

NEWS AND VIEWS FROM WORLD OF FINANCE

THE PROVINCIAL BANK OF CANADA

Sixteenth Annual General Meeting of the Shareholders Held Wednesday, Jan. 26th

BOARD OF DIRECTORS
 President—Mr. H. Laporte, President Laporte, Martin Limitee, Director of Credit Foncier Franco-Canadien.
 Vice-President—Mr. W. F. Carsley, Capitalist.
 Mr. L. J. O. Beauchemin, Director The Lake of the Woods Milling Co.
 Mr. G. M. Bosworth, Vice-President "Canadian Pacific Railway Co."
 Mr. J. O. Beauchemin, President Librairie Beauchemin Limitee.
 Mr. L. J. O. Beauchemin, General Manager Credit Foncier Franco-Canadien.
BOARD OF CONTROL FOR SAVINGS DEPARTMENT
 President—Hon. Sir Alex. Lacoste, K. C., Ex-Chief Justice, Court of King's Bench, P. Q.
 Vice-President—Dr. E. P. Lachapelle, Director Credit Foncier Franco-Canadien.
 Hon. N. Perreault, M. P., Minister without portfolio in the Quebec Government.
 Mr. Tancred Blenven, General Manager.
 Mr. A. Giroux, Secretary.
 Mr. J. A. Turot, Inspector.
 Mr. A. Thibault, Assistant Inspector.

REPORT SUBMITTED BY THE BOARD OF DIRECTORS TO THE SHAREHOLDERS

Gentlemen—
 Your Directors beg to submit to the shareholders the Annual Report of the Bank's position and operations for the year 1915. Notwithstanding the war which has been going on since our last meeting, the results obtained must be considered as being very satisfactory.

You know, gentlemen, during the period we are now reviewing and particularly during the last six months, agriculture, thanks to the efforts which were spent upon it, has produced crops of a value unheard of before now.

From the industrial and manufacturing point of view, a considerable revival of activity in all the principal branches has been noticed. Consequently, the proportion of unemployed workmen is considerably less than it was at this time in 1914. Only in the building trade there has been a lack of work, and in that branch a few signs of activity are discernible only in certain parts of the country.

Therefore, leaving aside the sanguinary conflict now raging and which we all deplore, and from a point of view strictly economic, we must feel assured that the actual state of affairs has been, on the whole, favorable to us.

At present as well as during last year, a very high percentage of the assets held by the banks are quick assets. In consequence, and true to the prudent rule of conduct which you have always approved, your directors have continued to maintain the treasury of the Bank at the very highest figures, as appears from the general statement. This method of administration, which we hope will invariably be of advantage to the shareholders, that fact, we have not been obliged to reduce the amount of loans which we make in normal times to our commercial and industrial patrons. As a matter of fact, our current or commercial loans show a notable increase over last year.

It is appropriate to mention that the chapter of deposits shows an increase relatively large this year, namely, upwards of \$1,300,000. Our liabilities to the public now amount to \$12,624,275.91.

The results of the period just ended show profits of \$196,355.64. It is 13.6 per cent. of the paid capital, or nearly 12 per cent. of both the capital and reserve fund.

From that sum four quarterly dividends, amounting to \$70,000, have been paid and the sum of \$9,665.96 has been written off the profits and further of the Bank's offices and branches.

Furthermore, we have put aside the sum of \$90,000 to meet any possible depreciation in our investments. Better times return, this sum will be repaid among the assets. This temporary allowance for depreciation constitutes, therefore, under the circumstances, another reserve. The sum of \$10,000 has been paid to the Federal Government as war tax on the Bank's circulation, and the important sum of \$14,553.30 has been paid during the year in provincial, municipal and other taxes.

Following the example of other banks, we deem it our duty to call the attention of our shareholders on this question of taxes. We do not think that any other business in Canada is taxed in the same proportion, and we rely on the justice and equity of the authorities to whom the Bank's Association of Canada has already addressed itself, to obtain a revision.

The taxes of all kinds which are the excessive and unreasonable competition which exists amongst them, and which is manifested by the opening of sub-agencies and branches in places of no commercial importance, and in the opening of new branches in places where there are already existing ones.

Such a competition is a source of loss not only on account of the parcelling out of business and of deposits which it entails, but also on account of the risks which it causes to assume in the nature of credits which must be granted. Bank directors are therefore favorable to a reform of this system, and we are glad to hear that a committee of bankers has worked in that direction, and we are glad to hear that a certain number of branches have already, as a consequence, been closed. On the day when means are found to regulate this competition, not only will the banks profit thereby, but, indirectly, commerce and industry will be greatly benefited.

Your bank now possesses seventy-five branches established in the Provinces of Quebec, Ontario and New Brunswick, of which two relatively important ones have been opened during the last year: One in the City of Quebec, where we have purchased a suitable building for our offices; the other at St. John, N. B. The establishment of your bank in those two important places had become necessary on account of the system of branches which we already had in those two provinces, and we have reason to believe that we shall obtain good results from this new move. These various buildings, including our head office, have all been visited by our inspectors.

Furthermore, in conformity with the Bank Act, a general audit has been made by the shareholders' representatives, and their certificate, which appears in the general statement, shows the importance of their work.

The Board of Censors, named at your last meeting, have also tendered their annual report, which shall be read to you. These gentlemen have scrupulously accomplished the duties of their office during the past year. This Board for the control of the savings department renders great services to your bank, and we here feel bound to express to its members our warmest thanks.

In the course of the year, your Board of Directors has been much grieved by the death of one of its members, the Honorable Louis Beaulieu. The noble ideals, delicate kindness and benevolence of Mr. Beaulieu had won him the respect and affection of all. We wish to convey once more to his family the expression of the deep regret which we have felt by reason of his loss.

To fill the vacancy, we have chosen of the members of the Board of Censors, Mr. Martial Chevalier, general manager of the important corporation known as "Le Credit Foncier Franco-Canadien." You will congratulate yourselves, as we do, on seeing that the Provincial Bank of Canada will now have the benefit of the extensive knowledge and great experience of affairs of our new colleague.

To take the place of Mr. Chevalier on the Board of Censors, we have named the Honorable Mr. Perreault, Legislative Councillor and Minister without portfolio in the Provincial Government. It will now be to the advantage of our Bank that he will use the many qualities and the great professional ability which we know him to possess.

To the staff of the Bank, to the inspectors, managers, officers and employees, we offer the same thanks as in the preceding years; they all deserve our gratitude.

Our General Manager, Mr. Blenven, who has been connected with this Bank since its foundation, always fulfills the onerous duties of his office with a conscientiousness and an ability which we are glad once more to recognize. His application to work and his diligence, energy and devotedness in furthering the affairs of the Bank, deserve this testimony.

Let us hope that we may submit our next report to you under better auspices, under the auspices of peace.

For the Administrators:
 (Signed) H. LAPORTE.
 Report of the Board of Censors, as submitted at the General Annual Meeting of Shareholders.
 Montreal, Wednesday, 26th January, 1916.

Gentlemen—
 In our capacity of Censors, we beg to submit the report of our labors for the fiscal year of your Bank, terminating on the 31st of December last.

We have regularly held our monthly meetings, and at each one of them all the documents and vouchers necessary for the fulfillment of our mandate

were furnished us; after verification, we have found that securities such as municipal bonds and others, together with the cash in the treasury and in bank, exceeded at all times during the year the amount prescribed by your by-laws to meet the possible demands of the depositors.

The rapid and constant progress of your institution since its foundation and the very high proportion of its liquid assets show that it is administered with zeal and prudence. We are convinced that this brilliant situation must compensate for the great sacrifices made by the founders of the Bank. In terminating, we beg to join in the very great regrets caused by the death of the Honorable Louis Beaulieu.

For the Board of Censors.
 (Signed) A. LACOSTE, President.

PROFIT AND LOSS ACCOUNT AS ON DECEMBER 31ST, 1915.
 Balance at credit of Profit and Loss account Dec. 31st, 1914 \$13,900.54
 Profits for the year ended 31st December, 1915, after deducting charges of Management, interest due to depositors, rebate on current discounts (\$20,265.88) and provision for Losses 196,355.64
 Balance at credit of Profit and Loss account Dec. 31st, 1915 \$210,255.88

APPROPRIATED AS FOLLOWS:
 For quarterly dividends in all 7 per cent. 70,000.00
 War tax on Bank Note Circulation 10,000.00
 Provincial, Municipal and other taxes paid during the current year 14,553.30
 Written off Bank Premises, Furniture and Pictures 9,665.96
 Carried to credit of Securities owned by the Bank and Provision for Contingencies 90,000.00
 Balance of Profit and Loss carried forward 196,355.64
 Balance at credit of Profit and Loss account Dec. 31st, 1915 \$210,255.88

RESERVE FUND:
 Balance at credit, 31st December, 1915 \$650,000.00

FOR THE BOARD OF DIRECTORS:
 (Signed) H. LAPORTE, President.
 TANCRED BLIVEN, Vice-President and General Manager
 COMPARED WITH THE BOOKS AND FOUND CORRECT:
 (Signed) J. R. CHOQUET, Chief Accountant.
 M. LAROSE, Chief Inspector.

THE GENERAL STATEMENT OF THE BANK ON DECEMBER 31st, 1915

LIABILITIES.
 Deposits not bearing interest \$2,696,234.58
 Deposits bearing interest including interest accrued to date of statement 7,913,055.55
 Balances due to Banks and Banking Correspondents in United Kingdom and Foreign Countries 906,666.59
 Balances due to other Banks in Canada 14.90
 Total \$13,614,971.62

Notes of the Bank in Circulation 1,000,258.00
 Unclaimed Dividends 1,548.29
 Quarterly Dividend payable January 3rd, 1916 17,500.00
 Total Obligations to the Public \$12,624,275.91

CAPITAL PAID UP 1,000,000.00
RESERVE FUND 650,000.00
 Balance of Profit and Loss carried forward 16,628.63
 Total \$14,290,314.00

Liabilities not included in the foregoing \$14,290,314.00

ASSETS.
 Gold and Silver Coin current \$5,233.10
 Dominion Government Notes 1,083,665.00
 Notes on other Banks 357,534.00
 Cheques on other Banks 1,087,730.12
 Due by other Banks in Canada 746,312.25
 Balances due by Banks and Banking Correspondents elsewhere than in Canada 80,061.56
 Total \$3,460,986.03

Dominion Government Securities 22,540.00
 Canadian Municipal Securities and British Foreign and Colonial Public Securities other than Canadian 1,079,574.60
 Railway and other Bonds, Debentures and Stocks, NOT EXCEEDING MARKET VALUE 1,436,397.45
 Cash and Short Loans in Canada on Bonds, Debentures and Stocks 1,558,458.25
 Grand Total \$7,558,356.39

Loans in Cities, Towns, Municipalities and School districts \$366,316.08
 Current loans and discounts in Canada 5,827,852.58
 Total \$6,194,168.66

Less rebate of interest on both items 30,265.96
 Total 6,163,902.30

Deposit with the Dominion Government to secure Bank Notes 60,100.00
 Overdraws, drafts and bills provided for 12,579.81
 Real Estate other than Bank premises 43,359.04
 Bank premises \$89,000, including furniture and fixtures at not more than cost, less amounts written off 248,510.77
 Mortgages on real estate sold by the Bank 185,356.02
 Other Assets not included in the foregoing 14,369,491.76
 Total \$14,369,491.76

COMPARED WITH THE BOOKS FOR THE BOARD OF DIRECTORS:
 AND FOUND CORRECT:
 (Signed) J. R. CHOQUET, Chief Accountant. (Signed) H. LAPORTE, President.
 M. LAROSE, Chief Inspector. (Signed) TANCRED BLIVEN, Vice-President and General Manager.

To the shareholders of
 THE PROVINCIAL BANK OF CANADA.

In accordance with the provisions of subsection 19 and 20 of section 54 of the Bank Act, we report to the shareholders as follows:

We have examined the above balance sheet with the Books at Head Office and with the certified returns from the branches. We have obtained all the information and explanations that we have required and are of opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In addition to our verification as on December 31st, 1915, we have during the year checked the Cash at the Chief Office and verified the securities representing the investments of the Bank at its Head Office and principal branches, and found them to agree with the books of the Bank.

The above statement, to which reference is made in the report of the Directors, is properly drawn so as to exhibit a true and correct view of the state of the Bank's affairs, according to the best of our information and the explanations given to us as shown by the books of the Bank.

(Signed) ALEX. DESMARTEAU, L.L.C., Montreal
 J. A. LARUE, C. A., Quebec

At a subsequent meeting of the Directors, the following officers were elected: Mr. H. Laporte, President, and Messrs. W. F. Carsley and Tancred Bliven, Vice-Presidents.
 And at a meeting of the Commissioners-Censors held immediately after the Directors' meeting, Sir Alex. Lacoste was elected President and Doctor E. P. Lachapelle, Vice-President for the ensuing year.

SPECIAL.
 Shareholders have unanimously voted \$5,000 for the Patriotic Fund: same amount as last year.

CLOSING STOCK LETTER.
 New York, Feb. 7.—The market held strong throughout the greater part of the day, most of the activity however, being in the specialties. Baldwin Locomotive was one of the strongest features, and the petroleum issues were affected favorably by the announcement of plans for the new combination, U. S. Steel and the market generally held up well near the high points, even though there was a considerable decline in activity in the afternoon. Announcement was made that the Midvale Steel had purchased a controlling interest in the Cambria Steel Company at \$81 a share. This was probably one of

the reasons why the steel combination which was to include the Youngstown Sheet and Tube, Lackawanna Steel and Cambria, did not go through, although the reason announced was that the interests in some of these companies held their stocks for too high a price. The improved position of the stock market can be shown by the movement of the averages as compiled by Dow Jones & Co. During January industrial declined over 9% points and railroads about 7% points. Since January the industrials have moved up 3 1/2% and have lost two points, and the railroads have moved up 2 points and lost one. Sales, \$92,742. Bonds, \$3,623,500. E. & C. RANDOLPH.

STOCK QUOTATIONS ON N.Y. EXCHANGE

(McDOUGALL & COWANS.)

Am Beet Sug	66 1/2	67 1/2	68 1/2	69 1/2
Am Car Fy	67 1/2	68 1/2	69 1/2	70 1/2
Am Loco	66 1/2	67 1/2	68 1/2	69 1/2
Am Smelt	100 1/2	101 1/2	102 1/2	103 1/2
Anacosta	86 1/2	87 1/2	88 1/2	89 1/2
Am Wood	49 1/2	50 1/2	51 1/2	52 1/2
Am Tele	127	128	129	130
Atchison	103 1/2	104 1/2	105 1/2	106 1/2
Am Can	62 1/2	63 1/2	64 1/2	65 1/2
Balt and O Co	88 1/2	89 1/2	90 1/2	91 1/2
Beth Steel	47 1/2	48 1/2	49 1/2	50 1/2
Bald Loco	115 1/2	116 1/2	117 1/2	118 1/2
Brook Rap Tr	87 1/2	88 1/2	89 1/2	90 1/2
Butte and Sup	78 1/2	79 1/2	80 1/2	81 1/2
C F I	45 1/2	46 1/2	47 1/2	48 1/2
Ches and Ohio	62 1/2	63 1/2	64 1/2	65 1/2
Chgo	53 1/2	54 1/2	55 1/2	56 1/2
Cent Leath	53 1/2	54 1/2	55 1/2	56 1/2
Can Pac	170 1/2	171 1/2	172 1/2	173 1/2
Cruc Steel	83 1/2	84 1/2	85 1/2	86 1/2
Erie Com	38 1/2	39 1/2	40 1/2	41 1/2
Gr Nor Pfd	121 1/2	122 1/2	123 1/2	124 1/2
Lehigh Val	77 1/2	78 1/2	79 1/2	80 1/2
Lehigh and N	68 1/2	69 1/2	70 1/2	71 1/2
NY Cent	106 1/2	107 1/2	108 1/2	109 1/2
Nor Pac	113 1/2	114 1/2	115 1/2	116 1/2
Penn	56 1/2	57 1/2	58 1/2	59 1/2
Press Stl Car	57 1/2	58 1/2	59 1/2	60 1/2
Reading Com	77 1/2	78 1/2	79 1/2	80 1/2
Rep Steel	53 1/2	54 1/2	55 1/2	56 1/2
St Paul	97 1/2	98 1/2	99 1/2	100 1/2
Son Pac	100 1/2	101 1/2	102 1/2	103 1/2
Sloss	58 1/2	59 1/2	60 1/2	61 1/2
Studebaker	152 1/2	153 1/2	154 1/2	155 1/2
Un Pac Com	134 1/2	135 1/2	136 1/2	137 1/2
U S Steel Com	83 1/2	84 1/2	85 1/2	86 1/2
U S Steel Pfd	116 1/2	117 1/2	118 1/2	119 1/2
U S Rub Com	52 1/2	53 1/2	54 1/2	55 1/2
Westing Elec	66 1/2	67 1/2	68 1/2	69 1/2

MONTREAL TRANSACTIONS

(McDOUGALL & COWANS.)

Montreal, Monday, Feb. 7th—	
Steamships Com.—4 @ 18, 25 and 18 1/4.	
Steamships Pfd.—100 @ 75 1/2, 10 75 1/2, 75 @ 75 1/4, 100 @ 75, 25 @ 76.	
Steel Com.—20 @ 38 1/2, 20 @ 39 1/2, 25 @ 39 1/2, 35 @ 39.	
Dom. Textile—10 @ 78, 25 @ 77 1/2, Cement Pfd.—10 @ 31.	
Cement Com.—25 @ 40 1/2, 25 @ 46 1/2, 50 @ 47 1/2.	
Dom. Iron Pfd.—30 @ 97.	
Dom. Iron Com.—5 @ 44 1/2.	
Shawinigan—25 @ 131 1/2.	
Montreal Power—25 @ 224.	
Montreal Cotton Pfd.—10 @ 79 1/2.	
Canada Car—25 @ 75 1/2, 10 @ 73.	
205 @ 74, 10 @ 74 1/4.	
Detroit United—10 @ 77, 25 @ 77 1/2, 115 @ 77 1/2.	
Laurentide Pulp—25 @ 184.	
McKays—25 @ 82 1/4.	
McDonalds—20 @ 91 1/2.	
N. S. Steel—35 @ 96.	
Hollinger—5 @ 30, 45 @ 29 1/2.	
Ames Pfd.—10 @ 37.	
Cotton—10 @ 37.	
Pennams—25 @ 60 1/4, 175 @ 61, @ 60 1/2, 15 @ 62.	
Afternoon	
Steel of Canada Pfd.—15 @ 88.	
Steamships Com.—100 @ 19 1/4.	
Steel of Canada Com.—45 @ 39.	
Domination Textile—30 @ 77 1/2.	
Cement Pfd.—4 @ 91.	
Cement Com.—135 @ 47, 25 @ 47 1/2.	
Dom. Iron Com.—45 @ 45.	
Shawinigan—17 @ 131 1/2, 2 @ 131.	
Bell Telephone—25 @ 147.	
Canada Car—5 @ 75, 25 @ 74.	
Reading—15 @ 13.	
Ames Pfd.—5 @ 37.	
C. Cottons—25 @ 38, 5 @ 37.	
75 @ 61 1/2, 65 @ 72 1/2, @ 63.	

Winnipeg Wheat Close (McDOUGALL & COWANS.)
 May—128 1/2.
 July—125 1/2.

MONTREAL MARKET

(McDOUGALL & COWANS.)

Ames Holden Con.	21%	
Ames Holden Pfd.	72%	7
Am. L. H. and P.	7%	5
Canada Can.	7%	5
Canada Cement Pfd.	90%	4
Can. Cotton	37%	4
Crown Reserve	41	4
Dom. Bridge	73%	4
Dom. Bridge	21%	22
Dom. Cadners	3%	3
Dom. Iron Pfd.	96	99
Dom. Iron Com.	45	44
Dom. Tex. Com.	77%	76
Edmonton Lp.	73%	74
Lake of Woods	133	133
MacDonald Con.	9	1
Minn. and St. Paul	122	123
Mt. L. H. and Power	223	223
Norfolk Steel and C.	96	96
Ottawa and P.	12	12
Ogilvie	133	133
Penman's Limited	62%	63
Quebec Railway	13	13
Shaw W. and P. Co.	131%	131
St. John's River	3%	3
Steel Co. Can. Com.	28%	28
Steel Co. Can. Pfd.	87%	87
Toronto Rafts	1	1
Winnipeg Tobacco	1	1
Winter Fuel	1	1