying power of the East.

The serious situation which has developed in the wheat market has served to call into question the wisdom of placing such widespread reliance as in the past upon one type of crop. Wheat is a commodity of international character, and the bulk of our production of it must be exported. The price return is subject to wide fluctuations and is affected by many conditions which can neither be foreseen nor controlled. Wheat will always be produced in large quantities in the Prairie Provinces, but the conviction is growing that more stability is afforded by a wider application of the principles of mixed farming, because this, as well as supplying many of his own needs, brings to the farmer a return every month in the year. That the Prairie Provinces are making solid progress in this direction is clearly indicated by the steadily increasing production of such varied



farm products as livestock, wool, butter, cheese, vegetables, et cetera. Meanwhile, for the marketing of our export surplus of wheat, stable conditions in the world at large are most important.

It might be pertinent in this connection, as an example, to mention that for the twelve months ending 31st March, 1929, Canada sold to Germany agricultural products of a value of \$35,402,000; in the next year the value had fallen to \$14,841,000, and for the three months ending 30th June of this year the total was \$2,182,000 only.

Unemployment and over-production are both unpleasant features in the present situation, and to alleviate these evils Canada should use every legitimate means to increase and extend her trade. We have great hopes for the growth of our trade with the Orient, a market of increasing importance, and for the continued development of Vancouver as a seaport. Our exports to the West Indies show a considerable increase during the last few years; our Atlantic seaports greatly facilitate our trade with this desirable market.

The return of prosperity will probably be slow, but there are grounds for believing that the bottom of the depression is near at hand. There is the possibility of a seasonal slowing down during the early winter months.

### QUEBEC

Hay was above average both in yield and quality. Cereals, except in low-lying lands, compared well with previous years. Potatoes were affected by rot and below average; other roots were satisfactory. Pastures were in good condition throughout the year. The tobacco crop was slightly below average, especially in the southern districts. While crops, generally, were satisfactory, prices of agricultural products have been low.

The decline in demand for, and prices of, softwood lumber, which commenced in the autumn of 1929, continued steadily. Stocks in the hands of producers and dealers are heavy and prices at present are unprofitable; the outlook is obscure. Operations this winter will be on a much reduced scale. Hardwood lumber has been in fair demand but at lower prices.

The market for pulpwood has been slow but the volume of exports to the United States has been maintained. Mills are well supplied and the cut this winter will be much smaller than in previous years.

The market for the various grades of pulp has been weak; exports, particularly those of sulphate pulp, were on a smaller scale than last year.

Conditions in the newsprint industry continue unsatisfactory. While some mills have been fully employed, the majority have been obliged to curtail their output to between 50% and 70% of capacity. Exports of newsprint and other classes of paper have been below those of last year. Prices are unprofitable.

The year has witnessed a steady slowing down in manufacturing activities. The iron and steel industries have been faced by lessened demands from manufacturers, but the demand for heavy structural steel has been fairly well maintained.

Cotton manufacturers have been affected by large importations and for some time were operating at about 50% of capacity. The industry has also had to contend with a substantial drop in the price of raw cotton. Woollen factories suffered from severe competition and were only partially employed. The silk factories as a whole have been reasonably busy. The textile industry generally anticipates beneficial effects from the recent tariff changes.

Keen competition continues amongst manufacturers of men's clothing and, with a good deal of price cutting, profits have been

unsatisfactory. Rubber manufacturers have been less active. Prices of raw rubber have declined substantially. Competition, both domestic and foreign, has been keen in the boot and shoe industry. Sales have fallen off and profits have been correspondingly small. Prices of hides and leather declined steadily during the greater part of the year. Flour milling companies have passed through a trying year. Some improvement has recently been noted in the export business. Conditions in the fur trade have been more unsatisfactory than for some years. Prices declined almost steadily until the summer but some improvement has been noted during the last few months. Sugar refineries have suffered from imports of Cuban and Belgian refined sugar. Export trade was slightly below that of last year.

The demand for asbestos has declined and operations at the mines have been on a reduced scale. Copper producers have been adversely affected by the decline in price.

Wholesale trade has been fairly active but, with the price of commodities falling and retailers buying from hand to mouth, conditions have been difficult. Retail business has been affected by the general decreased buying power of the public. Collections in urban centres have been fair but in the country districts they have been slow.

The Beauharnois Power hydro-electric project is well under way; the Aluminum Company of Canada is expected to complete the first stage of development at Chute-à-Caron next year. The development of Chats Falls on the Ottawa River, being carried out jointly by the Ottawa Valley Power Company and the Hydro-Electric Power Commission of Ontario, is making good progress. The Shawinigan Water and Power Company, the Southern Canada Power Company and the Gatineau Power Company continue to make improvements in, and extensions to, existing units.

Railway construction has been mainly confined to the extension and enlargement of existing facilities. Preliminary work in connection with the building of the new Canadian National terminal at Montreal is progressing.

Expenditures of the Federal Government were largely on improvements to harbours, wharves, et cetera. The Provincial Government continued its expenditures on roads, bridges and schools. The Montreal Harbour Bridge was opened to traffic during the year.

Movements in real estate have been comparatively quiet; values of city property show a tendency to decline. There is little or no demand for farm properties.

Building permits and construction in general have declined as compared with last year, but the construction of industrial plants and undertakings of a like nature has been fairly well maintained.

The tourist trade this year was somewhat disappointing.

To sum up, unsatisfactory conditions have prevailed in the lumber and paper industries; crops were good but, generally, the farmer's income, by reason of low prices, will be less than last year. Unemployment has increased but the situation will no doubt be alleviated by works undertaken by the public bodies and large employers of labour.

In conclusion, while the general situation cannot be considered satisfactory, Quebec, with its plentiful supply of natural resources, cheap power and contented labour, is basically sound and should make a quick recovery when conditions commence to improve.

### ONTARIO

All grain crops in Ontario were harvested under favourable conditions and gave abundant yields of good quality, oats and barley being particularly heavy crops. An increased acreage was sown to corn and in spite of drought in the late summer an



average crop was harvested. There was little evidence of damage from the corn borer. Hay was a good average crop. Beans were below average. Tobacco gave approximately the same yield as last year on an increased acreage, some damage being done by early frost and hail. Roots, with the exception of potatoes, were below normal, owing to continued drought, the turnip crop in some districts being almost a complete failure. Canning crops were satisfactory and yielded fair returns. Peaches, pears and grapes were plentiful. Early apples were light, and later varieties, while of good quality and size, will not be an average crop. Lack of rain made fall ploughing difficult, and as a result the acreage sown to fall wheat is below that of last year; present growth, however, looks promising. Farmers on the whole, are well satisfied with the past year's crops but not with prevailing prices, and grain is being held in the hope of an improved market or for feeding purposes.

Drought conditions and the consequent drying up of pastures forced many farmers to market their cattle in an unfinished condition. Prices for cattle have been substantially below last year's figures, while those for hogs have held up well. With an abundance of feed, there is a good demand for feeder cattle. Dairy herds were not reduced to the same extent as in previous years, owing to the United States tariff on cattle. Prices received for milk, cheese and butter were substantially below those obtaining last year.

Ideal conditions for lumbering operations prevailed last winter; large cuts were taken out and good wages paid. At present, however, with large stocks on hand, sales restricted and prices yielding little profit margin, it is apparent that many operators will not go into the woods this winter. There is little or no demand for pulpwood.

Practically all lines of industry have experienced a slowing down compared with 1929. Automobile, automobile accessory and agricultural implement plants have operated most of the year on reduced schedules and with reduced staffs. With substantial orders for railway equipment, iron and steel plants have been fairly busy. Manufacturers of boots and shoes report a recent improvement in sales, but decreased production for the year. Competition has been keen in the furniture industry and the output below normal. Flour milling and packing companies have experienced a good domestic trade but export trade has been dull. A recent improvement in production is reported in the knitting industry.

The mining industry in Ontario for the past few years has shown a steady and consistent development. In 1929 the total production of minerals approximated \$118,000,000, the highest on record. It is thought this year's production will be well up to last year's figures. During the year prices of silver, lead, zinc and copper have experienced a steady decline.

The volume of wholesale trade in nearly all lines has been below that for 1929, with merchants pursuing a cautious buying policy and credits closely scrutinized. Retail trade also shows a contraction compared with last year, due to the low buying power of the farmer and the industrial depression with its consequent unemployment. A recent slowing down in instalment buying is noticed.

Owing to unforeseen engineering and construction difficulties the official opening of the Welland Canal has been postponed from the 1st of July last until next spring. The Provincial Government completed during the year 231 miles of road pavement and 105 miles of road grading, and the Northern Development Board of the Province constructed over 450 miles of new roads in Northern Ontario. Caution has been exercised by Municipalities

in regard to their expenditures and only necessary extensions and improvements have been carried out.

During this year the Hydro-Electric Power Commission of Ontario purchased the properties of the Dominion Power & Transmission Company and its subsidiaries. The Ontario Hydro Commission anticipate that by the end of the year construction of 1,900 miles of rural primary lines will have been completed, representing an increase of approximately 800 miles over the 1929 construction. The Ottawa Valley Power Company and the Ontario Hydro Commission have under construction at Chats Falls on the Ottawa River a generating plant which will develop approximately 116,000 horse power.

A further 43 miles was added during the year to the extension towards James Bay of the Temiskaming and Northern Ontario Railway, which now reaches Moose River. It is hoped to complete the extension by August of next year.

Building activity has shown a substantial decline. There has been little evidence of speculation in real estate and little demand for farm lands. The values of the latter show a tendency to lower levels.

While on the whole good average crops were harvested, prevailing prices have been low and very little improvement is seen in the position of the Ontario farmer. Industry generally has been working on reduced schedules and building construction shows a falling off, with the result that considerable unemployment exists. Some relief in this latter respect is looked for from projected expenditures of the Government, Municipalities and Railways. Though the future appears somewhat clouded, the public generally are facing it with confidence.

## MARITIME PROVINCES

Crops, generally, were satisfactory. Potatoes in New Brunswick were affected by rot and the yield is about 75% of average. In Prince Edward Island the yield was average and the quality good. Prices have been below those of last year. Annapolis Valley apples were of good quality; the yield was about 55% of last year's large crop and between 15% and 20% below the past five-year average. The hay crop was generally good in New Brunswick and light in Nova Scotia.

The lumber industry, particularly in softwoods, continues unsatisfactory. Prices remain low and the outlook is for a greatly decreased log cut.

The output of coal mines has been about 10% below the average for the last five years, causing some unemployment. Gypsum production in Nova Scotia was scarcely one-third that of last year.

The catch of cod was the smallest for some years, and the financial returns much below average. Competition in European markets has been keen; the West Indian market has been poor and Brazilian demand has recently been affected by the revolution. The salmon catch on the Miramichi was the largest on record. The lobster pack was up to average but low prices prevailed.

Manufacturers, generally, have been working on a 50% to 75% basis of capacity. Sugar refineries at Saint John and Halifax have been only partially employed and textile factories have also been working on part time most of the year.

Wholesale and retail trades in most lines have been only slightly below normal, with collections fair to slow.

The Dominion Government continues its outlays for dredging, harbour and terminal improvements; Provincial Governments



and Municipal Authorities have confined their expenditures within the usual channels. The Railways have made fairly important expenditures on their permanent ways, terminal facilities and hotels. All railway lines in Prince Edward Island are now standard gauge.

A new power plant has been completed at Glace Bay by the Dominion Coal Company, which will supply the Town and collieries with light and power.

There has been no great activity in real estate.

Tourist traffic was about the same as last year in volume but the average tourist spent less.

While the Maritime Provinces have not escaped the general depression, a hopeful spirit prevails and business, generally, is being conducted on the usual sound and conservative basis.

### PRAIRIE PROVINCES

Prairie crops are well up to standard in point of quantity and quality but financially are very disappointing owing to abnormally low prices. A record area of 38,942,000 acres was sown to all grains, or 500,000 acres more than last year. The wheat yield per acre is somewhat below the ten-year average; the yields of other grains about equal it.

The Dominion Bureau of Statistics estimate the wheat crop at 374,000,000 bushels, which compares with 281,664,000 bushels last year and an average of 360,000,000 bushels for the past decade. The wheat acreage under crop was 340,000 acres less than last year. Wheat inspected to date is of high quality, 84% having graded from No. 1 to No. 3 Northern.

Coarse grains are estimated to yield 397,910,000 bushels, two-thirds being oats, which compares with 235,359,000 bushels in 1929. There was an increase of 840,000 acres in coarse grains over last year.

Noxious weeds continue to take a heavy annual toll of the crops, and weed control continues to engage the attention of the several governments.

Large power machinery and motor trucks for hauling grain are displacing manual labour and no importation of harvest help from outside the provinces has been necessary for two years. In the past, harvesters recruited from all parts of Canada were paid from \$5 to \$7 per day. This year wages were from \$2.50 to \$3 per day. Combines are coming steadily into use and are reducing production costs. Dry weather and good roads brought about exceptionally heavy grain deliveries at elevators early in the crop year. Up to 7th November, 192,000,000 bushels of wheat, or 51% of the estimated crop, were delivered, compared with 179,000,000 bushels last year.

In the light of reduced export demand during the past twelve months and of current estimates indicating a possible increase of 6% in world production of wheat, it is encouraging that the amount of Canadian grain in store in elevators is less than a year ago, stocks on 7th November being 191,100,000 bushels compared with 218,800,000 bushels at the corresponding date last year. Wheat is being exported in greater quantities than a year ago. From 1st August to 1st November, 75,000,000 bushels of wheat and flour had been exported against 40,000,000 bushels for the corresponding period in 1929.

Grain prices are drastically lower than a year ago. Growers selling their grain outright are presently receiving 50c. per bushel for No. 1 Northern wheat and 20c. and 14c. per bushel for first quality oats and barley respectively, which levels are

the lowest in a quarter of a century. The wheat crop is principally exportable surplus; in consequence, the farmer, largely dependent on revenues from wheat, is hard hit by the price decline. Preliminary estimates show the value of this year's wheat crop to be \$197,000,000 or \$92,000,000 less than last year's smaller crop. The dollar yield per acre for land seeded to wheat, after allowing for freight and storage charges, is in the neighbourhood of \$8.20 for 1930 and \$11.90 for 1929, as against \$18 to \$20 in 1926, 1927 and 1928. A particularly high quality crop and lower production costs through the increasing use of combines and cheaper labour this year will offset low prices in some measure.

The three Wheat Pools combined continue to handle approximately half of the prairie wheat crop; other co-operative associations marketing livestock, poultry, eggs, wool and dairy products have shown growth.

The livestock industry has been adversely affected by the virtual loss of the United States market following the Smoot-Hawley tariff. Prices have fallen, more particularly since July, when the revised American tariff became operative. With the exception of hogs, the price of which has been fairly well maintained, values are about two-thirds of what they were a year ago. Good quality cattle are most remunerative. Hope exists that a profitable market for select cattle will be found in Great Britain, and recent shipments are reported to have been well received. The Provincial Governments have sponsored plans for assisting farmers to obtain cattle to fatten. More swine are also being raised, returns from which at present levels are satisfactory. Farmers are feeding coarse grains to their maximum capacity, finding this to be more profitable than selling the grain. The year has not been profitable for sheep breeders. Prices have fallen very sharply and wool brings small returns. The lambing season was not favourable, losses being greater than usual.

A happy augury for the dairy industry is that despite a fodder shortage last autumn, milch cows have been conserved and the butter fat output maintained; indeed, the result for the full year may show an increase. Butter fetches about 25% less than a year ago, yet the business is profitable to the steady producer. The monthly cream cheque, which a larger number are now seeking, is more fully appreciated in times of low grain prices, but only a gradual increase is possible in the number of milch cows. Development in the dairy industry may be expected, the higher tariff on foreign butter being an incentive, and the growing interest in more mixed farming is welcomed as a stabilizing factor in prairie agriculture.

Mineral production in the prairies is assuming more relative importance to the Dominion total, the tonnage in 1929 being nearly one-seventh of the whole. The Flin Flon mine has been brought to production and the Sherritt-Gordon mine is nearing that stage. In the not distant future, the production of metallic mineral mines of Northern Manitoba should be much in excess of previous years.

Production from the Alberta coal mines for the first eight months of this year was 3,287,820 tons, or 1,306,940 tons less than for the corresponding period in 1929. The industry is feeling the effects of reduced railway traffic and the inroads made by natural gas as a domestic and industrial fuel. In an effort to meet American competition Alberta coal shipped to Winnipeg and further East is subsidized. Additional production is now at hand from the installation of large modern machinery for stripping and bulk loading of coal lying in seams close to the surface.

The Alberta oil fields are being systematically developed, greatest activity being in the Turner Valley. Petroleum produc-



tion for the first nine months this year nearly equals the total 1929 output of 950,000 barrels, which was nearly double that of 1928.

While agriculture is the primary industry of the prairies, manufacturing has assumed an important position in recent years. Few new factories have been opened this year, but the interest of prospective industrialists has not been lost and with a revival of trade, further development is expected.

Conditions in wholesale business have been quiet and in the main unsatisfactory. Builders' supplies, lumber and farm machinery houses have experienced the heaviest declines.

Retail trade, collaterally, has been unsatisfactory. Buying has been on a hand-to-mouth basis and retailers have stocked with caution. Notwithstanding that credit has been noticeably restricted by wholesale houses and in turn by retailers, losses on bad debts will be heavier than usual. Motor car dealers have passed through a difficult year. Repossession of cars has been above average and losses are inevitable. The chain store continues to expand its field of operations and to gain favour with the buying public.

Outlays for construction and maintenance of highways figure prominently in capital expenditures of the Provincial Governments. Large mileages are being added annually to the systems of gravelled roads.

Branch railway line extensions completed this year or in process of construction in Alberta and Saskatchewan total 629 miles. Lines have been built into the two large mines in Northern Manitoba. The Dominion Government have continued making large outlays on the construction of docks and a terminal elevator at Churchill.

Immigration has shown some recession. Newcomers with capital can be absorbed readily. Considerable land has been taken up for homesteads in Northern Saskatchewan in territory tributary to the two new branch lines of the Canadian Pacific Railway.

Construction of two large new hydro-electric plants to fill increasing industrial and residential needs in the City of Winnipeg is well up to schedule and the first power units should be available next year. These plants, when completed, will represent an outlay of over \$30,000,000 and will almost double Manitoba's present power development, which is four times greater than ten years ago. Winnipeg enjoys very low electric rates. The hydro-electric plant serving the Flin Flon mine was put in operation during the year. The Ghost River plant on the Bow River near Calgary, completed last year, is now supplying power over an extensive distributing system. Steam plants variously owned generate the current consumed in Saskatchewan. The distributing system of the Provincial Government is being steadily expanded.

There has been a decline in tourist traffic this year.

General conditions and a steady increase in the use of labour-saving machinery in the factory and on the farm have left their effect on the labour situation, and unemployment, whilst not of alarming proportions, has brought a new and unwelcome problem to the larger centres. To alleviate the situation, public improvements such as road and bridge, subway and drainage works, will be undertaken during the winter months.

This year has marked the transferring of the ownership and administration of the natural resources of the three prairie provinces from the Federal to the Provincial Governments.

The period of serious economic and political disturbances through which many major countries of the world have been

passing has weighed heavily on Western Canada and perhaps not in their time have prairie farmers been faced with such difficulties. With abnormally low prices for grain, this year's crop, generally speaking, has been grown at a loss. From 1926 to 1928 the prairie wheat crop averaged \$420,000,000 in value; this year from a larger acreage it is worth less than \$200,000,000 according to preliminary estimates. An increasing number of farmers have recognized the wisdom of insuring against poor crops or low prices by depending in greater degree upon the sale of vegetables, honey, eggs, poultry, sheep, hogs, cattle and dairy produce but, notwithstanding, the prairies must rely in a major way upon grain production for many years to come.

The present situation contains elements distinguishing it from other periods of depression. Past troubles were more or less temporary and arose principally from adverse natural causes, speculation or improvidence; profitable grain prices were always fairly well assured and the way of correction or betterment lay in producers' own hands. Now it is different. Farmers are confronted with drastic drops in prices of all their products and the commodities they need have not fallen proportionately; in other words, there has been a collapse in farmers' purchasing power with the inevitable reaction on all phases of business life, east and west. The reasons are complex but are attributable largely to the general world situation. Abroad, major changes in tariff policies arising out of increasing national independence have taken place in many countries, whilst Soviet Russia's agricultural policy has tended to unsettle trade; at home we are in the midst of and feeling the unsettling effects of the mechanization of the farm and the paralysing effects of widespread losses from speculation in grain and stocks. Over-production is commonly and glibly ascribed as the sole reason for low grain prices, but a closer study shows that maladjustments following a depression in international trade, with its concomitant unemployment, have brought a lessening in the normal demand and exchange of agricultural products.

The West is reconciled to the fact that it is passing through a trying period, but it knows from past experiences how to tighten its belt. Certain it is that if, with changing conditions, adjustments are needed in our scheme of farming to bring about lower costs and wider diversification, our prairie farmers, who have surmounted many obstacles in the past, can be depended upon to do their share in solving the problems now confronting them to keep in the vanguard of progress and to compete on fair terms with the world.

## BRITISH COLUMBIA

Although frosts and rain delayed farming operations until late in the spring, fair average crops of hay and grain were harvested. Dairying is in a healthy condition and the poultry industry is steadily developing. The apple crop, it is estimated, will be about 10% below average in quantity, but the quality is unusually high. So far demand and prices are only fair. Other tree fruits showed moderate yields, but small fruits were very light. Potatoes, tomatoes and other vegetables have yielded good crops, but prices, especially in the case of potatoes, are much lower than last year. Pasturage has been fairly plentiful during the summer and livestock are in good condition. Prices of beef cattle dropped from 8c. per lb. in May to 5c. per lb. in recent months, and most ranchers are holding their cattle in anticipation of better prices.

Lumbering has been seriously affected by the poor demand in nearly all markets; prices, which have steadily declined, are roughly 20% less than a year ago and are unprofitable to the producers. The output is now less than 50% of capacity. In a great many cases logging operations have been completely sus-



pended. With residential construction practically at a standstill throughout this Continent, the demand for shingles has been poor.

The salmon pack was unusually heavy and some difficulty in marketing is anticipated. Competition from Siberia is being more keenly felt each year. Market prices are considerably lower than last year, and though prices paid for the raw fish are also greatly reduced, it seems doubtful if the packers will obtain a fair return on their capital. Halibut prices have been very low and cold storage stocks are reported to be large. Fish oil production was fairly heavy, but prices and demand are weak. The demand for fish meal has been good, with high prices.

The value of the mineral output during the first six months of this year was about 12% less than for the corresponding period in 1929, but the quantity produced was considerably larger. Nearly all the smaller silver-lead and zinc mines are now shut down owing to low metal prices, but the larger mining companies, which are well financed, are continuing to operate. The first three units of the Consolidated Mining & Smelting Company's new fertilizer plant will be completed by January next and will be an important addition to industrial activity. Several gold properties are operating successfully. The coal output during the first six months of this year declined 18% compared with the corresponding period in 1929, chiefly owing to the steady displacement of coal by fuel oil. Development, exploration and prospecting continue at a fair rate.

Shipping business has been affected by the decline in the grain and lumber export trades, and freight rates have been low. Grain shipments through the Port of Vancouver for the crop year ending July 31st, 1930, totalled 49,673,308 bushels, compared with 95,407,519 bushels in the previous year. Shipments are on a much heavier scale this season and up to 15th October totalled 10,629,328 bushels, compared with 4,907,639 bushels at the same time last year. The Port of New Westminster continues to develop in importance.

Manufacturers generally report only fair business compared with last year. Pulp and paper mills are operating to capacity and extensions have been made to various plants. The major portion of the output for the coming year has been sold and, while prices are low, economies have been effected in production, and returns should be satisfactory. The United States market absorbs most of the output.

Adverse conditions in industry are reflected in the reduced turnover of wholesale houses, while the falling off in tourist traffic and reduced purchasing power of the general public are responsible for a 10% decrease in retail business.

With the exception of increased appropriation for road work, there has been no unusual Dominion or Provincial expenditure during the past year. A By-Law was passed authorizing the City of Vancouver to spend \$2,800,000 for the construction of the Burrard Street Bridge over False Creek, but only preliminary surveys have been made to date.

Construction of the railway link between Kootenay Landing and Proctor, which commenced in June, 1929, is expected to be completed by the end of this year. About 1,000 men have been employed and the estimated cost is \$3,000,000. The Canadian National Railways are constructing 26 miles of railway mainly on Lulu Island, along the North Arm and main channel of the Fraser River, which will serve to develop an important industrial area, with facilities for ocean-going vessels. The estimated cost is \$2,000,000 and it will take two years to complete the work.

There has been practically no immigration and the population now stands at approximately 595,000.

The plant of the British Columbia Power Corporation at Ruskin, with an initial capacity of 42,000 h.p., will be completed by the end of the year. The ultimate development of this plant will be 168,000 h.p. The construction of the Bridge River plant is making good progress and this when completed, in 1935, will have a capacity of 600,000 h.p. The West Kootenay Power & Light Company are providing an additional 40,000 h.p., and the Company is now doing some preliminary work on the Pend d'Oreille River with a view to developing eventually a possible 300,000 h.p. Several other projects are in progress.

Conditions in the real estate market have been quiet.

There has been some recession in most branches of industry in the Province. Unemployment is prevalent in some districts owing to the general curtailing of operations and wages have been reduced in some industries. Tourist traffic is approximately 30% less than during last year, and the per capita expenditure has been considerably lower. Municipalities report the satisfactory collection of taxes, and in many ways British Columbia is tiding over the present depression in a very satisfactory manner.

## NEWFOUNDLAND

Notwithstanding the growth in the pulp and paper industry and the increasing importance of the mines, the chief industry of the Colony is still cod-fishing. Fish prices declined in the early spring, resulting in many exporters making heavy losses on the realization of last year's fish. Preliminary reports covering this year's shore fishery indicate that the final results may be the poorest yet recorded. Owing to political upheavals in consumer countries and falling exchanges, foreign markets and prices have been unsatisfactory.

The lobster pack totalled about 9,500 cases, as against 11,700 in 1929 and 21,000 in 1928. The salmon season was successful and exporters were able to dispose of the frozen product readily. Prices, however, were lower. The herring fishery was disappointing.

The catch of seals numbered 241,236, being about 40,000 more than in 1929, but prices of both oil and skins were substantially lower. Exports of ordinary cod oil declined in quantity and value as compared with last year.

Paper mills operated at capacity practically throughout the year. The combined daily output of the Corner Brook and Grand Falls mills is now over 900 tons per day.

Manufacturers as a whole have maintained their operations on much the same basis as last year.

Wholesale and retail trade were fairly satisfactory at the beginning of the year but business has fallen off in the last few months. Collections are slow.

While agriculture is only conducted on a small scale, crops this year were above average.

The demand for lumber was weak and there was only a limited cut for domestic purposes. The cut of pulpwood was fairly heavy.

Total shipments of iron ore from the Bell Island Mines for the nine months ending 30th September were 983,832 tons, being a reduction of 82,679 tons as compared with last year. Germany took about 507,000 tons, practically all the balance going to Canada. Mining is making substantial progress and the export values of iron ore and lead and zinc concentrates, shipped in 1929-1930, were more than 100% in excess of the preceding year—an encouraging showing.

The public debt of the Colony is now about \$90,000,000 and interest on this debt absorbs nearly 40% of the total revenue.



Imports for the year ending 30th June, 1929, totalled \$29,000,000. Exports for the same period were about \$37,000,000, the principal items being fish and paper.

The benefits from the satisfactory operations of the paper industry and the development of the mineral resources have been offset by the poor results of the fishery and the inability of exporters of this commodity to sell at profitable prices. Improvement in trade will depend largely on conditions obtaining in future in the fish-consuming countries of Europe and South America.

### MEXICO

During the past year Mexico has been free from internal disorder, and were it not for the world-wide depression which has affected the prices of her chief exports, her economic position would have shown more improvement.

A new agreement was made with the Foreign Bondholders Committee, whereby the foreign debt of the Country, \$486,000,000 (including interest), was reduced to \$267,000,000. Mexico has undertaken to repay this sum within forty-five years by yearly instalments commencing next year.

Oil production, which a few years ago contributed so largely to the Country's income, is at the same low point as last year. Improvement is not expected while present world over-production lasts. The drastic fall in metal prices has affected Mexico severely, as mining has always been her most important industry.

The output of sugar is gradually increasing, and it is expected that the crop about to be harvested will provide for domestic requirements and leave a surplus to be exported. Cotton planters have experienced an unsuccessful year, as in addition to decreased prices the crop was small. The production of corn, the staple food of the people, was considerably short of domestic requirements last season, and the crop now being harvested is below average.

The importation on a steadily increasing scale of animal and other agricultural produce has accentuated the economic difficulties of the Country. The Government is alive to the situation and is wisely endeavouring to promote agricultural development and encourage stock-raising. Land distribution to small holders is being substantially curtailed.

The moderating attitude of labour should encourage foreign capital and tend to promote industrial expansion.

Progress has been made in the development of good roads, the expense of which has been met out of current revenue. In addition to facilitating internal trade, the new roads will stimulate tourist traffic, which is said to have brought \$70,000,000 pesos into Mexico during the year.

### REPORT ADOPTED

The Chairman then moved, seconded by Mr. H. R. Drummond, that the Report of the Directors, now read, be adopted and printed for distribution among the Shareholders.

The Report was unanimously adopted.

Mr. E. W. Beatty, K.C., moved, seconded by The Hon. S. C. Mewburn, C.M.G., that Messrs. James Hutchison, C.A., and Alastair A. Gowan, C.A., be appointed Auditors for the ensuing year, and that the Ballot for the Auditors be taken at the same time as the Ballot for Directors is taken.

The motion was carried.

On motion of General Sir Arthur Currie, G.C.M.G., K.C.B., seconded by Mr. D. Forbes Angus, resolutions appointing the

necessary proxies for the Bank at Meetings of controlled companies were unanimously adopted.

### THANKS TO OFFICERS

Mr. William Hanson then moved, seconded by Mr. Norman J. Dawes, that the thanks of the meeting are hereby tendered to the President, the Vice-Presidents, and Directors for their attention to the interests of the Bank.

In speaking to this resolution, Mr. Hanson said:

"I have a resolution to submit which I feel confident will meet the approval and endorsement of the Shareholders. I know that at annual meetings of corporations and banks it is usual to pass such a resolution. As business men we know that when times are good, business flourishing, dividends large, the Directors have a comparatively easy time, or a less trying time, perhaps I should say, than when business is really bad. Failures have increased, profits have declined; indeed we have been face to face with an economic depression all through the country, and not only in Canada, but throughout the entire world. Notwithstanding these adverse conditions, it is gratifying to the Shareholders to note that the profits of the Bank during the past year have been well maintained, and that the Directors have seen their way clear to declare not only the usual dividends, but also the bonus. I have, therefore, great pleasure in moving the adoption of this resolution, and I hope the President, the Vice-Presidents and Co-directors will regard this resolution not merely as a formal one, but as one expressing the sincere thanks and confidence of the Shareholders in the administration of the affairs of this great institution during the very trying period we have passed through." (Applause.)

Mr. Dawes said: "I heartily endorse Mr. Hanson's remarks, and take pleasure in seconding the resolution."

The resolution was adopted unanimously.

The Chairman:—"On behalf of myself and co-directors, I thank you very much for the kindly resolution. I may say that I am one of those fortunate Presidents who have the full co-operation of every single Director on the Board. This year we have had more to look after than usual, and I have always found all the Directors very willing in every way to co-operate with me, and that is something the Shareholders should know."

Mr. W. A. Black moved, seconded by The Hon. Thos. Ahearn, P.C., that the thanks of the Meeting are hereby tendered to the General Managers, the Assistant General Managers, the Superintendents, the Managers and other officers of the Bank, for their services during the past year.

In seconding the resolution, The Hon. Thomas Ahearn, P.C., said: "I personally am very much impressed with the quality and calibre of the officers of the Bank. Without their able and valuable assistance, the Directors would certainly have had a more anxious time than they have had."

The motion was carried with applause.

In reply to this, Mr. Jackson Dodds said: "It is a pleasant duty on my own and Mr. Bog's behalf and on behalf of the entire staff of the Bank, to express warmest thanks for your words of commendation of services rendered during the past year. The Bank has a loyal, zealous and efficient staff of men and women, and the importance of maintaining the present high standard is fully appreciated. We know that we have your hearty support in following the Bank's long established policy of doing all in its power to ensure the welfare and contentment of every employee." (Applause.)



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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 Alastair A. Gowan, C.A., were duly appointed Auditors, and the following gentlemen elected Directors:

The Honourable Thomas Ahearn, P.C., D. Forbes Angus, E. W. Beatty, K.C., W. A. Black, Patrick Burns, The Honourable Henry Cockshutt, General Sir Arthur Currie, G.C.M.G., K.C.B., A. O. Dawson, H. R. Drummond, G. B. Fraser, Sir Charles Gordon, G.B.E., Harold Kennedy, J. W. McConnell, Ross H. McMaster, F. E. Meredith, K.C., Major-General The Hon. S. C.

Mewburn, C.M.G., Lt.-Col. Herbert Molson, C.M.G., M.C., Chris. Spencer, W. N. Tilley, K.C., Sir. Frederick Williams-Taylor.

The meeting then terminated.

At a subsequent meeting of the Directors, Sir Charles Gordon, G.B.E., was elected President, Mr. H. R. Drummond and Major-General The Honourable S. C. Mewburn, C.M.G., were elected Vice-Presidents, and Sir Frederick Williams-Taylor was appointed a Vice-President, stationed in London, England, with complete supervision of the British and European affairs of the Bank.

The Executive Committee of the Board was appointed, consisting of Sir Charles Gordon, G.B.E., Mr. H. R. Drummond, Major-General The Honourable 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.

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## HEAD OFFICE—MONTREAL

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### PRESIDENT

SIR CHARLES GORDON, G.B.E.

### VICE-PRESIDENTS

H. R. DRUMMOND, ESQ.    MAJ.-GEN. THE HON. S. C. MEWBURN, C.M.G.    SIR FREDERICK WILLIAMS-TAYLOR

### GENERAL MANAGERS

W. A. BOG    JACKSON DODDS

### DIRECTORS

D. FORBES ANGUS, ESQ.	LT.-COL. HERBERT MOLSON, C.M.G., M.C.	HAROLD KENNEDY, ESQ.
G. B. FRASER, ESQ.	THE HON. HENRY COCKSHUTT	E. W. BEATTY, ESQ., K.C.
GEN. SIR ARTHUR CURRIE, G.C.M.G., K.C.B.	F. E. MEREDITH, ESQ., K.C.	THE HON. THOMAS AHEARN, P.C.
J. W. McCONNELL, ESQ.	W. A. BLACK, ESQ.	A. O. DAWSON, ESQ.
W. N. TILLEY, ESQ., K.C.	PATRICK BURNS, ESQ.	CHRIS. SPENCER, ESQ.
	ROSS H. McMASTER, ESQ.	

### EXECUTIVE COMMITTEE OF THE BOARD

SIR CHARLES GORDON, G.B.E.  
H. R. DRUMMOND, ESQ.    MAJ.-GEN. THE HON. S. C. MEWBURN, C.M.G.  
E. W. BEATTY, ESQ. K.C.

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### 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. GASTON MENIER

### MEXICO COMMITTEE

FREDERICK ADAMS, ESQ.    C. GORDON PATERSON, ESQ.

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CAPITAL <i>paid up</i> ,	-	-	-	-	-	-	-	-	\$ 36,000,000.00
REST AND UNDIVIDED PROFITS,	-	-	-	-	-	-	-	-	38,947,047.38
TOTAL ASSETS,	-	-	-	-	-	-	-	-	826,969,537.61

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The Bank has 672 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.

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



# BRANCHES

## IN CANADA

### ALBERTA

ACME  
ALLIANCE  
BANFF (May to Sept.)  
BASHAW  
BENTLEY  
BOTH  
BROWNVALE  
CALGARY  
" Eighth Avenue West  
" Elbow Park  
" Stock Yards  
CAMROSE  
CARBON  
CARDSTON  
CARSTAIRS  
CASTOR  
CHAUVIN  
CHIPMAN  
CORONATION  
COUTTS  
DAYSLAND  
DELBURNE  
DEWBERRY—Sub to Islay  
DIDSBURY  
DONALDA  
DRUMHELLER  
EDGERTON  
EDMONTON  
" 97th Street at  
" 103rd Avenue &  
" 101st Street  
FORESTBURG  
GLENWOODVILLE  
GRANDE PRAIRIE  
HUGHENDEN  
HYTHE  
IRMA  
ISLAY  
KILLAM  
LACOMBE  
LAKE LOUISE (Chateau  
Lake Louise Branch—June  
to Sept.)  
LEDUC  
LETHBRIDGE  
MAGRATH  
MANNVILLE  
McLAUGHLIN—Sub to  
Edgerton  
MEDICINE HAT  
MORRIN  
MUNDARE  
MYRNAM  
NOBLEFORD  
OKOTOKS  
OLDS  
PARADISE VALLEY—Sub  
to Edgerton  
PENHOLD  
PONOKA  
PROVOST  
RAYMOND  
RED DEER  
RIMBEY  
RUMSEY  
ST. MICHAEL—Sub to  
Chipman  
SEDGEWICK  
SETTLER  
STROME—Sub to Killam  
THORSBY  
THREE HILLS  
TOFIELD  
TORRINGTON—Sub to Olds  
TROCHU  
TWO HILLS  
VEGREVILLE  
VIKING  
VULCAN  
WAINWRIGHT  
WESTLOCK  
WETASKIWIN  
WHITELAW—Sub to  
Brownvale

### BRITISH COLUMBIA

AGASSIZ  
ARMSTRONG  
ASHCROFT  
CHILLIWACK  
CLOVERDALE  
DUNCAN  
ENDERBY  
ESQUIMALT  
HEDLEY—Sub to Princeton  
KAMLOOPS  
KASLO  
KELOWNA  
KIMBERLEY  
MERRITT  
NANAIMO  
NELSON  
NEW DENVER  
NEW WESTMINSTER  
NORTH VANCOUVER  
OAK BAY  
PENTICTON

### BRITISH COLUMBIA— Continued

PORT ALBERNI  
PORT HANEY  
PRINCE GEORGE  
PRINCE RUPERT  
PRINCETON  
REVELSTOKE  
ROSSLAND  
SALMON ARM  
SIDNEY  
STEWART  
TERRACE  
TRAIL  
VANCOUVER  
" Broadway & Granville  
Street  
" Broadway & Main  
Street  
" Carrall & Hastings  
Streets  
" Commercial Drive &  
Twelfth Avenue  
" Forty-fourth Avenue &  
Fraser Street  
" Fourth Avenue & Alma  
Road  
" Granville & Davie  
Streets  
" Homer & Hastings  
Streets  
" Hotel Vancouver  
" Kerrisdale  
" Main & Hastings  
Streets  
" Marine Building  
" Pender & Columbia  
Streets  
" Prior & Main Streets  
" Sixteenth Avenue &  
Cambie Street  
" Thirty-fourth Avenue &  
Victoria Drive  
" Vancouver Heights  
" West Point Grey  
VERNON  
VICTORIA  
WEST SUMMERLAND  
WILLIAMS LAKE

### MANITOBA

ALEXANDER  
AUSTIN  
BELMONT  
BOWSMAN RIVER  
BRANDON  
CARBERRY  
CHURCHILL  
DARLINGTON  
DAUPHIN  
DOMINION CITY  
GLADSTONE  
GRISTWOLD  
HARTNEY  
MACGREGOR  
MINITONAS  
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  
" Ellice Avenue &  
Sherbrook Street  
" Fort Rouge  
" Hart Avenue & Kelvin  
Street  
" Higgins Avenue &  
Main Street  
" Logan Avenue  
" Lombard Street  
" McGregor Street &  
Selkirk Avenue  
" Morley Avenue &  
Osborne Street  
" Portage Avenue  
" Portage Avenue &  
Goulding Street  
" Portage Avenue &  
Vaughan Street  
" Selkirk Avenue &  
Arlington Street

### NEW BRUNSWICK

BATHURST  
CHATHAM  
FREDERICTON  
GRAND FALLS

### NEW BRUNSWICK— Continued

HARTLAND  
MARYSVILLE—Sub to  
Fredericton  
MONCTON  
PERTH  
SAINT JOHN  
" Haymarket Square  
" Union Street  
ST. STEPHEN  
SHEDIAC  
WOODSTOCK

### NOVA SCOTIA

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

### ONTARIO

ACTON  
ALLISTON  
ALMONTE  
ALVINGTON  
AMHERSTBURG  
ARNPRIOR  
ATHENS  
AULTSVILLE  
AURORA  
AYLMER  
AYR  
BARRY'S BAY  
BEACHVILLE—Sub to  
Ingersoll  
BELLEVILLE  
BLENHEIM  
BOBAYGEON  
BOTHWELL  
BOWMANVILLE  
BRAMPTON  
BRANTFORD  
BRESLAU—Sub to  
Kitchener

BRIDGEBURG  
BRIDGEPORT—Sub to  
Kitchener  
BRINSTON—Sub to Iroquois  
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 Chats-  
worth

DESEARONTO  
DOUGLAS  
DRUMBO  
DUTTON  
EAST WINDSOR  
EGANVILLE  
ELGIN  
ELORA  
EXETER  
FENELON FALLS  
FINCH  
FOREST  
FORMOSA—Sub to  
Teeswater  
FORT ERIE  
FORT WILLIAM  
FRANKFORD  
GALT  
GANANOQUE  
GEORGETOWN  
GLENCOE  
GODERICH  
GORE BAY  
GRANTON  
GUELPH  
HALIBURTON

### ONTARIO—Continued

HAMILTON  
" Barton Street &  
Victoria Avenue  
" Central Market  
" Gage Avenue & Barton  
Street  
" 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  
LANDOWNE  
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  
MINDEMOVA  
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  
" Hintonburg  
" Rideau Street  
" Sparks Street

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

### ONTARIO—Continued

ST. THOMAS  
" East End  
SARNIA  
SAULT STE. MARIE  
" Wellington Street West  
SCHREIBER  
SIMCOE  
SMITH'S FALLS  
STIRLING  
STRAITFORD  
STRATHROY  
SUDBURY  
TARA  
TAVISTOCK  
TEESWATER  
THAMESVILLE  
THORNDALE—Sub to Mar-  
ket Square, London,  
Ont.

THOROLD  
TICHBORNE—Sub to  
Verona  
TILBURY  
TILLSONBURG  
TIMMINS  
TORONTO

" Bathurst Street  
" Bay Street  
" Bloor & Bay Streets  
" Bloor Street &  
Lansdowne Avenue  
" Bloor Street &  
Wendmere Avenue  
" College Street  
" Danforth & Logan  
Avenues  
" Danforth Avenue &  
Main Street  
" Dundas Street &  
Lansdowne Avenue  
" Dundas Street &  
Roncesvalles Avenue

" Dupont Street  
" Earlscourt  
" Eglinton  
" Grosvenor & Yonge  
Streets  
" Hounslow Heath Road  
& St. Clair Avenue  
" King & Dufferin Streets  
" King & Yonge Streets  
" Mount Pleasant Road  
" Oakwood & St. Clair  
Avenues

" Parliament Street  
" Queen Street East &  
Beech Avenue  
" Queen Street West &  
Beaconsfield Ave.  
" Queen Street & Broad-  
view Avenue  
" Queen Street & O'Hara  
Avenue  
" Queen & Portland  
Streets  
" Royal York Hotel  
" Royce Avenue  
" St. George & Bloor  
Streets  
" St. Lawrence Market  
" Stock Yards  
" West Toronto  
" Yonge & Bloor Streets  
" Yonge & Queen Streets  
" Yonge Street & 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  
WILLIAMSFORD—Sub to  
Chatsworth

WILLIAMSTOWN  
WINDSOR  
" London Street  
WOODSTOCK  
YARKER  
ZURICH

### PRINCE EDWARD ISLAND

CHARLOTTETOWN



# BRANCHES

## IN CANADA

QUEBEC	QUEBEC—Continued	QUEBEC—Continued	QUEBEC—Continued	SASKATCHEWAN—Continued
AMQUI	MONTREAL	MONTREAL	SAWYERVILLE	KELLIHER
ARTHABASKA	" City Hall Avenue & St. Catherine Street	" St. Peter & St. James Streets	SHAWVILLE	KINISTINO
ARUNDEL	" Cote des Neiges	" St. Zotique & St. Denis Streets	SHERBROOKE	KISBEY
ARVIDA	" Cote St. Paul	" Seigneurs & Notre Dame Streets	" Belvidere & King Streets	LAKE LENORE
ATHELSTAN—Sub to Huntingdon	" Craig Street & Place d'Armes Hill	" Sherbrooke & Drummond Streets	SOREL	LAMPMAN
BEAUHARNOIS	" Drummond & St. Catherine Streets	" Sherbrooke Street & St. Lawrence Boulevard	SUTTON	LIMERICK
BEDFORD	" Fullum & St. Catherine Streets	" Snowdon	TEMISKAMING	MAPLE CREEK
BREAKEYVILLE	" Girouard & Monkland Avenues	" University & St. Catherine Streets	THETFORD MINES	MEACHAM
BRISTOL—Sub to Shawville	" Guy & Sherbrooke Streets	" Ville Emard	THREE RIVERS	MELVILLE
BUCKINGHAM	" Hingston Avenue & Sherbrooke Street	" Villerey & St. Denis Streets	VALLEYFIELD	MOOSE JAW
BURY	" Jacques Cartier Square & St. Paul Street	" West End	VERDUN	NIPAWIN
CAMPBELL'S BAY	" La Salle Avenue & Ontario Street	" Wolfe & St. Catherine Streets	" Beatty & Verdun Avenues	NORTH BATTLEFORD
CHAPEAU	" Laurier Avenue & St. Lawrence Boulevard	MONTREAL WEST	" Church Avenue	OUTLOOK
CHICOUTIMI	" Marcell Avenue & Sherbrooke Street	NAPIERVILLE	" First Avenue & Wellington Street	PERDUE
COOKSHIRE	" Masson Street & Fifth Avenue	ORMSTOWN	VICTORIAVILLE	PRELATE
COWANSVILLE	" McGill & St. Paul Streets	OUTREMONT	VILLE ST. LAURENT	PRINCE ALBERT
DANVILLE	" Molson Park	PORT ALFRED	VILLE ST. PIERRE	PUNNICHY
DRUMMONDVILLE	" Mount Royal Avenue & St. Lawrence Boulevard	QUEBEC	WATERLOO	RAYMORE
FOSTER—Sub to Knowlton	" Notre Dame & McCord Streets	" Chateau Frontenac	WESTMOUNT	REGINA
GATINEAU	" Ontario Street & St. Lawrence Boulevard	" Limouliou	" Claremont Avenue & Sherbrooke Street	" Eighth Avenue & Winnipeg Street
GRANBY	" Papineau Avenue & St. Catherine Street	" St. John's Gate	SASKATCHEWAN	" Victoria Avenue & Albert Street
GRAND MERE	" Park & Bernard Avenues	" St. Roch	ANTLER	RHEIN
HULL	" Park Avenue Extension	" St. Sauveur	ARBORFIELD	ROSE VALLEY
HUNTINGDON	" Peel Street	" Upper Town	ARMLEY	ROSTERN
KNOWLTON	" Point St. Charles	QUYON	BATTLEFORD	ST. BENEDICT
LACHINE	" St. Antoine & Windsor Streets	RICHMOND	BROMHEAD	ST. GREGOR
" St. Joseph Street	" St. Clement & St. Catherine Streets	RIGAUD	CALDER	SALT COATS
LACHUTE	" St. Denis Street & Mount Royal Avenue	RIMOUSKI	CARNDUFF	SASKATOON
LENNOXVILLE	" St. Henri	RIVIERE DU LOUP	CEYLON	" Twenty-first Street & Third Avenue
LEVIS	" St. Jean Baptiste Market	ROBERVAL	DAVIDSON	" West Side
LONGUEUIL		STE. AGATHE DES MONTS	DOMREMY	SEMAN'S
LOUISEVILLE		STE. ANNE DE BELLEVUE	DUCK LAKE	SENAC
MAGOG		ST. CESAIRE	EASTEND	SHAUNAVON
MATANE		ST. GEORGES DE BEAUCE	ESTEVAN	SWIFT CURRENT
MEGANTIC		ST. HYACINTHE	FENWOOD—Sub to Melville	TISDALE
MONT JOLI		ST. JEROME	FIFE LAKE	UNITY
MONTREAL		ST. JOHNS	FLAXCOMBE	WAKAW
" Angus Shops, Davidson & Nolan Streets		ST. JOSEPH D'ALMA	GAINSBOURGH	WALDRON—Sub to Melville
" Aylwin & St. Catherine Streets		ST. JOVITE	GIRVIN—Sub to Davidson	WEYBURN
" Beaver Hall		ST. LAMBERT	GRENFELL	WHITEWOOD
" Bercy & Ontario Streets		ST. OURS	GULL LAKE	WYNARD
" Bleury & St. Catherine Streets		STE. THERESE	HUMBOLDT	YORKTON
" Bordeaux Street & Mount Royal Avenue			INDIAN HEAD	
" Charlevoix & Centre Streets			KAMSACK	YUKON
" Christopher Columbus Street & Mount Royal Avenue			KANDAHAR—Sub to Wynyard	DAWSON
				MAYO

## IN NEWFOUNDLAND

CORNER BROOK	BUCHANS—Sub to Grand Falls	GRAND FALLS
ST. GEORGE'S	CURLING	ST. JOHN'S

## IN GREAT BRITAIN

LONDON, ENG.—47 THREADNEEDLE STREET, E.C. 2.
" " 9 WATERLOO PLACE, S.W. 1.

## IN FRANCE

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

## IN THE UNITED STATES

NEW YORK AGENCY—64 WALL STREET
CHICAGO, ILL.—BANK OF MONTREAL—27 SOUTH LASALLE STREET
SAN FRANCISCO, CALIF.—BANK OF MONTREAL (SAN FRANCISCO)—333 CALIFORNIA STREET

## IN MEXICO

CITY OF MEXICO, D.F.—BANK OF MONTREAL, AVENIDA ISABEL LA CATOLICA No. 40.
" " " —BANK OF MONTREAL, AVENIDA FRANCISCO I MADERO No. 14
GUADALAJARA, JAL.—BANK OF MONTREAL, ESQUINA LOPEZ COTILLA Y COLON
MONTERREY, N.L.—BANK OF MONTREAL, DOCTOR MIER 116.
PUEBLA, PUE.—BANK OF MONTREAL, CALLE 2 NORTE, No. 8.
TAMPICO, TAMPS.—BANK OF MONTREAL, CALLE DEL CAPITAN EMILIO CARRANZA No. 38 ORIENTE
VERACRUZ, VER.—BANK OF MONTREAL, CALLE DE MIGUEL LERDO No. 25.

## WEST INDIES

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



