FINANCE and ECONOMICS

BANK PRESIDENT FIRES BULLET

Into His Foot—Sensational Developments in Canada's French Bank Trial.

Monetary Times Office,
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If the act of Hon. P. H. Roy, former president of the Bank of St. Johns, in firing a bullet, at close range, into his foot, was an attempt to gain sympathy, it may have been successful anywhere but in official quarters. That it was not successful there was shown by the fact that Judge Monet ordered him to be arrested and kept in jail till the end of the trial. Addressing him, the judge said: "If the act you perpetrated this morning was an attempt at suicide you committed a crime against law and against society. It was not an attempt at suicide, it was the most criminal farce ever perpetrated in this part of the country and you deserve punishment."

Roy excused himself and explained that his case was a difficult one. He did not have the necessary time to give his attorney all the information he would like to give him. His memory was becoming bad and his faculties were becoming impaired owing to illness. A few days before, he was full of courage, but the sessions of the court were killing him. If he were strong enough he would enter the witness box and give his own evidence, as he would like to show that he did not act with intention to defraud.

Crown Has Completed Evidence.

The Crown has now completed its evidence in the Bank of St. John's case. And one of the most sensational trials in the history of Canadian banking is approaching an end. In addition to the startling evidence reported in the last issue of the Monetary Times, further statements have been made during the past week which, if true, certainly call for the introduction of a system of responsible checking of banking transactions which will to some extent safeguard the interests of the public. For instance, the bank held notes of C. S. Roy, brother of the president of the institution, to the value of $279,000, a circumstance which could hardly have escaped the eye of independent auditors, whether such audit were carried out by a responsible private firm or under the direction of the Canadian Bankers' Association. The same statement applies to the notes for $22,000 bearing the signature of Z. Perrault. Although Perrault has been condemned by the Superior Court of Montreal, on an action taken by the liquidator of the bank, to pay these notes, he declares he cannot ever pay them, being a poor man, and that he would not pay them if he could, inasmuch as he never received a cent from the bank, never had a transaction with it and never signed the notes.

Audit Would Have Revealed.

In the case of the notes signed by Bousquet, amounting to nearly $75,000, it would have been easy for an auditor to ascertain that he was quite unable to meet any such payments; and in the case of Perrault, it would speedily have transpired that he could not meet his, besides which, if there has been forgery, the crime would have been exposed. When asked if he had ever received any money for the $279,000 of notes bearing his signature, Mr. C. S. Roy declared he had not, although there had been a transfer of certificates in connection with the Eastern Valley Railway. It also transpired that he had become the possessor of shares of the bank to the extent of $40,000, but when asked if he had paid for them he said he had given notes, and then other notes to renew. Although the shares had been transferred to him, he had never considered himself the absolute owner of them. There were many questions upon which he did not seem to be clear, and it was evident that he had acted largely under the instruction or request of his brother.

Some interest was also aroused by the evidence of Charles Brault, former manager of the Napierville branch of the bank, regarding the note he had given for the theft from his branch. He stated that the president had visited Napierville and had examined his books and found them accurate to a cent. That very night, the theft of $5,770 took place, and when the president visited the bank in the morning that official had instructed him to put a "bon" in the cash drawer to represent the amount of the theft. This had later been replaced by a note, as described in these columns last week. Replying to questions, the witness said that the president had once written him enclosing him several blank promissory notes and cheques and asking him to sign them.

Willing To Do Anything.

The witness was secretary of the Eastern Valley Railway, and Mr. Roy said that the railway might need the paper for renewing other paper. Everything considered, it would be difficult to recall an instance where so many people were so willing to attach their signatures to notes and cheques, in blank or any other way, at the request of a single individual. It is worthy of remark that the position of affairs in the bank was more or less suspected by outsiders for some considerable time before the failure took place.

Banker Roy, on Thursday, was found guilty of making false returns to the Government.

Yesterday Judge Monet sentenced Mr. Roy to five years' imprisonment.

IMPERIAL BANK OF CANADA.

After deducting charges of management and interest due depositors and after making full provision for all bad and doubtful debts and for rebate on bills under discount, the Imperial Bank made profits of $743,524 during the year ended April 30th, 1909. This is a creditable sum and compares well with the figures for the same period of other institutions. The rest account is one of the strongest feature of this bank's thirty-fourth annual statement, which was presented to the shareholders on Wednesday. The balance at the credit of that account last year was $4,965,757. A sum of $34,242, representing premium received on new capital stock, has been transferred to the reserve which now amounts to $5,000,000. Four quarterly dividends, at the rate of 11 per cent. per annum, accounted for $549,539, while a sum of $69,921 was written off bank premises and furniture account. The balance of profit and loss account carried forward was $599,978. The result of the year's operations must appeal as eminently satisfactory to the directors, shareholders and to Mr. D. R. Wilkie, the general manager, and his staff.

The following directors were elected: Messrs. D. R. Wilkie, Hon. Robert Jaffray, Wm. Ramsay of Bowland, Stow, Scotland; Elias Rogers, J. Kerr Osborne, Charles Cockshutt, Peleg Howland, Wm. Whyte (Winnipeg), Cawthra Mulock, Hon. Richard Turner (Quebec), Wm. Hamilton Merritt, M.D. (St. Catharines). At a subsequent meeting of the directors, Mr. D. R. Wilkie was re-elected president, and the Hon. Robert Jaffray, vice-president, for the ensuing year.

At the annual meeting of the New Brunswick Telephone Company, it was decided to pay a 6 per cent. dividend this year, which is 2 per cent. more than last.

Hon. C. A. Duff-Miller, Consul-General for New Brunswick in London, states that numerous inquiries are being received by him relative to investment in that province.