

# BANK OF MONTREAL

## 101st Annual General Meeting.

The 101st Annual General Meeting of the shareholders of the Bank of Montreal, was held in the Board Room at the Bank's headquarters on the 1st instant.

Amongst those present were:—

D. Forbes Angus, R. B. Angus, H. W. Beaulerck, D. R. Clarke, F. J. Cockburn, Lieut.-Colonel Henry Cockshutt, A. J. Dawes, H. R. Drummond, C. J. Fleet, K.C.; G. B. Fraser, Dr. W. Gardner, Sir Charles Gordon, G.B.E.; C. R. Hosmer, Lieut.-Col. G. R. Hooper, Harold Kennedy, H. B. Mackenzie, Wm. McMaster, Sir Vincent Meredith, Bart.; W. R. Miller, John Patterson, Rt.-Hon. Lord Shaughnessy, K.C.V.O.; Dr. F. J. Shepherd, L. J. Skafie, A. E. Warren, R. Campbell Nelles.

The President, Sir Vincent Meredith was requested to take the chair, on motion of Mr. R. B. Angus, and said in part:—

In moving the adoption of the Report of the Directors to the Shareholders, said:

At a special Meeting of the Shareholders of this Bank, held on 10th September, your permission was obtained to purchase the assets and assume the liabilities of the Bank of British North America. At that time the nature of the transaction and the terms of purchase were explained; these, I believe, are equitable as well as advantageous to both Banks.

The amalgamation was completed on 12th October, 1918, but the combined balance sheet showing the new capital and rest and undivided profits cannot be prepared until after the expiration of four months from the date of taking over, as the agreement stipulated the shareholders of the Bank of British North America should have that period in which to elect whether they would accept cash or our shares in exchange for their holdings.

Another matter that has engaged the attention of your Directors has been the distribution of profits. It was thought the term "bonus" was out of harmony with existing conditions. After giving the matter careful consideration, and having in view the fact that the earnings of the Bank for some years past have warranted the payment of the usual 10 per cent. dividend with an additional 2 per cent., it has been decided that the stock should be placed on a 12 per cent. basis, effective at the next dividend period.

A sum of \$46,000 was donated to Patriotic and Red Cross Funds, and I know the action of your Directors in this connection has your approval.

The business of the Bank has been well maintained during the year. In view of possible Government financing and the somewhat uncertain outlook at home and abroad, we have consistently set our faces against over-expansion, which is to be deprecated under existing conditions. While giving our customers all reasonable accommodation required, and taking up many new desirable accounts, we have maintained a strong liquid position, continuing a well-considered policy of the Bank; a policy which, in the past as now, has added materially to the stability as well as the credit of the Bank at home and abroad, and of Canadian finance generally.

Business generally has been active and profitable as banking accounts abundantly attest, note circulation deposits and loans being unprecedentedly large.

As an adequate supply of raw materials again becomes available, it is reasonable to expect an extension of manufacturing operations, and in the necessarily small stocks in merchants' hands, there is assurance of a good demand for mill products, even though the expectation of a recession in prices may prompt caution in purchasing.

### Will Establish Agency in Paris.

The question of opening branches in foreign countries to participate in the business that may arise in connection with reconstruction requirements abroad is one that has received considerable attention from your Directors. Following the policy of many English banks, we have deemed it prudent to refrain from establishing branches at points far afield where Canadian capital would be required in local and possibly competitive industries, preferring rather to strengthen and extend our relations with foreign banking houses and to retain their good-will, thereby conserving our resources for the assistance and encouragement of home trade. In this connection, it may be well to mention that we propose presently to establish an Agency of the Bank in Paris, not for the purpose of loaning Canadian funds, but to supply necessary banking facilities to Canadians travelling abroad and to further the interests of Canada generally in France.

The harvest in Canada, while not as bountiful as we have reaped in past years, has on the whole been satisfactory. Estimates from authoritative sources place the yield of wheat from the three prairie provinces at 160,000,000 bushels, and from the whole of Canada at approximately 200,000,000 bushels, a large proportion of which is high grade. Saskatchewan, and more particularly Alberta, suffered somewhat through damage by drought and frost, but in Manitoba a full average has been reaped, with an exceptionally good barley crop.

Immigration upon which the future prosperity of this country so largely depends, has been of a somewhat negligible quantity since the outbreak of war, although a number of experienced farmers, with cash capital, have come into the West from the United States.

The total number of immigrants from foreign countries of necessity has not been large. The immigrants entering Canada during 1916-17 numbering 87,000 of whom 78,000 came from the United States. In 1917-18 the total immigration was 55,000, of whom 46,000 came from the United States. The reduction in 1917-18 is no doubt in a large measure due to the entry of the United States into the war and the subsequent draft regulations.

It is confidently expected that we shall receive a large influx from that country to our Western Provinces with the return of peace conditions, as the superior fertility of these lands is becoming more widely recognized; but I am not so sanguine in regard to settlers from Great Britain and foreign countries, where the difficulties of transportation will be an adverse factor, although probably less serious than anticipated. There is also the possibility that some

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