

*Do not give to general public*

July 13th, 1961.

STATEMENT BY J. E. COYNE

I have been informed that following the hearing and deliberations of the Senate Standing Committee on Banking and Commerce into the charges brought against me by the Government in relation to Bill C-114, an Act to declare the office of the Governor of the Bank of Canada to have become vacant, the Committee reported today to the Senate in the following terms:

"Your Committee recommends that this bill should not be further proceeded with and the Committee finds that the Governor of the Bank of Canada did not misconduct himself in office."

I have also been informed that this afternoon the Senate approved a motion "that this report be now adopted".

This decision by the Senate, this verdict both by the Committee and by the full Senate, I regard as a vindication of my own conduct, of my personal honour and of the integrity of the position of Governor of the Bank of Canada as established by Act of Parliament. It is my earnest hope that the result of these proceedings will constitute a precedent which will deter any Government in future from adopting methods designed to remove any person from any of the high offices established by Parliament to be held during good behaviour such as the methods which have been attempted in the present case.

I have now advised the Deputy Governor and the Board of Directors of the Bank of Canada of my resignation from the office of Governor effective at 5.30 p.m. today, Thursday, July 13, 1961.