

COMMITTEE ROOM 429,  
HOUSE OF COMMONS,  
WEDNESDAY, March 21, 1928.

The Select Standing Committee on Banking and Commerce met at 11 o'clock a.m., the Chairman, Mr. F. W. Hay, presiding.

The CHAIRMAN: I might report to the Committee that we have arranged with the Washington Department of the Federal Reserve Board that Mr. Harding, who is Governor of the Bank at Boston, will be here next Wednesday, and he will probably be our leading and only witness in reference to the Federal Reserve System; so I am hopeful that the members will be present in generous numbers and be ready to ask any questions that pertain to that.

We have with us Mr. Tompkins, who is our bank inspector; and we have Mr. Hyndman from the Finance Department. Mr. Hyndman is assistant Deputy Minister; the Deputy Minister is indisposed. Mr. Tompkins has been sworn, and if there are any questions that have developed since the last hearing, we will be very glad to hear Mr. Tompkins.

Mr. IRVINE: I think Mr. Chairman, it would be a good idea if Mr. Tompkins could give the Committee an idea of his own work as inspector; if he can do that briefly.

C. S. TOMPKINS recalled.

WITNESS: Mr. Chairman, before complying with the suggestion that has just been made, I might place on the record some percentages asked for by the member for Weyburn (Mr. Young), I think it was, at the first meeting of the Committee. I gave figures of Dominion notes and gold, held by the banks on the 31st of December; and was asked what relation the total had to the total deposits with the banks at that time.

The percentage works out at 8.4, but I would suggest that that has no very important significance, and I think it would be well to place on the record also the percentage of cash assets, that is, including bank balances on December 31, 1927, to the total liabilities to the public; that is to say, the total liabilities of the bank, with the exception of its liabilities to the shareholders, was 18.7 per cent; and the percentage of liquid assets, that is to say, the ones I have already referred to, and the call and short loans and the various investments, in government and other bonds was 54.6 per cent of the total liabilities to the public.

*By Mr. Young (Weyburn):*

Q. Are those normal percentages through the year?—A. Yes.

*By Mr. Irvine:*

Q. If I may be permitted to ask what may be a personal question: Have you had banking experience?—A. Yes. About 22 years, between 22 and 23 years.

Q. Have you been manager of any of the banks?—A. I have been manager. I have served in various positions: manager, inspector, and various positions of that nature.

Q. In your work as inspector with the banks, have you access to all the means of information required to assist you in arriving at a true estimate of

[Mr. C. S. Tompkins.]