

## APPENDIX No. 1

*By Mr. Sales:*

Q. Would you see that correspondence in your capacity as accountant? Would that come before you at all?—A. It might not come before me, but a good deal of it would. That is, it would affect the accounts of the office, and probably be on the general file.

Mr. SALES: The witness said he was not responsible for the operation of the savings branches, that he is the accountant.

*By Mr. Garland:*

Q. Has the Department closed any post office savings banks in the last year?—A. They are continually being closed down and opened and re-opened.

Q. What is the most common ground on which you close your branches?—A. Common ground?

Q. Yes.—A. One of the grounds would be perhaps a change of postmaster and that they felt that perhaps that would be better kept closed until we found out how the new postmaster was acting. Of course, that would be in a small place, not in a large place. In that case there is no doubt that the postmaster is not always so closely in touch personally with the office in a large place. I am speaking of the small places.

Q. In a case of that kind would not the closing up cause a good deal of dissatisfaction among those who had money deposited in the local savings branch? You suggest that it is decided sometimes on a change of the postmaster?—A. Possibly, yes.

Q. Is that not likely to make it rather inconvenient to the depositors in that place?—A. You must remember that this would take place in a town of very small size. In the larger places the order of procedure is more set. The postmaster has competent assistants to carry on for him.

*By Mr. Irvine:*

Q. Would you suggest that in the appointment of postmasters the authorities do not take into consideration his possible capacity as a banker?—A. That would be in an appointment of a postmaster to an office that was not a savings bank office. A banker—you must use the term very guardedly, because he is not discounting notes or anything like that.

*By Mr. Garland:*

Q. You mentioned that \$25,000,000. was the total amount now on deposit?—A. Yes.

Q. Do you not think that that is a very small amount for between 1,300 and 1,400 post office savings banks in Canada?—A. It is.

Q. Do you not think that a policy could be established to extend the influence of the post office savings bank so that we would have greater deposits than that?—A. Well, if it were desired, you could do lots of things like that.

Q. Do you think it is desirable?—A. That is a point that would take up a whole day's discussion.

Q. I am simply asking you for your opinion as an expert in the Department? Do you think it is desirable that the post office savings bank business should be extended in this country?—A. You are asking my opinion, personally. I think that the Post Office has no reason to go into competition with any existing means of giving service, but to supplement any service that is given at present.

Q. You have just told me that there has never been any protest on the part of any representative financial institution regarding possible competition?—A. Regarding possible competition, yes, so far as I know.