

Subsection 2.—Government and Other Banking Institutions

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: (1) the Post Office Savings Bank, in which deposits are a direct obligation of the Government of Canada; (2) Provincial Government savings banking institutions in Ontario and Alberta, where the depositor becomes a direct creditor of the province; and (3) two important savings banks in the Province of Quebec—the Montreal City and District Savings Bank and La Banque d'Économie de Québec—established under federal legislation and reporting monthly to the federal Department of Finance. In addition, co-operative credit unions encourage savings among low-income classes and extend small loans to their members.

Post Office Savings Bank.—The Post Office Savings Bank was established under the Post Office Act of 1867 (SC 1867, c. 10) 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 and the amalgamation was completed in March 1929. Summary financial statistics for the years ended Mar. 31, 1960-63 follow. Figures back to 1868 are available in previous editions of the Year Book.

<u>Item</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>
	\$	\$	\$	\$
Deposits and interest.....	8,010,334	6,898,062	6,466,358	5,714,720
Deposits.....	7,235,391	6,199,420	5,790,429	5,072,613
Interest on deposits.....	774,943	698,642	675,929	642,107
Withdrawals.....	12,793,511	7,757,737	7,614,025	7,199,360
Balance on deposit.....	29,372,461	28,512,786	27,365,119	25,880,479

Provincial Government Savings Banks.—Institutions for the deposit of savings are operated by the Provincial Governments of Ontario and Alberta.

Ontario.—The establishment of the Province of Ontario Savings Office was authorized by the Ontario Legislature at the 1921 Session and the first branches were opened in March 1922. Interest at the rate of 3 p.c. per annum, compounded half-yearly, is paid on accounts, and deposits are repayable on demand. Total deposits at Mar. 31, 1963 were \$77,070,000 and the number of depositors was approximately 95,000. Twenty-one branches were in operation throughout the province.

Alberta.—Savings deposits are accepted at 56 Provincial Treasury Branches throughout Alberta. The total of these deposits at Mar. 31, 1962 was \$37,104,790, of which \$34,298,016 was payable on demand bearing interest at 2½ p.c. per annum, and \$2,806,774 in term savings for terms ranging from three months to five years bearing interest at rates from 2¾ p.c. to 4 p.c. per annum depending on the term.

Authority was also given for the issue by the Provincial Treasury Department of savings certificates after Jan. 1, 1960 on the following basis: demand certificates bearing interest at 2¾ p.c. per annum in denominations of \$10 and up, and five-year certificates bearing interest at 4½ p.c. per annum in denominations of \$25 and up. Nine of these certificates were outstanding as at Mar. 31, 1962.

Quebec Savings Banks.—The Montreal City and District Savings Bank, founded in 1846 and now operating under a charter of 1871 had, at Mar. 31, 1963, a paid-up capital and reserve of \$11,000,000, savings deposits of \$287,930,422 and total liabilities of \$308,153,084. Total assets amounted to \$308,153,084, including \$137,729,318 of federal, provincial, municipal and other securities. La Banque d'Économie de Québec, founded in