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THE GOVERNMENT AND THE HOME BANK

By a vote of 133 to 27, or by the almost record majority of 106, the Federal Government's action in connection with the Home Bank failure has been approved by the Commons. The division came at the conclusion of a long and somewhat acrimonious debate, in the course of which Rt. Hon. Arthur Meighen, and his official opposition, expressed objection, first to the Royal Commission Enquiry under Judge H. A. McKeown, second to the resolution of William Irvine, of Calgary, calling for an enquiry by a special committee of the House, and third, to the amendment of Frank Cahill, of Pontiac, providing that all evidence taken on the failure, both by the judicial authorities and by the Royal Commission, should be taken cognizance of by the Banking and Commerce Committee with a view toward devising changes in the Bank Act which might render failures in the future impossible. Neither Mr. Meighen nor any one of his followers had a single constructive suggestion to make as to what should be done; they opposed everything, and offered nothing. Their speeches were largely confined to a defence of Sir Thomas White, former Minister of Finance, whose "hide" Sir Henry Drayton, his successor, declared it was the intention of the Government to nail on the door. That the Government was actuated by no such desire was clearly shown by the Prime Minister and other Government speakers.

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At the present time directors and various offi-

cial of the Home Bank face charges in the courts in connection with the failure. In addition to this judicial enquiry the Government saw fit to take cognizance of allegations set forth in the petition of the depositors to the effect that in 1915, 1916, and 1918, representations were made to the then finance minister, which would have justified the holding of an audit under section 56 (a) of the Bank Act; and to the further effect that, had such audit been held, the disaster might have been averted. So the Royal Commission was created, and the scope of this commission covers the whole period between the granting of the charter to the date of the failure.

"Let me say this," said Premier King, "that rather than be under the suspicion that there is anything that we are seeking to conceal, I am agreeable that the Commission shall inquire into what took place before the bank was instituted, when the bank was instituted, and after it was instituted, and any period that any honorable member may suggest to the Commission. I do not think it can be made any broader or more comprehensive than that."

The depositors have claimed that in the years mentioned the Minister of Finance (Sir Thomas White), received representations concerning the bank's condition. It was admitted that when Sir Thomas White left the department he handed the documents to his secretary with instructions that they be placed in the possession of his successor. That successor happened to be a political friend of the retiring minister, in the person of Sir Henry Drayton. It now transpires that, while copies of the documents were given to Rt. Hon. Arthur Meighen, the originals remained in the possession of the secretary after Sir Henry left, and that when the crash occurred last August, the secretary enquired of Sir Henry as to their disposal. The advice of the latter was, not that they should be given to Rt. Hon. W. S. Fielding, but that they should be sent back to Sir Thomas White. In unequivocal language, Hon. J. A. Robb, Acting Minister of Finance, denied that he had ever seen the originals, or copies thereof, while on behalf of Mr. Fielding, Premier King gave similar testimony to the House.

Mr. Meighen contended that the documents were a matter of public record, though he admitted that some were marked "private" and others "personal." If they were a matter of public record, then why, it was asked by government speakers, were they not handed over to Mr. Fielding or Mr. Robb? And why did Sir Henry, when asked about them, advise that they be sent to Sir Thomas White? And why, further, did Sir Thomas White never send them back? On the other hand, if they were marked "private" or "personal" why was Mr. Meighen only honored with copies? Ministers in office are required to take an oath that they shall not take advantage of knowledge gained in their official position to better themselves or their friends financially. Those who have knowledge of the documents in question are not now, and were not for a considerable time before the bank failed, bound by any such oath. And if Mr. Meighen had possession of copies of the documents it may very well be asked who else had?

The official opposition made a poor showing in the discussion, presenting as they did, a practically united front against any kind of investigation proposed, and submitting absolutely no alternative suggestion. Sir Henry Drayton delivered a strongly partisan speech, but was absent from the House when the vote was taken. As a matter of fact, when the division was called, a meagre twenty-six mustered on the Conservative benches to vote with their leader. Liberals and Progressives voted solidly for the Cahill amendment, even Mr. Irvine consenting to withdraw his original resolution in its favor, and expressing confidence in the Government's intentions in the matter.

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