

## SAVINGS BANKS.

The first settlers in a new country have but little money to spare : those who immediately follow them spend their savings in improving their farms and residences : Savings Banks are, therefore, not the first institutions to take root in virgin soil. But Canada is now passing into a stage when savings may be expected rapidly to accumulate in the hands of the dwellers in cities, towns, and the older counties, and a very rapid development of our savings bank system may be confidently looked for.

The savings of the people have hitherto been confided to the management :—

1st. Of Savings Banks proper, *i. e.* those established under a general law, now repealed. These banks are managed by trustees, who invest the deposits in public securities, including bonds or debentures of municipalities or chartered corporations, on the nature of which, of course, the solvency of the bank depends.

2nd. Of the Savings Branches of Building Societies in Upper Canada (Ontario). These societies, when they have \$40,000 paid up and \$100,000 subscribed capital, are allowed to receive deposits at interest, which are a first lien on their assets and must not exceed three fourths of the amount of capital actually paid up on shares and invested in real securities, (Consol. Stat. U. C., cap. lviii., sec. 38.) Building societies of this magnitude being usually well managed, it has hitherto been very safe to entrust them with monies.

3rd. Of the chartered banks, several of which have branches for the receipt of small deposits at interest, the security for these being of course the solvency of the bank or its shareholders.

4. Of the Governments of the Provinces of New Brunswick and Nova Scotia.

In New Brunswick, before the Union, the Government was in the habit of receiving deposits one day in each month at the offices of the principal district treasurers, (*i. e.* collectors of customs,) who paid out the withdrawals on the next day and transmitted or drew for the balance on the third. This system still for the present continues. Interest allowed, 5 per cent. The St. John Savings Bank is an exception to the general New Brunswick rule, in that it is managed by trustees and has officers of its own, but its receipts are handed over to Government, and it meets its expenses chiefly by the difference of interest it pays, (5 per cent.,) and what it receives, (6 per cent.,) on \$178,000 of treasury debentures, which it has held for many years.

In Nova Scotia, the Government kept an office for the receipt of savings in the Province Building, Halifax, and the Dominion, which inherited its assets and liabilities in this particular, still continues the institution.

The Government of the Dominion lost no time in considering the question of savings banks, and as a first step towards the unification of the Savings Bank system, introduced to Parliament at its first session, in the new Post Office Act, a plan for establishing Savings Banks in connection with post offices, the details of which will be found in our articles on the Legislation of last session and on the Post Office.

We will proceed with the statistics of these four different classes of savings institutions in order :—

## I.—SAVINGS BANKS PROPER.

Of these, there are two in Ontario\* and three in Quebec, of which the following are the statistics :—

	Northumberland and Durham Savings B'k.	Toronto Savings Bank.	Provident and Savings Bank, Quebec.	Caisse d'Economie de N. D. de Quebec.†	City and District Savings B'k, Montreal.†	Total.
Cashier or Manager..	David Burn.	W. D. Macdonell.	Geo. Veasey	F. Vezina.	E J Barbeau	
Deposits, including interest credited....	\$212,982	\$153,242	\$543,044	\$945,246	\$1,532,496	\$3,387,010
No. of Depositors....	900	847	2,965	3,857	5,039	13,608
Interest paid or credited within the year..	8,146	6,731	25,364	43,855	66,485	150,581
Rate of int'st allowed.	5 per cent.	5 & 6 p. cent.	5 per cent.	4 & 5 p. cent.	5 per cent.	
Expenses of Bank....	1,267	1,657	6,125	7,471	12,450	28,970
Date of statement....	Dec. 1, 1867.	June 30, '68.	M'ch 24, '68	May 31, 1868	Dec. 31, 1867	

The progress of these institutions, since returns commenced to be made to Government, has been as under :—

	1863.	1864.	1865.	1866.	1867-8.
Deposits .....	\$2,262,777	\$2,781,701	\$2,904,148	\$2,941,761	\$3,389,010
No. of Depositors .....	10,322	12,826	13,274	13,329	13,608
Interest paid or credited, annually	Not stated.	Not stated.	119,596	124,296	150,581

\* The Home District Savings Bank, mentioned in former returns, has been absorbed into the Savings Department of the Merchants' Bank (chartered).

† These institutions now have special charters.