

of director, with the express understanding that you should exercise a strict supervision of the operations of the bank executive, which I am aware you did, and ultimately an improper extension of a loan, contrary to the directions of the board caused your resignation. With the transaction to which you refer, of a loan by the bank to the Grand Trunk Company of £100,000 you could not as a director have anything to do, as it must have occurred before your election; and your appointment and that of Mr. Ross were intended to prevent any further advances by the bank to that Company except with the previous knowledge and consent of the Government.

You are quite at liberty to make any use you may wish of this note, should you be exposed to any further animadversion in consequence of your connection with the Bank of Upper Canada."

Yours sincerely,

Signed,

A. T. GALT.

HON. D. L. MACPHERSON, &c.

That explains why I became a director of the bank. I was elected a director on the 25th June, 1859, and took my seat at the board for the first time on the 13th July of the same year, and I resigned on the 16th May, 1860. I was there only ten months, and my reason for resigning I shall also give to you in the words of another gentleman. You will remember, hon. gentlemen, that the events of which we are speaking occurred twenty-five years ago, and desiring to inform myself as thoroughly as I could, and to refresh my memory, I applied to those whom I thought were likely to be best informed. The managers of the bank, the president and cashier, have both died: all the executive officers, I believe, are dead, and I wrote to the solicitor, Mr. Clark Gamble, of Toronto, and asked him if he could give me any information on the subject. I did so in 1882, on the first occasion when the hon. gentleman ventured to utter a slanderous insinuation against me. I wrote to Mr. Gamble asking for information, and this is his reply:—

"Upon referring to the minute book of the Bank of Upper Canada, I find that you were elected a director upon the 25th June, 1859, and after acting at the board twenty-four times you resigned by letter on the 16th May, 1860. Both you and Mr. Ross (the late Hon. John Ross) were elected in the following June, but you do not appear to have taken your seat."

HON. SIR DAVID MACPHERSON.

"With regard to your resignation, I recollect it being spoken of at the time, and the reason given was that the cashier had discounted a note of the Grand Trunk Company for \$5,000 which had been refused by the board on the previous Wednesday, when you were present; and on the following Wednesday you saw what had been done, and called the attention of the board to the fact, and commented on it severely, and never took your seat again."

Now, hon. gentlemen, that was my course when a director of the Bank of Upper Canada. I have now told you why I accepted a seat on that board, and why I resigned, and the length of time I occupied a seat at the board. I may go on and say that soon after that, the bank getting into still deeper and deeper water, the board was re-constructed, and the hon. gentleman from Woodstock, who has made this furious and unwarranted and slanderous attack to-day, became one of the directors and remained one until 1866, when on the 18th of September of that year the bank closed its doors. It is impossible for me to say to what extent the hon. gentleman was responsible for bringing about the insolvency of the bank, for it was perfectly notorious that when he was travelling up and down the railway between Woodstock and Toronto, he did nothing but question people about the Bank of Upper Canada.

HON. MR. ALEXANDER—Hear! hear!

HON. SIR D. L. MACPHERSON—Whoever would listen to him he asked what they knew about it.

HON. MR. ALEXANDER—Hear! hear!

HON. SIR D. L. MACPHERSON—He was a member of that Board for about six years after I left it. Is it not strange, if I had been guilty of anything so improper as he states here to-day, that he took no steps to have me taken to account for it? How does he reconcile it with his duty, when at the time all the facts must have been patent, when the executive officers who must have been privy to them—who, in fact, were the parties who must have carried it out had there been any foundation for his statements—when they were all alive, that he did not bring up