The Enquiry Conducted By T. Hollis Walker, K.C.

(Continued from page 7.)

have suspected that some mishandling was taking place. The suspicion was an obvious one?

A.—If Mr. Meaney provided me with $9,000 to my knowledge it would be a suspicious circumstance.

COMMISSIONER—Miss Miller says that she got that money for your benefit in 1921. If when you came back or afterwards in the spring of 1921 that that sum had been obtained from Mr. Meaney in December that would have brought almost to your mind the suspicion that Mr. Meaney was helping himself to department funds?

A.—If Miss Miller had told me it would have been immediately forwarded.

COMMISSIONER—My question was if you had been told that in the space of a month $9,000 had been obtained from Mr. Meaney would not that be suspicious that he was taking money from the public funds?

A.—Yes.

COMMISSIONER—You would have at once been suspicious that Mr. Meaney was helping himself to the funds.

MR. WARREN—You had furnished Mr. Fraser with a list of amounts you had paid Meaney which are now in that account in your hand?

A.—I furnished him with a list from which those were culled and charged to the Meaney account.

Q.—And having paid him yourself you made the memo of it and eventually gave it to Fraser to be made a record of?

A.—All these items were in a list I sent over to Mr. Fraser.

Q.—And if you paid that amount you made the note of it somewhere and gave it to Mr. Fraser to make a record in the books?

A.—If I made a payment in June of $30.00 to Mr. Meaney there would be a cheque stub representing that $30.00 and the next cheque stub would be a payment to somebody else. When I would go through my cheque stubs I would list all the entries I wanted a permanent record of, and that would be sent to Mr. Fraser.

Q.—So that at all events you were keeping tab. Would these deposit slips represent deposits made to your private account in the Canadian Bank of Commerce?

A.—To the account through which I handled the campaign funds I referred to.

Q.—It was private, that is it was Sir Richard Squires' account, and nobody else could sign any cheques on it, and this was out of the same account you drew cheques and entered up the amount on all the stubs. You kept a note of the payments you made and afterwards furnished Mr. Fraser with a copy of the payments made. Now I ask you how you kept track of your bank account and you say you telephoned the bank or asked for a statement.

A.—I have a bank book which I have here and every few months that book would be entered up.

Q.—And while you were keeping track of amounts paid out and you were not attending to your business books at all, $3,000 was paid into your account and you knew nothing about it?

A.—$3,000 was paid in in December.

Q.—And when did you first discover that?

A.—I cannot give you any idea. I may be able to tell you from my pass book when it was balanced after that. (Looks up book.) The book was balanced on the 31st of December 1921; balance brought forward of $5202.66.

Q.—When did you find out that the $3,000 had been put to your credit at the bank?

A.—I do not know. I presume I found out when I examined this book. I did not personally check my deposits with any voucher.

Q.—But did you check up payments paid out?

COMMISSIONER—If it had not been for that payment there would have been a considerable difference in the balance.

ATTORNEY GENERAL—Did you make no enquiry about it?

A.—This was the account through which my political transactions were being handled. It was an account to which there were very substantial frequent deposits of $4,000, $5,000 and smaller amounts and my not noticing a deposit of $3,000 on an account of that class which was handled for political purposes was a small matter.

COMMISSIONER—How delightful to hear of $3,000 being a small matter. I do not quite realize the atmosphere.

A.—In a political account it was a very small item. It is quite possible that Miss Miller might have told me that she made the deposit. I have no definite recollection whether she did or not; but it is just the thing she would be likely to do, to tell me she had made the deposit.

COMMISSIONER—Not to tell you she had done so, but where she had got it?

A.—Any money she got was political; she always told me it was from her brother or through her brother's associates.

ATTORNEY GENERAL—She did make deposits?

A.—She made two.

Q.—And these are the only ones you refer to and she told you she got them from her brother or his associates.

A.—The $500 deposit was made after I left town.

Q.—Did she tell you of any other deposits in any other Bank?

A.—The Bank of Nova Scotia.

COMMISSIONER—The R. A. Squires account?

A.—I received these deposit slips this morning and I got this bundle too late to look through; but from January 21st the only deposit by Miss Miller is that of January 20th for $16.10.

COMMISSIONER—I do not remember whether she said she deposited any in the Bank of Nova Scotia.

A.—In the year 1921 that is from January 1921 to June 1922 there is only one she has identified with that and that is the 20th of January 1921 for $16.10.

COMMISSIONER — Is there any other information you can give me? Have you also the slips of the Canadian Bank of Commerce?

A.—There is another bundle the Bank of Nova Scotia sent me this morning covering the 1920 period.

The enquiry then adjourned until Wednesday at 11 a.m.

MR. WARREN—You told us yesterday that you had authorized Mrs. Harsant, or Miss Miller, as she was at that time, to collect campaign funds for you?

A.—In the same way that a dozen others were authorized, that is they did it out of interest in the party.

Q.—Did you give her any specific instructions, or authorization?

A.—I gave her no specific instructions.

Q.—And she collected some campaign funds for you and paid them over to you?

A.—She paid over to me amounts at various times which I understood were campaign funds, and amounts which I thought amounted to about $2,000.00.

Q.—And you told us that you did not ask her where they came from?

A.—Nor did I ask any other agents who collected funds.

Q.—There were other agents?

A.—Yes. In one case an agent turned in over $10,000.00, of which I had no memorandum of where $8,000.00 came from. I had no memorandum as to the source. I did not ask who were the original subscribers.

Q.—And Miss Miller turned you in about $2,000.00 campaign funds and you did not enquire where they came from?

A.—I understood that they were collected by her or secured from her brother.

Q.—How did you come to understand that her brother had subscribed these campaign funds?

A.—Mr. Miller was a political associate of mine during 1919 and in the election of 1920, and in the Bay de Verde bye election, and the Harbor Main election, and he gave me very valuable assistance and I could depend on him to help me out.

Q.—Then you depended on Mr. Miller to help you out?

A.—To help me out in connection with campaign matters.

Q.—You have referred several times to campaign funds, will you define what you call campaign funds?

A.—All monies which would be disbursed or collected for political purposes. All monies which were identified with political transactions. For instance the Daily Star was not a business proposition. It was a campaign newspaper from its inception. And then there were the Morning Post——

MR. WARREN—That was only in existence for a short while?

WITNESS—That was in existence only for the purposes of a bye election, and its existence was purely of a political character.

Q.—Then I take it you regarded the financing of the Daily Star as a campaign matter?

A.—Oh, yes. Without the Daily Star it would have been impossible for us to have won in 1919 or to have successfully carried out the election.

Q.—You use the word "us"?

A.—I mean the political organization of which I was the leader. The Daily Star was with us as part of that political organization.

Q.—Did you have any shares in the Daily Star yourself?

A.—No. It is possible that at its inception a nominal share was issued to me. But there was no substantial block of shares issued to me.

Q.—Your version of campaign funds is monies identified with political transactions. The question of whether they were political transactions rested with you entirely?

A.—Yes.

Q.—And you talk of the account at the Canadian Bank of Comemrce your major political account?

A.—It was an account which represented a comparatively small number of private matters and a very considerable number of political matters.

Q.—Then am I to understand that that account at the Canadian Bank of Commerce was almost entirely a political campaign account?

A.—No through that account passed accommodation paper for various people, and that might or might not be regarded as of a political character, but there are a number of instances in which ————

COMMISSIONER—Was it mainly political?

A.—The major portion of the deposits in the Canadian Bank of Commerce would be of a political character, but there were other things in it such as these accommodation matters.

MR. WARREN—Would you repeat that. Did you say that the deposits in that account were mainly of a political character?

A.—Yes. Speaking from memory.

Q.—You used the word "deposits." That is not what I asked you about it. You stated in answer to the Commissioner that the deposits were mainly of a political character. Were the payments out mainly political?

A.—Yes.

Q.—I take it from that that there were ones that were not?

A.—Yes.

Q.—And you say that the account was your major political accounts?

A.—During a certain period, yes.

Q.—And the question of whether the deposits in and the payments out were of a political character depended entirely upon you?

A.—Absolutely. No one else signed cheques against that account but myself.

Q.—When you say that the deposits to that account were mainly political who made them?

A.—The deposits were usually made by myself.

Q.—When did that account start?

A.—I do not remember. I think it was in 1919, probably, or in 1920, however, I could find that out from the Bank.

COMMISSIONER—Have you a copy of that account?

A.—I have it, but not with me.

Q.—I thought you had got a copy.

A.—It starts between 1918 and 1920. I can very easily get the information.

MR. WARREN—You say that the deposits were generally made by you and that the account starts somewhere about 1919 or 1920?

WITNESS — Somewhere between 1918 and 1920.

Q.—We had an election in 1919. Was the account started before then?

A.—I do not know. That is information that I can find out in two minutes by telephoning the Bank.

Q.—Do you know if that account was started in July of 1920?

A.—Yes, I think so. I think it was started before July 1920.

Q.—And you say that the deposits were generally made by yourself?

A.—By myself personally or by my authority.

Q.—Now, who had that authority?

A.—Anybody might deposits amounts. No person had any sepcific authority to make deposits, unless they were expressly instructed by me at the time. If I wanted a deposit made I would usually make it myself or sent somebody with it. This deposit of $3000.00 was made in my absence

———

Q.—I mean apart from that.

A.—That deposit and the deposit of $500.00 were made in my absence

———

Q.—Apart from those were all the other deposits made with your knowledge?

A.—I could not say that without referring to the duplicate deposit slips.

MR. WARREN—You need not go into it now, but I shall want you to tell us later whether any other deposits were made without your knowledge. The $500.00 and $3000.00 deposits made by Miss Miller have been identified by you, and I suppose you could identify any other deposits made at any other time. We shall come back to that later.

With regard to campaign funds you regarded all payments on account of the Daily Star as campaign funds, and when you say that Miss Miller at some time brought you $2000.00, or approximately $2000.00, as campaign funds, do you mean that that money was brought to you for the purposes of the Daily Star?

A.—Not necessarily. The campaign funds would include the Daily Star and the Morning Post and election petitions.

Q.—So that when you referred to the Canadian Bank of Commerce account as your major political account

———

A.—I said for a certain period.

Q.—What period was that?

A.—We are talking of the period of 1921 now.

Q.—No, I am not talking of 1921.

A.—My observations have been with respect to that period. Then in 1919 as I have said, I am not sure whether that account was opened or not.

Q.—What period do you refer to when you say that for a period that account was your major political account?

A.—I was referring to the year 1921.

Q.—When did it cease to be your political account?

A.—It still is.

Q.—If it started as a political account and still is———

A.—When I referred to it as my major political account during a certain period, the year 1921, I mean there were more transactions of a political character that passed through the account then there were private ones. But as to whether it was a political account during the year 1919 and 1920 I could not tell that without referring to the records.

Q.—It still is your political account?

A.—Yes.

Q.—And to that account, in addition to the $2000.00 that Miss Miller handed you personally, she deposited $3500.00?

A.—That is correct.

Q.—That deposit of $3000.00 was made in December 1921 according to the slip, and you said that you understood that that came from her brother. How did you understand that?

A.—As I have already said, her brother was generally interested in political matters, and I understood that she had got the money from him.

Q.—Do you mean that she told you that?

A.—I mean that it was generally understood between her and myself that her brother was supplying money, when there was any conversation about it.

Q.—This was the only time that she had paid anything into that account up to that, can you say did she tell you where it came from?

A.—I can say positively that I never had the faintest shadow of a thought that it came from anyone but her brother. Every transaction that I had with her during that year was her brother's transactions so far as I was concerned, and was so understood by her and by me.

Q.—Then she did not tell you where some money came from?

A.—If they had reference to campaign matters.

Q.—But you have sworn that you not know where the money came from at all.

A.—Neither did I. I did not know where Miss Miller got it. I believed that it came as a result of the associations that she had with her brother Jim.

Q.—How did you know that?

A.—I did not know it. I did not come to the conclusion that she had borrowed it on I.O.U.'s or stolen it.

Q.—You say that you understood that that money came from Miss Mil-

(Continued on 9th page.)

THE CANADIAN BANK OF COMMERCE

At the Annual Meeting held in Toronto on the 8th instant, Sir John Aird reviewed the banking situation in Canada. He expressed the view that a gradual improvement in business was becoming evident.

THE BANK'S STRONG POSITION WELL MAINTAINED.

The history of the past year in the financial world can by no stretch of the imagination be termed a happy one. The after effects of the Great War, with its enormous destruction of real wealth, have at length reached the financial world of Canada. People became alarmed because they understood not, and when one small bank foundered, and others prudently shortened sail, disturbing rumors impaired the confidence of many people. Yet in the midst of it all, Canada has reaped the largest crop of wheat in her history and become the largest exporter of wheat in the world, and despite low prices for some of her agricultural products has put many millions of dollars into the pockets of her farmer citizens. She has increased her exports, invested several hundred millions of dollars in her own securities, reduced the deficit on her National Railways, seen little unemployment and bids fair, in spite of all, to win her way back to prosperity. Indeed much progress, even though slow, has already been made in that direction, and I think that this is the lesson we may learn from the balance sheet we have the honour to submit to you to-day.

New Bank Act.

On July 1st last the greater part of the new Bank Act as revised at the last session of Parliament became law, although a few of its sections, notably those affecting the monthly returns to the Government, did not come into force until October, in order to give the banks time to make the necessary changes in their book-keeping, and to gather the information now required by the law. In the case of some other sections of the Act, such as those affecting the shareholders' auditors, the practical effect will only be seen during the coming year.

While the Act contains some improvements upon its predecessor, and we believe that this is true of the more important of the changes which have been made, yet these are accompanied by an increased number of restrictions which measurably increase the cost of banking and limit the power of the bank to serve the public. The Canadian Bank Act was originally, in large measure, the embodiment in the statute law of the best banking practices adopted up to that time by experienced Canadian bankers. It will be a great misfortune if, by the introduction of a number of unnecessary minor regulations, the full effect of which is not understood by those who propose them, the usefulness of the banks should be materially curtailed. I believe the time has come for the creation of a body of informed public opinion on the subject, both among customers as well as shareholders. It is to Great Britain that we look for sound guidance in the matter of banking, and there we find that the banks are unusually free from legislative restrictions.

Systems of Audit.

The failure of the Home Bank of Canada has made the efficacy of the system of audit to which the Canadian banks are subject a matter of much discussion in the press and elsewhere. Again it must be emphasized, and perhaps at the present moment the point cannot be stressed too much, that no system of audit or of government inspection can render a business institution, such as a bank, proof against failure consequent upon mismanagement, and no legislation can make bank managers infallible. All that is humanly possible is to lessen the number of errors that are made, and to minimize the effect of them. Not even the excellence of the British system of banking has been found to be proof against failures, and some of them, in their sphere, at least as disastrous as that of the Home Bank.

Comparison With U. S.

If we turn to the United States, which is usually held up as a model of excellence by critics of our Canadian system, and where outside audit and inspection, both by Government officials and otherwise, have been developed beyond anything ever known in other countries, the only conclusion to which we can come from an examination of the records is that bank failures are so numerous that they are taken as matters of course. I know that this statement will be challenged and that figures have been produced purporting to show the opposite. As a rule such figures consist merely of the statistics regarding National banks. A commercial banking business such as is transacted by the Canadian chartered banks, is carried on in the United States, not only by banks belonging to the National banking system, but by others chartered by the various States for the purpose and by trust companies which enjoy even wider powers than the regular banks. I submit then that it is unfair to compare the results of our Canadian banking system with that of only a part of the corresponding institutions in the United States.

Sir John Aird then gave the following table of bank failures in the United States for nine years, with the corresponding figures of Canadian banks for the past ten and a half years:

CANADA.
(10½ years ending December, 1923)

No. of failures	No. of branches	Liabilitie
2	89	$25,615,000

UNITED STATES.
(9 years ending June, 1922)

Class of Banks	No. of failures	Liabilities
National	124	$ 73,216,000
State Commercial	796	141,341,000
Loan & Trust Co's	95	103,424,000
	1015	$317,981,000

The figures are the latest available. The period covered is one which includes the Great War with all its destructive influence, and the operations of the Federal Reserve System in the United States. It will be observed that the failures in the United States average slightly over two a week.

He then went on to say:

Our Record Not Unfavourable.

In the light of the experience of the two great English-speaking nations of the world, our record in Canada does not appear unfavourable. I hold no brief for outside audit of any description, or for the auditors themselves, but I would remind all concerned that at all events until recently auditors were supposed to be concerned with the accuracy of book-keeping rather than with the values of the assets. They are not trained bankers, and it is perhaps not generally realized that losses on bank loans do not become evident until real endeavours are made to collect the amount owing.

It is rather a curious fact that those desirous of reviving the system of small independent banks in Canada never make any reference to the experiment of this kind which has already been tried. Such a system was provided for by an Act passed by the old Province of Canada in 1850, and the Act itself remained on the statute books for thirty years, not being repealed until 1880. It is true that the existence of the banks established under it was short, the last of them going out of existence, or obtaining a regular charter, within five or six years, but the fact that no advantage was taken of its provisions over so long a period seems to the ordinary mind to prove fairly conclusively that nothing was to be gained by the establishment of such institutions. The fact was that the system could not be worked on the scale of profits which supported a chartered bank, and the public was not willing to pay higher rates for the privilege of doing business with them. Undoubtedly this is as true to-day as it was then.

Two Remedies.

There are two remedies which have met with the approval of a small section of the public for such a situation as that produced by the Home Bank disaster. They are government inspection and the guaranty of deposits by some sort of an insurance plan. Frankly, our contact with government inspection in those foreign countries where we come closest to it does not impress us favourably. In the United States where it has its fullest development it has become a factor imperilling the successful future of the National banking system, because of its inherent tendency to develop only a restrictive policy. The President of the Canadian Pacific Railway Company pointed out in a recent address that corporations only succeed when they embody the eager spirit of the pioneer; that the moment they become static, they decay. Were this not so, a code of rules could be framed to meet every emergency, and the good judgment of an experienced manager would cease to command a premium in the world of business. If the spirit of good citizenship be absent in the conduct of any business the Government may well step in and regulate, but the work of that business is best done in the spirit of the individual and with all the self-reliance and initiative that this implies. The past history of Canadian banking includes many a crisis avoided by courage and initiative, of which Canadian bankers are justly proud, when all precedents were waived aside, and the situation faced in a manner that might not have been possible under government inspection.

Not a Prevention.

Nor has government inspection in the United States proved a preventative of fraudulent failures. Mr. Kane, the veteran Comptroller of the Currency, recently published an account of his experiences which shows that under the regime of every Comptroller of the Currency, save one, since 1863, when the bureau was organized and the National Banking System founded, failures due to fraud and wrong-doing have taken place. Another illustration of the dangers involved is found in the statement of a leading New York finance journal, edited by a prominent economist, who stated only a few days ago that it would be a great advance over prevailing conditions in the office of the Comptroller of the Currency if public officers would, particularly as relates to banking and financial affairs, keep out of politics.

Legal Guarantees Not Solution.

Nor is the history of plans for providing a legal guarantee of the safety of bank deposits more encouraging. Various plans of the kind have been tried in a number of the States of the Union, but even their advocates are forced to admit that they have failed to fulfil the expectations formed of them. In most cases the systems have completely broken down, the State of Oklahoma providing one of the worst examples. In only one State has such a plan managed up to the present time to avoid failure. A recent commentator states: "In general, the system has not prevented failures; the failures in adjoining States which have not the guarantee system have been fewer in proportion, and so with failures of National banks in the States concerned." National banks are not chartered under state laws and therefore do not share in such guarantees. The record shows that under such plans a premium is placed on bad banking. The incentive to watch over the security of loans is taken away when the safety of deposits is supposed to be beyond question. As has been well said by a Comptroller of the Currency, the most practical approach to an effective and safe guarantee of bank deposits would be found in such a system as would come nearest to eliminating the danger of bad loans; in other words, if some plan of insurance against losses could be devised that would not operate as an incentive to carelessness in lending.

Inside Reserves.

Parliament has shown signs of opposition to inside reserves, but it is certain that some provision for setting aside a certain percentage of earnings as a protection against prospective losses, in adidtion to providing for losses actually ascertained, is only a prudent step. It would, however, be a difficult matter to regulate by legislation, as the losses sustained by individual institutions must vary because of dissimilar policies and management.

Aims of Bankers' Association.

At the last annual meeting of the Canadian Bankers' Association my fellow-bankers did me the honour of electing me President of the Association for the ensuing year. So many wrong impressions are abroad, and so many false statements are made by many who ought to know better, as to the aims and purposes of this Association and as to the field of its activities, that I feel it my duty to endeavour to correct them. It has often been referred to as a giant trust or combine with immense powers employed solely for its own selfish purposes. Nothing could be further from the truth. Its activities as a voluntary association were originally almost entirely educational. When the note-circulation redemption fund was founded, the Association was incorporated by Parliament because of the joint liability of all its members to this fund. It was also called upon to name a curator to take charge of a bank which suspends payment, for the purpose of preserving the rights of all creditors intact until a liquidator can be appointed under the slower judicial processes. Beyond these functions it exercises no powers over its members, disciplinary or otherwise, and possesses none. It has undoubtedly performed its duties in respect of the note circulation in the most unexceptionable manner and no irregularities in the exercise of this most important function of the banks have ever occurred under its jurisdiction. During the war and since it has proved a convenient channel of communication between the Minister of Finance and all the banks, rendering him valuable services in connection with his financing, the flotation of war loans and other matters. These services have been publicly recognized by more than one Minister. In recent years its educational activities, which had fallen almost into desuetude, have been resumed, and it is now actively engaged in the work of providing facilities for the technical education of the staffs of the various banks in their profession. Perhaps its relative unimportance and inactivity for a number of years endowed it with an air of mystery which has served to invest it in the public mind with immense unknown powers. I shall hope, as its President, to dispel this impression as much as possible by acquainting the public with its real aims and activities.

Clouds Lifting.

The dark cloud of pessimism which has enveloped so many in Western Canada in recent years seems at length to be lifting in a measure. Bountiful crops in Alberta and Saskatchewan, the former having suffered most in recent years, have aided in this. Unortunately the price of wheat continues low, but it has shown strength in face of the heavy crop, and prices of dairy products and poultry, which are of more importance in Eastern Canada, have also improved. The Province of Saskatchewan has scored a notable success this year with her butter in the British markets, and has established an excellent reputation there in a comparatively short time. What she has done, others may be encouraged to do, and we hope that this will be the case. In the opinion of agricultural experts one of the things which requires attention on the part of our farmers is the weeding out of poor cows from their dairy herds, to the end that profits may be increased. Another cheering item is that the loss from rust, which cost the Manitoba farmer so many millions this year, may prove before long to be preventable, at least in great measure.

Advantages Over U. S. Farmer.

It will be news to many farmers in the West to learn that, according to evidence recently submitted to the tariff commission of the United States Senate, representatives of the wheat commission of the United States succeeded in proving that the Canadian western farmer has many advantages over his confreres in the United States. Among these were mentioned lower taxation, cheaper freight rates, and better yield per acre, in addition to a better quality of wheat. The cost of wheat production in Canada is claimed to average $15 per acre less than in the United States. Whatever element of truth there may be in these statements they afford no basis for unreasoning pessimism, and it will be at least interesting to our farmers to see themselves as others see them.

Financing the Farmer.

The discussion of the problem of financing the operation of Canadian farmers, especially in the West, occupied much of the time of the last session of Parliament. Much evidence was submitted, but as yet no practical scheme seems to have been evolved. Unquestionably, in an ordinary industry if the capital invested cannot be profitably employed it is useless to look for more. But the importance of agriculture as a basic industry and the plight of so many farmers during recent years force the problem to be approached from no ordinary angle. During the discussion in Parliament this bank suggested that a possible solution might be found in money borrowed by way of the issue of long term securities, the marginal risk to be carried by the issue of stock of a corporation to be formed for the purpose, the money for which would be found in such proportion as might be agreed upon by the Dominion Government, the Governments of the various provinces interested, the banks and other large corporate interests who share in financing the farmers. The details might prove difficult to work out, but the plan of financing such requirements by long term securities, rather than from monies repayable on demand, is unquestionably sound from the economic point of view.

Before leaving the subject of agricultural credit it will not be out of place to refer to the very voluminous legislation enacted in the United States with regard to it. Some parts of it are functioning with more or less success, but others are not, and the opinion recently expressed by a prominent economist in that country, in a review of the situation, is that the course of agricultural credit legislation in the United States during the past decade holds out nothing but a warning to other countries which contemplate similar action.

Bank of Hamilton.

As you are doubtless aware the consent of the Governor-General in Council to the taking over of the business of the Bank of Hamilton by this Bank was given on 31st ultimo, and its branches opened on 2nd instant as branches of this bank. The purchase has added great strength to our position in the City of Hamilton and the territory lying to the south as far as the shores of Lake Erie, as well as in the provinces of Manitoba and Saskatchewan. We are asking most of the directors of the Bank of Hamilton to accept seats on the board of this bank, and extend a hearty welcome to the former members of the staff of that bank to the wider field of opportunity now open to them. The Bank of Hamilton has added 50 millions of deposits and 70 millions of assets to our figures. The combined figures of the two banks will be approximately as follows: Paid-up Capital, $20,000,000; Reserve Fund, $20,000,000; Deposits, $385,000,000; with Total Assets of over $500,000,000. The number of our branches is now 623.