

*By Mr. W. F. Maclean:*

Q. We had under examination here an ex-Comptroller of the Treasury of the United States, and also an acting bank examiner in the United States. Did you read their evidence?—A. I heard Mr. Williams' evidence.

Q. Did you hear them say that if, as a bank examiner, he found there had been an illegal issue of currency, or that the bank could not meet its obligations, he would give them so many days to make good their condition as a bank, or else he would order them to close their doors. Do you think it would be a good action in the interests of the public if we had an officer of that kind in this country?—A. We have that power yet, Mr. Maclean, have we not?

Q. We did not exercise it in the Home Bank case?—A. We did not know.

Q. They have an officer in Washington and if he made an investigation and found things wrong and unless they were able to make good the assets of the bank, he would close their doors forthwith?—A. Yes.

Q. You heard that evidence?—A. Yes.

Q. If we had such an officer today in this country—

AN HON. MEMBER: We are going to get it.

Mr. MACLEAN: Yes, and I want to give the Minister and our friend here credit for it. The point is there was an officer in the employ of the Government of the United States connection with the Treasury to take this instantaneous action when a bank was found to have exceeded its powers, or to have lost its assets, of making good those assets or the bank would be closed forthwith.

Hon. Mr. ROBB: Have they always had that option?

Mr. W. F. MACLEAN: They have it now, and my friend is going to appoint an inspector. He said that we did not need to follow foreign organizations, and he is being forced to follow them.

The CHAIRMAN: Order.

Mr. W. F. MACLEAN: The Minister asked me a question. Call the Minister to order please.

The CHAIRMAN: Would you kindly go on Mr. Maclean?

Mr. W. F. MACLEAN: I am through with my examination.

*By Mr. Healy:*

Q. You say that the Department had no knowledge of the condition of the Home Bank in 1916?—A. No.

Q. Is the Minister of Finance part of the Department?—A. He is the head of the Department, but he has his own department by himself. As I told you this morning, any knowledge he may have does not necessarily come to me.

Q. I have your answer that he is part of the Department?—A. He is a very important part of it.

*By Mr. Good:*

Q. Mr. Saunders states, he gives it as his opinion, that if the circulation of bank notes had been called in, the bank would necessarily have been forced to wind up. I want to ask him whether or not it would be possible or likely for a bank to get along with Dominion notes if all its loan notes were replaced by Dominion notes?—A. The reason that a bank would have to close up if it called in its circulation is, we take for granted that it has to be called to comply with the Act because it has not any paid-up capital to stand behind it.

Q. It would be only a symptom of insolvency?—A. Yes.

*By Mr. Ward:*

Q. I think the witness said a few minutes ago that amendments that were added to the Bank Act last year would save the banks from themselves, so to

[Mr. J. C. Saunders.]