

APPENDIX No. 1

would report the matter at once to Ottawa where the man's account is kept, and he would be charged with the \$25 or whatever the amount is, at Ottawa.

*By Mr. W. F. Maclean:*

Q. He has to send to Ottawa?—A. This is not a withdrawal from Ottawa, this is a local withdrawal that he is speaking of.

*By Mr. Coote:*

Q. How many withdrawals of this kind would he be allowed to make? Is there any limit?—A. He would not be allowed, I think, to make more than one a day. The idea is to limit the withdrawal to \$25. If a man made a withdrawal of \$25 in the morning, and came back in the afternoon for another \$25, he would be considered by the postmaster—I do not think the case has arisen, but if it did arise, the postmaster would say "You are really violating the intent of this regulation."

Q. Is there anything in the regulation which states that he cannot withdraw twice in a day?—A. I do not think there is, but I think that is a thing which is left to the interpretation of the man who is administering the work.

Q. Do you see any real objection to a proposal to increase this amount which you may withdraw at the local office?—A. Under present conditions, there would be because this amount of \$25—the Government is willing to take a chance up to \$25 but there must always be a certain element of chance when the withdrawal is made at a point where the account is not kept.

Q. What is the limit to the amount of a money order that may be issued at that office?—A. One hundred dollars.

Q. Then what objection would there be to placing the limit at \$100 in this regard? Would there be any more reason for the Department taking a chance?—A. In the case of a money order, you must remember that they get \$100 and issue an order on any post office up to another \$100. That cannot be duplicated in any way except by a clear case of fraud and of course we will except that. It cannot be duplicated, and I think there is a perfect check on the transaction from the moment it comes in until it is paid out. There is not under the present scheme a perfect check on withdrawals. It is a transaction upon which the department must take a little risk.

Q. What would be the objection to increasing the amount which a man may deposit in a post office savings bank? You understand that we are considering measures which would tend to increase the safety of depositors. What is the objection to increasing that amount, or why should there be any objection?—A. There is no objection that I can see. Some one has asked that the Postmaster General appear before the Committee and whatever the objection may be, it would be better for him to give an answer.

Q. As an employee of the department, what do you think the objection would be?—A. None from a borrowing standpoint as long as we kept the accounts here in Ottawa. If you kept local accounts, as has been suggested—

*By Mr. W. F. Maclean:*

Q. Is there a local ledger?—A. No, there is no local ledger.

*By Mr. Coote:*

Q. Supposing there is no local ledger, can you tell the Committee what difficulty there would be in the way of operation?—A. There would be no more difficulty in handling a \$10,000 account than a \$5,000 account.

[Mr. Austin Bill.]