THE PROVINCIAL BANK OF CANADA

42nd ANNUAL GENERAL MEETING OF THE SHAREHOLDERS

Analysis of the Statement by the General Manager, Mr. J. U. Boyer

President's Address

The 42nd annual meeting of the shareholders of The Provincial Bank of Canada was held at the Head-Office in Montreal on Thursday, January 14th 1943.

The President, Mr. Chs. A. Roy, was in the chair.

The report of the Board of Directors was read and the financial statement for the year ending November 30th, was placed before the meeting.

The General Manager, Mr. J. U. Boyer, made the following comments on the Financial Statement:

In his analysis of the Statement, the General Manager dealt with the main points as follows:

The statement presented to you today, shows substantial changes as compared with the statement of the previous year. The intensified industrial and commercial activity resulting from the demands of war, high agricultural production and increased earnings of the working class have added to the volume of banking business.

Total assets have reached $72,-936,923, an increase of nearly 20% over last year. Cash items, including deposits and notes of the Bank of Canada, amount to $10,420,402. Investment security holdings stand at $40,038,330. Federal and Provincial Government securities maturing within two years aggregate $16,890,883 and represent an increase of $10,102,779 over 1941. Other Dominion and Provincial Government securities of longer maturity total $11,872,592, or $4,-361,072 in excess of the amount held last year. Canadian municipal and other bonds, debentures and shares at $11,275,064, show a decrease of $916,426.

Loans on call against bonds, debentures and shares at $2,978,708 remain approximately the same as last year.

Cash items and other readily realizable assets amount to $53,-560,608, which is equivalent to 79% of the total liabilities to the public.

During the year, the Federal Government resorted to a new method of financing, that is by way of issue of short term certificates of deposit bearing interest at the rate of 3-4 of 1% per annum. These were taken up by the banks. Since the issue of the Third Victory Loan, a part of these certificates were redeemed by the Government, and the amount now outstanding is $500,000,000.

The greater industrial and commercial activity has not contributed to an expansion of current loans, although the Bank has in many cases provided those of its customers engaged on war work with financial assistance. Other borrowers, however, whose liquid position showed an improvement during the year, were able to reduce or fully pay off their loans. As a result, total loans of $16,139,-340, which include borrowings of Municipalities and School Commissions, show little variation with the corresponding figures of the year 1941.

Deposits increased substantially during the year, rising from $53,-178,083 in 1941, to $65,420,580 in 1942.

Profits for the year, after making appropriations to contingent account, amount to $467,794 as against $440,643 in 1941. Out of these profits, provision has been made for Dominion Government taxes in the sum of $186,781, leaving a balance of $281,012. From this amount, $50,000 has been used as a write off against real estate and $230,000 was paid to the shareholders in dividends.

As the demand for war supplies continues to grow, the necessity of transforming the nation's business to a full wartime basis keeps pace. One of the most important changes was the transfer of labour from less essential industries to the armed forces and to war industry.

The changes in staff resulting from enlistment in the armed forces and other activities connected with the war, have reduced considerably, the trained personnel of the banks. To overcome this situation the banks have been compelled to engage inexperienced female help. It is estimated that 54% of total bank employees now consists of female help.

Much additional work has been imposed on the banks by the various wartime regulations, the receiving of subscriptions to Victory Loans and the delivery of bonds to the purchasers, the sale of War Savings Certificates and the encashment of Government coupons and cheques, the number of which is becoming greater from day to day. Notwithstanding the long hours of work involved, these duties have been cheerfully borne by the staff.

In conformity with an understanding come to between the banks, to reduce, as far as possible, the number of branches, we have closed 8 offices.

In closing it is with pleasure that I express my thanks to the members of the Board of Directors for their continued kind co-operation, and to the officers and employees of the Bank, my appreciation of their willing efforts in the performance of their duties during a very trying year.

Before moving the adoption of the Annual Report the President, Mr. Chs. A. Roy, addressed the Shareholders as follows:

The main points of his address are as follows:

The General Manager has given you a comprehensive explanation of the statements before you, and I hope that you will consider the position of the Bank and the results of the year as satisfactory. Your Board of Directors and myself are satisfied.

The growth in the total figures on each side of the balance sheet is the outstanding feature. The deposits have gone up $12,200,000 with a corresponding increase in the assets. It is particularly gratifying to note that in spite of substantial subscriptions to Victory Loans, there has been an increase in savings deposits during the year.

Having regard to the additional Excess Profits Tax, as provided for in the 1942 Amendment to that Act, it was felt advisable to reduce the rate of dividend. Income and Excess Profits Taxes are now such that most corporations do not have available for dividends more than 70% of their average taxable profit for the years 1936 to 1939.

As was expected, the year 1942 brought with it an intensified war effort and many changes in the economic conditions in our country. High wages and steady employment on war contracts having considerably augmented the incomes of the working classes, an atmosphere of prosperity was created which, if not sound, has nevertheless benefited many classes of business.

Retail trade held well above last year's level, although onerous taxation has reduced the purchasing power of the middle class and wealthy taxpayers, who have been hard hit; increased consumers demand, however, on the part of the wage earners, whose needs were great, account much for the activity.

Fortunately, most provinces have enjoyed bountiful crops. Because of the sharply rising domestic and export demand for these products at a higher scale of prices than in 1941, the average farmer's income has far exceeded that of recent years.

In the financial field, Dominion financing occupied the first place in the 1942 bond market. The cheap money policy inaugurated a few years back, as a means of financing the war, was maintained. Prices for high grade bonds held steady and short-term securities remained at a yield lower than the rate paid by banks to their depositors.

Wartime measures are, however, dominating economic conditions, and the present course is now principally devoted to the purpose of increasing production of the implements of war and the training of manpower. Production in ship-building and aircraft was particularly outstanding.

The ever increasing demand for war material and civilian goods has created problems of raw materials and labour. In an endeavour to solve these problems, the Government has applied regulations enforcing a strict control of nearly all raw materials as well as a curtailment of production for civilian requirements. A corrective labour agency in the form of the National Selective Service Bureau has also been created.

The material required to keep production at a peak in war plants has caused rationing of material for other industries. Because of rationing, the manufacture of certain classes of goods had to be reduced, thereby adding to the climb of operating costs.

Plant replacements and even repairs, except for those industries engaged on war contracts, have not always been possible, and there has been a consequent slackening off in efficiency. Inexperienced and untrained help has slowed production and increased costs sharply in nearly all industries. High wages and salaries paid by war industries make it difficult for other industries and business to carry on, as the selling prices of their goods or services have been frozen at the 1941 level.

The control of prices by the Wartime Prices and Trade Board entails numerous regulations complicated in character, difficult to interpret and even more perplexing to apply fairly.

Price control measures once entered upon cannot be lightly considered. The policy of subsidies resorted to by the Government for the purpose of exercising control of certain consumer goods, is adding rapidly to the public debt and may to an extent, defeat the purpose for which the Wartime Prices and Trade Board was organized.

A huge public debt has always painful consequences on each citizen of the nation. The greater the debt, the greater will be the degree of Government control over the rights and liberties of the people. That trend has been evident since the 1914-18 War. War is destructive, not only to life, and property, but also to the economic system of the country. A realization of that fact on the part of all would go far toward mitigating its eventual effects.

While our course is to direct all our resources to the task of winning the war within the least possible delay, it should be done with the minimum of dislocation to our economic system.

Those of us who remain at home should attend to our duties with the utmost devotion, and discipline ourselves to do with less so that the armed forces may have more.

Today, the subject of thrift is more important than ever before. It should be practiced by the individual as well as by governments. Heretofore, thrift, on the part of the individual has been a matter of choice; now, it is a public duty.

The large number of subscribers to the Victory Loans and the many purchasers of War Savings Certificates is gratifying, and indicate that the problems created by the war are now better understood and that the habit of thrift has become more general.

Following he addresses by the President and General Manager, the 42nd annual report of the Board of Commissioner-Censors was presented by its President, Hon. E. L. Patenaude, P.C., K.C.

After the adoption of the reports of the Board of Directors and of the Board of Commissioner-Censors, the following Directors were elected:

Mr. L. J. Codere, Sherbrooke, Que., Hon. Senator Louis Cote, K.C., Ottawa, Ont., Mr. C. G. de-Tonnancour, Montreal, Que., Hon. R. O. Grothe, M.L.C., Montreal, Que., Messrs. Alfred Lambert, Montreal, Que., Alfred Marois, Quebec, Que., Jean Rolland, Montreal, Que., Chs. A. Roy, Montreal, Que., George A. Savoy, St. Johns, Que.

The following were elected members of the Board of Commissioner-Censors: Messrs. C. L. Carsley, Montreal, Que., Narcisse Duchrame, Montreal, Que., Hon. Senator Antoine J. Leger, K. C., Moncton, N.B., Mr. Victor Morin, N.P., Montreal, Que., Hon. E. L. Patenaude, P.C., K.C., Montreal, Que., Mr. L. E. Langis Galipeault, LL.L., B.Sc., Quebec, Que.

At a special meeting of the Board of Directors held immediately after the General Meeting of Shareholders, Mr. Chs. A. Roy was re-elected President and Messrs. Jean Rollarri and Geo. A. Savoy were elected Vic-Presidents.

At a meeting of the Board of Commissioner-Censors held simultaneously Hon. E. L. Patenaude, P.C., K.C., was re-elected President and Mr. Cecil L. Carsley, Vice-President.

COMMISSIONER-CENSOR

L. E. LANGIS GALIPEAULT, LL.L, B.Sc.

L. E. Langis Galipeault, advocate, senior partner of Galipeault and Galipeault, Quebec, elected to the Board of Commissioner-Censors of The Provincial Bank of Canada at the 42nd annual meeting of the Shareholders.

In Memoriam

MR. JAMES B. MacDONALD

The death occurred at the Charlottetown Hospital on December 19th, 1942, of Mr. James B. MacDonald, J. P., Ex M. L. A., one of the most prominent and highly esteemed residents of St. Peter's Bay at the advanced age of 80 years, his birthday having been celebrated on December 6th, 1942.

Coming at the happy Christmas season, his death cast a deep shadow over the home and community, as he was deeply revered and his advice and good judgment made him a wise counsellor and friends sought out by young and old in happy times as well as when trouble visited them.

Mr. MacDonald was born on the old homestead at West St. Peters in 1862 and spent all his useful life in his father's home. He carried on a successful farming and fishing business practically all his life and came in contact with all classes and creeds who held him in highest esteem. He was eight years a loyal member of the Legislative Assembly of Prince Edward Island and until death came took an active interest in church, civic and political affairs.

He is survived by one brother, in a noble family of 13, the Rev. Father Peter MacDonald, P. P., Wakerville, Montana. Two sons also mourn the loss of a loving father. Rev. Father Reginald, chaplain overseas, and Aeneas, brakeman on the C. N. R. His wife nee Lucinda MacDonald predeceased him 41 years ago, a sister Lillian predeceased him 15 months ago.

The funeral which was very largely attended took place on Monday, December 21st at 9 o'clock from his residence to St. Andrews Church of which he was a devoted member, thence to the St. Andrews Cemetery. Solemn High Mass was celebrated by Rev. Terrence Campbell, Rev. Father McCardle, deacon; Rev. Father Simpson, sub-deacon; Rev. Phelan McKenna, Master of Ceremonies. In the Sanctuary presiding were His Excellency Bishop O'Sullivan, Rt. Rev. Msgr. Murphy of St. Dunstan's University, Father MacKenzie, Father McPherson; assisting the choir was Rev. Bernard A. Gillis. The services at the grave were conducted by Rev. Father Simpson and the pall bearers were: Hon. J. P. McIntyre, Dr. Leonard Farmer, Messrs. Emery MacEwen, Roderick MacAdam, William MacMillan, Lloyd MacEwen. Mr. Frank Hennessey was funeral director.

The sympathy of many friends is extended.

Following are the Mass Cards, etc., received by the bereaved family.

MASS CARDS

Rev. P. F. MacDonald
Rev. R. J. MacDonald
Rev. P. J. Mellady
Rev. Alphonsus Rooney
Rev. R. F. MacDonald
Sisters of Notre Dame Academy, Charlottetown
St. Vincent De Paul Society
Children of St. Lawrence School
Teacher and children of St. Peter's Lake School
Turk Family
The Renonard Family
Mr. and Mrs. James P. MacInnis
Mr. and Mrs. Donald S. MacDonald
Mr. and Mrs. Peter O. MacDonald
J. Aeneas and Katie MacDonald
Mr. and Mrs. Michael MacIntyre
Nellie MacDonald
Mr. and Mrs. Aeneas MacDonald and Family
Mr. and Mrs R. F. MacDonald

LETTERS OF SYMPATHY

Sister Mary Charles
Rev. James J. Sherrin
Rev. R. F. MacDonald
Rev. P. F. MacDonald
Charles H. Black
P. W. Turner
D. B. MacDonald
H. F. MacPhee
Mr. and Mrs. Brendon Driscoll
McIsaac Family
O'Connor Family
Rose

CAPE TRAVERSE SCHOOL

Report for November.

Grade X—1. Elinor Harvey; 2. Bertha Norring; 3. Eleanor Cutcliffe.

Grade VIII—1. Gloria Bell; 2. Eleanor Lord and Pearle Cameron, equal.

Grade VII—1. Glenda Waddell, Gladys Norring equal; 2. Betty Campbell; 3. Jackie Campbell.

Grade VI—1. Henderson Harvey, Warren Lord equal; 2. Leonard Hynes; 3. Byron Cutcliffe.

Perfect attendance: Glenda Waddell, Elinor Harvey, Pearle Cameron, Jackie Campbell.

Grade V—1. Sonia Arnfast; 2. Pauline Irving; 3. Jessie Gardiner.

Grade IV—1. Gordon Norring; 2. Marie Hynes; 3. Roger Waddell.

Grade II—1. Roger Kaye; 2. Beatrice Cutcliffe; 3. Sheldon Gardiner.

Grade II—1. Juanita Campbell; 2 Carl Dickie, 3. Ella Campbell.

Grade I Senior. 1. June Gardiner, 2. Lois Cutcliffe; 3. Ian Muttart.

Grade I Junior—1. Janice Waddell; 2. Rowana Harvey; 3. Barbara Irving.

Perfect atendance: Juanita Campbell, Janice Waddell.

Teachers: Mrs. Doris MacWilliams, Mary M. Muttart.

In Memoriam

MRS. H. B. HASLAM

There entered peacefully into eternal rest at the Prince County Hospital, Summerside on January 4, 1943, Mrs. H. B. Haslam formerly (Blance Abbott) of Springfield in the fifty-eighth year of her age.

The late Mrs. Haslam took suddenly ill a week previous and was taken to the hospital. Here despite best medical attention and loving care she passed away in the early morning on the above date, and her sudden death casts a gloom mingled with deep sorrow over the entire community.

Mrs. Haslam was a woman of boundless hospitality, transparent goodness, great courage with an abiding faith and a genial and loving disposition. She was an energetic and faithful member of the Women's Auxiliary of St. Elizabeths Church and a regular attendant at Divine Worship. Every movement for the social advancement of the community received her loyal support. In the work of the Women's Institute she was a tower of strength and her untiring interest will long be remembered by her fellow members.

She was a daughter of the late Mr. and Mrs. Theophilus Abbott of Princetown Road where she attended the local district school and was held in high esteem by her school friends who will regret her passing. On March 19, 1908 she was united in marriage with H. B. Haslam and since has resided in Springfield, with the exception of three winters she and Mr. Haslam spent in MacMasterville the guests of their son and his wife Dr. Lewis and Mrs. Haslam.

She leaves to cherish her memory besides her sorrowing husband four sons, Dr. Lewis, MacMasterville, Quebec; Irving, S. Springfield, Clarence F., Springfield, Raymond MacMasterville, also the following brothers and sisters: Julia, Mrs. Fred Dollar, Brookfield, P. E. I.; Esther, Mrs. Pound, New Westminster, B. C. Golden, B. C.; Fred, New Jersey, Frank, New Jersey; Theophilus, Norridge, Wack., Maine. One brother Samuel of Cornwall and a sister Alice, Mrs. Rendle of B. C. predeceased her several years ago.

On Wednesday January sixth a very large and sympathetic congregation assembled at her late residence to pay their tribute of respect and witness the last sad rites. Service was conducted by the following clergymen, Rev. Mr. Newman, Ven Archdeacon Harrison, Rev. Mr. Morrison and Rev. Dr. Ayers a life long friend of the deceased who spoke from Philipians 1.21 and brought a comforting and impressive message to all.

Interment was in the family plot in St. Elizabeth Church cemetery, Rev. Mr. Newman officiated at the grave.

The pall bearers were Dr. J. D. MacGuigan, Charlottetown, Messrs. Walter MacKenzie, Norris Sinclair, Everett Haslam, Wm. Haslam, J. Ernest Haslam.

Many and beautiful floral offerings bore silent testimony to the memory of a loved one gone.

The heartfelt sympathy of the entire community goes out to the sorrowing family, but the Hand that chastens is also able to sustain and uphold them in their hour of loneliness and grief.

KNOW THE RIGHT FOODS
EAT THE RIGHT FOODS

Moore & McLeod Limited gladly co-operate with the Provincial Nutrition Committee in making public their plans for bringing you information on really efficient nutrition.

The PROVINCIAL NUTRITION COMMITTEE associated with the Department of Public Health, the Department of Agriculture, the Red Cross, will

BROADCAST OVER C. F. C. Y.

Monday Wednesday Friday at 6.30 P. M.

Tune in for this informative programme. Proper Nutrition is Health Ammunition. So ..... make every kitchen

WORK FOR VICTORY!

This store closes Wednesday afternoon at 12.30.
Saturdays at 9 P. M.
All other week days
9 A. M. to 5.30 P. M.

Telephone No. 49
Private Branch Exchange
Just Call No. 49 and ask the office operator for the department you want.

MOORE & McLEOD Limited
119—121 Queen Street, Charlottetown

GLITTER FROCKS

Glitter frocks are of tremendous importance this winter. Women feel, apparently, that if they must cover shoulders and necks it should be with something worth while. There is nervous about the cover-up idea. it's the trend to avoid extremes in ality and for that matter, in style.

AMAZON'S FLOOD

The Amazon river empties into the Atlantic at the rate of 5,000,000 gallons a second.

WHERE TO?

Honduras is the greatest banana land in the world, annually exporting 12,000,000 stems.

TILLIE THE TOILER ADVICE WANTED — AND GIVEN

BRINGING UP FATHER

OUT OUR WAY By J. R. WILLIAMS

OUR BOARDING HOUSE WITH MAJOR HOOPLE