

men in your organization be satisfied if they could get money at 2 per cent. 2½ per cent or 3 per cent, or what would you say?—A. In the discussions we have had, we have set down a policy that we ought to have interest at cost; and talking of interest at cost, we have generally talked about 3 per cent interest. I think that is about right.

Mr. APPLEBY: Yes.

The WITNESS: We say if it can be administered at a lower cost than that, all right. But our discussions have generally centred around 3 per cent.

By Mr. Blackmore:

Q. That is, if the government owned the banks and you were managing the government-owned banks or drafting the policy, you would not expect them to loan money at a loss. You would expect them to be going concerns?—A. Oh, they must pay.

Q. The cost of running a bank, you know, can vary greatly. I just wonder if, in a general way, you believe that the banks are paying their ordinary employees enough. Take the young fellows who cannot get married until they are a certain age. Do you think they are paying them enough?

Mr. KINLEY: They are like school teachers.

The WITNESS: Well, that is a problem for the bankers.

By Mr. Blackmore:

Q. This has an important bearing. I understand farming. I have grown up with men of Mr. Bickerton's type. My father was one and I have been one, and a member of the organization for many years. The questions I am asking are altogether pertinent. Would you favour, if you had a government-owned bank, keeping these boys at the starvation wages they are now at?—A. Well, I do not know. Take the average run of civil servants' pay. I think that the civil servants' pay would compare relatively about the same as what is paid in the banks. It is a case of graduation. Your civil servant comes in. I am just thinking at the moment of a girl. She comes in and she gets \$65 a month. She may have a difficult time to get by, but she is in her apprenticeship stage. She then gets to the higher grade and she gets \$90, and she goes on from that point. As regards the banks, there may be little difficulties there, with respect to inability to get married and all that kind of thing. But that is their policy.

Q. But would it be a government-owned bank's policy?—A. Well, I do not know.

Q. Should it be?—A. I think, if you analyzed it, you would find that the bank rate of salary is fairly well in accordance with the civil servants' rate of salary.

Mr. KINLEY: It compares with the post office, I know.

The WITNESS: I do not think there would be very much difference in it. It is rather a technical training. Some of them get discouraged with it. I know that. But there is one thing that always does apply. I know that I have suggested to young chaps, who possibly had not had the opportunity to get through university but have had the opportunity to get through the highest type of scholastic training they could get, "why not try to get into a bank?" I think a fellow gets a pretty good foundation in a bank if he wants to enter into commercial life.

By Mr. Blackmore:

Q. The cost of providing credit would vary tremendously as would vary the wages paid the people employed in the bank, and a good many other factors would enter in; but you would favour having the cost of administering the credit covered by the person who borrowed?