

THE BANK OF MONTREAL'S MEETING.

There is a fine tradition about the annual meetings of the Bank of Montreal. They are looked to by many, not only in Canada but also abroad, for an exposition of Canadian circumstances and conditions that is both authoritative and thoroughly informing. In the present year the responsibility of this task fell wholly upon the new President, Mr. H. V. Meredith, who admirably discharged that exacting duty, and made clear what indeed had been anticipated by those acquainted with Mr. Meredith's abilities, that the high standard of these annual addresses set by the practice of many years past, will be fully maintained under new circumstances. The full text of Mr. Meredith's speech will be found elsewhere in this issue and will repay careful perusal by all those who desire to know what is the real position in Canada at the present time. Coming at the close of an anxious year, the utterances are well calculated to give confidence and encouragement to all who are interested in the progress of Canada and the development of its affairs. The excellent closing of Mr. Meredith's address we quote.

"The finger of prudence," he said, "points to a policy of conservatism. While the financial sky remains clouded over in Europe, we shall do well to hasten glowily. It is not a time to attempt enterprises of a speculative nature, nor to undertake new commitments prior to the financing thereof, and an accumulation of stock by merchants and manufacturers should, as far as possible, be avoided. The excellent harvest, particularly, in the Northwest, should do much towards liquidating debts and ameliorating the situation, but it seems probable we will be compelled to pause awhile in the wonderful progress of expansion of the last ten years. On the other hand, the commercial condition of Canada is fundamentally sound. Business as a whole continues good. Our vast natural resources have scarcely been scratched. Immigration is large, railway construction active, new territory and new resources of wealth are being steadily opened, the confidence of British and foreign capitalists in our country is unabated. A temporary halt can only refresh Canada for yet greater achievements."

MAIN FACTORS OF DISTURBANCE ABROAD.

That an utterance of this kind delivered with authority and as the result of wide information of the most reliable kind will have an excellent effect in important financial circles abroad, there can be no doubt. Mr. Meredith was at pains to point out that of the many adverse influences with which the Canadian financial world has had to contend during the past year, comparatively few have had their origin in the Dominion. True there was unhealthy land speculation and also, unfortunately, the flotation in London of securities which would not bear too close scrutiny. But the main factors of disturbance have been in Europe. Wars and armaments, social unrest and an unprecedented demand for capital have been the prime factors in the bringing about of money conditions which have made it difficult to

obtain loans and, when obtainable, only at rates and on terms which have been far more onerous than for many years past.

HOME CONDITIONS NOT UNSATISFACTORY.

These circumstances have naturally had an unfavorable effect upon the Dominion, but Mr. Meredith was able to point out that on the whole conditions are not unsatisfactory. Good harvests have been gathered. Immigration continues to be highly satisfactory in character. Legitimate business generally continues to be in a satisfactory condition. There is a slowing down in some branches but no signs of depression such as would be calculated to cause commercial disorganization or distress. There is a disposition to confine commitments to actual requirements. More economy is being exercised than has been the case for some time past. Unwise enterprises of only speculative promise have been checked. Municipalities have curtailed their outlays to the extent of their necessary enterprises. The effect of these developments cannot be but favorable and, as quoted above, Mr. Meredith thinks that while a policy of conservatism is still necessary, yet this temporary halt can only refresh Canada for yet greater achievements than have been made by the wonderful expansion of the last ten years.

THE BANK'S BALANCE SHEET.

The Bank's balance sheet, a document showing an admirably strong position, has already been noticed in our columns. With regard to the Bank's deposits, Mr. Meredith noted that while considerable sums had been withdrawn during the past year for investment at the tempting rates prevailing, the aggregate of the savings' deposits was well maintained. Following is a comparison of the leading items of the Bank's balance sheet for the last three years:—

	1913.	1912.	1911.
	\$	\$	\$
Capital Stock	16,000,000	16,000,000	14,887,570
Res.	16,000,000	16,000,000	15,000,000
Circulation	17,061,665	16,131,862	15,914,854
Deposits (not bearing interest)	45,134,957	45,338,955	46,187,555
Deposits (bearing interest)	144,437,882	141,970,011	135,538,261
Total Liabilities to Public	208,656,751	203,563,201	197,816,157
Specie and Legals	22,164,800	19,311,086	19,344,656
Central Gold Reserve	1,000,000		
Call Loans Abroad	51,240,795	55,158,633	42,602,772
Bank Balances Abroad	6,126,730	14,133,604	17,975,274
Total of Quick Assets	103,699,427	13,651,121	104,445,885
Current loans and discounts	134,163,473	118,869,751	121,053,066
Total Assets	244,787,045	236,927,519	229,920,420

Three auditors were elected under the provisions of the new Bank Act—Messrs. George Hyde and James Hutchison (Montreal), and J. Maxine Graham (Edinburgh)—at Monday's annual meeting.