

1940
BANK OF MONTREAL

ANNUAL GENERAL MEETING

HELD 2ND DECEMBER, 1940

BANK OF MONTREAL

(ESTABLISHED OVER 100 YEARS)

INCORPORATED BY ACT OF PARLIAMENT

HEAD OFFICE—MONTREAL

PRESIDENT

H. R. DRUMMOND

VICE-PRESIDENTS

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

W. A. BOG

GENERAL MANAGERS

JACKSON DODDS, O.B.E.

G. W. SPINNEY

DIRECTORS

D. FORBES ANGUS

THE HON. HENRY COCKSHUTT

SIR EDWARD BEATTY, G.B.E.

F. E. MEREDITH, K.C.

W. N. TILLEY, K.C.

SIR FREDERICK WILLIAMS-TAYLOR

ROSS H. McMASTER

C. F. SISE

ARTHUR B. PURVIS

NORMAN J. DAWES

W. SANFORD EVANS

W. G. MURRIN

LOUIS L. LANG

L. J. BELNAP

G. BLAIR GORDON

H. W. MOLSON

C. H. HOUSON

THE HON. CHARLES A. DUNNING, P.C.

ROBERT A. LAIDLAW

LONDON COMMITTEE

THE MOST HON. THE MARQUESS OF WILLINGDON, P.C., G.C.S.I., G.C.M.G., G.C.I.E., G.B.E. (*Chairman*)

F. R. S. BALFOUR

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

SIR FREDERICK WILLIAMS-TAYLOR

CAPITAL, <i>paid up</i>	-	-	-	-	-	-	-	-	-	\$ 36,000,000.00
REST AND UNDIVIDED PROFITS	-	-	-	-	-	-	-	-	-	40,321,642.15
TOTAL ASSETS	-	-	-	-	-	-	-	-	-	961,334,955.77

The 123rd Annual General Meeting of the Shareholders of the Bank of Montreal was held on the 2nd December, 1940, in the Board Room at the Bank's headquarters.

Among those present were: A. D. Anderson, D. Forbes Angus, G. R. Ball, Arthur Barry, Sir Edward Beatty, G.B.E., F. G. Belcher, L. J. Belnap, W. B. Blackader, W. A. Bog, J. S. Bolton, Arthur Browning, W. W. Bruce, C. W. Buchanan, the Hon. C. H. Cahan, K.C., Geo. A. Campbell, K.C., F. D. Chapman, C. W. Chesterton, Ross Clarkson, D. M. Cleland, Ronzo H. Clerk, N.P., F. W. Collins, D. E. Crutchlow, Norman J. Dawes, Jackson Dodds, O.B.E., H. R. Drummond, the Hon. Chas. A. Dunning, P.C., C. G. Dunning, W. Sanford Evans, A. B. Foster, G. B. Foster, A. E. Francis, B. C. Gardner, M. H. Gault, G. Blair Gordon, Alastair A. Gowan, C.A., G. H. Greening, Samuel Hart, C. G. Heward, K.C., Geo. Hogg, F. H. Hopkins, C. H. Houson, Chas. Hudon, E. R. T. Huestis, Thomas M. Hutchison, R. P. Jellett, J. Johnston, R. E. Knight, R. A. Laidlaw, Louis L. Lang, F. X. Leduc, W. T. A. MacFadyen, George C. McDonald, C.A., W. McDonnell, Ross H. McMaster, F. E. Meredith, K.C., T. E. Merrett, Maj.-Gen. the Hon. S. C. Mewburn, C.M.G., H. W. Molson, W. A. Murray, W. G. Murrin, S. C. Norsworthy, Lt.-Col. W. P. O'Brien, Lt.-Col. Gavin L. Ogilvie, H. S. Oliver, D. J. O'Shaughnessy, J. W. O'Shaughnessy, Eugene Payette, L. H. Pinsonnault, V. R. Purser, O. R. Sharp, C. F. Sise, L. McL. Spackman, G. W. Spinney, J. T. Stevens, E. H. Stewart, Arthur Terroux, W. N. Tilley, K.C., L. W. Townsend, J. H. F. Turner, R. J. Williams, E. P. Winslow.

On motion of Major-General the Hon. S. C. Mewburn, C.M.G., Mr. H. R. Drummond was requested to take the chair.

Mr. Ross H. McMaster moved, seconded by Mr. W. B. Blackader, that Lt.-Col. Gavin L. Ogilvie and Mr. Arthur Browning 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, Joint General Manager, to read the annual report of the Directors to the Shareholders, to present the Annual Statement, and to read the Auditors' Report.

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, 1940.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 31st October, 1939.....	\$1,265,700.56
Profits for the year ended 31st October, 1940, after making appropriations to Contingent Reserve Fund, out of which Fund full provision for Bad and Doubtful Debts has been made, and after deducting Dominion and Provincial Government Taxes amounting to \$1,927,824.40.....	3,435,941.59
	<u>4,701,642.15</u>
Quarterly Dividend 2 per cent. paid 1st March, 1940.....	\$ 720,000.00
Quarterly Dividend 2 per cent. paid 1st June, 1940.....	720,000.00
Quarterly Dividend 2 per cent. paid 3rd Sept., 1940.....	720,000.00
Quarterly Dividend 2 per cent. payable 2nd Dec., 1940.....	720,000.00
	<u>2,880,000.00</u>
Appropriation for Bank Premises.....	500,000.00
	<u>3,380,000.00</u>
Balance of Profit and Loss carried forward.....	<u>\$1,321,642.15</u>

(Signed) HUNTLY R. DRUMMOND,
President.

(Signed) JACKSON DODDS,
G. W. SPINNEY,
Joint General Managers.

During the financial year, four branches were opened and five offices were closed in the Dominion of Canada. One office was closed in Newfoundland.

The Directors have to record with deep regret the death of their late valued colleague, Mr. A. O. Dawson, a member of the Board since 1929.

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

(Signed) HUNTLY R. DRUMMOND,
President.

Bank of Montreal, 2nd December, 1940.

THE GENERAL STATEMENT

The General Statement of the position of the Bank on 31st October, 1940, was submitted as follows:

LIABILITIES

Capital paid up.....		\$ 36,000,000.00
Rest.....	\$ 39,000,000.00	
Balance of profits carried forward as per Profit and Loss Account.....	1,321,642.15	
	40,321,642.15	
Unclaimed Dividends.....	42,014.35	
Quarterly Dividend, payable 2nd December, 1940.....	720,000.00	
		41,083,656.50
		77,083,656.50
Notes of the Bank in circulation.....	\$ 19,816,520.50	
Deposits by and balances due to Dominion Government.....	57,515,830.31	
Deposits by and balances due to Provincial Governments.....	16,788,282.04	
Deposits by the public not bearing interest.....	268,091,770.01	
Deposits by the public bearing interest, including interest accrued to date of statement.....	481,694,555.67	
Deposits by and balances due to other chartered banks in Canada.....	2,731,615.31	
Deposits by and balances due to banks and banking correspondents in the United Kingdom and foreign countries.....	22,043,296.02	
		868,681,870.46
Acceptances and Letters of Credit outstanding.....		11,677,303.17
Liabilities to the public not included under the foregoing heads.....		3,892,125.64
		\$961,334,955.77

ASSETS

Gold held in Canada.....	\$ 2.50	
Subsidiary coin held in Canada.....	1,420,877.19	
Gold held elsewhere.....	769.12	
Subsidiary coin held elsewhere.....	76,757.44	
Notes of Bank of Canada.....	23,087,722.75	
Deposits with Bank of Canada.....	57,997,030.28	
Notes of other chartered banks.....	\$ 913,290.00	
Cheques on other banks.....	31,340,979.70	
Government and bank notes other than Canadian.....	451,417.28	
Due by banks and banking correspondents elsewhere than in Canada.....	61,714,547.71	
Call and short (not exceeding thirty days) loans in Canada on Stocks, Debentures, Bonds and other securities, of a sufficient marketable value to cover.....	4,606,348.55	
Call and short (not exceeding thirty days) loans elsewhere than in Canada on Stocks, Debentures, Bonds and other securities, of a sufficient marketable value to cover.....	19,552,470.11	
		118,579,053.35
Dominion and Provincial Government direct and guaranteed securities maturing within two years, not exceeding market value.....	229,494,889.56	
Other Dominion and Provincial Government direct and guaranteed securities, not exceeding market value.....	171,369,232.76	
Canadian municipal securities, not exceeding market value.....	20,130,619.12	
Public securities other than Canadian, not exceeding market value.....	15,857,122.50	
Other Bonds, Debentures and Stocks, not exceeding market value.....	25,171,359.56	
		\$663,185,436.13
Current loans and discounts in Canada, not otherwise included, estimated loss provided for.....	217,560,276.99	
Loans to Provincial Governments.....	1,626,502.62	
Loans to Cities, Towns, Municipalities and School Districts.....	33,686,560.77	
Current loans and discounts elsewhere than in Canada not otherwise included, estimated loss provided for.....	14,801,234.12	
Non-current loans, estimated loss provided for.....	1,198,857.13	
		268,873,431.63
Bank premises, at not more than cost, less amounts written off.....		13,900,000.00
Real estate other than bank premises.....		505,347.71
Mortgages on real estate sold by the bank.....		468,855.18
Liabilities of customers under Acceptances and Letters of Credit as per contra.....		11,677,303.17
Deposit with the Minister of Finance for the security of note circulation.....		1,075,362.66
Shares of and loans to controlled companies.....		1,553,976.57
Other Assets not included under the foregoing heads.....		95,242.72
		\$961,334,955.77

NOTE—The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above General Statement.

HUNTLY R. DRUMMOND,
President.

JACKSON DODDS,
G. W. SPINNEY,
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 have 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 which 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 is as shown by the Books of the Bank.

GEORGE C. McDONALD, C.A.,
of the firm of McDonald, Currie & Co.
ALASTAIR A. GOWAN, C.A.,
of the firm of Riddell, Stead, Graham & Hutchison } Auditors.

MONTREAL, 20th November, 1940.

BANK OF MONTREAL TRUST COMPANY
(New York)

Balance Sheet as at 31st October, 1940

ASSETS	U.S. Currency	LIABILITIES	U.S. Currency
Cash.....	\$ 20,000.00	Deposits:	
Due from Banks:		Trust Funds.....	\$ 196,587.89
Approved Reserve Depositaries.....	\$ 601,453.52	Demand.....	47,190.82
Other Banks and Bankers (Foreign)....	24,427.80	Time.....	41,029.19
	625,881.32	Due to Banks, Bankers and Trust Companies.....	6.94
Investments:			\$ 284,814.84
*United States Government Securities...	\$1,254,677.51	Reserve for Taxes.....	1,034.50
Accrued Interest.....	4,799.86	Other Liabilities.....	540.59
	1,259,477.37	Capital and Surplus:	
(Quoted Market Value, 31st October, 1940—\$1,262,218.75)		Capital Stock—	
*These include \$100,000 United States of America Treasury Bonds which, in accordance with New York State Banking Law, are deposited with and registered in the name of the Superintendent of Banks of the State of New York.		Authorized, Issued and Fully Paid—	
		10,000 Shares of \$100.00 each.....	\$1,000,000.00
		Surplus.....	534,000.00
		Undivided Profits.....	95,146.55
Other Assets.....	10,177.79		1,629,146.55
	<u>\$1,915,536.48</u>		<u>\$1,915,536.48</u>

NOTE:—

The Charter was acquired in March, 1937, for the purpose of more satisfactorily performing certain functions in New York on behalf of the Bank's clients. The Capital Stock, with the exception of the Directors' qualifying shares, is entirely owned by the Bank.

Auditors' Report to the Shareholders

We have made an examination of the books and accounts of Bank of Montreal Trust Company as at 31st October, 1940, and we have obtained all the information and explanations which we have required.

We report that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Trust Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Trust Company.

(Signed)

GEORGE C. McDONALD, C.A.,
ALASTAIR A. GOWAN, C.A.,
Auditors.

MONTREAL, 20th November, 1940.

HOCHELAGA REALTY AND DEVELOPMENT COMPANY

Balance Sheet as at 31st October, 1940

ASSETS	U.S. Currency	LIABILITIES	U.S. Currency
Real Estate, Buildings, etc. (64-68 Wall Street, New York), less Reserves for Depreciation.....	\$1,155,366.44	Capital Stock:	
Prepaid Taxes.....	24,507.58	Authorized, Issued and Fully Paid—	
Cash.....	3,286.00	100 Shares of \$100.00 each.....	\$ 10,000.00
	1,183,160.02	Twenty-Year Four Per Cent. Gold Debentures—	
Deficit.....	112,158.94	Due 1st March, 1950.....	\$1,000,000.00
		Twelve-Year Four Per Cent. Debenture Bonds—	
		Due 1st March, 1950.....	250,000.00
			1,250,000.00
		(Interest on the Debentures for the period 1st March, 1940, to 1st March, 1941, was reduced to three per cent.)	
		Accrued Debenture Interest.....	6,250.00
		Accounts Payable.....	3,068.96
		Bank Loan.....	26,000.00
	<u>\$1,295,318.96</u>		<u>\$1,295,318.96</u>

NOTE:—

The Company was granted corporate existence by the State of New York on 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 Debentures are entirely owned by the Bank and appear on its books at a nominal value of \$1.00.

Auditors' Report to the Shareholders

We have made an examination of the books and accounts of Hochelaga Realty and Development Company as at 31st October, 1940, and we have obtained all the information and explanations which we have required.

We report that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

(Signed)

GEORGE C. McDONALD, C.A.,
ALASTAIR A. GOWAN, C.A.,
Auditors.

MONTREAL, 20th November, 1940.

THE ST. JAMES LAND COMPANY LIMITED

Balance Sheet as at 31st October, 1940

ASSETS

*The rights of the Company in an emplacement conveyed to Insurance Exchange Corporation Limited, by a 99-year lease (emphyteutic lease) and in the building thereon constructed by Insurance Exchange Corporation Limited, as at 23rd January, 1923..... \$200,000.00
Expended on the building to date..... 117,205.14
\$317,205.14
Less Reserve for Depreciation..... 99,338.04

\$217,867.10

\$217,867.10

LIABILITIES

Capital Stock:

Authorized, Issued and Fully Paid—
200 Shares of \$100.00 each..... \$ 20,000.00
Capital Surplus..... 197,867.10

\$217,867.10

*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 \$289,024.80 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.

J. T. STEVENS, Director.

Auditors' Report

We have made an examination of the books and accounts of The St. James Land Company Limited as at 31st October, 1940, and we have obtained all the information and explanations which we have required.

We report that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Company.

(Signed)

GEORGE C. McDONALD, C.A.,
ALASTAIR A. GOWAN, C.A.,
Auditors.

MONTREAL, 20th November, 1940.

THE PRESIDENT'S ADDRESS

Gentlemen,—In proposing the adoption of the report, I would mention first that, in the year which is past, we have lost from our Board of Directors through death the valued counsel of Mr. A. O. Dawson. Mr. Dawson was a man of outstanding integrity; he was active in the best interests of Canada and brought to the meetings of your Board the benefits of a wide experience and sound judgment. No appointment has been made to fill the vacancy thus occasioned, nor do we propose to place before you any new names at this time, but we shall ask you so to amend the existing by-law that your Directors may, should they deem it advisable, add to their number from time to time within the limits which you may set.

THE BANK'S STATEMENT

It is with satisfaction I report that, notwithstanding the unusual times through which we are passing, your Bank continues in its customary strong position. Our total assets, while showing a decrease from last year, continue at a high figure. Full provision has been made for all losses and we are in a strong position, as always, to meet any contingency. Notwithstanding a heavy increase in taxation, willingly borne, profits under a generally larger volume of business have been sufficient to care for this added impost, to pay dividends in the same amount as in the past several years and to carry forward a small margin to our Profit and Loss Account. This result has been due largely to the hard work and loyalty of the Bank's staff. In my remarks of last year reference was made to the restriction placed upon bank profits by the very low rates of interest prevailing and other factors, and it is interesting to note that, for the twelve months now under review, on average assets of \$973,000,000, which is \$66,000,000 more than last year, the net earnings for each \$100 of the Bank's assets were 35 cents.

In the field of donations to war objects your Bank's contributions have been in what may be considered generous measure, and we believe that the amounts contributed, which have appeared in the press from time to time in connection with the various campaigns, will meet with your approval.

BUSINESS IN CANADA

At this time last year business was only just beginning to feel the impact of war conditions. To-day the usual economic indices no longer forecast the ebb and flow of business, because an overriding factor governs them all, namely, the mobilization and the progressive utilization of every asset the country possesses for the most intensive prosecution of the war of which this country is capable. We fully recognize the stake which is at issue. We know we are fighting for all we have and are, and our whole national economy is geared to that realization. Few of us who were here last year thought Canada could go so far in her war effort in the production of material aid as she has done, and we are just at the beginning. The production of war supplies will be immensely greater next year. Of business generally it is sufficient to say that practically every phase of industrial and commercial activity is reflecting the intensity of our war programme. Outstanding has been the importance of our mining industry, only now fully recognized and of the greatest help in stabilizing our exchange. Our railways are showing the highest traffic returns in years. Employment is at such a high level that we are approaching the point where it may become necessary, as in Great Britain, to curtail peace-time activities for the purpose of furthering the war effort.

In Canada, 1940, upon the whole, has been a year of good crops. Sales of livestock and dairy products have been satisfactory and the aggregate of revenue to the farmer will be large. What, in the final accounting, may prove, perhaps, the largest crop of wheat in

the history of the Dominion has been safely garnered. It is one of the very best we have ever had in weight and quality. At the moment we are, perhaps, thinking too much of the embarrassment of handling it, but I should like to point out that our great store of wheat is wealth in its best and most tangible form and in present circumstances an asset the potential value of which cannot be estimated. Mr. Winston Churchill has said that one of the first tasks to which Great Britain will address itself, when victory is achieved, will be the feeding of Europe's millions—all now on short rations. This is a promise known to the peoples of Europe and its importance will be progressively realized by them. Back of that promise is the tremendous crop of wheat which Canada holds in store.

FOREIGN TRADE

Among the many changes of the past fifteen months has been the practically complete disappearance of Canada's trade with Continental Europe, but, notwithstanding this, the total of our exports has shown a remarkable increase, largely, of course, through war orders, but partly because we are now trading in markets from which not only Germany but other European nations are excluded. Taking the figures for the twelve months ending September last, the latest available, in comparison with the same period a year earlier, our exports to all countries, excluding gold, have increased by 30% to \$1,150,000,000, while our imports have risen by 46% to \$1,005,000,000. Canada's gold production, which in the past twelve months has amounted to approximately \$200,000,000, is not included in these figures and should be added to our favourable balance of trade. The difficulty to-day is that our debit balance of trade with the United States, which formerly we settled by means of our credit balances with other countries, can no longer be arranged in that way. We have a credit balance with Great Britain and a debit balance with the United States (for war materials) and these must now be settled unilaterally. As regards the British account, repatriation of Canadian debt and of securities held in Great Britain is being used as one means of settlement. In the case of the United States, to our excess of imports in the total calculation must be added our interest and dividend commitments to residents of that country, and from this may be deducted our shipments of gold and revenue from the tourist trade. In the result, the balance is against Canada and our dollar is at a discount in the United States. Expenditure by Canadians for travel in the United States has been almost eliminated and our Government has taken control of all Canadian investments in that country and these it can sell if necessary. If, in the operation of regulating the exchange, it should be found advisable to prohibit importation of non-essentials, I am satisfied that this sacrifice by the people of Canada will be made most willingly.

GOVERNMENT FINANCES

That the high tide of industrial prosperity to which I have referred—if such it can be called—is built upon borrowed money is, however, a different story. Government borrowings are proceeding apace. While the Government is laudably following a policy of "pay as you go" to the full extent that is considered possible, the gap between revenue from taxation and war-time expenditure is tremendous. So far as estimates are at present applicable to our expanding programme of production, it appears that the Dominion Government will spend close to \$1,000,000,000 for war purposes alone during the current fiscal year. To this figure must be added non-war expenditures of \$448,000,000, as provided for in the Budget. This formidable total, which is nearly three times the normal peace-time expenditure, will almost certainly be enlarged next year by additional heavy war appropriations. The magnitude of prospective expenditure imposes unavoidable obligations on the Government and on private citizens if we are to continue to avoid inflation. For the Government, all

expenditures which do not contribute to the national war effort must be cut to the lowest possible limit and this duty applies equally to all public bodies in every field of administration. Citizens are cutting personal expenses and will do so willingly as long as they can see that it will help to win the war. They have the right to demand, and they do demand, that Governments in Canada—Federal, Provincial and Municipal—shall also cut their peace-time expenditures to the bone so that we may conserve all our resources—none too great—for the one object of winning the war.

Through the Price Control Board the Government is zealously seeking to stabilize prices. The Excess Profits Tax largely eliminates company profits; it is equally the duty of the Government to see that wages, which form the major part of the cost of manufacturing, are not unduly inflated.

Taxes imposed, while falling far short of Government expenditure, are a heavy burden upon the individual and upon business; but they are an inevitable accompaniment of war. War has cast a glaring light on the clumsy and inequitable structure of overlapping taxation which has grown up within the separate jurisdictions of our various governments, and I am glad to note that the Federal Government has called a Dominion-Provincial conference for the purpose of considering the adoption, without undue delay, of the main principles and recommendations made in the Rowell-Sirois Report. This Report was compiled after several years of investigation and study by a most sincere and able body of men. If taxation of an essentially national character, such as taxes on income and succession dues, were reserved exclusively to the Dominion Government, as the Commission has recommended, it could be levied with greater equity, efficiency and economy to the joint benefit of government and taxpayer. Business would undoubtedly benefit from a definite allocation as between governments of taxing powers and of control over business, and the saving to the country in costs of governmental administration would be great.

GREAT BRITAIN

The marvellous manner in which the British people have adapted themselves to the conditions of war and have been able to maintain the production of exports, with which to pay for the purchase of munitions from abroad, has been one of the most impressive spectacles of our time. The latest returns available, which cover the first twelve months of the war, show that in that period exports amounted to no less than £470,100,000, as compared with £533,600,000 in the comparable pre-war period. Of this, Canada has taken an increasing share and I would like to add my voice to that of business leaders all over the Dominion in urging our people to give at this time preference to British goods in their purchases of imported products; for every dollar's worth so purchased helps Britain in her war effort and helps Canada too in the matter of exchange.

In London, our Threadneedle Street and Waterloo Place Offices have been carrying on their accustomed banking facilities under actual bombardment. In a very real sense civilians in Great Britain have been fighting the enemy, not alone in refusing to abandon essential services, but in succouring the wounded, extinguishing fires and in performing the multifarious duties that fall to the Home Guard. Our staff in our London Offices have carried on their usual duties and have shared in this civilian defence to the full and in doing so have not been without their losses. I am sure you join with me in admiration for the qualities they have shown, and in pride at the fact they have continued to carry on as ever, despite all.

UNITED STATES

In referring to conditions in the United States, first mention must be made of the agreement between that country and

Canada for mutual defence, because, outside the war which brought it about, this agreement is by far the most important event in our history since Confederation. For the moment, we see the added security it brings, but this is only part of the story for its greatest repercussions will occur after the war when Canada, more than ever, will be a vital link in the relations between Great Britain and the United States. Last year we hoped that the great American nation would respond to the call to help in the fight to preserve civilization. To-day that hope is a reality and the United States is a major factor and their sympathy and moral support are increasingly evident each day.

In the matter of trade and commerce, the business hesitancy which usually characterizes a presidential election year in the United States was swept away on this occasion by the tide of events occasioned by the war. Of the contributing factors perhaps the most important have been, first, the stimulus afforded to industry by the British Empire's orders for war material; second, increased trade with South America, due in part to the British blockade of Europe, and, third, the impact of the domestic defence programme on the industrial machine of the country. This last is only just getting under way and its effect will be increasingly felt as time goes by.

As you will know, Mr. Arthur Purvis, whose wise counsel as a member of our Board we all appreciate, has, almost from the inception of the war, placed his great talents at the service of his country as Director General of the British Purchasing Commission in the United States.

CONCLUSION

Of business in France there can be no review, but a reference to French Canada in this respect is apropos. In speaking to you last year, it was a pleasure to be able to pay testimony to the example of loyalty and unity given to all Canada by the people of the great Province of Quebec, which means, in particular, by our French-speaking fellow-citizens. Since then, they have continued to join with heart and soul in the fight for freedom and in circumstances which have provided a far greater test of their patriotism than we of the English-speaking race have borne. To them, the fall of France and the attempt of the enemy to split the French race, wherever it may be, into warring factions, have been a veritable ordeal by fire. I would like to say here how much we, their English-speaking fellow-countrymen, have admired the courage and steadfastness of French Canada. The spirit they displayed at the outbreak of war, when one of the first regiments completely mobilized in Canada through voluntary enlistment was a French-Canadian unit in Montreal, has never slackened. French Canada must naturally be moved by its sympathy for stricken France, but it has not faltered in its loyal support of the Empire, through whose victory alone can France be restored to its old position as the standard-bearer of civilization.

You may recall my previous remarks upon the subject of Government Controls, necessary in war time but which must of necessity act as a weight and retardant upon the free operation of business. If only for the purpose of keeping the matter to the fore, I would repeat here that when peace is restored these controls should be removed as rapidly as conditions permit if we are to avoid wholesale regimentation of industry and labour, which would be contrary to the very spirit of the freedom for which we are fighting.

While at the present time from the business standpoint Canada is on the crest of a wave, with employment higher than in any previous period and industrial output on a rising scale, we must not forget that there will be an aftermath, and it behooves us all, while contributing to the utmost in the prosecution of the war, to keep in mind the adjustments which will later become necessary. Economy in private and public expenditure should be practised to the utmost and projects not relating to

the war effort should be postponed to a time when they will not interfere with that effort and when the employment they afford will be needed. We must not throw prudence to the winds, but must do everything that in us lies to keep our house in order. We need prudence in governmental expenditure, prudence in business administration and prudence in our individual commitments. We need a determined and united front to limit the inflation of costs of material, wages and the cost of living—the "vicious spiral" which created such havoc after the Great War, when a staggering readjustment of prices marked the return to a peace-time economy and left widespread misery and ruin in its train. We must bear constantly in mind that conditions such as now prevail cannot possibly last, and that when the inevitable end to them comes, and we enter upon the new chapter in our history and the history of the world, the readjustment will tax every resource that we possess nationally and individually. It is not an easy life to which we are being swept, but a hard life. Heavier trials and sacrifices than we have known are likely to be imposed upon us before the curse of Hitlerism is removed from the world. Removed it will be. Life has no meaning for any free peoples unless it be removed, and not all the powers of darkness can prevail against the conscience of mankind, now thoroughly aroused. Already, because of the war, Canada has attained an importance among the nations of the world such as it could not otherwise have attained in generations. When victory comes, enormous new tasks, new problems and, greatest of all, new opportunities will confront us. Let us, therefore, do everything in our power to be worthy of the position which we shall be called upon to assume in the reconstruction of the world on a new and a finer basis.

THE GENERAL MANAGERS' ADDRESS

The Chairman then called upon Mr. G. W. Spinney, as Joint General Manager, to read the Address of the Joint General Managers, which was as follows:—

Mr. Chairman and Gentlemen,

On behalf of Mr. Dodds and myself, I have the honour to present to you the 123rd Annual Balance Sheet of the Bank.

Net Profits at \$3,436,000 are lower by \$27,000 when compared with last year. This result is not unsatisfactory in view of the fact that taxes paid to the Dominion and Provincial Governments during the year were \$729,000 higher at \$1,928,000, accounted for principally by the higher rate of Dominion taxation. The increased revenue to offset these additional charges and other heavier operating costs was obtained chiefly from commercial loans, which for the year averaged about 22% higher.

During the year we closed six and opened four offices.

Important changes in the Balance Sheet are as follows:

Our Total Assets amount to \$961,300,000, compared with \$1,025,500,000 a year ago. The decrease is represented in the main by a reduction in our investment portfolio, as a result principally of redemptions at maturity of Dominion and Provincial Government securities.

Quick Assets total \$663,200,000, or 75.00% of all Liabilities to the Public.

Our holdings of Notes of the Bank of Canada and our balances with that institution amount to \$81,100,000, and represent 11.01% of all our deposit liabilities payable in Canadian dollars. The statutory reserve percentage which we are bound to maintain in these assets is 5%.

Investments not exceeding market value carried at \$462,000,000 show a reduction in the year of over \$55,000,000. The figures for the end of our previous financial year reflected our participation in an initial War issue of \$200,000,000 Dominion Government 2% Two Year Notes sold to the Chartered Banks shortly after the outbreak of war. The expansion in our holdings

of investments brought about by this transaction has been fully offset by the subsequent reduction which I have just mentioned.

Our investments now represent 54.43% of our deposits as compared with 56.58% in October 1939 and 64.20% in October 1936. The average maturity of our total portfolio at our year end was less than 2½ years. Our holdings and maturities are so arranged as to make funds available at all times for requirements of depositors and of commercial borrowers and to afford the maximum protection against depreciation due to fluctuations in market values.

Current Loans and Discounts in Canada at \$217,600,000 are \$16,200,000 higher. This increase as at October 31st does not properly indicate the maintained improvement in this department. During the past twelve months the monthly average of our commercial loans has been \$38,000,000 higher than in the corresponding period of the previous financial year. This expansion in our loaning figures comes chiefly under the headings of loans to manufacturers, reflecting the higher levels of business activity, and agricultural loans arising out of the large carry-over of wheat.

Our Note Circulation now stands at \$19,800,000. The legal limit in our case is now \$27,000,000, that is 75% of our paid-up capital and the limit will shrink a further \$3,600,000 per annum over the next five years. As our authority to issue our own notes decreases, there is a proportionate decrease in the double liability which formerly attached to our shares.

Deposits by the Public at \$749,800,000 are \$52,000,000 lower than a year ago. The reduction in this category of deposits is due in the main to the subscriptions made by the Bank's clients to Dominion of Canada War Loans and to the withdrawal during the year of some temporary balances payable in United States funds.

Deposits by the Dominion Government at \$57,500,000 show a reduction of \$17,600,000. Balances under this heading are a channel through which the Government's day-to-day expenditures are made and accordingly, particularly in war time, are liable to show large fluctuations from month to month.

DOMINION GOVERNMENT FINANCING

During the Bank year, new and refunding domestic issues of the Dominion Government aggregated \$930,000,000 exclusive of Treasury Bill issues, but this figure included \$355,000,000 of special issues of which \$250,000,000 was related to the transfer to the Dominion Government of the gold and part of the exchange reserves formerly held by the Bank of Canada. The new issue market was naturally dominated by Dominion Government war financing. The first public War Loan was offered in January and consisted of \$250,000,000 3¼% bonds at par, redeemable from 1948 to 1952 by annual drawings. This issue was promptly oversubscribed. It was subsequently announced that the loan was distributed to over 178,000 individual subscribers. The Second War Loan offered in September, consisting of \$325,000,000 3% Twelve Year Bonds issued at 98.75, was also oversubscribed. More than 150,000 individual subscriptions were received for this loan.

The full facilities of the Bank were engaged in distributing the War Loan issues and nearly 47,000 individual subscriptions to the two War Loans were received at our branches, exclusive of certain clients' subscriptions solicited by special committees.

An important feature of Dominion financing since the outbreak of war has been the repatriation of £72,087,000 of Dominion Government direct and guaranteed issues payable in London following the requisition of these issues by the British Government. These operations, while reducing our debt abroad and thus partly offsetting the internal increase, have made Canadian dollars available to the British Government for the purchase of Canadian primary commodities and manufactured products required for the prosecution of the war.

INDUSTRY AND AGRICULTURE

Business conditions are now of course dominated by the demand for war supplies. The volume of industrial production is already higher than ever before and activity is widely spread throughout the country. The output of supplies is due to expand much further and it is clear that we are rapidly approaching a position in which, by contrast with the past ten years, our principal problem will be the adequacy of the means of production.

A large crop of high quality wheat was harvested and substantial sums are required to carry the crop until it finds a market. The Dominion Bureau of Statistics estimates the yield of wheat for all Canada at 547,000,000 bushels, which, if realized, will make this the second largest crop on record since wheat growing started in Canada.

The new crop, added to the carry-over of approximately 300,000,000 bushels on the 31st July, created a storage problem which at first gave some concern. In order to make the best possible use of the available storage facilities for the benefit of all growers alike, The Canadian Wheat Board instituted a quota system of deliveries based on five bushels per seeded acre, and where local conditions permitted this quota was raised. With the prompt action of the elevator companies in constructing annexes and additional bins and the arrangements made by the growers themselves for safe storage, it is believed that practically all grain is now under cover and the storage problem may be said to have been solved for the present.

NEWFOUNDLAND

In Newfoundland, where we have several offices, the proverbial patriotism of the Newfoundlander has been reflected in the comparatively large number who have joined the fighting forces and the substantial sums of money which have been raised for the promotion of various war activities. Considerable construction for war purposes is taking place at various points and the establishment in the near future of naval and air bases by the United States should increase the demand for labour and materials. The paper mills and the iron and base metal mines are operating at capacity and the paper companies plan the largest cut of pulpwood in the history of the Island. All of these factors have operated to reduce steadily the demand on the Government for able-bodied relief and to improve general business.

The Commission of Government, we are glad to see, is reducing expenditures, while revenue is increasing.

UNITED KINGDOM

In the United Kingdom, a policy of cheap money has been successfully maintained and has enabled the Government to borrow on long and short term at low rates. Treasury Bills have been placed at an average rate of $1\frac{1}{2}\%$. Since June last the cash requirements of the Treasury have been implemented by six months' deposits at $1\frac{1}{8}\%$ obtained from the Clearing and Scottish Banks. The total secured from such deposits is £300,000,000. Money at call is from $\frac{3}{4}\%$ to 1% and the maximum rate of interest allowed by banks on deposits irrespective of amount and period is now 1% per annum.

UNITED STATES

In the United States, money has been in abundant supply and the lack of outlet has enabled the Treasury to finance on easy terms throughout the year, the Government note and bond market holding close to the peak. Some anomalies still exist in the form of no yield and even minus yield returns on Treasury Bills and short-term Treasury Notes, but this is a condition which has now existed for some few years and perhaps there is a human tendency to overlook the fact that it will not continue indefinitely.

The foreign bond market, as might be expected, has been extremely erratic. Canadian bonds, after some weakness in the early part of the year, have made a substantial recovery and it is satisfactory to observe the high regard in which our obligations continue to be held in the United States.

STAFF

Some 300 members of our regular staff are now on active service with the armed forces. To replace them and to cope with a heavier volume of transactions brought about by the increase in industrial activity, we have engaged approximately 500 new employees, thus increasing our numbers by nearly 200 compared with a year ago. Women clerks engaged as temporary employees form the larger part of the increase. Our men on active service have been granted indefinite leave of absence and have been assured that we shall be glad to welcome them back to the Bank on the cessation of hostilities. A considerable number of our staff also are members of the Non-Permanent Active Militia and we have, in all cases, facilitated their arrangements to attend camp training.

The staff have fully maintained a high standard of willing and efficient service. The various war-time regulations have imposed additional duties which have been cheerfully undertaken in spite of the extra hours of work involved. Your President has made special mention of the men and women in our offices in London, England, and they well deserve our praise and admiration.

BANKING IN WAR TIME

In concluding these remarks, I should like to make a few observations relative to current problems in banking.

Our business is at all times largely of the nature of a public trust, for on the one hand we in this Bank are responsible for the security of well over a million individual deposit accounts, and on the other it is our function to assist in providing funds for all purposes, public and private, which may properly be financed by a bank. In time of war, these duties and functions assume added importance and it may therefore be permissible for me to refer to one or two matters which to-day demand closer attention than usual.

Our holdings of Dominion and Provincial Government securities have declined during the past year by \$34,900,000, although they are higher by \$30,700,000 than before the outbreak of war. In view of the fact that the Government is making extremely heavy demands on the securities market, which will no doubt increase in future, it might appear to some that we were doing less than our duty in helping to meet these demands. It is not unreasonable, on a superficial view, to suppose that the banks should be a first resort in the present emergency.

This supposition ignores the real nature of the transactions involved. When a Bank subscribes to additional quantities of Government bonds, and places an equivalent amount of credit at the Government's disposal, it is in effect providing new money in the form of an addition to the supply of bank credit which was previously outstanding. Such operations may therefore have inflationary consequences, depending upon their timing and extent.

In certain circumstances monetary expansion of this character may be appropriate and justified, provided that it is moderate and carefully controlled. It was considered to be so in the early months of the war, when, at the Government's request, the banks subscribed to a special issue of \$200,000,000 of short-term notes. A temporary expansion of credit was considered expedient at that time in view of the state of business and of the Government's prospective budgetary programme.

But now that the early hesitation of business has been succeeded by unprecedented activity, persistent and continuous use

of this method of financing would lead directly to inflation. As Canada's supply of money takes the form principally of bank deposits, the unrestricted purchase of government securities by the Banks would be equivalent in its results to issuing unlimited money through the printing press. The Government's purpose in making issues of securities to the public to meet part of the costs of the war is to obtain command of real savings. To substitute bank credit for such savings as a regular procedure would therefore frustrate and defeat all hope of financing the war in a safe and honest manner. It is for this reason that the moderate reduction in our holdings of securities, which I have noted as following their initial expansion, should be regarded as a healthy symptom. So far as it goes, it indicates that the Government's requirements have been supplied from genuine savings.

In the matter of war-time public borrowing, our facilities can therefore best be used as a channel rather than as a source of funds. To this end we have made available at all our branches special means whereby the purchase of Savings Certificates and War Loan bonds can be facilitated, and we hope that the public will take full advantage of them.

In the matter of loans to business, the rise of industrial activity has stimulated new demands for credit which we have welcomed. In this case also, however, the war requires that a special consideration should be observed. While we are always prepared to finance sound transactions, and additionally at the present time to accommodate special needs arising from the war, the financing of abnormal inventories carried for purely speculative purposes in the expectation of rising prices would be equally against the interests of the banks, their customers and the public generally. Not only would such operations contribute to inflationary price increases and to artificial market conditions for the commodities concerned, but they would inevitably store up trouble for the future. The experience of the last war, and also of the speculative boom of the late twenties provides painful reminders of fictitious liquidity and of profits which became heavy losses overnight. So far, there is little evidence of any recurrence of such speculation, but the danger is inherent in the intense activity which lies ahead, and, as the banks are strategically situated to discourage it, we feel we have a special duty to bear it in mind.

The circumstances in which we meet this year do not favour a discussion of the business outlook. Canada's resources are devoted to the single objective of winning the war, and are already engaged on an unprecedented scale. As the Bank enters its 124th year of operation we are determined to play our full part in this national effort and we look forward with confidence to the achievement of victory which is now the primary and all-important consideration.

REPORT ADOPTED

The Chairman then moved, seconded by Mr. W. A. Bog, that the Report of the Directors, now read, be adopted and printed for distribution among the Shareholders. The report was unanimously adopted.

Sir Edward Beatty, G.B.E., moved, seconded by Mr. G. Blair Gordon, that Messrs. George C. McDonald, C.A., and Alastair A. Gowan, C.A., be appointed Auditors for the Bank for the ensuing year and that the ballot for the Auditors be taken at the same time as the ballot for the Directors is taken. The motion was carried.

On the motion of Mr. Norman J. Dawes, seconded by Mr. Louis L. Lang, the resolutions appointing the necessary proxies for the Bank at meetings of controlled companies were unanimously adopted.

Mr. L. J. Belnap, then moved, seconded by Mr. C. F. Sise, that Shareholders' By-Law No. 4 be repealed and the following be enacted in substitution therefor:

"4. The number of the Directors and the quorum thereof shall be regulated as follows, namely:

(a) The number of the Directors shall be not less than 20 and not more than 26;

(b) Until and subject to the extent to which the provisions of clause (c) hereof shall become effective, the number of Directors shall be 22;

(c) From time to time, upon the passing of a resolution of the Board of Directors declaring that it is expedient that this clause (c) should take effect to the extent of so many additional Directors as the resolution may specify, the number of the Board shall be and it is hereby increased by the number so specified, and the vacancy or vacancies in the Board thereby created may be filled in accordance with the provisions of By-Law No. 6 of the By-Laws enacted by the Shareholders, provided that in no event shall the total number of the Directors exceed 26;

(d) Three of the Directors shall constitute a quorum".

A ballot being taken the Scrutineers reported the motion carried.

Lt.-Col. W. P. O'Brien moved, seconded by Mr. A. E. Francis: "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 the meeting, Lt.-Col. O'Brien said:

"I should like to mention first how very appreciative are the shareholders and depositors to the President and Officers of the Bank for their untiring patience and courtesy and uncommonly sound advice always so readily and cheerfully given in connection with the many difficult and complex problems which we constantly bring to their attention.

"The high spirit of public service, and of just dealing, which has always distinguished the Bank since its inception, continues to be one of the outstanding characteristics of this Institution and has in no small measure contributed to the soundness and stabilizing of the finances of the Dominion as a whole.

"It affords me great pleasure, indeed, to propose on behalf of the shareholders, a vote of thanks to the President, Vice-Presidents, and the Directors of the Bank for the highly satisfactory results accruing from their splendid efforts in the conducting of the Bank's affairs during this last critical year". (Applause)

The motion was carried unanimously.

The Chairman: "On behalf of my co-directors and myself I wish to thank you most sincerely for your kind reception of this motion".

Mr. W. G. Murrin then moved, seconded by Mr. H. W. Molson: "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 presenting the motion, Mr. Murrin said:

"It is my pleasure and privilege to propose to you a hearty vote of thanks to the General Managers, the Assistant General Managers, the Superintendents, Managers and other officers of the Bank for their services during the past year. It would be a truism to state that the Bank is particularly favoured in having a most loyal and capable staff—a staff of which any institution might well be proud.

"As a matter of interest I would mention that at the close of the Bank's year this staff consisted of 3,302 officers, 2,003 women employees, 1,042 messengers and full and part-time service employees, or a total of 6,347 persons.

"The high traditions of the Bank of Montreal over the years have been absorbed by the staff of the Bank during their years of service and it is the responsibility of this staff, by what they are and what they do within and without the Bank, to sustain and pass on these high traditions. I feel sure you will agree that this is a responsibility which they have faithfully and efficiently discharged.

"In these serious and strenuous times through which we are passing the duties of the members of the staff have become more arduous and more intricate, and perhaps no section of the community has been brought more in contact with the complicated changes and innovations which have resulted from the necessary laws and regulations which have come into force. The staff has responded nobly to all calls which have been made upon them and have carried out their new and additional duties with loyalty and credit.

"The problems facing Mr. Dodds and Mr. Spinney as General Managers and the high officers of the Bank have been of a particularly serious and difficult nature and have imposed on them heavy responsibilities which they have discharged with distinction. I would like to make reference to the very important part which many officers of the Bank of Montreal play in the various Boards of Trade and service organizations throughout Canada. They make plain by their personal efforts the fact that the Bank is interested in the well-being of all the communities throughout the length and breadth of the Dominion. Mr. Dodds and Mr. Spinney and the other officers also have played important parts and done valuable work in connection with the Red Cross, Community Chests and other organizations of such vital importance at this time.

"Particular mention might be made of the splendid part which has been taken by the women of the Bank in war work and I have noticed in our Staff Magazine the reports of their many activities.

"It gives me very much pleasure, therefore, to propose this vote of thanks in line with the resolution". (Applause)

Mr. Jackson Dodds, responding, said:

"On Mr. Spinney's and my own behalf and on behalf of the Assistant General Managers, Superintendents, Managers and

Staff of men and women, I wish to express sincere thanks for your kind commendation of service rendered during the past year, and our appreciation of the complimentary references made by Mr. Murrin in presenting the resolution which Mr. Molson has been kind enough to second. May I take this opportunity to express before the shareholders our grateful thanks to the President and Board of Directors for their constant and practical interest in the welfare of the staff and for the readiness with which they agree to any reasonable suggestions for the benefit of employees, collectively and individually. In his address, Mr. Spinney paid a well merited tribute to the staff at home and abroad, whose loyalty, zeal, initiative and efficiency are matters of particular pride and satisfaction to the General Managers". (Applause)

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 this purpose".

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

D. Forbes Angus, Sir Edward Beatty, G.B.E., L. J. Belnap, W. A. Bog, the Hon. Henry Cockshutt, Norman J. Dawes, H. R. Drummond, the Hon. Charles A. Dunning, P.C., W. Sanford Evans, G. Blair Gordon, Charles H. Houson, Robert A. Laidlaw, Louis L. Lang, Ross H. McMaster, F. E. Meredith, K.C., Major-General the Hon. S. C. Mewburn, C.M.G., H. W. Molson, W. G. Murrin, Arthur B. Purvis, C. F. Sise, W. N. Tilley, K.C., Sir Frederick Williams-Taylor.

The meeting then terminated.

At a subsequent meeting of the Directors, Mr. H. R. Drummond was elected President, and Major-General the Hon. S. C. Mewburn, C.M.G., and Mr. W. A. Bog were elected Vice-Presidents.

BANK OF MONTREAL

ESTABLISHED 1817

EXECUTIVE OFFICERS

JOINT GENERAL MANAGERS

JACKSON DODDS, O.B.E.

G. W. SPINNEY

ASSISTANT GENERAL MANAGERS

S. C. NORSWORTHY

B. C. GARDNER

O. R. SHARP

W. T. A. MACFADYEN,
(Resident Toronto)

SUPERINTENDENTS

ALBERTA DISTRICT.....W. McDONNELL, *Calgary*
BRITISH COLUMBIA DISTRICT.....C. W. CHESTERTON, *Vancouver*
MANITOBA AND SASKATCHEWAN DISTRICTS.....F. G. BELCHER, *Winnipeg*
MARITIME PROVINCES DISTRICT.....G. B. HOWARD, *Halifax*
MONTREAL DISTRICT.....J. T. STEVENS, *Montreal*
QUEBEC & NEWFOUNDLAND DISTRICT.....D. M. CLELAND, *Montreal*
FOREIGN DEPARTMENT.....R. E. KNIGHT, *Montreal*

Secretary

C. H. CRONYN

Chief Accountant

E. H. STEWART

Assistant to the General Managers

E. A. FOX

Chief Inspector

G. H. GREENING

Manager Staff Department

L. W. TOWNSEND

Manager Securities Department

J. S. BOLTON

Manager Business Development Department

C. O. MCGIRR

Supervisor Bank Premises Department

C. P. LIEBICH

London, Eng.—47 Threadneedle Street, E.C.2.....Edward Pope, *Manager*
“ “ —Waterloo Place Branch.....J. H. Pangman, *Manager*
New York Agency—64 Wall Street.....A. J. L. Haskell, *First Agent*
Chicago—27 South La Salle Street.....A. Macpherson, *Manager*
Bank of Montreal (San Francisco)—333 California Street.....F. G. Woods, *President*

BRANCHES

The Bank has 511 offices in Canada, Newfoundland, United States and at London, England, with correspondents in all countries, offering exceptional facilities in all departments of General and Foreign Banking.

BRANCHES IN CANADA

ALBERTA

ACME
ALLIANCE—SUB TO FORESTBURG
BANFF (JUNE TO SEPT.)
BAWLF—SUB TO DAYSLAND
BENTLEY
CALGARY (MAIN OFFICE,
140 EIGHTH AVENUE WEST)
" ELBOW PARK
" STOCK YARDS
CAMROSE
CARBON
CARSTAIRS
CASTOR
CHAUVIN
DAYSLAND
DELBURNE
DRUMHELLER
EDGERTON
EDMONTON (MAIN OFFICE,
10089 JASPER AVENUE)
" 97TH STREET AT 103RD A. AVENUE
FORESTBURG
GRANDE PRAIRIE
HUGHENDEN
IRMA—SUB TO WAINWRIGHT
LACOMBE
LAKE LOUISE (CHATEAU LAKE
LOUISE BRANCH—JUNE TO SEPT.)
LEDUC
LETHBRIDGE
MAGRATH
MEDICINE HAT
MORRIN
MYRNAME
OLDS
PARADISE VALLEY—SUB TO EDGERTON
RAYMOND
RED DEER
RIMBEY
SEDEGEWICK
STETTLER
THORSBY
TOFIELD
TROCHU
TWO HILLS
VEGREVILLE
VIKING
WAINWRIGHT
WESTLOCK
WETASKIWIN

BRITISH COLUMBIA

ASHCROFT
BRALORNE
CHILLIWACK

BRITISH COLUMBIA

—CONTINUED

CLOVERDALE
DUNCAN
ENDERBY
ESQUIMALT
HANEY
KAMLOOPS
KASLO
KELOWNA
KIMBERLEY
MERRITT
NANAIMO
NELSON
NEW DENVER
NEW WESTMINSTER
NORTH VANCOUVER
OAK BAY
PENTICTON
PORT ALBERNI
POWELL RIVER
PREMIER—SUB TO STEWART
PRINCE GEORGE
PRINCE RUPERT
ROSSLAND
STEWART
TRAIL
VANCOUVER (MAIN OFFICE,
500-520 GRANVILLE STREET)
" BROADWAY & GRANVILLE STREET
" BROADWAY & MAIN STREET
" CARRALL & HASTINGS STREETS
" FOURTH AVENUE & ALMA ROAD
" GRANVILLE & DAVIE STREETS
" HOMER & HASTINGS STREETS
" HOTEL VANCOUVER
" KERRISDALE
" MAIN & HASTINGS STREETS
" MARINE BUILDING
" PENDER & COLUMBIA STREETS
" PRIOR & MAIN STREETS
" WEST POINT GREY
VERNON
VICTORIA (MAIN OFFICE,
1225 DOUGLAS STREET)
" GOVERNMENT STREET
WEST SUMMERLAND
WILLIAMS LAKE

MANITOBA

BELMONT
BISSETT
BRANDON
CARBERRY
DAUPHIN
GLADSTONE
HARTNEY
MACGREGOR

MANITOBA—CONTINUED

MORRIS
NEEPAWA
OAK RIVER
OAKVILLE
PORTAGE LA PRAIRIE
RESTON
SELKIRK
SOURIS
WINNIPEG (MAIN OFFICE,
COR. PORTAGE AVENUE & MAIN
STREET)
" BANNERMAN AVENUE & MAIN STREET
" CORYDON AVENUE
" FORT ROUGE
" HIGGINS AVENUE & MAIN STREET
" LOGAN AVENUE
" 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
HARTLAND
MONCTON
PERTH
SAINT JOHN (MAIN OFFICE,
2 KING STREET)
" HAYMARKET SQUARE
" UNION STREET
ST. STEPHEN
SHEDIAC
WOODSTOCK

NOVA SCOTIA

AMHERST
BRIDGEWATER
CANNO
GLACE BAY
HALIFAX (MAIN OFFICE,
205-207 HOLLIS STREET)
" NORTH END
" QUINPOOL ROAD & KLINE STREET
LUNenburg
MAHON BAY
RIVERPORT
SYDNEY
WOLFVILLE
YARMOUTH

BRANCHES IN CANADA

ONTARIO

ACTON
 ALLISTON
 ALMONTE
 ALVINSTON
 AMHERSTBURG
 ARNPRIOR
 ATHENS
 AULTSVILLE—SUB TO WALES
 AURORA
 AYLMEY
 BARRY'S BAY
 BEACHVILLE—SUB TO INGERSOLL
 BELLEVILLE
 BLENHEIM
 BOBCAYGEON
 BOTHWELL
 BOWMANVILLE
 BRAMPTON
 BRANTFORD
 BROCKVILLE
 BRUCEFIELD—SUB TO HENSALL
 CAMPBELLFORD
 CHATHAM
 CHATSWORTH
 CHESTERTON
 CLINTON
 COLLINGWOOD
 CORNWALL (MAIN OFFICE,
 159 PITT STREET)
 " MCCONNELL AVENUE & MONTREAL ROAD
 COURTLAND—SUB TO TILLSONBURG
 CREEMORE
 DELHI
 DOUGLAS
 DRUMBO
 EGANVILLE
 ELGIN—SUB TO WESTPORT
 ELORA
 EXETER
 FENELON FALLS
 FINCH
 FOREST
 FORMOSA—SUB TO TEESWATER
 FORT ERIE
 FORT ERIE NORTH
 FORT WILLIAM
 FRANKFORD
 GALT
 GANANOQUE
 GEORGETOWN
 GLENCOE
 GODERICH
 GORE BAY
 GUELPH
 HALIBURTON

ONTARIO—CONTINUED

HAMILTON (MAIN OFFICE,
 COR. MAIN & JAMES STREETS)
 " 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
 HOLSTEIN—SUB TO MOUNT FOREST
 INGERSOLL
 IROQUOIS
 KINCARDINE
 KINGSTON
 KINGVILLE
 KITCHENER
 KOMOKA—SUB TO MARKET SQUARE, LONDON
 LAMBTON MILLS
 LANCASTER
 LANSLOWNE
 LEAMINGTON
 LINDSAY
 LISTOWEL
 LITTLE CURRENT
 LONDESBOROUGH—SUB TO CLINTON
 LONDON (MAIN OFFICE,
 446 RICHMOND STREET)
 " CITY HALL
 " EAST
 " MARKET SQUARE
 " SOUTH
 LUCAN
 LUCKNOW
 MANITOWANING
 MARKDALE
 MEAFORD
 MERLIN
 MIDLAND
 MILDMEY
 MIMICO
 MINDEMOYA
 MITCHELL
 MONKLAND—SUB TO FINCH
 MORRISBURG
 MOUNT FOREST
 NAPANEE
 NEWINGTON—SUB TO FINCH
 NEWMARKET
 NEW TORONTO
 NIAGARA FALLS
 NORWICH
 OAKVILLE
 ORILLIA
 OSHAWA
 OTTAWA (MAIN OFFICE,
 COR. SPARKS & O'CONNOR STREETS)
 " BANK STREET
 " RIDEAU STREET
 OWEN SOUND
 PARIS

ONTARIO—CONTINUED

PEELEE ISLAND—SUB TO LEAMINGTON
 (APRIL TO DEC.)
 PEMBROKE
 PERTH
 PETAWAWA MILITARY CAMP
 PETERBOROUGH
 PICTON
 PORT ARTHUR
 PORT HOPE
 PRESCOTT
 PRESTON
 RENFREW
 RIDGETOWN
 ST. CATHARINES
 ST. EUGENE
 ST. GEORGE—SUB TO BRANTFORD
 ST. MARYS
 ST. THOMAS (MAIN OFFICE,
 408 TALBOT STREET)
 " EAST END
 SARNIA
 SAULT STE. MARIE
 SCHREIBER
 SIMCOE
 SMITH'S FALLS
 STIRLING
 STRATFORD
 SUDBURY
 TARA
 TEESWATER
 THAMESVILLE
 THORNDALE—SUB TO MARKET SQUARE,
 LONDON
 TICHBORNE—SUB TO YARKER
 TILBURY
 TILLSONBURG
 TIMMINS
 TORONTO (MAIN OFFICE,
 30 YONGE STREET)
 " BATHURST & KING STREETS
 " BAY STREET
 " BLOOR & BAY STREETS
 " BLOOR STREET & LANSLOWNE AVENUE
 " BLOOR STREET & WINDERMERE AVENUE
 " COLLEGE STREET
 " DANFORTH & LOGAN AVENUES
 " DUNDAS STREET & LANSLOWNE AVENUE
 " DUNDAS STREET & RONCESVALLES AVENUE
 " DUPONT STREET
 " EARLSCOURT
 " HOUNSLOW HEATH ROAD & ST. CLAIR
 AVENUE
 " KING & DUFFERIN STREETS
 " KING & YONGE STREETS
 " OAKWOOD & ST. CLAIR AVENUES
 " PARLIAMENT STREET
 " QUEEN STREET EAST & BEECH AVENUE
 " QUEEN STREET WEST & BEACONSFIELD
 AVENUE
 " QUEEN STREET & BROADVIEW AVENUE
 " QUEEN STREET & O'HARA AVENUE
 " QUEEN & PORTLAND STREETS
 " QUEEN'S PARK
 " ROSELAWN AVENUE & YONGE STREET
 " ROYAL YORK HOTEL
 " ROYCE AVENUE
 " ST. GEORGE & BLOOR STREETS
 " ST. LAWRENCE MARKET
 " SPADINA AVENUE & ADELAIDE STREET
 " WEST TORONTO
 " YONGE & BLOOR STREETS
 " YONGE & QUEEN STREETS
 " YONGE STREET & ST. CLAIR AVENUE

BRANCHES IN CANADA

ONTARIO—CONTINUED

TRENTON
TWEED
VERONA—SUB TO YARKER
WALES
WALKERTON
WALKERVILLE (MAIN OFFICE,
43 WYANDOTTE STREET)
" WALKER ROAD
WALLACEBURG
WATERFORD
WATERLOO
WATFORD
WELLAND
WEST LORNE
WESTON
WESTPORT
WILLIAMSBURG
WILLIAMSTOWN
WINDSOR (MAIN OFFICE,
200 OUELLETTE AVENUE)
" LONDON STREET
WOODSTOCK
YARKER
ZURICH

PRINCE EDWARD ISLAND

CHARLOTTETOWN

QUEBEC

AMQUI
ARTHABASKA
ARUNDEL
ARVIDA
BEDFORD
BREAKEYVILLE
BUCKINGHAM
BURY
CADILLAC
CHICOUTIMI
COOKSHIRE
COWANSVILLE
DRUMMONDVILLE
GATINEAU
GRANBY
GRAND MERE
HULL
HUNTINGDON
KNOWLTON
LACHINE
LACHUTE
LEVIS
LONGUEUIL
MAGOG
MATANE
MEGANTIC
MONT JOLI

QUEBEC—CONTINUED

MONTREAL (MAIN OFFICE,
119 ST. JAMES STREET WEST)
" BEAVER HALL
" BLEURY & ST. CATHERINE STREETS
" BORDEAUX STREET & MOUNT ROYAL AVENUE
" CHARLEVOIX & CENTRE STREETS
" CHRISTOPHER COLUMBUS STREET
& MOUNT ROYAL AVENUE
" CITY HALL AVENUE & ST. CATHERINE STREET
" COTE DES NEIGES
" COTE ST. PAUL
" DARLING & ONTARIO STREETS
" DE LORIMIER AVENUE & ROSEMOUNT
BOULEVARD
" DRUMMOND & ST. CATHERINE STREETS
" FULLUM & ST. CATHERINE STREETS
" GIROUARD & MONKLAND AVENUES
" GUY & SHERBROOKE STREETS
" JACQUES CARTIER SQUARE & ST. PAUL STREET
" JEAN TALON STREET & QUERBES AVENUE
" LA SALLE AVENUE & ONTARIO STREET
" LAURIER AVENUE & ST. LAWRENCE
BOULEVARD
" MARCIL AVENUE & SHERBROOKE STREET
" MASSON STREET & FIFTH AVENUE
" MCGILL & ST. PAUL STREETS
" MOUNT ROYAL AVENUE & ST. LAWRENCE
BOULEVARD
" ONTARIO STREET & ST. LAWRENCE
BOULEVARD
" PAPINEAU AVENUE & ST. CATHERINE STREET
" PARK & BERNARD AVENUES
" PEEL STREET
" POINT ST. CHARLES
" ST. ANTOINE & WINDSOR STREETS
" ST. CLEMENT & ST. CATHERINE STREETS
" ST. HENRI
" ST. JEAN BAPTISTE MARKET
" ST. PETER & ST. JAMES STREETS
" ST. ZOTIQUE & ST. DENIS STREETS
" SEIGNEURS & NOTRE DAME STREETS
" SHERBROOKE & DRUMMOND STREETS
" SHERBROOKE STREET & ST. LAWRENCE
BOULEVARD
" SNOWDON-HAMPSTEAD
" SUN LIFE BUILDING
" UNIVERSITY & ST. CATHERINE STREETS
" VILLERAY & ST. DENIS STREETS
" WEST END

MONTREAL WEST

NAPIERVILLE

OUTREMONT

QUEBEC (MAIN OFFICE,
116 ST. PETER STREET)

" CHATEAU FRONTENAC
" ST. JOHN'S GATE
" ST. ROCH
" ST. SAUVEUR
" UPPER TOWN

QUYON

RICHMOND

RIVIERE DU LOUP

ROBERVAL

STE. AGATHE DES MONTS

STE. ANNE DE BELLEVUE

ST. CESAIRE

ST. GEORGES DE BEAUCE

ST. HYACINTHE

ST. JEAN

ST. JEROME

ST. JOSEPH D'ALMA

ST. JOVITE

ST. LAMBERT

STE. THERESE

SAWYERVILLE

SHAWVILLE

QUEBEC—CONTINUED

SHERBROOKE (MAIN OFFICE,
59 WELLINGTON STREET)

" BELVIDERE & KING STREETS

SOREL

TEMISKAMING

TROIS-RIVIERES

VALCARTIER

VALLEYFIELD

VERDUN (MAIN OFFICE,
4026 WELLINGTON STREET)

" BEATTY & VERDUN AVENUES

" CHURCH AVENUE

" FOURTH AVENUE & WELLINGTON STREET

VICTORIAVILLE

WATERLOO

WESTMOUNT (MAIN OFFICE,
1299 GREENE AVENUE)

" CLAREMONT AVENUE &
SHERBROOKE STREET

SASKATCHEWAN

BATTLEFORD

CARNDUFF

DAVIDSON

DOMREMY

DUCK LAKE

EASTEND

ESTEVAN

GOLDFIELDS

KAMSACK

KELLIHER

LAKE LENORE

LIMERICK

MAPLE CREEK

MELVILLE

MOOSE JAW

NIPAWIN

NORTH BATTLEFORD

OUTLOOK

PRINCE ALBERT

PUNNICHY

REGINA (MAIN OFFICE,
1800 SCARTH STREET)

" VICTORIA AVENUE & ALBERT STREET

ROSE VALLEY

SALTCOATS

SASKATOON

SEMANS

SWIFT CURRENT

TISDALE

UNITY

WAKAW

WEYBURN

WHITEWOOD

WYNYARD

YORKTON

YUKON

DAWSON

MAYO

OFFICES ELSEWHERE THAN IN CANADA

IN NEWFOUNDLAND

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

IN GREAT BRITAIN

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

IN THE UNITED STATES

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

FOREIGN DEPARTMENT - - - - - HEAD OFFICE, MONTREAL

