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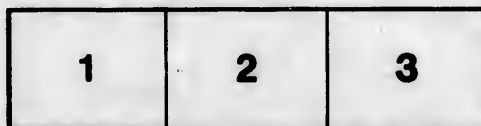
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26
Sydney H. Roper.
THE
POST-OFFICE
SAVINGS BANK SYSTEM
OF
CANADA:

(PROVINCES OF ONTARIO AND QUEBEC.)

ITS HISTORY AND PROGRESS.

A PAPER READ BEFORE THE ECONOMIC SECTION,
BRITISH ASSOCIATION, AT ITS MEETING
IN MONTREAL, AUGUST, 1884.

BY

J. CUNNINGHAM STEWART,

*Superintendent Money Order and Savings Bank Branches,
Post Office Department, Ottawa.*

MONTREAL:
GAZETTE PRINTING COMPANY.

1884.

Sydney H. D. Cooper.
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THE POST OFFICE SAVINGS BANK SYSTEM OF CANADA.

The enquirer into the origin and history of Post Office Savings Banks in a new country must not expect to meet with what may be termed the "prehistoric" element. As applied to the Post Office Savings Bank system in the United Kingdom, this term may not inappropriately be given to the condition of things existing in the three Kingdoms during the sixty years, or thereabouts, preceding the maturing and final development of that scheme in 1861, but which it is not the purpose of the present paper to discuss, further than to describe it as possible only in a country of dense population, where time and the operation of the laws of wealth had opened a gulf between the upper and lower strata of society, and where improvidence and squalor in the latter found among the former men of independent means with the leisure and philanthropic desire to take

The Postal Savings Banks have not as yet been extended to the Maritime Provinces, there being in these Provinces a system of savings banks differing in organization, under the direct management of the Finance Department; nor has the system been extended to Manitoba and the Northwest, the demands upon the Department in that direction in matters of ordinary postal and money order accommodation having, up to the present, compelled the deferring of the establishment of savings bank facilities.

their humbler brethren by the hand and teach them lessons of frugality and providence. The successful launching of the Post Office Savings Bank in the mother country afforded instant relief from a condition of uncertainty and doubt begotten of the cruel and gigantic frauds which from time to time had startled society under the old Trustee Savings Banks. In the circumstances of its birth, then, no parallel must be looked for between the Post Office Savings Bank of Canada and the parent institution.

The successful engrafting of a savings bank system on the machinery of the post office in England has been followed by the almost universal adoption by other nations, as well as, it is believed, by all the principal British colonies, of measures more or less akin to the original. This circumstance, added to the varied experiences of different countries, with the desire to interchange such experiences, has given birth to a savings bank literature of especial value to those interested in postal savings banks. It is possible, therefore, although the Post Office Savings Banks by no means occupy the entire savings bank field in Canada, and are, as already stated, wanting in those earlier annals which give zest to the study of the parent system, that there are social and economic aspects under which it may be interesting to examine the Canadian system, and to these broader aspects may be added those features which are of peculiar interest to the accountant.

In the year 1867 there appear to have been in the Provinces of Ontario and Quebec regularly organized savings banks at Toronto, Cobourg, Hamilton, Montreal and Quebec, with deposits amounting to \$3,489,000 at an average rate of interest of 4 per cent. Only three of these savings banks now remain (1884), those at Hamilton, Quebec and Montreal. The proposition to adopt the Post Office Savings Bank system in Canada was introduced in the Canadian legislature during the November session of 1867, being the first session after Confederation. Public attention had been attracted by the marked success of the British post office banks, and several pri-

vate individuals had addressed communications to the Government urging the adoption of a similar measure in Canada. Among these may be mentioned Lawrence Hill, Esq., LL.D., and Mr. N. C. Wallace, of Woodbridge, near Toronto, the latter now M.P. for the West Riding of York, these gentlemen being at that time active co-workers in a philanthropic institution styled the "Vaughan Cent Savings Bank," which, when dissolved in December, 1868, shortly after the opening of Post Office Savings Banks in the neighbourhood, had a list of about four hundred depositors, principally of very small sums from ten cents upward.

The proposed legislation received little attention in the Canadian press. At that time party politics were dormant, and the measure provoking no hostile criticism, it inspired little comment of any kind. The scheme was presented to Parliament as part of a general measure for the adoption of "an uniform postal system" (in the words of the Speech from the Throne). The measure was introduced in the Senate by the Hon. Mr. Campbell (now Sir Alexander Campbell, K.C.M.G.) then Postmaster-General. The savings bank clauses of the measure were very briefly discussed; in the Senate, as in the House of Commons, where the bill received its second and third readings only on the last day of the session (20 December, 1867,) the discussion being confined to the limit to be fixed for the deposits of a single depositor. The necessity for such limit was urged, not thereby to exclude from the use of the savings-bank persons outside the wage-earning classes—this being the fundamental idea in fixing a limit in the old British Savings Banks—the same principle being followed in the British Post Office system—but to guard the interests of the Canadian chartered banks whose working capital consists largely of deposits.

The fears on the part of those representing the banking interests that many of the deposits in those institutions would seek the Post Office Savings Bank, may have been emphasized by the financial panic of October, 1867, which shook many of the Canadian banks,

ones succumbing altogether. Sixteen years' experience, however, has, it may be believed, satisfied the Banking institutions that they have so far little to fear from the Post Office Savings Banks. To this result the limit fixed for one person's deposits in the latter, viz., \$1,000 (say £200 stg.), may have contributed. A really influential factor in swelling the deposits in the Post Office Savings Banks may be found in the general fall in the value of money since the year 1880, the Post Office Savings Bank rate of four per cent. remaining undisturbed. The subjoined figures (made up to June in each year), however, show that, while the deposits in the Post Office Savings Banks have very largely increased since the year named, the deposits in the chartered Banks themselves have never been so large as during the last five years, when low rates of interest have prevailed :—

Year.	P. O. Savings Banks.	Chartered Banks.	Average interest allowed by Savings Bank departments of chartered Banks.
1875	\$ 2,926,000	\$55,918,000	} 4 and 5 per cent.
1876	2,741,000	59,516,000	
1877	2,640,000	58,444,000	
1878	2,754,000	58,946,000	
1879	3,105,000	58,659,000	
1880	3,946,000	69,742,000	3 " "
1881	6,208,000	77,078,000	3 " "
1882	9,474,000	89,565,000	3 " "
1883	11,976,000	89,553,000	3 and 4 " "
1884	13,245,000	87,341,000	3 " "

The Canadian Post Office Act of 1867, in its savings bank clauses followed very closely the British Post Office Savings Bank Act. Later legislation, in 1875, abolished the requirement that the Post Office Savings Bank balance, as required by the Act of 1867, should be funded in Canadian government securities. The balance now forms part of the unfunded debt of the Dominion payable in Canada.

The system went into operation on the 1st April, 1868, at eighty-one of the larger places, including the chief cities, in Ontario and Quebec. The following year this number was increased to 213, and at present (July, 1884) the number is 343. The rules, so far as they affect the public, being almost a transcript of those of the British Post Office Savings Bank, need not be more than touched upon here.

A depositor, when making his first deposit, signs a declaration that he is not already interested in any deposits in the Post Office Savings Bank in his own name or any other. The postmaster or other officer receiving the deposit—which must not be less than \$1, and must not exceed \$300 in any one year (except by special permission from the Department first obtained, when any sum not exceeding \$1,000 may be deposited at once), or \$1,000 in all—gives the depositor a pass book, in which are entered the particulars of the deposit, affirmed by the official date-stamp of the office. The postmaster sends to the head office at Ottawa daily a list of the sums lodged with him for transmission, the keynote to the depositor's safety lying: 1st. In the fact that in the head office only is his account kept; and 2nd. In the requirement that he must see that he gets for every deposit paid in a direct receipt from the head office by return of post.

A tabular statement exhibiting the operations of the Post Office Savings Bank from 1st April, 1868, to 30th June, 1884, will be found further on. From this the gradual expansion of the system may readily be seen. The number of deposits made in 1869 was 16,000, in 1884, 109,000; the amount deposited in 1869 was \$927,000, in 1884, \$6,441,000. The years from 1873 to 1878 were marked by no increase. Since then the increase in the deposits has been rapid. There are now 66,682 depositors' accounts in the ledgers of the Bank, and the balance standing to their credit is \$13,245,552.64, being an average of \$198.63 (say £40 stg.) in the name of each depositor. There have been in all, since the beginning, 852,143 deposits and 410,259 withdrawals. Of the total num-

ber of transactions 101,461 (or about one in every eleven) have been at places other than where the depositors' accounts were originally opened, showing how far depositors take advantage of their privilege of moving from place to place and depositing or withdrawing at pleasure without change of passbook.

223,834 persons have opened accounts, of which 157,152 were subsequently closed. The total amount of interest credited to depositors has been \$2,570,904.42.

The following figures, compiled partly from an examination of the ledgers, and partly from estimate, show with approximate accuracy the depositors classified according to occupation, and the sums held in the Savings Bank by each class:—

OCCUPATION.	No of Depositors.	To credit of each Class.	Average of each Class.
Farmers	14,000	\$4,722,000	\$337
Mechanics	7,850	1,422,000	181
Trust accounts and young children	5,500	170,000	31
Labourers, including sailors	4,270	724,000	169
Clerks	3,000	522,000	174
Tradesmen	1,600	468,000	293
Farm and other male servants	1,470	277,000	188
Professional	1,572	392,000	249
Miscellaneous	1,680	215,000	128
Married women	12,000	2,350,000	196
Single women	10,500	1,275,000	120
Widows	3,240	708,000	214
		\$13,245,000	

Explanation of the large number of accounts held in the names of women, particularly married women, may be found in the diffi-

culty which farmers and artizans experience in leaving their work to visit the post office, the consequence being that the accounts are opened in the names of their wives or other female members of their families.

The deposits are held in the two Provinces, Ontario and Quebec, in the following proportions :—

	Depositors.	Amount.
Ontario	5 57,296	\$10,932,000
Quebec	9,386	£2,313,000

The number of Post office savings banks in proportion to the number of inhabitants is as follows :—

Ontario	279 or one for each 6,965 inhabitants.
Quebec	64 or one " 10,840 "

It may be interesting to note that in the United Kingdom there is one Post office savings bank for each 5,000 inhabitants.

The average number of depositors at each Post office savings bank is :—

Ontario	205
Quebec	145
United Kingdom.....	406

The proportion of depositors to population is :—

Ontario	1 to 34
Quebec	1 to 136

In England the proportion is 1 to 10, and Scotland 1 to 35, to which the proportion in the Province of Ontario bears a close analogy.

Depositors in the Canadian cities consist to so large an extent of persons from the surrounding rural districts that it would be value-

† Half of this is held in the two cities of Montreal and Quebec.

less to pursue to a comparison, which would be interesting were the conditions alike, the question of what analogy may exist, in point of number, between depositors in Canadian centres of population and towns of like size in the United Kingdom.

In any attempt to measure the progress of the Post Office Savings Bank in Canada by that of its prototype, the different conditions of the two peoples, the old nation and the young, must be borne in mind.

In the older country not only are social and class lines strongly marked, but trades and callings are pursued in such fixed grooves as to narrow the outlet for individual energy, and to limit the choice of investments where small surplus earnings may be placed. In the new Dominion on the other hand (and the same thing is doubtless true of all countries and colonies in their youth) the very desires which brought men or their parents across the sea, and the sense of boundlessness of their country which possesses the people of the American continent, beget and keep alive an unrest and a movement which are destructive of all artificial barriers. There are fields of enterprise which cannot but attract the energetic and ambitious, and to every man are there possibilities in the acquisition of real property, sufficient to absorb all surplus wages, or income.

Materials are not to be had for illustrating this in respect to Canada itself, but it may be permitted to borrow an example from the Antipodes. Three-fourths of the mechanics in the city of Melbourne own the houses they live in.—(Enc. Br. 9th Ed.)

From the commonly accepted point of view that savings banks are for the storing of the small sums which would otherwise find their way into the traditional "stocking" or "teapot," the wonder, on examination, is that the Canadian Postal Savings Banks have attained measurable success at all.

It must be remembered that the \$13,000,000, in the Post Office Savings Bank, by no means represent the entire savings deposits of

the two provinces of Ontario and Quebec. The deposits in the chartered banks (numbering with their agencies, 222) have already been quoted as amounting to \$87,000,000. What proportion of this may fairly be termed savings deposits there are no available data for determining. To the chartered banks must be added 93 building and loan societies, whose liabilities to upwards of 30,000 depositors, according to the latest returns, were \$15,000,000. The old established savings banks in the cities of Montreal and Quebec hold, in round figures, \$9,250,000 in the names of 42,297 depositors.

Attention cannot fail to be attracted to the magnitude of the average deposit in the Canadian Post Office Savings Banks, being no less, in round figures, than \$60 (say £12 sterling); the average deposit in the United Kingdom being £2. In Canada the deposits average 1.66 in the year by each depositor. In the United Kingdom the average is 2.15. In the year 1881 three branch savings bank offices were opened in the suburbs of the city of Toronto, and it was hoped that the result of bringing savings bank facilities nearer to the homes of the industrial classes in a large city would appear in a numerical increase in the small deposits. The average deposit at these three suburban offices is \$28 (say £5 15s), half the usual average, and the frequency of deposits is 2.75 per annum for each open account. After three years' trial, the number of depositors is, however, only 615. The transactions at the two suburban offices in the city of Montreal, present results nearly identical. The attempt to bring the advantages of the Post office savings banks within the reach of the classes on daily or weekly wages has so far, therefore, been only partially successful. It is necessary to state, however, that such attempt has been confined to the simple opening of the branch offices. The Canadian Department has not sought to attract depositors by means of pamphlets, nor otherwise attempted a paternal treatment of the people, which would hardly find favour in this country.

The writer's observation justifies the general deduction, which, had it nothing but statistics as a basis, might be delusive, that the

people of the Province of Ontario may properly be described as thriving rather than thrifty. Whether the monetary unit of trade and the value of wages, \$1.00, four times the English shilling and German mark, and five times the franc, has anything to do with begetting a contempt for the fragments, the cents, is a question beyond the scope of this paper.

Wages are not earned without fair equivalent in labour, so that it cannot be said that men do not value what costs them little effort. The necessities of life are cheap, and it cannot be charged that the coarse enjoyment of the present absorbs the surplus earnings of the working classes. The deposits now accumulated in the Post Office Savings Banks may be said to be in, although hardly saved by means of, those institutions—the virtue of habitual saving being one yet to be acquired.

The people of the sister Province of Quebec—that is, those of French-Canadian nationality, who represent five-sixths of the population of that Province—are eminently frugal and simple in their manner of living and expenditure. While neither the same gross nor a like average amount of deposits could be looked for as in the richer Province of Ontario, it might be expected that the French-Canadian rural population would, nevertheless, use the Post Office Savings Banks to a larger extent than the official records show to be the case. The old-established savings banks in the cities of Montreal and Quebec have already been mentioned as having deposits amounting to \$9,250,000. The depositors in the former number (according to returns published on 31st December, 1883,) 29,756, of whom 18,357 are of French-Canadian nationality, a large percentage being from the country districts round Montreal. Of the 12,541 depositors in the Quebec Savings Bank it may be believed that those of French-Canadian nationality are a large majority.

It is possible that the French-Canadian rural population, accustomed for generations to the institutions and simple customs inherited from their parent country, France, and to the system which

makes the village notary to them the visible and personal medium through whom are executed on the spot all legal forms, do not grasp the abstract idea of a savings bank at the seat of government, perhaps many hundred miles distant, which guarantees perfect security to their deposits from the moment when banded to the village postmaster. Having little contact with immigrants from the British Isles, the rural population of the Province of Quebec have not, moreover, the opportunities of becoming familiar with the working of post office savings banks which association with persons themselves depositors would afford.

The plan of collecting the minimum deposit (one dollar) by means of postage stamps affixed to a form provided by the Department for the purpose, has not commended itself to the Canadian authorities. It is believed that in this country better results may be achieved by the unselfish efforts of philanthropic persons in connection with "Penny Banks." Three of these institutions in the city of Toronto may be mentioned as having attained a success, which is entirely due to that kindly influence on the part of their promoters which is essential in any effort to reach the humbler classes, and which the machinery of the Post Office could not supply.

The Post Office Savings Banks in Canada are maintained at a cost to the Government of about 4 1-10 per cent. on the balance due to depositors. Of this charge the interest allowed to depositors represents about 3.85 per cent., and the expenses of management are 0.25 per cent. The difference between 4 per cent., the declared rate of interest, and the distributed rate suffices to pay about one-half the expenses of management. The cost per transaction is 20½ cents, somewhat more than it would be did the requirements of the country not compel the printing of pass books and all official forms in the French as well as the English language. One of the most satisfactory points to be noted is the almost entire absence of loss arising from any cause. Fourteen of the sixteen years of the

Savings Bank's history have been absolutely free from casualty. The loss on a business represented by 1,262,402 transactions and \$83,000,000 has been only \$6.517, say $\frac{1}{4}$ of a cent for each \$100. The entire loss, except the small sum of \$390 lost through the successful personation of a depositor, occurred through frauds by a single officer in the year 1878. Although the depositors who were the victims of these frauds had, in most instances, owing to their lamentable neglect of the regulations made for their safety, no legal claim against the Department, the losses were made good in view of the extreme hardship of the cases.

The history of the Canadian Post Office Savings Bank would not be complete without a reference to two features formerly, but no longer, engrafted on the system. The first was a plan by which depositors could transfer their ordinary deposits, in sums of \$100, to a special 5 per cent. account—such 5 per cent. moneys being repayable only on three months previous notice. This system was remarkably smooth in its operation. It was intelligible to depositors, and, in the ledgers of the Department, the interest on the balances at 5 per cent. was computed with ease.

It being thought that these special deposits—being really investments of a more or less permanent character—should be under the direct management of the Finance Department, the system just described was discontinued in 1872, and a special issue of 5 per cent. Government Stock was substituted. Under the latter arrangement the Post Office Savings Bank ceased to have any knowledge of, or responsibility for, amounts transferred for inscription in stock in the Finance Department, the latter undertaking the payment of half-yearly dividends and subsequent redemption.

The second system was discontinued in 1880, with the general fall in the value of money. It was not satisfactory in its operation. Depositors, whose money had been transferred to Dominion Stock, could not understand how, by a simple book-entry at Ottawa, they had ceased to be depositors in the Post Office Savings Bank. The

Finance Department, in transmitting half-yearly dividends, was unable to follow depositors' changes of residence, and generally it may be said that, owing to its apparent complexity, the system did not tend to popularize the Post Office Savings Banks.

To those familiar with the inner working of Post Office Savings Banks, a branch of the subject which furnishes a literature of its own, a brief description of the mode of keeping depositors' accounts in the Canadian Post Office Savings Bank may be interesting. The rate of interest fixed by statute—\$4 per annum for each \$100, being \$12 for each \$300,—is, it will be seen, exactly *one cent a month* for each even sum of \$3, just as (at $2\frac{1}{2}$ per cent.) one half-penny per month is allowed in the British Post Office Savings Bank for each complete pound. The latter is, in fact, the key to the computation of interest in depositors' accounts in the British system. So convenient did this analogy appear that the Canadian Post Office Act of 1867 expressly confined the calculation of interest to sums of \$3 or some multiple thereof. (This was altered at the first opportunity, viz., in 1875, \$1.00 being then made the factor for purposes of calculation.)

It became evident to the officers entrusted with the organization of the Canadian system that the British plan of calculating interest would be entirely inapplicable, for, whereas in one system the unit for calculation of interest (the pound) stands prominent in a column of its own, the Canadian unit, \$3, would not appear as a visible basis on which to compute, but would itself form matter for calculation, month by month, in each account. It was then, after much thought and careful experiment, decided to adopt the plan not altogether new, but new in Canada, of calculating the interest in advance; a decimal currency in connection with a 4 per cent. rate of interest, making the table for the purpose remarkably simple. Indeed, for four months of the twelve, i.e., the first month in each quarter the table may be dispensed with altogether, the operation being to multiply the dollars of the deposit by 4, 3, 2, or 1, according to the period of year as it advances, and treat the result as cents.

To illustrate the method: A deposit of \$60 in September, multiplied by three, would be credited with \$1.80 interest up to the end of the savings bank year, 30th June. The interest credited for the same amount if deposited in December would be \$1.20. In case of withdrawals, depositors' accounts are in like manner charged with prospective interest up to the end of the current year. This was the method of computing interest adopted, and it has been in successful operation ever since.

In other respects it was the aim of the officers of the Canadian Department to model the practice, as closely as circumstances would permit, upon the parent institution, and the opportunity may be taken of placing upon record here the cheerfulness with which assistance and advice were rendered by the officers of the British Department to the Canadian savings bank in the latter's youth. There is still between the two Departments a free and cordial interchange of ideas, as experience suggests changes in the practice of either.

There was much expenditure of effort during the first two years in the endeavour to conform rigidly to British precedent. Abstracts of the transactions were taken from the ledgers quarterly, and the Depositors' Ledger Accounts were balanced and ruled off at the end of each year at the cost of much time and labour. It was soon apparent that the Quarterly Summaries failed to give the proof which was their sole object, and that, even if satisfactory in that respect, the interval between the making of the entries and the discovery of error was too great. It was remarked that the average number of transactions in each account did not exceed two a year, and this suggested the abandonment of all summaries from the ledgers, except the annual one, and the substitution (if such could be devised) of such daily verification of the deposit and withdrawal entries in the ledgers as would place their accuracy beyond question. In other words, it was believed that the time and labour heretofore expended in tracing errors months after their occurrence could be more economically and far more advantageously employed day by day in their prevention. Such a plan ~~has been~~ devised, and it has been in successful operation for fourteen years. *was*

The opportunity was taken to simplify the pattern of Ledger Account, a specimen of that now in use (there being twelve on each page) being introduced here.

"BROCKVILLE" LEDGER.

[972.]

HENRY BROWN, *Farmer.*

Date.	With- drawals.	Deposits.	Blances.	Balance of Interest.	Balance Special Account.	Refer- ences.
1878	\$	\$	\$	\$	Not now in use.	
Dec. 20	....	50.00	50.00	1 00 06		67
Dec. 29	....	3.00	53.00	1.06 07		70
Mrch. 11	....	7.00	60.00	1.13 12		103
Aprl. 9	12.00	....	48.00	1.01		51
1879	....	1.01	49.01	1.96 90		20-12-79
Sept. 14	....	30.00	79.01	2.86 93		170
Oct. 21	31.00	....	48.01	1.93		51
1880	....	1.93	49.94	1.96 1.24		23-12-80
Dec. 9	....	62.00	111.94	3.20		320
1881	....	3.20	115.14	4.60		19-12-81
1882	....	4.60	119.74	4.76 3.99		
Sept. 2	119.74	....	0.00	77		51
	162.74	162.74				

In the above account, the process followed on the 30th June in each year is illustrated by the figures in italics. In the original ledgers these entries are made in red ink. The figures in the right hand column refer to the record where will be found the particulars of each transaction as extracted from the ledgers on the date of entry. The dates in the same column indicate the day on which the Pass book was received for annual verification.

It will be observed that the process of ruling off and balancing the account at the end of each year is entirely dispensed with. The accuracy of the deposits and withdrawals having already been established, all that it is necessary to do is to insert in the "deposit" column the interest, already computed in advance, add it to the balance of principal, and compute the interest for the following year. The three columns, Deposits, Balance, and Interest, are conveniently grouped together. An abstract is then made, which not only gives the total of the year's interest, but furnishes a final and conclusive proof on the ledger entries.

So rapidly can accounts in this form be treated at the close of the year that, in respect to the fiscal year just closed, 30th June, 1884, it may be said that the labour of balancing all the ledger accounts, 66,862 in number, was completed on the third day after—that is, on the 3rd July—necessarily during extra hours, but without interruption to the daily work. On the 18th July the labour of extracting from the ledgers the year's balances and transactions in 87,621 accounts, of adding them, and of bringing the year's operations to a final proof was concluded. It will be apparent with what ease a depositor's account can be closed and interest paid him under the above system, and what smoothness this fact imparts to the daily work—little more labour being involved in making an entry of this kind than in entering an ordinary withdrawal. The great object is also attained—the advantage of which will be understood by all persons having had practical experience of the management of large numbers of accounts, involving numerous transactions—of conduct-

ing the business of the Department on a strictly daily basis. There is no link in the work of a weekly, monthly, or quarterly character requiring constant supervision lest it be neglected. There are neither arrears, nor the possibility of any. It is believed that the system of computing interest prospectively, now followed in the Savings Bank departments of the Canadian banks generally, was first introduced in Canada by the Post Office Savings Bank.

It is right to say that the officers of the Canadian Department, when making what seemed a bold departure from the conventional form of keeping and balancing deposit accounts, took no little courage from an examination of the evidence given before the Select Committee appointed by the British House of Commons in 1858 to enquire into the operations of savings banks; particularly that of Mr. Craig, agent in Cork of the Bank of Ireland, and Treasurer of the Cork Savings Bank, and of Mr. Maitland, Treasurer of the Edinburgh Savings Bank. Those who take an interest in such enquiries will be rewarded by a perusal of these gentlemen's testimony and views.

The staff of the central or head office of the Canadian Post Office Savings Bank numbers twenty-one. These are not all employed in the ordinary routine of treating deposits and withdrawals, there being a constantly growing class of work in connection with claims to the moneys of deceased depositors, and other matters arising out of the regular duties. Then there are the postmasters' daily returns to be checked, and acknowledgments of deposits to be written, and the cross transactions (already described as one in eleven) adjusted, so as to bring the ledgers into agreement with the postmasters' returns, an agreement which cross-entries disturb. To these must be added many other minor duties. The clerical force of the Canadian department is in the proportion of one to each 3,200 depositors' accounts, or one to each 7,900 transactions in the year. It is believed (although the figures given are subject to correction) that in the British Savings Bank Department the force is in the proportion

of one to each 3,100 accounts, or one to each 8,770 transactions. If the analogy in the relations between labour and achievement be as close as these figures indicate, the Canadian Department may feel encouraged, the British Post Office Savings Bank being deservedly and universally looked upon as a model of organization and successful administration.

STATE from 1st April, 1868, to 30th June, 1884.

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	No. of Accounts closed during period.	No. of Accounts re- maining open at close of period.	Interest allowed to Depositors.	Total Amount standing to the credit of all Open Accounts, inclu- sive of Interest allowed, at close of period.
	\$	\$	\$	\$
Three months	44	2,102	939 37	204,588 89
Year ended 30th	1,319	7,212	21,094 72	856,814 26
Year ended 30th	2,857	12,178	48,689 08	1,588,848 83
Year ended 30th	4,449	17,153	84,273 68	2,497,259 65
Year ended 30th	6,940	21,059	116,174 55	3,096,500 01
Year ended 30th	9,528	23,526	126,932 88	3,207,051 57
Year ended 30th	10,606	24,968	126,273 31	3,204,965 46
Year ended 30th	11,190	24,294	120,758 06	2,926,090 48
Year ended 30th	10,097	24,415	110,116 08	2,740,952 59
Year ended 30th	9,312	24,074	104,067 86	2,639,937 47
Year ended 30th	8,597	25,535	103,834 29	2,754,484 03
Year ended 30th	8,845	27,445	110,912 56	3,105,190 80
Year ended 30th	10,487	31,365	136,075 47	3,945,669 11
Year ended 30th	10,491	39,605	184,904 81	6,208,226 77
Year ended 30th	13,920	51,463	291,065 07	9,473,661 53
Year ended 30th	17,531	61,059	407,305 17	11,976,237 31
Year ended 30th	20,939	66,682	477,487 46	13,245,552 64

* The figures cash, but at their request paid over to the Finance Department to be inscri

STATEMENT of the Business of the Post Office Savings Bank, Canada,

PERIOD.	No. of Deposits received during period.	Total Amount of Deposits received during period.	No. of Withdrawals during period.	Total Amount withdrawn during period.
		\$	\$	\$
Three months ended 30th June, 1868..	3,247	212,507	166	8,857
Year ended 30th June, 1869.....	16,653	927,885	4,787	296,754
Year ended 30th June, 1870.....	24,994	1,347,901	9,478	664,555
Year ended 30th June, 1871.....	33,256	1,917,576	15,148	1,093,438
Year ended 30th June, 1872.....	39,489	2,261,631	19,325	1,571,665
Year ended 30th June, 1873.....	44,413	2,306,918	22,159	1,925,999
Year ended 30th June, 1874.....	45,329	2,340,284	24,248	2,086,243
Year ended 30th June, 1875.....	42,508	1,942,346	24,637	2,041,879
Year ended 30th June, 1876.....	38,647	1,726,204	23,127	1,783,257
Year ended 30th June, 1877.....	36,126	1,521,000	21,643	1,525,682
Year ended 30th June, 1878.....	40,097	1,724,371	21,065	1,486,158
Year ended 30th June 1879.....	43,349	1,973,243	22,326	1,475,048
Year ended 30th June, 1880.....	56,031	2,720,216	26,043	1,820,213
Year ended 30th June, 1881.....	71,747	4,175,042	28,398	2,072,289
Year ended 30th June, 1882.....	97,380	6,435,989	35,859	3,461,619
Year ended 30th June, 1883..	109,489	6,826,266	45,253	4,730,995
Year ended 30th June, 1884.....	109,388	6,441,439	56,026	5,649,611

* The figures in smaller type in these two columns exhibit further withdrawals not paid to be inscribed in their names in Dominion Stock.

ings Bank, Canada, year by year, from 1st April, 1868, to 30th June, 1884.

No. of Withdrawals during period.	Total Amount withdrawn during period.	No. of Accounts opened during period.	No. of Accounts closed during period.	No. of Accounts re- maining open at close of period.	Interest allowed to Depositors.	Total Amount standing to the credit of all Open Accounts, inclu- sive of Interest allowed, at close of period.
\$	\$	\$	\$	\$	\$	\$
166	8,857 48	2,146	44	2,102	939 37	204,588 89
4,787	296,754 35	6,429	1,319	7,212	21,094 72	856,814 26
9,478	664,555 51	7,823	2,857	12,178	48,689 08	1,588,848 83
15,148	1,093,438 86	9,424	4,449	17,153	84,273 68	2,497,259 65
19,325	1,571,665 19	10,846	6,940	21,059	116,174 55	3,096,500 01
829	206,900 00					
22,159	1,925,999 32	11,995	9,528	23,526	126,932 88	3,207,051 57
1,641	397,300 00					
24,248	2,086,243 42	12,048	10,606	24,968	126,273 31	3,204,965 46
1,566	382,400 00					
24,637	2,041,879 04	10,516	11,190	24,294	120,75 06	2,926,090 48
1,317	300,100 00					
23,127	1,783,257 97	10,218	10,097	24,415	110,116 08	2,740,952 59
1,025	238,200 00					
21,643	1,525,682 98	8,971	9,312	24,074	104,067 86	2,639,937 47
841	200,400 00					
21,065	1,486,158 73	10,058	8,597	25,535	103,834 29	2,754,484 03
879	227,500 00					
22,326	1,475,048 79	10,755	8,845	27,445	110,912 56	3,105,190 80
900	258,400 00					
26,043	1,820,213 16	14,407	10,487	31,365	136,075 47	3,945,669 11
673	195,600 00					
28,398	2,072,289 15	18,731	10,491	39,605	184,904 81	6,208,226 77
112	25,100 00					
35,859	3,461,619 31	25,778	13,920	51,463	291,065 07	9,473,661 53
45,253	4,730,995 39	27,127	17,531	61,059	407,305 17	11,976,237 31
56,026	5,649,611 13	26,562	20,939	66,682	477,487 46	13,245,552 64

withdrawals not paid to depositors in cash, but at their request paid over to the Finance Depart-

