

AT LAST JUDGE LEET SPEAKS

Says it is Useless to Continue Case Against La Banque Internationale Officials—Transactions Stated to be of Ordinary Banking Nature

Judge Leet, of Montreal, after considerable delay, has, according to the daily newspaper despatches from Montreal, said that it is unnecessary to proceed further with the Banque Internationale case, as he does not think a conviction would follow. A sworn affidavit was brought to the judge, stating that, to the best of the knowledge of the signatory, officers of the bank had made and signed a government return which was to his knowledge untrue. Partly because the information was second-hand, and partly because of the important results that might come to pass from the institution of these proceedings, especially if it were found that the information was not correct, Judge Leet suggested that before a warrant was issued evidence be taken, and that it be taken in camera.

Witnesses were heard, but the judge thought he would not have warrants issued, although he "would have been thoroughly justified." He was asked also to withhold his judgment in the case "for a while" in view of negotiations proceeding for the transfer of the bank's business to another institution.

The Monetary Times contends that while this procedure may have been legal, it was none the less extraordinary. It has seemingly had the effect of keeping most of the details of the case in secret. The judge is one of the few who have had an opportunity of examining the evidence. Why should not that evidence be made public? Why was it heard in camera? Why should the judge deem it advisable to withhold his decision because someone suggested such a course? And are we to understand that the plaintiffs' case was heard in camera and evidence for the defence in public?

The Monetary Times is disgusted with the entire conduct of the case and with the official silence of the Department of Finance. Instead of such serious accusations having the full light of publicity, much appears to have been done to make the judicial inquiry a secret investigation, with just enough publicity to give it a brave look.

We would respectfully ask Judge Leet to make public the evidence which was given in camera. We contend that it is a matter of public importance. We are glad to know from Judge Leet's remarks that the accusations would not bring a conviction. But the hearing in camera of such a case is setting a very undesirable precedent. The Monetary Times has always fought for legitimate publicity as it has done for nearly three months in this case, and as it proposes to do.

Judge Leet's remarks respecting La Banque Internationale officials accused of making false returns to the government, indicated it would be unnecessary to proceed further with the matter as he felt assured no conviction would follow. His judgment was to be given at Montreal late yesterday.

Judge Leet said: "Considering the importance of this case, the public persons involved, and as a necessary consequence the public interest aroused, I think it proper that I should make a statement, part of which may be regarded as a personal explanation.

"Representatives of two of the leading legal firms of the city came to my chambers with a Mr. Ducout, who is the representative in Canada of the French shareholders of La Banque Internationale of Canada, and Mr. Ducout made a sworn affidavit stating that to the best of his knowledge and belief Mr. Godfrey Bird, the general manager of La Banque Internationale, had, with other officers of the bank, made and signed a government return which was to his knowledge untrue.

Facts Disclosed Were Sufficient.

"Partly because Mr. Ducout's information was second-hand, and partly because of the important results that might come to pass from the institution of these proceedings, especially if it was found that Mr. Ducout's information was not correct, I suggested that before a warrant was issued evidence be taken, and that it be taken in camera.

"This procedure was followed and certain witnesses examined. I came to the conclusion that the facts disclosed

were quite sufficient to justify the laying of information, and I feel I should have been thoroughly justified in giving instructions that a warrant should be issued, not only against Mr. Bird, but all the others who signed the returns.

"That would not have meant that a commitment would have resulted, much less a conviction, but it would, no doubt, have been the easiest and simplest thing for me to have done and thus have disembarassed myself of the matter."

Judge Leet went on to explain that he had been informed that negotiations were under way for the transfer of the business of the bank to a Canadian institution, and that if it were possible, he should withhold his judgment for a while. He, therefore, held it until the present time. Recently he had been requested by a counsel for the bank to reopen the enquete. He did not see that criminal procedure would not allow him to make an investigation before issuing the warrant.

"It is the right, however, of the accused after a warrant has been issued and the evidence for the prosecution adduced, before a commitment is signed, to examine witnesses for the defence, for the purpose, of course, of so explaining the case that no commitment will follow. I see no reason why an accused, if he desires, should not have the same privilege in a case like the present.

To Allow Evidence to be Adduced.

"I have, therefore, acceded to the request to allow evidence to be adduced by the defence."

Judge Leet then stated that he was ready to proceed with the hearing. Among the witnesses heard were Mr. J. P. Knight, secretary of the Canadian Bankers' Association, and Mr. J. Gillespie Muir, of the Merchants Bank, who were asked for their opinion, as experts, of certain transactions of La Banque Internationale.

After hearing these two witnesses, Judge Leet decided that it would be useless to continue the case, because Mr. Knight and Mr. Muir said that the transactions complained of were of the same nature as they, or any other bank, would carry on.

ONE MORE CORRECT FORECAST

Monetary Times, December 7th, 1912. Montreal despatch, January 17th, 1913.

"The Home Bank is awaiting the publication of Judge Leet's decision regarding charges heard by him in private against officers of La Banque Internationale." "All arrangements for taking over of the French bank had been completed before, and officials of the Home Bank only awaited Judge Leet's decision before taking it over."

HOME BANK AT LAST ABSORBS INTERNATIONALE

Major J. Cooper Mason, assistant general manager of the Home Bank, states that the Toronto institution has bought the physical assets of the Internationale Bank at fifty cents on the dollar. The paid-up capital of the French bank is \$1,361,000, and the shareholders of the Internationale will be paid with \$768,000 stock of the Home Bank at \$1.28 per share. This will bring the paid-up capital of the Home Bank up to about \$2,000,000.

Application will be made immediately as is required by the bank act for ratification of the purchase by the Governor-General in Council.

The Home Bank has about forty branches, and with the ten branches of the International will now have fifty branches.

Mr. Godfrey Bird, formerly general manager of the International Bank, will be general supervisor of the eastern branches of the Home Bank of Toronto, and arrangements will be made shortly by which the interests representing International stock from Montreal will be appointed to the board of the Home Bank at Toronto.

BIG BOND ISSUE NEXT WEEK

A \$1,000,000 issue of bonds of an important concern will be made by a well-known Toronto house on Wednesday.

LEFT WITH THE UNDERWRITERS

Seventy-three per cent. of the Grand Trunk issue in London of a million and a quarter of 4 per cent. bonds has been left with the underwriters, who will also take 81 per cent. of Queensland's issue of two million 4 per cent. inscribed stock.