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PREMIER KING GIVES HOPE TO BANK VICTIMS

Promises Sympathetic Consideration To Appeal of the Depositors and Shareholders' Deputation

FORMER ASKED PAYMENT
OF HUNDRED PER CENT.

Shareholders Would Be Relieved
of Liability To Pay Under
Double Liability Clause

OTTAWA, Jan. 13.—(Associated Press Dispatch).—The case for the depositors and shareholders in the Home Bank of Canada, which suspended business last August, was presented to the Dominion Government to-day sitting as the Privy Council of Canada. The premier promised sympathetic consideration and reserved a statement of his policy on the matter until Parliament is assembled. The national committee representing depositors and shareholders of the bank, which journeyed to Ottawa to present a petition to the Government for a 100 per cent. indemnification for depositors and freedom from financial responsibility for the shareholders, returned to their homes to-night assured of every possible consideration of their claims. The meetings were strictly private.

The committee which waited on the ministers was headed by W. T. J. Lee, of Toronto, who presented a petition for relief based on several grounds. The petition stated that the Minister of Finance in 1915, 1916 and 1918 received representation respecting the condition of the Home Bank that would have justified an investigation of the bank's right to continue in business. The Government's reluctance to precipitate a bank failure or a bank crisis during the war years apparently prevented such an investigation. If it had been made, the petition set forth, the Home Bank would almost certainly have lost its charter, but the depositors have reason to think that its assets at that time would have been almost, if not, quite sufficient to meet its deposits. But because the bank continued in business until August 17, 1923, greatly increasing amounts were deposited while its assets diminished in proportion.

COMMITTEE'S ARGUMENT.

The petition sets forth that if the Government in the war years found it best in the national interest to refrain from such an investigation as it was entitled to make under section 56 of the Bank Act lest national bank credits be reflected upon, then the heavy loss occasioned by the Home Bank's subsequent failure was properly chargeable to the country as a whole. The petition asked that depositors receive 100 cents on the dollar and that the shareholders be relieved of responsibility for the loss.

The confidence of the Canadian people, the petition continued, in Canadian banking institutions is of the greatest importance to the commercial and industrial life of the country.

"Rightly or wrongly," the petition said, "depositors in the Home Bank believed that the finance department exercised such supervision over the

bank that it was impossible for depositors to lose savings entrusted to the bank. The charter of the Home Bank had been renewed from time to time and was renewed just a short time previous to the bank's suspension, leading the people of Canada to believe that it was a safe place in which to deposit their savings."

THE SPEAKERS.

Speakers at the meeting to-day, which was held in camera, were Mr. Lee, R. L. McLaughlin, K. C., of Toronto; J. F. Edgar, representing depositors of British Columbia; W. T. Kernohan, of Toronto; I. E. Weldon, of Toronto, secretary for the depositors' committee and joint liquidator; Rev. Dr. Tracey, of West Toronto; H. Weinfeld, K. C., of Montreal, representing Quebec depositors; V. A. Sinclair, ex-M. L. A., of Tillsonburg, representing the two largest depositors in the bank.

Mr. Lee at the close of the meeting with the Cabinet said that he was satisfied that the prime minister would give the petition sympathetic consideration and that he felt the Government was regarding the Home Bank problem from the point of view of national interests. Practically every member of the Government was present at the meeting.

The depositors' committee, besides those who addressed the Cabinet, comprised J. G. Brady, Toronto; U. A. Buchner, London; A. B. Campbell, Toronto; E. A. Cleary, Windsor; W. A. Dover, Toronto; Arthur English, Winnipeg; A. G. Browning, K. C., representing Alberta; J. H. Mitchell, Alliston; John O'Reilly, Edgar Sanders, St. Thomas; Dr. Paul Polsson, Tecumseh; R. A. Jeffrey, Arnprior.

A SUGGESTION.

A proposal was tentatively discussed here to-day by Mr. Weldon that the Government should loan \$17,000,000 to the associated banks of Canada, half of it to go to make up to depositors the deficiencies between their claims and the assets and the balance to be invested, the Government being paid five per cent. and the banks receiving an estimate of seven per cent. The annual profit amortized over 40 years would, it is figured, make up the other 8½ millions. It is understood that this proposal is tentative and has not been submitted to the Government.

The committee to-night waited on Right Hon. Arthur Meighen, leader of the Opposition, and presented its case and received a promise of sympathetic consideration.

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