

THE BANK OF MONTREAL'S CENTENARY.

On Saturday last, November 3rd, the Bank of Montreal reached the one-hundredth anniversary of its opening, thus completing a century's honorable and distinguished service in the development of Canadian industry and commerce. It was on November 3rd, 1817, that the institution which is now not only known as the premier Canadian bank, but takes high rank among the banking organisations of the British Empire, opened for business in rented premises on St. Paul Street, then the centre of the commercial and social life of Montreal, and the only street which was lighted at night. The courage and enterprise of a group of Montreal merchants made possible this venture at a time when primitive economic and monetary conditions, coupled with acute political jealousies, necessitated those qualities in no ordinary degree. Montreal's population was less than 20,000; that of the whole of then Canada, under 400,000. Domestic trade was carried on principally by barter and exchange; there was no system of interior transportation, and the development of trade and agriculture was hampered by lack of currency. The Bank, founded under Articles of Association, had an initial capital of £250,000 currency, the first directors being elected when £5,000 had been paid in. John Gray, the first president, was an Englishman and a North-West trader; the other first directors were mostly members of the leading business houses of Montreal. The Bank opened its doors with a staff of seven, of whom Robert Griffin, cashier, was the head.

SUCCESS AT THE START.

From the first the Bank prospered, the shrewdness and diligence of the directors and officials overcoming very great difficulties. At the end of the first year the directors felt themselves so firmly on their feet that they proposed to the Governor of Canada, the Duke of Richmond, who controlled the British moneys, that the Bank be given the right of supplying the Government with such funds as might be needed. This was agreed to, and thus was inaugurated the connection between the Bank and the Government, first of the two provinces and later of the Dominion, which continuing to this day, "has brought honour and profit to the Bank and has been of the greatest value and service to the Canadian nation." At the end of the first year, also, a dividend of 8 per cent. was paid, and a reserve fund started, thus laying the foundations of the Bank's rest, which now amounts to \$16,000,000. With the exception of the years 1827 and 1828, the Bank has never failed to pay dividends to its stockholders.

Having obtained its first charter from the Legislature in 1822, the Bank carried on its business through years, many of which were marked by acute political agitation, and periods of alternate prosperity and depression. Among the early development works in Canada, which owed a good deal to the Bank's financial support, may be mentioned the Lachine Canal, completed in 1825. The capital was gradually increased, and in the early forties, regular branches were opened in Ontario. By 1848,

the business of the Bank had increased to such an extent that head office accommodation became inadequate, and removal was made from the site of the present Post Office, to an adjoining site, where new premises, which formed the nucleus of the present building, were erected.

THE FIFTIETH ANNIVERSARY.

In 1864, as the Bank approached its fiftieth anniversary, it entered on an hitherto unexampled prosperity under the management of Mr. E. H. King. It was as a result of his negotiations that legislation was passed, by which the Bank of Montreal, alone of all the banks of Canada, agreed to act as agent for the circulation of the notes of the Province, and to surrender the right to issue its own notes. The Bank was appointed agent for the redemption of the Government notes—a profitable and honorable position. When the American Civil War disturbed the economic life of the whole continent, the Bank of Montreal had a plentiful supply of gold at its disposal, and Mr. King was quick to take advantage of the opportunities of lending this at highly favorable rates in New York.

Its 50th year found the Bank prosperous and honored. It had nearly one-fourth of the paid-up banking capital of the two provinces of Ontario and Quebec, and more than a fourth of the banking assets. It was the Government's depository and financial agent, and enjoyed peculiar advantages as the sole issuer of provincial notes. It was in this year that Confederation was brought about—a development which enlarged the scope of the Bank, and immediately enabled it to open up branches in Nova Scotia and New Brunswick and later in the North-West.

IN NEW YORK AND LONDON.

The remarkable prestige and extensive connections enjoyed by the Bank of Montreal outside the Dominion of Canada, are well known. The foundations of these were laid as early as 1853, when the Bank opened an agency in New York. In 1870 it established a branch in London, at 27 Lombard Street, with the object of extending the trade of the Dominion. Since then it has attained a unique position among the Colonial banks in London. It has been instrumental in negotiating public loans on behalf of the Canadian Government, municipalities, and other borrowers, amounting to millions of pounds. In December, 1892, the Bank was formally appointed fiscal agent in London for the Dominion Government of Canada. Its chief London office is now in Threadneedle Street, E.C. There is an important West End sub-branch in Waterloo Place, Pall Mall, and in order to cope with the Bank's West End business another office in the same locality is shortly to be opened.

THE SECOND FIFTY YEARS.

The more recent history of the Bank, its great development and immense public and financial services are a familiar story. It may be said in

(Continued on page 975)

0.
S
P,000
0,000
O.
ON, M.C.
C.V.O.
LOR.
S:
EAL.
Regina,
Sooover.

NE
CE
0,000.00
C.V.O.
5,000,000

ager
D.
REDERIC
R HENRY
D

S
000.00
000.00
000.00
000.00
071.00
London.
arranged.
E.C.