

14-15 GEORGE V, A. 1924

Q. So that when the amount on deposit increased by \$3,000,000 during the last year, you had to increase your deposit under the Gold Reserve?—A. By \$300,000.

By Mr. Good:

Q. I would like to know the procedure. When a customer of the post office savings bank wants money to a greater amount than \$25, he makes application to the local postmaster, and the local postmaster forwards his application with the pass-book to Ottawa?—A. Yes.

Q. In what form is the money returned?—A. In the form of a cheque.

Q. Where does the customer cash the cheque if he wishes to cash it, at a local bank?—A. At a local bank, or the postmaster will possibly oblige him.

By Mr. Sales:

Q. At par?—A. At par, yes.

Mr. W. F. MACLEAN: Would the witness supply this Committee with these blank forms? As there is no local ledger, he cannot give us a copy of that, but I would like him to give us any printed forms in connection with the operation of the savings banks.

The CHAIRMAN: All forms that are at the disposal of depositors?

Mr. W. F. MACLEAN: Yes.

WITNESS: You want the forms used for the withdrawal of money?

Mr. W. F. MACLEAN: Anything; a copy of the pass-book and all the forms.

WITNESS: All forms used in connection with the post office savings business?

Mr. W. F. MACLEAN: Yes, and all the regulations.

The CHAIRMAN: You can produce these as an exhibit.

By Mr. Spencer:

Q. All money collected through the post office savings banks, except a small amount that is held back as a safety balance, goes to the Consolidated Revenue Fund of the Government?—A. I qualified that by saying what is needed at the post office for the payment of money orders or for other payments.

Q. I admit that. The Consolidated Revenue Fund of the Government is kept in the various banks. The drawn money goes back to the banks; there is no other place to keep it, and the Government keeps its accounts in the banks. There are two points; one is that there is only four per cent of the credit in Canada in the shape of money. Now, the credit of those banks is not kept separate. The banks make their loans on security and all the money that has been collected in this small way eventually goes through the Consolidated Fund of the Government and back into the banks. That is a fact, is it not?—A. When you say "back into the banks," it is not in the bank on deposit; it is in the bank for use.

Witness retired.

Mr. W. F. MACLEAN: I move that we ask the Postmaster General to appear before the Committee.

The CHAIRMAN: I will let the Committee know at the next sitting whether that is possible or not.

The Committee adjourned.