

THE MERCHANTS BANK OF CANADA—Continued

Before sitting down I should like to say a word on an important matter affecting the banks generally, namely, on the subject of the establishment of a bank of rediscount in Canada, the suggestion of Mr. Pease, the able President of the Canadian Bankers' Association. I should like to state that we are entirely in accord with his proposal. Its establishment would make available tens of millions of negotiable securities, at present locked up in the strong boxes of banking institutions. The need for such rediscounting facilities is not presently felt, but we cannot tell when it may be, and this country is behind the times in not having all the organization machinery and equipment ready at hand for instant operation. This bank would gladly participate.

One last word. I believe Canada's hour has struck. A great future looms before her. But we must keep her wheels moving and her financial machinery intact to avail ourselves of what opportunity will offer and destiny provide. (Applause.)

THE GENERAL MANAGER'S ADDRESS

MR. MACAROW:—The whole situation has been so comprehensively covered in the brief yet lucid comments of the Vice-President and Managing Director that there is really very little left for me to add, beyond repeating the hope and belief that the statement which has just been presented to you, reflecting, as it does, this Bank's full share in the country's prosperity and development, will be regarded by you with satisfaction.

During the year our assets have grown notably—now having reached the imposing total of \$140,000,000, being an increase of approximately \$20,000,000 or nearly sixteen and a half per cent.

In this connection I might pertinently say that ample provision has been made for any doubtful matters, and our Bond Holdings have been written down to present market quotations.

You may, therefore, entertain the very comfortable assurance that the whole asset column represents a minimum of dollar-for-dollar in the way of actual values.

Despite heavy withdrawals of a special nature, referred to elsewhere, you will perceive that our deposits show the very substantial growth of \$19,500,000, or twenty-one per cent. over last year's figures, and our commercial discounts, with consequent increase in earning power, have also grown apace.

Profits show, notwithstanding ever-mounting operating costs, a substantial increase, and, withal, a satisfactory measure of liquidity has been maintained.

The times through which we are passing are, indeed, anxious and exacting, and the future unquestionably holds many serious problems, upon the wise solution of which far-reaching issues will depend. But the potentialities of this great country are well nigh boundless, and if these potentialities continue to be developed along sound and businesslike lines, as we have no doubt they will be, the future may, I am sure, be regarded without undue apprehension.

Economists will tell you that the stability and wealth of a country such as ours lies largely in the measure and value of the exportable surplus of our products. Judged by this true standard and in the light of past achievements, which, even allowing for abnormal factors have been upon a plane of steady and practically uninterrupted progression in recent years, notably the last few, one would require to be a pessimist, indeed, to regard our future otherwise than with feelings of well-grounded confidence.

In this connection it is reassuring to note there is thus far every indication that this year's production, in practically all essential directions, will be upon a substantially enlarged scale. Let us bend every effort and extend every possible facility to the end that actual results in their realization may be in line with present promise. That consideration has had its influence, I may say—upon our general policy.

During the course of the past year, accompanied by a number of the Directors, I have visited the various Provinces, and we have had the benefit and pleasure of meeting personally in conference, all of our Managers, and principal officials. With their loyalty and enthusiasm we were deeply impressed, and I am not going too far in expressing the conviction that in your local Managers throughout the country practically one hundred per cent. efficiency is represented.

The members of our staff have, indeed, in full measure, taken their place amongst the gallant manhood of this country, who, by their deeds at the front, have established a record for self-sacrificing heroism, immeasurably enriching the golden annals of this death struggle for the preservation of the basic principles, upon which true Christianity and Civilization must rest.

To those of the staff who have gone overseas we pay every tribute of admiration and respect, and to those, who for one cause or another are debarred from participation in the war in a military sense, we must also extend—and do so with the fullest cordiality—our acknowledgment and sincere appreciation for the manner in which they are doing their part in fulfilling the heavy additional duties and responsibilities thrust upon them—cheerfully and efficiently. (Applause.)

On motion of Mr. John Patterson, seconded by Mr. A. D. Fraser, Messrs. Vivian Harcourt and Gordon Tansley, of Deloitte, Plender, Griffiths & Co., were appointed Auditors of the Bank, to hold office until the next annual general meeting.

Messrs. John Patterson and Arthur Browning were by unanimous vote appointed scrutineers, and instructed to cast one ballot for the election of the following persons as Directors: Sir H. Montague Allan and Messrs. K. W. Blackwell, Thomas Long, F. Orr Lewis, Andrew A. Allan, Lt.-Col. C. C. Ballantyne, A. J. Dawes, F. Howard Wilson, Farquhar Robertson, Geo. L. Cains, Alfred B. Evans, E. F. Hebden, T. Ahearn and Lt.-Col. Jas. R. Moodie.

On motion of Messrs. R. Campbell Nelles and John Patterson, a vote of thanks was tendered the Board of Directors, the General Manager and Staff, which was briefly acknowledged by the General Manager, Mr. D. C. Macarow.

This concluded the business of the meeting, which then adjourned.

At a subsequent special meeting of the Directors, Sir H. Montagu Allan, was re-elected President, and Mr. K. W. Blackwell, Vice-President.