

Recapitulating the above statements, and adding some further calculations, we have the following table for all Canada :—

	Amount on Deposit.	No. of Depositors	Av. Am't held by each Depositor.	Population, January, 1867.	Av. Am't deposited per head of the Populati'n	Interest paid or credited during the year.
	\$		\$		\$	\$
Ontario	1,110,414	4,596	241.60	1,802,056	0.62	58,500
Quebec	2,461,080	10,583	232.55	1,288,880	1.91	105,170
Nova Scotia.....	643,645	2,302	279.60	368,781	1.75	23,845
New Brunswick.....	768,159	6,110	125.72	295,084	2.60	36,756
Total.....	\$ 4,983,298	23,591	\$211.19	3,754,801	\$1.33	224,271

These figures abundantly prove that where, as in New Brunswick, facilities for depositing small sums at interest are brought before the people by Government, they are availed of. The frugal among the working classes desire safety rather than a high rate of interest. The extension of a system of Savings Banks would promote frugality, interest multitudes in the stability of our institutions, and by creating a "home owned debt," would make the Government more independent of foreign money markets—all objects so desirable that it is to be hoped Parliament will at an early date seriously consider the subject. The writer does not believe the Post Office is the best means of establishing a Savings Bank system, but would rather see Post Office Savings Banks established this year than wait until next for a different system. It seems that from \$5 to \$10 per head of the population, *i. e.* from \$20,000,000 to \$40,000,000 would in two or three years be placed on deposit, enough to pay our debentures as they fall due.

We may here add that the Newfoundland and Prince Edward Island Savings Banks are both Government institutions. Prince Edward Island pays 5 per cent interest on deposits; office at Charlottetown; deposits, 31st January 1867, \$40,099, all in the hands of Government. Newfoundland pays 4 per cent; offices at St. John and Harbor Grace.

The following are the figures respecting it, Dec. 30th, 1866 :—

Amount on deposit.....	\$668,866	Assets :—	
Deposited during 1866.....	\$107,299	Cash.....	\$39,092
Withdrawn ".....	141,638	Debentures.....	459,029
Interest paid or credited.....	\$18,857	Water Company Stock.....	65,000
Surplus profits paid over to the Treasury for the use of the Colony.....	7,200	Mortgages.....	59,026
		Notes discounted.....	15,419
		Real estate.....	2,747
Number of depositors.....	1,400		\$640,323

BUILDING SOCIETIES.

It is probably the want of a Savings Bank system in Ontario and Quebec which has led to the extraordinary development in these Provinces, especially the former, of what are called Building Societies. Building Societies are of two kinds, Permanent and Terminable. In both these kinds, shares are acquired by the payment of so much per month; their distinctive features being, in general terms, these :—

In Terminable Societies, interest is only paid on invested moneys when the societies are wound up by the expiration of loans made, and then principal and accumulated interest are returned together. Such societies are few, and have not as a rule been prosperous. In them, too, the money for disposal is put up at auction, and the shareholders' necessities being the measure of their biddings, a heavier premium is often paid than the borrowers can afford. In Permanent Societies, on the contrary, shareholders receive dividends half yearly, and the principal once invested cannot be realized except by sale in the open market. A uniform scale of interest is established by these societies, and all borrowers who have satisfactory security to offer stand on the same footing.

The peculiar features of loans made by Building Societies are (1) that at each re-payment a certain portion of the principal is re-paid together with the interest, and (2) that such re-payments can be made monthly or quarterly. Thus, Building Society mortgages are almost always paid off, as the experience of the Canada Permanent, the largest of them, proves; mortgages, when interest only is payable, far too seldom. Indeed, Building Societies have acted as *credit foncier* establishments, and are no doubt destined to continue to play a most important part in assisting in the development of the country.

Many Building Societies have established Savings Bank branches (for details, see the preceding article) and the profits on the investment of savings thus received, above the amount of interest paid, have added to their shareholders' dividends. Savings invested with Building Societies are by law not to exceed a certain proportion of their assets, and as they are a first charge on such assets, the Building Society Savings branches are very safe.

Building Societies are not controlled by Government, except that they are obliged to make returns to the Auditor, of the last of which, for Quebec and Ontario, the following is a summary :—