

ANNUAL MEETING Union Bank of Canada

Held at Winnipeg, December 17th, 1913

The Forty-ninth Annual General Meeting of the Shareholders was held at the Banking House in Winnipeg, on Wednesday, December 17th, 1913

The Annual General Meeting for the election of directors and other general business, was held at the banking house, in the City of Winnipeg, on Wednesday, the 17th of December, 1913. The meeting was largely attended.

The Chairman read the Annual Report of the directors, as follows:

FORTY-NINTH ANNUAL STATEMENT

29th November, 1913

PROFIT AND LOSS ACCOUNT

Balance at credit of account, 30th November, 1912	\$75,403.76
Net profits for the year, after deducting expenses of management, interest, due depositors, reserving for interest and exchange, and making provision for bad and doubtful debts, and for rebate on bills under discount, have amounted to	790,096.37
being slightly over 10 per cent on the paid-up capital, during the year.	
Which has been applied as follows:-	
Dividend No. 194, 1 per cent paid March 1st, 1913	\$895,579.63
" No. 195 1 per cent paid June 1st, 1913	\$100,000.00
" No. 196 2 per cent paid September 1st, 1913	\$100,000.00
" No. 197 3 per cent payable December 1st, 1913	\$100,000.00
Bonus of 1 per cent payable March 1st, 1914, to shareholders of record as at February 1st, 1914	\$50,000.00
Transferred to Retained Account	\$100,000.00
Reserved for depreciation in securities owned by the Bank	\$15,000.00
Written off Bank Premises Account	\$40,000.00
Contribution to Officers' Pension Fund	\$10,000.00
Balance of Profits carried forward	\$97,979.63
	\$895,579.63

GENERAL STATEMENT

LIABILITIES

Notes of the Bank in circulation	\$6,327,179.00
Deposits not bearing interest	\$19,898,095.18
Deposits bearing interest	45,867,312.61
Balance due to other Banks in Canada	64,956,528.19
Balance due to Agencies of the Bank and to other Banks in Foreign Countries	45,539.92
Bills payable	250,000.00
Acceptances under Letters of Credit	64,390.37
Total Liabilities to the public	\$72,125,635.42
Capital paid up	\$5,000,000.00
Reserve Account	\$4,000,000.00
Dividend No. 197	\$100,000.00
Bonus payable 1st March, 1914, to Shareholders of record as at February 1st, 1914	\$50,000.00
Dividends unclaimed	\$3,328.65
Balance of Profit and Loss Account carried forward	\$97,979.63
	\$6,766,532.46

ASSETS

Gold and Silver Coin	\$7,512,330.37
Dominion Government Notes	4,734,367.00
	\$12,246,697.37
Notes of other Banks	897,356.00
Cheques on other Banks	\$63,825,006.00
Balance due by other Banks in Canada	170,869.07
Balance due by Banks and Banking Correspondents elsewhere than in Canada	617,651.00
Dominion and Provincial Government Securities not exceeding market value	570,707.50
Canadian Municipal, Securities, and British, Foreign and Colonial Public Securities, other than Canadian	440,463.42
Railway and other Bonds, Debentures and Stocks not exceeding market value	2,512,271.36
Call and Short (not exceeding 30 days) Loans in Canada on Bonds, Debentures and Stocks	3,359,894.32
Call and Short (not exceeding 30 days) Loans elsewhere than in Canada	8,608,756.16
	\$7,576,790.14
Other Current Loans and Discounts in Canada (less rebate of interest)	\$7,769,569.15
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest)	1,640,672.84
Liabilities of customers under Letters of Credit, as per contra	\$54,299.37
Real Estate other than Bank Premises	\$15,869.25
Mortgages on Real Estate sold by the Bank	132,318.49
Deposits, securities and other assets provided for by the Bank	\$1,072,572.25
Bank Premises	2,631,631.02
Deposit with the Minister of Finance for the purposes of the Circulation Fund	\$40,000.00
Deposit in the Central Gold Reserve	1,300,000.00
Other Assets not included in the foregoing	\$4,563.97
	\$6,766,532.46

G. H. BALFOUR,

JOHN

President.

The Directors have pleasure in presenting the Report showing the result of the Bank's business for the year ended 30th November, 1913.

The New Bank Act, as revised, went into force on July 1st. You will notice several changes in the form of our statements under Sec. 6 of the new Act, you are required at this meeting to appoint Auditors for the Bank, and to vote the amount of their remuneration.

A new set of forms will be submitted to you for approval and adoption if thought advisable. It will be necessary to change the date of our Annual Meeting from December to January in order that the Auditors may have sufficient time in which to complete their work.

Your Directors wish to place on record their appreciation of the excellent advice, helpful guidance and valuable work by the Bank's Committee in London, England.

It is with the deepest regret the Directors have to record the death of the Honorary President, the Honorable John Sharpe, who served the Bank for many years a Director, and for five years the honored and esteemed President of this Bank. His present standing is largely due to his great interest in its welfare and sound judgment in business.

Mr. Wm. Price, of Quebec, was elected Honorary President, and Mr. Geo. H. Thomson has succeeded him as Vice-President.

The vacancy on the Board has been filled by the election of Mr. B. B. Cronin, Vice-President of the W. & B. Brock Company, Limited, a gentleman of long business experience in Europe and Canada. We feel sure that the judgment and influence of Mr. Cronin will be of great advantage to the Bank.

During the past year thirty-one Branches and Agencies of the Bank have been opened in the several Provinces as follows: Ontario 4, Quebec 2, Alberta 2, British Columbia 6, Manitoba 4, Saskatchewan 3.

Three branches in Ontario which were not giving satisfactory results have been closed.

The total number of Branches and Agencies is now 313.

The usual inspection of Head Office and of all Branches and Agencies of the Bank has been made.

JOHN GALT, President.

The President, Mr. John Galt, moved that the report be adopted and printed for distribution among the Shareholders and addressed to the Meeting as follows:-

The President's Address

In moving the adoption of the Directors' Report, I have an opportunity of placing before our Shareholders a review of general conditions in Canada as they present themselves to us. The financial statement will be dealt with later by the general manager, and I shall only say that the statement is satisfactory as it shows steady progress, and also indicates the conservative policy, which, in my judgment, is characteristic of the management of the Bank.

The year 1913 has been a trying one both for borrower and lender. There has been a general feeling of uneasiness which has caused financiers to carry an amount of reserve proportion of their funds in a liquid form. This has curtailed the loaning power of all the Banks and has checked the encouragement of new business, but we have been careful to see that our customers have had the money necessary to carry on their legitimate trade, and I do not think we have given any of them reason to complain.

The capital available for investment in new fixed forms such as railways, canals, etc., and in large buildings, etc., has been curtailed. Of late years it has been pretty well absorbed. It is clear that when the supply is exhausted, other sources must be found, or else the country will be in a state of stagnation. This point seems to have been reached, and Canada will have to wait time until confidence is restored and until the older countries, from whom we draw most of our money, are in a position again to invest. But the yield from profits. The natural resources of Canada are so vast and so attractive, that the capital necessary for their development will, undoubtedly, be forthcoming when business conditions become more settled.

The causes underlying the feeling of anxiety to which I have referred were widespread and general in their nature, and are not peculiar to this country. It is advisable and that strictest economy in both public and private affairs is necessary.

Speculation in real estate is over for the present, but the demand for building sites must continue in a country where the population is steadily increasing, and holders of such property should not be apprehensive of this state of investment. That the inability of speculators to turn over their property has had a little effect on the general business of the country is largely due to the conservative and prudent management of Canadian Banks, or may have been constantly discouraged and refused to finance speculative land operations.

CROP OF 1913

The statistics which are at our command will be furnished by the Superintendents in their reports on the several Provinces. I may say, speaking generally, that the crop results have been satisfactory. In the three great wheat growing areas of the country there has been a heavier year again, but the yield seems, on the whole, to be about the same as last year. Notwithstanding this, the average quality has never been equalled, and the cost of harvesting has been unusually low owing to the magnificent weather we have enjoyed. This is a very important point, and one which we should not lose sight of. The harvest has indeed been kind to us, and that, too, at a time when we needed it most. The railways have done splendid work in handling the crops, and we have had few complaints of shortage of cars. We must, with our present facilities, expect much more wheat to be delivered at lake ports before the close of navigation than we have in any previous year. This year, and the need of interior storage for our grain will be urgent for some time to come.

MIXED FARMING

There is a marked increase in the number of live stock. Farmers are becoming more of an ally to the advantage of the country, and are realizing that their borrowing credit is greatly enhanced when their Bankers if they can show a good proportion of cattle in their accounts. It is this should look with favor on loans for the purchase and handling of live stock.

BRITISH COLUMBIA

Trade conditions in British Columbia have not been as bright during the year as in the other provinces. The lumber trade has been unsatisfactory, and coal strikes on Vancouver Island, which have lasted for months, have thrown a great many men out of employment.

The mining industry has had a good year, and the recent revision of the United States tariff, by which hitherto our country free, will be of advantage to the trade.

The mining industry has yielded satisfactory returns, a very large increase in the production having taken place over the preceding year.

The fruit crop for 1913 has been a record one, the value of shipments from the Okanagan District alone being in the neighborhood of \$14,000,000.

Railroad expansion has been active and about 2,300 miles was under construction during the year.

Stringent money conditions have checked many Municipal undertakings, and, together with the closing down of the coal mines, have caused the railroad work, which is so important to the country, to be delayed.

Large harbor improvements have been undertaken at Victoria which have improved the trade.

In Eastern Canada, trade conditions have been good, and the crop results have been most gratifying.

PROVINCE OF ONTARIO

Crops have been of a good average and we have again to report a prosperous year.

PROVINCE OF QUEBEC

Along both shores of the St. Lawrence and in the Eastern Townships, conditions were favorable, and abundant crops were harvested in good order.

The lumber trade has experienced a good year, and the removal of the United States duty on lumber should stimulate trade.

MARITIME PROVINCES

Weather conditions have been satisfactory with the result that all crops have been above the average. The fishing industry has also experienced another profitable year.

GENERAL

Good Roads.—The question of good roads is of paramount importance, and there remains a great deal to be done. We are glad to be able to report that the Legislatures of the various Provinces are giving their attention to this important question.—Reports continue to be of a satisfactory nature. Approximately 40,000 people have entered Canada during the year ending September, 1913.

The Canadian immigration report is favorable on the class of those settlers, and estimate them to be worth \$1,000 per capita to Canada.

While we believe trade conditions to be on a healthy basis, and the financial position of Canada to be in a more gratifying condition, we still consider that it is the duty of the Bank to exercise caution and to discourage any attempts to undertake large commitments under conditions in Europe are readjusting themselves after the recent disturbance.

FINANCING OF MUNICIPALITIES

From our point of view it is very desirable that the Provincial Governments should make a more liberal use of the money for municipal expenditure. A commission should pass on all issues after expert examination of proposed expenditures. If these issues carried the guarantee of the Province, and the Government would have a large share in the guarantee, the value, and the saving to the community would be very large, both in the difference of value and in the supervision of expenditure exercised by the Government. Under the