

# NEVER TOOK A PENNY FROM THE HOME BANK OR ANYBODY IN IT'

**Hon. T. W. McGarry Vehemently Declares That He Knows of No Campaign Fund — Frankly Admits Favoring the Home Bank and Tells Public Accounts Committee M. J. Haney Asked Him to Increase Government Deposit to Make a Showing**

## HOPES MATTHEWS WILL COME FORWARD

Like an equatorial hurricane Hon. T. W. McGarry, former Provincial Treasurer of Ontario under the Hearst Government, blew into Public Accounts Committee yesterday morning to issue a vehement denial of "The Toronto Globe's inferences that I had been getting money myself, or that there was a campaign fund being carried by somebody."

"I was on oath the other night in this committee," he said, "and I now repeat what I said then: I never got five cents from the Home Bank or anybody connected with it, and I will go further and also say that I know of no campaign fund, that I never received any money from the Home Bank in any way for campaign funds or anything else, and I defy The Globe and Mr. Sinclair and all the leaders of the Liberal party to prove anything against me."

### Smashes His Glasses.

In his vigor of expression the former Treasurer pounded the table at which he was sitting, hammered the reporters' table, and finally brought his huge fist crashing down upon his glasses, breaking them into several pieces. To an expression of concern by Charles McKeown that he had smashed his glasses the former Treasurer brusquely replied that that did not matter, and went on with his vociferous denials.

Mr. Sinclair, Liberal Leader, protested that the committee should not be turned into a political meeting, and Chairman Finlayson ruled that, as certain inferences had been thrown at the former Treasurer, Mr. McGarry had a perfect right to come to the committee and demand a hearing as he had done. The Chairman commented that it was refreshing, after the difficulty the committee had been having in getting some witnesses, to have one witness come forward with a demand to be placed in the witness-box.

### Makes Comprehensive Denial.

Mr. McGarry proceeded: "Now, the statements, of course, have been carried in The Globe for the past week inferring that, while I gave evidence the other day, there was some campaign fund. That is the inference that is drawn from the article in The Globe of April 8. I want to make now, in the most explicit possible way, the widest statement that nobody within my knowledge, either myself or anybody in my department, or anybody in the Conservative party, ever received five cents from the Home Bank or anybody connected with it. Now, is that wide enough?"

Mr. Sinclair—I am not asking you, Mr. McGarry—I know you are not and you know, Mr. Sinclair, I a

just enough of a politician to know exactly what is passing in your mind. If you continue, and if The Globe can continue, repeating these articles, and everybody can throw mud at the Conservative party, they will do it. And I can quite understand your reason for not asking me any questions this morning.

Mr. Sinclair asked if it were understood that the former Treasurer would be available later for examination, whereupon Mr. McGarry declared that he would be there any day and every day that the committee or any member of it said they wanted him there. He was not going to run away. Newspaper editors, he said, in publishing such articles, ought to remember that there were more than the men mentioned concerned in the effect of them—there was the man's family.

### Did Favor Home Bank.

"The inference is that I was favoring the Home Bank," he continued. "That is true. I said that the other night on oath. I did favor the Home Bank. I say it now. The Home Bank was recognized as a Catholic institution. Everybody in the Province knew that. When I became Treasurer, I told you the other day when I was here, one of the directors came and asked me to give them more deposits. I did so. Many of the directors were personal friends of mine, and during the whole time I was Treasurer I did favor the Home Bank, and I am not ashamed of anything I did with the Home Bank.

"It is true, in 1919 the deposits were heavy; but why doesn't The Globe, Mr. Chairman, when it quotes the amount of interest obtained by the Province in 1919 and compares it with the amount of interest obtained from other banks in which we had deposits, and draws the conclusion that we had twice as much money in the Home Bank as we had in any other bank—why doesn't The Globe, if it wishes to be fair, compare 1917 and 1918?"

### Condition in 1919.

"Now, they claim that in 1919 the Home Bank paid \$53,000 or \$63,000 interest, and the next highest bank was \$40,000 or \$45,000. That is quite true. We were doing a much larger business in 1919 than we had ever done before. We were carrying much more money, and bank analyses will show that. But, while there was twice as much interest obtained from the Home Bank in 1919, I find that in 1918 the Home Bank paid us \$32,000, and the next highest bank paid us \$9,000. That means there was more than three and a half times as much interest obtained from the Home Bank in 1918, and this was before this tollgate was established. This was at a time when there was apparently no inducement to anybody, political or otherwise, to give them deposits.

"I go back to 1917; in that year the Home Bank paid \$25,000, and the next highest paid \$9,000—almost three times as much. No tollgate established at that time.

"Now, what was the inducement for me to give deposits to the Home Bank? I have already told you that at that time I did everything I could, in a proper way, to favor the Home Bank, consistent with my oath of office and my honor and my integrity as Treasurer of Ontario, and, therefore, there have been times in the history of that institution when I have even made a special effort to help the Home Bank. And I want to say this much, that in 1919—I think in May at the end of the fiscal year, the only time in the history of the bank—I did place a deposit to their credit in order to help their annual return.

"But it was not with the idea of fooling the shareholders of the bank or fooling the public. I had a request from Mr. Haney, who was an officer of the bank, that they wanted to endeavor to get their deposits up to \$20,000,000, and so I helped the bank—the only time. But anything I did in that way is on record up in my department. I have never done anything in my life that is not on record in the department in regard to the office I held from 1914 to 1919."

### Refers to Matthews.

Regarding Assistant Treasurer Matthews, Mr. McGarry said: "I will welcome the appearance in this tribunal of Mr. Matthews. I will welcome the appearance here of every person in my department while I was Minister, and I will welcome in this tribunal, too, every person connected with the Home Bank, and I defy anybody to say that I ever got five cents from anybody in connection with it. That is wide enough.

"Mr. Matthews was Secretary, of course, during the whole time. He was not there as Deputy Minister. I was the head of my department, and I take full responsibility for everything I did. They tell me—I don't know—that Mr. Matthews felt rather sore because I would boss him too much. I did boss him. I always boss everybody that is under me. And everything that took place during the time I was Treasurer I accept full responsibility for.

"Now, then, with regard to the events that took place in 1919, and the loan. They are on record in my department. I have not had the opportunity of reviewing these papers, which are in your possession, Mr. Treasurer, but I will welcome very much having them placed on the records of this committee. If there is anything required by way of explanation I will be glad to give it. I will be glad to come back each day that my friend Mr. Sinclair might require me here. I will be glad also if the committee sees fit to bring the Editor of The Globe, who wrote these articles, so that we may have any information he may have."

### Not Afraid of Anyone.

Mr. Sinclair—Not while you are here?

Mr. McGarry—I never saw a man in my life that I am afraid of, and I would sooner have him here than anybody else. And I will be heard, don't worry.

"I want to say, these articles in The Globe—and now I am speaking particularly to the Editor of The Globe—are written with the express purpose of bringing into this whole committee's work politics, and rotten politics, and I am under oath when I am saying this, and I know what I am stating. I would like to ask Mr. Lyon, Editor of The Globe, to consider the fact that I have a family, and my name is as precious to me as any name that any man can bear, and I intend defending that name," said Mr. McGarry.

"It is all very well for the Editor of The Globe to attack a man, but if he will only stop to think that there are others besides the man whom he is attacking—the effect of this kind of thing—he surely would not write editorials such as I see here; and what I say is this, gentlemen of the committee, I tell you now I will be here every moment your committee is sitting."

### Wealthier Out of Office.

The former Treasurer said he would give up all his private work to attend the committee, and added: "I would only like to say this much: that I was wealthier when I went into the Government than I was when I went out. I had a big law practice. I made \$25,000 a year, and I have made it every year since I went out of the Government. I have an earning capacity that would not induce me for anything to accept

\$42,000, or \$12,000, or \$50,000, or \$100,000. I am not of that breed. And I challenge those who try to traduce me to produce one bit of evidence to prove that I ever took five cents."

Mr. Doherty took up the details of the Home Bank loan flotation, which Mr. McGarry declared was good financing for the Province, a fact, he said, which would be proved by the records, for, although it cost the Province 6¼ per cent. at that difficult period, later flotations cost the Province 7 per cent. Mr. McGarry repeated his statement made at a previous session of the committee—that he considered the buying in of succession-duty-free stock good business for the Province, provided the Province got it at the proper price.

### Denies Arrangement.

Mr. Doherty—Mr. Clarkson in his evidence said he had been informed by those in the bank, particularly mentioning Fleming, who was in the