

Section 6.—Government and Other Savings Banks

There are three distinct types of savings banks in Canada in addition to the savings departments of the chartered banks and of trust and loan companies. Firstly, there is the Post Office Savings Bank, in which deposits are a direct obligation of the Government of Canada. Secondly, there are Provincial Government savings banking institutions in Ontario and in Alberta, where the depositor becomes a direct creditor of the province. Thirdly, there are, in the Province of Quebec, two important savings banks, the Montreal City and District Savings Bank and La Banque d'Économie de Québec, established under federal legislation and reporting monthly to the Department of Finance. Other agencies for the promotion of thrift are the co-operative credit unions, which encourage the regular saving of amounts too small to deposit in a bank.

Post Office Savings Bank.—The Post Office Savings Bank was established under the Post Office Act of 1867 (31 Vict., c. 10) in order to “enlarge the facilities now available for the deposit of small savings, to make the Post Office available for that purpose, and to give the direct security of the nation to every depositor for repayment of all money deposited by him together with the interest due thereon”. Branches of the Government of Canada's Savings Bank under the Department of Finance were gradually amalgamated with this Bank over a period of 50 years, the amalgamation being completed in March, 1929.

22.—Financial Business of the Post Office Savings Bank, as at Mar. 31, 1944-49

NOTE.—Figures of total deposits for 1868-1917 will be found at pp. 833-834 of the 1926 Year Book and for 1918-43 at p. 978 of the 1946 edition.

Item	1944	1945	1946	1947	1948	1949
	\$	\$	\$	\$	\$	\$
Deposits—						
Total	28,296,208	33,468,799	35,537,154	35,764,512	36,226,060	37,741,389
Made during year.....	13,844,802	18,567,982	18,686,476	13,834,474	11,983,690	12,843,954
Interest on deposits.....	499,570	581,472	656,456	681,694	690,584	710,012
Totals, cash and interest....	14,344,372	19,149,454	19,342,932	14,516,168	12,674,274	13,553,966
Withdrawals.....	10,422,155	13,977,025	17,274,578	14,288,809	12,212,726	12,038,638

Provincial Government Savings Banks.—Institutions for the deposit of savings are operated by the Provincial Governments of Ontario and Alberta. A similar institution was in operation in Manitoba from 1924 to 1932, when the depositors' accounts were taken over by the chartered banks.

Ontario.—The establishment of the Province of Ontario Savings Office was authorized by the Ontario Legislature at the 1921 session and in March, 1922, the first branches were opened. Interest at the rate of 1 and 1½ p.c. per annum compounded half-yearly is paid on accounts. The deposits are repayable on demand. Total deposits at Mar. 31, 1950, were \$68,981,250 and the number of depositors at that date was approximately 100,000. Twenty-two branches are in operation throughout the Province.

Alberta.—In Alberta, the Provincial Treasury receives savings deposits and issues demand certificates bearing interest at 1½ p.c. or term certificates for one, two, three, four or five years, in denominations of \$25 and upwards, bearing interest