

of small amount, and of a legitimate character. They are diffused over the different agencies, of which there are twenty-two.

50. What is the character of your largest accounts?—The largest we have at present is a lumber account, of about \$50,000, which is perfectly secure.

51. Who are the committee of investigation about to sit in Toronto?—Messrs. John Crawford, M. P., Harman, (Mayor of Toronto), and Wm. McGiverin of Hamilton. The local committees of investigation are composed of the best persons who can be obtained in each locality.

52. Have you ever written off any paper?—None. My estimate of \$300,000 includes the whole of the losses since the commencement of the bank.

53. To what extent have the directors been accommodated by the bank?—It has never exceeded \$100,000 or thereabouts at any one time.

54. Can you state, of your own knowledge, that the amount of paper on which directors' names appeared, exceeded at any time the proportion of one twentieth of the entire discounts, as limited by the Act?—I do not think it ever did. The largest amount of paper on which the names of directors appeared at any one time in the year 1866 was about \$80,000, but in addition to this there was a liability on the part of a director on a Sterling Bill of Exchange for \$40,000 endorsed by him, which was cashed by the bank and was subsequently paid off. Ordinarily the amount of discounted paper done for the directors was very small, less, I think than prevailed in any other similar institution in the country.

55. Are you aware whether the funds of the bank have been at any time used in the purchase of its own stock, directly or indirectly?—Yes, I am aware that some transactions in stock took place, but without the knowledge of the board. It was believed to be in the interest of the shareholders to prevent the stock being forced on the market. During the year 1868, stock to the amount of \$19,200 was purchased by the president, Mr. A. M. Smith, from a number of parties, and was held in the name of his brother, Mr. John Smith. From October 1868 to February 1869, stock to the amount of \$14,600 was transferred to the name of Mr. Alex. Campbell, an employé of the bank. The stock held in these names costs respectively, \$16,102.87, and \$11,973.61. The funds of the bank were used to pay for it. When these transactions came to the knowledge of the board, they (on 31st May last) passed a resolution declining to recognise them.

56. Are you aware that any of the directors of the bank were engaged in the purchase of this stock?—I am not aware that any director, other than Mr. A. M. Smith, (then President) and the Honorable Donald McDonald, who is now Vice-President, were engaged in these transactions.

T. WOODSIDE.

(Sworn before me at Ottawa, in the Committee Room of the Standing Committee of the Commons on Banking and Commerce, this seventeenth day of June, 1869.

The witness then withdrew.

JOHN ROSE, Chairman.)

The evidence being closed, the committee deliberated, and it was agreed unanimously that the chairman report to the main committee the evidence taken,—and further, that having compared the Bill now before them with the Act passed for the relief of the Commercial Bank upon its suspension in 1867 (which had been most carefully prepared and considered) they found that its provisions corresponded exactly with those of the Act referred to, except as to the reduction of capital, which is not prayed for, to the giving of a vote for each share, and to a matter of procedure in the event of an assignment.

The chairman left the chair.