C. Stack

1832 — £50,000

119th *Annual Report*

The BANK of NOVA SCOTIA

October 31st, 1950

1950 — $818,107,524

The 119th Chapter

This is the 119th chapter of a story which began in 1832.

The first chapter opened in Halifax with the incorporation of The Bank of Nova Scotia with a capitalization of £50,000.

The 119th chapter is the story of a banking business working through over 360 branches in Canada and abroad, with assets of $818,107,524.13.

Today, the more than 360 branches of The Bank of Nova Scotia in Canada and abroad are—

—safeguarding the savings of thousands of depositors and mobilizing these savings to make them available where needed by business, agriculture, industry and government.

—providing the many banking services needed for efficient domestic and international trading.

—providing efficient channels for the transfer of money in business and personal affairs.

—and giving sound money-management guidance to businesses and individuals across Canada and abroad.

BANKING IS CONSTRUCTIVE . . .

The Directors' Report

H. D. BURNS, D.CN.L.
Chairman of the Board

Your Directors beg to submit herewith the One Hundred and Nineteenth Annual Report of the Bank covering its operations for the fiscal year ended 31st October, 1950, with a statement showing the Liabilities and Assets at that date.

The Profits for the fiscal year ended 31st October, 1950, after making appropriations to Contingency Reserves, out of which accounts full provision for Bad and Doubtful Debts has been made, amounted to		$4,546,464.20
Provision was made out of this for the following:		
Depreciation on Bank Premises	$1,203,922.12	
Dominion and Provincial Government Taxes	1,045,000.00	2,248,922.12
Leaving the total available for distribution		$2,297,542.08
This has been appropriated as follows:		
Quarterly Dividends of 35¢ per share	$1,680,000.00	
Extra Distribution of 20¢ per share, payable 2nd January, 1951	240,000.00	1,920,000.00
Leaving a balance to be carried forward		$ 377,542.08
To which is added the balance brought forward last year		$2,837,024.99
Making the balance in Profit and Loss Account 31st October, 1950		$3,214,567.07

The Assets of the Bank have been carefully and conservatively valued, and the correctness of the statement is certified by the Auditors appointed by you under Section 55 of The Bank Act. During the year the Branches have been inspected by experienced officers specially appointed for that purpose.

There were 349 Branches of the Bank in operation at the beginning of the fiscal year; during the year 18 Branches were opened and none closed, so that there were 367 Branches of the Bank in operation as at 31st October, 1950. Of these, 342 are in Canada, 23 in the West Indies, 1 in New York, U.S.A., and 1 in London, England. There are also 13 Sub-branches of the Bank in operation.

During the year Mr. F. R. Graham, Vancouver, B.C., and Mr. W. F. Macklaier, K.C., Montreal, Que., were elected to the Board.

It is with sincere regret that your Directors record the death since last report of their esteemed colleagues, Doctor John G. MacDougall and Mr. Albert L. Ellsworth. During the year Mr. W. M. Birks resigned from the Board owing to failing health and your Directors regret that he has since died. Dr. W. W. White also resigned during the year due to failing health.

Your Directors wish to record their sincere appreciation of the loyalty and efficiency with which the officers and employees of the Bank have discharged their duties in the past year.

On behalf of the Board,
H. L. ENMAN,
President.

Halifax, N.S., 6th December, 1950.

Board of Directors

H. D. Burns, Esq., D.C.L., Toronto, Ont.
Chairman of the Board

H. L. Enman, Esq., Toronto, Ont.
President

Hon. F. B. McCurdy, P.C., Halifax, N.S.
Vice-President

Jas. Y. Murdoch, Esq., O.B.E., K.C., LL.D., Toronto, Ont.
Vice-President

Russell Blackburn, Esq., Ottawa, Ont.

F. P. Starr, Esq., Saint John, N.B.

Col. J. D. Fraser, Ottawa, Ont.

Christopher Spencer, Esq., C.B.E., Vancouver, B.C.

Brig.-Gen. C. H. Maclaren, C.M.G., D.S.O., Ottawa, Ont.

W. A. Winfield, Esq., Halifax, N.S.

W. C. Harris, Esq., Toronto, Ont.

Hugh Mackay, Esq., Rothesay, N.B.

W. A. Murphy, Esq., Winnipeg, Man.

P. R. Gardiner, Esq., Toronto, Ont.

W. N. McLeod, Esq., Toronto, Ont.

Fred C. Manning, Esq., Halifax, N.S.

W. K. Whiteford, Esq., Toronto, Ont.

F. A. Sherman, Esq., Hamilton, Ont.

F. R. Graham, Esq., Vancouver, B.C.

W. F. Macklaier, Esq., K.C., B.C.L., Montreal, Que.

John L. McCarthy, Esq., Toronto, Ont.

R. A. Jodrey, Esq., Hantsport, N.S.

C. N. Wilson, Esq., Saint John, N.B.

C. Sydney Frost, Esq., Toronto, Ont.

The Bank of Nova Scotia General Statement as at 31st October, 1950

ASSETS

Gold and subsidiary coin held in Canada	$ 1,331,487.39		
Gold and subsidiary coin held elsewhere	759,100.99		
Notes of Bank of Canada	22,907,452.25		
Deposits with Bank of Canada	47,920,885.19		
Notes of and cheques on other banks	43,566,073.33		
Government and bank notes other than Canadian	8,939,610.40		
		$125,424,609.55	
Due by banks and banking correspondents elsewhere than in Canada		20,965,073.17	
		$146,389,682.72	
Dominion government direct and guaranteed securities maturing within two years, not exceeding market value		65,152,233.98	
Other Dominion government direct and guaranteed securities, not exceeding market value		144,119,009.03	
Provincial government direct and guaranteed securities maturing within two years, not exceeding market value		5,481,921.98	
Other provincial government direct and guaranteed securities, not exceeding market value		12,043,974.53	
Canadian municipal securities, not exceeding market value		11,659,604.24	
Public securities other than Canadian, not exceeding market value		8,495,468.54	
Other bonds, debentures and stocks, not exceeding market value		23,229,629.07	
Call and short (not exceeding thirty days) loans in Canada on stocks, debentures, bonds and other securities, of a sufficient marketable value to cover		15,931,950.27	
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		11,379,813.74	
			$443,883,288.10
Current loans and discounts in Canada, not otherwise included, estimated loss provided for	$271,956,075.77		
Current loans and discounts elsewhere than in Canada, not otherwise included, estimated loss provided for	44,133,402.17		
Loans to provincial governments	1,465,823.10		
Loans to cities, towns, municipalities and school districts	9,696,590.02		
Non-current loans, estimated loss provided for	84,091.72		
		$327,335,982.78	
Liabilities of customers under acceptances and letters of credit as *per contra*		27,145,888.52	
Mortgages on real estate sold by the bank		1,800.00	
Bank premises, at not more than cost, less amounts written off		19,121,740.60	
Shares of and loans to controlled companies		600.00	
Other assets not included under the foregoing heads (including refundable portion of Dominion Government taxes amounting to $319,061.19)		618,224.13	
			374,224,236.03
			$818,107,524.13

LIABILITIES

Capital paid up		$ 12,000,000.00	
Rest or reserve fund		24,000,000.00	
Dividends declared and unpaid		425,779.72	
Extra distribution declared and unpaid		240,000.00	
Balance of profits, as per profit and loss account		3,214,567.07	
			$ 39,880,346.79
Notes in circulation		$ 51,363.62	
Deposits by and balances due to Dominion Government	$ 9,820,087.54		
Deposits by and balances due to provincial governments	7,061,675.54		
Deposits by the public not bearing interest	273,201,909.14		
Deposits by the public bearing interest, including interest accrued to date of statement	436,239,371.76		
		726,329,043.98	
		$726,380,407.60	
Deposits by and balances due to other chartered banks in Canada		8,551,614.20	
Deposits by and balances due to banks and banking correspondents elsewhere than in Canada		14,131,183.80	
			749,063,205.60
Acceptances and letters of credit outstanding			27,145,888.52
Liabilities to the public not included under the foregoing heads			2,018,083.22
			$818,107,524.13

H. L. ENMAN, President

C. SYDNEY FROST, General Manager

Auditors' Report to the Shareholders of The Bank of Nova Scotia:

We have examined the above General Statement of Liabilities and Assets as at 31st October, 1950 and compared it with the books at the General Office and with the certified returns from the Branches. The Bank's investments and cash on hand at the General Office and at the Toronto, Montreal and Havana Branches were confirmed by us at the close of business on 31st October, 1950. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

We report that in our opinion the above statement discloses the true condition of the Bank and is as shown by the books of the Bank.

W. L. L. McDONALD, F.C.A., of Price, Waterhouse & Co.
J. GRANT GLASSCO, F.C.A., of Clarkson, Gordon & Co.
Auditors

TORONTO, CANADA, 16th November, 1950

Controlled Company

Empire Realty Company, Limited

Balance Sheet, 31st October, 1950

ASSETS

CASH IN BANK $600.00

CAPITAL

CAPITAL STOCK:

Authorized: 20,006 shares of par value $100.00 each $2,000,600.00

Issued, fully paid—6 shares $600.00

NOTES

(1) The Capital Stock issued by the above Company is wholly owned by The Bank of Nova Scotia and is included in its Statement of Liabilities and Assets at the amount of $600.00

NOTES (cont'd.)

(2) During the year ended 31st October, 1950, the Company disposed of its land and building at King and Bay Streets, Toronto, to The Bank of Nova Scotia, and the issued share capital was reduced from $3,000,000.00 to $600.00.

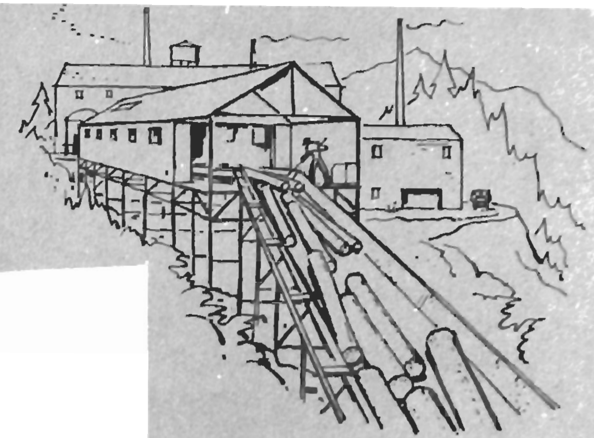
W. L. L. McDONALD, F.C.A., of Price, Waterhouse & Co.
J. GRANT GLASSCO, F.C.A., of Clarkson, Gordon & Co.
Auditors.

TORONTO, CANADA, 16th November, 1950.

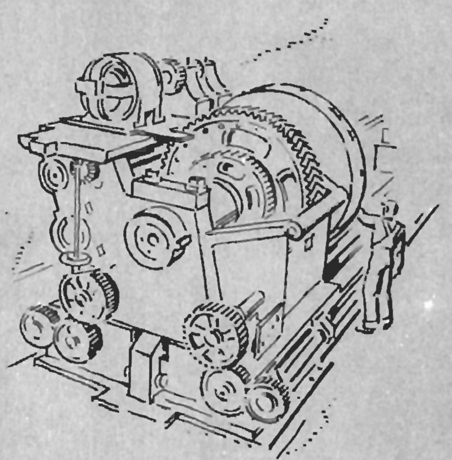
To the Shareholders of Empire Realty Company, Limited:

We have examined the books and accounts of Empire Realty Company, Limited for the year ended 31st October, 1950 and 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 as at that date according to the best of our information and the explanations given to us and as shown by the books of the Company. All our requirements as auditors have been complied with.

BANKING IS CONSTRUCTIVE . . . IT HELPS BUSINESS GROW



Money at Work . . .



Your Bank's assets stood at $818,107,524.13 as of October 31st. Part—$81,858,536.22 to be exact—was in the form of cash for use in day to day operations. Another part was loaned to the Federal Government and other governments of Canada, the provinces and counties, cities and towns. These loans helped build schools, roads, bridges, waterworks, parks, public buildings and provided a variety of community services. A total of $249,619,156.88 was on loan in various forms to these public bodies.

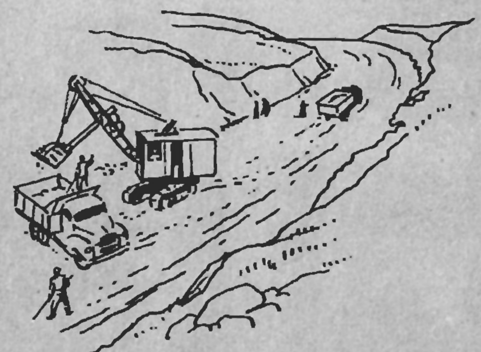
But the biggest part—$366,714,962.74 represented loans to thousands upon thousands of individuals and companies. These people, alone and in groups, were helped in buying machines, materials, stores and buildings, or in providing working capital so that they could make and sell in increasing abundance all the varied things that all of us want and use in our daily lives.

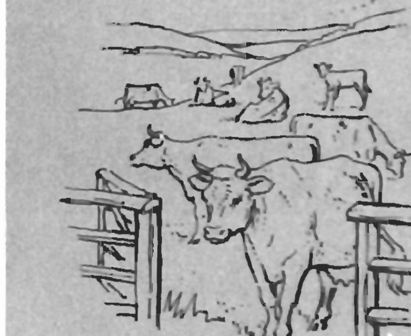
Farmers, for instance, were enabled to improve their livestock, to build new barns or acquire new equipment because of money loaned by the Bank.

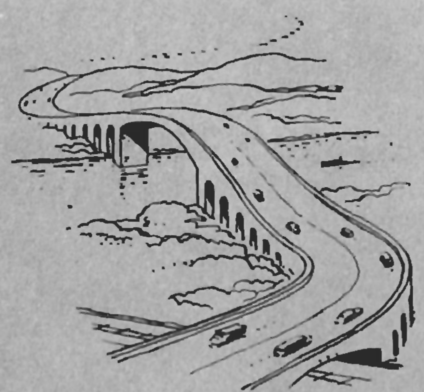
Individuals with sound business ideas were enabled to turn these ideas into useful enterprises.

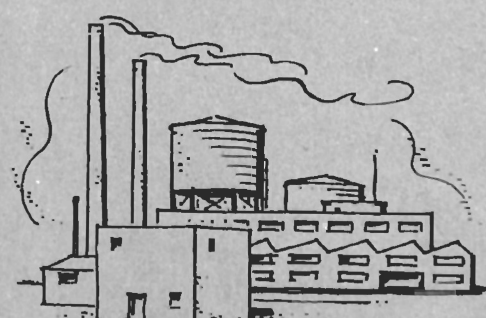
Industries were enabled to grow and make more and better jobs.

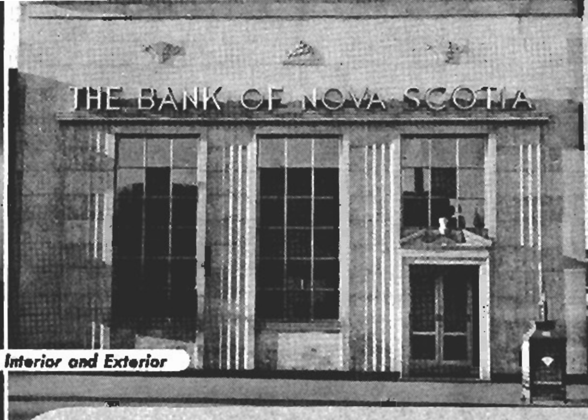
In these and many other ways your Bank helped Canadians build a greater Canada.











Prince Albert, Sask. Interior and Exterior

Truro, N.S.

Growing Communities And the BANK

Everywhere in Canada communities are expanding. It is The Bank of Nova Scotia's policy to assist this growth by providing banking services wherever they are needed in the country.

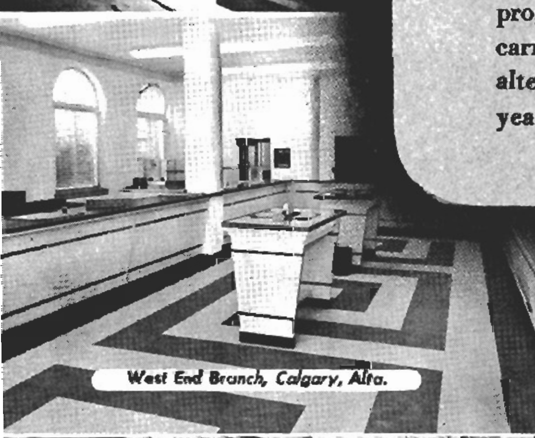
In meeting this need, the Bank opened 18 new branches during the past twelve months, making a total of 93 opened since the end of the war.

In villages, towns and cities, existing facilities are being expanded. A continuing program of branch remodelling is being carried out. A considerable number of major alterations were undertaken during the past year.

San Juan, Puerto Rico

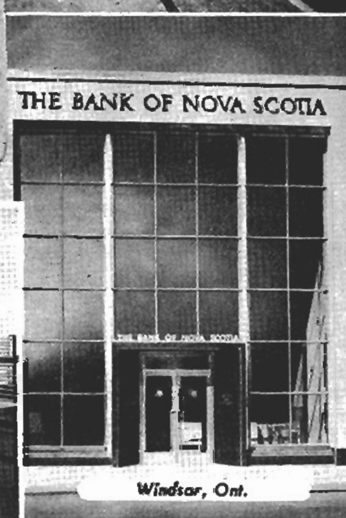
Mount Dennis, Ont.—Exterior

Mount Dennis, Ont.—Interior

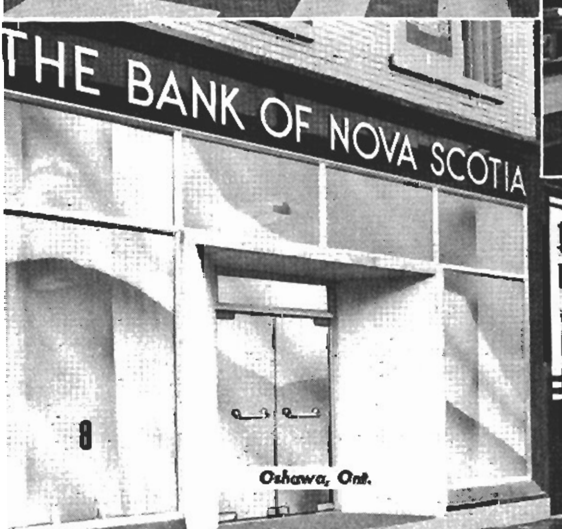


West End Branch, Calgary, Alta.

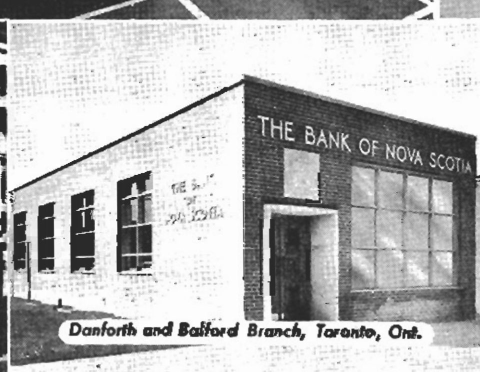
King and Victoria Branch, Toronto, Ont.



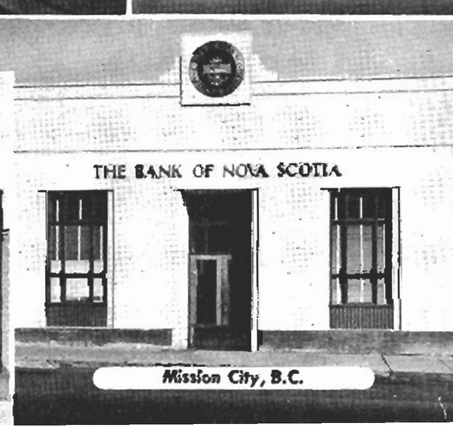
Windsor, Ont.



Oshawa, Ont.



Danforth and Balford Branch, Toronto, Ont.



Mission City, B.C.

H. L. ENMAN
President

The President Says:

"Canada Must Build up its Power to Produce"

Address delivered by Mr. H. L. Enman, President, at the Annual General Meeting of Shareholders of The Bank of Nova Scotia, held in Halifax on 6th December 1950.

OVER the past twelve months, there has been a striking change in the economic climate. A year ago, it appeared that the peak of the postwar inflation had passed and that more normal competitive conditions had returned. Canada's economy was growing and the outlook was reasonably good, but there was some unemployment and a certain amount of unused capacity in some industries. Today, in contrast, we are concerned, and rightly so, with the danger of inflation, with the prospect of excessive demands upon our productive capacity. Most, if not all, of the slack in the economic structure has been taken up and shortages of materials, labour and plant have been developing. And this change is, of course, not confined to Canada; all over the free world inflationary pressures have been regaining the ascendancy.

Another remarkable change of the past year has been the easing in the world-wide shortage of U.S. dollars. A year ago, the U.S. dollar shortage was the world's number one economic problem. It was hoped, and indeed expected, that the devaluations of September 1949 and the business recovery in the United States would contribute significantly toward reducing the dollar gap. But anyone who had then predicted that in less than a year the gold and dollar reserves of the sterling area would double, that the International Monetary Fund would see fit to state that the reserves of Great Britain and certain other countries in the sterling area were neither "very low nor in danger of a serious decline", that the export surplus of the United States would decline to small proportions, and that Canada would be embarrassed by an inflow of U.S. capital to the point of freeing her exchange rate, would have been regarded as rashly, if not foolishly, optimistic. Yet these are now the facts.

Though some of the improvement may not turn out to be lasting and though too much of its results from curtailment of North American exports, there has certainly been a marked change for the better and, for the time being at any rate, the U.S. dollar shortage has retired from the centre of the stage and its place has been taken by the twin problems of defence preparation and inflation.

LAST YEAR'S HOPES MORE THAN REALIZED

This radical change in the economic climate is the result of two main developments. As we know full well, the most important is the sharp step-up in the defence plans of the western world dating from the communist aggression in Korea. However, it should also be observed that last year's expectations and hopes of economic improvement were being realized to a remarkable extent before the outbreak of the Korean war. In Canada, capital expansion went forward on an even larger scale than anticipated and this year has been significantly higher than the former record level of 1949. Capital outlays connected with resource development, public utilities and housing were particularly buoyant; expenditures for schools and roads continued on a large scale; and plans for expansion in the manufacturing industries which showed signs of slackening at the end of 1949 were picking up again by mid-year. As the year progressed, the scale of resource development promised to increase even further particularly as plans for the great iron mining project in Quebec-Labrador began to crystalize. The powerful forces of growth in the Canadian economy were further supported by the surprising strength of business in the United States. For conditions in that country, even before Korea, were active beyond the expectations of a year ago. Indeed, there was reason for misgiving about the pressure of easy money in the United States—a pressure which was resulting in an abuse of credit and inflating the already powerful demands for such things as housing, automobiles, and public projects. The effects of strong U.S. demands were of course clearly apparent in Canada, further raising our exports of such commodities as lumber, newsprint, and base metals and in a variety of ways providing added stimulus to Canadian activity.

Moreover the currency devaluations of September 1949 combined with the strengthening demands of the U.S. economy were rapidly reducing the U.S. dollar gap. The most important effect of the devaluations was undoubtedly to restrict the demand for U.S. and Canadian goods on the part of the devaluing countries. There is every reason to believe that the devaluations restrained the dollar expenditures of overseas countries more effectively and far more efficiently than the elaborate systems of exchange and import control which up to September 1949 attempted to pare down dollar purchases in the face of the strongest economic incentives to increase them. It is only regrettable, now that price incentives are really working to limit their dollar outlays, that most of the countries concerned have not yet seen fit to permit much relaxation in their direct-restrictions against dollar purchases. In addition, the devaluations improved the competitive position of the exports of devaluing countries. Britain's export drive in North America was certainly aided and there has been a substantial increase in the dollar value of her sales to the United States and to Canada. In Canada particularly, British goods have gained increasing acceptance, the most notable example of which is the much expanded sale of the smaller British automobiles. The devaluations, however, do not account for the bulk of the increase in the imports of the United States, which has been mainly in the form of raw and processed basic commodities. Here, the primary influence, which was evident before the Korean war, was the rising level of demand in the United States which pressed increasingly on the none-too-plentiful world supplies of such commodities as wool, rubber, cocoa, coffee, newsprint, lumber and base metals.

For Canada, the 91¢ dollar established at the time that sterling was devalued was working extremely well. It tended to restrain our great propensity to import from the United States while permitting us to relax gradually the special import restrictions imposed late in 1947. Though it was probably not a major factor in increasing our exports to the United States, it certainly helped in some lines. The fact that the Canadian devaluation was moderate in comparison with that of the sterling area contributed to the closer balance which has developed in our overseas trade. The 91¢ dollar played a very important role in helping Canada to adapt herself with so much success to the sharp reduction of overseas purchases resulting from dollar-saving restrictions and the sharply curtailed use of E. C. A. funds for purchases in countries other than the United States. Ultimately, it worked too well, for the improvement in our U.S. dollar trading position as well as the attractions of Canadian resources and investment opportunities encouraged the swelling inflow of U.S. capital which lifted the Canadian dollar from its moorings.

THE PERVADING INFLUENCE OF DEFENCE PREPARATIONS

Had the menace of Russian aggression not been so clearly demonstrated, we might now be viewing with some satisfaction a fairly high level of economic activity and a notable reduction in the dollar gap, though we might also be somewhat concerned with the possibility of a slackening in the United States. But the need for rearmament with its substantial new demands on economies already operating at a high level has completely changed the emphasis. Though as yet the actual increase in defence expenditures in the United States and elsewhere has been comparatively small, the prospect of rearmament led to an immediate increase in demands and in basic commodity prices. Across the border, and to some degree in this country, businesses and individuals attempted to protect themselves against the possibility of shortages and higher prices by accelerating their purchases, and the U.S. Government endeavoured to build up its stockpiles of strategic commodities. Businesses whose inventories were low were naturally inclined to increase the scale of their buying while there was a general tendency to step up orders for goods and materials which might become more difficult to get. A good many individuals decided to buy that automobile or refrigerator now rather than a few months hence. Moreover, many businesses which had projects or plans for expansion under way or under consideration tended to push ahead with them. Thus the tempo of economic activity increased largely in anticipation of the effects of heavy defence outlays. It may be that there will be some easing in the inflationary pressures between now and the time that defence expenditures really begin to flow. The prices of some basic commodities have risen very steeply and current levels may in some cases prove to be too high. Indeed, the demand for some commodities in the United States which was almost hysterical in the summer has since fallen off. Lumber is a case in point. The fact that buying was generally accelerated in the summer would normally imply some reduction later on. The new restraints on credit purchases will have some effect in checking demands and it should also be remembered that the demand for automobiles and housing was extraordinarily large and might have been expected to be less buoyant in the coming year.

However, giving full weight to these factors it is hard to visualize anything more than a brief respite from inflationary pressures and even that now appears unlikely. After all, defence plans are large: in the United States actual outlays were expected on the basis of the plans prior to the present crisis to be at least $30 billion next year which is roughly double the present year's level and in Canada the prospective outlays were around $1,000 millions. Though these additional demands appear less formidable when they are related to total national production, they are coming at a time when production is close to capacity and they fall in the main on materials, such as steel and base metals, which are in short supply and on industrial facilities which are busy. Furthermore, there is now every indication that defence plans will be further enlarged. It is also well to remember that defence against communist aggression involves a positive policy of economic and political leadership as well as strictly military preparations. I refer particularly to the responsibility and the interest of the more highly developed and fortunate countries, of which Canada is one, to help the less developed countries help themselves. Something is being done along these lines by the United States, and by the International Bank for Reconstruction and Development, and plans are also being made by the Commonwealth and by the United Nations. But much more needs doing and, though Canada's part will necessarily be small relative to that of the United States, our position in the Commonwealth and as a middle power provides us with an opportunity of some significance.

Though North America is well able to meet these added demands without undue difficulty or restriction, the threat of higher prices to which they give rise, combined with the experience of rising prices in the past decade, tends to accentuate civilian demands. The fact must be faced that there is too much apprehension about the future value of money. The fear that money will continue to lose value encourages overspending and indiscriminate investment in physical assets and may thus be a potent inflationary influence. Canada and the United States are certainly much better situated to guard the real value of their currencies than are most other countries. But it is time that we, on this favoured continent, gave far more attention to this question than we have been disposed to give in recent years.

INFLATIONARY PRESSURES POSE A REAL PROBLEM

Under these conditions it is only prudent to assume that the needs of defence will be large and that the total demands on Canada's production will tend to be excessive unless we deliberately endeavour to restrain them. Admittedly, it is sometimes argued that no serious problem exists since in this country the planned increase in defence expenditures is equivalent to only an additional 3½% or 4% of the national income which should be covered in a comparatively short time by rising production. This is a tempting but very questionable argument. It begins with the cheerful assumption that in the dangerous and uncertain conditions in which we live defence plans will not be increased above the levels now contemplated. Even apart from this fundamental weakness, the idea that we can painlessly build up our defence effort out of increased production is a doubtful one. There is no reason to believe that increasing production in the near future will be mainly of a kind suitable to meet defence needs. Our economy is a growing one but its growth has not been geared to defence demands and, as we are already finding, there are not enough of some materials and industrial facilities to meet the combined total of defence and civilian demands. Moreover, increasing production adds to income payments and more income usually leads to larger demands for goods and services. From where are these extra goods to come if the increase in production is to go into defence? Consumer demands today are high and are backed by rising wages and other income payments. There is a great capital investment program under way which gives no indication of slackening. Few individuals, businesses, or governmental bodies appear ready to reduce their demands or to cut back their plans for improvement and expansion. Nor is it only the high level of

Canadian demands which need concern us, but it is also the powerful impact of U.S. conditions which produce strong demands on our economy and generally contribute to the inflationary environment. It does not take much of an increase in demand to create inflationary conditions when production is already close to capacity. In such circumstances, the balance between comparative stability and inflation is a narrow one and it may only require an increase of a few per cent in the level of demand to transform highly competitive markets into sellers' markets.

It may be that the recent Government action to restrict the terms of certain types of credit, and to raise the corporate income tax and certain excise taxes provides sufficient restraint for the moment. But to assume that unpopular measures will not be needed next year will be optimistic to say the least. If my analysis of the economic climate is at all close to the mark, we may before long have to choose between more inflation and more taxes. Nobody likes this kind of alternative but to avoid facing it, it might well be to choose inflation by default. We have had enough depreciation in the value of our money in the past decade. A very gradual increase in the price level over a long period may be conducive to economic expansion. But when the price level has nearly doubled in ten years and when we now find ourselves up against new and perhaps long-continuing inflationary pressures it is time to face the problem squarely.

I doubt whether there is any way of avoiding this unpleasant choice short of a quite unexpected improvement in the international atmosphere. An overall system of price control is not an alternative to more rigorous fiscal and monetary policies. In the last war when the national effort was centred on war activity, such a system became a necessary supplement to a strong fiscal policy. However, it was not an alternative and today, when we are planning a comparatively modest diversion of the national effort toward defence, it is neither necessary nor desirable. The defence plans now contemplated in Canada, and also in the United States, still leave the vast bulk of the national production for civilian purposes and we need the price system as a governor in economic activity. The task today is not to freeze the price system but to restrain the pressure of demand so as to avoid the fruitless and wasteful process of bidding up the whole price and cost structure. And that involves not only tax and monetary policies of a restraining character, but a persistent effort to achieve economies in government expenditures and a greater willingness to save on the part of the public.

Let us not take refuge in the attitude that we in Canada cannot expect to do any better than the United States in combatting inflation. Unquestionably, the Canadian economy is greatly influenced by that of the United States, but we are not part of the United States and we do have scope for policies of our own as had been clearly demonstrated particularly in the past decade. The idea that we must inevitably follow along after the United States in the realm of economic policy is not accurate nor is it worthy of a country with a mind of its own. If that were our attitude, we should probably not do as well as our neighbour and we should be under great pressure to follow U.S. methods in detail. Whether the United States does well or not so well, we should have our own policy. And, if we do have our own policy, there is no reason why we should slavishly follow the methods of our neighbour which however appropriate they may be in the United States are not always appropriate to the differing circumstances of Canada.

CENTRAL TASK IS TO BUILD UP POWER TO PRODUCE

Important as it is, combatting inflation is only a part of the job ahead in the economic sphere. The central task is to continue to enlarge our economy—to build up our power to produce. Through greater production, we can more readily meet the prospective heavy demands on our economy and increase our ability to cope with inflationary pressures should these demands expand further. Though it is most necessary to check inflation, it is desirable to do it in such a way that we shall not impede the growth of our power to produce.

It would be short-sighted, for example, to attempt to maintain the present level of consumption of goods and services by cutting sharply into outlays for capital expansion which would enlarge future production. I do not mean to suggest that restraints should fall entirely on consumption. No doubt some types of capital investment can and should be curtailed, and in any case shortages of such basic materials as steel and possible shortages of labour will necessitate some curtailment. But there can be no question as to the importance of proceeding with resource and power development, and with industrial and agricultural development in many directions. Moreover, though some curtailment may be unavoidable, it seems to me that the needs for improving transportation facilities and for housing and educational facilities deserve a high priority.

In restraining excessive demands on the economic structure, we do not want to dull the spurs of competition and incentive any more than can be helped. In this connection, for example, I believe that we should be well-advised to avoid excess profits taxation. Admittedly, the principle of taxing excess profits has a wide popular appeal. But, as we and other countries discovered in the last war, it is extremely difficult to set up standards for determining what are excess profits and a great many exceptions and special arrangements have to be made. Moreover, the prime objection to excess profits taxation is that it weakens incentive and promotes inefficiency. If the government is to take the bulk of any additional profits earned, there is little incentive in times of high demand to keep costs down and to seek to improve efficiency, nor do smaller firms or new businesses have any strong incentive to endeavour to expand their operations. Indeed, excess profits taxation bears much more heavily on growing businesses and, I believe, on the smaller businesses than it does on the large well-established firms. Arguments can of course be put forward against any kind of tax increases, but in my opinion the objections to excess profits taxation are unusually strong, especially at a time when it is urgently necessary to build up our power to produce.

Increasing production will of course be facilitated by the gradual growth in the working force. In addition, the national output could be further enlarged by longer hours of work and if necessary by attracting more married women into employment. It may be that the trend of recent years toward shorter working hours is an improvement which cannot be afforded in these unsettled times. Whether or not that is the case, there is no doubt that we do need to enlarge the human basis of our economy on which in the final analysis all else depends. A more vigorous immigration policy is a real necessity. Events strongly suggest that we have been too cautious about immigration and they have clearly demonstrated that the way to get new citizens is to look for them rather than to wait to consider applicants. Knowing as we do that Canada is the best country in the world in which to live, we are perhaps too inclined to forget that potential immigrants are often people who have real opportunities or a good deal of security in their own countries and that pulling up stakes to move to a new land is not a step to be taken lightly. In the United Kingdom, for example, we suffer in competition for new citizens with Australia, to some extent, it is true, because of British currency restrictions, but probably even more because of the vigour of Australia's immigration policy. The Australians are thinking in terms of 200,000 immigrants a year and judging from recent reports they may not be far from this high figure in 1950. It does not follow, of course, that we should set ourselves a similar target, though there is a good deal to suggest that Canada's ability to absorb immigrants should be at least as large as that of Australia. We are, after all, a larger country with enormous possibilities of development. What does stand out, however, is that we need a more positive and I believe a less restrictive policy of immigration.

As I noted at the beginning of my remarks, the economic climate has changed radically over the past year. What has not changed is the great promise of growth in this country. Last year oil held the centre of the stage among our new resource developments, and it is now joined by iron with the beginning of the construction of a railway into the almost unexplored heart of Quebec-Labrador. To be sure, there are real and difficult problems ahead—problems which call for qualities of restraint and understanding as well as of confidence and imagination. But there is much to do and much with which to do it. The prospect provides a challenge which calls for our best efforts.

C. SYDNEY FROST
General Manager

The General Manager Says:

"Should be Cautious about Returning to Fixed Exchange Rate"

Address delivered by Mr. C. Sydney Frost, General Manager, at the Annual General Meeting of Shareholders of The Bank of Nova Scotia, held in Halifax on 6th December, 1950.

THE President has discussed the change in the business climate and the broad economic tendencies which appear to be developing. My comments relate in the main to the financial side of the business picture, including the recent change in exchange policy, and of course to the affairs of the Bank.

In regard to our Statement, the outstanding development is the notable further increase in our Current Loans in Canada, which at our year-end were about $272 millions, nearly $40 millions larger than a year earlier. This increase reflects the active state of business and our lending record compares favourably with that of the banking system as a whole. For the first time in many years our Current Loans in Canada are as large as our Investments—indeed, they are $2 millions larger—though they still represent no more than one-third of our Total Assets. Certain other types of loans—those to Provincial Governments and Call Loans in Canada—declined however and in financing the increase in our Current Loans it was necessary to sell some securities during the year. Our Investments at $270 millions, $19 millions lower than a year earlier. Total Assets increased moderately over the year—from $806 millions to $818 millions—and our Deposits, excluding the balances of other banks, at $726 millions recorded little change from the year before.

Though expenses have shown some further increase, our earnings remain satisfactory in large measure because of the good showing of our Current Loans. Profits after taxes were almost exactly the same as in the preceding year. It will be noted that the write-off for depreciation of Bank premises has been increased very substantially reflecting in part, though by no means entirely, the near completion of our large new building in Toronto. In this connection I should add that in the year just closed the new building has contributed substantially to charges and very little to revenues since only recently have the first tenants moved in. In future, of course, there will be a significant amount of revenue from this source.

THE INFLOW OF U.S. CAPITAL

Turning to the general banking picture, the upward movement of bank deposits, which was quite notable during 1948 and most of 1949, was checked late last year and early this year. This reflected the easing of inflationary pressures rather than any change in official monetary policy which on the whole was still one of "easy money". However, as the year progressed, the increasing strength of demand both here and in the United States, the profound effect of events in Korea and above all, the rising inflow of U.S. capital into Canada exerted strong pressures toward expansion. During the three months prior to the change in exchange rate policy, the inflow of U.S. funds, representing in the main capital from the United States, amounted to some $534 millions. What is more, it was rapidly accelerating; $65 millions in July, $184 millions in August and no less than $285 millions in September. Just at the time when a restraining policy was needed because of the inflationary implications of defence plans, the monetary authorities had to cope with this potent additional pressure in the opposite direction.

Canadian money had to be obtained to purchase these very large amounts of U.S. funds offered to the Foreign Exchange Control Board at the official rate of exchange. Moreover, if this inflow of capital was to be prevented from having serious inflationary repercussions, the Canadian money needed could not be obtained by any such simple method as issuing new Canadian currency against the U.S. funds flowing into the official reserves. That kind of policy would, by enlarging the cash reserves of the chartered banks, have laid the basis for a first class expansion in the money supply. What was done was first to use the Government's bank balances and then when these ran down to make a net loan of $200 millions from the chartered banks. In addition, the Bank of Canada purchased U.S. funds—in very large amounts during September—and in order to prevent its purchases from increasing the cash reserves of the chartered banks it sold securities in roughly similar amounts. Its sales of securities also worked to keep interest rates on high grade bonds from falling under the pressure of U.S. buying. Though the volume of bank deposits increased, the monetary authorities did succeed in neutralizing the expansive effect of a substantial part of the capital inflow. Finally, as more and more capital moved into Canada and as it became more and more difficult to neutralize its inflationary effects, the fixed rate of exchange was abandoned. By allowing the exchange rate to rise and to move in accordance with marked demands, the inflow of capital could be checked and Canadian initiative could be regained in the sphere of monetary policy.

THE CHANGE IN MONETARY POLICY

This major decision about the exchange rate was shortly followed by a rise in the Bank of Canada's rediscount rate from 1½% to 2%. This action and the statement that went with it served notice that the central bank was no longer wedded to an "easy money" policy, for it was specifically stated that the view expressed by the Bank of Canada in 1944—that it saw no prospect of economic developments in the postwar period which would call for a policy of higher interest rates—no longer applied. This decision is important, not because of any mechanical or technical effects, but because of the change in attitude which it implies. It says in effect that the central bank does not rule out the possibility of somewhat higher interest rates, or to put it another way, it appears to mean that the monetary authorities will not necessarily be dissuaded from pursuing policies of a restraining nature by the fact that such policies might involve some hardening in interest rates. It does not follow, of course, that monetary policies will or should be pursued which would make money very tight or interest rates sharply higher. But like the change in exchange policy, it provides greater freedom of action for the central bank to promote restraining policies, which to my way of thinking is highly desirable in the present inflationary environment. This is not to say that monetary policy is or could be an adequate means in itself to combat inflationary pressures. The President has stressed the great importance of fiscal measures and I should also like to re-emphasize the point which I made at this meeting last year—the need for a live public interest in examining the expenditures of governments with a view to achieving the greatest practicable economy.

THE NEW EXCHANGE POLICY

As I have already indicated, the great advantage of abandoning the fixed exchange rate was that it provided a means of checking the inflow of capital and thus of easing this extra inflationary influence. A market rate of exchange, as opposed to a fixed official rate, tends to moderate capital movements which, though not large from the standpoint of the United States, have been and could in future be disturbingly big from a Canadian point of view. Though we in this country derive great advantages from our proximity to and close economic relations with the United States, the disparity in size between the two economies means that we are peculiarly vulnerable to even moderate changes in U.S. attitudes. With a market rate, Canada is certainly in a better position to check embarrassingly large inward movements of capital and, indeed, to combat the effects of inflationary conditions across the international boundary.

Of course, the abandonment of a fixed exchange rate does not mean that there is no longer any official interest in the rate of exchange. The monetary authorities with their large reserves of U.S. dollars and gold are obviously a major potential factor in the market, and may be expected to exercise a stabilizing influence moderating day-to-day changes and conceivably in some circumstances taking a view on the rate for considerable periods. A variable rate of exchange does add to the problems of exporters and importers and frequent ups and downs in the rate would have undesirable results. Moreover, the exchange rate can now be strongly influenced by capital movements, and it is not by any means a certainty that such movements would always work to establish rates which are in accord with Canada's trading interests. In the circumstances of the present, however, the increase in the exchange rate on the Canadian dollar does appear to be desirable. It tends to lessen the impact on our economic structure of inflationary conditions abroad and it does not seriously threaten the competitive position of our export industries in view of the strength of external markets, particularly those of the United States.

So far as the International Monetary Fund was concerned, the change in Canada's exchange rate policy presented a very unusual case. Canada's action admittedly was in conflict with the terms of the Fund Agreement in that it broke with the principle of a fixed rate of exchange. But it was the first case in the Fund's history in which a country had abandoned a fixed rate because the position of its currency was embarrassingly strong. There had been a number of cases in which countries had established market rates in place of or in addition to fixed rates, but these were all cases where the position of the currency was generally weak. Indeed, the requirement of and emphasis on fixed exchange rates in the Fund Agreement arose to a large extent from the objections to currency depreciation. Moreover, Canada's position was notably different from that of other countries because of the unique problems arising from her close economic ties with the United States. When the change of policy was announced, the Minister of Finance stated that the Government "intends to remain in consultation with the Fund and hopes ultimately to conform to the provisions of the articles of agreement which stipulate that member countries should not allow their exchange rates to fluctuate more than one per cent on either side of the par values from time to time established with the Fund." The key word in this statement is "ultimately" which could mean that a new fixed rate will be established when and if the market rate tends to stabilize, or more likely when and if international currency and trading conditions become more settled. Having taken the plunge, it seems to me that we should be cautious about returning to a fixed exchange rate unless external economic conditions are much more favourable to currency stability than they have been recently.

In saying this, I do not wish to convey the impression that stable exchange rates are not desirable. After all, one of the major objectives that we in the free world presumably want to achieve is greater freedom of international trade and investment, in the belief, founded on experience and common sense, that this will promote economic advancement throughout the world. There can be little question that stable exchange rates, if they can be maintained without the widespread use of exchange and import controls, do contribute in an important way to the encouragement of international trade. As the President has observed, the devaluations of last year have on the whole worked well, reducing the need of exchange and import controls and contributing to a notable easing in the U.S. dollar shortage. Convertibility of sterling is being gradually extended, though restrictions relating to dollar countries still remain extremely severe. The picture is certainly not yet one of stability, and rearmament raises new and indeterminate pressures. But it still represents a marked improvement over the earlier postwar period. To my way of thinking, the emphasis now should be on relaxing exchange and import restrictions and the recent action of the International Monetary Fund in declaring that Britain, Australia, New Zealand, and Ceylon were no longer in serious balance of payments difficulties will, it is to be hoped, contribute to this end.

BANK GROWING WITH THE COUNTRY

During the course of my duties this year, I have visited many of our branches, including almost every branch of the Bank in Western Canada. What I saw in the Prairie Provinces and British Columbia confirms, in regard to this important part of Canada, the observations of the President concerning the great promise of growth in this country. The oil development of Alberta, the irrigation projects, the large forest industries of the Pacific Coast have to be seen to be fully appreciated. Moreover, there is a significant amount of new settlement going on in the more northerly areas of Saskatchewan as well as in the Peace River country, and farming methods are being steadily improved.

The West has had more than its share of difficulties this year, including the Manitoba flood disaster, and the current picture has been clouded by the extremely severe frost damage to the grain crops, which turned the prospect of a bumper wheat crop into the actuality of a disappointing one. But despite these difficulties, much is being achieved and there is an atmosphere of confidence and vigour which augurs well for the future.

I speak of Western Canada because I spent a good deal of time there this year. But the whole country is growing and the Bank is steadily expanding its facilities, opening new branches and enlarging existing ones. During the banking year, 18 new branches were opened bringing to a total of 93 the number of new branches opened since the end of the war. These new branches are bringing the full range of banking services to new and growing communities and are aiding in the process of economic development. I might add that preparations are being made to open several more branches and we are of course investigating possible new locations wherever they may be justified.

In addition to the opening of new branches, the Bank has continued a vigorous policy of modernizing and enlarging existing premises, and work has been done in a considerable number of branches during the year. This work of improving our premises is of course continuing. In this connection, I should mention that we have acquired recently a well-located property in Hamilton, Ontario on which we intend to begin construction in the spring of a suitable office for our main branch in that city.

Our new building in Toronto is now close to completion and early next year will house our main Toronto branch and our executive offices. We are proud of this new structure and of the banking facilities which it will offer. It is modern and commodious. It has all the latest improvements including air-conditioning throughout. Though it is neither the largest nor the highest office building in Canada, it is among the top few both in size and height, and in quality it stands comparison with any, not only in this country but elsewhere. The banking offices and executive offices will occupy the first 8 floors and the remaining 17 are now entirely rented; indeed many of the tenants have already moved into their new quarters.

While the Bank is growing, we are constantly striving to increase the efficiency of our operations. A number of improvements have been made during the year, which have had the double effect of promoting efficiency and of reducing the burden of routine work. These improvements include a variety of work-saving devices such as improved forms and posting methods, and the use of more machinery. Indeed, we have been the first to introduce certain types of machinery in this country. In this process of improving methods, there has been excellent co-operation from the staff and many useful new ideas have come from the branches. The biggest change in the nature of our work this year was that involved by the return of foreign exchange market in place of the system of fixed rates which had prevailed for more than a decade under the direction of the Foreign Exchange Control Board. In addition to the routine paper work which is still required, we now, like the other banks are part of a competitive exchange market operating as principals rather than merely as agents. In this highly competitive business, we are well equipped both with experienced personnel and with the needed machinery of rapid communication.

GOOD RECORD OF STAFF

In line with the further growth in our operations, the staff has increased by 294 during the year and on October 31st numbered 4,624—2,792 men and 1,832 women. What makes a bank are the people that work in it. After all, banking is a personal service, and demands, qualities of courtesy, intelligence, and good judgment. What is more, it demands efficiency and accuracy—there is no room for carelessness or slipshod methods. Our Bank is fortunate in its staff. In my visits to branches this year I was impressed with the quality of the work and the keen interest shown by the men and women in our service. Under widely varied conditions, and sometimes rather difficult ones, our staff is worthily carrying on the traditions of service and honourable dealing in which we in The Bank of Nova Scotia take pride. The growth and vitality of our organization reflect their co-ordinated efforts. I regard it a privilege to thank the staff for a job well done.

We are all on the team, and active teamwork is what we strive for throughout the service. Ways and means of providing security and incentive are matters of continuous study. We are far from being backward in this regard and methods of giving promotions and recognizing ability are being steadily improved. In this competitive age, when the emphasis is on initiative, mental alertness and ability we cannot subscribe to the idea that advancement in business should be primarily related to age or length of service. The opportunities in the banking world for young people were never so bright, and our senior staff with their valued experience give full co-operation to the training of more junior members. Those of the latter class, in turn, who show the necessary interest and qualifications can look for steady and even rapid advancement. New methods being introduced in our Staff Department provide for progressive information at frequent intervals and we have been particularly pleased with the results attained by comparatively junior members of the staff when placed on posts of increased responsibility.

There will be hundreds of advanced positions in the bank to be filled in a short period, and the opportunities are there for young people of ambition and ability.

Minutes of the One Hundred and Nineteenth Annual General Meeting of the Shareholders of The Bank of Nova Scotia, held at the Head Office of the Bank in the City of Halifax, N.S. on Wednesday, December 6th, 1950.

The following were present:

Mr. H. D. Burns, D.Cn.L.; Mr. H. L. Enman; Hon. F. B. McCurdy, P.C.; Mr. Russell Blackburn; Colonel J. D. Fraser; Mr. W. A. Winfield; Mr. Hugh Mackay; Mr. W. N. McLeod; Mr. Fred C. Manning; Mr. W. K. Whiteford; Mr. W. F. Macklaier, K.C.; Miss S. W. A. Almon; Mr. Norman T. Avard; Dr. Jane L. Bell; Mr. H. F. Bethel; Mr. Percy C. Black; Mr. R. B. Colwell; Mrs. Kathleen N. Covert; Mr. Gordon Dunnet; Mrs. Marjorie G. Evans; Miss Georgene L. Faulkner; Mr. Paul R. Flemming; Mrs. Muriel L. Gibson; Mr. Gordon A. Gladwin; Mr. Eric McN. Grant; Mr. C. E. Hand; Mr. Gilbert S. Hart; Mr. R. A. Jodrey; Colonel F. H. M. Jones; Mr. Martin J. Kaufman; Mr. George W. Kenney; Mr. A. H. Lamy; Colonel K. C. Laurie; Mr. G. R. K. Lynch; Miss Caroline I. McInnes; Mr. Donald McInnes, K.C.; Miss Mary Mackay; Mrs. Alice R. MacKeen; Mr. C. F. Mackenzie; Miss Jane A. Malcolm; Mr. Harry I. Mathers; Mrs. Ethelyn M. Mingie; Mr. Roderick A. Mingie; Dr. C. S. Morton; Miss D. P. Munroe; Mr. Wm. F. Napier; Mr. F. A. Nightingale, C.A.; Mr. Stanley E. O'Brien; Mrs. Janet G. Oxley; Mr. W. L. Payzant, K.C.; Mr. George B. Robertson; Captain Peter M. Seeley; Mr. W. H. Silver; Mr. Donald M. Smith; Mr. Kenneth S. Smith; Mr. L. V. Smith; Mr. Frank H. Sobey; Mr. C. J. A. Wambolt; Miss M. Grace Wambolt; Mr. W. B. Williams; Mr. Wallace L. Williams; Mr. A. B. Wiswell; Mr. W. Wood, C.A.; Mr. L. J. Abbott; Mr. C. J. Ash; Mr. H. H. Bartlett; Mr. H. A. Bell; Mr. G. G. Bennett; Mr. C. L. Bowlby; Mr. W. H. Byers; Mr. R. C. Calpin; Mr. W. A. Clark; Mr. J. R. Curry; Mr. F. D. Dunn; Mr. H. A. Fillmore; Mr. J. F. Gill; Mr. M. A. Girvan; Mr. H. F. Gordon; Mr. J. W. Hahn; Mr. J. M. Hayman; Mr. W. Hayward; Mr. R. V. Hickson; Mr. E. J. Lutz; Mr. A. C. MacDonald; Mr. G. F. H. MacIntosh; Mr. C. A. Maertens-Poole; Mr. T. W. Mitton; Mr. W. R. Monteith; Mr. J. H. Rector; Mr. E. M. Robinson; Mr. K. S. Russell; Mr. G. N. Schurman; Mr. C. B. Simmons; Mr. J. C. Skuffham; Mr. R. H. Smith; Mr. W. E. Starrak; Mr. J. B. Tarlton; Mr. J. R. Thompson; Mr. J. O. Walsh; Mr. J. Douglas Gibson; Mr. F. J. Finlay; Mr. R. A. S. Elliot; Mr. C. Sydney Frost, General Manager.

On motion of Hon. F. B. McCurdy, P.C., seconded by Colonel J. D. Fraser, Mr. H. D. Burns, D.Cn.L., was appointed Chairman of the meeting.

On motion of Mr. W. A. Winfield, seconded by Mr. W. N. McLeod, Mr. F. J. Finlay was appointed Secretary of the meeting.

At the request of the Chairman, the notice convening the meeting was read by the Secretary.

On motion of Mr. Kenneth S. Smith, seconded by Mr. A. B. Wiswell, Mr. Harry I. Mathers and Mr. C. F. Mackenzie were appointed Scrutineers for the meeting.

The Minutes of the last Annual Meeting, having been printed and distributed to the Shareholders, were taken as read, and on motion of Mr. Gordon A. Gladwin, seconded by Mr. W. L. Payzant, K.C., were confirmed.

At the request of the Chairman, the Secretary read the Report of the Directors for the past fiscal year and the Auditors' Report to the Shareholders of the Bank. The General Statement of Liabilities and Assets as at October 31st, 1950, and the Statement of Profit and Loss Account for the fiscal year ended that date, together with the Statement of the Empire Realty Company, Limited, as at October 31st, 1950, having been placed in the hands of the Shareholders, were considered as read.

The Chairman then asked the President to address the meeting.

Mr. Enman spoke as reported in the preceding pages.

It was moved by Mr. H. D. Burns, D.Cn.L., seconded by Hon. F. B. McCurdy, P.C., that the Report of the Directors be adopted, that the appropriations therein be confirmed and that the Report, together with the Statement of Liabilities and Assets and Profit and Loss Account, be printed and distributed to the Shareholders.

Before putting the motion to adopt the Report to the meeting, the Chairman asked Mr. C. Sydney Frost, the General Manager, to address the meeting.

Mr. Frost spoke as reported in the preceding pages.

The motion to adopt the Report of the Directors was then put to the meeting by the Chairman and passed unanimously.

It was moved by Mr. Frank H. Sobey, seconded by Miss M. Grace Wambolt, and carried:

That Mr. William Leslie Lachlan McDonald, F.C.A., of the firm of Price, Waterhouse & Company, and Mr. John Grant Glassco, O.B.E., F.C.A., of the firm of Clarkson, Gordon & Company, be appointed auditors for the ensuing year under Section 55 of The Bank Act, that an appropriation not to exceed $26,000 be hereby authorized for their remuneration to be divided between them in such manner as the Directors shall consider just and reasonable, and that one ballot be cast.

The ballot having been taken and the Scrutineers having reported it in favour of the foregoing resolution, the Chairman declared the gentlemen named duly appointed as Auditors, and the appropriation for their remuneration authorized as stated.

It was moved by Mr. Donald McInnes, K.C., seconded by Mr. Norman T. Avard, and carried:

That Shareholders' By-Law No. 3 be and the same is hereby repealed and that the following be and the same is hereby enacted in lieu thereof, and that one ballot be cast:

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

(a) The number of the Directors shall not be less than twenty-four and not more than twenty-eight;

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

(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 Shareholders' By-Law No. 6, provided that in no event shall the total number of the Directors exceed twenty-eight.

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

The ballot having been taken and the Scrutineers having reported it in favour of the foregoing resolution, the Chairman declared that Shareholders' By-Law No. 3 had been repealed and that a new By-Law No. 3 had been enacted in lieu thereof in terms of that contained in the foregoing resolution.

Before asking for a motion covering the nomination and election of Directors for the ensuing year, the Chairman intimated that the Hon. Leighton McCarthy had expressed the wish, for purely personal reasons, that his name be not submitted to the shareholders for re-election and it was felt that the meeting should accede to his request. It would, therefore, be incumbent on the meeting to nominate a Director to succeed the Hon. Leighton McCarthy as well as to nominate three others to complete the authorized number of twenty-four Directors.

The Chairman expressed the thanks and appreciation of the shareholders to Mr. McCarthy for his loyal co-operation and unfailing interest in the affairs of the Bank and wished him many years of health in which to enjoy a well-earned leisure.

It was moved by Colonel F. H. M. Jones, seconded by Mr. Eric McN. Grant, and carried:

That the following be and they are hereby nominated as Directors for the ensuing year, that a vote be taken for their election, and that one ballot be cast:

H. D. Burns, Esq., D.Cn.L., Toronto, Ont.; H. L. Enman, Esq., Toronto, Ont.; Hon. F. B. McCurdy, P.C., Halifax, N.S.; James Y. Murdoch, Esq., O.B.E., K.C., LL.D., Toronto, Ont.; Russell Blackburn, Esq., Ottawa, Ont.; F. P. Starr, Esq., Saint John, N.B.; Colonel J. D. Fraser, Ottawa, Ont.; Christopher Spencer, Esq., C.B.E., Vancouver, B.C.; Brig.-Gen. C. H. Maclaren, C.M.G., D.S.O., Ottawa, Ont.; W. A. Winfield, Esq., Halifax, N.S.; W. C. Harris, Esq., Toronto, Ont.; Hugh Mackay, Esq., Rothesay, N.B.; W. A. Murphy, Esq., Winnipeg, Man.; P. R. Gardiner, Esq., Toronto, Ont.; W. N. McLeod, Esq., Toronto, Ont.; Fred C. Manning, Esq., Halifax, N.S.; W. K. Whiteford, Esq., Toronto, Ont.; F. A. Sherman, Esq., Hamilton, Ont.; F. R. Graham, Esq., Vancouver, B.C.; W. F. Macklaier, Esq., K.C., B.C.L., Montreal, Que.; John L. McCarthy, Esq., Toronto, Ont.; R. A. Jodrey, Esq., Hantsport, N.S.; C. N. Wilson, Esq., Saint John, N.B.; C. Sydney Frost, Esq., Toronto, Ont.

The ballot having been taken and the Scrutineers having reported it in favour of the foregoing resolution, the Chairman declared the gentlemen named duly elected Directors for the ensuing year.

In moving the foregoing resolution, Colonel F. H. M. Jones remarked that his motion had been complicated in an interesting way by the previous resolution which provided for a Board of Directors having a minimum number of twenty-four Directors and a maximum of twenty-eight. It was his purpose, he said, to keep within these limits in his resolution.

Studying the statement of the Bank presented to the meeting and comparing it with those which have gone before, Colonel Jones continued, the shareholders recognized the continuing growth of the Bank and found the impressive totals of great interest and satisfaction to them. The recent increase in the dividend rate, he said, was also a matter of gratification to the shareholders. It was with pleasure and confidence, Colonel Jones concluded, that he moved the resolution nominating the Directors for the ensuing year.

It was moved by Mr. Hugh Mackay, seconded by Mr. W. F. Macklaier, K.C., and carried:

That in accordance with Section 53, Sub-section 5, of The Bank Act, Mr. Horace L. Enman, or failing him, Mr. C. Sydney Frost, be appointed to act as proxy for the Bank at any and all shareholders' meetings of the Empire Realty Company, Limited, and that one ballot be cast.

The ballot having been taken, and the Scrutineers having reported it in favour of the foregoing resolution, the Chairman declared the gentlemen named duly appointed to act as proxy for the Bank at any and all shareholders' meetings of the Empire Realty Company, Limited, in accordance with Section 53, Sub-section 5, of The Bank Act.

It was moved by Mr. W. K. Whiteford, seconded by Mr. R. B. Colwell, and carried:

That the contribution by the Bank of $25,000 to the Manitoba Flood Relief Fund, made during the fiscal year ended 31st October, 1950, be and it is hereby ratified and approved and that one ballot be cast.

The ballot having been taken and the Scrutineers having reported it in favour of the foregoing resolution, the Chairman declared the contribution of $25,000 referred to in the foregoing resolution duly ratified and approved.

It was moved by Mr. William Wood, C.A., and seconded by Mr. G. R. K. Lynch, that the thanks of the shareholders be tendered to the General Manager, the executive officers and staff for their efficient and loyal service during the past year.

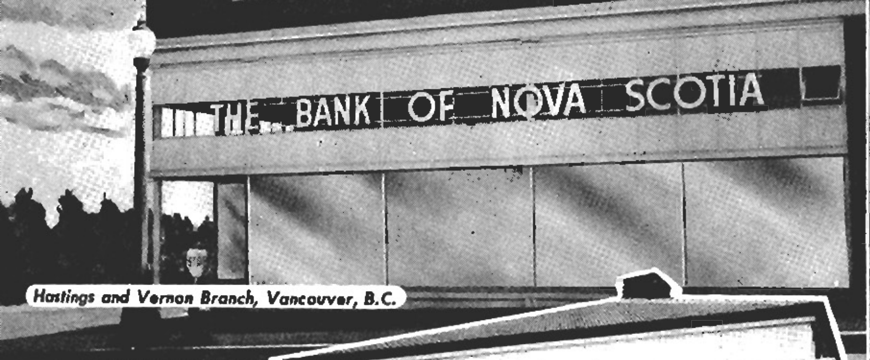
In moving the foregoing resolution, Mr. Wood said that the gratifying position of the Bank today was due to the service rendered by the staff. Going back thirty years, he added, just after the First World War, senior staff was available, but junior staff was very scarce. That situation was being gradually corrected when the Second World War brought about a scarcity of both senior and junior personnel. The effects of that shortage, he continued, have been intensified by the rapidly changing conditions of today. The Bank, with over 4,600 employees and 367 branches in Canada and elsewhere, would, he added, feel particularly the effects of these conditions which have been of concern to management and have involved personal sacrifice on the part of the staff in recent years. The Bank was indeed fortunate, he concluded, in possessing so loyal and devoted a staff and it gave him no small amount of satisfaction on behalf of the shareholders to move a sincere vote of thanks to the General Manager, the executive officers and the staff for their loyal, efficient and generous service during the past year.

The motion was carried unanimously.

In replying to this resolution, Mr. K. S. Russell, Manager of the Main Branch of the Bank in Winnipeg, said that it was his happy privilege to convey to the shareholders the thanks of the General Manager, the executive officers and staff for the kind expression of appreciation for their services which had just been made. The staff was justly proud of the Bank and of the part it had played in the development of the great Canadian nation, he added, and they were proud, too, of the achievement of the Bank outside the borders of Canada. Many able and competent executives have held high positions in the Bank, but none, he felt, were better fitted for their positions than those now responsible for the destiny of the institution. It was with great confidence, therefore, Mr. Russell concluded, that he pledged to them and through them to the shareholders of the Bank the continued devotion and loyalty of the staff.

The proceedings then terminated.

At the meeting of the newly elected Directors held at the conclusion of the Annual General Meeting of Shareholders, Mr. H. D. Burns, D.Cn.L., was elected Chairman of the Board, Mr. H. L. Enman was elected President, and Hon. F. B. McCurdy, P.C., and Mr. James Y. Murdoch, O.B.E., K.C., LL.D., were elected Vice-Presidents.



Hastings and Vernon Branch, Vancouver, B.C.

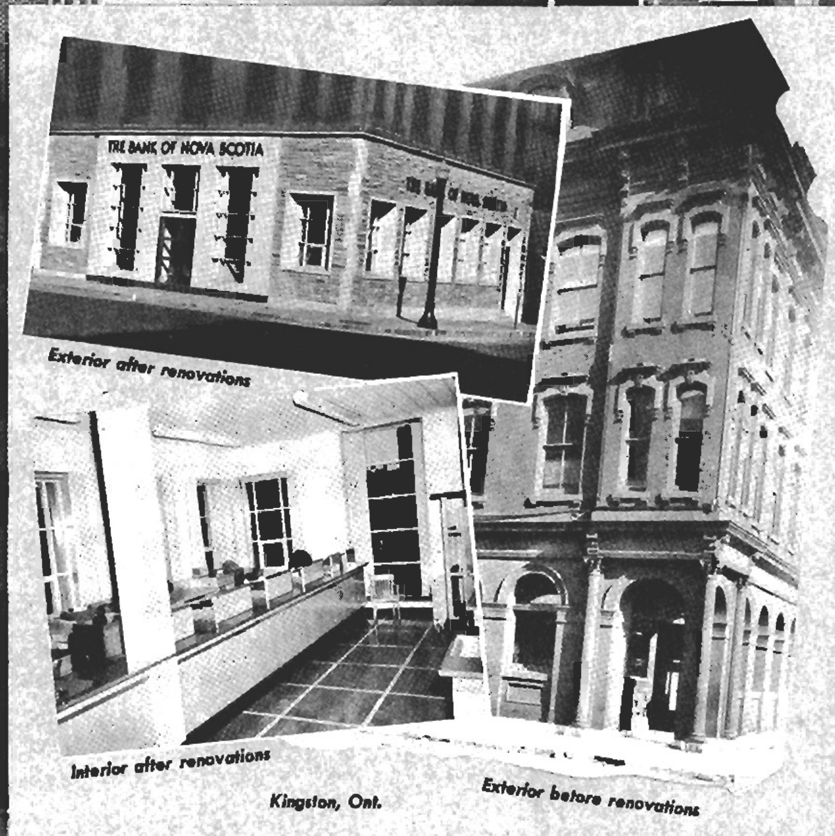

Summerside, P.E.I.—Interior

Princess Street Branch, Kingston, Ja.

Summerside, P.E.I.—Exterior


Chester, N.S.


Welland, Ont.



Exterior after renovations

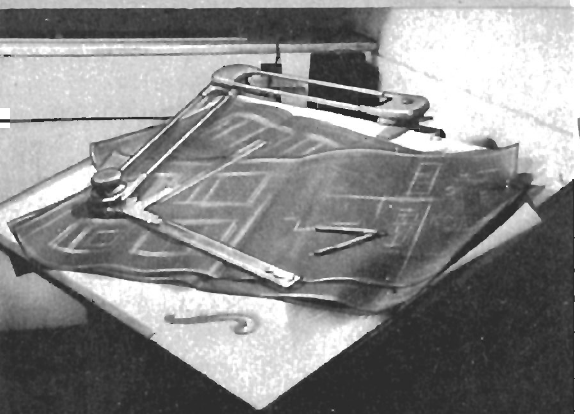
Interior after renovations

Kingston, Ont.

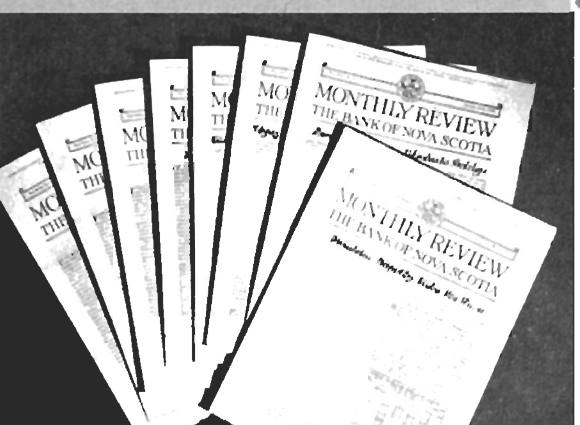
Exterior before renovations

St. Roch Branch, Quebec, Que. Interior and Exterior

Banking routine in the branches is carried out with a speed and precision which results from constant reviewing of present methods and procedures, and the introduction of new routines and new equipment as needed.

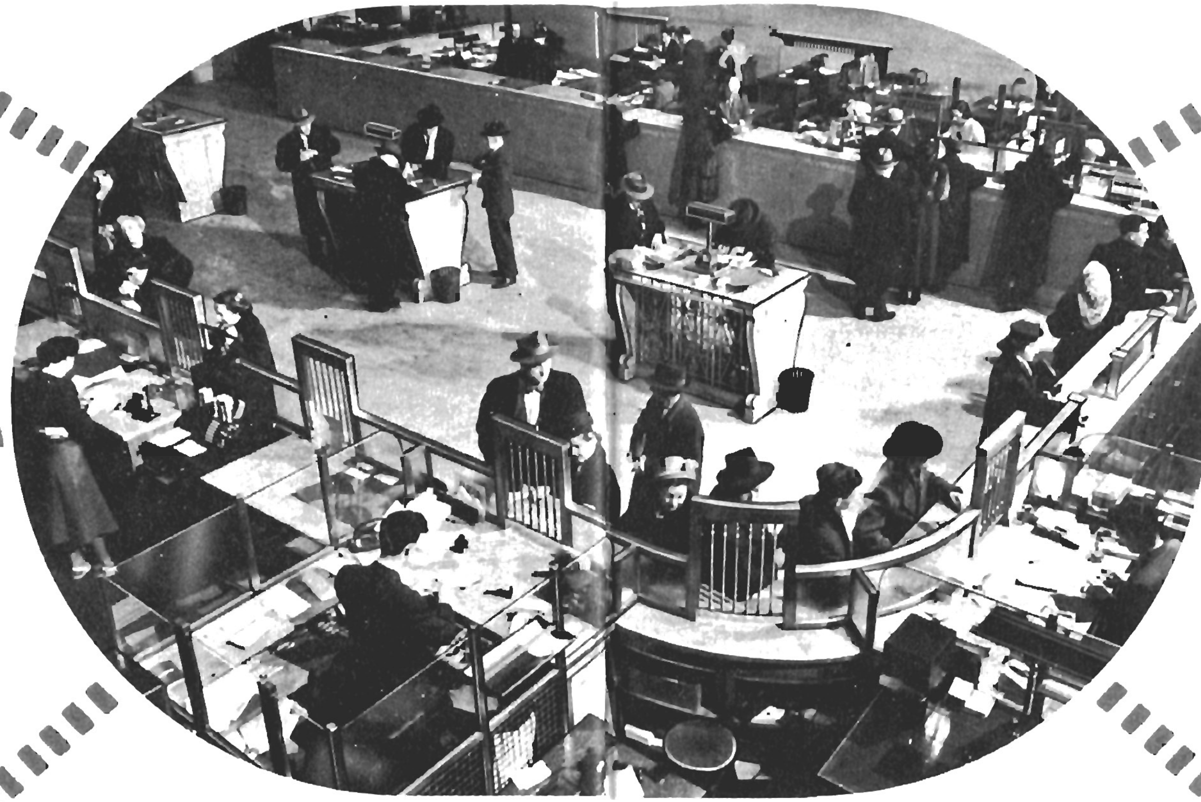


New bank premises are being built and existing buildings remodelled as required to meet the banking needs of the communities the bank serves.



Concise and detailed information on economic matters of world-wide interest is gathered, analyzed and made available to the public. Each month the Bank's Monthly Review covers a topical subject from a Canadian point of view.

World-Wide Yet Local



Ottawa Main Branch

The Bank, to each of its customers, is the particular branch with which he or she deals.

It is here that the customer comes to deposit, withdraw or borrow money, lodge securities and other valuables for safe-keeping, buy foreign currency, arrange for letters of credit, transfer funds and obtain sound advice on many varied business matters.

All the services which The Bank of Nova Scotia offers to its customers are possible because of the nation-wide chain of branches which the Bank has built over the past century, the world-wide correspondents with which the Bank has contact and the specialized administrative headquarters which the Bank has developed at its General Executive Offices.

It is the close co-operation of this team that has written the story behind the Bank's balance sheet.

The Bank encourages its members to organize study groups as well as social groups for after office hours study and relaxation. A number of such groups are in operation across the country.

The Bank is continually studying the development of the Canadian economy and issues from time to time detailed reports on specific phases of this development.

By advertising in many different ways, the Bank continually explains its operation to the public and supports the branches in their efforts to attract business.

More than a story of steel and stone

EARLY in the coming year, the Bank will move its General and Administrative Offices and its Toronto Main Branch into the new building, now being readied for occupancy, at Canada's financial cross-roads, King and Bay Streets, Toronto.

The new 25-storey office building rises 325 feet above street level and extends 48 feet below ground. Its frontage is 161 feet on King Street, 234 on Bay. And the total area of the building is 320,000 square feet of modern, efficient working space.

The ground floor banking room is three floors high and 190 feet long. Impressive and dignified, its banking equipment is the speediest and most efficient yet designed. *The vaults, designed to specifications which conform to the recommendations in the United States treatise "The Effects of Atomic Weapons", are among the best on the continent.* The Bank will occupy the first eight floors, and the remainder of the building has been rented to more than 60 tenants.

•

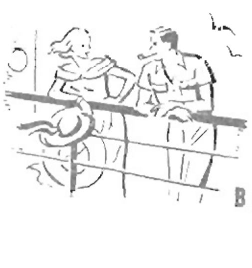
Incorporated in the building are the latest scientific and engineering developments in weather-conditioned office building construction.

Temperatures in four areas on each floor are constantly and automatically controlled. Abundant filtered and conditioned air, with dirt and pollen removed, is circulated through each office.

Extra large windows are double glazed with insulating air space between. This principle eliminates draft, keeps windows free from fogging and deadens traffic noise.

Of the 14 elevators in the building, 12 are high-speed elevators and 9 of these are for the service of the tenanted section of the building. These represent the first installation in Canada of the new "autotronic" type which automatically adjusts elevator service to fit the traffic flow. Another feature is the "Forgotten Man" signal, a device that ensures lower floor occupants that they will not to be kept waiting as filled cars pass them by.

More than a story of steel and stone, the new Bank of Nova Scotia Building is a chapter in the growth of an organization founded 119 years ago in Halifax. Through peace and war, good times and bad, The Bank of Nova Scotia has provided Canadians with banking services that have contributed in great measure to the growth of the nation. Its new building is tangible evidence of the Bank's faith in the future and its desire to continue to serve Canadians as they build for their futures.



Where Canadians do business with the Bank

NOVA SCOTIA

BRANCH	MANAGER
Amherst	C. B. Simmons
Annapolis Royal	J. L. Jelly
Antigonish	J. S. Taylor
Aylesford	H. R. Flewwelling
Bedford	L. J. Abbott
Bridgetown	C. A. Maertens-Poole
Caledonia	F. P. O'Connor
Canning	S. J. Dunsford
Chester	J. C. Skuffam
Dartmouth	R. C. Calpin
Digby	R. B. W. Ward
Freeport	J. W. Coughlan
Glace Bay	F. R. Nauss
Halifax	F. D. Dunn
	J. M. Hayman, Asst.
	H. F. Gordon, Asst.
379 Barrington Street	G. F. H. MacIntosh
Coburg & Robie	J. W. Hahn
North & Agricola	R. V. Hickson
North West Arm	J. R. Thompson
Kennetcook	D. M. Christie
Kentville	A. G. Macdonald
Liverpool	M. D. McDonald
Middleton	A. S. MacKenzie
New Glasgow	W. E. Starrak
New Waterford	J. G. Black
North Sydney	H. H. Bartlett
Oxford	F. T. McLellan
Pictou	H. L. Cumming
Pugwash	H. O. Connell
River Hebert	Donald M. Christie
River John	J. E. Langille
Sheet Harbour	R. Furneaux
Stellarton	C. G. Matthews
Sydney	J. H. Rector
Sydney Mines	W. S. Shields
Tatamagouche	E. G. Mosher
Trenton	H. P. Desborough
Truro	T. W. Mitton
Westport	Sub to Freeport
Westville	M. L. Humphrey
Windsor	J. F. Gill
Yarmouth	G. M. Schurman

NEWFOUNDLAND

Bay Roberts	E. V. Hall
Bell Island	C. B. Shaw
Bonavista	W. F. Noel
Burin	W. J. Brien
Carbonear	S. T. Jones
Catalina	C. P. Russell
Channel	N. W. Lehans
Clarenville	H. M. Diamond
Corner Brook	F. D. Barrett
Fogo	R. F. Torraville
Grand Bank	S. T. Jones
Harbor Grace	N. D. Bishop
Lewisporte	D. Templeman
St. John's	H. G. Dustan
	A. J. Henderson, Asst.
Freshwater & Parade	D. M. Wornell
Twillingate	R. H. A. Coppin

PRINCE EDWARD ISLAND

Albany	A. A. Niles
Charlottetown	E. M. Robinson, O.B.E.
	E. E. Boutilier, Asst.
Kensington	J. A. Field
Montague	G. N. Rendell
Morell	G. F. Bonnell, Actg.
O'Leary	W. S. Wilson
Summerside	W. Hayward
	J. S. Turnbull, Asst.
Victoria	D. E. Hart

NEW BRUNSWICK

Albert	W. S. Bent
Bath	A. Gray

NEW BRUNSWICK—Continued

BRANCH	MANAGER
Black's Harbour	K. F. McCurdy
Campbellton	C. R. MacLaggan
Chatham	J. O. Walsh
Chipman	G. G. Bennett
Doaktown	K. L. Crowley
East Florenceville	J. C. Butt
Fairville	S. H. Crockett
Fredericton	J. B. Tarlton
	C. L. Mahan, Asst.
Gagetown	J. W. Barrigar
Grand Manan	G. H. Wilcox
Hampton	C. L. Flemming
Havelock	Sub to Petitcodiac
Hillsborough	A. T. Jost
Jacquet River	L. J. Hoyt
McAdam	P. E. Gallie
Minto	W. E. Benson
Moncton	H. A. Fillmore
	R. L. Johnstone, Asst.
323 St. George St.	J. C. Robinson
Newcastle	E. J. Lutz
Petitcodiac	C. L. Drew
Port Elgin	J. G. Wicks
St. Andrews	D. A. Sutherland
St. George	W. C. Hawker
Saint John	W. A. Clark
	C. S. Robertson, Asst.
Charlotte St.	M. A. Girvan
	G. H. Beresford, Asst.
Haymarket Square	J. T. Holder
Mill and Paradise Row	L. G. Baiden
North End	H. M. Carty
West Saint John	E. R. McClafferty
St. Stephen	G. W. Bonnell
Sackville	J. R. Curry
Shippegan	J. G. Demers
Sussex	T. H. Miller
Woodstock	R. H. Dewar

QUEBEC

Brownsburg	A. O. Blouin
Buckingham	H. J. Johnson
Campbell's Bay	A. W. Pequegnat
Fort Coulonge	R. Gareau
Grenville	A. M. Gervais
Hull	A. Bourgon
Lachute	W. M. Steeves
Longueuil	J. R. Ruel
Maniwaki	F. A. Duhamel
Montreal—	
St. James & Victoria Square— (Main Office)	A. L. Ormiston
	G. J. Tonchie, Asst.
	D. B. McGee, Asst.
	J. A. Hamilton, Asst.
Moont Royal Ave. & St. Urbain	G. W. Hartwick
Park & Fairmount Ave.	A. A. McIntosh
	G. A. Bailey, Asst.
St. Catherine & Peel	R. P. Webb
	A. Rideout, Asst.
St. Catherine & St. Alexander	J. G. H. Sutherland
	G. W. Sinclair, Asst.
St. Lawrence (Crown Industrial)	W. E. Boyne
St. Lawrence & Jean Talon	J. L. Dudgeon
St. Lawrence & Ontario	C. R. Tibert
Sherbrooke & Harvard	H. M. Sherwood
New Carlisle	A. E. Cyr
New Richmond	J. L. Duchastel
Port Daniel Station	A. R. O'Flaherty
Quebec	W. R. Monteith
	H. F. LeGallais, Asst.
St. Malo	J. A. Seale
St. Roch	S. D. Bergeron
Upper Town	J. E. Laurin
St. Andrews East	R. L. Seguin
Sherbrooke	H. I. Langille
Trois Rivieres	D. Menard
Westmount— (Sherbrooke & Greene Ave.)	C. H. Cameron

ONTARIO

Acton	A. W. Haydon
Agincourt	B. B. Walters
Alexandria	J. O. Bridge

ONTARIO—Continued

BRANCH	MANAGER
Apple Hill	Sub to Maxville
Arnprior	C. P. Jones
Avonmore	E. G. Rawson
Balmertown	Sub to Red Lake
Bancroft	C. F. Hibbard
Barrie	H. A. Hancock
Beachburg	H. G. Maclellan
Beardmore	G. G. Springer
Belleville	J. A. Thornbury
Belmont	F. W. Hill
Bracebridge	I. Y. Murphy
Brantford	W. F. Smith
Brigden	A. G. Baird
Brockville	W. E. MacDonald
Campbellville	F. E. Quinlan
Carleton Place	W. C. Cross
Carp	A. E. Smith
Chatham	R. J. Millichamp
Chelmsford	G. Lasnier
Chesterville	W. A. McLaggan
Cobden	F. A. McCallum
Cobourg	W. P. Blakeston
Cochrane	R. N. Follett
Consecon	J. A. Treloar
Cornwall	C. A. New
Forest Hill Village	O. MacNaughton
Fort William	M. K. Pugsley
Glen Robertson	Sub to Alexandria
Guelph	J. S. Burchell
Haileybury	H. Brown
Hamilton	R. C. Stoddard
	S. E. Burwash, Asst.
James St. South & Brucedale	R. R. Kennedy
King & Sherman	D. A. Wood
Main & Kenilworth	D. A. Y. Merrick, Jr.
Hawkesbury	L. R. Monderie
Kemptville	R. D. Leavitt
Kenmore	Sub to Russell
Kenora	W. L. Watson
Kingston	W. D. Stewart
Kitchener	G. W. G. Williamson
La Cave	Sub to Mattawa
Lanark	G. A. Mowat
Leaside	C. Roberts
Linwood	E. P. Warneford
London	D. R. Platt
	W. G. Johnston, Asst.
Dundas & English	W. W. Stumpf
Richmond & Oxford	J. F. Johnstone
Malton	A. Droppo
Markham	V. F. Sedgewick
Martintown	R. A. Thompson
Mattawa	E. S. Dibb
Maxville	D. M. Moffatt
Merriton	E. G. Rankin
Milton	H. C. Morris
Milverton	F. G. McKimm
Morewood	Sub to Chesterville
Mount Dennis	T. J. Bourke
New Liskeard	A. S. Meisner
New Toronto	P. V. Coulton
North Augusta	R. J. Sherman
North Bay	L. E. Shatford
Oshawa	A. H. Crockett
Ottawa	T. A. Boyles
	G. E. Johnston, Asst.
	R. S. Bishop, Asst.
Bank & Fourth	H. K. Stevens
Bank & Gladstone	M. W. Bruton
Bank & Gloucester	S. Macdonald
	R. M. Nichols, Asst.
Elgin & Frank	J. F. Thompson
Hintonburgh	F. L. Galvin
Ottawa East	E. Edmunds
Ottawa Sooth	M. C. Chisholm
Rideau & William	A. A. Armstrong
Somerset & Bronson	H. J. Clarke
Westboro	H. A. Ballard
Pamour	Sub to Timmins
Parry Sound	G. R. Underwood
Pembroke	W. D. McArthur
Perth	J. W. B. Thompson
Peterborough	R. E. Macdonald
Petrolia	J. R. Stewart
Picton	K. I. Mitchell
Port Arthur	B. Howard
Port Carling	C. A. Shannon

ONTARIO—Continued

BRANCH	MANAGER
Port Hope	F. H. Saul
Powassan	G. S. Jourdan
Red Lake	A. M. Hurst
Renfrew	S. Rowsell
Richmond	C. B. Lewis
Richmond Hill	E. V. Croth
Russell	M. Cress
St. Catharines	W. A. McMullen
St. Isidore de Prescott	L. Perrier
St. Jacobs	G. N. Thompson
Sarnia	G. A. Stewart
Sault Ste. Marie	C. B. Guest
Smiths Falls	A. T. F. Cobb
South Mountain	H. A. McInnes
Stratford	L. S. Nicks
Streetsville	F. M. Pidgeon
Sudbury	M. G. Trainor
Sutton West	F. C. Marshall
Timagami	E. A. Walters
Timmins	W. Long
Toronto	
39 King St. W.	F. W. Nicks
	R. B. Hall, Asst.
	J. A. Robertson, Asst.
	N. B. Moore, Asst.
Bloor & St. Clarens	R. C. Clark
Bloor & Spadina	W. H. Harris
Broadview & Gerrard	W. W. Mitchell
College & Bathurst Sts.	F. L. Fields
Danforth & Balford	G. F. Kerr
Danforth & Greenwood	N. W. R. Hamilton
Danforth & Pape Aves	I. C. Cooper
Dundas & Brock Ave.	L. B. Kerr
Eglinton & Castle Knock	J. D. Allan
Gerrard & Woodbine	I. Galt
King & Victoria	W. S. Jamieson
	W. H. Farrell, Asst.
Kingston Rd. & Bingham	A. R. Rendell
Kingsway	H. E. Wales
Pape & Gowan	C. J. Roblin
Queen & Church	J. S. Clinch
	W. A. Woodburn, Asst.
Queen & Lansdowne Ave.	G. W. Poole
Queen & McCaul Sts.	G. F. Gardner
	P. M. Dakin, Asst.
	T. H. Cuff, Asst.
Queen & Pape Ave.	H. B. Nelson
Queen & River	J. W. Wylie
St. Clair & Avenue Road	J. F. Lynch
St. Clair & Oakwood	C. R. Dickie
Spadina & Dundas	W. A. Meyer
Spadina & Dupont	W. T. Thompson
Yonge & Dundas	H. C. Morton
51 York Street	A. A. Acheson
Vankleek Hill	E. Whiessiel
Virginiatown	K. H. Fox, Actg.
Walkerville	A. Johnston
Welland	C. A. Beacom
Wellington	J. H. Mace
Weston	H. A. Dewolfe
Willowdale	E. W. Hay
Windsor	H. E. Boyles

MANITOBA

Dauphin	H. H. Hill
Emerson	B. A. Oakden
Portage la Prairie	D. Samson
St. James	R. Skinner
Virden	W. A. Thompson
Winnipeg	K. S. Russell
	J. D. Hubbert, Asst.
	R. W. McCain, Asst.
Main & Rupert	F. E. Lawson
Winnipegosis	H. J. Laidlaw

SASKATCHEWAN

Avonlea	J. Paxton
Aylsham	C. C. Ainslie
Beechy	T. W. Miller
Carrot River	G. P. Dichmont

SASKATCHEWAN—Continued

BRANCH	MANAGER
Choiceland	C. W. Babcock
Codette	A. D. MacLeod
Glaslyn	T. W. Seekins
Hudson Bay	A. MacDonald
Humboldt	J. P. Crow
Kinistino	D. I. Chetwynd
Moose Jaw	W. R. McLure
Nipawin	J. A. Chevalier
Prince Albert	S. K. Crawford
Regina	C. M. Killam
	N. S. Sherritt, Asst.
Saskatoon	C. J. Ash
	A. J. D. Publow, Asst.
West Side Branch	J. A. Kyle
Shellbrook	M. I. Gamblin
Smeaton	Sub to Choiceland
Spiritwood	D. F. Bennett
Star City	N. B. Johnston
Swift Current	V. F. Steeves
Tisdale	J. N. Adams
Yorkton	E. S. Ross

ALBERTA

Arrowwood	J. H. Ingram
Barrhead	R. T. Crouch
Brooks	W. J. Buckley
Cadomin	T. E. Pennie
Calgary	H. A. Bell
	W. Taylor, Asst.
	K. B. Ruse, Asst.
North Hill	G. Williams
West End Branch	J. A. Cranstoun
Derwent	C. J. Borm
Edmonton	N. R. Campbell
	E. G. Taylor, Asst.
	E. C. Hack, Asst.
Jasper & 114th Street	W. Baldock
South Edmonton	L. B. McPhee
Grande Prairie	J. Liddell
Legal	F. G. McCann
Lethbridge	E. Wheeler
	J. G. Shortt, Asst.
Lloydminster	W. A. Sparks
Mercoal	R. C. Sandover-sly
Milo	H. A. Johnson
Olds	G. A. Begin
Picture Butte	J. Mair
Red Deer	W. S. Buffam
Stettler	T. G. Dunn
Thorhild	H. B. Warren
Vauxhall	M. E. Calder

BRITISH COLUMBIA

Chilliwack	J. H. Cathro
Cloverdale	H. N. Craig
Kamloops	W. H. Payzant
Kelowna	P. W. Meek
Lumby	A. C. Dunn
McBride	D. A. Aker
Maillardville	F. T. Fritz
Mission City	H. W. Davis
Nanaimo	F. W. Robinson
New Westminster	W. J. Peers
Penticton	A. G. Schell
Port Alice	W. Barclay
Prince George	H. D. Millar
Squamish	M. O. Colwell
Vancouver	W. H. Byers
	H. F. Summers, Asst.
	E. C. Bower, Asst.
	G. S. Robinson, Asst.
Broadway & Commercial Drive	B. L. Dewey
Davie & Granville St.	W. J. V. Routliffe
Dunbar & 41st Avenue	W. E. Pixley
41st Ave. & Granville St.	R. J. Dunn
49th Ave. & Fraser	R. H. Urquhart
Hastings & Columbia	E. J. S. Dudley
Hastings & Vernon	R. E. Lapp
Kingsway & Victoria	P. P. Poaps
Main St. & Second Ave.	T. L. C. McMaster
North Vancouver	L. A. Hannah
12th Ave. & Granville St.	G. M. Hamilton
Vancouver Heights	W. E. Frier
Victoria	J. A. Baxter
Douglas & Hillside	P. B. Coombs
Whalley	J. B. Pawson
Woodfibre	Sub to Squamish

Branches outside Canada

JAMAICA, W.I.

BRANCH	MANAGER
Black River	W. S. Wood
Brown's Town	Sub to St. Ann's Bay
Christiana	E. V. Parke
Cross Roads	J. K. Eaton
Highgate	Sub to Port Maria
Kingston	T. W. Evans
	K. R. Elliott, Asst.
	E. B. Brown, Asst.
Princess Street	E. E. Condell
Mandeville	D. S. M. Clark
May Pen	D. Lawrence
Montego Bay	G. A. Bartlam
Port Antonio	W. M. Doherty
Port Maria	P. R. Miller
St. Ann's Bay	C. B. Cooper
Savanna-la-Mar	A. R. de Roux
Spanish Town	J. S. Hall

CUBA

Camaguey	M. A. Fornaris
Cienfuegos	E. Marabotto
Havana	M. J. Betancourt
	H. E. Curran, Asst.
	C. E. Tanner, Asst.
	J. H. Nesta, Asst.
	P. G. Marels, Asst.
Avenida de Italia	J. A. Gonzalez
Padre Varela	F. O. Perez
	P. Cuevas, Asst.
Manzanillo	G. Ferrer
	D. L. Lindsay, Asst.
Santiago de Cuba	I. Batlle
	J. D. R. Skinner, Asst.

PUERTO RICO

Fajardo	R. Martin
San Juan	E. G. MacIntyre, Agt.
	A. R. Phillips, Asst.

DOMINICAN REPUBLIC

Ciudad Trujillo	G. A. Griffiths
	F. W. Irvine, Asst.

UNITED STATES

New York Agency— New York, N.Y. (49 Wall St.)	C. G. Webster, Agent
	K. Helstern, Asst.
	C. I. Archibald, Asst.

ENGLAND

London, E.C. 2, (108 Old Broad St.)	G. C. Hitchman
	R. V. Elder, Asst.

Officers

H. D. Burns, D.Cn.L., Chairman of the Board
H. L. Enman, President
C. Sydney Frost, General Manager

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Assistant General Managers

D. A. Y. Merrick	E. S. Crawford
G. F. Hinchcliffe	Reid J. Smith

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J. A. Fiott, Assistant to the General Manager
B. R. Calder, Chief Supervisor
F. J. Finlay, Secretary
R. A. S. Elliot, Secretary to the Board
(Halifax, N.S.)

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District Supervisors

V. J. Cox (Havana, Cuba)
R. L. Dales (Winnipeg, Man.)
T. G. Adams
C. L. Bowlby (Saint John, N.B.)
A. E. Griffin (Montreal, Que.)
J. G. Penney (Vancouver, B.C.)
D. C. Lounsbury
W. S. Box

•

W. K. Waters, Supervisor Investments
C. N. S. Sedgewick, Supervisor Staff
W. C. Meek, Chief Accountant
A. McD. McBain, Supervisor Foreign Department
G. T. Murdoch, Chief Inspector
H. M. Dagg, Supervisor
Business Development Department
Ian Ross, Manager, Foreign Exchange Department
G. P. Speirs, Supervisor Bank Premises
W. S. Bond, a Supervisor Bank Premises
J. D. Gibson, Supervisor
Economics Department
J. C. Towers, Supervisor of Properties
A. J. Mellor, Manager Publicity Department

The BANK of NOVA SCOTIA

A SIGN OF GOOD FRIENDSHIP

Capital Authorized............$15,000,000
Capital Paid-Up................ 12,000,000
Reserve Fund.................. 24,000,000

Head Office........................Halifax
General Office....................Toronto

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