

BANK OF MONTREAL

ANNUAL GENERAL MEETING, Held 6th December, 1920

The 103rd Annual General Meeting of the Shareholders of the Bank of Montreal was held on Monday, December 6th, at the Bank's Headquarters. The President, Sir Vincent Meredith, Bart., occupied the chair, and presented the annual report of the Directors.

Before moving the adoption of the report, Sir Vincent Meredith gave a comprehensive review of the economic situation. During the year, he said, an overwhelming demand for credit had taxed resources to the utmost. It had been difficult to make men who had grown accustomed to high prices recognize the fact that economic conditions, which no artificial means can alter, alone are the cause of price decline. "The demand for intervention through Government control is still insistent in some quarters," he said. "Canada alone cannot control world-wide conditions and it is idle to turn to the Government for relief from falling prices. This applies to wheat as well as to other commodities."

Summing up, he said: "The situation in Canada at present, as I view it, is that while there does not appear to be any cause for apprehension, there is every reason for the exercise of the utmost measure of caution. Canada cannot disassociate herself from world conditions, and world conditions are not satisfactory. On this continent the two years supervening upon the Armistice have been marked by unexampled trade activity and prosperity, a circumstance common to the conclusion of all great wars, but the reaction has set in and may not yet be in full play. Happily, Canada is well buttressed on many sides, and the exercise of prudence and sagacity should enable her to meet the shock of falling prices, restricted credits and deflated currency, without serious impairment of her commercial and financial vitality."

Expansion of Business in Canada.

The General Manager, Sir Frederick Williams-Taylor, in reviewing the operations of the Bank during the year, said the payment of a bonus of 2% to the shareholders was not the outcome of higher rates of interest on current loans in Canada but a reflection of the increase in current loans and of high interest rates on call loans in New York, the volume of which was governed by the Bank's requirements in liquid reserves. One anomaly which attracted attention was that with credit restriction as acute here as it was across the line, the price of money was materially lower in the Dominion. This condition, he said, was regarded as a tribute to Canada's good banking system.

Dealing with the growth of the Bank's operations, he said: "It is noteworthy that the greatest expansion of the Bank during the past few years has been in our own country. This is revealed in our greatly increased loans and deposits in Canada and in the number of branches opened during the period.

	Loans in Canada	Deposits in Canada	Branches in Canada
1914	\$123,147,000	\$168,557,000	173
1920	240,725,000	358,878,000	302

The annual report was unanimously adopted and the retiring directors were re-elected. The shareholders gave approval to the motion by Lord Shaughnessy to increase the number of directors from 16 to 18 and to the two new positions on the Board were elected Sir Lomer Gouin and General Sir Arthur Currie.

At a subsequent meeting of Directors, Sir Vincent Meredith, Bart., was re-elected president, and Sir Charles Gordon, G.B.E., was re-elected vice-president.

COMMISSION RULES IN ONTARIO

Fire companies have, in the past, overcome many serious problems in the operation of their business in Canada, and the problem of a revision of the commission rules in Ontario is now having the serious consideration of the various companies, and is likely to be brought to a definite and satisfactory conclusion in the near future in the interests of all concerned.

While commission rules are matters that can be controlled by a unanimous understanding between the companies, the heavy fire losses in Ontario,

on the other hand, does not appear to be so easily controlled, by either the Government or the Companies. This latter fact demands at least as much serious consideration on the part of both parties, as they are at present giving the commission rules. Qualified agents, who conscientiously perform their duties, render valuable service to both the community in which they operate and the companies they represent. In contemplating any radical change in present commission rules, no doubt this fact will receive consideration. The Agent is the first protection which a company has against the acceptance of poor risks.