

Banking and Trade Conditions Exhaustively Reviewed at Bank of Montreal Meeting

Hopeful Note on Canadian Business Situation—An Explanation of Why Banking Fronts Have Decried—Revision of Bank Act Discussed.

The addresses presented at the annual meeting of shareholders of the Bank of Montreal by the President, Sir Vincent Meredith Bart, and the General Manager, Sir Frederick Williams-Taylor, were of the general comprehensive character which always features the remarks of those gentlemen in discussing the economic and financial conditions which prevail throughout Canada during the period represented by the fiscal year of the Bank.

They were unanimous in the opinion that Canada has a great deal to be thankful for in having come through a year of perplexities in the banking field and unsettled conditions abroad, as well as she did. With regard to business conditions and the outlook for the future there was a hopeful note, but it was pointed out that no broad forward movement could be expected until such time as conditions in Europe become more settled. The various events of the year affecting banking conditions such as the revision of the Bank Act, the burdens of taxation, the uneven state of trade and the losses sustained by some of the banks, necessitating readjustments of their balance, were reviewed at considerable length.

Strong Position of Bank.

The strong position of the Bank of Montreal, as indicated by the recent statement for the fiscal year, was pointed to with considerable satisfaction by both the President and General Manager.

Sir Vincent, in his remarks, referred to the many perplexities which confronted the banks during the year and to the fact that the lessened profits were due to three principal causes. One was that the Bank's customers leaned less heavily upon it for accommodation, but chiefly because the Bank felt that in view of the possibility of untoward developments in the banking world its cash resources should be kept exceptionally strong to enable it to lend aid, if and when called upon to do so. There was also the incidence of heavier taxation, but Sir Vincent remarked that the Bank's resources are so large and its earning power so constant that "I have no misgivings as to the maintenance of substantial profits."

The Bank Act.

After describing the changes which had been made in the Bank Act at the last session of Parliament and reviewing the causes which led up to this, Sir Vincent went on to review the business situation in Canada. "In regard to the trade in Canada as having improved during the year," he said, "Statistical evidence supports this conclusion. Bank Clearings, railway receipts, foreign commerce have increased. Stability of commodity prices has been a favorable factor, encouraging confidence and including freer buying."

He then referred to some of the special features of the industrial situation, and added, "When the European field is surveyed, it is indeed a cause for congratulation that Canada has held up so well."

Discussing agricultural conditions throughout the country, he referred to the immigration problem as it is now being handled by the Federal authorities, which gives rise to the hope that the coming year will witness a material enlargement. He went on to discuss the imperative necessity of moderating public taxation, owing to the fact that the margin of profit in all business is seriously curtailed by the accumulation of taxation which retards enterprise and discourages thrift.

Sir Vincent also took up the question of the Dominion's foreign trade, remarking on the tendency towards expansion in that connection, despite the disorganized state of European markets.

Question of Inflation.

Sir Vincent attributed the relative prosperity of business in the United States and Canada in the last couple of years to both a cause and effect of the greater stability of prices.

He went on to discuss business conditions in the United States and Europe, and closed his address with reference to the business outlook in Canada. In that connection he said: "The outlook in Canada, as I see it, is for a continuance of reasonably satisfactory conditions, with possibly some further revival in trade, but we cannot hope for substantial and per-

manent betterment until worldwide conditions show a marked improvement and this is likely to take time."

The National Railway.

Referring to the Canadian National Railways, Sir Vincent said: "It is a satisfaction to learn from the published reports that under the new management the National Railway's earnings show a surplus over working expenses in the operations of the first nine months, which may be appreciably increased by the close of the year."

This surplus is chiefly derived from improved earnings on the American branches of the Railway. It must not be overlooked, however, that the Company has issued Bonds during the year, guaranteed by the Dominion Government, amounting to many millions, which constitute an obligation of Canada for interest as well as principal, so that a material portion of surplus operating revenue will be absorbed by new capital charges.

General Manager's Remarks.

In introducing his remarks Sir Frederick Williams-Taylor the General Manager stated it had been a trying year for Canadian bankers, probably as trying as any year since Confederation in 1867. He repeated the remark made a year ago that "Canada cannot progress as she should until our cost of living and our taxation are less than across the line." He elaborated on this point by stating that Canada's economic position will not be satisfactory until we succeed in balancing our total revenue and expenditure, including railways.

He suggested that a healthy interest in the country's finances would be stimulated by the regular publication in the press of simple standardized figures giving the essence of the whole position, including the result of National Railway operations.

After referring to some of the handicaps of the present situation and the need of immigration, he added, "Canada has priceless advantages as a place to live in, to work in and to play in. These should be obvious to all—as indeed they are to our friends in the United States, who now have \$850,000,000 or more commercially invested in Canada—and they will without question attract to us in the fullness of time the people we need."

Agriculture Must Be Profitable.

"Prosperity in full measure cannot, however, return to this country until agriculture, our chief industry, becomes again more profitable," he added. Although the lot of the farmer in the last few years has been hard, it is by no means confined to Canada and agriculture cannot be permanently depressed. He stated that improvement is bound to ensue and remarked in this connection that the Bank's current loans in Canada upward of \$33,000,000 are to the agricultural community.

The case of two Canadian banks, public balance sheet adjustment of reserves has been necessitated. One small bank has closed its door and another moderate sized bank has considered it the part of wisdom to merge with a larger institution. If we had been experiencing troubles of this nature here, while the rest of the world was free from them, there would be more point in the criticism that our banking system must be at fault, but no country has, in fact, escaped post-war banking losses and no banking system has proved invulnerable. The truth is indeed that few countries have come through so well as our own.

"Our own Bank continues in a sound position, with good earning power and unimpaired standing, both in our own country and abroad."

He went on to refer to some of the changes in the making up of the balance sheet and dealt with a number of the outstanding features of the statement, as recently published. He remarked that the Bank's taxation for Dominion, Provincial and Municipal purposes for the year amounted to \$1,390,000, in addition to which full income taxes were paid on earnings in New York, London and elsewhere.

He concluded with a reference to the operations of the Bank in Great Britain and foreign countries. The board of directors was re-elected for the ensuing year.



It is nice to see that the Balkans are reverting to their ordinary peace-time conditions.—From the Pall Mall Gazette, London.

If wind has whirled snow out of the gauge several vertical sections of the new snow may be cut from places where the depth is average, and carefully weighed. Where the snow is very deep, as in the western mountains, small, tubular snow-samplers are commonly used.

MONEY AT WORK

Brief but Important Lessons in Finance, Markets, Stocks, Bonds and Investments



IS MONEY ALWAYS WEALTH?

Wealth consists of all useful material things owned by human beings. Money is not always wealth. Wealth is usually not money.

All wealth, of whatever kind, must have the following three qualities:

1. It must be useful.
2. It must be material.
3. It must be owned by human beings.

Anything which we want is useful, whether it is good for us or not. Material is anything that has substance, weight, and can be handled. Ownership needs no explanation.

There are many things which are not wealth because they possess only one or two of the three essential elements. For instance, air is useful, and material, but is not owned by human beings. Good health is useful and owned, but is not material. Money is material and owned by human beings, but it may, or may not be useful. It would not be useful on a deserted island or if it had depreciated too much, as in the case of the German mark or the Russian ruble.

Money can be considered wealth only as long as it can be exchanged for something which we want, because it is the exchange value which determines whether or not it is useful.

DEATH OF STERLING ORR.

A Well-Known Resident of Simcoe Island Passes Away.

Wolfe Island, Dec. 6.—"Duff" Cosgrove is confined to his home through illness. The heavy rains have filled the wells to overflowing. The farmers who had to haul water are now out of a job. Dan McIlvina has returned home from Rochester. The following sailors have returned home after a successful season: Capt. Wm. Davis, Clarence Kenney, Henry Davis, Dan Larush, Joe McAvoy, Pat Baker, Shridan Maloney, New York, spend Sunday with Thomas Greenwood, Sr. Messrs. David Walker, Clarence Davis and George O'Brien, motored to Buffalo after a two week's visit with relatives here.

A well-known resident of Simcoe Island passed away on Saturday in the person of Sterling Orr. Deceased was well known here, being a member of the council for a number of years. His funeral took place on Monday afternoon from his residence to Wolfe Island for burial. Robert Reid's motor hearse proceeded from the boat to Trinity church where the funeral service was conducted by Rev. Mr. Kirk-

the remains were placed in the vault. Interment will take place later. A sorrowing wife and nine children mourn the loss of a true father and a faithful wife.

THE TOWN OF DESERONTO.

New Piece of C.N.R. Line—Deseronto Streets Very Muddy.

Deseronto, Dec. 5.—The recent heavy rains have made the streets look like side roads and the motorists find no pleasure driving.

Mr. and Mrs. Donald Dow, Toronto, are calling on friends in town. Paul Berry, of the C.N.R., Capriol, has come down to accompany his mother, Mrs. John Berry, to his home to spend the winter.

Silas Storrington, who has spent the summer on his farm at New Liskeard, has taken up residence in his home on Second street. Mrs. Storrington and their little daughter have come over from Hay Bay and are also living in their home on Second street.

W. H. Henderson, who has been supervising construction work for the C.N.R. at Nakina, has returned home for the winter.

The C.N.R. has built a new thirty-mile piece of line connecting the C.N.R. with the G.T.R. This line between Long Lac and Nakina will be ready for operations on Dec. 15th, and will mean a saving of twelve hours travelling between Toronto and Winnipeg.

Mrs. Martha German left for her home at Moscow today.

Sumatra, in the East Indian Archipelago, has the greatest variety of animal and vegetable life of any place in the world.

"The path of ambition leads to many political graves."

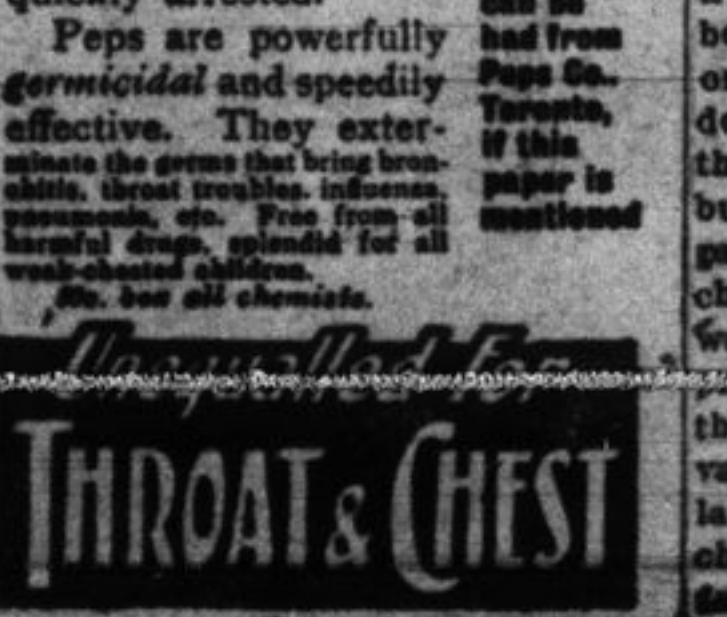
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There are two thrones in the House of Lords of the British parliament, that of the Queen being one inch lower and one inch behind the line of that which the king occupies. Nobel, founder of the Nobel prizes, owed his vast fortune to the discovery of dynamite.

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WHY THE WEATHER?
DR. CHARLES F. BROOKS
Secretary, American Meteorological Society, Tulsa, Okla.

How To Measure Snow.
The measurement of snowfall, es-

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EMULSION
for a Child

pecially in terms of rainfall, is of enormous importance in some regions of America where much of the winter's precipitation is held fast till spring. Everywhere snowfall is of considerable interest. Its measurement is one of the most difficult of the usual meteorological observations, and great care is required for reasonably satisfactory results. Instructions for the nearly 6,000 observers of the United States, and Canadian weather services include three measurements in connection with snowfall; depth of each snowfall, water content of each snowfall, and total depth of snow on the ground.

In level regions where the snow is not much disturbed by the wind the observer has a relatively easy time, for he has but to use his measuring stick in a dozen or more places, or observe the scale reading of a previously carefully placed snow stake. R. E. Horton, of Albany, N.Y., has devised a snow-board for ready measurements of each snowfall. This is merely a thin board covered with white cloth, which he lays on the top of the old snow. The rain equivalent is read-

there has been no wind merely by measuring or weighting the compact measuring or weighting the computing the water in the snow that fell into the rain or snow gauge.

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To Cherbourg, Southampton, Antwerp
Dec. 14 Helita
To Belfast, Glasgow
Dec. 15 Harloch

(FROM ST. JOHN)
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Glasgow
Dec. 21—Montclair Cherbourg, Southampton, Antwerp
Dec. 21—Montclair Liverpool
Jan. 4—Montclair Liverpool
Jan. 11—Montclair Liverpool
Jan. 18—Montclair Liverpool
Jan. 25—Montclair Liverpool
Jan. 31—Montclair Liverpool
Feb. 7—Montclair Liverpool
Feb. 14—Montclair Liverpool
Feb. 21—Montclair Liverpool

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