NK OF MONTREAL'S STRONG POSITION

ries Gordon, President, Deals With Major Problems That Must Solved in Canada Before Country Can Make Normal Progress—st be End to Unwarranted Competition and Duplication of Ser-s by Our Two Great Railway Systems—Dealing With Wheat uation Points Out That What Canada Has to do is Sell Her eat Within the Crop Year.

n Dodds, Joint General Manager, Reviews Progress Made by the nk During Past Year—Insists That Burden of Taxation Has own to a Point Where it Consumes Capital Resources, Saps Energy d Enterprise and Discourages Industry and Production—Definite provement in Business Has Taken Place.

he annual meeting of the t Montreal, held at the Head on December 2, a large and entative gathering of share-s expressed their unanimous al of the statement and re-f the directors for the fiscal ding October 31.

balance sheet showed that al assets amounted to $792,-compared with $759,100,000 ago. Quick assets, including totalled $533,400,000, repre-74.48% of all liabilities to ublic. This percentage, it was ned, is higher than necessary rmal requirements, and is a of the reduced demand for for commercial purposes.

stments, not exceeding mar-alue, amounted to $361,900,-an increase of $43,800,000 over year. Deposits by the public unted to $641,300,000, an in-e of $65,800,000.

fits, after deducting Dominion Provincial Government taxes, unted to $3,005,212 as compared $3,204,369 in 1934—a decrease 199,000, over half of which is to the increase in Dominion Provincial taxes.

r Charles Gordon, president, in address, said he was sorry in-st on bank deposits was cut n three to two per cent. This, said, was rendered necessary by pressure of the Government the Central Bank for lower s on Government loans.

As a matter of fact," he con-ued, "the Dominion of Canada been borrowing money in some s at rates which stand com-ed with the rates at which the ish Government has been bor-ing in London. These low rates e resulted in a drastic cutting of the earnings of the char-d banks, which have been ed to reduce their rates to de-ors Based on the results of Bank of Montreal, it means t the depositors in all Canadian ks are receiving some $17,000,-less per annum than they did n the rate was 3%. In a sense reduction may be regarded as rm of concealed taxation. I k that the sooner the public is cated to these facts, the better. ry man and woman should rea-that no matter whether taxes paid directly or not, no citizen apes paying his share of the cost government. It comes through h hidden taxes as a reduction in ings Bank interest, or it may buried in every purchase made day-to-day living require-ts."

eviewing underlying factors in economic situation in Canada, Charles said: "I think you will ee with me that there is no saying the fact that all the important problems with ch the old Government was ed remain to be dealt with by new Government. These prob-ns, to mention a few of them, the railway problem, with ch is bound up the imperative essity of balancing our national get; unemployment, which in-ves the necessity of relieving provinces and our municipali-of undue burdens of relief; the at situation, which would have n even more serious had there n a normal crop; and the news-t situation, which is causing depletion of our national re-ces without compensating re-ne to our provincial and federal suries.

hese are the major problems confront the Government and country, and if they are attack-ldly and wisely, most of our r problems will automatically ppear. What the people of this ntry want to know in respect these major problems is not t CAN NOT be done, but what N be done.

I would like to emphasize the ," he proceeded, "that one of major planks in the platform the party which has succeeded power was the definite and em-atic promise to balance the bud-. It will be remembered that the ancing of the national budget s laid down as the prerequisite recovery by the National Gov-ment in Great Britain, and it a matter of common knowledge at not only was this object ful-ed, but that its fulfilment has used Great Britain to lead the rld in the return to prosperity. e are entitled to look for a simi-r fulfilment of a similar objec-tive by the new Government at Ottawa, and I have no hesitation whatever in saying that with an early achievement of that object, Canada, assuming that no exterior problems arise to complicate her outlook, need be second to no other country in progress and material well-being."

The huge carry-over of wheat, he further stated, constituted another of the problems on which Canadians had been surfeited with arguments as to what cannot be done. "There can be no sound basis for prosperity in Western Canada until that problem is solved, nor will recovery in the rest of the Dominion get into its proper stride until then. Many industries depend on the flow of new wealth into this country in exchange for wheat, and part of the set-back of our railways is due to the effect of the stoppage of the wheat traffic in which so much of their expensive equipment was formerly employed. What we have to do is to sell our wheat, not hold it, and sell it within the crop year. There is no other way out."

Mr. Jackson Dodds, joint general manager, in explaining the various items in the Bank's statement, referred to the failure of the lowering of the interest structure of the country to stimulate borrowing of money for productive and constructive purposes, remarking: "Lenders naturally shortened the term of their commitments. They would not risk long term investments at low rates in the face of experiments of one kind and another, whether, monetary, economic or socialistic. Until confidence is inspired by the adoption and carrying out of sound policies, the balancing of budgets by effecting economies and by the reduction of taxes, long term investments will be postponed and business recovery retarded.

"Dominion and Provincial Government taxes paid by the Bank during the past year," he said, "totalled $1,002,000—an increase of $101,000." This did not include Municipal taxes of various kinds paid by the Bank's branches, which ran into a substantial sum.

"Taxation," he proceeded, "is primarily intended to cover state and municipal essential expenditures. That we have drifted a long way from the original intention is becoming more and more apparent. The burden of taxation imposed by our numerous governing bodies has grown to the point where it consumes capital resources, saps energy and enterprise, discourages industry, production and construction, and thereby increases unemployment. Taxing bodies are beginning to realize that, unless taxes are reduced by effecting economics in public expenditures, the source of taxation will ultimately be dried up."

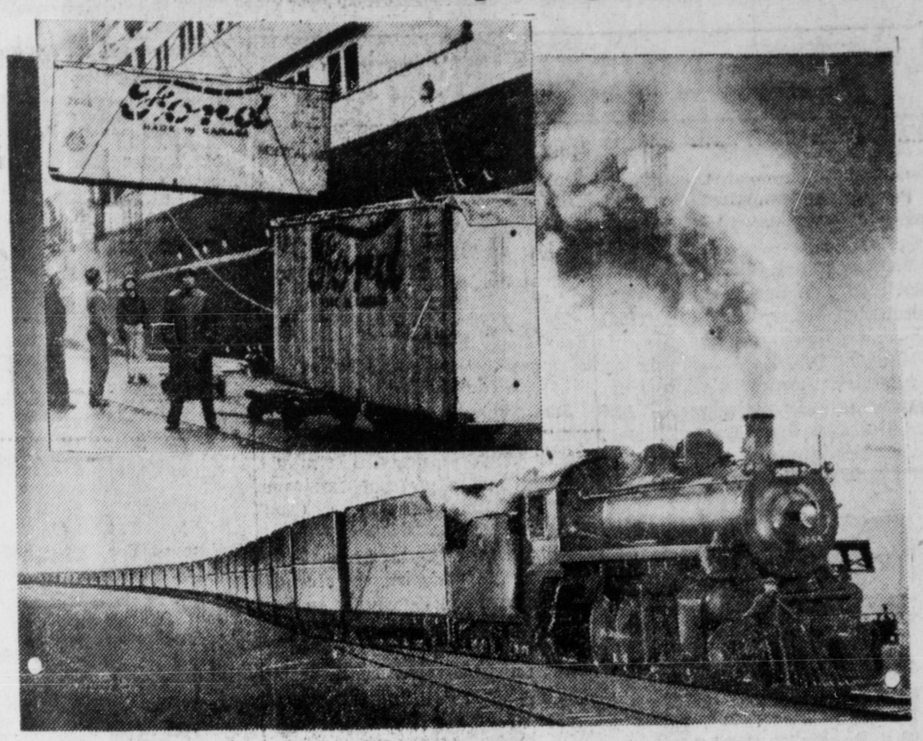
He proceeded: "Definite improvement in business has taken place during the past year, in spite of all handicaps, domestic and foreign. There is unmistakable evidence of increased confidence, and enterprising people are beginning once more to look ahead.

"Gradual recovery in world commerce will continue as men of good will, with courage, ability, initiative, enterprise and ingenuity devise means whereby trading may be resumed on more normal lines. The Ottawa Agreement was a notable advance toward the revival of trade within the Empire, and Canada's recent trade agreement with the United States is a further courageous step in the direction of removing barriers to foreign trade.

"Having said this much for our own country in relation to the international situation, it is well to re-emphasize that our immediate and vital concern is to put our internal affairs in order, to ensure Canada being properly equipped to take a prominent part in world trade on whatever basis and scale it may be resumed in future.

"This will not be brought about by trying out quack remedies, which would only make a serious condition hopeless. The country must face its well-known difficulties finally, and delay will not only be futile but will encourage their further growth. Some complain that the standard of living throughout Canada is too high for a debtor country, poor in accumulated means even though rich in undeveloped natural wealth, and that it adversely affects her competitive position in the world market. The standard is not too high in the proper sense of the word: it is the cost that is too high, and this cost can be brought down by effecting economies in our excessive general overhead."

Business Improving



VANCOUVER, Dec. 12:—Visual evidence of the tremendous strides made toward economic recovery by New Zealand and Australia, and the benefits to Canada of Empire trade agreements, can be found in these photos showing the arrival and trans-shipment in Vancouver of a solid C. P. R. trainload of Ford automobiles, for export to New Zealand. At top is a close-up view of one of the autos being slung into the hold of the Canadian-Australasian liner "Aorangi," while below the solid train of 50 cars—300 Fords in all, is seen entering the C. P. R. yards at Coquitlam. This trainload is being followed closely by additional trainloads bringing a total of 1410 Fords to be shipped from Vancouver in December. The "Aorangi" will handle part of the first trainload, with other and larger shipments being made to New Zealand by the freighters "Loch Lomond" and "Cape York." Ford of Canada, by December 31, will export to sister Dominions in excess of 48,000 units which is far ahead of 1929 and well over 1926, the previous peak year, when 39,000 units were exported. Value at retail of this year's tremendous volume will be nearly $50,000,000 and particularly important is the 75% content of Canadian labor and materials in products of Ford of Canada. This is the highest percentage of Canadian labor and materials going into any car made or sold in Canada.

Twenty-Five Years Ago

December 12, 1910

Coming north in connection with the campaign against American poachers in Canadian fishing waters, it is announced that H. M. C. S. Rainbow will pay a visit to Prince Rupert about January 15.

Ald. F. H. Mobley, candidate for the mayoralty, declared last night at an anti-Scott Act meeting in the McIntyre Hall that he preferred licences to the Scott Act but that, if elected mayor, he would loyally enforce whichever the citizens choose. Dr. A. A. McIntyre presided over the meeting which was crowded. Dr. Clayton and Mr. Blakemore were also speakers as well as Father Hartman, Roman Catholic Church priest, who declared that he was opposed to the Scott Act.

A fine case of ore specimens from the Hazelton district has been presented to the Prince Rupert Club by D. A. McKinnon.

District News

STEWART

A good response to the Stewart Christmas Dinner Fund is reported, the sum of $25 having been already suscribed.

Jack Graham, formerly employed at the Dunwell mine at Stewart, has been confined to the Vancouver General Hospital recently, having been involved in an accident in which he sustained the loss of his left eye.

Mrs. L. A. N. Potterton and daughter, Jessie, of Stewart are in Prince Rupert, the latter being in hospital where an operation was recently performed.

George Vergl of Hyder B.C., suffering from a badly infected foot, is a patient in the Prince Rupert General Hospital.

With heavy snows around Stewart during the past week or so, the government snow plow has been a vital factor in keeping the roads open.

Upward Turn On Stock Market

Strength Shown Particularly Towards Close—Turnover Yesterday More Than Two Million Shares

NEW YORK, Dec. 12:—There was an upward movement on the New York Stock Exchange yesterday, the list turning particularly firm just before the close. The day's transactions totalled 2,130,000 shares and closing averages were as follows: industrials, 143.85, up .53; rails, 41.28, up .05; utilities, 29.23, up .17, and bonds, 98.21, unchanged.

TODAY'S STOCKS

(Courtesy S. D. Jonnston Co.)

Vancouver

B. C. Nickel, .19.
Big Missouri, .69.
Bralorne, 5.45.
B. R. Cons., .03¼.
B. R. X. Gold, .08.
Cariboo Quartz, 1.23.
Dentonia, .30½.
Georgia River, .01.
Golconda, .10.
Indian, .01½.
Minto, .10.
Meridian, .12.
Morning Star, .03.
National Silver, .02½.
Noble Five, .04¾.
Pend Oreille, .95.
Porter Idaho, .04½.
Premier, 1.82.
Reno, .99.
Silver Crest, .00½.
Salmon Gold, .08.
Taylor Bridge, .15.
Wayside, .15.
Whitewater, .06½.
Waverly Tangier, .00⅝.
United Empire, .03 (ask).
Grange, .01¾.

Toronto

Central Patricia, 2.67.
Chibougamau, .16½.
Lee Gold, .02¾.
Granada, .22.
Inter. Nickel, 44.50.
Macassa, 3.20.
Noranda, 46.00.
Sherritt Gordon, 1.06.
Siscoe, 2.67.
Ventures, 1.59.
Teck Hughes, 5.00.
Sudbury Basin, 3.36.
Smelter Gold, .04.
Can. Malartic, 1.00.
Little Long Lac, 6.15.
Astoria Rouyn, .02¼.
Stadacona, .19.
Maple Leaf, .06½.
Pickle Crow, 3.47.
McKenzie Red Lake, 1.39.
God's Lake, 1.29.
Sturgeon River, .58.
Red Lake Gold Shore, .40.
San Antonio, 3.40.
Shawkey, .63.

We sell circulation. We have it. Try a classified.

November Halibut Landings in 1935 Ahead of Year Ago

Halibut landings at the port of Prince Rupert for the month of November this year are placed at 635,000 pounds as compared with 268,000 pounds in the same month last year. American landings this November amounted to 338,000 pound in comparison with 229,000 pounds a year ago while this November's Canadian fares were 297,000 pounds as against 39,000 pounds.

The final landings in 1934 were on November 6 whereas fishing is still continuing at this time this year in Area No. 3.

A GIFT FOR ANYONE

A Savings Account at The Royal Bank is a Christmas gift that is always appreciated. You can open an Account in anyone's name—a child, a friend, an employee—and present it in a pass book with special Christmas cover. Arrange this now at any office of The Royal Bank, for any amount.

THE ROYAL BANK OF CANADA

Do You Want

Your Wife, Mother, Sister or Lady Friend to Look Like Cinderella This Christmas?

No, of course you don't! Come to Demers and make a selection from their fine display of Suitable Christmas Gifts and have her made a Princess!

Something for every occasion

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have it.

Don't forget our Christmas Gift to you with purchases of $5.00 or more.

The Men's Store, Where Women Like to Shop!

Gift Suggestions for Him

★ Flannel Robes
★ House Jackets
★ Initial 'Kerchiefs
★ Mufflers
★ Suspender Sets
★ Hosiery
★ Linen 'Kerchiefs
★ Spats
★ Silk Gowns
★ Dress Shirts
★ Pajamas
★ Neckwear
★ Underwear
★ Hats—Caps
★ Knitted Ties
★ Scarves
★ Smoking Jackets
★ Socks
★ Hickok Belt-Sets
★ Sweaters
★ Dress Jewelry
★ Slippers
★ Gloves
★ Shoes

THE GIFT SUPREME
A "LONDONTOWN DRAPE"

Give something practical—something that will be appreciated. Men buy here when they buy for themselves! And wise women buy here when they buy Gifts for Men! This year we have excelled ourselves in the greatest assortment of **Christmas Togs for Men** we have ever shown. We cordially invite your inspection. A deposit will hold any article until required.

LAMBIE & STONE
STYLE — QUALITY — SERVICE