

Thursday, April 10th

Q.—Was this in a savings account or in a general account? A.—I cannot say.

In Mr. Smith's Name.

Q.—Would there be a pass-book issued by your bank? A.—Yes, sir, there would be.

Q.—In whose name was the pass-book? A.—It would be in Mr. Smith's name.

Q.—Were there any other accounts in that branch in anyone else's name controlled by Mr. Smith? A.—I believe he was Treasurer of the Perth Breeders' Association.

Q.—That would be an account of the Perth Breeders' Association, of which he was Treasurer? A.—Yes, sir.

Q.—It would have nothing to do with this? A.—No, sir.

Q.—And that would be a separate account? A.—Yes, sir.

Q.—Was there another account? A.—Not that I can recall.

Q.—Would Mr. Smith have a general account as well as a savings account? A.—He may have had both.

Q.—You handled the savings deposits as well as the general? A.—Yes, sir.

Q.—Now, Mr. MacMillan, in December, we have had evidence here, we have had Mr. Rogers's evidence. He stated that there was \$7,500 paid out through Harry Pepall to Andy Pepall on a loan which was dated Dec. 1, 1919. In December, the latter part of November, or December, 1919. Can you give us the date that large deposits were made on any one date? A.—No, sir, I cannot.

Q.—Would it be toward the first of the year, or nearer to the first of December? A.—Can you tell me when the previous Government came into power?

Q.—On November 14, 1919? A.—It was after that date.

Q.—Do you know how long after that date? A.—I do not, sir.

Q.—The deposit slips would show this? A.—Yes, sir.

Q.—You are quite satisfied there would be a deposit slip? A.—Yes, sir, I am.

Q.—And you are quite positive there was a bank book issued by you? A.—Issued by the bank.

Then Mr. MacMillan came down to Toronto and joined the staff of Aemilius Jarvis & Co., occupying the position of statistician. Although he knew about the \$12,500 cheque that had been drawn and cashed by A. H. Young, and the proceeds of which were turned over to Mr. Pepall, he could not give any information as to the disposition of the money, or what it was for. He could not identify the cheque.

Mr. Doherty Cross-Examines.

Mr. Doherty took up cross-examination on the point of Hon. Peter Smith's transactions with the Bank of Toronto.

Mr. Doherty—How long have you been acquainted with Mr. Smith? A.—Since about 1915, when I went into the bank.

Q.—Did Mr. Smith keep an account with your bank between 1915 and 1919? A.—To the best of my knowledge.

Q.—He had his account there during these years? A.—Part of the time at least.

Q.—Would you know, or do you know, whether he did bank with any other bank? A.—Not that I know of.

Q.—He had been making deposits and withdrawals at your bank all through these years? A.—Yes, sir.

Q.—Mr. Smith moved into Stratford approximately what date? A.—I cannot say, sir.

Q.—Was it previous to your leaving the bank, just at the end of December, 1919? A.—I cannot say whether he had moved to Stratford at that time or not. I believe he had a farm. I know he had a farm. Whether it was disposed of at that date I don't know.

Q.—You are not sure whether Mr. Smith had disposed of his farm and moved into Stratford previous to your leaving the bank, or not? A.—No, sir, I don't.

Q.—You left the bank December 31, 1919? A.—I would not state the date—near that time.

Q.—Well, it was that date or a

previous date? A.—It may have been later.

Q.—It may have been after January 1? A.—My recollection is just about that time.

A.—About New Year's? A.—About New Year's.

Q.—Now, this deposit that you refer to which was made by Mr. Smith and which you remember so distinctly, can you give the committee any idea of the amount of that deposit? A.—I cannot, sir.

Q.—Not approximately, even? A.—No; it would be a mere guess.

Q.—You don't know whether that deposit that was made was subsequent to or at the time of Mr. Smith's disposal of any of his herd? A.—I don't, sir.

Q.—The deposit was made, though, previous to your leaving Stratford, leaving the bank, and you left the bank at the end of the year? A.—Yes, sir.

In December or January.

Q.—That is very important, because the man who was in here, in Jarvis & Co., Mr. Rogers, swore that this cheque for \$7,500 was cashed in January, not in December at all. It was cashed in January? A.—That deposit may have been made in January. It was along about previous to when I left the bank. I cannot swear to it.

Q.—Now you say the deposit was made in legals. What do you mean by legals? What do you call legals? A.—Dominion of Canada bills.

Q.—Dominion of Canada bills? A.—Yes, sir.

Q.—They are not the legals that are used between the banks? A.—I believe they are the same. As you probably know, there are no thousand-dollar bills issued by the different banks.

Q.—These are the regular Dominion thousand-dollar notes? A.—Yes, sir.

Q.—They are currency? A.—They are currency.

Q.—Are you aware if there is a form of legals that is used only and solely between banks? A.—Not that I know of. There may be for clearing purposes only, but I don't know.

Q.—These were not that type? A.—I cannot state.

Examined by McKeown.

Charles McKeown—I think you told the committee that Mr. Smith came into the office, went into the office of the Manager, and that the Manager made out the deposit slip then and brought it to you with the money to deposit to the credit of the Hon. Peter Smith? A.—To the best of my knowledge that was the procedure.

Q.—That, I think, was the first time you saw a thousand-dollar bill? A.—Yes, sir.

Q.—And there was at least one thousand-dollar bill, if not more, in that deposit? A.—To the best of my knowledge there was.

Q.—Would the deposit slip which was presented to you not only give the total amount of deposit, but give the bills that went to make up that deposit? A.—It should have the denominations specified on it.

Q.—For instance, if it was \$5,500 it would be five thousand-dollar bills and one five-hundred-dollar bill, or

to like effect? A.—It should be specified on the deposit slip.

Q.—And that deposit slip can be, or should be, produced by the bank? A.—Yes, sir; it should be.

That \$12,500 Cheque.

In regard to the \$12,500 cheque under Harold Fisher, K.C.'s, examination, Mr. MacMillan said that the \$12,500 cheque would be a matter of some curiosity to the staff of Aemilius Jarvis & Company because it was being drawn to cash, and that was what drew it to his attention. He could not recall whether Mr. Young had shown him the cheque or not. He could not recall clearly ever having had any conversation with Mr. Young about it, but he believed it had been mentioned to him.

Mr. Belanger—Do you remember whether that deposit (of Mr. Smith's) was in bills or cheques? A.—There may have been cheques with it. I cannot state.

Q.—Do you know whether they were of large amounts or whether there might be some small ones? A.—There might be some small amounts; that would be specified on the deposit slip.

Mr. Alex. Lewis brought out that there was no previous arrangement that he should come to Aemilius Jarvis & Company after leaving Stratford.

The \$12,500 Cheque.

Although the \$12,500 cheque matter was overshadowed by the testimony of Mr. MacMillan, the former Stratford bank teller, the history of it was pursued with interest by members of the committee. It eventually turned up in the commission account of the Aemilius Jarvis concern, and, by Provincial Treasurer Price's computation, was one-quarter of 1 per cent. of a \$5,000,000 loan the company was floating for the Province at that time. At a previous sitting R. R. Rogers, former Manager of the Jarvis company, testified to an arrangement he had made to pay Andy Pepall one-quarter of 1 per cent. for any Provincial business he could influence to the company.

It also came out during Mr. Young's evidence that the big Jarvis English transactions for the Province, involving five or six millions of dollars of inscribed stock, did not appear on the books of the concern handled by Young as assistant and head bookkeeper, and he thought they might have gone through Mr. Jarvis's own books. In any event, he had not seen entries of them, and could not state where the profits, which Mr. Price stated to be between \$500,000 and \$700,000, had gone.

A peculiar point, that Provincial Treasurer Price stated he could not understand, was the payment through the Jarvis firm of the Province's \$4,000 of indebtedness to Andy Pepall for services representing the Province in London in the redemption of Provincial securities. Instead of the Province issuing the cheque direct to him, it apparently had deposited the money with the Jarvis firm, which in turn had issued its cheque to Pepall.

HOUSE PROROGATION IN LESS THAN WEEK IS AIM OF PREMIER

Wolf-Hunters as Well as
Wolves Raid Treasury,
Says Sinclair

MANY BILLS CONSIDERED

"I am not responsible for the reports of the newspapers," said Premier Ferguson yesterday in the Legislature, in reply to the question of Hon. W. E. Raney (Progressive, East Wellington) as to the reports that the House might be adjourned over Easter for some time while the committees carried on their work in the meantime.

May Rise on Tuesday.

"We are endeavoring to carry on the business of the House in the usual manner, and will endeavor to meet any special circumstance that may arise," said the Premier.

Incidentally, in adjourning the House, Premier Ferguson stated that the date of prorogation now depended largely upon the attendance of members and the efficiency of the Printing Department.

Seen afterward, Hon. Mr. Ferguson said there was no reason why the House should not rise Tuesday of next week. It is therefore possible that the Public Accounts Committee will sit after the House prorogues, if the investigations into the Treasury Department scandals has not been completed.