Progress of Canada

much in the workshop, in the chemical and physical laboratory, in the refinery, in the counting house, in finance, indeed in every walk of life. We have been able to form some estimate of our value among the forces of the Allies, from the boy in the trenches to the father at home who is backing his son in so many ways, but do we realize that what we do, or do not do, may turn the scale on which depends victory or defeat? Our responsibility for the future of the Empire and of Canada is so great that there is no room for slackness. We must do, not many things, but everything that will help to win the war."

General Manager's Address

Our great banks touch the life of the community so closely and at so many points that the remarks of Mr. John Aird, the General Manager, who dealt chiefly with the progress of the bank, must interest every Canadian.

"The shadow of the great European war has been the dominating influence in business affairs during the year through which we have just passed. No important new transaction could be undertaken without considering the effect of the war, and in the conduct of the affairs of a great fiduciary institution such as a bank it has been necessary to give more consideration to the factor of safety than to the factor of profit. Under these circumstances we feel that you will be well content with the results which we lay before you to-day.

"The bank's profits for the year under review were $2,439,415, an increase of $87,380 over the figures of the preceding year, a trifling sum when you consider the increased amount of business on which it has been earned, and the great activity which has prevailed throughout the year. We have felt it our duty to render a large amount of assistance in their financing to both the Imperial Government and the Dominion Government, and as rates of interest on this class of business are naturally low, our profits have been reduced correspondingly.

Increased Turnover

"Apart from this, however, there has been a greatly increased turnover during the past year which is not reflected in an increase of the profits of the bank, and this tendency towards a steady reduction in profits has been apparent for some years past. The ratio of our profits to total average assets during the five years ending 1915 ranged from 1.45 per cent to 1.13 per cent, but in almost every year the tendency has been downwards.

"We have paid the usual dividends at the rate of ten per cent per annum, with bonuses of one per cent at the end of each half year; the war tax on our note circulation has called for $147,288, the officers' pension fund for $80,000, and sundry subscriptions for patriotic purposes for $71,700, leaving a balance at credit of profit and loss of $802,319 to be carried forward to the accounts of next year. As long as present conditions continue we must, I fear, accept a low rate of profit, and it is, of course, possible that there may be still further depreciation in the market value of securities, so that we think it wise to carry forward a large balance in profit and loss account. During the past year the values of investment securities have depreciated further, which is only natural as long as the governments of the great nations engaged in the war are obliged to increase the rates of interest which their securities bear. Up to the present, however, we have not found it necessary to add to the sum of $1,000,000 reserved last year for possible further depreciation, and we believe that we have provided for anything which is likely to occur.

The notes of the Bank in circulation show an increase of $2,861,000 over the figures of the previous year. Throughout the year the note circulation of the chartered banks has been unprecedentedly high, due partly, no doubt, to the high prices prevailing for almost all commodities and partly to the activity in business arising from the large orders for merchandise and munitions placed in Canada by the allied governments. In the general increase of note circulation this Bank has had its full share, and the demand upon our supply of notes has been much greater than had been anticipated. Almost throughout the year our note circulation has been in excess of paid-up capital and beyond any figures heretofore reached in our history.

Growth in Deposits

"Our deposits show a satisfactory growth, the increase being $35,373,000, of which over $25,000,000 is in deposits, bearing interest; these include the savings of the people and are therefore less subject to fluctuation than demand deposits not bearing interest. Through the medium of our monthly commercial letter we have endeavored to impress upon the public mind the necessity for the exercise of economy to a degree never before known in Canada, and we should like to think that some part of the increase to which we have just referred has been due to the advice thus given. Canadians cannot too often be reminded that only by the universal exercise of economy and thrift to an extent to which they have in the past been strangers, and by the setting aside of what is thus saved for investment in government loans or as bank deposits, can we do our share to provide the wherewithal necessary to carry the war to a victorious conclusion.

Strong Cash Reserves

"Our total holdings of coin and legals are $46,291,000, an increase of $6,389,000 over the figures of a year ago, but of this sum $6,000,000 is represented by a deposit in the central gold reserves to cover the issue of note circulation in excess of our paid-up capital, already referred to. These holdings of cash represent 18.5 per cent of the total of our deposits and circulation and 17.9 per cent of our total liabilities to the public, and in view of the uncertainties of war conditions we are sure that you will approve our policy of keeping strong in this respect. Our immediate available assets total $129,341,000, equal to fifty-six per cent of our deposits and fifty per cent of our total liabilities to the public. The largest increase in any one item composing this amount is in British, foreign and colonial securities, etc., which show an increase of over $15,500,000 and include the securities purchased and held for the advances which we have made to the Imperial Government to finance their purchases in the Dominion. There has been a slight increase of $858,000 in our holdings of Dominion and Provincial securities and a decrease of $1,802,000 in our holdings of railway and other bonds, debentures and stocks. We have thought it desirable, in view of the exigencies of the war and of the requirements of the governments of Great Britain and Canada to realize on these securities as opportunity offered. This has seemed the more advisable because of the doubtful outlook as to the future trend in the value of such securities.

Their Supreme Sacrifice

"Since our last annual meeting an additional fifty-nine brave and promising young men of our staff have laid down their lives on the field of battle. Our complete casualty list as at December 31st is as follows:

Killed	84
Wounded	175
Missing	8
Prisoners	9
Ill	20
	296

"We have received many indications that our men are measuring well up to what is required of them and are capable of taking their full share in the wonderful operations at the front which are thrilling the world. Six of our officers have been awarded the Military Cross and three more have been recommended for it.

Staff at Home

"We do not think that it would be fair to express our pride in our banker soldiers without adding a further word in commendation of the staff at home. While we still have to expect that some of them will take up military duty, we are satisfied that those who have remained at home thus far have been actuated by the highest motives; indeed, the work of the bank could not be efficiently carried on without retaining the services of many men who in other respects would be available for military service."

$26.40 a Year

payable for twenty years only, will purchase a $1,000 Insurance Policy in The Great-West Life Assurance Company on the Limited Payment Life Plan, at age 21.

At the end of twenty years the Insurance will be paid for, and a paid-up Policy will be issued for $1,000. The profits earned under the Policy will then be payable, unless, as may be chosen, if desired, these profits have been paid at the end of each five-year period.

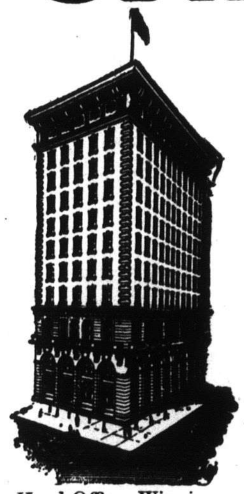
During the twenty years the Policy carries liberal loan values; and at the end of the period, if the Policyholder so desires, the contract may be surrendered, and the total Cash Value obtained, showing an excellent return on the outlay—while the twenty years' protection will have cost nothing.

Personal rates and full details will be furnished on request.

The Great-West Life
Assurance Company
Dept. "Q"
HEAD OFFICE - WINNIPEG

In requesting information ask for Desk Calendar for 1917

UNION BANK
OF CANADA



Head Office, Winnipeg
Total Assets over $109,000,000
Deposits over $85,000,000

Open a Housekeeping Account and Pay Your Bills by Cheque

THERE is a decided advantage in depositing your housekeeping money in the **Union Bank of Canada** and issuing cheques for your expenditures. You avoid the risk of keeping a considerable sum in your home or carrying it when shopping, and each cheque when cashed becomes a receipt.

Over 305 Branches in Canada
Over 40 Branches in Manitoba
Over 90 Branches in Saskatchewan
Over 50 Branches in Alberta
Over 10 Branches in British Columbia

MONEY TO LOAN

in moderate amounts on improved farm property occupied by the owner and situated not more than 10 miles from elevator and railroad

FULL PARTICULARS FROM OUR AGENT IN YOUR DISTRICT, OR

UNION TRUST
STRENGTH — FIDELITY
COMPANY LIMITED
REGINA, SASK. WINNIPEG, MAN.

199