

IMPERIAL BANK OF CANADA—Continued

sident has already very fully and intelligently referred to the most important questions of interest, and our long experienced General Manager and others will also afford further information regarding details of the Report. I, however, wish to express my gratification at the results of the past year's operation and to congratulate the shareholders of the Bank on the magnificent condition of the Bank's affairs.

The funds of the Bank are now in the most liquid form, and not only this, but to a larger extent than ever before, revenue-producing.

OPTIMISTIC FOR FUTURE.

I think I have always been regarded as conservative and careful in business transactions, and recognize at all times necessity for caution, especially during this extraordinary period of our history. However, I confess I am rather optimistic as to the future of this country, and do not fear any great calamity, either in the near or distant future. At the end of the war I look for rapid and permanent development of the immense natural resources of Canada. The timber and mineral interests in the West are already beginning to improve, and as soon as water transportation facilities can be provided on the coast these industries cannot help making very substantial progress. While the present prospects of the farming industry are not as bright as they were a year ago, our farmers were never better off than they are at present, and, in my judgment, the opportunities and inducements for competent farmers to come to this country are not excelled by any country in the world.

COUNTRY'S LARGE ACREAGE.

I know of no other country having so large an acreage of fertile, unbroken land, simply waiting the plough of the industrious farmer to be converted into wealth-producing land. Our mineral resources have only just begun to be developed, and the development and operation of these will provide employment for capital and untold thousands of men. These latter in turn will be consumers of home products. In short, I look for as great and as rapid an expansion in the growth and wealth of Canada after the close of this war as we have seen in the United States since the close of the Civil War.

So far as this Bank is concerned, the present policy is, and I trust, will continue to be, what it has always been, careful and conservative, but not blind to opportunity. It will be gratifying to our patriotic shareholders, and I trust they are all patriotic, to know that through the Head Office and its branches, \$9,590,500.00 were subscribed to the Dominion War Loan, almost ten millions out of the original fifty millions offered and afterwards increased to one hundred millions.

Every organization, such as this Bank, is dependent on the loyalty and co-operation of its employees, and I am glad to say that as far as I know, and I think I am fairly well informed, The Imperial Bank Officers and staff are not only competent, but take the keenest interest in promoting the welfare of the Bank, and work industriously and harmoniously together to that end. As I travel from East to West I not infrequently hear favorable comments from outside sources regarding the Managers of our various branches. Only last week I met the Secretary of the American Bankers' Association, and he not only spoke in the highest terms of praise of The Imperial Bank and its general management, but referred especially to the satisfaction he had experienced in meeting and doing business with certain of our Border Branch Managers.

I strongly believe in the principle of promotion on merit, and regard it as not only justice, but good policy, to recognize and remunerate generously ability, integrity and industry. With this as a settled policy I hope and expect continued progress and prosperity in the Bank's affairs.

GENERAL MANAGER'S REMARKS.

In response to the request of the President, I have pleasure in calling attention to some special features of the Balance Sheet as now presented to you.

You will note that our actual cash assets amount to \$22,000,000, practically the same figure as last year, though the percentage they bear to liabilities to the public is rather less, being now 33.16 per cent. as compared with 36.45 per

cent. then. However, upon adding to these cash holdings, what may be termed readily convertible or liquid assets, such as Government and Municipal securities, we have a total of \$32,900,000, as compared with \$24,600,000, equal to 50 per cent. of our liabilities to the public, as against 40 per cent. last year. When to these figures loans to Municipalities and Call Loans are added, the grand total is \$43,500,000, as compared with \$36,000,000 a year ago, equivalent to 65.43 per cent. of liabilities to the public, as against 59.76 per cent. in April, 1915.

DEPOSITS INCREASE.

It will be noted that Deposits have increased during the year by \$5,000,000, and that the amount of the Notes of the Bank in Circulation is greater by \$1,400,000 than on the corresponding date of the previous year. These figures indicate a healthy growth in the business of the Bank, and this increase in our liabilities to the public is more than offset by the increase upon the Asset side, representing substantial investments in Government and other such like securities.

Our investments in Government securities, representing purchases, in common with other Banks of Dominion Government War Loan Bonds and British Exchequer Bills, have been cheerfully made, giving us as they do an opportunity not only of showing our patriotism by assisting in the meeting of the needs of the Empire, but also at the same time affording the Bank reasonably profitable returns.

Judging from present indications we shall in all probability be called upon to assist further in the financing of Canada's share of war expenditure, and as the demand for loans for ordinary commercial and manufacturing purposes is somewhat below normal, owing to the general contraction in established trade, we are better able to respond to such calls as they come.

The reduction in our holdings of Dominion Notes (Legals) is represented by the increased balances with banks in the United Kingdom and elsewhere. These balances are readily convertible into gold, and are at the same time revenue-producing.

THE BANK'S EARNINGS.

The President has referred to the Bank's earnings, which, considering the times, you will, no doubt, regard as satisfactory, and which, I think, are in excess of what might reasonably have been anticipated at the commencement of the year's business, and we trust that we may be able to maintain the present rate of earnings throughout the coming year.

Bank Premises Account shows an increase of \$173,000, the principal expenditure having been in connection with the new premises at the corner of Yonge and Queen streets in this city, which, I think, are very creditable. The total amount carried under this heading is amply represented by properties owned by the Bank throughout the Dominion, none of which can be regarded as extravagant, and most of which are revenue-producing, in addition to providing proper accommodation for the conduct of the Bank's business.

The number of shareholders in the Bank has been increased during the year from 1,766 to 1,804.

The customary motions were made and carried unanimously.

Mr. R. J. Dilworth, F.C.A., Toronto, and Mr. G. T. Clarkson, F.C.A., Toronto, were appointed Auditors of the Bank for the ensuing year.

The Scrutineers appointed at the meeting reported the following shareholders duly elected Directors for the ensuing year—Messrs. Peleg Howland, Elias Rogers, William Ramsay (of Bowland, Stow, Scotland), Cawthra Mulock, Hon. Richard Turner (Quebec), William Hamilton Merritt, M.D. (St. Catharines), W. J. Gage, Sir James A. M. Aikins, K.C. (Winnipeg), Hon. W. J. Hanna, M.P.P., John Northway, J. F. Michie, J. W. Woods.

At a subsequent meeting of the Directors Mr. Peleg Howland was re-elected President and Mr. Elias Rogers Vice-President for the ensuing year.

PELEG HOWLAND, President.

E. HAY, General Manager.