

space for the address he puts "care of Senate, and out on bail somewhere." He also writes on the card:

Actually sold stock when they, the company, were not solvent.

Mr. Neill, all power to your bringing this matter up in the house. Stay right with it.

I will not go into it further. It compares on a smaller scale with the Home Bank disaster or more properly, perhaps, with what happened in connection with the Great West Permanent Loan Corporation. Hon. members will readily remember the audacity with which the Alexanders defended their position some years ago in the committee. I think they were later convicted on 160 counts of criminality in connection with the case, and they are now in gaol serving a three-year sentence. In less than three years they will be out with the money they robbed their victims of, but their victims will have to go without their money for the rest of their lives, and perhaps their lives will be in danger from lack of the money which would enable them to regain their health.

The main object in getting this before the committee is to endeavour to have some safeguard suggested for the future. I have not much hope that they can do anything for the victims of this particular piece of rascality. No doubt the criminal and civil courts will be available to do anything they can to collect the money from those from whom it should be obtained. I am looking rather to the future. It is a well known fact that we cannot by act of parliament make men wise any more than by act of parliament we can make them virtuous. I do not have much hope that we can do anything for people who are so credulous as to buy Brooklyn bridge or a street car from a total stranger, although I believe that both these things have happened in the last two years. Nor have I much sympathy with that other class which falls so readily a victim to so-called confidence men, because if you examine into these get-rich-quick schemes you will find that in ninety-nine cases out of a hundred they are based on the suggestion of cheating somebody else. As has been well said by Charles Dickens, there is a credulity of the knave as well as of the honest man, and the man who examines with the greatest shrewdness a business proposition put up as a sound business investment will very often fall for a suggestion of making easy money illegally, for instance, by tapping a wire and getting the results of a horse race, and then betting on it, before the public know the result. People will fall for that who could not be induced to make an unsound invest-

ment. I have not much sympathy with that class of people. But the victims in this case were good, sound business people, some rich, some poor, and people who had no reason to suspect that there was anything wrong with this company. After all, we must take these things at their face value to some extent, or we should never invest at all. Many years ago I saw a world-famous cartoon in *Punch*. It occupied two pages. On one page was a picture showing a highwayman holding up a regular stage coach. He was on horse back, and with his pistol he was ordering the passengers to stand and deliver. That picture was called "Highway robbery in 1782." On the other page was a picture entitled "Highway robbery in 1882," and it showed a richly upholstered office, in which a fat, oily, unctuous man, labelled "President," was reading out a balance sheet to a shabbily dressed widow with two children hanging on to her skirts. The widow was vainly trying to understand what the man was reading out. As I say, this picture was called "Highway robbery in 1882." Of the two robbers, I really prefer the man with the pistol because at least he took the chance of getting shot, and the still greater chance of ultimately being hanged, but the man who commits the robbery in the manager's or president's room, and can afford to engage lawyers to show him how to do it without bringing himself within the shadow of the law, is not held up to scorn at all, but very likely gets a seat in the House of Lords, in the old country, or a seat in the Senate, in Canada.

It is the ordinary business people and the poor investor that I wish to protect. A thing of this kind is very hard to detect, especially as in this case and in that of the Alexanders the real criminals were those occupying executive positions. I have good reason to believe that some of the directors of this company were inclined to be a little doubtful and sought to make inquiries, but it was easy to deceive them because the men to whom they had to apply for information were those who were guilty of the fraud, and naturally they knew how to cover up their tracks. It is a thoroughly bad thing when a company like this goes to smash because it discredits investment and prevents capital from being available to develop what might be bona fide, although new, industries.

There are two points which I suggest the committee might take into consideration. One would be that no executive officer, no manager or president occupying an executive position and drawing a salary from the company, should be allowed to lend money to himself. That is what wrecked the Alex-