

GENERAL TRADE ACTIVITY

Sir Vincent Meredith, in his address to shareholders, said, in part:

"General trade in practically all branches had been active and profitable during the war and the Bank has participated in the general prosperity. The balance sheet shows profits in moderate proportion to the resources employed, and yet, I trust, not unsatisfactory to the shareholders. That reaction from the feverish activities and high prices produced by the vast conflict, which so many apprehended, has not occurred, nor can it be said to be impending. The feeling as to the future is less optimistic than it has been, but the great pressure on our agricultural and manufactured resources, caused by home and foreign demand, shows no signs of abatement.

THREE INDISPENSABLE FACTORS

"There are three indispensable factors to the upbuilding of Canada—immigration, production and exports. Immigration during the last five years has been negligible, owing to the war. In the first seven months of the current fiscal year, new arrivals numbered 82,593, of whom 42,377 came from Great Britain and 35,949 from the United States. While these figures do not represent a large movement as compared with several pre-war periods, they show a gain of 51,734 immigrants, or about 166 per cent., over the corresponding months last year. After-the-war emigration of foreign-born has taken place in fairly large volume, the exact figures of which are not obtainable.

"With regard to the subject of foreign trade, it is only a matter of time before increased production will overtake domestic demands, and unless preparations are made in advance for finding markets overseas for our exportable surplus of raw materials and manufactured goods, our uninterrupted prosperity may be checked. The needs of foreign countries are great and pressing, and profitable business awaits the Canadian exporter, but it cannot be acquired unless long term credits are provided.

"Our Government has been far-seeing in giving assistance in this direction, and, no doubt, is prepared to extend further aid, provided exporters, who reap the benefit, will assume a proportion of the risk.

"Self-interest alone would seem to dictate that credit facilities be extended to those countries who can demonstrate their ability to pay if given reasonable time, and we would thus avoid the possibility of abrupt changes in industrial conditions and bring about a gradual return of international trade equilibrium.

"I cannot close without voicing what, I am sure, is the feeling of every Canadian—that the recent visit to Canada of His Royal Highness, the Prince of Wales not only gave abiding pleasure to every class of our population, but rendered a great and memorable service to the Empire in strengthening

the Throne in the affection and confidence of the people, and by drawing still closer the ties which bind the commonwealth of nations over which he is destined to reign."

MANY PROBLEMS TO BE SOLVED

In presenting his report to the shareholders of the Bank, Sir Frederick Williams-Taylor, the General Manager, said:—

"The economic and financial difficulties that confronted the country during the war have changed in nature, but have not disappeared by any means. There is an aftermath of problems which Canada must face and in which bankers are vitally concerned. At present there is great trade activity; yet our national debt grows apace, with attendant ills. Therefore, even with a full measure of faith in our country, I find the near future difficult to visualize. We derive a measure of consolation in comparing our lot with that of countries worse off than our own, but contiguity and ambition direct our eyes towards that country to the South which has benefited so vastly by the war.

EXCHANGE SITUATION

"The premium on New York funds, the increase in our national debt and in our Canadian currency circulation, are matters of deep interest and should be studied by all.

"The purchasing power of the Canadian dollar in the United States has decreased, as reflected in the premium on New York funds. A year ago it cost two dollars to send one hundred dollars to the United States of America; today the cost is four dollars.

"It will interest you to know that on my recent trip to the Pacific Coast, when I travelled nine thousand miles in visiting various branches of the Bank, I met some 110 of our Managers, and returned more than ever satisfied with the personnel, the intelligent loyalty and devotion of our ever-increasing staff of officers.

"Such meetings are advantageous to the Bank and an inducement also to close relations between the Bank and its friends at distant points.

"It is impressive and satisfying to view the Dominion's greatest quick asset, the rich wheat areas of our three Western Provinces, at harvest time. While this year the yield was not up to the mark, the Western farmers had much to be thankful for.

"In British Columbia, one is struck by the confidence of the people in the future of their rich and beautiful Province, with its wonderful climate. It is a healthy sign that the men of affairs in the West hold such sane views concerning the outlook locally and for the Dominion at large.

"I hope that time may presently permit me to visit other divisions as I did British Columbia and North-West.

"In concluding, I have no hesitation in expressing the belief that the affairs of the Bank have never