

Unpaid Dividends.

OTTAWA, 9th May, 1893.

The Hon. GEORGE E. FOSTER,
Minister of Finance.

SIR,—I have the honour to present the second returns received from the several chartered banks of Canada, required by section 88 of the Bank Act, showing the dividends remaining unpaid for more than five years, and also the amounts or balances in respect to which no transactions have taken place or upon which no interest has been paid during the five years prior to 31st December, 1892.

On examination it will be found that an improvement has been made on the return of last year, as, on the whole, a better system of classification has been adopted by the banks in the compilation of their statements.

A summary of the balances so held by the different banks is subjoined, from which it will be noticed that these balances, which amounted in 1891 to \$457,347.54, have been reduced by \$29,415.57, and now stand at \$427,931.97. In some of the banks the unclaimed balances have increased in amount, owing, it may be, to a more careful preparation of the return; the reduction, however, on the total amount held may be regarded as satisfactory evidence of the utility of the blue-book.

It is interesting to note that following the legislation of the Parliament of Canada on this subject, the colony of South Australia, in 1891, passed "The Unclaimed Moneys Act," with the following points of difference, however:—The returns cover accounts that have not been operated upon for six years and upwards, whereas in Canada the limit is five years, and all such moneys as have not been repaid to the depositor within two years of such publication are required to be paid over to the treasurer of the colony. This action of South Australia has led to an appeal being made to the Queen in Council against the act by certain banks domiciled in London and which carry on business in that colony. The "Economist," in noting the circumstance, under date of 1st April, 1893, makes the following remarks:—"The effect of this act, the petitioners contend, "is to deprive them of funds which are legally their property without compensation. "The ordinary mind, however, will find a difficulty in understanding why the banks "should be compensated for giving up money which does not belong to them, and "instead of the act being one which ought to be repealed, it would be to the public "advantage if there were legislation on similar lines both here and in our other colonies."