

The Romance of the Savings Banks



Arch. G. Bowle



"ON HER MAJESTY'S SERVICE."

The Delivery of the Post Office Savings Bank Warrant.

THE ROMANCE OF THE SAVINGS BANKS

BY

ARCHIBALD GRANGER BOWIE

AUTHOR OF "THE ROMANCE OF THE POST OFFICE," ETC.

"I do not imagine that there can be any more important end and object of a State than to encourage frugality, and the investment of the savings of the poor, and nothing which I should be more tempted to step out of my way to encourage, if I were a legislator."

H. BELLENDEN KER.

LONDON
S. W. PARTRIDGE & CO.
8 & 9 PATERNOSTER ROW, E.C.
1898



CORRESPONDENCE BRANCH, POST OFFICE SAVINGS BANK.

PREFACE.

IN the history of the present century, now so near its close, nothing perhaps will stand out more conspicuously than the remarkable progress that has been made in the education of the masses in the ways of thrift. Frugality and providence have been enjoined as a duty in every age and country, but the means afforded to the poor for saving and investing with profit and security are an institution of the nineteenth century. In the early years of the century the desire to save no doubt existed, but both inducement and opportunity to do so were wanting. Since then, giant strides have been made in this direction. At the present day the savings banks have been brought to the very doors almost of the population. And the people have not been slow to avail themselves of the great incentive and facilities now provided for putting by for the proverbial rainy day. Over eight million persons are depositors in our savings banks and the amount standing to their credit reaches to the almost fabulous sum of 160 millions sterling!

By what wonderful agency has this vast accumula-

tion of wealth been effected? To answer this question in a brief and popular form is the object of the present volume. So truly remarkable is the story of how the existing fifteen thousand savings banks have grown up that, although nothing but facts are contained in the following pages, the word "Romance" in connection with the title of this book has been deemed not without some justification.

It was inevitable that the Post Office, with its vast machinery and extensive ramifications, should, when it took up savings bank business, greatly overshadow the old trustee banks. For this reason the establishment and progress of the Post Office Savings Banks have claimed a large share of the book, which may indeed, in a sense, be regarded as a companion volume to the *Romance of the Post Office* published last year. At the same time, the great and lasting work of the trustee banks in the cause of thrift has not been overlooked, and, so far as space would admit, justice has been done to the immense utility of these older institutions, which were indeed the pioneers of this great social movement.

Savings bank literature is restricted almost to William Lewins' *History of Banks for Savings* published in 1866. But that book is a complete and most valuable account of these institutions up to that date, and the present writer would here acknowledge his indebtedness to that work in dealing with the past history of savings banks. He also takes this opportunity of tendering his thanks to Mr Charles D. Lang, the Controller of the Post Office Savings Banks, for the valuable assistance received from that gentleman during the preparation of the volume.

ARCHIBALD GRANGER BOWIE.

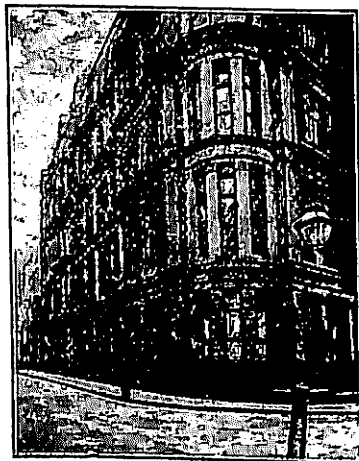


CONTENTS.

CHAPTER I.	PAGE
EARLY HISTORY,	9
CHAPTER II.	
PRIOR TO THE POST OFFICE SAVINGS BANKS,	24
CHAPTER III.	
INTRODUCTION OF POST OFFICE SAVINGS BANKS,	35
CHAPTER IV.	
PROGRESS OF THE POST OFFICE SAVINGS BANK,	49
CHAPTER V.	
THE CLOSING OF OLD SAVINGS BANKS,	61
CHAPTER VI.	
PENNY BANKS,	76

CONTENTS.

CHAPTER VII.	
MR. FAWCETT AND THE POST OFFICE SAVINGS BANK,	PAGE 90
CHAPTER VIII.	
GOVERNMENT LIFE INSURANCE AND ANNUITIES,	101
CHAPTER IX.	
THE CENTRAL SAVINGS BANK,	115
CHAPTER X.	
THE SAVINGS BANKS OF TO-DAY,	144



POST OFFICE SAVINGS BANK, CARTER LANE BUILDINGS.

THE ROMANCE OF THE SAVINGS BANKS.

CHAPTER I.

EARLY HISTORY.

To whom do we owe the idea of savings banks? And where were they first established? These are questions which are not easily answered. The most that can be said is that they are the natural outcome of civilisation. It is quite a matter of uncertainty as to the particular country in which they originated. In *La Revue Philanthropique* for November 1897, a writer—M. A. de Malarce—advances proofs to show that the idea of savings banks was first mooted by Hugues Delestre—a Frenchman—in 1610. It is claimed, on the other hand, by an Austrian writer on the subject that a savings bank existed in Brunswick in 1765. Similar institutions are said to have been founded in Hamburg in 1798; in Berne, 1787; in Basle, 1792; and in Geneva in 1794. These institutions appear, however, to have been of a widely different character from savings banks as they are now understood, dealing as they did in business akin to the sale of deferred annuities. The Hamburg institution, for example, simply received the spare cash of domestic

servants and handicraftsmen, granting annuities on the members arriving at a certain age. No withdrawal of money was permitted. As a matter of historical interest, it may be stated that this bank received its death-blow at the hands of the First Napoleon, who swept its coffers, as he did many other institutions, of its funds.

Mr Lewins, in his excellent *History of Banks for Savings in Great Britain and Ireland*, is of the opinion that "Great Britain can with justice lay claim to the original establishment of the system of savings banks." If that be so—and there seems no reason for doubt—they may be said to be almost an institution of the present century. The first proposals we hear of in this country for the establishment of such banks appear to have been made in 1798 or 1799. The earliest names mentioned in this connection are those of the Rev. Joseph Smith and Priscilla Wakefield. The former, in 1798, offered, in conjunction with two of his parishioners at Wendover, to receive from members of his congregation any sum from twopence upwards, to be returned at Christmas with one-third of the whole added as interest. A depositor might, of course, receive his money before Christmas on demand, while in cases of sickness or loss of employment, his savings did not preclude him from parish relief if otherwise he could obtain it. A Christmas dinner was also given to the depositors at the expense of the three directors of the institution. Curiously enough, Sunday evening was the time chosen for receiving the deposits. This, no doubt, was in view of their motto: "Upon the first day of the week, let every one of you lay by him in store, as God hath prospered him." The operations of this bank were carried on for several years, and there were generally

about sixty subscribers, who deposited from £5 to £10 every season.

Mrs Wakefield's scheme was started in 1799, for the benefit of women and children in the village of Tottenham, and under her own immediate superintendence. The arrangement was that members should pay according to their age certain sums per month, which entitled them to a pension after sixty years of age. In cases of sickness 4s. a week was allowed; in cases of extraordinary misfortune a certain amount could be withdrawn; and in cases of death a sum of money was allowed for funeral expenses. Honorary members paid subscriptions, which went to meet deficiencies and current expenses. In 1801 there was added, first, a fund from which loans were made to those who had been members for six months; and, second, a regular bank for savings. The interest given in the latter case was the same as that charged in the former, namely, 5 per cent. Children were encouraged to deposit their penny a month, which was kept for them, together with the interest, until the accumulation might be needed for apprentice fees, clothes, and such like objects. In 1804 the Tottenham bank was more regularly organised, under the name of the "Charitable Bank," and Mr Eardley Wilmot, M.P., and Mr Spurling were appointed trustees.

About this period the subject of savings banks was beginning to excite wider attention. In 1807 Mr Whitbread, whose name will always be associated with savings bank history, introduced his "Poor Law Amendments Bill" into the House of Commons. In the course of the debate on the bill he made an eloquent appeal for some safe and profitable investment for the earnings of the poor. "That so few are found to make any saving may in a great degree be ac-

counted for by the difficulty of putting out the little they can raise at a time." Mr Malthus, in his famous *Essay on Population*, published in 1803, had proposed the establishment of county banks, wherein the smallest sums might be deposited and a fair interest paid for them, to encourage young labourers to save their earnings against marriage. But Mr Whitbread desired to go further and to extend Mr Malthus' principle. It would be tedious and without profit to enter into the extensive proposals on the subject which Mr Whitbread made. It will suffice to say that in this matter he was considerably in advance of his time, and that from lack of support he ultimately allowed the matter to drop. It may just be noted with interest in the present day that he was, as will be seen hereafter, the first to propose any connection between the Post Office and savings banks.

In 1808 Lady Isabella Douglas originated the idea of establishing at Bath a bank for receiving the wages of domestic servants and giving them interest on their money. She was assisted by eight residents, four of whom were ladies, who acted as managers. Deposits up to £50 could be made, and the entire amount of the funds of the bank was restricted to £2000. Interest at the rate of 4 per cent. was allowed, and the money could be withdrawn at will. A servant could deposit £50, withdraw the money and place it in safety, and deposit again in the bank. The scheme proved so successful that in 1813 an endeavour was made to convert it into a general savings bank, which should know no limit either as to deposits or in the class of persons from whom deposits might be taken. We are told in *An Explanation of the Principles and Proceedings of the Provident Institution at Bath*, by John Haygarth, M.D., F.R.S. (one

of the managers), London, 1816, that a committee, "highly respectable for their rank, ability, and benevolence," was formed and met frequently at Bath, but only to find, "after much deliberation," that the proposed conditions "were utterly impracticable." It was not until the year 1815 that the Provident Institution of Bath was established on other conditions, and, through the exertions of Dr Haygarth and the Marquis of Lansdowne, the latter of whom was president, became a success. It was essentially the first bank of its kind in this country, and on its basis all subsequent banks have been formed. The sums deposited in it were invested in the public funds, and each man's interest at this early period varied according to the price of the Funds on the day when the investment was made for him.

A prominent figure in early savings bank history was the Right Honourable George Rose, who was instrumental in establishing the Southampton Savings Bank in 1815, of which he was appointed president. He afterwards wrote an account of the undertaking, and, as we shall see presently, he took a leading and active part in the promotion of schemes of thrift and providence amongst the humbler classes. The average rate of interest paid by the Southampton Bank was 4 per cent. Notice had to be given before deposits could be withdrawn.

Two other early savings banks to be mentioned were the Exeter Savings Bank, since better known as the Exeter and Devon Bank, established principally through the exertions of Sir John Acland, one of the leading county members, and the Hertford Savings Bank. The latter, which in the first instance was of the nature of the Wendover Bank and was known as the "Sunday Bank," was established in the year 1808.

Sums of 6d. to 2s. were received by the vicar of the place from his poorer parishioners after morning service on Sundays. In this way about £300 a year was invested between 1808 and 1816. The money was not allowed to accumulate from year to year, but was repaid on New Year's day with the addition of 10 per cent. interest obtained from charitable funds at the vicar's disposal. The Hertford Savings Bank, as such, was opened in 1836, and its career came to



THE EXETER AND DEVON SAVINGS BANK.

a close in 1893, when its funds amounted to nearly £32,000, of which £28,000 was transferred to the Post Office banks. Another early bank and one of the most important in its day, to which we must just allude, was the Provident Institution of St Martin's Place, London. This bank opened in 1816, and when it closed its doors in 1896 its funds amounted to over £900,000, of which over £800,000 was transferred to the Post Office Savings Bank.

Up to the year 1810 the banks which had been established for savings were more in the nature of charitable institutions supported by benevolent persons. It remained for Henry Duncan, a Dumfriesshire clergyman, to originate and organise the first self-supporting savings bank. Mr Duncan stands out as one of the most familiar figures in savings bank history, and has well been described as the "Father of Savings Banks." He was born at Long Sutton Manse in the county of Dumfries in 1774, his father being also a clergyman. Henry Duncan was ordained a clergyman at the age of 25 and appointed to the small parish of Ruthwell. He was a man, we are told, of remarkable powers of mind, and engaged in many pursuits. The prosecution of schemes for the benefit of the poor and distressed around him appears, however, to have been his chief occupation. He cultivated the friendship of many who have since risen to fame, such as Dr Buckland, David Brewster, Dr Chalmers, and Thomas Carlyle, who frequently met the village pastor to discuss with him various schemes of practical benevolence. It was in the columns of the *Dumfries Courier* that he first ventilated his views on the subject dearest to his heart, namely, the providing of a safe and profitable means of investing the savings of the poorer classes. In the course of the discussion which followed he received some books and pamphlets on cognate subjects from Mr Erskine, afterwards Earl of Mar, and the practical outcome of his proposals was the establishment of the Ruthwell Savings Bank in 1810.

The object of Dr Duncan, as we gather from his *Memoir*, published by his son in 1848, was to induce the mass of the people to comprehend the value of the savings which might by reasonable economy be

gathered from the odds and ends of income that are only too likely to get frittered away in thoughtless extravagance. Could he succeed in supplying the means of investing these savings securely and at the same time afford the depositors the prospects of a fair rate of interest, not from charity but from the re-



REV. HENRY DUNCAN, D.D.,

"The Father of Savings Banks."

sources of trade, he was confident the hopes he cherished would be realised. That they were realised is sufficiently shown by the fact that during the first year of its establishment savings to the amount of £151 were deposited under the stipulated conditions in the Ruthwell Savings Bank. In the two succeed-

ing years they rose to £171 and £241, and in 1814 they reached to as much as £922. Dr Duncan, too, succeeded in arranging his scheme so as to make it applicable not to one locality alone but to the country generally. Indeed, the success of the Ruthwell Savings Bank so speedily became known all over the kingdom that the Doctor's assistance and advice were



RUTHWELL MANSE.

sought from all quarters in the formation of similar institutions. A direct practical outcome of its success was the establishment in 1814 of the Edinburgh Savings Bank, which is now one of the largest and most thriving of such institutions.

(The stir caused by Duncan's scheme was widespread, and his correspondence became enormous. Every post brought him large numbers of letters

from all parts of the United Kingdom asking for information and advice. Some were of a controversial nature, and from such people, ardent friends of the poor, as required consideration and reply. That he was a clever and agreeable correspondent is shown by his letters, but his labours in this respect became almost overwhelming. With the view, therefore, of lessening them he published a full account of his scheme, together with all the rules and regulations for its working. This pamphlet was published in 1814 and rapidly ran through three editions. Apart from its great literary merit, Dr Duncan's *Essay on the Nature and Advantages of Parish Banks* will always be of interest as being the first published pamphlet on the subject of these institutions. From it we gather a fair idea of the constitution of the Ruthwell Savings Bank, which Dr Duncan claimed to be the first self-sustaining bank, and the first that did not partake to any extent of the nature of a charity.

This bank, we are told, consisted of ordinary, extraordinary, and honorary members. The ordinary members were the poor, who deposited their savings; the extraordinary members those who paid to an auxiliary fund an "annuity" of 5s., or a single donation of £2; and honorary members were those who paid to the same fund an "annuity" of £1, or a single donation of £5. The general business of the bank was transacted by a court of directors, consisting of a governor, five directors, a treasurer, and one or more trustees chosen from the honorary and extraordinary members. The court acted under the superintendence and control of a standing committee, which consisted of fifteen persons chosen from the self-same kind of members. Both these bodies were

subordinate again to the general meeting, composed of all the members of the two courts mentioned and all the ordinary members of six months' standing. It will be seen that the machinery for conducting this institution was somewhat elaborate, and almost unnecessarily so under the circumstances.

Inducements were held out to encourage the frugal and careful, but, on the other hand, fines were inflicted on those who did not deposit a certain sum each year, a procedure the wisdom of which is open to question, and one that would certainly not be tolerated nowadays. A curious feature was that, before a person's first deposit could be received, inquiries were made as to age, the family affairs, and moral conduct of the proposed contributor. According to the report which followed, it was decided whether his deposits should be received, and, if received, what rate of interest should be allowed. The bank's funds were lodged with the British Linen Company, where 5 per cent. was received for them. The usual rate of interest allowed to depositors was 4 per cent., but to those of three years' standing, whose deposits amounted to five pounds, 5 per cent. was allowed, provided the depositor wanted to get married, or if he had arrived at the age of 56, or to his friends in case of death; or, fourthly, in case the possession of the money should appear to the court of directors, after due inquiry, to be advantageous to the depositor or his family. The climax on this charitable disposition of a man's own hard-earned savings was to be found in the fifth statute, which directed that, "when the depositor shall have become incapable of maintaining himself, from sickness or otherwise, a weekly allowance may be made to him, at the option of the court

of directors, out of the money he has deposited." The auxiliary fund to which honorary and extraordinary directors were required to contribute was employed in awarding premiums to those who were most regular with their deposits, especially to those regular depositors who should have exhibited proofs of a superior industry or virtue.

It will be seen from the foregoing brief sketch of the scheme of the Ruthwell Savings Bank, that while it was the first bank of its kind which was self-supporting, it was conducted upon lines very different from those on which banks of a later date were worked, and such as would not be borne by the working classes at the present day. The depositor, it would appear, forfeited his independence and was entirely dependent upon the decision of the court of directors as to the repayment of his own money. However successful the plan proved in the parish of Ruthwell, it was obviously one that was not applicable as a general scheme; and other parishes, though they took the Ruthwell Bank as a model, made very material alterations in the working details. Thus the Edinburgh Savings Bank, which was instituted on the model of the Ruthwell Bank, was organised with a view to greater simplicity and fairness in its management. All depositors were paid the same rate of interest, their deposits were received without any preliminary investigation whatsoever, and contributors had nothing to do but pay in the sums they desired to deposit, and withdraw them at pleasure, in precisely the same way that the depositors in an ordinary bank would do. The bank was open every Monday morning between nine and ten o'clock. Not less than one shilling was received, and the rate of interest paid was uniformly 4 per cent. When the

deposits amounted to £10, the depositor was presented with an interest-note upon any banking firm he chose to name for the amount, so that henceforth he held an account with the bank in question, receiving a higher rate of interest and increased security for his money. This plan, which is now unknown to savings banks, did not preclude the depositor from still using the savings bank for his small accumulations as before, and until they again amounted to the sum of £10. Each depositor on making his first deposit was furnished with a duplicate of the *leaf of the ledger* in which his account was kept, and this he produced when making subsequent deposits, each separate transaction being entered in the ledger and on the duplicate at the same time. This arrangement, of course, gave way in time to the more convenient bank-book at present in use.

Such in brief was the original scheme of the Edinburgh Savings Bank, which in five years from its formation proved in every respect a decided success. Speaking of this bank, Mr Lewins in his *History of Banks for Savings*, remarks that without ostentation and without trenching in any respect on the independence of those who needed their assistance, the originators of this bank went on, not only in Edinburgh, but in other Scotch towns to which their influence extended, and with which the metropolis has always some connection. (Their endeavours to cope with the improvidence and carelessness of that period resulted in a few years in a complete spread of the principle of thrift.)

Little thought, as Mr Lewins points out, has been given to what society owes to the men who at this early date laboured with such zeal and devotion in behalf of their fellows. The names of many of them

have not even been preserved. It ought to have been far otherwise.

In Ireland, the first recorded savings bank is that which was established at Stillorgan in 1815, and was known as the "Parochial Bank." It was founded by the Rev. John Reade, the parish minister of the place, who, on removing to Clondalkin, established a similar institution in that place. A peculiarity of these early Irish banks, of which no trace is elsewhere to be found, was that the deposits of each depositor were kept separately, and were open to the inspection of the owner (who might count the money if he chose) whenever he made a fresh deposit. When the deposits amounted to £1 they were invested in stock and bore interest, but not till then. The first Irish savings bank formed after the ordinary model was that opened in Belfast in 1816, and which has continued with great success.

We have traced, so far, as succinctly as may be, the early beginnings of savings banks. It will be seen that at first they partook more of the nature of voluntary institutions founded by benevolent people taking a leading part in the affairs of their respective neighbourhoods, and actuated by a desire to help their poorer neighbours to save money. The only security which the people who placed their savings in the care of such institutions had was confidence in the integrity and intentions of the rich, and it is satisfactory to know that that confidence was seldom if ever misplaced.

These early efforts for the establishment of savings banks, crude as they were, had, however, the happy result of directing public attention to the high importance of the subject. Thinking people soon began to see that not only were such institutions of great

utility and advantage to the humble persons who placed their saved money in them, but that in time they would exercise the wider benefit of increasing the prosperity and happiness of the nation as a whole. Writing in an early number of the *Edinburgh Review*, Francis Jeffrey said:—"It would be difficult, we fear, to convince either the people or their rulers that the spread of savings banks is of far more importance and far more likely to increase the happiness and even the greatness of the nation than the most brilliant success of its arms, or the most stupendous improvements of its trade or its agriculture. And yet we are persuaded that it is so." Subsequent history has, we think, amply confirmed this opinion, if one may judge by the almost fabulous wealth which has accumulated to the credit of the masses of the people in the savings banks since they first began to be established throughout the country.

It was not, however, until about the year 1816 or 1817 that savings banks as we now know them were started on any uniform basis, or that any legislative measures were taken with regard to them, and with this period of the savings bank history we shall now proceed to deal in the following chapter.

savings banks, had never saved a penny, but who since had made ample provision for a rainy day. He referred to them, he said, to induce honourable gentlemen to exert themselves, and that they might not sit with their hands before them, believing nothing could be done. The Bill was read a first time without opposition, but owing to the lateness of the session was withdrawn.

It was, however, re-introduced on the 15th February 1817 by Mr Rose, who expressed the conviction, which he said "had daily become stronger," that these institutions, if properly directed, would have a very direct influence on the vexed question of Poor Law Relief. The Bill, which passed through its various stages with but little opposition, became law in August 1817. A Supplementary Act was passed to apply more particularly to Ireland. Both Acts required that the rules of a proposed bank for savings should be deposited with the clerk of the peace of the county in which the bank was situated, though no discretionary power was left with the magistrates in the matter. The trustees and managers were prohibited from making any profit on the transactions in connection with these banks. They were also empowered to pay over the moneys received into the Bank of England or Ireland (as the case might be) to the account of the Commissioners for the Reduction of the National Debt, the latter being instructed and empowered to invest them in three per cent. bank annuities. Interest on the money thus deposited in the hands of the Government was guaranteed to the trustees of savings banks at the rate of 3d. per cent. per day, or £4, 11s. 3d. per cent. per annum. The amount which any one depositor could place in a savings bank in England was restricted to £100 in

CHAPTER II.

PRIOR TO THE POST OFFICE SAVINGS BANKS.

As soon as banks for savings gradually began to spread throughout the country, their general utility and national importance came to be more widely recognised. It became apparent that not only were greater means of development necessary, but also that legal recognition and protection were essential to their well-being. The Right Honourable George Rose, of whom mention has already been made, and who at the time was Treasurer of the Navy and one of the Council for the Affairs of Trade and Foreign Plantations, was the first to bring the subject under the notice of Parliament. Mr Rose was generally regarded as an authority in the matter, seeing he had written much on Poor Laws and Friendly Societies, and towards the close of last century had carried a Bill through Parliament legalising Friendly Societies. At the close of the session of 1815, and again in April 1816, he brought in a Bill "to afford protection to Banks for Savings," in support of which he delivered a remarkably able speech. Referring to the immense amount of good done by such banks as those of Bath and Edinburgh, he told of cases he knew where persons, before the establishment of

the first year and £50 in any subsequent year; while in Ireland the limitation was £50 in any year. Such were the main provisions of the Acts 57 Geo. III., caps. 105 and 130, which were the first Acts of Parliament dealing with the subject of savings banks.

The results of these legislative measures, which gave a statutory basis for savings banks and afforded in a certain sense some Government security for the savings deposited therein, were startlingly prompt. Within a year from their being passed, upwards of 500 banks were established in the United Kingdom. Moreover, the influence of the movement extended all over the Continent,—France, Germany, Denmark, and Italy successively taking up the idea and using it in various modified forms. In nine months the large sum of £657,000 had been deposited, and during that period the National Debt Office had received from the flourishing Exeter Bank alone £32,000. So rapid was the development of the savings bank system that it soon became apparent that the increase of deposits was out of all proportion to any increase of wages or profit from which small savings could have been made. Many hoarded savings now saw the light for the first time and brought in a return to their owners. Towards the end of the year 1817 £20,000 was deposited in one day in a town in the North of England where a bank had just been opened, and it was known that very little of this money belonged to the industrial classes. In short, it soon became apparent that the richer classes were using these newly-formed savings banks, tempted no doubt by the fact that such banks gave a higher rate of Government interest than that yielded by any other Government security. Of course, the Savings Bank Act never intended to encourage or benefit such a class of depositors, and it soon became

necessary to introduce fresh legislation with the view of remedying the matter.

Meanwhile an absurd cry was raised in Lancashire and long kept up as to this "bubble" of savings banks, as Mr Cobbett sneeringly termed the movement. It was reported that "Government was about to seize the funds of the friendly societies and the savings banks and apply them to the payment of the National Debt"—a report that was caught up by persons little conversant with political matters, and which actually caused the breaking-up of friendly societies, to the great loss of those who had claims upon them. Of course, there was no ground for the report, the Chancellor of the Exchequer stating that he had not been prepared for such a rumour as this, "even after much experience of the extent to which malignity and absurdity could go in the propagation of reports injurious to the Ministry."

So great had grown the abuse in the use of the savings banks by the rich, that a short Bill was passed with the view of affording temporary relief in this direction until the whole subject could be more effectually dealt with. This was not done until the Savings Bank Act of 1824 was passed, providing that the sum which could be deposited during the first year should be limited to £50 and should stand at £30 for any succeeding year. It was under this Act that the well-known form of declaration was first introduced, on which the depositor has to declare in presence of a witness that he has no account in any other savings bank. Another important clause precluded friendly societies or charitable institutions from investing any portion of their funds in any savings bank. A short Act, passed in 1820, had provided for such institutions investing the whole or any portion of their funds in

savings banks, but this provision had given rise to so much abuse that some alteration of the law became necessary. The high rate of interest which the Government had guaranteed to savings banks had induced not only individuals of rank and property, but also large charities, to place their funds in them, with the result of becoming a heavy burden to the public, for the Government had to provide for the excess over the ordinary rate of interest for public securities. The liability of trustees of savings banks was also dealt with in this Act, and it was settled that a legally and efficiently constituted bank should consist of twelve trustees, each liable to the extent of £50 or £600 in all, and that they should be required to deposit all the money they received with the National Debt Commissioners.

In 1828 a new Savings Bank Act was passed, the object of which was to consolidate the five previous Acts. It also reduced the rate of interest payable on deposits from £4, 11s. 3d. per cent. per annum to £3, 16s. 0½d. Minors were allowed to deposit, and deposits were to be received from married women. Friendly societies and charitable institutions were once more allowed to deposit their funds in savings banks, and several other smaller provisions were enacted into which it is not necessary to enter here. This Act was extended to Scotland in 1835 by the Act 5 and 6 Will. IV. of that year. In 1833 an Act—3 and 4 Will. IV.—was passed, allowing the purchase of immediate or deferred annuities through the medium of the savings banks. The next Act passed in relation to savings banks was that known as Mr Goulburn's, of 1844, which dealt chiefly with the liability of the trustees of banks and the reduction of interest.

All this time the savings banks established through-

out the country had been growing in numbers. The amount of money deposited with the National Debt Commissioners through the agency of these banks had also been swelling tremendously. And this notwithstanding much opposition displayed against them by the press and in other quarters. The *Times*, with a hostility which Dr Chalmers characterised as "most glaring," derided and ridiculed the system long after it had proved its usefulness in numerous ways, devoting in 1844 several leading articles to throw discredit on the institution of savings banks. Such opposition is at the present time hardly credible, having regard to the great and good work which has been done by the establishment of these banks. Intended, as they always have been, to inculcate the habit of laying by for an evil day, for old age, the winter of life, or, as Dr Chalmers strikingly puts it, "for those mishaps and sicknesses which might be termed its days of foul weather," it is difficult to believe that the existence of those institutions should have called forth such antagonism as was undoubtedly the case in many directions. Nevertheless, all opposition notwithstanding, these banks performed an immense service in fostering and encouraging habits of thrift amongst the poorer classes of the people. They were the source from which many kindred societies for the cultivation of saving habits had their origin.

But, at the same time, it is not to be denied that, useful as they were, these banks were far from being perfect in their constitution or organisation. Their object was often defeated more or less by the rules with which they were hampered. The making of payments compulsory, the demand for certificates as to the moral character of depositors, and the difficulties placed in the way of withdrawing money, all tended to

minimise the utility of such institutions. Then again, not only were these banks few and far between, but the accommodation they offered was limited. The management was for the most part in the hands of persons who worked out of a spirit of benevolence solely, and consequently could give but a restricted amount of attention to the business. These banks, therefore, met the requirements of the poorer classes only to a very limited extent. Then again, the administrators of these institutions being generally local magnates and others of position, who gave to the undertakings time, credit, and influence, in most cases gratuitously, the depositors felt themselves under a kind of obligation to these persons. And not only so, but of course the affairs of the depositors naturally became known to these officers of the banks, a fact which was not only an annoyance, but actually seriously militated against the interests of the working man, more particularly in the agricultural districts.

Such imperfections as the foregoing were, however, of a minor character. Much more serious was the lack of security and the liability of the trustees. From the beginning of savings bank operations, complete and unquestionable security was obviously the first and most imperative element. When the Government undertook to legislate for savings banks, it did so with a view to their protection from those frauds which must necessarily overtake some of a great number of semi-private undertakings. To meet the probability of a misapplication of the funds of such institutions the Government agreed to take all the money deposited with the trustees of savings banks and to guarantee a certain fixed rate of interest for it, even above that which the fund directly obtained for itself. This was at once an encourage-

ment to the frugal and a perfect security for such sums as were paid over to the National Debt Commissioners. But, in the interval between the payment of the sums by the depositors and the second payment by the trustees, no safeguard was provided beyond the vigilance of the voluntary and unpaid trustees. Thus it will be seen that the Government guarantee was only for the repayment of money lodged with the State by the trustees, and that there was no means of ascertaining what discrepancy there might be between the amount received by the trustees, and that handed over to the State. This, of course, was a very serious flaw in the system, and led in many cases to disastrous results. The worst of it was, that depositors were allured by the tempting bait which was very freely advertised of "Government security," whereas as a matter of fact no such security existed. For example, if deposits amounting to say £20,000 were paid into a bank, and only £5000 were paid over to the National Debt Commissioners, the remaining £15,000 being embezzled by an officer of the bank, the depositors were, all the advertisements as to "Government security" notwithstanding, undoubtedly defrauded of £15,000. This was a serious state of affairs, and practical experience was not wanting to bring the matter forcibly home to the people.

The first serious defalcation which occurred in connection with old savings banks was that of the Cuffe Street Bank in Dublin. Established in 1818 by several of the most influential men in Dublin, this bank from its very beginning became a flourishing concern and did a very large business, as may be judged by the fact that in the year 1831 no less than £100,000 was received as deposits. The actuary was a Mr Dunn, who also acted as sexton of the parish

with which the bank was associated. This official, who received a salary of £5 a year and who possessed the character of being a "very correct man," soon became the factotum of the trustees, and for eight years managed solely the affairs of the bank, giving the utmost satisfaction to every one, trustees as well as depositors. It was not until 1826, when Mr Lannigan, a barrister, was appointed a trustee, and who appeared shrewder than his co-trustees, that suspicion began to be directed against Dunn. But so strong was Dunn's position, and so well and carefully had he laid his plans, that Mr Lannigan had a hard struggle, lasting over five or six years, in bringing him to book. At length, by dint of patient perseverance, the barrister succeeded in getting Dunn to retire, although amid the condolences of the whole parish, who looked upon him as a very ill-used man. Their eyes were not, however, for long closed to the truth, for, immediately after Dunn had resigned, a depositor applied for some money, when, on comparing his pass-book with the ledger, the account was found to be open in the former and closed in the latter. We are not surprised to learn that hereupon the *ci-devant* parish sexton absconded. The books of the depositors were promptly called in, when it was discovered that Dunn had appropriated as much as £6000 to his own use. Thorough investigation of course followed, and it was ultimately found that the total amount of Dunn's defalcations amounted to no less a sum than £40,000. The bank struggled on after this, but, after a more or less chequered career, it was obliged to close its doors, with liabilities amounting to £50,000, and only £90 to meet them.

The seriousness of the disaster may best be gauged by the fact that at this time there were as many as

1,900 depositors in the bank, of whom nine-tenths were poor people. As may be imagined, the result of this fraud in Dublin and the neighbourhood was most distressing; and for years afterwards, in remote parts of England as well as Ireland, this fraud was referred to with much bitterness, and was urged as an excuse for prodigality and recklessness. The depositors were of the poorest classes, and the effect upon them, when they found they had been robbed of all they possessed, is described as having been painful in the extreme.

The earliest savings bank fraud in England was that in connection with the Hertford Bank, and the actuary, who was a clergyman at St Albans, contrived, during a period extending over several years, to defraud the depositors of £24,000 of their money. Such frauds unfortunately became not uncommon, and one of the saddest chapters in savings bank history is the story of the gigantic swindling transactions which took place at Bilston, Brighton, Canterbury, Dublin, and elsewhere, not to speak of Cardiff, Macclesfield, Sudbury, and Chelsea in more recent times. Such misfortunes were, as might be expected, a bitter experience, and gave a serious check to the progress of education in thrift, the more so that the people had been deluded into the belief that their money had been deposited with the State, and was therefore absolutely safe.

All these circumstances pointed clearly to the fact that fresh legislation with regard to trustee savings banks was absolutely necessary, and that the time was getting ripe for actual State interference. The public generally were gradually awaking to the imperfections of the savings banks and to the consequent danger and insecurity to the depositors. Writing in the *London Review* about the time when these frauds began, a well-known writer wisely remarked that "as

long as savings banks are savings banks, based on the one hand on the confidence of the poor, and on the other on the benevolence of the local clergy and gentry, acting as trustees and managers without fee and reward, and therefore without such bounden obligations as men can be called upon to account for, so long will frauds periodically arise, opening up great gulfs of deficits, strewing thorns upon the pillows of the poor, and driving sharp pangs of despair into their hearts." The *Times* also, in an article on savings bank money, pertinently remarked:—"If ever there was a sacred fund, this is one; if ever there was a class and a fund which deserved the protection of wise laws and stringent responsibilities, surely this is the class and this the fund."

When public opinion was voiced in such powerful organs as the above-named, the situation, it will be seen, must have become serious. It was evident that, while established with the best intentions in the world, the savings banks, through the frauds that were so common in connection with them, had become a means of incalculable harm and baneful influence amongst the working classes of the population. It was this unfortunate state of affairs and these circumstances that gave birth to the agitation for savings banks under State control, and that paved the way for the introduction of Post Office savings banks.

CHAPTER III.

INTRODUCTION OF POST OFFICE SAVINGS BANKS.

As we indicated in the first chapter, the idea of a system of savings banks under the management and control of the Post Office was foreshadowed as early as the year 1807 by Mr Whitbread, M.P., in a speech on the Poor Laws Amendment Bill. But, as already stated, Mr Whitbread was in advance of his time, and the proposals he made on the subject were allowed to drop. The time had, however, now arrived, as was seen in the preceding chapter, when something had to be done. A wide-spread feeling existed that a sweeping change would have to be made in the institution of savings banks. Supplementary banks, such as penny banks, seamen's banks, and military banks, had been established, and they met in great part the object for which they were designed. But the great majority of the savings banks took no steps to provide more conveniences for the public, or else they were powerless to do so.

The position of the trustee banks at the time that agitation was rife for Government banks was this. Established under certain legislative powers they received deposits within certain limits, and paid interest on the money, which was repayable to the depositor either on demand or at short notice. In 1861, the

year of the establishment of the Post Office savings banks, there were 638 such banks in existence. Out of this number, 355 were open but once a week, and that for a few hours; some were open twice a week, and 54 once a fortnight, while only 20 were open a few hours every day. No less than fourteen counties in the United Kingdom were without any savings bank at all, and even in England, when the test was applied to towns containing upwards of 10,000 inhabitants, it was found that there were 150 without savings bank accommodation of any sort. As showing how greatly this want of savings bank accommodation was felt by the poorer classes, it may be mentioned that it transpired before a committee of inquiry held in 1858, that 25 per cent. of the industrial classes was debarred from saving their money, even if inclined to do so, from the want of convenient places of deposit. It is not to be surprised at then that, as Mr Lewins points out, the odd savings of the poor burnt holes in their pockets, and led them to resort to the "house of call" open within a stone's throw almost at all hours.

That these classes were willing enough to save were the facilities for so doing offered them, may be gathered from the fact that at Manchester, out of the total sum deposited in the savings bank there in the year 1860, £200,000 belonged to persons who could not even write their names. In this bank the facilities for saving were very great, and depositors could go and do any kind of business whenever it was open; whereas in many banks depositors were restricted to one kind of business for one day and another kind of business for another. The Edinburgh Savings Bank may be mentioned as another institution of the kind where unusual facilities resulted in a very large number of deposits and depositors.

The great want of both accommodation and facilities in regard to savings banks, taken in conjunction with the feeling of insecurity amongst depositors produced by the frauds to which allusion has been made, did much to bring about the agitation for some change. Prior to 1844 a depositor had a legal claim against the trustees of a savings bank in case of wilful neglect or default, but in that year an Act was passed which released the trustees from all liability except where it was voluntarily assumed. It is significant that all the great savings bank frauds took place subsequently to that year, and the known frauds prior to the establishment of the Post Office Savings Bank are said to have swallowed up a quarter of a million of hard-earned money. This was the harder, seeing that the people generally were under the impression that there was actual Government security for each deposit in every savings bank, which, as has already been seen, was not the case. Many decided opinions were at the time expressed as to the insecurity of savings banks by well-known authorities on such matters. Mr John Stuart Mill thought it "would be very useful to provide some scheme for making the nation responsible for all amounts deposited," adding that "certainly the general opinion among the depositors is, that the nation is responsible; they are not aware that they have only the responsibility of the trustees to rely upon."

Such, in brief, was the position of the savings banks when the propriety of making a change or instituting a new system began to be discussed. Mr Whitbread's suggestion of 1807 had, as we have seen, proved to be impracticable for the times, but curiously enough some twenty years afterwards a *Quarterly Review* writer took it up and turned it to account in an article on

the substitution of savings banks for poor laws. The principle advocated was that masters should deduct payments from the wages of their servants and put them into a national savings bank. "Perhaps," says the writer, "these remittances might, especially in rural districts, be allowed to be paid into the nearest Post Office, and remitted with its own money to the General Post Office, by whom it might be paid over to the Commissioners of the National Debt." This scheme attracted little or no attention at the time, and nothing came of it, but it no doubt contained the germ of the plan subsequently carried out.

Between the years 1850 and 1860 several suggestions were made in the matter, all in one way or another proposing to remedy the deficiencies of the existing banks on some such principle as that eventually adopted. None of these, however, appear to have been deemed of any value, and it was not until Mr Charles William Sikes of Huddersfield put forward his proposals that anything like a practical scheme was brought to public notice. Mr Sikes, who was born in 1818, was the son of a private banker in Huddersfield, and himself a cashier in the Huddersfield Banking Company. In this capacity it came under his notice that a considerable number of working men, beginning with a few pounds, had silently amassed what to them was a small fortune, of one, two, or three hundred pounds. He became deeply impressed with the idea that the number of these provident working people was far less than it ought to be or might be, and that the social and domestic results for good that would ensue would be absolutely incalculable, if bank depositors among the working classes became the rule, instead of the rare exception.

Mr Sikes appears to have given very great attention

to the subject, and to have gone thoroughly into it in all its bearings. It was the era of the Free Trade agitation, and he witnessed much privation and suffering, often borne with silent and noble heroism. It was thus forced upon him that it was only by living to some extent for the future that the humbler classes could secure comparative comfort when the rainy days came. In 1850 he addressed a long letter to the *Leeds Mercury*, which was subsequently republished in pamphlet form and widely circulated, recommending the formation of what he termed "Preliminary Savings Banks." The only novelty in the character of these proposed banks was in their adaptation to the machinery of mechanics' institutes, and they were of course only meant to be feeders to the larger banks. So soon as the money of any one depositor reached a guinea or two guineas, the sum was to be paid into the nearest Government bank as often as necessary.

Mr Sikes also took up the penny bank movement with much energy and devotion, and endeavoured strenuously to show how that useful scheme for saving small sums might be propagated far and wide. Indeed, he exerted himself very earnestly in the cause of thrift generally, and worked hard to spread the knowledge of savings banks among the people. It will thus be seen that, a banker himself and with a deeply-rooted association with the interests of the humbler classes, Mr Sikes made himself well qualified to speak on matters appertaining to the subject of thrift. It is not surprising, therefore, that he gave his attention very closely to the existing system of savings banks, and in the year 1856 he addressed a very able and exhaustive letter to the then Chancellor of the Exchequer—Sir G. Cornewall Lewis—on *Savings*

Banks Reforms. Whilst adverting at length to the frauds which had occurred in connection with the savings banks, and the security which depositors possessed in such cases, he also dwelt in his letter on the dormant state into which many of the banks had sunk. He likewise drew attention to the extremely unequal way in which they were furnished to the people, the limited time for which, in the majority of cases, they were open, the varying rates of interest allowed, and, generally, the unsatisfactory state of the law with regard to these banks. A committee on savings banks was appointed in 1858, before which Mr Sikes appeared as a witness; but although a report was issued, the various reforms which were recommended appear never to have been acted upon.

In the following year, 1859, Mr Sikes formulated a plan for a system of savings banks under the control of the Government. The plan was too crude and incomplete to be carried into practice, but it has nevertheless caused his name to be associated with that marvellous institution, the Post Office Savings Bank. Mr Sikes had long cherished the idea of bringing a savings bank "within less than an hour's walk of the fireside of every working man in the kingdom"; and he tells us the organisation of the Post Office suddenly occurred to him as a means to this end. This idea he dwelt on till he had struck upon some scheme for applying the one to the other.

His proposals in this direction need only very briefly be referred to. Like Mr Whitbread he proposed to use the Money Order Office as the mainspring of the system, suggesting that a bank for savings should be opened at every money order office in the country, that each postmaster at such office should be authorised to receive deposits, and that all the offices

should have immediate connection with a central bank in London. He further proposed that all payments and withdrawals should be severally effected by means of money orders, to be drawn for each separate transaction, and that no deposit should be for a less amount than 20s. The scheme was embodied in a printed letter, addressed to Mr Edward Baines, the member for Leeds, who brought the matter under the notice of the Post Office authorities, by whom it was not unfavourably received. The letter was soon afterwards made public through the press, and attracted general attention. Mr Gladstone, who at the time held office as Chancellor of the Exchequer, and with whom Mr Sikes had been brought into communication, saw "much promise in the plan on the face of it," and gave it personal attention. After a full and thorough examination by various experts in the matter, the scheme was found to present in many directions difficulties which were quite unsurmountable, while many of the proposed working details were unsatisfactory. Therefore, although the general principle was recognised to be useful and practicable, the proposals as originally made by Mr Sikes had to be abandoned.

But the scheme, if it proved valueless in practice, had at all events the result of widely drawing public attention to the matter, and it was not long before a plan emanated from within the Post Office itself which so thoroughly met all the requirements of the case that it was speedily adopted by the authorities as the basis of the present Post Office Savings Bank system.

On the 30th November 1860 Mr George Chetwynd, who at the time held the position of book-keeper in the Money Order Office, addressed a letter to the then Postmaster-General, Lord Stanley of Alderley, in

which he outlined a plan for a system of savings banks under Post Office control. His attention had been attracted to Mr Sikes' proposals in the press, and he claimed for his plan that under it the collection, transmission, and return of withdrawn money could be arranged through the various money order



GEORGE CHETWYND, ESQ., C.B.,
First Controller of the Post Office Savings Bank.

offices in a much more economical manner than by the issue and payment of money orders. He also contended that, by the adoption of his scheme, there need be no restriction of the minimum amount of deposit to the high level of £1, a sum which he considered to be, comparatively speaking, so large as to seriously reduce the value of the benefit proposed to be conferred on the provident portion of the public.

At this distance of time, when the main features of the Post Office Savings Bank must be known to almost everyone, it would be an act of supererogation to enter at any length into the details of Mr Chetwynd's plan. It will suffice, therefore, to refer with the utmost brevity to the material points of the plan, which has since been carried out in its integrity. The holder of a money order office was to act as an agent of a central savings bank, and to receive deposits of any amount within the statutory limit, and to pay out withdrawals. He was to enter each deposit in a numbered depositor's book, and also in an account to be forwarded to London daily with his money order account. He was to take a declaration, as prescribed by statute, from each depositor on the occasion of the first deposit. He was to charge himself each day with the total amount of deposits received in his money order account, this account being examined on arrival in the Money Order Office, London, and a daily schedule forwarded to the Central Savings Bank. An acknowledgment was to be sent immediately from the Central Savings Bank for every deposit received, direct to the depositor through the post. Depositors desiring to withdraw money were to give notice in writing to the Central Savings Bank, and they would receive therefrom a warrant for the required amount, payable at the nearest money order office. The postmaster at the money order office was to account for the money paid out in respect of withdrawals in the same manner as in the case of deposits received, and he was to be credited with the sums daily. Depositors' savings bank books were to be forwarded once a year to London, to be compared with the ledgers in the Central Savings Bank, and to have the interest due inserted in them.

Under this plan it will be seen that deposits, at whatever Post Office they were made, might be withdrawn at that or any other Post Office transacting savings bank business, and that the accounts should be kept in London alone, all money being remitted to and from headquarters. The whole amount deposited was to be handed over to the Commissioners for the Reduction of the National Debt, for investment in Government Securities, and interest was to be allowed to depositors on complete pounds at the rate of £2, 10s. per cent. per annum. Deposits were to be of 1s. or multiples of 1s., the limits for each depositor being £30 a year, or £150 in all. Friendly societies were, however, to be allowed to deposit without limit, and provident and charitable societies within the limits of £100 a year, and £300 in all, or with the assent of the National Debt Commissioners, beyond those limits.

Such, in brief, was Mr Chetwynd's scheme, and the first step taken was to refer it for examination to Mr Frank Ives Scudamore, a name well known in Post Office history, who at the time held the important office of Receiver and Accountant General. That official, after carefully considering and scrutinising the scheme, arrived at the conclusion that it was the best of those which had as yet been framed, that it would be productive of very great advantages to the working classes, and that it would be self-supporting. He likewise regarded it as exceedingly simple, and considered that, if the execution of the plan were difficult, that difficulty would be due to the amount rather than the nature of the business to be transacted.

The subsequent history of the scheme may be very shortly narrated. Recommended by Mr Scudamore, it was warmly approved of by the Postmaster-

General, who forwarded it to the Treasury. 'There it fell into the hands of Mr Gladstone, whose opinion of it may be judged by the promptness with which he dealt with it, for as early as the 9th of February 1861 he brought the matter before the House of Commons. This he did by moving a resolution: "That it is expedient to charge upon the Consolidated Fund of the United Kingdom of Great Britain and Ireland the deficiency, if any such should arise, in the sums which may be held on account of Post



FRANK IVES SCUDAMORE, ESQ., C.B.,
Formerly Second Secretary to the Post Office.

Office Savings Banks, to meet the lawful demand of depositors in such banks, in the event of their being established by law." This, which according to the usage of the House was the first necessary preliminary, provided that the burden of the measure should fall upon the State.

Mr Gladstone supported the resolution in an eloquent speech, wherein he dwelt on the want of facilities, which, he said, exercised an important influence on the amount of the savings of the poor.

"The experience of this winter, 1860-61, must," he said, "have demonstrated to anybody who thought upon the subject that the resources of this class had not of late years increased in proportion to the rate of wages and the improvement in their standard of living."

After a friendly discussion the resolution was adopted, and three days later the Post Office Savings Banks Bill was introduced into the House, the second reading being moved by Mr Gladstone on the 18th of March, 1861. It is not necessary for the purposes of this book that we should closely follow the measure through Parliament. It will suffice to say that it did not pass without opposition. In the Commons its chief opponent was Mr Ayrton—at one time well known as Chief Commissioner of Works—who considered that "the scheme of a national bank, *however plausible* it might look at the outset, would lead to the most serious consequences."

In the Lords the Bill was piloted by Lord Stanley of Alderley, the then Postmaster-General, who briefly traced the origin of the scheme. He referred to Mr Whitbread's proposals of 1807 and to the suggestions of Mr Sikes, but he distinctly gave credit to two able gentlemen of the Post Office for the assistance they had rendered to the Government in maturing the plan. It is of importance to notice this, as the question as to who is the originator of the existing scheme has from time to time given rise to much discussion. That the plan adopted was that formulated by Mr George Chetwynd there is no doubt whatever. That the actual germ of the idea of using the machinery of the Money Order Department for savings banks purposes was suggested by both Mr Whitbread and Mr Sikes is not to be disputed, but, as

will have been seen, both of their plans differed in very essential features from that adopted by the Government. Nor were they practicable or workable schemes,—a remark that may be made without disparagement, as it was not to be expected that either of these gentlemen should possess a sufficiently intimate knowledge of the Post Office machinery to be able to adapt it to the purposes of their respective schemes. It is Mr Chetwynd, then, whom the nation has to remember with gratitude for the gigantic and remarkable institution which has done so much for the country in the fostering and encouragement of habits of thrift amongst the working classes. Nevertheless, the part that Mr Sikes had played in the matter was not forgotten in later years, for the honour of knighthood was bestowed upon him by the Queen at the recommendation of Mr Gladstone.

The chief opponent of the Post Office Savings Bank Bill in the House of Lords was Lord Monteagle of Brandon, better known as Mr Spring Rice, a former Chancellor of the Exchequer. He viewed the measure "with great alarm and regret," and in a long speech opposed the Bill very strongly. Nevertheless, in spite of this and all other opposition, the Bill was successfully carried through all its stages in both Houses, and on the 17th of May 1861 received the royal assent.

Thus passed into law one of the most important measures of domestic legislation of the present century, the beneficial and wide-reaching results of which it would be hardly possible to over-estimate. Of these most remarkable results we shall speak in the next chapter, showing as they do that the institution of Post Office savings banks has proved one of the brightest chapters in Post Office history, if not in the history of the nation itself. We will content our-

selves by remarking here that the influence of the measure on the social condition of the humbler classes has been most marked. Not only has it tended to the encouragement of frugality amongst these classes, but it has also fostered amongst them a spirit of self-reliance and proper independence. In every department of labour it has become a most effective agent in the social and moral improvement of the people, and it is not too much to say that in the highest degree it has conduced to the increased prosperity of the nation.

The writer of a paper called "My Account with Her Majesty," published in Dickens' journal, *All the Year Round*, formed a true estimate of the value of the new institution when he wrote: "If there's a philanthropist that's hard up for an object, I don't know that he could do better than go about distributing tracts setting forth the rules, regulations, and advantages of the Post Office Savings Banks."

That the people soon began to perceive the advantages of the new Government savings bank system, and freely availed themselves of the facilities for saving thus afforded to them, we shall presently see. We will only conclude this chapter by remarking that of all the various measures for which Mr Gladstone was responsible there is none with which his name is more honourably associated than the "Post Office Savings Banks Act of 1861."

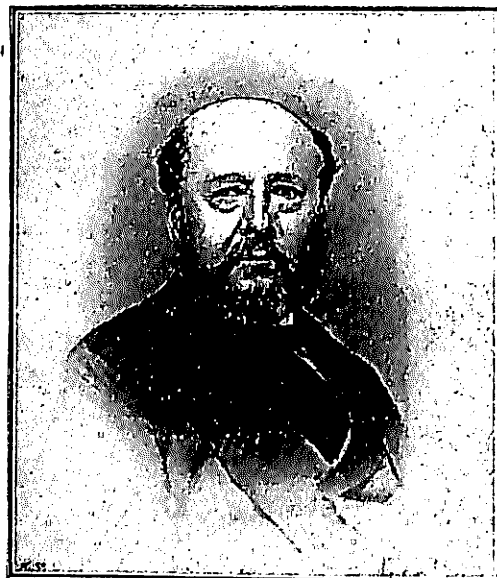
CHAPTER IV.

PROGRESS OF THE POST OFFICE SAVINGS BANK.

So soon as the Post Office Savings Bank Act was passed, the Post Office authorities lost no time in making the necessary arrangements for bringing it into operation. This task, which was no light one, was entrusted to Mr Scudamore and Mr Chetwynd. That they must have worked with great energy and will in planning and organising the system is evidenced by the fact that the first postal savings banks were opened on the 16th September 1861, just four months subsequent to the passing of the Act. In this short period they had to draw up regulations under the provisions of the Act as to deposits and withdrawals, whereby the public are directly affected, and also regulations as to the mode of keeping, checking and examining the accounts which related to the internal arrangements of the department. These regulations were subject to the consent of the Lords of the Treasury, and had also to be laid before both Houses of Parliament.

There were also the consideration and decision as to the places at which it would be best in the first instance to establish the new banks, as to the staff which would be required for putting the Act into operation, and the disposition and payment of that

staff. Of course we shall make no attempt to enter into the details of these arrangements, which, indeed, would be of no popular interest: it will no doubt suffice to say that they were necessarily of a very elaborate nature, and were fully set forth in a bulky report which has since been made public. Not only



WILLIAM FARMER, ESQ.,
Formerly Controller of the Money Order Office.

had regulations to be prepared dealing with the receipt of deposits by the public and the payment of withdrawals, but also minute instructions had to be issued to the various postmasters concerned, as a guide to them in the conduct of the new business.

There was likewise the account work to be arranged for in the Money Order Office, for in those early days the savings bank business was worked

through the money order accounts which the postmasters rendered to the chief Money Order Office. It is recorded that in this connection a valuable suggestion was made by Mr William Farmer, the chief clerk of that office, which did much to simplify the accounting. The fact deserves mention, because Mr Farmer, who subsequently became Controller of the Money Order Office, belonged to that old school of Post Office officials, which included such men as Mr Chetwynd and Mr Scudamore, who devoted the whole of their time and services to the department, and who through their untiring efforts and zeal did so much to bring about the various facilities and improvements in the postal system of which we are now reaping the benefit. It may be safely affirmed that to the late Mr Farmer, though he worked in the most unostentatious manner, is due in a large measure the almost perfect system of remittance in this country by means of money orders.

The selection of post offices at which savings bank business should in the first instance be transacted was the next task, and this was one of some difficulty. Many considerations had to be borne in mind. Collision with existing banks had to be avoided, so as to keep the promise of non-interference with such banks in the first instance, which had been made by the Postmaster-General and the Chancellor of the Exchequer. Places had to be selected in which the population was sufficiently numerous to justify the expectation of a considerable amount of business, whilst it was desirable to make the selection generally embrace the widest possible area, so as to leave no considerable district unprovided with the required accommodation. These and other considerations had to be well weighed, and in the end it was decided at

the outset to open savings bank business at 300 money order offices.

Finally, there was the question of the additional staff which would be required for carrying on the new business at the beginning. Of course a considerable increase of work would be entailed at those offices which had been selected for the performance of savings bank business as well as at the chief Money



A RURAL POST OFFICE SAVINGS BANK.

Order Office in London, and an increase of staff had to be provided accordingly. And, in addition, an entirely new department had to be constituted, and it was decided that at first twenty clerks and two messengers would suffice for the work which would fall upon that department. What a contrast to the present establishment of the Savings Bank Department with its staff running into thousands of persons!

Such, succinctly, are the main features of the working machinery which Messrs Scudamore and Chetwynd had to provide for bringing the new system to a practical issue. But of course there were also innumerable forms and stationery of all kinds to be provided, besides a host of other smaller matters of detail to be thought of in connection with the new department. It could only have been by dint of ceaseless activity and application that the system was brought into actual operation on the 16th of September 1861, when 300 money order offices were opened for the receipt of deposits. On that day 435 deposits, amounting to £911, were received. From the very beginning the success of the scheme seems to have been assured, and in six weeks' time a large addition had to be made to the number of banks opened.

In October of 1861, 254 more Postal banks were opened, 338 in November, and in December 784, making the total number of new banks open to the public at the end of the year 1629. This was in England alone. The system was extended to Scotland and Ireland in February 1862, 300 such banks being opened in each country. By the end of six months from the original commencement of the plan there were no less than 2532 Post Office savings banks in existence throughout the United Kingdom. In 1863, 400 additional banks were opened, and by the end of 1864 the total number of banks had increased to 3081. The extent to which these banks were taken advantage of is fully illustrated by the fact that in the three months in 1861 during which the 1629 banks were open, 25,729 depositors opened accounts in them, and deposited money to the amount of £167,530 in deposits averaging in amount £3, 11s. 10d. At the end of the year 1862, 205,928 depositors had opened

accounts, the total sum deposited amounting to £2,114,669, while the amount withdrawn was less than half a million.

The new banks undoubtedly took a firm hold upon the community, and the increase of deposits and of new accounts year by year was far more than proportionate to the increase of facilities. Up to the end of the year 1865 the large number of 3,895,135 deposits were received from 857,701 depositors, the amount being £11,834,896. The withdrawals during that period numbered 1,011,379, and amounted to £5,619,251. The number of accounts open at the end of the year named was 611,819, the amount standing to the credit of those accounts being £6,526,400. These figures show how eminently satisfactory were the early results of the Post Office savings banks.

They were not, however, without their effect upon the old savings banks; for, although a few of those banks increased their business in 1862, the total number throughout the entire kingdom lost 55,000 depositors, whereas the Post Office gained 160,000 depositors. That this was a matter for commiseration can hardly be asserted, for the marked superiority and adaptability to the wants of the country of the new banks was undoubted, the best test of which is to be found in the fact that since 1861 only two new trustee savings banks in England and two or three in Scotland have been opened. This is evidence that the establishment of banks on the old trustee system is no longer desirable; and, in view of this circumstance, the disappearance of the trustee banks sooner or later can hardly count as a matter for regret. That they could not compete with the Post Office in regard to the accommodation and the facilities offered to the public will already have been gathered. The

establishment of the Post Office savings banks had at the outset the effect of causing some of the more important trustee banks to increase their accommodation, both as to the duration and frequency of the time allowed for doing business. Another result was that the trustees of many of the old banks resolved to close their institutions, owing to their powerlessness to compete with the facilities afforded by the new banks.

Let us now glance for a brief moment at the mode of procedure in the new system of Post Office savings banks. The plan, which was quite simple in its working, has proved eminently satisfactory, and, as time has shown, was capable of the widest expansion. In a short time after the establishment of the institution every money order office in the country was open for the transaction of savings bank business. All that a person wishing to become a depositor in the bank had to do was to go to the nearest money order office and state that he wished to open a savings bank account. He would then be required to sign a statutory declaration to the effect that he had no other account either in the Post Office or any trustee savings bank. This done, and the amount to be deposited paid over to the postmaster, a bank-book would be handed over to him, properly numbered, and on which his name, address, and occupation would be written. The amount he would find entered in the proper column, attested not only by the signature of the postmaster, but also with an impression of the official date stamp. Having received his book, the depositor possessed for all practical purposes a sufficient guarantee for the safety of his money. But, in addition to this, he would receive a day or two afterwards an acknowledgment from the Central Savings Bank in London for the receipt of the money.

In the original plan Mr Chetwynd proposed that only deposits of £1 and over should be specially acknowledged; but Mr Scudamore held that the security of the depositor and the department would be increased by the acknowledgment of every deposit; and Mr Chetwynd subsequently acquiesced in this view. It is the receipt of the acknowledgment that completes the depositor's parliamentary title to repayment in full of principal and interest. Should the depositor not receive one within ten days of making his deposit, it is his duty to make application for it to the Postmaster-General.

When the depositor wished to withdraw his money or any portion of it, all he had to do was to apply at a money order office for a form of withdrawal. This he filled up in the prescribed manner, and sent, post free of course, to the Savings Bank Department in London. Arrived there, the signature to it would be compared with that on the original form of declaration. His balance would also be examined to see that it was sufficient to meet the demand being made on it. Everything being in order, a warrant form would at once be despatched to the depositor, who would take it with his bank-book to the money order office at which he had requested that the money should be repaid to him. The receipt to the warrant having been duly signed by the depositor and presented for payment, the postmaster would compare the signature with that in the depositor's book, and the particulars of the warrant with those in the advice to pay which had been sent to him simultaneously with the despatch of the warrant. If the scrutiny proved satisfactory, he paid the money, entering the transaction in the withdrawal part of the depositor's book, and signing and stamping the

book accordingly. Such, very briefly, was the simple plan under which the existing system of Post Office savings banks was established, and it is still essentially the same. It need only be added that the postmasters render daily accounts of their savings bank deposits and withdrawals, which, with the paid warrants, are transmitted to the chief office in London. There they are subjected to examination and scrutiny, the whole arrangements being such as to provide an admirable system of check. The money, too, is remitted at once to headquarters, where it is handed over to the National Debt Office for investment in Government Securities.

It would appear that for the first few years the Post Office savings banks interfered to only a slight extent with the older savings banks. It is true that some of these latter closed voluntarily on the establishment of the new banks, and in this manner more than three-quarters of a million of money was transferred to the Post Office. But, on the whole, the new banks derived their business from sources which had hitherto not been reached. The Post Office, in fact, very much attracted a public of its own. There can be no question that the facilities which it offered for saving greatly increased the inducements to habits of thrift, and removed the temptation to waste. They also, no doubt, served to attract a poorer class of depositors than the old savings banks had been able to reach. In March 1865 a certain proportion of the open accounts in the Post Office savings banks was examined, in order that some idea might be obtained of the occupation of the entire number. The following table, which was published, is of much interest, showing, as it does, that the 524,340 depositors were made up as follows:—

Females, male minors, and trustees, ...	285,769
Mechanics and artisans, domestic and farm servants, porters, policemen, labourers, boatmen, fishermen, and seamen, ...	140,518
Tradesmen and their male assistants, farmers, and clerks of all kind, except those men- tioned below, ...	53,756
Males of no stated occupation, professional men, and their clerks or assistants, ...	31,353
Males engaged in education, ...	5,692
Persons in the army and navy, ...	4,682
Persons employed in the revenue departments, . .	2,570
Total, ...	<u>524,340</u>

The chief claim to the popularity which the Post Office savings banks so speedily secured rested no doubt on the many advantages they offered to the depositors. First and foremost amongst these was, of course, the complete security of the money deposited. Being placed with the Government itself, the depositors could have no better guarantee for the safety of it. Then there was the secrecy with which the business was conducted. Anyone who has come into contact to any extent with the poorer class will know how jealous they are of their savings being known to anyone. There are numerous cases known in which such persons have absolutely refused to become depositors from fear of their savings becoming known to others. In the Post Office the strictest secrecy is observed, and the general policy of the department is to invite confidence.

Another important advantage of the Post Office banks was their being open daily, for a lengthened period; whereas the old banks, as a rule, were open but once a week, for a very limited number of hours. Thus, in the old banks, the depositors had to suit their convenience and opportunities for depositing or withdrawing money to the day and hours when they were open. But in the Post Office they could go any day,

whenever they were able to snatch a few odd minutes, and transact their business. To the poorer classes, to whom time is of so much importance, this was an advantage to be highly prized. Moreover, the depositor, who, from the nature of his occupation or otherwise, moved about from place to place, could use any one of the numerous Post Office banks throughout the country that might be most convenient to him. This was a benefit which, of course, the older banks could not possibly afford. It was a boon to many and appealed to the depositors more especially in the matter of withdrawals. Carrying his bank-book about with him, the depositor could withdraw his money at the nearest money order office.

A further advantage, too, in connection with the withdrawal of deposits was that the depositor had only to wait two days for it after sending in the necessary notice. In the old banks, of course, a depositor could only draw out his money on the specified days when the bank was open. This, undoubtedly, led to large sums of money being wasted by the poor in borrowing for an emergency, and in waiting until the time arrived when the money could be drawn out of the bank. "If a poor person," wrote an intelligent writer, "wants £4 immediately, he would give 25 per cent. for it." Under the Post Office system of savings banks, the necessity for doing this was removed, for few would object to waiting a couple of days for their money.

It may here be mentioned that the rate of interest which the Post Office allowed to depositors in their banks was $2\frac{1}{2}$ per cent. on complete pounds. In the early years of the system, this rate of interest excited some discussion, many holding that it was too low, seeing that the old banks allowed 3 per cent. It had, how-

ever, to be borne in mind that in the Post Office there was an absolute guarantee of the safety of the money deposited. Also, that the Post Office yielded facilities and advantages which the Trustee banks could never hope to offer. No doubt these considerations weighed with the bulk of the depositors, else we should not be able to record the fact of the enormous sum of twelve millions sterling being deposited in the Post Office savings banks in little more than four years from the commencement. This fact alone is sufficient to show that at all events the rate was satisfactory to a large proportion of the population.

The main features of the plan of Post Office savings banks remained undisturbed until 1880, the business progressing at an enormous rate, as will be seen from the following table, which shows the average number of accounts, the average amounts standing to the depositors' credit, and the average number of savings bank offices open during the periods mentioned:—

	Average Number of Accounts.	Average Amount of Deposits.	Average Balance in each Account.	Average Number of Offices.
1863-1868	663,000	£ 7,000,000	£ s. d. 11 3 5	3,390
1869-1874	1,373,000	18,000,000	13 5 3	4,498
1875-1880	1,889,000	29,000,000	15 12 5	5,742

From 1861 to the year 1880, no legislation materially affecting the Post Office savings bank system was enacted. In the last-named year the late Henry Fawcett became Postmaster-General. Mr Fawcett is a historic figure in the annals of the Post Office, and his work in connection with the Savings Bank Department is so important that the narration of it may fittingly be reserved for a subsequent chapter.

CHAPTER V.

THE CLOSING OF OLD SAVINGS BANKS.

It has been seen that one effect of the Post Office savings bank on the old banks was to cause several to close their doors. There were many influences at work. The chief amongst these was no doubt the growing feeling of insecurity with regard to the money deposited in those banks. The freedom from liability of the trustees to the depositors, and the numerous cases of fraud that occurred, soon began to arouse wide-spread alarm. Although many of these banks advertised themselves as "Government Savings Banks," and had the words "Government Security" printed on their pass-books, the depositors had, as already stated, really no such security. All the responsibility that rested with the Government was as to the repayment to the trustees of the monies invested by them with the National Debt Office.

These banks had, there can be no question, performed good work. They were the original centres from which the principles of frugality and providence were preached. They also afforded to a large proportion of the population the only means by which these virtues could be practised. Nevertheless, the fact is not to be disguised that these banks lacked the one most essential attribute to a savings bank, namely, unques-

tionable security to the depositors. It has been well said that the great test of the excellence of any investment provided specially for the poor must be its absolute certainty. A little more or less in the amount of interest is as nothing compared with security. It was, of course, owing to this state of affairs that the frauds in connection with the old savings banks caused such disaster amongst the depositors. To one or two of these frauds we very briefly alluded in a previous chapter. A reference to one or two more will not be without interest or profit. The two most disastrous old bank failures, up to the more recent case of Cardiff, were those at Tralee and Rochdale.

The Tralee case is of especial interest, as it affords the first proof of the freedom from liability enjoyed by the trustees. The actuary had received deposits at all hours and in illegal amounts. For fifteen years he embezzled large sums every year, and discovery was only brought about at last by illness, when a deficiency of £36,000 was revealed. An official investigation followed. Awards to the amount of £16,000 were made against the trustees by the barrister, Mr Tidd Pratt, but the Court of Queen's Bench set aside his decision and established the practical immunity of the trustees. As a result, of course, the whole of the £36,000 was lost to the depositors.

At Rochdale the deficiency amounted to close upon £72,000, or nearly three-fourths of the deposits. It was thought that the Government would be responsible for the loss, and so general was this belief that 17s. in the pound were freely offered in the town for savings bank claims. This, of course, was quite erroneous, and the depositors lost £38,000, the remainder of the total amount being saved by public subscription and the sale of the actuary's effects.

In 1857 a Return presented to the House of Commons showed that the losses actually sustained by depositors in Trustee savings banks between 1844 and 1857 amounted to nearly £120,000. The chief failures since that date have been at Bilston and Canterbury; and in more recent times at Cardiff, Macclesfield, Chelsea, Sevenoaks, and Rochester.

Very serious disclosures were made in the case of the Cardiff Savings Bank by the Honourable Lyulph Stanley, who was appointed Commissioner under the Trustee Savings Bank Act of 1887 to inquire into the affairs of that bank. He found that the provisions of the Act under which the bank worked had for years been defied to such an extent that nothing less than invincible ignorance could, in his opinion, excuse the trustees and managers from the charge of having knowingly transgressed the rules made under Act of Parliament. The audit and checking of the accounts were absolutely disregarded. As a consequence, money was received which was not paid over according to the rules: deposits in excess of the statutory limit were habitually received, and many other breaches of the law were committed, all of which enabled the actuary to embezzle upwards of £37,000. The frauds were of the simplest and clumsiest nature. Nothing but extreme ignorance and disregard of the law by the trustees and manager could have permitted them to go on so long. A serious feature of the case was that the pass-books were headed "Cardiff Government Security Savings Bank," which naturally lulled depositors into a sense of security for their savings. The fraud only came to light ultimately on the death of the fraudulent actuary.

It was the same story at Macclesfield, where the clerk was able to embezzle £4000, and paid the

penalty of his dishonesty by being sent to penal servitude. These and other serious frauds naturally aroused a strong sense of insecurity amongst the depositors of the Trustee savings banks, and in 1887 the matter became the subject of much agitation in the press, which ultimately led to the passing of the Trustee Savings Bank Act of 1887. That Act authorised the appointment, under certain conditions, of commissioners to inquire into the affairs of particular savings banks, which was done, notably, in the cases of Cardiff and Macclesfield. In 1888 a Select Committee of the House of Commons was appointed to inquire into the management of savings banks. The chief recommendation made in its report, published in 1889, was the formation of an Inspection Committee of Trustee savings banks. This was carried into effect two years later by the Savings Bank Act of 1891, and in the same year the Committee of Inspection was established on a permanent basis. The powers of this Committee are extensive. It appoints officers to inspect the books and accounts of the Trustee banks; to report to the Committee from time to time whether each bank has complied with the requirements of the Acts and its own rules in respect of the security to be taken from the officials; to examine the conduct of its business, and to report whether any portion is excessive or unnecessary. The Act also requires the trustees of every savings bank to give all due facilities to the Committee for making its inspection and examination. Without going into unnecessary detail the Committee may be said to have the power of overhauling any Trustee savings bank generally, and if the result be unsatisfactory, the matter is reported to the National Debt Commissioners. These authorities may thereupon either

close the bank's account, or report the matter to the Treasury with a view to a Commissioner being appointed (under the 1887 Act) to inquire specially into the bank's affairs. Or they may adopt both of these courses.

The Committee, it may be briefly stated, consists of seven representative persons, of whom Sir Albert Rollit is chairman, and has its offices at 2 Throgmorton Avenue, London, E.C. The expenses of the Committee are allowed to be defrayed out of the separate surplus fund of the Trustee savings banks to the extent of £6000 per annum. Of this amount £777 is paid in fees to members of the Committee, £466 to the Secretary, £1720 to the inspectors, and £1076 for rent and travelling expenses. The Committee commenced its work on the 12th of November 1891, and issued its first annual report in January 1893. During the first year it inspected 167 banks. The work of the Committee has proved very beneficial to the old bank system. It found much laxity in the management of the banks, and in many cases neglect of the statutory requirements. In some cases it was found that the banks ignored their own rules. The Committee has effected much reform in these directions, and the old banks are now on a firmer footing than perhaps they have ever been.

The Trustee Savings Bank Act of 1891, to which reference has been made, was an important one in other respects. One section requires that such banks shall be described under the sole title of "Savings Bank certified under the Act of 1863," with such additional local description as may be required for the purpose of distinctiveness. No bank may now be designated in any manner which imports that the Government is responsible or liable to the depositors

for money deposited in the bank. By this means a serious abuse, which has already been alluded to, was removed. Another important clause enacted that the sanction of the Inspection Committee should be obtained before any portion of the separate surplus fund of a bank could be applied for from the National Debt Commissioners. The remainder of the clauses need not be entered into in detail. It will be sufficient to say that the Act generally has done much to strengthen the position of depositors in Trustee banks.

As will have been seen, there were several causes at work to force old savings banks to close their doors. But the chief reason is, no doubt, to be found in the reduction of the interest payable to trustees in 1888 to $2\frac{3}{4}$ per cent. per annum, and to depositors to $2\frac{1}{2}$ per cent. per annum. This was effected under the National Debt (Supplemental) Act of the year mentioned. At first, trustees had been paid interest annually at the rate of £3, 5s., so that the depositors received £3 per cent. In 1880, under the Savings Bank Act of that year, the interest was reduced to £3 per cent. per annum, and to depositors to £2, 15s. In their competition with the Post Office, the old banks had found this the one important advantage they possessed over the Government, who paid the depositors at the rate of £2, 10s. per cent. for the year. This advantage was removed by the reduction of interest to Trustee banks in 1888, and it was not surprising that many of these banks, seeing the hopelessness of struggling any longer against the immense superiority of the Post Office banks, resolved to close.

When a Trustee savings bank is about to be closed, the trustees are required by law (Savings Bank Act, 1861) to give public notice of the circumstance by letter through the post, prepaid, to each

depositor at his residence. The fact must also be advertised in the local newspaper, as well as by a poster affixed to the doors of the bank itself. The notice must be given to the depositors one clear month before the closing of the bank, and must include an intimation of the facilities afforded by law for transferring the money of depositors to the Post Office. These facilities are provided for under the Act of 1861, and consist in the transfer by certificate of a depositor's account from a Trustee bank to the Post Office without the necessity for any cash transaction. Under the same provision a Post Office account may similarly be transferred to a Trustee savings bank. The operation is a very simple as well as useful one. In the former case, a depositor upon application receives from the old bank a certificate signed by two of the trustees, showing the amount with interest due to him, and his account is then closed. The certificate he then takes to a Post Office savings bank, where it is received and an account opened precisely as if it were cash. The document is forwarded to the General Post Office in London, whence it finds its way to the National Debt Office, where the necessary transfer of the amount from the account of the savings bank concerned to the Post Office savings bank account is made. In the case of a transfer from the Post Office to an old savings bank, the certificate is received from the Postmaster-General, and is forwarded by the old bank to the National Debt Office. Otherwise, the operation is the same as in the other case.

It is usual, when an old bank is going to close, for the trustees to invite the assistance of the Post Office. This the Post Office willingly gives, if the bank is of any importance. It prints, and despatches free of

postage, the circulars to depositors, and sends a sufficient staff to the bank concerned, to assist the trustees during the period of the closing. For the time being, a Post Office savings bank is established on the premises. For the postal officials open savings bank accounts on the spot, and hand the new Post Office books to the depositors who have transferred their accounts. The depositors are thus spared the



POST OFFICE STAFF SENT TO ASSIST IN CLOSING
A TRUSTEE SAVINGS BANK.

trouble of having to go to a Post Office to complete the transfer. All they have to do is to hand their old bank-book to one of the old bank officials, who makes it up, with interest, to date, and marks it with a stamp that the account is closed and transferred to the Post Office. The depositor having received his book back takes it to one of the Post Office officials, who receives

it, and enters the amount of the balance shown in it as standing to the credit of the depositor in a Post Office book. All the necessary formalities incidental to the opening of a Post Office savings bank account having been concluded, the new book is handed to the depositor, who goes on his way rejoicing, his account being now with Her Majesty.

He can, too, before he leaves, add a further cash deposit, purchase Government stock through his account, insure his life, or purchase an annuity. All this he can do before he leaves the building. The trustees, too, receive valuable help and advice from the experienced officials of the Post Office. They are also saved much valuable time, as separate certificates are not issued at the closings where Post Office assistance is given. The transfers are entered on schedules, which are signed by two of the trustees at the close of each day's business. Thus they have only to sign a few schedules, instead of several hundred separate certificates, which otherwise they would have to do. These schedules are dealt with by the postal officials in the same manner as ordinary certificates, being sent to London. Thence they are forwarded to the National Debt Office, where the total amount is transferred from the account of the closing bank to the Post Office account.

The closing of an old savings bank affords an admirable opportunity for studying human nature, though not always in its most pleasing aspect. The slightest hint of the intention of the trustees of a savings bank to close is sure at the outset to bring a rush of depositors. They, of course, jump to the conclusion that the worst has happened, and that their hard-earned savings are entirely lost. The feelings of the masses are easily swayed. By the time a few

of the number have been promptly paid out in full, confidence is restored and the tide turned. Then it is that those who would be satisfied with nothing short of hard cash find themselves in a dilemma. If their savings amount to a respectable sum, say £100 or more, they experience a difficulty in finding a satisfactory mode of investment. The old bank cannot, of course, take the money back, and the Post Office and any other savings bank can only receive £50. There are, of course, the ordinary banks, but their ways are not readily understood by the class of people from whom savings bank depositors are drawn.

Among the many traits of character which the closing of an old savings bank reveals, the casual observer can hardly fail to notice the greed of gold which abounds among a large proportion of the depositors. The dirtiest and most poorly clad creatures will come in and demand their money, amounting often to large sums varying from £100 to £200, and, as their fingers close over the crisp notes and shining gold, an avaricious look betrays itself on their faces. When such depositors have made up their minds to see the colour of their money, it is useless to reason with them as to the advisability of placing the money in a safe investment like the Post Office. No power on earth will move them. Most of the depositors of this character have not the slightest idea what to do with their money; but as the old bank in which they had reposed their confidence is dying, they prefer to take the notes and gold to their homes to gloat over. Sometimes some of them will think better of the matter, and in a few days return with probably the whole of the money for investment in the Post Office. Others will keep the money idle for years, as has been known in the case of banks on which there has been

a temporary run. Depositors who had drawn out all their savings have come back ten and fifteen years after with the identical bank notes they had received, for re-investment. This class of depositor is fortunately not numerous, and the majority are more or less amenable to reason, or to the wiles of the bank and Post Office officials, who advise them in their own interest to transfer to the Government.

Notwithstanding the popularity of the Post Office banks, the closing of an old bank reveals the curious circumstance that there are many persons who view the Government institution with considerable disfavour. One of the first questions frequently asked by a depositor who is considering the advisability of transferring to the Post Office is, "Is it safe?" as if aught but a revolution could shake the security of the Post Office banks. Many a time a depositor has been heard to exclaim, "Ah, I hope it'll be as safe as it was in the old bank." Having resolved their doubts as to the safety of the Post Office bank, the depositor's next trouble is the compliance with the formalities necessarily incident to such a system. It is, perhaps, not to be surprised at that they overlook the fact that the central bank of the Post Office is in London, and that the local post offices are but the agents of the chief office. The depositors have always been in the habit of going to one particular building, where each one is individually known to the officials. Hence, of course, much of the formality otherwise necessary can be safely dispensed with. The depositor in an old bank cannot realise that on transferring to the Post Office he can use any Post Office savings bank office. His constant inquiry is, "What Post Office shall I have to go to?" or, "Must I always come here in future to deposit or withdraw?" And it is

with an incredulous look that he receives the reply that with his new book he can go to any one of the many thousand Post Office banks in the United Kingdom.

The form of declaration is a frequent source of trouble to the depositor who is transferring his account from an old bank to the Post Office. The object of the declaration is to make sure he has no other savings bank account. But though he will cheerfully sign the document, it will sometimes transpire, just as the transaction is being completed, that he has a "Post Office book at home." This statement at once creates a dilemma which taxes the ingenuity of the Post Office officials to satisfactorily overcome. The act of signing the declaration is also of itself one of difficulty, and sometimes causes amusement. There is less trouble with those who cannot write at all than with those who have only a slight acquaintance with the caligraphic art. In the former case, a mark can be easily made and attested. But in the latter case, much trouble and delay are often caused, a depositor frequently taking five minutes to write his name. When it is written the clerk dealing with the case often needs to be something of an expert at handwriting to be able to decipher the name, so badly is it written and spelt.

Old bank closings brings strongly to light the providence of the poorer classes. Persons following the humble calling of street hawkers, minstrels, flower-sellers, and the like are frequently to be found with balances to their credit varying from £100 to £200 and even more. For although the limit is £200, a depositor of a saving turn of mind will open a second account in the name of a relative, who acquiesces in the transaction, and accords the depositor

full control over the account. This he cannot do with such ease in the Post Office. It sometimes happens, therefore, that an old bank depositor will have a larger amount to transfer than the Post Office can receive as a deposit. In such a case £200 can only be taken on deposit, but an extra £200 can be received for investment in Government Stock, and this course is usually recommended. Depositors are, as a class, however, as yet imperfectly acquainted with the nature of such investments. An illustration of their ignorance on this point is to be found in the case of an old lady, who, on being advised to invest her surplus savings in stock, replied she had no mind to do that, as she had nowhere to keep the animals!

Many little family secrets come out at an old bank closing, but they are, of course, kept inviolate by the officials. There are married women who, with an unfortunate want of confidence in their husbands, will take every precaution to preserve the secrecy of their accounts. Mothers saving money for their children will open accounts in their names, but will keep the matter, as well as the deposit books, to themselves. People of this class rather dislike the acknowledgments sent out by the Post Office, as it advertises the fact of their being depositors. But the Post Office is accommodating, and overcomes this little difficulty by sending the document to a Post Office, "to be called for," if so desired.

Sentiment enters largely into the transactions with old bank depositors. This is amply shown by the affection they evince for the old banks and their loudly expressed regrets at the dissolution of these well-tried friends. In many instances, depositors will beg hard, with tears in their eyes, to be allowed to keep their old bank deposit books as a reminiscence

of the past, and it is not difficult, as a rule, to persuade the actuary to comply with the request.

As an illustration of the amusing incidents that sometimes occur in connection with old bank closings may be mentioned the case of an old lady who brought a £200 note to be deposited in the Post Office savings bank. When the transaction was completed, and her new deposit book had been handed to her, she remarked, with an air of innocence worthy of the heathen Chinese, "You have not given me back my note." This lady evidently wanted to have her cake as well as eat it.

In concluding this chapter it may be stated that the total number of old savings banks which have closed their doors is 421. This number represents 485,718 depositors, with £14,035,037 standing to their credit. Of this large amount more than half, namely, £7,994,908, has been transferred to the Post Office. In addition £235,652 of Government Stock was transferred from these closed banks to the Post Office, while £610,704 is estimated to have been paid in cash. The bulk of these banks were established in England and Wales, the number in Scotland and Ireland being comparatively small. In the former country, indeed, only 13 have been closed, representing 4242 depositors, with £60,125 to their credit. In Ireland the number is somewhat greater, being only, however, 41, with 14,276 depositors having £534,544 standing to their credit. It will thus be seen that in England and Wales the number of banks which have closed is 367, in which there were 467,200 depositors having to their credit £13,440,365.

Some of these were very large institutions, exercising a wide influence, and their closing came as a great blow to most of the depositors. Perhaps the

largest was the St Martin's Place bank in London, which came to an end as recently as 1896. This bank was established as far back as 1816, and during its existence had done much good work. At the time of its being closed there were 19,500 depositors who had £867,949 standing to their credit. Next in importance was the Birmingham savings bank, with 33,100 depositors and £583,461, which closed its doors a few years after the institution of Post Office savings banks. It had been in existence since the year 1827. Cardiff and Macclesfield were both influential banks, and came to grief, as we have seen, through the defalcations of the actuaries. Other banks of importance, having more than £100,000 standing to the credit of the depositors, which have disappeared, were the Chelsea, Cambridge, Truro, Bristol, Bath, Portsmouth, Oxford, Northampton, Southwark, Salisbury, and Worcester institutions. In Scotland the most important closed bank was that at Banff, with only £16,412 to the credit of the depositors; while the Drogheda bank, with £62,345, and Newry bank, with £56,783, are the most important of the Irish savings banks that have closed.

All of these banks were open a considerable number of years, and during their existence did much valuable work in the cause of thrift in this country. In course of time, however, circumstances already alluded to arose, which they were unable to resist, and they had no other choice than to close. The less sound and weaker of the Trustee savings banks have thus been swept away, but the larger and stronger banks are still, it appears, able to hold their own.

CHAPTER VI.

PENNY BANKS.

It is a time-worn adage that if you take care of the pence the pounds will take care of themselves. It was no doubt in view of this principle that, as the education in thrift progressed in this country, the workers in the cause of providence began to see that provision would have to be made for the saving of pennies. It has been said that the light in which the poor man regards a penny betokens, as a rule, whether he is thrifty or extravagant. However that may be, there can be no question of the importance of affording facilities for saving penny by penny. The savings banks offered no means of doing so. It was left for the reformer, therefore, to institute supplementary banks wherein pennies could be deposited.

Penny banks are of comparatively recent origin. The first bank of this kind was opened at Greenock, in 1857, by a Mr Scott of that town. The minimum amount of deposit in the Greenock savings bank, as in all other savings banks, was restricted to one shilling. It occurred, therefore, to Mr Scott that the very poor ought to be provided with a safe place in which to deposit their surplus earnings. It was constantly being urged on them that they should take care of their pennies, which, when left in their own

PENNY BANKS.

possession, proverbially and quickly burnt holes in their pockets. But hitherto little had been done to help them to act on this advice. So it came to pass that the Greenock Penny Bank was started. That such an institution was much needed, and that the poor were ready to avail themselves of the advantages it offered when placed within their reach, became quickly evident from the unqualified success which attended the scheme from its commencement. This is shown beyond dispute by the fact that in the first year of its existence 5000 depositors placed the sum of £1580 in the bank.

The success of the Greenock Penny Bank soon began to tell all round, and the example that had been set here was not long in being followed by private establishments and charitable institutions. In 1858, Mr Queckett, an East of London clergyman, established a penny bank in connection with Christ's Church, St George's-in-the-East. The success of this bank was remarkable, 15,000 deposits being made in it in the first year of its existence. For some reason or other the number of depositors was limited to 2000, and so great was the demand that there were always several applicants for any vacancy that might occur among the favoured number. No doubt, Mr Queckett found that number sufficient for one person to control; at all events, the whole of the repayments passed through his own hands.

In the year 1859 a penny bank was established at Leeds, which has grown into one of the most notable of all such banks. The idea took amazingly in the district, and so successful was the Yorkshire Penny Bank, as it was called, that, in its first year of existence, it had opened 58 branches, and the deposits had accumulated to nearly £80,000. This bank is, of

course, not in any sense a commercial undertaking for the sake of gain. It is an association founded solely with the following objects:—*Firstly*, "The receiving deposits for safe custody and investment, the keeping and investment of the same, and the repaying the amount with interest to the depositors." *Secondly*, "The doing all such other lawful things as are incidental or conducive to the attainment of the above objects, or any of them." It follows, of course, that there are no dividends, bonuses, or divisible profits. Indeed, any such motives are emphatically prohibited in the Association's Board of Trade license. Officially described, the association is a joint stock company, being limited by guarantee: that is to say, no shares are taken up in it, but a certain number of gentlemen have given their names as security, so to speak, and by the signing of articles of association have guaranteed the amount placed opposite their names. In the event, therefore, of any untimely end or liquidation of the bank, which is a very remote contingency, these members are liable to be called upon to pay the whole or part of the sums they have made themselves responsible for. Among these guarantors, the number of which is upwards of a hundred, which can, if desired, be increased to five hundred, are a host of honourable and distinguished names. The bank's reserve fund is invested in Government securities, and the interest derived from this fund is used to defray all expenses, current profits being only used to defray the balance of such expenses. The principal of the fund is kept as intact as possible.

The head office of the Yorkshire Penny Bank is at Leeds, and the county is divided into at least thirty-nine districts, each having one or more branches. The

total number now established amounts to more than 500. The largest district is that in Leeds, which has about 70 branches. The Halifax and Bradford districts come next in point of numerical strength. Each district has a treasurer and generally also a banker. Every branch has an actuary and several managers, numbering never less than two. There is an allowance of 2 per cent. per annum on the amount belonging to each branch, made to cover the expenses of managing the branches; and also one shilling for every hundred transactions—that is, deposits and withdrawals. These allowances are generally given to the actuary as a slight remuneration for his services. But the managers give their services and time gratuitously to the mission, being actuated by motives of philanthropy and charity. The whole of the extensive system is under the direction of a general manager, aided by a sub-manager, and a staff of paid officials. The accounts are periodically thoroughly investigated and audited, and are presented to the annual general meeting of directors held at Leeds.

The aim of this institution is to inculcate thrift and the spirit of saving upon the minds of the poorer classes in the county. All the rules and regulations are accordingly based upon the principle of affording every facility and assistance to so praiseworthy an object. Deposits of any amount from *one penny* upwards may be made, and there are no restrictions as to withdrawals. In the case of the branch banks, a week's notice is required for withdrawals of £5, and a fortnight's notice for all larger sums. At the central bank at Leeds, and those places at which daily banks have been opened, depositors are allowed to withdraw their money, to the extent of £20, without notice at all. Interest at the rate of 3 per cent.

per annum is allowed on deposits of £1 and upwards which remain in the bank for one calendar month or more. It is also in the power of the directing Board to open investment accounts for sums of £50, which must remain in the bank not less than three calendar months. Interest is allowed at the rate of $3\frac{1}{2}$ per cent. per annum, such deposits being subject to one month's notice of withdrawal. The extent to which advantage is taken of the facilities offered by the Yorkshire Penny Bank is evidenced by the fact that last year 2,291,882 deposits, amounting to £7,156,428, were made. At the close of the year there were 382,746 accounts remaining open, representing £10,807,360 sterling!

The benefits which have accrued from this most successful of penny banks can hardly be over-estimated. Its cardinal principle, as Colonel Ackroyd, its chief founder, has pointed out, is *to help the poor to help themselves*, and in this great and laudable aim the bank has been admirably successful. But, besides its success in this direction, the institution has done much good in other ways. It has brought many individuals of the community closer together. It has given them an object of common interest and created a bond of sympathy which would, probably, otherwise be lacking. It has tended, too, in a very material degree, to soften and tone down the rougher element of the poorer classes, amongst whom the operations of the bank are prosecuted. Not only so, it likewise appears to have united families more closely, and awakened that honest pride and self-respect which are necessary for the success, the respectability, and the general welfare of any community. Such influences are the more apparent in the country districts where everybody knows everybody. Writes

Mr Peter Bent, formerly the indefatigable general manager of the bank:—"In these districts, everybody knows when John Brown buys a pig, or when little Jemmy Short gets a new Sunday suit, or Sarah Smart gets a new bonnet and shawl, or dress, etc.; and they have a shrewd guess, if not an actual knowledge, how they have got them. 'Dos't ta knaw,' one woman will say to another, 'he's been saving money in t' benk?'" This cognisance of one another's doings must tend greatly to spread the good work. The knowledge, and, indeed, ocular demonstration of the substantial benefits and comforts being derived by those who are "saving money in t' benk," assuredly create a fine spirit of emulation amongst others who have not as yet in any way begun to save money.

The instances of the good done by the Yorkshire Penny Bank are innumerable. A father being maintained during a long and tedious illness, *without parochial assistance*, by the bank deposits of his sons and daughters; a mother being decently buried by the savings of her son; a poor man, by his savings, buying the *first overcoat he ever had*; parents putting by a shilling a week in order that their only son might have something when he came of age: these are but a few of the host of illustrations on written record of the self-denial, the thrift, and moderate frugality which this bank has engendered among the humbler classes of the county from which it takes its name. Its influence has also been used to good purpose in smoothing down "class asperities," as Mr Bent terms them. In the branch districts, the managers have the opportunity of saying kind words to, or making gentle inquiries about the depositor or his family. Such words are sure to be taken home and treasured by the circle.

It was thought at one time that the establishment of the Post Office savings bank might have lessened the usefulness of the Yorkshire Penny Bank, but this has not proved to be the case. The existence of the two institutions has not proved prejudicial to the interests of either, nor have they clashed in any way. We have devoted several pages of our space to this bank, and we have felt justified in doing so, because it is undoubtedly to be regarded as one of the best of our philanthropic undertakings supported entirely by the efforts of private individuals. Surely, therefore, the good work it has done, and is still doing, cannot be too widely made known.

Two penny banks were established in 1849, one at Hull and the other at Selby. The clergymen and gentry of both towns joined together to form an institution "which should create and foster habits of regularity and frugal economy among the poorest people." These banks were to afford an opportunity for the deposit and safe-keeping of the smallest sums of money, repayable with interest when required. Other penny banks were established at Birmingham in 1851, York 1854, Halifax 1856, Derby 1857, and at Southampton and Plymouth in 1858. Since that year the number has largely increased, but there are no means of knowing what the actual number now in existence is. But there can be no doubt the number runs into several thousands. The National Penny Bank, which was established in 1875, does much excellent work in the metropolis of London. At the close of last year it had nearly a million and a half of money standing to the credit of its depositors, who numbered nearly 119,000. In Scotland the movement spread even more rapidly than in England, and in Glasgow the penny bank system flourishes to an

extent unknown in any other neighbourhood. No fewer than sixty-eight such banks sprang into active operation in and around that city within a few years of their first establishment. They all deposited their money with the Glasgow savings bank.

In August 1859 an Act of Parliament was passed under which penny banks were enabled to invest the whole of their proceeds in savings banks. This appears to have given an impetus to the cause, and soon after every savings bank of any importance, we are told, had affiliated penny banks. From the earliest days of its savings bank business, the Post Office, too, has afforded a fostering encouragement in the formation of penny banks. This it does by the gratuitous supply of books and information, and the investment of their funds with the Government, thus obtaining a guarantee for their absolute security. Any penny bank desiring to receive the special aid which the Post Office gives in establishing penny banks in connection with the Post Office savings bank has only to make application for it on a form which can be obtained at any Post Office where savings bank business is transacted.

This form must be filled up and forwarded, together with a copy of the rules of the penny bank, either in print or in manuscript, to the Controller, Savings Bank Department, General Post Office, London. These rules must contain a clause limiting the amount standing to the credit of an individual depositor in the penny bank, at any one time, to £5. With this exception the rules may be drawn up as the managers of the penny bank think fit. For the convenience of managers, the Post Office furnishes specimen rules, and if these be adopted all that is necessary is that a copy should be filled up

and forwarded to the Controller of the Savings Bank Department. Further, the Post Office will supply deposit books or cards, for the use of the depositors in a penny bank, free of all cost, on receiving application for a specified number. If the number required be large, the rules and the names of the trustees will, if required, be printed on the books or cards. Cash books and ledgers, properly ruled to meet the requirements of a penny bank, are also supplied, but for these a charge merely sufficient to defray their cost is made, namely, 1s. 6d. the set, or 9d. each book.

These facilities have, as may be imagined, proved of especial value in fostering the establishment and sustaining the utility of penny banks. At first the success of the Post Office in this respect was slow and gradual. But as the knowledge of the special aid given by this department extended, greater advantage was taken of it, and it was not long ere the Post Office could boast of having the charge of the funds of about 450 of these banks. Ministers of all denominations, employers of labour, and other benevolent persons, soon became fully alive to the benefits of such means of improving the social status of their more humble neighbours, and freely availed themselves of the assistance offered by the Post Office in such laudable efforts. At the present time, the number of penny banks whose funds are deposited with the Post Office is about 5000, and during the last year no less than 453,000 books for the use of depositors were supplied gratuitously to the managers of penny banks. It may be here mentioned that a depositor in a penny bank is at liberty to have, at the same time, an account with the Post Office savings bank, and this he can open without attendance at a Post Office as a result of further facilities afforded by that department.

One important result of the spread of penny banks, and the facilities in respect of them afforded by the Post Office, was the establishment of such banks in connection with schools. A writer in the *British Quarterly Review* for January 1878, on the subject of savings, remarks that, "It is affirmed by some that every movement destined to affect any large body of the community must have its origin in the rising generation." It was no doubt in that light that the subject of education in thrift was looked upon by many at that time. At all events, an earnest endeavour was made to establish penny banks in connection with schools—day, Sunday, and even ragged schools. That endeavour appears to have met with successful results, for penny banks in schools soon began to be extensively established. The special aid offered by the Post Office gave an impetus to the movement, and we are told that, in 1877, of 289 penny banks connected with that department, 18 were in Board schools, 20 in Sunday schools, and 30 in other schools. One, indeed, was in a Poor Law Union School, under the management of the master, and chaplain of the workhouse, where even the modest sum of a farthing was received as a deposit.

The most striking advance which the movement made was in 1891, when the Free Education Act was passed. The Government of the day considered that the opportunity was one which should be taken advantage of to induce parents and children alike to save the school fees they were no longer obliged to pay. The result was a conspicuous extension of school penny banks in connection with the savings banks. But the Government went further than this. The Education Department, in concert with the Post Office, by means of a circular, urged school managers

to press the matter upon all concerned. Special stamp slips were prepared and issued. Managers were supplied on credit with stocks of stamps to be sold to the children, and clerks from the nearest Post Offices attended at schools to open accounts and receive deposits. As regards the stamp slips it may be stated that these forms contain spaces for twelve penny stamps, and, when twelve unused penny postage stamps have been affixed thereto, are, under an arrangement which will be fully explained in the following chapter, accepted as shilling deposits. Forms containing spaces for forty-eight stamps, folded to a convenient size, and printed on much stouter paper, not requiring the protection of an envelope, are provided for the special use of schools. The name of the school, with a space for the scholar's name, will be printed on the forms. School managers requiring a credit stock of stamps can obtain them on furnishing the Post Office with a letter of indemnity, signed by two householders, on a form provided by that department. On the day appointed for the receipt of the pence saved, the manager, or teacher, will exchange the pence for stamps. He then sees that the stamps are affixed to the proper forms, which the children will take home as evidence to the parents of the money having been paid in. The forms can then either be kept by the parents or returned to the school until the next depositing day. When the school is within a reasonable distance of a Post Office, and the number of depositors and the amount to be deposited are sufficient to justify the cost, a Post Office clerk will attend at the school at certain intervals, say, monthly or quarterly, according to arrangement, to receive the completed stamp forms as deposits in the Post Office savings bank.

THE WEST HAN NIXED SCHOOLS PENNY BANK.



If the school be situated in a remote district, or in cases where the transactions are not numerous, the following arrangements have been made to assist the managers and teachers in bringing the deposits to account:—

(1) To open an account for a child over seven years of age, a declaration form should be filled up and signed by the child. The form should then be presented, with the completed stamp slip, at a Post Office savings bank by someone connected with the school. A deposit book would then be issued in the child's name and handed to the applicant. If the child is under seven the declaration form should be filled up and signed on behalf of the child, and presented at the Post Office in like manner. A supply of declaration forms can be obtained at any Post Office savings bank.

(2) If it be inconvenient for any one connected with the school to attend at the Post Office, the stamp deposit forms, together with the declarations, can be forwarded in a registered letter envelope to the Post Office. Special envelopes are provided by the Post Office for the purpose, the postage and registration fee not being charged. The deposit books, when issued, are forwarded by post to the manager or teacher. It only remains to add that stamp deposit forms can be deposited in accounts already opened by forwarding the deposit book with the forms.

Such, in brief, are the special facilities for the saving of school pence which the Post Office affords for the encouragement of thrift in cases where school managers and teachers find the penny bank system unsuited to their requirements. That they have done much to bring home to the young the advantages of saving, and in teaching them early habits of thrift, is unquestionable. The arrangement was begun in

January 1892, and at once 1400 schools adopted the scheme. Three years later this number had risen to 3000. A sum of nearly £14,000 was estimated to have been deposited in schools in five months, and about £40,000 in the first year. This movement for the promotion of thrift in elementary schools spread fast and far at first, but in 1895 it was reported to be showing signs of having spent its force. Nevertheless, about 2000 schools have adopted the plan, and during last year 159,000 stamp forms were supplied to schools, which facts speak with no uncertain voice as to the duration of the success of this measure in the cause of thrift.

Penny banks, as has already been remarked, are in the nature of auxiliaries to the larger institutions, and as such they have indubitably effected a great deal of good. One who took an active interest in the cause remarked that "the saving of pence proves a training to habits whereby ultimately larger sums are saved." And, he adds, "the virtues of industry and providence are cultivated and confirmed." Of the soundness of these sentiments there can be no question. Penny banks are peculiarly institutions of a preliminary character for the poorer classes. Simple in their operation, they can surely perplex none, and, being open during evening hours on Saturdays, they are well adapted for working populations. As, therefore, "the most salutary change is made in a man's habit, perhaps in character," to quote Mr Lewins, "when he *begins* to save," there can be no doubt that penny banks deserve every countenance and encouragement.

CHAPTER VII.

MR FAWCETT AND THE POST OFFICE SAVINGS BANK.

THE Post Office savings bank was, from its very beginning, a markedly successful institution. Year by year it increased with giant strides. Up to the year 1880, however, the system had been carried on in the same groove. So that although the growth of business was enormous, yet no radical changes or fresh features had been introduced. The history of the institution up to that time was simply one of gradual expansion upon the original lines. In the year named, the Right Hon. Henry Fawcett was appointed Postmaster-General, and, with his advent, things at the Post Office were rapidly altered. His selection for this appointment was a peculiarly happy one. For Mr Fawcett himself, it was fortunate, because the work appears to have been of a kind that was eminently congenial to him. To the nation, it was most advantageous, as is amply proved by the brilliant record of earnest work and unremitting efforts to ameliorate and reform wherever necessary, which Mr Fawcett has left behind him.

Before he took office, Mr Fawcett had acquired a well-earned reputation in the political world. And, but for the sad accident which totally deprived him of eyesight at the age of twenty-five, the brilliant

future which had been predicted for him when he was quite a young student would unquestionably have been fully realized. The enthusiasm and energy with which he entered into his studies when at Queenwood College, Hants (under Professor Tyndall), King's College, London, and finally at Cambridge, fully warranted such expectations. As it was, indeed, his career bade fair to be an exceptionally bright one. The story of his terrible misfortune, and of the courageous manner in which he overcame all the difficulties besetting his darkened path, are already matters of history. His achievements, both at Cambridge University and in Parliament, have also been so widely ventilated that it is not necessary to dwell upon them here, further than to remark that, although never a brilliant orator, in politics he was always listened to with respect, as one whose words were those of wisdom, and whose opinions were always sound. His earnest advocacy of the amelioration of the conditions under which the natives in India lived, together with his staunch independence in many other political matters, soon gained for him a well-known name in the world. After all, however, it can hardly be doubted that he will hereafter be best remembered by the public by his connection with the Post Office.

As soon as he took office, Mr Fawcett appears to have forsaken politics. This was, no doubt, owing partly to his official position, but it was also probably as much due to his own desire to give undivided attention to the numerous departmental questions which so thoroughly engrossed his mind. (As a professor of political economy, Mr Fawcett was naturally a strong advocate of the principles of thrift.) He was, therefore, not slow in turning the existing machinery at

to the most uneducated mind. It is this simplicity that may be regarded as the most pleasing feature of the scheme, a simplicity that applies as much to the Post Office in working it, as to the public in using it, for the plan is encumbered with no account work or detailed records. The scheme was first brought into operation experimentally on the 13th September 1880, in the counties of Cardigan, Cumberland, Kent, Leicester, Norfolk, and Somerset in England and Wales; in Aberdeen and Ayr in Scotland; and in Down and Waterford in Ireland. The result of a few months' trial of the plan was so entirely satisfactory that it was forthwith extended to every Post Office savings bank, and the result has been markedly successful. The measure enabled the Post Office to reach many classes with whom they had hitherto had no contact. Many a person to whom a shilling is a large sum can, and willingly does, save penny by penny. More especially amongst children has the plan been successful. Mr Fawcett remarked, with pardonable pride, that there had been a substantial increase in the number of children who had become depositors. The system was, as we have seen, started experimentally in certain counties in September 1880. In less than three months it was extended all over the country, and by the end of March 1881 (little more than six months) more than 576,000 slips had been received, and more than 223,000 new accounts opened thereby. At the present time the amount saved by means of postage stamps is at the rate of £92,000 a year.

Mr Fawcett, having effected facilities for taking the first steps in thrift, was not content to stop there. He was also anxious to expand the savings bank generally, in order to meet the want of those who might be said to have learnt the lesson of providence,

and who now began to appreciate the benefits resulting therefrom. Nor did he allow the grass to grow under his feet, for also in 1880, his first year of office, he carried through Parliament an Act to allow of small investments in Government Stock. The main features of this important measure were, that depositors in Trustee or Post Office savings banks could, on request, transfer their deposits to Government Stock. The lower limit was fixed at £10, and the higher limit £200, or the amount of the current price of such stock, with the addition of the commission, whichever sum is least. In the savings bank year, the amount of stock purchasable was not to exceed £100. Likewise, the depositor could, on request, sell the stock standing to his credit. The dividends accruing on such investments were to be dealt with in the same manner as interest on deposits. Of course, sums could also be specially deposited for immediate investment in stock within the prescribed limits. The charges for brokerage for purchase were to vary from 9d. to 2s. 3d., the dividends being collected free of charge.

The measure met with some opposition from the banking interest in the House of Commons, notwithstanding the manifest advantages it designed to afford to persons with small savings to invest. Mr Fawcett's undaunted perseverance overcame all obstacles, and, on the 22nd November 1880, the provisions of the Act were carried into operation. That the system met a public want cannot be doubted in the light of the success that has subsequently attended it. By the end of the year 1880—in about six weeks—more than £127,000 of stock stood to the credit of savings bank depositors.

The system is an extremely simple one. Invest-

ments can be made in $2\frac{1}{2}$ per cent. consolidated stock (1903), $2\frac{1}{2}$ per cent. annuities (1905), $2\frac{1}{2}$ per cent. annuities, and local loans 3 per cent. stock. They can be made either by means of money deposited specially for the purpose, or by ordinary deposits made previously, or partly from one and partly from the other. Since the original Act was passed, the limits of investments have been altered by law, and any amount of stock may now be purchased from 1s. upwards to a maximum limit of £500. The annual maximum limit is now £200, but, in addition to this amount, a depositor may purchase stock to replace stock previously sold in one entire sum during that year. The total amount of stock which a depositor may purchase is, as stated, £500. But if, having this amount, he reduces it, either by sale, or by a transfer to the Bank of England, or by obtaining a stock certificate with coupons attached, he is then at liberty to make further investments (subject to the annual limit) until he has again £500 to his credit. Purchases of stock do not, of course, affect in any way the limits for ordinary deposits. Thus a depositor may have £200 in the Post Office savings banks as ordinary deposits and £500 invested in stock, or £700 in all. For the purpose of purchasing stock a depositor must make application on a form obtainable at any money order office. This form he must fill up, sign, and forward, together with his savings bank book, to the Controller of the Savings Bank Department, General Post Office, London. If he has deposited money for the purpose of an immediate investment he need not send up his book until he has received an acknowledgment of the deposit. Within seven days from the receipt of the application in London, the depositor's account is charged with the current price of the stock pur-

chased and the commission for brokerage, the necessary entries being made in the deposit book. The depositor is then credited with the equivalent amount of stock in the Post Office Register, and an investment certificate sent to him by post.

When the depositor desires to sell his stock, or any part of it (not being less than a shilling), he must send a signed application, together with his bank book and investment certificate, to the Controller of the Post Office savings bank. Within seven days therefrom the sale will be effected at the current price of the day of sale, and a warrant for the amount realised, less commission, is forthwith sent to the depositor.

Dividends due on stock purchased through the Post Office become due on the 5th of every quarter month, and are credited in the depositor's book when received in the savings bank department for annual examination. The commission chargeable on investments in and on the sale of stock (including the receipt of dividends) is 9d. for stock not exceeding £25, and a further charge of 6d. for every £25 or part thereof to £100. The charge for stock over £100, and not exceeding £200, is 2s. 9d. Stock Certificates, with coupons annexed, under the National Debt Act, 1870, can be obtained by a depositor on application to the Controller of the Post Office savings banks, under conditions fully set forth in the Post Office Guide. Depositors can also, under the Savings Bank Act of 1887, have any stock they may have purchased through the savings banks transferred to their own names at the Bank of England.

Such, briefly, are the main features of the system for investing money in Government Stock through the agency of the Post Office, and it will be seen that the

routine is of the simplest character, capable, one would think, of appealing to the meanest intellect. That the system has been widely taken advantage of is evidenced by the following statistics:—In the first five years the average annual business was 14,000 investments, 5000 sales, and £1,554,000 stock remaining at the end of the year. In the following five years (1886–90) the figures were 19,000, 11,000, and £3,776,000. The next five years (1891–95) showed a further marked progress, the statistics being 23,000 investments, 16,000 sales, and remaining stock at the end of the year £6,206,000. In the year 1896 there was a sad falling off in the investments, which reached only to 17,000, while the sales increased to 18,000. The stock remaining at the close of the year was £6,892,000. The figures for the last year are as follows:—16,935 investments amounting to £1,078,849, and 13,769 sales amounting to £796,486. The amount of stock which stood to the credit of the depositors at the end of the year was £7,035,564. The appreciation of consols has, of course, checked the extension of the functions of the Post Office savings bank in this direction of business. This was only to be expected. Nevertheless, the statistics which have been quoted go far to show that the system has at least assisted a large number of the poorer classes to acquire a “stake in the country.” It should be added that stock business can also be transacted through the Trustee savings banks under the same provisions and regulations as those governing the Post Office bank.

There were further fields in which Mr Fawcett could labour in the encouragement of thrift as affected by the Post Office. Thus it was readily to be conceived that the system of life insurance and annuities would sooner or later engage his

earnest attention. As, owing to the importance of the subject, we shall devote the next chapter to the insurance and annuity business of the Post Office, it will be sufficient to say here that the system which Mr Fawcett found in existence when he came to that department fell very far short of what had been anticipated from it. For various reasons it never seems to have operated successfully. Accord-



THE LATE RIGHT HONOURABLE HENRY FAWCETT, M.P.

ingly Mr Fawcett took the matter in hand, linking the system with that of the Post Office savings bank, so that payments for annuities and insurances are now made through deposits in that bank. Mr Fawcett's desire was only to establish a simple and economical system under which poor people could insure their lives and purchase annuities, and to that extent he may be said to have succeeded in his work.

Mr Fawcett had the work of the savings bank very much at heart, and used every means in his power to extend and develop its sphere of utility. He advertised its facilities and advantages in every possible way. The distribution of house-to-house notices was frequent. He also caused to be distributed gratuitously far and wide a very useful pamphlet drawn up by himself, entitled, *The Post Office, and Aids to Thrift*. Its object was succinctly stated in the few words of preface which expressed the hope "that a description of the agencies in operation at the Post Office for the deposit of savings, the investment of money in Government Stocks, the sending of money from place to place, for effecting life insurance and purchasing annuities, may prove useful to the industrial classes and to those who are anxious to encourage habits of thrift among the people." Canon Blackley thought so highly of the pamphlet that he devoted an article to it in the pages of the *Contemporary Review*. "I do not believe," he writes, "that a better or more enlightened use of public money, or of the time of public men, was ever made, than in the preparation and distribution of this simple little book." So useful did he consider it that he thought it "ought to be made the subject of direct and careful teaching, at all events to the three upper standards in every elementary school throughout the land."

There can be no doubt that Mr Fawcett, by his untiring efforts and ceaseless energy, gave to the work of the Post Office Savings Bank an impetus which has carried that department on to its present marvellously successful and useful position. It was his constant endeavour, by speech and pamphlet, to make the system familiar and acceptable to all classes of the people.

CHAPTER VIII.

GOVERNMENT LIFE INSURANCE AND ANNUITIES.

THE advantages of life insurance and of making provision for old age by means of annuities are now so well known and recognised as to require no advocacy here. They may be taken as an accepted fact. What we are concerned with are the means open to the poorer classes for availing themselves of those advantages, through the Government, and to this end the Post Office offers the widest facilities. Since 1864 that department has undertaken this class of business. Prior to that date, even, the matter had not been overlooked. Mr Whitbread, indeed, in 1807, advocated, in connection with his plan for investing the savings of the poor, that some means should be provided by which they might insure their lives under the responsibility of the Government. But in this, as in his savings bank scheme, Mr Whitbread was very many years in advance of his age.

Before the year 1864, Government annuities were granted either directly through the National Debt Office, or through the medium of the ordinary savings banks, under the authority of various Acts of Parliament, beginning with an Act on the subject passed in 1834, which was the commencement of legislation on

the subject. Many of the savings banks, to a certain extent, availed themselves of the powers they possessed under these Acts, and granted both deferred and immediate annuities. In 1853 an Act relating to annuities was passed in which a clause was introduced providing that a person buying a Government annuity could also insure the payment of a sum of money at death. Little, if any, advantage was taken of this provision, and, as regards annuities, the business was also of little account. From 1834 to 1864 the whole of the annual payments in respect of annuities did not reach £200,000. In the latter year, 6500 annuities were in force, representing in amount £140,000. This, shortly, was the position of affairs when the Post Office began to take the matter into consideration. The subject was perhaps forced on their attention by the fact that among the old savings banks which were closing and transferring their business to the Post Office were some which had transacted annuity business. The question naturally arose whether the Post Office should not take up the duty which had devolved on the old banks, and receive the payments for the annuities as they fell due. The result in the end was that the Post Office proposed not only to carry on the business which the old banks had begun in this direction, but also to extend the operations on its own account as a legitimate offshoot of the original scheme for savings banks.

Mr Scudamore and Mr Chetwynd, the prime movers in the matter, held that there would be a considerable increase in the number of annuities purchased, if the Post Office took up the business. They sketched out a plan, showing clearly how the course of such business would be simple, easy, and comparatively inexpensive. Curiously enough, an important feature of

their plan was that the business should be carried on quite independently of the Post Office Savings Bank, the purchasers of annuities not necessarily being savings bank depositors. The National Debt Commissioners fully approved of the proposals, and, on the 11th of February 1864, Mr Gladstone brought forward this further scheme, which now included a plan of operations for life insurance, as well as annuities, before the House of Commons. The bill met with much determined opposition, especially from insurance companies and friendly societies. Mr Ayrton, too, attacked the measure, as he had the original Post Office Savings Banks Bill. He pointed out that the Government banks were working, and would continue to work, with telling effect upon the old banks. "So," he exclaimed, "with the present proposals, they will interfere with safe private agencies." Without burdening our narrative unnecessarily with an account of all the vicissitudes which the Bill underwent, it may be stated that after a protracted discussion, and not until a select committee had been appointed to inquire into the subject, the Bill passed the House of Commons on the 20th of June 1864. It was then carried by the Postmaster-General through the House of Lords, and became law on the 14th of July of the same year.

Tables of premiums and payments for annuities were prepared by the National Debt Office, and regulations for the plan of operations by the Post Office, and both were laid before Parliament and received the necessary sanction at the beginning of the session of 1865. On the 16th of April of that year, the system was brought into operation at a small number of offices in England and Wales, and subsequently it was extended generally throughout those

countries, but it was not till later that the plan was extended to Scotland and Ireland.

The principal features of the system were that any person could insure his life through the Post Office for any sum between £20 and £100, and this on Government security; or he could purchase an annuity, either immediate or deferred, of not more than £50 a year, with or without, in the case of deferred annuities, the proviso of "money being returnable" in the event of death before the annuity fell due. The person availing himself of the system had all the advantages and facilities which an institution like the Post Office offered. The business was carried on in, and operations directed from, the office of the Receiver and Accountant General of the Post Office in London. At the outset the Post Office met with the same difficulty it had experienced in the case of the savings banks, namely, the difficulty of making known the nature and advantages of the scheme to the persons for whose benefit it was intended. Efforts were made to ventilate the system, and Mr Scudamore scattered broadcast a useful pamphlet containing a few plain words concerning "Life Insurance by Small Payments." It was not expected, of course, that a business of this kind would progress with great rapidity. In its first year, 809 insurance policies were issued for £60,874, while 230 annuities were granted. It was, however, anticipated that the business would, in the course of years, as the working classes became acquainted with the principles and merits of the scheme, attain to a considerable magnitude. Experience has, however, proved that this anticipation was doomed to disappointment, for the system was but little taken advantage of. The causes of this lack of success are not far to seek.

In the first place, the boundaries within which the scale of life insurance was inclosed were far too limited to be of use. Even before the Act of 1864 was passed, it was foreseen that the scale was too narrow to afford the benefits designed. Mr Gladstone himself, in introducing the measure, desired that the Government should insure for sums as low as £5, and as high as £200. Both of these limits had to be abandoned for reasons which at the time were unassailable. The disadvantage under which the Post Office worked, by this enforced restriction in regard to insurance business, was the subject of frequent and urgent representations to the Government, with a view to the amelioration of the law in the matter. An attempt in this direction was made in Parliament in 1869. But by some strange fatality, the Bill brought in for this purpose also dealt with the postal banks, proposing to make very material alterations in the limit and amount of deposits. This proposal was so strongly opposed that the Bill had to be withdrawn in its entirety. The desire of the poorer classes was, undoubtedly, to insure for such a sum as would defray their burial expenses, and so save their surviving relatives from the undesirable necessity of applying to the parish for funds. It was ascertained, with tolerable exactness, that the sum which would be adequate for this purpose was £5, although it did not admit, as Mr Scudamore quaintly remarked, of any margin for funeral refreshments. On the other hand, as the lower limit was too high for the requirements of the poorer classes, so the higher limit was too low for those who could insure for as much as £100. Experience showed in such a case that more frequently than not the insurer was anxious to insure for a larger amount. And it was hardly to be

expected that such persons would insure with the Government for £100, and go to a private company for the rest, thereby exposing themselves to two sets of inquiry, two medical examinations, and to the trouble of paying premiums at two different rates. The consequence naturally was that they were obliged to insure wholly with a private company. The Government thus lost many clients who would otherwise, without doubt, have gone to them for insurance.

In the next place, the system adopted by the Post Office did not appear to be well calculated to promote success. The method was that in vogue with the older insurance companies, whereby the premium for a specific insurance varied, according to the age of the insurer. But for the sort of business sought by the Post Office, the inverse of this method was apparently more suitable. It was the sum insured for, and not the premium, which should have varied at different ages, thus introducing a scale of variable insurance with the same premium at every age.

The limitation of age was also assigned as a cause of the unpopularity of the Post Office insurance system. This, however, was open to doubt, inasmuch as there had been no opportunity of judging accurately in the matter. All the evidence that existed tended rather towards the conclusion that the poorer classes refrained from availing themselves of the system, on account of the lower limit being as high as £20.

What also was considered a solid cause of the scanty success of Government life insurance was the want of a proper staff of agents to solicit business for the department and to collect the premiums when they became due. Every insurance company relies upon its staff of agents in this connection, for the public evince but little disposition to go voluntarily to an

office to insure their lives. This matter has frequently been considered and discussed, but it appears to have always been held to be undesirable for the Post Office to employ such a staff. When the proposals for the existing system were before the Select Committee, the employment of canvassers was suggested. The idea was, however, discountenanced by the committee, and the department is still wanting in this respect.

The annuity system suffered under much the same disadvantages as the insurance system. In the twenty years during which the old plan was in operation, the business done in both branches of the system was very trifling. This was due, no doubt, not only to the causes named, but also to the facts that to insure one's life, or to purchase an annuity, through the Post Office, was a somewhat cumbersome matter, and that the number of Post Offices at which such business could be transacted was extremely limited. During the period that the old plan was in existence the total number of insurance policies issued was not more than 7064, while the number of annuity contracts granted was only 14,380. Just prior to the introduction of the existing Post Office system of insurance and annuities, the business had dwindled down to so low a number as 4615 insurances, and 9373 annuity contracts. These figures show how trifling and unimportant were the results that had accrued from the first efforts of the Post Office to transact insurance and annuity business.

This was the position of affairs as regards this branch of business when Mr Fawcett came to the Post Office. It was natural that so energetic a reformer should speedily take the matter in hand, and give it his best attention. He readily saw that if the system were to be of any use at all, very radical

changes would have to be introduced. Accordingly one of the first results was the appointment of a Parliamentary Committee to thoroughly inquire into the whole question, Mr Fawcett being appointed chairman. It was at that committee that a new plan



JAMES J. CARDIN, ESQ., C.B.,
Comptroller and Accountant General of the Post Office.

of working the system was propounded by Mr James J. Cardin, then the Assistant Receiver and Accountant General to the Post Office. Mr Cardin, it may here be mentioned, has since become one of the most

prominent officials of the Post Office, and his name is well known in connection with the department of which he is so indefatigable a member. He was among the recipients of Jubilee honours last year, having been appointed to a Companionship of the Bath. He was also an ardent volunteer from the beginning of the movement, retiring only about four years ago with the rank of Lieutenant-Colonel. Upon examining Mr Cardin's scheme, Mr Fawcett was at once struck with its merits, and, having given it his approval, he, characteristically, left no stone unturned towards bringing it into operation. Parliamentary sanction had to be obtained before this could be done, and, with this object in view, the "Government Annuities Act of 1882" was passed. Owing, however, to some technical difficulties, it was not until the 3rd of June 1884 that the new system was actually introduced. In a speech delivered to a deputation of postmen at the General Post Office, the late Mr Fawcett very fully explained the whole system, and the best idea of its scope and utility may be afforded by a brief quotation from that speech, to which the present writer had the privilege of being a listener.

"The scheme," remarked Mr Fawcett, "is, to my mind, a most admirable one, and is capable of conferring the utmost benefit upon the community; but in saying this, I am most desirous that it should be known that the credit of the idea is in no way due to myself, and I gladly avail myself of this opportunity of saying it was suggested to me by my friend Mr Cardin. Whatever praise the scheme deserves should be given to him and not to me. The particular plan admits of a brief and simple explanation. The chief reason, I believe, which has hitherto prevented annuities and policies of life insurance from being obtained

in any considerable number through the Post Office is that so many cumbrous and troublesome formalities had to be gone through. For instance, each time that a payment for an annuity or for a policy of life insurance had to be made, it was necessary to go to a particular Post Office, and no annuity of less than £5, or policy of insurance of less than £20, could be purchased. In future, the payments for annuities and insurance will be made through the deposits in the Post Office savings banks, and instead of a special visit being necessary each time a payment is due, all that will be required will be that a depositor in a savings bank should give a written order that a certain sum should be devoted to the purchase of an annuity or to the payment of premiums on a policy of life insurance. The order once given, no further trouble need be taken. It will be acted upon as long as there stands to the depositor's account enough money to carry out the instructions contained in the order."

The foregoing extract gives the main idea of the new plan of life insurance and annuities as carried on by the Post Office. It may be useful to supplement this with a more detailed account of the system as it now is. It will have been gathered that, instead of being carried on as a separate business as formerly, the system has been grafted on the Post Office Savings Bank. The result of this is that insurance or annuity business can be carried on at any of the 12,000 savings bank offices throughout the country, instead of, as hitherto, at only some two thousand offices.

The prominent idea of the existing system is that every insurer or annuitant is a savings bank depositor. When he has paid his first premium he receives with his policy an ordinary depositor's book, into which, in future, he will have to pay his premiums in

the manner most convenient to himself. The advantages of this simple plan are numerous. The annuitant or insurer, as the case may be, may, in the first place, use whatever savings bank office is most convenient to himself. Then, again, he can pay his premiums at such times and periods as are most suitable to him, and, further, in such sums as from time to time he can best afford. Thus, for example, if he can only save a penny a week for the purpose, he can affix a penny stamp weekly to a postage stamp savings slip. When the amount so saved has reached a shilling he can pay it into his savings bank account towards payment of his premium. The only condition in the matter is that he should have paid in sufficient money to meet the premium when it falls due. Any male or female whose age is not less than fourteen years, or not more than sixty-five, can insure for any sum not less than £5 or not more than £100. Immediate annuities, or old-age pay (that is, deferred annuities), are granted for sums not less than £1 or more than £100. In either case, husband and wife are treated independently. Each can insure or purchase old-age pay for an amount not exceeding £100.

The mode of procedure is quite simple. A person desirous of insuring his (or her) life has only to proceed to the nearest Post Office savings bank and fill up a form. If the amount insured for be £25 or under, medical examination is not necessary. If the particulars on the form are satisfactory, an ordinary savings bank deposit book is issued to the applicant upon his paying in the amount of the first premium. Authority has, of course, to be given to the Post Office to use the amount, and a similar amount each year for the purpose of the insurance premium. Applications for annuities are dealt with in much the same

manner. It will thus be seen that the insurant or annuitant becomes a savings bank depositor, for it is permissible to him to use his book for ordinary deposits, and he no longer has to make his premium payments at fixed places or on fixed dates. The present Post Office system of life insurance and annuities offers many advantages. For example, a person who is already a depositor in the Post Office can have the interest or dividends, as the case may be, yearly accruing, applied to the payment of the premium or an insurance or old-age pay contract. Thus a person thirty years of age having (say) £200 in the Post Office savings bank, and desirous of insuring his life for £100, or to purchase old-age pay to the extent of about £20 a year, can direct the authorities to apply his interest or dividends to this purpose, and he will have no further trouble in the matter.

Another advantage is that the cost of a certificate of birth can be avoided by furnishing a statement of such particulars as can be verified by the Registrar-General for England. Again, and this is an important advantage for the poorer classes, an insurant, if not under sixteen years of age, can make use of the legal provision with regard to nominations (Post Office insurances not being effected over £100). He will thereby secure the payment of the insurance to the nominee immediately after his death without entailing on the nominee the loss of time, trouble, and expense which otherwise would be involved.

Another important feature of the system which ought not to be left unnoticed is that a friendly or provident society is now allowed to make arrangements with the Post Office for effecting life insurance, or purchasing old-age pay for their members, and so save them from all the formalities incident to this kind

of business. The arrangement briefly is, that the Post Office looks for all the premiums to the society, which, of course, collects the money from its members in instalments as may be most convenient to both parties concerned. The main advantage of this plan is that the payment of the first premium in advance, a circumstance that frightens so many people from insuring or purchasing old-age pay, is *not*, as it is in all other cases, required. The Savings Bank Act of 1887 made provision for this arrangement. Beyond this, there is the additional advantage that members pay into their societies in the ordinary manner to which they are accustomed, with the knowledge that the money so contributed is absolutely safe.

Under the Post Office tables insurances can be effected and old-age pay purchased under various methods, all clearly set forth. These tables are published in the *Post Office Guide*, and can also be obtained separately at any Post Office savings bank. Under a recent revision of these tables some extension has been made in regard to what may be termed old-age insurances. Persons can now effect such insurances to mature at fifty-five, sixty, or sixty-five years (or sooner in the event of death), instead of at sixty years only, as was formerly the case. This is a method of making provision for old age which deserves to be encouraged and taken up. An important feature of these tables is the cheapness of its rates, for they are lower as compared with those of industrial insurance companies. The Post Office does not tout for business, so it saves all expenses in this respect as well as in regard to collectors. Naturally, therefore, as the loading of the tables in the case of the Post Office is less, so the rates are lower than those of the industrial companies.

There can be little doubt that with the spread of education in this country the working classes are becoming more alive to the benefits of life insurance, and to the importance of making provision for old age. In view of this circumstance, therefore, it is satisfactory to know that the Government interests itself in the welfare of those classes to the extent of affording them a medium through which they can *cheaply and safely* provide for the coming by-and-by. If the fact that annuitants and insurants have direct Government security for the payment of the money at the proper time were the only advantage offered by the Post Office system, that alone would be sufficient ground for endeavouring to guide the hard-earned savings of our working population into that channel. But, as we have shown, there are numerous other benefits offered by the system, and the road to thrift and providence in this particular direction has been made both safe and easy.

The growth of the life insurance and annuity business of the Post Office under the new plan has been slow as compared with the rapid growth of the Post Office savings bank. The number of immediate annuities granted in the last year was 2051 for £56,237, as compared with 770 for £14,141 in the last year of the old system, 1883. The number of deferred annuities was 207 for £4009, as compared with 104 for £2120 in 1883. And the number of insurances was 849 for £48,017, as compared with 256 for £20,600 in 1883. These figures, though they show a marked increase, are in no wise startling. Insurance and annuity business is, however, of a character that requires much working up, and there seems no reason why, in course of time, the Post Office system should not be able to show much more favourable results.

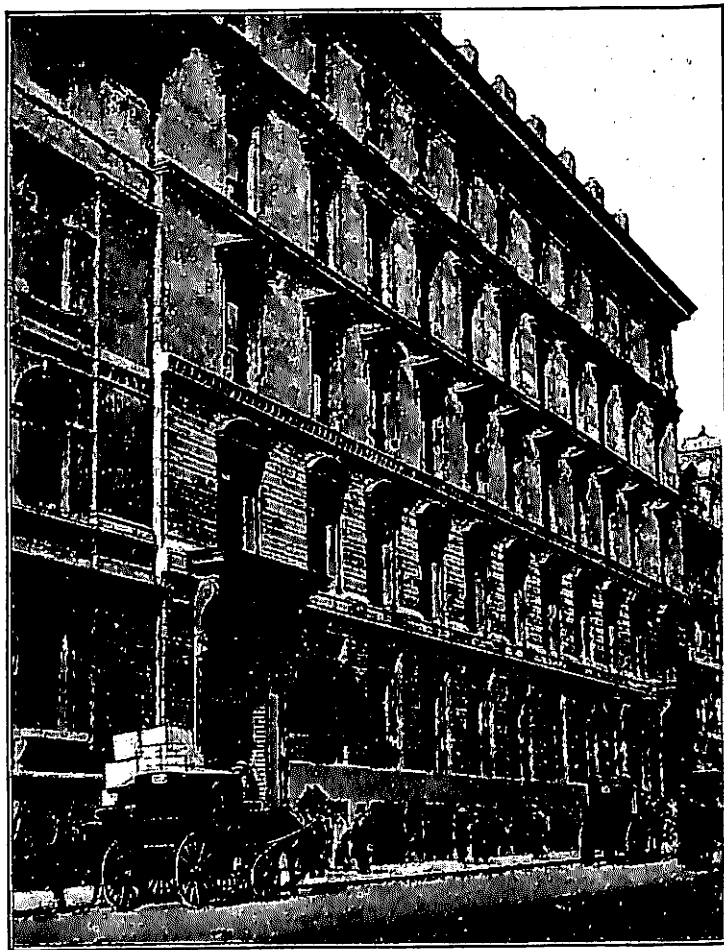
CHAPTER IX.

THE CENTRAL SAVINGS BANK.

THE Central Savings Bank, where the savings bank operations of all the Post Offices throughout the country are focussed, is located in Queen Victoria Street, London. In 1861, when the institution was first started, one room in the old General Post Office, east, was found sufficient for the accommodation of the staff of the Central Bank. Here twenty clerks, under the control of Mr Chetwynd, conducted the operations of the new system. But the immediate and rapid success of the business necessitated a speedy change, and soon afterwards the Savings Bank Department removed to St Paul's Churchyard and Little Carter Lane, where it was domiciled until 1880. In August of that year the bank was transferred to new and commodious premises in Queen Victoria Street, where the chief offices of the bank now are. The building in its exterior is remarkably plain, and has a frontage to the main thoroughfare of 148 feet. It runs back 100 feet, and from basement to roof has five floors. The Controller's room, which is on the ground floor, looking out on Queen Victoria Street, is the only pretentious one, the rest of the building being laid out in the most economical and utilitarian way.

The savings bank business grew so enormously year by year that this building was soon found to be insufficient for the wants of the staff. And now, in

addition to the vast building in Queen Victoria Street, extensive premises have been erected in Knightrider



THE POST OFFICE SAVINGS BANK, QUEEN VICTORIA STREET, LONDON.

Street, and are occupied by a large portion of the staff. This new building has a considerable frontage

in Carter Lane and in Addle Hill, but being situated in the midst of narrow lanes, it is so shut in by lofty warehouses that it is almost impossible to get a good view of the building as a whole. This immense pile of buildings is fitted up with a due regard to the comfort of the large staff accommodated therein, and all the rooms are provided with electric light. The two blocks are connected by bridge and tunnel.

But even these buildings are not found sufficient for the continuous growth of the savings bank work, and the consequent increase of staff. A site of over five acres has therefore been obtained at West Kensington, where a building is to be erected, which will be sufficiently large to accommodate the whole staff and allow for growth of business for years to come.

The work of the Post Office Savings Bank is now so enormous that, as may be imagined, a huge staff has to be maintained at headquarters for the performance of the innumerable duties which the business involves. At the present time the staff numbers more than 2500 persons, of whom nearly half are women. When it is borne in mind that the amount of the deposits in the bank alone reach to over £115,000,000, it will be easily imagined that such a large staff is well needed to promptly cope with the work. The head of this great department is the Controller, the present holder of that important post being Mr Charles Dowson Lang. Of course, the department is as much a branch of the Post Office as any other of the numerous branches of that office, and, as such, the supreme control is vested in the Postmaster-General, and the Secretary as the permanent chief.

All matters of major importance are referred for decision to the Secretary, and thence, when necessary, to the Postmaster-General. The Secretary can exer-

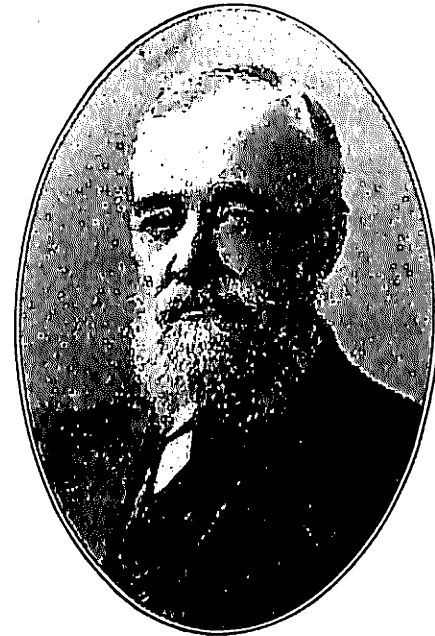
cise much power in the direction of savings bank affairs, and in this respect Sir Spencer Walpole, K.C.B., has made his influence much felt since he assumed the office of Secretary to the Post Office in 1893. He has



CHARLES DOWSON LANG, ESQ.,
Controller of the Post Office Savings Bank.

always taken a marked interest in the thrift branch of the large department, and the successful issue of many schemes and measures of improvement and reform in the savings bank system are directly due to the sympathy he has with the work.

The direct responsibility for the administration and discipline of the savings bank department falls, however, on the shoulders of the Controller, who receives a maximum salary of £1000 a year. He is aided in the control by two Assistant Controllers and four Sub-Controllers. The rest of the male staff comprises principal clerks, first class and second division clerks,



SIR SPENCER WALPOLE, K.C.B.,
Secretary to the Post Office.

together with a large number of boy clerks. The female staff comprises a superintendent, with a maximum salary of £500 a year; 6 assistant superintendents, 36 principal clerks, 100 first class clerks, and 634 second class clerks, besides 70 girl clerks and 232 sorters.

For the purposes of organisation the savings bank department is divided into 19 separate branches, in

each of which more or less important work is daily carried on. The work of the department mainly consists of book-keeping, examining and correspondence. Every Post Office in the United Kingdom, where savings bank business is transacted, renders to this department a daily account of the deposits received, and the amounts paid out as withdrawals. These accounts are posted to ledgers kept in the Savings Bank Department, every Post Office having its own ledger account at the Central Bank. As may be imagined, many of these, in the case of large offices, like Birmingham or Manchester, run into several ledgers. The number of ledgers at present in use is 23,000, which affords a fine idea of the magnitude of the business done. They are bound in white vellum, and lettered on the backs with the names of the offices whose accounts they contain. They are arranged alphabetically, the whole alphabet being divided into 210 divisions, of which England and Wales have 194, Scotland 6, and Ireland 9. Each folio of the ledger is ruled for twelve accounts, into which is posted every deposit or withdrawal as notified by the postmaster's daily savings bank account.

When a first deposit is made at a Post Office savings bank, the depositor has, as has already been seen, to make and sign a declaration that he has not already an account either in the Post Office or any Trustee savings bank. These declaration forms are forwarded by the postmaster, with his savings bank accounts, to the Central Bank, where they are carefully kept in pigeon holes for reference when required. When money is paid in at a Post Office other than that at which the account was originally opened, the transaction is technically known as a cross entry, and the labour of this cross entry is minimised by the

postmaster using two kinds of account forms, one for his own books and the other for books issued at other offices. This plan, it will no doubt be seen, facilitates the book-keeping work at the Central Savings Bank. When money is withdrawn, a form of withdrawal has to be forwarded to the chief office in London. There the signature to the form is carefully compared with that on the declaration form, and, if they are found to agree, and if the amount asked for is met by the balance in the ledger accounts, the warrant for the sum is despatched to the depositor, a duplicate or advice having been sent to the Post Office concerned.

It will be seen that the comparison of signatures is of importance; and if there is the slightest discrepancy, correspondence must ensue. This check is performed by women clerks, and it is stated that on one occasion, out of ninety notices, there were four in which the signature would not pass; and out of another batch of seventy-four there were four in which the amount required was not stated, and one which had been sent up quite blank. It may here be stated that the amounts for which withdrawal notices have been received are notified to the Comptroller and Accountant General of the Post Office, whose business it is to see that the various postmasters are provided with funds to meet the demands of depositors.

An important feature of the book-keeping branches is the examination of the deposit books. Depositors are required to send their books up to the Central Bank on the anniversary of the opening of the account. Thus every day a huge number of such books is received at Queen Victoria Street, the average daily number being about 9000. On arrival they are sorted out into divisions, and eventually find their way to the ledger rooms. Here they are com-

pared with the ledger accounts, and the interest due, if any, is then added to the books before being returned to the depositor. This is regarded as the main check upon the accuracy of the postmasters' accounts, and it is therefore of the utmost importance that depositors should not fail to send their books for annual examination. If any discrepancy is discovered in the examination, the book is handed over to the "Errors Section" to be dealt with, and the error is finally put right in the "Adjustment Branch." It is here that the few cases of fraud that have occurred in connection with the Post Office savings bank have been brought to light. The finishing duties of the book-keeping branch are the focussing each quarter into summaries of the totals of the various postmasters' accounts, by means of which the statistics of the savings bank business are prepared for the Postmaster-General's annual report.

The examining branch of the Savings Bank Department comprises several sections, which deal with inquiries for lost books, the errors in depositors' books, and the writing of warrants. This gives rise, as may be supposed, to much correspondence. Every year, we are told, some thousands of cases are dealt with in which depositors have lost or mislaid their deposit books. The explanations given are sometimes very curious. In one instance the book had proved palatable to the principal elephant at a circus. In another, the depositor going for her holiday had secreted the book in the kitchen boiler and failed on her return to remember where she had put it. In a third case, a person lodging in the depositor's house, and described as an "Inversity lady," was said to be fond of chemical experiments and to be in the habit of burning things. She was supposed to have used the

book in one of her experiments. Some of the depositors—doubtless little meaning what their words conveyed—stated that they had burnt their books "with other rubbish." Applicants, too, often fail to furnish sufficient particulars of their missing books. In one case a lady, on being asked where her account was opened, replied, "I will look over a map. I shall probably remember the name of the place when I see it in print." Another wrote, "I can recall visions of 3 eights, or a couple of threes and eights more or less; but whether this refers to this book or another I do not feel certain."

Many instances come to light of books lost through drunkenness, while domestic quarrels also add to the list, as shown by such explanations as the following:—"Through a falling out with my wife she tore the bank book. I enclose the relics." "My wife and me was having some words, and she broke the book in pieces." "My wife burnt it in a temper." "Book torn up by my wife because I would not give her the difference of the two pounds."

The explanations received in the Central Savings Bank as to the loss or destruction of deposit books frequently, too, afford a striking illustration of the habits and character of the applicants. One depositor wrote, "I kept my deposit book in a fire-place which was not used, among some papers for safety, in my bedroom. Being only a lodger, I had nothing to keep it in which I considered so safe. My landlady thought the room I slept in was damp, so she lit a fire in the same, without informing me of her intentions." The mutilation of a book is thus accounted for:—"Unfortunately, my mother-in-law got hold of the book, and, not being able to read, placed it in the wastepaper drawer, and my father-in-law got hold of the book in the dark, and

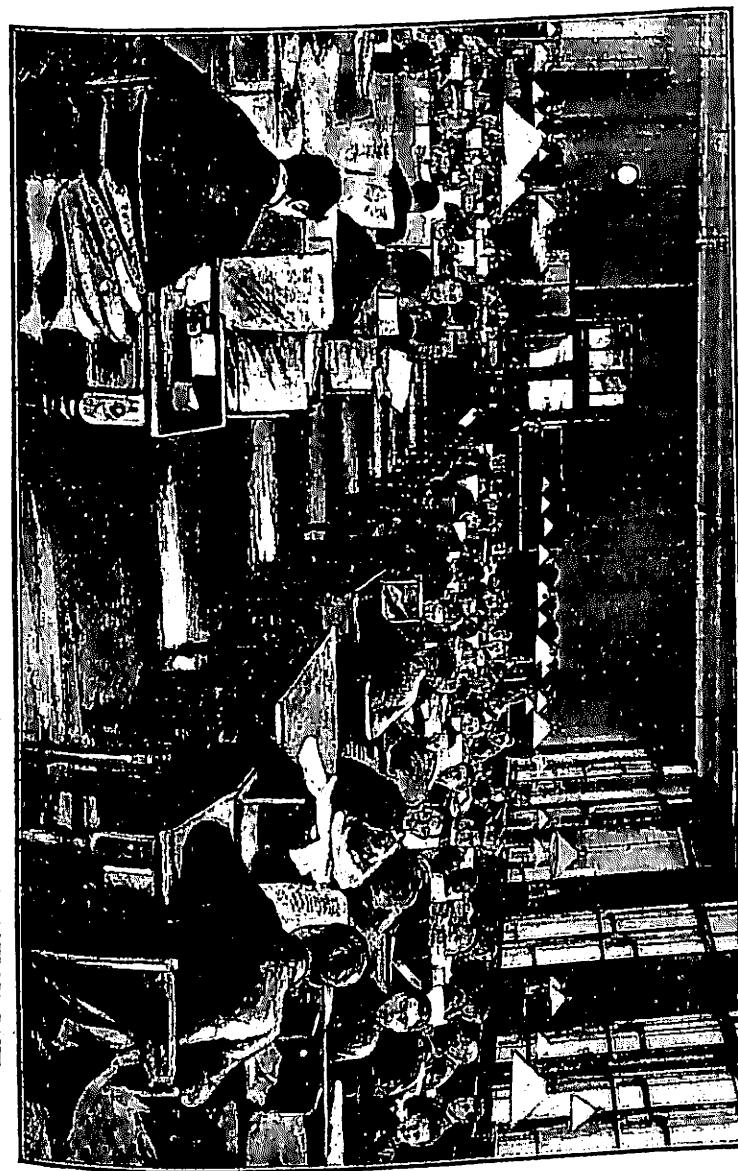
tore the first two leaves out to light the gas." "I am at variance with my husband," wrote another depositor, "and he took the book and burnt it in a passion."

Confessions of intemperance are sometimes forced on the department, as:—"Sir, I lost my book on Tuesday. Sir, it appears I had a little too much to drink." Another depositor more briefly put it, "I lost my book whilst under the influence of beer." Another depositor unfortunately put his pipe in his coat pocket without knocking the tobacco out, and when he observed it, his coat and book were burnt.

Endless cases occur in which the lower animals play a prominent part. For instance, "I dropped the book when I was milking the cow in the shed, and when I found it the cow had it all chewed up, it was a maciated condition!" A member of a travelling circus wrote, "I left my jacket on the table, beside the performing bull, but I thought it was out of his reach, and when I came back after my dinner I found my jacket under the bull's feet and him eating my pocket; he had my pocket almost eaten away, and my bank book was in my pocket, so the bull eat it, and I do not know the number of it."

Inquiries respecting missing warrants and returned withdrawal notices, and the writing of acknowledgments for deposits, come within the scope of the examining branch. A small army of boy clerks is maintained for the writing of the acknowledgments and the warrants. The most important branch of the Central Savings Bank is, without doubt, that dealing with correspondence of the department. In dealing with the accounts of over seven million depositors, it may well be supposed that the points raised are of endless variety. There is not only the general correspondence with the public to be dealt with, but also

BOY CLERKS AND COPIISTS OF THE WARRANT WRITING BRANCH, POST OFFICE SAVINGS BANK.



that in connection with the accounts of deceased depositors, friendly societies, and penny banks. The investments in stock, as well as life insurance and annuities work, give rise to much letter-writing. As may be imagined, the correspondence of the Central Savings Bank is enormous, comprising, as it does, an average of 15,000 withdrawal notices daily, 9000 books for examination, and over 3000 miscellaneous communications a day. The outgoing correspondence includes a daily average of 43,000 acknowledgments and 15,000 warrants. On occasion, the number of acknowledgments and warrants has been known to reach 162,000 in one day, at an estimated weight of one ton.

It is in connection with the correspondence branches that much of the humorous side of savings bank business is brought to light. A few specimens of the queer communications which are frequently received by the department will, no doubt, be pleasanter reading than a more detailed description of the correspondence duties, which, after all, would be of but little interest. Here is a letter from a bereaved depositor:—"Dear Christian Sir, I have lost my poor dear wife and I thank my God I have the means to put her under the ground comfortable I am dear Beloved Sir agoing to bury my poor dear wife on thursday next at one o'clock this is urgent as I wish to pay when over. Amen."

The following curious communication accompanied a notice of withdrawal:—"A miser in the river fell, the wave ran high. A fisherman ran in and cried give me your hand and I will draw safe to land. I never give and so was drowned!"

It is to be supposed that some depositors have the notion that a full description of the circumstances under which the money is required will hasten the

despatch of the necessary warrant, else with what object was the following written, which is one of many such cases:—"This money is for my husband and me if we could not let our cotechs as we have 43 to let 1 to live in if we are ill to have a doctor as we should lickly want it if it ples God to take me first I hope it wont be long before — can take if he like to bery either if wanted for anything as — can't write so he wished me to take care of it for us."

The following incoherent letter was received with a deposit book sent up for examination:—"Would it be too much to ask how an old lady who never reads newspapers (and who will have to, or rather may vote—is to know how to give her vote with certainty to Mr Gladstone). She would give it as a helper of Mr Ruskin not a member of the company and having long time been convinced that our present Right Honourable Premier is Righteous and Frank and if not given thus the vote is lost. She would also know if two or three hundred pounds be put into consols—are they or rather—is the money applied to payment of our national debt. And in case Miss — so wills would be so at her death. Apologizing yet hoping for an answer Yours respectfully — — May she add, too, though the information be not called for that since 1865 Miss — has not been able to stand on either foot and mostly is quite alone and seldom remembers to send book at the proper time. To save myself further thought I send the paper found with my book."

Many angry letters of complaint are, of course, received, but a few of the writers subsequently awake to a sense of repentance, as in the following case:—"A lady depositor wrote in reference to the cost of some stock, calling the department "a swindling concern, and that no respectable firm would behave so." In

a later letter, however, she acknowledged she had written hastily, adding:—"I daresay when you read my letter in your own mind you said 'nasty tiresome old woman' (tho' I am not so old) but tiresome I daresay I am."

Some ladies evince gratitude, as when a depositor thanked the Controller for the care he had taken of her money for so many years, and said she believed there was about 1s. interest due to her, which she begged the Controller would keep to buy himself a buttonhole with! Another female depositor explained that she had got her husband to sign her name "as my arms are so full of baby"; while a father writing for his son stated that, "Of course his handwriting has changed in all these years, likewise the size of his boots and clothes—in fact, he is now growing a moustache."

The drawbacks of the old money-box system for saving was brought home to a youthful depositor who wrote recently to the Postmaster-General, announcing that he had opened an account with 1s., plaintively expressing the hope that the Postmaster-General was "safer than Papa," who was "always getting at his money-box with the sardine opener." Appeals to generosity are amongst the curious letters received, as, for example, one depositor in applying for interest to close his account wrote:—"Please make the interest as much as you can for I am very hard up." Another, a stockholder who had lost his certificates of investment, entreated the authorities to act "as you would to a friend." A thrifty-minded depositor, who had realised more money than she expected by a sale of stock, wrote desiring to reinvest £50 of it, and ended her letter thus:—"I should, if possible, like to buy in the stock cheaper than the good price realised by the sale"!

Curious, sometimes, are the methods of circumvention. A letter of thanks was received from a depositor who stated that her husband had forced her to make the application as he was going abroad and wanted to take her money. She had written and spelled badly on purpose, and was most grateful to the Controller for returning the notice. Her husband had now left, and she did not require the money. A depositor when asked if her address was permanent replied, "No, I want to find a suitable home, to old to be alone age 80 not safe." An illiterate depositor pleaded that she wanted her money because "our Brother died on 10 of January here in Belfast. We feel so lonely know we Berrie in Cemetery in the Deer Park. He went of like a sleep. His sickness was New Ammonia." A nervous depositor who had recently deposited a cheque subsequently wrote stating that the anxiety in waiting to know the fate of the cheque had affected her nerves, and she wished to close her account at once. It is an idea with some that the Postmaster-General will find employment for unemployed persons as well as invest their savings. Hence, no doubt, a North of England lady, in withdrawing a few shillings, stated she and her husband were badly in need of employment, and asked if some could be given to them. She could do "nitting and other needlework, and her husband would like a Captain's place." A statement of a personal and almost pathetic nature was made by a depositor who, on being required to give her "occupation," described herself as, "Alas! an idler." Another depositor who had received an incorrect acknowledgment for a deposit, dropped, like Silas Wegg, into poetry. He finished up a quaintly-worded letter as follows:—

"Over this mistake Sir I do sadly sigh
Do not let it Pass unheeded By
On it Cast your Educated Eye
And Please to send me a Quick Reply
Which will End my grief and stop my Cry."

A curious mistake was made by a depositor, who, after cashing a warrant, forwarded a grievous complaint that he had received "what appeared to be a sovereign, but which to his dismay he afterwards discovered to be a gilded coin," and begged that the amount might be made good. This complaint was followed in a few hours by another further letter apologising for the unnecessary trouble he had given, and explaining that "happening to have some cough lozenges in the pocket wherein the sovereign was placed these oxidised it, and on taking it to the jewellers they restored it to its original colour." He added that a chemist who had examined the cough lozenges stated that he could quite understand their effect upon any kind of metal.

Much correspondence, as we have stated, arises out of Friendly Society savings bank business, and in connection with it many curious items are unearthed. In a recent year there were applications from a "Non-Smoking" and a "Non-Swearing Club." The latter, however, was really a loan society, the rule which justified its distinctive title running as follows:—"Any member found swearing or making use of the words 'God' or 'Devil,' in or out of the club house, between one and two on Sundays, will be fined for each offence according to shares." This rule might in certain circumstances, it will be seen, operate unfairly on members devotionally inclined. The objects and rules of some of the societies are very curious. A society for "making good the loss of

pigs" has for the concluding clause of its rules, "If any member's pig die, the committee shall choose one of the members to make the best of it in his power, and he shall be paid for his trouble." The phrase "make the best of it" is delightfully ambiguous, but a little light is thrown on the matter by the fact that these last sad offices are not to go unremunerated. In connection with the account of an Irish society the Post Office was informed that two men were "dis-membered" for breaking the rules of the society.

That pigs are sometimes made use of to pay the owner's insurance is shown by the following curious incident. The insured person applied to defer the payment of a premium "owing to a pig that I had to sell dying with me." The department arranged the matter, and the premium was paid, but a similar request was then made with respect to the next premium, for the reason that "another little one"—bought to meet the next payment—"will not be fit to sell until the middle of next April." The department could only accede to the second appeal on the understanding that no further indulgence could be granted.

The correspondence of the Post Office Savings Bank has, among other curious revelations, brought to light the fact that some of its depositors have scruples as to receiving interest on their deposits. One depositor, anticipating a now famous clause in the recent Vaccination Act, stated, on applying to have his book closed, that he had "a conscientious objection to taking interest. I shall be glad if you will deduct the interest due up to the present, so that the whole transaction will appear, and both sides will balance." Another depositor gave notice that "as a matter of principle I do not wish any interest whatever to be credited to me. Should circumstances compel me to accept interest at any

future time, I will give you due information"—a nice saving clause!

The extraordinary views held by depositors as to the functions of the department are also revealed by its correspondence. For example, a depositor caused a letter to be written announcing she was seriously ill, and wished to have her will made as soon as possible, "by one of your officials," at her bedside. "Will you send one in a cab?" In the circumstances this was done, and the officer who was sent found happily that the gravity of her illness had been exaggerated and that her recovery was anticipated. She was at any rate sufficiently well to inform the officer that she quite thought her will should be made by the department. She was advised how she could dispose of her deposits in the event of her death, but so far as is known she is still living. Speaking of wills, the following is a unique specimen which reached the savings bank department for inspection. "After my decease let my 3 children.....eqelly share if not if my speret have any power i will rise out of my grave to them that do rong."

Evidence of the credulity of persons without much acquaintance with business was afforded by a letter written, apparently in good faith, stating that the applicant had been informed that all deposits in the Post Office Savings Bank if not claimed by the 20th August would be forfeited and used for the reduction of the National Debt, and inquiring whether such information were correct. A curious instance of defective moral perception was shown by a youth who attempted to withdraw some of his mother's money by the simple expedient of signing a notice of withdrawal in her name. He subsequently explained to the department that his doctor having ordered him

cycle exercise and his mother having refused to provide him with money to purchase a bicycle, he thought he was justified in attempting a withdrawal from her account.

Amongst the interesting and amusing items which go to lighten the task of the hard-working staff at the Central Savings Bank the following are worthy of mention. Many depositors have a hazy notion when applying for Government Stock how to describe it. It has been described variously as "Concreated Stock," "Conciliation Government Stock," "Letter B," "National Debt Commissioners," and "National Debt." One depositor went so far indeed as to state that he wished "to add to the National Debt"! Here is an instance of an unprofitable transaction for the Post Office. An errand boy recently deposited a shilling. Two months later he withdrew a penny, and a fortnight later tenpence more, thus leaving a balance of one penny only in his account. Last year a depositor applied to withdraw £2, and to receive payment entirely in farthings of the current year's issue. It is not recorded whether his request was complied with.

The Savings Bank Department has strange tasks set it sometimes, but it appears to be always equal to the occasion. Thus quite recently a lady wrote saying she or her husband had opened an account in 1863 and had sent the deposit book for examination in 1875, and had not heard of it since. Nothing daunted, the department made search and eventually traced the account, in which 2d. interest was found to be due, and was accordingly paid. Amongst curious requests may be mentioned one from a depositor who asked that a certain portion of the money he wished to withdraw might be sent to him in gold and the rest in tobacco. He also offered, if there was any question

as to his identity, to send his photograph. Here is the case of a methodical depositor who sent in seven separate notices of withdrawal for £1 each. He was evidently going on a tour, as he explained that he wished to receive payment of £1 before leaving home, £1 at each of five different watering places on the South Coast, and £2 at a sixth, presumably his last place of call. The system of withdrawing money by telegraph has been used for such insignificant sums as 2d., 4d., and 5d., for which in each case a sum of not less than 1s. 3d. would have had to be paid. Here is a real curiosity in savings bank business. Application was made by a lady for the withdrawal of money standing in quite a different name. On an explanation being asked for, it transpired that the lady had deposited the money in the name of her cat, which had since died. A postmaster, a year or two ago, found himself in an awkward plight when he was confronted by a depositor who made a mark to the declaration, as he could neither read nor write. As he was deaf and dumb, the task of making him understand the purport of the declaration, as the official was required to do, was not an enviable one.

Speaking of postmasters, calls to mind the case of an Irish postmaster from whose stock a savings bank deposit book was missing. Amongst other means, he stated, which he had taken to recover it, including "thinking over it" and "posting up advertisements," he had had the loss "announced to the people in church." The following note, which accompanied a notice of withdrawal received from a foreigner, caused some difficulty in deciphering. It ran as follows:—"plas sand at wins dea muni im goanewe on satate." The authorities were not to be baffled, and it was interpreted as meaning "Please send the money at once—I

am going away on Saturday," which was accordingly done; and nothing further was heard from the depositor.

As a last curiosity we give the following. Among the accounts opened last year was one in the name of "Bill behind the Bull," the declaration being signed by mark. The boy copyist who prepared the first acknowledgment made it out in the name of "Mr Bill," and gave "behind the Bull" as part of the address. It was ascertained, however, that "Bill behind the Bull" is the only name the depositor is known by. He is a North American Indian, in charge of the manager of a theatrical troupe, who is under contract with the United States Government to return him safely to America at the termination of his engagement. An endeavour was made to ascertain his real name, but it was stated that it cannot be written, as it "consists of a series of grunts and guttural sounds, the nearest interpretation of which is Bill behind the Bull." There was therefore no alternative but to let the account stand in that name.

We have so far given the humorous side of the correspondence duties in the Savings Bank Department of the Post Office, but it is well to add that the bulk of it deals with questions often of much intricacy and difficulty. As is evident, therefore, these duties have to be performed by a highly trained staff of clerks who are possessed of considerable technical knowledge.

In savings bank work, the duties to which it gives rise, though often of a highly technical character, are, of their kind, obviously not of a very interesting nature. We have, therefore, made no pretence of doing more than briefly giving in outline the main features of the great system, as carried on in the Post Office Central Savings Bank. It remains only to mention one or two of the more important branches,

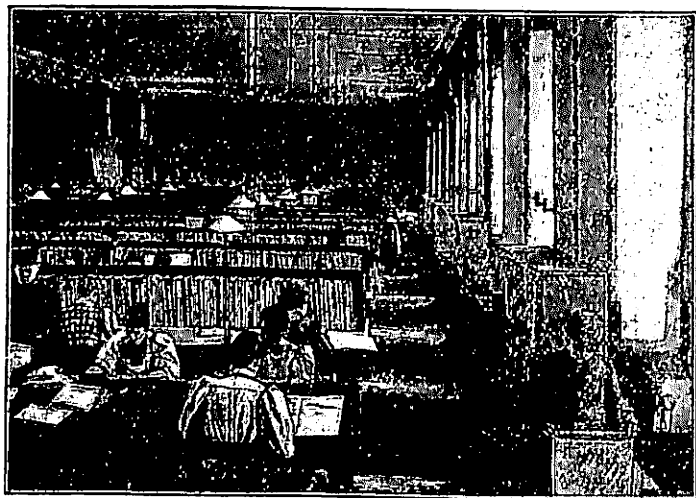
and also to notice, as an interesting feature, the work performed by women clerks. In the annuity and insurance branch all the formalities incidental to each class of business are brought to completion. The life policies and annuity contracts are here prepared and sent out, and the adjustments made in the depositors' accounts as required. The work is important and requires some actuarial knowledge. Some of the work, it may incidentally be remarked, is done by women. The investment branch, as its name implies, deals with the purchase and sale of Government Stock, and from this branch emanate the communications between the Post Office and the National Debt Office in effecting these transactions. The establishment and stores and buildings branches deal mainly with internal organisation and management.

Let us now look at the work performed by women in the Post Office Savings Bank. As has been stated, 1079 women are employed in that department. Of these, 847 are clerks of various official grades, while 232 are sorters. At the head of this large female staff is Miss Constance Smith. The idea of employing women in the savings bank department first took shape in 1875. But it was not, as has frequently been erroneously stated in many quarters, the first experiment of its kind. The plan had been tried in the Receiver and Accountant General's office since 1871, in connection with telegraph account work, and it was the success of that experiment that induced Lord John Manners, when he was Postmaster-General, to extend it to the savings bank. Sixty ladies were at first employed upon duties of a purely mechanical character, Miss Smith being placed in control from the commencement. The success of the movement was undoubted, and thence grew year by year. It

received a great impetus when Mr Fawcett was in office, as that gentleman evinced the greatest interest in the scheme. Gradually work of a more important character was entrusted to these women clerks, and at the present time they absorb a very large portion of the work of the Savings Bank Department. To Miss Smith, who is a lady possessing rare faculties for organisation and administration, as well as great business capacity, is undoubtedly due in a large measure the success which has attended this interesting movement. It is no small matter to superintend, with due regard to the interest of the clerks themselves, as well as the authorities, over 1000 women, and to be held directly responsible to the Controller for the due and proper discharge of all the important work with which they are entrusted.

These female clerks are located in rooms chiefly in the Queen Victoria Street building, and their duties consist mainly of account work. On the lowest floor are employed the sorters, whose chief duty it is to sort into proper order all the various documents and papers—and their name is legion—for the clerks, male and female, to deal with. Bank-books and application forms of every description have to be sorted out in accordance with their respective letters and numbers. One person's duty is to go through each bank-book leaf by leaf to see that there are no £5 notes lurking in their folds, for depositors have been known to slip one in with the idea that it will get added to their account. On the second floor are the Ledger and Government Stock branches. As has already been stated, a large portion—nearly one-half, we believe—of the ledger work is performed by the women. For their convenience the ledgers are numbered upside down, so that when in their racks they

merely have to be pulled down on to the desk instead of being lifted. This simple but most useful plan was the result of a suggestion made by Miss Smith. The ledgers, as has been explained, contain the depositors' accounts opened at the various Post Offices, and the transactions are posted into them by the lady clerks, from the postmaster's daily savings bank accounts. It says much for the business capacity of these clerks that the arrangements for the purchase and sale of



THE WOMEN'S LEDGER ROOM, POST OFFICE SAVINGS BANK.

Government Stock are entrusted to their care. On the third floor are the Daily Balance and the Allowances branches. In the latter the commission paid to sub-postmasters for the transaction of savings bank business has to be calculated. The work is of great importance, and accuracy is an essential. On the fourth floor are two other branches, where the quarterly provings take place, and where the war-

rants are checked before being sent out. On the fifth floor the ladies have their refreshment room, where luncheons and dinners are served at quite moderate prices, the arrangements being carried out under the direction of a committee composed of the ladies themselves. The hours of duty for these clerks are seven daily—from nine till four o'clock. They perform no overtime except during five or six weeks at the beginning of the year, when there is always much extra pressure. It will be seen from what we have written that much important work is done in the female branches of the savings bank department, and that women clerks are an important factor in the Post Office savings bank system.

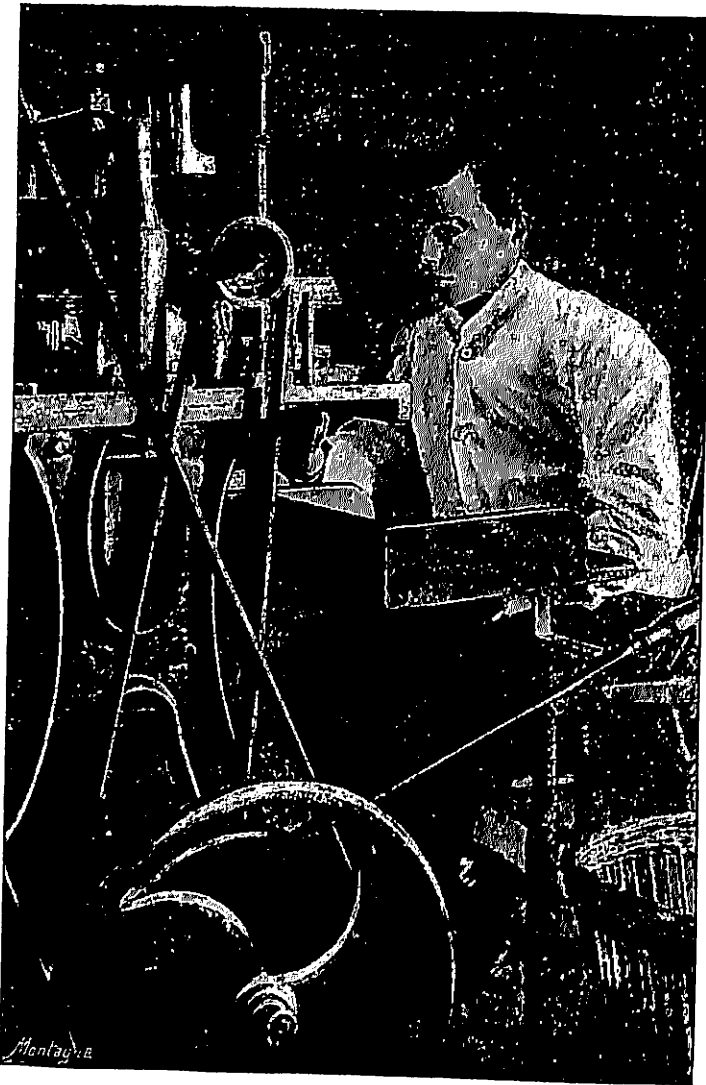
The work of the Central Savings Bank is not only on a scale of great magnitude, but it has always to be carried on at high pressure. It is probably one of the hardest-worked departments of the State. There are, however, occasions when the pressure is extra great, which means that the staff has to remain on duty for many extra hours daily. The red letter season, of course, is Christmas. Before that festival depositors in large numbers are drawing out their money to cover the expenses of the season. After Christmas they are depositing again extensively money which they have no doubt received as gifts or presents. We are told that about this period 150,000 documents are sent out from Queen Victoria Street daily. They are taken in a special van every evening to the General Post Office. As showing the enormous amount of work to be got through about Christmas time, it may be stated that a year or two ago on one day in December as much as £172,500 was paid out, while on the last day of that same month £332,000 was paid in by depositors. Sometimes, too, as many as 40,000

withdrawal warrants are issued in one day about Christmas time.

In regard to the issue of warrants and acknowledgments, it may here be mentioned that a great saving of manual labour has been effected by the use of machines for gumming and folding them. These machines, which were first introduced in 1893, are twelve in number, and are driven by electricity. They fold and seal the documents at the rate of 2400 an hour, about four times as fast as a person can fold by hand. The saving they have effected is estimated to be about £1000 a year.

The male staff, it should be stated, have refreshment rooms at the top of the Knightrider Street block of buildings. Here the staff have every accommodation for luncheons or dinners, and, like the women's club, the arrangements are in the hands of a committee of the clerks themselves. That in both cases the management is good would appear from the fact that at the end of the year the accounts generally show a small margin of profit.

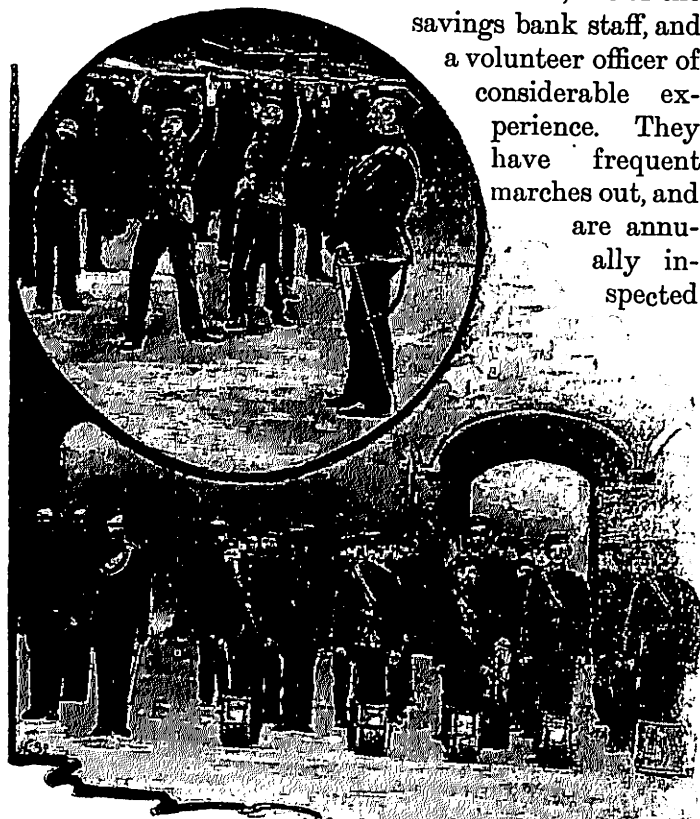
One other interesting item to be mentioned in connection with the Central Savings Bank, is with reference to the messenger staff. With so great a volume of work being daily transacted, and such a huge staff to perform it, it is apparent that a large staff of messengers must be necessary. As a matter of fact, leaving the men messengers out of account, we believe that there are about 150 boy messengers employed in the savings bank department in Queen Victoria Street. Though the duties of these boys may be humble, yet they are very useful and quite essential. But the interesting feature in connection with this juvenile staff is that, since 1892, they have received instruction in drill. The measure is one that has been attended



MACHINE FOR GUMMING AND FOLDING WARRANTS AND ACKNOWLEDGMENTS IN THE POST OFFICE SAVINGS BANK.

with great success in improving the bearing and behaviour of the lads. They are for this purpose placed under the command of Colonel Grene, one of the savings bank staff, and

a volunteer officer of considerable experience. They have frequent marches out, and are annually inspected



POST OFFICE SAVINGS BANK
MESSENGER BOYS AT DRILL.

by the Postmaster-General.

We have sketched out the main features of the daily routine at the Central Savings Bank as succinctly as is compatible with a fair idea of the gigantic character of the operations involved. It has been seen that the accounts of over seven millions of depositors

have to be dealt with, involving the manipulation of the colossal sum of over 115 millions of pounds in deposits alone. A curious feature of the system is that not a penny of the money passes through the chief bank. All moneys received by postmasters on savings bank account are remitted to the Comptroller and Accountant General, by whom they are handed over for investment to the National Debt Commissioners. But in addition to deposits there are investments in stocks, and annuity and life insurance business, giving rise to innumerable questions of policy and administration. When one reflects on all this, and that the cases to be dealt with daily run into thousands, one can hardly refrain from expressing astonishment that the direction and management of the whole of this huge department should rest upon the shoulders of one man. Yet so it is. Mr Lang, whose name is a household word with depositors, has borne the onus of these arduous and important duties for seven years. Originally on the staff of the Receiver and Accountant General's office, he was appointed Controller of the Post Office Savings Bank in 1891. Here he has had a wide field for the exercise of his particular gift, which is understood to be organisation. He has thrown into the work a marked interest and sympathy, with the result that he has been able, within the comparatively short period of his régime at Queen Victoria Street, to initiate and carry out many reforms in the world of thrift. These measures will be spoken of at length in the next and concluding chapter.

CHAPTER X.

THE SAVINGS BANKS OF TO-DAY.

SAVINGS banks have now been established in this country less than a hundred years, and their growth during that period is nothing short of marvellous. The fact that by their means the nation has saved £160,000,000 may indeed be regarded as one of the romances of civilisation. We are speaking now of both systems, the old Trustee banks and the Post Office banks. It may be true that some of the former have disappeared, owing to the wide popularity of the Post Office system, but those that remain are doing as good work as they ever have done. As a matter of fact the deposits of the old Trustee banks exceed to-day by no less than £6,000,000 the deposits which were in their care in 1861, when the Post Office entered the field as their rival. At the present time there are 239 Trustee savings banks in existence throughout the country. In 1860, just prior to the establishment of the Post Office banks, the number was 638, so that within the past 38 years just upon 400 banks of the old order have closed their doors. This has been done, as already seen, from various causes, but there can be no doubt that the principal reason is to be found in the fact that the Post Office, with its vast machinery and facilities, proved too powerful a competitor to the

weaker of the old banks. The number of depositors who have accounts in Trustee savings banks at the present time is 1,495,900, and they have the large sum of £46,699,686 standing to their credit. This represents an average amount of £31 to each depositor. But besides deposits the depositors have as much as £1,082,247 standing to their credit in Government Stock. It may be here stated that the business of the Trustee banks is transacted under precisely the same conditions and statutory limits as in the case of the Post Office. The expenses of the old banks for the year amount to £129,055, of which £102,547 is absorbed in salaries and allowances to paid officers.

The banks are now, as has already been noted, subject to a thorough audit by a permanent committee of inspection with statutory powers. The work of this committee is to see that each of the banks complies with all the parliamentary provisions and regulations under which they are established, and a report of the work done each year is submitted annually to the Commissioners for the reduction of the National Debt. It would appear that effective measures have been adopted under this arrangement for keeping the old banks up to the mark. It is certainly a noticeable fact that since the appointment of the committee of inspection but few frauds in connection with Trustee savings banks have occurred, while the number of banks which have closed has greatly diminished. As the pioneers in the past of the movement for encouraging and fostering amongst the people habits of saving, these banks have performed a service, the value of which cannot be over-estimated. That they still do good work in their line can also not be doubted, from the figures quoted above, and from a return recently prepared it appears

that these banks continue to serve the needs of the working class both in skilled and unskilled branches.

That the Post Office savings banks should have overshadowed the old Trustee banks is scarcely a matter for wonder, if we remember the facilities which the Post Office possesses for developing and extending that business. The Savings Bank Department is certainly one of the most remarkable as well as useful institutions in the country. It has a branch in every town of the United Kingdom, the total number of such offices at the present time being upwards of 12,000, and it transacts such a variety of business as to be well entitled to be regarded as the nation's banker.

Taking its original business first, we find that at the present time there are over 7,000,000 depositors in the Post Office savings bank, and that they have standing to their credit the huge sum of over £115,000,000, representing an average of £16 to each depositor. From this it will be seen that on an average the depositor in the old Trustee banks has saved more than the depositor in the Post Office banks, for as was shown his average amount was £31. During the last year the number of new depositors was 1,269,995, and the amount deposited £35,757,476. Of this sum, it is interesting to note that £88,000 was saved by means of postage stamps affixed to 1,600,000 savings bank slips. The number of depositors who closed their accounts in the year was 892,269, and the amount withdrawn was £30,624,995. On an average 42,526 deposits were made daily for £116,854, the largest number on any one day in the year being 96,588, while the highest amount deposited on one day was £316,716. The daily average number of withdrawals during the year was 15,263, and the

average amount was £100,081. The largest number of withdrawal warrants issued on one day was 42,961, while the largest amount was £178,090. These figures are highly instructive, and speak eloquently for the popularity of the department.

The present limits for ordinary deposits are £50 in a year and £200 in all (including interest and stock dividends if any). Any sum from a shilling, but excluding pence, is received as a deposit. When a depositor has reached the £200 limit he cannot make any further deposit. But he can reduce the amount by investing it or part of it in stock, or applying it to insurance or annuity purposes. If he adopts any one of these methods, then he can go on depositing as before, subject to the limits mentioned. Every deposit is entered by the postmaster receiving it in the depositor's book, but in addition to this an acknowledgment is sent to the depositor from London, and this should reach him within four clear days. The interest paid to depositors is at the rate of $2\frac{1}{2}$ per cent. per annum, which is at the rate of 6d. a year or $\frac{1}{2}$ d. a calendar month for each complete pound. It is calculated from the first day of the calendar month next following the day on which a pound has been deposited or completed. Withdrawals are made by filling up and forwarding to the savings bank department a form of notice, which can be obtained at any Post Office savings bank. A warrant will then be sent by post to the depositor. This he must present, together with his deposit book, at the Post Office where he desires payment, and on signing the receipt to the warrant the money will be paid to him. Depositors are required to send their deposit books to the savings bank department for examination and to have the interest due added to their accounts once a year, on

the anniversary of the day on which the first deposit was made.

As was explained in a previous chapter, savings banks accounts can be transferred from Trustee banks to Post Office, or *vice versa*, without the money passing through the depositor's hands. In this way £1,161,794 was transferred to the Post Office in the year 1896, and of this large sum £773,000 was transferred from one bank alone. The balance was transferred from eleven other banks, which were closed, and some banks that still remain open. In 1897 the amount so transferred was £72,460. It is noteworthy that the total increase in the amount of the deposits held by the Post Office savings bank in the year referred to is unparalleled in its history, and fitly marks a year in which the figure of a hundred millions has been reached and passed. As a matter of interest an effort was made recently to determine by what classes of the community the savings bank was chiefly used. This was done by recording for a certain period the occupations of all new depositors as furnished by themselves on opening their accounts. These may be taken as fairly typical of the whole number, and the result shows that by far the largest proportion, namely, 50 per cent. of the whole, are persons describing themselves as married women, spinsters, and children, while 18 per cent. of the depositors are of the industrial classes. Women and children of all ranks are believed to be, says the Postmaster-General, 60 per cent. of the total number of depositors. That friendly and charitable societies make large use of the Post Office Savings Bank is shown by the fact that 3057 opened accounts in the last year. The number of penny banks opening accounts was 282.

Various facilities are offered by the Post Office for depositing in its bank. Thus an arrangement exists under which the sums awarded as scholarships by the Technical Education Board of the London County Council are paid into the savings bank accounts of the scholars. In this way 364 new accounts were opened in the last year, and 12,964 deposits, amounting to £22,137, were made. An arrangement is also in operation for the deposit of the deferred pay of soldiers leaving the army, and this was taken advantage of to the extent of £404,815 in 20,455 deposits. Under an Army Order issued in 1896 the use of military savings banks elsewhere than in India ceased for all soldiers subsequently enlisting, and for any soldiers already serving, who did not open accounts before the 31st of March 1897. In order to meet this the Post Office has made arrangements for facilitating the use of the savings bank by soldiers serving abroad, except in India where they use the savings bank of the Post Office of India as well as the military savings bank.

As we have seen in a previous chapter, the Post Office Savings Bank may be used for the investment of money within certain limits in Government Stock, and the facilities afforded in this respect continue to be availed of to a considerable extent. The number of depositors who have money so invested is 69,113, the amount standing to their credit being £7,033,564. In the last year 16,935 investments were made for £967,142. The sales numbered 13,769 for £796,486. In the two previous years the sales exceeded the purchase, a fact no doubt due to the high price of Consols, but in 1897, it will be seen, a happier state of affairs was brought about.

The progress of the insurance and annuities branch

of the Post Office Savings Bank, if slow, continues steadily. The last recorded statistics show that 2051 immediate annuities for £56,237 were purchased in the year, the purchase money amounting to £756,433. The deferred annuities numbered 207 for £4009, while 849 life insurance policies were issued for £48,017. As regards insurances, it may be remarked that in 1896 there was a large increase of business, which was attributed to the introduction on the 1st of February 1896 of new tables. Under these tables premiums were reduced and endowment insurances, formerly payable only at the age of 60, were issued payable at 55 or 65, or sooner, in the event of death. 1194 policies were effected between the 1st of February and the 31st of December in that year; no less than 401 were for payment at the age of 55. Only 29 were for payment at the age of 65. We have already said so much respecting the Post Office system of insurances and annuities, that it only remains to say that were the facilities and many advantages which it affords for this form of providence more widely known, there can be no doubt that they would be more largely availed of by the public.

It is frequently asserted of Government departments that they are slow to act and do not keep with the times. Whatever truth there may be in the assertion, it cannot in any way be taken to apply to the savings bank department. The progress of that institution is undoubtedly one of the world's wonders. And there seems to be no abatement in the expansion and development of the system as time goes on. Every year seems to add to the facilities rendered by the Government in the cause of thrift. If we look back over the last ten years, we shall find that quite a remarkable number of changes and improvements

in the system of Post Office savings banks has taken place. In 1887 a new Act of Parliament was passed relating to these banks. Under this Act a fresh code of regulations was prepared and brought into operation, but no conspicuous change was made in the system. The Post Office obtained power, however, to offer certain facilities for the transfer of money from one account to another, and also for the easier disposal of the funds of deceased depositors. The convenience of customers of the bank was provided for in various other ways by the new regulations framed under the Act. Notwithstanding the vast expansion in the savings bank system, the original regulations drawn up in 1861 remained unchanged until 1887, a circumstance that is in itself, as the Postmaster-General points out, no slight testimony to the skill of the men who drew them up.

The next Savings Bank Act was passed in 1891, and under it some important alterations were made in the system. Thus the maximum amount allowed to be deposited was raised from £150 to £200 inclusive of interest. In the event of principal and interest exceeding £200, the Act provides that interest shall cease only on the amount in excess of £200. Previously, if a depositor's balance reached £200 by accumulation of interest, interest ceased altogether until a portion was withdrawn. No alteration was made in the annual limit of £30, although it had long been held to be too low for the requirements of the customers of the bank. But a useful provision was made under the Act, that, irrespective of that limit, depositors might replace in the bank the amount of any one withdrawal made in the same year. The object of this provision, as will no doubt be seen, was to avoid curtailing the saving power of a person who

might be driven by emergency to make an inroad upon his store, but who might, nevertheless, when the emergency had passed, find himself none the poorer, and able to replace the money withdrawn.

The year 1891 was that in which Mr Lang was appointed Controller of the Post Office savings bank, and it is since then that many useful changes have been made in the system. In September of that year, on the Free Education Act coming into force, a scheme was devised for encouraging the investment in the Post Office savings bank of the school fees no longer required to be paid. Of that scheme and its beneficial effects we have already spoken at length. It need only be further added here that since the initiation of the scheme about 3500 schools have made use of it, and of this number about 2000 continue to do so. The amount deposited in this way last year is believed to be £16,000. In 1892 a small concession was made to depositors by allowing them to pay in cheques as deposits, a plan that has proved very useful to those depositors who have not ordinary banking accounts.

The year 1893 saw some marked reforms carried out in the savings bank system of the Post Office. Another Savings Bank Act was passed in that year, and under it the annual limits of deposit were at length extended from £30 to £50. The maximum remained unchanged, but it was provided that any accumulations accruing after that amount had been reached should be invested automatically in Government Stock unless the depositor gave instructions to the contrary. The Act also extended the limits of investment in such stock from £100 to £200 per annum, and from £300 to £500 in all. It also provided for the re-investment in any year of any one

amount of stock sold, and for various alterations in dealing with dividends in Government Stock.

Such, briefly, are the main features of the Act of 1893, which may be reckoned as one of the most important of the Savings Bank Acts. It is one which is eminently worthy of this age of progress. It was originally intended to raise the annual limit for depositors to £100, but, owing to the strong opposition from the banking interests, this part of the measure had to be abandoned. It is difficult to see in what way the interests of the bankers would have been seriously affected. The opposition of that community just at that time was regrettable, seeing that the classes for whom the Government banks are intended had suffered severe losses through the collapse of many small investment societies. There is hope, however, that in future this desirable increase may yet be made. The increase in the limits for stock investments through the Post Office, provided for by the new Act, was quite generous, and could not fail to commend itself to the class of small investors.

Under the Act of 1893, a new code of regulations was framed, giving effect to the provisions of the Act, and making various alterations in the system of the Post Office savings bank. These regulations came into operation on the 1st of December 1893. The most pronounced change which they effected was certainly the power they gave to depositors to withdraw money by telegraph or by return of post. This very desirable reform had long been under consideration at the Post Office, but Postmasters-General had hesitated before sanctioning this new departure. It was known that the system was in force abroad. It was also recognised that there might be, and doubtless were, cases in this country where the possibility of with-

drawing money without delay might be all important, and might save a depositor from debt and distress. On the other hand, it was strongly held that the cause of thrift was sometimes served by interposing a delay between a sudden desire to spend and its realisation. It was likewise held to be essential to maintain a marked distinction between a bank of deposit and a bank for keeping current accounts. Over and above these considerations, there were obvious difficulties which stood in the way of making such a change. The chief difficulties were the means of insuring payment of the money to the right person, and the prevention of fraudulent appropriation of the money through the publicity which the use of the telegraph necessarily creates. The balance of opinion, on the whole, was ultimately in favour of the change, and two new methods of withdrawal were accordingly provided. A depositor may now telegraph for his money and have his warrant sent him by return of post, or he may telegraph for his money and have it paid to him in an hour or two, on the authority of a telegram from the savings bank to the postmaster. The first method costs the depositor about 9d., and the second about 1s. 3d. for the transaction. The arrangements made to overcome the obstacles referred to have proved quite satisfactory, and work with perfect smoothness. The plan, indeed, is nearly identical with the telegraph money order system, the rules governing it being very much the same in character. In the case of payment by telegraph, the amount which can be so withdrawn is restricted to £10, and in the case of payment by return of post to £20. These restrictions are, of course, necessary in view of the limited cash balances which many postmasters are permitted to retain.

The *modus operandi* of the plan is simplicity itself. Anyone desiring to withdraw a sum of money from his deposit account in the Post Office savings banks by telegraph or by return of post has to do no more than write the words "Payment by Telegraph," or "Payment by return of Post," as the case may be, across the ordinary notice of withdrawal form, which he fills up with the necessary particulars in the usual manner. He must also produce his deposit book for the inspection of the postmaster, who will satisfy himself that the balance is sufficient to meet the desired payment and that the applicant's signature corresponds with the signature of the depositor in the book. This done, the postmaster will send to the savings bank department a telegram, which will be repeated from office to office, notifying the desired withdrawal. If at the chief office the particulars wired are found to be satisfactory, a reply will be sent to the postmaster by telegraph authorising the payment. The money will then be paid to the depositor upon his signing the prescribed receipt and satisfying the official that he is the rightful recipient of the money. In the case of a "return post payment" the postmaster's telegram will be so worded. The authority will then be forwarded by first post and payment made by warrant in the usual manner. In each case, of course, the cost of the telegrams involved will be charged to the depositor. These, as has been stated, will average for a telegraph payment about 1s. 3d., and for a "return post payment" about 9d. Considering that such payments will only be required in times of emergency, depositors will probably not be disposed to regard such charges as excessive. This more especially as they will but defray the actual expenses entailed in the fulfilment of their desires.

The operation of this plan is one which must be most beneficial to depositors generally and to small commercial men in particular. There is many an unlooked for occasion when the immediate possession of money locked up in the coffers of the Government would be of the utmost value. In such cases the plan proves a veritable boon. So far the results have been quite satisfactory. In the first eight months of the new system 21,000 depositors used it. In the last year it is recorded that 9389 withdrawals were made by return of post and 117,507 by telegram. The absurd use to which the system has sometimes been put is shown by the fact that amounts of 2d., 4d., and 5d., respectively, have been applied for to be withdrawn by telegraph. In each case a sum of not less than 1s. 3d. would have had to be paid.

Another important change provided for by the regulations affected the friendly and charitable societies. Although more limited in its area than other of the changes, the benefit of it has been none the less appreciated. Under the old regulations warrants in favour of such societies were payable only to the trustees or the treasurer. But many societies objected to payment being made to their treasurer, while the trustees are so numerous as to make it practically impossible to obtain their signatures to a notice of withdrawal. In practice, therefore, it was necessary to accept the signatures of some only of the trustees. This practice has now been legalised by the regulations referred to. Every society is required, when a deposit is made, to specify by whom the money may be subsequently withdrawn.

The savings bank regulations of 1893 further provided for many other changes, chiefly in connection

with matters of detail, into which it would be tedious to enter. It is only necessary to say that these changes as a whole have undoubtedly had the effect of making saving an easier matter for the masses. A remarkable anomaly in connection with the Channel Islands was swept away by these regulations. It appears, curiously enough, that previously the savings bank regulations had not applied to those islands. As may be conceived, considerable difficulties had in consequence arisen from time to time in dealing with Channel Island cases. This was remedied in 1893, and by the provision of the necessary variation of terms, the regulations of that year apply to those islands.

Since 1893 no further legislation has been found necessary with regard to the Post Office savings bank. The only change affecting the public which has been made since that year was the introduction in February 1896 of new tables for Post Office life insurance. Under those tables the annual premiums have been reduced and additional facilities for insurance afforded, with the results already shown in the chapter on this branch of the Post Office savings bank business.

There is one important feature of the Post Office savings bank system that is comparatively little known, and which, therefore, should not be left unmentioned. That is its code of simple laws and regulations for the settlement of disputes as to the ownership of deposited money and the disposal of the estate of depositors who have died intestate. Parliament has provided that in savings bank matters an award by the registrar of friendly societies shall be final. Depositors are thus saved from the costs and delays of litigation. It has also provided that a mere nomination, properly executed, shall up

to £100 be an adequate testamentary disposition of money in the savings bank. This provision is a saving not only of expense in proving a will, or taking out letters of administration, but also in time. To the class from whom the bulk of the savings bank depositors are drawn, such a saving can hardly fail to be much appreciated. It has been the endeavour of the Post Office to supplement these main provisions by regulations, relating to the varied irregularities of title, which must occur in dealing with the property of so many millions of the poorer classes, and to simplify forms without abandoning the principles of law. The Post Office does more than this. It has the power of advancing, for the benefit of a deceased depositor's nominee, if an infant under the age of sixteen years, the sum mentioned in the nomination, or any part of it. There is, of course, this proviso, that the Postmaster-General must be satisfied that the money is required for the maintenance or education of such infant; and that on payment, the money will be so applied. Of the utility of this provision, in many cases there can be no question. And a further regulation, in connection with nominations, which affords a like measure of usefulness, is that the Post Office, and not the Inland Revenue department, as formerly, requires proof that the estate of a deceased depositor does not, after the deduction of debts and funeral expenses, exceed £100. The persons chiefly concerned are thereby saved all the trouble and delay which was formerly caused by the necessity of having to apply to more than one department.

As may be supposed, fraud, default, and accident have not been altogether absent from the history of the Post Office savings bank. It could hardly be expected that an institution of such wide ramifications,

and dealing as it does with millions every year, should entirely escape such evils. The depositors have, however, never suffered, for they are indemnified by the State. The amount which the State has lost in this manner is quite trifling, and is but £10,000, or '00125 per cent. out of the £800,000,000 passing by deposit and withdrawal through the 12,000 branches of the Post Office savings bank.

The gigantic nature of the operations of the savings bank department of the Post Office, with its enormous staff, may well lead to the idea that the expenses of the department are heavy. The annual expenditure at the present time is at the rate of £460,000, of which sum £338,000 goes on salaries, wages, and allowances alone. The next heaviest item is the cost of the conveyance of the bank's correspondence, which amounts to £71,000, and this postage is actually paid. The amount spent in the year on stationery is £13,500. For every year until 1896 a profit has accrued to the State after the bank had paid its expenses and $2\frac{1}{2}$ per cent. interest to its depositors. But the rise in the price of Consols has brought about a change, and in the year named the annual balance-sheet showed a deficit of £3791. That the Post Office has done its best, by economical working, to minimise the difficulty, is shown by the fact that the average cost of each transaction, which was originally nearly 7d., has been brought down to 6d.

It is, of course, more satisfactory that the bank should pay its way, as it has done in the past, and no doubt it will again. Indeed, the profits which accrued, after all expenses were defrayed, in past years, were quite enormous. Meanwhile, the nation will not grudge any small deficiency which it may have to make good, seeing what inestimable advantages the

institution confers upon millions of the population, These advantages cannot be made known too widely, and they, together with the main features of the savings bank system, are fully set forth in the Post Office Guide, the Post Office Penny Handbook, and in the familiar savings bank deposit book itself.

In the large sphere of its operations the Post Office savings bank does not clash with the work of the Trustee banks. Its seven million depositors are drawn mainly from a class which the Trustee banks could not have reached. The Post Office has no doubt absorbed many of the old savings banks, but those were the weaker of their kind, and did not offer sufficient facilities to the class even for whom they were intended. The Trustee banks serve the townsman of fixed abode, but the people of remote villages, or of no settled home, they cannot reach. These are the classes whose convenience can only be met by a bank which has its branches everywhere, and which can carry on at any branch what it undertook originally at any other branch. That bank is the Post Office Savings Bank, which, by the assistance it renders to frugal and provident individuals, has become an enormous factor in the general development of thrift in this country. But not only so, for inasmuch as friendly, provident, and charitable societies, as well as trade unions and penny banks keep their accounts with the Post Office, the savings bank system of that department has also become an important ally of the associations for self-help.

SELECTION FROM

S. W. PARTRIDGE & CO.'S

CATALOGUE OF

POPULAR ILLUSTRATED BOOKS**5s. each.****IN THE
MAHDI'S GRASP.**

BY

G. M. FENN.

With Six Illustrations by Lancelot Speed.

Large Crown 8vo. 416 pages. Cloth boards, gilt edges. 5s. each.

A bright and healthy story for boys; full of incident and adventure in the Soudan.

From "In the Mahdi's Grasp."

Sappers and Miners; or, The Flood Beneath the Sea. By Geo. Manville Fenn. Illustrated. Large Crown 8vo. 320 pages. Cloth boards, gilt edges. 5s.

Describes Gwyn Pendarve and Joe Jollivet's Adventures in an old Cornish Mine. Full of interest for elder boys.

Cormorant Crag: A Tale of the Smuggling Days. By Geo. Manville Fenn. Illustrated by W. Rainey, R.I. Large Crown 8vo. 416 pages. Cloth boards, gilt edges. 5s.**In Honour's Cause:** A Tale of the Days of George the First. By Geo. Manville Fenn. Illustrated by Lancelot Speed. Large Crown 8vo. Cloth boards, gilt edges. 5s."Well written, and thoroughly interesting."—*Westminster Gazette*.**Steve Young;** or, The Voyage of the "Hvalross" to the Icy Seas. By Geo. Manville Fenn. Illustrated by W. Rainey, R.I. Large Crown 8vo. 416 pages. Cloth boards, gilt edges. 5s."A stirring book of adventure with many thrilling passages."—*Liverpool Mercury*.



From "The Awakening of Helena Thorpe."

3s. 6d. each.

The Awakening of Helena Thorpe. By E. Rentoul Esler, Author of "A Maid of the Manse," etc. Illustrated. Large Crown 8vo. Cloth Boards. 3s. 6d.

The Three - Cornered House. By the Author of "Everybody's Friend," "Duff Darlington," etc. Twelve Illustrations. Large Crown 8vo. Cloth boards, gilt top. 3s. 6d.

A brightly-written story, in which the evils of drink and gambling are depicted.

Casque and Cowl: A Tale of the French Reformation. By F. M. Cotton Walker, Author of "The Lily and Rose," etc. 364 pages. Four Illustrations. Large Crown 8vo. Cloth boards, gilt top. 3s. 6d.

Jungle and Stream; or, The Adventures of Two Boys in Siam. By Geo. Manville Fenn. Four Illustrations by Harold Piffard. Large Crown 8vo. 416 pages. Cloth boards. 3s. 6d.

"A very fine story for boys. In it we have set forth, with amplitude of detail, the thrilling adventures of two boys in Siam."—*St. James' Gazette*.

A Lady of High Degree. By Jennie Chappell. Large Crown 8vo. 320 pages. Illustrated. Cloth boards, gilt top. 3s. 6d.

A pretty story of twin sisters, one surrounded by refinement and wealth, the other living in respectable poverty. The value of true nobility of character and a firm trust in God's over-ruling providence, permeate this well-told tale.

The Missing Million: A Tale of Adventure in Search of a Million Pounds. By E. Harcourt Burrage. Large Crown 8vo. Cloth, gilt top. 3s. 6d.

Six Stories by Pansy.

Imperial 8vo. 390 pages. Fully Illustrated and well bound in cloth, with attractive coloured design on cover. Six complete Stories in each Vol. Vols. 1, 2, 3, 4, and 5. 3s. 6d. each.

In attractive, cheap, and permanent form the stories of this celebrated American Authoress are here offered to the public. Welcome presents for Girls.

Pilgrim's Progress

(The). By John Bunyan. Illustrated with 55 Full-page and other Engravings, drawn by Frederick Barnard, J. D. Linton, W. Small; and engraved by Dalziel Brothers. Crown 4to. Cloth extra. 3s. 6d. (Gilt edges, 5s.)

The Story of the Bible.

Arranged in simple style for Young People. One Hundred Illustrations. (Gilt edges, bevelled boards, 4s. 6d.)

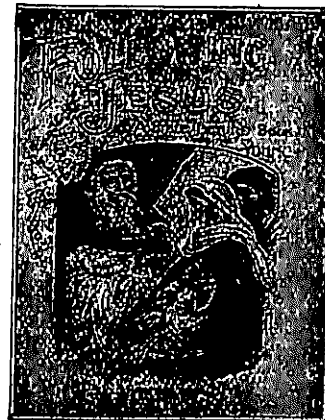
"We have nothing but praise for the exquisite simplicity of the style of this version of Bible narrative and history."—*Literary World*.



From "Casque and Cowl."

Demy 8vo. Cloth extra. 3s. 6d.

2s. 6d. each.



Following Jesus: A Bible Picture Book for the Young. Size 13½ x 10 inches. Contains 12 large and beautifully coloured Old and New Testament Scenes, with appropriate letterpress by D. J. D., Author of "Bible Pictures and Stories," etc. Handsome coloured cover, paper boards with cloth back. 2s. 6d.

A charming gift-book for young children.

Brought to Jesus: A Bible Picture Book for Little Readers. Containing Twelve large New Testament Scenes, printed in colours, with appropriate letterpress by Mrs. G. E. Morton. Size, 13½ by 10 inches. Handsome coloured boards with cloth back. 2s. 6d.

Light for Little Footsteps; or, Bible Stories Illustrated. By the Author of "A Ride to Picture Land," etc. Size, 13½ by 10 inches. With beautiful coloured Cover and Frontispiece. Full of Pictures. 2s. 6d.

Our Rulers: From William the Conqueror to Edward VII. By J. Alexander. Foolscap 4to. Cloth gilt. 60 beautiful illustrations. Attractively bound. 2s. 6d.

A Trip to Many Lands. By W. J. Forster, Author of "Uncle Zeph and his Yarns," etc. With Twenty-six Full-page Pictures. 4to. Cloth gilt. 2s. 6d.

Bible Pictures and Stories. Old and New Testament. In one Volume. Bound in handsome cloth covers, with Eighty-nine Full-page Illustrations by Eminent Artists. 2s. 6d.

Story of Jesus. For Little Children. By Mrs. G. E. Morton, Author of "Brought to Jesus," etc. Many Illustrations. Imperial 16mo. Cloth boards. 2s. 6d.



From "Castleton's 'Prep.'"

Victoria: Her Life and Reign. By Alfred E. Knight. New Edition. Large Crown 8vo. 320 pages. Cloth extra, 2s. 6d.; fancy cloth, gilt edges, 3s. 6d.

Castleton's "Prep." By Charlotte Murray, Author of "Through Grey to Gold," etc. Illustrated. Crown 8vo. Cloth boards, 2s. 6d.

Through Grey to Gold. By Charlotte Murray, Author of "Muriel Malone," etc. Illustrated. Crown 8vo. Cloth boards, 2s. 6d.

Muriel Malone; or From Door to Door. By Charlotte Murray, Author of "Wardlaugh," etc. Illustrated. Crown 8vo. Cloth boards, 2s. 6d.

The success of the Author's story "Wardlaugh," has led to these helpful Christian books being published. The character-sketching is good, and the interest well maintained from start to finish.

2s. 6d. each.

THE "RED MOUNTAIN" SERIES.

Crown 8vo. 320 pages. Illustrated. Handsomely bound in cloth. 2s. 6d. each.

Ice Bound; or, The Anticosti Crusoes. By Edward Roper, F.R.G.S., Author of "By Track and Trail through Canada." Eight Illustrations. Crown 8vo. Cloth boards, 2s. 6d.

The adventures, perils, and experiences of some shipwrecked persons on this ice-bound island are graphically described, the book affording capital reading and much information on the natural and physical conditions of life in this northern region.

On Winding Waters: A Tale of Adventure and Peril. By William Murray Graydon, Author of "The Fighting Lads of Devon," etc. Fully illustrated. Crown 8vo. Cloth boards, 2s. 6d.

A summer canoeing trip on a North American creek; describing, in the form of an exciting tale, the mishaps, perils and adventures of a party of students who spent their holiday on winding waters.



from "Ice Bound."

Burtons of Burdale (The). By John W. Kneeshaw, Author of "Norcliffe Court," etc. Illustrated. Crown 8vo.

Grand Chaco (The): A Boy's Adventures in an unknown Land. By G. Manville Fenn.

"Mr. Fenn has lost none of his imaginative power, and the boating adventures of his boy heroes in South America leave nothing to be desired."—*Athenæum*.

First in the Field: A Story of New South Wales. By G. Manville Fenn.

Loyal: A Story of the Mercantile Marine. By Arthur Collard. Illustrated.

Two Henriettas (The). By Emma Marshall, Author of "Eaglehurst Towers," etc.

Adventures of Don Lavington (The). By G. Manville Fenn. Illustrated. Large Crown 8vo. Cloth extra.

Crystal Hunters (The): A Boy's Adventures in the Higher Alps. By G. Manville Fenn. Illustrated. Large Crown 8vo. Cloth extra.

Norcliffe Court. By John W. Kneeshaw, Author of "A Black Shadow," "From Dusk to Dawn," etc.

By Sea-Shore, Wood, and Moorland: Peeps at Nature. By Edward Step, Author of "Plant Life," etc.

Eagle Cliff (The): A Tale of the Western Isles. By R. M. Ballantyne, Author of "Fighting the Flames," etc.

THE "RED MOUNTAIN" SERIES—Continued.

Edwin, The Boy Outlaw; or, The Dawn of Freedom in England. A Story of the Days of Robin Hood. By J. Frederick Hodgetts, Author of "Older England" etc.

England's Navy: Stories of its Ships and its Services. With a Glance at some Navies of the Ancient World. By F. M. Holmes, Author of "Great Works by Great Men," etc.

Green Mountain Boys (The): A Story of the American War of Independence. By Eliza F. Pollard.

Great Works by Great Men: The Story of Famous Engineers and their Triumphs. By F. M. Holmes.

Lady of the Forest (The). By L. T. Meade, Author of "Scamp and I," "Sweet Nancy," etc.

Lion City of Africa (The): A Story of Adventure. By Willis Boyd Allen, Author of "The Red Mountain of Alaska," etc.

Mark Seaworth: A Tale of the Indian Archipelago. By W. H. G. Kingston, Author of "Manco, the Peruvian Chief."

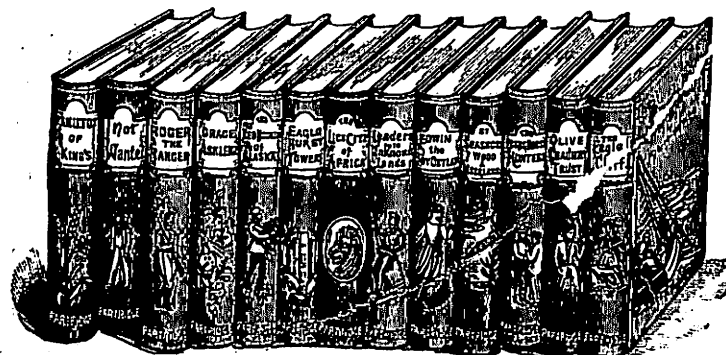
Manco, The Peruvian Chief. By W. H. G. Kingston. New Edition. Illustrated by Lancelot Speed.

Roger the Ranger: A Story of Border Life among the Indians. By Eliza F. Pollard, Author of "Not Wanted," etc.

Red Mountain of Alaska (The). By Willis Boyd Allen, Author of "Pine Cones," "The Northern Cross," etc.

True unto Death: A Story of Russian Life and the Crimean War. By Eliza F. Pollard, Author of "Roger the Ranger."

White Dove of Amritzlr (The): A Romance of Anglo-Indian Life. By Eliza F. Pollard.



2s. each.

THE HOME LIBRARY.

Crown 8vo. 320 pages. Handsome Cloth Covers. Illustrations. 2s. each.



From "Aveline's Inheritance."

Aveline's Inheritance. By Jennie Chappell. Illustrated. Cloth boards.

In bright vivacious style the author narrates how a fortune passed from one to another until it reached the rightful heir. Aveline, the heroine, is a vigorous Christian character, and how she nobly uses her inheritance for the benefit of her less fortunate brother forms a fitting conclusion to a stimulating and healthy book.

Around the Fire: Yule-tide Stories. By M. S. Haycraft. Illustrated. Crown 8vo, cloth boards.

The Spanish Maiden: A Story of Brazil. By Emma E. Hornibrook.

Grace Ashleigh; or, His Ways are Best. By Mary D. R. Boyd. 320 pages. Eight illustrations. The story of a consecrated life and earnest endeavour to glorify God in the midst of opposition and difficulty.

Fortune's Wheel. By Eliza F. Pollard.

An interesting story of South African life, and of evil overcome by good.

Martyr of Kolin (The): The Story of the Bohemian Persecution. By H. O. Ward.

"Conveys a strong impression of reality, and is eminently fitted to foster a love for religious liberty, more especially in the young."—*Aberdeen Free Press*.

A Village Story. By Mrs. G. E. Morton. Author of "The Story of Jesus," "A Trio of Cousins," "Foreshadowed," etc.

A book of more than ordinary interest. Deeply spiritual in tone: A valuable contribution to the literature suited for Sunday School Prizes and Libraries.

Clouds that Pass. By E. Gertrude Hart.

Child of Genius (A). By Lily Watson.

Wardlaugh; or, Workers Together. By Charlotte Murray.

A story of earnest Christian work in a Scottish village. Bright and helpful.

Out of the Deep. By E. Harcourt Burrage.

Miss Elizabeth's Niece. By M. S. Haycraft.

More Precious than Gold. By Jennie Chappell.

John Halifax, Gentleman. By Mrs. Craik. New edition. 540 pages.

Ben-Hur. By L. Wallace.



From "The Martyr of Kolin."

2s. each.

THE HOME LIBRARY—(continued).

Better Part (The). By Annie S. Swan.

Bunch of Cherries (A). By J. W. Kirton.

Cousin Mary. By Mrs. Oliphant, Author of "Chronicles of Carlingford," etc.

Dr. Cross; or, Tried and True. By Ruth Sterling.

Dorothy's Training; or, Wild-Flower or Weed? By Jennie Chappell.



Gerard Mastyn; or, The Son of a Genius. By E. Harcourt Burrage.

Honor: a Nineteenth Century Heroine. By E. M. Alford.

Her Saddest Blessing. By Jennie Chappell.

John: A Tale of the Messiah. By K. Pearson Woods.

Living It Down. By Laura M. Lane.

Morning Dew-Drops. By Clara Lucas Balfour.

Mark Desborough's Vow. By Annie S. Swan.

Mick Tracy, the Irish Scripture Reader. By the Author of "Tim Doolan, the Irish Emigrant."

Naomi; or, The Last Days of Jerusalem. By Mrs. Webb.

Pilgrim's Progress (The). By John Bunyan. 416 pages. 47 Illustrations.

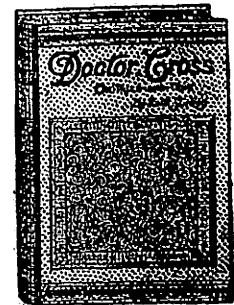
Petrel Darcy; or, In Honour Bound. By T. Corrie.

Strait Gate (The). By Annie S. Swan.

Polar Eden (A): or, The Goal of the "Dauntless." By Charles R. Kenyon, Author of "The Young Ranchman," etc.

Uncle Tom's Cabin. By Harriet Beecher Stowe.

Without a Thought; or, Dora's Discipline. By Jennie Chappell.



Nearly 400,000 of these volumes have already been sold.



2s. each.

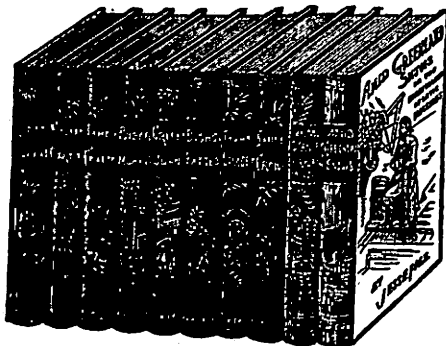
Bible Light for Little Pillgrims. A Coloured Scripture Picture Roll, containing Twelve beautifully Coloured Old and New Testament Scenes, with appropriate texts. Varnished cover, printed in ten colours. Mounted on roller for hanging. 2s.

Bible Picture Roll. Containing a large Engraving of a Scripture Subject, with letterpress for each day in the month. Mounted on roller. 2s.

The Friends of Jesus. Illustrated Sketches for the Young, of the Twelve Apostles, the Family at Bethany, and other of the earthly friends of the Saviour. Small 4to. Cloth extra. 2s.

Domestic Pets: Their Habits and Treatment. Anecdotal and Descriptive. Full of Illustrations Fcap. 4to. Cloth extra. 2s

1s. 6d. each.



NEW SERIES OF MISSIONARY BIOGRAPHIES.

Crown 8vo. 160 pages. Cloth extra. Fully Illustrated. 1s. 6d. each.

James Chalmers, Missionary and Explorer of Raratonga and New Guinea. By William Robson. New Edition, brought up-to-date by Frank B. Broad, of the London Missionary Society.

Griffith John, Founder of the Hankow Mission, Central China. By William Robson. New Edition, brought up-to-date by Frank B. Broad.

Amid Greenland Snows; or, The Early History of Arctic Missions. By

Bishop Patteson, the Martyr of Melanesia. By Jesse Page.

Captain Allen Gardiner: Sailor and Saint. By Jesse Page, Author of "Japan, its People and Missions," etc.

1s. 6d. each.

Congo for Christ (The) The Story of the Congo Mission. By Rev. J. B. Myers, Author of "William Carey," etc.

David Brainerd, the Apostle to the North American Indians. By Jesse Page.

Japan: Its People and Missions. By Jesse Page.

John Williams, the Martyr Missionary of Polynesia. By Rev. James J. Ellis.

James Calvert; or, From Dark to Dawn in Fiji. By R. Vernon.

Lady Missionaries in Foreign Lands. By Mrs. E. R. Pitman, Author of "Vestina's Martyrdom," etc.

Madagascar: Its Missionaries and Martyrs. By William J. Townsend, Author of "Robert Morrison," etc.

Missionary Heroines in Eastern Lands. By Mrs. E. R. Pitman, Author of "Lady Missionaries in Foreign Lands."

Robert Moffat, the Missionary Hero of Kuruman. By David J. Deane.

Robert Morrison, the Pioneer of Chinese Missions. By William John Townsend, General Secretary of the Methodist New Connexion Missionary Society.

Samuel Crowther, the Slave Boy who became Bishop of the Niger. By Jesse Page.

Thomas J. Comber, Missionary Pioneer to the Congo. By Rev. J. B. Myers, Association Secretary, Baptist Missionary Society.

From Kafir Kraal to the Pulpit: The Story of Tiyo Soga, first ordained preacher of the Kafir Race.

William Carey, the Shoemaker who became the Father and Founder of Modern Missions. By Rev. J. B. Myers.

NEW POPULAR BIOGRAPHIES.

Crown 8vo. 160 pages. Maps and Illustrations. Cloth extra. 1s. 6d. each.

Dwight L. Moody: The Life-work of a Modern Evan- gelist. By Rev. J. H. Batt.

Noble Work by Noble Women: Sketches of the lives of the Baroness Burdett-Coutts, Lady Henry Somerset, Miss Robinson, Mrs. Fawcett, and Mrs. Gladstone. By Jennie Chappell, Author of "Four Noble Women," etc.

Four Noble Women and their Work: Sketches of the Life and Work of Frances Willard, Agnes Weston, Sister Dora, and Catherine Booth. By Jennie Chappell.

Canal Boy who became President (The). By Frederic T. Gammon. Twelfth Edition. Thirty-fourth Thousand.

David Livingstone: His Labours and His Legacy. By Arthur Montefiore-Brice, F.R.G.S.

1s. 6d. each.

Florence Nightingale, the Wounded Soldier's Friend. By Eliza F. Pollard.

Four Heroes of India: Clive, Warren Hastings, Havelock, Lawrence. By F. M. Holmes.

Fridtjof Nansen: His Life and Explorations. By J. Arthur Bain.

General Gordon, the Christian Soldier and Hero. By G. Barnett Smith.

Gladstone (W. E.): England's Great Commoner. By Walter Jerrold. With Portrait and Thirty-eight other Illustrations.

Heroes and Heroines of the Scottish Covenanters. By J. Meldrum Dryerre, LL.B., F.R.G.S.

John Knox and the Scottish Reformation. By G. Barnett Smith.

Michael Faraday, Man of Science. By Walter Jerrold.

Philip Melancthon, the Wittenberg Professor and Theologian of the Reformation. By David J. Deane, Author of "Two Noble Lives," etc.

Sir Richard Tangye ("One and All"). An Autobiography. With Twenty-one Original Illustrations by Frank Hewitt. (192 pages.)

Sir John Franklin and the Romance of the North-West Passage. By G. Barnett Smith.

Stanley (Henry M.), the African Explorer. By Arthur Montefiore-Brice, F.R.G.S.

Spurgeon (C. H.): His Life and Ministry. By Jesse Page.

Two Noble Lives: JOHN WICLIFFE, the Morning Star of the Reformation; and MARTIN LUTHER, the Reformer. By David J. Deane. (208 pages.)

William Tyndale, the Translator of the English Bible. By G. Barnett Smith.

Alexander Maclaren: The Man and His Message. A Character Sketch. By John E. Carille, Author of "The Royal Life." 1s. 6d. net.

Joseph Parker, D.D.: His Life and Ministry. By Albert Dawson. Crown 8vo. 160 pages. Illustrated. Cloth boards. 1s. 6d. net.

General Booth: The Man and His Work. By Jesse Page. Crown 8vo. 160 pages. Illustrated. Cloth boards. 1s. 6d. net.

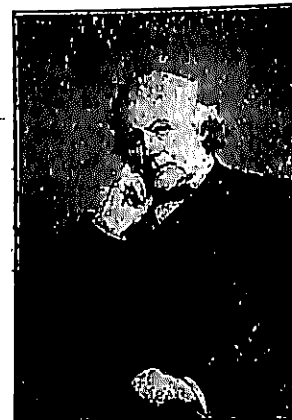
Hugh Price Hughes. By Rev. J. Gregory Manie. 160 pages. Illustrated. Cloth boards. 1s. 6d. net.



From "Florence Nightingale."

1s. 6d. each.
THE "WORLD'S WONDER" SERIES.

A Series of Popular Books treating of the present-day wonders of Science and Art. Well written, printed on good paper, and fully illustrated. Crown 8vo. 160 pages. Handsome Cloth Covers. 1s. 6d. each.



From "Surgeons and their Wonderful Discoveries."

Surgeons and their Wonderful Discoveries: Stories of Triumphs in Surgical Skill, and for the assuagement of Human Suffering. By F. M. Holmes, Author of "The Lifeboat," etc.

The Lifeboat: Its History and Heroes. By F. M. Holmes, Author of "Firemen and their Exploits," etc.

Firemen and their Exploits: With some account of the Rise and Development of Fire Brigades, of various Appliances for saving life at fires, and for extinguishing the flames. By F. M. Holmes, Author of "Engineers and their Triumphs."

Marvels of Ant Life. By W. F. Kirby, F.L.S., F.E.S., of the Natural History Museum, South Kensington.

The Romance of the Savings Banks. By Arch. G. Bowie.

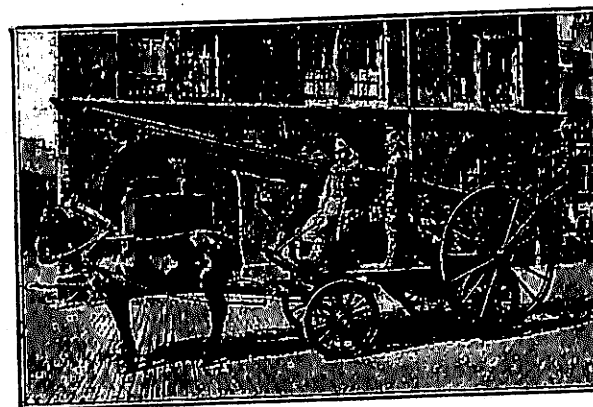
The Romance of Glass-Making: A Sketch of the History of Ornamental Glass. By W. Gandy.

The Romance of the Post Office: Its Inception and Wondrous Development. By Arch G. Bowie.

Marvels of Metals. By F. M. Holmes.

Miners and their Works Underground. By F. M. Holmes.

[Continued on next page.]



From "Firemen and their Exploits."

1s. 6d. each.

Triumphs of the Printing Press. By Walter Jerrold.

Astronomers and their Observations. By Lucy Taylor. With Preface by W. Thynne Lynn, B.A., F.R.A.S.

Celebrated Mechanics and their Achievements. By F. M. Holmes.

Chemists and their Wonders. By F. M. Holmes.

Engineers and their Triumphs. By F. M. Holmes.

Electricians and their Marvels. By Walter Jerrold.

Musicians and their Compositions. By J. R. Griffiths.

Naturalists and their Investigations. By George Day, F.R.M.S.

THE BRITISH BOYS' LIBRARY.

A New Series of 1s. 6d. Books for Boys. Illustrated. Crown 8vo. Cloth extra.



From "Heroes All!"

Heroes All! A Book of Brave Deeds for British Boys. Edited by C. D. Michael, Author of "Deeds of Daring," etc.

Deeds of Daring; or, Stories of Heroism in Every-day Life. Selected by C. D. Michael, Author of "Noble Deeds," etc.

The Thane of the Dean. By Tom Bevan, Author of "White Ivory and Black."

Noble Deeds; A Book of Stories of Peril and Heroism. By Charles D. Michael.

Armour Bright. By Lucy Taylor.

The Old Red School House: A Story of the Backwoods. By Frances H. Wood.

Ben: A Story of Life's Byways. By Lydia Phillips, Author of "Frank Burleigh."

Major Brown; or, Whether White or Black, a Man. By Edith S. Davis.

The Bell Buoy; or, The Story of a Mysterious Key. By F. M. Holmes.

Jack: A Story of a Scapegrace. By E. M. Bryant.

Hubert Ellerdale: A Tale of the Days of Wicliffe. By W. Oak Rhind.

1s. 6d. each.

THE BRITISH GIRLS' LIBRARY.

A New Series of 1s. 6d. Books for Girls. Illustrated. Crown 8vo. Cloth extra.

Lady of Greyham (The); or, Low in a Low Place. By Emma E. Hornibrook.

Gipsy Queen (The). By Emma Leslie.

Kathleen; or, A Maiden's Influence. By Julia Hack.

Crystal Joyce: The Story of a Golden Life. By Edward Garrett.

Christabel's Influence. By J. Goldsmith Cooper, Author of "Nella."

Maid of the Storm (The): A Story of a Cornish Village. By Nellie Cornwall.

Queen of the Isles. By Jessie M. E. Saxby.

NEW PICTURE BOOKS.



Pleasures and Joys for Girls and Boys. By D. J. D., Author of "Anecdotes of Animal Sagacity." With 8 coloured and 111 other Illustrations. Size 9 by 7 inches. Handsome coloured cover, paper boards and cloth back. 1s. 6d.

Happy and Gay: Pictures and Stories for Every Day. By D. J. D., Author of "Stories of Animal Sagacity," etc. With 8 coloured and 97 other Illustrations. Size 9 by 7 inches. Handsome coloured cover, paper boards with cloth backs. 1s. 6d.

Anecdotes of Animals and Birds. By Uncle John. With 57 full-page and other Illustrations by Harrison

Weir, etc. Fcap. 4to. 128 pages. Handsomely bound in paper boards, with Animal design in 10 colours, varnished. 1s. 6d.

Stories of Animal Sagacity. By D. J. D. A companion volume to "Anecdotes of Animals." Numerous full-page Illustrations. Handsomely bound in paper boards, with Animal subject printed in 10 colours, varnished. 1s. 6d.

1s. 6d. each.

ILLUSTRATED REWARD BOOKS.

Crown 8vo. 160 pages. Cloth extra. Fully Illustrated. 1s. 6d. each.



From "Little Soldiers."

Little Soldiers. By Kate L. Mackley.

The Golden Doors. By M. S. Haycraft.

A Late Repentance. By Hannah B. Mackenzie, Author of "Crowned Victor," etc.

Will; or, "That Boy from the Union." By L. Phillips, Author of "Frank Burleigh," etc.

A Red Brick Cottage. By Lady Hope, Author of "His Handy-work," etc.

Shepherds and Sheep. By E. Stuart-Langford, Author of "A Measuring Eye," etc.

Our Phyllis. By M. S. Haycraft, Author of "Sister Royal," etc.

Chrissie's Endeavour. } By "Pansy."
Three People.

The Young Moose Hunters. By C. A. Stephens.

Eaglehurst Towers. By Emma Marshall.

A Measuring Eye. By E. Stuart-Langford, Author of "Miss Sophia's Repentance," etc.

Alleen; or, "The Love of Christ Constraineth Us." By Laura A. Barter, Author of "Harold; or, Two Died for Me."

Duff Darlington; or, "An Unsuspected Genius." By Evelyn Everett-Green.

Everybody's Friend; or, Hilda Danvers' Influence. By Evelyn Everett-Green.

Fine Gold; or, Ravenswood Courtenay. By Emma Marshall, Author of "Eaglehurst Towers," etc.

Hiram Golf's Religion. By Geo. H. Hepworth, D.D.

In Friendship's Name: A Story for Boys. By L. Phillips, Author of "Frank Burleigh," etc.

Marchester Stories. By Rev. Charles Herbert. Illustrated. Crown 8vo. Cloth boards.

Nella; or, Not My Own. By Jessie Goldsmith Cooper.

The Legend of the Silver Cup: Allegories for Children. By Rev. G. Critchley, B.A. (Small quarto.)



From "Will; or, 'That Boy from the Union.'"

ILLUSTRATED REWARD BOOKS—(continued).

Our Duty to Animals. By Mrs. C. Bray, Author of "Physiology for Schools," etc. Intended to teach the young kindness to animals. Cloth 1s. 6d.; School Edition, 1s. 3d.

Raymond and Bertha: A Story of True Nobility. By L. Phillips, Author of "Frank Burleigh."

Rose Capel's Sacrifice; or, A Mother's Love. By Mrs. Haycraft, Author of "Like a Little Candle."

Satisfied. By Catherine M. Trowbridge.

Ted's Trust; or, Aunt Elmerley's Umbrella. By Jennie Chappell, Author of "Who was the Culprit?" etc.

Tamsin Rosewarne and Her Burdens: A Tale of Cornish Life. By Nellie Cornwall.

1s. each.

ONE SHILLING REWARD BOOKS.

Fully Illustrated. Crown 8vo. Cloth extra. 1s. each.



From "All Play and No Work."

All Play and No Work. By Harold Avery, Author of "The Triple Alliance," etc.

Bernard or Ben? By Jennie Chappell, Author of "Raymond's Rival," etc.

Paul the Courageous. By Mabel Quiller-Couch, Author of "Some Western Folk," etc.

Uncle Zeph and his Yarns. By W. J. Forster.

Raymond's Angel: A Story of Two Lives Laid Down. By Blanche Garvock.

Lost in the Backwoods. By Edith C. Kenyon, Author of "Brave Bertie," etc.

Roy's Sister. By M. B. Manwell.

Cola Monti; or, The Story of a Genius. By Mrs. Craik, Author of "John Halifax, Gentleman."

Bessie Drew; or, The Odd Little Girl. By Amy Manifold.

Dumpy Dolly. By E. M. Waterworth, Author of "Master Lionel," "Lady Betty's Twins," etc.

A Venturesome Voyage. By F. Scarlet Potter, Author of "The Farm by the Wood," etc.

The Pilgrim's Progress. By John Bunyan. 416 pages. 47 Illustrations.

Always Happy; or, The Story of Helen Keller. By Jennie Chappell, Author of "Ted's Trust."

1s. each.

ONE SHILLING REWARD BOOKS—(continued).



From "Paul the Courageous."

Birdie and Her Dog. By E. C. Phillips.

Children of Cherryholme (The). By M. S. Haycraft, Author of "Like a Little Candle," "Chine Cabin," etc.

Farm by the Wood (The). By F. Scarlett Potter, Author of "Phil's Frolic," etc.

Frank Burleigh; or, Chosen to be a Soldier. By L. Phillips.

His Majesty's Beggars. By Mary E. Ropes, Author of "Bel's Baby," etc.

Harold; or, Two Died for Me. By Laura A. Barter.

Indian Life in the Great

North-West. By Egerton R. Young, Missionary to the North American Indian tribes, North of Lake Winnipeg, Author of "By Canoe and Dog Train," etc.

Jack the Conqueror; or, Difficulties Overcome. By the Author of "Dick and his Donkey."

Jim's Discovery; or, On the Edge of a Desert. By T. M. Browne, Author of "Dawson's Madge," etc.

Little Bunch's Charge; or, True to Trust. By Nellie Cornwall, Author of "Tamsin Rosewarne," etc.

Little Woodman and his Dog Cæsar (The). By Mrs. Sherwood.

Marjory; or, What Would Jesus Do? By Laura A. Barter, Author of "Harold; or, Two Died for Me."

Our Den. By E. M. Waterworth, Author of "Master Lionel, that Tiresome Child."

Raymond's Rival; or, Which will Win? By Jennie Chappell, Author of "Losing and Finding," etc.

Sweet Nancy. By L. T. Meade, Author of "Scamp and I," "A Band of Three," etc.

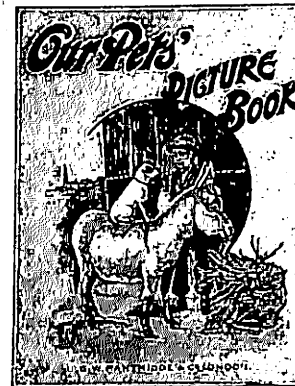
Twice Saved; or, Somebody's Pet and Nobody's Darling. By E. M. Waterworth, Author of "Our Den," "Master Lionel," etc.

Who was the Culprit? By Jennie Chappell, Author of "Her Saddest Blessing," "The Man of the Family," etc.

1s. each.

ONE' SHILLING PICTURE BOOKS.

Size, 10½ by 8 inches. Bound in handsome Coloured Paper Boards, with Coloured and other Illustrations. 1s. each.



Our Pets' Picture Book. By D. J. D., Author of "A Merry Game," etc.

Happy Playmates: Pictures and Stories for Young Folks. By J. D., Author of "Buttercups and Daisies," etc.

Bible Pictures and Stories. Old Testament. By D. J. D.

Bible Pictures and Stories. New Testament. By James Weston and D. J. D.

Pussies and Puppies. By Louis Wain.

A Merry Game: Pictures and Stories for Little Readers. By D. J. D., Author of "Dapple and Dobbin's Picture Book," etc.

Dapple and Dobbin's Picture Book. By D. J. D., Author of "Happy and Gay," etc.

Buttercups and Daisies: A Picture Story Book for Little People. By J. D. Size 9 by 7½ inches.

Holiday Hours in Animal Land. By Uncle Harry. New Edition. 96 pages. Size, 9 by 7½ inches.

Skipping Time: A Story Book in Prose and Rhyme. By C. D. M., Author of "Holiday Joys," etc. Size, 9 by 7½ inches.

Ring o' Roses: Pictures and Stories for Little Folks. By Uncle Jack, Author of "Frolic and Fun," etc. Fcap. quarto.

Holiday Joys: Stories and Pictures for Girls and Boys. By C. D. M., Author of "Merry Playmates," etc. Fcap. quarto.

Father Time. A novel mechanical Toy Book. With Cover beautifully printed in Colours, and Clock face with movable hands. Size, 11 by 9 inches.

1s. each.

CHEAP REPRINTS OF POPULAR STORIES FOR THE YOUNG.

Crown 8vo. 160 pages. Illustrated. Cloth Boards. 1s. each.

Her Two Sons. A Story for Young Men and Maidens. By Mrs. Charles Garnett.

Marigold. By L. T. Meade, Author of "The Lady of the Forest," etc.

Jack's Heroism: A Tale of Schoolboy Life. By E. C. Kenyon, Author of "Lost in the Backwoods," etc.

Rag and Tag: A Plea for the Waifs and Strays of Old England. By Mrs. E. J. Whittaker.

Through Life's Shadows. By Eliza F. Pollard.

The Little Princess of Tower Hill. By L. T. Meade.

Clovie and Madge. By Mrs. G. S. Reaney.

Bible Jewels. By Dr. Newton.

Bible Wonders. By the same Author.

Rills from the Fountain of Life. By the same Author.



From "Like a Little Candle."

Ellerslie House: A Book for Boys. By Emma Leslie.

Like a Little Candle; or, Bertrand's Influence. By Mrs. Haycraft.

The Lads of Kingston: A Tale of a Seaport Town. By James Capes Story.

Violet Maitland; or, By Thorny Ways. By Laura M. Lane.

Martin Redfern's Oath. By Ethel F. Heddle.

Dairyman's Daughter (The). By Legh Richmond.

Victoria; The Well-Beloved (1819-1901). By W. Francis Aitkin. Crown 8vo. 152 pages. Eight Illustrations. Cloth boards. 1s.

1s. each (not Illustrated).

Keynotes to the Happy Life. By Mrs. Charles Skinner, Author of "For Love's Sake," etc. Demy 16mo. Cloth boards. 1s.

For Love's Sake. By Mrs. Charlotte Skinner. Demy 16mo. Cloth boards. 1s.

Uncrowned Queens. By Mrs. Charlotte Skinner, Author of "Sisters of the Master." Small 8vo. 112 pages. Cloth. 1s.

Sisters of the Master. By Mrs. Charlotte Skinner, Author of "The Master's Gifts to Women." Small 8vo. cloth. 1s.

The Master's Messages to Women. By Mrs. Charlotte Skinner. Small 8vo. cloth. 1s.

Some Secrets of Christian Living. Selections from the "Seven Rules" Series of Booklets. Small 8vo. cloth. 1s.

Steps to the Blessed Life. Selections from the "Seven Rules" Series of Booklets. By Rev. F. B. Meyer, B.A. Small Crown 8vo. Cloth boards. 1s.

Thoroughness: Talks to Young Men. By Thain Davidson, D.D. Small Crown 8vo. Cloth extra. 1s.

Molly and I. By the Author of "Jack," "At Sunset," etc. Long 8vo. Illustrated Title Page. Cloth extra. 1s.

Cloely's Little Minute. By Harvey Gobel. Long 8vo. Illustrated Title Page. Cloth extra. 1s.

9d. each.

NINEPENNY SERIES OF ILLUSTRATED BOOKS.

96 pages. Small Crown 8vo. Illustrated. Handsome Cloth Covers. 9d. each.

Won from the Sea. By E. C. Phillips, Author of "Birdie and her Dog."



From "Won from the Sea."

Aunt Armstrong's Money. By Jennie Chappell, Author of "Carol's Gift," etc.

John Blessington's Enemy. A Story of Life in South Africa. By E. Harcourt Burrage, Author of "The Fatal Nugget," etc.

Carol's Gift; or, "What Time I am Afraid I will Trust in Thee." By Jennie Chappell.

Cripple George; or, God has a Plan for every Man: A Temperance Story. By John W. Kneeshaw, Author of "Norcliffe Court," etc.

Cared for; or, The Orphan Wanderers. By Mrs. C. E. Bowen, Author of "Dick and his Donkey," etc.

9d. each.

NINEPENNY SERIES OF ILLUSTRATED BOOKS—(continued).

- Rob and I ;** or, By Courage and Faith. By C. A. Mercer.
- Phil's Frolic.** By F. Scarlett Potter.
- How a Farthing made a Fortune ;** or, Honesty is the Best Policy. By Mrs. C. E. Bowen.
- A Flight with the Swallows.** By Emma Marshall.
- Babes in the Basket (The) ;** or, Daph and Her Charge.
- Bel's Baby.** By Mary E. Ropes.
- Benjamin Holt's Boys, and What They Did** for Him. By the Author of "A Candle Lighted by the Lord."
- Birdie's Benefits ;** or, "A Little Child Shall Lead Them." By Ethel Ruth Boddy.
- Five Cousins (The).** By Emma Leslie.
- Foolish Chrissy ;** or, Discontent and its Consequences. By Meta, Author of "Noel's Lesson," etc.
- For Lucy's Sake.** By Annie S. Swan.
- Giddle Garland ;** or, The Three Mirrors. By Jennie Chappell.
- How Paul's Penny became a Pound.** By Mrs. Bowen, Author of "Dick and His Donkey."
- How Peter's Pound became a Penny.** By the same Author.
- John Oriel's Start in Life.** By Mary Howitt.
- Master Lionel, that Tiresome Child.** By E. M. Waterworth.
- Man of the Family (The).** By Jennie Chappell.
- Mattie's Home ;** or, The Little Match-girl and her Friends.
- Paul, a Little Mediator.** By Maude M. Butler.
- Sailor's Lass (A).** By Emma Leslie.
- Una Bruce's Troubles.** By Alice Price. Illustrated by Harold Copping.

6d. each.



NEW SERIES OF SIXPENNY PICTURE-BOOKS.

Crown quarto. Fully Illustrated. Handsomely bound in paper boards, with design printed in Ten colours. 6d. each.

- Sweet Blossom :** A Picture Story Book for Little Ones.
- Sweet Stories Retold :** A Bible Picture Book for Young Folks.
- Going A-Sailing :** A Picture Story Book for Little Folks.
- Off to Toyland :** Pictures and Stories for Little People.
- Under the Oak Tree :** Pictures and Stories for Little Ones.
- Tibby's Tales :** A Picture Book for Little People.
- Dollies' Schooltime :** Pictures and Stories in Prose and Rhyme.
- Birdie's Message :** The Little Folks' Picture Book.

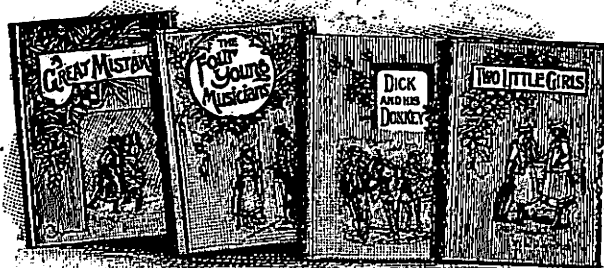
This New Series of Picture Books surpasses, in excellence of illustration and careful printing, all others at the price.

NEW COLOURED SCRIPTURE PICTURE-BOOKS.

Beautifully printed in Chromo-Lithography. Size 8½ by 6 inches. Stiff Paper Coloured Covers, with Cloth Backs, 6d. each.

- Coming to Jesus :** Texts, Verses, and Coloured Pictures.
- The Good Shepherd :** Texts, Verses, and Coloured Pictures.

6d. each.



THE "RED DAVE" SERIES.

New and Enlarged Edition. Illustrated. Handsomely bound in cloth boards. 6d. each.

- | | |
|--|--|
| Benjamin's New Boy. By Jesse Page. | Mother's Boy. By M. B. Manwell. |
| Enemies! A Tale for Little Lads and Lasses. By Marion Isabel Hurrell. | A Great Mistake. By Jennie Chappell. |
| Cherry Tree Place. By Lizzie A. Hooper. | From Hand to Hand. By C. J. Hamilton. |
| A Tale of Four Foxes. By Eva C. Rogers. | That Boy Bob. By Jesse Page. |
| A Little Town Mouse. By Eleanora H. Stooke. | Buy Your Own Cherries. By J. W. Kirton. |
| Left in Charge, and other Stories. | Owen's Fortune. By Mrs. F. West. |
| A Threefold Promise. | Shad's Christmas Gift. |
| Two Little Girls, and What they Did. | Red Dave; or, What Wilt Thou have Me to do. |
| The Four Young Musicians. | Dick and his Donkey; or, How to Pay the Rent. |
| Joe and Sally; or, A Good Deed and its Fruits. | Lost in the Snow; or, The Kentish Fisherman. |
| The Island Home. By F. M. Holmes. | Jessie Dyson. |
| Chrissy's Treasure. By Jennie Perrett. | Maude's Visit to Sandy-beach. |
| Puppy-Dog Tales. By various Authors. | Come Home, Mother. |

4d. each.

THE YOUNG FOLKS' LIBRARY.

of Cloth-bound Books for the Young. With Coloured Frontispieces. 64 pages. Well Illustrated. Handsome Cloth Covers. 4d. each.

- | | |
|---|--------------------------------------|
| Ronald's Reason. | The Church Mouse. |
| Shadow to Shine. | Sybil. |
| A Bright Idea. | Dandy Jim. |
| The Little Woodman. | A Troublesome Trio. |
| Jacko the Monkey, and other Stories. | Perry's Pilgrimage. |
| Little Dan, the Orange Boy. | Nita; or, Among the Brigands. |

4d. each.

CHEAP "PANSY" SERIES.

Imperial 8vo. 64 pages. Many Illustrations. Cover printed in Five Colours. 4d. each.

- | | |
|--|--|
| The Better Part. By Annie S. Swan. | Wise to Win; or, the Master Hand. |
| The Household Angel. By Madeline Leslie. | Ester Ried. |
| The Strait Gate. By Annie S. Swan. | Julia Ried. |
| Mark Desborough's Vow. By Annie S. Swan. | Ester Ried yet Speaking. |
| Her Saddest Blessing. | An Endless Chain. |
| Miss Priscilla Hunter, and other Stories. | Echoing and Re-echoing. |
| Wild Bryonle. | Cunning Workmen. |
| Alvice; A Story of Imperial Rome. | Tip Lewis and His Lamp. |
| From Different Stand-points. | The King's Daughter. |
| Those Boys. | Household Puzzles. |
| The Chautauqua Girls at Home. | The Randolphs. |
| Christie's Christmas. | Links in Rebecca's Life. |
| | A New Graft on the Family Tree. |
| | The Man of the House. |

3d. each.

THE TINY LIBRARY.

Books printed in large type. Cloth boards. 3d. each.

- | | |
|--|---|
| Little Chrissie, and other Stories. | The Broken Window. |
| Harry Carlton's Holiday. | John Madge's Cure for Selfishness. |
| A Little Loss and a Big Find. | The Pedlar's Loan. |
| What a Little Cripple Did. | Letty Young's Trials. |
| Bobby. | Brave Boys. |
| Matty and Tom. | Little Jem, the Rag Merchant. |

NEW SERIES OF THREEPENNY PICTURE BOOKS.

Royal 16mo. Coloured Frontispiece and numerous other Illustrations. Bound in paper boards with cloth back, with Cover beautifully printed in Colours. 3d. each.

- | | |
|------------------------------------|--------------------------------------|
| By the Sea. | Our Little Pets' Alphabet. |
| "Pets" and "Pickles." | Bible Stories. Old Testament. |
| Toby and Kit's Animal Book. | Bible Stories. New Testament. |

ILLUSTRATED MONTHLY PERIODICALS.

THE BRITISH WORKMAN.

ONE PENNY MONTHLY.

An Illustrated Paper containing Popular Articles and Stories on Temperance, Thrift, etc., and short Biographies of eminent Self-made Men: also interesting accounts of visits to some of our leading British Industries.

The Yearly Volume, with coloured paper boards, cloth back, and full of Engravings, 1s. 6d.; cloth, 2s. 6d.

THE BAND OF HOPE REVIEW.

ONE HALFPENNY MONTHLY.

The Leading Temperance Periodical for the Young, containing Serial and Short Stories, Concerted Recitations, Prize Competitions, etc. Should be in the hands of all Members of the Bands of Hope.

The Yearly Volume, with coloured paper boards and cloth back, full of Engravings, 1s.; cloth boards, 1s. 6d.

THE CHILDREN'S FRIEND.

ONE PENNY MONTHLY.

Charming Stories, interesting Articles, Indoor Recreations, beautiful Pictures, Puzzles, Music, Prize Competitions, etc.

The Yearly Volume, coloured paper boards, cloth back, 1s. 6d.; cloth, 2s.; gilt edges, 2s. 6d.

THE FAMILY FRIEND.

ONE PENNY MONTHLY.

A beautifully Illustrated Magazine for the Home Circle, with Serial and Short Stories by popular Authors, Helpful Articles, Hints on Dressmaking, Music, etc.

The Yearly Volume, with numerous Engravings, coloured paper boards, cloth back, 1s. 6d.; cloth, 2s.; gilt edges, 2s. 6d.

THE INFANTS' MAGAZINE.

ONE PENNY MONTHLY.

No other Periodical can be compared with the Infants' Magazine for freshness, brightness and interest. Full of Bright Pictures and pleasant reading to delight the little ones.

The Yearly Volume, in coloured paper boards, cloth back, 1s. 6d. cloth, 2s.; gilt edges, 2s. 6d.

THE FRIENDLY VISITOR.

AN ILLUSTRATED GOSPEL MAGAZINE FOR THE PEOPLE.

ONE PENNY MONTHLY.

Full of entertaining reading with sound religious teaching in the form of story, article and poem. Printed in large type and fully Illustrated. Just the paper for the aged.

The Yearly Volume, coloured paper boards, cloth back, 1s. 6d. cloth, 2s.; gilt edges, 2s. 6d.

8 & 9, PATERNOSTER ROW, E.C.

