

## FARMERS' BANK DEPOSITORS MEET WITH DOUBLE DECEPTION.

IN the election campaign of 1911, the present Minister of Labor, Hon. T. W. Crothers, and at least a score of Conservative candidates, promised that if the Conservative party were returned to power the electors in their constituencies who were concerned in the failure of the Farmers' Bank would be reimbursed from the public treasury. During the first session of the Borden Government, nothing was heard with regard to redeeming those promises. During the second session, Sir William Meredith was appointed a Royal Commissioner to investigate the matter, and his report was brought down; it contained a specific declaration that the failure of the bank was due "to the recklessness and fraud of those entrusted with the management of the bank and not to the granting of the certificate." With that report before it the Government practically told its supporters there could be no justification for the granting of the relief to the depositors promised by the Conservative candidates during the election campaign.

### A Dishonest Compromise.

But just at that time Mackenzie and Mann were demanding a subsidy gift of \$15,000,000, and a revolt of the Ontario members concerned in the Farmers' Bank legislation was threatened. The Government was obliged to capitulate and at the close of the session, after the \$15,000,000 grant to Mackenzie and Mann went through, Premier Borden promised that the Farmers' Bank depositors would be reimbursed.

As is everywhere known Mackenzie and Mann came back this last Session for further aid, this time for a bond guarantee of \$45,000,000. Another revolt followed in the Conservative ranks, and before the Government following could be brought into line, Premier Borden had again to publicly renew his pledge to bring in legislation to reimburse the Farmers' Bank depositors. He put off till the last moment, until the Mackenzie and Mann legislation was well under way, then, in the dying days of the session, and, on the eve of the Provincial election in Ontario, the Government brought down the Farmers' Bank Bill

granting \$1,200,000 of public funds to reimburse the depositors.

In essence it was a measure of relief for the politicians and electors of one section of one province at the expense of all the rest of the country. It was condemned in Parliament by one of the Government's own supporters, Mr. W. F. Nickle of Kingston, as establishing "an obnoxious and vicious principle".

### A Double Game.

But this was by no means the worst feature. The good faith of Premier Borden and his colleagues as respects the Farmers' Bank depositors has always been a matter of doubt. Their sincerity was open to question from the first. It was plain that their sole purpose was to make political capital, and to do this, if possible, in two ways. First, to reflect on the late Government, by seeking to blame the Ex-Minister of Finance, and secondly, to curry favour with depositors by pretending to be willing to grant them assistance. They knew that the Liberals in the Commons, in defence of their Ex-Minister, would be obliged to oppose the measure in the manner in which it was introduced, for to let it pass in that way, with the indictment made against Hon. Mr. Fielding, would have been equivalent to the Ex-Minister's condemnation for an action for which he was in no way responsible. They thought that the Liberal majority in the Senate would follow suit and, that the bill would be killed there, and that the Tory party would be able to tell the Farmers' Bank depositors, that Liberals were responsible for its defeat, and tell their Tory financial friends who were opposed to the measure, that the Government had counted all the time on the Bill not going through.

To expose the whole transaction the Liberals during the debate on the measure moved first a six months' hoist for the Bill, and when this was defeated they moved that the Bill should not go into force until after investigation by a Parliamentary committee into the failure of all chartered banks since Confederation. Both amendments were defeated.

### The Design Frustrated.

But the climax to the whole shameless game of political chicanery came with the defeat of the Government's own measure by the Government's own supporters in the Senate. Even while the bill was going through the Commons there were rumours around the corridors that the Government was arranging to have the bill killed in the Senate. These rumours were, of course, denied, but the outcome proves how true they were. When the bill came up for second reading in the Senate, the Liberal leader, Senator Bostock took the ground that while the bill was objectionable as establishing an evil precedent, and unjustifiable on the grounds on which the Government supported it, yet since no constitutional issue was at stake—and since the bill was a money measure the majority in the elected chamber, namely the House of Commons, rather than the Senate, should assume responsibility.

Senator Power, however, took a different view and moved the six months' hoist. Then came the exposure of the Government's game. The Tories in the Senate had never contemplated that the Liberal leader would support the measure, and when he did so they were all at sea. They could not tell how many Liberals might follow his example, and they were well-aware that the big financial interests were looking to the Senate for the defeat of the bill and that it was the Government's wish, it should be killed. As so often happens, by one false move, their leader gave the whole design away.

### The Plot Exposed.

When the vote was called, the Government leader in the Senate, Hon. Mr. Lougheed, contrary to the well established rule of the House, suggested to the clerk that the votes for Senator Power's motion of rejection be taken from the Liberal side first. The Liberal Senators promptly and properly objected on the ground that the responsibility of making the first declaration must remain with the Government side of the House. Consequently the Conservative Senators had to vote first. But