	vision has been made for all bad and doubtful debts. During the year the Bank has opened the following new branches: In British Columbia: Alma Road (Vancouver); in Alberta: Rockyford; in Saskatchewan: Admiral, Central Butte, Gilroy, Hafford, River Street (Prince Albert); in Ontario: Grimsby, Madoc, Page and	This stock is carried on our books at the nominal value of \$1. The last annual statement of this Company, bearing even date with our own, shows a surplus of	just short of 800 million dollars, and in addition to this we had to provide interest and dividends on securities sold abroad of from 100 to 125 millions. To meet this we can trace the sale of securities during the year 1913 to the extent of at least 350 millions. In the sharp contraction throughout the world which followed, the question confront-	provisions for financial relief set in force by the Imperial Government, the conse- quent ending of the British moratorium, the recovery of British and the partial recovery of other international exchange markets, the removal of nearly all ene- mies of the peace on the high seas, and the lowering, therefore, of the charge	us military contracts and purchases of a supplies on account of Great Britain, France and Bussia, the amount of which has been estimated at much highter figures, but may safely be placed at about \$80,000,000; our exports are thus increased and a corresponding ability to pay debts abroad created. One esti-	s felt here that the matter should be left of the imperial authorities to deal with in the present negotiations with the Juited States, as Canada's active inter- grence might only complicate matters. The government here, however, would orward all available information to the imperial authorities. The export of flour of the United States has not been heavy.
•	GENERAL STATEMENT 80TH NOVEMBER, 1914.	The Bank's notes in circulation stood at \$14,942,557 at the close of our year, this account showing important fluctuations during the period under review,	ing us was how well we could bear the loss of power to sell securities and the shrinkage of trade caused by the stoppage of the building operations hased	for the war risk in insurance, the partial	mate of the result of the war on our foreign trade places the annual value of the imports into Canada, the movement of which is either directly or indirectly y	"There is no way to stop it, so far as can see," Mr. Carruthers said, "be-ond the precautions which I understand he British government, has taken and
	Deposits, bearing interest, including interest accrued to date	from a minimum in July of \$11,984,000 to a maximum in October of \$16,679,088. Our deposits decreased \$11,804,905, accounted for by a general reduction in current account balances, which is not unnatural under the circumstances; the	The more important of our public and private improvements were nearing completion, and the fact that we must in any event pause to demonstrate, by in-	and die morneoutum to materion put	imports will be restricted by inability to obtain the particular articles we desire. It is already clear, however, that reduc-	s taking. And, no matter how careful hese precautions may be, they cannot revent a lot of the grain and flour elip- ing through. You see the temptation s so great, with the abnormal prices btainable in Germany, that many ex-
	Balances due to other Banks in Canada. 933,800.59 Balances due to Banks and Banking Correspondents elsewhere than in Canada	ordinary deposits bearing interest show a decrease of only \$197,211, a remarkable exhibit when we consider the probable requirements of small depositors under existing conditions and the extraordin-	enforced contraction, though it naturally went too far in the other direction, was	toba proceedings to enforce mortgage security on land are delayed for six months, while the period allowed for	home. On the other hand, exports will be enlarged in quantity and value by the foreign demand for foodstuffs of all	orters will gladly take the risk of saip- ing to a belligerent country in order o get these high prices. Great quantities of Canadian wheat re entering the United States by way
	Acceptances under Letters of Credit 2,746,016.07 \$215,218,904.09 Dividends unpaid 2,732.28 Dividend No. 111 and bonus, payable in December 525,000.00	ary opportunities which have offered for investing in first-class securities at re- munerative rates. Bills Payable Ac- count, representing our participation in	or this contraction, and had entered upon the year 1914 with distinct hopes for improvement in many countries. notably in Canada. The great banks of	wide nowers to the Lieutenant Covernor	kinds, and already the preparations for onext year's crop exceed anything known heretofore. Less noticeable, but probably of great economic importance will be the result of the wave of economy	f Buffalo, and to my knowledge New York has been exporting much more eavily than ever before. The high rives prevailing prove that the demand abnormal.
	Capital paid up	international exchange transactions, amounted to \$8,924,151, being a reduction of \$5,591,686 from the figures of our last report. We wish to place on record that in accordance with an understand-	market for securities was improving, and indeed, by February many issues which had been held back for some time,	for the protection of debtors, and these powers have been exercised by a pro- clamation extending protection to vol- unteers and reservists from all legal pro-	alike whether incomes are reduced or not. The effect of the careful use of food alone the realization of the value	"We cannot stop the United States rom buying our wheat, even if we rould, nor can we keep track of it when it is bought. We may be told that it is for export, but beyond that
	ASSETS. Current Coin\$ 16,923,230.20 Dominion Notes	ing acted upon by all the Canadian banks in London as to the moratorium in respect of bills of exchange, we adopt- ed the policy agreed upon by the clearing banks, and re-accepted, with a few trif-	states the new tariff legislation and the new Bank Act were events of the high- est importance, and if the effects of these were still somewhat uncertain, at	proclamation giving protection to all debtors against legal process under chattel mortgage, conditional sale or hire receipt, except with the approval of the	the little or great increase in production of almost every farm in Canada, éast or west, the willingness to wear out old	re don't know where it goes. The mat- er cannot be regulated from Canada. If he British government suspects that
	Notes of other Banks	ling exceptions, all our bills which matured in August, although during the whole period we were carrying bank balances more than sufficient to meet these commitments. At the expiration of the	been removed. Later on the prospect of a great crop left the question of im- proved rates for railroad freights the main point to be settled in order to put	islation requiring mortgagees and hold- ers of similar securities to obtain an or- der from a judge before foreglashing and	every unnecessary import may be a wrong to Canada even if the purchaser	top the practice."
	elsewhere than in Canada	thirty days we resumed paying all our bills without exception. We did not take advantage of the moratorium in any other respect, and did so in respect of our bills merely to join in a united front to the public.	road to prosperity. In Canada, while trade was still lessening in activity, and money still hard to obtain, and the prospect for our crops less hopeful than that	ardship to extend the time of payment. It is not intended to interfere with the collection of interest, rent or other debts of like character.	must, taken together, materially increase our financial ability to bear the strain of the war. On the other hand, many of our greatest industries are working	ANADIAN SUBALIERNS TRAINING WITH UNITS
	British, Foreign and Colonial Public Securities and Canadian Municipal Securities	Call and Short Loans were \$27,677,- 886 and other Current Loans and Dis- counts \$142,588,076, as compared with \$25,764,910 and \$154,576,889 in our last	of the United States, we felt that in or- der to make our future secure, we had only to lessen our pace and to turn our minds more to immediate production than to permanent improvements. Else- where, in France, in the Balkans, and in	securities, but this is not in the nature	down, our railroad earnings speak elo- quently of the contraction of business, men are not thinking so much of mak-	OF THE BRITISH ARMY
	Bonds, Debentures and Stocks 8,926,859.91 Call and Short Loans (not exceeding 30 days) elsewhere than in Canada 18,750,526.61 Deposit with the Minister of Finance for the purpose of the Circulation Fund 760,641.36	decrease of \$10,076,387 for the year, Government and other securities were \$21,-191,247, a decrease of \$2,766,571. The percentage of quick assets to liabilities to the public was 48.20. In thus strength-	the Latin American republics, there was still much financial trouble to overcome, but conditions in London continued steadily to improve, and with that im-	In this connection it may be well to say that the speaker has recently seen the returns of four large lenders by mortgage, the total principal of whose loans	a problem faces us as rarely before, and the daily newspaper makes it impossible to forget that our material affairs are a secondary consideration while we rest under the vast shadow of the war.	anadan contingent are being state to ifferent parts of England until the pres are needed at the front.
	Other Current Loans and Discounts in Canada (less rebate of interest)	tion of knowing that no credit usually granted to any of our customers was curtailed during this very trying year. In accordance with the resolution	ties seemed to be rapidly returning. It was, therefore, to a somewhat chastened but distinctly hopeful business community in Canada that the rumors of war	interest has been paid in the east with only a very trifling percentage of ar- rears, while in the west about 92 to 94 per cent. of all interest has been paid,	usual, full of interest. For 1912 we had to record the highest figures reached up to that time in our clearing houses—	nent already have been chosen for this urpose. Lieuts. Kelley and Clark go to almouth; Lieuts. Cameron and Davis woolwich, and Lieut. Chitty to the
	(less rebate of interest)	passed at the annual meeting in January, 1912, and taking advantage of the provisions for this purpose contained in the revised Bank Act, the directors	of evil in every direction. It is not my part today to speak of what war means to us in its effect on our lives, on our hopes for our beloved. Empire or on the happiness of our fam-	in three months thereafter. Any one who can remember the conditions in the now rice Province of Ontario twenty-five years ago, will think this a very good showing indeed.	over the figures of 1911. In 1913 there a was still a gain, but one of only 1.27 per treent, and there was a decline in most of the western cities. This year there is a decline in every city except one, the	opera House Dividend
	Mortgages on Real Estate sold by the Bank	viding for the change of the par value of the shares of the capital stock of the bank from \$50 to \$100 each. Steps were at once taken to notify the shareholders of the change, and to communicate with	ilies—I may speak of it only in its less important effect, that on our material prosperity. As we know, the first effect on finance and trade was the closing of almost all the stock and merchandise	In Saskatchewan there are now commissioners whose duty it is to look after the finances of the various municipalities in the province. It is interesting to learn that one company owning about	total for Canada being \$8,070,120,000, a reduction of 12.87 per cent. It will be seen, however, that the figures for 1914 are still well in advance of those for celebrates.	ared and the officers for the year were
	Chased	of one share for them on being notified of their wishes. As a result, although approximately 1,400 shareholders held an	exchanges in the world, the cessation of the enormous trade, not only between the countries now engaged in the war, but to a very large degree between	fifteen million dollars in Canadian municipal bonds had at the end of the year only three town and three school section bonds, aggregating \$4,500 of principal, in default, and this temporary default.	We continue our figures for the building permits of the four leading cities: Montreal—1911, \$14,580,000; 1912, 19,-642,000; 1913, \$27,032,000; 1914, \$17,619,-19,19,19,19,19,19,19,19,19,19,19,19,19,1	ohn Ross, D. O'Connell, E. W. Paul, J. J. Anderson, P. J. Mooney, P. M. eid and T. A. Linton. At a subsequent
	President, General Manager,	of these remained to be adjusted when the time limit set for the change expired on August 15th last. These twenty- four shares were subsequently sold and	were blockaded by the fleets of the allies, and the breaking down for the moment of all dealings in foreign exchange, let- ters of credit, and in the vast number of	nad taken place since August, and has no real significance. We have in each year remarked upon the condition of our foreign trade, partly because in the disparity between im-	Winnipeg—1911, \$17,550,000; 1912, m	ceretary, while the board of manage- ernt was as follows: R. H. Dockrill, E.
	CANADIAN BANK OF COMMERCE. In accordance with the provisions of subsections 19 and 20 of Section 56 of the Bank Act, 1918, we report as follows: We have audited the above Balance Sheet with the books and vouchers	owners in accordance with the provisions of Section 35a of the Bank Act. It is interesting to note, as indicating the loyalty of our shareholders to this	the world. This paralysis affecting for the moment a large part of the inter- national trade of the world estimated at about forty billions of dollars an-	to sell securities to settle this difference	\$19,388,000; 1913, \$10,423,000; 1914, \$4,-0; tall 484,476.	The motion for the adoption of the
	are of the opinion that the transactions of the Bank, which have come under cur notice have been within the powers of the Bank. We have checked the cash and verified the securities representing the in-	thirds preferred to add to their holdings rather than to part with even the small amount of stock represented by a frac-	millions of domestic trade in all the leading countries, was nearly universal in its effect merely because London, the great power house of the world, had to pause	enough. The contraction in building operations and the general economy which had already begun helped to bring this debit halance down so that	the time being, except from the United States and the Orient, but, owing to the war, it is impossible to obtain figures showing present conditions. We have, of course, lost, for a time a large number of our best people by the despatch	C. Harry Webb, C. A., of Messrs. Webb, lead, Hegan & Callingham, Montreal and Winnings, and James Marwick. C.
	other than and in addition to the verification at 30th November, and found that they were in agreement with the entries in the books of the Bank relating thereto. In our opinion the Balance Sheet is properly drawn up so as to exhibit the state of affairs of the Bank according to the	shareholders is now 6,147, as against 6,826 a year ago. The following table indicates how widely our shareholders are scattered, not only in Canada but abroad:	In need not tell you what was accom- plished in the way of remedial measures by the wisdom of the British Govern-	by March, 1914, it had fallen to \$171,-620,000. The improvement, however, was caused by a reduction of only \$41,-825,000 in imports, while there was an increase in exports of \$85,765,000. In	of our own contingent, by the return of reservists, and in other ways. The reports of our superintendents y and others on the business conditions in the continuous creeks in which the Runk is	d auditors of the Bank for the ensuing ear. The usual resolutions expressing the thanks of the shareholders to the loard of Directors, and also to the staff
	test of our information and the explanations given to us, and as shown by the books of the Bank. T. HARRY WEBB, C.A., of Webb, Read, Hegan, Callingham & Co. Auditors.	No. of No. of Shareholders Shares Ontario	and men of affairs generally, but the few words which make the sufficient de- fence of the Chancellor of the Exchequer	coin and bullion are included. Hereto- fore it has not seemed worth while to adjust the official figures by leaving these items out, but during the half	than usual importance. They range from references to the greatest financial events in the history of the world to the price the content of the price that the residual products of a locality.	pon motion, the meeting proceeded to cet Directors for the coming year, and en adjourned. The scrutineers subsequently an-
	Before moving the adoption of the financial affairs towards a moderate	West. Provinces 101 2,959 In Canada 3,517 89,134 Great Britain 1,816 38,283 Agency 38,283	is no doubt that we have, I will not say, departed from any principles which have been accepted in this country, but	ments of gold to Canada were so large as to render an adjustment imperative. The official excess of imports over ex- ports for the half year was \$89,213,000,	the various elements working for or elagainst our prosperity. If we consider the awful effects of the war, we can but Department of the war, we can be used to be a second to be used to be	ected as Directors for the coming ear: Sir Edmund Walker, C.V.O., I.I , D.C.I, John Hoskin, K.C., LL.D., , C. I J. W. Flavelle, I.L.D., A. King-
	General Manager to address the share- bolders: GENERAL MANAGER'S ADDRESS. When we had the pleasure of address- ing you on the occasion of our annual The uneasiness regarding the settlement of the Balkan question had almost disappeared, and with the gradual adjust- ment of other political and international difficulties there was an apparent readi- ness to return to normal conditions. This	Other Countries 107 1,893 Total 6,147 150,000 We have not thought it advisable to	which no Government has ever been called upon to undertake in the past." In the report of our London manager, which appears in our Review of Business	lion it was only \$64,022,000. From this time forward, imports should show a very great decline, while, because of high prices for grain, the carrying out of war	strain and on the spirit shown by her people, while if we look beyond the war, we cannot doubt the ability of this strain to convey the strain of the strain that the strain t	on. W. C. Edwards, Z. A. Lash, K.C., L.D., E. R. Wood, Sir John M. Gib- on, K.C.M.G., K.C., LL.D., Robert ugart George F. Galt. Alexander Laird.
	to look forward with apparently well- be marketed, which did much to relieve	usual promise of future development,	bearing on the finance and trade of the world. In our own country, while the	and to buy nothing that is not a neces- sity, our exports and imports should in	with the success which has attended our confederation of the North American K	is, A. C. Flumerfelt, George G. Foster, C. C., Charles Colby, M.A., Ph.D., George
	than the preceding one. There was a movement during the first months of the year so world-wide in its scope as to many to infer that the drift of the came the outbreak of the Euro-	policy whenever possible, and thus en- deavor to escape needless expense and	can never be too thankful for the high intelligence and the quickness of action of our Minister of Finance. Our gold	century. This will be a highly creditable accomplishment, showing that without undue pressure we sould in two or	in which the hope is expressed that the Sinst steb softemplated by the Patiers C	r Edmund Walker, C.V.O., LLD., D.

SOLDIERS TOO LIGHT

Workmanship in Some Cases Inferior - Report to Militia De-

GOING TO ENEMY

Information Cheerfully Given To British Government But no Other Action Feasible