

## PART IV.

## POST OFFICE ACT AND SAVINGS BANKS.

1139. The Post Office Act, which provides for the establishment of Post Office Savings Banks in Canada, was passed on the 20th December, 1867, and was limited in operation, as regards the savings banks, to the Provinces of Ontario and Quebec. Under its provisions a deposit must not be less than \$1, and must not exceed \$300, in any one year; neither must the total amount on deposit exceed \$1,000. On the 1st September, 1885, the system was extended to the Provinces of Nova Scotia and New Brunswick, and the offices are now distributed in the several provinces as follows:— Ontario, 430; Quebec, 122; Nova Scotia, 45; New Brunswick, 32; Manitoba, 23; British Columbia, 20; Prince Edward Island, 7, and the Territories, 20; making a total of 699.

1140. Government savings banks, under the management of the Finance Department, have been established in the Maritime Provinces and in Manitoba and British Columbia. In these deposits are allowed to the extent of \$1,000. The number of offices under this system is 36, viz.: 23 in Nova Scotia, 8 in New Brunswick, 2 in Prince Edward Island, 1 in Ontario, 1 in Manitoba, and 1 in British Columbia. On the 30th June, 1894, there were 55,825 depositors with \$17,778,144 on deposit. Arrangements are made for the transfer of the Government savings banks in each province to the Post Office Department, as the position of superintendent at each place becomes vacant. Two transfers were made during 1894—one in New Brunswick and one Nova Scotia.

1141. The rate of interest paid in both classes of savings banks was formerly 4 per cent, but is now  $3\frac{1}{2}$  per cent, the reduced rate having come into operation on the 1st of October, 1889.

The Post Office system went into operation on the 1st April, 1868, when 81 offices were opened. At the close of the three months ended June 30th, 1868, there were 2,102 depositors, 3,247 deposits had been made, and the amount on deposit was \$204,589. On the 30th June, 1893, there were 699 offices open, 117,020 depositors, and the total amount on deposit was \$25,257,868. Almost the whole of this increase has taken place during the last fifteen years, the amount on deposit on 30th June, 1870, having been only \$3,105,190. The average amount to the credit of each account was \$215.84.

1142. In addition to the above there are special savings banks, chiefly the Caisse d'Economie of Quebec and the Montreal City and District Savings Banks. The chartered banks also have savings branches, but the amounts on deposit in these branches are not separated from the general business and other deposits in the returns to the Government.

1143. The following table gives the deposits with the Government in the two branches under Government control, and the deposits in the special