

THE CANADIAN BANK OF COMMERCE

THE ADDRESS OF THE PRESIDENT, THE HON. GEO. A. COX, AND OF THE GENERAL MANAGER, MR. B. E. WALKER.

The annual meeting of the Canadian Bank of Commerce is always awaited with interest by the public, more especially because of the address anticipated from the president, the Hon. G. A. Cox, and from the general manager, Mr. B. E. Walker.

At the 37th annual meeting on 12th inst., these anticipations were fulfilled in generous measure. The Address of the president may be styled a Financial Review of the year, while that of the general manager was a Commercial Review, with financial aspects.

The president opened by stating in what manner the balance at credit of profit and loss account had been appropriated. The amount was \$1,450,000, made up as follows:

Brought forward from last year... \$ 152,821 07
Surplus from purchase of assets of the Halifax

Banking Company... 293,028 38
Net profits for year ending 30th November... 1,004,217 51

\$1,450,066 76

Which was appropriated as follows:—

Dividends Nos. 72 and 73, at 7 per cent. per annum.

For the year on \$8,000,000... \$560,000

For six months on \$700,000 new stock... 24,500

\$ 584,500 00

Transferred to Rest Account, after the amalgamation with the Halifax Banking Co. 500,000 00

Written off Bank Premises... 185,007 62

Transferred to Pension Fund (annual contribution)... 15,000 00

Balance carried forward... 165,539 14

\$1,450,066 76

The bank's assets had increased by \$10,500,000, of which \$5,870,000 was contributed by the Halifax Banking Co., the business of which had been secured, the balance of \$4,630,000 representing the growth of the bank's ordinary business. Owing to a number of banks having increased their capital last year, most of them have been able to supply their own wants, and thus the maintenance of the circulation of the Bank of Commerce at last year's level indicates sufficient growth in its own business to overcome this use of its notes by other banks.

Reference was made by the president, to the demand for new branches, to meet which presented more than one grave difficulty, in regard to which he said:—

"First, we cannot carry on a bank successfully without a well-trained staff, and we cannot provide bank managers to order, if the requirements are too numerous at any one time. Secondly, we cannot afford to carry more than a certain number of new, and, therefore, probably for the time being, unprofitable branches, at any one time. The chief fault on the part of the banks seems to be in the distribution

of the facilities they have to offer to the public. People are well pleased when first one and then two, three and four banks open branches in their particular town, but unfortunately this often very foolish competition has not only the effect of making profit impossible for the banks in the particular place, but of making it impossible for some of these banks to put the wasted facilities in this town at the disposal of some other place where there is no bank at all. I hope it will be understood that we are not attempting to criticize other banks. We are all guilty and will probably continue so until competition enforces a more sensible policy."

The president stated that provision had been made "to write every security" to the quoted value at date of the statement, and but for this, the profits would have been considerably larger than last year."

After allusion to the chief financial features of the year, the president closed his remarks by saying:—"Whether the credit of Canada will be aided by the contrast we present both in prosperity and in the extent of our demands on the London money market, or not, this much is clear, that it should be, and that we should do as little as possible to impair the high standing to which we are justly entitled at the present time."

Mr. B. E. Walker, general manager, always speaks as one impressed with a deep sense of responsibility not to the bank only, but to the country. As well he may, when we consider that he is, as one shareholder said, like a General in command of 727 men, and controlling a business which is represented by assets amounting to over 83 million of dollars. The administrative duties of such a position demand a very high order of talent, combined with exceptionally sound judgment. In the daily exercise of such duties a general manager is brought into daily contact with the actual conditions of every class of business, so that he has more materials and more reliable information on which to formulate a review of the country's commerce in any given period than are at the command or service of any other public official.

In view of Mr. Walker's cautious attitude, it is gratifying to find his verdict on 1903 to be as follows: "We have had a year in which the general results of agriculture, pasturage, dairying, mining, lumbering, trading and manufacturing have been excellent, and unmistakably in the matter of national prosperity we are well forward in the race as compared with any previous time. Nor is it easy to imagine conditions in the near future, which will prevent this country from making steady progress in a large way relatively to our past."

He proceeded to show the need for continual care in making good use of opportunities as the power to make a country implies the power to mar the future, and in 1903 there had been evidences of "a capacity, in some quarters for hindering rather than aiding the industrial development of Canada." One of the evidences of the hindering capacity was the movement for the forcing of the cost of production of