

HOME BANK MANAGER WAS ALWAYS READY TO SEE PETER SMITH

Private Secretary to Late J. Cooper Mason Says She Would Merely Hold Door Open for Former Provincial Treasurer, Who Was a Frequent Caller and Required No Announcement

DOHERTY WILL NOT SUBPOENA SMITH

Home Bank Official Tells of Taking Large Sums to Mason's Residence When Mason Was Ill and of Being Asked to Arrange for Visit of Peter Smith to Mason's Residence

Through the medium of Miss Rena Virtue, private secretary of the late J. Cooper Mason, former General Manager of the Home Bank, Government examiners established before the Public Accounts Committee yesterday morning that none of the \$38,000 representing additional 1 per cent. commissions on Province of Ontario deposits drawn in legal tender by Mr. Mason ever went into Mr. Mason's private account in the bank.

Miss Virtue told a very straightforward story of Peter Smith's visits to the late Colonel Mason.

Identifies Mason's Writing.

Miss Virtue, who was the last witness yesterday, said she had remained at the bank under all Mr. Mason's regime, and had closed up his private affairs July 1, 1923. She identified entries in the desk calendars, previously produced and gone over, as in the handwriting of Mr. Mason, and stated her opinion that the frequent notations of names on the pad meant that Mr. Mason on that day either had an appointment with the individual named or wished to get in touch with him.

Although Miss Virtue's daily diary contained frequent notations of the name of Mr. Smith, she said that he could have made other calls without them being recorded on her diary. It would only be when she had anything to do with the arrangements that it appeared on her book. Mr. Smith really did not require announcement to the General Manager, and she would merely hold the board room door open for him to enter.

Some Other Names Involved.

Proceeding through the list of days upon which "Hon. Peter Smith" appeared on the diary, Provincial Treasurer Price came across a note on Feb. 9, "M.J.H. and F.H.R., 10.30," which Miss Virtue said would mean M. J. Haney and F. H. Richardson. Right after that came the March 1 entry, already referred to, on which day, Mr. Price said, Mr. Mason is shown to have received \$4,000. The examination proceeded:

Mr. Price—We have one (an entry of Mr. Smith's name) on the 5th and one on the 7th; is there another entry around that time in April? A.—12th of April, Hon. P. Smith, 12.30.

Mr. Price—Now, just at that point I would point out to the committee that on the 5th of April there is an appointment in General Mason's diary, "the Hon. Peter Smith," and on the 7th, too, and on the 6th of April is payment here "\$3,000, for office, charge to remittance account."

Q.—Did you take the General Manager's private account? A.—Yes, sir.

Not in Private Account.

Q.—This money, amounting to \$38,000, over a period from 1921 to 1923, these various items, \$3,500, \$2,500, \$2,500, \$4,000—all these items—did they go to his (Mr. Mason's) private account? A.—No, sir.

Mr. Doherty—Did the General Manager have accounts outside with brokerage houses that you did not keep any record of? A.—No.

Mr. Price—You kept his personal account. A.—Yes, sir.

Q.—Did you keep more than one account? A.—I had access to all his accounts down in the bank.

Q.—Did you make his deposits? A.—Yes, sir.

Q.—And you can say these moneys did not go into his account? A.—They were not deposited.

Mr. Currie.—You didn't know if he had an account in any other bank excepting the Home Bank? A.—I am sure he didn't. His estate would prove that, wouldn't it?

Q.—And this large sum of money was never put to his account in any bank that you know of? A.—No, sir.

Certain Visitor Was Hon. Peter.

Mr. Price.—Just so that there will be no doubt about the Hon. Peter Smith being in the office, you know him as the Hon. Peter Smith? A.—Yes, sir.

Q.—There would be no doubt. A.—No. I knew the gentleman as the Hon. Peter Smith.

Q.—Was he a small man or a big man? A.—A big man.

Miss Virtue said she had held very little conversation with Mr. Smith during his visits. She remembered the occasion, previously referred to by Mr. Whittaker, when Mr. Calvert was a little slow on his errand downstairs, and Mr. Mason was "fussing around" waiting for him.

Mr. Price.—And Mr. Whittaker went down to hurry him up? A.—I think I can positively say that he did.

Q.—When Mr. Smith was there what did he (the General Manager) go down for? A.—I haven't any idea.

Q.—What did he have when he came back? A.—Nothing.

Mr. Currie.—An envelope or anything? A.—No. I never noticed anything.

Miss Virtue said that when Mr. Mason was ill she used either to take cash up to the house or send it up by the chauffeur.

Mr. Currie.—So if he had received such large sums of money as was stated here he would have it around the house; he would not need to send down and get money at the bank? A.—Yes.

Q.—If he was receiving large sums of \$3,000 and \$4,000 in legal bills he would not need to send down to the bank for any money from you? A.—No.

Manager Suspicious of Payments.

Of almost equal importance to the Government's hunt for the final resting place of the 1 per cent. which was to "influence" deposits of Provincial moneys was the statement of Albert E. Calvert, Acting General Manager of the bank when it closed its doors, that his former chief, Mr. Mason, had told him at first this money was going to the "Treasury" of the Province.

Neither Mr. Calvert nor Miss Rena Virtue, secretary to Mr. Mason, was able to say that a dollar of the money had ever passed into the hands of former Provincial Treasurer Smith during his dozen-odd visits to the bank offices. To J. A. Currie Mr. Calvert admitted that the fact that the amounts were always drawn in legal tender appeared a suspicious circumstance in his mind.

A third point of outstanding interest at the inquiry was the announcement of Hon. Manning Doherty, Progressive Leader, that, criminal action seeming "inevitable," he would not subpoena former Provincial Treasurer Peter Smith, his colleague in the late Government.

The matter of summoning him, he said, was wide open for the Government members to deal with as they saw fit.

There was further detailed perusal of the memo pads of the late Mr. Mason and also of Miss Virtue's diaries covering the last three years of the bank.

Coming to a debit slip of March 1, 1922, Provincial Treasurer Price summed up the evidence of the documents: "So that when I say that on March 1, showing an appointment in Colonel Mason's diary, 'March 1, 11 a.m., Hon. Peter Smith,' I turn to Mr. Clarkson's statement, where he shows that on March 1, 1922, there was \$4,000 paid to Colonel Mason 're Province of Ontario, instructions from J. C. M.'"

Money Put in Envelope.

Mr. Calvert, who was Acting General Manager when the bank failed, said that on the occasions when these debit slips, covering 1 per cent. commissions on Ontario deposits, were given, "we would get the cash from the teller and hand it to the General Manager. Usually the amounts would be presented in legals, of large bills."

Mr. Price—Well, would you put it in your pocket and carry it up that way? A.—No, sir. If I remember rightly, he asked for an envelope each time, probably not every time, but I know he did on certain occasions—put it in an envelope.

He remembered only on one occasion taking the envelope up to Mr. Mason's office; on other occasions "he came down to my office." He identified a number of debit slip items as being initialled by himself, and told Mr. Price he remembered taking payments up to Mr. Mason's house during his illness, receiving instructions from Mr. Mason himself.

Q.—He would instruct you to bring this amount of money up to his house? A.—Yes, sir. He would ask me the same way for the average balance of the account. I was going back and forward all the time.

Speaking of an occasion when he took up the proceeds of a debit slip, he was asked:

Q.—Was there anyone present when you handed this to Col. Mason at his house? A.—No, sir.

Q.—Was any stranger in the house? A.—Well, not that I saw.

Q.—Were you asked to make any appointments with anybody there? A.—Not at that time.

Q.—Were you any other time? A.—One time he did ask me to make an appointment for him, but I think it was later than that.

Wanted Smith to Call at House.

Q.—What was this appointment he asked you to make? A.—He asked me to have the Provincial Treasurer come to see him.

Q.—At his house? Yes, sir. At this point Mr. Price took up a debit slip of July 11, \$2,000, the proceeds of which were delivered in legals to Mr. Mason's house by the witness.

Q.—Do you recollect the instructions you got on that occasion? A.—I do. He said he wanted to pay the extra 1 per cent. to the end of June. I remember that particularly.

Q.—Will you just describe what you did with it? A.—I just put it in an envelope and took it up to his house and handed it to him.

Q.—Now, do you recollect, was there anyone present when you handed it to him? A.—No, sir.

Q.—Do you know was there anybody there on appointment? A.—Not that I know of, sir.

It was some time in June, he thought, when he was asked to make an appointment with Mr. Smith. "Probably the early part," he stated. "He said he wanted to see him about the account; generally about the Province of Ontario account. He did not mention anything specifically."

Q.—Was it before this payment of \$2,000 on June 7? A.—I cannot swear to that.

Q.—How many times did you take the money obtained under these debit slips? A.—I took it up at least once, and possibly twice. I remember taking it on one occasion and giving it to him in Mr. Whittaker's room.

Q.—Can you tell us how that was done; was that the usual process? A.—No, sir.

Q.—What did you usually do then? We will get to this particular case. A.—On the other occasion I took it up I handed it to him in another office. He was in Mr. Whittaker's