

THE MERCHANTS BANK OF CANADA

The Merchants Bank, is deservedly one of the most popular banking institutions in Canada, and this has been more especially in evidence during recent years, under the management of Mr. D. C. Macarow. Sir Montagu Allan, the Bank's President, occupied the chair at its fifty-seventh annual meeting last week, and the occasion was one for general satisfaction, as the bank has closed a profitable year. The growth of the bank's operations generally is a strong testimony to its popularity and public confidence. It is worthy of attention, in these days of frequent mergers, that the substantial increase in business and resources of the Merchants Bank, has resulted only from conservative management, coupled with the rendering of excellent service to its clients.

The balance sheet of the bank for the year ending April 30th, shows Assets at \$197,387,855, as compared with \$166,725,404 in the preceding year, indicating a growth for the year under review of nearly \$31,000,000, and despite the fact that operating costs have continued their upward course, the net profits resulting from the years business were \$1,686,156 being an increase over 1918 of \$302,586. Circulation has increased from \$13,316,033 to \$14,791,027. The deposit accounts are particularly satisfactory, non-interest bearing deposits being up from \$43,552,214 to \$45,368,876 and interest-earning deposits from \$91,904,993 to \$114,132,175, a growth of no less than \$23,227,182, compared with a growth of \$15,958,008 in 1918 over 1917.

Deposits in Central Gold Reserves have increased from \$7,000,000 to \$7,500,000. Commercial Discounts have increased by \$17,324,000 during the year, the total amount being \$113,198,000. These figures indicate that the Merchants Bank is continuing to carry its full share of the load, in a period when the support and encouragement of the productive capacity, and energies of the country is a matter of paramount importance.

The paid up Capital of the bank which was increased last year to \$8,400,000 by a stock issue of \$1,400,000 will be further increased by a new issue of \$2,100,000 bringing the total up to \$10,500,000, supplemented by a reserve of \$9,450,000. This is in line with the growth of the bank, and with a view of keeping pace with the requirements of its increasing clientele.

The General Manager, Mr. Macarow, in the course of a very illuminating address published on another page, referred to the importance of the Canadian Mercantile Marine. He said:—

"I might here venture to say that it is a matter of gratification to see our mercantile marine growing apace and to know that the Government will

have, it is understood, some 45 merchant vessels in commission by the end of July next. I mentioned last year, and I reaffirm the opinion then expressed, that there is **nothing** of greater national importance than the establishment of our own lines of ocean transport, and what has been and is being accomplished in this direction, both by the Government and by private enterprise, augurs well for the future safety and stability of the country's trade and commerce."

Mr. Macarow expresses no compunctions as to the future of Canada commercially. It has, indeed, become necessary for the banks to cast an anchor at the windward in order to arrest credit expansion and to check operations conducive to higher prices, but there is plenty of banking accommodation for legitimate business. A policy of "selective curtailment," in the apt phrase of Mr. Macarow, is being adopted towards borrowers, and in his opinion such policy applied with due judgment, discrimination and consistency, cannot but prove a beneficial corrective and an important factor towards restoring, with a minimum of dislocation and disturbance, healthy and normal conditions.

PLATE GLASS SITUATION, BAD

In connection with the bad situation in the plate glass field Edward M. Ridley, manager of the New York Plate Glass Insurance Exchange, recently said:

"In New York there are only 500 glass setters who do big jobs, and these men are out on strike for ridiculous demands. One insurance company has about 300 windows waiting for glass to be replaced. If the glass is set by nonunion men it is often found broken again. All over the city are windows which need new panes, but it is impossible to get them.

"The condition is largely a question of supply and demand. Before the war part of our supply came from Belgium and Northern France, but this has been cut off, and instead of importing we are exporting to those countries as well as to South America. During our part in the war American manufacturers were obliged to reduce their output by one-half, with the result that they lost many skilled workers who were diverted to other lines of industry. Since the armistice the manufacturers have been trying to enlarge their forces, but the task of developing skilled workers is a slow one, and they have been unable thus far to meet the demand for plate glass.

"The condition that exists in New York is country-wide. Prices in Boston and Detroit have been much higher than here. It will be a long time before the supply will meet the requirements of the public."