

APPENDIX No. 1

Q. And in a town of considerable importance that would be a very large undertaking, would it not?—A. Yes.

Q. And would involve a great deal of expense upon the present system?—A. Yes.

Q. And a great deal of responsibility on the post office officials as well as on the postmasters?—A. And a great deal of suspicion, because everybody is suspicious as to what the postmaster knows about him. They do not mind the banks knowing.

By Mr. McKay:

Q. Do any savings banks exist where there are no post offices?—A. No, none of ours.

By Mr. Hughes:

Q. About the extension of the post office savings system to the marking of cheques, is that not rather a matter of policy for the Government than for an official to give?—A. Well, I was not giving any opinion. If I did that—

By Mr. Spencer:

Q. With regard to the answer you gave to Mr. Hanson you said that if you enlarged the work of the post office savings branches it would make more work?—A. Yes.

Q. You would have to have extra book-keeping, but some man could do it?—A. No, some men would not do it.

Q. If it involved more than one man's work, you could have another man?—A. There would be the same amount of work to be done. We take it that it is so, although it is distributed.

Q. I take it that the Government, through taking money from the post office savings banks, can make a profit on the transaction?—A. That is another question, about the profit.

Q. You do not think they make a profit?—A. They borrow the money for three per cent, and you can figure it out.

Q. And they pay five and a quarter?—A. Three per cent, plus expenses.

Q. You think that they should make a profit on it?—A. They should, yes.

Q. Therefore, the more business they do through the post office savings, the more profit they could make; and therefore, so far as extra service is concerned, it would not cut any figure at all?—A. You mean the expense of extra service? I was not thinking of that at all.

Q. The more business the post office savings banks do the better for the Government, and the more money the Government would make in profits. You have admitted to me that they make a profit, have you not?—A. I gave you some figures and you drew the inference that they had a profit.

Q. Does the Government make any profit from the deposits received through the post office savings banks?—A. I suppose that any one would say that if any person borrowed at three per cent, and if the expenses of borrowing were not high, he would make a profit, if they had not to borrow the money at a greater rate.

Q. If the Government makes a profit on the small amount it collects, it would have a chance of making more profit on a larger amount. Is that a fact?—A. That seems good arithmetic.

Q. You made the statement that an individual is allowed to place in the post office savings bank an amount equal to \$1,500 a year?—A. \$2,000. I said I did not have the figures, but we will take it at that.

Q. It used to be \$1,500; it may have been extended. Why is this limit placed on the amount?—A. I suppose we have to go back to the very idea that

[Mr. Austin Bill.]