

MR. SMALL'S DISMISSAL.

The following is a summary of a correspondence published by Mr. J. C. Small, late Inspector of the Royal Canadian Bank. On the 15th July, Mr. Small received this notice from the Cashier: I am instructed by the Board of Directors to notify you that your service are dispensed with from this date.

Mr. Small considered this short notice and decided to stand on his rights. The Cashier replied, admitting his right of applying to the courts for redress if he thought himself improperly used. On the 27th, Mr. Small addressed the Board as follows: Having consulted my legal advisers, Messrs. Cameron & McMichael, as to the best course to pursue to obtain redress for my summary and wrongful dismissal from the office of Inspector of the Royal Canadian Bank, by the Cashier, Mr. Woodside, under the authority of an alleged resolution of the Board of Directors, I am advised that although an action at law may lie, my covenant to the Bank, will stand in the way of the recovery of substantial damages, and that my best course will be to appeal to a special general meeting of the shareholders of Bank, called in accordance with the 9th Section of the Act of Incorporation. But before taking the necessary steps to procure that meeting, I am advised to state my case for the reconsideration of the Board—and first let me premise, I am not aware of having failed in the slightest degree in the faithful discharge of my duties to the Bank—but without being favored with any official intimation of the ground or cause for my dismissal, am informed by letters of the Cashier, without any previous notification whatever, that my services are no longer required, and so go forth to the world to seek employment with the brand of a discarded servant upon me, and the difficulty of getting employment thus greatly increased. It ought not, therefore, to be matter of wonder, if so deprived of the means of living, I endeavor to set myself right with the shareholders whose interests I have tried to protect, and to manifest that the interests of the Bank are not safe in the hands of those who will dismiss a faithful servant for the discharge of his duty. Not, as I said before, being favored with the ground of my dismissal, I can only look for it in the rumors that are current on the subject, and in the acts of duty I have performed which may have given offence to some of those who sit at the Board of Directors. First, then, as to the rumors—it is said my dismissal was owing to the fact that I had exerted myself to secure the re-election of some members of the Board, and to defeat others. The truth of this rumor I deny. I did not interfere in the election; but, if I had done so, I am advised as a shareholder, I had a perfect right to do so—that I owed no duty to the Directors personally, but was bound to obey their orders as the managing body of the Corporation, which, in all things, I believe, I did—that Directors are only annual trustees, whom to endeavor to change does not amount to treason or breach of duty to the Bank, and would not prevent the efficient discharge of my official duty.

Secondly—it is said—that I connived with the late President, Mr. Smith, to bring about the removal of the Cashier, Mr. Woodside, and to take his place. This, I most emphatically deny—it was never in the remotest degree hinted between Mr. Smith and myself that I should get the Cashier's place, and it did not enter my head. If these rumours had anything to do with the action of the Board in common fairness, and as a matter of business, I should have been informed of them and asked for an explanation then. In the discharge of my duty, has there been anything to give offence to the Directors? I can only recall two things,—my inspection of the Cashier's cash, under the direction of the President, which, if wrong, ought not to have attached any blame to me; but to the President who ordered me to make it—and secondly my report, showing among other things the amount of accommodation enjoyed by

individual directors upon the security of notes without endorsers. This report was made as part of and in the discharge of my duty. If the facts stated in it were known to the directors collectively, no harm could be done thereby—if they were not known, then they ought to have been reported, because the accommodation received was in direct violation of sections 5 and 10 of the By-laws of the Bank; and under any circumstances, it was my duty in making my report upon the condition of the affairs of the Bank at the head office, and its management to report the unusual state of things I found existing.

The existence of the matters reported must have been wrong, or the report ought not to have given offence. But was it an offence against the interests of the Bank? If not, why should it have led to my dismissal? And who will boldly affirm that in making that report one thing was stated that in the interests of the shareholders, the depositors, and the public dealing with the bank ought not to have been stated? If an Inspector is not allowed to discharge his duty fearlessly, what use is he? Had his salary not better be saved to the bank? Having done my duty while in the bank faithfully, and having done nothing except this, that I can imagine, that could have given annoyance to the directors, I may fairly be pardoned for adopting it as the reason why I was dismissed, and if so, I have strong and just cause to appeal to a special general meeting of the shareholders from your unjust and harsh treatment of me. I am advised by my legal advisers above referred to, that my dismissal on this ground, and the discounts in favour of directors reported by me as well as other matters referred to in said report, was a mal-administration of the affairs of the bank—properly the subject for a call of a special general meeting—that such meeting must be called by public notice, setting forth the cause of the call and the names of the directors taking part in the mal-administration, and having no feeling of hostility against any member of the Board, and no desire to give publicity to the dealings of any of the directors other than in the way in which my duty called upon me to do; but determined that I shall not be turned upon the world as a man who had misconducted himself, with prospects blighted. I make this statement to you, in the hope that you will right the wrong done me, to some extent, by giving me a certificate under the hand of the Inspector, that I have faithfully and efficiently discharged the duties of Inspector while I was in the employ of the bank—and an additional quarter's salary—and I would request the Board, while considering this proposition, not to forget that my conduct is approved of by members of the Board pecuniarily interested in the bank as shareholders, to an amount greater than the whole stock held by those passing the resolution for my dismissal; and I wish it to be understood that I am writing nothing with the view of giving offence to any. I am merely stating my case, and basing it upon the facts, as I believe them to be in self-justification, and in advocacy of my own rights.

This receipt of the epistle not being acknowledged, Mr. S. on the 30th wrote—"I presume you do not deem the same of sufficient importance to notice; nevertheless, I take the liberty of sending you a copy of the notice which it is my intention to submit to certain of the shareholders with the view of getting their signatures thereto, and for which purpose I will leave town this afternoon."

This stirred up Mr. Metcalfe, who telegraphed—"See me in Toronto before you do anything, and I will endeavour to make things satisfactory."

Mr. S. replied—"In reference to your telegraph to me of Saturday, on the strength of which I returned from Stratford to Toronto, I have only to say that I can make no arrangement to stay my contemplated action, except that indicated in my letter of the 27th ult, viz; that I am to receive from yourself, as President of the Bank, with the authority of the Board, a certificate that while Inspector of the bank I discharged the duties of the

position faithfully and efficiently, and the payment of an additional quarter's salary and the sum of fifty-nine dollars, to cover my legal and travelling expenses incurred in the matter."

THE SUMMERSIDE (P. E. I.) BANKS.—There appears to be some difficulty between the stockholders and directors of this bank. A number of the stockholders have signed a call for a general meeting to be held on the 15th of June, "to investigate all the affairs of the said Bank, in order to close and wind up all its affairs, or continue the same, if found to be for the benefit of the Shareholders." The President and Directors have issued a notice setting forth that whereas certain stockholders, including some of the late directors of the Summerside Bank, are circulating false reports prejudicial to the interests of the said Bank; and whereas the financial condition of the Bank has of late improved and is now much more satisfactory than at the period of the last annual meeting; and the undersigned President and Directors, convinced of the stability of said Bank, and desirous of challenging the fullest enquiry into its affairs, and into the conduct of the present Board of Directors, give notice of a general meeting to be held on the 23rd of June, "with a view of satisfying all persons interested, that the reports above referred to are wholly unfounded and false."

BANK OF ENGLAND.—The return for the week ending 9th June, shows the following changes compared with those of the previous week:—

An increase of Public Deposits of.....	381,937
An increase of Other Deposits of.....	65,931
An increase in Government Securities of....	50,000
A decrease of Rest of.....	5,979
A decrease of other Securities of.....	551,918
An increase of Billions of.....	800,560
An increase of Notes unemployed.....	1,487,000
Total amount of Notes in circulation.....	22,842,485
Ditto of Bullion and Gold and Silver Coin..	23,630,883
Bank minimum rate of discount since June 10, 1869.....	4 per cent.

—A writer advocates in the *Montreal Gazette* the adoption of a plan of banking, the counterpart of the Bank of England. He proposes that the Bank of Montreal and the Bank of British North America should amalgamate under the title of the Bank of Canada, with a capital of twenty-five million of dollars, three-fifths of the stock to be owned by private proprietors and two-fifths by the government of the Dominion, the latter to be paid for by the deposit of 5 per cent. debentures. The bank to be the sole bank of issue for the Dominion, the notes to be legal tender except at the counter of the bank at the chief place of business, where they shall be payable on demand in gold. The bank to be a bank of issue and deposit, but not of discount except to the other chartered banks, and government of the Dominion, or on deposit of government securities.

—A counterfeit has appeared on the notes of the Government Issue. It is in the shape of a \$1 bill cleverly changed to represent a \$4. The word and figure of the original amount are altered to the larger denomination. There are no \$4 notes of the Provincial currency.

—A friend who has just returned from a visit to Cape Breton, informs us that the only place in the whole island where mining operations is at all active is Port Caledonia. The Caledonia Company have expended between \$200,000 and \$300,000 in the construction of a new harbor at Big Glace Bay, and a railway to and from their works, a distance of about four miles. The place has been declared a port of entry under the name of Port Caledonia. The company are doing a large business in shipping coal to the States, chiefly to Boston.—*Chr.*

—A St. John paper says: The prospectus of a company called the "New Brunswick and Cape Breton Gold Mining Association," is published. The association propose to work at the Wagamatcook Gold District, Victoria County, N. B.