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THE TRUE WITNESS AND CATHOLIC CHRONICLE.

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MONTREAL, FRIDAY, APRIL 22, 1853.

NEWS OF THE WEEK.

Parliament resumed its labors on the 4th inst. It is more than hinted that there are great differences of opinion upon several important measures, amongst the members of the Government; that Sir W. Molesworth cannot agree with his colleagues on the Canada Clergy Reserves question; it is also expected that the readjustment of the Income Tax will be attended with great ministerial difficulties; rumors are in consequence afloat of a design on the part of the Derbyites to make another bid for office. The Times asserts that the Ministry are prepared with some great and comprehensive scheme for National Education; Lord J. Russell was to have introduced it as soon as possible after the meeting of Parliament. The humble petition of the British Merchants to the French Emperor, deprecating hostilities, and humbly imploring peace at any price, has excited some very severe censures both in, and out, of Parliament, against its signers and presenters. In the House of Lords, Lord Campbell called the attention of members to this singular, and certainly on the part of Englishmen, not very dignified proceeding; His Lordship denounced it as an interference with the prerogatives of the Crown, and a violation of the Constitution. Mr. Evans has given notice in the Commons, of his intention to move for copies of all correspondence between the governments of Great Britain, France, Spain, and the United States, on the Cuba question. The attention of the Ministry having been at last aroused by the well grounded remonstrances of the Continental powers, it is said that the London Police have been instructed to prepare a list of, and to keep a strict look out upon, the foreign refugees who abuse the protection afforded to them by British laws.

The Nation publishes a long address from Smith O'Brien, dated Sept. 14th, 1852, from New Norfolk, Van Dieman's Land, in which that gentleman vindicates his conduct from the reproaches cast upon it by the late Viceroy of Ireland, and scolds the idea of imploring mercy as a criminal, whilst his own conscience assures him that he has been guilty of no crime, unless a too devoted love to his native country, and too keen a sense of her wrongs and sufferings be criminal; the unfortunate gentleman writes in good health and spirits. His friends in Ireland intend to renew their efforts for his liberation, and it is to be hoped that, this time, these efforts may prove successful.

An amusing controversy is going on in the Scotch papers, as to the respective claims of Edinburgh or Glasgow to be considered the most drunken city in Scotland, and, consequently, in the world. The Lord Provost of Edinburgh has taken an important part in the controversy, and has, if figures may be relied upon, established the fact that Edinburgh is a trifle more given to liquor than Glasgow, and is four times more drunken than London. At a meeting of the Town Council, this great civic authority asserted that, "one public house in the Canongate had more sitters of a Sunday, than six of the Established Churches of the city, on the same day."

The day for the coronation of the French Emperor has not yet been fixed upon. Most contradictory reports respecting the intentions of the Sovereign Pontiff are prevalent; at one moment it is positively asserted that he intends to honor the ceremonial with his presence; at another it is given out that his Holiness has decided not to visit France. The man who was put upon his trial upon the charge of having assassinated the late Archbishop of Paris, has been acquitted upon the graver charge, but condemned as having taken an active part in the insurrection. The Madiais were expected at Paris.

In Lombardy, the civil power was about to resume its sway; a general amnesty was expected to follow. Though Mazzini has managed to sneak away from the troubles he had excited, the agents of this cowardly miscreant are still busy throughout the Italian States. A soldier was lately assassinated in the streets of Palermo, evidently by one of the Mazzini gang; to the poignard with which the victim was stabbed, was attached a piece of paper bearing the inscription—"Vengeance of Mazzini." Great excitement prevails at Naples.

In spite of her pacific professions, and denials of any hostile intentions in the mission of Prince Mentzchikoff to Constantinople, Russia is recruiting her armies; and her fleet, in the Black Sea, under the orders of the Grand Duke Constantine, is held in readiness for immediate service. In a note addressed to Vienna, the Russian Government has disclaimed any designs against the integrity of the Ottoman empire.

The Arabia brings news that Queen Victoria has another son; mother and child are, we are happy to see, both doing well. No political news of any importance telegraphed.

THE MONTREAL PROVIDENT, AND SAVINGS' BANK.

The affairs of this institution are, it seems, again about to be brought prominently before the public. On the one hand, a number of the unfortunate depositors, in a petition to the Legislature—accuse the Directors, and Trustees, of the defunct Bank of involving, by their maladministration, caused, and aggravated, the losses inflicted upon the depositors—and pray for a special Legislative enactment, in order to enable them—the said depositors—to recover, from the Directors, the sums of which they have been defrauded. On the other hand, we have a petition signed—"John Greenshields, and fifty-six others"—denying the allegations of the former petition, and insisting upon "the fact that the large dividend of eighteen shillings in the pound has been realized, and paid" by the said Bank: on our eighth page also, will be found an advertisement, in which this statement is reiterated. As the secular press of Montreal have, from prudential motives, declined entering upon any discussion, into the affairs of this bankrupt institution—of the causes which led to its failure—and of the manner in which, since its suspension, its operations have been carried on—and as these are matters in which the whole public are, or ought to be, deeply interested, and on which it was, by the publication of its Report, evidently the intention of the Legislature that they should be well informed—we will do our best to supply that information, which our secular contemporaries have hitherto most unaccountably withheld.

The failure of a Savings' Bank is a matter in which all classes, but especially the poorer, and therefore the more helpless classes of the community, are concerned. An ordinary bankruptcy is a mere commercial speculation, a smart trick by which a few clever rogues manage to realise very handsome profits, at the expense of their creditors. But far more serious is the desolation occasioned by the failure of a Savings' Bank. The amount of injury inflicted upon society by the bankruptcy of such an institution, cannot be adequately expressed by any formula of £. s. d. To say that the sum lost to the depositors is forty, or fifty, thousand pounds, gives but a vague idea of the amount of evil and suffering, moral, as well as physical, thereby inflicted. Not only is the loss aggravated, because it falls almost entirely upon the class least able to sustain losses, or to recover itself after a fall; not only in a pecuniary point of view, is the loss more serious than that which falls only upon the wealthier portions of the community; but, on account of the moral evils thereby entailed, the failure of a Savings' Bank, or Bank of Deposit for the accumulated earnings of the poor man, must be looked upon in the light of a great social calamity.

The mere pecuniary losses may, if not repaired, at all events, soon be forgotten. Little does society care for the ignoble sufferings of the poor widow or her starving children, who have lost their little all: what right have they to obtrude their sorrows upon the notice of the wealthy, and sanctimonious, authors of that wretchedness? Death will soon put an end to their impertinent clamours, and a pauper's grave will hide the sorrows of the poor from human ken, until that great day when the secrets of all hearts shall be revealed, and the Lord Himself shall appear to execute vengeance, swift and terrible, upon their oppressors, and upon all who, by fraud, have kept back the hire of the laborer. The mere pecuniary loss is as nothing; it is the moral evil, which the failure of the poor man's Bank engenders, that renders its failure so important to society. A Savings' Bank honestly and prudently conducted, may be made a powerful moral agent for good; for it acts as a stimulant to habits of industry, frugality, self-denial, and sobriety. By its means the reclaimed drunkard may be encouraged to persevere in the paths of temperance; the dissolute, and spendthrift husband may be induced to renounce his dissipated habits, and to lay aside his earnings for the support of his wife, the embellishment of his home, and the future education of his children. But just in proportion as the advantages of a poor man's Bank, properly conducted, are great, so also are the evils great, which must result from its mismanagement, and consequent failure. Confidence in these institutions is destroyed, and once destroyed, can hardly ever again be restored. Never again will the laboring man hand over, on the Saturday night, his week's earnings to his wife, to be, by her, added to the little stock already accumulated in the bank. No; in all probability, he will return to squander it in his ancient haunts, and will endeavor to drown amidst the shouts of his pot-companions, the memory of his losses, and the wailings of wife and little ones, clamoring for food. We may calculate to a fraction, the pecuniary loss inflicted by the failure of the Montreal Provident, and Savings' Bank; but who can tell the amount of desolation it has brought upon many a happy domestic hearth? Who can count the widows' tears, or reckon up the groans of the pitiful children?

It is therefore of the highest importance that the causes of the failure of the Poor Man's Bank should be investigated, and made public; it is of the highest importance that the poor man should be made to see that, if a Savings' Bank has failed, and he thereby has been robbed of his little earnings, the fault is not necessarily in the Savings' Bank; that his losses do not proceed from any unforeseen casualties to which all monetary institutions are liable; but that the failure of the Bank, and all the unfortunate concomitants, are due solely, to the maladministration of its affairs, and the dishonesty of its Directors. It was for this purpose, doubtless, that the Legislature ordered its Report to be printed, and published; a purpose however which has been almost completely defeated by the pains that have been subsequently taken to suppress it. In consequence, little is known by the

public, of the causes which led to the disastrous suspension of payments in full, by the Montreal Provident and Savings' Bank on the 14th July, 1848.—We are told that, it was owing, to the pressure of the times, to the commercial panic of '47 and '48, to the rush made by the depositors, and perhaps to fifty other causes besides;—we are told too, that since its suspension the Bank has paid its creditors a dividend of eighteen shillings in the pound. We propose examining into the truth of these allegations.

It may be premised that we draw all our information, not from any *ex parte* statement made by interested parties, but from the Official Report of the Legislative Assembly—a document to whose truth, and impartiality, the highest authority in the land—the Legislature of Canada itself—is guarantee. The Report having been received, and ordered to be published by—is to all intents and purposes the Report of—the Legislative Assembly of Canada.

To any man who has read this official document, three things are perfectly clear:—

1. That, the stoppage of the Bank was caused by the gross mismanagement, and reckless dishonesty, of its Directors, who not only invested the funds committed to their charge without any regard to the interests, and security, of the depositors, but made use of the said funds for their own private ends, employing them for the advancement of their friends and families, and the furtherance of their own peculiar objects.

2. That, the losses so incurred were greatly aggravated, by the gross partiality of the Trustees to whom was entrusted the charge of winding up the affairs of the said Bank; and by the refusal of the Directors to repay the sums which they had abstracted from its coffers, and for the repayment of which, either as principals, or as securities, they were, in the language of the Report, "responsible on every principle of honor and integrity."

3. That, the Montreal Provident and Savings' Bank has not paid to its depositors a dividend of eighteen shillings in the pound. We pledge ourselves to establish every one of our propositions.

The first is, that the failure of the Bank was caused by the gross mismanagement, and reckless dishonesty, of the Directors, who, in the words of the "Report" were exempted by an Act of Parliament from pecuniary liability, in consideration of their strictly conforming to rules and regulations which they should themselves promulgate in conformity with the law, and who were therefore bound in honor—if such a word has a place in their vocabulary—to see that these rules and regulations were, in all cases, strictly adhered to. To show how these rules were observed, it is enough to mention, that the Actuary, who should never have had in his hands one single sixpence of the funds of the Bank, was allowed, to appropriate to his own use, the sum of nearly £10,000. By chance! in 1848, it was discovered that the said Actuary was a defaulter to the above amount—p. 30. But this is a trifle to what follows:—

The Act of Parliament—4 and 5 Vic., cap. 32—above alluded to, as conferring certain immunities upon the Directors, and the Rules and Regulations of the Bank, expressly prohibited lending, or investing, the funds of depositors without taking proper security. On the 4th February, 1843, at a meeting of the Directors, it was resolved, and carried unanimously:—

"That the Montreal Provident and Savings' Bank discount no bills, or promissory notes, without ample security in the shape of stocks or mortgage being deposited with the Bank."—p. 36.

And yet on the same page, we find that from May of the same year, to May, 1843, the Directors of the Bank authorized discounts, on personal security only, to the amount of £16,256 0s 7d. But even this is a trifle when compared with the other, and grosser, instances of maladministration which we have yet to produce.

We say nothing at present about *sons*, and *sons-in-law*, of Directors obtaining large sums from the Bank, without any better security than the mere *bons* of the parties; and, sometimes, strange to say, without so much as the knowledge of their *Papas-in-law*!—we will confine ourselves to the exposure of the careless manner in which the funds of the Bank were invested. And for this purpose we will take the case of the High School Loan, as a fair specimen of the "mismanagement" of the Directors, begging our readers to bear in mind the unanimous resolution of the Directors on the 4th Feb., 1843, against discounting "without ample security." It is want of space alone that compels us to restrict ourselves to this one instance, for it is, by no means, a solitary one.

To understand what follows, it must be premised that our Savings' Bank Directors, in their times, played many parts. To say nothing of their spiritual offices, or of their dignities in Bible Societies, Tract, Missionary, and other Evangelical Societies, they appear before us in the "Report"—sometimes as Directors of the High School, and sometimes as Directors of the Savings' Bank; sometimes as borrowers, borrowing from, and avon, as lenders, lending to, themselves. As Directors of the High School, we find them making proposals for loans to themselves as Directors of the Savings' Bank, and then, as Directors of the Savings' Bank, graciously acceding to the requests made by them in their other capacity. By means of this commercial "log-rolling" the Directors of the High School, managed to obtain, in '45, from the Directors of the Savings' Bank—without any security whatever being given, or anything of the transaction appearing in the books of the Bank, before 1847, beyond the entry in the Cash book—the sum of £3,700; besides this, a previous loan of £660 had already been made by the Savings' Bank's to the High School's, Directors. This debt was allowed to accumulate interest; no precautions were taken, or securities given for its repayment, until the autumn of '47, when it amounted to £5,270 13s, when for the first time reference is made to it in the minute

book of the Savings' Bank"—p. 53. But how, it may be asked, was the transaction kept concealed so long? seeing that, in the interim, two annual statements of the affairs of the Bank had been made by the Directors. The answer is simple—the Directors made up false statements to deceive the public; the depositors were kept in the dark, and "the violation of the law was studiously concealed" (p. 11) in this instance as in many others. Charles Freeland, Esq., of Hamilton, U. C., after having been duly sworn, thus testifies:—

"I found many and great irregularities in the books of the Bank. Although a balance had been struck every year, as shown in the annual statements, it appeared evident that IT HAD ALWAYS BEEN FORGED"—p. 237.

But the best of the joke is, that, if their statements may be believed, not one of the Directors of the Savings' Bank authorized the loan to the Directors of the High School; they knew nothing, positively nothing, about it, until upon the "Inquiry" the Commissioners managed to refresh our friend's memories by producing certified copies of the cheques upon which the sums were paid over to Mr. Davidson, Secretary of the High School, but who had nothing to do with the Savings' Bank. Upon examining these cheques, it appeared that they were all drawn up, and signed as follows:—

July 25 . . .	£1,200,	Signed J. Redpath.
Aug. 30 . . .	£1,200,	" J. Ferrier.
Oct. 4 . . .	600,	" W. Murray.
Dec. 4 . . .	700,	" J. Ferrier.

£3,700.—p. 51.

And yet, strange to say—although the last three names are the names of Directors, of the High School, as well as of the Savings' Bank—of the borrowers as well as of the lenders—they all, upon their examination upon oath before the "Commissioners of Inquiry," treated the loan as an event of which they had no knowledge when it was contracted.—p. 49. We must conclude for this week, with the comments of the "Report" upon this extraordinary transaction; but we have yet something to say about the manner in which the affairs of the Bank were conducted after its suspension of payment:—

"The plea of ignorance, set up by the Directors of the Savings Bank, cannot avail them, since the connection of one or more of them with every stage of the progress, is so distinctly proved. Mr. Director Murray was one of the Committee originally appointed to negotiate a loan. Directors Ferrier, Redpath, and Murray, respectively, signed the cheques for the amount of loan; and Directors Lunn, Ferrier and Murray, repeatedly attended the meetings of the High School, when these loans again and again formed the subject of discussion. To suppose that any one of these gentlemen was ignorant of these loans at the time of their being contracted, almost passes credibility, and it is a matter of certainty that all of them (except Mr. Director Redpath, who left the city shortly afterwards, and was absent some time) were informed of the loans very shortly after they were made. They knew, moreover, very early, that the proper security had not been taken for the repayment of these loans; and being the guardians alike of the funds of the borrowing, and of the lending institution, it surely was their duty to take active measures to compel the former to indemnify the latter. But the case is even stronger: the loans were actually made by themselves, to themselves; they were taken from moneys, the little property of the poor man, or the hard earnings of the mechanic, deposited with them for safe keeping, and applied to the benefit of themselves, with other wealthy co-proprietors, in purchasing property and rearing a costly edifice. On every principle of honor and integrity, then, they were responsible for the punctual repayment of the moneys so appropriated.

One of the extraordinary facts connected with this extraordinary loan is, that no record should have been made of it in the minutes of the Board of Directors, for fully two years after it was made; another, that after the refusal on the part of the proprietors of the High School to become personally responsible for the debt, the matter should have remained in abeyance, without, so far as we can find, any trouble being taken to secure the Bank for upwards of a year and a half. No valid reason that we can imagine could be given for such negligence, nor has any cause whatever been attempted to be assigned.

There cannot be the least doubt that all the Directors of the High School, and still more particularly such of them as were Directors of the Savings Bank, were under the strongest moral responsibility adequately to secure the latter institution from loss by the loans; nor have they ventured to deny that responsibility, since they distinctly admit their duty to set an example to their co-proprietors by subscribing to repay the sum borrowed. It is a pity, however, that they did not strengthen the example they appeared so anxious of setting by actually paying back into the chest of the Savings Bank some portion of the sums they were the means of abstracting therefrom, to put into the coffers of their own institution, the High School. Their philanthropy and love of justice, however, unfortunately for the depositors of the Savings Bank, did not carry them so far.—58.

(To be continued.)

THE CATHEDRAL OF MONTREAL.

In pursuance with the Resolutions adopted on the 12th inst., a large meeting of the Catholic citizens of Montreal, to the number of five or six thousand persons, was held on the afternoon of Sunday last, in front of the ruins of the old Cathedral.

J. Viger, Esq., opened the proceedings by proposing his Honor Judge Mondelet as Chairman, and Mons. R. Bellemare as Secretary, of the meeting.—This having been unanimously agreed to, the President addressed a few words to the numerous assembly he saw before him, indicating the objects of the meeting, and insisting upon the obligation that the Catholics of this rich and populous diocese were under, not to allow their Bishop to carry into execution his design of seeking in Europe for that pecuniary assistance which they were able, and were in duty bound, to afford him. This was repeated in English for the benefit of those who did not understand French; and