

# 1920 BANK OF MONTREAL

## ANNUAL GENERAL MEETING

HELD 6TH DECEMBER, 1920

(From THE GAZETTE, December 7th, 1920.)

The 103rd Annual General Meeting of the Shareholders of the Bank of Montreal was held yesterday in the Board Room at the Bank's Headquarters.

Amongst those present were: H. D. Anderson, D. Forbes Angus, R. B. Angus, S. M. Baylis, E. W. Beatty, K.C.; H. W. Beauclerk, George Caverhill, D. R. Clarke, General Sir Arthur Currie, G.C.M.G., K.C.B., LL.D.; J. A. David, H. R. Drummond, J. J. Fiske, C. J. Fleet, G. B. Fraser, Sir Charles Gordon, G.B.E.; Sir Lomer Gouin, K.C.M.G.; J. Maxtone Graham, C.A.; Samuel Hart, Lt.-Col. G. R. Hooper, C. R. Hosmer, L. Julien, Hon. Rodolphe Lemieux, M.P., K.C.; S. G. McElwaine, Wm. McMaster, H. B. MacDougall, A. A. MacDougall, F. E. Meredith, K.C.; Sir Vincent Meredith, Bart; Lt.-Col. Herbert Molson, C.M.G., M.C., Walter Molson, G. L. Ogilvie, Dr. C. J. Patton, John Patterson, Alfred Piddington, H. E. Rawlings, K. G. Rea, Jas. Rodger, A. G. Ross, E. Sawtell, Rt. Hon. Lord Shaughnessy, K.C.V.O.; C. E. Sprague, R. S. White.

On motion of Mr. R. B. Angus, Sir Vincent Meredith was requested to take the chair.

Mr. C. J. Fleet moved, seconded by Mr. H. W. Beauclerk, that Lieut.-Col. George R. Hooper and Mr. H. B. MacDougall be appointed to act as Scrutineers, and that Mr. C. H. Cronyn be the Secretary of this meeting.

This was carried unanimously.

The Chairman then called upon the General Manager, Sir Frederick Williams-Taylor, to read the Annual Report of the Directors to the Shareholders at their 103rd Annual General Meeting, held Monday, December 6th, 1920.

### THE ANNUAL REPORT

The Directors have pleasure in presenting the Report showing the result of the Bank's business for the year ended 30th October, 1920.

Balance of Profit and Loss Account, 31st October, 1919.....	\$1,812,854.43
Profits for the year ended 30th October, 1920, after deducting charges of management, and making full provision for all bad and doubtful debts.....	4,033,995.60
Premiums on New Stock.....	1,000,000.00
	\$6,846,850.03
Quarterly Dividend 3% paid 1st March, 1920.....	\$ 600,000.00
Quarterly Dividend 3% paid 1st June, 1920.....	600,000.00
Quarterly Dividend 3% paid 1st September, 1920.....	660,000.00
Quarterly Dividend 3% payable 1st December, 1920.....	660,000.00
Bonus 2% payable 1st December, 1920.....	440,000.00
	\$2,960,000.00
Amount credited to Rest Account.....	2,000,000.00
War Tax on Bank Note Circulation to 30th October, 1920.....	210,000.00
Reservation for Bank Premises.....	425,000.00
	5,595,000.00
Balance of Profit and Loss carried forward.....	\$1,251,850.03

Since the last Annual Meeting, Branches have been opened at points in the following Provinces, viz.:

Quebec—City Hall Square (Hull), St. Sauveur (Quebec).

Ontario—Gage Ave. and Barton Street (Hamilton), City Hall (London), Sandy Hill (Ottawa), Cherry and Villiers Streets (Toronto), Danforth and Carlaw Avenues (Toronto), Stock Yards (Toronto).

New Brunswick—Marysville.

Alberta—Stock Yards (Calgary).

Saskatchewan—Hubbard.

British Columbia—Abbotsford, Nanaimo, Granville and Nelson Streets (Vancouver), Douglas Street (Victoria).

A temporary office was also open for the convenience of the travelling public, during the summer months, in the Banff Springs Hotel at Banff, Alta.

The Branch at Paspébiac, Que., has been closed.

In May last we purchased the business of Messrs. J. W. Scott & Son, Private Bankers, at Listowel, Ont.

During the year an interest was acquired in the Colonial Bank, thus giving us direct facilities for the transaction of our business in the British West Indies, British Guiana, South America and Africa.

The Capital of the Bank was increased by the issue of \$2,000,000 new stock. This was largely subscribed for by the Shareholders, the balance being readily disposed of by tender as stipulated by the Bank Act.

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

(Signed) VINCENT MEREDITH,

President.

Bank of Montreal, 6th December, 1920.

## THE GENERAL STATEMENT

The General Statement of the position of the Bank on 30th October, 1920, was read as follows:—

### LIABILITIES

Capital Stock .....	\$ 22,000,000.00	\$ 22,000,000.00
Res. ....	\$ 22,000,000.00	
Balance of Profits carried forward .....	1,251,850.03	
	\$ 23,251,850.03	
Unclaimed Dividends .....	9,821.99	
Quarterly Dividend, payable 1st December, 1920 .....	660,000.00	
Bonus of 2% payable 1st December, 1920 .....	440,000.00	
	24,361,672.02	
		\$ 46,361,672.02
Notes of the Bank in circulation .....	\$ 42,367,310.00	
Balance due to Dominion Government .....	17,657,119.82	
Deposits not bearing interest .....	111,739,215.02	
Deposits bearing interest, including interest accrued to date of statement .....	322,578,613.54	
Deposits made by and Balances due to other Banks in Canada .....	2,863,393.90	
Balances due to Banks and Banking Correspondents elsewhere than in Canada .....	4,381,644.15	
Bills Payable .....	2,500,807.12	
	504,088,103.55	
Acceptances under Letters of Credit .....	7,836,994.38	
Liabilities not included in the foregoing .....	1,864,042.90	
	\$560,150,812.85	

### ASSETS

Gold and Silver coin current .....	\$ 25,187,389.81	
Dominion Notes .....	48,199,032.50	
Deposit in the Central Gold Reserves .....	21,200,000.00	
Balances due by Banks and Banking Correspondents elsewhere than in Canada \$ 15,202,365.82		
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures and Stocks .....	1,944,383.03	
Call and Short (not exceeding thirty days) Loans in Great Britain and United States .....	95,017,883.64	
	112,164,632.49	
Dominion and Provincial Government Securities not exceeding market value .....	14,863,954.49	
Railway and other Bonds, Debentures and Stocks, not exceeding market value .....	4,542,070.76	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian .....	36,749,430.85	
Notes of other Banks .....	3,367,578.09	
Cheques on other Banks .....	22,872,419.35	
	\$289,146,508.34	
Current Loans and Discounts in Canada (less rebate of interest) .....	223,495,472.43	
Loans to Cities, Towns, Municipalities and School Districts .....	14,785,686.94	
Current Loans and Discounts elsewhere than in Canada (less rebate of interest) .....	17,619,853.19	
Overdue debts, estimated loss provided for .....	598,988.99	
	256,500,001.55	
Bank Premises at not more than cost (less amounts written off) .....	5,500,000.00	
Liabilities of Customers under Letters of Credit (as per Contra) .....	7,836,994.38	
Deposit with the Minister for the purposes of the Circulation Fund .....	1,038,166.60	
Other Assets not included in the foregoing .....	129,141.98	
	\$560,150,812.85	

VINCENT MEREDITH,  
President.

FREDERICK WILLIAMS-TAYLOR,  
General Manager.

TO THE SHAREHOLDERS OF THE BANK OF MONTREAL.

We have checked the Cash and verified the Securities of the Bank at the Chief Office on the 30th October, 1920, and also at another time as required by the Bank Act, and we have found them to be in accord with the books of the Bank. We have also checked the Cash and verified the Securities at several of the principal Branches of the Bank at various times during the year. We have obtained all information and explanations required, and all transactions that have come under our notice have been, in our opinion, within the powers of the Bank. We have compared the above Balance Sheet with the books and Accounts at the Chief Office of the Bank, and with the certified Returns received from its Branches, and we certify that in our opinion it exhibits a true and correct view of the state of the Bank's affairs according to the best of our information, the explanations given to us, and as shown by the books of the Bank.

MONTREAL, 19th November, 1920.

J. MAXTONE GRAHAM, C.A. } Auditors.  
JAMES HUTCHISON, C.A. }  
Of the firm of Riddell, Stead, Graham & Hutchison.

## THE PRESIDENT'S ADDRESS.

Sir Vincent Meredith, in moving the adoption of the Report of the Directors to the Shareholders, said:—

Before moving the adoption of the Report, I may remark that as a result of the completion of a successful year's operations, due in part to the high interest rates for money that have prevailed outside Canada, where a portion of our reserves are carried, your Directors decided to declare a bonus of 2 per cent., making the distribution to shareholders for the year 14 per cent.

The sum of \$250,000, spread over five years, has been donated to the McGill Endowment Fund, and I am confident the action of your Directors in this connection will have your approval.

The year just closed has been a difficult one for bankers, but the progress we have made and the results we are able to show will, I feel sure, prove satisfactory to our shareholders.

An overwhelming demand for credit has taxed resources to the utmost. Following a period of excessive prices and inflated currencies characteristic of war times, the country is now in the midst of the process of readjustment. It has been difficult to make producers, merchants and others carrying heavy stocks, who have grown accustomed to high prices, accept the inevitable by recognizing the fact that it is futile to attempt to overcome natural laws and to realize that economic conditions, which no artificial means can alter, alone are the cause of price decline. The demand for intervention through Government control is still insistent in some quarters. Canada alone cannot control world-wide conditions and it is idle to turn to the Government for relief from falling prices. This applies to wheat as well as to other commodities. A lower price level must be reached before we can reasonably look for a resumption of business activity on a sound basis. To arrive at this stage, inventories must be reduced and deficiencies made good by drawing upon the excess profits of previous years.

### RESTRICTION OF CREDIT

Having in view the probability of a gradual recession in prices, your Directors took early action to restrict credits to legitimate requirements, believing such a policy to be in the best interests of our clients as well as calculated to preserve the financial stability of the country.

The strain on credit appears to be now reaching its peak. An easier tendency is the logical outcome of deflation of prices. Manufacturers and wholesalers are revising inventory values to meet the changed conditions and retailers must adopt the same policy to induce the public to again freely enter the market. The pursuance of this course will tend to ameliorate the labour situation by lessening unemployment and should prove a factor in warding off slackness of work, which acts and reacts to the detriment of business. Employment is the logical remedy for labour unrest. The commercial mortality of Canada has been notably low for several years past, but it must be expected that the process of deflation and slacker trade will somewhat swell the failure list, a contingency for which prudent bankers prepare. Some reduction of bank deposits may also be apprehended. I believe, therefore, that this is a time to keep close-hauled, to prepare against gusts without inviting gales, and to recognize the existence of world-wide conditions presaging a substantial re-adjustment of commodity prices before rock-bottom is reached.

As a final word in this connection, permit me to repeat the observations I made at our Annual Meeting two years ago, when I said:—

"Sooner or later we in this country will without doubt have to meet foreign trade competition of cheap and skilled labour, together with advantageous transportation facilities, to a more pronounced extent than Canada has yet experienced. If this competition is to be effectively coped with, increased efficiency, co-operation and co-ordination are essential. Our best energies must be directed to greatly increased production of our basic, agricultural and other great natural resources. In this way, and

by strict economy in Government, Municipal and personal expenditures, a solution can be found of our difficulties of exchanges, the maintenance of our favourable trade balance and the payment of our war debt. Otherwise, we must look for a shrinkage in business, to be followed by a readjustment of the scale of wages for labour and of the prices of all commodities."

### FOREIGN TRADE

Although the aggregate of foreign trade has this year surpassed all previous records, the figures are less favourable in the sense that imports now exceed exports. In the twelve months to October 31st, imports reached a value of \$1,339,600,000, as compared with \$902,300,000 in the preceding twelve months, being an increase of nearly 50 per cent.; while, on the other hand, exports in the two periods were practically of the same amount, namely, \$1,197,300,000 in 1919 and \$1,228,800,000 in 1920. The balance of trade, it will be observed, has turned against Canada after several years of surplus of exports. Imports from the United States have not been checked by the adverse rate of exchange; indeed, in the twelve months to October 31st these rose to \$924,000,000, or 70 per cent. of the total imports of Canada, while our sales to the United States, \$530,000,000, were not much more than one-half our purchases from that country.

The dislocation of foreign exchange is a serious obstacle to the speedy restoration of international commerce, since the purchasing power of countries whose currency is heavily depreciated becomes greatly contracted thereby. Sporadic efforts have been made to organize capital for the purpose of creating international credits, but these have not reached practical form to an appreciable extent and the problem still waits upon solution.

The necessity for financing foreign trade has come very closely home and, pending an international working scheme, I feel it would be well for Canada to move locally. I am still of the opinion that a corporation to foster foreign trade so as to keep our factories busy and give employment to labour is desirable and sooner or later must be launched. If export trade can be revived, it will solve many of our difficulties.

Trade with Australasia, which has averaged over the last four years \$8,200,000 per annum, will receive a temporary check through the action of the Australian banks in declining to negotiate bills in London or remit promptly for collections sent direct, in an effort to conserve their London balances and restrict imports. The situation should be relieved shortly when the Australian wheat crop and wool clip reach London. South African banks are also restricting their purchases of bills in London in an effort to correct exchange, and India is suffering from similar adverse exchange conditions.

An instance of the recovery of trade in Great Britain is found in the expansion of Canadian imports from \$81,000,000 to \$226,000,000 in the past twelve months, but a decline in Canadian exports to the United Kingdom from \$524,000,000 last year to \$364,000,000 this year is less satisfactory, the more so as munitions shipments do not figure in either period.

### CURRENCY INFLATION

The inflation of currency has had much to do with governing the cost of commodities in all countries. The situation in Canada, though somewhat extended, is fundamentally sound. It speaks well for our national financing that our country's emergency currency, created under the Finance Act, 1914, is more amply secured by gold than is the war circulation of any belligerent save only the United States, the wealthiest of nations.

Dominion Government notes outstanding are \$320,000,000, back of which there is gold to the amount of \$95,000,000, a ratio of gold to notes of 29.7 p.c. This percentage is always lowest at this season, the average percentage for the year being 32.6 p.c. Of the portion uncovered by gold, \$37,300,000 is the Government's fiduciary issue, and the remainder is more than covered by high-grade securities.

In the United States there were outstanding at the latest return \$3,325,000,000 Federal Reserve Notes secured by gold to the extent of \$1,625,000,000, and the remainder by collateral, principally acceptances. The gold ratio is thus 48.9 p.c. Had the war expenditures of the United States dated back to August, 1914, the ratio would have been less favourable.

The situation in the United Kingdom is somewhat worse. War circulation in the shape of Government currency notes amounts to £348,000,000, backed by £47,000,000 gold and Bank of England notes—the equivalent of gold—or a ratio of gold to notes of 13.56 p.c. It is reassuring that this percentage has of late shown gradual but steady improvement.

French currency emitted by the Bank of France is highly inflated with Fcs. 40,000,000,000 at present outstanding. The Bank's total gold reserves are Fcs. 5,500,000,000 equal to 14 p.c. of notes issued, but the gold is not earmarked for circulation alone.

Turning finally to Germany, we find its currency notes increasing by leaps and bounds since the war stopped, until to-day the Imperial Bank of Germany has paper money liabilities of no less than 63,000,000,000 marks. There is a special emergency currency also of some 12,000,000,000 marks. The gold security is 1,091,000,000 marks, or 1½ p.c. of notes under issue. Inflation in Germany goes unchecked, mainly because of the Government's inability to collect sufficient revenue to meet its obligations.

#### DEFLATION

The outcry for deflation, which at one time was insistent in some quarters, has largely died out. Bankers feel that too rapid deflation, accompanied by an abrupt fall in prices, is not a good remedy for existing evils. We want a decline in prices, but it should be an orderly one. An arbitrary limitation of the currency would cause intolerable inconvenience, loss and disorganization of trade. The desired result may be brought about gradually by less buoyant trade, increased production, drastic cutting down of all unnecessary expenditures by our Governments, Dominion, Provincial and Municipal, and the practice of thrift by our people.

Credit, not merely in Canada but elsewhere, rests on an inadequate basis and should be contracted in conformity with the declension in commodity prices.

#### MONEY RATES

I see no reason to look for permanently lower interest rates in the near future. Reaction in business and the marketing of the crops may bring an easier tone temporarily, but the magnitude of international indebtedness to be refunded, together with the wastage of war, cannot be made good immediately and probably not for a somewhat indefinite time.

#### IMPORT RESTRICTIONS ON SECURITIES

The action of the Minister of Finance in calling upon all dealers to refrain for the present from purchasing Canadian securities held abroad, for the purpose of conserving the country's resources, has met with criticism abroad as well as from some quarters at home. Nevertheless, the Minister, in view of the enormous trade balance against Canada, has wisely pursued the policy decided upon.

An absolute embargo on the purchase of Canadian securities was, I have reason to believe, not for a moment contemplated, as that would obviously be detrimental to Canadian credit abroad, but dissuasion from sending money out of the country at this juncture is to be commended and affords no ground for resentment. It is hoped conditions will soon permit of the return to an open market.

#### IMMIGRATION

The tide of immigration, checked during the war, has again begun to rise. In the seven months to October 30th settlers to the number of 109,000 entered Canada, or 31 per cent. more than in the corresponding period last year, and it is noteworthy that the increase was almost wholly of persons from the British Isles. There is reason to believe that the movement of population into the Dominion will proceed in undiminished proportion from the United States and in steadily enlarging volume from Great Britain. Desirable immigrants should also be encouraged from France, Belgium and the Scandinavian and probably other countries. Canada's vast areas of untilled soil, coupled with the necessity for spreading the load of debt and taxation, demand a large population.

#### ECONOMIC CONDITIONS ABROAD

In the United States, economic conditions are not dissimilar to those in Canada. Money is dear and not easily obtainable. The wave of price cutting continues and failures in business are becoming more numerous, with liabilities larger.

The Continent of Europe is at present engaged in a more or less successful effort to recover from the effects of the war. Many European countries are endeavoring to live on paper money and eleven out of twelve of them are not balancing their budgets.

England's trade position shows marked improvement. The excess of imports over exports for the first nine months of 1920 compared with the same period in 1919 was reduced from £626,000,000 to £313,000,000, and the full year's unfavourable balance should be more than offset by invisible revenue estimated at some £640,000,000.

France, while her industrial position is undoubtedly improving, is greatly hampered by war's destruction in some of her richest provinces and by the very considerable inflation in the currency, with the consequent adverse foreign exchange.

Belgium is apparently in a more hopeful position industrially than either France or Italy and Belgian trade figures show a fairly constant improvement month by month.

In Italy the position is complicated by the uncertainty of the labour position and the great difficulty of obtaining adequate supplies of coal.

Germany appears to be straining every nerve to restore some measure of prosperity and her export figures show a surprising increase since the conclusion of the Armistice.

#### GOVERNMENT OWNED RAILWAYS AND SHIPS

Canada to-day has a very large National Railway System which is being operated at a heavy loss, thereby increasing the load on an already heavily tax-burdened country. Sooner or later some means must be found to relieve this situation. Some confidently believe that by proper public administration of the lines, deficits can be cut down. My own view is that the proper solution will be found if the Government, at the earliest feasible time, divests itself of ownership and operation of the roads and places them under corporate control upon terms fair to the country and upon conditions that will ensure the service for which the construction of the lines was undertaken.

In the same connection, and speaking for myself alone, it would appear desirable that no more national expenditure should be made for the building of ships. While a programme of ship-building during the war was commendable, subsequent developments dictate a modified policy. In June, 1914, the world tonnage totalled 49,000,000 tons; in June, 1920, it had risen to 57,300,000 tons, and, in addition, at the end of September this year there were 7,565,000 tons under construction. Tonnage at present exceeds requirements, and in expectation of rate reduction and shrinkage in earnings, construction abroad has already been arrested, and empty tonnage is now laid up in many ports.

There is no ground for the belief that this condition will quickly pass. The United States recently failed to secure bids for standard ships; Japan has cancelled orders for 100,000,000 tons in her own shipyards, and Norway is cancelling orders in Great Britain. These factors constitute, in my opinion, a danger signal that Canada might well heed and stop all further new construction.

#### BANK'S CONNECTIONS ABROAD

For the furtherance of Canada's foreign trade, the policy of your Directors, as you are aware, has been to establish close connections with Banks of undoubted standing already firmly established in the field rather than to open and operate branches of our own at distant points. So far, we have had no cause to regret our decision.

In carrying out this policy, we purchased an interest in the Colonial Bank, an old-established and highly regarded institution, giving us an extended connection in the West Indies and West Africa, which enables us to do business in these countries on favourable competitive terms.

#### RESUME

To sum up, the situation in Canada at present, as I view it, is that while there does not appear to be any cause for apprehension, there is every reason for the exercise of the utmost measure of caution. Canada cannot disassociate herself from world conditions, and world conditions are not satisfactory. On this continent the two years supervening upon the Armistice have been marked by unexampled trade activity and prosperity, a circumstance common to the conclusion of all great wars, but the reaction has set in and may not yet be in full play. Happily, Canada is well buttressed on many sides, and the exercise of prudence and sagacity should enable her to meet the shock of falling prices, restricted credits and deflated currency, without serious impairment of her commercial and financial vitality.

#### THE GENERAL MANAGER'S ADDRESS

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

Mr. Chairman and Gentlemen:—

The operations of a Bank such as ours, with its manifold interests and ramifications, are of absorbing importance to us who guide them day by day, and naturally bear vitally on the year's results which it is now my duty to submit for your approval.

Obviously such operations could not be described in detail, even were it necessary or advisable to do so. I shall endeavour, however, to explain the salient points in our affairs of the past twelve months resulting in the important changes in our balance sheet as compared with a year ago.

Of fundamental importance is the fact that our position is sound and liquid; secondly, that our business has been conducted profitably, enabling us to add a goodly sum to rest and profit and loss accounts, after making full provision for losses; also, to pay an extra bonus of 2% to the shareholders in addition to the usual dividend.

Let me make it clear that this result is not the outcome of higher rates of interest on current loans in Canada.

The rate of interest to the merchant and manufacturer at home is about the same as it was before the war.

Our satisfactory earnings are, in part, a reflection of the increased current loans in Canada required by our customers in consequence of the high prices of all commodities and general trade activity, while our losses have been small.

The volume of our call loans in New York is governed solely by our requirements in liquid reserves. We do not increase or diminish them on account of higher or lower rates, but we have been fortunate this year in that rates have averaged high.

As comparisons are constantly made between Canada and the United States, owing to general similarity in conditions, one

anomaly attracts special attention, viz., that with credit restriction as acute here as it is across the line, the price of money is materially lower in the Dominion.

This condition, in days of world-wide high interest rates, has attracted much attention in other countries, and is regarded as a tribute to Canada's good banking system. The one disadvantage of this cheap money condition is that persons on fixed incomes derived from investments face the higher cost of living, including income tax, with little increase in revenue. As everyone knows, the connection between the price of money and the yield on investments is of the closest.

Following our purchase of a substantial interest in the Colonial Bank, and in order to meet increasing business demands in Canada and elsewhere, your Board of Directors, in April last, decided to increase the Bank's paid-up capital stock by \$2,000,000, bringing our total outstanding capital up to \$22,000,000. The new shares were allotted to shareholders at \$150 per share in the proportion of one new share for every ten then held.

With reference to current loans in Canada, your Directors have felt impelled for many months past, in the Bank's and the country's best interests, to follow the policy found essential in every other country and keep within bounds our advances to merchants and manufacturers. This policy is in accordance with the views of the Dominion Government and has been followed, more or less closely, by all Canadian banks.

Naturally enough, exception has been taken in certain quarters to such restriction; but, as a rule, our customers have recognized the necessity of checking over-trading and further expansion in such times as we are now facing. There has never been a period in our experience when requests for advances for purposes out of the ordinary have been so numerous.

It is safe to say that had credit been granted freely and banking resources become tied up, a serious condition would have resulted in this country. Already the tide has turned, and many of our friends now frankly admit the danger of the undue expansion so much in evidence a few months ago. We are convinced that the business of Canada is in a safer and sounder position to-day in consequence of a judicious credit restriction.

A clear indication of the still extended credit situation is to be found in the ratio of commercial, municipal, and call loans in Canada to public deposits in Canada, now 81.15% for all the banks. A year ago the ratio was 64.10%, and in 1918 65.29%. Our own percentage is 68% now as against 47.22% last year and 44.12% in 1918.

There is a general sense of relief resulting from the present evidence that the decline in the high cost of living has commenced. From now onward we may confidently expect the trend of prices to be downward, and with lower values the demands for bank credit should logically diminish. It is relevant to add that by restrictive measures the banks have contributed in no small degree to this improved condition.

The record of commercial failures in any country is a fair index of its trade conditions. It is both pertinent and enlightening to note that in Canada there have been 856 failures during the twelve months constituting our bank year as compared with 766 during the previous twelve months.

Our note circulation was at its lowest level for the year in January, when the amount outstanding was \$39,600,000. Seasonal demands are more pressing now than at any other period of the year; consequently the figures may be expected to show a further increase. As the balance sheet indicates, the present amount is \$42,367,000.

In our investment column the only feature requiring comment is the decline of some \$49,000,000, during the year, in the Bank's holdings of Dominion and Provincial Government securities.

A year ago, the Dominion Government obtained important borrowings from us in anticipation of Victory Loan proceeds,

and the latter, in due course, were applied in liquidating the special advances.

It is noteworthy that the greatest expansion of the Bank during the past few years has been in our own country. This is revealed in our greatly increased loans and deposits in Canada and in the number of branches opened during the period.

	Loans in Canada	Deposits in Canada	B'ches in Canada
1914.....	\$123,147,000	\$168,557,000	173
1920.....	240,725,000	358,878,000	302

Our London and New York offices remain necessary and profitable adjuncts to our business. Nevertheless, our chief duty is to provide facilities at home, and in Canada there is ample scope for expansion.

Canada is still suffering from the slings and arrows of outrageous fortune in the premium on New York funds, which continues an ever-present factor in our banking and commercial activities.

When this condition will disappear one cannot venture to predict, certainly not while the trade balances run so heavily against Canada. Undoubtedly, relief would come were we to borrow abroad in large volume by way of public loans, but that would be merely a palliative, not a remedy. In addition to this, the conversion rate of sterling precludes loans in London, while, in the United States, interest rates are penalizing. The advantage gained in bringing capital from New York in the premium on American funds is offset by the loss in providing interest thereon.

What is wanted is rigid economies in the purchase of non-essentials abroad, with an increase in our own exports.

It would then be only a question of time when investment capital would pour into this country of opportunities, and the full value of the Canadian dollar be restored.

One advantage that Canada derives from the premium on New York funds is that American money earned in Canada remains here in considerable volume, and is not likely to be withdrawn so long as the present premium continues.

Although suffering from the effects of unusual departures necessitated by the war, the financial situation in London may be looked upon as sound. Money rates have been raised with the double purpose of retaining foreign balances in that centre and gradually forcing a reduction in the price of commodities. Another influence towards high rates has been the heavy demand for capital, chiefly through emissions of industrial issues, borrowers having to offer attractive terms to induce public buying. The banks have been criticized at times for their attitude in "rationing" credit, but their balance sheets plainly show that not only have stock exchange speculative loans been eliminated in favour of industry, but banking resources have been actually strained to meet the requirements of the latter.

The banking situation in New York has been under a strain for months past owing to the heavy demands on the banks for money by merchants, and others, carrying commodities at the high prices prevailing. The price of money for general purposes has risen to heights unknown for many years. The call loan rate, with which we are principally concerned, averaged 8.4% for the twelve months ending 31st October last, partly making restitution to bankers for the many lean years before the war in which New York loaned at extremely low rates. Readjustment in the financial and trade situation is to be expected, but there is good reason to believe it will be effected without undue difficulty, especially as the country has been blessed with bountiful crops. Heavy losses have been made in such commodities as sugar, silk, cotton, hides, and woollens, but the large profits of previous years to dealers in these commodities have enabled most houses to weather the storm.

In glancing through the published reports of our annual meetings of the past hundred years and more, one cannot but be

struck by the recurrent warning regarding the commercial, financial, and economic outlook sounded by our predecessors in office.

Equally impressive is the undeviatingly sustained faith expressed in Canada's future, and in her ability to win safely through those periods of inflation and depression which every country must meet and undergo from time to time, particularly every young country. That faith is stronger to-day than ever before.

You will doubtless agree that such publicly expressed confidence, combined with conservatism, has been a factor for good in preventing mistakes and even disaster. No one will maintain that Canada has not made any mistakes, but we are surely justified in saying that fewer have been made in consequence of the safe policy of this institution for fifty years prior to Confederation, for over fifty years since Confederation, and that this discretion still remains our guide.

Your President has clearly outlined the hazards of the present situation, and his ripe and unique experience cannot fail to carry great weight.

I might add that, in my opinion, we have never faced a banking and business situation requiring more delicate handling.

Since August, 1914, the world has travelled far along the road to ruin. We may be thankful that the waste and destruction ended before the point of utter exhaustion was reached. Canada has not escaped, but we are still a virile people in a goodly land. There is no reason for dismay over our national outlook, but there is every reason for sober thought while we take stock of our resources and of our prospects.

We must bear in mind there is no royal road to the stable conditions of former years, no magic by which we can restore the wealth that has been lost or wipe out the debts incurred. There is nothing for it but to repair the damage, retrench, and confidently work out our salvation.

## QUEBEC

The cut of lumber during the past season was smaller than a year ago. There is a lessened demand from Europe and the United States, and the mills have heavier stocks on hand than usual. Future prices are uncertain and indications point to reduced operations this winter.

The demand for pulpwood from the United States was strong, but there is no certainty that present record prices will be maintained. Shipments have been hampered by transportation difficulties.

The paper industry of the Province has enjoyed unprecedented prosperity. Mills are working to capacity to meet the steady demands for newsprint, while the market for better qualities of print paper has been satisfactory.

Manufacturing, in nearly all lines, has been, broadly speaking, satisfactory. Labour troubles have been few.

The hay crop was below average. Cereals and root crops, notably potatoes, were exceptionally large. Pasturage was good, and dairy products will nearly equal last year's.

As everyone knows, the sugar industry has been seriously affected by the sudden change in market conditions.

The fur business is dull, with lower prices. The market has taken a decided drop in wool, hides and certain grades of leather, and boot and shoe manufacturers are operating on a reduced scale in consequence of lack of demand.

With the exception of asbestos, there is little mining done in the Province. Asbestos shipments show an increase, and prices have advanced.

Shipbuilding continues, but the number of vessels launched has been fewer than in recent years.

Wholesale and retail trade has been moderately good up to date, but a quiet period seems at hand. Collections are only fair. Failures have been comparatively few.

There have been no exceptional expenditures during the year by the Dominion Government. The Provincial Government has spent a considerable sum for permanent roads. Municipal disbursements have been limited to necessary works.

No new railroad construction of importance was undertaken.

There is little speculation in real estate; values and rentals continue high, and the housing problem is still acute.

General conditions, both in the cities and rural districts, indicate prosperity, with the public now showing a commendable tendency towards retrenchment and economy.

## ONTARIO

This has been a year of abundant crops in Ontario. Grains and cereals yielded a bumper harvest, and roots were exceptionally good. The fruit crop is the best on record, both in quantity and quality. Sugar beets and tobacco were more extensively cultivated with resulting larger yields. Cattle and hog production declined, but pure bred cattle are replacing the grade cattle, and, with better conditions for wintering stock, a greater hog production may be anticipated. With restricted output of milk product factories, an increase in cheese and butter making will result. Farmers have prospered, and the betterment in their financial position is evident in the improved modern farm implements, motor cars and trucks extensively used in their operations.

In the early part of the year factories were operating to full capacity, but a general slowing down took place about mid-summer. A large number of manufacturing plants have now curtailed their output, and, in numerous instances, have altogether ceased operating for a period. Labour is now plentiful and producing more satisfactorily. During the year a number of new industries were established as offshoots of successful manufacturing concerns in the United States.

While last winter was favourable for lumbering, the total cut was less than the previous year, owing largely to difficulty in obtaining suitable labour and to the high cost of operating. The year opened with brisk demand at high prices. White pine has been profitably sold throughout the year, but there has been a recession in prices for spruce and hemlock, with an inactive demand. Railway ties have been produced in greater quantity. The outlook for next season is for a lessened cut of lumber, as present conditions indicate much uncertainty in the markets.

Woodpulp and newsprint production has been carried on with increasing activity.

The output of the four principal metals mined in Ontario—nickel, copper, gold and silver—will about equal that of last year. Stocks of nickel accumulated at the end of the war have not yet been entirely absorbed, and production is curtailed. The output of gold is greater than last year. Silver has fallen in price, and the mines are producing more than the markets have consumed. Local mines have been profitably worked in fluor-spar, feldspar, pyrites and talc.

The fishing industry on the Great Lakes has not been particularly successful this year, the catch in a majority of places being reported below normal.

There has been a shortage of electrical power during the past summer, but not of a serious nature. Work at Chippewa is proceeding steadily and completion is looked for by the autumn of next year, when 300,000 h.p. will be available. Power construction at Nipigon is also progressing, and additional development is under way on the Trent River.

In the early months of the year wholesale and retail merchants found it difficult to obtain delivery of goods with sufficient despatch to meet the requirements of consumers. The demand subsided in the summer months, and with falling prices for commodities autumn business has been depressing. Consumers are not buying, and merchants with heavy overhead expenses, formerly met with ease, are now finding it difficult to maintain

their establishments and at the same time to reduce prices, inducing a resumption in buying.

Municipalities have been expending somewhat freely on local improvements, school buildings and good roads. The principal expenditures by the Federal Government have been on Toronto harbour improvements and on the Welland Canal.

The Province has enjoyed a slight increase in population. A tendency to drift to urban and manufacturing centres has been arrested by the difficulty in obtaining houses.

Residential properties have been changing hands at high prices owing to the unprecedented demand for housing accommodation. Excessive building costs and a difficulty in borrowing money on real estate security have united in preventing any important activity in building trades.

The year has been marked by changing conditions, and while the trend of prices has been downward, unprecedented production in agriculture and sustained production in other prime essentials render the adjustment period in Ontario less difficult and less dangerous.

## MARITIME PROVINCES

The total catch of fish during the past season was satisfactory. Prices, however, are on the decline and markets are uncertain. Conditions in this industry are less favourable than for several years, and the situation requires great care.

The output of coal has been slightly larger than last year. Despite substantially higher wages, unrest in labour is still prevalent. The new plate mill at Sydney is now in operation, but production at the steel plants is reduced.

The cut of lumber was large. The demand until midsummer was good with prices well maintained, but the United States and English markets are now dull. Mills have large unsold stocks on hand, and quantities of lumber purchased by the British Government still have to go forward. The cost of labour and provisions continues high and indications are that the coming season's operations will be greatly curtailed.

The hay crop in the Maritime Provinces proved a light one. Cereals were an average yield. Potatoes were about 80% of last year's good average crop with rot developing in some sections. Other roots were satisfactory. The season was favourable to fruit and the quality has been high.

Manufacturing continues active along the usual conservative lines.

While wholesale and retail trade was generally satisfactory in volume and prices, sales have recently fallen off, the consumer displaying more caution in purchasing. Failures have few and unimportant.

Dominion Government expenditures have been largely confined to necessary railway improvements and to the Dry Dock at Courtenay Bay, St. John.

Provincial Government and Municipal expenditures have been limited to necessities, chiefly school improvements and highways.

Steel shipbuilding at Halifax is brisk on Government orders, but the demand for wooden vessels has dwindled to small proportions.

Business in the Maritime Provinces will necessarily be affected by the changed conditions in lumbering and fishing, two of the principal industries, but in view of the general prosperity during the last few years and the sane and conservative business tendency, no undue alarm is felt as to the future.

## PRAIRIE PROVINCES

The Prairie Provinces produced, this season, the second largest crop in their history, surpassed only by the bumper crop of 1915. In value it far exceeds that of any previous crop.

The season was propitious in the beginning; later drought reduced prospects in southern parts of Alberta and Saskatchewan, while soil drifting so aggravated the situation in some of the affected areas that there was almost complete failure. Operating expenses were very high, and in the cases of loss of crop or small yields results were specially unsatisfactory.

Farmers have persisted in holding their grain for higher prices, against the advice of the elevator companies. With the recent decline in the market, however, the grain is coming out much more rapidly and is moving as fast as car shortage will permit. It is estimated fifty million bushels will have left the terminals by the close of navigation.

More and more attention is being given to scientific farming, including the question of the suitability of the soil to the purposes for which it is being used.

Ranchers entered what proved to be a very long and severe winter, and were compelled to purchase fodder from time to time without regard to price in order to save their flocks and herds from perishing. Notwithstanding their efforts and sacrifices there were large losses, and unfortunately prices have been much less satisfactory so far than expected. The live stock industry has suffered severely in Canada as in the United States.

Logging proved expensive, and although the market for sawn lumber was strong and good earlier this season, lower prices and small demand now prevail. Stocks on hand at prairie mills and line yards are comparatively light.

The campaign to encourage the greater use of Alberta coal, combined with a possible shortage of anthracite, assisted our coal mines. Their output has greatly increased.

There has been an awakening of interest in the mineral resources of the so-called Prairie Provinces, notably in the Pas district, an area in the not distant northern parts of Manitoba and Saskatchewan. The recent discovery of oil at Fort Norman, Northwest Territories, is an outstanding incident, although commercial development is impracticable at present owing to the great distance. Fort Norman is more than 1,000 miles north of Edmonton.

Manufacturing plants are gradually increasing in number, and nearly all lines have had a satisfactory year. During the first half of the year they were hampered by difficulties in procuring raw material.

Wholesale and retail trade was very satisfactory until a few months ago, when price uncertainty and lessened buying began to cause unsettlement, which still exists. Collections are poor at present, but improvement is looked for when the marketing of grain by the producers becomes general.

Railway construction has been limited to urgent requirements, and Dominion, Provincial and Municipal expenditures have been restricted by high costs and financial conditions.

The natural increase of population in the Prairie Provinces continues, and there are many newcomers well equipped financially and otherwise to farm the lands they have acquired. In addition to these, a large number of returned soldiers were placed on the land by the Soldiers' Settlement Board, with gratifying results.

Real estate is on a more stable foundation than for many years, speculation almost entirely eliminated, and a steady, sound movement with values well maintained.

Methodical development in the West is superseding the more or less spectacular efforts of former days, and a healthy and vigorous growth is looked forward to with confidence.

#### BRITISH COLUMBIA

Marked activity prevailed in the British Columbia trade during the first half of the year, when the prices of logs, lumber and shingles reached unprecedented figures. Later, the demand fell off sharply and some mills were forced to close down.

The manufacture of pulp and paper is increasing, with a ready market in the Orient and in the Antipodes.

The salmon pack was not so large as last year and was confined largely to the higher grades, for which the demand has been good. Cheaper grades of fish are difficult to sell and the canners in consequence restricted the output. The halibut catch was not quite up to last year's, but prices were good. Better grades commanded good prices, but the demand for cheaper kinds was limited.

Mining was again retarded by labour troubles and the high cost of production. Fair prices have been received for all metals excepting gold and lead. Silver, copper and zinc have given fair results. Although labour strikes have not been absent, coal production has been satisfactory.

Manufacturing in some lines is less active than at the beginning of the year.

A large hydro-electric power development scheme is being investigated at Seton Lake capable of developing 200,000 h.p.

Grain crops, which promised well during the growing season, were materially damaged by exceptionally wet weather at the harvest. Drought affected the hay crop of the interior, and feed for cattle will be scarce in some ranching districts. Fruit and vegetables show a smaller production than last year, but prices are on a higher level.

Shipbuilding is still being carried on successfully, several ships having been launched during the year and more are under construction, which will keep the yards busy in the coming months.

Railway construction has been continued on the Pacific & Great Eastern road, on the Canadian Pacific line between Kamloops and Kelowna, and on the line from Alberni on Vancouver Island.

Municipal expenditures have been restricted to ordinary needs. The Dominion Government is making extensive harbour improvements at Vancouver, and the Canadian Pacific Railway are extending their docking facilities at that port.

The real estate situation is gradually improving. There is a scarcity of dwelling houses with resultant high rents that show no abatement.

Immigration during the year has been fair, and the population has increased.

Conditions throughout the Province on the whole are satisfactory, and readjustment is taking place gradually.

#### NEWFOUNDLAND

The catch of cod is estimated to be materially less than last year, but as the season is later than usual it is not yet known what prices the fish will fetch. Values during the past season show a decline, and foreign markets for dried cod are irregular.

The output of iron ore from the Bell Island Mines was about normal. There are prospects of coal being mined in paying quantities at two points in the Island, and copper mines also may be operated in the near future.

There was an over-production of lumber during the past season, and this winter's operations will be curtailed.

Pulp and paper mills have been working to capacity, the output finding a profitable market. A new mill is being built in the Gambo district. Timber limits are fetching good prices.

The take of seals was by far the lowest on record, numbering 34,000, valued at about \$160,000.

The total exports from Newfoundland for the fiscal year of 1919 were \$36,785,000, of which dried cod amounted to \$24,317,000; the balance was made up principally of other fish, iron ore, and pulp and paper.

Manufacturers of clothing, oil clothes, boots and shoes, cordage and so forth, being heavily stocked, are operating on a reduced scale.



Both wholesale and retail trade have been dull for several months; cash sales are light and requests for renewals many.

The Reid-Newfoundland Railway is now operated by a commission, and legislation was passed during the last session authorizing a loan for an important amount to be expended chiefly for improving the roadbed of the railway and for additional rolling stock.

The disturbed, unfavourable foreign conditions have had a deterrent effect upon exports, and the general trade of the Island, as a consequence, has been dull of late. The financial position of the Dominion is sound and no apprehension is felt for the future.

## MEXICO

The political situation has become somewhat more settled through the passing of the Carranza regime and the election to the Presidency of General Alvaro Obregon.

There has been a cessation of rebel activities, but the future depends upon the new President's ability to reorganize the finances of the country and rehabilitate the railways.

The production of the oil wells and mines continues to increase, but heavy rains reduced the season's cotton crop to 25% of normal.

The Bank's business is developing satisfactorily, but naturally along conservative lines, for the situation cannot yet command the full confidence of the banking community. In position and prestige the Bank of Montreal enjoys an enviable position.

The Chairman then moved, seconded by Sir Charles Gordon, G.B.E., that the Report of the Directors, now read, be adopted and printed for distribution among the shareholders.

The report was unanimously adopted.

Mr. C. R. Hosmer moved, seconded by Mr. William McMaster, that Messrs. James Hutchison, C.A., and J. Maxtone Graham, C.A., be appointed Auditors of 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. Carried.

## NEW DIRECTORS CHOSEN

The Chairman: Before the next motion is put before the meeting, I should state that in view of the steady growth of the Bank's business, it has been decided, with your approval, to increase the number of Directors from sixteen to eighteen, with an increase in emolument.

It was then moved by Lord Shaughnessy, seconded by Mr. H. R. Drummond: "That the Shareholders' By-law No. 4 be amended as follows: 'By replacing the word "sixteen" in the first line of the by-law as printed by the word "eighteen."'

"And that the Shareholders' By-law No. 7 be amended as follows: 'By replacing the words "fifty-five" in the first and second lines by the words "eighty-five."'

This was unanimously carried.

## THANKS TO OFFICERS

Mr. James Rodger then moved, seconded by Mr. John Patterson, that the thanks of the meeting be tendered to the President, the Vice-President and Directors, for their attention to the interests of the Bank.

In presenting this motion, Mr. Rodger said: "May I be permitted to say a few words in connection with this vote of thanks, as I think it only right that something more than a purely formal vote of thanks should be adopted by this meeting. During the past few years, prior to six months ago, there was a large increase in commercial activities in the Dominion, with the result of a call for largely increased credits by this and other Banks. During these periods there was brought to bear by the Directors of this Bank much sound judgment, which we have always believed they possessed.

"We are now, however, face to face with circumstances quite at variance with those of the preceding period. I hope this period will not last more than a few months, and I think I voice the views of the Shareholders when I say we are confident that they will be able to face these problems with the same discriminating judgment they have exercised in directing the affairs of this Bank in the past.

"As a citizen of Montreal may I also say that we should specially thank the Directors of this Bank for their magnificent gift to the Royal Institute for the Advancement of Learning (McGill University)."

The motion was briefly seconded by Mr. John Patterson, and carried with applause.

The President: On behalf of the Directors and myself, I thank you for your expression of continued confidence, and the terms in which the motion has been presented to this meeting.

Mr. G. B. Fraser moved, seconded by Lt.-Col. Herbert Molson, C.M.G., M.C., that the thanks of the meeting be tendered to the General Manager, the Assistants General Manager, the Superintendents, the Managers and other officers of the Bank, for their services during the past year.

In presenting this motion Mr. Fraser said: "In making this motion I would like all the officers of this Bank to feel that this is not a mere formal compliment, but a real appreciation of the work they have done during the past year. I feel, as do my brother Shareholders, that the success achieved during the past difficult year has been in no small measure due to the loyal and devoted work of the managers and other officers." (Applause.)

## GENERAL MANAGER'S REPLY

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

"I feel personally indebted to you, Mr. Fraser, for your kindly references to the services of our staff during the past year. Such commendation can only come as an incentive to further effort. I may say that the loyalty of our staff leaves nothing to be desired, and I know that the reputation of the Bank is safe in their devoted hands. It may interest you to know that we have officials in our service who have been with us for fifty years, and a number of others of forty and more years' service. It is such men as these who have had no small share in maintaining and building up the prestige of this Bank, as well as imbuing the younger generation of bank officials with that spirit which means so much for an institution of this kind.

"I have to thank Mr. Fraser and Lieut.-Col. Molson, on behalf of myself and the whole staff, for the kindly manner in which this motion has been presented, and the Shareholders represented here for the manner in which they have adopted it."

## ELECTION OF DIRECTORS

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 J. Maxtone Graham, C.A., were duly appointed auditors, and the following gentlemen duly elected Directors: D. Forbes Angus, R. B. Angus, J. H. Ashdown, E. W. Beatty, K.C., H. W. Beauclerk, Colonel Henry Cockshutt, General Sir Arthur Currie, G. C.M.G., K.C.B., LL.D., H. R. Drummond, G. B. Fraser, Sir Charles Gordon, G.B.E., Sir Lomer Gouin, K.C.M.G., C. R. Hosmer, Harold Kennedy, William McMaster, Sir Vincent Meredith, Bart., Lieut.-Col. Herbert Molson, C.M.G., M.C., Rt. Hon. Lord Shaughnessy, K.C.V.O.

The meeting then terminated.

At a subsequent meeting of Directors, Sir Vincent Meredith, Bart., was re-elected President, and Sir Charles Gordon, G.B.E., was re-elected Vice-President.

# BANK OF MONTREAL.

(ESTABLISHED OVER 100 YEARS)

INCORPORATED BY ACT OF PARLIAMENT

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HEAD OFFICE—MONTREAL.

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BOARD OF DIRECTORS:

SIR VINCENT MEREDITH, BART., *President.*

SIR CHARLES GORDON, G.B.E., *Vice-President.*

R. B. ANGUS, ESQ.	LORD SHAUGHNESSY, K.C.V.O.	C. R. HOSMER, ESQ.
H. R. DRUMMOND, ESQ.	D. FORBES ANGUS, ESQ.	WM. MCMASTER, ESQ.
LT.-COL. HERBERT MOLSON, C.M.G., M.C.	HAROLD KENNEDY, ESQ.	H. W. BEAUCLERK, ESQ.
G. B. FRASER, ESQ.	COL. HENRY COCKSHUTT.	J. H. ASHDOWN, ESQ.
E. W. BEATTY, ESQ., K.C.	SIR LOMER GOUIN, K.C.M.G.	GENERAL SIR ARTHUR CURRIE, G.C.M.G., K.C.B., LL.D.

SIR FREDERICK WILLIAMS-TAYLOR, *General Manager.*

F. J. COCKBURN,  
*Assistant General Manager and  
Superintendent Quebec, Maritime,  
Newfoundland and Mexico Branches.*

G. C. CASSELS,  
*Assistant General Manager  
and Manager London  
Branches.*

D. R. CLARKE,  
*Assistant General Manager  
and Superintendent Ontario  
Branches.*

E. P. WINSLOW,  
*Superintendent Western Branches.*

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CAPITAL <i>paid up</i>	- - - - -	\$ 22,000,000.00
REST AND UNDIVIDED PROFITS,	- - - - -	23,251,850.03
TOTAL ASSETS	- - - - -	560,150,812.85

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The Bank has 319 Offices in Canada, Newfoundland, United States, Mexico; at London, England, and at Paris, France, with Correspondents in all Countries, offering exceptional facilities in all departments of General and Foreign Banking business.

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

# BRANCHES:

## IN CANADA:

ALBERTA	MANITOBA	ONTARIO—Continued	ONTARIO—Continued	QUEBEC—Continued
BOW ISLAND	ALEXANDER	CAINSVILLE	ONTARIO—Continued	QUEBEC—Continued
CALGARY	ALTONA	CAMPBELLFORD	TORONTO	MONTREAL
" Steek Yurds	BELMONT	CHATHAM	" Carlton Street	" Verdun
CARDSTON	BRANDON	COLLINGWOOD	" Cherry & Villiers Sts.	" West End
EDMONTON	DARLINGFORD	CORNWALL	" Danforth & Carlaw	" Westmount
HIGH RIVER	DAUPHIN	DESERONTO	" Avenues	" Windsor Street
KILLAM	ETHELBERT	EGLINTON	" Dundas St. & Lans-	QUEBEC
LETHBRIDGE	OAK RIVER	FENELON FALLS	" downe Avenue	" St. John's Gate
LOUGHEED	PORTAGE LA PRAIRIE	FORT WILLIAM	" Fairbairn	" St. Roch
MACLEOD	RESTON	GODERICH	" King & Dufferin Sts.	" St. Sauveur
MAGRATH	SELKIRK	GUELPH	" Parkdale	" Upper Town
MEDICINE HAT	WINNIPEG	HALIBURTON	" Queen St. & Beech Ave.	RIVIERE DU LOUP
RAYMOND	" Fort Rouge	HAMILTON	" Queen & Portland Sts.	ST. HVACINTHE
RED DEER	" Logan Avenue	" Barton-Victoria	" Queen St. East	ST. LAMBERT
	" McGregor St. & Selkirk	" Gage Ave. & Barton St.	" Royce Ave.	SAWYERVILLE
	" Avenue	" 12 King St. East	" Stock Yards	SHERBROOKE
	" 438 Main Street	" Victoria Avenue	" West Toronto	TEMIKAMING
	" Portage Avenue	" Westinghouse Avenue	" Yonge Street	THETFORD MINES
			" Yonge & Bloor Sts.	THREE RIVERS
			" Yonge & Wellington Sts.	
<b>BRITISH COLUMBIA</b>	<b>NEW BRUNSWICK</b>	HAMPTON	TRENTON	<b>SASKATCHEWAN</b>
ABBOTSFORD	BATHURST	HOLSTEIN	TWEED	BALCARRES
AGASSIZ	CHATHAM	INGERSOLL	WALKERVILLE	BANGOR
ARMSTRONG	FREDERICTON	KING CITY	WALLACEBURG	BATTLEFORD
ASHCROFT	" 681 Queen Street	KINGSTON	WATERFORD	BROMHEAD
CHILLIWACK	GRAND FALLS	" Ontario Street	WELLAND	CALDER
CLINTON	HARTLAND	KINGSVILLE	WESTON	CEYLON
CLOVERDALE	MARYSVILLE	KITCHENER	WINDSOR	DAVIDSON
DUNCAN	MONCTON	LAKESIDE		DOMREMY
ENDERBY	PERTH	LEAMINGTON		DUCK LAKE
ESQUIMALT	ST. JOHN	LINDSAY	<b>PRINCE EDWARD</b>	ESTEVAN
GREENWOOD	" Dock St. & Market Sq.	LINTON	ISLAND	GIRVIN
HEDLEY	" Haymarket Square	LONDON	CHARLOTTETOWN	HUBBARD
KAMLOOPS	" Union Street	" City Hall, Dundas &		INDIAN HEAD
KASLO	ST. STEPHEN	" Wellington Streets		ITUNA
KELLOWNA	SHEDJAC	" Market Square		KANSACK
KERRISDALE	WOODSTOCK	MIDLAND		KANDAHAR
KIMBERLEY		MOUNT FOREST		KELLIHER
LADNER		NAWMARKET		LAMPMAN
LANGLEY PRAIRIE		OAKWOOD		LESTOCK
LILLOEET		OSHAWA		MIKADO
MERRITT		OTTAWA		MOOSE JAW
NANAIMO		" Bank Street		MOZART
NARAMATA		" Sandy Hill		NORTH BATTLEFORD
NELSON		" Sparks Street		OUTLOOK
NEW DENVER		PARIS		PRINCE ALBERT
NEW WESTMINSTER	AMHERST	PERTH		PUNNICHY
NORTH VANCOUVER	BRIDGEWATER	PETERBORO		RAY MORE
150 MILE HOUSE	CANOE	PICTON		REGINA
PENTICTON	GLACE BAY	PORT ARTHUR		RHEIN
PORT ALBERNI	HALIFAX	PORT HOPE		ROSTERN
PRINCE GEORGE	" North End	RENFREW		SALT COATS
PRINCE RUPERT	LUNENBURG	ST. CATHARINES		SASKATOON
PRINCETON	MAHON BAY	ST. MARYS		SEMIANS
ROSSLAND	PORT HOOD	SARNIA		SPRINGSIDE
STEWART	RIVERPORT	SAULT STE. MARIE		SWIFT CURRENT
SUMMERLAND	SYDNEY	" Wellington St. West		TATE
TERRACE	" Whitney Pier	SCHREIBER		TOROUAY
TRAIL	WOLFVILLE	STIRLING		VERIGIN
VANCOUVER	VARMOUTH	STRATFORD		WAKAW
" Cordova St. East		SUDBURY		WALDRON
" Granville & Nelson Sts.		TAVISTOCK		WEVBURN
" Hastings Street		THORNDALE		WYNYARD
" Prior Street		THOROLD		VORKTON
VERNON		TORONTO		
VICTORIA		" Bathurst Street		<b>YUKON</b>
" Douglas Street		" Bloor St. & Lansdowne		DAWSON
" Yates Street		" Avenue		
WEST SUMMERLAND		" Bloor St. & Spadina		
WILLIAMS LAKE		" Avenue		

## IN NEWFOUNDLAND:

CARBONAR CURLING FERRYLAND GAULTOIS GRAND FALLS GREENSPOND ST. GEORGE'S ST. JOHN'S

## IN GREAT BRITAIN:

LONDON, 47 Threadneedle Street, E.C. 2, - - - - G. C. CASSELS, *Manager*.  
 " 9 Waterloo Place, S.W., 1, Sub-Agency, - - - - J. H. PANGMAN, *Manager*.

## IN FRANCE:

PARIS—Bank of Montreal (France) 17 Place Vendome, - - - - W. F. BENSON, *Manager*.  
 - - - - H. J. E. POPE, *Asst. Manager*.

## IN THE UNITED STATES:

NEW YORK { R. Y. HEDDEN,  
 W. A. BOG,  
 AGENCY, { W. T. OLIVER,  
 { E. P. HUNGERFORD, } *Agents, 64 Wall Street*

CHICAGO—Bank of Montreal, - - - - W. TURNER, *Manager*.  
 SAN FRANCISCO AUXILIARY—British American Bank, - - - - A. G. FRY, *President*.  
 SPOKANE—Bank of Montreal, - - - - W. DICK, *Manager*.

## IN MEXICO:

CITY OF MEXICO—Bank of Montreal, - - - - H. WELDON, *Manager*.

## WEST INDIES, BRITISH GUIANA AND WEST AFRICA:

The Colonial Bank (in which an interest is owned by the Bank of Montreal).

