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THE BANK OF MONTREAL'S MEETING.

Felicitations upon two notable anniversaries attached additional interest to this week's meeting of the Bank of Montreal's shareholders. The recent centennial of the Bank, extensive reference to which was made a few weeks ago, happily coincided with the golden jubilee of Sir Vincent Meredith's association with the institution, of which for the last four years he has been president. The sentences in which Sir Vincent referred to the completion of a century's service by Canada's premier banking institution, modestly and admirably stated the belief not only of Canadians, but also of many foreign financial observers of weight and eminence. "I feel warranted in stating," he said, "that never during this long period was its prestige higher, its business in sounder or more elastic condition and its earning power greater than I believe them to be to-day. I am glad to believe also that it has never enjoyed a wider measure of public confidence."

The addresses made by Sir Vincent Meredith and by Sir Frederick Williams-Taylor (general manager) as usual, covered the whole ground of present Canadian conditions. Both speakers laid great stress upon the necessity for a policy of wise economy in both personal and national affairs, an economy sparing of unnecessary expenditures, but energetic in securing efficiency and increased production.

CANADIAN CONDITIONS.

In the course of his illuminating analysis of the Canadian position, Sir Vincent Meredith drew attention to the fact that while a continuance of prosperity and high prices is indicated by the expenditures of both the Canadian and British Governments, as well as by the unexpectedly large orders which have recently been placed in Canada by the United States Government, it must not be forgotten that present prosperity is in a large measure due to the abnormal disbursements in Canada in connection with the war, and may therefore prove transitory. Nearly one-half of our export trade at present consists of munitions of war, and is to that extent unstable. What the result of curtailment of these abnormal expenditures in Canada or of the declaration of peace is likely to be, it is impossible to foresee, and though personally hopeful of prosperous business conditions being continued for some time during the re-adjustment period after the war, Sir Vincent urged strongly the imperative need for efficiency and increased production, together with economies in all public and private

expenditure. Sir Frederick Williams-Taylor, touching a similar point, drew attention to the fact that our available resources are not such as can be relied upon to provide peace exports in full substitution for munition exports, and that therefore we must stand prepared to meet a declension in trade, on the cessation of the present demand for munitions.

The important matter of the cutting-off of our supplies of capital from abroad, as a result of the United States entry into the war, was instructively discussed by Sir Frederick Williams-Taylor. Thrown back on our own resources, with interest obligations abroad, to be cared for by our exports, of \$180,000,000 annually, in addition to our imports, there is a big task before us in the recovery of our economic balance. Present-day essentials, in Sir Vincent Meredith's opinion, are that no unwise expenditures be made, no new financial obligations undertaken and that the burden of taxation be distributed equitably. These given, there need not be fear for the future.

THE BANK'S POLICY.

The statement made by Sir Frederick Williams-Taylor in regard to the policy followed by the Bank during the year contains a number of interesting points. The speaker was at pains to explain the wisdom and even necessity of the maintenance of an exceedingly strong reserve position by the Canadian banks generally. The Bank of Montreal's ratio of quick assets to liabilities to the public is 75½ per cent., 22 per cent. of the Bank's liquid resources being represented by British and Canadian Government securities. "The banks have kept strong," said Sir Frederick, "in an endeavor to prevent currency inflation, while, at the same time, they have made war advances to the Canadian and Imperial Governments to an amount that would have been regarded as impossible three years ago."

THE BANK'S BALANCE SHEET.

The balance sheet of the Bank for the year ended October 31st last has already been noticed in these columns. Following is a comparison of the leading items of this year with last year:—

	1917	1916
	\$	\$
Capital Stock.....	16,000,000	16,000,000
Res.	16,000,000	16,000,000
Profit & Loss Balance.....	1,664,893	1,414,424
Circulation.....	29,308,086	21,779,134
Balance due to Dominion Government.....	13,638,962
Deposits (not bearing interest)....	71,114,642	88,767,018
Deposits (bearing interest).....	246,041,787	210,439,032
Total Liabilities to Public.....	365,771,928	328,419,793
Specie and Legals.....	51,353,125	41,314,019
Central Gold Reserve.....	14,500,000	7,500,000
Call Loans Abroad.....	100,610,214	113,002,097
Bank Balances Abroad.....	16,629,090	31,631,237
Total of Quick Assets.....	276,298,398	246,982,680
Current loans and discounts.....	119,068,600	111,462,901
Total Assets.....	403,980,237	365,215,542

With regard to the increase in current loans and discounts, it is noted that this has taken place in spite of repayments by many of the Bank's largest industrial customers, who find themselves in easy circumstances as a consequence of war business.

It remains only to note the proud record made by the Bank in the matter of military service. To such an extent have male officials enlisted, that 42 per cent. of the present staff are women clerks. Over one hundred of the male staff have been killed, many wounded, while several have been decorated for conspicuous gallantry.