

BANK OF COMMERCE SUCCESS

At the annual meeting of the Canadian Bank of Commerce, held in Toronto on January 14th, it was announced that the dividend which, for some years past has been on a 10 per cent. basis, with a bonus of 2 per cent. per annum, would be placed on a regular 12 per cent. basis. Another important action was the enlargement of the board of directors from 19 to 22, with power to increase to 25 in the judgment of the directors, pending an annual meeting. The three new directors elected are well-known Canadians, as follows: Thomas Findley, Toronto, president and general manager of the Massey-Harris Company; W. W. Hutchison, Montreal, vice-president of the Lake of the Woods Milling Company and a recognized authority in his field of business; and H. R. Silver, Halifax, president of H. R. Silver, Limited, merchants and traders with the West Indies.

There was a large and very influential gathering at the meeting, representing banking and finance generally from all over Canada. Sir Edmund Walker, the president, was in the chair, and near him were Z. A. Lash, K.C., vice-president; Sir John Aird, general manager; H. V. F. Jones, assistant general manager, and other officers of the bank. Among others present were: Sir Joseph Flavelle, E. R. Wood, William Moffat, Hon. W. J. Hanna, C. A. Bogert, T. A. Russell, Joseph Henderson, Edward Hay, Herbert C. Cox, Dr. John Hoskin, G. Frank Beer, Mark Irish, M.P.P., J. Murray Clark, K.C., Frank Darling, Alexander Bruce, K.C. (Hamilton), Hon. George G. Foster (Montreal), H. R. Silver (Halifax), W. W. Hutchison (Montreal), and J. S. Mitchell (Sherbrooke).

Matters bearing on the bank's commercial welfare were discussed. The president, Sir Edmund Walker, referred with pride to what Canada has done in prosecuting the war and paid to Britain a tribute which well expresses Canadian opinion. The general manager, Sir John Aird, dealt more fully with the part the Canadian Bank of Commerce had taken in raising funds enabling Canada to take the part she did, in which connection some striking facts were presented to the shareholders.

As is customary with Sir Edmund, he indicated the scale of industrial events by reference to the figures of our foreign trade. For the fiscal year ended March, the surplus of \$623,000,000 was due to an increase in exports of \$407,000,000, while imports increased only \$98,000,000. The increase in pastoral and agricultural products was \$241,000,000 and in manufactures \$174,000,000. "Such a surplus of exports over imports would, if we were paid in international money, make us financially rich beyond imagination, and it would put New York exchange, the real test of our international position, at a discount. As a matter of fact, New York exchange has lately been at a high premium, because with all our exports we cannot command enough international money to keep the balance even."

Sir Edmund explained that the cause of our money being at a discount in New York was that we purchase very largely from the United States and have to settle for our purchases there in cash and at the same time we sell to Great Britain and receive in payment only long-term obligations. Light upon this very important financial problem, which so vitally concerns Canada, is shed by the facts which are assembled and so luminously explained.

Sir John Aird's address will interest the shareholders. Pride is expressed in the ability of the bank to retain the bank's position in the matter of earnings—a position that has not been maintained without effort. The same effort has undoubtedly been required for the building up of the bank's rest, which by this year's distribution of accumulated profits, was brought up to \$15,000,000 equalling the paid-up capital. The shareholders were reminded that in 1915 the sum of \$100,000,000 was written off as loss on account of the depreciation of security values. The hope was however expressed that upon the termination of the war, the sum might be recovered, and this hope is now realized. After bringing up the reserve to an amount equalling the capital, the balance of profit and loss remaining is substantial.

TORONTO'S CREDIT HIGH

Financial Affairs Now on a Sound Basis—City's Bonds Wanted

"There should be no large capital expenditures, except such as are absolutely necessary, until the city takes over the Toronto Street Railway in 1921," said Mayor Church, in his address at the first meeting of the Toronto council on January 13.

"The financial position of the city," the mayor continued, now rests on a thoroughly sound basis, for at the close of the year, not only were there no bank overdrafts or temporary loans outstanding, but on the contrary the city had to its credit at its bankers in London, New York and Toronto, substantial balances.

"During the past year the city's bonds commanded the highest current market price, and the last sale, being that of the bonds guaranteed by the city on behalf of the Toronto Harbor Commissioners, brought a higher price in the markets, than even the premier security—namely, the bonds of the Dominion government. There were no unnegotiated bonds at the close of the year, with the exception of one issue, and it is, therefore, a source of great satisfaction to the citizens and ratepayers of the city, that notwithstanding all the stress and strain which has been experienced in the last four years, the city's credit has not only remained unimpaired, but perhaps has never before stood so high as it does to-day.

Sinking Fund Grows

"While the permanent debt of the city now amounts to \$104,000,000, the sinking fund has accumulated to no less than \$26,000,000 to meet this debt, while in addition, the value of the property owned by the city, in its own right, including its civic car lines, hydro-electric, waterworks, schools, etc., aggregates approximately \$100,000,000.

"During the recent elections, no subject was more frequently referred to, or more earnestly debated than the tax rate," said the mayor. "In view of the doing away with the necessity of the city continuing its heavy war expenditures, it is confidently expected that the tax rate for 1919 will be lower than that experienced in 1918."

Soldiers' Insurance

In connection with the question of soldiers' insurance, the mayor said: "During the past year much consideration has been given to the subject of insurance payable upon the death of our citizen soldiers, and a solution was reached, which it is expected will deal justly and fairly with every legitimate case. The number of deaths which come under the city's insurance scheme is 4,168, and, therefore, the city's direct contribution to the families of these heroes has been approximately \$4,168,000. There will be still some additions to make to this number."

The mayor also advocated more playgrounds and recreation areas. The sewage disposal problem should be taken up and settled at once. The water front improvement, including the viaduct, should be proceeded with at as early a date as possible. With the completion of the harbor improvements, viaduct, radial extensions and the deepening of the Welland Canal, unparalleled prosperity lay before the city.

The soldiers were now returning home, and a series of grand receptions were being arranged. Some suitable memorial should be erected.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental railways for the first week in January:—

		Canadian Pacific Railway		Inc. or dec.
		1918.	1919.	
January	7	\$2,343,000	\$2,856,000	+ \$513,000
		Grand Trunk Railway		
January	7	\$ 773,848	\$1,003,631	+ \$229,783
		Canadian Northern Railway		
January	7	\$ 565,800	\$ 779,400	+ \$213,600