

The Canadian Bank of Commerce

Report of the Proceedings OF THE Annual Meeting of Shareholders Tuesday, 13th January, 1914

The forty-seventh Annual Meeting of the Shareholders of The Canadian Bank of Commerce was held in the banking house at Toronto to-day.

The President, Sir Edmund Walker, having taken the chair, Mr. A. St. L. Trigge was appointed to act as Secretary, and Messrs. Aemilius Jarvis and Edward Cronyn were appointed scrutineers.

The President called upon the Secretary to read the Annual Report of the Directors, as follows:

REPORT

The Directors beg to present to the Shareholders the forty-seventh Annual Report, covering the year ending 29th November, 1913, together with the usual statement of Assets and Liabilities:

The balance at credit of Profit and Loss Account, brought forward from last year, was	\$ 771,578 88
The net profits for the year ending 29th November, after providing for all bad and doubtful debts, amounted to	2,992,951 10
	<u>\$ 3,764,529 98</u>

This has been appropriated as follows:	
Dividends Nos. 104, 105, 106 and 107, at ten per cent. per annum	\$ 1,500,000 00
Bonus of one per cent. payable 1st June	150,000 00
Bonus of one per cent. payable 1st December	150,000 00
Written off Bank Premises	500,000 00
Transferred to Pension Fund (annual contribution)	80,000 00
Transferred to Rest Account	1,000,000 00
Balance carried forward	384,529 98
	<u>\$ 3,764,529 98</u>

In accordance with our usual practice the assets of the Bank have again been carefully re-valued and ample provision made for all bad and doubtful debts.

The following branches were opened during the year: In British Columbia: Comox, Courtenay, Pandora and Cook (Victoria), and Parksville; in Alberta: Highland, Monitor, Peace River Crossing and Redlaw; in Saskatchewan: Kincaid, Readlyn, Shaunavon and Wiseton; in Manitoba: Kelvin Street (Winnipeg); in Ontario: Oshawa and Port McNicoll; in Quebec: Upper Town (Quebec), and in New Brunswick: Campbellton, Moncton and West St. John.

The sub-agencies mentioned below have been made independent branches:

Asbestos, Chambly, Clarenceville, Dunham, Ibrerville, Lacolle, Roxton Falls, Stanbridge East and Uppertown (Sherbrooke), all in the Province of Quebec.

The branches at Stewart, B.C., Black Lake, Que., and St. Elizabeth, Que., have been closed and the business of the branch at 367 Main Street South, Winnipeg, has been transferred to the main office in Winnipeg. The business of the sub-agencies at Naramata, B.C., Beboel Station, Henryville, Lawrenceville, St. Philippe de La Prairie, St. Sebastien, Sweetsburg and Upton, all in the Province of Quebec, has been transferred to their respective parent branches. Since the close of the year branches have been opened at St. Denis and Duluth (Montreal), Bath, N.B., and Bristol, N.B.

Due notice has been received of the intention to nominate Mr. T. Harry Webb, of Messrs. Webb, Read, Hegan, Callingham & Co., Montreal and Winnipeg, and Mr. James Marwick, C.A., of Messrs. Marwick, Mitchell, Peat & Co., Montreal, as auditors of this Bank under the provisions of sub-section 10 of section 56 of the Bank Act.

The branches and agencies of the Bank in Canada, the United States, Great Britain, Newfoundland and Mexico and the departments of the Head Office have undergone the usual thorough inspection during the year.

The Directors wish again to express their appreciation of the efficiency and zeal shown by the officers of the Bank in the performance of their duties.

B. E. WALKER, President.
Z. A. LASH, Vice-President.

ALEXANDER LAIRD,
General Manager.
Toronto, 13th January, 1914.

GENERAL STATEMENT

29th November, 1913.

LIABILITIES.

Notes of the Bank in circulation	\$ 15,642,923 18
Deposits not bearing interest	\$ 52,798,205 84
Deposits bearing interest, including interest accrued to date	140,015,509 40
	192,813,715 24
Balances due to other Banks in Canada	633,237 12
Balances due to Banks and Banking Correspondents elsewhere than in Canada	10,071,316 73
Bills payable	9,515,787 65
Acceptances under Letters of Credit	1,941,544 19
	\$230,618,524 11
Dividends unpaid	2,666 48
Dividend No. 107 and bonus, payable 1st December	525,000 00
Capital paid up	\$ 15,000,000 00
Rest	13,500,000 00
Balance of Profit and Loss Account carried forward	384,529 98
	<u>28,884,529 98</u>
	<u>\$260,030,720 57</u>

ASSETS.

Current Coin and Bullion	\$ 9,579,473 66
Dominion Notes	20,836,182 50
	\$ 30,415,656 16
Balances due by Banks and Banking Correspondents elsewhere than in Canada	\$ 6,884,652 83
Balances due by other Banks in Canada	22,122 47
Notes of other Banks	3,106,230 00
Cheques on other Banks	6,418,425 14
	16,431,430 44
Call and Short Loans in Canada on Bonds, Debentures and Stocks	9,610,550 08
Call and Short Loans elsewhere than in Canada	16,154,360 65
Dominion and Provincial Government Securities	3,434,605 06
British, Foreign and Colonial Public Securities and Canadian Municipal Securities	2,431,989 71
Railway and other Bonds, Debentures and Stocks	18,091,224 04
Deposit with the Minister for the purposes of the Circulation Fund	738,500 00
	\$ 97,308,316 14
Other Current Loans and Discounts in Canada (less rebate of interest) ..	136,474,874 82
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest)	18,102,015 15
Overdue Debts (estimated loss provided for)	487,554 72
Real Estate (including the unsold balance of former premises of the Eastern Townships Bank)	979,915 61
Mortgages on Real Estate sold by the Bank	433,607 32
Bank Premises	4,281,481 60
Other Assets	21,411 02
Liabilities of customers under Letters of Credit, as per contra	1,941,544 19
	<u>\$260,030,720 57</u>

ALEXANDER LAIRD,
General Manager.

B. E. WALKER, President.
Z. A. LASH, Vice-President.

The President said in part:

Now that we have come to a slight pause in the growth of North America, it is well to bear in mind some of the more important things accomplished during this period of expansion. In Canada, in addition to growth in many other directions, we have in sight the completion of two transcontinental railway systems, and while they have been building, the existing system has successfully established its claim to rank as one of the foremost railway systems of the world. As regards the United States, the Panama Canal is practically finished; a tariff of adjustment, the mere thought of which would have created panic a few years ago, has taken place, leaving the outlook in this respect a certainty instead of an uncertainty; a currency and banking bill, for which the country has been waiting about twenty years, has been passed, and a more reasonable attitude has been adopted towards the question of railroad rate adjustment. These are all events of the greatest importance which must profoundly affect the future of the two countries, and so far as Canada is concerned we may surely feel that we are now entering upon a new and more important phase of industrial life for which our equipment is more adequate than ever before. No more positive evidence of the need and value of such equipment could be offered than the ease with which the present year's crop was harvested, moved and warehoused. This has been done in a manner which would have seemed impossible only a few years ago, and the value of the smoothness and rapidity with which the work was handled can scarcely be estimated.

The comments of our Canadian, United States and English officers upon the trade and financial situation are so clearly set forth that I hesitate to repeat in any form their conclusions. It may be well, however, at such a difficult time to sum up the case as concisely as possible. The world has two problems before it: (1) How to render available a supply of money sufficient for the carrying out of such physical betterments as must be financed by the sale of securities? (2) How to enlarge the credit facilities of the world for those shorter term transactions which consist of the manufacturing and distributing of perishable goods?

The first problem can only be comfortably solved if there is sufficient money saved—that is, profits withdrawn from active use in business, or income not expended by the owners, etc.—to provide for the necessary borrowings of those who are expending money on permanent improvements. For some years the world has been more extravagant than in any period known to history since Roman times, and this extravagance has been accompanied by a rise in prices which has made it very hard for those who are not extravagant, and who are the most regular in saving money in ordinary times, to put by the usual margin against life's contingencies. When securities cannot readily be sold because of a shortage in these savings, the money necessary for the short-term transactions above referred to is used to some extent, but the strain produced by this cannot continue indefinitely, and such permanent improvements must lessen in volume until savings catch up and the equilibrium has been restored. The situation during the past year, however, has been aggravated by many other factors. In many countries, notably in Canada, where large sums are being expended on permanent improvements, there is a relatively small number of those who have savings to lend, and the wants of all the borrowers in all such countries have exerted upon the lending countries of the world a combined pressure greater than ever before known. On the other hand, to the extravagance of individuals represented by motor cars, palatial houses, social display, etc., beyond the capacity of their incomes, have been added colossal expenditures in war and on armaments, and for many purposes which are useless from an industrial point of view. Armaments are necessary as part of the police system of the world, but the money sunk in their creation is none the less a sad burden to the industrial world. We have thus come to a time when, coinciding, as they do, with the hoarding of money by timid owners consequent upon the Balkan and Mexican troubles, the unusual requirements coming from an almost world-wide prosperity, cannot be fully met. All business activities, therefore, throughout the world must be lessened in volume until things right themselves, which they will do quite speedily if people generally are willing to profit by the lessons to be drawn from recent experience.

Mr. T. Harry Webb, C.A., of Messrs. Webb, Read, Hegan & Callingham, Montreal and Winnipeg, and Mr. James Marwick, C.A., of Messrs. Marwick, Mitchell, Peat & Company, Montreal, were appointed Auditors of the Bank.

The following were elected Directors for the coming year: Sir Edmund Walker, C.V.O., LL.D., D.C.L.; Hon. George A. Cox, John Hoskin, K.C., LL.D.; J. W. Flavelle, LL.D.; A. Kingman, Hon. Sir Lyman Melvin Jones, Hon. W. C. Edwards, Z. A. Lash, K.C., LL.D.; E. R. Wood, Sir John M. Gibson, K.C.M.G., K.C., LL.D.; Robert Stuart, George F. Galt, Alexander Laird, William Farwell, D.C.L.; Gardner Stevens, A. C. Flumerfelt, George G. Foster, K.C.; Charles Colby, M.A., Ph.D.; George W. Allan, H. J. Fuller, F. P. Jones.

At a meeting of the newly-elected Board of Directors held subsequently, Sir Edmund Walker, C.V.O., LL.D., D.C.L., was elected President, and Mr. Z. A. Lash, K.C., LL.D., Vice-President.