

parallelism in Great Britain would cause the British manufacturer who finds his profits disappearing because of dear coal or iron to feel that his dividends would be just as pleasant to receive if they were earned somewhere else in the British Empire than in England or Scotland or Ireland. Why should Great Britain be, as she doubtless is, so depressed about her coal and iron supply if we have both articles much nearer to the world's markets than her greatest competitor? But as yet we are not to the British manufacturer a portion of the same industrial unit as himself. We are almost as foreign to him for all practical purposes as Germany or the United States. This is a condition which time will surely alter, and it is our duty, not that of the British manufacturer, to exploit the facts.

In our manufactures the noticeable feature is that, while a year ago there was no overproduction, or almost none, there are some lines, such as pulp and some classes of textile fabrics, in which production has gone ahead of demand, or other elements have lessened the profits and interfered with the outlook. It is, however, also noticeable that in many lines of manufacture the demand is still in excess of the supply, and extensions to plant are necessary in order to increase the output.

In lumber, while prices are a little lower than those of 1900, in some grades there is still an active market. The prices for labor and for all supplies, however, have greatly increased the cost of production in some districts, although the winter was in other respects favorable to the operations of lumbermen. On the other hand, building operations, which were apparently checked by the high cost of lumber in 1900, are projected on a large scale throughout North America this year, and were it not for the prospect in so many localities of labor troubles there would doubtless be a very satisfactory feeling about the outlook for lumber in the east.

A few words may seem desirable regarding our interests in the United States. The Pacific States, in which we have branches at San Francisco, Portland and Seattle, have apparently recovered from the depression following the panic of 1893, and the census returns exhibit a great increase in the population of the cities referred to, while the new buildings and the recovery of values in real estate reflect the abundant prosperity they are enjoying. The large trade with the Philippines caused by the war, the marketing of the sugar crops of the Sandwich Islands at San Francisco, the growing industries in canning fish, fruit and vegetables, the prospect of large development in manufactures, owing to the important oil discoveries and the consequent effect upon the price of fuel, all seem to point to a satisfactory future for this part of the United States. Apart from these particular items and the great interests involved in mining, there is a growing conviction that both the United States and Canada on their Pacific coasts are destined to develop a traffic with Oriental nations and with Australia, and a coast line traffic between California and Alaska, the proportions of which it is idle to estimate, but which in any event will cause a great increase in the Pacific coast population of North America, and will permit of the profitable employment of a large amount of capital by the eastern people.

In the eastern United States we have conditions similar to those in eastern Canada. The foreign trade of the United States increased during the last year for which we have returns about \$200,000,000, the total exceeding two billions of dollars. Our own foreign trade is not much more than the increase of the United States for one year, but the proportions per head are very gratifying. If our population may be called 6,000,000 our foreign trade is fully \$60 per head, while that of the United States is about \$20 per head or perhaps slightly more if we had the figures down to date. With their enormous foreign trade, and with the largest stock of gold in the treasury ever known, the shipment of gold to Europe is no longer a menace to the financial situation. The country is saving enormously and spending a smaller proportion on railroads, public improvements, plant and other betterments than ever before, and as a natural outcome it is becoming the best market for its own securities, which are gradually finding their way back from Europe. The one serious menace to the general prosperity of

the United States is the discontent of the workmen and the fear of strikes on the part of employers. That this acts as a paralysis on many kinds of enterprise there is unfortunately no room for doubt.

Although Canada resembles the United States in some things we are not near the end of our expenditure on railroads, canals and other public improvements. We have but commenced. We do not wish to refer too persistently to the subject of transportation, but we have not yet succeeded in solving many of the problems which have been prominently before us for the past few years. We still require better elevators and shipping facilities at Montreal and conditions more satisfactory to the marine insurance companies in the Gulf of St. Lawrence. For our Pacific trade we require not mints or assay offices, but transportation facilities, which will make Vancouver or Victoria a more desirable port than Seattle as the southern terminus of the great coastwise trade with Alaska and the Yukon district. In both trans-Atlantic and trans-Pacific trade, if we are to obtain the share to which we are entitled by our products and our geographical position, we must bestir ourselves. The problem as a whole does not become easier, and whether it be the building of railroads and canals, or of shipping for our inland lakes and rivers, or to cross the great oceans which wash our shore-lines, no subject is likely to command the attention of legislators in Canada to so great an extent for years to come as transportation.

The Vice-President's motion being put was carried.

Mr. J. W. Flavell moved, seconded by Mr. Kingman, That by-laws Nos. 1 to 5 as read be and are hereby adopted as the by-laws of the Canadian Bank of Commerce.

In moving the resolution Mr. Flavell said: There are certain changes necessary in the by-laws of the bank, and we have decided to submit them all to be re-enacted with the needed amendments embodied therein. I will only call your attention to the two alterations which are of importance. The first is the change in the date of the annual meeting, the reason for which I will ask Mr. Walker to explain; the second is the proposed increase in the sum placed at the disposal of the board, from \$10,000 to \$20,000. Speaking to a group of business men it is hardly necessary for me to say that while the assets have grown from \$22,000,000 in 1892 to \$67,000,000 this year the responsibility resting upon the President, Vice-president and Directors has proportionately grown and that a larger sum might now be reasonably allotted for their remuneration.

The General Manager—The change in the date of the bank's annual meeting is proposed to meet the practical difficulties which in the present scope of our operations are occasioned by holding the meeting in the summer. When the country was small and the business of the banks did not extend beyond the two provinces of which Montreal and Toronto are the centres the present arrangement was quite satisfactory, but the conditions have entirely changed. We have found the meeting in June interferes seriously with the proper supervision of the bank's business elsewhere, and this disadvantage will increase rather than diminish now that we have a large business in England and on the Pacific coast to watch over. We hesitated to change the date, but after much consideration we have concluded that it would be best to have the meeting in the winter time. The work of the inspectors is not interfered with by the date of the meeting, but the General Manager and Assistant General Manager are tied down at a time when they ought to be free to pay personal visits to the outlying branches. In settling the altered date we have been careful not to interfere with the comfort of the shareholder. Their dividends will be paid at the usual half-yearly periods.

The proposed by-laws I to VIII were then read, and the resolution put was unanimously adopted.

Vice-President—In 1894 you authorized us to contribute annually to the pension fund a sum not exceeding \$10,000. By the amalgamation with the Bank of British Columbia the staff of the bank has been so much enlarged that an increased contribution from the bank to the fund would seem justifiable. The board think the amount should be increased to \$15,000, and I will ask one of the shareholders to move a suitable resolution.

Mr. A. E. Kemp, M. P.—I move the following resolution: That the Board of Directors be, and they are hereby, authorized to contribute annually to the pension fund for the employees of the bank such sum, not exceeding \$15,000 in each year, as they in their discretion may deem proper.

This is a motion which does not require much to be said in its support. It seems to me that the management are fully warranted, especially after such a splendid year, in making this appropriation.

At the suggestion of the chairman, Mr. Plummer gave some information respecting the fund, its financial position and the annual contributions from the bank and the staff, and the motion being seconded by Mr. Walter S. Lee, was carried unanimously.

Mr. Edward Martin, K. C., moved the following resolution: That the thanks of the meeting are due, and are hereby tendered, to the president, vice-president and other directors for their careful attention to the interests of the bank during the past year.

I need scarcely say that we all feel this to be the best, as well as the most important, year in the bank's history, and we are sure such splendid results have been gained only by great care and labor on the part of the board. It must be gratifying to them to know that not only are their own shareholders pleased, but that, as I believe, all who are interested in the prosperity of Canada feel that the important step which the bank has taken is of great importance to the whole community. We feel proud that the Bank of Commerce was in a position to take advantage of the opportunity which presented itself. I look forward to see the bank take its place not only among the leading banks of Canada but among the leading banks of the world.

It was, I think, only reasonable that the shareholders should carefully and willingly assent, as they have done, to the addition which is proposed to be made to the remuneration of the directors. This is fully warranted by the enlarged business of the bank. We are all very sorry that Mr. Cox has not been here to-day, although the vice-president has filled his chair admirably.

Mr. Gurney seconded the resolution briefly, and it was unanimously carried.

The vice-president—On behalf of the president, who is unfortunately absent, and on behalf of my fellow directors and myself, I thank you for this expression of the appreciation of our services. I take advantage of the president's absence to say that the bank is particularly fortunate in having at its head a gentleman of such large financial experience, with such widespread interests, who keeps himself in touch with financial matters from one end of the Dominion to the other. We cannot overvalue the advantages which the bank derives from having Senator Cox as its president.

Mr. John L. Blaikie—It sometimes happens that the mover of a resolution has to use all his persuasive powers to induce a meeting to adopt its views, but I have a very easy task in that respect. I move:

That the thanks of the meeting are tendered to the general manager, assistant general manager and other officers of the bank for the satisfactory discharge of their respective duties during the last year.

We see that our officers have to handle \$67,000,000 of assets, and to do this with safety, not keeping it locked up in a vault, but actively employed, with success and profit to the shareholders, calls for the exercise of great skill and care on the part of those on whom the duty has fallen. They have shown themselves fully qualified for this duty, and they deserve our thanks.

Mr. J. W. Langmuir—I have great pleasure in seconding this resolution. We have only to think for a moment of the enormous care that is involved in the management of such a large amount of money to come to the conclusion that the General Manager and the Assistant General Manager are entitled to our thanks. I am glad to know that they are so ably assisted by a competent staff. I come into contact with their offices daily, and I hear them spoken of on all hands in the highest terms.

Mr. James Crathern—Having been a director since 1883, I can speak of the exceptionally arduous duties which have fallen upon the General Manager, the Assistant General Manager and the members of the staff during the year just closed. I feel that in no previous year have the shareholders owed a

greater debt to the officers of the bank. The resolution was unanimously adopted.

The General Manager—I have again to thank you for your kind resolution, and I wish especially to thank Mr. Blaikie and Mr. Langmuir for their personal remarks. The year has been a very arduous one, indeed, to myself and to Mr. Plummer, but we would not like it to be supposed that it was more so to us than to the other officers of the bank. If we had not taken over the business of the Bank of British Columbia it would have been a year of great growth and strenuous effort in any case. Our staff now numbers 575 men. It is a good staff, with a strong feeling of esprit, composed of men who will do their part. The work that has been done and is still going on could not be done except by a strong body of men who desire above all things the prosperity of the bank.

Mr. Plummer—It always gives us pleasure to return thanks for this annual vote. The past year is one of which we may never see the like again, but as regards the extra work that has fallen on us, while it has been great it has been interesting in character and fruitful of great results. Such work, though arduous, is very easily borne. It has been a great pleasure to us that our work has been successful, and to know that it has your appreciation.

Mr. Powell, manager of the San Francisco branch of the bank, also briefly acknowledged the vote of thanks.

It was moved by Mr. W. E. H. Massey, seconded by Mr. J. W. Flavell, and resolved:

That the meeting do now proceed to elect directors for the coming year, and that for this purpose the ballot box be opened and remain open until 3 o'clock this day, the poll to be closed, however, whenever five minutes shall have elapsed without a vote being tendered, the results to be reported by the scrutineers to the General Manager. The meeting then adjourned.

The scrutineers subsequently reported the following gentlemen to be elected directors for the ensuing year:—Hon. George A. Cox, Messrs. James Crathern, William B. Hamilton, John Hoskin, K. C., L. D., Robert Kilgour, Matthew Leggat, Joseph W. Flavell, W. E. H. Massey, and A. Kingman.

At a meeting of the newly-elected Board of Directors held subsequently, Hon. George A. Cox was re-elected President, and Robert Kilgour, Esq., Vice-President.

IMPERIAL BANK STATEMENT.

The twenty-sixth annual general meeting of the Imperial Bank of Canada was held, in pursuance of the terms of the charter, at the banking house of the institution, June 19, 1901.

There were present—H. S. Howland, T. R. Merritt, St. Catharines, William Ramsay, of Bowland, Stow, Scotland, Robert Jaffray, T. Sutherland Stayner, William Hendrie, Hamilton, E. B. Osler, M. P., C. C. Dakon, Professor Andrew Smith, Anson Jones, J. G. Ramsey, R. Thomson, R. W. Thompson, Dr. Luke Teskey, Edward Martin, K. C., Hamilton, D. R. Wilkie, R. N. Gooch, G. B. Smith, I. J. Gould, Uxbridge, Clarkson Jones, Lyndhurst Ogden, J. W. Beatty, S. Nordheimer, R. H. Temple, J. Kerr Osborne, W. Gibson Cassels, T. W. Horn, David Smith, A. E. Webb, Rev. E. B. Lawler, J. L. Blaikie, A. A. McFall, Bolton; John Stewart, John Gowans, Major W. I. Merritt, Wilson Bell, Brandon; Rev. T. W. Patterson, Henry O'Brien, K. C.; A. Foulds, Quebec, H. W. Fkton, H. C. Boomer, W. C. Crowther, H. Skizel, J. H. Paterson, N. Merritt, R. L. Benson, V. H. E. Hutchison, William Spry, O. F. Rice, H. R. O'Hara, Dr. Charles O'Reilly, Dr. Thorburn, R. K. Burgess, J. H. Eddis, etc.

The chair was taken by the president, Mr. H. S. Howland, and the general manager, Mr. D. R. Wilkie, was requested to act as secretary.

The General Manager, at the request of the Chairman, read the report of the directors and the statement of affairs.

The Report.

The directors have again much pleasure in meeting the shareholders and in presenting the twenty-sixth annual balance sheet and report upon the affairs of the bank, which they hope will be considered in every way satisfactory.

The net profits for the year, after making full provision for all bad and doubtful debts and for rebate of interest on unmatured bills under discount, have enabled your directors to pay a semi-annual dividend at the rate of