

The Triumph of Thrift.

To The Memory of Those

To whom

THE AIRDRIE SAVINGS BANK

Owes its existence,

As well as to those who

Throughout the Generations

Have done so much to foster

The Bank's prosperity,

And as a tribute to the

Present Trustees, President, and Directors

Who are courageously and disinterestedly expanding

Its beneficent influence

This History is respectfully dedicated.

Printed in Great Britain

THE TRIUMPH of THRIFT

The Story of the Savings Bank of Airdrie

Instituted 1835

BY

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AIRDRIE SAVINGS BANK.
HEAD OFFICE BUILDINGS, AIRDRIE.

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"THRIFT."

BRONZE GROUP ABOVE MAIN DOORWAY OF HEAD OFFICE.

THE TRIUMPH OF THRIFT.

CHAPTER I.

A World Wide Movement.

THE statement may seem somewhat paradoxical, if not altogether unintelligible, nevertheless it is true that savings banks were first opened, not because the individuals they were primarily designed to attract and benefit had any savings to put into them, but because these individuals had none.

The Savings Bank Movement was the first bold organised challenge ever made to poverty—humanity's relentless scourge. It was the poverty of the masses of the people of Europe that brought savings banks into being. That was the real genesis of the movement, and that fact, whatever savings banks may be to-day, ought never to be bemeaned or ignored or forgotten. Would that it were better understood, and recognised and acted upon! For it is to be feared that in some countries, some savings banks have degenerated, while in other cases they have become mere automatic machines for the collecting of money to help necessitous governments to finance at a cheap rate some part of their national indebtedness, thus robbing the movement of its essential elements, in particular the "personal touch," which is the one vitalising influence and force of every enterprise for the social and moral uplift of the people.

The movement first took shape in the closing years of the eighteenth century. It was not the creation of any State or Government or Legislature, nor of any political party, sect or creed. Like

other great progressive and beneficent movements that from time to time have come to the aid of a suffering humanity, the Savings Bank Movement was the creation of individual philanthropists. No personal gain was to be theirs. The public weal was their only reward.

The movement was the direct outcome of the general awakening to higher humanitarian ideals following upon the French Revolution and other upheavals which marked European history at that period. The authors and pioneers of the movement were imbued with the new spirit of the age. They were men who clearly foresaw in the pitiable and impoverished conditions of the mass of the people the main cause of these uprisings as well as a formidable standing menace to all progress and liberty. They believed that if the people were ever to be saved from their thraldom and serfdom, the only sure road to freedom lay along the highway of frugality and thrift. The road was to the people an unfrequented and unknown path. But into this highway they must be led. They must be shown the way. So savings banks were designed and set up to be as finger posts, pointing the direction in which emancipation would be found.

Thus savings banks were to be only a means to an end—a fact that should be specially noted. For there are some people and even governments who have formed very erroneous ideas concerning them. They take a very limited view of their province. They imagine that savings banks were established and exist solely as convenient receptacles for the safe custody of money. That is undoubtedly one of their functions. But all important as this function is, it is only after all a detail of their organisation.

The Savings Bank Movement and savings banks have a much wider scope. They exist for much higher ideals. Their real end and purpose is to inculcate the spirit of thrift amongst the people. Thrift is one of the highest of human virtues. It is something altogether different from the mere piling up and safe keeping of money. On the contrary, thrift is the right usage of all wealth—money included. A fetish devotion to mere money hoarding kills thrift, and withers the very soul of any individual who is deceived thereby.

Thrift is a most potent moral educator. It fosters and promotes other virtues. It is the great builder up of character. It is the

enemy of all selfishness. In a word, true thrift leads directly and inevitably to a genuine altruism. In such a spirit, and with such ideals was the Savings Bank Movement conceived, and so its place in the social and economic world is that of a great and powerful moral institution.

The rise and progress of the movement which has long since become world-wide form an interesting study, but here in this brief sketch I cannot hope to do more than touch on one or two of the leading features and characteristics of its world-wide development.

The movement in its initial stage was directed exclusively on behalf of the poorer and labouring classes. Theirs was the greatest and most urgent need and so the early promoters made the improvement of their conditions their first objective. Nor, even now, has that original feature been lost sight of. All modern savings banks worthy of the name recognise as their special study and care the work of thrift propaganda amongst the mass of the people. Indeed, every true savings bank prefers to measure its success, not so much by the total of its accumulated funds, as by the number of its depositors belonging to the working classes.

But the absolute exclusion of other classes could not permanently be maintained. The policy of exclusion was quite consistent with the nature and form of the savings institutes or societies set up by the original founders. But these efforts must only be regarded as initial experiments. As the movement developed, and when savings banks proper began to be established, and especially when legislative protection was accorded them, the door was opened to all classes. That was essential to the real intent and purpose of the movement. Unfortunately for a considerable period the door was not opened wide enough. In most instances a restriction or limit was placed to the amount which an individual could deposit in any one year, and a further limit to the total sum which a depositor could ultimately have to his credit. These restrictions were generally far too severe—the limits being fixed at very low amounts.

The restrictions, no doubt, were mainly intended to safeguard the banks against the contingency of withdrawals of large deposits at inopportune times. But that object was attained at too great

a sacrifice. The limitations seriously crippled and retarded progress. Their immediate effect was to curtail a bank's ability to effectively perform the very first function of a savings bank. Restricted deposits meant restricted income, and restricted income meant restricted propaganda. To carry on aggressive thrift propaganda amongst the people required money, and until a bank had accumulated a certain amount of deposits it could not possibly earn a surplus profit sufficient for such work. Restriction of deposits, therefore, was unquestionably a short-sighted and suicidal policy. It strangled many of the smaller and weaker banks, and placed a heavy handicap on any new start. Modern leaders of the movement generally recognise and agree that at least no limit should be placed on the total amount a depositor may have to his credit.

The earlier savings organisations—they could hardly be termed banks—which were instituted at places on the Continent and in England varied much in their methods and character. As might be expected, they were all more or less experimental. They had all the same end in view, but none assumed the ordinary form and character of a savings bank. It was not until 1810 that the modern institution came into being. Its author and founder was the Rev. Henry Duncan, D.D., minister of the parish of Ruthwell, Dumfriesshire, to whose work section (*b*) of my next chapter specially refers. Scotland thus claims to have been the birthplace of savings banks proper, and the claim is now almost universally acknowledged.

The Rev. Mr. Duncan's model system was adopted with amazing rapidity not only throughout Scotland but also in England, Ireland and the Continent. So great was the growth and development of these banks that in the course of a very few years states and legislatures were compelled to take cognizance of them. Good things are not long allowed to captivate the public before some counterfeit is put upon the market. Savings banks were no exception. The adventurer with his bogus bank was soon at work, and for that and other reasons it became necessary to formulate legislation to protect the *bona fide* institution. Such legislation also necessarily provided protection to the individual depositor, particularly as regards the safety of his deposit.

But state legislative interference had also other results—some

of them none too favourable to the movement. One important effect was the creation of various types of savings banks. This was to be expected as each country or state where banks existed, was naturally guided by its own established usages and customs in formulating its enactments.

But it was just here that the movement became exposed to misinterpretation of its essential elements on the part of the legislative authorities, with the result that the statutes which were passed were not all in conformity with, or at any rate did not sufficiently respect the root principles of the movement. In fact, in some cases it is evident that interests other than those of the movement were given an undoubted preference. In this way the movement grievously suffered at the hands of legislatures, and in not a few instances their wrongs have not yet been repaired.

But the main factor in creating diversity in the constitution and character and scope of savings banks, following upon legislative protection, was the degree of state control introduced and embodied in the new statutes. In some countries the banks became out and out state banks. In others the state was content with full control of the bank's funds. In others the statutes prescribed the investments in which the funds must be placed. In others the banks were allowed complete independence in the management of their own affairs including the investment of their funds subject to certain conditions specified in the statute regulating them. These formed the principal classes, but within these classes there were in some cases minor distinctions which still more increased the variety of the organisations. Subsequent developments further added to these by bringing into existence new types, notably Postal Banks, which, of course, are strictly government concerns. Then, in recent years the Municipal Bank has appeared, its purpose being to secure funds for municipal undertakings. To-day the different denominations of savings banks operating throughout the civilised world have almost become too numerous and too varied for methodical tabulation or classification.

Several writers have attempted an analysis of these organisations, giving prominence to the effect of the particular statutes which govern them, but their efforts may be accepted as only parti-

ally successful. Equally difficult would be the task of determining which type or types of banks most truly fulfil the best traditions of the Savings Bank Movement. Yet, whatever the constitution or legal status of savings banks, or whatever other or subordinate functions they may perform on behalf of the state or other authority or concern, it can only be by the standard of fidelity to the root principles of the movement that their utility and service to humanity may be accurately measured.

Some types of banks have certainly travelled far from or beyond the original ideals of the movement and are difficult of recognition as that particular "means to an end" which savings banks were intended to be. Nevertheless, the vast majority, despite all obstacles placed in the path of their progress by ignorant or over interfering legislatures or governing bodies or otherwise, have stood steadfast and loyal to the highest ideals of the movement, and have abundantly shown how conspicuously great and intrinsically valuable is the part which the movement has played, and is destined yet to play in the elevation and progress of mankind.

The most significant event in the history of the movement in recent times took place at Milan, Italy, in 1924, under the auspices of the Savings Bank of the Province of Lombardy—Cassa Di Risparmio Delle Provincie Lombarde. This bank, which is the premier of Italian savings banks, by way of further celebrating its centenary, convened and organised an International Thrift Congress—the first of its kind in the world's history—in connection with savings banks. The Congress was held within the Bank's headquarters at Milan, and the sittings extended over the whole of the last week of October, 1924. The Congress was a thoroughly representative international gathering. No fewer than 350 delegates representing every class of savings bank in every quarter of the civilised globe attended the meetings. I had the privilege and honour of being present as representative of the Savings Bank of Airdrie, and in a later chapter of the present volume I give an account of the work of the Congress.

The importance and value of this unique international gathering to the cause of thrift as promulgated through savings banks may not be over estimated. For the first time in history the varied

and separate units of the movement were brought together. That in itself was a distinct achievement—an achievement which must ever redound to the credit of the Savings Bank of Lombardy. By its initiative in the matter it has earned an honourable and enviable place in the movement from which it can never be dislodged.

But the significance of the achievement lay and was revealed in the spirit which the Congress universally evoked, and which continued to be displayed by all the representatives throughout its sittings. From the outset of the proceedings a strong feeling was manifest that at last a great opportunity had come for the opening of a new era in the history of the movement by which a real union of the forces of thrift throughout the world might be secured. That such an opportunity should not be lost took possession of the members and so, to its happy consummation, the Congress in its every act directed and steered its course.

Although several important subjects had been set down in the programme for consideration by the Congress, the deliberations thereon were made subservient to the attainment of the one ideal of international union. There was a general desire to avoid non-essentials and concentrate on fundamental elements. This was specially observable in the findings of the Congress on two of the most vital questions discussed, namely, savings bank organisation and thrift propaganda. The subject of organisation, which necessarily brought under review the different types of savings banks, might easily have split the Congress into pieces, if any attempt had been made to differentiate on the merits or demerits of the various classes. But in its final decisions the Congress wisely evaded all such pitfalls and confined itself to essential principles. It selected four outstanding points on which it pronounced its opinion, viz., Designation, Deposits, Investments and Reserve. On these its unanimous findings were :—

(1) That the designation of Savings Banks and Savings Bank Pass Books be reserved exclusively to savings banks controlled by savings bank statutes, or recognised as such by the state. The use of this designation be rigorously prohibited to any other financial institution, under legal penalties.

(2) That the savings banks may accept deposits without any

maximum limit, subject to the right of each country to formulate legislation to fix an annual limit to deposits.

(3) That the savings banks may have the power to invest their funds at their discretion, subject to the sole limitation that the investments be such as are approved of by the statutes or by law.

(4) That in principle seven-tenths of the yearly profit be placed to the credit of the reserve fund of the savings bank, until this reserve fund has reached an amount equal to one-tenth of the total amount due to the depositors. When this proportion has been reached, at least one-tenth of the yearly profit be devoted to further increase of the reserve fund.

On the subject of thrift propaganda the Congress still more showed its desire to emphasise the fundamental principles of the movement—to put first things first. Under this head the Congress unanimously affirmed :—

(*a*) That from their origin an educative ideal is common and essential to the savings institutes of all the world.

(*b*) That in this ideal thrift finds no place as a theory of self-denial to be practised solely by the poorer classes, but as a discipline, imposing upon all a better social and individual usage of all wealth.

(*c*) That the propaganda of this ideal through that of saving is at the present day a fundamental element in the structure of all savings institutes.

(*d*) That all feel the duty of developing this propaganda in the manner most suitable to the surroundings in which they operate.

(*e*) That in this task of moral and economic elevation, the savings banks must find their most reliable ally in the school and must count upon the support of the authorities.

But the supreme and crowning act of the Congress—that which will make the First International Thrift Congress for ever memorable in the history of the movement—that which the members had been working and waiting for throughout its sittings, the formation of an international union—was fittingly made its closing act. At the final meeting the President, The Hon. Marquis Giuseppe De Capitani D'Arzago, M.P., after several motions had been made on the subject,

focussed them all in the following resolution which became the unanimous finding of the Congress :—

"The Congress considers advantageous and indispensable for the better mutual acquaintance of all savings banks, and for the increased development and co-ordination of their activities, the creation of a permanent International Savings Bank Institute, and delegates to the Presiding Committee of the Congress the nomination of a Commission for the founding and administration of such an Institute."

The International Institute has now been formed with headquarters close by the magnificent buildings at Milan of Cassa De Risparmio Delle Provincie Lombarde. Meet and appropriate home for such an institute. "It was there," to quote the words of the President of the Organising Committee, "on that never to be forgotten day that savings banks throughout the world revealed themselves as sisters, and covenanted to combine forces for the promotion of new and fuller works of peace, wisdom and goodwill."

"The International Institute," to quote further from the President, "will not be a mute centre for the collecting and classifying of material and for the compiling of statistics. It must be a living organism, a driving and expanding force, a workshop open to all savings institutes and at the service of all."

The Institute has already got under way, and thus the good work commenced at Milan will be perpetuated. Henceforth the Institute will be the grand rallying point for the savings banks of the world. Under the international flag the movement will go forward to greater success in its noble and beneficent enterprise of helping our common humanity to fight the better the battle of life.

CHAPTER II.

The Movement in Scotland.

(*a*) Scottish Thrift.

The modern savings bank had its birthplace on Scottish soil: meet and congenial spot for such a plant to grow and flourish! For long before the era of savings banks, Scottish thrift had become proverbial. There is no recognised authority on our national characteristics, who does not assign to the "saving virtue" a front rank place, while every book of Scottish anecdote abounds with apt illustrations of the frugal and economical habits of the average Scot.

Thrift undoubtedly has played a conspicuous part and exerted a most vital influence in the progress and development of the Scottish race, alike at home and abroad. To this particular trait of character, perhaps more than to any other, is largely due that superiority to which Froude, the historian, gave expression when he declared, that "the ancient Jews and Athenians excepted, no people so few in numbers had scored so deep a mark in the world's history as the Scots had done." This much at least may be asserted without fear of contradiction, that without thrift the verdict of the eminent English historian could not have been possible.

Now it would be interesting to inquire how thrift first took such a firm grip of the Scottish people, or as the Americans cynically put it, how the Scotsman has acquired such a superabundance of saving knowledge. Moreover, such an inquiry would be specially useful, in view of the emphatic assertions of some modern observers that the practice of thrift by the present day generation has almost entirely gone out of fashion; that indeed in this, as in some of the other good qualities in his character, "Sandy" has grievously fallen from his former high estate. If such statements be true, then to discover the cause or causes which produced thrift and

made it so pre-eminent a feature in the Scottish character would certainly help us to discover the cause or causes which now operate against its continued cultivation.

But such an inquiry however interesting and useful, to be conclusive and complete, would lead us beyond the scope of our present work. For the origin and development of all or any of the characteristics of a particular nation, form a wide and complex theme upon which whole volumes have already been written. We know that each nation has its own peculiar traits of character, which distinguish it from other nations. They exist just as the physical features of each country differ from those of another. But whence or how they are there, is not so easily ascertained or determined.

"The subject is difficult," observed T. B. Johnstone in his racy and fascinating book—"The Land o' Cakes and Brither Scots"—"and can only be answered with a certain measure of diffidence and doubt. The phenomena on which the answer depends are varied and manifold. They are so subtle, as often to baffle the most searching analysis, and so manifold as to enable us to discover only a few of the most probable and prominent causes. The spectrum may enable us to analyse the constitution of a world at an immeasurable distance, but we possess no agent which can unfold with certainty all the characteristics of a nation and the causes which have produced them."

Having regard therefore to these considerations I will best serve my present purpose by limiting our inquiry to some of the influences which seem to me to have been outstanding factors in awakening the spirit of thrift amongst the Scottish people in days past, but which apparently are not so manifest in modern times. I will refer only to two. The first I would notice may be regarded as more or less a negative influence. Our forebears had little to waste. They were not tempted as we are to-day. They lived the simple life described by Gilfillan :—

> "In the days o' lang syne when we callants were young
> And nae foreign fashions amongst us had sprung,
> When we baked our ain bannocks and brewed our ain yill
> And were clad frae the sheep that gaed white on the hill."

In the days, prior to and for long after the opening up of the commercial and industrial activities of the country during the latter part of the eighteenth century, the economic, social and other conditions which obtained in Scotland were peculiarly favourable to thriftiness amongst the people.

The nation was comparatively poor. The people had not been born with the proverbial silver spoon in their mouth. Capital in the form of hard cash or bank deposits was non-existent. Even so recent as 1790 the whole current coinage of the realm totalled less than £300,000. As for other material resources they were likewise extremely meagre. Nor need we be surprised when we consider that the country was barren and unfruitful over wide tracks, with a soil in many parts difficult to work, and even more stubborn in its yield, aggravated no doubt by the employment of the rudest implements and the most primitive methods of husbandry; with a climate too, fickle at best but often unpropitious and frequently destructive. It was under conditions and amid circumstances such as these that the Scots of old learned at one and the same time the value and the necessity of carefully husbanding the hard earned fruits of their laborious toil. Theirs, indeed, was a hardy upbringing, but we must not imagine that they were half starved. Had that been the case how could they have produced what numerous eminent authorities have declared to be, " one of the finest races of men on the face of the earth."

To quote but one of these writers, mentioned by Mr. Johnstone in his " Land o' Cakes and Brither Scots "—Professor Humphrey, an Englishman, in his inaugural address at the Sanitary Congress in Glasgow—" What kind of character do we judge to be the accompaniment of the upright frame, the open face, and the straightforward step? I admit that there are many exceptions. It must be that the complex machinery that makes up the mental, the moral and the physical fabric of man is liable to many variations which warn us against too hasty judgment in individual cases. But let the many exceptions probe or try, not, as often wrongly said, prove the rule. Perhaps nowhere is the rule more markedly evinced than in this northern part of our island in which we now find ourselves. My remarks, let it be observed, have relation to peoples and I always

feel, what I think is by many admitted, that the Scotch people are the finest people on the earth's surface, that the grandest combination of the physical, the mental, and the moral is produced here, the sturdiest, halest bodies with the largest brains, the strongest minds and the best morale—the qualities best calculated to thrive in every quarter of the globe. I always maintain that the quality, and it is a good one, of the English breed, is not a little due to the flow of northern blood which happily in a steady stream is drawn southward by our somewhat more genial clime, and by the other attractions associated with it. Long may Scotland thus prove England's best friend by being a prolific father and a nursing mother of her people, and by contributing the annual quota towards the maintenance of her stalwart, upright, talented race."

For centuries the people were reared mainly on one of the best foodstuffs—oatmeal porridge and milk—a truly thrifty diet, but now unfortunately too much discarded. To-day, I am afraid, we would search all broad Scotland in vain for a specimen of the boy who, when asked if he never tired of porridge, at once replied, "Wad ye hae me tire o' ma meat?" In derision Scotland was dubbed by foreign visitors, "the land o' cakes," and we are all familiar with Dr. Johnson's gibe "that the Scotsman ate what the Englishman fed his horses on," which however when quoted on one occasion in the House of Commons drew from a Scottish member the happy and telling rejoinder:—"But where will you find such horses and such men?"

"Why is it, kimmer, that the Scot
Sae often bare the gree
By pith o' body and o' saul
Wherever he micht be?"

"Because his flesh and banes were made
Wi' Scotia's halesome parritch;
Because his thochts o' man's chief end
Were moulded by the Carritch!"

In this connection we quote the challenge issued at the Agricultural Society's Show:—"We offer you a fair bet. You shall

take ten English ploughmen and feed them with two pounds and a half of wheaten flour a day, and we shall take as many Scotch ploughmen and feed them on the same weight of oatmeal a day—if they can eat so much, for that is doubtful—and we shall back our men against yours for any sum you like. They shall walk, run, work, or fight you if you like. They shall thrash you to your heart's content. We should like to convince you that Scotch porridge has some real solid metal in it. We back the oatcake and the porridge against all the wheaten messes in the world. We defy your home-made bread, your bakers' loaves, your fancy bread, rolls, muffins, crumpets, cookies, your bricks and biscuits, balls and rusks, your soda cakes, plum cakes, seed cakes, etc., etc., and if there be any other names by which you designate your wheaten abominations, we defy and detest them all. We swear by the oatcake and the porridge, the substantial bannock and the brose."

> "For makin' flesh and buildin' banes
> There ne'er was siccen food for weans,
> It knits their muscles, steeve as stanes
> As teuch as brasses;
> Fills hooses fu' o' lads wi' brains
> An' rosy lasses."

These were the days to which Lord Rosebery referred when he said that Scotland was thriftiest when she was poorest. I would not urge a return to them. Nobody would, but the pity is that with the passing of the simple life of our forebears, there have come innumerable outlets for waste and extravagance. The former times were not better than those of to-day, but those of to-day would be infinitely better if they were capable of producing that spirit of thrift which to our ancestors meant more than half the battle of life.

Thrift is very like the little tufted plant which is known by the same name of Thrift, which takes root and blossoms best in poor soil and amid hardy surroundings. During the past century the Savings Bank Movement has revealed some striking facts. For

instance, when savings banks were first established in Scotland, it was in the poorer country districts, and in industrial centres where wages and earnings were the lowest that the banks made the greatest progress. Subsequent experience has also shown that deposits increase in a greater ratio during times of trade depression, if the depression be not too protracted than when commerce and industry are at the high water mark of prosperity.

The latter fact was strikingly emphasised during the war and the "mad days" of industrial boom which immediately followed the armistice. A standard of spending—which term must not be confused with the term "standard of living"—was then set up by thousands of people which was altogether inconsistent with, and could not possibly be maintained in normal times. A numerous section of all classes of our industrial community simply became overwhelmed by the flowing tide of ever-rising wages and profits. These people may not all have been native born Scots, but they all lacked the Scottish instinct for thrift. Theirs was evidently the Englishman's dictum that "money is made round that it may roll about and circulate," rather than that of the cautious Scotsman who holds that "money is made flat in order that it may lie still and pile up" against a day of emergency or need. The waste and extravagance of those financially booming times were appalling.

The position was tersely described to me at the Bank counter one day by a depositor—an elderly woman of the real old Scottish type, who thus summed it up:—"The fact is some folks hae owre much siller ee' noo. They dinna ken hoo tae spen' it, far less hoo tae hain it. It's positively scandalous hoo things are wasted. Sometimes as I look thro' the back window o' ma hoose I'll see thowless hussies, wha think themselves hoosewives, throw into the ashbin guid meat, as muckle as wud hae keepit ma family for a hale week. Ma certie, they'll hae less tae waste ere lang." The old lady's prediction was soon to be realised, and we are still suffering from the excesses of those reckless times and the false standard then set up.

The second factor which I would submit as having influenced the growth of thrift in the country is the Scotsman's love of freedom.

Love of freedom was not an acquired virtue. It was inherent in his very nature. It was born in him and he counted no sacrifice too great if only he could attain the "glorious privilege of being independent."

The early history of the nation is a history of struggles for freedom. Long before the days of Wallace the reigning Pope of Rome once commanded the Scottish Nobles and people to throw in their allegiance with England, but the prompt reply was sent to his Holiness :—"Never, it is not for riches or honour or glory that we fight, but for liberty alone which no good man giveth up except with his life." Wellington declared "that Scotland had been the battle-ground of civil and religious liberty."

The same spirit which animated the nation as a nation was likewise manifest in the individual character. While our ancestors fought and bled and died that their country might retain its freedom, they also as individuals struggled against hardships and poverty that they and their offspring might enjoy a like liberty. If there be one feature more than another which distinguished the Scotman's character it was sturdy and manly independence.

"The man o' independent mind
Is king o' men for a' that."

Thrift to the Scotsman therefore meant more than the conservation of his meagre resources. It ministered to other aspirations, in particular this insatiable and indomitable spirit for freedom and independence. His motto was, "Freedom and savin' gang thegither." Here it is then we get the key which unfolds the other and more potent outstanding influence which I suggest accounts for the strong grip which the spirit of thrift took of the early Scots.

Reverting to the wonderful similarity between the character and habits of thrift the "virtue" and thrift the "plant," the late Bishop of Wakefield—Dr. Walsham Howe—sets this forth in a few delightful stanzas on "Thrift—the Plant," which being most appropos I take the liberty of quoting the first four stanzas :—

PLATE 2.

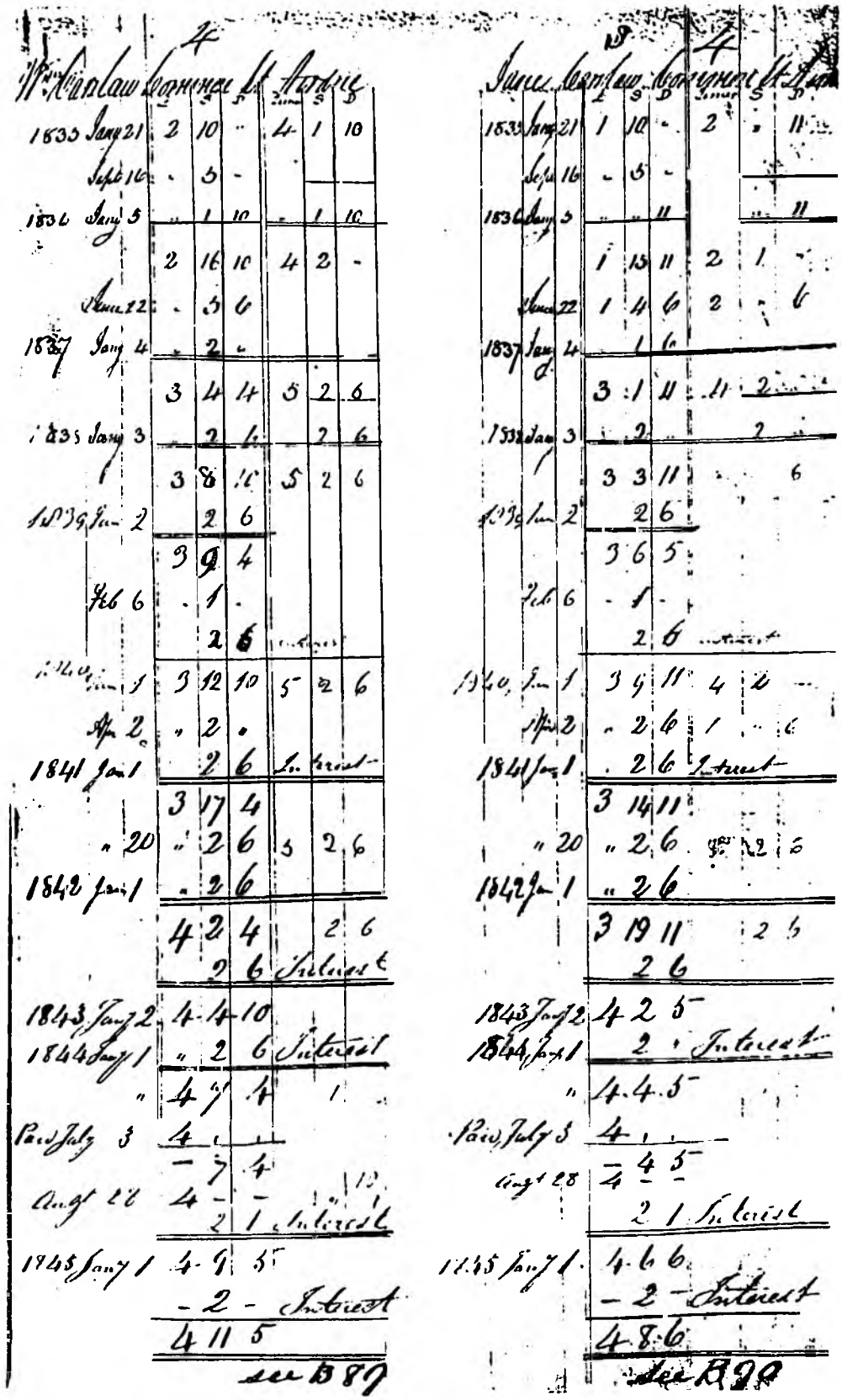


PHOTO FASCIMILE OF THE FIRST PAGE OF THE FIRST DEPOSITORS' LEDGER, SHOWING FIRST TWO ACCOUNTS OPENED IN 1835.

THRIFT—THE PLANT.

On sandy wastes, ere yet the frugal root
Of tender grass can feed the springing shoot
Fringing each sterile bank and rocky rift
Green grows the tufted cushions of the Thrift.

Thick set with grass-like leaves it nestles there
A home for statelier herbage to prepare,
And graceful in its modest duty robes,
The strand with rosy Liliputian globes.

Nor will our dainty flower the task disdain
Trim order in our gardens to maintain,
Guarding from wanton growth or ruthless tread
The shapely outline of each chequered bed.

Ah ! well named flower, for of a thrift we sing,
Skilled like thyself, a fertile growth to bring
In barren wastes with Hope's sweet verdure rife
The pledge and potency of statelier life.

A most significant fact which botanists tell us is that Thrift, the plant, covered the greater part of Scotland before any other vegetation existed—its primary purpose and function being to fit and prepare the ground for higher cultivation. It was Nature's pioneer in transforming what were only barren wastes to meet the needs of man. So acts thrift, the virtue. It makes progress possible. It opens up a way to higher and nobler attainments. In the words of Bishop Howe :—" It is the pledge and potency of statelier life."

Cicero of old expressed the same truth in other words. " Thrift," he said, " is in itself a great revenue." That is, thrift produces, in all who practise it, other good qualities, or stimulates and strengthens those already acquired. No individual may pursue it aright without finding that he has made a most profitable investment. It's yield

is truly and always prolific. Hence it is that the Scottish character is adorned with so many strong features. Thriftiness in our forefathers may not have actually created them all, but undoubtedly it is responsible for the extent to which they have been developed in the Scottish race.

Here are some of them: There is caution or as we say "canniness." The Scotsman is known the wide world o'er as the "canny Scot." This quality is well illustrated in many of his own proverbs, but none more typical as "Naething should be dune in a hurry except grippin' fleas." One writer observes, "If the Scotsman leaps with intensity he looks before he leaps. If he stands like a rock he takes care first to stand on a rock." Caution is an attribute of thrift and a powerful ally. In recent years we hear much of the phrase "ca' canny." It is the pet cry of certain labour theorists. It has, however, no relation to Scottish canniness. It is foreign to the very nature of a true born Scot. It is but the cry of the thriftless, the laggard and the drone.

There is also prudence. The Scotsman is prudent. His reticence and reserve are often misunderstood, but he thinks before he speaks, and considers well before he commits himself. He frequently answers a question by asking another. Max O'Rell declares that "the Scot never paid cash without reflection." This, at any rate, thrift has taught him—"he kens whan tae spend and whan tae spare" for he is prudent.

There is also forethought. The Scot exercises forethought just because he is thrifty. As regards saving, he saves not for the mere sake of saving, but because he recognises and foresees the probable needs of the future. Indeed forethought is thrift itself.

There is also self-reliance. "The Scotsman," observes the Rev. Dr. W. M. Taylor, "insists upon the right to be and to belong to himself. He will let no one think for him or dictate to him." He has confidence in himself. He knows that the world has no use for the man who has no trust in himself. Uriah Heep was not a type of Scottish character. No Scotsman ever thought so little of himself or his own abilities to make a place for himself anywhere, as to go about apologising for taking the liberty of being in the world. "Humility is the part of wisdom, and is most becoming in

men," said Kossuth, "but let no one discourage self-reliance; it is, of all the rest, the great quality of true manliness."

There is also perseverance and pertinacity. The Scot is persevering to a degree. Someone has said that "while the Englishman sleeps and the Irishman greets, the Scotsman gangs till he gets it." There was an old carving over the entrance to a house in the West Bow, Edinburgh, which read "he that tholes o'ercomes." Probably no other motto more aptly expresses the Scotsman's perseverance and determination. This trait of character has sometimes been styled "dourness," and when it is so applied there is some reason for the prayer of the old Highland elder, "Lord keep us aye richt for ye ken we are unco positive."

Then there is also generosity. The Scotsman is generous. It is only the thrifty man who can afford to be generous. Despite all adverse criticism, under the Scotsman's austere and frigid exterior is found a warm heart. Scotland has bred more "Good Samaritans" than "Priests and Levites." Burns' charity extended even to the very deil. Thrift without generosity is dead. It profiteth nothing.

These were all more or less products of Scottish thrift—the "revenue" which thrift yielded and they all made for "statelier life."

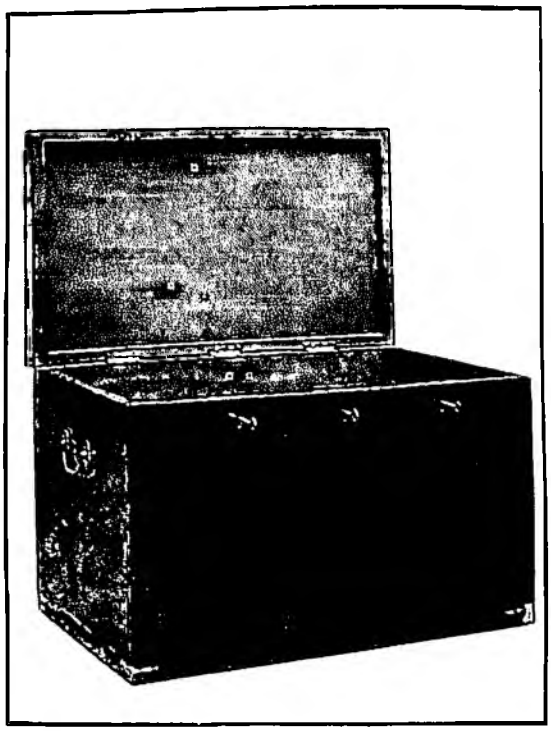
So much for the past! What of to-day? Is the old spirit still alive, or is it true as some observers seem to fear, that the Scotsman's sturdy manly independence is very much on the wane? If so, then alas what has been so long "the very vertebral column of Scottish character" has become shattered and the main incentive to Scottish thrift put out of action. But what evidence is there that these dire forebodings are well founded? If we ask these observers for proof they will at once direct us to the changed attitude of the people in respect of parish relief. They will point to what is now happening in certain large industrial centres, particularly in the West of Scotland, where the working man Scot seems to be as ready and even eager to accept parish relief as the workers belonging to other nationalities. Thirty or forty years ago, they say, the working man Scot would have scorned to apply for or accept parish relief. He could not brook the idea of becoming a pauper, and it was sorely against his grain if at last he had in any form to surrender his much prized independence.

Now-a-days, however, it is altogether different. He has no such sentiment, and has no scruples about throwing himself on the rates.

Now while such reasoning may be fairly well founded, the question of the administration of parish relief in recent times cannot be taken as conclusive evidence that the Scottish people have lost their old spirit of independence. The position in Scotland in regard to parish relief has entirely altered. In some cases parish relief has been made a substitute for the unemployment "dole" of the Labour Exchange. So by many it is not now regarded as it used to be. Again, care must be taken in forming a judgment on the actual position to differentiate between Scots and non-Scots who are accepting parish relief. What are the facts in the industrial centres referred to? In these areas the situation has greatly changed within the last few decades. The growth of the non-Scottish population in these centres has been enormous. When, therefore, we take their numbers of non-Scots into account and add the number of native Scots who never had any spirit of independence—there are degenerates in every nation—the balance remaining of those who are now taking parish relief can hardly be regarded as sufficient to warrant the assertion that Scottish independence is a thing of the past.

Moreover the real thrifty working man Scot—a more numerous class than many imagine—could not get parish relief even if he wanted. Ah! here it is that trouble is brewing and a grave danger to the very existence of the spirit of thrift is arising. The working man Scot who owns his dwelling-house or other property or has some money saved, as he looks around and observes what is happening at parish offices, is putting to himself some pertinent questions. He takes the case, for instance, of his next-door neighbour who never saves a penny against the proverbial "rainy day." His neighbour and he have worked for years in the same pit. They both earned the same wages when they worked, but his neighbour was not quite so regular at his work as he was. That of course was due to his lazy and improvident habits. They both have the same number of a family to rear, and they rented similar houses. Now when the recent miners' lock-out or strike took place and they were both out of work, the thrifty miner was perturbed, but he knew his wife and

PLATE 3.

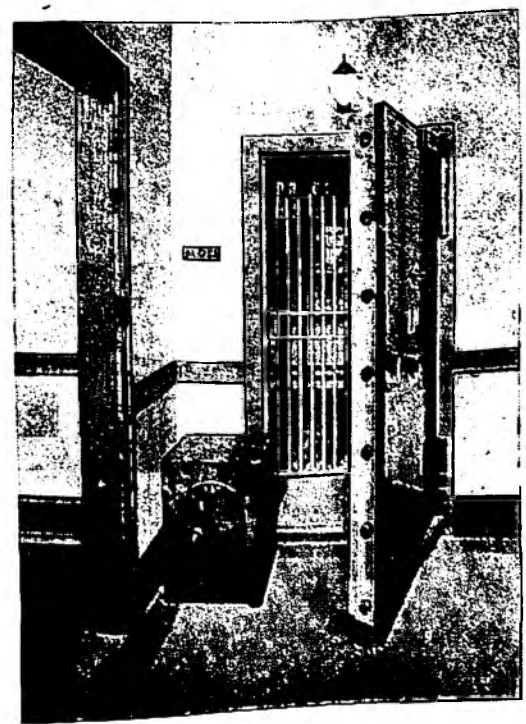


OLD CHEST.

The mahogany chest as shown was made specially for the Bank in the year 1838. It measured 24 inches long, 14 inches broad, and 14 inches deep. The books and papers of the institution in the early days were lodged in it. The chest has three separate locks. The President kept the key of the middle lock, the Treasurer the left hand key, and the Secretary the right hand key. The rules provided that no transactions with depositors or other business could be carried through unless those three officials were present. The chest is a genuine " antique."

The first iron safe possessed by the Bank as shown standing at main strong room doorway in photo was purchased in 1860, the makers being Messrs. J. & J. Taunton, Birmingham. It cost £3 10s. It has been out of use for over forty years, as there were doubts as to whether it was really " safe." However, it served its day and generation without discredit.

A description of the main strong room in the new building has been given on page 264. The special attention of depositors, however, may be directed to the provision made for the safe custody of private documents or valuables. Several sets of steel Security Boxes and " Lockers " made by the Chatwood Safe Company have been installed, and depositors may, on application to the Bank Manager, have the sole use of a " Locker " in which he may keep private papers, etc.



MAIN STRONG ROOM DOORWAY AT HEAD OFFICE.

children would be provided for out of his own savings. But his neighbour was in no way perturbed. On the contrary he rather welcomed the stoppage from work. It was all to his liking, and as for his wife and family, all he needed to do was to apply to the Parish Council for an allowance for them, in the benefit of which of course he no doubt participated. But had the thrifty miner applied at the same quarter he would have been at once told "there is no help for your family so long as your savings are not exhausted."

So the thrifty miner, and every other thrifty working man in pondering over this and similar happenings are asking themselves such questions as these:—Why should there be one law for the thriftless and another for the thrifty? Why should thrift be penalised and improvidence subsidised? Is there any other country in the world where such conditions prevail? What would happen if nobody practised thrift? Who then would be able to pay Parish Council and other rates? In the changed circumstances, with unemployment so rife, when will our Government take steps to protect the thrifty, by at least preventing further importations of the thriftless alien? If not, why should we not scrap our old proverb of independence, "he sits wi' little ease wha sits on his neighbour's coat tails," and adopt the new and more popular version which seems to be encouraged by modern politicians, "he sits wi' perfect ease wha sits on his parish's coat tails?"

These and other relevant questions are undoubtedly exercising the minds of all intelligent and thrifty working men, be they English, Irish or Scottish. The answers to them open up problems which may not be discussed here. Suffice it to say that the trend of recent social legislation and its administration, after allowing for all the exceptional circumstances through which the country has passed since the war, will soon become, if it be further developed, a dangerous menace to the spirit of thrift amongst the people. The extent to which the substitution of State responsibility for individual responsibility is being carried out is creating an idea in the minds of thousands of our working classes, that the State "umbrella" is quite big enough to shelter them against any "rainy" day that can possibly overtake them. The time has surely come when our legislators should give some consideration to the protection of the thrifty, who

after all are the backbone of the nation, and give less encouragement to the thriftless. We hear too much now-a-days of the rights of the individual, and the duties and responsibilities of the State. It is high time we heard more of the duties and responsibilities of the individual and the rights of the State.

Meantime, however, we may take it that apart from what has already been urged, there is no reason to believe that the spirit of independence amongst the Scottish people generally has been destroyed. On the contrary there is ample evidence, especially in the reports of our savings banks, to show that the Scotsman's determination to attain the glorious privilege of being independent still exists, and that he believes the straight road to its attainment is by frugality and thrift. So he continues to re-echo the words of Burns :—

"To catch Dame Fortune's golden smile
Assiduous wait upon her ;
And gather gear by every wile
That's justified by honour ;
Not for to hide it in a hedge,
Nor for a train attendant ;
But for the glorious privilege
Of being independent."

CHAPTER III.

The Movement in Scotland—*Continued.*

(*b*) The First Savings Bank.

1810.

As mentioned in our opening chapter, claims have been put forward by different countries for the honour of being the first to establish savings banks. Sir Albert Kaye Rollit, who ranks amongst the foremost modern authorities on all matters relating to the movement, speaking at the centenary function in connection with Savings Bank Legislation at the Mansion House, London, in 1917, claimed that Daniel Defoe was the author and exponent in one of his tracts of the first idea of banks for the custody and return with interest of the savings of the provident poor. He added "Defoe was thus the author of not only a great fiction, but of an even greater fact and factor in social economy—of our savings banks—the origin and evolution of which, moreover, thus belonged to England." Another great Londoner—William Wilberforce—and his "school" are to be remembered for their philanthropy, which is organised benevolence, and for their active support of the Savings Banks Movement, Wilberforce himself having not only approved the idea, like Bentham, but having also assisted in the passing of the Savings Bank Legislation for Scotland. He had also set practical examples of saving, in connection with his foundation of the "London Society for Bettering the Condition of the Poor." The slave liberator thus taught the lesson:—"He'll never be a slave who learns to save." The origin of our savings bank system was not, therefore, as has been claimed, like everything else of all-highest and superhuman wisdom, in Germany, at Brunswick or Hamburg, but in

London, while Daniel Defoe's imaginative idea was first carried out in practice at Wendover, under the name of a "Frugality Bank," largely based on the experience of the old Friendly Societies, and also at Marseilles and at Basle and Berne, where savings banks were cradled and christened "Les Caisses des Domestiques"—"the Banks of Domestic Servants"—a very deserving if somewhat self-dependent and lonely class, which is still the most numerous in the classification of the depositors in the Banks, whose home-safe is their box in their bedrooms, or still perhaps, in some cases, only that primeval savings bank, the female stocking. France has, indeed, a prior status in savings bank history to Germany—the savings banks were certainly not born with German-silver spoons in their mouths the invention having been claimed, and not without some reason for one Hugo Delestre in the early part of the seventeenth century. But we Englishmen and Londoners owe them to Defoe."

When Sir Albert Rollit, however, attended the Centenary celebrations in Edinburgh in 1910 he was a little more definite on the subject, no doubt remembering that he was speaking in the Scottish capital. On that occasion he said:—"We are here to celebrate the centenary and the memory of the first founder. Too often the claims of first founders are in respect of institutions whose history has been first to flounder and then to founder. But upon the balance of historical considerations it may be truly said, that Great Britain can fairly claim both the idea and foundation of savings banks, as we know them, and it is to Dr. Duncan that we still, and shall for ever, owe our thanks for this saving grace and service to mankind."

Independent of all other claims the fact remains, for it is historically true, that the first real self-supporting savings bank, or in other words, the modern savings bank, was established by the Rev. Dr. Duncan within his own parish of Ruthwell, Dumfries-shire on 10th May, 1810.

The story of the life and work of the founder of savings banks has been frequently published, and I would refer readers to such biographies as "Memoirs of the Rev. Henry Duncan, D.D., of Ruthwell," by his son, the Rev. George J. C. Duncan, North Shields,

also "Rev. Dr. Duncan of Ruthwell, Founder of Savings Banks," by Sophy Hall.

The Rev. Dr. Duncan has been truly named "the Father of Savings Banks." His name must ever have an honoured place in the Savings Bank Movement, and particularly amongst Scottish savings banks (of which the Savings Bank of Airdrie holds the premier position as regards accumulated funds), which have loyally adhered to his original plan of independent autonomy, as embodied in the first Scottish Savings Bank Act of 1819. To the latter class of banks Dr. Duncan may well be regarded as "Patron Saint."

The idea of savings banks suggested itself to Rev. Dr. Duncan while he was studying the question of the relief of the poor of his own and other parishes. He wished to preserve and more and more stimulate the Scotsman's spirit of independence. He loathed the idea of any of his fellow countrymen becoming paupers, dependent for support on "poor rates," or even, as his biographer puts it, "on the Christian charities of the rich and benevolent." He believed that the Scottish peasantry and industrial workers no less loathed such degradation and that, given a proper opportunity, they would even make some personal sacrifice if needed in order to maintain their much-prized spirit of freedom and independence.

The Rev. Dr. Duncan was a thoroughly practical philanthropist. He well knew that the wisest philanthropy was that which made self-help its primary and principal agent. People reared on crutches usually continue and end on crutches. The individual who aspires to independence must not accustom himself to artificial support.

The following is the account given by Rev. Dr. Duncan's son in his memoirs of his father :—"It was in the beginning of the year 1810, that his thoughts on the subject first took a practical shape. Particular circumstances connected with the state of the poor of Dumfries and its neighbourhood, and especially a desire to avert the introduction of Poor Rates, which then seemed to be impending, induced him to publish several letters on the subject in the *Dumfries Courier*.

"Whilst engaged in the necessary investigations, he had the opportunity of consulting some books and pamphlets lent to him by Mr. Erskine, afterwards Earl of Mar, among which he found

an ingenious paper, giving an account of a scheme proposed by John Bone, Esq., of London, for gradually abolishing Poor Rates in England, called by its inventor 'Tranquility,' of a nature, however, too complicated for general adoption. On perusing this little work, he observed a subordinate provision, which struck him as worthy of attention. This was the proposed erection of an economical bank for the savings of the industrious. A part of the scheme, which if properly digested and brought into operation, divested of other subjects of a more doubtful kind, he believed might be attended with the most important results to the labouring classes.

"The ideas thus suggested, harmonised with all his previous conclusions. Nothing could be more congenial with his earliest and most matured principles. He resolved, therefore, that if possible, the scheme should have a fair trial, and cherishing from the first the hope that extensive and widespread benefits might be secured for these classes by its success, he set about arranging his thoughts and forming his plans, so as to render the measure he contemplated suitable not for one locality only but for his country and the world.

"No sooner were these ideas matured in his own mind, than he published a paper, as a sequel to the discussion respecting a provision for the poor, in which he proposed to the gentlemen of the country, the establishment of banks for savings in the different parishes of the district. This paper contained a sketch of rules and regulations which were to form the groundwork of the future institution. But being sensible of the difficulty of inducing any large body of men to engage in an untried scheme, however plausible in theory, he did not confine himself to a mere recommendation in the newspapers. He took immediate measures for giving an experimental proof of its practicability and usefulness, by the establishment of a bank on this plan in his own parish. This resolution he has stated, was adopted more from the conviction that it was the best means in his power of ultimately introducing the system to general notice, than from any very sanguine views of benefit to his own parishioners.

"In point of local circumstance indeed, there are perhaps few parishes in Scotland where this scheme might not have been tried to greater advantage than in the parish of Ruthwell, and there were

discouragements of a peculiar kind, which it may not be improper to state, that the success of the experiment may appear in its true light. One of these arose from the want of resident heritors (proprietors of land), who might countenance the undertaking with their approbation, and support it with their purse and influence. But there was still a most formidable difficulty to surmount. By far the greater part of the inhabitants were poor villagers or cottagers, without manufactures or any other means of subsistence than such as are usually to be found in a remote country parish, and were already connected with Friendly Societies within the bounds of the parish. He well knew that by far the greater part of these individuals were obliged to strain every nerve for a bare subsistence, and found at times extreme difficulty in fulfilling their engagements to the established societies, but this objection was not such as to deter him from making a trial of the projected scheme.

"He knew from experience that he had to deal with a sober, industrious and well-informed population, and on this single favourable circumstance, he founded the convictions that his attempt would not altogether prove abortive. He was aware that in almost every family, even the poorest, there are odds and ends of income which are too apt to be frittered away in thoughtless extravagance, sometimes in intemperance.

"The scheme was drawn up and put in execution in May, 1810, with the advice and co-operation of some of the most respectable inhabitants of the parish, and in the four following years, the funds of the institution rose by successive steps to £151, £176, £241 and £922. Always keeping in view the benefit which might accrue from the general adoption of the system, he took every precaution that circumstances would admit of, for increasing the respectability and importance of the Ruthwell Parish Bank, and presenting it to the favourable consideration of the public. With this design the Lord Lieutenant, the Vice-Lieutenant, and Sheriff of the County, together with the Members of Parliament for the County and the District Burghs had been constituted *ex officiis* honorary members. At Kelso Dr. Duncan addressed an assemblage presided over by the venerable Duke of Roxburgh on 3rd November, 1814, which resulted in the institution of the Kelso Savings Bank Friendly Society on

the lines of the Ruthwell Parish Bank. Hawick shortly afterwards followed the example of Kelso. From this time banks for savings began to be rapidly established on all sides, and before the end of the year 1814 a very general interest was excited in favour of the system in every part of Scotland. This interest was greatly increased soon after the publication of an essay by Mr. Duncan on 'The Nature and Advantages of Parish Banks,' together with a corrected copy of the 'Rules and Regulations of the Parish Institution in Ruthwell,' which appeared in January, 1815."

Immediately applications for supplies of these prints poured in to Dr. Duncan by almost every mail from all parts of Europe and America, and from this point the modern Savings Bank Movement assumed a world-wide character.

PLATE 4.



FORMERLY KNOX'S SHOP, 40 STIRLING STREET, AIRDRIE, WHERE BANK WAS LOCATED BEFORE 1883.



OFFICE AT 21 STIRLING STREET, AIRDRIE.
(From 1883 to 1895.)

CHAPTER IV.

The Movement in Scotland—*Continued.*

(*c*) State Recognition and Protection.

"You first pass 'an Act imposing a tax'; then 'an Act to amend the Act imposing the tax'; next 'an Act to add certain clauses to the Act amending the Act imposing the tax'; then 'an Act to explain the Act adding certain clauses to the Act amending the Act imposing the tax'; and then 'an Act to repeal the Act to explain the Act adding certain clauses to the Act explaining the Act amending the Act imposing the tax'; and so *ad infinitum*."—Sheridan.

I pointed out in our opening chapter, that the first effect of legislative enactments in the various states and countries where banks had been established was to create great diversity in the constitution and character of savings banks. The main factor in creating those various types or classes was the degree of state control introduced and embodied in the new statutes. There were four main categories. In some countries the banks became out and out state banks. In others the state was content with full control of the bank's funds. In others the statutes prescribed the investments in which the funds must be placed. In others the banks were allowed complete independence in the management of their own affairs, including the investment of their funds, subject to certain conditions specified in the statute regulating them.

The form which legislation for England and Ireland assumed came under the second category above referred to, namely, state control of the bank's funds. The first acts for these two countries were passed in 1817. These statutes provided that the funds of every savings bank must be lodged with the National Debt Commissioners.

Scotland was offered the same terms, but the Rev. Dr. Duncan and his coadjutors refused to accept them. These leaders took the view that while it was the duty of the state to grant protection to the movement state control of the funds was inconsistent with the root principles upon which the Savings Bank Movement was founded. They contended that as the banks were local institutions set up for the sole benefit of the locality in which they operated, the diversion of their funds for state purposes was contrary to the true intent and purpose of their being. They declared that while in England there might be some reason for the state taking care of the funds no such reason existed in Scotland.

The Scottish opposition to the English system was so strong that the proposal of the Government to extend it to Scotland was dropped, and an invitation given to Dr. Duncan to frame a Bill of his own which would be acceptable to Scottish sentiment. Dr. Duncan undertook the task. There was no man who understood the subject better than he did, and after consulting with other Scottish leaders he formulated what afterwards became the Act 59 Geo. 3. Cap. 62, which may be truly regarded as Scotland's Savings Bank Charter of 1819, securing as it did for Scottish savings banks, their complete independence in the management of their own affairs, and the control of their own funds.

The Scottish system remained undisturbed until 1835, when by the Savings Bank Act of that year it was provided that after 1st January, 1836, the English system would also apply to Scotland in respect of all banks instituted after the last-mentioned date. In regard to banks already in existence special provision was made. The Government recognised and respected the rights of these banks under the Act of 1819. The Act of 1819 being an agreed-on measure when it was passed, to have repealed its provisions so far as applicable to banks already established under it would have been an obvious breach of faith. So in the new Act of 1835 an option was given to all existing banks either to adopt its provisions or remain under Dr. Duncan's original Act of 1819. A number of banks availed themselves of the option, while others continued to adhere to the original Act—amongst the latter being the Savings Bank of Airdrie.

Hence it comes that in Scotland, as distinct from England,

there are two classes of savings banks, apart from the Post Office Bank, which latter only came into being in 1861. Frst there are the banks certified under the original act of 1819, and second those known as " Trustee Savings Banks certified under the Act of 1863."

The banks in the second class have been the subject of much legislation since 1835. To quote again from Sir Albert K. Rowlitt's address at the centenary function, in connection with the English Savings Bank Statute of 1817, when in his own delightfully humorous way he delivered himself thus :—" Subsequent Savings Bank Legislation is not by any means all *couleur de rose.* Much of it is, like much other legislation, the sequence of statute after statute, and the additions of Acts to Acts, like the piling of Pelion on Ossa, creating such a maze of Acts of Parliament, that one can hardly find one's way out, or about, or see the trees for the forest, or the forest for the trees. We may read—or not read—a chaotic congeries of statutes, which enact, repeal, explain, consolidate—and all penalise. The wonder is that the savings banks have survived so much legislation, and bureaucratic regulation; but happily, a work of so much benevolence and beneficence has prevailed against all odds, just as it has been said that religion must be divine, or it could never have survived the Theologians. Where all ought to have been plain and simple, that those who ran might read, very much was complex and obscure, in darkness scarcely visible or dimly seen, statutes, schedules and regulations being innumerable and intricate. Thirty-six acts were passed in fewer years, enacting, controlling, amending, codifying and repealing; most, like Saturn, devouring their own offspring.

" The consequence was confounded confusion—as in the case where a penal statute provided that the fine should be five pounds, 'half the penalty to go to the informer,' and a common informer, having sued for the half-penalty, learned to his horror that, by a subsequent statute, the penalty of imprisonment for six months, had been substituted for the fine, and found himself entitled for his pains, not to cash, but to three months' hard labour. Such a man might well complain of Law and Equity, as being two things which God had joined together and man had put asunder.

" And as an illustration of changes of legislative policy and

consistency in respect of savings banks, let me again cite the rate of interest allowed by the Government on savings bank funds. Formerly this was 3d. per cent. per diem, equal to £4 11s. 3d. per annum, which was at that time a bonus on thrift and at least doubtful economically. Then the Government went by stages to the opposite extreme, successively reducing—such reductions being their one and only remedy—the rate to what it now is, viz., 2¾ per cent. payable to the savings banks, enabling them to provide and allowing at the most, something less than 2½ per cent. for the depositors, as against more than double that rate of new state loans."

So much for Sir Albert K. Rowlitt's racy criticism of savings bank legislation in connection with Trustee Savings Banks under the 1863 Act.

Now the main difference between the two classes of Scottish savings banks may be briefly stated thus :—

The class certified under the original act of 1819 are independent institutions in respect that they have the full control and management of their own affairs including the investment of the funds, the latter however being limited to Trustee securities authorised by the Trusts (Scotland) Acts.

The class certified under the 1863 Act are largely under State Control and the funds in " the ordinary department " of such banks must all be lodged with the National Debt Commissioners. Banks in this class with over £200,000 of funds may also have an " investment department," which since 1918 has also been subject to supervision and a measure of control by the state, in respect of the nature of the investments which such banks may make and the conditions thereof.

Apart from these distinctive features, the two classes in respect of general organisation and working methods are practically the same. They perform the same functions as agencies for collecting and repaying the people's savings. They are in no way antagonistic to each other. They are not rival concerns. They do not enter into competition with each other. They respect each other's particular field or sphere of operations so that in no single city or town or district are both represented. The number of banks in the 1819 class is necessarily limited, as since 1836 no new bank could have the

PLATE 5.



OFFICE: 28 ANDERSON STREET, AIRDRIE
(From 1895 to 1925).

privilege of being established and certified under the original Act. The " big five " of this class placed in order of their total funds are (1) The Savings Bank of Airdrie, with offices at Airdrie, Coatbridge and Bellshill; (2) The Greenock Provident Bank, with three offices at Greenock, one at Gourock, and one at Port-Glasgow; (3) The Dumfries Savings Bank; (4) The Annan Savings Bank; and (5) The Lockerbie Savings Bank. It is noteworthy that three of these institutions are located in Dumfries-shire, where the first savings bank was established by the Rev. Dr. Duncan in 1810. The Annan Bank now represents the original Savings Bank of Ruthwell. All the banks in this class have had an unbroken and honourable record, and continue to do splendid work in their respective areas.

Scotland has long been noted for banking facilities, and for the number of her sons who have distinguished themselves in the banking profession all over the world. I once read a magazine article in which the writer declared, that " in no other country in the world are banking facilities so extensive as they are in Scotland. While in England there is a bank or branch bank to about every 10,000 of the population, in Scotland there is one to about every 4,000." Whether this statement still holds good or not, so far as banks in general are concerned, there is no question as to Scotland's pre-eminent position as regards savings banks.

Since the day when Dr. Duncan opened the first savings bank until now, Scotland has maintained a decided lead, at least as compared with England. Without quoting the exact figures, the comparison, broadly put, works out thus :—Of the total funds at the credit of the Trustee Savings Banks under the 1863 Act, Scotland contributes more than one-third, and the same proportion obtains in regard to the number of banks in the two countries. The population of England being about six times greater than that of Scotland, the pre-eminent position in which Scotland stands becomes at once obvious. In making this reference I have left out of account the figures of the Scottish savings banks under the 1819 Act, which, if added, would further accentuate the difference.

The centenary of the establishment of savings banks was celebrated at Edinburgh in May, 1910. The date synchronised with the 100th anniversary of the Edinburgh Savings Bank, and that

Bank, in conjunction with the Trustee Savings Bank Association, undertook the organising and carrying through of the arrangements for the event.

Several interesting meetings and functions including a reception by the Edinburgh Corporation took place. A full account of the celebrations compiled by Mr. Alexander Cargill actuary of the Edinburgh Savings Bank was subsequently published. Mr. Cargill's volume contains much valuable data, historical and otherwise, in connection with the movement. The celebrations seem to have been very successful.

The scope and character of the celebrations might have been more pronouncedly international. The occasion was worthy of it. The movement had long become world wide. What then more appropriate than that on the occasion of its first centenary, and in the capital of the country where the first savings bank was born, there should have been a great international congress, which would have brought together representatives of savings banks from all the world over, in order not only to duly celebrate the past, but to consider and devise measures whereby the future would be still more fruitful. The meetings were indeed honoured by the presence of, and privileged to listen to addresses by, several distinguished visitors from the Continent and overseas, but the celebrations lacked the character and purpose of a world congress, such as has since been attained by the great International Thrift Congress at Milan in 1924, and at Philadelphia in 1926.

CHAPTER V.

Airdrie Pre-occupied,

1810–1835.

THE Savings Bank Movement did not find a footing in Airdrie for well nigh a quarter of a century after the first bank was established at Ruthwell in 1810. The fact that Airdrie was so dilatory in following the beneficent lead set by the Rev. Dr. Duncan may appear somewhat remarkable as the town had already acquired an enviable reputation for its progressive activities, as well as for the thrifty character of its inhabitants. But Airdrie during this period was very much pre-occupied with other questions of even more vital and supreme interest. Indeed, the period from 1810 to 1835 was so full of momentous local happenings resulting in veritable upheavals in the political, industrial and social life of the community, that it may well be regarded as one of the most outstanding and important eras in the whole history of the town.

In the political arena during the first half of the period referred to, Airdrie figures conspicuously as one of the chief centres in the West of Scotland of the revolutionary agitation which culminated in the Radical Rising of 1819-20. While this agitation lasted the district was greatly perturbed. Demonstrations hostile to the constitution were numerous, and for some considerable time prior to the final quelling of the attempted rebellion the town was placed under the control of a detachment of Government troops. We are not concerned here with the causes which led to the rising. These are recorded in history. But the effect of the prolonged agitation, accompanied as it was by wholesale distribution of seditious literature, was to create an atmosphere of unrest, suspicion and insecurity —an atmosphere at once fatal to any new movement such as that of the savings bank, which depended for its success on having behind it the confidence of the public.

Moreover the radical plan for the rebuilding of the social order, as propounded at any rate by the more unscrupulous extremists,

suggested a much shorter " cut " to the attainment of the " glorious privilege " of independence, than the more tedious and self-denying path prescribed by the founders of savings banks. This short " cut " was to be by means of an " equal divide " all round of all private property and wealth. What chance therefore had the Rev. Dr. Duncan's scheme against that alluring and seemingly simple method of gathering gear ? It is only fair, however, in justice to the intelligence and honesty of the weavers of Airdrie—radicals though they were—to add that they doubted not only the apparent simplicity of the plan but also its moral soundness. They held strong views on *meum* and *tuum*. Many of them were " lairds " of their own dwelling, weaving shop and garden—the result of honest toil and wise economy. Their real attitude may be taken as expressed by one of their number, who when a neighbour said to him, " Well, John, I think I'll just be content with your house as my share in the general division," at once exclaimed in no soft tones, " My house ! do you actually want to become a public robber ? "

If the political atmosphere was disturbing, the situation industrially was no less perplexing. In the latter respect, the conditions which obtained were sufficient in themselves to effectively stifle any effort along the lines of the Savings Bank Movement. During this period Airdrie underwent a complete industrial transition which altered the whole aspect of affairs in and around the town. For generations the town had been a bee-hive of hand-loom weavers. Indeed, weaving had been Airdrie's staple and only industry. " But, lo ! " to quote the lines of our local bard, Mr. A. J. Rose,

" . . . a man invented steam
Wi' a' its noise and clatter,
The hand-loom, treadle and the beam
Succumbed to scaddin' watter."

In other words, the advent of steam power rang the death knell of the hand-loom industry. A supreme crisis arose shortly after the close of the Napoleonic War. Throughout that protracted struggle the coming calamity was unheeded, as owing to war conditions every available loom had been kept busy and high wages had been earned. But immediately after Waterloo, with war prices at an

end and the trade boom gone, the industry collapsed, never more to regain its old-time position. No longer could the hand-loom profitably compete with its new rival—steam power.

The problem thus presented to the weavers of Airdrie at this juncture was a serious one. We can readily imagine that other thoughts than that of opening a savings bank occupied their minds. Probably their chief concern was that of having to dip too frequently into the proverbial "stocking"—that "home safe" stowed away in some secret recess of the big clothes chest. Fortunately as a class, the weavers had been both "eident and thrifty" in the day of their prosperity. Moreover, they also believed, and were shortly about to find in their own experience, that "he that tholes o'ercomes" and that to the persevering Scot "if ae door steeks anither opens." These maxims, however, did not materialise until the aftermath of the war had spent itself, and the political agitation had assumed constitutional lines. Then the industrial outlook to some extent brightened. Locally much more happened. The whole scene quickly changed, and a new era began in the history of the town. Many of the older weavers, however, continued to "thole." They held on to their looms, being too advanced in years to adapt themselves to other occupations. Although they could only earn a mere pittance, they preferred work to idleness so long as they could keep alive their sturdy spirit of independence. For the younger generation, on the other hand, "anither door opened," providing varied and profitable employment.

The main contributing factor in this new development was the discovery that underneath the town and the adjacent districts there existed a rich seam of the famous "Mushet" black-band ironstone. Coal mining had already been in progress for a considerable time, but the effect of the discovery of the ironstone was electric. Airdrie became at once a sort of El Dorado. People flocked into the town from all quarters of the country, and also from Ireland. In a short space of time the population increased by 50 per cent., while during the ten years prior to 1841, the increase amounted to 100 per cent. At the last-mentioned date the total population had reached 12,896 with 8,119 additional in the mining villages within the parish.

This rapid change-over from weaving to mining, coupled with the phenomenal growth in the population, naturally created many problems—social and otherwise—of the first magnitude, each demanding prompt and skilful handling. It was indeed a difficult and critical time in the social life of the community. The Town Council did their best, so far as their statutory powers permitted, to meet the new situation, but there were many important matters outwith their official purview. Here it was that the settled residenters—the weavers and their families—displayed their inherent strength of character. Though they had experienced extreme hardships in recent times, faced as they were with a doomed and dying industry, they never for a moment lost their keen local patriotism. "Their ain auld toon" was as dear to them as life. They and their forebears had built it. Yea, more, they had moulded and shaped its character. They now saw a new town springing up around them. They were being greatly outnumbered by a multitude of newcomers, who for the most part were of a different type—many of them very inferior. Would the little leaven of weavers leaven the whole lump of newcomers, so that the new town might reflect the best traditions of the old? The records of this stirring period and the subsequent history of the town supply the answer. This only would I add. Airdrie to-day owes a debt of gratitude to her hand-loom weavers of last century. Their impress was deep, and their influence remains.

Thus had Airdrie been pre-occupied during the quarter century following upon the advent of the savings bank movement into Scotland. The town however was not without thrift agencies. Indeed it had long occupied a prominent place in the friendly society movement. "The Weavers Society of Airdrie," which is still a flourishing institution in our midst, was founded in 1781. There were benefit societies also in connection with "The Masons," "The Gardeners," and other "Orders," besides several "sick and funeral benefit societies." The number and extent of these various thrift agencies clearly evidenced that there prevailed amongst the people a spirit of thrift, which only needed a favourable opportunity for its further development through the medium of the savings bank movement. There were those in the community awaiting that opportunity, and it was soon to come.

CHAPTER VI.

The Men Who Formed the Bank.

ALL honour to the men who, nearly a century ago, laid the foundation of the Savings Bank of Airdrie. They did their own generation distinct service, and we of the present generation are still reaping the rich rewards of their labours. They long ago passed away, for the most part "unwept, unhonoured and unsung." Here, however, we would do them homage, as we seek to pay a grateful tribute to their memory. No history of the Institution would be either worthy or complete, without recording their names, and adding a due appreciation of the part they played in the beneficent enterprise.

They belonged to that class of stalwarts referred to in the preceding chapter who so gallantly and successfully met the dire exigencies of a critical period in the annals of the town. They were foremost in every good cause, and amongst the moral, social and philanthropic agencies which they promoted as incentives or correctives or amelioratives in the building up of character, the most useful and most abiding was that of the Savings Bank of Airdrie. The Bank remains to-day the most outstanding memorial of their untiring zeal, and of their unceasing efforts on behalf of their fellow men.

(1) REV. JOHN CARSLAW, M.A.

Amongst the original promoters of the Bank, the first place must be given to the Rev. John Carslaw, M.A., minister of the Reformed Presbyterian Church, North Bridge Street, then known as the "North Loan Cameronian Kirk." Mr. Carslaw was the moving spirit in the institution of the Bank. Thus, like the Rev. Dr. Duncan,

the founder of savings banks, the lead in Airdrie was taken by a minister of the Gospel.

The Rev. John Carslaw, who was a native of Mearns, was born on 17th January, 1799. He was a descendant of John Howie, the author of " Scots Worthies." In 1824 he acted as tutor in the family of the Elister M'Neils of Islay, claiming as one of his spiritual children, the Rev. Hector M'Neil, Campbeltown. In November, 1828, he was licensed by the Western Reformed Presbytery, and on 18th August, 1829, he was ordained as minister in Airdrie. On 24th November, 1831, he married Jane Henderson, daughter of William Henderson, Bo'ness. In her he had a true helpmeet in his work. Mr. Carslaw died at Airdrie in 1847. He was interred in the church grounds in North Bridge Street, where a stone with a simple inscription marks the spot of his last resting place.

The Rev. John Carslaw was President of the Bank when he died, having held that office for 10 years. His early death was much lamented and his loss to the Bank was keenly felt. He had crowded into his comparatively short life a vast amount of honest work, alike in connection with his own church and denomination, and in outside associations.

His local public activities were many. Apart from the Bank I would only make mention of one, as out of it the Bank originally sprung. He was foremost amongst the pioneers of the temperance movement, which was then in its very infancy. The first temperance society in Airdrie was formed by him. That effort, I reckon, took more courage on his part than did the opening of a savings bank. In 1831 his services in the cause were recognised by his friends who presented him with a " Grandfather's Clock," which is still in the possession of his family. The inscription on the clock reads as follows :—" Presented to the Rev. John Carslaw, M.A., by the friends of Temperance in and near Airdrie, as a testimony of esteem for his unremitting exertions in promoting the interests of the Airdrie Temperance Society, 1831."

He was fond of literary work, and latterly he became editor of the R.P. Church Magazine. During the early part of Mr. Carslaw's ministry the present church building in North Bridge Street was erected.

Incidentally I may recall that there immediately followed a remarkable spate of church extensions in the town. In the twelve years (1833-1845), no fewer than eleven new churches were erected. One wonders where the money came from to build them. The Cameronians were only able to afford a salary of £80 per annum to their minister, and the others were no better. With this small salary Mr. Carslaw brought up a large family and was known also for his generous disposition. Our wonder grows when we think that withal he had still something left to deposit in the savings bank. The first two depositors' accounts to be opened in the Bank were opened by him in the names of two of his children, and later he opened another in his own name. Surely in this case the old saying "gear is easier gotten than guided," would be more applicable if reversed to read thus: "gear is easier guided than gotten."

Some time ago I was favoured with a photograph of Mr. Carslaw, and the same is reproduced in the present volume. The donor was his distinguished son, the late Rev. Dr. Carslaw of Helensburgh, who only recently died at the advanced age of 87 years. The Rev. Dr. Carslaw's name also appears amongst the early depositors of the Bank.

In an accompanying letter the Rev. Dr. Carslaw paid the following tribute to his father:—"One of my early recollections was sitting on his knee while he played the flute. At one time he took the precentor's box in his native parish of Mearns. I was only a boy in my tenth year when my father died, but from my mother who survived him for 40 years I often heard of the warm interest he took in the welfare, not only of his flock, but also of the whole community. I know he was a liberal-minded, warm-hearted Christian minister and greatly beloved by all who knew him. Never ashamed of the gospel of Christ, he was always willing to sacrifice himself for any good cause, believing that 'no man liveth to himself and no man dieth to himself.' The day before he died, at his request, my brother and I knelt at his bedside, while Jacob-like he placed his hands on our heads and pronounced the benediction of Gen. 48, 15, ending with the words 'bless the lads.' This experience has never been forgotten by me, and has served to 'warn, to comfort and command.'"

(2) Rev. Andrew Ferrier.

Another R.P. minister who was one of the original organisers of the Bank, was the Rev. Andrew Ferrier of the Reformed Presbyterian Church, Graham Street (now Graham Street U.F. Church). Mr. Ferrier prior to coming to Airdrie in 1833 was minister at Newarthill. Like his colleague, the Rev. Mr. Carslaw, Mr. Ferrier took a deep interest in local progressive movements, and particularly in the formation of the Bank. He continued to identify himself with the Institution, having filled various offices, including the Presidentship, until he removed to Canada in 1841. The first office of the Bank was the old Session House of the Graham Street Church, and Directors' Meetings were held there so long as Mr. Ferrier was minister.

(3) Dr. William Clark of Wester Moffat.

The most notable layman amongst the pioneers of the Bank was Dr. William Clark, M.D., J.P., of Wester Moffat. Dr. Clark was a man of distinct personality and of great influence. He belonged to the ancient family of the Clarks of Wester Moffat, who had been associated with Airdrie for generations—Wester Moffat estate having been in their possession since the sixteenth century. Their close connection with Airdrie was perpetuated in the name " Clarkston," given to the eastern part of the town, while a section of the Edinburgh and Glasgow Road which forms one of the main arteries of the town was named " Clark Street."

Dr. Clark was born in 1775, and after a long and eventful life died in 1859, being thus 84 years of age. While still a youth he determined to shape out a career for himself rather than content himself, as did most of his forebears, with being simply a " Bonnet Laird " or country squire. Accordingly he entered the Glasgow University with the view of graduating in medicine. As a student he signally distinguished himself, and in 1801 when only 26 years of age, he had the degree of M.D., conferred upon him by the Senatus of the University. While in practice as a physician he was a marked

success, but in a few years' time he retired in order to devote himself to schemes for the industrial development of the district.

Dr. Clark was endowed with fine business qualities, and the opening up of the coal and iron fields in and around his estate afforded excellent opportunities for the exercise of his abilities. By this means he amassed in course of time a considerable fortune, a large portion of which he devoted to religious and charitable purposes.

His principal public benefaction during his lifetime, was the handsome gift of £20,000 to the Free Church of Scotland, to found a college in connection with the Church at Glasgow. He attached a condition that other friends of the Church should contribute a second £20,000. This was accomplished, and the college buildings overlooking the West End Park, Glasgow (now the U.F. Church College) were erected. In the hall of the College is hung an oil portrait of the Doctor, and the photograph which appears in the present volume was taken from that painting. Dr. Clark was a staunch Free Churchman and took a leading part in the Disruption of 1843. In addition to the fore-mentioned gift he contributed most liberally to the funds of the Church. The present Parish Church of Clarkston, which was built before the Disruption, was erected mainly through Dr. Clark's influence and financial assistance.

Throughout his life Dr. Clark was the friend of every good cause in the district. He took a personal interest, and in many instances the lead, in all local societies and agencies which operated for the improvement and elevation of the people. He was for many years President of the Airdrie Town Mission and other kindred associations. Local undertakings, such as the Airdrie Gaslight Co., and the Airdrie and Coatbridge Water Co., were largely pioneered by him. He was a J.P., and a Commissioner of Supply for the County of Lanark, and took his share in local administrative work. It is interesting to recall that during the Radical turmoil in 1819-20 he and Dr. Tennant of Bredinhill became sureties to secure the release of "Radical Will," the Airdrie dominie who was imprisoned for participating in the disturbances.

Dr. Clark was elected the first President of the Bank. He was indeed the right man in the right place. No one could have inspired

more confidence in the Institution. With Dr. William Clark in the chair, the initial success of the Bank was assured.

Dr. Clark never married. By his will the estate of Wester Moffat was bequeathed to Mr. William Towers, writer, Glasgow, who on succeeding to the estate added the old family name of Clark to his own, being afterwards known as Mr. William Towers-Clark of Wester Moffat. He was the senior partner in the well-known legal firm of Towers-Clark, Roberton & Ross, Glasgow. Mr. Towers-Clark built the present mansion house in 1860. It was built quite close to the former house which was erected by his predecessor, Dr. William Clark. The original residence of the Clarks was situate in the hollow near to where the Edinburgh and Glasgow railway line passes and the entrance was from the Edinburgh and Glasgow Road. It was said that previous to building his house, Dr. William Clark had great difficulty in determining upon the proper site. He was desirous that from the windows of his new mansion he should command a view of the surrounding country. He procured a long ladder and securing it firmly in a perpendicular position, he ascended it and surveyed the country. He repeated this ingenious, though primitive, experiment until he found the most eligible site, which as I have mentioned, was contiguous to the present mansion house.

Mr. William Towers-Clark with his family resided at Wester Moffat until his death in 1870. The family remained for a few years afterwards. While residing in the district, Mr. Towers-Clark and family were most liberal towards all benevolent institutions and took an active interest in the welfare of the community. Their removal was a decided loss, although they kept in touch with many of the institutions with which they had been identified. One of the sons, Mr. William Towers-Clark, writer, Glasgow, continues to manage the estate. Only recently, in connection with the purchase by the Town Council of Wester Moffat House and forty acres of the estate for the purpose of an hospital for Airdrie, Mr. William Towers-Clark gifted to the town seven acres at the east end of the burgh, for the purpose of forming a park specially for the children of the Clarkston district of the town.

In connection with the purchase of the house and grounds by the Town Council, already referred to, the Bank advanced the pur-

chase price on loan to the burgh. Strange things happen in the course of the years, and it is rather remarkable that the institution which Dr. William Clark was so prominent in founding, being also its first President in 1835, should 91 years later be advancing money to buy up part of his ancestral possessions.

(4) Mr. James Knox, Hat Manufacturer.

The next name I would mention as prominent amongst the "old brigade" who founded the Bank, is that of my grandfather—James Knox, hat and cap manufacturer. I do not think I overestimate his position and influence in the movement by thus placing him in the forefront. Though, for reasons explained in the next chapter, his name does not appear in the list of directors until 1838, his interest in the Bank dates from its inception, and after he did join the board of management and until his death on 10th November, 1866, he was universally regarded as one of the principal mainstays of the institution.

No better evidence can be adduced than the fact, that the Bank in his day became popularly known as "Knox's Bank"—a term it has never lost. Even now, let any stranger to the town inquire at the "man in the street" for the office of the Airdrie Savings Bank and he will probably only get a bewildered shake of the head, but let him ask even the smallest schoolboy where Knox's Bank is, and he will at once be directed.

Many depositors who live at a distance, or outwith the country address their correspondence simply "Knox's Bank, Airdrie." Only recently a letter was received from one of the western states in America, inquiring if the writer could open an account in the Bank, the address on the envelope being "Knox's Bank, Airdrie, Scotland." Here is one more apt illustration:—When the office at Bellshill was about to be opened, a lady depositor resident there, but having her account at the Head Office, was informed by a friend that as the Airdrie Savings Bank was opening an office at Bellshill, she would find it more convenient if she got her account transferred to that office. "What do you call the Bank?" she asked. "The Airdrie

Savings Bank," replied her friend. "Na, na," said the lady, "my money is in Knox's Bank, and I mean to keep it there."

My own recollections of my grandfather are necessarily limited, as I was only a child when he died. But the fact that from infancy I had been placed under the care of my grandparents—my mother having died—enabled me to receive some impressions of my grandfather. These early impressions were afterwards confirmed by what I learned from my grandmother and from others, and they still remain with me as sweet and fragrant memories.

My grandfather belonged to a family of weavers who for several generations resided at a little property between Kilsyth and Kirkintilloch. A stone in "The Auld Aisle" near Kirkintilloch marks the place where the older generations were interred. A rather remarkable fact is that the eldest son in the line of succession throughout the last seven generations alternately bore the name of "James" and "Walter."

On account of the decline of hand-loom weaving early last century, my grandfather decided to join his uncle, William Kinross, who was a silk hat manufacturer in Kirkintilloch, and having learned the practical part of the business, he came to Airdrie and set up a manufactory in Stirling Street. The business soon expanded, giving employment to about fifty workers. Later on, the wholesale firm of J. & W. Knox & Co., was established with large warehouses and workshops in Glasgow.

The firm was the first to introduce the sewing machine to Airdrie. My grandfather was very popular amongst his employees. He took a personal interest in their welfare, and several were enabled to start business on their own account through his assistance.

He took a share in the public affairs of the town, serving as a Town Councillor for a few years. The back room of the shop at 40 Stirling Street was a general rendezvous of many of the "worthies of Airdrie." Business in those days was not conducted at the fever heat pace of to-day. It never could be said of my grandfather that in any sense, or at any time, "he was as mad as a hatter."

My grandfather was a member of Broomknoll Church, of which he was elected an elder in 1888. He took an active interest in all church affairs including Presbytery and General Assembly. After

Rev. Mr. M'Gown's death a proposal was made in the Presbytery to close Broomknoll Church, but my grandfather strongly opposed it, and carried his point. He was mainly responsible for bringing the Rev. William Reid to fill the vacancy.

As regards the Bank, he was appointed President in 1848, and as explained in a later chapter he exchanged the chair for the treasurership in 1861, which position he held till his death in 1866.

My grandfather was of a fine type of character. The following short extract from a letter written by a leading gentleman in Hamilton, and addressed to my grandmother after my grandfather's death, may be taken as a fair sample of the general esteem in which he was held. He writes thus :—" Will you allow me, though a stranger to you personally, to express my deep and affectionate sympathy. . . . I have known your beloved husband for many years and the longer and more intimately I have known him, the more I have esteemed and loved him. He was a true, upright, loving, loveable and God-fearing man. I do not know any he has left behind him of whom I could write with a more perfect confidence that it is all within the mark."

Other Early Leaders.

Other leaders in the movement for the establishment of the Bank who deserve to be noticed were the following :—Neil Livingstone, blacksmith, North Bridge Street; Robert Ralston, weaver, High Street; Finlay M'Clure, schoolmaster, Stirling Street; Robert Constable, weaver, South Bridge Street; James Campbell, mason, Calder Iron Works; Peter Neilson, weaver, Graham Street; David Shaw, salesman, Stirling Street; and Thomas Jack, tailor, South Bridge Street. The foregoing were members of the first Board of Directors. They were all worthy men, exercising considerable influence in their respective spheres.

Neil Livingstone occupied the position of a vice-president, from 1838 till his death in 1859. He was a most ardent supporter of the Bank. Finlay M'Clure was schoolmaster of Airdrie's first public school, which stood on the site where the new library is built.

He acted as secretary for some time before he left Airdrie. Robert Ralston, grandfather of our energetic and popular townsman, Councillor Robert Ralston Henderson, iron merchant, took a very active interest in all progressive movements in the town. He was of the old weaver stock and highly respected throughout the district. He was one of the founders of the Airdrie Wesleyan Methodist Church in Bell Street. Peter Neilson, another weaver, afterwards acquired a property at the corner of Stirling Street and Bell Street, and opened a grocery business which his son carried on for many years. Thomas Jack was the first treasurer, an office he held until 1861. He was a merchant tailor, and the office of the Bank was in his back shop for some years, but I shall refer to him later on.

PLATE 6.



NEW HEAD OFFICE AT AIRDRIE.
(The New Public Library is seen on the right.)

CHAPTER VII.

The Bank Instituted.

1885.

AMONGST the various agencies and organisations—social, philanthropic and progressive—set agoing in Airdrie during the closing years of the eventful period described in a previous chapter, one of the most aggressive was known as the Airdrie Temperance Society. Unfortunately the official records of this society have perished. The only relic, which happened to come into my possession some years ago, was a box with the name of the society painted on the outside. Presumably this box had been the receptacle for the books and papers of the society. Sufficient data, however, are available from other sources, bearing evidence that the society and its auxiliaries played no mean part in coping with the difficult and perplexing problems which confronted the townspeople of Airdrie during the years referred to. The society did not limit its operations to purely temperance propaganda. The plan of campaign favoured by its authors seems to have included the formation of various counter-attractions—the leaders wisely taking the view that it was not enough merely to tell the people to "cease to do evil," without at the same time providing some means whereby they might find it easier to "learn to do well." One of these counter-attractions was the Savings Bank of Airdrie.

The proposal to open a bank was made early in 1834, when a committee mostly composed of the leaders of the Temperance Society was formed to prepare a constitution, rules and regulations, and to take the necessary steps for instituting the bank. The committee in due course completed their task, the constitution and rules being similar to those of savings banks already established on the model of the Rev. Dr. Duncan's scheme. There was one

provision, however, which gave rise to discussion and some dissension. While the privileges of the Bank were to be open to all who wished to become depositors, the management was to be confined to members of the Temperance Society. This restriction, as regards the directorate, had the effect of excluding from the movement, several worthy and capable men who had given it their whole-hearted support. Their withdrawal, however, was temporary. A split in the society itself, over the form of the membership pledge, hastened the abolition of the obnoxious rule. The seceders, who included some of the more prominent of the directors of the bank, formed an auxiliary of the British and Foreign Temperance Society. The rival sect however met and agreed that the Bank should be placed in an independent position, free from any connection with any society.

The squabbles which took place in those days over the form of the temperance pledge were keen and bitter. The movement, of course, was only in its infancy. I cannot say what was the particular form of pledge taken by members of the Airdrie Temperance Society, but there is reason to think that it was not a total abstinence pledge. There must have been some rather wide reservation, as is evident by the following story related of Dr. William Clark of Wester Moffat, who was the first president of the Bank, and who must therefore have been a member of the Temperance Society. The Doctor and Alex. Galloway, agent of the Western Bank at Airdrie, were bosom cronies. The Bank was a regular "howf" of the doctor when he came into the town. One day the two gentlemen foregathered in Graham Street, and at once exchanged the usual compliments. The doctor, it should be mentioned, in his later life was somewhat deaf, and on this occasion quite misunderstood Mr. Galloway's next remark, which was in the form of a question. "How are the crops looking at Wester Moffat?" The doctor excitedly replied, "Politics! politics! the country's going to the dogs, fast going to the dogs!" (Some people at the present day are of the doctor's opinion, but let us hope, with no better reason than he had.) Mr. Galloway did not repeat his query, but only muttered "Quite so, doctor, quite so," at the same moment consulting his watch, and, finding the time was just "high twelve," he motioned to the Doctor and pointing

to the hotel said, "It is 'high twelve,' we will just away round to the hotel." The doctor understood and acquiesced, and the pair accordingly adjourned to discuss their "usual," which was no doubt something different from politics. But we need not concern ourselves now with the nature and scope of the pledge of membership of Airdrie's first temperance society. If it restricted indulgence in a "nip" till after "high twelve," that indeed meant something in those days. But whatever its form or scope, the credit of having brought into being the Savings Bank of Airdrie, must largely rest with the members of the Airdrie Temperance Society of 1834.

The Bank was formally instituted on 1st January, 1835, being thus a veritable new year gift to the town—perhaps the best new year gift ever presented to the inhabitants. I do not know what was in the minds of the donors in selecting the first day of the year for the institution of the Bank. Would it be mere sentiment? Or would it be to give the good folks of Airdrie the opportunity of adding one more good resolution to their usual list of new year's day resolves? Whatever the motive may have been, I am persuaded that no one who took advantage of the gift, by becoming a depositor, ever afterwards had cause to regret that new year resolve. On the contrary, I feel sure that they, and the many thousands who have since followed their example, have each and all had good cause to bless the day they became depositors in the Savings Bank of Airdrie.

CHAPTER VIII.

In the Day of Small Things.

1835-1865.

BANKS are not of mushroom growth. They take time to develop. As "a bairn maun creep afore it gangs," so must it be with an infant bank. Indeed, as regards the latter, the truth of the old Scotch proverb is much accentuated, for, in the case of the child, the creeping period extends usually to a few weeks—(rarely beyond a few months)—whereas in the case of the bank, a score or two of years may elapse before the concern can get firmly on to its legs. Success on the part of the child largely depends on confidence in itself. Success on the part of the bank only comes when it has secured the confidence of others. So, every new bank must needs experience its "day of small things"—a day, however, which may not be despised.

The early years of the Savings Bank of Airdrie were on the whole uneventful; nevertheless, like a promising child, they were not without interest. We can easily discern, even in its mere infancy, the formation and adoption of those sound guiding principles, which have regulated its course throughout its long history, and strict adherence to which, the Institution in large measure owes its strong position to-day. There has been a wonderful continuity in the leading features of the Bank. The phraseology of the original constitution may have been put into more modern English, and some additions made to suit modern conditions, but in all the progress and development of the past ninety years there has been no departure from fundamental principles.

The management was under the control of a Board of Directors,

First Annual Report

OF THE

AIRDRIE TEMPERANCE SOCIETY SAVINGS' BANK;

FROM JAN. 21ST TO DEC. 23D 1835.

CASH ACCOUNT.

To Deposits received during the year,	£355	0	3	By amount of Deposits paid during the year,	£ 79	16	6
To amount of Entries from new Members,	3	14	5	By do. deposited in National Bank,	260	12	8
To Cash drawn from the National Bank,	19	0	0	By do. of transfers,	40	0	0
To Interest on money in Bank,	5	12	8	By do. of Interest paid during the year,	0	1	4
To do. due to Members on Deposits,	4	7	10½	By do. do. added to Member's accts,	4	7	10½
				By Expenses,	2	16	1
				In hands of Treasurer,	0	0	9
	£387	15	2½		£387	15	2½

PROOF STATEMENT.

To amount of open accounts,	£239	11	7½	Amount in National Bank,	£241	12	8
To balance of expense fund,	2	1	9½	In hands of Treasurer,	0	0	9
	£241	13	5		£241	13	5

DAVID SHAW, *Sec.*

☞ Number of Individuals who have opened Accounts with the Savings' Bank, Sixty-four.

The above Abstract shows the prosperous state of the Savings' Bank, and how much it is calculated to promote the [illegible] welfare of society. It is to be hoped, that this Institution will in future meet with a still more general encouragement [illegible] public at large, and especially from Members of the Temperance Society. Hitherto its Meetings have been held only on [illegible] nate Wednesday; but, for the accommodation of the public, the Managers have resolved, in future, to open the Bank for [illegible] saction of business, betwixt the hours of 8 and 9, *every* Wednesday evening, in the Rev. Mr Fergier's Session-House.

Airdrie, 11th Jan., 1836.

MACCALLUM, PRINTER

PLATE 7.

PHOTO FACSIMILE OF THE BANK'S FIRST REPORT.

comprising a President, two Vice-Presidents and ten ordinary members—thirteen in all. The "unlucky" number had evidently no terror for the doughty men who formed the Bank. That is precisely what we might have expected of them. As members of the Airdrie Temperance Society, had they not a profound unbelief in "spirits?" They were out certainly to kill superstition, which in those days included the fallacy, that if a man abstained wholly from alcohol he would assuredly soon die or land in an asylum. Be that as it may, thirteen persons continued to sit round the Board Room table of the Savings Bank of Airdrie, from its institution in 1885 until 1913, without any untoward happenings. The alteration which took place during the last mentioned year was made, needless to say, for other reasons than a revival of the ancient myth. There are, however, still some innocent people who harbour the old superstition, and it was perhaps as well that the constitution was altered in 1913, otherwise these believers in evil omen, might have laid at the door of the Institution the tragedy of the Great War.

The Directors seem to have studied well the system inaugurated by the Rev. Dr. Duncan, and the improved methods subsequently introduced into later institutions. Even now, after nearly a century's experience, as we examine the original approved rules and regulations, we find nothing lacking in the main essentials of a wisely governed modern savings bank. Take for instance the safeguards adopted for the due conduct of its affairs and for the safe investment of the funds. One rule provided that during all occasions when the Bank was open for the transaction of business, there must be in attendance the Secretary, the Treasurer, and one Director or their substitutes, so that each transaction might be vouched for by three officials. An annual audit of the books and accounts was also required, and the annual report was to be printed and circulated amongst the depositors and general public. Great care was likewise taken to ensure strict privacy in respect of depositors' accounts, as well as for the preservation of the books and records. In the latter connection one of the "antiques" belonging to the Institution is a beautiful mahogany chest, in which were formerly deposited all the books and documents. The chest has three independent locks.

The Secretary kept possession of the right-hand key, the Treasurer of the left-hand key and the Director in attendance, the middle key. Thus, no business could be transacted without the three officials or their substitutes being present. The three keys may provoke a smile, but that simple safeguard was very effective. Conclusive evidence of the care bestowed in preserving the property of the Bank is supplied by the fact that all the principal books and records since its institution have been preserved. These now form a most interesting collection, which has been recently re-arranged, classified and stored in one of the strong rooms of the new Head Office. The collection is one of the "sights" of the new office and never fails to draw expressions of admiration from visitors. Thus, the Bank's proud record of never having lost a penny of the depositors' money also holds good as regards its business books. Photographs of the old chest and of the first iron safe, which afterwards supplemented it, will be found in the present volume.

The caution exercised in the investment of the funds showed that the Directors clearly recognised that their primary and chief concern must be the safe custody of the depositors' money. Regard was also paid to the proportion of the funds which could, with safety, be tied up in investments. The Directors believed that the stability of any bank, be it large or small, largely depends on its ability to meet at all times the legitimate demands of its depositors. Acting on this principle, only a small proportion of the deposits was loaned out, the great bulk being deposited with one or more of the ordinary commercial banks having branch offices in Airdrie. This wise precaution kept the Bank prepared at all times for any emergency. There was a rule then, as there is still, giving the Directors power to call for such short notice of withdrawals as they may require, but that provision has never yet been exercised. The Bank has always repaid deposits on demand—a strong feature of any bank.

The first loan transaction is peculiarly interesting. Being of a semi-public character, I feel at liberty to refer to it. On 6th January, 1836, a proposal for a loan of £200 by the Managers of the "New Chapel" was submitted to the regular meeting of Directors, and

after full consideration, the loan was sanctioned. The "New Chapel" or "West Church"—(now the Airdrie Parish Church)—built in 1834, was so named to distinguish it from the "Auld Chapel" or "East Church" erected in 1790 in Chapel Street (see "Airdrie—A Historical Sketch," by James Knox, pp. 43 and 91). The names of the Managers of the "New Chapel" who adhibited their signatures to the security writ in favour of the Bank and which included also their several personal obligations for the sum advanced, were:—Aitchison A. Mack, writer in Airdrie; John H. Mack, writer, Bellside; William Fleming, chandler; James Wilkie, distiller; and John King, grocer in Airdrie. The loan was repaid and discharged in 1841.

The whole transaction may seem simple and trivial, but it has a significance which does not appear on the surface. For in this particular loan proposal—the very first the Directors were called upon to determine—they were put to a crucial test. The question was not whether the security offered by the proposed borrowers was good, bad or indifferent, or whether the investment was a desirable one or not. Admittedly the security was perfectly sound. The question was one of conflicting interests outwith the domain of the Bank. We have only to recall the circumstances, to appreciate how strong these conflicting interests were and how much they entered into every phase of life in those early days. The position, briefly put, was that the negotiating parties belonged to opposing camps in the bitter religious feuds which marked that period. On the one hand there was the "Auld Kirk" seeking the loan, and on the other hand the Bank Directors who, as it so happened, were all, save one, dour and ardent Seceders. It might easily have been another case, so common then, of "the Jews having no dealings with the Samaritans," if the Directors had only allowed their religious fervour or animosity any rein. But they stood the test and proved faithful to their new trust. They declared, as it were, their watchword to be "the interests, the whole interests and nothing but the interests of the Bank." Their decision at once saved the Bank from any taint of sectarianism, and placed it on the pedestal of a town institution. Thus we find, even at the very dawn of the Bank's life story, an example set, a precedent formed and a principle

established, which every subsequent Board of Directors has rightly endorsed and rigidly upheld as the one supreme consideration ruling their administration of the Bank's affairs. This particular loan seems to have put the "New Chapel" on its feet, as there is no evidence of further applications for assistance having been made. As we think of the Church to-day, we can hardly imagine it as the first needy client the Bank attracted. But its early deal with the Bank, while of mutual benefit then, serves also to show the present generation how select were the Bank's investments even at the outset of its career.

Recently, after an interval of ninety years, the Bank and its first borrower again came into touch over the Bank's building scheme in Wellwynd, by which the opening of a new entrance to the Church was made possible. I refer to the matter in detail in a later chapter. Let me only here add that the Directors were specially pleased to have the privilege of having a share, however small, in effecting a much-desired improvement in the main approach to the Airdrie Parish Church—the Bank's old friend, the "New Chapel" of a past age.

In the earlier stages of the Bank's history the investments were limited to heritable securities, as the following resolution passed by the Directors shews:—"That no loans shall be granted on personal security alone, but that all the investments be made only on approved heritable security." Further the Directors decided that, before granting a loan, "the Directors should obtain a report on the value of the property by a duly qualified person, and over and above, that two Directors should visit the property and give their opinion." It would also appear from these reports that the amount advanced was kept well under two-thirds of the valuation put upon the property by the valuator. It is difficult to conceive what more precautionary measures could have been devised. No wonder the Bank never met with loss. A noticeable feature about these loans, was the evident desire on the part of the borrowers to reduce the incumbrance on their property as quickly as possible. That was the true old Scots' spirit. The laird of a property or dwelling house long ago never regarded it as his own so long as there was debt on it. He was never content till he got "his house cleared."

"The ancient spirit is not yet dead," but methinks it is not so often manifested at the present day.

The revenue and expenditure accounts during the period under review reveal some interesting and, as they appear to us, somewhat amusing items. From the beginning the Bank has been on a self-supporting basis. That is to say, its work was carried on at its own expense. Its income consisted solely of the interest from loans and from banks, except during its initial years, when a small sum was exacted as entry money from new depositors. The principal item of income was the interest derived from the Bank's account with the ordinary banks in town. It was a fluctuating quantity, as the ordinary bank rate often changed. Besides, the ordinary banks had no agreement then for a uniform rate as they have to-day. From the minutes of the Directors' meetings I gather there was, therefore, keen competition amongst the local bankers for the Savings Bank account. The account was worth catering for, as the balance at the credit of the Savings Bank ran usually into four figures. An account of that extent at that time would no doubt be considered a "plum." On the other hand, the Directors, always desirous of obtaining the best terms possible, played the game of competitive offers to some advantage. On one occasion they sent a special deputation to wait on each of the local bankers to ascertain terms, when it was found that one bank offered a half per cent. more than the other two. This was duly reported to a meeting of Directors, who thereupon resolved that the whole of the Savings Bank deposit be transferred to the bank offering the highest rate. The Secretary, Treasurer and one Director were appointed to complete the transaction. On the following day those three gentlemen proceeded to carry out their remit, but the bank agent who held the deposit, when informed of the Directors' decision, absolutely refused to pay out the money. He would give no reason for his refusal. The three officials argued and protested, but to no purpose. So they left, and immediately called a special meeting of Directors for the next evening, when they reported what had happened. The Directors re-affirmed their previous resolutions and ordered a certified copy to be sent to the bank agent with the request that if payment were not made he must give his reasons for his action. Thus armed, the

same deputation again called on the agent, who by this time was all smiles. His strategy had succeeded. He had had time to communicate with his Head Office which was all he wanted, and he was now in a position to outbid his rival in regard to the rate of interest. The deputation, in the altered circumstances, did not insist further on withdrawing the money, and the Directors at their next meeting homologated their action. The bank agent had scored, but so had the Directors.

The Bank was managed with strict economy. The depositors received the full benefit of the annual revenue. The rate of interest allowed on deposits varied, but, during the first thirty years, the average was over 3 per cent. The officials—Secretary, Treasurer and Auditor—had no salaries for the first five years. At the end of the fifth year, an allowance of £1 1s. was voted to Mr. Thomas Jack, the Treasurer, for the use of his back shop as an office and for fuel and light. That official was either so appreciative of the Directors' generosity or so amazed at their extravagance, that he at once intimated that he would " hand back 10s. 6d. for the good of the Bank." It may have been an omission on the part of the Secretary, but the minute does not bear that Mr. Jack was accorded " the usual hearty vote of thanks " for his handsome gift. Belated though it be, let us acknowledge it now, as it stands out unique in the history of the Institution, as being the first and only pecuniary donation the Bank ever received. There is no trace of the half-guinea ever having been needed or utilised. The sum remains unused to this day " for the good of the Bank," and may be found somewhere in the £165,000 of the Bank's present reserve. Little did the old Treasurer think that his act of self-sacrifice would lead to such great results. But he lived in the Bank's day of small things.

Here is an instance of how an economy was effected. The Town Crier or Bellman, who was employed for some years at the outset to summon all meetings of Directors or depositors, charged 1s. 6d. on each occasion. This fee was deemed exorbitant by the Directors, so they appointed an officer of their own " to summon," as the minute puts it, " the quarterly meeting, at a salary of 1s. 6d. per annum—any special meeting being paid at the same rate, namely 4½d. each." The officer was promised an increase when the funds

permitted. Mr. Francis Farmer, cutler, was appointed to the office. He was a well-known figure in Airdrie during the greater part of last century. The services of the Bellman were however retained "to warn depositors' meetings," that process requiring the aid of his bell.

Mr. Jack, the Treasurer, was a very exact official. I would say he was painfully correct. We can, therefore, imagine what his feelings would be on one occasion when he was lodging some money in the National Bank. The teller, having discovered a light half-sovereign amongst the cash, informed him that he would require to pay 6d. to make up its value to 10s. Mr. Jack's anxiety was not so much over the paying up of the shortage—that was serious enough—as the difficulty of tracing the particular depositor who had passed the light coin over to him. Doubtless he felt he had been slack in the discharge of his duty in not detecting the deficiency himself. Besides, if the sixpence could not be recovered, he must report the matter to his Directors, as his cash balance was now 6d. short. Meantime he set on foot an investigation into all the depositors' transactions which had taken place on the day in question and according to a note in his cash book he was certain that Miss —— was the party, but he failed to convince her. After a lapse of two years the lady called and closed her account, but Mr. Jack insisted on deducting the 6d., which he did. He was undoubtedly painfully correct—a degree of exactness which unfortunately is too frequently, as in his case, accompanied by a lamentable want of tact.

At the close of the sixth year's operations a preliminary report by the officials, submitted to a Board Meeting, showed that there was likely to be a considerable surplus, estimated at £8 on the year's working. The Rev. John Carslaw thereupon moved "that the Secretary and Treasurer be each paid £2 2s. for their services during the past year." The minute proceeds thus :—"The meeting having considered the proposal to pay salaries, resolved to vote £1 1s. each in the meantime, but if after the books had been closed it was seen that the funds would permit, another £1 1s. each would be given." At the Annual Meeting which followed, the original proposal of two guineas was confirmed. From this date a small honorarium was

voted to the Secretary and Treasurer at the Depositors' Annual Meeting, the amount increasing with the growth of the Bank. Towards the end of the first thirty years the sum voted was £5 each. The Auditor did his work gratuitously. The other expenses of management were negligible.

The officials worthily discharged their respective duties, particularly as regards their accounting. A feature which has always appealed to me when I had occasion to scan the old books and records, is the style of book-keeping and the manner in which the general accounting is stated. The annual balance sheet would do credit to any modern C.A. I have no hesitation in saying that these early officials could have satisfied the requirements of the most exacting of our present day Income Tax Inspectors, without the necessity of calling in the aid of a professional accountant. One wonders where they got their training for they lived before the era of School Boards or Commercial Training Colleges. But ordinary brains allied with commonsense, when unitedly applied, can accomplish much in book-keeping as in other affairs. A photo of the original printed Report and Statement of Accounts for the first year will be found on another page of this volume.

Such are some of the outstanding characteristics which marked the first thirty years' operations. Turning now to the actual results as disclosed in the annual reports during that period, we are apt to think that the rate of progress was somewhat slow. Indeed, some may regard it as wholly disappointing. But though the accumulated funds were small, that was not the best way to measure progress in an institution whose real aim was the promotion of thrift amongst the working classes. It must be remembered that the bulk of the depositors were weavers and miners. The wages of the former class, as already explained, had been reduced to almost a bare subsistence, while the wages of the miners were notoriously small. Incidentally I may mention that in making an analysis of the depositors I found amongst them several women depositors who were designated "colliers," a fact which may astonish the reader. But before the passing of the "Underground Workers' Act of 1842," which prohibited women from working underground, there were many employed in the pits about Airdrie. Not so long

PLATE 8.



Dr. WILLIAM CLARK, M.D.,
Wester Moffat.



Rev. JOHN CARSLAW, M.A., Reformed
Presbyterian Church, Airdrie.



Rev. JAMES McGOWAN, Broomknoll
Church, Airdrie.



TELFORD MARTIN, Esq., Engineer,
Airdrie.



Rev. WILLIAM REID (Hon. President).

FORMER PRESIDENTS.

ago an old woman who lived in Chapel Street told me that she had worked in Chapelside Pit, where the coals were brought up in baskets by means of ladders. Of course there were other trades represented amongst the depositors. There were even a few small shopkeepers. In the list I noticed that the Town Mission conducted a Penny Bank in those days and lodged its deposits with the Savings Bank. The "Chartists' Church" also figures in the list, but these were exceptions and there is no doubt that the Bank did good work amongst the general workers in the district.

Here is rather a remarkable case of one of the earliest depositor's accounts which illustrates how a deposit, however small, will increase if allowed to remain for a period of years. The account was that of a woman named Christina C ——, who opened an account on 31st May, 1887, with a deposit of £2, and on 14th February following made a further deposit of £3, making a total of £5. This account stood dormant and unclaimed for over 52 years. Neither the depositor nor her pass book ever seemed to have been to the Bank again. When, however, in 1890, the Bank published in the *Glasgow Herald* and other newspapers a list of dormant accounts, a gentleman in the town called and identified the depositor as a relation of his. She had gone to America many years previous. After full investigation the Bank was satisfied as to the identity of the claimant and the money was remitted. The deposit of £5 had increased with interest to £17 10s. 6d. I may mention that all the accounts published in the list of 1890 found the rightful owners or their representatives—the majority of the claims coming from parties abroad.

Reverting to the somewhat slow growth of the deposits, there were certain circumstances which undoubtedly militated against success. During the first six years the rate of progress was most encouraging and all that could be desired, but for the next twenty years the Bank practically remained stationary. This pause in its development I am inclined to attribute to faulty and inadequate facilities for the carrying on of the work. Two blunders were undoubtedly made. The first was in removing the office to the Treasurer's business premises, and the second was the limitation of the amount which any one individual might deposit, and the limitation

of the time during which the Bank was opened for business to one hour per week.

The first office was the Session House of Graham Street Church. There the Bank prospered, but when the Church was closed in 1841, the Bank had to find another office. The Directors here found themselves in a difficulty. The Bank could not afford to run an independent office, and so they had recourse to what was then a common practice in country towns of conducting such concerns within private business premises. Mr. Jack, who was then Treasurer and who was a merchant tailor with premises centrally situate in South Bridge Street, offered to provide the necessary accommodation. But the change was an unfortunate one and nearly cost the Bank its life. Where the Directors erred was in not making another move when it became apparent that the Bank had ceased to flourish under Mr. Jack's roof. The crisis, however, came in 1861, when, on account of his own business difficulties, Mr. Jack was compelled to resign his position as Treasurer and cease all connection with the Bank. The Bank was in no way involved in the matter, but Mr. Jack's collapse adversely affected the Bank's credit and position for a time. Mr. Jack was a well meaning man and, in business, was simply a victim of the vile credit system. He was too honest to charge prices which would cover losses, so he lost his all.

The Directors immediately took steps to counter the "run" on the Bank which the foregoing circumstances created. My grandfather, who had been President since the death of the Rev. John Carslaw in 1848, convened a meeting of the depositors, and, having satisfied them as to the Bank's position, the meeting unanimously asked him to take over the Treasurership, which he did, the Rev. James M'Gown being appointed President in his stead. This episode in the Bank's history, though awkward at the time, cleared the way to a real progress which the institution never again lost. The Bank's office was transferred to 40 Stirling Street, where the work was successfully carried on until 1883, when an independent office was opened at 21 Stirling Street.

The second mistake referred to, namely, the limitation of the deposits and of the business hours, was no less hurtful to progress. I have dealt with the question of the limitation of deposits in my

opening chapter, and I need not again refer to it. As regards the facilities for the transaction of business, it has been proved all over the country in regard to savings banks, that the greater the facilities granted to depositors for the transaction of business, the greater is the patronage bestowed by the public. I will not, however, unduly labour these two defects in the early management of the institution. It may have retarded the advance of the movement in Airdrie, but it was only for a season. The fact remains, which must ever incite our admiration and increase our indebtedness, that the men who "formed the Bank" and guided it through the critical period of infancy, have thus handed down to succeeding generations a worthy heritage in the Savings Bank of Airdrie.

CHAPTER IX.

Rev. James McGown.

Fifth President, 1861-1864.

When in 1861 my grandfather took over the Treasurership, the Rev. James M'Gown of Broomknoll Free Church, was elected his successor as President. Mr. M'Gown had been a well-known figure in the town since 1846. He had long won the respect of the whole community, and his election as President was warmly endorsed by all the depositors of the Bank. He held the office until his death in 1864.

The Rev. James M'Gown was of a quiet and unobtrusive disposition and sincere in all his work. He was particularly interested in the welfare of the young people. His Sunday School was a model. He conducted a class himself and at another hour had also a large Bible class. He was a remarkably attractive teacher. He had a broad mind and wide outlook. I find amongst my grandfather's papers the manuscript of a speech made by him on the occasion of the presentation of a book-case by the Sunday school and members to Mr. M'Gown. The following extract from that speech will convey to the reader a truer appreciation of Mr. M'Gown's worth than any words of mine. After dealing with Mr. M'Gown's work amongst the young, my grandfather proceeds thus :—" I must say a few words about Mr. M'Gown as a minister of the Gospel. Of his public ministrations you are all as well acquainted with these as I am. I daresay most of you will have seen the smart and concise reply of the Duke of Wellington to the young clergyman, who knowing the Duke's acquaintance with the character of the Hindoos from his residence in the east, asked him whether he thought it of any use to preach the Gospel to such an obstinate and depraved sect. 'Look,' said the Duke in his own characteristic style, 'look to

PLATE 9.



Hon. Sheriff THOMAS JEFFREY, J.P., Airdrie.



Ex-Provost D. MARTYN, J.P., Airdrie.



WILLIAM NEILSON, Esq., J.P., Airdrie.



Ex-Provost J. DAVIDSON, J.P., F.R.I.B.A., Coatbridge.



Hon. Sheriff D. RANKINE, J.P., Airdrie.

FORMER PRESIDENTS.

your marching orders. Preach the Gospel to every creature." This story may perhaps assist me in illustrating the character of Mr. M'Gown as a minister. He is none of those who, in the performance of duty has to consult Dukes or Lords, or Priests or Bishops. He looks to his marching orders. He knows that the greatest authority has commanded him to preach the Gospel to every creature, and this command he humbly but fearlessly performs. His mind is not circumscribed by the narrow limits of sectarianism. When he is asked to preach for any object or by any society his inquiries are not, 'Do they belong to our church?' No, his inquiries are, 'Can my labour be of service to my poor, perishing fellow creatures? Is the society guided by pure Christian motives?' If so, then it is clearly in harmony with his 'marching orders,' and he cheerfully and freely gives his time and his labour, not for the benefit of party or sect, but for the benefit of suffering humanity. How rare, how valuable is the character of such a minister, in this age of exclusiveness, when instead of all sects and parties 'agreeing to differ,' and working harmoniously for the common good and universal redemption of mankind, when, I say, instead of this, we have the narrowest sectarianism, the feeling of our church, our chapel, our schemes, swaying the decisions and actions of a large portion of our fellow Christians, as if the great God in His omnipotence could overlook the meanest act of Christian duty or as if He could narrow His interest and superintending care to a mere speck in His mighty universe. When will such narrow-souled bigotry cease to manifest itself? When will the eternal good of mankind become a common interest? Or in the illustrious Duke's concise reply, when will all the denominations look to their 'marching orders?'

"Many of you I am sure will bear me out in saying that in this respect Mr. M'Gown's character is exemplary. His motto is, good can be done by united efforts and therefore let us unite, let us work together for the common good, let us forget sectarian differences and think only of Christian unity. We are but sojourners here. Time flies, eternity hastens on. 'Let us work while it is day for the night cometh when no man can work.'

"Of Mr. M'Gown as a personal friend I could say much. For

the last six years, I may say, I have had almost daily intercourse with him, and this growing acquaintance has only tended to raise him higher and higher in my estimation. I have found him a kind, confidential and most agreeable friend. I feel, however, that to give expression thus publicly to all I could say regarding the many amiabilities of Mr. M'Gown, would be rather trying to his modest and retiring disposition. You must therefore excuse me for cutting this head so very short, as I am sure it will be a relief to himself.

"In conclusion, therefore, I have to say a few words, which will be more particularly addressed to Mr. M'Gown himself. I have, Sir, been commissioned by the members of your Sabbath School and Bible Classes, by the members and adherents of your congregation and by many of your private friends to testify to you their high value of your character as a man and as a Christian, and, that you may possess a solid proof of their affection and esteem, I am also commissioned to present to you this bookcase, which I am sure you will value for its intrinsic worth, but especially as being an object in which is concentrated the expression of many an affectionate heart. I must now express to you our earnest wish that you be long spared to use it, and able to continue in the performance of those duties which are so highly appreciated."

The records of the Bank testify to Mr. M'Gown's great interest in its progress. He was another example of the able help accorded to the institution by members of his profession, and of them he was not the least.

The photograph of Mr. M'Gown which appears in this book is a true likeness and may create the impression that he was a very aged minister, but he passed to his rest at the comparatively early age of 56 years, "loved and respected not only within the circle of his own congregation but far beyond it."

CHAPTER X.

The Dawn of Bigger Things.

1865.

THE temporary set back occasioned by the Jack episode of 1861 had now been more than made good. The malady from which the Bank had suffered was not due to any constitutional weakness. Its stunted growth and emaciated appearance were solely the result of unhealthy environment. The child had been too long coddled in the obscure and vitiated atmosphere of Mr. Jack's back shop. It needed only more sunlight and fresh air for its proper development.

So the episode had its compensations. The Bank was liberated from obscurity. The busybodies who had spun false tales concerning its solvency had actually done the Institution a distinct service. They provided for it—what its own meagre surplus funds could not afford to do—a first class advertisement. They directed public attention to an extent unattainable by ordinary means. Hundreds in the town heard of the Bank for the first time. Robert Burns once wrote of his traducers :—" The mair they talk, I'm kent the better. E'en let them clash." So now, the Directors, conscious of the soundness of the Bank, could view the situation with comparative complacency. They could well say " e'en let them clash." The public pillory was perhaps a little irksome, but it proved salutory.

Two important results followed. The public discovered that there was in their midst an institution worthy of their confidence and support. The Directors discovered the immense value of publicity and the utter futility of hiding the Bank's " light under a bushel." That both the public and the Directors made good use of their respective discoveries, the records of this and subsequent periods amply testify. Suffice it merely to say here, that from this

point onwards the annual reports of the Institution show only four years out of sixty-two in which a decrease in the deposits is recorded —the total of the four decreases being less than £1,000. Moreover, the greater part of this decrease occurred in 1878, as a result of the general panic which followed the disastrous failure of the City of Glasgow Bank.

In 1867 the first step was taken in improving the facilities for the transaction of business. Hitherto the office was open only for one evening (Monday) in each week. Saturday evening was now added, with gratifying results. There was a considerable influx of new depositors, particularly individuals from the neighbouring villages who were in the habit of visiting the town on Saturday evenings. The next extension was made some years later when Wednesday was added, besides additional hours on Monday and Saturday. Every new extension increased the business.

My father succeeded my grandfather in the Treasurership. He was then residing in Glasgow, but in 1871 he removed his residence back to Airdrie and was thus able to devote closer personal attention to the Bank's affairs. He sought by various means to popularise the Bank and bring its advantages still more under the notice of the public. The Annual Meetings, for instance, were made the occasion for special propaganda. Leading citizens were invited to take part, and full reports of the proceedings were afterwards printed and circulated. A soiree was tried in conjunction with the Annual Meeting in 1875. I remember it well. The event took place in the old Baptist Church, near the New Town Cross. The late Bailie Ferrier presided and delivered an interesting address on the subject of savings banks. Amongst other speakers were Rev. James Paton, D.D.; Rev. William Reid; Mr. Thomas Jeffrey; Rev. Allan Bayne and Councillor Paterson.

Another new feature introduced by my father, was the distribution of thrift literature on a more extensive scale. I recall on one occasion when I was yet a boy being requisitioned by him to search through his bookcase for a certain volume which contained a collection of Scotch proverbs. Having found it, I was then told to put a pencil mark opposite the proverbs which I thought had a bearing on the subject of thrift. Afterwards he made his own

selection, and though I did not venture to say it, I thought in my young mind that my list had not got full justice. The extracts were utilised in a series of cards setting forth the value of saving habits and the advantages offered by the Bank. A door to door distribution was made throughout the town and district. On another occasion a very apt story entitled, "Job Jacob and His Boxes," was issued in pamphlet form, with the advantages of the Bank fully set forth on the back page. This production was very popular. Many other devices were likewise tried, and all proved more or less successful.

The Bank was also favoured during this period in attracting as Directors several well known and prominent gentlemen, who afterwards gave to the Bank many years of devoted service. Included amongst these were Mr. David Martyn, J.P. (afterwards Provost Martyn); Mr. Thomas Jeffrey, J.P.; Rev. John Paterson, B.D.; Mr. William Neilson, J.P. The services rendered by these gentlemen, and others are noticed and acknowledged in short biographical sketches included in the present volume.

From 1864 to 1872 the secretarial work was ably performed by Mr. Thomas Watson, Jr., son of Mr. Watson, cabinet maker, Stirling Street. Mr. Watson, Jr., was a young man of great ability. He was a student of medicine and having taken his degree at Glasgow University he acquired a practice in the north of England and for many years acted as Medical Officer of Health for a large district in Durham. As Secretary of the Bank, Dr. Watson did much to further its interests. He was succeeded by Mr. William Thom, law clerk, a brother of the late Mr. Matthew Thom, J.P., slater. Mr. Thom, however, only held the position for three years. He removed to Edinburgh on receiving an appointment in the Register House there. I succeeded Mr. Thom in January, 1876.

CHAPTER XI.

Not a Fairy Tale.

1873.

In my early days I had a very inflated notion of the "bigness" of the Savings Bank of Airdrie. I looked upon it as "the Bank." To my youthful mind there was nothing like it. But before I had turned eleven years of age, I got rather a rude awakening as to its size and importance. The circumstances were these. My father, in the course of his wholesale business in Glasgow, frequently undertook some of the more important journeys himself, and during my school vacation he often afforded me the privilege of accompanying him. These were grand outings for me and I enjoyed them thoroughly. They gave me an opportunity of visiting a large number of towns and villages.

One of these journeys happened to be to Carluke, a country town much smaller than Airdrie, where there existed and still flourishes a savings bank which was then managed by one of my father's customers. When we called on this customer, and while my father was displaying his samples, a conversation arose between the customer and him on the subject of savings banks. What I then overheard dissipated completely all my boyish ideas as to the magnitude of "Knox's Bank." For among other things the customer pointed to the deposits in his bank as being nearly £30,000 and twitted my father with only having some £4,000 in his. That was a nasty pill for me to swallow. Of course I said nothing, but I took a mental note.

On our return journey I plied my father—as boys will do—with all sorts of questions as to why the Airdrie Savings Bank was such a small concern, as I had always imagined it to be a "big bank." My father said he often wondered why it had not done better,

but assured me that it would yet come all right. It was growing bigger every year. This assurance gave me some comfort; nevertheless, I felt somewhat "downed." I kept thinking about it during that train journey, and then, as Burns puts it, "even then a wish, I mind its power" took possession of me that Airdrie would yet beat Carluke in the savings bank race.

That night when I got home to my grandmother's cottage in Knox Street (I had been brought up and still resided with her) I had as usual to recount to her my day's exploits. But the chief story I had to tell her was what I had overheard about the Bank. Of the latter, however, she took no notice. "Did you get plenty to eat?" was her only reply. On these journeys with my father she was always more concerned about my bodily comfort, than about my mental worries. I think she had her suspicions on the former point, as a favourite remark of my father's was, "he is better sometimes to feel the grun' o' his stomach." So I had to go to bed without impressing on my grannie the one question that had excited me throughout the day.

Now what follows may seem like a fairy tale. But I am about to relate not fiction but absolute fact. It is given here in no spirit of boastfulness, and I think my readers who know me, will not charge me with egotism. The story may help to inspire another boy's young heart in shaping his life's destiny.

The next day I conceived the idea of opening a savings bank of my own—a formidable venture for a boy of eleven summers. The Bank was to be named the "Knox Street Savings Bank," and my grannie's cottage was to be its headquarters. I informed my grannie of the scheme, but all she said was "you're an awfu' laddie." That I took as her sanction to proceed, but I am sure she never dreamt that I was in earnest over the project. I then set about completing my plans for the "great adventure." I found my first need was some capital, so I applied to my "bank" which stood on the kitchen mantelpiece and I emptied it. With the contents I bought a cash book and ledger and a supply of small passbooks. I fixed Saturday forenoon in each week, between the hours of 10 and 11, as the time during which the Bank would be open. The minimum deposit was to be one penny, but I fixed no limit as a

maximum. Depositors would be charged one penny for their pass-books, which would yield me a profit of 3d. on each dozen, to partly meet the expenses of management. No interest would be allowed on any account until the deposits reached £1. The date of opening was arranged for a week later.

The preliminaries over, my next step was to boom the new bank. This I did by a personal canvass amongst all the youngsters in the vicinity of Flowerhill Cottage—the bank's headquarters. My canvass was most encouraging. I was promised general support, and I looked forward to the opening day with great expectations. My grannie now saw that I was in real earnest, and no doubt thinking me quite capable of the undertaking (I was the " wonderfu' wean " in her estimation), she too began to canvass her neighbours who happened to call on her.

I thought I had everything ready on the morning of the opening when my grannie raised a difficulty. She said " I can't have all the weans coming in here and dirtying my clean kitchen on a Saturday." But I was " a man of some resource." I replied " they will not need to come into the house at all. I'll hold the bank in the back bedroom. I'll pull up the window, place my table in there and the children will pass in their money from the outside." This plan was adopted, and punctually at 10 a.m. on the appointed day there I was sitting at the receipt of custom to attend to my expected clients. On the table might be seen cash book, ledger, depositors' passbooks, two bowls taken from the " kitchen dresser " to hold respectively coppers and silver, and all the essentials and paraphernalia necessary to the proper working of an up-to-date banking establishment.

The first two persons to join as depositors were naturally my grannie and myself. If we did not show our confidence in the concern how could I expect the public to have any? So I see in the original cash book—now in front of me as I write—that the first two entries are :—Ledger A-1—James Knox, Flowerhill Cottage—£0 0s. 9d. and A-2 Mrs. Isabella Knox, Flowerhill Cottage, £0 0s. 6d." I am sorry that the usual banker's obligation of secrecy prevents me divulging the other entries which follow. Some of the individuals are still alive. I must, therefore, confine myself to generalities. I

had ten customers the first week and in a short time the number increased to fifty. The funds began to accumulate and, as there was no " strong room " attached to my office, I deemed it prudent to open an account in name of the " Knox Street Savings Bank " with the Airdrie Savings Bank. Soon there was over £20 to its credit. It was only then that my father learned of the rival bank. He had to know all about it, and while he said little I have no doubt his chief thought was " I'll have to keep my eye on this escapade." But he never interfered. I was allowed to carry on single-handed the affairs of the Knox Street Savings Bank until, about two years later, my dear old grannie at the age of 77 departed this life. I had then to make arrangements for winding up my boyish venture, as I had to leave the old cottage to live with my father at Myrtle-bank. In September, 1874, I withdrew the balance at the credit of my bank from its account in the Savings Bank and paid out the depositors in full.

As indicated, I have still in my possession the cash book and ledger of " my wee bank." When occasionally I have a peep through them they recall many happy memories. I can yet see those few scores of youngsters belonging to Flowerhill, Knox Street, Johnstone Street, Clark Street, etc., trooping to the Knox Street Savings Bank with their coppers and silver. Where are those children now? Several I personally know are in the district still, for their names appear in the depositors' lists of the Airdrie Savings Bank—not a few having substantial sums to their credit. Most interesting of all, the present President of the Bank, Provost Thomas Armour, J.P., opened his first bank account in the Knox Street Savings Bank.

My experience as a bank manager at the age of eleven seems to have commended me to the Directors of the Savings Bank of Airdrie, for at the Annual Meeting on 26th January, 1876, they selected me for the onerous position of Secretary of that institution. Now was my chance to beat Carluke!

CHAPTER XII.

A Son's Tribute to his Father.

THE failure of the City of Glasgow Bank on 4th October, 1878, already referred to, created a great sensation and panic in financial and business circles throughout the country. There was a "run" more or less on all the surviving banks and the Savings Bank of Airdrie, small as it was, did not altogether escape. I shall never forget the Monday evening following the collapse. My father being off duty on account of illness, which caused his death three months later, I, as Secretary, was left in charge of the Bank. I had, however, the assistance of one of the Directors. We were kept busy attending to withdrawals by some of the more timid depositors. I had provided an extra supply of cash in case of a possible "run," but as closing time approached we had paid out all our available cash, besides using up all, save one, of the forms in the book of cheques on the Bank's account with the National Bank. There were still five minutes of the time to go, and we wondered what we would do if any further demands were made on our now depleted treasury. To our intense relief the town clock struck 8 p.m., without more demands being made and I shut the door with a punctuality I never afterwards was able to attain. The total decrease in the funds due to the City Bank panic amounted to £700, but a great part of this sum was re-deposited during the following six months.

The next morning I called at the National Bank to arrange for meeting the overdraft which the issue of the cheques on the night before had created. I knew the overdraft would require to be met somehow. I was not so ignorant as the lady who once opened an ordinary bank account and having been supplied with the usual book of cheques proceeded to issue the cheques pretty freely, until her account became considerably overdrawn. The bank agent began to think it was time he should send for her. This

he did and politely drew the lady's attention to the state of her account. "Overdrawn," said the astonished woman, "How can that be? I have not yet used the one half of my cheque book." I readily arranged for the Bank's overdraft by lodging a Clyde Trust Bond which was sufficient to tide us over the remainder of the City Bank period of crisis.

My father only lived to see the dawn of bigger things in the progress of the Bank. He died on 22nd December, 1878, at the comparatively early age of 45 years. The deposits had increased six-fold during his term of office, but the gross total was yet only about £5,000.

I have no desire to monopolise these pages with references to the Knox family, but filial regard may be deemed and accepted as justifying a few sentences of a son's grateful tribute to a worthy father. I owe much to my father. Though I lost him when yet at the formative stage of my early youth, his example and character had already indelibly impressed me. He was a thorough business man, enamoured of accuracy in all things and his word was as good as his bond. After my grandfather's death, he remained the sole partner in the hat and cap manufacturing business in Glasgow and Airdrie. He had a splendid system of book-keeping in connection with his own business and before I had left school he had me drilled in its every detail.

In the early seventies, on account of the state of his health, my father began to curtail his business operations. He first gave up the manufacturing department, and latterly the greater part of his wholesale connections—retaining only two or three of his old employees to manage what was left. Meantime he himself commenced an accountant's business in the city. This class of work was all to his liking and he was in process of developing a fine connection when he died.

My father took little or no part in public affairs. His spare time was devoted to church and mission work, particularly amongst the young. When he removed back to Airdrie in 1871, he began a branch of the "Foundry Boys and Girls Religious Society" with which he had been identified in Glasgow and this Society he carried on most successfully until his death. He was an elder

in Broomknoll Church and for many years Treasurer of the Airdrie Town Mission.

He took a prominent part in acquiring the present Mission building in 1872. I remember being sent by him one Saturday afternoon to collect three belated subscriptions which had been promised for the scheme. Whether he thought that my youthful appearance would appeal to the laggards or not, I don't know, but I was successful in securing two of the three subscriptions, one of which was a cheque for £10. My father, however, had previously tested me on my ability to collect money. On one occasion he sent me to a certain office in the town to collect a shop account. His instructions were that I was first to present the account and ask for payment, then if a promise to send the money was offered I was to say that my father wanted the money at once. And if that did not succeed, I was to tell the gentleman that my father said I was not to leave his office without getting payment. Needless to say I had to resort to the last instruction, and the gentleman said I would probably have to wait all night. I replied " that might be so but I must carry out my father's orders." He tested me severely, as I had to stand a considerable time at his counter before he took compassion on me and paid the acount. What an excellent training that was for my subsequent position as an Income Tax Collector !

My father was an enthusiastic musician and was a moving spirit in the earlier Choral Societies of the town. His favourite instrument was the flute, and I remember on the occasion of a vacancy in the precentorship of Broomknoll Church my father temporarily led the singing, and instead of using a tuning fork he always took the key from one of his flutes. Another of his hobbies was angling and I could recount my experiences of several expeditions on which I accompanied him. Some of them successful and others no less exciting, especially when a gamekeeper was encountered on some sequestered Highland loch.

There was a famous—locally at least—Literary Society in Airdrie about the middle of last century. It was instituted in 1851 under the name of the Broomknoll Mutual Improvement Association, presumably because it met in the original Session House of the old Broomknoll Kirk, though its members belonged

to various denominations. It was the first real literary and debating association opened in the town. Mr. Thomas Jeffrey and Mr. David Martyn, afterwards both presidents of the Bank and a number of the older Directors were all members. My father was with Mr. Jeffrey and Mr. Martyn amongst the leading spirits of the Society. I happen to have the original Minute Book and, as the Association seemed to be a sort of training college for future Savings Bank Directors, it perhaps deserves a passing notice here.

The meetings continued for about ten years, but on 6th December, 1873, after being dormant for about a dozen years, there was a grand re-union of the members at a supper held in the Star Hotel. I remember the occasion well. My father, who was to be in the chair with Mr. Jeffrey as croupier, called on my granny, with whom I then resided, on his way to the function. I heard him tell her about the old friends he expected to meet and he also repeated part of what he was going to say. I was expecting him to take me with him, as he took every opportunity of giving me outings to various meetings, but he didn't, much to my regret. How I longed to be allowed to accompany him, but all my pleadings were in vain. However if I did not hear his speech that night, I have read and enjoyed the manuscript of it many times since. As it recounts in my father's own quiet humorous way some of the doings of the Society, I cannot do better than quote a few extracts from it here.

After a few introductory remarks, my father proceeded :—

" What to speak about, I must confess, seemed at first not a little difficult where so many recollections presented themselves to one's memory, but on a short reflection I concluded that as chairman for the evening, it might be interesting just to string a few things together of a general character in connection with the past history of our association.

" The year 1851 will ever be remembered as a most remarkable one in the history of our national progress, as in the summer and autumn months was held the first great Industrial Exhibition in London.

" Whether said event had any results in the way of stimulating the young men of that age or no I cannot say, and whether the influence of that important undertaking did reach the district in

which we reside I know not, but certainly the striking fact is recorded that on the 8th December of that memorable year, a notable society sprang into existence, a society, gentlemen, which from its first annual report I find, had for its object the development of those latent literary and philosophical powers which were supposed to be possessed by 12 young men, eagerly bent upon distinguishing themselves in the arena of science, literature and the fine arts.

" Doubtless, this same gallant 12, though many times less in number than the gallant six hundred of Balaclava, were possessed of no less a brave and heroic spirit and were prepared to rush no less nobly against the serried ranks of that ignorance, which had up till that date beclouded their brilliant intellects and imaginations.

" Of their heroic exploits in the field of mental development, time would fail me now fully to speak, but judging from the record of their noble deeds and glorious successes, as well as from the fields of carnage in which they were from time to time engaged, it seems to me abundantly evident that

> ' To see bright honour sparkle all in gore
> Had steeled those spirits which ne'er fought before.'

" It might be necessary to remind you that up till that eventful year no Debating Society worthy of the name had existed in the town, and it certainly did credit to the energy and enterprise of the Broomknoll and its friends, to find that such a distinguished association then appeared upon the arena of public life, and continued to flourish for so many years, under the patriarchal roof of a certain then well known session house having its *locus standi* somewhere in the vicinity of the Broomknoll Church.

" Gentlemen, of that antediluvian structure, the said session house, I would fail in these remarks were I not to speak. Fain would I attempt to picture to your mind's eye an ancient cottage—not by a wood—the hoary walls of which seemed well sunk into the ground, and having its roof but slightly elevated above its surface —two loopholes supposed to be intended for windows, a doorway only sufficiently high to smash everyone's hat, who had the daring

to cross its venerable portals, and a ceiling never seriously intended for the comfortable accommodation of such visitors as the celebrated Chinese giant 'Chang-chang.'

"Shall I mention the costly and expensive furniture which then graced the interior of that ancient edifice—of the table which was in the habit of performing greater feats of necromancy in the moving world than all the spectral turning tables of the American continent.

"Shall I describe or even attempt to describe to you the elaborately and comfortably cushioned sitting accommodation—or the vast stores of worldly wisdom which crammed its musty libraries, and which shed forth such flood of light into the surrounding gloom.

"Is it necessary that I speak to you of that 'old—not arm but armless chair'—in which sat from time to time the respected chairman of our meetings, wielding with all the dignity of a prime minister the olive branch of office.

"Again shall I recall to your memories the burning eloquence and flaming pathos of the Loudons, the Jeffreys, the Wilkies, the Waddells, the Shaws, the Kirkwoods, the Hopkins, the Websters, the Martyns or the Davidsons. Gentlemen, of the profundity and brilliancy of such intellectual heroes, language fails me to express. Suffice it to say that never, either in or out of the British Houses of Parliament, was there ever such a combination of talent—native and acquired—as constituted the membership, from time to time of that celebrated and distinguished concourse of mental atoms, which had for its designation, the honourable title of the Broomknoll Mutual Improvement Association.

"The other afternoon a gentleman—who in the opinion of one of our local iron lords is ranked as the greatest living orator of our day (*vide* Jas. Brand's after-dinner speech)—waxed very eloquent on what he took occasion to call the spirit of the age.

"Gentlemen, the Rt. Hon. Benjamin Disraeli may talk of such a manifestation, but I should only refer to the spirit of the age, to which I have already made reference, to show, that the members were no less remarkable for their exploits in mental, moral and scientific research, and were quite as worthy of being ranked with the greatest geniuses of any age, and had it not been for the inexcusable apathy of a non-discerning and non-appreciative public,

the very mention of the name of the B.M.I. Association could not have failed to call forth the grateful plaudits of all future generations.

" Not only was the famous society distinguished for the elegance and comfort of its hall of learning, but likewise no less noted for those important and learned discussions which took place within its venerable precincts.

" The record of its transactions informs us that during its first session, no fewer than eight subjects of national interest were disposed of. Among these appears a question which in its discussion must have had a range of illustration wide as the pole, the argument turning upon whether ' Ambition should be ranked as a virtue or a vice.' Doubtless the aspiring spirits who then solved that important problem, were fully persuaded that at least the honourable ambition of taking a prominent place in local affairs was a venture worthy of all commendation.

" Another most important subject, and one of the deepest national interest, which came under the learned notice of our society, was the profoundly interesting question as to whether the horse or the sheep were of the greater service to our common humanity. It happened not to be my good fortune to be present at the discussion of this most important point, but, gentlemen, you can easily conceive of the deep and intense interest which must have been manifested during the progress of such a notable question.

" I am disposed to gather from the records of that date, that a considerable amount of severe handling was experienced by the horse creation, and that the opposing forces did feel not a little sheepish at the close of the evening's proceedings.

" I shall only refer to one other subject which, as recorded, formed a feature of the society's first syllabus. The question as to whether the ' Mental power of the sexes were equal.'

" A discussion upon this important branch of metaphysical research affords a striking indication of that daring chivalry which then characterised the young men of our town. The status of the fair sex—whether political, social or domestic, has puzzled the brains of many of our most learned philosophers, but I have no doubt that on the eventful evening upon which this great question

PLATE 10.



Back Row.—Mr. D. MACFADYEN, Mr. J. GRAY, Mr. JAMES KNOX, Mr. H. SIMPSON, Mr. J. B. ALLAN, Mr. WM. THOMSON.

3rd " —Mr. ROBT. MONTEITH, Mr. THOS. FORSYTH, Rev. JOHN PATERSON, B.D., Mr. GAVIN SHANKS, Dean of Guild HERD, Ex-Provost ADAM.

2nd " —Provost GEO. ARTHUR, Bailie WM. NEILSON, Mr. PETER BROWN, Mr. AND. KEDDIE, Mr. JAMES MCMILLAN, Mr. JOHN WRIGHT.

Front " —Bailie FINDLAY, Bailie WOOD, Rev. WM. REID, Mr. THOS. JEFFREY, J.P., Bailie MARTYN, Hon. Sheriff J. C. ADAMSON, Sheriff MAIR.

TRUSTEES, DIRECTORS AND OFFICIALS IN 1895.

came up for discussion by our association, matters were settled to the entire satisfaction of all the bachelors present.

" Besides these and many other kindred subjects which were from time to time brought up before the society, the finer walks of the poetic were not neglected. Having in later sessions secured the addition of many new members it was on a certain evening all at once discovered that the mantle of the muse had descended upon the shoulders of not a few of our members.

" Local themes formed the subject matter of these transcendant efforts, which latterly culminated in a shower of contributions to the lyric stores of our beloved country. These emanations were, had they been preserved, well worthy of a name and place in the records of our association and might have come in as a beautiful illustration in the famous lecture of Dr. Alex. Wallace entitled ' Our Native Woodnotes Wild.'

" Another element of development connected with the history of our association, was that of its intense love for ' the good, the true and the beautiful ' in the shape of a half-yearly social gathering.

" It was on such an occasion that the native talent of the members found full scope and field. Freed from the restraints of an ordinary meeting, the overflowing spirits of the association were then accustomed to take aerial flights up, far beyond the trifles and anxieties of *terra firma*.

" Shall I recall to your memories the dazzling spectacle which, under the officers' matchless superintendence, the ancient room then presented. Shall I refer to the elevating character of the cup which cheered, and to the delicate dainties which ministered to the stomach comfort of the members. Shall I neglect to recall to your imagination that huge apple pie which so mysteriously and suddenly disappeared on a particular evening, or shall I attempt to hide the sensation which was caused in the gastric condition of not a few on that memorable evening, when a mal-developed vinegar plant graced the festive board.

" Time, language and talent fail to express the many lively and honourable recollections of such byegone experiences, and I leave it to those who follow to recall more of those memorable evenings' enjoyments.

"Of such societies, as ours happened to be, nothing but favourable results could be expected, and certain I am that not one among us but will be prepared to testify to the benefits received, and which benefits have contributed not a little to our present positions in the world.

"It is well for the young men of any age when they are found associating themselves thus together, and specially so when the whole body are animated with a desire to contribute to the advancement of ɛɛ ch individual member.

"'Can the wiles of art, the grasp of power
Snatch the rich relics of a well spent hour?
These, when the trembling spirit wings its flight,
Pour round his path a stream of living light
And gild these pure and perfect realms of rest
When virtue triumphs and her sons are blest.'"

My father was a great admirer of Burns, and on the occasion of the centenary in 1859 he proposed "The Immortal Memory" at the public function organised by the Broomknoll Mutual Improvement Association. One of his most cherished volumes, which I still have, was an edition of the poet's works, beautifully bound and illustrated, which an old friend of his gained as the best reader of the poems of Burns at a grand concert held at Dunedin, New Zealand, on 15th December, 1863. The book was sent by the winner as a gift to my father. I was early initiated into the Poet's works by him. On one occasion I had accompanied him on a journey to Campbeltown, and in the evening, having to be engaged with some of his customers, in order that I might have something to take up my attention, he took down from the bookcase in the hotel writing room, an illustrated volume of Burns' works, and advised me to read "The Twa Dogs." So I probably owe something to him in my admiration for our National Bard.

Fifty years have well nigh fled since the mortal remains of my sire were laid in their last resting place in Broomknoll Churchyard, but the longer I live I feel indebted to him the more.

CHAPTER XIII.

Treasurer Johnston Paterson.

1878-1884.

MAINLY through the influence of Mr. Telford Martin, President of the Bank, Mr. Johnston Paterson, formerly Collector to the Airdrie Gaslight Co., was induced to undertake the duties of Treasurer after the death of my father. Mr. Paterson, in accepting office, was certainly making a personal sacrifice. He had retired from the Gas Company some time previous on account of his age. His residence was near Moffat Mills, a long distance from the town and there were no public conveyances in those days, and further, the Bank hours were mostly in the evening. Moreover, the salary of £15 per annum attached to the office was of no account to him. He was a man of independent means. The latter fact, however, and also the reason that his time was his own commended his appointment all the more, and the Directors considered the Bank fortunate in securing him for the position.

I had a great respect for Mr. Paterson. He was three times my age. He was a good man, of sound principles and sincerely religious. There was little guile about Johnston Paterson. But he lived in the past. He was of a very old school in business methods and conduct. His one outstanding qualification for the Bank was that he himself was a veritable "strong room," having a unique combination lock that only responded when manipulated from within the "strong room" itself. The only weakness I ever saw in the "strong room" was the inordinate time it took in the process of locking or unlocking. That, however, did not matter much in the first three or four years of Mr. Paterson's reign as we were not overtaxed with transactions, but when the business increased and the transactions multiplied the position sometimes became

acute. The depositors were very tolerant. If they saw Mr. Paterson rechecking their cash three or four times before he disposed of it, they only smiled. They knew his peculiarities, and some no doubt considered it a good point in a bank treasurer's character.

Mr. Paterson and I worked harmoniously together. We never once had the slightest friction. I knew his ways and there was no use attempting to suggest changes. His duty was to look after the cash. I did all the rest. He took no part in balancing the books or in the general work of the office.

The only fire-proof safe which the Bank possessed was the small one referred to in a previous chapter. It was required for holding the books. In any case it was very doubtful if it was burglar-proof. My father provided on his own account a good Milner Safe both for the books and cash. But Mr. Paterson would not trust the cash to either of these. He actually carried the cash in a specially fitted pocket in his coat to his own home at Moffat Mills every night—a most dangerous proceeding, especially in the dark winter evenings. When I sometimes tried to scare him he just lifted a heavily loaded stick which he always carried, and with his heartiest laugh assured me that he was all right armed with that weapon. There was no danger after he got home, as he had a specially made burglar-proof safe there. After three years he asked me one day if I would make room for his safe if he brought it to the office, as he felt he was getting too old to risk carrying the money home. Of course I was only too pleased to hear of it. How Mr. Paterson adored the virtues of his safe! He used to stand and admire it, and at the same time lecture me on its superior resisting powers. It was not large but it was a "heavy weight." It was a safe within a safe, as he had got a smaller safe fixed inside.

In the course of removing to the new office, opened in 1883 at 21 Stirling Street, we had rather an exciting experience with Mr. Paterson's wonderful safe. Mr. Paterson came specially in from Moffat to superintend the transfer of his precious possession. The cash and securities were allowed to remain in it while it was being removed. The men doing the removal got the safe across the street to the new office all right and had rolled it over the pavement to the doorstep. They then took a rest before proceeding to lift it

PLATE 11.



JOHN M. ALSTON, Esq., Beechwood.



Ex-Provost JOHN BLACK, J.P., Viewbank.



Ex-Bailie THOMAS GOLDIE, J.P., Lilybank.



Ex-Provost G. B. MOTHERWELL, J.P., Arranview.



Ex-Bailie JOHN WOOD, Grahamshill.



Hon. Sheriff JAMES C. ADAMSON, J.P., Marchmont.

FORMER TRUSTEES.

up on to the floor level. Now, there are cellars underneath the pavement at this part of Stirling Street, which are entered from Louden Street which runs behind. The safe was thus resting on a Caithness slab which formed the roof of an underground cellar. Suddenly there was a crack, then a crash and down went Mr. Paterson's safe into the regions below. Mr. Paterson stood aghast with uplifted hands. He was unaware of the basement flat, and did not know where his safe had disappeared to. He was standing well back near to the kerb at the time and so alarmed he could not move. I was inside the doorway. He shouted "Oh, my safe! my safe! and the cash is in it." I cruelly suggested "It's down into the old coal workings and your only hope will be to get it up through Bellsdyke Pit shaft." However he took the joke too seriously and I hastened to assure him of the actual situation of his lost treasure.

When we had all recovered, I sent the men to Smith's Foundry for an iron bogey and taking it round to Louden Street we recovered the safe and soon had it placed in position in the office. It was not harmed in any way, but Mr. Paterson could not rest until he had it opened, to see if no evil spirit had tampered with the cash while it was out of his sight in the lower regions.

The opening of the new office and the extension of the business hours compelled Mr. Paterson to consider resigning the treasurership. The Directors asked him to continue, which he did, but illness came on, and ultimately he retired. He lived for a number of years afterwards and occasionally paid the Bank a visit to hear and wonder at its marvellous progress.

CHAPTER XIV.

At the Cross Roads.

1878-1883.

I HAVE always regarded this short period of five years as one of the most vital and important in the whole history of the Bank. An opportunity, the first real chance the Bank ever got, came during this period and it came in a remarkable way. Whenever I recall the happenings of these years and seek to measure their influence and effect on the future of the Institution, I invariably sum up in Shakespeare's familiar words: —"There is a tide in the affairs of men which taken at the flood leads on to fortune."

Assuredly such an opportunity presented itself to the Bank, and the Directors seeing it did not fail to grasp it. How it came and how it was met involve the unfolding of a chapter in my own life's story which, but for the fact that my narrative of these years would be incomplete and probably would not be fully understood without it, I should not dare to interpolate it here. I will, however, make it a simple statement of facts, avoiding unnecessary embellishment.

My father's death at the end of 1878, when I was in my seventeenth year, was a great loss to me. I was then in my second session in Arts at Glasgow University, my intention being to qualify for the Arts Degree and thereafter in Law.

My father left his family—my step-mother and six girls, the oldest being 11 years and the youngest only three months old—well provided for. After his death his Glasgow business was disposed of, but the Airdrie shop was retained with a view to providing, if necessary, an opening for the girls when their education was over. I continued my studies at the University, serving at the same time my law apprenticeship in Glasgow and managing the hat business

at Airdrie. I had also my duties as Secretary of the Bank. My hands were full. Incidentally, as showing the meagre facilities for travelling in those days, as compared with the present time, I had during the college winter session to walk to Coatbridge each morning to catch the 7 o'clock train in order to be in time for my classes.

All went well until 1881, when I wakened one morning to discover that practically the whole of the fortune left by my father had been irretrievably lost through the malpractices of the law agent in charge of the trust affairs. That was indeed a crushing blow. It upset all my plans, and as regards my future career I found myself at once at the cross roads. The immediate need of the situation was, of course, provision not only for myself, but for my father's family. Into what road should I turn in search of that provision? The law? No, I was done with it for ever, notwithstanding I was in my fourth session at the University. There remained the shop and the Bank. Neither of them was of much financial account at the moment. Nevertheless, I resolved to hold on to, and if possible develop both. Time would show which would be my ultimate choice. My personal inclinations and hopes were centred in the Bank. The work was congenial to me. It was more in keeping with my office training. If only I could get the concern into an office altogether apart from "hats and caps," I was confident that it could be developed. Given that chance I had no fear of the future. I had not forgotten my father's prediction that "the Bank would yet come all right."

But how was an office to be found? I knew that the Bank's annual surplus would not permit the Directors incurring the annual charges for rent, etc., and as little could I afford the outlay. The immediate outlook was not bright but I believed the right road led in that direction. The fog that enveloped me would yet lift, and so it did.

Some months later, I had a call one morning from Bailie John Dick, iron founder, Willowpark, who said he had received a letter from Col. Peter Forrest of Shotts, inquiring if he, Bailie Dick, knew of anyone in Airdrie on their "side of the house"—meaning the Liberal side in politics—who would accept a Government appointment in connection with taxes. The letter gave no particulars but

simply asked the Bailie to send on a name if he had one. The Bailie advised me to have a " try at the job." If it did not suit me I could give it up. Without further parley I agreed.

Within a week I received a lengthy communication from the Lords of Her Majesty's Treasury informing me that I had been appointed " Sub-Collector of Taxes, etc., etc., for the Sub-District of Airdrie at the annual salary of £36." One of the conditions of the office was that I was to provide a Guarantee Fidelity Insurance, the premium on which would be £8 6s. 3d., thus reducing my net allowance to £27 13s. 9d. per annum. I was a little disappointed with the salary for I had an idea that Government appointments were " fat jobs." However, it would help me to open an office for the Bank and that was my main objective. It would at least pay the rent. As to the work to be done in return for so handsome a salary, I never gave it a thought. That was a mere detail.

Accordingly, in February, 1883, I put a definite proposition before the Directors—the following being the minute of meeting bearing on the subject :—" On the suggestion of the Secretary it was agreed that in view of the great increase of business, and as a means of still further increasing the facilities of the Bank, the Directors take into consideration the advisability of securing a new office specially adapted for the business of the Bank, and that a Committee, consisting of Messrs. the Chairman, (Telford Martin), David Martyn, and Thomas Jeffrey, be formed to negotiate for the same along with the Secretary and report."

I soon found a suitable shop at 21 Stirling Street, the rental being £17 10s. It was a single shop with a room behind. The committee approved—the conditions being that I was to rent the office in my own name, and at my own expense provide all the necessary furniture and all office requisites including pens, paper and ink (save only the regular business books of the Bank). I was also to paint and decorate the premises, again at my own expense. In return I was to receive £10 per annum as the Bank's proportion of rent, taxes, coal, light, cleaning, etc. The minute concluded :— " The Secretary accepted the terms proposed and agreed to arrange with the proprietor."

The sum of £10 was perhaps all the funds could afford at that

time, but it is not surprising that however disposed I might have been to follow the generous precedent set by my predecessor, Mr. Jack, in similar circumstances and already described, I did not feel myself justified in handing back, as he did, the one half "for the good of the Bank."

The opening of that office was the opening of a new era. From that day to the present time the Bank has gone on from one success to another without a halt.

So it came to pass that my extremity became the Bank's opportunity. But after all we both profited. It is ever true :—

"Though losses and crosses
Be lessons right severe,
There's wit there, ye'll get there
Ye'll find nae ither where."

CHAPTER XV.

The Bank's New Quarters.

1883.

THE change from the old habitat at 40 Stirling Street to the office at 21 Stirling Street did not meet, strange to say, with universal approval. Criticism or objection was not raised on the ground of cost or extravagance. Ten pounds per annum for two furnished apartments, situate in one of the leading thoroughfares of Airdrie, with sundry requisites added and with attendance, would not be deemed a flagrant breach of the principles of thrift which the Bank was supposed to practise as well as preach.

That was not the trouble. The grievance was that the depositors when going in and coming out of the office would be exposed to the idle gaze of the public. People would get to know they had a bank account. It was pointed out that when the Bank was at Knox's hat shop, no onlooker could tell whether a person who went into the shop was going to the Bank or to make a purchase, whereas now everybody at the new Town Cross would be able to spot every caller at the new office.

Some kind friends also whispered to me that I was making a big mistake from my own business point of view. The Bank, they alleged, was the means of bringing "grist to my own mill." It brought a lot of people about the shop and would so help the shop sales. I might have replied that savings bank depositors as a rule were so careful in everything that they were not likely to buy at Knox's if they could get better value elsewhere, but I simply paid no heed to their candid warnings. Whether there was substance in their contention or not, the development of the Bank was my am-

bition. Not that I wished to pose as a philanthropist. I could not afford to make any sacrifice. But the Bank appealed to me in many ways, and with a young man's enthusiasm I was determined that come what may the Bank must get a fair chance.

As regards the former objection, viz., the old Scottish prejudice against "being seen going into a bank," there was no doubt still some semblance of its survival. But the feeling was fast dying out. Why should any honest man try to hide the fact that he is a savings bank depositor, unless his money is some "ill gotten gear" or that he is afraid that his next door neighbour might apply to him for a loan, which had small chance of ever being repaid? There may arise special circumstances which make it desirable for a person to do his banking "on the quiet," but these are exceptions. A savings bank which is out for the good of the community as a whole cannot afford to conceal itself. Its office should be prominently situated, so that it may attract the notice of all.

Personally, I never became aware of any case where an account was closed because we left the old hat shop. On the contrary, scores of depositors expressed to me how much they preferred the change, while hundreds of new depositors were attracted to the Bank who would certainly never have come to the old office.

The funds stood at £8,500 in round figures when the office was opened. By the end of the following year, 1884, they had increased to £14,000. The next year they reached £20,000. These increases were unparalleled in the past.

At the close of the year 1884 I said to Mr. Paterson, "The total deposits are now £14,000, but they'll be £50,000 in another year or two." "Fifty thousand!" he exclaimed, and, taking off his spectacles, which he always did when some big question struck him, and looking up and then down, as if to comprehend the magnitude of £50,000, he again turned to me and said, "Are you no joking; you're an awful fellow to joke." I replied, "It's a certainty." He then proceeded to put his cash in the safe, reverting again and again to the sum mentioned. My prediction had quite staggered him. When closing the safe, he turned again and said "£50,000! but what will we do with all that money?" No doubt he had come to the conclusion that his safe would then be too small

for the Bank's requirements. And so its glory would have passed away.

That the new quarters had already lifted the Bank on to a higher plane was abundantly clear. The public now regarded it from an altogether different viewpoint. It was no longer "a department" of Knox's hat stores. It had a status of its own. It appeared now in the garb of a town's institution. Local patriotism was excited. Henceforth the community must interest themselves in their town's Bank.

The depositors, too, felt more important. They were part of a concern of some standing. They had an added pride in "their" Bank. Their confidence was confirmed. They could advise their friends to become depositors.

The Directors also had their vision enlarged to its possibilities. The first few months' progress convinced them that they had entered a new era. They must prepare to adequately meet the burdens of success. The child had now become the man, and must put away all childish things. It must now stalk forth with the bearing and dignity of a true manhood.

Attention was first directed to a thorough revision of the Rules and Regulations. They had not been revised for about twenty years. They needed bringing up to date. A small committee, with the assistance of Sheriff Mair and Mr. John M. Alston, was accordingly appointed for the purpose.

The most important alteration in the constitution was the separation of the office of Trustee and Director. Hitherto the funds were held in the names of certain Directors in trust for the depositors. The amended rules provided for the election of a separate body of Trustees, in whose names all the funds and property of the Bank would be vested. The Directors were to continue to control the general management. No person could hold both offices at the same time.

The new rules also defined the class of securities in which the Directors were authorised to invest the funds. Power was also taken to create a Reserve Fund. The regulations as to the audit of the books and accounts were strengthened. The system known as the continuous audit and inspection of depositors' pass-books

PLATE 12.



Ex-Bailie GEORGE FINDLAY, J.P.,
Stanley.



Ex-Provost GEORGE ARTHUR,
West Parkhill.



Ex-Bailie WILLIAM MOFFAT,
Graham Street.



Sir JOHN WILSON, Bart., of Airdrie.



JOHN COLVILLE, Esq., M.P.,
Motherwell.



GILBERT J. WILDRIDGE, Esq., J.P.,
Gartness.

FORMER TRUSTEES.

which had already been in operation was now embodied. Several minor additions and changes were made in regard to the general working, including a change in the date of the Annual Balance from 31st December to 15th November.

The next subject which was considered by the Directors was an extension of the hours of business. There were difficulties in the way to a complete all-day opening. The annual surplus was not sufficient to warrant the payment of salaries even for the work as it was. The surplus for the year 1883 was only £85—the allowances to the Treasurer and Secretary being £30 each. So, however desirable and however much the Directors would have liked to grant further facilities, they had to postpone the question till their exchequer was able to afford it, which, however, was not long distant.

CHAPTER XVI.

Mr. Telford Martin.

SIXTH PRESIDENT, 1864-1890.

THE name of Telford Martin recalls days about the middle of last century when Airdrie began to come to the front in the engineering world. Mr. Martin was one of the pioneers of the industry in the town. He was the first apprentice blacksmith to indenture with the Monklands and Kirkintilloch Railway Company at their Kipps Work. Incidentally, this railway between Kirkintilloch and Garden Square was the first in Scotland, and was opened in 1826. Having completed his apprenticeship, Mr. Martin spent some years in Liverpool, but when Mr. Dods, who had been the manager of the railway at Kipps, started business on his own account at Rawyards, he sent for Mr. Martin and placed him in charge of the blacksmith department. Here Mr. Martin met Mr. Graham Stevenson, who also occupied a prominent position in Mr. Dods' work. After a time Mr. Stevenson and Mr. Martin entered into partnership and commenced an engineering work of their own in Wellwynd. They had only been in business for two years when a fire broke out and completely gutted their premises. Unfortunately, the workshop was not insured, and they lost the most of their capital. Notwithstanding, they had both the Scotsman's pluck and energy, and they re-started the work and continued a successful business until 1862, when the partnership was dissolved, Mr. Stevenson taking a partnership in the new engineering works in Bell Street, which firm was afterwards known as Dick, Stevenson & Dick, and later on as Dick & Stevenson. Mr. Martin continued in the Wellwynd, and assumed as partners Mr. Robert Stevenson and Mr. John Mackay. This company existed until 1868, when Mr. Martin retired and joined Mr. J. C. Adamson in his new work, known as the

"Standard," which had the advantage of railway connection near Hallcraig Station. The firm of Martin & Adamson continued until within 18 months of Mr. Martin's death.

Other engineering works had sprung up in the interval, and for a considerable period the industry was reckoned as one of the staple trades of the town. The engines and other machines which the various works produced found their way to all parts of the world. Not only so, but the engineering shops of Airdrie were the training places for many youths who in after life became eminent engineers. It is rather remarkable, however, that, while these works produced excellent results alike in material and men, it does not appear that the proprietors ever made great fortunes out of them. None of them became even semi-millionaires. As a matter of fact, with the exception of Mr. Martin and one or two others, they all died comparatively poor. Some years ago I happened to be in conversation with one of the last survivors of the old engineering trade of the town who, however, never had a high reputation for the way in which he managed his concern. He was still carrying on business, and, referring to the olden times, he remarked to me that it was wonderful that he was the only one who had been able to survive. "Yes," I said, "but what is more astonishing still, Mr. ——, is the fact that all through these years you have paid 25s. in the £1." It was perhaps rather a hard hit, but he knew what I meant, and with a laugh said he was pleased he had survived at any rate.

Mr. Telford Martin's connection with the Bank dates back to 1844, when he became a Director. He was associated with the Institution for the long period of 46 years, having been elected one of the Vice-Presidents in 1857 and President in 1864, the latter position being held by him at the time of his death in 1890. During these years he was a most faithful attender at all the meetings, and was regarded as one of the mainstays of the Bank. As President he helped to inspire confidence. He was a man of a quiet and unassuming disposition—a real type of the "canny" Scot. He was not without the Scotsman's sense of humour. On one occasion when he was ill he was called upon by a well-known legal dignitary in the town who was most faithful in his visitation of sick people.

He had also occasionally done legal business for Mr. Martin, and they were very good friends. When he called on Mr. Martin on the occasion referred to, Mr. Martin had practically recovered, and was sitting up in his own room. The pair had a long conversation together, and before leaving the lawyer offered to put up a prayer, as was his usual custom. Mr. Telford Martin thereupon made the pawky remark: "Do you know, Mr. ——, when I heard that it was you who was calling, the thought just passed through my mind, 'I wonder if he is coming to pray for me or to prey on me.'"

Mr. Telford Martin interested himself in the general welfare of the town, and was identified with many organisations. He was a strict total abstainer, and was very vigorous in promoting the principles of temperance. He offered himself for the Town Council in 1880, and was elected as representative of the First Ward. His first act was to spring a surprise on the Council by suggesting that the ancient custom of having "refreshments" in the Council Chambers on the occasion of the annual "kirkin' o' the Council" should be abolished. None of his colleagues shared his temperance principles, but Mr. Telford Martin was evidently able to persuade them without difficulty that this old relic of the past should go, for he did not require to make a motion on the question, the Council accepting his suggestion *nem con.* On the Sunday following, which was the date of the annual "kirkin' o' the Council," the Council met in the usual quarters under the clock, for the first time on such occasions within a "dry" area. Had "Old Geordie," Airdrie's first and famous Council Officer, been still to the fore, he, doubtless, would have been heard exclaiming, "Ichabod! Ichabod! the glory has departed."

There remained only one relic—namely, cigars and tobacco—which were not included in Mr. Martin's suggestion. Had he, however, consulted his own minister, the Rev. Alex. Barr, on the question of even this relic remaining, he, no doubt, would have received the answer which the same reverend gentleman administered to me as an admonition on one occasion when he met me indulging in the weed. "Mr. Knox," he said, "if the Lord Almighty had intended men to smoke and snuff, he would have put a funnel on the top of the head and turned the nose upside down."

PLATE 13.



JOHN MOTHERWELL, Esq., J P.,
Rawyards.



JOHN GLEN, Esq., J.P.,
Glengowan.



HUGH CRICHTON, Esq., J.P.,
Bute House.



PETER N. CUNNINGHAM, Esq., J.P.,
Clydesdale Iron Works.



Ex-Provost THOMAS DAVIE, J.P.,
Coatbridge.



Rev. ALEXANDER WEIR, Coatbridge.

FORMER TRUSTEES.

CHAPTER XVII.

The New Board of Trustees,

1884.

With Complete Lists of Trustees and Directors.

As explained in the preceding chapter, the revised Rules and Regulations adopted in 1884 provided for the separation of the office of Trustee and Director, and the constituting of a new Board of Trustees. The functions and duties of the Trusteeship under the constitution are set forth thus :—

"The Trustees and Directors at their Annual General Meeting shall appoint the Trustees, who shall hold office until the next Annual General Meeting. . . . Excepting as regards the working cash balance, the whole of the sums at the credit of the depositors with the Bank, and all other monies, effects and property belonging to the Bank, and all securities for money or other obligatory instruments, and all rights and claims competent to it, shall be vested in the Trustees for the time being, and their successors in office, for the use and benefit of the Bank.

"All Deeds requiring the signatures of the Trustees shall be validly executed by a quorum of the Trustees.

"No deed, discharge, receipt or voucher or other document requiring the signature of the Trustees shall be signed or endorsed by them without there being first produced to them an Excerpt Minute of Meeting of Directors of the Bank authorising the Trustees to sign the same. Such Excerpt Minute shall be duly certified by the Chairman of the meeting to which it refers."

The first Trustees to be elected in 1884 were :—Provost G. B. Motherwell, ex-Provost Black, ex-Bailie Thomas Goldie, Bailie John Wood, and Mr. John M. Alston, writer. The following is a complete

list in alphabetical order of the gentlemen who have occupied the position of Trustee since 1884, giving the dates during which they served :—

Former Trustees of the Bank.

James C. Adamson, J.P., Hon. Sheriff, Marchmont,	1889-1902
John M. Alston, Solicitor, Beechwood,	1884-1912
George Arthur, ex-Provost, West Parkhill,	1895-1899
John Black, J.P., ex-Provost, Viewbank,	1884-1895
John Colville, M.P., Motherwell,	1900-1901
Hugh Crichton, J.P., Bute House,	1902-1920
Peter N. Cunningham, J.P., Clydesdale Iron Works,	1917-1920
Thomas Davie, J.P., ex-Provost, Coatbridge,	1916-1918
George Findlay, J.P., Stanley,	1889-1898
John Glen, J.P., Glengowan,	1901-1922
Thomas Goldie, J.P., Lilybank,	1884-1888
William Moffat, ex-Bailie, Graham Street,	1896-1901
G. B. Motherwell, ex-Provost and Hon. Sheriff-Substitute, Arranview.	1884-1896
John Motherwell, J.P., Rawyards,	1900-1917
Rev. Alexander Weir, Dunbeth Manse, Coatbridge,	1921-1923
Gilbert G. Wildridge, J.P., Gartness,	1900-1914
Sir John Wilson, Bart., of Airdrie,	1897-1918
John Wood, ex-Bailie, Grahamshill,	1884-1905

Present Trustees of the Bank.

Alexander Frew, J.P., ex-Provost, Meadowside,	1914
Charles Glen, J.P., Glengowan,	1923
John Lavelle, J.P., ex-Provost, Coatbridge,	1916
A. K. M'Cosh, J.P., Rochsoles,	1923
Dr. James Muir, M.D., Bellshill,	1921
John Orr, J.P., ex-Provost, Dalmagarry,	1914
John Taylor, Wheatholm,	1921
Dr. Alex. J. Wilson, F.R.C.S., D.P.H., Airdrie,	1921

The new system introduced in 1884 was a great improvement on the old, and has worked well. It had many advantages. For instance, it brought to the service of the bank a number of leading an influential gentleman who, while unable on account of their business or other public activities to undertake the duties of the directorate, were yet willing and desirous to associate themselves with the good work. The accession of Trustees was of immense value to the institution. It greatly helped and encouraged the Directors to know that they had associated with them a body of Trustees equally interested in the progress of the Bank. The depositors, too, recognised in the Trustees a further assurance that their interests were in safe keeping. Altogether, the new system may be said to have made the constitution more complete and in harmony with the most approved modern ideals of savings bank government.

The Trustees, past and present, have exercised a powerful influence in the building up of the Savings Bank of Airdrie. Their very names inspired confidence. The community and depositors are under a deep debt of gratitude alike to the Trustees and Directors who have given their services ungrudgingly and without pecuniary reward, and who have taken such a deep personal interest in the welfare of the institution.

The services rendered by Honorary Trustees and Directors of Savings Banks generally have perhaps not had that recognition they deserve from the country as a whole. The paid officials are always in the lime-light, but none know better than they do how much the success of the savings bank movement has depended upon the disinterested and never-ceasing devotion to the cause of thrift of the Trustees and Directors. In this connection I might here quote what Mr. Thomas Henderson, Actuary of the Glasgow Savings Bank, truly said at the opening ceremony of our new headquarters at Airdrie. He said, "For more than a hundred years savings banks had been performing what they might call a quiet thrift, and yet very little public acknowledgment was ever made of that thrift, and he took the opportunity of testifying publicly to the public work that had been done by savings banks, not only in past generations, but to-day, by a body of men who acted as Trustees

and Managers of these institutions—men who had devoted great time and energy and given the best of their business skill in directing those institutions. He would like to take the opportunity as an official of over forty years' standing of testifying to the splendid work which those gentlemen had been performing, and he should like to feel that there was more public and more generous recognition to follow of their work."

Sir Albert Kaye Rollit, whom I have already referred to, when speaking at the Centenary Celebrations of Savings Banks at London in 1917, also gave the following testimony :—" Some tributes fall due from us in celebrating the centenary, if only *pour encourager les autres*. First to the Honorary Trustees—whence the name and many attributes of savings banks—and Managers, whose century of honorary service, absolutely unrequited except by grateful hearts and thoughtful minds, have made to-day's celebration proper and possible. Mark that title ' Honorary,' for it is the pivot of our savings banks' system, the efficiency and effectiveness of which we owe to the machinery and to the men who have worked that machinery, for mere mechanism has little or no potential in such human affairs. The heart of this system, believe me, gentlemen, is not with us at our London offices or with our Inspectors, but at the savings banks themselves, where you have been the makers of it all. Moreover, ' honorary ' is rigidly defined by the savings banks statutes as ' unpaid,' and the Acts rightly prohibit any profit to be made from the honorary offices held by savings banks' Trustees and Managers. Their only reward is their work and its results, and for this we pay the long obligation to-day, not in coin, but in ensigns of honour for economic, social and practical public work and services to the State, and to local communities."

Later on in his speech, Sir Albert further added :—" We have found the ' honorary ' work to be the corner stone of our savings bank system and the primary and permanent principle of the many Acts of Parliament underlying it, continued through one hundred years of philanthropic and economic effort, and rolling up quietly and unostentatiously a debt of honour, which cannot be barred by any statutes of limitation, and which we pay in full to-day with all our hearts to very many of the best business men and neighbours

throughout the United Kingdom and in British public life, who have attracted savers and saving by their standing and public work and worth and by the confidence felt in themselves and their administration, who have not only advised but sympathised, and whose friendship for the poor consists in their disinterested counsel and ready help."

> " Not what we give, but what we share,
> The gift without the giver is but bare."

The foregoing tributes are applicable alike to Trustees and Directors. As regards the latter, like that of the Trustees, the appointment is an annual one, but for the last 50 years the practice has been " once a Director aye a Director." Unless death, removal from the district, or resignation supervenes, re-election invariably takes place.

The duties of the Directors briefly stated are :—To have the joint management and full control of the business of the bank.

The following are lists of names, with dates of appointment, of :—

(1) Honorary Presidents.
(2) Presidents.
(3) Vice-Presidents.
(4) Ordinary Directors.
(5) Present Board of Directors.

(1) Honorary Presidents.

Rev. William Reid,	1919
Ex-Bailie William Neilson, J.P.,	1924
Mr. James Hamilton, F.J.I., J.P.,	1926

(2) Presidents.

Dr. William Clark of Wester Moffat,	1835
Rev. John Carslaw, R.P. Church,	1837

Rev. Andrew Ferrier, Graham Street Church,	1840
Rev. John Carslaw, R.P. Church,	1841
Mr. James Knox, hat manufacturer,	1848
Rev. James M'Gowan, Broomknoll Church,	1861
Mr. Telford Martin, engineer,	1866
Mr. Thomas Jeffrey, J.P., coalmaster,	1890
Ex-Provost David Martyn, J.P.,	1906
Ex-Bailie William Neilson, J.P.,	1919
Ex-Provost James Davidson, J.P.,	1922
Hon. Sheriff Rankine, J.P.,	1923
Provost Thomas Armour, J.P.,	1926

(3) Vice-Presidents.

Rev. John Carslaw and Rev. Andrew Ferrier,	1835
Rev. And. Ferrier and Mr. Neil Livingstone,	1837
Mr. Neil Livingstone and Mr. Robert Ralston,	1839
Mr. Neil Livingstone and Mr. Thos. Muir,	1840
Rev. And. Ferrier and Mr. Neil Livingstone,	1841
Mr. Neil Livingstone and Mr. William Burnett,	1842
Mr. Neil Livingstone and Mr. Thos. Muir,	1843
Mr. Neil Livingstone and Mr. James Taylor,	1844
Mr. Neil Livingston and Mr. James Knox,	1846
Mr. Neil Livingston and Mr. Alex. Moffat,	1848
Mr. Neil Livingston and Mr. John Craig,	1855
Mr. Neil Livingston and Mr. Telford Martin,	1857
Mr. Telford Martin and Mr. Alex. Buchanan,	1860
Mr. Telford Martin and Mr. James Wise,	1861
Mr. James Wise and Mr. James Wright,	1866
Mr. James Wise and Mr. Robert Martin,	1870
Mr. John M'Ewan and Rev. Wm. Reid,	1872
Rev. Wm. Reid and Rev. Alex. Barr,	1875
Rev. Wm. Reid and ex-Provost David Martyn, J.P.,	1880
Rev. Wm. Reid and Rev. John Paterson, B.D.,	1906
Ex-Provost James Davidson, J.P., and Hon. Sheriff Rankine, J.P.,	1918

Hon. Sheriff Rankine, J.P., and Mr. James Hamilton, F.J.I., J.P., ... 1921
Mr. James Hamilton, F.J.I., J.P., and Provost Armour, J.P., 1923
Mr. William Fraser, J.P., and Mr. John Benson, J.P., . . 1926
Mr. William Fraser, J.P., and Ex-Provost John Kennedy, J.P., 1927

(4) Ordinary Directors.

Anderson, Thos., weaver's agent, ... 1842
Anderson, John, Johnston Street, ... 1848
Armour, Robt., Shanks Street, ... 1853
Abercrombie, David, Rawyards, ... 1854
Adamson, James C., Hon. Sheriff, Marchmont, . . . 1874
Adam, Senr., Robt., ex-Provost, Airdrie, ... 1890
Armour, Thos., J.P., Provost, Airdrie, ... 1908
Austin, James, J.P., baker, Bellshill, ... 1917

Burnett, William, mason, Airdrie, ... 1839
Bell, John Cairnhill, ... 1849
Buchanan, Alex., Mill Buildings, ... 1852
Brown, William, Aitchison Street, ... 1854
Barr, Rev. Alex., minister, So. Bridge Street, . . . 1872
Brown, Peter W., Darngavil, ... 1880
Benson, John, J.P., Victoria Place, ... 1910

Clark, Dr. Wm., Wester Moffat, ... 1835
Carslaw, Rev. John, minister, R.P. Church, . . . 1835
Campbell, James, mason, Airdrie, ... 1835
Constable, Robt., weaver, South Street, ... 1835
Caldwell, Wm., Cotton Works, ... 1846
Cowan, William, Rawyards, ... 1847
Chalmers, Robt., Forsyth Street, ... 1848
Craig, John, Flowerhill, ... 1852

Campbell, Archd., Aitchison Street, ... 1865
Cullen, Andrew, shoemaker, ... 1868

Davidson, James, J.P., ex-Provost, Coatbridge, . . . 1916
Davie, Hugh S., Coatbridge, ... 1923

Ferrier, Rev. And., Graham St. R.P. Church, . . . 1835
Forrest, George, weaver, Airdrie, ... 1839
Findlay, William, Bell Street, ... 1842
Farmer, Francis, Miller's Court, ... 1842
Ferguson, James, Graham Street, ... 1849
Fallow, John, Chapel Street, ... 1853
Forgie, Andrew, Chapelhall, ... 1859
Fulton, Rev. William, Baptist Church, ... 1874
Fraser, William, J.P., Lochrin Iron Works, Coatbridge, . 1916

Gilchrist, Alex., Rawyards, ... 1845
Glen, David, Rawyards, ... 1847
Grant, James, High Street, ... 1866
Gourlay, Samuel, blacksmith, ... 1874
Gray, William Dixon, Stanfield, ... 1905

Henderson, James, teacher, Airdrie, ... 1837
Henderson, William, clerk, ... 1837
Hutton, Andrew A., tailor, ... 1839
Hastie, Hugh Clark, Airdrie, ... 1844
Howson, Thos., baker, ... 1859
Hopkin, James, hatter, ... 1868
Hunter, William, grocer, ... 1877
Herd, Henry, joiner, ... 1890
Henderson, James, Victoria Place, ... 1896
Hogg, John, Victoria Place, ... 1899
Hamilton, James, J.P., East Parkhill, ... 1906
Harkness, John, J.P., Bellshill, ... 1923

Jackson, Rev. Wm., Free West Church, ... 1856
Johnstone, David, tailor, ... 1871
Jeffrey, Thos., J.P., Thrush Villa, ... 1874
Jack, William, ex-Bailie, ... 1928

Knox, James, hatter, ... 1838
Kelly, Joseph, Wellwynd, ... 1874
Keddie, Andrew, Rawyards, ... 1877
Kennedy, John, J.P., ex-Provost, ... 1910

Livingstone, Neil, smith, North Street, ... 1835
Lewis, Simeon, Victoria Place, ... 1904

M'Clure, Finlay, teacher, Stirling Street, ... 1835
M'Kendrick, Thos., Stirling Street, ... 1849
M'Lean, Peter, Graham Street, ... 1850
M'Gowan, Rev. Jas., Broomknoll Church, ... 1861
M'Ara, Thos., Alexander Street, ... 1868
M'Ewan, John, Chapelside, ... 1870
M'Millan, Jas., Darngavil, ... 1875
M'Lelland, Thos., Stirling Street, ... 1891
M'Gregor, John, Coatbridge, ... 1928

Muir, Thos., cabinet maker, ... 1839
Moffat, Alex., South Street, ... 1842
Martin, Telford, Airdrie, ... 1844
Mackie, Alex., smith, South Street, ... 1846
Miller, Gavin, High Street, ... 1848
Miller, Jr., Robt., High Street, ... 1852
Martin, Sr., Robt., Graham Street, ... 1859
Masterton, Jas., Greenend, ... 1865
Martin, Jr., Robt., Chapel Street, ... 1867
Martyn, David, J.P., ex-Provost, Airdrie, ... 1877

Monteith, Robt., South Bridge Street, ... 1894
Martyn, David, ex-Bailie, draper, ... 1917

Neilson, Peter, weaver, Graham Street, ... 1835
Neilson, Jas. C., police inspector, ... 1875
Neilson, William, J.P., ex-Bailie, clothier, ... 1882

Ogilvie, James, Airdrie, ... 1870

Paterson, Rev. John, Wellwynd Church, ... 1880

Ralston, Robt., weaver, High Street, ... 1835
Riddell, Robt., Hallcraig Street, ... 1854
Russell, Henry, Chapel Street, ... 1855
Reid, Stewart, 32 North Bridge Street, ... 1860
Ramage, William, Alexander Street, ... 1861
Ramsay, And., High Street, ... 1863
Roberts, Rev. William, Wellwynd Church, ... 1869
Reid, Rev. William, Broomknoll Church, ... 1870
Rankine, Dugald, Hon. Sheriff, J.P., Airdrie, . . . 1902

Shearer, Alex., weaver, Airdrie, ... 1839
Smith, Alex., shoemaker, North Street, ... 1843
Stewart, Archd., Cotton Works, ... 1844
Shirlaw, George, teacher, Mack Street, ... 1848
Smith, James, weaver, 65 Stirling Street, ... 1850
Stevenson, William, Rawyards, ... 1851
Stevenson, John, Rawyards, ... 1853
Stirling, George, Wellington Street, ... 1853
Simpson, John, Miller's Place, ... 1860
Smart, John, Graham Street, ... 1860
Stevenson, Thos., Mill Buildings, ... 1861
Sutherland, John, Alexander Street, ... 1874
Shanks, Gavin, Chapel Street, ... 1875
Service, William, M.A., J.P., Coatbridge, ... 1916

Taylor, James, shopman, ... 1841
Thomson, John, Flowerhill, ... 1865
Thomson, Dr. J. Martin, J.P., Airdrie, ... 1924

Walker, John Allan, shoemaker, ... 1842
Walker, Thos., mason, The Common, ... 1846
Wilkie, David, Hallcraig Street, ... 1849
Wise, James, 90 Alexander Street, ... 1856
Wilson, James, Mill Road, ... 1858
Wright, James, 80 Commonside, ... 1861
Wallace, William, Rawyards, ... 1863
Weir, James, Gartlee, ... 1865
Walker, Andrew, Quarry Road, ... 1866
Watson, David, Alexander Street, ... 1872
Watson, Thos., Jr., Stirling Street, ... 1872
Wright, John, Stirling Street, ... 1875
Watson, Archd., J.P., Bellshill, ... 1917
Walker, Charles W., J.P., Coatbridge, ... 1923

Young, William, Rawyards, ... 1850
Yeats, John, 44 Hallcraig Street, ... 1863

(5) Present Board of Directors, with Date of Appointment to Board.

Hon. Presidents.

Mr. William Neilson, J.P., ... 1882
Mr. James Hamilton, F.J.I., J.P., ... 1906

President.

Provost Thomas Armour, J.P., ... 1908

Vice-Presidents.

Mr. William Fraser, J.P.,	1916
Ex-Provost John Kennedy, J.P.,	1910

Directors.

Mr. Hugh S. Davie,	1928
Mr. James Hamilton, F.J.I., J.P.,	1906
Mr. John Harkness, J.P.,	1928
Bailie David Martyn,	1917
Mr. John M'Gregor,	1928
Mr. William Neilson, J.P.,	1882
Dr. J. Martin Thomson, J.P.,	1924
Mr. Charles W. Walker, J.P.,	1928

CHAPTER XVIII.

The Bank's Jubilee.

1885.

A JUBILEE is usually a season or an occasion of rejoicing. In that respect the Bank's jubilee was opportune. Had the date been only two years earlier, the event would probably have been allowed to pass unnoticed, as did the semi-jubilee in 1860. For there would have been little to have been jubilant over. The slow growth of the deposits would have demanded from the speakers at any function that might have been held, apologies rather than praise.

As it happened, however, the Bank did not attain its jubilee till eighteen months after the new era, occasioned by the opening of the office at 21 Stirling Street, had set in. Still more fortunate, the celebration of the event did not take place till a year later, when the results attained were even more pronounced. The deposits had actually reached £20,000.

So, when on 7th January, 1886 the event was celebrated by a soiree concert in the Y.M.C.A. Hall, Graham Street (now the Salvation Army Quarters), there was a large representative gathering of Trustees, Directors, Depositors, Officials, and the general public. All were in high spirits over the recent successes. The various speakers struck a jubilant key. Even the singers sang a cheerier note. The whole function had a real jubilee ring.

Sheriff Mair presided. The Sheriff always made a genial chairman. Besides, he was well known as a man of thrift. At any rate, he knew how to save a penny. Even the proverbial Aberdonian would have found it difficult to surpass him in how it can be done.

Had the jubilee happened during the bank's day of small things, the Sheriff would have been quite equal to the occasion. He would have glorified the saving of a copper as much if not more so as

the saving of £20,000. He could have drawn apt illustrations from his own personal experience. For example, he could have told of the morning when he arrived on the Airdrie station platform *en route* for Glasgow to find that he had left his *Herald* at home. Instead of buying another he hailed the newsboy, told him his predicament, asked him for a paper, and said if he went up to Victoria House he would get his *Herald* in exchange. "A penny saved is a penny gained," but what about the newsboy's loss of time, and in the end a second-hand paper to dispose of instead of a new one?

Or, again, the Sheriff could have cited his experience on one of his trips to the Hebrides, when at one of the ports he found he could purchase a ling fish (which was a delicacy with him) at one penny per pound cheaper than he could get it at home. Having secured the fish, he found, when he arrived at the Broomielaw, that he was too late for the last connection for Airdrie. To have hired a conveyance for the last twelve miles of his week's cheap holiday would have spoiled the whole trip, so he walked home with his ling fish under the one arm, and his small bag in the other. To make certain that he had really saved the penny he called on his grocer the following morning, and inquired the price of his ling. Finding that it was a penny per pound dearer, the Sheriff was satisfied as to his bargain—his twelve miles' walk with his heavy "catch" the night previous notwithstanding.

But the Sheriff in his opening remarks confined his thrift ventures to some incidents in his boyhood days at Paisley, where he and his twin brother became joint owners of a "pinner pig," into which were consigned their pennies. The "pig" on being first opened produced as much money as bought a "pinch back" watch, which he and his brother wore alternately—a week each at a time. They then discovered that putting their savings into the Paisley Savings Bank was a more profitable investment than the "pinner pig," for when they were both ready to go to school at Edinburgh they found that each had £10 saved to help the expense of their education.

Later on in the programme the Sheriff recited one of George Outram's lyrical gems, "The Annuity," a great favourite with the Sheriff, and he did it in his very best style, greatly to the delight of the audience.

The officials submitted several reports and interesting statistics, showing the progress of the bank during the five decades since its institution.

Mr. Thomas Jeffrey was in his happiest vein in proposing the re-election of the Trustees. Referring to Sheriff Mair's boyhood reminiscences, Mr. Jeffrey recalled that as a boy he, too, had a "pinner pig." After the "pig" had been in use for some time he grew very anxious to know how much he had saved. So one day when he was left alone in the house, he got it down from the mantelpiece and, having broken it open, he laid out the contents in rows on the table. He found he had ten rows of coppers. "And there," continued the speaker, "as I sat and looked at them, I thought then, what I have never been able to think since, that I was a very rich man."

Mr. Jeffrey, in referring to the total deposits of £20,000, said he felt disposed to dwell on that sum as Shylock did with his ducats. If they could only realise what was meant by such a good round sum, if they could only conceive what that sum meant to those 1,200 depositors, the thrift, the security, the happiness, the satisfaction it gave to them, he was sure that the Trustees and Directors would not grudge the trouble and labour they had given in connection with the bank. Mr. Jeffrey closed his address by predicting that the £20,000 would soon increase to £200,000. The prediction was fulfilled ten years later.

Other speakers included Rev. William Reid, Mr. David Martyn, J.P., ex-Bailie Wood, Mr. J. C. Adamson, J.P., ex-Provost Black, J.P., and Rev. John Paterson, B.D.

An excellent choir, under the conductorship of Mr. D. Mitchell, rendered a number of part songs. The function from beginning to end was a complete success, and was the means of adding many new accounts to the lists of depositors.

CHAPTER XIX.

How the Reserve Fund was built up.

The Bank itself becomes a Depositor.

The year 1885 was the Bank's year of Jubilee. The event was duly celebrated otherwise, but the outstanding feature of the year was the creation of a Reserve Fund.

The Reserve Fund of a Savings Bank represents the savings of that bank, just as the sum in a depositor's bank book represents the savings of that depositor.

For several important reasons, which I refer to later, the duty of saving is as incumbent on a bank as it is on an individual. Indeed it is more so. A savings bank exists to promote the habit of saving amongst individuals, and in fulfilling its mission it should ever remember that " example is always better than precept."

Every man, under ordinary conditions and circumstances, if he so wills, can save something in the course of a year. The sum he can save depends largely on, first, the amount of his income, and, second, his standard of spending. Likewise it is in the case of a savings bank. The amount it can place to its Reserve Fund depends on, first, its free income—that is, its balance of revenue after meeting its obligations in respect of interest to its depositors—and, second, its standard of spending.

Many individuals save money out of very small incomes, while many more in precisely similar circumstances, or with much larger incomes, save nothing at all. If we sought for an explanation, it would not generally be found in a difference between their respective standards of living, but more often in their respective standards of spending. Thus it would appear that the much-debated

PLATE 14.



Back Row.—Mr. D. MACFADYEN, Mr. ROBT. MITCHELL, Mr. THOS. FORSYTH, Provost JAS. KNOX, J.P., Mr. HUGH SIMPSON, Mr. JOHN B. ALLAN, Mr. WM. F. HARVIE.

2nd " —Mr. WM. THOMSON, B.L., Mr. WM. DIXON GRAY, Mr. JAS. HENDERSON, Hon. Sheriff RANKINE, Mr. JOHN HOOG, Mr. SIMEON LEWIS, Mr. JAMES HAMILTON.

Front " —Mr. ROBT. MONTEITH, Mr. AND. KEDDIE, Rev. WM. REID, Ex-Provost MARTYN, J.P., Rev. JOHN PATERSON, B.D., Mr. JOHN WRIGHT, Ex-Bailie WM. NEILSON.

BOARD OF DIRECTORS AND OFFICIALS IN 1906.

question, "What is a living wage which would permit of a part being saved?" admits only of one answer—it all depends on the individual.

The individual who does not begin to save, however little, when his or her earnings are small, usually continues to spend all when his or her earnings improve. Take, for instance, the period of high wages during and after the War. Few, if any, of the workers in our industrial centres, particularly in the coal and munition areas, had not an opportunity then of saving some money. Yet how many who were "non-savers" before the War became "savers" during the period referred to? A number certainly did, but there remained a very large section who, ignoring all efforts to persuade them to save, or regardless of all warnings of the consequences of waste and extravagance, persisted in spending every penny as they went along. As a matter of fact, the greater part of the phenomenal increase in the savings bank deposits in recent years has been contributed by people who practised thrift before the days of the war, and who were thus ready to take advantage of the opportunities which the higher wage period afforded them.

I remember when wages were at their highest level, an iron-worker called on me one day and stated that he was quite unable to pay his Income Tax owing to the excessive cost of living. He declared that, in spite of his increased pay, he was worse off than before the war. I asked him if that was really his experience, and he assured me it was. "Well," I said, "I am surprised, for I know personally hundreds of working men like you, whose experience is exactly the opposite. They happened to be depositors in the savings bank before the war, and though they are, like you, up against the high cost of living, I notice that they are now putting into the bank three to four times more money than they did previously. How do you account for the difference between your position and theirs?" He seemed non-plussed, but resignedly remarked, "Oh, I see it's no good trying it on with you. Ye ken a d——d sicht owre much for me." I ventured to point out where I thought his leakage was, and he agreed. The man was typical of the too numerous class who had not learned to save under ordinary conditions, and had thus become confirmed spend-alls.

Incidentally, the ironworker had not the excuse of the Irishman, who on another occasion also called to inform me that he could not pay his Income Tax. He said he just wanted to have a word with me in private, so bringing in a chair to my side, he began in a very confidential way :—" Well, sur, oi'm in a bit av a hole. I have, as you know, always paid my tax, but oi'm sorry oi'm not fit to pay any more." What's the matter ? " I inquired. " Well, sur, since the last toime I paid I have married a widow with five children," and, speaking in a low tone, he continued, " and begorra, between our two selves, you know, oi'm beginning to think I've maybe made a mistake." " Dreadful," I suggested, expecting to hear some tragic tale. " Well, sur, it's just like this, I could always pay your tax before, but now all them wages are going down the throats of them children, and I have nothing left." " Surely," I said, " it's not so bad as all that," and, looking at his assessment notice, I saw that he would have nothing to pay if he claimed allowance in respect of his new family. I then told him he would probably get his tax wiped out entirely, but he would require to fill up a form giving the names and ages of the children. " Shure," said he, " if ye doubt my word, I'll bring them all up next Saturday evening, and ye can see them for yourself." That I assured him was quite unnecessary. Besides, I was not the official who could grant the relief. Pat, however, got relief from his tax in due course. He deserved it. He had taken a widow and five children off the Parish rates—a deed which almost merited the Victoria Cross. If he was not able to save for himself, he at least was saving for the public.

To resume our argument, I have already stated as my experience that the best time for an individual to begin to save is when that individual's earnings are small. Every young man and woman, therefore, should lay past in the savings bank a portion, however small, of his or her earnings while yet he or she is under the paternal roof. It should also be the duty of parents or guardians to encourage such efforts, and see that they are carried out. Unfortunately, too many young people overlook the importance of early saving. If they only realised how much even a small sum saved weekly would amount to in the couse of a few years, they would at once see the

advantage of owning a bank book. In illustration of this point, here are the results of how small sums saved will, with interest at present rates, accumulate in ten years :—

1s.	per week amounts to	£80 15s. 7d.
2s. 6d.	,,	£77 2s. 4d.
5s.	,,	£154 9s. 9d.
10s.	,,	£309 2s.
20s.	,,	£618 10s. 8d.

Similarly, the best time for a savings bank to begin to save, by creating a reserve fund, is when that bank has just commenced to earn a small surplus profit on its yearly operations.

Now, it will be found that the inducements which make it incumbent on the part of an individual to save thus early are almost identical to those which make saving incumbent on a savings bank. Apart from minor considerations, there are three principal reasons which press upon the individual. These are (1) to enable him to start in a trade, business or profession, or to set up a home of his own ; (2) to provide against the contingencies and vicissitudes of life ; and (3) to discharge adequately his duty and obligations in relation to the calls and needs of his brother man, and of common humanity. Indeed, the whole three might be rolled into one—namely, "to attain the glorious privilege of being independent."

Even so it is on the part of a bank. It needs a home of its own. It needs to provide against emergencies and contingencies. It needs to fulfil the whole functions of the ideal thrift institution, which includes the taking a share with the individual and the community in the discharge of duties and obligations to a common humanity. In short, its ideal is likewise "to attain the glorious privilege of being independent."

The question may be asked here, What limit, if any, should an individual or a bank place to the total amount of savings which they respectively may accumulate? That is a question which is not so easily answered in the case of the individual as in the case of a savings bank.

As regards the individual, we have Patie's dictum to Roger in Allan Ramsay's " Gentle Shepherd " :—

" He wha has just enough can soundly sleep,
The o'ercome only fashes folk to keep."

Patie's homely philosophy has, no doubt, something to commend it, but he lived prior to the era of savings banks. Had he lived now he probably would have modified somewhat his view of the unfortunates who had overmuch, for even they can find a haven of refuge from the torments of their monetary possessions, by confiding their surpluses to the safe keeping of the modern savings bank.

There remains, however, the difficulty of standardising " enough." After all, we seldom come across the individual who declares or confesses that he has " just enough," and when such *rara avis* does cross our path, the probability is that we would find that his standard would not likely satisfy or be acceptable to anybody else. My own view is, that if the " saver " has a true conception of what is involved in the third reason I have given for his saving, he will never feel that he has " enough." The needs of common and suffering humanity are so great that the truly sympathetic heart will ever be yearning to be in a position to add to his benefactions.

On the other hand, whatever an individual has saved, be it large or small, if he fails to meet his dutiful obligations under the third head referred to, he has already more than " enough." He has become a mere money bag. He belongs to that class of the worldly rich, a specimen of whom said to John Bright on one occasion, " Do you know, Mr. Bright, I am worth a million sterling." " Yes," replied the old Quaker, " I do, and I know that it is all you are worth."

As regards a savings bank, however, it is possible up to a point to fix a standard. The subject was one which engaged the attention of the First International Thrift Congress in connection with savings banks held at Milan, Italy, in October, 1924, which I attended as representing the Savings Bank of Airdrie. The Congress being representative of all classes of savings banks throughout the world, its decisions may be taken as valuable guides in all matters per-

PLATE 15.



Ex-Provost ALEX. FREW, J.P.,
Airdrie.



CHARLES GLEN, Esq., J.P.,
Glengowan.



Ex-Provost JOHN LAVELLE, J.P.,
Coatbridge.



A. K. McCOSH, Esq., J.P.,
Rochsoles.

PRESENT TRUSTEES.

taining to a modern savings bank organisation. The principle that every savings bank should have a reserve fund was re-affirmed, and the following formed the ultimate finding of the Congress as regards its limits:—"That in principle seven-tenths of the yearly profit be placed to the credit of the reserve fund of the savings bank until this reserve fund has reached an amount equal to one-tenth of the total amount due to depositors. When this proportion has been reached, at least one-tenth of the yearly profit be devoted to further increase of the reserve fund."

In considering the percentages mentioned in the foregoing finding, it is necessary to keep in view that the Congress had to come to decisions which would meet the requirements of every type of savings bank. For instance, if British savings banks had been taken alone, a reserve fund equal to 10 per cent. of the total deposits would have been considered extravagant, as the greater part of the funds of our savings banks are secured by the British Government. But some of the savings banks of other countries invest a large proportion of their funds in securities without a Government guarantee, some of them even loaned to semi-commercial enterprises. A standard had, therefore, to be fixed to cover every class.

The resolution also carries that seven-tenths of the annual surplus of a savings bank should be added to the reserve until the 10 per cent. limit is reached, after which the seven-tenths are reduced to one-tenth. The balance of the annual surplus, after placing the proper proportion to the reserve fund, may be applied to the duties and obligations mentioned in the third head of the reasons already given by me for the creation of a reserve fund.

The latter function is not recognised in this country by the savings banks registered under the 1863 Act, but the group of Scottish savings banks, in which Airdrie is included, have the privilege of exercising the function if they so desire. On the Continent the function is exercised in some countries. For instance, the Savings Bank of the Province of Lombardy, under whose auspices the Congress met, has devoted during the past hundred years over two million pounds sterling out of its annual surpluses to benevolent and kindred institutions within the Province. Referring to this particular subject, one of the speakers at the Congress said:—

"There is no doubt that this ideal element forms part of the essence of the savings banks, and it is most clearly explained by the fact that the oldest established savings banks were founded by philanthropists who furnished the necessary capital for the foundation. If, therefore, a savings bank were to be carried on with a view to profit, it would renounce the altruistic mission which was the reason of its existence."

The Savings Bank of Airdrie in recent times recognised to some extent this function of a savings bank. It has not certainly devoted one-tenth of its surplus annually, but a notable instance was the financial and other assistance given by the bank to the Committee of the Airdrie Public Library in their recent building scheme.

Having regard to all the considerations already set forth in this chapter, I think the best example I have ever known of beginning to save out of a very meagre income, and while the "saver" was, as it were, still under the parental roof, is that of the Savings Bank of Airdrie, when in 1885 it opened a savings bank account of its own with a deposit of £20, and thereafter has continued to add to it year by year.

The bank had only recently reached the stage of being in a position to earn for itself. Up to this point it had been nursed and brought up by guardians—the Directors and Officials—who had given their services, not for any pecuniary gain to themselves, but purely from a sense of public duty. The bank was now entering the stage of manhood, and had to face manhood's responsibilities. If it ever hoped to have a home of its own, or to provide against the various contingencies of life, or to fulfil the ultimate aims of a savings bank institution, now was the time for it to begin to save. Its guardians were alive to that necessity, and they were prepared to render every encouragement and even make further personal sacrifices to ensure the attainment of these ends.

The Directors accomplished their object by establishing a standard of spending which would leave a balance for the Reserve Fund. It was admittedly a low standard at first. It meant self-denial on the part of the "saver." The bank could well have found legitimate ways of spending everything. In 1885 £100 was voted

for salaries to the officials, and £10 for office expenses, leaving £20 to be placed to reserve. The following year the margin of free income having increased, £140 went in salaries, £10 for office expenses but the amount placed to reserve was doubled making the total fund £60. The next year the salaries increased to £229, and the rent remained at £10, but the reserve fund was again doubled, making it £120. At the end of the fifth year it totalled £460. Ten years later (1900) it was £6,500. In another ten years (1910) it was £20,000. At the present time it stands at £165,000.

Now, what does this substantial reserve mean to the bank? It means a very great deal. Its value can hardly be over-stated. We may classify its main advantages thus :—

(1) As an additional security to the depositors.
(2) As a convenient stand-by in a time of emergency.
(3) As a provision for meeting depreciation or loss.
(4) As an aid in maintaining a higher rate of interest on deposits.

As regards the first of these special advantages, it is obvious that a substantial reserve supplies an extra guarantee of safety to the depositors. Just as an individual who is known to have some money saved can be more relied upon to meet his obligations than the individual who has nothing behind him, so it is in the case of a savings bank. If the bank has saved a considerable sum in the form of a reserve fund, it is in a far stronger position than the bank that has nothing behind it.

As regards the second special advantage—namely, "a convenient stand-by in a time of emergency"—we know it is the lot of our common humanity to have sudden calls made upon us. Sometimes our responses to these calls must be made instantly to be effective. The individual who has money in the savings bank is generally in a better position to meet these calls than the man who has no money. But sometimes in the event of a call which demands instant response, if it is to be effective, even the individual who has money in the bank may not be able to help in time. He may live at a considerable distance from the bank office. It might not be convenient for him to go to the bank to lift the necessary amount.

Moreover, it might not be at a time when the bank is open for business. In any of these or other emergencies the individual would be better to have some money beside him, in his purse or in the house, if he would be of any material help. Such money would, in other words, be a convenient stand-by in time of urgent emergency.

Similar is a reserve fund of a bank. If calls should come upon the bank suddenly and unexpectedly, the bank cannot be expected to at once rush and draw from its investments to meet such calls. Here the reserve fund functions as a convenient stand-by. If the reserve be, as in our case, a substantial amount, it would be sufficient to meet any ordinary emergency without the bank being at the necessity of realising any of its investments.

As regards the third special advantage—namely, "provision for meeting depreciation or loss"—though the bank throughout its history has never met with loss by depreciation of its investments, that is no reason why provision should not be made against such contingencies. An individual saves in order to provide against the proverbial "rainy day," and so should a savings bank. The reserve fund is its provision.

As regards the last of the special advantages—namely, "as an aid in maintaining a higher rate of interest on deposits"—the revenue from a reserve fund of £165,000 at 5 per cent. yields £8,250 per annum. That sum may not be added to increase the capital of the reserve, but may be applied either towards meeting the expenses of management, or increasing the rate of interest to the depositors. In either case the depositors benefit. The annual yield from the present reserve fund of the bank is equal to three-fourths of the whole working expense of the institution, and if applied to that purpose it is apparent that there will be a greater margin of revenue left for distribution amongst the depositors.

A reserve fund has various other minor advantages which need not be here detailed. Sufficient has been adduced to warrant the Directors, not only conserving the present reserve, but making further additions to it. I have taken the present reserve fund at £165,000, but that sum represents only the actual realised reserve. If the investments of the bank were taken at their present day value, the reserve would show a much larger sum. As a matter of fact,

if ordinary circumstances prevail, the reserve should reach a quarter of a million pounds sterling within the next few years.

Under the general head of Reserve Fund, there only remains one other question which sometimes fills the mind of the curious. I have been occasionally asked, "What would be the ultimate destination of the Reserve Fund? To whom would it belong in the event of the bank being wound up and every depositor paid out in full?"

This question need not be taken seriously. There is one thing quite clear, the Reserve Fund could not be claimed by me as Manager, even if I had the presumption to think that it never would have been there without my efforts. There is really no reason to worry over it, for the contingency is not likely to arise in our day. There is a popular belief that the Savings Bank of Airdrie is a permanent institution. Take, for instance, the following incident which happened a few years ago:—An old lady called on me privately and stated that she wished her deposit, which was of considerable amount, so placed that certain of her relations would get the benefit after her death. In course of the interview I found that she did not want them to handle the principal, but merely to get the annual interest, and when they died out their children were to participate, and so on through succeeding generations. I pointed out to her that that could not be done, and added that how did she know that the bank itself would be in existence, say, 500 years hence. "This bank," she exclaimed, "this bank will last till the Judgment Day." Might it be that the old lady's care to keep her principal intact was that she expected to return at the last day and find it still secure in the Airdrie Savings Bank. In that event the question of the disposal of the reserve would certainly require final determination. So depositors in the bank, if they do not participate in the capital sum while here, may look forward to getting a just share at the final assize.

CHAPTER XX.

Deposits Increase One Thousand Per Cent.

1885-1895.

THIS period, with the two preceding years, covers the whole of the bank's occupancy of the office at 21 Stirling Street.

The progress achieved during 1885-95, as measured by the deposits, is easily stated and as easily comprehended. If we simply affix another cipher to the figures for 1885, we at once obtain the figures for 1895. At the former date the deposits stood at £20,000. At the latter date they stood at £200,000. Thus, in ten years, the deposits multiplied ten-fold, equal to an increase at the rate of one thousand per cent. During the same period the number of depositors increased from 1,100 to 4,600, and the transactions from 6,500 to 15,200 per annum.

These figures are decidedly arresting. They place far in the background all previous records. They make comparisons with the past of little avail. We naturally pause to ask the question, " How are they to be explained ? " There is one answer. They lead to only one conclusion—that the removal of the bank to 21 Stirling Street had been an unqualified success.

Everyone concerned—Trustees, Directors, Depositors, and Officials—were delighted—most of them positively amazed at the rapid development. I, personally, as being primarily responsible for the move to the new quarters, was more than gratified. I began to see my youthful dreams materialise. My fondest hopes and aspirations were already in course of fulfilment. Yea, more, I was encouraged to believe that withal, the best was yet to be. In the light of subsequent events that belief was fully justified. So it must ever be with feelings of profound satisfaction and honest

pride that I look back to the day when I was enabled to provide an independent office for the bank.

The new office may thus be taken as the turning point between partial failure and complete success in the history of the Savings Bank of Airdrie. And so, while hitherto in compiling these annals my narrative has been more or less a search for reasons explaining the slow growth of the institution, henceforth in what remains of my story I am to be engaged in the more exhilarating exercise of seeking to account for its phenomenal development and success.

Mr. Johnstone Paterson having retired from the Treasurership, as already referred to, early in 1885, the Directors had then the opportunity of rectifying, at least to some extent, what was still a handicap to progress—namely, the limited hours during which the office was open for bank business. I strongly advocated a daily opening, even though for only an hour or two. The Directors agreed, and made it a condition of the appointment of the new Treasurer.

Mr. Thomas Forsyth and Mr. William Thomson, B.L. (of the firm of Forsyth & Thomson, solicitors) were unanimously appointed Joint Treasurers in succession to Mr. Paterson. The appointment was a popular one. Both gentlemen belonged to Airdrie families of old standing, well-known and highly respected. They had only recently commenced business in partnership. Both had gained distinction and had first-class experience in their training for their profession. These qualifications, coupled with their extensive personal connections, made their future prospects encouraging. Their appointment as Joint Treasurers was, therefore, an altogether desirable one in the interests of the bank. They were joining the staff, too, at an opportune time. They were in an excellent position, not only to adapt themselves to the bank's growing needs, but also to render valuable assistance in meeting fresh developments.

The additional facilities which the extended hours offered resulted in a great expansion of the business, and a further extension was made in 1888, when the hours were fixed to be 12 to 2 and 7 to 8 daily, except on Saturdays, when the evening hours were 6 to 8. A final extension was made in January, 1892, the hours being 10 to 8 daily, and on Monday, Wednesday, and Saturday evenings from 6 to 8. The only alteration which has since been made was

occasioned on the adoption of Wednesday as the merchants' weekly half-holiday in the district, and the consequent closing of the bank at one o'clock on that day. The Saturday hours were also changed to 10 to 12 and 5 to 8 in the evening.

With the extension of the hours in 1888 there also came an extension of the office accommodation. The augmented business made that absolutely necessary. The two rooms on the ground floor were made into one by taking down the dividing partition. An inside stair was built leading to the basement flat, where a new Board Room and lavatory were installed. The new arrangement was a great improvement, but even this enlarged office soon became too small for the ever-growing business.

In 1892 the proprietor of the property offered to sell the same at £950, and the offer was accepted. The intention of the Directors was to alter the property so as to take in the shop next door. Before, however, the suggested scheme was matured it became apparent that much more would be required to cope with future developments.

The Directors then devoted their attention to the securing of a more suitable site elsewhere, but after much searching nothing could be got within the purchasing capacity of the bank. Ultimately, in 1895, as described in a later chapter, a lease was taken of premises at 28 Anderson Street.

The new Treasurers, the extension of the hours of business, the enlargement of the office accommodation, were all important factors in speeding up progress. There were also other influences which greatly tended to popularise and to stimulate public confidence. Notably amongst these was the creation of the Board of Trustees—apart from the Board of Directors—which I have already dealt with under the chapter, " The Trustees of the Bank."

The personnel of the Directorate changed little during this period. Vacancies, as they occurred, were filled up by the appointment of prominent townsmen. The composition of the Board in 1885 was as follows :—President, Councillor Telford Martin ; Vice-Presidents, Rev. Wm. Reid and Mr. David Martyn ; Directors, Rev. John Paterson, Messrs. Thos. Jeffrey, David Watson, Gavin Shanks, James Macmillan, William Hunter, Andrew Keddie, John Wright, Peter Brown, and William Neilson.

PLATE 16.



Dr. JAMES MUIR, M.D.,
Bellshill.



Ex-Provost JOHN ORR, J.P.,
Airdrie.



JOHN TAYLOR, Esq.,
Whentholm.



Dr. ALEX. J. WILSON, F.R.C.S.,
Airdrie.

PRESENT TRUSTEES.

In 1889 the death occurred of the President, Mr. Telford Martin, who had been associated with the bank for over 40 years. Mr. Thomas Jeffrey, who had joined the Board in 1874, was appointed his successor.

During this period the Directors continued to meet quarterly, but there were frequent special meetings. Under the revised constitution of 1884, power was given to the Directors to appoint an "Investment Committee" to deal with investments. The Investment Committee latterly consisted of Mr.Thomas Jeffrey, Rev. Wm. Reid, Mr. David Martyn, and Rev. John Paterson, with the Secretary. This arrangement did not preclude proposals for loans being submitted direct to the full board. The Committee only acted independently during the intervals of the Board Meeting.

CHAPTER XXI.

A Home of Its Own.

1895.

THE Bank here enters upon another stage in its progressive career. Hitherto the institution had been housed in "furnished apartments" provided by successive officials at a merely nominal rent. But the time had come when it must needs face the important question of setting up a home of its own.

Happily, the Bank was now in a position to meet the responsibilities involved in such a step. As already recorded, the Directors in 1885 began to prepare for the event, by establishing a reserve fund, which at the end of 1894 amounted to £1,950.

This sum was, perhaps, not sufficient to embark on a building scheme, but it was more than ample to pay the furnishing and equipment of a fairly large office. The only difficulty the Directors experienced was to find suitable quarters in the centre of the town. For fully two years they had been on the outlook, but their quest was not rewarded until the Spring of 1895, when they learned that the large two-storey self-contained dwelling at 28 Anderson Street was to be vacant at the following Whitsunday.

Negotiations were at once commenced with the proprietor, the late Mr. John Benson, and terms were soon arranged for a twenty-five years' lease at the moderate rent of £40 per annum. The bank undertook to alter the premises to meet its own requirements, and to restore them, if requested by the proprietor, to their original character at the termination of the lease.

Plans of the alterations were prepared by Mr. George Arthur, architect, and the work completed at a cost of £500, which included the furniture and all office equipment.

The new office was a big improvement on the old. The building itself, viewed from the street, was more in keeping with the character and importance of the institution, while the accommodation within,

afforded every convenience for the due carrying on of the business. The provision of a specially built strong room, 7 feet by 5 feet, fitted with one of Milner's best doors, was a valuable and necessary acquisition.

Another outstanding feature of the new quarters was that office accommodation was also found for the Joint Treasurers and the Secretary. It was the Bank's turn now to provide furnished lodgings for the officials. The arrangement, however, was not without pecuniary advantage to the bank. It effected a considerable saving in the £40 rent, for it was allocated proportionately between the three parties—the Bank, the Treasurer, and the Secretary.

The change-over to the new quarters differed materially from the previous removal from the old hat shop to the office at 21 Stirling Street. The latter was made in search, and in expectancy of new business. It was more or less a speculative move. This time there was no element of adventure about it. There was already a volume of business sufficient to warrant the move. From the outset the complete success of the venture was assured. Even if no increase in the business accrued, the office was needed for existing requirements. After all, the Directors were taking no risks when they set up for the Bank a home of its own.

The formal opening of the new office took place on Tuesday, 17th September, 1895, in presence of the Trustees, Directors, and Officials. Sheriff Mair and Provost Arthur were also present. The company at the outset was photographed in front of the building. The group is reproduced in the present volume.

The President, Mr. Thomas Jeffrey, J.P., was presented with a silver key, the gift of the officials, as a memento of the occasion, and, thereafter, the company adjourned to the Board Room, where a cake and wine banquet was held.

The principal toast, "Success to the Airdrie Savings Bank," was proposed by Sheriff Mair, and responded to by the President. Other toasts were "The Trustees," proposed by the Rev. William Reid and replied to by Hon. Sheriff Adamson; "The Architect and Contractors," proposed by Mr. David Martyn, J.P., and responded to by Provost Arthur and Councillor Herd.

The new quarters were destined to be the home of the Bank

for 80 years. But before the first half of that period had gone, the business had so expanded that the need for more commodious premises had become manifest. Having regard to this fact and future potentialities, the Directors arrived at the conclusion that a new building, specially designed and adapted for the business was the only solution. They accordingly began to look out for a suitable site. One proposal, which was almost carried, recalls a notable incident in municipal politics.

At this juncture I had entered upon my second term as Provost of the Burgh, and had been engaged for some time in maturing certain schemes of public utility which were regarded as urgent. These included the erection of a new Town Hall, a new Public Library and a Social Institute with Baths, and, of course, a new Savings Bank. The site I had in view for the whole scheme was on the south side of Stirling Street from Manse Place to Craig Street. It meant the clearing away of the whole of the old buildings between these two streets and the erection of the four separate public buildings on the site.

From the public point of view, the Town Hall was, perhaps, the most urgent part of the scheme, and I made it my principal objective, although I had already been in touch with Mr. Andrew Carnegie in reference to the Library and Institute, and had received satisfactory assurance provided a free site was obtained.

I approached Sir John Wilson, Bart., of Airdrie, who was deeply interested in everything which concerned the welfare of the town. He was in particular closely associated with the Bank as one of its Trustees, and took a very keen interest in all its affairs. The Library, too, was one of his pet schemes. I spent an evening with him at Airdrie House, when I unfolded my plans, which included an appeal to him to provide the Town Hall as a free gift to his native town. Sir John Wilson was enamoured with the whole project, and I left him on that occasion with the Town Hall, as it were, in my pocket. However, for a reason which need not here be disclosed, Sir John Wilson desired that our interview should be regarded as strictly private, and that the proposed gift should not be announced before a certain date, about a year ahead. At subsequent interviews we further discussed the scheme in all its details.

PLATE 17.



Ex-Bailie WILLIAM NEILSON, J.P.,
Airdrie.



Mr. JAMES HAMILTON, F.J.I., J.P.,
Airdrie.

HONORARY PRESIDENTS.

Meantime, a motion was tabled at the Airdrie Town Council, proposing that the Burgh should erect a hall, and the motion was carried. I felt myself in rather an awkward position. Sir John Wilson's intentions were unknown to any member, and I was not at liberty to disclose them. The Town Council proposal, however, met with opposition from certain ratepayers, and a plebiscite was demanded on the question. The arrangement for taking the plebiscite fell to be made by me, as Provost. I delayed the proceedings as long as possible, in order to meet Sir John Wilson's wishes. But ultimately, to save unnecessary expense, I asked Sir John Wilson to announce his gift, even although his reason for withholding it still held good. In the circumstances, Sir John Wilson agreed.

We then pushed on with the building of the hall, and at the same time proceeded to further develop the other parts of the scheme. Negotiations were begun for acquiring the old properties on either side of the site assigned for the hall. I had also obtained a definite promise from Mr. Carnegie as to the Library. The Bank was also prepared to build its office at the corner of Manse Place and Stirling Street. There was thus every prospect of the whole scheme being carried through, for Sir John Wilson was bent on seeing it accomplished, and promised me further financial assistance if required.

But "the best laid schemes of mice and men gang aft agley." In the present instance our ambitious plans were not destined to materialise. That fickle mortal "the free and independent elector" interposed. The municipal election of 1911 rang their death knell. Hence it comes that the Town Hall then bereft of its patrician companions is still like the last rose of summer "left blooming alone."

The Bank Directors then directed their attention to the opposite side of Stirling Street for a site for the new office, and after prolonged negotiations, during which the period of the war intervened, the site on which the present headquarters of the Bank stand, was secured.

CHAPTER XXII.

Nearing the First Million.

Period 1895-1915.

When the Bank entered its own offices at 28 Anderson Street in 1895, the deposits stood at £200,000. Ten years later, in 1905, they were £470,000, and in another ten years, in 1915, they had increased to £935,000. Thus in twenty years the deposits had multiplied fully four and a half times. They would, no doubt, have reached the first million, had it not been that the outbreak of war in 1914 temporarily arrested the average growth. A few months later, however, early in 1916, the first million was registered.

Having regard to the foregoing figures, and to all that they convey, we must look upon this period as the one in which the modern Savings Bank of Airdrie—the institution as it is generally known to the present generation—took definite shape. Then it was that the Bank passed out of the category of small concerns, and attained a front rank place amongst the savings banks of the country.

This period of twenty years was one alike of development and consolidation. There was much quiet activity in all departments of the work. The staff was reorganised. The system of audit was further extended. The rules and regulations were revised and brought into line with the most modern ideas of savings bank management. A beginning was made for the establishment of school and penny banks. The Reserve Fund was strengthened

by additions amounting to over £20,000. In short, the whole structure of the Bank was thoroughly consolidated. When, therefore, the Great War broke out in 1914, the bank was in an excellent position to meet the situation with the utmost equanimity and quiet confidence.

The more important of the subjects just mentioned call for, and will receive, special notice in chapters under their respective heads. There are, however, a few passing events of this period which claim some attention.

The question of opening branch offices was frequently under consideration. The area of the Bank's influence had gradually extended. A large number of depositors belonged to Coatbridge, and they often made representations to have an office opened in Coatbridge. There was at that time no savings bank in the town, and the Directors were assured that if a branch of the Airdrie Bank was opened, it would not only soon pay expenses, but be a profitable undertaking. Personally, I was in favour of the proposal, but the Directors on the whole were timorous about it. I believe if the question had been allowed to remain an open one for a few years longer, the Directors would have come to recognise that its advantages far outweighed every other consideration.

But in 1899 the Directors were forced to a definite decision in the matter. A movement was set on foot in Coatbridge to establish an independent savings bank within the Burgh. A meeting was held, and as a result a committee, with Provost Sharp as chairman, was appointed, with full powers to take whatever steps might be found best in the interests of the community. Subsequently I had an interview with the Committee, when I learned that the members generally favoured the opening of an office of our bank, rather than the setting up of a new bank under the 1863 Act, and the Committee asked me to bring the matter before my Directors.

The request of the Coatbridge Committee was considered at two meetings of the Directors, who, much to my regret, turned it down. The Coatbridge Committee then proceeded to open a Savings Bank of their own. This bank, which was named "The Coatbridge Savings Bank," continued to operate until 1916, when its affairs were wound up—an office of the Savings Bank of Airdrie then taking

its place. The latter event forms the subject matter of a later chapter of our history.

In the prosperity of the bank during this period the depositors participated by additions to the rates of interest on their deposits. In 1904 another quarter per cent was added, making the rate 3¼ per cent. on deposit account and 2¾ per cent. on current account. Then, in 1915, these rates were raised to 4 per cent. and 3 per cent. respectively. The latter increase being a war measure, I deal with it under the head "War Finance." As regards the 1904 increase, the same had a great influence in still further popularising the institution. It was a higher rate than could be obtained in any other similar bank. At the same time, for a few years afterwards it left a much smaller sum each year to be added to the reserve fund. However, for some years prior to the war, there was an annual average surplus of £2,000 available for the reserve.

The period witnessed many changes in the personnel of the Directorate. Of the members who formed the Board in 1895, only four survived at the close of 1915. These were:—Ex-Provost Martyn, J.P., President; Rev. William Reid, Vice-President; Mr. Andrew Keddie, and ex-Bailie William Neilson, J.P. The names of those who had served their day and generation, and passed on to their reward, included President Thomas Jeffrey, J.P., who died in 1906, and whose first appointment was in 1874. The length of service of most of the Directors who passed away is remarkable. The Rev. John Paterson, B.D., joined the Board in 1880, and served for 35 years. Mr. David Watson had nearly 20 years (1872-1891); Mr. Gavin Shanks 28 years (1875-1903); Mr. John Wright 35 years (1875-1910); Mr. Peter Brown 18 years (1880-1898); Mr. James M'Millan 29 years (1875-1904); Mr. William Hunter 12 years (1877-1889): ex-Provost Robert Adam 11 years (1890-1901); Mr. Robert Monteith 13 years (1894-1907); ex-Councillor James Henderson 17 years (1896-1913); ex-Councillor John Hogg 11 years (1899-1910).

The following formed the Board in 1915:—

President, ...	Ex-Provost Martyn, J.P.
Vice-President, . . .	Rev. William Reid.

Directors.

Mr. Andrew Keddie.	Mr. William Neilson, J.P.
Hon. Sheriff Rankine, J.P.	Mr. Simeon Lewis.
Mr. Wm. Dixon Gray.	Mr. James Hamilton, J.P.
Mr. Thomas Armour, J.P.	Mr. John Benson, J.P.

Mr. John Kennedy, J.P.

The enormous expansion of business during the period imposed upon the Directors additional work, and it was found necessary to have monthly meetings besides the meetings of the Investment Committee. Indeed, for some time the Board met fortnightly, the time being largely taken up with consideration of new investments.

CHAPTER XXIII.

Appointment of Bank Manager.

1896.

As leading up to the appointment of a Manager or chief official in 1896, a brief review of the staffing arrangements, including costs of management, is here appropriate. One of the features of the bank has been the economical way in which its affairs have been managed throughout its history, and as staff salaries form the greater part of a savings bank's expenditure, this review will afford an opportunity of examining this important phase of the Bank's management.

Under the original constitution there were two principal officials —a Secretary and a Treasurer—but, as mentioned in an earlier chapter, the Directors for a number of years at the outset took a share in the working of the bank during its hours of business. The auditing of the books and accounts was also undertaken by one or more of the Directors.

During the first 45 years the whole work was done on a voluntary basis. No salaries were attached to the office of Secretary or Treasurer, but any small surplus that might remain at the end of each year after the depositors' interest and ordinary outlays had been met was, if not carried forward to the following year, divided equally between the Secretary and Treasurer, as a small honorarium for their services. These two officials were always placed on equal terms in this respect, and there was no distinction otherwise in their official status.

In 1879, when Mr. Johnston Paterson succeeded my father in the Treasurership, he asked and was granted a guaranteed minimum allowance of £15 per annum, and as hitherto both officials had been treated alike, I, as Secretary, was placed on the same footing.

During Mr. Paterson's tenure the annual surplus always permitted of the guaranteed minimum being augmented, but the allowance to each official never attained an amount which could be classed as "salary." Thus, though there was a minimum guaranteed, the work might still be regarded as being done on a voluntary basis.

That this was the view of the Directors must be assumed. A system of equal allowances, if intended as salaries for work done by each official, was utterly untenable. There was far too big a difference in the respective duties and services required of the two officials. A footing of equality as regards allowances could only be defended and maintained so long as the principle of voluntary service was understood and recognised.

When Messrs. Forsyth & Thomson succeeded Mr. Paterson in 1885, the existing practice of an equal allowance was continued. No salaries were guaranteed, but at the end of the financial year it was understood the officials would participate in whatever surplus remained. By this time the Directors had commenced to create a Reserve Fund, and, having regard to the importance of such a fund, there was all the more reason for continuing the voluntary service basis. Indeed, the creation of a Reserve at this stage would not have been possible if the officials' services had been dealt with on a salaried and not a voluntary basis. The utmost economy was accordingly exercised in the management expenses in order that the Reserve might be speedily augmented.

The business was now rapidly expanding. The hours during which the Bank was open were brought into line with the ordinary commercial banks, with the addition of six evening hours each week. With every increase in the deposits the work of negotiating investments became greater and greater. It necessitated my frequent absence from the office, and, as there were only two officials, I found it absolutely essential in 1887 to employ an assistant who could attend in my absence and help in the general work of the office, his wages being wholly met out of my allowance as Secretary, but I was able to utilise him otherwise, when not engaged in bank work. Latterly a small sum was voted annually in aid of my clerk's salary.

Such was the position till 1896. The old system of allowances still held good. It was a position which placed the Bank as regards cost of management in a most favourable light when compared with banks of a similar size and character throughout the country. The advantage which the Bank had was, of course, due to its being worked by two officials as a department of their own business, whereas in most of similar savings banks the officials were bank officials only, and had to be paid at least "a living wage," which very much increased the cost of management. Thus, for the first 60 years the bank was conducted on a more or less voluntary basis, the two officials receiving an equal annual allowance, irrespective of the duties each performed.

The creation of the office of Manager in 1896 came as a complete surprise to me. I had not the slightest indication that such a proposal was on the *tapis*. The following is the minute of Directors' Meeting of 1st December, 1896, bearing on the subject:—"The President referred to the position to which the Bank had attained and the increased responsibilities of the management. He suggested that their present Secretary—Mr. James Knox—should be placed in the position of Manager and Secretary, responsible to the Directors for the proper management of the bank, and devoting his time to the discharge of the duties pertaining thereto."

I greatly appreciated the honour thus conferred upon me, the more so as it was wholly unsolicited on my part. The Bank had undoubtedly reached a stage which justified the Directors in taking the step. The reasons given by the President in submitting the question fully warranted the new appointment. At the same time, my new designation made no difference to me in respect of my duties and responsibilities, or in my relationship to the Joint Treasurers. I was already devoting practically my whole time to the services of the Bank.

The real significance of the appointment lay in the fact that it was the first step towards the manning of the office by "whole-time" officials, and consequently the abolition of the old system of granting annual allowances instead of regular and proper salaries. The salary attached to the office of Manager and Secretary was fixed at £260 per annum. The Directors on this occasion went no

further in the matter of " all-time " appointments, but they allowed me £50 per annum for my clerk. In 1899 further assistance was found necessary, and on this occasion the Directors appointed an additional clerk, his whole salary being met by the Bank.

In 1902 a comparative statement of the expenses of management of savings banks was prepared for the Directors. The Government Savings Bank Inspection Committee had issued in 1900 a suggested scale of expenditure for savings banks under their control. They classed expenditure as follows :—

6s.	per £100 of funds	—classed as	" economical."
6s. 6d.	,,	,,	" reasonable."
6s. 11d.	,,	,,	" full."
Over 7s.	,,	,,	" excessive."

In their next year's report the Committee stated : " Our general criterion of a fair maximum rate of expenditure for management is 6s. 6d. per cent. of capital."

This scale referred only to savings banks whose funds were lodged with the National Debt Commissioners without trouble or cost. In applying the scale, therefore, to the Savings Bank of Airdrie, regard had to be taken of the fact that the Bank managed its own investments, and on that account there was extra expenditure, involving extensive book-keeping, and consequently a larger staff. Making due allowance on this account, the expense of management of the Airdrie Savings Bank worked out for 1901 at 4s. 5d. per £100 of funds as against 6s. 6d. allowed by the Government Inspection Committee—a difference of 2s. 1d., or nearly one-third less than the Government scale.

Following upon this report, the Directors in September, 1902, increased the Manager's salary to £350. The Joint Treasurers were also put on a fixed basis of £250 per annum, and Mr. Macfadyen, the Manager's asisstant, was taken over as a bank official, thus relieving the Manager of any part of his salary. The addition made to the staff salaries only added about eightpence per cent. to the management costs. The Bank's expenditure was thus still under

the Government scale by 1s. 5d. per cent. of total funds. At this time the staff consisted of the Manager, Joint Treasurers, and two Clerks. The total funds were just under £400,000, with depositors numbering 7,010. It was understood and minuted that no further revision of salaries should take place until the total funds reached £600,000, which did not happen till 1909.

There was, however, an important change in the staff in 1907, when Mr. William Thomson who had been appointed Crown Procurator Fiscal at Hamilton resigned his position as Joint Treasurer. In his letter of resignation, Mr. Thomson said :—" The Lord Advocate has been pleased to appoint me to the Procurator Fiscalship for the Hamilton District, and as the appointment involves my abstention from other business, I have formally to tender my resignation as one of the Joint Treasurers of the Airdrie Savings Bank. In intimating my resignation to the Directors, I shall be obliged by your conveying to them my whole-hearted appreciation of the uniform kindness which they and their predecessors have extended to me during the 22 years I have been officially connected with the Bank. It is with regret that I bring to a close my prolonged association with such a beneficent and flourishing institution. As an official, I have viewed with pleasure the great leaps and bounds by which the deposits have increased to more hundreds of thousands than the tens of thousands of pounds at which they stood when I entered the service. But I have had equal if not greater pleasure as an individual in regarding the wider and deeper significance of the growing accumulation of deposits, betokening as it does that the Bank is effectively achieving the object of its existence—the arrest of wasteful expenditure and the increase of thrift—the diminution of preventable poverty and raising the standard of comfort and living for our industrial classes, with a corresponding elevation in the moral life of the community. I earnestly hope that the bank may continue to be an influence for good in the district, and although no longer officially connected with it, I shall follow its fortunes with genuine interest. I should also like to embrace this opportunity of acknowledging the harmonious relations that have existed between myself and all the other officials with whom I have been associated."

The letter was submitted to the Directors at their meeting on 21st October, 1907. The following is the minute :—" The President said he was sure they received Mr. Thomson's resignation with deep regret. While they rejoiced that so honourable and responsible a position had been assigned to him by the Crown, they felt that the Bank would miss his services. They could not part with him without giving expression to their feeling of appreciation of his long and faithful tenure of office as Joint Treasurer, and their best wishes for his future success and happiness in his new sphere."

After Mr. Thomson's resignation, Mr. Forsyth continued the duties of Treasurer until 1914, when he resigned in order to take over the position of Legal Adviser and Solicitor to the Bank, which had become vacant through the death of Mr. John M. Alston. The office of Treasurer then passed into abeyance, the work being done by tellers under the direct control of the Manager.

At the outbreak of the War in 1914 the staff was represented by the Manager, three male assistants, and two female assistants. The total funds were then nearly a million pounds, and the depositors numbered 14,177. The whole expenses of management worked out at 3s. 11d. per £100 of total funds, as compared with an average rate of 5s. 10d. in savings banks under the control of the Government Inspection Committee.

The war period brought vast changes. The extraordinary development of the business, and the opening of offices at Coatbridge and Bellshill, greatly increased the number of the staff. Salaries had also to be adjusted to meet the higher cost of living.

Early in 1921 the Directors appointed my son, Mr. Walter S. Knox, B.Sc., as Secretary, thus relieving me of the secretarial duties.

In 1925 the staff numbered thirty members. Notwithstanding the higher salaries and the increased cost of other items of organisation and management, the rate for working expenses in 1925 was only 4s. 11¾d. for every £100 of total funds. Thus throughout, the bank has maintained its reputation for economical management.

The following are the names of the principal officials of the Bank since its institution in 1835, with their respective periods of service :—

TREASURERS.

Thomas Jack,	1835 to 1861.
James Knox,	1861 to 1866.
Walter Knox,	1866 to 1879.
Johnstone Paterson,	1879 to 1885.
Forsyth & Thomson,	1885 to 1907.
Thos. Forsyth,	1907 to 1914.

SECRETARIES.

David Shaw,	1835 to 1838.
Rev. And. Ferrier,	1838 to 1840.
Wm. Findlay,	1840 to 1842.
Archd. Macauley,	1842 to 1864.
Thos. Watson, Jr.,	1864 to 1872.
William Thom,	1872 to 1875.
James Knox,	1876.
,, (Manager and Secy.),	1896.
Walter S. Knox, B.Sc. (Secretary,	1921.

The following are the names of the staff during 1925, with the respective dates of appointment :—

Anderson, C. J. D.,	(1920)
Blackie, G.,	(1917)
Boyd, B. H.,	(1917)
Brown, M. W.,	(1914)
Brown, A. S.,	(1919)
Calderhead, R. G.,	(1925)
Cleland, M.,	(1917)
Davidson, A.,	(1921)
Dunn, J.,	(1926)
Gilchrist, S.,	(1918)
Hay, J.,	(1919)
Hugginson, J. E.,	(1916)
Jamieson, P.,	(1916)

Jack, J.,	(1917)
Jones, V. V.,	(1917)
Lowe, R. L.,	(1916)
*MacFadyen, D.,	(1902)
M'Gregor, M.,	(1911)
Neil, P.,	(1917)
Orr, A.,	(1920)
Orr, M.,	(1925)
Russell, M.,	(1923)
Scott, J. W.,	(1916)
Shaw, E. C.,	(1926)
Silvey, J.,	(1919)
Simpson, C.,	(1925)
Sinclair, J.,	(1925)

* In Secretary's Employment from 1887-1902.

On behalf of the staff, I take this opportunity of recording their appreciation of the uniformly kind consideration extended to them by the Directors. The happiest relationships have always existed between the Directors and the members of the staff. Would that such relationships were more common in every branch of the commercial and industrial life of our country. Then would strikes and lock-outs—which are so disastrous to every thrift organisation —pass out of the category of every-day experience. Then, surely, would the deposits in savings banks have a much better chance of accumulating, and thus increasing instead of lessening the comfort and happiness of all concerned.

As Manager, I would also take this opportunity of expressing my own appreciation of the able manner in which I am supported by the staff in all the departments of the service. I should like in particular to add my testimony to the many which have already been given throughout the country in other connections to the work done during the war, and also since the war, by the female members of the staff. I have frequently been asked my experience of female as compared with male clerks, and I have never had any hesitation in saying that in my opinion the ordinary routine work of a savings

bank is peculiarly suitable for girls. That opinion was confirmed during the war, when the work was almost wholly carried on by girls. Even the duties of the higher officials, including tellers, were then most efficiently performed by them. The augmented business was overtaken with the utmost success and expedition. I agree generally with Sir Herbert Morgan, who the other day, speaking in London on this subject, closed his remarks with these words :—" In my opinion women are more reliable and devoted to service in business than the vast majority of men. Women are entirely, completely, and absolutely trustworthy in all commercial undertakings."

After the war my attention was occasionally called to our continuing to employ so many girls when there were so many ex-service men without jobs. One man described it as " a downright disgrace." I pointed out to him that we had more men in our employment than we had before the war—three of whom were ex-soldiers. I also informed him that a large proportion of the girls were the sole, or almost the sole, support of their widowed mothers. That fact surely should weigh. He was not altogether satisfied, so, as he happened to be a bachelor in a good position I reminded him that if he and his like would do their duty there would be lots of vacancies amongst girl clerks. " That is one remedy which you might apply," I said. He has not yet taken the hint.

The members of a savings bank staff, especially the higher-grade officials, should ever have a due conception of the important nature and scope of their calling. They have enlisted in a world-wide movement, in the cause of human freedom and progress. To be a success in such work they must be imbued with the spirit which inspired and created the movement. They should thoroughly understand and comprehend the primary mission of savings banks. They should feel that they are in the work for the work's sake, and not altogether for their bread and butter.

More than ever the movement calls for men of sound principles and high ideals, men of intelligence with deep sympathy and wide vision. More and more the principal function of savings banks is being regarded as that of thrift propaganda. This was emphasised very much at the International Thrift Congress at Milan. The point is well set forth in the following quotation from the Report on Thrift

Propaganda by the Czecho-Slovakian Delegates :—" In order that the propaganda made by savings banks in the interest of thrift may obtain the desired results, and be distinguished from that of other financial concerns whose sole aim is to procure for themselves funds for purely commercial purposes, it is in our opinion absolutely necessary that the savings banks never lose sight of the humanitarian mission that presided over their foundation, nor forget their moral basis. A humanitarian spirit supposes and implies sacrifice. To carry out successfully a propaganda in favour of thrift, not only the administrators of savings banks ought to know how to regulate the expenses in accordance with the exigencies of the aforesaid mission, but also and especially the employees, and, above all, the higher staff in general ought to be permeated with the spirit of personal devotion to the cause. Only educated and intelligent functionaries, whose pecuniary situation is assured, can display an activity adequate to what their task, well understood, demands of them. It may be practically inferred that the principal condition for an ideal propaganda in favour of the spirit of thrift is to engage only up-to-date capable employees, with broad views and knowing exactly in what direction the activity of the savings banks ought to be exercised. Such men will always understand the best means to employ. Thus the difference between the moral propaganda of the savings banks, and the purely commercial propaganda of other financial concerns, will make itself evident. This leads us to formulate another requirement—*i.e.*, that the organisations whose aim is thrift ought to consider it one of their principal tasks to contribute to the perfect moral and technical equipment of the men who are devoted to this work. Such equipment comprises, not only technical capacity, but also a profound comprehension of the moral mission of the savings banks. To cultivate the spirit of thrift in the people, and especially in the middle classes, is, for savings banks, a task that does not simply signify that they should be taught how wise it is to economise for their future material needs, but that the spirit of thrift is one of the principal human virtues. The spirit of thrift, which must fashion and direct the thrift propaganda, does not accord the first place to the material side of man's relations to what he possesses, but first and foremost to the moral side."

CHAPTER XXIV.

The Manager's Room.

Personal Reminiscences.

In my lifelong connection with the Bank and with local public affairs generally, there are many matters of more or less interest which the writing of this volume has recalled to my mind. Some of these have already found a place in these pages. Others I am precluded from narrating by reason of their confidential character. I could cite many more incidents worthy of recall, but must content myself with giving only a very few which may be appropriately interposed at this stage.

The chief official of a large savings bank such as ours must expect to have numerous calls from people in search of information, guidance, and advice on almost every conceivable subject. In the olden days the doctor, the dominie, and the minister were the only recognised "guides, philosophers, and friends" of the common people. They were asked and expected to unravel problems which would have puzzled the proverbial "Philadelphia Lawyer." I sometimes think that their mantle has fallen upon the Manager of the modern savings bank.

Every tactful savings bank official, however, regards this new development more as an honour than a task. Primarily the savings bank exists for the benefit of the community. Its officials, therefore, will always welcome and never resent all reasonable and legitimate appeals from depositors for such information, guidance, and advice as they may seek. Personally, I have always considered this to be an important part of my duty, and depositors have long since learned that the door of the Manager's private room is always open to them, and that there they will always find a welcome and a readiness to help where possible.

PLATE 18.



Provost THOMAS ARMOUR, J.P., Airdrie,
President.



Mr. WILLIAM FRASER, J.P., Coatbridge,
Vice-President.



Ex-Provost JOHN KENNEDY, J.P.,
Airdrie, Vice-President.

I cannot complain that full advantage has not been taken of this "open door." Probably because of my long and active participation in municipal and other public affairs, coupled with the fact that for forty-five years I have been Collector of Income Tax for the large district of which Airdrie is the centre, I may have had more demands in this connection than the average bank manager whose activities are confined to the work of his bank.

The first essential of all savings bank officials, especially of those who come into direct contact with the depositors, apart from their technical knowledge of their profession, is tact. They meet with all kinds and classes of people, and must exercise the utmost tolerance with individual idiosyncrasies. Tact is a quality which is not always fully understood. An old Scotch couple were one night seated at the fireside, each reading a favourite book. Suddenly the old lady paused and, looking over her "glasses," addressed her husband thus:—"Here's a word, John, that I've cam' across, but I dinna understand the meaning o't. It's spelt TACT. What wad ye say it stands for?" "Weel, Janet," the husband replied (taking the "specs" from his nose and giving them a rub), "I canna jist gi'e ye anither word for tact, but it is something like this. If I were to meet by chance the Apostle Peter, it wad be the opposite o' 'tact' to mention cocks and hens to him." The old man's vocabulary may have been limited, but the answer evidences a wealth of apt illustration.

There are many people who have crude notions of banking business, and one has always to be careful to avoid taking notice of such. There are still a number of depositors who seem to imagine that all the money lodged as deposits is kept in the bank's strong room. I remember one individual who at every yearly balance presented his pass-book, and after the interest was added he asked for repayment of the whole deposit. Invariably in a day or two he returned with the same money and relodged it. That practice went on for some years. Of course, we never questioned the practice, as depositors have no greater cause for complaint against a Bank than when its officials have the impudence to inquire the reason for any transaction, either deposit or withdrawal. However, on one of these annual visits this individual volunteered an explanation

for his queer procedure. He looked up into my face and smilingly said, " Ye ken, Mr. Knox, I jist like once a year to ha'e a look at the siller for a nicht or twa."

Some time ago I was favoured with a call from an old lady, one of the depositors. She explained that she had made her Will, and put the following question :—" What will it cost to get it stampit ? " I told her a Will required no stamp. With a look of surprise, she said, " Oh, aye, it needs to be stampit, for ma minister wrote it oot himsel', and said I wis tae ca' on you and you wad tell me the stamp tae pit on." She opened her handbag and took out a piece of paper for my inspection. I found that the alleged Will had been written by the clergyman without witnesses to the signature of the old lady. I pointed out that the document as a testamentary writing was invalid, as it was neither legally tested nor holograph. " Holy Graft," she said, " ma certie, it is surely holy enough when ma ain minister wrote it."

Having on the invitation of the Airdrie Town Council on the occasion of the Burgh Centenary as a municipality in 1921 published a historical sketch of Airdrie, I have come to be regarded as a popular compendium of local knowledge. It is no uncommon thing for me to be waited upon by a party eager to trace the genealogy of his family, the derivation of its surname, the family burial place, and the occupation of his ancestors. I sometimes think that such inquirers expect me to go back for this information to the time of Gilpatric Mackerran—the absentee land owner of the Monklands who was by the good King Malcolm IV. summarily dispossessed of his patrimony in 1160—and trace their family history down through the succeeding generations.

I had an amusing experience recently. A certain local functionary called on me immediately the office opened one morning and informed me that he had had a " poser " put to him the night previous. He had been asked by a young man to give the name of David's (the Psalmist) grandmother, and felt a little " put out " that he could not answer him. He asked his questioner to allow him a little time to discover it. So he thought I would be able to furnish the desired information. I saw my visitor was in real earnest, but having the idea that the question was a " catch," I replied that if David's

family had belonged to the Monklands I might have got the lady's name at once by reference to "Airdrie, A Historical Sketch," but I had not a copy of the Old Testament at hand. However, I told him he need not be perturbed if he failed in his quest. "Here," I said, "is a good story which will effectively put the closure on your questioner":—

A noted evangelist, in the course of addressing a series of young men's meetings at Cardiff, invited questions in writing on any Scriptural point which was troubling any of his hearers. One young man sent in this query, "Can you tell who was Cain's wife?" At the next meeting the preacher, when he came to this particular question, said, "My advice to this young man is that he should not risk his soul's salvation looking after other men's wives."

These illustrations suggest that some people regard my private room as a general inquiry office or information bureau and myself an animated digest of the law of succession primogeniture and the embodiment of Scottish jurisprudence.

Occasionally some of my friends exact rather much from me. They seem to think that the date of every birth, marriage, or death in the district should be engraved on my memory. Here is an example, typical of the queries directed to me:—The presence of an elderly lady was one day announced by one of the staff. The old lady lost no time in introducing herself, and in her own homely way proceeded, "I kent your grandfather fine." I invited her to be seated, and inquired what I could do for her. "Weel," she said, "I was told you could give me the particulars I want about a certain matter. My man's uncle was Jamie ——. He was a mason to trade, and had a property in the Common, but gaed tae America. I want you to tell me wha bocht his hoose and what he got for it. Was he mairit oftener than once, and if his dochter Margaret, who got mairit tae John ——, who was ain o' your Directors in 18—, and is buried in the Broomknoll, left ony weans?"

In connection with my duties as Collector of Income Tax, some of my friends wonder why I have held on to the appointment so long. Others wonder how I have survived it. But the Income Tax Collector who always acts on the principle that "a soft answer

turneth away wrath" finds in the work some compensation in the humorous side of the calling.

During my apprenticeship as a Tax Collector, there was a master baker's wife who had an eye to business even when squaring her husband's taxes. When she came to pay she brought with her a couple of bags of biscuits, and, laying them on the counter, suggested that I might be requiring them for family use, and that I might give her credit for their value. Taking in the piquant situation, I smilingly agreed to take delivery of the goods if she would send them to the house. Next year, however, the lady called with a similar proposal, and I politely told her that "barter was now barred."

Here is another case of proposed barter in payment of a tax. A Pole in one of the mining villages was assessed for a certain amount, and the usual notices had been addressed to him. No attention was paid to any of these demands until the final notice threatening pains and penalties was received by him. One morning my correspondence included a letter from the Polish gentleman, which said, "I no can pay this tax, another child has come to my house and unless the child starve, me cannot pay. If you want the money I canno keep child, but will send it down to you along with your tax."

The biscuit deal appears innocent compared with this gentleman's proposal to have his baby pushed upon the Collector of Income Tax, but remembering that the Inspector of Taxes for the district had no family of his own, I referred the letter to him, adding, "Here's your chance for a ready-made article."

When, during the War, wage-earners were being "roped-in" under the quarterly assessments for Income Tax, the extra work demanded the employment of additional Inspectors, and a number of such officials were drafted from the Post Office staffs. These gentlemen brought with them all the red tape characteristics of that branch of the Civil Service, and proceeded to interpret their Instruction Book relating to their new duties in hidebound fashion. Here is an example:—The mother of a young miner who was accidentally killed at his work, and who had been paying a quarterly assessment by instalments, wrote to me informing me of his death, and putting

this question, " Is it legal for me to continue to pay the instalments ? " Before replying to her I referred the letter to the Inspector of Taxes for the district who had been recruited from the Post Office, thinking that he would at once discharge the balance. Instead, however, he replied that my answer to this lady's query should be in the affirmative. Needless to say, I did not act on his instructions. Later on he inquired what I had done, and added that I would find the young man's name again entered in the new quarter's assessments when I got the book. To this intimation I immediately replied that if he (the Inspector) proposed to assess him for another tax in the new quarter, I hoped he would furnish me with the deceased's present address in order that I might know where to apply. The absurdity of the situation seems then to have dawned on the Inspector, for he at once discharged the balance of the old assessment, and I heard nothing further of the new.

With all its rigid adherence to printed instructions one must give the Post Office credit for honest endeavour to trace addresses, often very vague. Long ago in the Parish of Shotts it was difficult to locate the post town under which communications to certain farms should be addressed. I have in my possession an envelope with no fewer than fourteen postmarks thereon. This had travelled from place to place, and, strange to say, it found its destination as originally addressed. When the old farmer appeared to pay his tax he produced the envelope as an excuse for delay in payment, remarking that surely it has been far travelled.

The foresaid envelope, however, was not so far travelled as another in my experience. In this case a receipt for a tax was despatched to a man whose only address appearing in my books was a number and row in a place called California, which, I may say, is a mining village near Falkirk. The Post Office despatched the envelope to California, U.S.A., and weeks afterwards it was returned *via* Port Said to my office with the marking " Not Known." There were postmarks on the envelope showing that it had travelled round the world. I still retain this envelope as an example of the care and zeal of the postal authorities in the discharge of their duties.

There are two classes of callers who generally go away disappointed. The first are the seekers after information about other

people's deposits, and the second are seekers after financial assistance in the form of a personal advance. My attitude towards the first class is always strictly polite, but necessarily firm, and, needless to say, they leave my room as wise as they entered. The second class of caller in many instances touches the sympathetic chord, but he never succeeds in his quest. The bank's investments being strictly confined or limited to Trustee Securities, such spplications are consequently turned down. This latter class would certainly never venture to make such applications if they understood that the bank did not profess to transact the business of the "money lender" who grants advances on note of hand alone, without cautioners, and on merely personal security.

If the walls of a savings bank manager's room could speak, what a tale could these unfold—stories of domestic affliction, conjugal infelicity, family sorrows, and other cares incidental to our earthly pilgrimage. Having said this, I would like to add that within the sanctity of the Manager's Room it has been my privilege on many occasions to play the Good Samaritan, to be the medium of settling many differences, reconciling avowed enemies, and extending the olive branch of peace when feuds had rent friendships. To me has been confided secrets held inviolate, tidings of joys and sorrows have reached me there, and from its quiet privacy has radiated gleams of sunshine, as the sunbeam is welcomed as it emerges from the darksome cloud.

PLATE 19.



Mr. JOHN BENSON, J.P., Airdrie, Vice-President.
(Died Aug., 1926.)



Mr. HUGH S. DAVIE, Coatbridge,
Director.



Mr. JOHN HARKNESS, J.P., Bellshill,
Director.



Bailie DAVID MARTYN, Airdrie,
Director.

CHAPTER XXV.

The Bank's System of Audit.

One of the duties imposed upon the Directors by the Bank's constitution is to see that the rules and regulations pertaining to the audit and inspection of the books and accounts are duly observed.

From the institution of the Bank in 1885 there has always been a system of audit. During the early years the work was performed by a committee of the Directors, but in 1866 the old practice was discontinued and a duly qualified auditor was appointed. Mr. John Horn, cashier and book-keeper, Airdrie, was the first independent auditor. He was followed by Mr. Gavin Lang, writer, and thereafter for some years Mr. Thos. Jeffrey undertook the duties.

In 1882 the modern system generally known as " the continuous audit " was introduced. The main feature of this system is that the auditor performs also the function of an ordinary bank inspector —in particular visiting the office at his own pleasure, and examining all depositors' pass books presented in the course of business during his visit, comparing the entries therein with their respective accounts in the bank ledgers. The rules now provide that the auditor must examine a certain percentage of pass books each year. The system provides an excellent check on the officials. Mr. Andrew Shanks, teller, Royal Bank, Airdrie, was the first to be appointed under the new system. It is interesting to note that when the Savings Bank Inspection Committee was appointed by the Government in 1892 in connection with savings banks registered under the 1863 Act, one of the Committee's first acts was to establish the continuous audit throughout these banks.

Mr. Andrew Shanks having removed from Airdrie in 1885, Mr. John B. Allan, treasurer of Airdrie and Coatbridge Water Co., was appointed. As the business expanded a second auditor, Mr. Hugh Simpson, cashier with Messrs. Wm. Black & Sons, was ap-

pointed in 1889. These two gentlemen continued to do the whole work of the audit until 1902, when the Directors considered it desirable in view of the importance and status of the Bank to supplement the local auditors by the appointment of a firm of professional accountants, who were asked to certify the investments at least once a year. Messrs. Carswell, Murray & Lauder, C.A., Glasgow, were accordingly appointed. The senior partner of the firm—Mr. Robert Carswell, C.A., who was held in high respect in his profession, having for some time acted as President of the Society of Chartered Accountants in Glasgow—personally attended to this onerous part of the audit until his death in 1923.

Meanwhile, in 1919 Mr. Hugh Simpson who for some time had been engaged in business on his own account at Shettleston found it necessary owing to his business engagements to resign his position as one of the auditors. His colleague in the auditorship, Mr. John B. Allan, also took this opportunity of retiring, to enable the Directors to make arrangements for placing the whole audit in the hands of professional accountants, and Mr. Carswell's firm was, therefore, appointed. For their long and faithful services Mr. Allan and Mr. Simpson were each made the recipient of handsome gifts. The presentation took place in the Board Room on 24th October, 1919. Since then the whole audit has been performed by chartered accountants, the present auditors being the well-known firm of Messrs. Wilson, Stirling & Co., C.A., Glasgow and London.

The present system of audit is as complete as it can be made. Beyond the official inspection and audit, I have inaugurated from time to time various checks in the conduct of the work in all departments, which, while valuable in themselves, have also greatly facilitated the duties of the auditors. Our system of book-keeping and accounting assures accuracy and the speedy detection of errors, should any be made.

CHAPTER XXVI.

A Period of Cheap Money.

1890-1900.

WHAT is meant by the term "cheap money?" Does it imply there are various qualities of money, or that money is like ordinary commodities, marketable, and may be bought or sold? Not exactly!

Financial terms generally are not capable of being interpreted literally. Their brevity tends to leave far more to be implied than is expressed. Take, for example, "money makes money." Everybody knows that money itself does not make money. Keep money in your pocket, or hoard it at home, and it does not become more. The chances are that it will soon become less. The temptations to spend are too insistent in these modern days to risk keeping too much money in one's pocket, if we mean to save it. As for keeping it at home, do not thieves sometimes break through and steal? Or some other calamity may befall it.

The other day the newspapers reported the case of an Irish farmer in Co. Donegal who had no faith in banks, and accordingly hid his money in an out-of-the-way corner in his stable. When he went to get a part of his hoard to pay some purchases, he found to his utter dismay, that his notes had been eaten by rats—a few scraps alone remaining to tell the tale. Of course, they were Irish notes, but our own bank notes, including "Bradburys," have only to be in circulation in an industrial area for a few weeks to provide a most inviting feast for any hungry rodent.

When, therefore, we say that "money makes money," we really mean that only when money is put to a profitable use will it make money. As an illustration, take the case of the individual

who has some surplus cash—that is, money he has saved, or has come into his possession—which he does not require for his immediate personal or business needs. This individual wants this surplus money to make money for him. He finds, however, that he himself directly cannot profitably employ it so that it may make money for him, and he knows that if he simply keeps it beside him it will profit him nothing.

Now, there is only one way by which this individual can accomplish his end. He must hire his surplus money out to somebody else, or to some concern that can put it to a profitable use. In return, this hire of his money commands a price, which price is known as "interest" or "dividend" or "discount." That is how and when his money makes money.

Thus it appears that it is the hire of money, and not the money itself, which is meant when we use the term "money makes money."

Now, a savings bank is one medium through which an individual may get his savings or surplus money put to a profitable use, so that his money may make money for him without further effort on his own part. Especially to the individual of limited means do the savings banks of our country afford the readiest and easiest way whereby his small savings are assured of making money for him.

Money in some savings banks may not at times grow at so great a rate as in some other concerns, but savings banks offer advantages and facilities to the ordinary saver which no other concern does. These advantages far more than counterbalance the slower growth of the money lodged with them.

Now, in order that savings banks may be able to make the depositor's money make money, the savings banks in turn have to put out their funds to a profitable use. If they kept all their funds in their strong rooms these funds would no more make money than money kept in a depositor's pocket.

The savings banks of our country are by Act of Parliament restricted in the hiring out of their funds to certain profitable uses, which we call investments. In particular, the Savings Bank of Airdrie is authorised by Act of Parliament, and by its own constitution and rules, to hire out, that is, to lend its funds—the depositors' money—to the British Government, or to local rating

PLATE 20.



Mr. JOHN McGREGOR, Coatbridge,
Director.



Dr. J. MARTIN THOMSON, J.P., Airdrie,
Director.



Mr. CHARLES W. WALKER, J.P., Coatbridge
Director.



Mr. ARCHIBALD WATSON, J.P., Bellshill,
Director. (Died March, 1927.)

authorities or such like, and, as in the case of the individual, for these hires or loans the bank receives money in the form of interest. Thus the bank's money makes money.

It is in this process by which money makes money that the term " cheap money " arises, and what is meant by " cheap money " is, not that the money itself is cheap, but that the price of the hire of it is cheap. The hire of money does not always bring to the individual or the bank the same return. Prices for the hire vary according to circumstances. Generally the price is regulated by the ordinary law of supply and demand. If the supply of money is greater than the demand, the price for its hire is less, and money is then said to be " cheap." If the demand is greater than the supply, the price for its hire rises, and money is then said to be " dear."

The ten years, 1890-1900, now under review embraced a period of exceptionally cheap money. The lowest point was reached in 1896-98, when the rate of interest on deposit receipts with the ordinary commercial banks in Scotland stood at only 1 per cent. during 29 months out of the 36, while in other five years out of the ten the rate was only 1½ per cent.

A common remark in these days was that one would need to have a waggon load of money to be able to live on the interest from it.

Equally low was the rate obtainable on all first-class investments, such as the savings bank was authorised to deal in. Leading corporations, county councils, school boards, etc., were able to issue loans redeemable at long dates at 2¾ to 3 per cent., which was altogether unprecedented. The Burgh of Coatbridge even issued a 2¾ per cent. stock, which falls to be redeemed in 1937, a transaction which has saved the burgh thousands of pounds, but to the original holders of the stock the transaction proved anything but profitable. Fortunately, the Savings Bank of Airdrie left it severely alone.

This period of cheap money happened at a very inopportune time for the Savings Bank. The Bank had only recently entered on its new era of prosperity. Every year large additions were being made to its funds, and of necessity a profitable outlet had to be

found for these increases. The money was cheap all through the period.

Had the new era begun ten years earlier, when money was dearer, these increases would have been made all the more welcome. The advantage to the Bank, which a dearer money period would have secured, would have been of special value at that particular juncture in its career.

As it so happened, however, the large influx of new deposits had to be hired out at exceptionally low rates. The effect was to curtail the annual surplus which went to augment the Bank's reserve fund, besides keeping down the rates of interest to the depositors.

If we take the actual figures, we may the better appreciate the position. In 1890 the Bank's funds stood at £76,000. During the ten years to 1900 they rose to £332,000, being an increase of more than a quarter of a million pounds. I am within the mark when I estimate that, had that increase accrued ten years previously, the annual yield from it at the rates then prevailing would have meant to the Bank fully £3,000 per annum of additional surplus.

While, therefore, on the one hand, the large additions to the deposits were welcome and all to be desired, on the other hand, when investments had to be found for them, it was rather galling to part with the money at so unremunerative rates of interest. Often, when new loan proposals from public bodies were submitted to the Directors, the particulars which accompanied them disclosed, in many cases, that only a few years earlier the same public bodies had borrowed on the same or similar securities at 1 to 2 per cent. higher rate than they were now offering to the Bank. Moreover, these loans were usually for long periods, so that the lender would have the advantage of the higher rate for many years ahead.

What made the position worse for the Bank was that the £76,000 of its funds, which it held at the beginning of the "cheap money" period, was mostly invested in loans payable at call or for short periods. When these loans fell due the borrowers naturally demanded a reduction in the former rate of interest to the current cheap rate. If the Directors did not agree to the reduction, then

PLATE 21.



AIRDRIE SAVINGS BANK.
COATBRIDGE OFFICE.

the borrowers repaid their loans, as they could easily obtain the money elsewhere.

The period was a trying and a difficult one for the Bank, but the policy pursued by the Directors was, on the whole, justified by ultimate results.

In January, 1895, the rates of interest to depositors, which had stood at 3 per cent. on deposit account and 2½ per cent. on current account since the year 1870, were reduced by ¼ per cent. each. The reduced rates obtained until September, 1899, when the former rates were restored.

In the matter of securing investments, the Bank, after all, was fairly successful. A specially prepared circular was addressed to all Burgh, County, and School Board Clerks throughout the whole of Scotland, offering on the part of the Bank to negotiate loans. This circular I followed up by personal calls on many of these officials. By this means many excellent investments were secured, yielding in most cases a little more than the average rate then prevailing.

The only time in my whole connection with the Bank that I disagreed with the policy of the Directors in the matter of investments occurred during the three years, 1896-1898, when interest touched its lowest point. I refer to it here only because it may form alike a warning and a guide should similar circumstances ever arise in the investment market.

The difference took place over the long-period loans—loans for, say, 20, 30, or more years, repayable by yearly instalments spread equally over the currency of each loan. When interest fell to its lowest point, I urged that investment in these long-period loans should cease, and that any available funds should be placed on loans at call or for short periods, even if the interest on these was no more than the interest being paid by the Bank to the depositors. My contention was that, whatever happened, money could scarcely become cheaper, and as the bank had already a sufficient margin of profit on its invested funds to meet the working expenses and have at the same time a balance left to put to the reserve, all the Directors required was that new money coming in should be placed out at no less a rate than was being allowed to the depositors. If the rates on permanent investments should harden, then the money

on temporarily loan or for short period could be transferred and would reap the higher rate.

My suggestion was not accepted. The Investment Committee of the Directors, influenced by the opinion which was then freely held in usually well-informed financial circles, that the price of money would never rise, except perhaps temporarily during some national or international crisis, continued to lend a small part of the funds on long-period loans. Subsequent events proved that their decision was a mistake—not, however, to an extent which at any time prejudiced the position of the Bank. The lesson, nevertheless, remains—never tie up a Bank's funds for long periods during a time of cheap money.

CHAPTER XXVII.

The Best Motto—"Aye Ready"

THE money in a savings bank, apart from the bank's own savings as represented by its surplus or reserve fund, does not belong to the bank, but to individuals—the depositors—who may want it back at any time. Why should I state a fact so elementary and apparent? Simply because it is the one fact that is, and must be the first and supreme consideration, governing every act of sound savings bank management. Not for a single moment or for any reason whatever must the fact be ignored, that the bank is dealing with other people's money, and that these people may ask it back at any time.

Especially must that over-ruling consideration be kept in the very forefront when savings banks are determining where and how the depositors' money, while it is in the bank's keeping, may be placed. It is a due regard to that consideration which makes the disposition of the funds, by investment or otherwise, the most important function which the management are called upon to discharge.

There are three essential elements to be taken into account in the investment of savings bank funds. Such investments must be safe, remunerative, and get-at-able. These essentials, too, must be taken together. They cannot be separated. Each investment must be alike safe, remunerative, and get-at-able.

If, for instance, the question was one of safety alone, or of safety and get-at-ableness, then the bank's strong room would at once meet the case. But, as I have pointed out in another connection, the depositors have confided their money to the bank, not only for safety and a ready return of their deposits if they should need it, but also that the bank may put their money to some profitable

use, by which their money will make more money for them in the form of interest. The latter could not be attained if their money was simply kept in the bank's strong room. It would be safe and get-at-able when required, but it would not be remunerative.

Thus, the main question which a bank management have to consider when placing out the depositors' money is one, not of "safety" or "profit" or "get-at-ableness," but of all three together.

Now, even a superficial study of the past records of the Savings Bank of Airdrie as disclosed in the present volume, will at once convince the reader that, from the very first investment which the Bank made in 1836, the Directors have paid due regard to this triple combination of essential elements.

Clearly there has been "safety," as the Bank has a clear record in respect that not a penny of the depositors' money has ever been lost by investment.

There has also been "remuneration," as the interest paid by the bank has always been higher than the majority of other savings banks. For example, during the last ten years, the total amount of interest to depositors has been £877,038. If the depositors' money had been in the Post Office Savings Bank or any other savings bank, where the rate of interest during these ten years was only 2½ per cent., the total interest would only have amounted to £589,692. Thus the money in the Savings Bank of Airdrie was more remunerative to its depositors during these ten years by no less than £287,346.

There has also been the essential of "get-at-ableness." That has been borne out by the fact that the Bank has throughout repaid deposits on demand. The very first Board of Directors, as already mentioned in an early chapter, acted on the principle "that a bank's stability largely depends on its ability to meet the reasonable and legitimate demands of the depositors whenever made." So in this respect the Bank's motto, like that of every other sound, well-regulated, and wisely governed savings bank, has always been "Aye Ready."

Now, as I deal with the subject of investments and their yield in other chapters, I need not refer further to the elements of "safety" and "remuneration" here. There remains only the third point—

PLATE 22.



COATBRIDGE CROSS
(FROM THE EAST).

viz., the Bank's position in respect of being " Aye Ready " to meet withdrawals.

In ordinary conditions and circumstances, a savings bank should never find any difficulty in the matter of repaying deposits on demand. If we examine the annual returns of the savings banks of our country during the past hundred years, we will find few years in which the money flowing into the banks has not exceeded the withdrawals. Moreover, savings banks are continuing to grow in popularity, and we may take it that in ordinary times they will continue to attract more new money than is required to repay old deposits.

But " Aye Ready " implies not only preparedness for ordinary times, but also for exceptional withdrawals of deposits due to extraordinary eventualities. The latter are the important contingencies which matter, and which, in the case of the Savings Bank of Airdrie, have always been provided for. What then are some of these eventualities which may arise and cause sudden and abnormal withdrawals of deposits? They may conveniently be divided into two classes, which may be termed " general " and " local."

Under the " general " class may be put " times of national and international strife," " political unrest," " any panic that affects the country's credit," and such like.

Under the second class, " local," may be placed any local happenings which may cause a " run " on a particular bank, such as " local panic," " false rumours as to the bank's position," " better terms of interest offered by a local borrowing authority," and such like.

Probably there is no bank—savings or commercial or otherwise —in the world that has not experienced one or more of these general or local eventualities at some time or another in its history. Such experiences are real tests of a bank's soundness, and every bank that has successfully met every emergency by being fore-armed emerges from the ordeal—" as gold tried by fire "—with an added lustre and a confirmed reputation for genuine soundness and stability.

No bank, however, covets a " run," no matter how well prepared it may be to deal with it. When a " run " does come, the bank

wants it stopped as quickly as possible, and to that end uses every available means that may be at hand. Just as when a man's business premises or his house takes on fire, he uses every means to stay the flames, although his property is fully covered by insurance. If the outbreak is caught in time, a few buckets of water may suffice, but in the meantime it is always safer to call out the fire brigade to be ready if need be. A "run" on a bank may be similarly dealt with. Before the bank's "run brigade" is brought into requisition there are certain well-known measures at hand, which, if adopted, may smother the "run" before it seriously develops. Such measures, of course, vary according to the cause and nature of the "run."

If, for instance, the "run" is due to the depositors being offered better terms as regards interest from some other bank or concern, the remedy is to raise the bank's rates of interest. If, however, the "run" is due to "panic" or "a false rumour as to the bank's position," the sooner the "run brigade" is brought into play the better for all concerned. There is only one effective remedy in such a case. The way to stop a "run" in these circumstances is to meet instantly, without hesitancy or question or remark, the demands of the depositors. Carry on as usual and pay! pay! pay! When the panic stricken see the "run brigade" efficiently at work—that is, when they get to learn that they can have their money for the asking, the "run" will not last long. Confidence will soon be restored. If any other course be adopted, the probability is that the "run" will be aggravated instead of allayed or stopped.

"Runs" on banks have sometimes their humorous sides. An Irish banker once experienced a "run" on his bank. He was located in a small country town a considerable distance from his head office, which was in Dublin. Some false report had gone the round, and when he opened his office one morning he found, to his amazement, a crowd gathered at the door, all bent on withdrawing their money. He said nothing, but quickly taking in the situation, he adopted the following ruse:—Having a quantity of gold in his strong room, he got it out, placed it on the top and in the oven of his kitchen range until it got almost "red hot." He then began to deal it out to the excited customers. Immediately one man, as he went out

with a handful, shouted to the crowd still unserved, "Ach, shure, ye needn't be feared ave that bank, they're making the gold as fast as ye can lift it." "Feel it," said he, "it's piping hot yet." The crowd was assured and the "run" ended.

Gold not now being in circulation, the Irish banker's plan is no longer practicable. Besides, I question if it would succeed. Some time ago a man came to the office after business hours, and wanted to pay a small Income Tax. As he came from a country village I offered to take the money and said the receipt would be posted to him the next day. He handed me a pound note, but I found I had not sufficient silver in my pocket to give him the necessary change. I remembered I had a half-sovereign or two in my purse, so I took one out to make up the change. When I handed it to him he looked dubious. I told him what it was. "Oh," said he, "I'm not having it. It's no use to me."

When banks are "aye ready" to meet all contingencies a "run" may give the officials some extra work—they are none the worse of that occasionally—but it need give them no worry. The unfortunate depositors who "get the wind up" are, however, to be pitied. They are not to blame if they become anxious about the safety of their hard-earned money. In many cases it represents their all. The originators of false reports, and the unthinking people who repeat them, should be severely punished. They perpetrate a crime—and a cruel crime it is—not against one individual, but against whole communities.

In 99 cases out of 100, ignorance is the mother of "runs" arising from "panic" or "false reports." Here is a case in point. A mother and her daughter once called at a savings bank for the purpose of withdrawing a fairly large sum from their accounts. They wished the money in large notes. The teller informed them that he had not as many large notes on hand, but he would send to one of the ordinary banks for them. That, of course, is a common practice, even between ordinary banks, in country towns. The two ladies got their money, but when afterwards they met a lady friend, they told her that the savings bank could not pay them their deposit, as it had to send to another bank for the money. Their lady friend had to tell the story to her friend, with, of course, compound interest,

her story being that the two ladies had to wait two hours before the bank could get their money. When the third lady repeated what she had heard, her version was that the bank was hard up and in difficulties. A "run" ensued. That is one instance of ignorance of a common practice with banks.

Now, while it is incumbent on every savings bank to be "aye ready" against all possible contingencies, the individual depositor should realise that he too has his part to play at such times. He has a duty and responsibility, not only to the bank as a bank, but also to his fellow-depositors.

To the bank, the duty of each individual depositor is to protect its interests at all times. By so doing he is protecting his own. After all, the bank is his bank. It was established and exists for the sole benefit of the depositors. Nobody else participates. The officials work for their salaries. The Trustees and Directors give their services free from a sense of public duty.

To his fellow-depositors the individual has a duty. The benefit he derives from the bank would be nil without the help of other depositors. It is the accumulation of the savings of the whole body of depositors which makes benefit to each individual possible. Here, again, the duty of the individual is clearly to protect the interests of his fellow-depositors. By so doing he protects his own.

My fifty years' experience of the depositors of the Savings Bank of Airdrie warrants me in saying that, as a whole, they have a true conception of their individual duties and responsibilities as depositors. Throughout, at any time of emergency, national or local, they have stood loyal and devoted to their institution. They have had their reward, for to their loyalty and confidence may be ascribed much of that success in which each and all have been the happy participators.

The Savings Bank of Airdrie has been "aye ready" to meet all emergencies. It has been tested at various times throughout its ninety years' experience. It always stood the test, and that is the best credential any bank can produce.

CHAPTER XXVIII.

Gilt-Edged Securities.

I HAVE already pointed out that one of the most important functions of a bank management is the investment of its funds—that is, the placing of the depositors' money to profitable employment.

Now, in this department of the work, the Savings Bank of Airdrie holds the unique record that throughout its whole history it has never lost a single penny by its investments. No better testimony than that can be adduced or is needed to show the care which the past and present Directors have exercised in the discharge of this all-important part of their trust.

Now, how has it been done? I have been frequently asked that question. Well, there is no secret or mystery about it. The Bank has simply never taken any undue risks, and if by that term is meant anything in the nature of speculative investments, then the Bank has never taken any risks at all.

The provisions which regulate the investment of the funds are contained in Article 17 of the Bank's Constitution and Rules, and reads as follows:—"The funds of the Bank may be deposited by the Directors at their discretion in any of the Scotch Banks incorporated by Royal Charter or under Acts of Parliament, or invested in the Bonds of the Clyde Navigation Trust, the Clyde Lighthouse Trust, or the Bonds, Debentures, Mortgages, or Receipts for Temporary Loans, secured on rates or taxes levied under the authority of any Act of Parliament, of Municipal, County, Parish, School Board, or other local authority or corporation or trust in Great Britain authorised to borrow money on the security of rates or taxes levied under the authority of any Act of Parliament, or they may be invested in such other securities as are authorised by the Trusts (Scotland) Acts, and under such additional or other powers

of investment as may from time to time be conferred by law upon gratuitous Trustees in Scotland."

The investments which are thus open to the Bank are termed "Trustee Investments," sanctioned as such by Act of Parliament. They are popularly known as "gilt-edged securities," this term having come into vogue in the latter part of last century, to emphasise the superior and high-class nature of the security behind them.

Now, for the benefit of the uninitiated, and to bring out more clearly the policy and practice of the Directors in the matter of investing the funds, it is perhaps well that I should first explain some of the terms in use in this particular sphere of finance.

Gilt-edged investments, or, as some people prefer to say, gilt-edged securities, may be divided into two classes—namely, "marketable" and "non-marketable." The former are those which can be bought or sold on the Stock Exchange. The latter are those which are not quoted on the Stock Exchange. The 5 per cent. War Stock, 1929-47, for instance, is a marketable investment. Any holder of this stock can thus turn his holding into cash any day by selling it. On the other hand, an ordinary Bond or Mortgage of a Corporation is non-marketable. It is, therefore, not so easily sold if the holder wishes to turn it into money.

Now, "marketable" and "non-marketable" investments are each divided into two classes. As regards the marketable, they are either "redeemable" or "irredeemable." By "redeemable" is meant that a date has been fixed, on which the investment will be redeemed—that is, repaid. The 5 per cent. War Stock, 1929-47, belongs to this category, but in its case the Government has an option of dates on which to repay. The latest is 1947, but it may be redeemed any year from 1929 to 1947 if the Government so decide. A sample of an "irredeemable" investment is that of the old British Consols. There is no date given when they must be repaid. The 3½ per cent. Conversion Stock, 1961, is also practically an "irredeemable," as, although the Stock may be repaid in 1961, the Government have the option of continuing the loan from year to year thereafter.

The two main classes of non-marketable investments are investments which are fixed for a definite period, and investments where an instalment of the principal is repaid half-yearly or yearly until the whole has been repaid. The latter method is much adopted by some borrowing authorities, such as corporations, county councils, educational boards, etc. The period of years over which these authorities can extend the repayments is usually fixed by the statute under which they borrow, but, of course, the borrowing authority may elect to shorten the period.

An Irish Board of Guardians once met to determine the terms upon which they would borrow for some capital expenditure which they had incurred. The chief question discussed was how many years the instalments were to be spread over—some wanted twenty and others thirty years. At last a member got on to his feet and said, " Mr. Chairman, I propose that we borrow this money under the ' Kathleen Mavourneen Act.' " " What Act did you say ? " inquired the Chairman. The proposer repeated his motion. " What Act is that ? " asked the Chairman. " Ach, shure, don't you know ? " said the member, " the period may be for years or it may be for ever."

When a gilt-edged marketable security such as the Bank is authorised to invest in, is first issued to the public, it is offered at a certain specified price, and at a fixed rate of interest. If the price be the same as that at which the security will be ultimately redeemed, the price of issue is said to be " at par." If the price of issue be less than the sum at which the security will be ultimately redeemed, then the price of issue is said to be so much under par. In all cases the interest to be paid is calculated on the par value, no matter what the price of issue may be. The 5 per cent. War Stock, 1929-47, is a case in point. The price of issue was 5 per cent. under par—that is, for every holding of £100 the purchaser only paid £95. The par value, however, is £100, for the Government will require to pay £100 for each £95 when the date for redeeming the loan arrives. A different method was adopted in the case of National War Bonds. They were issued at par, but a premium was attached to them, payable when they fell due. Interest, however, was only paid on their par value.

Now, all marketable securities, after they have been issued and taken up by investors, are liable to fluctuate in price from time to time. If, therefore, an investor needs his money before the date when the security he holds expires, the price he may obtain for it on the market may not be the price he originally paid. If it be more, then he has made a gain, and his capital has "appreciated" by the amount of such gain. If the price be less, then he has made a loss, and his capital has "depreciated" by the amount of such loss. The nearer a security gets to the date when it must be redeemed, the nearer will its selling price approach par.

There are a variety of influences that affect the selling price of marketable securities, but generally in normal times, when money is cheap (as explained in a previous chapter), the price rises, and when money is dear the price falls. Obviously, then, the best time to buy marketable securities is when money is dear, and the best time to sell them is when money is cheap.

Now, let us look at these gilt-edged securities from the point of view of the interest they yield. As a rule, these high-class investments never yield a high rate of interest. Their safe character commands always the lowest terms ruling at the time they are issued. The rate of interest, as already pointed out, is fixed at the date of issue, and is calculated on the par value of the investment. But we have seen that some investments are issued at a price under par. In these cases the actual yield per cent. in interest will be more than the rate fixed at the date of issue. Take, for example, the 5 per cent. War Stock, 1929-47. The price of issue was £95, or £5 under par. The rate of interest was 5 per cent. on par price. So that every holder of £95 of Stock got £5 per annum of interest on his £95, which is equal to a rate of £5 5s. 3d. per £100—that is, per par value. Thus the annual yield in interest to the holder of marketable securities is not always the rate per par value, but more frequently the rate which the price paid for the security yields.

Of course, as in the case of the War Stock, there is, in addition, the £5 of capital appreciation, which an original holder will receive, provided he still retains his holding when the stock is redeemed. If this appreciation were applied to interest, then the rate of yield

would be still further increased—the amount of the increase being regulated by the number of years which will elapse before the date of redeeming the stock.

Incidentally, there is no such good fortune attending those who wish to invest in the 5 per cent. War Stock to-day. Its price in the market is now a little over par. So that purchasers will only have an annual yield of less than £5 per £100, and, besides, will have no appreciation of capital to look forward to, if they hold their purchase till the date when the Government redeems the stock.

Let us now look at non-marketable securities in relation to the interest they yield. In their case the matter is simple and clear. The rate of interest is agreed upon when the loan is first arranged between the borrower and the lender. That rate continues throughout the period during which the loan is to run. These are all fixed loans for shorter or longer periods at fixed rates of interest, unless specially provided for otherwise in the Bond or Mortgage.

Having thus endeavoured to explain to some extent terms and customs common to the investment world, at least as far as gilt-edged securities are concerned, I now come to examine the policy and practice of the Savings Bank of Airdrie in the matter of the investment of the Bank's funds.

As I look back over the past forty years, which may be taken as the period in which the Bank had substantial sums for investment, the most noticeable feature is the marked difference—a clear dividing line—between the policy of the Directors in the years before the War and their policy since the War. In pre-war days marketable or fluctuating securities were absolutely vetoed, as they were regarded as undesirable investments for the Bank. When the war broke out the Bank did not hold a single security of this type. The conditions which the war at once created demonstrated the far-seeing wisdom of that policy. No one in those dark opening months of the war had anything to rejoice over, but the Directors of the Savings Bank of Airdrie had certainly good cause to be thankful that, in spite of many tempting offers, they had persistently adhered in the past to a policy in the matter of investments, which had placed the Bank in a position which even a great European War could not seriously assail. While the vast majority of financial

concerns had to face huge depreciations in the value of their securities, the Bank remained unscathed, with its reserve fund untouched. Not only so, but within a year of the outbreak of hostilities the Bank was in a position to raise its deposit rate of interest to 4 per cent. But of this I shall have more to say later on.

The question may here be asked, What were the reasons which influenced this pre-war policy of veto on all marketable securities? Amongst the considerations which weighed with the management in determining their policy were the following :—

(1) That the Bank could not afford to invest any part of its funds in any security where there was the slightest risk of loss by depreciation in the event of the Bank requiring to realise such security.

(2) That, as the Bank must at all times measure the value of investments, not according to the standard prevailing in normal times, but according to the standard likely to prevail in abnormal times, and, as for a long term of years prior to the War the price of marketable securities yielded a return in interest far below what would obtain in an abnormal period, there was, therefore, a grave danger that, whenever circumstances arose that would create a period of dear money, these marketable securities would depreciate to a very large extent.

(3) That in such circumstances the apparent advantages of marketable securities in respect of ready realisation, as against non-marketable securities, are more than counterbalanced by the loss of capital by depreciation.

The policy of the Directors prior to the War was, therefore, to restrict investments to fixed loans. The fact that fixed loans are classed non-marketable did not affect the Bank, as the Directors had made arrangements whereby the investments were made available at any time in the event of the money being required by the depositors. Apart, however, from that special provision, the greater part of the Bank's funds was in investments repayable at call or on short notice or for short periods. The result was that, within a remarkably short time after the War began, the bulk of the investments of the Bank were yielding the higher rates of interest then ruling.

Since the War, the policy of the Directors has been to indulge in marketable securities. The changed conditions favoured this policy. The period has been one of dear money—the very time for such investments. Some of the investments secured during the War have already matured and yielded large appreciations on the purchase price. Many more are yet to mature, and will yield large surpluses, which will go to further augment the reserve fund.

A period of cheap money may again come round. Then the policy of the Directors may again have to be reversed. But the experience of the past will be their watchword and guide in the future, and following these, there is no reason why the Bank's great record of never having lost a penny by its investments should not remain unbroken.

CHAPTER XXIX.

Mr. Thomas Jeffrey, J.P.,

SEVENTH PRESIDENT, 1890-1906.

AMONGST the small group of public-spirited citizens whom my father was fortunate to enlist in the Bank's service in the seventies of last century were two gentlemen—Mr. Thomas Jeffrey in 1874 and Mr. David Martyn in 1877—who were destined for many years to take a prominent part in directing the Bank's affairs, and to occupy in succession the President's chair. In my tribute to my father in a previous chapter I refer to Mr. Jeffrey, Mr. Martyn and he, as being the leading lights in the famous Broomknoll Mutual Improvement Association. Kindred spirits in the days of their youth, they remained steadfast friends and loyal and devoted citizens until death separated them.

I do not exaggerate when I say that Mr. Thomas Jeffrey in his day was one of the most outstanding and enlightened citizens of Airdrie. He came of a real old Scottish stock. He claimed kinship with the Monkland heroes who fought for Christ's Crown and Covenant, his maternal great grandfather being William Main, who carried the New Monkland flag at the Battle of Bothwell Bridge. This old flag has been well preserved, and is one of the town's precious possessions, now in the Airdrie Museum and Library. No one was prouder than Mr. Jeffrey to point it out to any distinguished visitors to the institution.

Mr. Jeffrey was born at Hillend, in the parish of Shotts, in 1831. He removed to Airdrie early in life, and became associated in business with the firm of William Black & Sons, coalmasters. He was well known in business circles in Glasgow and the West of Scotland. His business capacity was universally recognised, and his opinions

on commercial and industrial questions were always counted valuable. It is, however, his many public activities, particularly his connection with the bank, that we are specially concerned with here.

Mr. Jeffrey's service to the community will be chiefly remembered on account of his interest in educational matters, the Public Library and the Savings Bank. He was elected a member of the Airdrie School Board in 1884. The following year he was returned at the head of the poll and appointed Chairman, which position he held for six years. It was in the second year of his chairmanship, and largely on his initiative, that the experiment of free education in the Evening Classes was tried. The venture was a great success, and the Board was highly complimented by the Education Authorities. Thus Airdrie anticipated the adoption of free education throughout the country.

Mr. Jeffrey's name will always be associated with the development and progress of the Airdrie Public Library and Museum. He became a member of the Committee in 1875, and was appointed Hon. Secretary shortly afterwards, which position he held until the time of his death. Though the town was the first in Scotland to adopt the Free Libraries Act, and possessed an extensive Library for many years, the institution had been handicapped for the want of suitable premises. When Mr. Carnegie began his library-building gifts, Mr. Jeffrey was able to get into touch with him through Provost M'Pherson, of Grangemouth—where a new library had been erected —with the result that in 1892 he, Mr. Jeffrey, obtained from Mr. Carnegie the promise of £1,000 towards the erection of suitable premises. Thereafter the building in Anderson Street was completed. Mr. Jeffrey's work in connection with the Library can never be forgotten. A great lover of literature himself, he had a burning desire to foster and encourage the same love of knowledge in his fellow-men. As a mark of public appreciation, Mr. Jeffrey was presented with his portrait in oils, which now adorns the staircase of the recently erected library building in Wellwynd. There, also, through the generosity of his son, Mr. Joseph W. Jeffrey, his memory and his work have been further commemorated by the erection of marble pillars and other marble adornments within the

entrance hall and staircase—a truly fitting memorial to the man who was for 36 years a veritable pillar and strength of the institution.

Mr. Jeffrey's connection with the Bank extended over the period which embraced some of the more important stages in its progress. He saw it emerge from a comparatively small concern to a great and flourishing institution, and it was with sincere pride that he marked its every advance. He was a man of figures, and a feature of the Annual Meeting over which he presided was the lucid manner in which he could set forth the main points in the Annual Balance Sheet. His speeches on these occasions were always made interesting. He clothed dry statistics with apt illustrations drawn from his extensive store of reading. He was fond of quoting from the "Old Book" and Burns and Scott. He never failed to emphasise the value of the Bank in the promotion of the spirit of thrift amongst the people. As regards the inner working of the Bank, his wide experience of men and affairs was of inestimable advantage in the handling of the management of the concern. In summing up, I cannot do better than quote the tribute paid to his memory by his colleagues on the Board which has been recorded in the minutes of the Bank. ". . . The blank created by Mr. Jeffrey's death would be difficult to exaggerate. A gentleman of highly approved character, of sterling moral and religious excellence, he lent dignity and weight to his office as chairman of this institution; he also brought to it all those shrewd and business qualities which he was so well known by the whole community to possess. Particularly was this evident at these meetings of the Investment Committee of the Bank, as well as at those annual gatherings of the Bank when a minute and full statement of the monetary affairs had to be placed by him before the depositors. Such splendid service rendered by the departed will long be remembered by all who witnessed it. It was so thorough and masterly. Nor, although his work in connection with the bank was frequently great, was it ever grudged. As in the case of the library, another excellent institution of our town to which our friend also devoted much of his valuable time, it was a labour of love. He rejoiced in its prosperity; there was little he would not have sacrificed for its best welfare. It was one of his pet schemes. And he served the Bank

long. For the extended period of thirty-two years did he do this. From full ripe manhood to a good old age he was one of our number, ever ready with his friendly counsel and much-prized help."

Amongst Mr. Jeffrey's other public activities may be mentioned the following:—He was a J.P. of the County of Lanark, and in 1905 was appointed Hon. Sheriff-Substitute of Lanarkshire. He had a life-long connection with the Wellwynd U.F. Church, of which he was for many years a manager. Mr. Jeffrey in his earlier life did not indulge to any extent in any particular sport or recreation, but latterly he became a keen golfer, and was often to be seen on the Airdrie Golf Course, of which club he was a Vice-President. It has been said that to be a golfer one requires to start playing when young, but Mr. Jeffrey proved an exception to the rule, for he distinguished himself in various competitions. His name appears on one of the trophies of the Airdrie Golf Club.

CHAPTER XXX.

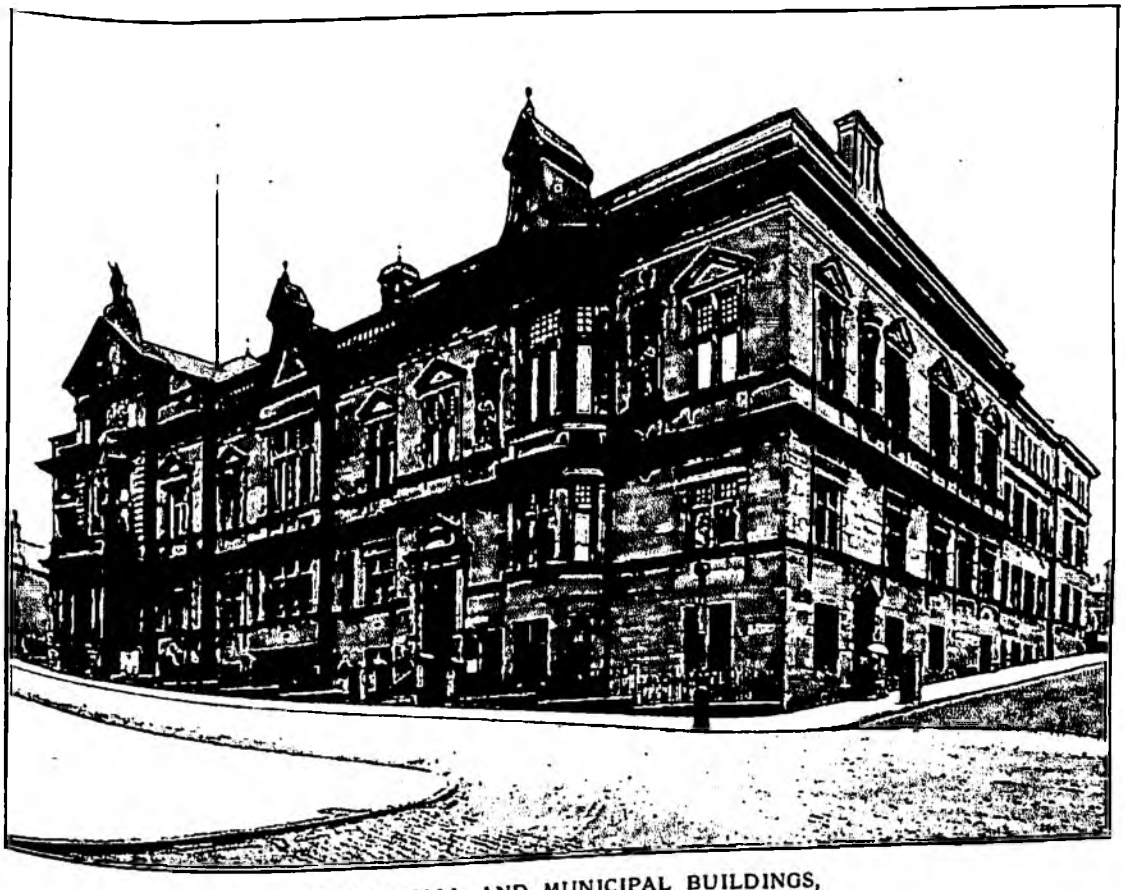
The School—A Powerful Ally.

At the first International Thrift Congress at Milan in 1924, the series of resolutions relating to thrift propaganda embraced and concluded with the following :—" That in the task of moral and economic elevation the savings banks must find their most reliable ally in the school, and must count upon the support of the authorities." This principle the Directors have long recognised and acted upon. Many years prior to opening a connection through the public schools, the Bank had in operation a Penny Savings Bank directly under its own management. The Bank office was open every Saturday afternoon for two hours for the special work of this department. The schools were made the medium for the distribution of thrift literature, while directing the scholars to the advantages of the Penny Bank. Thousands of juveniles, as well as many adults, have been introduced to the parent bank through this medium. Though the Airdrie schools have now banks in connection with the Savings Bank, the Penny Bank at our Head Office has been continued, and is still proving its utility.

There is no doubt, however, that the best results are attained through the school banks. When in 1916 our Coatbridge Office was established, the schools in the Old Monkland area closed their connection with the former Coatbridge Savings Bank and opened accounts with us. The acquisition of the school banks at the very outset of the new office at Coatbridge was most valuable, and did much to popularise the Bank. This department of the work at Coatbridge has been throughout an unqualified success. The Directors have supported and encouraged it in many ways. Several conferences and social functions have from time to time been organised.

The first of these took place in the Coatbridge Town Hall on

PLATE 23.



TOWN HALL AND MUNICIPAL BUILDINGS,
COATBRIDGE.

1st February, 1924, when, on the invitation of the Directors, the headmasters and staffs of the various schools in the Old Monkland area, comprising Coatbridge, Baillieston, Bargeddie, Glenboig, Calderbank, etc., were entertained to a whist drive and dance. The invitation was responded to by over 400 guests.

The arrangements were of an elaborate and perfect description, and in keeping with the Airdrie Savings Bank. The late Hon. Sheriff Rankine, President of the Bank, extended a hearty welcome to the teachers, and hoped the good work they had already done would be continued and be an example to others round about the district. It was a good thing to teach the young thrift, as when they went out into the world it would help them to be good citizens.

The proceedings began with a whist drive, and at the close handsome prizes were handed over to the successful competitors. Thereafter Mr. William Fraser, J.P., of Lochrin Iron Works, now one of the Vice-Presidents of the Bank, addressed the gathering. He said, " This being a field night of the Coatbridge section of the Airdrie Savings Bank, I, as one of the oldest Coatbridge representatives, have been asked to express to you, the headmasters and staffs of Old Monkland School area, the thanks of the Trustees and Directors of the Bank for the valuable assistance you have given them for so many years. Being a social night, I do not want to keep you long from the second portion of our evening's entertainment, but I hope you will allow me to give you some details regarding the schools' connection with the bank, as these, I think, will be of interest. There are 17 schools out of a total of 23 in the parish of Old Monkland which have school banks, and I am pleased to say that they include all the schools in Coatbridge. We may assume, I think, that the sum at the credit of depositors from the schools at the date of transfer from the former Coatbridge Savings Bank was approximately £5,000, while at the end of November last—seven years later—the sum amounted to £20,058, representing 8,147 open accounts. This number of 3,147 is equal to fully 25 per cent. of the total open accounts for the Coatbridge section, and, as the Directors of the Bank lay particular stress on the number of their open accounts, their chief desire being to attract the savings of the small investor, you will have some idea of the importance of the work of the teachers

of Old Monkland School Board. To give you some idea of the volume of transactions, I may say that sums transferred from school banks to individual accounts average 200 per week, the total transfers for the year varying from £5,000 to £10,000. The amount in the school banks—*i.e.*, small sums under £1—amounted to £1,603 at November last. The interest earned by these small sums in the school banks during the seven years has amounted to £517. This does not, of course, include the sums transferred to individual accounts, the interest on the individual accounts having been £686 for the last year alone. I have given you sufficient figures to show you the importance of the connection of the school banks. I consider that it is a very valuable work you teachers are doing to the community of Coatbridge. There can be no question but that a large proportion of the savings I have referred to would never have been made but for your efforts. You are not only training the youth in the habits which will be of inestimable advantage to them in the future, but the good does not end there, as we know that many of the parents have learned the advantages of the Bank through their children's savings at school, and I can assure you that the Directors at least fully appreciate the work done by you. Speaking now as a Coatbridge representative, may I say that my Coatbridge colleagues and myself feel proud of the position achieved by the teachers of Old Monkland. We in Coatbridge are certainly very much indebted to Airdrie for the splendid institution they have given us in the Airdrie Savings Bank. I think you will agree with me that Coatbridge owes a great deal to the men who built up the Airdrie Savings Bank, chief of whom we have with us to-night in the person of ex-Provost Knox, our Manager. Well, the best way I can suggest of showing our gratitude is that you teachers should continue to carry on the good work you have been doing for so many years, and perhaps the good example shown by you may be followed ere long by the other schools in Old Monkland, and also by the schools in New Monkland. On behalf of the Trustees and Directors of the Bank I thank you most warmly for your splendid services in the past."

Mr. M'Intyre, headmaster of Coatbridge Public School, speaking on behalf of the teachers, expressed their great satisfaction to the

Directors of the Airdrie Savings Bank for the magnificent way in which they had been entertained there that evening. The teachers had been in the habit of doing gratuitous work at all times, but this evening their services had been recognised and recognised handsomely. Mr. Fraser said he hoped the school banks would become permanent. They were permanent, and now part of the school curriculum, and eventually he did not think there would be a school without a bank. It was part of the duties of the teachers to teach thrift, and with the banks in the schools they had the very subject-matter of a lesson to put before the children. Thrift was a most important matter. They were asked by the Authority to teach temperance, and if they taught temperance they must teach thrift.

An adjournment was then made to the Lesser Town Hall, where a delicious tea was served. A dance thereafter took place. Mr. Andrew Orr superintended the entire proceedings, and did everything that was possible for the comfort and enjoyment of the guests.

On 15th April, 1926, another Conference in connection with the School Banks took place in the Sir John Wilson Town Hall, Airdrie. On this occasion the headmasters of all the schools in the Monklands were invited. The guests were first entertained to dinner by the Directors, the President, Provost Armour, presiding. After dinner the business of the Conference was proceeded with. The main item was consideration of the proposal by the Bank Manager to introduce a simplified method of book-keeping in the conduct of the School Banks. Instead of having a cash book and ledger for each class in a school, the system provided a sheet designed to meet all the requirements of a proper accounting. The work of the teachers was thus reduced to a minimum. Besides, greater accuracy was assured. The opinion of the Conference was entirely favourable to the new plan, which was adopted.

Other questions of interest in connection with the working of the school banks were discussed, and the Directors pledged themselves to give effect to the excellent suggestions made by the headmasters. A very important outcome of the Conference was that the headmasters of the Airdrie District who were present were so im-

pressed with what they had heard of the results of the Coatbridge school banks, that they decided to have a meeting amongst themselves for the purpose of considering the opening of banks in their respective schools. This meeting was subsequently held, when the headmasters unanimously agreed to inaugurate banks at the re-opening of their schools after the summer vacation, and this has been successfully carried out.

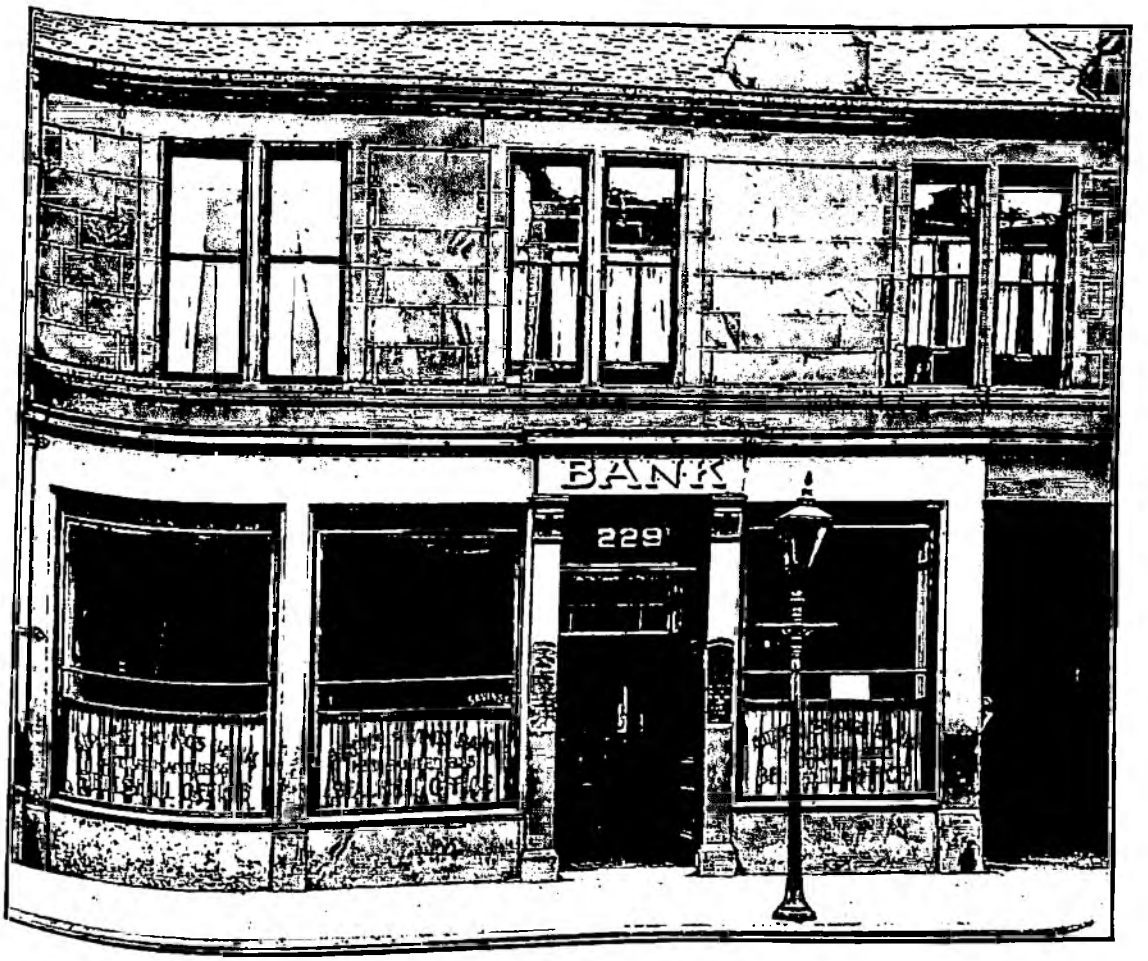
The Directors also arranged a conference with the headmasters in the Bellshill area, which was to have been held on 12th May, 1926, but the General Strike and the protracted coal dispute having supervened, the arrangements were temporarily cancelled. However, the conference is fixed for 11th May, 1927, when it is expected a definite step will be taken for the inauguration of school banks in that area.

On the invitation of the President and the Directors of the Bank, the teaching staffs of the Old Monkland Schools enjoyed another whist drive and dance in the Town Hall, Coatbridge, on 22nd October, 1926. The company numbered over 400, and included teachers and their friends, the Bank Directors, and members of the staff.

Provost Armour, President of the Bank, on behalf of the Directors, extended to all present a hearty welcome. The proceedings opened with a Whist Drive, for which one hundred playing tables were requisitioned in the large hall. Very handsome prizes were provided.

At the conclusion of the first part of the programme, Mr. William Fraser, J.P., on behalf of the President and Directors of the Bank, said they were very pleased to have that opportunity of again expressing their great indebtedness to the teachers of the Old Monkland area for the work done by them on behalf of the Bank since their last meeting three years ago. The value of such services, Mr. Fraser mentioned, could not be expressed in figures, however educative these might be. The Directors, he continued, looked upon as of much greater value the fact that the teachers were establishing habits among the young people under their charge which will undoubtedly be of inestimable value to the Bank in later years, as well as to the young people themselves.

PLATE 24.



AIRDRIE SAVINGS BANK.
BELLSHILL OFFICE.

Indeed, such benefits will not rest there, but will accrue to the whole community to which we belong. The value of such work done in schools is fully recognised wherever savings banks are in existence. Proceeding, Mr. Fraser made appropriate reference to the International Thrift Congress held at Milan, quoting the resolution which will be found at the opening of this chapter and further emphasising it.

He thought Coatbridge ought to be congratulated on the manner in which the staffs in the schools had so nobly responded to the high ideals of duty which the profession calls from them.

In conclusion, Mr. Fraser stated, " I think you will be interested in a few details of the work done in the schools of Old Monkland during the past year. There are 18 schools in connection with the Coatbridge Office of the Bank. The total number of transactions at these schools last year was 71,000. From these school banks there were 4,409 transfers to the parent bank, representing £4,584, and the total amount now standing to the credit of accounts transferred from the school banks is over £20,000.

" In view of such figures, I think you will understand with what importance the Directors look upon your work, and on their behalf I thank you most sincerely for your services. The value of these services, I can assure you, is fully appreciated by the Directors of the Bank, and our little function to-night is a very small expression of our gratitude to you for work nobly done."

Mrs. Armour gracefully presented the prizes to the winners of the whist drive.

Mr. John M'Gregor called for a vote of thanks to Provost and Mrs. Armour.

Adjournment was then made to the Lesser Town Hall, where ample provision had been made for refreshing the inner man. The company afterwards returned to the Large Town Hall and tripped the light fantastic toe till an early hour in the morning. The function proved a big success, and all present were high in their eulogy regarding the excellent arrangements which had been made for their comfort.

At the foregoing function Mr. Fraser took the opportunity of announcing that, in connection with the Monkland Musical Festival,

which is held annually in Coatbridge and Airdrie alternately, the Directors of the Bank had agreed to present a silver trophy for competition amongst school choirs belonging to the Monklands.

This trophy has taken the form of a handsome silver rose bowl, to be held for the year by the school of the winning choir. In addition, the Directors have provided silver badges to the individual members of the winning choir. This badge is of special design. On the one side is a representation of the beautiful bronze statue emblematical of "Thrift," which adorns the main entrance to the Head Office at Airdrie, and on the reverse side of the badge an appropriate inscription. At the Festival of 1927 great interest was evinced by the various schools in the competition, and after a keen contest the trophy and badges were awarded to the Choir of All Saints R.C. School, Airdrie.

The latest recognition by the bank of the value of the school as an ally in the beneficent work is shown in the recent decision of the Directors to present annually a gold medal to each of the Higher Grade Schools of Airdrie, Coatbridge, and Bellshill, to be awarded to the best outgoing scholar of the year.

It must be seen from the foregoing account of the school banks that the Directors have had a due appreciation of the high importance of this department of savings bank work.

CHAPTER XXXI.

The Great War.

1914.

THE financial crisis which was the immediate result of the declaration of War in August, 1914, found the Savings Bank of Airdrie fully prepared to meet its own needs in the emergency. The crisis was sudden and unexpected. The Bank of England rate was put up to 12 per cent., but prompt action on the part of the Government did much to save the situation.

The extension of the August Bank Holiday for three additional days proved a most salutory measure. It effected three important objects, viz. :—(1) It gave the Government time to mature and pass their emergency legislation ; (2) it gave the bankers and financiers time to take stock of their position and set their house in order ; and (3) and perhaps most important of all, it gave the general public time to coolly weigh up the situation, and so restore confidence.

The result was that, when the banks re-opened on Friday, 7th August, business was almost normal. There were a few timid and anxious depositors waiting for the re-opening of the doors, but nothing in the nature of a " run " was experienced anywhere.

Nevertheless, nobody could safely predict what would happen on the re-opening day, and so the Directors took certain precautionary measures. The Bank's " run brigade "—the term already given by me to describe our emergency provision—was called into requisition with a plentiful supply of cash and notes of all denominations, ready to meet any abnormal demand. The Directors were determined not to take advantage of the general moratorium proclaimed by the Government, or even to put into operation the provision in the Bank's own constitution calling for previous notice of withdrawals. They wished to maintain the bank's long-standing

record of meeting all payments on demand, and their arrangements were such on this occasion as would have certainly secured that end.

None of these precautionary measures, however, as it so happened, required to be taken advantage of. On the day of re-opening, the transactions at the Bank's office numbered only 190—the withdrawals being only £1,500 in excess of the deposits. Few depositors' accounts were altogether closed. There was no excitement. One solitary incident relieved the day's monotony, by affording some amusement to depositors who happened to be at the counter at the time. A bumptious, boisterous customer who closed his account, which amounted to just under £20, demanded to have his money in gold. The teller politely explained to him the new position, informing him that bank notes had been made legal tender, and that all gold was to be called in to swell the gold reserve of the Bank of England. But the man would have no explanation. He insisted on his right to be paid out in gold. His conduct becoming rather objectionable, I went forward to the teller's table and tried my best to pacify him, but all in vain. His money in brand new Bank of Scotland notes and his pass-book lay in front of me on the counter. Taking up his bank book, I said to him, " Will you answer me one question—when you deposited these various sums which I see marked in your pass-book, did you always bring them in gold ? " " Oh," he replied, " that does not matter. I must have gold now." I said, " I suppose you'll want the odd money in gold, too, like Ned Quin's wife, the fish hawker, who is in the habit of calling occasionally for change." One day she came in and asked change of half-a-crown. The teller inquired of her what particular coins she would like. " Oh," she said, " I'll take one shilling in coppers, one shilling in sixpences, and the remainder in half-sovereigns." The recalcitrant depositor then picked up his money and departed. " A soft answer turneth away wrath."

On Saturday, 8th August, business was " as usual," and for the whole period to the date of the Annual Balance, 15th November, 1914, the total deposits only fell short of the total withdrawals by £5,110.

The initial crisis thus passed as quickly as it arose. There

was, however, great need to look ahead. An extraordinary and unprecedented situation had emerged, and no one could foretell what might happen. A question frequently put by a former member of the Bank's Investment Committee—his only weakness in handling investments being a slight disposition to be "panicky" at times—used to be, "What would happen in the event of a great European War?" That contingency had now come, and while the war lasted there were at least two eventualities to be kept in view—viz., (1) liability to panic, both local and national, and (2) a certainty of dearer money, which meant higher rates of interest with corresponding depreciation in the value of securities—two factors which would have a strong tendency to lead to serious withdrawals of deposits if adequate means were not taken to counter them.

As to the first point, the Directors, as explained in a prior chapter, had always been prepared for such emergencies. Moreover, they were satisfied that the measure they had already adopted to meet ordinary contingencies were ample to protect the Bank in the exceptional circumstances that had now arisen.

As regards the second point, the question of depreciation in the value of the Bank's securities consequent upon dearer money did not seriously arise. The Bank, as I have also pointed out in a previous chapter, did not hold any irredeemable stocks or fluctuating securities, but only fixed loans repayable at par value within limited periods.

Then, as to rates of interest on deposits, the Bank for many years had been paying a rate of interest much beyond the average of other banks, and was, therefore, not likely to be so soon affected by any general rise. Further, if in the interval the bulk of the deposits were retained, so that when investments fell due the money would not go to meet withdrawals, but could be re-invested at enhanced rates, there was every prospect of the Bank being able —perhaps with some temporary assistance from the Reserve Fund —to keep pace with any increase in the general deposit rate of other banks. If, in addition to retaining old deposits, new money was also attracted, then, of course, a higher rate of interest on deposits would be possible all the sooner.

The outlook for the near future, therefore, seemed to suggest

a policy which would at once conserve existing deposits, and if possible attract new ones. To that end the Directors accordingly shaped their course. While during the first weeks and even months of the war an increase in the funds was hardly to be looked for, the time and opportunity shortly afterwards came. The Directors were ready to take advantage of both, and to their unqualified and conspicuous success in that direction is due, in large measure, the unrivalled position in which the Bank stands to-day.

The story of how this success was achieved forms a bright and interesting page in the Bank's history. The success was won in spite of powerful cross currents and amid strong adverse circumstances. It was won, too, without any extraneous help. Neither the Savings Bank of Airdrie nor any of the old Scottish Savings Banks of the 1819 group required the least assistance from Government or otherwise. On the contrary, each of them was able to support every appeal which the Government made for the various war loans. They fought their own battle and they fought it well. They proved their reliability and resource in a time of great world crisis. No doubt they, and every other savings bank, were but mere ciphers amongst the great banking and financial establishments of the country. Their power and influence to help in supplying the nation's needs were almost negligible. Nevertheless, they had an important part to play. They had in their keeping the savings—in many cases the whole savings—of hundreds of thousands of the working and middle classes. That at any time imposed on the management a grave responsibility, which a period of war, such as we experienced, infinitely increased. It was indeed a time of anxiety and stress.

Now, for convenience, I have divided my narrative into five periods :—

FIRST PERIOD.

4th August till 15th November, 1914.

"Marking Time."

The period to the date of the annual balance on 15th November, 1914, was for the Bank simply one of marking time. The initial

crisis over, and the Directors being satisfied that for the meantime at least no further measures required to be taken to meet possible contingencies, the only course left was to keep a watchful eye for, and to await, developments.

There was no evident uneasiness or sign of want of confidence in the general financial stability of the country. An atmosphere of comparative calm prevailed. It might easily have been otherwise, for the "pessimist" was early at work. Newspapers and periodicals were full of his gloomy forebodings. Professors of economics, so-called financial experts, and other theorists, freely predicted that after a few months of war the majority of the people of this country would be in dire distress. They foretold for a certainty that the ranks of the unemployed would be multiplied enormously; that poverty and starvation would be the lot of thousands; that the deposits in the banks would be heavily drawn upon; and that commercially, industrially, and financially the country would be altogether in a bad way. These people, fortunately, turned out to be false prophets. The very opposite of their dark forebodings obtained. Unemployment was reduced below the minimum record; wages became higher instead of lower; cases of poverty and want beyond the ordinary were unknown; the bank deposits after a few months increased week by week; and a great time of unexampled industrial prosperity supervened. No doubt, much of this evident prosperity was, after all, fictitious. It was either due to the expenditure of capital which in the end would yield no return, or of borrowing money, in both of which cases a day of reckoning would assuredly come.

CHAPTER XXXII.

The Bank's Operations during the War.

SECOND PERIOD.

Year 1915.

Important Decisions Taken.

The year 1915 proved to be, for savings banks, the most trying and difficult of the whole war period. It was a real testing time for these institutions. New problems and new situations arose in quick succession. Forces were encountered which even threatened the very existence of the banks. To successfully meet and counter such adverse conditions necessitated bold measures, and a wide outlook was at all times essential, so that contingencies favourable or otherwise might be timeously anticipated and turned to advantage.

At the same time, new opportunities presented themselves for further developing the utility and extending the business of savings banks. Especially was that the case in all industrial areas. Wages began to mount to an abnormally high level. There was employment, too, for all, both male and female. In our munition works and factories girls without any previous experience could earn large sums. Indeed, the whole mass of wage earners never before found themselves so flush of money. Here surely was a chance for the savings banks.

The year opened with the flotation of the Government's first war loan—issued at £95, and bearing interest at 3½ per cent. The loan was offered on the usual stereotyped lines, which precluded the small investor from participation in it. For this reason the effect of the issue on the Bank's deposits was inappreciable. The Directors, however, applied on behalf of the Bank itself, and were

PLATE 25.



BELLSHILL CROSS
(FROM THE WEST).

allotted £10,000 of the new stock. Thus, through the medium of the bank, the ordinary depositors could feel that they were contributors to their country's needs.

The money raised by the 3½ per cent. War Loan practically did no more than meet liabilities already incurred. Another loan at no distant date was therefore inevitable. Meantime the Government financed the situation temporarily by the sale of Treasury Bills for various short dates—a form of investment which, in the circumstances, was particularly suitable for the Bank.

In pursuance, therefore, of their settled policy, and in view also of the probable continuation of the war, the consequent need of the Government for all available financial aid, the certainty of dearer money, and the opportunities which had arisen for securing new deposits, the Directors adopted two important resolutions, which were destined to be the main determining influences in the achievement of that signal success which marked the Director's war-time finance.

The first resolution was adopted immediately after the flotation of the 3½ per cent. War Loan, and was in the following terms :—

"That, in response to the urgent appeal of the Government for all possible financial assistance, and the fact that Treasury Bills offer the best form of investment for the bank at the present time, and further, for the purpose of reassuring individual depositors having patriotic sentiments, that although they were not investing their savings directly with the Government, nevertheless that was being done for them through the medium of the Bank, the Directors resolve that all available funds of the Bank be lodged with the Government by means of Treasury Bills, except such sums as may be required by local rating authorities within the Bank's own area."

The second resolution was adopted on 16th August, 1915, and was as follows :—

"The Directors resolve that the rates of interest from the date of next annual balance until further notice be as follows :—Current Account, 3 per cent., and Deposit Account, 4 per cent., and the Manager was instructed to advertise the increase in the rates in the local newspapers."

The first resolution truly and wisely interpreted the desires

and needs of all parties concerned. It was in the interests of the State, for it pledged the Bank to stand by the country with every available penny of its funds. What more could the Government expect? It was in the interest of the bank, for it provided the bank with a means of outlet for its funds, at once safe, remunerative, and get-at-able. It was in the interests of the depositors, for it placated all depositors, both small and large, who from patriotic motives desired to have a share, however small, in securing victory in the war.

The resolution proved a most effective move. It was hailed with satisfaction alike by the depositors and the public. Old accounts were augmented and new accounts were opened in large numbers. The funds rapidly increased, and being at once placed in Treasury Bills at high rates of discount, the Directors became hopeful that on an early date the Bank would be in a position to increase its rates of interest on deposits. All was going well; every additional week's operations were making more possible the raising of the depositors' interest, when suddenly the Government launched the 4½ per cent. War Loan, 1925-45, on conditions that altered the whole immediate outlook.

A radical change was introduced in the mode of issue of the new loan. For the first time in the history of our national finance, the individual of small means was granted opportunities through the Post Office of participating in such loans. He was invited to invest such small sums as £5 or any multiple thereof in the new loan. A special appeal was made to such small subscribers, and in addition a vigorous campaign to boom the loan was at once inaugurated and conducted throughout the country, particularly in large industrial centres. Every form of agency calculated to promote success—amongst them being the savings banks—was commandeered on behalf of the scheme, with the result that the country generally responded liberally to the appeal.

Now, there could be no objection on principle to the new system of borrowing. The idea of putting the small investor on an equal footing with the large investor was quite commendable. Besides being fair and just, it had other advantages. It tended to stimulate thrift and economy amongst the people, and it was an excellent means

of adding to the number of those who had a direct financial stake in their own country.

In its application, however, the scheme was incomplete and faulty, in respect that it left out of account entirely the position and interests of the savings banks. The Government might have foreseen—perhaps it did, but considered the matter of no moment—that the immediate result of an appeal to the small investor would be a "run" on the savings banks. That was indeed what actually happened. Without any previous warning, the banks were inundated. Millions of pounds were at once transferred from the Post Office Savings Bank and the Trustee Savings Banks to the new War Loan. Now, this transfer did not help the Government one whit. As a matter of fact, it did the very reverse, while at the same time imposing serious injury on the savings banks.

In the first place, the transfer from the State-controlled banks represented, not new money, which was what the Government really wanted, but money which was already in the hands of the State, as all the funds of the Post Office Savings Bank, and the ordinary departments of the Trustee Savings Banks, were already lodged with the National Debt Commissioners. The transfer thus placed no additional funds at the disposal of the Government for carrying on the war.

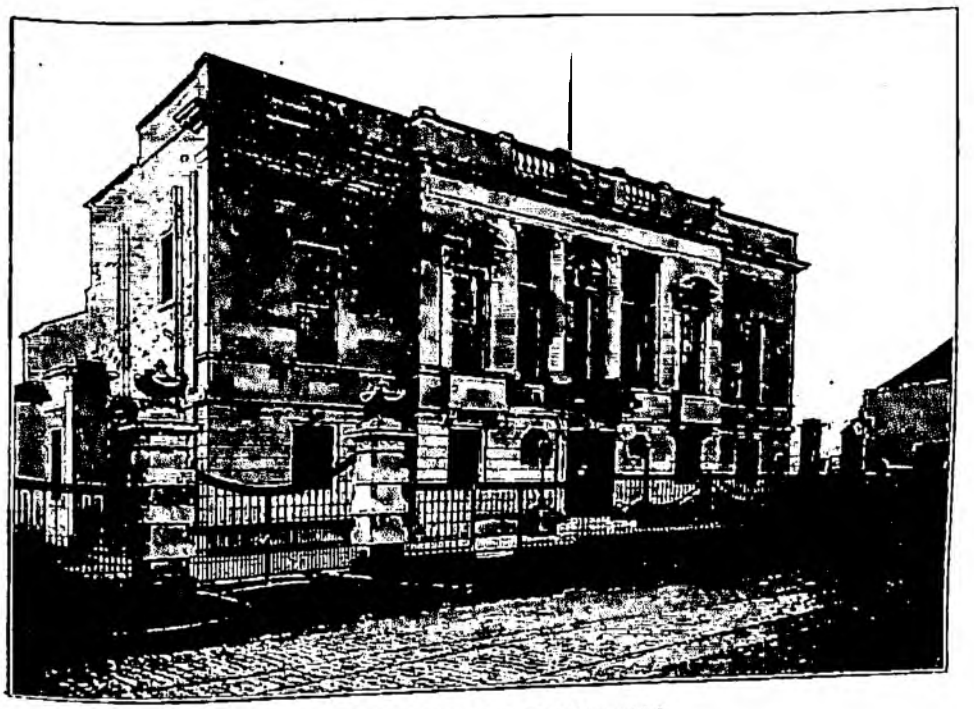
In the second place, the transfer meant an added annual charge to the nation for the money so transferred. While the Government had the money direct from the Savings Banks at 2½ per cent. per annum plus ¼ per cent. for working expenses, the cost to the country for the same money after being invested in war loan was now 4½ per cent. plus cost of working. Thus the transfer involved a loss instead of being a gain, so far as the national exchequer was concerned. In that respect, and to that extent, the policy of inviting the small investor to subscribe to the 4½ per cent. War Loan was clearly a suicidal policy. But it was argued that the transfer was justified, inasmuch that it converted "money at call" into "permanent investments." This contention has really no substance in fact. Liability on account of saving bank deposits, being "money at call," is a mere bogey, which the Government never fails to trot out on all occasions when any criticism of its stingy treatment of savings

banks generally, and in particular of the rate of interest allowed to depositors, is made. True, savings bank deposits are "at call." but over a century's experience has shown that the risk which the Government undertakes on that account is negligible. During their history there has seldom been a year when the total money flowing into all the banks, added to the yearly interest on deposits, has not been more than the total amount withdrawn. While, therefore, as between the individual depositor and his bank, and as between a single bank and the Government, their respective deposits were "at call," the position as between the banks as a whole and the Government was, that the *cumulo* of savings bank funds had not only been a steady, but also an ever-increasing, quantity over a long number of years, and, therefore, could reasonably be regarded as a permanent holding by the Government.

Then, in the third place, the appeal to the small investor inflicted serious injury on the savings banks. It depleted the total of their deposits, and so reduced their annual income by ¼ per cent. on the amount withdrawn. That was a serious curtailment of their income, especially at a time when they were faced with increased cost of management. It simply meant the crippling of their ability to perform their fundamental functions as thrift propagandists, and that at the very moment when the exercise of such functions was more urgently needed. Further, the effects on the larger Trustee Savings Banks which had investment departments was even more severe. In most of these cases it meant the realisation of investments to meet the withdrawals, and in some instances, on account of the difficulty of speedy realisation, the banks were compelled to insist on their right to have three months' notice of withdrawals, or such notice as the rules of the bank prescribed. The latter procedure had only the effect of considerably aggravating, as it almost invariably does, the number of withdrawals.

The result of the appeal of the Government to the small investor on the Savings Bank of Airdrie, and the other Scottish Savings Banks of the same class, was that considerable sums were also withdrawn, but the "run" was easily met. We required no notice of withdrawals, for we are "Aye ready." The total withdrawals from our bank was, in round figures, £75,000. In our case, also,

PLATE 26.



SIR JOHN WILSON TOWN HALL,
AIRDRIE.

this sum did not provide new money for the Government, and, therefore, did not really help the Government, for the Bank, in order to meet the sum, simply cashed Treasury Bills, which, of course, represented money already in the Government's hands. All the gain it was to the Government was that it carried £75,000 of floating debt into a permanent loan.

As showing the excellent position in which our Bank stood at this juncture, we not only met " at call " the whole demands of our depositors, amounting, as stated, to £75,000, but we also were able to invest in the loan a further sum of £50,000 on behalf of the Bank itself. This latter transaction had a wonderful steadying effect. It was confirmation of the resolution already referred to. It kept faith with the depositors, many of whom having expressed themselves satisfied, and, as a matter of fact, having stated that they preferred to leave the investing of their savings to the Directors. Besides, in our case the difference in the rates of interest allowed by the Bank and the interest on the War Loan meant but little to the average depositor, although to the Bank the retention of their deposits meant a great deal.

Our depositors, on the whole, appreciated the policy of the Directors, and displayed genuine loyalty to their own institution. No doubt the Bank's past record in giving a liberal rate of interest influenced their action. After all, the sum withdrawn was relatively small as compared with the demands made on other savings banks. There were, of course, a few depositors who gave the Bank no consideration whatever. They might pretend that the needs of their country came before anything else, but it was the effect on their pocket of a little more interest which undoubtedly governed them. I was amused at some of their attempts to placate me, as if I should feel angry at people withdrawing deposits which, after all, were their own. I rather staggered one of this type, whom I had often befriended in small business affairs, and so could use some freedom of speech. He asked to see me privately, when he informed me that his wife and he had been talking over the War Loan, and were thinking they should transfer the whole of their money to it. " All right," I said, " I will just fill up a form for you." He thereupon pulled his bank book out of his pocket and handed it to me. There

was a considerable sum at his credit, but I proceeded to complete the application form without remark. I thought he was relieved at my readiness to carry out his instructions. I included the whole of the deposit, as he had indicated. When I asked him to sign the form he broke the silence by saying—as if to console me—"You know, I'll be back soon to start afresh. I'll be able to give you a deposit in a few weeks." "That is very kind of you," I remarked, but I added, "Are you sure you'll find the Bank when you return? Has it never dawned on you that if all the depositors were to do as you are now doing—closing their accounts—there would be no Bank left either for you or them to come back to?" "Man, Provost," he replied, "I never looked at it in that way, but surely the depositors will no' all lift their money?" "Well," I said, "I don't see why they should keep their money here at a lower rate of interest than they can get from the War Loan, merely to accommodate you by keeping the Bank going until you return in a few weeks." "'Deed, that's true," he answered "you had better take £100 off the loan and put it back into my book."

But while the 4½ per cent. War Loan did not materially affect the deposits, the new policy it introduced, by which such loans were made available to the small investor, had its lessons and warnings for the savings banks. If such a policy was to be pursued and further developed in future issues the results would probably be (1) wholesale withdrawals of deposits and (2) a diverting of the future savings of the people into Government funds through other channels than by the old, familiar savings bank—the latter being the more serious of the two.

The utter indifference of the Government to the claims and position of the savings banks warranted these conclusions, and subsequent happenings fully verified them. To give one example out of many that might be quoted:—During the great campaign in furtherance of the 5 per cent. War Loan, a travelling agent of the Government addressing a public meeting within hail of the Bank's head office at Airdrie, vigorously and persistently commanded every depositor in the Airdrie Savings Bank to forthwith transfer every penny of their savings to the War Loan. This paid hireling cared not whether he destroyed the old temple of thrift, which had been

to Airdrie so great a blessing for generations. But he was not a Samson. He was typical, however, of the unscrupulous advocates who peregrinated the country throughout the so-called "Thrift Campaign."

A mere glance at the situation convinced the Directors that, in pursuance of their policy, they must recognise that now they were face to face with opposing and conflicting interests. On the one hand there was the Government, employing all the machinery at its disposal in its search for money, heedless whether the methods it employed led to the ruin of savings banks or not. On the other hand there was the Bank, doing its very best by the Government, and whose very existence depended on its retaining a sufficient proportion of its deposits.

Now, as between these two conflicting interests, the position of the Directors was not an easy one. In the first place, the needs and claims of the country might be held to be at all times paramount. To attempt to counter the methods of the Government, not only seemed unpatriotic, but also contrary to the Defence of the Realm Act. But as against that, as already stated, were not these needs and claims being equally if not better served by the declared policy of the Directors, in placing every available penny of the Bank's funds at the service of the State? What more could they do? What more could the State reasonably expect? Anything more would mean the sacrifice of the life of the Bank itself—an event which would be nothing short of a calamity.

Then, in the second place, there was the advantage from the depositors' point of view—the higher rate of yield on their money. Should not the Directors facilitate rather than hinder depositors wishing to make the most of their hard-earned savings? Undoubtedly, for that is one of the functions of a savings bank, and, incidentally, I might add here that, if individual depositors would at all times seek guidance from the bank officials before making investments, they would often find it greatly to their advantage. I personally know of instances where depositors have lost a lifetime's savings, by either relying solely on their own judgment or being seduced by glowing accounts of worthless or doubtful concerns. But, in the case of the War Loan, there was no question as to the

security. Why then should the Bank not advise depositors of the small-investor type to invest in it? Here again, however, as against such reasoning, it could be urged that, though the loan was safe, it was not the most suitable investment for the individual of limited means, otherwise the small depositor. It was quite good for the individual who had a few hundred pounds which he was not likely to need, and could afford to tie up in a long-dated security. But for the ordinary depositor such a long-period loan was not convenient. Further, the sum invested required to be substantial before the advantage of the larger interest could more than balance the advantages of a savings bank deposit. The money in a bank pass-book was available to the depositor at any moment, whereas the war stock was not. Besides, there was the risk of the war stock, if it needed to be sold, not realising the price paid for it, and so entailing a loss to the depositor. In short, the small investor could not afford to tie up his money in a 30 years' loan, and no government or savings bank directors were justified in pressing him to do so. The experience of depositors in the Post Office Bank and the Trustee Savings Banks, who invested in British Government Consols before the War, is a case in point. These people lost nearly the half of their capital.

Having regard, therefore, to all the circumstances, the Directors considered that, as between the rival claims of the State and the Bank, they must stand by the latter at all hazards. By so doing, they were satisfied that they were acting in the best interests of the great bulk of the depositors. Their policy must, therefore, continue to be directed towards conserving past gains, and the capture of new deposits. To that end, while continuing to divert all available funds into Government securities, they would not hesitate to adopt every legitimate means within their reach.

No time was lost in beginning an active defensive campaign. Immediately the 4½ per cent. War Loan was out of the way, the important question of raising the rates of interest on deposits was at once tackled. I prepared a report on the subject, and strongly advocated a 4 per cent. deposit account rate, with 3 per cent. on current account, to come into operation after the annual balance in November. These rates represented increases of ¾ per cent. and

¼ per cent. respectively. I estimated that, on the assumption that our existing deposits were retained, the increases would involve an addition of £6,000 to £7,000 to the annual charge for interest. To meet this extra charge, I proposed that the current year's surplus should not be placed to the reserve as usual, but should be carried forward as a balance at the credit of the Interest and Expenses Account. This surplus I estimated at £2,500. A similar surplus would be earned the following year if the rates of interest remained as at present, so that there would be at least £5,000 to meet the proposed higher rates for the first year. That would still leave a deficiency of from one to two thousand pounds, which could be met out of the Reserve Fund. But I predicted there would be no deficit at all, as I was certain that the effect of the higher rates, backed up by an aggressive thrift campaign, would attract sufficient new deposits to yield a profit equal to, if not more than, the estimated deficiency. I was so convinced of the success of the proposal that I had not the least fear of the Bank's ability to maintain the higher rates in subsequent years. I admitted that there might be a small deficit at the end of the second year, as that year would not have the same advantage as the first year, which had to begin with a balance of £2,500 at the credit of Interest Account. I was satisfied, however, that thereafter the Bank would again be able to resume adding its usual annual quota to the Reserve Fund. I was strengthened in that view by the knowledge that within three years the greater part of the existing investments of the bank would have matured and be available for re-investment at much higher rates.

The whole scheme was as reasonable as it was courageous. There was, no doubt, an element of risk in it—the risk of having to encroach on the Reserve Fund, if my expectations were not realised. But the Reserve Fund had been built up just to meet times of emergency, such as that which had now arisen.

The Directors, having considered my report on 16th August, 1915, unanimously adopted its recommendations, and passed the resolutions already quoted, raising the rates of interest from 3¼ per cent. and 2¾ per cent. to 4 per cent. and 3 per cent. respectively, the increase to take effect as from the following 15th November. They further resolved to institute a special thrift campaign through-

out the district. The latter was undertaken at once. The new rates of interest were boomed, and the advantages of the bank set forth afresh in new and attractive forms. Special emphasis was laid on the fact that all new deposits would be placed on Government securites to help on the war.

The effect of the announcement was electric. Though the new rates did not operate till November, new deposits began to flow in at once. During the three months till November the deposits increased by nearly £40,000, and during the first year by over £170,000. The number of depositors also increased by 20 per cent. and the transactions by 35 per cent.

These figures far surpassed all previous records in the Bank's progress, but, as we shall notice later, even these unprecedented results were in turn left far behind in the years that immediately followed.

This large influx of new deposits made the financing of the higher rates of interest an easy matter. I had calculated that no draw upon the Reserve Fund would be necessary, at least for the first year, but no question of requiring assistance from the Reserve ever arose. The Reserve remained intact, and after two years substantial annual additions began to be made. Thus, our best anticipations of the effects of a 4 per cent. deposit rate were more than realised—a truly wonderful result. From that date, the Bank never looked back. The 4 per cent. deposit rate proved, indeed, to be the master stroke in the policy of the Directors in the handling of the Bank's affairs during the critical years of the War. That fact will be more and more abundantly manifest as our narrative proceeds.

CHAPTER XXXIII.

The Bank's Operations during the War.

THIRD PERIOD.

Year 1916.

"Victory all along the Line."

The Bank was now master of the situation within its own area, not only in respect of an effective self-defensive, but also an effective offensive campaign, which was fast making it the popular and principal medium for the ingathering of the people's savings for the use of the State in carrying on the war. One success after another followed the forward and aggressive policy of the Directors all through this year.

On 29th March, 1916, the Bank registered its first million pounds of deposits. The event marked a distinct stage in the Bank's progress. I remember the late Sir John Wilson, Bart., who was one of our trustees, calling upon me a few days later to offer his congratulations. He added, "I suppose, Mr. Knox, we are now both millionaires." Knowing that Sir John himself was a reputed millionaire, I replied, "Yes, but in your case the million is your own, while in my case the million belongs to other people."

The achievement, however, bulked largely in the public eye. It was, especially in the circumstances of the time, arresting. It appealed to the imagination of the ordinary depositor. So it was an opportunity to be seized by an alert management, and full advantage was taken of it for another vigorous thrift campaign, which soon left the first million far behind. By the date of the annual balance in November, the funds had grown to £1,133,000. More significant still, in less than four years the second million was reached,

and, within other four years, the third million. Truly "nothing succeeds like success."

The boom which followed the attainment of the first million deposits augmented the volume of business to such an extent that attention had to be directed to providing additional office facilities. A considerable proportion of the new depositors were coming from Coatbridge, Bellshill, and other adjacent centres. This fact naturally suggested the opening of branch offices in these places. Moreover, representations had already been made by Coatbridge and Bellshill depositors to have local office facilities extended to them. The Directors fully recognised the reasonableness of these requests. Besides, they saw in the proposal a great opportunity for further developing the business. I deal with the advent of the Bank into Coatbridge and Bellshill in later chapters.

The new Coatbridge venture proved an immediate success. A temporary office having been found at 56 Main Street, the formal opening took place on 1st September, 1916. At the close of the Bank's financial year on 15th November, 1916, the deposits amounted to £70,237, with 2,110 depositors. At the end of the following year the funds totalled £217,377, with 7,708 depositors, while the report for the year to 15th November, 1924, recorded the fact that Coatbridge's first million had also been reached, with 12,000 depositors. I believe such progress constitutes a record in the annals of the savings bank movement.

Attention was next given to Bellshill, but, on account of staffing difficulties due to the war, the opening of an office there was not effected till 27th July, 1917. There also the venture proved an unqualified success.

While the Directors were thus engaged extending the sphere of the Bank's activities, and more and more adding to its prestige as the popular savings institution in the district, the Government was no less active in devising new measures for reaching the masses to obtain money for the war. In this connection the Chancellor of the Exchequer issued in November, 1915, a public invitation for suggestions to be sent to him on the best means of getting the people, and particularly the wage-earning class, to economise and place their savings with the Government. At the same time, he

appointed a committee, consisting of representatives of the Banking interests, Trades Unions, Friendly and Co-operative Societies, Government Departments, etc., to consider suggestions and schemes which might be submitted and report on the same. The Trustee Savings Banks were represented by Mr. Alex. Cargill, Actuary of the Edinburgh Savings Bank, but, unfortunately, there were too many diverse interests represented in the committee, and the claim of the savings banks had hardly a fair chance.

Nevertheless, several savings bank actuaries responded to the invitation and sent in suggestions. I, too, formulated a plan, which I prefaced thus :—

" The problem now before the country is how to get the mass of the people to economise, so as to save their money for the use of the State. The problem admits of a great variety of aspects for consideration, but we are only concerned here with the question of how best to ingather the money proposed to be saved, in a manner and by means which, at the same time, will offer a stimulus to such saving.

" As the Savings Banks—Post Office and otherwise—are the established and recognised media for the ingathering of the small savings of the people, and their methods of business are understood by the people, any scheme for encouraging additional savings is more likely of success if promoted under their auspices. Moreover, no scheme can be judiciously floated without at the same time safeguarding the interests and position of the savings banks."

Having regard to the foregoing considerations, my scheme was closely linked up and made to form a part of our savings bank system, including the Post Office Banks. Its simplicity was its strong recommendation. Its advantages to savings banks were obvious, but its real merit lay in the fact that it would train non-savers to regularly visit the banks, which is to all the first step on the ladder of frugality and thrift.

The methods I proposed for getting at and capturing the non-savers, and for inducing the thrifty to be more thrifty, were practically the same as those which the Government ultimately adopted in the war savings system. Instead, however, of war savings certificates, I used a simple form of coupons, which, like the certificates,

would be obtained at works, warehouses, schools, committees, or associations. The holder of coupons would take them to the savings bank most convenient to him, where he would open a bank account, get a pass book, and deposit the coupons just as he would cash.

I provided for the savings banks opening a war savings department, in which the deposit of coupons or cash would be lodged. In this department I proposed to allow interest at 4 per cent. on deposit account, and 3 per cent. on current account, thus adopting the long-standing and successful practice of the Airdrie Savings Bank—such interest to be free of Income Tax. There was to be no limit to the amount deposited. These were amongst the leading features of my plan. The Chancellor of the Exchequer, in formally acknowledging my suggestions, commented most favourably upon them, and I understand my scheme received considerable support in the Committee. However, the latter finally adopted the war savings certificates system, which was placed under a new Government department. The savings banks were, therefore, again turned down.

The savings banks, however, were invited to co-operate in the furtherance of the scheme. A conference of the Chief Officers convened by the new war savings department was held at Edinburgh on June 2nd, 1916, when the question of co-operation was discussed. I attended as representing Airdrie. We were strongly urged by the Government representative to push the sale of the certificates at our respective offices. On the part of the savings banks some plain speaking took place. The treatment meted out to savings banks by the Government was described as a flagrant injustice to a great national institution, which for a century had successfully worked in the cause of thrift amongst the people. Since the war began not the slightest encouragement had been offered the banks to help them to greater success. On the contrary, the war finance methods of the Government had severely crippled their activities. The refusal to increase the rate of interest to depositors, which was still at the pre-war rate of 2½ per cent., was particularly emphasised. To crown all, the Government had now set up counter savings associations, which were offering the people interest at more than double the savings bank rate. It was further pointed out that the only effect of this latest scheme would be to still more handicap

the savings banks in preventing their propaganda work. I took part in the discussion, and cited Airdrie as an example of what might be accomplished if the Government would raise the deposit rate in their banks as Airdrie had done. From our short experience of our 4 per cent. rate, I said I was convinced that, had a war savings department been created in the savings banks yielding 4 per cent. interest free of tax, and been backed up by propaganda and organisation, as the war savings committee was now doing, the result would have been even a larger ingathering of the people's savings, and that, too, at a much less cost to the country. In interest alone there would have been a saving of 1 per cent. at least. But the value of such a scheme to the savings banks would have been incalculable, besides being permanent. The result of the conference was the passing of what might truly be described as a pious resolution. However, the savings banks subsequently co-operated in the sale of the certificates, although in Airdrie there was little demand for them through our office.

CHAPTER XXXIV.

An Office at Coatbridge, 1916.

DURING the war, mainly as the result of the forward policy of the Directors in carrying out a persistent and systematic thrift campaign throughout a wide area, the question of granting local office facilities to depositors in the adjacent towns and districts became acute. The office at Airdrie was now totally inadequate for the ever-growing business, and depositors from outwith the burgh were making urgent and repeated representations to the management for local office facilities. Coatbridge depositors in particular were most insistent. The Bank had always a large number of customers from the iron burgh, but since the war began their numbers had largely increased.

Hitherto the Directors had made one answer to all such appeals from Coatbridge—namely, "Coatbridge has a Savings Bank of its own and Airdrie dare not intrude." However, in the Spring of 1916, the Directors learned privately that the Trustees and Managers of the Coatbridge Savings Bank might not be averse to the advent of Airdrie Savings Bank into their town. They were indignant at the Government for refusing to raise the rate of interest in the banks under its control—Coatbridge being one of them.

In view of the hint conveyed to them, the Directors of our Bank resolved to approach the Coatbridge management, and I addressed to them the following letter:—"I am desired by my Directors to communicate with your bank in reference to a proposal which is presently under their consideration to open Branch Offices of the Bank at Coatbridge and Bellshill.

"As regards Coatbridge, in which you are more particularly interested, I may say that up till now my Directors, although frequently requested by depositors from Coatbridge to open an office there, have always refused to entertain the proposal in respect of the existence of your bank.

"Recently the number and amount of the deposits coming to this Bank from Coatbridge have so increased that my Directors find it impossible to further ignore the constant demands of the Coatbridge depositors for local facilities.

"At the same time, my Directors are most reluctant to do anything which would have the appearance of rivalry to your bank, and in any event they do not wish to take any further step without first consulting with your Trustees and Managers on the matter. They recognise that neither they nor your Trustees and Managers have any private interest to serve, but solely what is the best in the interest of the community. That being so, my Directors respectfully suggest that a joint conference either of the two boards or committees thereof might be held on an early date for the purpose of considering the whole situation.

"Meantime, for the information of your Board, I enclose a Memo. setting forth the constitution and present position of this Bank. As my Directors are anxious to have the question disposed of as soon as possible, I shall be glad to hear from you at your earliest convenience."

The invitation was accepted, and a joint conference was held at Airdrie on 18th July, 1916, at which Provost Davie, the Chairman of the Committee of Management of the Coatbridge Savings Bank, presided. There were also present from Coatbridge Savings Bank :— Ex-Provost Davidson, Dean of Guild Kirk, Parish Councillors T. Main and H. O'Hear, Mr. William Service, and Messrs. John H. Russell and William R. Aitken, Joint Actuaries of Coatbridge Savings Bank, and from Airdrie Savings Bank, Hon. Sheriff D. Rankine, Bailie Wm. Neilson, Bailie J. Kennedy, Messrs. John Benson, W. D. Gray, and myself.

I opened the proceedings by stating our case in the following terms :—After thanking the Coatbridge Committee for affording the opportunity of discussing the question, I continued, "Our object in seeking the present interview is briefly stated in the letter which we addressed to you. We have been forced to consider seriously the question of opening certain branch offices—amongst them one at Coatbridge. That is, of course, a question which directly affects you, and because you are interested we feel it to be our duty, before

coming to a final decision, to lay our position before you fairly and frankly. We recognise at once that you as the Trustees and Managers of the Coatbridge Savings Bank, which you inaugurated and have carried on for the past 18 years solely in the public interest, are well entitled to know the 'why' and 'wherefore' if any similar institution is set up or proposed to be set up in your midst by a similar body of public men from a neighbouring burgh or elsewhere. We welcome, therefore, this opportunity of stating our reasons for our contemplated action. We hope to satisfy you that our action is not prompted by mere motives of covetousness or antagonism to the Coatbridge Savings Bank, but that we are compelled to face the situation out of regard to the interests of a large section of your own citizens, and we also believe in the interests of the general community of Coatbridge.

"'Success,' it has been well said, 'brings always its own burdens,' and it is just the success of the Airdrie Savings Bank, particularly in recent years, which is our trouble to-day. In the first place, up till now we have been trying to do what no other savings bank of equal size and importance has ever attempted to do—viz., carry on our extensive business at one central office. Hitherto we have turned a deaf ear to the reasonable and legitimate demands of large sections of our depositors resident outwith our own immediate area. In the second place, we have reached a stage when a continuance of such a policy has become prejudicial to the interests of the Bank as a whole. As regards the first point, I confine myself now to the demand from Coatbridge, as it is here you are particularly interested. The Coatbridge section is a large and important part of our undertaking. Coatbridge depositors probably represent about £400,000 of our total funds. Indeed, much of our success in recent times is due to the ever-increasing support coming to the Bank from Coatbridge. If Coatbridge, therefore has contributed and is contributing in such large measure to the strength and stability of the Bank, you will agree that the Coatbridge depositors are entitled to equal consideration with those at our own doors. Now, as already indicated, we have only been prevented from acceding to their request for local office facilities by the feeling that action on our part might be regarded by you as an 'unfriendly

act' to the Coatbridge Savings Bank. I am persuaded, however, that these considerations I have just set before you will appeal to you and, having the welfare and interests of your own community at heart, you will recognise that the people of Coatbridge are only asking from us what is reasonable and fair.

"Again, there is the other point which must weigh with us as the guardians of the interests of our own institution. We would show a lamentable lack of business capacity and ordinary foresight, if we failed to recognise the danger which lies ahead in continuing a policy of centralisation. That danger was non-existent so long as the deposits from Coatbridge were limited to a few tens of thousands of pounds. But now, when we have actually three to four hundred thousand pounds, it does exist. We must presume that the great majority of those depositors represented by that large amount come to Airdrie because they have not the same facilities and inducements offered to them at their own doors. But what would happen if a new bank or other counter-attraction were to be set up in Coatbridge which was able to offer the same security, the same facilities, and the same interest as ours? Would there not likely be a danger of a wholesale withdrawal of our Coatbridge depositors from Airdrie? In ordinary times that would not affect us much, but at present it would take from us money upon which we are reaping our best harvest. That is a contingency we are bound to guard against. We cannot plead that we have not been fore-warned, for already an English bank has opened a branch at Motherwell. Coatbridge might be their next advance. Therefore, apart from the urgency of the claim of the Coatbridge depositors on the plea of convenience, there is this still more urgent demand that in the best interests of the Bank as a whole we must secure the field before any other agency or bank enters and takes away what would be unfortunate for us to lose.

"I hope, therefore, that I have made clear to you that our proposal to open an office in Coatbridge is a proposal which has been forced on us for the two main reasons—convenience to Coatbridge people who are depositors, and as an absolute necessity in the interests of the Bank as a whole."

In conclusion, I dealt with the advantages which the Bank

offered, and pointed out the benefit it would be to Coatbridge if an office were opened in the burgh.

Provost Davie, Coatbridge, speaking on behalf of the Committee of Management of the Coatbridge Savings Bank, said that his committee had already considered the matter, and were unanimously agreed on one point, that it would be futile to attempt to carry on their savings bank if Airdrie opened an office in Coatbridge. Apart from that, however, they were also unanimously of the opinion that in the interests of all concerned the two banks should amalgamate. He fully appreciated Airdrie's position, and the statement just made by the Manager had confirmed his opinion, that the people of Coatbridge would greatly benefit by the proposal, if carried out. The time was opportune for such a scheme. They in Coatbridge were tired of Government restriction, especially as regards the rate of interest on deposits. He saw no reason why Coatbridge should not share in the advantages Airdrie could offer. His committee were, therefore, prepared to come to an arrangement whereby the Airdrie Bank would take over Coatbridge. Any such arrangement would necessarily provide for (1) due representation of Coatbridge gentlemen on the Airdrie Board; (2) the taking over of the present office staff of the Coatbridge Bank, except the senior actuary, who would receive compensation; (3) the taking over of the present office; (4) the promise by Airdrie that as soon as possible a new office adequate to the needs of Coatbridge, and worthy of the town, would be built; and (5) that the name of the Bank be changed to "The Airdrie and Coatbridge Savings Bank."

Ex-Provost Davidson and other Coatbridge members endorsed the views expressed by Provost Davie, and after some discussion a unanimous finding was reached. All the conditions, save the last, laid down by Provost Davie, were accepted by the Airdrie Directors. As regards the change of name, I pointed out certain serious obstacles, and the Coatbridge representatives at once agreed not to press the point further.

The process by which the arrangement should best be carried out was then considered, when it was agreed that simultaneously the affairs of the Coatbridge Savings Bank should be wound up, and that Airdrie Savings Bank would step in and take its place.

PLATE 27.



The Right Hon. The EARL OF ELGIN AND KINCARDINE, C.M.G.



EMMA, LADY WILSON, Kippen House, Dunning.

As the Coatbridge Bank was under Government control, the decision was immediately intimated to the National Debt Commissioners and the Government Inspection Committee, for the purpose of receiving their assent to the winding up of the concern. A lengthy correspondence ensued. The Government objected to the closing of the Coatbridge Bank, but had no objections to Airdrie opening an office on its own account, provided it gave a pledge not to enter into any negotiations with the staff of Coatbridge Bank for their services, etc.

The result was that, as we of Airdrie were unwilling to do anything contrary to the wishes of the Government Department, we dropped all further negotiations for taking over the office and staff of the Coatbridge Bank as had been arranged at the Conference. Instead, we decided to rent premises of our own. An office at 56 Main Street was secured and, after making suitable alterations at a cost of £500, the formal opening took place on 1st September, 1916.

The Coatbridge management still adhered to their resolution to close their bank, and although in deference to the Government they continued to transact business for some time, it soon became apparent that it was useless to continue. At last the Government, after making several vain attempts to persuade in their turn Glasgow, Motherwell, and Falkirk Savings Banks to take over the Coatbridge Bank, granted leave for its formal winding up.

Such is the story of the Bank's advent into Coatbridge. Though, to protect ourselves, we took a five years' lease of the office at 56 Main Street, we never regarded the latter as otherwise than a temporary habitat. Formerly a single shop, it was utterly inadequate for the business, besides being undignified, and wholly unworthy alike of the Bank and of the town. But the War was still raging. Building operations were prohibited except for essential industries. In any event there was the formidable difficulty of securing a proper and central site. The Directors, however, recognised the necessity of keeping a constant look-out, so as to take advantage of any opportunity that presented itself. About three years later an opportunity did come, and was at once seized. On 14th May, 1918, the Directors were able to announce in the local press that they

had purchased the Royal Hotel Buildings at the Cross—the very "hub of the universe" of Coatbridge—for the purpose of an office for the Bank. The announcement came as a great surprise to the community, but depositors hailed it with great satisfaction. The site, certainly, was the very best that could be desired. Occupancy was obtained at Whitsunday, 1919, and no time was lost in proceeding with the new erection, but I shall leave further reference to it for another chapter.

The Coatbridge Savings Bank having ceased to exist prior to the Annual Meeting of the Bank, in January, 1917, the Directors felt themselves free to implement the terms of the proposed arrangement which the Government vetoed at the time of the negotiations.

The names of Provost Davie and Treasurer Lavelle were added to the list of the Bank's Trustees, and ex-Provost Davidson, Mr. William Fraser, of Lochrin Works, and Mr. William Service, Rector, Coatbridge High School, were appointed Directors.

CHAPTER XXXV.

The Bank's Operations during the War.

FOURTH PERIOD.

Year 1917.

The 5 per cent. War Loan.

When the year opened there were rumours of the issue of another War Loan, and speculation was rife as to its probable terms. Hitherto the Government had been more than generous, especially in later borrowings. Even a 6 per cent. rate was being offered for short-period Exchequer Bonds. Every new issue was accompanied by a higher rate, which had the effect of tempting investors to hold back in the hope that the Government could be further squeezed. The ordinary man, however, was wondering when the Government would take a firm stand against the financiers, and become masters of the situation. He was often heard asking—If men can be commandeered for the war, why not money?

There were others, too, who had good reason to question the prodigality and unfairness of the financial policy of the Government. For instance, owners of heritable property pointed to the treatment meted out to them by the "Rents and Rates Restriction Act," which pinned them down to pre-war rents. Similarly, persons who had invested, in some cases their all, in bonds over property, justly complained that by the same Act they were precluded, not merely from raising the rate of interest on their bonds, but were actually debarred from realising their principal by calling up their bonds. These two classes had surely a right to say to the Government:—If you have restricted our income from our investments to the pre-war standard, and, worse still, placed us in the position

of not being able to realise them, why do you not take steps to compel those who have money which you have not tied up—money, moreover, mainly made through the War—to lend such money to the State also at pre-war rates of interest?

Such reasoning was unanswerable. There were also the depositors in the Government Controlled Savings Banks who were being paid the pre-war rate of interest on their deposits. There was more reason why their interest should have been raised than on money made through the exigencies of the war. The fact is that all accumulations of new wealth arising from the war should have been handed back to the State, at not more than pre-war rates of interest. If such a policy had been adopted, there would have been less extravagance, and far more economy practised amongst all classes. But of much greater importance, the future results would have been far-reaching. Who can estimate what the effect would have been on the post-war situation? There would be problems, no doubt, which we would have to solve, but their solution would have been greatly expedited if our burden of war debt interest had been less.

However, our present position might have been worse, had it not been for the strong attitude taken up by the late Mr. Bonar Law, who became Chancellor of the Exchequer just before the 5 per cent. War Loan was floated. To him we are indebted for putting a stop to the ever-rising tide of high rates on borrowings for the country's needs. Before the 5 per cent. War Loan was issued, he announced to all whom it might concern that, if he could not find the money for the forthcoming loan at a reasonable rate, he would take measures to obtain the money otherwise than voluntarily.

When the terms of the new loan were made public in January, 1917, they showed that Mr. Bonar Law had meant what he said. There were two forms of stock, one being at 4 per cent. free of Income Tax, and the other at 5 per cent. In the latter case the tax would not be deducted on payment of dividend, but persons liable to assessment would be charged tax direct. The price of issue was 95, and the redemption at par was provided for in any years from 1929 to 1947.

Mr. Bonar Law made a strong appeal to the nation to support the loan. He described it as the people's "Victory Loan." The

PLATE 28.



THE LATE SIR JOHN WILSON, BART., OF AIRDRIE.

in the former 4½ per cent. Loan was converted into an equivalent holding in the new stock. The bank could well have taken up a considerable amount of the new stock, but the Directors took the view that, for the time being at least, the £50,000 converted from the 4½ per cent. Loan was sufficient to risk in a long-dated security—a decision which, as subsequent events showed, was sound, as in a short time afterwards the loan fell in price considerably.

Though the 5 per cent. Loan did not apparently affect the state of the Bank's funds by reason of withdrawals of deposits, it retarded for some time the growth of the funds. Nearly all the public works in the district, following the example of the Corporation, took out allotments on behalf of their employees, the latter paying them up by weekly deductions from their wages. There was thus less money available for depositing in the banks. Nevertheless, by Whitsunday, 1917, the Bank had recovered more than had been withdrawn on account of the loan, and six months later the Bank's financial year closed with a total increase in the funds for the year of £120,000. The Directors had every reason to be satisfied with the results of the year's operations, more particularly when the number of depositors was now 24,045, as compared with 13,435 in 1914. Further, the results convinced them of the soundness of their policy in the handling of the Bank's affairs. But the full fruits of that policy were yet to come.

CHAPTER XXXVI.

Opening of Bellshill Office.

27TH JULY, 1917.

THE advent of the Bank into Bellshill formed a part of the Directors' progressive policy during the war. Immediately after arrangements to open at Coatbridge had been completed, steps were taken to reconnoitre the Bellshill area. As at Coatbridge, so at Bellshill, the Directors had previously been approached by individual depositors residing in the district to consider the question of opening a branch office. The Directors having favourably entertained these overtures, the first step taken was the appointment of a small committee to interview some of the leading employers of labour in the district, and otherwise to make enquiry into the probable prospect of the proposed venture.

The committee consisted of Hon. Sheriff Rankine, ex-Provost Davidson, Messrs. Wm. Neilson, John Benson, ex-Bailie Kennedy, Mr. William Service, and the Manager. The committee at once got into touch with several of the leading gentlemen in Bellshill, including Mr. Peter N. Cunningham, J.P., Clydesdale Iron and Steel Works; Mr. James Austin, J.P., Baker; Mr. Archibald Watson, J.P., Mossend Works; Mr. John Harkness, J.P., and others. The committee also interviewed Mr. Gavin Blackie, Registrar, to ascertain if he would accept appointment as local manager.

The committee received the greatest encouragement from all parties, and, as regards an office, most suitable premises at 229 Main Street, Bellshill, were found available. The committee having reported the result of their inquiries to the Directors, the proposal to proceed with the establishment of an office at Bellshill was agreed

to. The Directors further resolved to invite Mr. Peter N. Cunningham, J.P., to accept office as one of the Bank's Trustees, and Messrs. James Austin, J.P., and Archibald Watson, J.P., as Directors. In addition to these appointments, the Directors considered that the setting up of a local Advisory Committee would be of great service in promoting the success of the new branch. This local Advisory Committee would be composed of influential representative gentlemen, and would form an additional link in popularising the branch throughout the district. While the Committee would be purely advisory in its functions as regards the management, the Directors felt that their local knowledge, influence, and advice would be most helpful to them in the promotion of the business. The following gentlemen were accordingly appointed and accepted office :—Messrs. Archibald Watson, J.P., James Austin, J.P., James Stewart, James M'Court, Alexander A. Dick, John Harkness, Thomas Russell, Robert Anderson, John Dawson, James Paterson, Charles Law, and Joseph Neil, with Mr. Peter N. Cunningham as chairman.

Mr. Gavin Blackie was appointed and accepted the position of local branch manager. The Directors considered the Bank fortunate in securing his services. Mr. Blackie belonged to an old and highly respected Bellshill family. He occupied the position of Registrar for the district, and had identified himself with the more prominent public activities of the town. He was popular in the very best sense of the term, and had all the qualities for making an ideal savings bank official. The subsequent success of the Bellshill office bears ample proof that Mr. Gavin Blackie was assuredly the right man in the right place.

As regards accommodation, the Bank was also fortunate in finding suitable premises at 229 Main Street. A long lease was arranged, and some necessary structural alterations made. Special accommodation within the office was provided for Mr. Blackie as Registrar, so that in this respect the whole community benefited by getting a central up-to-date Registrar's office free of cost along with the advantages of a local savings bank office.

The opening ceremony of the new office took place on 27th July, 1917, when a large and representative gathering assembled. The Trustees of the Bank were represented by Sir John Wilson,

Bart., of Airdrie; Treasurer John Lavelle, J.P., Coatbridge; the Directors by Rev. William Reid, Airdrie, Vice-President; Mr. James Austin, J.P., Bellshill, Director and Vice-Chairman of the local Advisory Committee; ex-Provost Davidson, J.P., Coatbridge; Bailie Armour, Mr. James Hamilton, J.P., ex-Bailie Kennedy, J.P., Mr. Simeon Lewis, ex-Bailie Wm. Neilson, J.P., Hon. Sheriff Rankine, J.P., and Mr. John Benson. There ware also present ex-Provost Knox, J.P., Airdrie, Manager; Messrs. Robert Anderson, John Dawson, Alex. A. Dick, John Harkness, Charles Law, James M'Court, Jos. Neil, James Paterson, Thomas Russell, and James Stewart, members of the Advisory Committee; Mr. John J. Cossar, Registration Examiner, Edinburgh; Mr. Alex. Hamilton, J.P., Chairman of Bothwell School Board; Mr. Gavin Blackie, Bellshill; and Messrs. D. MacFadyen, Hugh Simpson, John B. Allan, officials of the Bank.

In the unavoidable absence of Mr. Peter N. Cunningham, Mr. James Austin, J.P., presided, and in a most interesting address said " he was pleased to be there and to associate himself with that very practical and useful institution, the Airdrie Savings Bank. As far back as he could remember they had had in Bellshill a Penny Savings Bank which was open on Saturday evenings. A further opportunity for saving was given in the Public School on Monday mornings, when considerable sums in small deposits were received by the teachers. These sums passed through the books, and were included in the ordinary business of the local branch.

" That bank, which had been all along under the manageemnt of their good friend, Mr. William Neilson, of the Bank of Scotland, had rendered excellent service to the community, in the way of conserving the small savings, not only of families amongst the working classes, but of families amongst all classes of the people. There were many who owed their habits of thrift to their early training as depositors in the Penny Savings Bank. They had also the Post Office Savings Bank, but the amount of general business which passed through the Post Office in a busy district like theirs made it difficult to get prompt service. He understood that in this new institution large or small sums could be deposited or withdrawn with a minimum of waiting.

"The Directors of Airdrie Savings Bank had been exceedingly opportune in their time of opening the new branch. They had also been very happy in the location and convenience of their premises, and fortunate in their prospects of the amount of business available. The appointment of a local manager was a very important part of the arrangement, and he heartily congratulated the Directors in their good fortune at the outset. He had every confidence in saying that, with reasonable encouragement and with the help of the influential local committee the Manager had gathered around him, the Bellshill Branch would grow, both in extent and usefulness, and he could safely predict its development into a very busy and important branch.

"Bellshill had sprung from a small weaving village, with limited employment, small wages, and parochial ideas, into an integral part of one of the busiest and most populous industrial areas in Scotland. All their activities now demanded the maximum of energy. Their coal mines and iron and steel works, as well as their munition works, were working to their fullest capacity. Employment of all kinds was plentiful and wages were high. There never was so much money passing through the hands of the working classes, and their spending power was fabulous. Those were the conditions under which they were opening that branch.

"They earnestly hoped, therefore, that that institution born that night, in an atmosphere so electrically charged with possibilities, would prove a prolific medium in the promotion and encouragement of economy and thrift, and that an effort would be made, both by the officials and the local committee, to make it very specially interesting and conspicuously attractive.

"It was a universally accepted fact that the government in the direction of the spending power of the people was one of the most important influences in the whole gamut of social amelioration. Anything which would help in any way to send the earnings of the workers along the best and most profitable channels was worthy of their support and highest commendation. An inadequate sense of the importance of how to save and how to spend was a very real detriment to their well-being, physically, socially and morally. For those reasons he heartily welcomed the opening of that branch

of the Airdrie Savings Bank in Bellshill. He trusted it would go on and prosper in their midst, and that all classes of the people would rightly realise the necessity and the advantage of having something in reserve to meet the exigencies of a rainy day.

"It was with a due appreciation of the honour and a very special pleasure that he now asked Sir John Wilson, Bart., of Airdrie, on behalf of the local Advisory Committee, to accept a gold key as a memento of the occasion and to declare the Bank open for business."

Sir John Wilson said "he esteemed it a great honour to be present on such an important occasion as the opening of the Bellshill Branch of the Airdrie Savings Bank. They were sorry that Mr. Cunningham was not able to be there, but he thought that in Mr. Austin they had had a very able substitute. Mr. Austin had made it perfectly evident to them all that a branch such as that was very much required in Bellshill. They fully expected that it would be a great success. Having been connected with the Airdrie Savings Bank for many years as a Trustee, and having taken a deep interest in all its affairs, he could certify to the people of Bellshill and district that it was a thoroughly sound bank. It was not a bank of mushroom growth. It was a bank of great stability and great success, and had been the means of diffusing a large amount of money among the inhabitants, which they would not have got had they been connected instead with the Post Office Savings Bank. The Airdrie Bank was able to pay a higher rate of interest, and a sum of fully ten thousand pounds per annum was given to the inhabitants of Airdrie over and above what they would have had under the Post Office Savings Bank.

"They had come there to give the people of Bellshill similar benefits, but the people of Bellshill must first pour their money into the Bank. They had heard so much in the past about encouraging thrift that he thought it was their duty to provide facilities for saving. There was no better means of saving than in such a bank as that.

"The advance of the Airdrie Savings Bank had been phenomenal. He remembered when the deposits were smaller than they were now, and it seemed absurd to dream of, let alone rise to, the

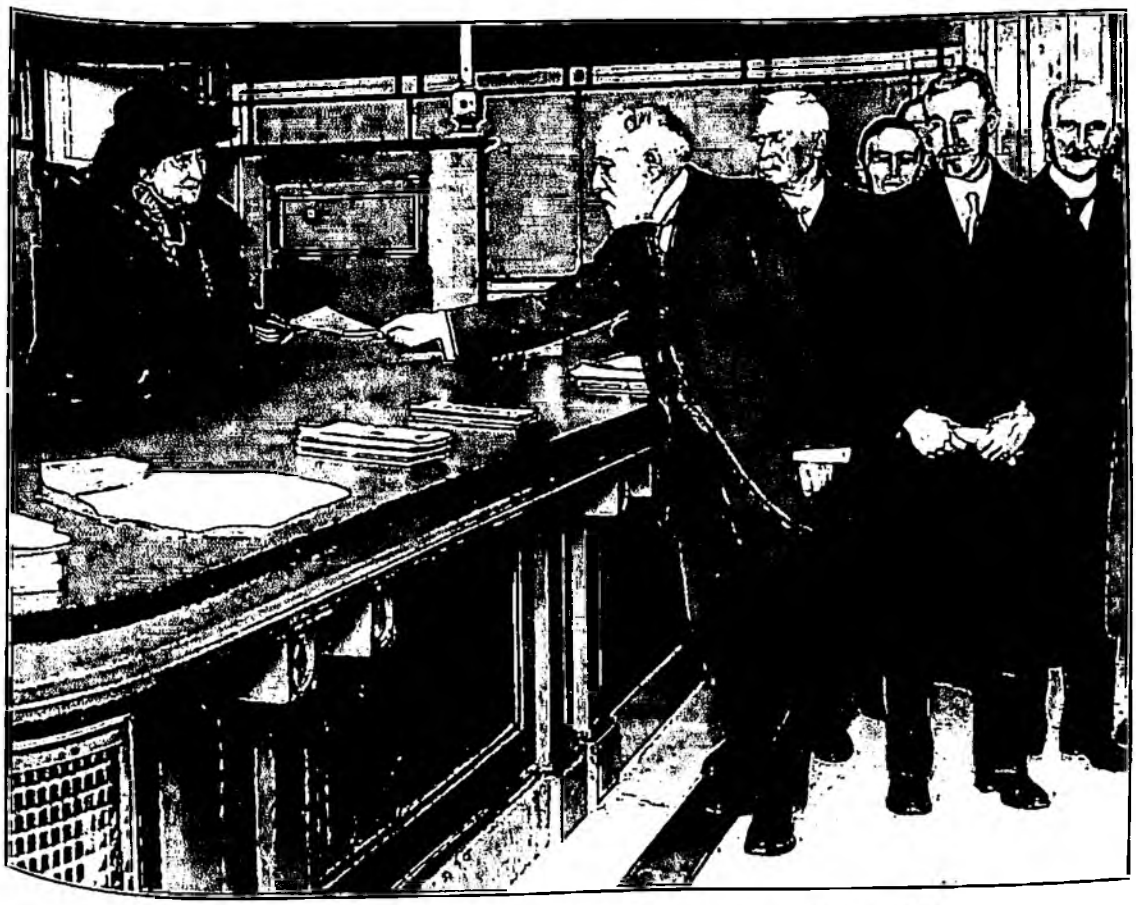
possibility of having a million pounds of funds. Not only had they a million in the Bank, but, with the addition of the Coatbridge and the Bellshill Branches, he thought they might yet see ex-Provost Knox presiding at the head of all these banks with accumulated funds of two million pounds. He had great pleasure in accepting the key as a memento of the occasion, and in declaring the Bank open. There could be nothing better for a man, and nothing could make him more independent, than having a good 'nest egg' in the Bellshill Bank."

Mr. James Paterson, Bellshill, "expressed the pleasure it gave him to take part in the opening of those elaborately fitted offices for carrying on and extending the business of the Airdrie Savings Bank. It was the hope of everyone there that the branch would prove a success. He felt sure that the inhabitants of Bellshill and district would take full advantage of the facilities placed before them to cultivate a spirit of thrift and economy.

"Being an Airdrieonian, he could well remember when the Airdrie Savings Bank was not of such magnitude as it was at present. There was a time when one could only go to the Bank on certain days and at certain hours to do business, but now one could go any day of the week. The progress of the Bank had been so marked that it was deemed advisable a short time ago to open a branch in Coatbridge for the benefit of the people there, and now they had a branch in Bellshill and district. The affairs of the Bank were in the hands of very capable men, in whom the most implicit trust could be put. It was seen from the annual report that the money entrusted to their care had been invested in the best possible way. He thanked the Trustees and Directors for having chosen him as one of the Advisory Committee of the Bellshill Branch. Nothing would be wanting on his part to further the interests of the branch and of the Bank generally."

Mr. Dick, chemist, Bellshill, submitted a motion "recommending the facilities and advantages presented by the Bank to the general public, and particularly the wage-earning classes." He said "that to teach a community the first principles of thrift was, perhaps, to confer upon it one of the greatest blessings it was possible, socially, to confer upon it. The coming of the Bank and the influence

PLATE 29.



OPENING OF NEW HEAD OFFICE BY EMMA, LADY WILSON.

it would exert over the community might change the whole atmosphere and social standing of their little town. They were deeply indebted to the Airdrie Savings Bank for having consented to open that branch. He did not feel that they had come there because they had something to gain. They had come because they had something to give." Mr. Stewart seconded the motion.

Ex-Provost Knox, J.P., Manager of Airdrie Savings Bank, speaking on behalf of the Directors, said "they were delighted with the reception they had got in Bellshill and district. It augured well for the success of the undertaking. He believed they had taken a step which the Directors would never regret, and which the people of Bellshill would more and more appreciate in the years ahead."

CHAPTER XXXVII.

The Bank's Operations during the War.

FIFTH PERIOD.

Year 1918.

"Tank 'Julian's' Visit."

The end of the War was not yet in sight, but the money raised by the 5 per cent. War Loan had long since been spent. Further borrowings had become necessary. These took the form of five, seven, and ten years' "National War Bonds." These Bonds bore 5 per cent. interest and were issued at par, but on redemption premiums of £2, £3, and £5 per cent. respectively were payable.

This was exactly the class of security the Bank desired, and accordingly the Directors converted most of the Treasury Bill holdings into National War Bonds.

By way of stimulating public interest and furthering the sale of National War Bonds and War Savings Certificates, "Tanks" visited the large cities and towns, when a week's special Thrift Campaign was carried on. During the second week in January, 1918, one of the "Tanks" visited Glasgow, when a very successful "haul" was made—the total sum invested through the Tank reaching to several millions. The Savings Bank of Airdrie figured amongst the largest contributors with a purchase of £100,000 of National War Bonds. The Lord Provost took special notice of the substantial help to the city's effort and thanked the Directors. This contribution by the Bank attracted much attention within our own area, and still further increased its popularity.

The next great "stunt" was a "War Weapons" week organised by the War Savings Committee. The aim of the Committee

was to raise in each district a sum equal to £2 10s. per head of the population. A list of war weapons, including torpedo boats, aeroplanes, tanks, etc., with their respective costs, was published, and each district, according to its capacity, selected one or more weapons, the cost of which it undertook, if possible, to raise. At £2 10s. per head of the population of Airdrie and Coatbridge, the sum to be raised within these burghs worked out at about £160,000.

In Scotland the "War Weapons" Week was fixed for 8th to 13th April, 1918. The Town Councils of Airdrie and Coatbridge asked the Bank to organise the scheme in each town. The Directors agreed, and, further, offered to make up the burghs' contribution, if necessary, to the required £160,000. The result of the effort was that only £15,482 was contributed by the public direct—the greater number preferring to put their contributions through their bank accounts and leave the Bank to do the investing for them. Accordingly the Bank took up £150,000 of National War Bonds on its own account. This made a total contribution for the district of £165,482, which was allocated as follows:—To the credit of Airdrie's share, £74,424; Coatbridge, £66,058; and Bellshill, £25,000. Here again the Bank scored another marked success.

The last special effort made locally was on 14th, 15th, and 16th August, 1918, when the Burghs had a visit from tank "Julian." Again the Town Councils asked the assistance of the Bank staff. "Julian" was at Coatbridge during the first two days, and visited Airdrie on the third day. At Airdrie the Town Hall was placed at the disposal of the staff. Lord Strathclyde visited the town in the morning and expressed to me his great satisfaction with the arrangements, and asked me to convey to the Directors of the Bank his appreciation at what the Bank had accomplished, especially since the war began. "There is," he said, "no other savings bank I know that has done so much in the cause of thrift propaganda and help for the Government."

"Julian's" visit was made a success by the Bank on its own account taking up a further sum of £50,000 in National War Bonds.

During 1919 the funds of the Bank increased by nearly £300,000, which till then constituted a record in its history. The number of depositors had increased by 2,676—the total being 26,721.

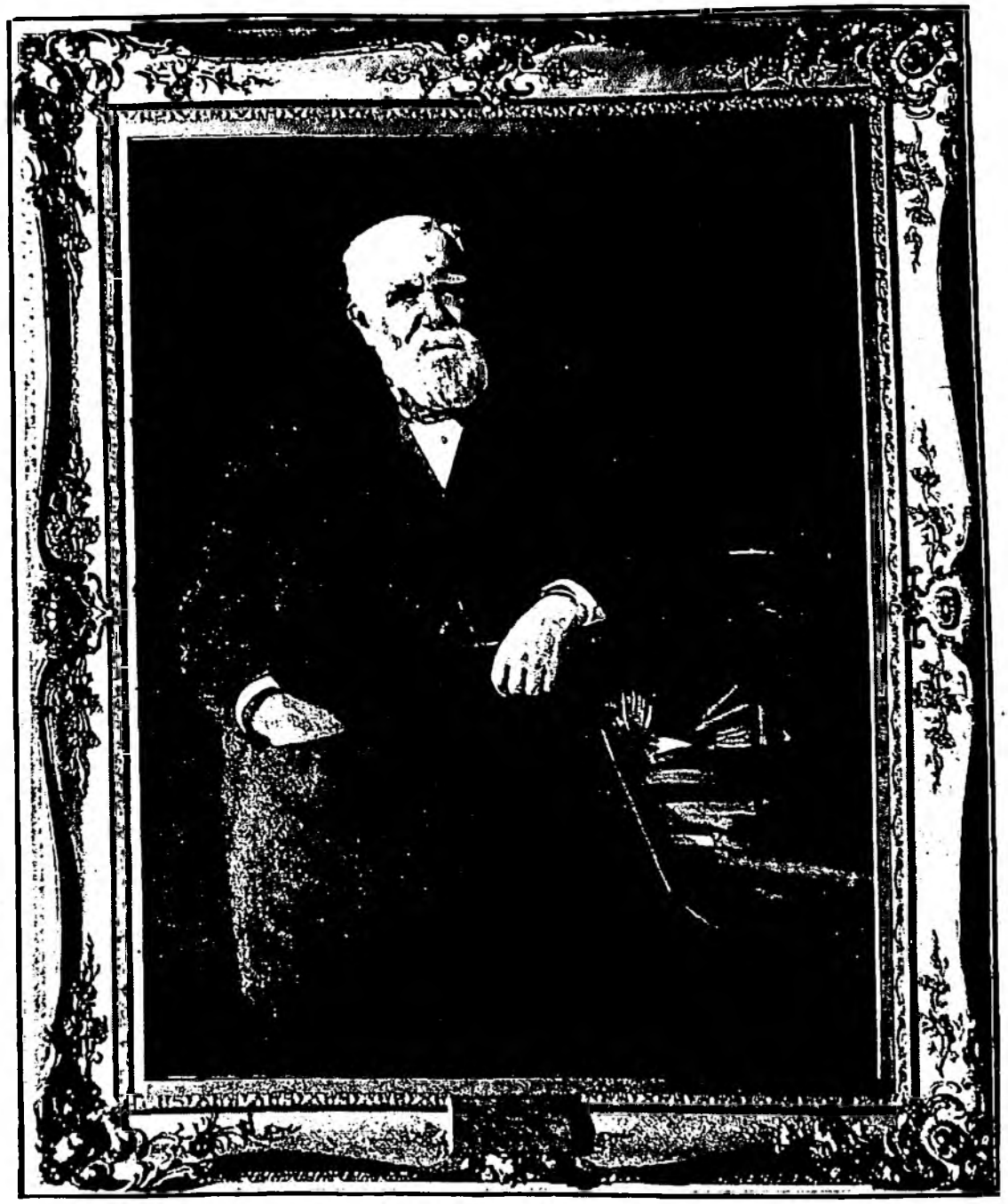
CHAPTER XXXVIII.

Mr. David Martyn, J.P.,

EIGHTH PRESIDENT, 1906-1918.

As the immediate successor to ~~Provost~~ David Martyn in the civic chair, I was privileged on 10th May, 1906, to be the medium of conveying to him the tribute of a grateful community for the services he had rendered to his native town, and I did so in the following terms, as reported in the *Airdrie Advertiser* :—" We are met, gentlemen, to do honour to one whom the municipality of Airdrie has long delighted to honour—to one, indeed, of whom the whole community of Airdrie is justly proud. This large and influential and representative gathering—at any rate during my civic experience it is the most representative I have ever witnessed—is, I think, evidence enough of that high esteem and sincere respect in which our guest is held by all sections of his fellow-townsmen. Moreover, it is gratifying in the extreme—it is honourable alike to him and to us—that that respect and esteem have not been born of any low or false estimate. Too often does the world appraise worth in man by some inferior standard. We are told of three great cities in America —Boston, Philadelphia, and New York—that in the first-named the people worship only intellect, and that there the main question in regard to anyone is, ' How much does he know ? ' In Philadelphia, on the other hand, they worship rank, and there the question is, ' Who was his father ? ' Whilst in New York, where the ' almighty dollar ' is supreme, the only question they put is, ' How many dollars is he worth ? ' But, gentlemen, we have looked to a higher and nobler standard. We still believe with Robert Burns that ' the man's the gowd for a' that.' And I think our presence here this evening is striking testimony to the sincerity of our belief. We come not here to pay homage to mere money or rank or learning.

PLATE 30.



INSCRIPTION ON FRAME.

JOHN GLEN, ESQ., J.P., GLENGOWAN.
TRUSTEE OF AIRDRIE SAVINGS BANK FROM 1901 TO 1922.
PRESENTED BY CHARLES GLEN, ESQ., J.P., 12TH NOVEMBER, 1925.

It is the man himself who has drawn us hither. It is the man himself who has drawn forth that universal admiration and regard of which I have just spoken. We worship to-night not intellect or rank or riches. We worship character, which, after all, gentlemen, is the grandest and greatest thing in the world. For if it be true that there is nothing great in the world but man, it is equally true that there is nothing truly great in man but character. And so, gentlemen, I feel my task at this time to be, in one sense at least, an easy one. Character needs no recommendations. It ever pleads its own cause. I do not, therefore, require to colour my picture, nor have I anything to hide. There stands our worthy ex-Provost—a man of sterling character—and what more need I add? The world, it is said, is always looking for men who are not for sale; men who are honest, sound from centre to circumference, true to the heart's core, men whose consciences are steady as the needle to the pole; men who will stand up for the right though the heavens should fall and the earth totter. These are the men who form the backbone, the strength, the glory of either a town or a nation. And to such a class belongs the man whom we now seek to honour. Throughout Provost Martyn's long and honoured career we see the man of industry, of integrity, of high principle, of sterling honesty of purpose—a man in every way to be trusted, whose very presence inspires confidence. Of Provost Martyn's services to his native town time would fail me to speak. His strong sense of duty—that which every true man feels—that no one can live to himself alone, nor even to his wife and family, but that he has duties to his fellows, to his town, to his country, and to the world—that abiding sense of duty early threw him into the public service. And so we find our guest a member of the School Board for many years. Then, some twenty years ago, he entered the Town Council—graduating as Councillor, Magistrate, and Treasurer, till he attained the highest civic position of Provost of the Burgh. His is a record of which he may well feel proud, and which is worthy of our best emulation. His term of Provostship, which extended for six years, marks a period of progress in municipal enterprise unexampled in the history of the Burgh. Such important schemes as the purchase of the water undertaking, involving nearly half a million of money, the introduction of elec-

tricity into the town, and the inauguration of the tramway system, and the taking over of the gas works, were all completed under his guiding hand. We were fortunate, indeed, in having such a man at the helm during those eventful years. I have always looked upon Provost Martyn as a typical Scotsman, who had inherited the best characteristics of our race. These traits often stood him and us in good stead when confronted with many of those municipal problems which are ever and anon cropping up. He was cautious, shrewd, and persevering, and that love of home and homeland which has ever been a distinguishing feature of the Scottish race, has all along shone forth in his efforts on behalf of the town of his fathers. As Provost, our guest at all times lent dignity to the chair. Every member of Council could look up to him. It is not always an easy matter to control other fourteen Councillors, some of them at times bent on mischief, and more particularly when, as frequently happened during our ex-Provost's reign, these fourteen gentlemen took it into their heads to divide themselves up into seven-a-side and have a pitched battle. To be an impartial umpire on such occasions required even more grit and nerve than is usually credited to the modern football referee. He has gone from the Council Chambers now, but his influence will long remain. Though he is now where the wicked Councillors cease from troubling and the weary Provost is at rest, we trust there is yet before him many years of useful labour. The Town Council has not a monopoly of beneficent works. There are other fields of laudable endeavour, and in some of those fields our guest has already become a veteran. Scotsman as he is, he has been a man of thrift, and for over 30 years he has materially helped on the work of that admirable institution, the Airdrie Savings Bank. Other philanthropic and social movements have found in him a staunch friend. The men who love their town the most will always be found cherishing the desire and doing something for its welfare and improvement. That Provost Martyn loves the old Burgh cannot be doubted, and our prayer to-night is that he may be long spared to do useful work for the town and people he has so long and faithfully served."

The foregoing tribute was spoken by me 12 years before Mr. Martyn's death, but these 12 years, not only further confirmed every

word I had spoken, but also provided additional testimony that they were well within the mark.

As regards the Savings Bank, Mr. Martyn, as a Director from 1877 to 1908, was one of the surest, safest, and strongest guides the Bank ever had, and as President from 1908 until his death in 1918 he was in addition an ideal chairman. Thus for 41 years he was associated with the Institution. He joined just as the tide of progress had commenced to flow. It flowed continuously and with a gathering impetus all through his long term of service. He lived to see the first million deposits reached, and I remember what a shake of the hand he gave me on that occasion. For many years prior to his death he was almost a daily visitor at the office. Many an hour we spent together discussing and planning the Bank business. His devotion to the Bank's interest was intense. It may have been equalled, but it never has been surpassed. He knew the value of such an institution to the community. That was alike his one inspiration and his sole reward. His name will ever have a foremost place amongst the men who built up the Savings Bank of Airdrie.

Provost Martyn belonged to an old Airdrie family. His father was senior partner in the Iron Foundry of Martyn Brothers, Chapel Street. Mr. Martyn was born in 1839. As a lad he entered the employment of Mr. Main, of the Cloth Hall, Stirling Street, and while only 21 years of age he was assumed as a partner in the business. Four years later, however, he severed his connection with the Cloth Hall and commenced on his own account in Stirling Street. There he soon developed a fine business. In 1878 he acquired more extensive premises near the top of South Bridge Street, where the business is still successfully carried on by his eldest son, Bailie David Martyn. The latter also succeeded his worthy father as a Director of the Bank, and further following in his father's footsteps entered the Town Council, being at present a magistrate of the Burgh.

In business as well as in home affairs Provost Martyn had an able partner in his wife. Mrs. Martyn superintended all through the dressmaking and millinery departments of the business, and the success of these departments was due to her capable and energetic management. Mrs. Martyn still survives, and is hale and hearty.

Only a few years ago, when she was about 80, she paid a visit to one of her sons, who is in business in Australia.

Provost Martyn devoted much time to public affairs. I have already referred to his municipal and educational activities. In addition he was a J.P. of the County of Lanark. He was also a keen politician, being President of the Airdrie Liberal Association for many years. As a recognition of his services to his party he was presented with his portrait in oils at a large meeting in the Public Hall. The late Mr. Donald Crawford, M.P. for North-East Lanark, presided, and I had the honour of making the presentation.

The Martyn family have been associated with the Baptist Church, Airdrie, from its institution, and have been amongst the church's most ardent and liberal supporters. The family were all musical, and a remarkable fact is that three generations—the Provost's father, the Provost himself, and his son, Bailie David Martyn—led the singing in the church for the long period of 50 years.

In conclusion, let me add a personal note. Provost Martyn and I were long associated in public affairs. I had in him at all times "a guide, philosopher, and friend." Yea, more, as he was twenty-three years my senior, I looked up to him as a son to his sire, and when he passed away I lost one whom I had early learned to revere and honour.

CHAPTER XXXIX.

A Post-War Stock-Taking,

15TH NOVEMBER, 1919.

ON 11th November, 1918, the armistice was signed. The titanic struggle which had convulsed the civilised world for four and a quarter years had ceased. The allies had won, and the Great War had ended.

Four days later, on 15th November, 1918, the Bank completed its eighty-fourth year. So far, the war had but added to its former prestige. However, it was perhaps too soon to accurately measure the full or ultimate effects which new conditions arising out of the war would have on the future of the Bank. Vast changes had been wrought. Indeed, in many important aspects, the Bank was hardly recognisable as the Airdrie Savings Bank of pre-war days. I propose, therefore, for my present purpose to allow another year's operations to pass before examining the position and estimating the future prospects of the institution.

What then do we find as outstanding factors in the position at the close of the Bank's eighty-fifth year as at 15th November, 1919? The most significant feature which meets the eye is the phenomenal increase in the total funds as compared with pre-war days. At 15th November, 1914, the funds, in round figures, stood at £900,000. At 15th November, 1919, they had increased to £1,900,000. That is to say, the Bank had taken eighty years to gather £900,000, while during the succeeding five years it gathered no less than a million pounds additional. In other words, the Bank in these five years more than doubled all that it had accumulated in the previous eighty years.

These startling facts may call forth from the ordinary reader nothing more than Dominie Sampson's favourite ejaculation "pro-

digious," but to the management of a bank, constituted as ours, they raise questions of supreme and vital import which demand the most careful consideration. Foremost amongst these questions were, Could the million pounds of new money be regarded as a permanent addition to the deposits? Were we entitled to assume that it was similar in character to the usual increases of past years? Since 1878 until 1914—a period of thirty-six years—there had been an annual addition to the deposits. We had, therefore, not without good reason, come to look upon these yearly increases as the natural and permanent growth of the institution. But these increases were gradual. They averaged less than £25,000 per annum spread over the thirty-six years. Here, however, in these last five years (1914-1919) the average had risen to £200,000 per annum. Was it reasonable, therefore, to place this abnormal inflow of new deposits in the same category as the natural inflow of the past?

On the answer to that question much depended. In particular, it would materially influence the policy to be pursued in the all-important matter of the Bank's investments. If the million of new money lacked the character of permanency which the ordinary increases of the pre-war period possessed, then the old standard which had regulated the investment of the Bank's funds in relation to the proportion to be placed " at call," " on short-dated loans." and " on longer-dated securities " would require revisal. In pre-war days what was considered a safe standard was that one-third of the total funds should be " money at call " ; one-third " money on short loans," and the remaining third " money on longer-dated securities."

The question, therefore, was of prime importance, and I prepared a lengthy report on the whole subject for the information and consideration of the Directors. The report is perhaps too technical and certainly too voluminous for inclusion here, but a simple synopsis may be of some interest to the ordinary reader, providing as it does an excellent example of the problems which arise in the management of a savings bank like ours.

My report proceeded, in the first place, to inquire into what cause or causes were responsible for the abnormal development in the funds. That appeared to me to be the best way of arriving

at a sound and safe finding on the question of their permanency or otherwise. I mentioned the following as being in my judgment the three chief causes :—

(1) The exceptionally high wages earned by the majority of the industrial classes within our area.

(2) The opening of branch offices of the Bank at Coatbridge and Bellshill, and the extensive thrift propaganda carried on by the Bank.

(3) The attractive rates of interest allowed on deposits.

As regards the first of these causes, I was of the opinion that any increase due under this head was likely to be permanent, and that for the following reasons :—

(1) Depositors belonging to the industrial classes had always preferred and had good reasons to continue to prefer a savings bank pass-book to any other form of investment.

(2) Notwithstanding, however, their preference for a bank book, many of this class had been induced or compelled through their works' offices or otherwise to take up holdings in War Loans or War Savings Certificates. Others of the same class, though to a limited extent, had made similar investments through the Bank. The last-mentioned investments, together with those of other depositors, also made through the Bank, totalled as much as £500,000. Thus the increase in deposits due to the high wages did not, after all, represent the whole savings of the class of depositors referred to. On the contrary, it may reasonably be taken as representing a surplus which they desired to remain on permanent deposit.

(3) The vast majority of those who had been taking advantage of their high wages by adding to their savings in the Bank belonged to the thrifty class, who would still save when their wages again dropped to nearer normal. Comparatively few who were non-savers before the war became thrifty and saved during the period of high wages.

As regards the second cause which I gave in my report as explaining the million pounds of an increase in the five years (1914-1919)—viz., the opening of branch offices of the Bank—the latter accounted for about half the increase. These offices brought in nearly 10,000 additional depositors. No doubt the branches were only

" new starts," and the deposits might not be entitled to be regarded with the same confidence of permanency as at Airdrie, where the Bank had existed for 85 years. Nevertheless, there was reason to believe that in their case the results would increase rather than diminish. They were planted in busy centres, and were bound to gather strength as time rolled on.

Then, as regards the third point, there can be no question as to its influence, not only in attracting new deposits, but also in retaining the old ones. The raising of the deposit rate to 4 per cent. in August, 1915, was, as I have already pointed out, the turning point between success and failure in the progress of the Bank during these critical years of war.

Now, as the maintenance of the 4 per cent. rate would probably have an important bearing on the immediate future, my report proceeded to examine in detail the Bank's ability to continue the rate. I considered the question from three view points :—(1) On the assumption that the deposits or total funds would remain stationary for the next five years ; (2) on the assumption that they would decrease ; and (3) on the assumption that they would increase.

An analysis of the Bank's investments showed that the average yield per cent. per annum had increased from £3 13s. 2d. in 1914 to £4 11s. 8d. in 1919. The general outlook in the realm of finance indicated that for the next five years at least money would continue to be dear. The probability, therefore, was that the average yield from the Bank's investments would still further appreciate during the next five years. If the deposits remained stationary that probability would become a certainty, for about £350,000 of pre-war investments would fall due within five years, and would thus be available for re-investment at the prevailing higher rates.

Other factors in the situation, such as increased cost of management and increased charges in respect of Income Tax on depositors' interest liable to assessment — which the Bank met — had also to be considered. But taking every material factor into account, my report showed that, in the event of the deposits being maintained, there could be no question of the Bank's ability to continue the 4 per cent. deposit rate of interest for even a longer period than five years.

As regards my second view point—viz., that the total deposits would decrease—I found that the decrease would require to be more than £500,000 before the 4 per cent. rate was jeopardised. That was a contingency very remote.

Then, in the case of my third assumption—viz., that the deposits would increase—there could be no anxiety whatever as to the continuance of the 4 per cent. rate, provided the price of money remained at its present point. Every addition to the deposits would mean an addition to the annual surplus and reserve, which would only add to the Bank's ability to meet the depositors' interest.

My report concluded in the following terms :—Thus none of the three main causes which I regard as having been the principal contributing factors to the abnormal increase in the deposits during the last five years suggest to me that that increase may not be reckoned upon as representing a permanent addition to the total funds of the Bank.

Such is a brief and simple summary of this section of our post-war stocktaking of 1919, and subsequent history testifies to the soundness of its findings.

CHAPTER XL.

Speeding-Up the Reserve Fund.

THE post-war stocktaking of 1919 referred to in the preceding chapter was not limited to the examination of the phenomenal inflation of the deposits. Having satisfied ourselves on the probable permanency of the increases, attention was next directed to an inquiry into the policy to be pursued in regard to the future investment of the funds.

With the close of the war the position had entirely changed so far as the Bank was concerned. In the first place, the Directors had been relieved of any obligations under their resolution of 1915, whereby they had pledged the Bank to divert all its available funds into Government channels. In the second place, Government borrowings on account of war expenditure had ceased with the issue of the "Victory Loan," the "4 per cent. Funding Loan," and the "$3\frac{1}{2}$ per cent. Conversion Loan." In the third place, the further issue of 5 per cent. National War Bonds for 5, 7, or 10 years, in which the Bank had been investing all available funds except loans to local authorities within its own area, had also been withdrawn.

In these circumstances the Directors must consider their future policy in respect of new investments. The door was again open to them to select from the full range of securities in which the Bank was authorised by Act of Parliament to invest. The choice was ample, and there were certain to be a large number of new loans soon on the market. Many big schemes by local authorities which had been held up through the war would be proceeded with, and large sums would be needed to finance them. The housing shortage had also become acute, and millions of money would be required in that connection. Indeed, if the country was to be "made fit for heroes to live in," which was the ideal of many optimists, no limit could be placed on the amount of money needed for that end.

Another factor which our post-war stocktaking of 1919 brought under review as having an important bearing on the immediate

future of gilt-edged securities was the existing industrial "boom." We were in the midst of what sober-minded and clear-sighted men regarded as "a mad period" that could not possibly last. It was a time of reckless extravagance and of wild speculation. Industry and commerce were making exorbitant demands for money which they must have regardless of cost. Orders came to them for which they could obtain any price they chose to name, so that the price they paid for their monetary needs gave them little or no concern. In security for these advances from their bankers they had pledged all their holdings in Government and other securities. During the war industrial concerns, which had profited largely through war contracts, had bought freely of the various war loan issues.

The question was, How long would the trade boom last? When the slump came and industrial firms had to sell their securities to pay off their debts to the bankers, then at first there would be a slump in gilt-edged securities, which, however, would probably recover as investors began to favour them instead of speculating in industrials.

The immediate outlook was certainly favourable from the point of view of the investor in gilt-edged securities. Money would be dear for a considerable time. The prospect, therefore, before the Bank in the matter of new and highly remunerative investments never had been brighter in the whole history of the institution.

Now, in considering the type of securities which would best suit the Bank, there were some important elements to be kept in view. There was one in particular—the position of the Bank's reserve—which could not be overlooked. As shown in a previous chapter, the Bank in respect of its investments occupied a unique and altogether satisfactory position at the outbreak of the war. These investments, being for the most part fixed loans repayable at par within short periods, were not subject to depreciation as were long-dated or irredeemable securities. Accordingly the Reserve Fund did not suffer on account of depreciation of securities, but remained intact. That result was indeed eminently gratifying. Few similar concerns had such a record. However, the raising of the deposit rate to 4 per cent. in 1916 had been accomplished at the temporary sacrifice of the yearly growth of the Reserve Fund. The

Reserve Fund stood at £27,000 in 1915, and remained at that figure till 1918, by which time the yield from the investments was sufficient to meet the higher deposit rate and have a surplus to add to the Reserve. The surplus would increase annually as the average yield from the investments improved. But much leeway had to be made up before the Reserve reached an amount in proportion to, and in keeping with, the greatly augmented deposits. We have seen that the latter had more than doubled in the five years (1914-1919), while the Reserve had practically remained stationary.

The early speeding-up of the Reserve Fund was, therefore, most desirable, and, indeed, must constitute the main determining consideration in the selection of new investments.

Now, a careful study of available securities at the date of our post-war stocktaking of 1919 suggested a preference for 5 per cent. National War Bonds, which were then being offered in the open market at quotations under par. These Bonds had attractions for the special circumstances of the Bank which were absent in the 5 per cent. War Stock or other long-dated securities. Their principal attraction was that they were redeemable at short and definite dates at a premium, and, if purchased originally at a price under par, there would also be the further advantage on redemption of the appreciation up to par. There was also less risk of loss in the event of the Bank having to realise them before they matured. In fact, there was a greater chance of reaping a gain, for the nearer the realisation was to the date when they matured the nearer they would reach par value. Besides, they had also the additional merit that, in the event of forced realisation, interest to date of transfer was paid over and above the selling price. Further, most of them carried the right of conversion until the date of their maturing into 5 per cent. War Stock, and that, too, on favourable terms.

Altogether, compared with the 5 per cent. War Stock or other long-dated securities, the National War Bonds seemed the best suited for the Bank. Though the 5 per cent. War Stock was now selling under par, and probably would still further depreciate, the first date upon which the Bank would reap any appreciation on any holding it might have, would be 1929, but there was no guarantee that the stock would be redeemed at that date, the Government

having an option till 1947. Even if the stock did recover in price before 1929, the Bank could not take credit for any appreciation until it was actually realised. No doubt such appreciation would count as a hidden reserve, but that was not what was wanted. The need was for a realised reserve which would appear in the published balance sheet.

So this section of our post-war stocktaking of 1919 concluded with the finding that the Directors in the meantime should continue their policy of investing all available funds in National War Bonds.

The Directors accepted the finding, and subsequent events more than justified their decision. It was positively wonderful how our calculations in summing up the situation and outlook in our post-war stocktaking of 1919 proved to have been so correct. No doubt the most favourable conditions for their realisation obtained. The deposits continued to increase, which gave the Directors more money to invest on the most advantageous terms. On the other hand, the demands of the local authorities within our own area monopolised a large portion of that increase, and while advances to these authorities were at high rates of interest they were below what the Bank could have obtained by investing in National War Bonds.

The net result, however, was that by 1922 the Reserve Fund had risen to £100,000 by appreciations and premiums made out of our National War Bonds.

We have only to bring to mind the fact that the Reserve Fund was begun in 1885 with £20 ; that it took nearly forty years to build it up to £30,000 ; and that in three years more it rose to £100,000, to appreciate the success of the Directors from 1919-1922 in speeding-up the Reserve Fund.

But the figure of £100,000 did not represent all. There are substantial appreciations secured by the investment policy of these years which have still to be realised when the investments mature. This " hidden " reserve, together with the annual additions which have been made since 1922, will bring the actual attainment of these years to almost double what has been already realised.

As mentioned in another connection, the prospect of a realised Reserve Fund of a quarter of a million pounds is now within sight —a truly great achievement.

CHAPTER XLI.

Rev. William Reid,

FIRST HONORARY PRESIDENT.

THE Rev. William Reid, though not on the roll of Presidents, deserves a place in these records, if for nothing else than his long connection with the Bank, extending over a period of 54 years. He had at least the offer of the chair, but always declined. In 1918, however, the new office of Honorary President was created, and Mr. Reid was the first to fill that position. He never had any pretensions to being a financier. He often himself said, "I am not a man of finance, but I hope I can help on the Bank otherwise." He once jocularly declared at one of the social functions of the Bank that it was only recently he had discovered the difference between a florin and a half-a-crown.

Mr. Reid, however, did the Bank excellent service. The part he played was in commending its advantages not only while going in and out amongst his people, but also whenever opportunity occurred. His voice was always heard at the annual meetings, and some of the ablest of the addresses to be found in the printed reports of these meetings were his, and form splendid thrift propaganda. His addresses were always finely finished literary productions.

Mr. Reid's long ministry of Broomknoll Church was a successful one. His pulpit sermons were his forte. He built up a large congregation. He was a deep thinker—somewhat difficult to draw out in ordinary conversation, but when once started he could be very entertaining. He had a gift of quiet humour. Here are one

or two examples. He was a strong Free Churchman, and always ready to defend its principles. He and I on one particular occasion when travelling by rail had as a fellow-passenger a well-known local gentleman, who was a most pronounced United Presbyterian. The proposal for the Union of the Free and U.P. bodies had just been carried in both denominations. Our friend began to bounce about the influence which the U.P.'s would exercise on the Frees after the Union had been consummated. He said, although the number of United Presbyterian congregations was much smaller than those of the Free Church, it was sure to be another case of the little leaven leavening the whole lump. Mr. Reid sat quietly for a bit, but when the last remark was passed he brightened up and thus retorted. "Do you know," said he, addressing the vivacious U.P., "that at Edinburgh the U.P. students, not having a Hebrew Professor at their training hall, attend Dr. Davidson's class at the Free Church College. Now, on a recent occasion Dr. Davidson, in the usual course, happened to call up the U.P. section for oral examination. So he called upon the student at the end of the U.P. bench, but the latter promptly got up and said he was sorry he was unprepared that morning. The professor then called on the next in the seat, and got from him the same answer—unprepared. Dr. Davidson then called on number three, and to his surprise got the same reply. The Doctor did not risk further refusals, but, looking over his desk, remarked, "Gentlemen, I always thought that the letters U.P. stood for United Presbyterian, but now we must take them as meaning Un-Prepared." "Now," said Mr. Reid, to our fellow-traveller who looked rather crestfallen, "is that the kind of leaven which is likely to leaven the whole lump?"

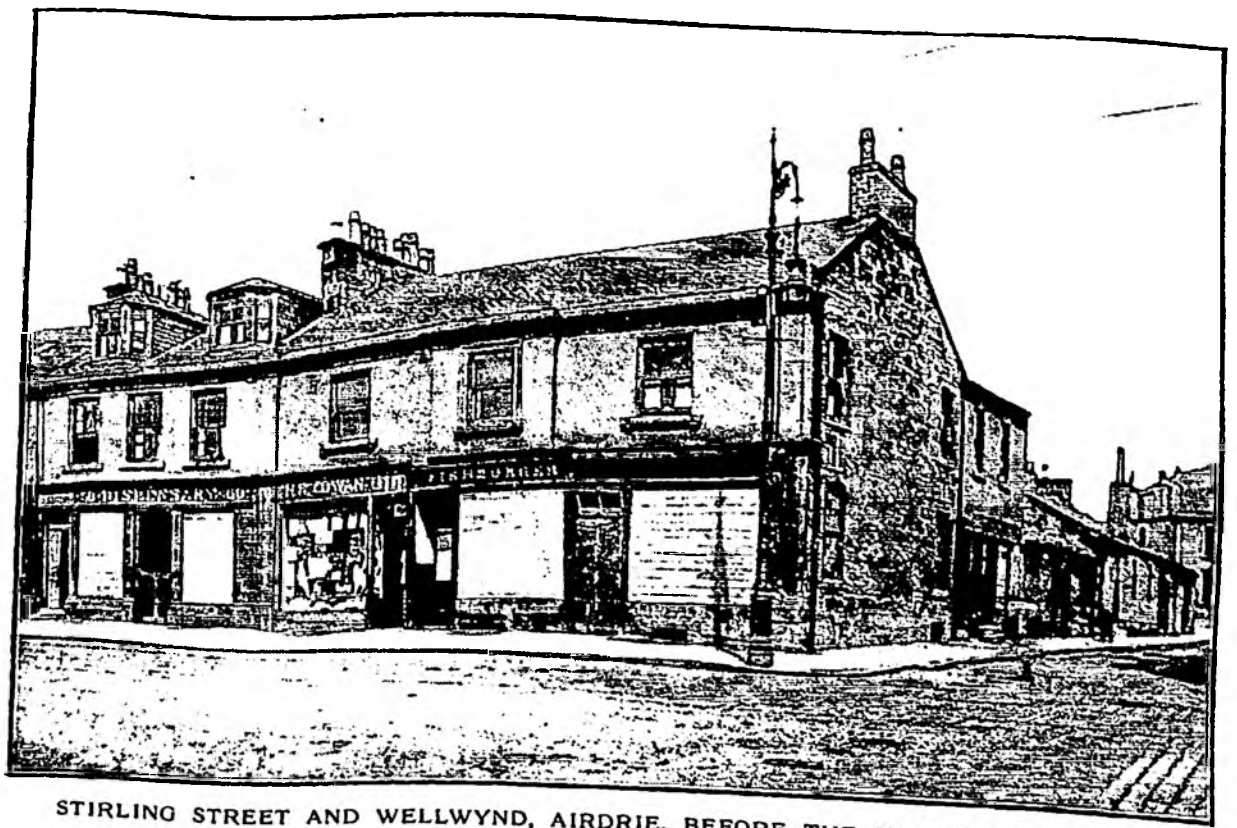
Mr. Reid had no love for the U.P. form of church government. After the union it became optional for any Free congregation to adopt the U.P. form, and *vice versa*. In the Free system the temporal affairs of the congregation were entrusted to Deacons (life appointments), with the minister as chairman, while in the U.P. they were entrusted to Managers, elected yearly with a Preses (not the minister) as chairman. There was a proposal in the Broomknoll to change over to the U.P. system. Mr. Reid did not like it, and this is how he illustrated the U.P. procedure to me. "Yes," he

said, "they want the U.P. plan, which is that the minister has no voice in their deliberations. It is even worse, for they expect him to come and open their meeting with prayer, after which he retires to his vestry. They then proceed with their business, which may include consideration of the minister's salary, which in their wisdom they reduce by £15. He is then asked to come in and pronounce his benediction on what they have done."

One of Mr. Reid's ministerial contemporaries in the town—Rev. W. F. Riddell—related to me the following incident, which I think well illustrates Mr. Reid's pawky humour. The two pastors had foregathered on the street near to the Broomknoll Manse, and in the course of conversation the name of another well-known minister (now deceased) in the town was mentioned. This clergyman had the reputation of prying into everybody's affairs, and he was a very extreme teetotaller. "You'll see Mr. —— pretty often," said Mr. Riddell to Mr. Reid. "Too often," replied Mr. Reid. "How's that?" "Oh," said Mr. Reid, "you have been long enough in Airdrie to have found out his weakness. He knows everybody's business better than they do themselves. The other day, for instance, our grocer's message boy was coming down to the manse with some goods in a basket, when our friend met up with him, and, clapping him on the shoulder, said, "You're a smart boy; who do you work to?" "Bailie Ramsay, the grocer," replied the boy. (The Bailie was a licensed grocer.) "Where are you going to-day?" was the next query. The boy replied, "To the Broomknoll Manse." "Oh yes! that's Mr. Reid's," and then, walking alongside of the boy for a few more yards, he put his hand down and lifted the covering of the basket. "But, Mr. Riddell, it wasn't there, it wasn't there."

Mr. Reid was very much devoted to his work. It was always with great difficulty he was persuaded to take a holiday, and, when he did go, it was only for a day or two. On these occasions he usually selected birthplaces, or the last resting-places of some notable Scotsman, theologian, literateur, poet, or other distinguished person. He loved to ruminate amongst the places where those mighty men had trod. If he visited a town at all, he was sure to devote a good part of his time in wandering amongst the tombs in the local cemetery.

PLATE 31.



STIRLING STREET AND WELLWYND, AIRDRIE, BEFORE THE IMPROVEMENT SCHEME.

I remember on one occasion he and I, going to Edinburgh by the first train in the morning to interview by appointment the Rev. Dr. White, of Free St. George's. We arrived about an hour and a half before the time of our meeting, and I suggested to Mr. Reid that we should go and have a cup of coffee. "Oh," said Mr. Reid, "I would rather go down to the Dean Cemetery and see the grave of Hector M'Donald." "Well," I replied, "you may go, but I think a cup of coffee will help me to face Dr. White better than such a pilgrimage."

His one outing in the year was the General Assembly, but his voice was never heard within its walls except on the great occasion when the Assembly met at Inverness in 1888. He appeared there along with myself in support of an appeal which the Broomknoll Church had lodged against the decision of the Building Committee in fixing the building grant at £200 for the new Church at Broomknoll, which was then in course of erection. We claimed £600. The Rev. Dr. Adam and his building committee were never known to have been defeated, and we knew we had a stiff fight before us. We had, however, a specially good case. The hearing came on after 12 o'clock at one of the evening sederunts. Mr. Reid was the first called upon to speak in support of the appeal, and he delivered a good speech, which he closely read in very tremulous tones, which, however, had the effect of captivating the sympathy of the members. I was next called upon, and, having a very youthful appearance, the House seemed struck with my audacity. The contrast between Mr. Reid and me was indeed very marked, but in a few sentences I at once got the ear of the House, and before I was finished I saw that the case was won. Dr. Adam got up and suggested that it be remitted back to the Committee, but there were loud cries of "NO, NO, Grant, Grant." Dr. Rennie interposed, and, to the surprise of many, there was an overwhelming majority in favour of sustaining the appeal and granting the £600. After the decision I went to look for Mr. Reid, but he was nowhere to be found. I went to his hotel, and he had not arrived there. I waited for about an hour and he did not appear, so I went away. Early next morning I was roused from my slumbers to speak to a gentleman. On going downstairs I found my visitor to be my missing minister. He was still agitated,

and his first question was, " What happened last night ? " " Oh," I said, " we won our case and got £600." " Where did you go ? " I said to Mr. Reid. He replied he did not know very well where he had gone, but he found himself in the early hours of the morning wandering amongst the islands of the Ness. His experience had unnerved him.

On the occasion of his Jubilee as Minister, Mr. Reid's popularity in the town was amply demonstrated by a large gathering held in the Town Hall, when he was presented with a substantial gift from the congregation and townspeople. He lived in retirement for a good few years, and died at the ripe age of 85.

CHAPTER XLII.

New Bank Buildings at Coatbridge.

FOUNDATION STONE CEREMONY.

ALTHOUGH the Bank obtained entry to the buildings and site occupied for so many years by the Royal Hotel, Coatbridge, at Whitsunday, 1919, the new building was not complete and ready for occupation until September, 1921. Considerable difficulties were experienced in the carrying out of the work. To begin with, the site, being at the corner of Main Street and Sunnyside Road, which is one of the busiest parts of the town, the usual encroachment on the pavement for building material, etc., was much limited, and, there being no available space in the rear of the site, all the material needed in the construction of the new offices had to be prepared elsewhere and transferred to the site as it was required. This greatly hampered the contractors and made progress with the work slow.

Then, during the course of construction, there were prolonged labour disputes and a great scarcity of certain classes of tradesmen, which also kept back the work considerably. The principal contractors were:—Granite work—Scott & Rae, Glasgow; stone, brick, and re-inforced concrete work—Loudon & Inglis, Coatbridge; carpenter and joiner work—Wm. Neilson, Coatbridge; slater work—Wm. A. Henderson, Airdrie; plaster and cement work—Thos. M. Bryson, Coatbridge; plumber work—Wm. Hendry & Son, Glasgow; electrical work—Brown & Jepson, Airdrie; heating work—John Spence & Sons (Airdrie), Ltd.; cabinet work—John Cochrane, Glasgow; tile and marble work—John Youden & Son, Ltd., Glasgow; painter work—M'Leod & Co., Coatbridge; sculptor work—James A. Young, Glasgow. The new buildings were designed by Messrs. James Davidson & Son, Architects, Coatbridge.

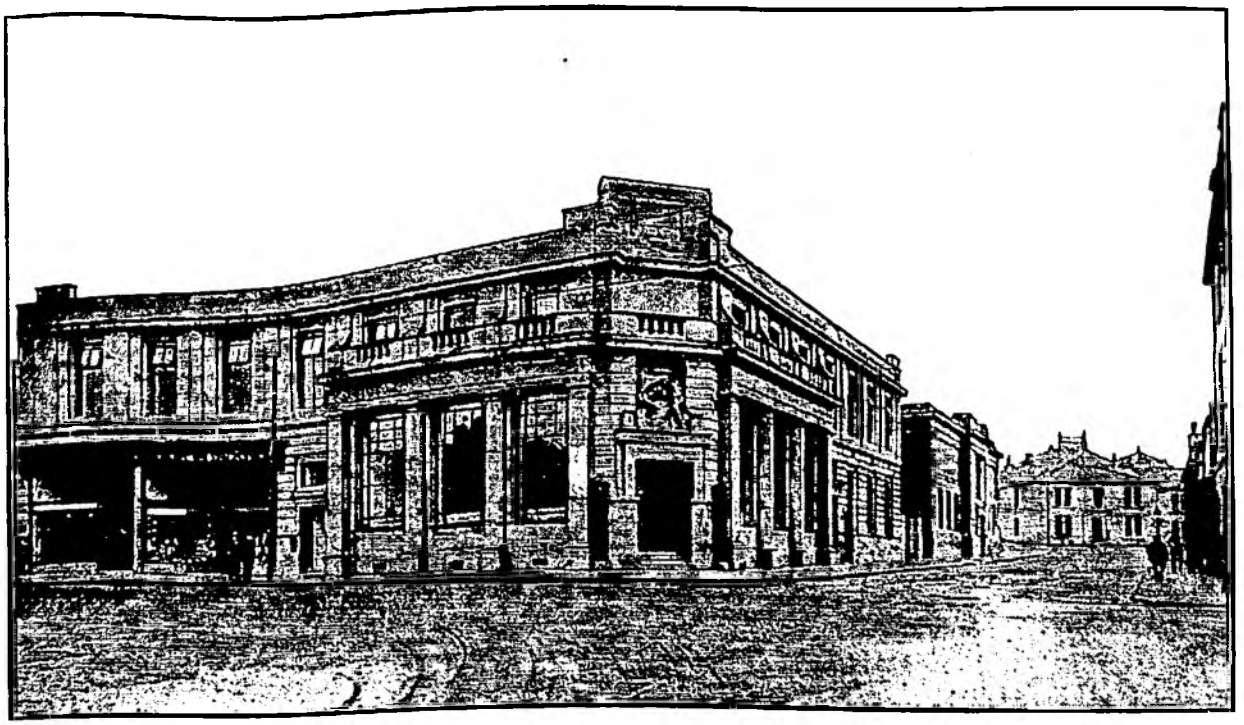
The building is three storeys high, and has frontage to Main

Street and Sunnyside Road. The lower part of the elevations and the pillars at corner doorway are of polished Peterhead granite, the upper walling being of Corncockle red sandstone, enhanced with composite-capped pilasters, carried through two upper storeys, finished with a bold cornice, and surmounted with an open balustrade and coping, in which there are two panels with lettering designating the building. A corner oriel over the doorway, carried through two storeys and finished with dome roof, gives an added character to the structure, the whole presenting a free treatment of Renaissance.

The Bank, or Banking Hall, occupies the whole area of the corner on the ground floor, and is a spacious apartment, with the main entrance at the angle of the two streets, and a subsidiary entry from Main Street, which also leads on to the stair to the upper floors. The main vestibule is ample in size, and is finished with terazzo floor and marble dado on the walls. The Bank is well lit from both streets, and there is sufficient space for the public, which admits of easy entry and exit, and quick attention. Behind the counter there are accountants' and cashiers' boxes, and desk accommodation for the clerks. The internal furnishings of the Bank are of French-polished mahogany, the walls being polished for a height of six feet. The ceiling is in panelled plaster work. To the rear of the banking room there are retiring rooms and lavatories for both sexes of the staff. From the Main Street entrance a spacious stair leads to the upper flats, the first floor (over the bank) comprising a suite of offices, consisting of two private rooms, general office and lavatory, and a large room over the bank retiring rooms. This flat is occupied by the Inland Revenue, the new premises being an extension to those in the rear presently occupied by that authority, the whole being "en suite." On the second floor, in the front of the building, there is a suite of offices similar to the first floor, while in the back part there is a caretaker's house of three apartments and bathroom, entered from the main stair. Reinforced concrete floors are in the front building, thereby reducing the danger of fire to a minimum. In addition to open fires, the building is heated by hot water piping and radiators on the low-pressure system, and electric lighting is employed throughout.

The total cost, including the price paid for the hotel and site,

PLATE 32.



STIRLING STREET AND WELLWYND, AIRDRIE, AFTER THE IMPROVEMENT SCHEME, SHOWING HEAD OFFICE BUILDINGS.

was £21,785 12s. 1d. This high cost represented more than three times pre-war rates. Material and wages reached unprecedented figures, and the contracts provided that all increases were to be met by the Bank. The building was erected at the dearest point ever reached in the history of the building trades. The work, however, was an absolute necessity, as the temporary office at 56 Main Street was utterly inadequate for carrying on the ever-increasing business.

On 9th September, 1920, the ceremony of laying the foundation stone took place in the presence of a large number of leading citizens of Coatbridge and Airdrie. Ex-Bailie Wm. Neilson, J.P., Airdrie, the President of the Bank, presided. The programme of the proceedings was as follows :—

PRAISE, ... 100*th Psalm* (1*st verse*)

Prayer—Rev. ALEX. WEIR.

CHAIRMAN'S INTRODUCTORY REMARKS.
Ex-Bailie WM. NEILSON, J.P.
President of the Bank.

LAYING OF THE FOUNDATION STONE.
By Hon. Sheriff JAMES KNOX.

PRESENTATIONS BY ARCHITECTS AND CONTRACTORS.
Ex-Provost JAMES DAVIDSON, F.R.I.B.A., J.P.

REPLY—Hon. Sheriff JAMES KNOX.

VOTES OF THANKS.
Provost JOHN LAVELLE, J.P.

GOD SAVE THE KING.

The following report of the proceedings is taken from the local press :—

"The President, in his address, said it was most encouraging to the Directors of the Savings Bank to see such a large and representative gathering present that afternoon. He was sure they would agree with him that the importance of the Bank, the value of such a useful institution to the citizens, and the magnificence of the building itself all warranted the unique function of that day. 'Nothing succeeds like success.' Almost from the beginning the little office which the Bank opened in Main Street in 1916 had proved too small, and business had gone on by leaps and bounds. The Directors were compelled to look out for more commodious premises. He thought his hearers would admit that they had been rewarded in having secured the very best site in Coatbridge. There they had in course of erection a handsome building worthy in every respect of the great and growing importance of their burgh.

"Now, the moving spirit in this latest enterprise as in all the affairs of the Bank was their Manager, whom he would like to congratulate on his recent appointment as an Honorary Sheriff-Substitute of the County of Lanark. The Manager was the third generation of the Knox family who had been associated in the management of the Bank since its institution in 1835. In recognition of that fact, and as this was the first building to be erected by the Bank, the Directors unanimously and appropriately decided that he should have the honour of laying the foundation stone on this occasion. I may say that our Manager strongly demurred to the proposal, but the Directors would take no denial. Honour to whom honour is due, and he had great pleasure in asking Hon. Sheriff Knox to perform the ceremony.

"The stone having been lowered and the mortar spread, Hon. Sheriff Knox used the mallet in workmanlike fashion, and declared the foundation stone well and truly laid.

"Hon. Sheriff Knox, addressing the audience, said he noticed that the President in his introductory remarks had appropriately quoted the old maxim, 'Nothing succeeds like success.' Truly it seemed to him the building now being erected on that site was a

striking testimony to the success and progress alike of the Airdrie Savings Bank and of this great industrial community.

"The progress of both had been most marked—in many respects he should say it had been altogether phenomenal. Coatbridge now took rank amongst the foremost and most important of the towns of the country. As an industrial centre, its name and fame were known the world o'er. Its products were sent to the ends of the earth. The Airdrie Savings Bank had also a front rank position. It occupied the premier place in point of its funds in that group of Scottish Savings Bank registered under the original Savings Bank Charter of 1819. Its name and fame were likewise widely known, and some of its deposits came from the ends of the earth. It was difficult to say how far in the past the progress of the one had influenced, or been reflected, in the prosperity of the other.

"He congratulated Coatbridge on that auspicious occasion. That indeed was a happy and propitious day when in 1916 by common consent, by cordial and mutual agreement, the Bank was enabled to open an office for business in Coatbridge. The closer relationship then established was a union of strength. Each had something substantial to give which the other did not possess. On the one hand, the Bank brought with it the benefits of its ancient privileges and the prestige of a long-established, honourable, and prosperous undertaking. It presented to the people of Coatbridge advantages not otherwise obtainable, for the position of the Bank was unique. The secret of its strength lay in the fact that throughout its long history it had stoutly maintained and preserved its individuality and independence. When the majority of the older savings banks in Scotland during the first half of last century, lured by that will-o'-the-wisp which we call nationalisation, surrendered their independence and placed themselves under State control, the pioneers and early guardians of this institution refused to follow their example. They valued their independence. They would have no State control. In that they were wise, yea, wiser than our own generation. They blessed them for that to-day. Had these early pioneers not stood out then, he felt sure that this company would not now be engaged in this interesting ceremony.

"The results of the Bank's independence are apparent. The

Bank has prospered to a wonderful degree. It has an unbroken record behind it. It has never lost a single penny of the depositors' money by investments, which is more than most of the banks can say. Throughout the years the depositors have also enjoyed a rate of interest on their deposits far in excess of that of the nationalised banks. Besides, there were the benefits conferred on the general community in respect that the local authorities within the immediate area of the Bank's influence have been practically financed by the Bank, and that, too, on terms which *in cumulo* have saved the ratepayers thousands of pounds.

"Further, and what may be considered the most remarkable feature, was the fact that when the supreme financial crisis which arose out of the war and during the war emerged, the Airdrie Savings Bank was able to render substantial financial assistance to the Government, while for a considerable time the Government's own State control concerns were utterly helpless—some of them, indeed, crying for Government assistance. So when in 1916 the Bank opened business premises in Coatbridge it was in a position to offer a 4 per cent. deposit rate, free of Income Tax, as compared with 2½ per cent., and that subject to Income Tax, which rate of 2½ per cent. is still the rate payable by the Post Office Savings Bank, and which was also the rate paid by the former Coatbridge Savings Bank. Need they wonder that the latter institution—the Coatbridge Savings Bank—though persistently and efficiently carried on for some eighteen years, was, after all, a partial failure under such adverse conditions. Why, during that period it only secured some £30,000 to £40,000 of deposits. Whereas, in four years' tenure of the little office up the way, the Coatbridge Office of the Airdrie Savings Bank had already accumulated well over half a million pounds sterling.

"When they heard proposals made in these days for the nationalisation of this, that, and the other concern, let them be warned. Here they had a little object lesson at their own doors, in their own experience, for it seemed to him that in the history of the Airdrie Savings Bank they could find one of the best examples of the value of private enterprise as against State control.

"But while the Bank had so much to offer, Coatbridge, on the other hand, had likewise something substantial to give in return.

Their town presented potentialities which a wise and far-seeing directorate were not slow to appreciate. The Directors had long recognised that, were the opportunity given to them for the opening of business premises in Coatbridge, a new era would begin in the history of their institution, for Coatbridge presented a field of operations which sooner or later was bound to develop a business, the extent of which could never be attained within the limits of the Bank's own birthplace.

"So, both parties having something to give, the union, as he had said, was a union of strength, and the issues were already full of promise. They were met that day in fulfilment of one of the conditions of what he might term the marriage contract. The Bank had agreed, as soon as possible, to find premises for the conduct of business in Coatbridge which would be worthy of both contracting parties. They believed they were meeting that obligation handsomely, but they had had great encouragement to do so. The support vouchsafed to the Bank since coming here by Coatbridge people had far exceeded the fondest anticipations of the Directors. They had, therefore, felt justified in securing that ideal site, and in facing, at a time of abnormal cost, a building of such grand dimensions. They felt, however, they were doing no more than Coatbridge deserved.

"It might be true that this building would not have been possible without the Airdrie Savings Bank, but it was equally true that without the Coatbridge depositors of the Bank neither would it have been possible. So great had been the success of their Coatbridge office, that he estimated that before that building was complete, and not forgetting its abnormal cost, the surplus profit of the Coatbridge deposits would more than meet the whole outlay. That was indeed most creditable to the community.

"The Bank had succeeded, because throughout its whole history it always had commanded the confidence of the people. In closing, he would like to say that the confidence reposed by the depositors in the Bank was largely due to the fact that throughout its history there had been associated in the direction of its affairs a body of Trustees and Directors, gentlemen of position and character, who were honoured and trusted throughout the community. The Bank

had been fortunate in always having such men at its head. The present Directors felt that they had in their keeping a great public and beneficent trust, a glorious heritage which had been handed down to them from preceding generations, and that it was their privilege, as it certainly would be their study, to so carry on the good work that the trust committed to them might be handed down to those who came after them, not only untarnished and unimpaired, but greatly enhanced by an increased and ever-increasing sphere of usefulness.

"Ex-Provost Davidson said he wished to congratulate the management of the Airdrie Savings Bank on the great good they had done in encouraging the habit of thrift. In Coatbridge a bank was started about 20 years ago, but it had not the same privileges as the Airdrie Bank, and they had only £40,000 in the funds when it was brought to a standstill. All the time they carried on business in the Coatbridge Bank they could never pay more than 2½ per cent., while the Airdrie Bank was able to pay 3¼ per cent. They could understand that the Coatbridge Bank had not a look in, because of the better terms offered by the Bank in the old town of Airdrie. For the last thirty or forty years the people in Coatbridge had got into the habit of going to the Airdrie Bank, and some were still going there, where they had learned the habit of saving. Five years ago, or just after the war had started, the Airdrie Savings Bank raised the interest to depositors to 4 per cent. free of Income Tax. Those in charge of the Coatbridge Bank then knew that its days were numbered.

"Just then, however, overtures were made to them by the Airdrie Bank in connection with a proposal to open a branch of their Bank in Coatbridge. After a joint conference the Managers of the Coatbridge Bank thought it was their duty, for the good of the community and for the people they represented, that they should advise them to join the Airdrie Bank. This was done, and he was pleased to say that almost the whole of the £40,000 was handed over gradually to the Airdrie Savings Bank, after it had opened an office in Coatbridge. He was proud that the Coatbridge people had now the advantage of the Airdrie Savings Bank.

"Speaking for the Contractors and Architects, he had to say

that they were very pleased to be entrusted with the carrying out of the first new building for the great Airdrie Savings Bank. It was the first new building of their own, and he hoped it would not be the last. He was sure, under the management of Hon. Sheriff Knox, who was assisted by many able and earnest men, that the prosperity of the Bank would be even greater in the future than it had been in the past. The progress of the erection had not been as quick as they would have liked, but they were living in very troublous times. The recent three months' strike hindered the work a bit, but he thought they would agree that what had been done had been done well, and that the contractors, particularly Louden & Inglis, deserved every credit for the handsome work done, and for the tradesmanlike way in which it had been carried through. As Hon. Sheriff Knox had laid the foundation stone, the contractors and architects had decided to give him a souvenir of the occasion, and he had, therefore, the greatest pleasure on behalf of the contractors and architects in asking Hon. Sheriff Knox to accept of a silver trowel and ebony mallet, which he hoped would long remind him of the interesting proceedings of that day.

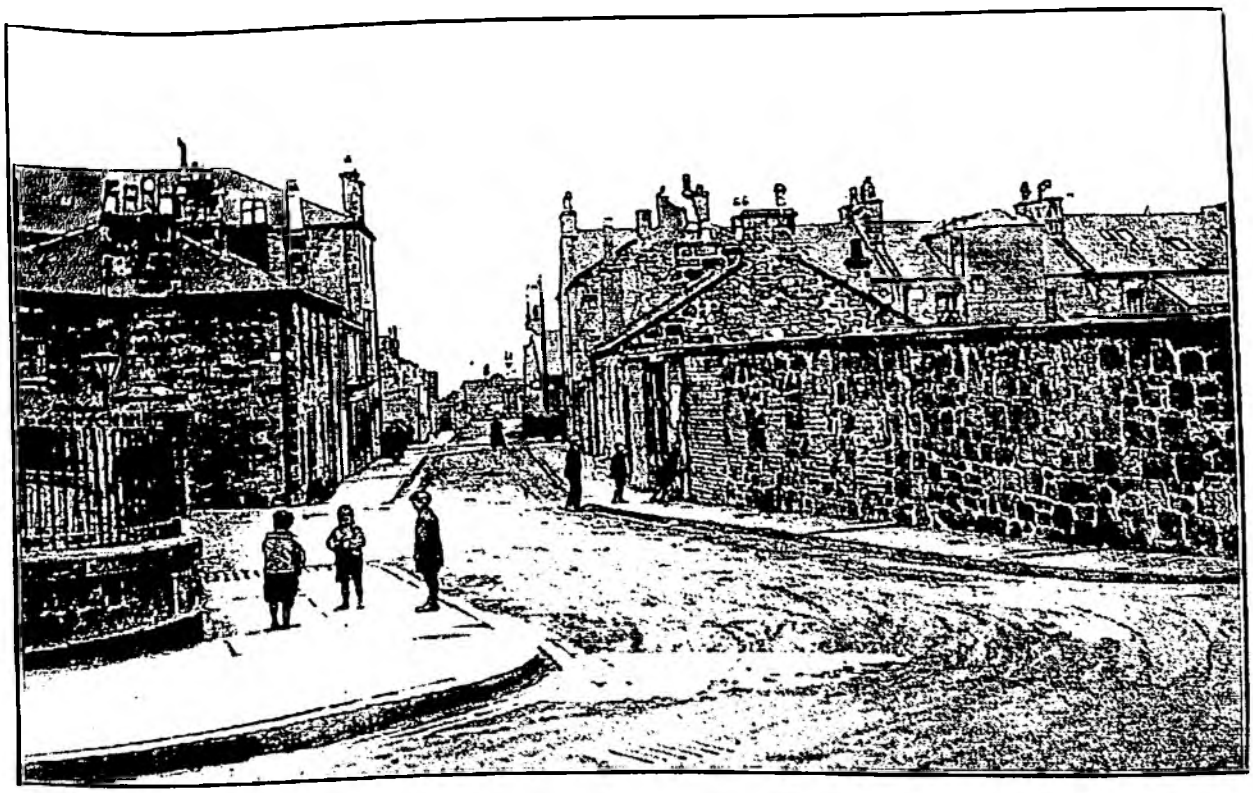
"Hon. Sheriff Knox thanked ex-Provost Davidson and the contractors for the handsome way in which they acknowledged the little services which he had rendered on that occasion. He was glad that the President made it clear that the great honour conferred on him was not of his own seeking. He resisted the request of the Directors as long as possible, but they would have none of it, and in respect of those who preceded him—his forebears having been connected with the Bank from its foundation—and in respect of that long connection, he agreed to the request. He felt that the little apprenticeship which he had served that day might prove valuable, and he jocularly remarked that if he felt that progress was not being made with the erection of the building, he might be tempted, with the little experience he had gained, to offer his services to Louden & Inglis to help them along with the work. He thanked the architects and contractors for their kindness.

"Provost Lavelle, whose name was on the programme to propose the votes of thanks, expressed the pleasure it gave him to be present on such an auspicious occasion, and took occasion to refer to the

great services that Airdrie Savings Bank had rendered to the community. They had seen laid that day the foundation stone of a building associated with a Bank, which had its inception in Airdrie, and which in its wisdom had come to Coatbridge and erected what would practically be its official residence—surely another manifestation of the union of ties between the two burghs, which must of necessity soon materialise. The Provost spoke at some little length of the benefit the Airdrie Savings Bank had proved to local authorities in the launching of big schemes, and formally called for a vote of thanks to Rev. Mr. Weir, who had conducted the religious part of the ceremony; to Hon. Sheriff Knox, who had performed the most important part of the ceremony; to ex-Bailie William Neilson, who acted as chairman; and to the architects and contractors.

"The proceedings afterwards terminated with the singing of 'God Save the King.'"

PLATE 33.



WELLWYND, AIRDRIE—AS IT WAS.

CHAPTER XLIII.

The New Office at Coatbridge.

Opening Function—6th September, 1921.

The opening ceremony of the new office building at Coatbridge took place on 6th September, 1921. Amongst those present were (1) the following Trustees of the Bank:—Provost Lavelle, J.P., Coatbridge; Provost Frew, J.P., Airdrie; ex-Provost Orr, J.P., Airdrie; Dr. Alex. J. Wilson, Airdrie; and Mr. John Taylor, Rawyards; (2) the following Directors:—Ex-Provost Davidson, J.P., Coatbridge; Mr. William Service, M.A., J.P., Coatbridge; Bailie Martyn, ex-Bailie Armour, ex-Bailie Kennedy, J.P., Mr. Andrew Keddie, Airdrie; and Mr. Archd. Watson, J.P., Bellshill; (3) the following members of Bellshill Advisory Committee:—Messrs. Alex. Dick, J.P., and John Harkness, J.P., Bellshill; (4) the following contractors:—Scott & Rae, Glasgow; Louden & Inglis, Coatbridge; William Neilson, Coatbridge; W. A. Henderson, Airdrie; Thos. M. Bryson, Coatbridge; Wm. Hendry & Son, Glasgow; Brown & Jepson, Airdrie; John Spence & Sons; John Cochrane, Glasgow; John Youden & Sons, Ltd; M'Leod & Co.; James A. Young, Glasgow; (5) the following officials:—Hon. Sheriff Knox, J.P., Manager; Messrs. W. S. Knox, B.Sc., Secretary; John Silvey, D. Macfadyen, C. J. D. Anderson, and Mr. R. Carsewell, C.A., Auditor, Glasgow. There were also present Mr. G. Hamilton, of Messrs. Baird & Hamilton, Ltd., Airdrie; Messrs. Alex. Davidson, W. Gibson, J. T. Hood, Commercial Bank; D. M. Macintyre, Coatbridge High School, and others.

Apologies for absence were intimated from Mr. John Glen, J.P., the oldest Trustee of the Bank; Dr. Muir, Bellshill, another Trustee; Mr. James Austin, J.P., Bellshill; Mr. William Fraser, J.P., Coatbridge; and Mr. James Hamilton, J.P., Airdrie, Directors;

Mr. John Alston, Town Clerk, Coatbridge; Mr. J. J. M'Murdo, J.P.; Hon. Sheriff Forsyth, Airdrie; Chief Constable M'Donald, Coatbridge, and others.

The company first assembled in the main telling hall of the Bank, and at the outset Mr. Andrew Keddie, the Senior Director present, in calling upon the President, ex-Bailie W. Neilson, J.P., to declare the office open for business, presented to him a gold key.

The President, after thanking his colleagues for the honour they had done him, and for the beautiful key he had received as a memento of the occasion, formally declared the office open, and expressed the hope that the facilities it offered to the people of Coatbridge would more and more be taken advantage of.

The company then adjourned to the Masonic Hall, when afternoon tea was provided. Tea being over, the President called upon Provost Lavelle to propose "Success to the Airdrie Savings Bank." The Provost said it was an easy matter to wish success to a Bank which, as shown by the very excellent statement submitted by their chairman that day, had made continuous progress from its inception. There was no doubt in his mind that the success of the extra facilities now afforded was assured. Through almost all the years of its history the Bank had experienced nothing else, and it had reached the crowning point of its career by the provision of the magnificent suite of offices which, as the President had remarked, would be a standing advertisement for the institution. It appeared that the business of the Bank could be greatly augmented were they to reach that numerous section with whom the hardships and inconvenience of the proverbial "rainy day" had never appeared to weigh. It was useless, perhaps, to talk of thrift and saving immediately after a prolonged and disastrous strike, and just at the time when their industrial concerns were in almost a hopeless condition. Still, there was a long time prior to the present dullness, when money was exceedingly plentiful, and those engaged in the town's industries had opportunities of saving such as they had never had before. Did they take advantage of that time of plenty? Many of them, he was glad to say, did so. He had himself observed on the streets of Coatbridge groups of men who walked through the long weeks of the strike smiling. They were workmen, well

clothed, always apparently well fed, and the strike to these men was just a prolonged summer holiday. The explanation, of course, was that during the spell of prosperity they had been frequent visitors to "Knox's Bank." He gave it the name which had been associated with the Bank in Airdrie for many years past. But there was another class to whom the prolonged strike was a penitential period, attended with great privation and hardship. On these, he thought, a very sharp lesson had been impressed, and one which was likely to take effect. If some ingenious method were now devised to reach these people, he himself believed they would make an effort to redeem the errors of the past. The Airdrie Water Trust had recently amplified its water resources in two ways. One factor was the abnormal rainfall of August, but the other was the agency of a small bill posted extensively throughout the district which made the appeal to the public, "Don't waste water." It was reported that some wag, no doubt disappointed with the present strength of the national beverage, had added to the injunction the footnote, "Take it neat." However, had the bill read "Don't waste money," he firmly believed that it would have some effect on the improvident fringe of the population to whom he had referred. If it had affected their attitude to some extent in the matter of making provision for that lean period, which some people said was never very far away, he was certain that the staff in the Coatbridge office of the Bank would give them one and all a hearty welcome. It would be found that those coming with small deposits would be received with as much courtesy and get as much attention as those depositing more pretentious amounts. The Bank, as they knew, hailed from the adjacent town of Airdrie—a fact which did not lessen its importance. Many important institutions had already come to Coatbridge from Airdrie. This Bank, the latest of them, was almost as old as Airdrie itself, and Airdrie was to celebrate its centenary within the next fortnight. The indefatigable Manager of the Bank, Hon. Sheriff Knox, was about to contribute a splendid memento of that occasion by publishing a volume in whose pages old Airdrieonians would revel. They in Coatbridge would take more than a mere passing interest in the celebration of the hundredth anniversary of the birth of the neighbouring burgh. He was sure

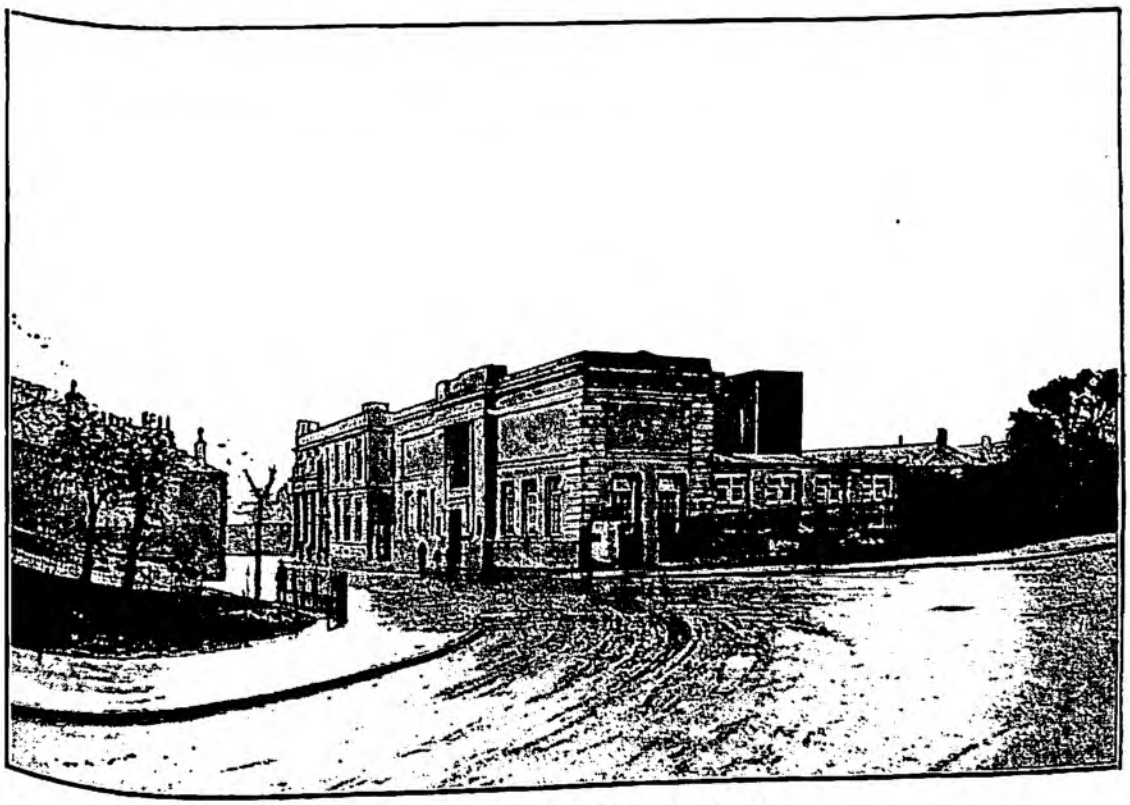
his friend, Provost Frew, with his well-known initiative, would make the celebrations worthy, not only of the town, but also of the historic occasion. Between Airdrie and Coatbridge there had always subsisted fairly friendly relationships. They had never been more friendly than at the present moment, and for himself he would like to see that friendship cemented even by closer ties. In proposing "Success to the Bank," he thought that the local authorities in Coatbridge had a specially strong reason to wish prosperity to the Bank, for in the past it had been a wonderful stand-by to local authorities in the Monklands, and outside of them, too. The Government had been urging such authorities to carry out enormous schemes within recent years—no doubt to make the world, as Mr. Lloyd George promised, more fit for heroes to live in. If this part of the universe ever became such a paradise as was desired, however, it would be attributable to the financial help of the Savings Bank, which had come down from the neighbouring town. He complimented the management on its handsome addition to the banks of the town. The Savings Bank had always been recognised as a wonderful boon to the community, a great incentive to thrift, and a great advantage to all concerned.

Provost Frew, in proposing "The Architect and Contractors," offered his hearty congratulations to the President and Directors of the Bank for their pluck and enterprise in facing such a large building scheme in such abnormal times as the present. No doubt the want of business premises, and the great influx of business, necessitated going on with such a building, even when labour and materials were so hard to secure. He hoped their brightest anticipations regarding the venture would be more than fulfilled.

He reciprocated to the fullest extent the kind words his good friend, Provost Lavelle, had expressed in regard to the kindly feeling presently existing between Airdrie and Coatbridge. He fully endorsed all he had said, and he believed also that the relationships had never been so harmonious as they were to-day.

Referring to the subject of his toast, Provost Frew remarked that the Directors had been most fortunate in their choice of the architects, Mrssrs. James Davidson & Son, as well as the contractors. Messrs. Davidson were a firm whose work was famed throughout

PLATE 34.



WELLWYND, AIRDRIE—AS IT IS
(With New Entrance to Airdrie Parish Church on the right of Picture).

the whole neighbourhood. He was sure that when the history of the burgh of Coatbridge came to be written it might be said of them, as was said of the great architects of St. Paul's Cathedral, "If you seek a monument of their professional skill and genius, just look around you." In Coatbridge and Old Monkland they would find many monuments of the architectural genius of Messrs. James Davidson & Son, and nearly every commission entrusted to their care had resulted, as this one of the Savings Bank had done, in increased amenity to the various neighbourhoods in which they were carried out.

He had the same thing to say regarding the building contractors, Messrs. Louden & Inglis. He knew of no more capable and enterprising firm of builders who had so many beautiful structures in Airdrie, Coatbridge, and surrounding neighbourhood to their credit. They executed their orders in all cases with efficiency and despatch, and none had given greater satisfaction than the pile of beautiful buildings raised for the Airdrie Savings Bank in Coatbridge. He coupled the toast with the names of Mr. Alex. Davidson and Mr. J. Scott Inglis.

Mr. Alex. Davidson said it would have been much more pleasant for him had their toast been undertaken by the senior member of the firm. It had been left to an old institution like the Airdrie Savings Bank to beautify the streetscape of Coatbridge, and it was only to be hoped that when things were normal the example would not be lost sight of, and that the main thoroughfare of Coatbridge would be changed from its present dull state to one of beauty. An architect might prepare plans by himself, but without the contractors an architect was himself helpless. In this case his firm had received every assistance, and the assistance was excellent all round. It was indeed gratifying to them all to hear the expressions of pleasure at the result. He thanked Provost Frew for the kindly way in which he had submitted the toast.

Mr. Scott Inglis, builder, replied on behalf of the contractors. Speaking for all the contractors, he was sure they were enamoured with the kind things said about them. They had been pretty much hampered, and had little room to carry on their work. At the beginning, when they were taking down the old material, they could

scarcely move. It was the condition of the contract to hew the old material, and while the job was proceeding there was no room for the other contractors at all, and if they watched the job from day to day some would be thinking that very little was being done. There was one thing that he objected to in the job, and that was the close proximity to the architect's office—for he visited the premises, not only once a day, but sometimes two and three times a day. He thought the building was a sort of pet to Mr. Davidson. However, it was very nice to be associated with such a man. The tradesmen had all shared in the good work, and were glad to have had some connection with the erection of such a handsome building. He was very much obliged to Provost Frew for his kind remarks.

Rev. Alex. Weir, Dunbeth U.F. Church, proposed "The Building Committee." He regretted that he had been late, and had disorganised the programme, and after some humorous remarks said he was not sorry to see the old Royal Hotel removed. He felt that they had now something to look at, and something to remind them of Solomon's Temple with its marble pillars. He looked upon the new building with pride and great joy, for it was a great necessity in Coatbridge. There were times when money flowed freely in Coatbridge, although it was not so plentiful just now, but he hoped the good times would come again, and that the townspeople would invest in the Bank. He assured the Building Committee that they had done excellent work—work that would stand for many a day and prove itself worthy of the admiration of the young folks who, in growing up, would think of the enterprise of their fathers.

Ex-Bailie Armour, on behalf of the Committee, thanked Mr. Weir for his very appreciative remarks in regard to the work of the Committee.

Bailie Kennedy, J.P., said it would be unworthy of them if they separated without due recognition being made of the services of their President, ex-Bailie Neilson, who had a life-long connection with the Bank. It was 40 years since he first joined the Directorate, and he could safely say that he had taken a very great and lively interest in the progress of the Savings Bank in Airdrie.

Ex-Bailie Neilson suitably acknowledged the vote of thanks, and the proceedings terminated.

CHAPTER XLIV.

Mr. William Neilson, J.P.,

Ninth President, 1918-1921.

After the death of Provost Martyn a change was made in the term of office of the presidentship. Though by the constitution the presidents and other directors were elected annually, the practice had been "once president, aye president." In other words, the presidentship was regarded as a life appointment. Before, therefore, selecting a successor to Provost Martyn, the Directors agreed that in future it was to be understood that the appointment would be for a term of three years, thus permitting of the honour going round, particularly now that there were representatives on the Board from Coatbridge and Bellshill. At the same time, it was agreed to create a new honorary position—viz., that of Honorary Presidents, which would include the names of all who had passed through the chair as presidents. The Rev. William Reid, Senior Vice-President, who had been acting as President during Provost Martyn's illness, and who expressed the desire not to continue, was accordingly appointed the first Honorary President of the Bank.

For the presidentship the Directors unanimously elected Mr. William Neilson, J.P., who had been a member of the Board since 1882. The honour was well deserved. Mr. Neilson had not only proved himself eminently successful in his own business, but alike in public affairs and in everything that concerned the Bank he had won universal trust and confidence.

There is no man within my experience who has done more than

Mr. Neilson in the promotion of the spirit of thrift amongst the industrial workers of Airdrie and district. By his personal influence he has introduced to the Bank as depositors scores upon scores of working men and their families. Had he been a paid canvasser for the institution he could not have done more. I have been frequently told by grateful depositors that "the Bailie," as they familiarly term him, was the means of their joining the Bank, and they invariably add, "it was one of the best things they ever did." No doubt Mr. Neilson's extensive business connections with the industrial classes in and around Airdrie and Coatbridge gave him opportunities, not open to many, of putting in a good word for the Bank. That he embraced such opportunities to such excellent advantage showed how much he had the interests of the people at heart, and how much the Savings Bank could do for them.

During Mr. Neilson's term of the chair, he had the satisfaction of submitting annual reports of the Bank which recorded the largest increases in the business in its whole history. It was also during his term that the new office buildings in Coatbridge were erected. He presided both at the laying of the foundation stone and at the opening ceremony. His addresses on these occasions will be found under the chapter, "Coatbridge Office."

Mr. Neilson, as an Honorary President of the Bank, is still an active member of the directorate. His zeal for the cause of thrift is as keen as ever, and he still continues his good work of bringing new depositors to the institution he has for the past 45 years so well and so honourably upheld.

Mr. Neilson comes of the good old hand-loom weaving stock. He was born in Airdrie. His father, Mr. Hugh Neilson, was a notable figure in the town—a real type of the sturdy, manly, independent hand-loom weavers of a former generation. He was the last of the Airdrie manufacturers who retained and kept operating several hand looms. In his early days, when he required to go to Glasgow about his "wab," he frequently walked all the way, instead of boarding the "trackey" boat on the canal at Sheepford locks.

Mr. William Neilson learned tailoring, and afterwards joined his father in developing his trade as a clothier and general draper.

He recently retired from the business, which is still being carried on by his brother James.

Mr. Neilson entered the Town Council in 1896, and sat for 17 years. He served as a magistrate for several terms, and is a J.P. of the County of Lanark. He succeeded Provost Martyn as President of the local Liberal Association. Every good cause in the town found in Bailie Neilson a warm supporter. He is an elder in Broomknoll U.F. Church. Bailie Neilson has many friends, and few enemies. He is held in the highest respect by all classes in the community.

CHAPTER XLV.

New Office Buildings at Airdrie.

1923.

THE need for new Headquarters had been most urgent for at least a dozen years. Indeed, had it not been for the opening of the new offices at Coatbridge and Bellshill in 1915-16, which greatly relieved the congestion of the Airdrie Office, the position would have become serious. The Directors fully recognised the situation, and negotiations for the purchase of the Wellwynd-Stirling Street site were in progress when the war began in 1914. The purchase was finally concluded in 1919. The delay, after all, proved advantageous, as in the interval the business of the Bank had so expanded that the building scheme contemplated in 1914 would have been all too limited for the increased needs of the institution.

The site was admirably adapted in every respect for the purpose. Further, while maturing their building scheme, the Directors saw an excellent opportunity of effecting a much-needed town's improvement by the clearance of what was more or less a slum area in the heart of the town, and also the widening of the Wellwynd from Stirling Street to Anderson Street. At an early stage another important factor emerged. The Directors learned that the Airdrie Library Committee had received a communication from the Carnegie United Kingdom Trustees, placing a time limit in which the Committee could take advantage of the grant by the late Mr. Andrew Carnegie in 1913 for the purpose of the erection of a new Library. As one of the conditions of the grant was the providing of a free site, the Directors, in order to facilitate the proceeding with the scheme, offered to the Library Committee to meet the condition by gifting sufficient ground fronting Wellwynd, and in

addition a monetary grant equal to the difference between the Committee's available funds and a building scheme costing £10,000, provided the frontage of the Library to Wellwynd was built of similar materials and in harmony with the style of the new Bank Building adjoining. The generous offer was accepted, and thus the town secured its fine new Library and the Bank a most desirable neighbour.

Another marked improvement which it may be said the Bank Building Scheme stimulated has been the formation of the new approach to the Airdrie Parish Church, and the continuation of the widening of Wellwynd for a considerable distance northward. On the application of the Church Managers, the Bank gifted a small piece of vacant ground at the north-east corner of the feu, which enabled the church to make a straight road in line with Anderson Street.

The erection of the Bank and Library began in August, 1923, and proceeded simultaneously. Col. J. Maurice Arthur, C.M.G., D.S.O., of Messrs. George Arthur & Son, was appointed Architect for both buildings; the late Mr. John Scotland, Architect, Airdrie, Measurer for the Library; and Mr. Alexander Davidson, of Messrs. James Davidson & Sons, Architects, Coatbridge, for the Bank. The Clerk of Works for both was Mr. Peter Brand, Airdrie. The following were the principal contractors for the Bank Buildings:— Mason work, Louden & Inglis, Coatbridge; joiner work, Shanks & Sons, Airdrie; asphalte work, Scottish Speedwell Company, Glasgow; plaster and rough-cast work, Alexander Dunn, Bellshill; plumber and heating work, John Spence & Sons, Airdrie; steel casement windows, M'Lean & Co., Glasgow; oak work and finishings, Wylie & Lochhead, Glasgow; electric work, E. J. Stiell & Co., Coatbridge; painter and glazier work, Thomas Armour, Ltd,. Airdrie; strong room doors and fittings, D. Rankine & Sons, Airdrie; grates and ranges, John Ewart & Sons, Airdrie; window blinds, John Bryden & Sons, Glasgow; stair railings and gates, D. M. Tyre, Glasgow; tile and marble work, J. Youden & Son, Ltd., Glasgow; sculptor work, William M. Petrie, Glasgow.

The New Bank Buildings, which form an important feature in the centre of the town, are designed in very simple and dignified style. The street frontages are two storeys in height, and are built

entirely of cream-coloured freestone on a polished granite base, and with the corner block, containing the Banking Hall itself, emphasised by eight granite columns, each 20 feet high. The main entrance, which gives direct access to the Banking Hall, is at the corner of the building, and is a fine architectural piece surrounded by granite facings, and surmounted by a heroic size bronze group symbolising "Thrift." The group was modelled by W. M. Petrie, Glasgow, and cast by Singer, of Frome.

There is another entrance in the centre of the Wellwynd front, which, besides giving entrance to the Banking Hall proper, leads to the administrative parts of the buildings. The Stirling Street front contains, besides the Bank proper, two large shops and two suites of offices.

The principal feature of the plan is, of course, the Banking Hall. This is an apartment nearly 40 feet square by 20 feet high, lit with six huge windows, and containing banking counter and teller's and ledger clerks' enclosures, together with a Consulting Room. Immediately behind the Banking Hall is the Investments' and Accountants' Departments, the Secretary's Room, and the Strong Room. Entering from the side door in Wellwynd, but with convenient access to the Banking Hall, is the Manager's Room, Typist's Room, and Staircase Hall. The staircase leads to the upper floor, which contains Board Room and Ante-Room, Chairman's Room, and a large Store Room. Another staircase leads to the basement, in which are placed Staff Dining and Retiring Rooms, and three large Strong Rooms, together with Heating Chamber, lavatories, etc. Over the main Banking Hall, and in direct communication with the Bank Offices is a dwelling-house for one of the Bank officials.

The buildings throughout are of the most up-to-date fireproof construction, the floors and roofs being reinforced concrete. Indeed, the only inflammable material used in the buildings is the woodwork of doors and fittings. Very great thought has been given to the Strong Room. The principal security safe, which is entered from the Investments Department, is fire, burglar, bomb, and flood proof. The door is of "Chatwood" drill-proof steel, and is shut by means of combination locks. The strong room is fitted with

steel shelving and filing cabinets, together with a large " Chatwood " bullion safe, also with combination locks.

The Banking Hall is floored with dove-coloured and white marble, the walls being of polished Roman stone dado with grey-polished marble columns extending from floor to ceiling. The wall spaces between the columns are panelled in plaster, finished in shades of cream. The ceiling is coffered with heavy plaster beams. All the woodwork is of unstained polished oak. A most interesting feature is in the Staircase Hall, which is lined with polished Roman stone with grey marble edgings. The stair itself is of white marble with a wrought-iron and bronze hand rail. The upper corridor is divided from the staircase by an arcade of marble columns. Another feature is the Board Room, which is an apartment 28 feet long by 20 feet wide and 16 feet high. It is panelled in oak to a height of 8 feet, and has an oak block floor. All the other departments, although not finished in such an ornate manner as the more public apartments, are substantially finished in a simple and æsthetic manner, and the same scheme of colour as is used in the Banking Hall—natural oak and cream—is used throughout, and all metal work is of bronze. The furniture has all been specially designed, and is in strict keeping with the architectural style of the buildings.

CHAPTER XLVI.

Mr. James Davidson, J.P.,

TENTH PRESIDENT, 1921-1923.

THE appointment to the chair of Mr. James Davidson, J.P., ex-Provost of Coatbridge, was not only a tribute to his own personal worth, but also a fitting and timely recognition of the part which Coatbridge was now playing in the growth and development of the Bank. Mr. Davidson was invited to join the Board of Directors in 1916, when the Bank opened an office in Coatbridge. He had been Vice-Chairman of the Committee of Management of the Coatbridge Savings Bank, and had strongly advocated amalgamation of the two institutions. He recognised the immense advantage of such a scheme to the people of Coatbridge, and, while amalgamation did not actually follow, the same end was reached by the winding up of the affairs of the Coatbridge Bank.

Mr. Davidson, though long resident in Coatbridge, was born in Airdrie, and started his professional career there. He was another bright and outstanding example of that numerous progeny—the distinguished sons of the old weavers " o' the auld toon o' Airdrie." His much-respected father, Alexander Davidson, plied the shuttle in his weaving shop in Chapel Street till he reached a good old age. " Sandy " Davidson, as he was familiarly known, was one of the finest specimens of the old weaver I ever knew. He acted as beadle for over forty years in the auld Broomknowe Kirk, and a model church officer he was. He was a great favourite with everybody. Never was an unkind word spoken of Sandy Davidson.

Ex-Provost Davidson began life as an apprentice joiner. He early evinced the ambition to make the practical part of his calling the stepping stone to a higher position. With this in view he attended technical classes in Glasgow, where he studied the various branches of building construction. Shortly thereafter, while acting as foreman

joiner in the erection of Flowerhill Parish Church in 1875, he came under the notice of the late Mr. Alexander Whitelaw, of Gartsherrie. At this time the Baird Trust was about to erect other churches in the district, and Mr. Whitelaw offered him the position of Master of Works in connection with these buildings. This experience gave him an excellent start, and he commenced practice as an architect and measurer in Coatbridge, and soon developed a fine business connection. Mr. Davidson became adviser to several public bodies, and was responsible for the majority of the existing school buildings in the parish of Old Monkland. Far beyond the confines of Coatbridge Mr. Davidson was known in his profession, and had the honour of being elected a Fellow of the Royal Institute of British Architects (F.R.I.B.A.), a distinction well-merited.

In the midst of a busy life, Mr. Davidson found time to devote himself to many public activities. He became a member of the Coatbridge Town Council in 1888—three years after the formation of that burgh. His great experience was particularly valuable in what may be regarded as the formative period in the life of the town as a municipality. He subsequently was elevated to the magistracy, for some years he was Hon. Treasurer, and latterly had the high honour of occupying the civic chair. Mr. Davidson was also a J.P. for the county. The popularity and status of Provost Davidson were of immense value to the Bank on its advent into Coatbridge. His name will ever be associated with this event. It was largely through his influence that the way was opened up to the happy consummation. As a Director, and latterly as President, he never spared himself in the promotion of the Bank's welfare. No one rejoiced more than he did at the phenomenal success which followed the opening of the Coatbridge Office.

Provost Davidson and I were life-long friends. We were associated in various capacities. Though he had removed to Coatbridge, he never lost touch with the time-honoured institutions of his native town, with the most of which he remained closely identified. He took a deep interest in music, and was a member of the choral unions of both burghs and other musical combinations. He was an enthusiastic admirer of the National Bard, and was President of the Airdrie Burns Club in 1889.

CHAPTER XLVII.

Visit of Lord and Lady Elgin,

On 4th July, 1924, the town was honoured by a visit of the Right Honourable the Earl of Elgin and Kincardine, C.M.G., Chairman of the Carnegie United Kingdom Trust, and Grand Master Mason of Scotland, the occasion being the laying of the foundation stones of the new Bank Office and Public Library buildings. Among those who accepted invitations to be present were :—Ex-Bailie and Mrs. Armour, Mr. A. Anderson, Mr. and Mrs. J. B. Allan, Rev. Alex. and Mrs. Andrew, Col. and Mrs. Arthur, Mr. and Mrs. David Angus, Mr. and Mrs. T. F. Andrew, Mr. and Mrs. James Alexander, Mr. and Mrs. John Benson, Mr. G. Blackie, Mr. and Mrs. Wm. Blair, Mr. and Mrs. Brand, Mr. and Mrs. J. M. Blair, Mr. and Mrs. Thos. Brown, Mrs. M'Gavin Boyd, Mr. and Mrs. James Bell, Mr. William Black, Mr. J. Carswell, C.A., Glasgow, Mr. J. Chisholm, Rev. Dr. J. B. and Mrs. Clyde, Kansas, Mr. and Mrs. W. W. Chapman, Dr. David Craig, Mr. and Mrs. John Craig, Mr. and Mrs. Wm. Craig, Mr. and Mrs J. Cowie, Miss Crombie, Mr. and Mrs. Jas. Campbell, Rev. Chas. Campbell, B.D., Mr. W. and Miss Crichton, County Councillor and Miss Dick, Bellshill, Mrs. Drew, Mrs. James Davidson and Mr. Alex. Davidson, Rev. W. O. Duncan and Mrs. Duncan, Mr. and Mrs. Thos. Deas, Mr. and Mrs. William Downs, Mr. William Davie, Mrs. M. P. Dalton, Mrs. J. Dunn, Dr. and Mrs. Dick, Mr. Hugh S. Davie, ex-Bailie and Mrs. Donald, Lord and Lady Elgin, ex-Provost and Mrs. Frew, Hon. Sheriff and Mrs. Forsyth, Mr. and Mrs. J. K. Fraser, Mr. and Mrs. Robt. Frew, Mr. T. E. Forsyth, Mr. and Mrs. Frame, Mr. and Mrs. William Fraser, Mr. and Mrs. Charles Glen, Mr. and Mrs. James Gardiner, Rev. E. Sherwood and Mrs. Gunson, Mr. and Mrs. David Gray, Mr. John and Miss Gardiner,

Rev. Mr. and Mrs. Homer, Mr. and Mrs. W. F. Harvie, Mrs. Harrison, Mr. John and Miss Henry, Mr. and Mrs. W. B. Hossack, Mr. James Hogg, Miss Janet Hay, ex-Bailie and Mrs. M. M. Henderson, Mr. and Mrs. Thos. Henderson, Mr. G. N. Hamilton, Miss M. E. Henderson, Mr. John Harkness, Rev. D. L. L. and Mrs. Hume, Mr. and Mrs. R. Howson, Mr. Joseph W. Jeffrey, Mr. and Mrs. George Johnstone, Mr. and Mrs. J. Scott Inglis, Sir Henry and Lady Keith, Mr. and Mrs. Archd. Kellock, Provost and Mrs. Kennedy, Provost and Mrs. Kirk, ex-Provost and Mrs. Knox, Mr. and Mrs. W. S. Knox, the Rev. James Kelt, ex-Provost and Mrs. Lavelle, Mr. and Mrs. A. D. Lindsay, Miss Logan, Mr. Andrew T. Little, Mr. J. Louden, Mr. and Mrs. Charles Low, Mr. David Linning, Jr., Mr. and Mrs. M. R. Mitchell, Mr. and Mrs. R. C. T. Mair, Mr. and Mrs. J. L. Mahon, Mr. William and Miss Malcolm, Mr. and Mrs. Hugh Manners, Rev. John F. Marshall, Mr. and Mrs. Wm. Martyn, Mr. and Mrs. John Marshall, Dr. and Mrs. Martyn, Mr. and Mrs. Hugh Martin, Mr. R. G. Miller, Mr. and Mrs. David Mitchell, Mr. and Mrs. Archd. Mitchell, Lieut.-Col. and Mrs. Mitchell, Dr. and Mrs. Monie, Dean of Guild and Mrs. Motherwell, Mrs. David Martyn, Bailie Martyn, Mr. Hugh and Mrs. Martin, Mr. and Mrs. C. T. Mannes, Rev. R. M'Cheyne M'Roberts, Rev. Father M'Cann, Mr. and Mrs. A. K. M'Cosh, Sheriff and Mrs. Macdiarmid, Bailie and Mrs. Macfarlane, Mr. and Mrs. J. Campbell M'Gregor, Mr. John M'Gregor, Mr. and Mrs. Robert M'Laren, Mr. and Mrs. Joseph Macnaughton, Mr. and Mrs. D. Macfadyen, Mr. and Mrs. W. W. M'Cosh, Mr. John J. M'Murdo, ex-Bailie and Mrs. Neilson, Mr. Hugh Neilson, Provost and Mrs. Norval (Dunfermline), Miss Nicol, Rev. T. G. and Mrs. Ogilvie, ex-Provost and Mrs. Orr, Mr. and Mrs. J. Pennycuick, Mr. S. A. Pitt, Mr. A Potts, Mr. and Mrs. John Pritchard, Mr. and Mrs. W. Paterson, Councillor and Mrs. James Perman, Mr. W. M. Petrie, Mr. and Mrs. Paterson, Hon. Sheriff Rankine, Mr. and Mrs. Robert Rankine, Miss Reid, Mr. and Mrs. James Russell, Miss Rankin, Mr. and Mrs. J. Dunn Russell, Dr. and Mrs. Rae, Mrs. Scott (Scotville), Mr. and Mrs. John Scotland, Mr. and Mrs. Alex. Seath, Mr. and Mrs. Robert Shanks, Bailie and Mrs. Shearer, Mr. and Mrs. James Simpson, Treasurer Smith, Mr. and Mrs. J. Stewart, Messrs. J. Spence & Sons, Mr. and Mrs. John Taylor, Mr. John and Mrs.

Thom, Mr. M. Thom and Mrs. Henderson, Mr. and Mrs. Wm. Thomson, Dr. and Mrs. Thomson, Mr. Thos. Thomson, Mr. James Tennent, Rev. S. W. and Miss Wilson, Rev. Gavin and Mrs. Warnock, County Councillor and Mrs. John Welch, Mr. and Mrs. James A. White, Mr. and Mrs. Geo. Wills, Emma, Lady Wilson (Kippen House), Mr. James Winning, C.A., Mr. Andrew and Miss Webster, Mr. and Mrs. James Wood, Dr. and Mrs. Wilson, Mr. and Mrs. A. Weir, Mr. and Mrs. Arch. Watson.

Proceedings began at 12 noon at the Bank Building. Hon. Sheriff Rankine, President, in a few appropriate sentences, which are recorded in this volume under his biographical sketch, introduced Lord Elgin, whereupon Mr. Walter S. Knox, B.Sc., Secretary, then read a list of the contents of the jar placed in a cavity in the centre of the foundation stone. The bottle contained a note of the date and manner of laying, a list of the Directors of the Bank, a list of the Bank officials, a list of Past-Presidents, a copy of the last balance-sheet of the Bank, specimens of current coins of the realm, list of Provost, Magistrates, Town Council, and Burgh Officials, names of Architect, Measurer, Contractors, Sculptor, Clerk of Works, foreman builder and foreman hewer; a copy of current numbers of *Airdrie Advertiser*, *Glasgow Herald*, *Scotsman*, a copy of programme of laying the stone, four photographs of the former building occupying the site.

Having laid the stone, Lord Elgin said—I declare this stone well and truly laid.

The company then proceeded to the Public Library Building, where Provost Kennedy, Chairman of the Library Committee, presided. A bottle was inserted in a cavity of the foundation stone, the contents of which being similar to that of the Bank ceremony. Lord Elgin then proceeded to lay the stone. The company thereafter adjourned to the Sir John Wilson Town Hall, where they were entertained to luncheon by the Directors of the Bank—Hon. Sheriff Rankine presided.

The following was the programme :—

TOAST LIST.

The King, ...	The Chairman.
The Right Hon. The Earl of Elgin and Kincardine, C.M.G., and Presentation,	Provost John Kennedy, J.P.
Reply, ...	Lord Elgin.

Interval of 10 *Minutes.*

The Carnegie United Kingdom Trust, ...	Mr. Wm. Malcolm, M.B.E.
Reply, ...	Provost Norval, Dunfermline.
The Airdrie Public Library, .	Sir Henry S. Keith.
Reply, ...	Hon. Sheriff Knox.
The Airdrie Savings Bank, .	Sheriff M'Diarmid.
Reply, ...	Ex-Bailie Armour, Vice-President.
The Chairman, . . .	Mr. J. J. M'Murdo, J.P.

God Save the King.

Presentation to Lord Elgin.

Provost Kennedy, in presenting Lord Elgin with a silver casket as a souvenir of the occasion, then said, "My Lord Elgin, I wish in the first place to assure you that we feel it a very great honour in your coming to our old town and in performing the ceremony of laying the foundation stones of the Airdrie Savings Bank and Public Library. On behalf of the Savings Bank Directors and the Library Committee, I beg to convey to you our sincere thanks for complying with our request to visit us to-day. The ceremony of to-day will be looked upon as one of the important events, if not the most important, in the history of our burgh—a red-letter day in Airdrie's history.

"We Airdrieonians look with some degree of pride on the two institutions in connection with which you have to-day taken a very important part. In proportion to the population the Bank's record is unique, and is without parallel and unrivalled in the history of savings banks in this country. In the first year of its existence, 1835, its funds were £240. To-day the deposits exceed £3,000,000, with a Reserve Fund of £115,000. This is surely an evidence of thrift and well-doing on the part of the community generally, which we hope will ever remain a characteristic of the Scottish race.

"The other institution in which Your Lordship has honoured us to-day is one you are more particularly associated with as Chairman of the United Kingdom Trust. It is exceedingly appropriate that we should have you here to-day, and to identify yourself with our local Library, which was in the past so generously helped by the late Mr. Andrew Carnegie. The present building in course of erection could not have been proceeded with but for the very handsome manner in which your Trust is assisting us financially. In the new building, where a much larger stock of literature may be kept, and where the facilities may be had for those desirous of cultivating the mind with the proper material to fit our population for their duties day by day, we hope to have the accommodation more in keeping with the town which was the first burgh in Scotland to adopt the Free Libraries Act. We are specially pleased that the two Institutions which you have associated yourself with to-day have appealed to you—the one giving the facilities to practise thrift and the other for acquiring knowledge.

"As an evidence of our very great appreciation of your presence here to-day, and of how greatly we are indebted to you for all the help you have given us, I have to ask that your Lordship will honour us in accepting this silver casket, which has an engraving of the New Buildings on either side, and bears the following inscription:—'Presented to the Right Honourable the Earl of Elgin and Kincardine, C.M.G., on the occasion of his laying the foundation stones of the Head Office of the Airdrie Savings Bank and the New Buildings of Airdrie Public Library, 4th July, 1924.' It is the desire of all that you may carry with you the fervent hope that you may be long spared to engage in the good work you are now doing in this

PLATE 35.



AIRDRIE NEW PUBLIC LIBRARY.

country, in which you have such an ancient and honourable association.

"We desire also to extend to Lady Elgin a very warm and cordial welcome on this her first visit to Airdrie. In coming here to-day, we feel she has honoured us in a very marked degree. I have now to ask you, ladies and gentlemen, to rise and honour the toast of 'The Right Hon. the Earl of Elgin and Kincardine and Lady Elgin.'" The toast was warmly pledged.

At this stage Lady Elgin was presented with a beautiful bouquet of roses and ferns at the hands of Mrs. Drew, daughter of Hon. Sheriff Rankine.

Both Lord and Lady Elgin remained upstanding, smilingly acknowledging the plaudits of the company, and Lady Elgin said:—"I should just like to say, Thank you very much for this kind welcome, and for this beautiful bouquet of flowers. I will leave the speech to my husband."

Lord Elgin, who was received with renewed cheering, said:—"Mr. Chairman, Provost Kennedy, ladies and gentlemen, this is the first occasion, I think, on which I have had the opportunity of appearing on duty with my wife. And I want to say that I do appreciate very much the fact that you have given to her and to me such a cordial welcome as you have given to us to-day. It has been a pleasure to us to come, certainly, although the task which you have allotted to us would have been better performed if I had on my overalls and my apron. Well, I hope that those two stones have been, as I declared them, well and truly laid.

"The casket which you have handed over to me, Mr. Provost, took my mind back to the year 1893, when my father was appointed to the office of Viceroy and Governor-General of India. Shortly before he left this country the pretty Burgh of Dunfermline honoured him with the presentation of a casket and with the certificate of a Freeman of the Burgh. I accompanied him on the occasion, and I can well remember standing up at the moment as he received the casket from the hands of the Provost, and then handed it over to me. I am afraid my son is not quite so grown-up as to accompany us here to-day. But I shall look forward to our return home, when I shall have much pleasure in showing it to him and to his two

sisters, and know that they will feel an interest on the occasion. I shall feel as the years go by it will be an interest to them to see this casket, the first which I have ever received, and which I shall treasure among my most cherished possessions.

"I am really rather at a loss to know what to say to you to-day. The Provost, in proposing the toast of my health, has given you a short history of these two excellent institutions which we are commemorating to-day, and it would be unnecessary and rather tedious to you if I were to recapitulate that history. But there appears to me, in the first instance, to be one thing which perhaps deserves more than comment to-day. The ceremony which you asked me to perform was to lay the foundation stones of two buildings, and when we speak of foundation stones we think of the starting of some new enterprises, the foundation of some building and what that means. Well, in Airdrie to-day we have not laid the foundation to two new enterprises—they have existed, I might almost say, from time immemorial. But we have in these foundation stones laid memorial stones of a steady growth of the enterprises through almost a hundred years. And they are, therefore, rather commemoration stones. They are the foundation, perhaps, of new buildings; they are imprints of new clothes upon the enterprises, but within those clothes and within those buildings stand the two principles which we are commemorating to-day. Therefore, in taking part in your ceremony to-day, I feel that I am taking a part, not in laying a foundation stone, but rather trying to help, and to congratulate the community of Airdrie on their own enterprise and individuality. Airdrie has a wonderful and unique record in the history of Scotland. Provost Kennedy has already referred to some of the enterprises and some of the changes which are known to those who study Scottish history. But Airdrie itself occupied a very unique position in many walks of life. Not only was it the first Burgh in Scotland to adopt the Free Libraries Act, but it started very early as a municipal burgh in making a municipal community, and also was one of the very first to embark upon the enterprise of railways. I have noticed that Sheriff Knox, in that interesting Historical Sketch which he has given of the Burgh of Airdrie, claims that the railway from Airdrie to Kirkintilloch was the first in Scot-

land. Well, I am a little doubtful of that claim. I believe that if history were looked into very carefully you would find that my predecessor, Charles of Elgin and Kincardine, who held the office that some of you know I now hold, that of Grand Master Mason of Scotland, established the flourishing port of Charleston, on the north side of the Firth of Forth, started a lime quarry, and connected these with Dunfermline by railway. I therefore can claim, I think, that the Burgh of Dunfermline—whose Provost is with me to-day—may probably put in a counter-claim of being connected with the first railway in Scotland, and with a very good prospect of winning the suit against the Burgh of Airdrie. But whatever may be the success of that day, we must confess that in the enterprise and in the individuality, both of the leaders of the community and of the community as a whole, Airdrie has a most honourable place.

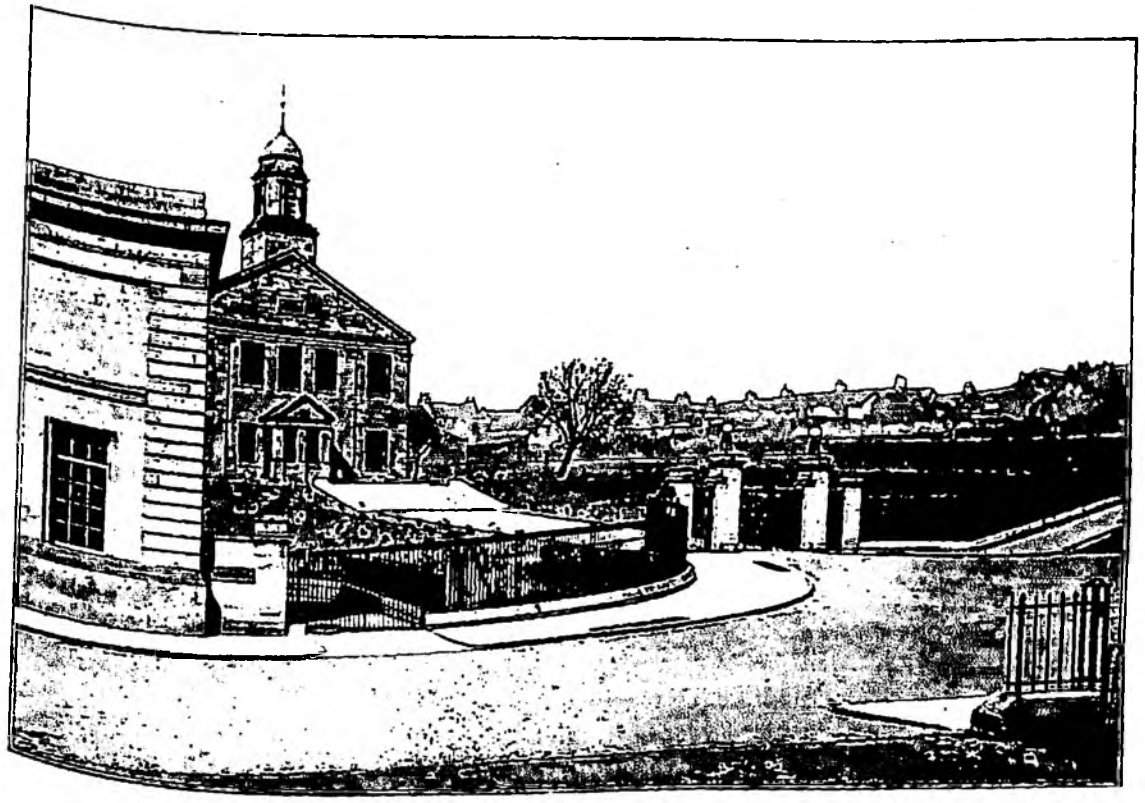
"We have only got to take the Coat of Arms of the Burgh, or the emblem which is engraved upon the top of our programme to-day, to see why Airdrie has been so successful. We see that, perched on the top of the motto is a cock, and the motto beneath is '*Vigilantibus*.' Well, it must be well known to you, ladies and gentlemen, that it is the early bird which gets the worm. And the word '*Vigilantibus*,' which is written and inscribed beneath the cock, may be translated as 'those who watch' or 'by those who watch.' And I do think that that has been a motto which for some in the community has served a good purpose. It is not only for watching for ourselves, and thereby gaining an advantage in this world, but it is by watching the needs of others. I think it is particularly appropriate in that respect that Airdrie has to be congratulated both with regard to the efforts which have been made in the Savings Bank and in the Library efforts that they have been made by citizens who prompted themselves on behalf of the community in which they live to encourage in the individual citizen a spirit of self-reliance and of independence firstly, and in adopting the Burgh Libraries Act, and imposing that heavy rate of a halfpenny in the £ with which they originally started, they have kept before them the great good which can be done to the community, by building up the character of the men and women who live here, and who are to go on, by studying the history of the country in which

they live, but by studying also in research the lives of those men who have lived before and by encouraging the habit of thoughtful care and study. That has been amply proved in this case, I think, by the steady progress of the Library from its inception in 1853 to the present day. In 1853 the Library started by the expenditure of £40, and now we see that various efforts have been made, and the building on the other side of the street gradually rising to, I hope, a satisfactory and useful home for the thoughtful portion of the community here.

"It has often been said, I think, about Mr. Andrew Carnegie, and about Libraries generally, that they were giving to the community simply a collection of books, perhaps well bound, that remained stagnant in their shelves, for people to look on the outsides of. That, I believe, is entirely untrue in the present institution here. It has been built up, not by the industry of any one individual, because you will find that in that institution Mr. Carnegie and the United Kingdom Trust have always laid down as a necessary injunction that there must be an effort of the people themselves to contribute, otherwise a contribution from the Carnegie Trust will not be forthcoming. And it has been magnificently responded to in the case of Airdrie, both by public effort and also, I must mention, from one of your own citizens, Sir John Wilson.

"To-day, therefore, in laying these foundation stones, we are laying a memorial to the memory of those who through the past century have worked for the benefit of their fellow-citizens. And I should like to say that I think it is the feeling of the spirit of independence which has grown in this locality which has enabled you to get such a result. In looking back on the early history of Scotland we find many names revered here—men of character and worth. John Whitelaw, who was a farmer in this neighbourhood, upheld the honour of the cause he espoused here, in the covenanting period—the honour of his faith. He stood and even suffered for it to the death. That name is still honoured in Airdrie, because, was it not Airdrie that produced one of the most famous railway men we have in the present day—William Whitelaw. of the London and North-Eastern. I believe it was that spirit of independence that raised Airdrie to what it is, and so, where the grandfather and the

PLATE 36.



NEW ENTRANCE TO AIRDRIE PARISH CHURCH.

father worked before, the grandson will work in the future. That position of Airdrie, I hope, will long continue. It is only by having the spirit of thrift, the spirit of independence, and the spirit of devotion to the cause of others, that we shall be able to aspire to be worthy of the time in which we live.

"There are very great difficulties at the present moment. We see on every side—and I am sure this community here is no exception to it—a great lack of employment. We see many men out of employment through no fault of their own. We see men who have fought during the years of war for their country unable to get the means of earning their daily bread. That is a thing we have to face, and to face it in this way, fighting for it in the spirit of John Whitelaw, not for our own hand only, but for the interest of those for whom we have to live. In concluding, I can only hope that the history of Airdrie will in the future be as prosperous or more prosperous than it has been in the past. 'Airdrie is not done yet.' The centre of gravity may change from time to time, but even my short visit here proves to me that there are many good, loyal, and true hearts here, and that a visit to Airdrie is a tonic which is well worth coming to get before going back to duty wherever else one may be called upon to go." His Lordship then said he had to apologise for leaving them before the end of the meeting, as he was due to preside at another gathering in Edinburgh that evening. It was a gathering of men who had kept before them the ideals of nationality, truth, justice, and the common cause of fraternity amongst men, and the particular branch of that Society was meeting to commemorate the anniversary of that great day of freedom for Scotland, the Battle of Bannockburn. On that account he felt that they would forgive him if he left, because they would allow, he thought, that it was his proper place to be among men so suitably employed. His Lordship also remarked that they had asked him to come as a private citizen and as Chairman of the Carnegie United Kingdom Trust, and that, had he come in his other position (that of Grand Master Mason), he might have been more particularly honoured. This led him to further observe that there was another point in which Airdrie was unique, and that was in its Masonic Lodge. Those who were members of that Masonic Lodge would

know in what particular that Lodge was unique. Those gentlemen who were not members of the Lodge might get that information by joining—if they were fit and proper people. There was no doubt it was a unique body. It had a unique privilege, and he congratulated the Master of that Lodge on standing up for his privileges and obtaining a continuation of them against the ruthlessness of modern times."

The other speeches at the function were most interesting, but lack of space precludes their inclusion.

To-day with mystic rites we lay a stone
Of what ?—A monument to work well done,
Which in the days to come shall safely hold
The records of that thrift which these unfold,
But let us pause amid our joy to thank
The men who founded " Airdrie Savings Bank."

The Acorn to a sturdy Oak hath grown,
With tendrils firmly fixed as years hath flown.
No vandal's " Geddes Axe " can raze, I ween,
This stately tree with branches evergreen;
So " live while green," and green it long shall be
(The Oak is called the everlasting tree).

Could time with flight reversed restore the hours,
Open closed eyes to view what now is ours,
Methinks their place in heaven would sweeter be,
Knowing how much we prize their legacy,
Bequeathed to us in Eighteen thirty-five,
Expanding year by year—it ne'er shall cease to thrive.

A. J. Rose.

CHAPTER XLVIII.

World Thrift.

International Congress at Milan.

1924.

The most significant event in the modern history of the Savings Bank Movement took place at Milan, Italy, during the last week of October, 1924. There was then held the first—in the world's history—International Congress of representatives of savings banks.

The author and organiser of this Congress was the Savings Bank of the Province of Lombardy, Italy—Cassa Di Risparmio delle Provincie Lombarde. This bank, when honouring its centenary in 1923, resolved that the event should be further celebrated by the holding of a great international thrift congress in 1924. The undertaking was an onerous one, and for nearly a year the preparations for the event were in progress.

The response made to the invitation by savings banks throughout the world was most encouraging, and the following list of countries represented at the Congress is ample evidence of its real international character and status :—The Argentine Republic, Australia, Austria, Belgium, Brazil, Bulgaria, Czecho-Slovakia, Chile, Denmark, Finland, France, French Colonies, Germany, Great Britain, Greece, Holland, Hungary, Italy, Yugoslavia, Luxembourg, Poland, Porto Rico, Roumania, Spain, United States of America, Sweden, Switzerland, Uruguay.

The Savings Bank of Lombardy occupies a foremost place amongst Italian Savings Banks. The Bank's Headquarters at Milan is a magnificent building occupying a square in the very heart of the city. There are besides seven branch offices at Milan, and an additional 110 throughout the Province of Lombardy. The

total deposits approximate to three thousand million lire, equivalent to about £27,000,000 at current rate of exchange. The depositors number over one million.

The bank has had an honourable record, and possesses a wonderful organisation. It claims to have adhered in its constitution and policy to the fundamental principles upon which the savings bank movement was originally based. In Italy, the class of banks represented by the Bank of Lombardy are independent institutions regulated by statute, but not under the direct control of the Government. In this respect they resemble our own class of Scottish savings banks. In the important matter of investments, however, they have a wider range than the Trustee securities to which our Bank is restricted.

At the inaugural ceremony, which was held in the Teatro Lirica Internazionale, the Chairman, the Hon. Senator Gr. Cr. Dr. Luigi Mangiagalli, Mayor of Milan, spoke of the bank in the following eloquent terms :—" It is with a joyful heart that I, speaking in the name of the city, which I have the honour to represent, tender to you the warmest thanks for having chosen Milan as the seat of this First International Thrift Congress. And well worthy of this choice is this city, wherein the labours and the wonderful activity of the glorious " Cassa di Risparmio delle Province Lombarde " have been carried on for the last one hundred years. Risen shortly after the dark setting of the Napoleonic star in years of famine and servitude, ever guided by a spirit of probity, and ever prompted by ardour for good, steadfast even in the most grievous economical moments, the people of Lombardy, first of all, and of Italy afterwards, kept their eyes fixed on this mighty institute, because it remained always Italian, both when Italy was under the foreign yoke, and later when the fatherland rose to liberty and independence ; never was its powerful and ready help found wanting. Italian always, as if to record that there, where its imposing palace stands, one of the most sublime episodes in the leonine resistance of the Milanese people, the death of Augusto Anfossi, as well as the heroic sacrifice of the son of the people, Pasquale Sottocorno, took place.

" In the opening proclamation of June 12th, 1823, these words were written, ' To place at the disposal of everybody, but especially

of artisans and day workers, as well as of other persons of the less well-to-do classes, ready and safe means to form for themselves by dint of small and repeated deposits a capital, of which to avail themselves in any extraordinary contingency.'

"And now, from the 769 Savings Bank Books corresponding to Italian lire 259,000 of savings in 1823, 100 years afterwards, it had attained the considerable figure of 1 million depositors with two milliard and eight hundred million lire, and in the course of this period one hundred and eighty-five millions were liberally given for beneficent works; enlightened providence in favour of industry, agriculture, commerce, and science.

"Well worthy, therefore, was this city to convoke from all parts of the world, within its walls, the representatives of the institutes for which money is an instrument for good, and savings, to which so great a part of human progress is due, is a source of morality and public welfare.

"Twenty-five states answered the call, and the presence of hundreds of delegates speaks eloquently as to how much the need is felt for an understanding amongst the institutes, which, according to a saying of a great statesman of ours, Luigi Luzzatti, to whom I sent my, as well as your, respectful greeting, are the infallible guardians of hard-earned money.

"Saving is one of the great beneficent forces of the world, and it is both opportune and glorious that its virtue be affirmed here to-day, after a war which inevitably brought great destruction of wealth. So, welcome be this congress, which is the crowning ceremony of the hundredth anniversary of the foundation of the Cassa di Risparmio delle Provincie Lombarde celebrates its glorious achievement, and at the same time seems to mark the dawn of a new and fruitful epoch of peace and work."

The Savings Bank of Airdrie having been invited to send delegates, the Directors appointed me and, accompanied by my wife, I had the privilege and honour of attending the Congress. The other Scottish and English delegates were the following:—Messrs. Alfred Hemstock, Controller of the Post Office Savings Bank, London; Thomas Henderson, J.P., Actuary of the Glasgow Savings Bank; Lawrence Margerison, C.B.E., Secretary of the National Savings

Committee, London; J. Spencer Portal, J.P., Chairman of the Trustee Savings Banks' Association, Preston; George Royle, Kt., O.B.E., F.R.G.S., Member of the National Savings Committee, London; and William Primrose Ure, J.P., Chairman of the Glasgow Savings Bank, Glasgow.

The business sessions of the Congress were held in the beautiful hall within the Bank's Headquarters. The Hon. Marquis Giuseppe De Capitani D'Arzago, President of the Bank, was appointed President of the Congress. The sittings and other functions lasted for six days.

Now, as I have already in my opening chapter and elsewhere throughout this volume referred to and particularly dealt with the acts of the Congress, I will limit the present chapter to an abbreviated account of the proceedings.

The following were the various subjects set down for consideration :—

(1) The Organisation and Legislation of Savings Banks in different countries.
(2) Thrift Propaganda, especially among the working and middle classes.
(3) The Protection of Emigrants' Savings.
(4) To what extent and within what limits Savings Banks may undertake banking operations without defeating the ends and purposes for which they were founded.
(5) The creation of an International Organ for mutual study and the co-ordination of Savings Banks.

In order that the fullest information on these subjects might be made available to the members before the assembling of the Congress, savings banks in the various countries were invited to send in before a given date papers and reports relating to these. The information thus obtained was collaborated by specialists, who prepared exhaustive papers, which were finally submitted to the Congress. By this means a vast amount of valuable data was collected, which very much facilitated the work of the Congress in arriving at its findings on the particular subjects selected for consideration. These and all other reports were printed in three

languages—Italian, French, and English—these being the three official languages recognised at the meetings.

The ultimate findings of the Congress on Nos. 1, 2, and 5 will be found towards the end of the opening chapter of this volume. The questions raised in the others are not of sufficient interest to be noticed here.

The resolutions under "Organisation and Legislation" are peculiarly interesting to depositors of our bank, and to all connected with the Scottish Savings Banks certified under the Act of 1819. The resolutions, and particularly No. 3, all affirm and confirm that the constitution of the class of Scottish Savings Banks, of which Airdrie is one, is in strict conformity with the original root principles of the movement, and must still be the best model for the modern savings bank.

The crowning act of the Congress was the formation of an International Thrift Institute in connection with savings banks. This Institute has now been established, but I have referred to it elsewhere.

The Congress was under the patronage of His Majesty the King of Italy, and several of the meetings and functions were attended by high dignitaries of the State. There were a number of social functions. One day was devoted to an excursion to the Italian Lakes, when a reception was given by Prince and Princess Borromei at their palace on The Beautiful Island on Lake Maggiore. Here we were honoured by Signor Mussolini—the great Italian statesman—who freely mingled with the delegates in the gardens of the palace.

The hospitality extended to members of the Congress by the people of Milan was unbounded, and made a deep impression on all the foreign representatives. The Management of the Savings Bank of Lombardy was heartily congratulated on the signal success of their great undertaking, which culminated in the opening up of a new era in the history of the movement.

CHAPTER XLIX.

Library, Museum, and Observatory,

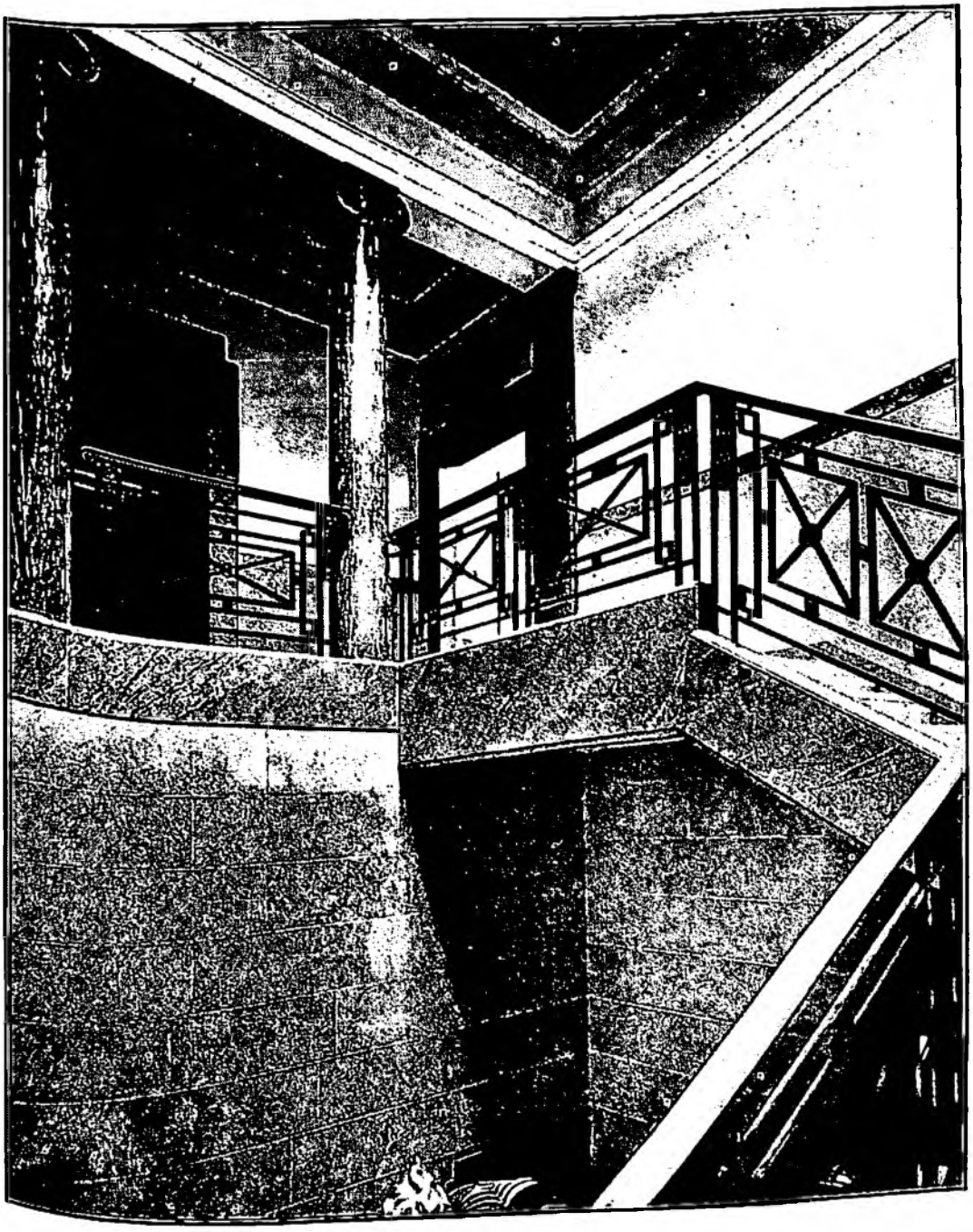
OPENED BY MISS HALDANE OF CLOAN.

THE new Library Buildings were formally opened by Miss Haldane, Companion of Honour, LL.D., J.P., of Cloan, Auchterarder, sister of Lord Haldane, the ex-Lord Chancellor. Provost Armour, J.P., Chairman of the Library Committee, presided. There was a large attendance.

At one end of the platform was erected the old pulpit which was used by the brothers Haldane, the noted philanthropists and evangelists of last century, ancestors of Miss Haldane. One of the brothers Haldane (Robert) was proprietor of Auchengray Estate, Airdrie, and the pulpit was used by him in his private chapel at Auchengray House.

Provost Armour said :—" We have met to-day to witness the opening of a new chapter in the progressive history of Airdrie. On behalf of the Town Council and the Library Committee, I give you each and all a very hearty welcome. This large and representative assembly, includdng so many distinguished visitors, betokens an undoubted interest in Library work. The inception of the movement for a new library dates back to 1911, when Provost Knox obtained from Dr. Carnegie the promise of assistance in securing for Airdrie an up-to-date building, which would be worthy of the first burgh in Scotland to adopt the Free Libraries Act. The promise then made was followed up by Provost Orr, who, in 1913, obtained the promise of a definite grant of £5,500, on the understanding that Dr. Carnegie's former donation of £1,500 to the existing building should be added, making in all £7,000 to be spent on a new Library, and that a free site would be provided by the town. Before

PLATE 37.



STAIRCASE.
HEAD OFFICE.

of the Haldane family who dedicated their lives, means, and talents as preachers of the Gospel. I have now the honour of calling on Miss Haldane to address you, and would ask her to do so from the pulpit which her revered forebears, Robert and James Haldane, preached from with power and acceptance at Auchengray over one hundred years ago. (Applause.)"

Miss Haldane, on taking her stand in the old pulpit of her forebears, was warmly cheered. She said:—"Mr. Provost, ladies and gentlemen, I need not say with what pride and satisfaction I comply with your desire to declare this Library open—pride because of the fine public spirit that has caused you to erect this beautiful building, and satisfaction that the town, with which I am pleased to say—as you have just heard from the Provost—I have some family connection, should have the means given it for carrying on self-education and self-development. And, perhaps, I may just say that I have special pride in being allowed for the first time, I believe, in my life, to speak from a pulpit. I do not know what will be said by some of our clerical friends; let us hope none of them are listening. And may I be allowed to say that I hope and trust the mantle of my grand-uncle, Robert Haldane, who lived at Auchengray, near here, and who died there, may in some measure descend upon me. But perhaps I might also say, as was previously pointed out by the Provost, that there is an apparatus for preventing him, and I daresay will prevent me, from speaking too long—that is, the time clock. It is a valuable thing, and I will endeavour not to exceed my limit.

"The first question that appears to me when one sees a building like this is what the libraries stand for in the community? To my mind it is this, that we publicly acknowledge that we wish to avail ourselves of the stores of accumulated knowledge that the ages have bestowed upon us, and that we are not content to live just in the present, and content with the things of the present, but that we desire to enter into possession of all the wealth of interest that our predecessors have left to us. The civic library, the library of the community, and of a burgh like this, which has endured for so many years, is a great institution. The school stands for a great deal. The Provost has talked of my interest in education. I have

certainly been greatly interested in school education and the training of the young; but that, after all, is merely the putting of great instruments into the hands of our people, and there is with it the element of compulsion. The library is something more. The first step of school education is undoubtedly essential. It has always been recognised as such, but the library signifies something more. It signifies that the free man and woman desire to drink from the well of knowledge. Now, just at this moment you may say that this is rather high falutin' talk. We as a nation are passing through hard times of unemployment, which is always a most distressing form of suffering, and the cares of the present are always in our minds, so that we sometimes feel that we must concentrate upon them, and upon them alone. Now, I should just like to say, as you know very well, that our difficulties—and they are great—will not be solved by being concentrated upon material things alone. We cannot live as we are told upon bread alone. We require, first and foremost, that just and sane judgment that can only be obtained by mature thought, and this thoughtful judgment is only to be had by applying our powers to the problems to be dealt with. We require, ladies and gentlemen, to see what the experience of the past has to tell us, and to order our course in conformity with that. There is nothing really more fatuous than to ignore the lessons that our fathers have had to teach us.

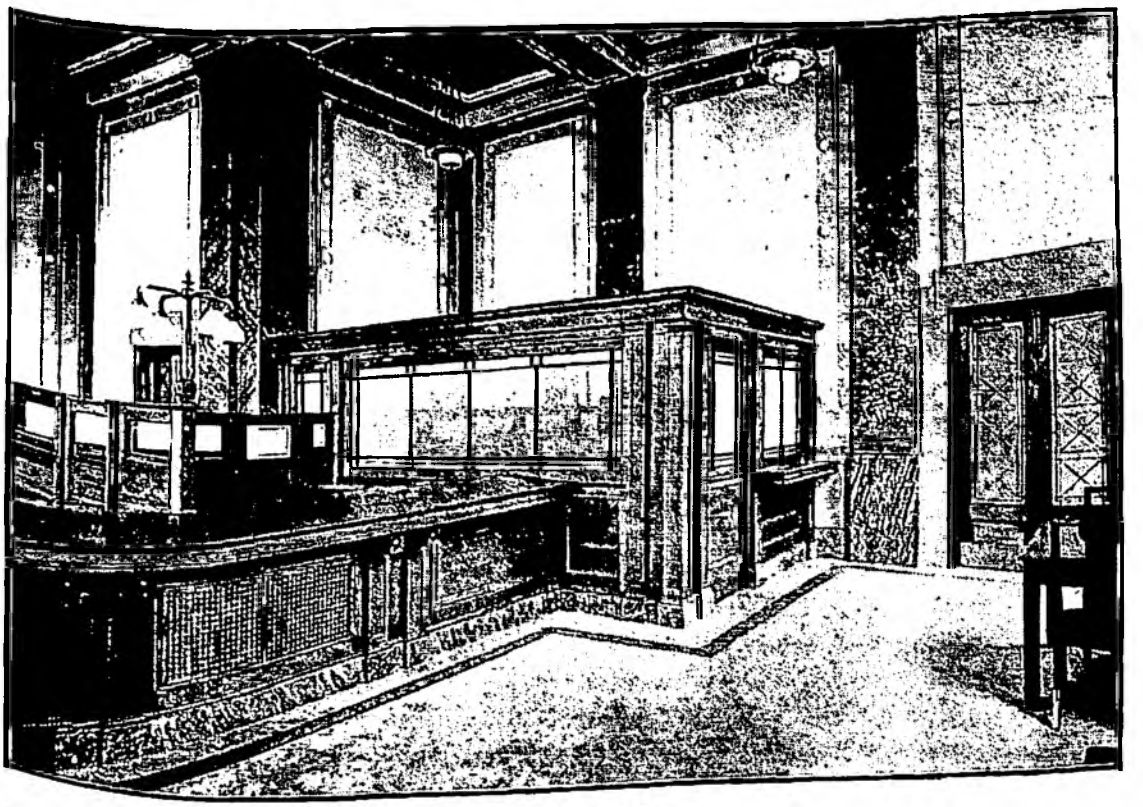
"We of the Carnegie Trust shall be told that we go to the Libraries, not only to improve our minds, but occasionally with some other object—in fact, that very often we go to be amused, to be relieved of the dull round, the common task. And we of the Carnegie Trust are being constantly told that the greater part of the readers in the Public Library are undoubtedly readers of fiction. Ah, my friends, what a dull world this would be if we allowed our imaginations to be stultified—if we took a mistaken view of life like that. I was speaking the other day to one of the greatest living imaginative writers, and one felt that he was giving a glamour to all that was written, and showing one things that one had never seen before. He was showing truths that one never knew, because one's eyes were otherwise apt to be blinded. But," Miss Haldane continued, "what would our childhood have been without our fiction?

What should we have done without our Red Riding Hood and John Gilpin, and without our Pickwick? And yet, what one of those ever existed in the mere material sense?

"Coming back to my subject, this wonderful building, I had no idea you had in it a beautiful museum and a wonderful observatory, and I am sure you are proud of your institution—your Library that has grown up to all this during those many years of its existence. It has really opened a splendid enterprise. It started in 1856, was it? At any rate over 70 years ago, and you were the first burgh in Scotland to give self-education by this means to the grown-up men and women. We honour you for it. (Applause.) And you have worked well together for bringing to pass the erection of a worthy home in which to house that Library. In this respect I think it has been unique. We honour the Savings Bank of Airdrie, which has done so much to help you. (Applause.) We acknowledge that it has appreciated the fact that material and moral prosperity must go, and ought to go, hand in hand. You have had good citizens. We have heard of quite a number of them. One, the late Sir John Wilson, I have known personally, also Provost Kennedy and the present Provost. All these have aided in different ways in this good work. The Carnegie Trust has tried to give a hand to supplement the original donor's beneficence for this purpose. His object was to help those who helped themselves. Well, you have helped yourselves, and it is the great desire of the Trustees to carry out his intentions, to open up possibilities of culture to the poor man equally with the rich. Mr. Carnegie knew what it was to be a poor boy, and he was determined that, so far as he could prevent it, others should not suffer as he did.

"It has given the Carnegie Trustees the greatest satisfaction to meet—as they were meeting in this case—with the desire and the enthusiasm that Airdrie has presented to us. On my card of invitation is a fine word, '*Vigilantibus*.' To be vigilant gives success, as I would interpret it, and it is surmounted by a crowing cock greeting the morn (the Burgh crest and motto). Well, you are like the crowing cock, whose crowing we sometimes painfully find is too early in the morning—but I hope you will continue in your vigilance, and that you will find the rising sun shining on you.

PLATE 38.



THE BANKING HALL WITH DEPOSITORS' CONSULTING ROOM AND ENTRANCE FROM WELLWYND

HEAD OFFICE.

(Applause.) I have very much pleasure, ladies and gentlemen, in opening your new library." (Applause.)

Hon. Sheriff Knox, in making the presentation to Miss Haldane of a beautiful silver rose-bowl as a souvenir of the occasion, said he tendered on behalf of the whole community their dutiful and sincere thanks to Miss Haldane for the signal service she had rendered them that afternoon. He assured her that they appreciated most highly the honour she had conferred upon their town by her visit, and the gracious way in which she had just declared that building open. They had listened with the greatest pleasure to her admirably delivered address. The Committee undoubtedly made a fine hit when they invited Miss Haldane to this town. Their choice was very appropriate. Miss Haldane was pre-eminently fitted for the duty. He knew no one so entitled to be asked to perform that ceremony. She was one of the Trustees of the Carnegie United Kingdom Trust, to whom they were very largely indebted for that spacious and beautiful edifice. Secondly, they had in Miss Haldane one in the front rank as an educationalist, and a leader in many a progressive movement throughout our country. The library was not only a storehouse for books. They hoped that, with the extra accommodation and other things provided, it would be a great educational centre and powerful educational institution in the town and district.

Referring also to Miss Haldane's family connections with the district during the first half of last century, he said these connections formed a bright and inspiring page in the history of our town. The people of Airdrie had a strong sentiment of local patriotism, and were proud of their history and of the good men and true, the noble and great, who made that history and formed and moulded the character of the people. Robert Haldane, of Auchengray, was one of those men. He and his brother no doubt occupied a much wider sphere, a national, even international, sphere in respect of the great work they did for the religious life of Scotland in the early part of last century. Their names were honoured names, their story a wonderful story. But, after all, Robert Haldane was one of their own. They claimed him, at any rate, as such. He came to reside in these parts at a critical time in the history of the town. They were

undergoing an industrial transition. The old weaving was giving way to coal mining, and they were getting men from all quarters of the country. Robert Haldane came on the scene, and by his preaching and teaching and efforts in the planting of churches and forming of associations, and by the high ideals he set before the people, his influence and his power was supreme. It was largely, he believed, on account of these ideals laid before the people of last century that prepared the minds of the community to take the first opportunity to adopt the Free Libraries Act, and so gain for the town that distinction which they had heard of, and which Mr. Carnegie himself said was an honour of which Airdrie could never be robbed.

Hon. Sheriff Knox went on to say that, standing beside that venerable pulpit, he felt, though no spiritualist, as if the spirit of Robert Haldane was not far off, and was hovering round the assembly that day, bidding them Godspeed in their latest efforts for the welfare and happiness, uplift and betterment of their fellow-men, and the furtherance of those principles and ideals for which so nobly Robert Haldane stood. In connection with that pulpit, he had a pleasing announcement to make. Their good townsman, Dr. T. Walker Love, had long been the possessor of it, and he (ex-Provost Knox) had approached him for the purpose of having it on that occasion. Dr. Love very kindly consented, and not only so, he said he would be very pleased if the Library Committee would accept from him as a gift that pulpit, to become the town's property, and have a permanent place in that hall. He was sure they thanked Dr. Love, and that gift, 100 years old, which, with the Covenanters' Flag and the Martyr's Stone, would remain one of their most precious possessions.

The Hon. Sheriff then asked Miss Haldane's acceptance of a beautiful rose-bowl, as a souvenir of that very interesting event, from the Town Council and Public Library Committee of Airdrie.

Miss Haldane, in acknowledging the gift, said she did not think anything they would have given her could have been more beautiful, and she expressed her warmest gratitude for it. It would be cherished as a great treasure by herself and her family. Referring to her forebears, she said it was a great pleasure to her to know that the

name and record of her grand-uncle, Robert Haldane, still remained here, and that in a sense his spirit was still with them. She had been brought up hearing a great deal about her grandfather and grand-uncle, and it was not so very long ago since her mother, her brother (Lord Haldane), and herself paid a visit to Auchengray, but they did not, of course, see that pulpit. She was delighted to know that the pulpit was to remain in that hall, and she would just like to ask the Provost to be allowed to put a plate upon it, recording its history.

In thus giving this short account of the opening proceedings of the new Library, it may be thought that I am introducing matters not germane to the subject proper, but the close association, not only in the lofty ideals of both institutions, but also in their building schemes, warrants this special chapter. The Bank has always regarded the Library as a powerful ally in the inculcation of the principles for which the Bank stands. It was principally from this point of view that the Directors undertook the pecuniary obligations already referred to, not only so, but when the full cost of the Library buildings was ascertained to be £766 18s. in excess of the original estimate of £10,000, the Directors felt justified in increasing their original grant to £1,766 18s., so that the building might be entirely freed of debt.

On 9th March, 1927, the Directors instructed me to write the following letter to the Airdrie Town Council :—

"My Directors, at their meeting yesterday, had before them the figures showing the total cost of the new Library Building.

"With regard to the balance of the cost yet to be met, my Directors desire me to say that, in respect of the very satisfactory manner in which the Library Committee carried out the wishes of the Directors in the matter of building the new Library in unison with the Bank Buildings, they have agreed to increase the Bank's contribution to £1,776 18s., which will thus place the Library in the happy position of being free of debt.

"I accordingly enclose cheque for the sum named.

"In acknowledging receipt, you might also send me a copy of the detailed statement showing how the balance of £1,776 18s. is brought out."

On 15th April, 1927, the following letter was received from the Town Clerk on behalf of the Town Council :—

" I submitted to the Town Council at their monthly meeting on 7th inst. your letter, dated 9th March last, on the subject of the cost of the new Library building, and sending, on behalf of your Directors, cheque for £1,776 18s. to clear off the deficit on the capital cost of the new building, when the Council agreed to record in their minutes their high appreciation of the manner in which the Bank Directors had dealt with this matter, and I was desired to ask you to convey to them the Council's best thanks for their handsome contribution, which puts the Library Committee in the happy position of having a new and up-to-date Library free of debt, without costing anything from the rates."

CHAPTER L.

New Bank Buildings Completed.

By the end of October, 1925, the great transformation effected in Wellwynd and Stirling Street, following the building scheme of the Bank and Library, was accomplished. A visitor to the town who knew it formerly would have difficulty in recognising the "Old Wynd." The greater part of its former environment has passed away. The several photographs of the locality included in this volume show what was, and what is, and convey but a limited conception of the vast changes effected in this important centre of Airdrie. Not the least new feature is the spacious entrance to the Parish Church, beautifully laid out on either side. The edifice itself, which was previously hidden from public view, now stands out as one of the conspicuous ecclesiastical buildings of the town.

The opening of the new Bank offices was fixed for 12th November, 1925, but the building was practically complete two weeks previously. This fortnight was utilised for the purpose of affording opportunities to the depositors and the general public to inspect the interior. Large numbers availed themselves of the chance of having a peep behind the scenes of a modern banking establishment. Visitors were impressed with the tone and character of the interior, and the well-arranged apartments with every modern equipment for the efficient carrying on of the various departments of the business. The main strong room attracted much attention, and great interest was also displayed in an exhibition of some old relics, such as the mahogany chest with its three locks which held the books of the Bank in its early years—the first iron safe, which appeared as a mere toy as it stood by the side of the great massive door of the

main strong room—original prints of the first, second, and third annual reports of the Bank—the Bank's first minute book—the first depositors' ledger—photographs of former offices, and of the men who had prominently identified themselves with the institution throughout its long history. It may be here mentioned that the records of the Bank since the first year have all been carefully preserved, not a single minute book or depositors' ledger or other account book being amissing. Each visitor was presented with a handbook which contained much useful information about the Bank, as well as being an excellent thrift publication. The Bank has recently distributed 20,000 of these booklets throughout the district with gratifying results.

Needless to say, the arrangements for the function required much consideration. In determining the form which the function should take, the Directors' first concern was the depositors. Their aim was to have as many depositors as possible taking part in the big event. Intimation was accordingly made through the local press that depositors who desired to be present should send in their names to the Secretary before a given date. Large numbers responded, and, in order that no one should be disappointed, it was decided to divide the function into two parts, separating the main ceremony from the inspection of the new buildings. For the former the Sir John Wilson Town Hall (Larger and Lesser) were requisitioned, the date fixed being 12th November, 1925. As regards the viewing of the interior of the new building, opportunities were given on the afternoon of the three preceding days to all local depositors to have a private view between the hours of two and five o'clock each afternoon, and on the opening day the building was open for the inspection of invited guests resident outwith the burgh. Thus congestion at the office was entirely avoided.

The company which assembled at the Sir John Wilson Town Hall at 3.30 p.m. on the 12th November was a very large and representative gathering, every available inch of sitting room being taken up. The halls were beautifully set off with flowers from Mr. Linton's conservatories at Airdrie House. Small tables were laid for tea in the two halls, and a *recherché* service was purveyed by Messrs. J. & J. M'Farlane, Ltd., Airdrie.

The following was the programme at the opening function :—

Tea served from 3.30 to 4 o'clock.

Hon. Sheriff Rankine, President, will occupy the Chair and introduce
EMMA, LADY WILSON,
who will formally declare the New Buildings open.

Presentation to EMMA, LADY WILSON.

Speaker—Provost ARMOUR, J.P.

ADDRESSES BY

GEORGE J. SCOTT, Esq., Treas., Bank of Scotland, Edinburgh.

THOMAS HENDERSON, Esq., Actuary, Glasgow Savings Bank.

PRESENTATION TO THE BANK OF OIL PAINTING (Portrait of the late John Glen, Esq., of Glengowan).

Presented by Mr. CHAS. GLEN, J.P., and acknowledged by ex-Bailie NEILSON, J.P., Hon. President.

PRESENTATION TO PRESIDENT BY ARCHITECT AND CONTRACTORS.

Speaker—Col. J. MAURICE ARTHUR, C.M.G., D.S.O.

VOTE OF THANKS—EX-PROVOST FREW, J.P.

CHAPTER LI.

Visit of Emma, Lady Wilson.

THE Directors were most fortunate in securing the services of Emma, Lady Wilson, of Kippen House, Dunning, widow of the late Sir John Wilson, Bart., of Airdrie, to perform the formal opening ceremony of the new headquarters of the Bank. On her Ladyship's appearance at the Town Hall she was accorded a magnificent reception.

Hon. Sheriff Rankine, J.P., President of the Bank, in inviting Lady Wilson to formally declare the New Office open, said :—

" We are met this afternoon under the auspices of one of Airdrie's oldest institutions. The origin of the Airdrie Savings Bank dates back to the year 1834, just 91 years ago. At that time the town was passing through a great industrial transition. Hand-loom weaving, which had been the occupation of the people for nearly a century, was giving way to coal and iron mining. There was a great influx of newcomers to the place. They were a different type from the thrifty, independent weaver, and it soon became evident to a band of public-spirited men, mostly of the weaving stock, that something was needed to further stimulate thrift amongst the newcomers. The Airdrie Savings Bank was then set up as a thirft agency. At first the membership was rather restricted, which gave rise to a division amongst the pioneers of the movement, and some of them held temporarily aloof; but in a short time these restrictions were removed, and the Bank was thrown open to anybody who wished to take advantage of its facilities.

" Amongst the moving spirits in the formation of the Bank were Dr. Clark, of Wester Moffat; Rev. John Carslaw, Minister of the Reformed Presbyterian Church, North Bridge Street; Rev. Andrew Ferrier, of Graham Street Reformed Presbyterian Church; and Mr. James Knox, grandfather of the present manager of the

Bank. I may say that four generations of the Knox family have been associated in the management of the Bank from its formation. It would be impossible for me to go into details of the Bank's history on this occasion. These are being written up in book form by our Manager, and the history of the Airdrie Savings Bank will be duly published, when you will all have an opportunity of learning something of its wonderful career.

" During the early period of its existence the Bank did not make what might be termed phenomenal progress, but it always takes a considerable time for any bank to gain a position. No doubt the Bank was handicapped for many years by not having an office of its own, and the limited number of hours it was open for business. However, over forty years ago our present Manager opened an office for the Bank at 21 Stirling Street, on the opposite side from where, in the old hat shop, it had been so long conducted. Greater facilities were granted, and the hours of business extended, and from that date it may be said the Bank business increased by leaps and bounds. It is interesting to recall that when the first-named office was opened the total funds amounted to about £15,000. To-day the amount approximates to three and a half million pounds. At that time the depositors numbered less than 3,000. To-day they number over 32,000. The office at 21 Stirling Street soon became inadequate, and ten years later the premises in Anderson Street were leased, and for the last thirty years business has been conducted there. But long before the war the Directors found that the accommodation was far too limited for the growing business, and they were negotiating for a new site just when war broke out. Negotiations were suspended during the war, but immediately after the armistice the site on which the new Head Office has been built was acquired, and now, you will agree with me, the Bank has provided itself with a building which will meet its requirements for many a day—a building, too, worthy of its position and prestige as well as an undoubted valuable addition to the public buildings of the town.

" I venture further to say that there is no savings bank in any of our provincial towns which can boast of a better equipped office. I congratulate the architect, contractors, and the manager on what they have produced, but, above all, I congratulate the depositors

on the possession of a building of which they may well feel proud. And now, ladies and gentlemen, I have the greatest possible pleasure in asking Lady Wilson to formally declare the new building open. The late Sir John Wilson was a great benefactor to Airdrie, and his great interest in the progress and development of the Airdrie Savings Bank was not the least of the benefits he conferred upon our community. The honour which Lady Wilson is conferring on us by her presence here this afternoon is the more appreciated because it has given us the opportunity of honouring the memory of one who did so much in his lifetime for the welfare and prosperity of the institution. Sir John Wilson was enabled to do what he did largely because he practised the principles of thrift, and it is most fitting that Lady Wilson should be here to-day to declare open what I described at the laying of the foundation stone as Airdrie's Memorial to Thrift. I have now to call upon Lady Wilson."

Lady Wilson, who was again and again warmly cheered on rising, said :—" Hon. Sheriff Rankine, ladies and gentlemen, I can assure you that I appreciate very, very highly the honour the Directors of the Airdrie Savings Bank have conferred upon me in asking me to open their splendid new Palace of Thrift. Who would have thought that pennies and shillings could have done it, and yet it is to the wonderful results of thrift, inspired by the wisdom and foresight of Airdrie folks since 1835, that we owe that splendid building.

" Men do not realise how great a benefit is thrift. We certainly owe a great deal to those who have borne the burden and heat of the day in the past—the Trustees and Directors in the earlier days. Most of you have been through the Bank, and have seen their photographs and portraits, and I can assure you that it gives me an added feeling of the honour you have done me that you have asked me as a tribute to my late husband's memory. He had the interests of Airdrie Savings Bank tremendously at heart. He was always ever interested in its prosperity. I remember how, when he came home from the Trustees' meetings, he used to tell me how much the deposits were increasing, and how the capital was growing, and other details of the Bank's progress, and he would add, ' you know the reason the Airdrie Savings Bank is so wonderful is due to the

fact of its having been started before the Savings Bank Act of 1863, and they had the advantage of investing their capital as they pleased.' "

Her ladyship recalled at this stage other Trustees and Directors she remembered as being associated with her late husband, Sir John Wilson, in the work of the Savings Bank, such as the late Mr. Hugh Crichton, the Rev. John Paterson (her brother-in-law), Mr. G. J. Wildridge, and Mr. Thomas Jeffrey, and many others. When one looked back, she said, it was impossible not to see how deeply Sir John was interested in the Bank's progress and in all the movements for its welfare, and how often he looked with deepest interest from Airdrie House, where he passed away, up to the old town, in Wilson Street, where he was born. I can also recall, she said, many others who have passed away, who were equally interested in the Airdrie Savings Bank—Mr. Alston, Mr. Motherwell, Mr. Glen, whose mantle has fallen on the shoulders of his son. Mr. Glen's son, she believed, was now one of the Trustees, and she had been deeply interested in seeing the portrait of his father, which he was presenting to the Bank, as hung in the new banking hall—a most life-like picture. All these had passed away, and it remained for the succeeding Directors and Trustees to carry on as they did, and make the Bank still more and more a prosperous institution.

It was a great responsibility having the charge of capital accumulated by thrift, and the enterprise and self-denial of thousands of people—for they were all capitalists. Those old Trustees and Directors, as she had said, had borne the burden and heat of their day, and it was for those of the new generation who had followed them to carry on as they had done. Sir Roger de Coverley said, "carefulness, that handmaid of generosity," and yet people are apt to associate thrift with meanness. She pointed out, however, that if they spent all they had on their own pleasure and enjoyment they would not have a penny to give to anybody else; so that, after all, it was the thrifty, thoughtful person who was best able to benefit others. And they all knew the benefit of providing for a rainy day. Expense would come on them some day, and it was well to be prepared for it, and it was well to be able to "look the whole world in the face and owe not any man."

Some people felt rich because they had little, and some people felt poor because they had a great deal. She supposed the great thing was to be able to do right whatever their means might be. In conclusion, Lady Wilson said, our chairman has told you the history of the Bank. All I want to do is to say that, although so many of the Directors and Trustees have passed away, we still have Mr. Knox with us. And may he long continue in Airdrie to write about the Bank, and tell us about the Bank, and encourage people to go to the Bank. All I can further say is that, like yourselves, I have been through the new building, and it struck me as wonderful, useful, and ornamental. Speaking of Airdrie and its improvements; why, you will soon be a city of monuments. It has given me very great pleasure to be here, and to renew the memories and the friendships of former days among you, and to declare, as I now do, the new Savings Bank open.

Provost Armour, J.P., then said :—" Mr. President, Lady Wilson, ladies and gentlemen, I have been honoured by being entrusted with the congenial duty of acknowledging the honour which Lady Wilson has conferred upon us in so kindly and so graciously declaring the new Bank Buildings open. Airdrie people have very grateful and most pleasant recollections of the time when Lady Wilson lived among us. Every good cause had, in her ladyship, a generous friend, and we had feelings of the deepest regret when her great loss, and our great loss, occasioned the removal of her home from this district. But neither distance nor time have diminished Lady Wilson's personal interest, and her presence here to-day is an additional evidence of her clinging affection for her old home.

" Reference has been made to the keen interest which the late Sir John Wilson took in the affairs of the Bank. No local institution appealed to him more, for he recognised the necessity and the value of thrift among all classes of the community. He never failed to take every opportunity of commending the advantages and facilities of the Airdrie Savings Bank. Had Sir John been spared to be with us to-day, no one would have rejoiced more than he at the completion of the great building scheme inaugurated by the Bank. In this connection, might I digress, and, speaking in my official capacity, refer to the transformation which has been effected in the

very heart of the town by this great improvement scheme. The Wellwynd is perhaps the most historic part of the burgh. It was there that the first church and the first school were built. It was there that the people drew their first spring water from Eppy Jack's well. It was there that engineering and other works were first established, which made Airdrie famous. And it was in the Old Wynd that some of Airdrie's industrial celebrities were born. What could be more appropriate than that its ancient traditions should be revived by the improvements which have just been wrought by the magnificent edifices, including the new entrance to the Parish Church, which now adorn the locality? I would, therefore, as Provost of the Burgh, express on behalf of the whole community our great appreciation of what has been done by the Directors of the Bank in this most conspicuous improvement of our dear old town.

"As the Chairman has remarked, the depositors may well be proud of the great achievement. Some people may think that the Bank Building is too ambitious, but, after all, it is only the thrifty who can afford to be generous in providing for the future. Besides, the building has been designed as, and will in reality be, a permanent reminder to every passer-by of the value of thrift, as practised, not only by the depositors, but by the Directors of the Bank in dealing with its affairs. Years ago, the small sum of £20 was laid aside as the nucleus of a Reserve Fund. Through careful management, yearly additions have been made to the fund, until to-day it has almost reached a capital sum, the interest of which is equal to paying the whole working expenses of the Bank. I am glad, and I am proud to think that there has always been in Airdrie a large proportion of the population who believe and practise the good old Scottish principle of thriftiness. Certainly, the Airdrie Savings Bank, as our President has remarked, is a most popular institution. But, ladies and gentlemen, we must not forget that much of the credit is due to the master mind, the financial genius, who for the past fifty years has thought out and conceived the policy of the Bank. The great success of the Bank and the erection of the splendid structure so auspiciously opened to-day have only been made possible, and are indeed the results of the unsleeping energy, the

wise foresight, and the devoted life's work of our gifted Manager, Sheriff James Knox.

"But, Mr. President, I have wandered beyond my immediate duty in these remarks, and would crave your pardon, and resume my reference to Sir John Wilson by adding that Sir John loved his native town, and was imbued to an extraordinary degree with the spirit of citizenship. This hall in which we are assembled will long remain a memorial of his princely generosity, and his affection and regard for the people and the town of Aridrie. And now, Lady Wilson, I would ask your acceptance of this tray as a small souvenir of this outstanding event in the history, alike of the Bank and of the town, and may it also long remind you of happy associations and many friendships here."

The Provost read the following inscription on the tray:—"Airdrie Savings Bank, Instituted 1835. Presented to Emma, Lady Wilson, on the occasion of the opening of the new Head Office Buildings at Airdrie, 12th November, 1925."

Lady Wilson, in reply, remarked that the Provost had said this was a "small token" of their esteem, but she called it a very big one. It was so big in another sense that she felt she could not thank the Directors sufficiently for presenting it to her. It would remind her of the kindly feelings entertained towards her by the management of the Bank, and she hoped her descendants would some day also think a great deal of it, and of what the Directors thought of their grandmother. While it was very interesting to look back, she thought it also interesting to look forward to fifty years hence, and how this would remind those of her family who looked back then of their early associations with Airdrie. It was very seldom nowadays that people lived and died in the same place; in fact, there was so much going down to England and across the seas that one never knew where one's descendants would eventually be. But those who carried that gift with them could not but look back with pleasure and thankfulness to the source from which it came. It gave her great pleasure to look forward. She would take it back home with her with great pleasure, knowing that her daughters would be awfully proud when she showed it to them. In fact, she felt the difficulty would be which one of them would be the one to

get it. She thanked the people of Airdrie for all their kind thoughts towards her, and the Directors of the Bank and depositors for that lovely tray, and she trusted she would soon be back in Airdrie, and that many of them would come through to Kippen with her and have tea off it.

A beautiful bouquet of flowers was here handed to Lady Wilson by Master James T. Knox, son of Mr. Walter S. Knox, Secretary of the Bank, and her ladyship, in acknowledging it, remarked that it was all the more acceptable as coming from the fifth generation of the Knox family. Her daughters, she said, had told her before leaving Kippen that her dress was rather funereal for such an occasion, but this beautiful bouquet would give it the relieving touch of colour. She thanked the little donor very heartily.

CHAPTER LII.

Bankers' Appreciation.

AMONGST those present at the opening function of the new office were Mr. George J. Scott, Treasurer of the Bank of Scotland, Edinburgh, and Mr. Thomas Henderson, Actuary of the Glasgow Savings Bank. Both of these gentlemen delivered addresses which were so deeply interesting that I give them here *in extenso* :—

Mr. Scott said he had much pleasure in being present that day and seeing the magnificent building which the Savings Bank of Airdrie had erected. He thought the Bank had good reason to be proud of the history behind it. Their ninety-one years, as compared with his own institution's two hundred and thirty years, showed they were still a good way behind the Bank of Scotland, and, of course, as they were all going forward at the same time, he did not exactly see how Airdrie was going to catch them up. At the same time, it was a wonderful record for a town in the provinces to have to-day something like 32,000 depositors and three and a half millions of money. Some of them in the "Benighted East" believed, he had been led to understand, that there were certain districts in the West where there was no money, but he assured them that ever since he had heard of Airdrie he could disabuse the minds of his friends about any such impression. He saw the deposits of the Savings Bank mounting up from year to year. In every way they had to be congratulated upon the success which their institution had achieved. He not only congratulated their institution, but he should like also to congratulate their Manager. There was perhaps no profession which depended more on the personal element than the banking profession, and to-day they were proud in having Mr. Knox, after fifty years of service, still their Manager. Hitherto they had in their country one Knox—John Knox—but he ventured to prophesy that afterwards history would record there was also

PLATE 39.



HEAD OFFICE.
THE BANKING HALL WITH MAIN ENTRANCE SHOWN.

another—James Knox. They were all delighted to see him looking so well and enjoying such ruddy splendid health, and, so far as he could see, good for another quarter of a century.

What, Mr. Scott proceeded, did their Savings Bank stand for. He had thought this over beforehand, and though Lady Wilson had anticipated him, he thought it as well to mention it as showing that they thought on the same lines. The Savings Bank stood for industry and prudence; these two things only made for the prosperity of their banks. Some people had got most extraordinary ideas in their heads about banking. Some of them thought they should have no such thing as interest. Well, if the Airdrie Savings Bank stopped paying interest, he predicted there would be a steady decrease of depositors thereafter. The interest, he said, was the crystallised effort of a great amount of industry, economy and forethought. It was useless to say that they should not take interest for a crystallised effort. Some people also thought it was a useless thing banking money. Let them consider for a moment what happened to their money. When he was a youngster and did not know anything about banks, his first banker was a draper, and he believed he put the money deposited with him into some box in the premises, and he did not know what became of it after that. Perhaps that was the idea some people still had about banks. They seemed to think that those three and a half millions were all going to be deposited in that handsome building of theirs. If that was what it came to, then there was not much to be said about it. But, as a matter of fact, they saw their money invested in this thing and the other thing, encouraging local industries and doing all kinds of useful things, such as the Clyde Trust or other local schemes. They had also men to be employed, homes to be kept, women and children to be housed and clad and kept. That was what he called natural irrigation of land, and it was what their institution was doing to-day, and doing it splendidly. In conclusion, Mr. Scott said he had had special pleasure in being present that day. It was a mistaken idea that they of the other banks had any hostility to the savings banks; they looked with nothing but pride at seeing the success of their institution in Airdrie, and he wished it continued prosperity in the years to come.

Mr. Henderson followed, and said :—He was only there because he was a near neighbour of theirs, as the representative and mouthpiece of the Savings Bank of Glasgow, an institution which had always been on the most cordial terms with the Savings Banks of Scotland. He spoke of having attended Savings Bank functions in England, at which he had been variously referred to as Manager of the largest Savings Bank in the country, and also the largest in the world. He did not come that afternoon claiming any such title, but as their neighbour in the Glasgow institution of the same kind. He had been present at the laying of the foundation stone at Airdrie Savings Bank, and to-day he had seen the completed building. The building was splendidly laid out for a very large and promising business being conducted both carefully and expeditiously. His only hope was that in the years to come, before this generation had all gone, those beautiful offices of theirs would have become quite inadequate, and he thought he could wish them no better wish than that.

The Savings Bank of Airdrie was one of the very few savings banks in the country which did not avail themselves of the Act of 1863, and it operated under a very much older Act of Parliament, and in so doing their Directors had a very much greater freedom of action than they had in Glasgow. It was because of this that their Directors had been able to present a site for the new Free Library next to their ground, while the Parish Church had been enabled to carry out those beautiful improvements which he had seen to-day, and also had been the means of effecting those communal street improvements to which Provost Armour had referred. They in Glasgow were closely kept in thraldom by a party sitting in London who had not very much regard to the local interests. A short time ago he was present at a great gathering of Thrift and Savings Bank Institutions at Milan, where there were 300 representatives from different nationalities, and it might interest them to know that three of these were present on this platform this afternoon. These were ex-Provost Knox, Mr. W. P. Ure, the Chairman of the Glasgow Savings Bank, and himself. He should like to say this of ex-Provost Knox that there was no more assiduous attender of the conference meetings than he was. They were very strenuous

sittings, and he could assure them that when Savings Bank Managers attend these conferences it is no light undertaking and no light task to sit from early morn till late at night listening to speeches made in every language under the sun—in fact, it was a perfect babel. But their very good Manager, ex-Provost Knox, put up with it all the time. He was there morning, noon, and night. While at Milan he, Mr. Henderson, had taken occasion to observe some of the methods which the foreign savings bank had. He was struck with the freedom of action, and freedom from control, which the Bank of Lombardy in Milan possessed, especially with regard to the disposal of some of those reserves which they had heard of that afternoon. Those banks were able, after laying aside some of their reserves, to devote sums of money to some communal purpose. He noticed that something like two million of lire were voted to the local hospitals, and a similar sum voted to research work in cancer—a wonderful gift indeed—while a very large sum was also voted for the erection of workmen's dwellings.

They could well understand that with a bank doing work like that they had the welfare, not merely of their department before them, but the welfare of the whole community, and it was no wonder that they won the affection of the community to an extent that they could not possibly do by their methods in this country. He thought it would be interesting for them to have that little touch related to them in Airdrie, in view of what their own institution had done, because it showed that they were in a peculiarly happy position in Airdrie in having that freedom of action which, in the hands of such very wise Directors as they had at present, was a privilege of very great value. It was very often they heard about the value of thrift. All classes of thought belauded it to the skies, although in the institutions under their control they saw very little evidence of that. But be it as it may, one thing he was sorry for was that in very few of those public references did they find any reference to the great work which had been done for more than a century by the savings banks of the country. For more than a hundred years savings banks had been performing what they might call a quiet thrift, and yet very little public acknowledgment was ever made of that thrift, and he took the opportunity of testifying publicly

to the public work that had been done by savings banks, not only in past generations but to-day, by a body of men who acted as Trustees and Managers of these institutions—men who had devoted great time and energy, and given the best of their business skill in directing those institutions.

He would like to take the opportunity as an official of a savings bank of over forty years' standing of testifying to the splendid work which those gentlemen had been performing, and he should like to feel that there was more public and more generous recognition to follow of their work. It had been a very great pleasure to him to be present that afternoon, and he congratulated the Savings Bank of Airdrie on their magnificent new offices. A gentleman from Coatbridge had called on him a day or two ago who said to him, "Mr. Henderson, you have very fine premises in Glasgow, but I think you will soon have to give place to Airdrie."

PLATE 40.



THE BOARD ROOM.
HEAD OFFICE.

CHAPTER LIII.

Portrait of the late John Glen, J.P.

THE photograph included in this volume of the late John Glen Esq., J.P., of Glengowan, is taken from a portrait in oils presented to the Bank on the occasion of the opening of the new office. The inscription on the frame of the portrait is as follows :—

JOHN GLEN, Esq., J.P., Glengowan, Trustee of
Airdrie Savings Bank, from 1901 to 1922.

Presented by Charles Glen, Esq., J.P., 12th November, 1925.

Mr. Charles Glen, J.P., Glengowan, the donor of the portrait, and now one of the Trustees of the Bank, in making the presentation, said that wherever he went he found himself welcome because he was the son of his father. His father had been a Trustee of the Bank for 20 years, and in all those years he used to hear him talk of the great prosperity of the Bank, and the great respect and admiration he had for his colleagues, for the staff, and for everyone connected with it. And when he, Mr. Glen, came to take his father's place as Trustee, those same Directors gave him welcome, because, again, he was the son of his father. And so the new Bank Building being erected, and knowing the great respect that they had for the memory of his father, it had occurred to him that he should do some little thing in memory of his work among them, and that the best way to do so was to give them his portrait. Mr. President, he concluded, I have great pleasure in handing you this portrait. In your acceptance of it you perpetuate my father's memory, you

honour my family, and you honour me, and from the bottom of my heart I thank you.

Ex-Bailie Neilson, J.P., Hon. President of the Bank, in accepting the gift, said :—" I assure you, Mr. Glen, we have the utmost possible pleasure in accepting the beautiful portrait of your late father. The painting is not only a valuable work of art, but also a true likeness. We highly appreciate your great kindness, and we thank you most sincerely for your handsome gift. The portrait has been placed in a prominent position in the main Banking Hall of our new headquarters. The gift is a generous one, but it is also alike appropriate and timely. It is appropriate, for the memory of the late Mr. Glen, who, for over 20 years acted as one of the Bank's Trustees, is worthy of all honour.

" Speaking as the oldest member of the Board of Directors, I had many opportunities of learning and appreciating the real worth to the Bank of Mr. Glen. His opinion and advice might safely be taken at all times. He possessed and cultivated those very qualities which inspire confidence. He had ever a broad outlook, and he always took a long view of any situation, which is an almost indispensable quality to the proper handling of all matters financial. Two incidents in this connection I might recall. The first was in the second year of the war, when our Manager proposed that we should raise the deposit rate of interest to 4 per cent. When considering the proposal, which seemed to some a bold experiment, Mr. Glen's opinion was sought. At once he saw the prospect in front of the Bank. ' Now's your chance,' he said, ' go ahead, your deposits will soon be doubled.' The Manager's proposal was unanimously agreed to, and one of the results of that important decision is to be seen to-day in the magnificent office which has just been declared open. The other incident I would mention had reference to the new building itself. Mr. Glen urged the purchase of the present site even before the war, and was very strong in insisting that a building should be erected which would be in keeping with the position, and meet for many a day the ever-growing needs of the Bank. What, then, more appropriate and timely than that his portrait should be the first to adorn the walls of the new building.

" When the Manager's history of the Bank is published, I have no doubt, there will be found in it a bright page of tribute to one who for so many years, by his influence and work, was a tower of strength to the institution. I would only add, that it was exceedingly gratifying to all of us that his son, Mr. Charles Glen, readily took up the position occupied by his father as Trustee of the Bank. He is a worthy son of a worthy sire, and I am sure we all feel that the presentation of the portrait to the Bank is not only an act of filial respect which draws forth our admiration, but also a further pledge that the deep interest evinced by the late Mr. Glen in the affairs of the Airdrie Savings Bank will be continued and maintained by his generous son."

CHAPTER LIV.

Mr. Dugald Rankine,

ELEVENTH PRESIDENT, 1923-1926.

HON. SHERIFF-SUBSTITUTE RANKINE, J.P., the Senior Vice-President, succeeded to the Chair on the death of ex-Provost Davidson. Mr. Rankine joined the Board of Directors in 1902, and was elected a Vice-President in 1918.

Mr. Rankine was an Airdrieonian. His father, Mr. Daniel Rankine, was a shoemaker. I remember him and his shop, which was in Graham Street, near to the *Advertiser* Office. As a school boy I used to look through the window, and see the old man working at his trade. He wore a "red cowl," which specially attracted a boy's attention.

Mr. Rankine started life as an apprentice ironmonger with the late Andrew Aitken in Bank Street. He was full of pluck and energy, and as soon as he had mastered the business he set out on his own account and opened a shop at 34 Stirling Street. In 1884 he purchased the property where the business of D. Rankine & Son, Ltd., is still carried on. Mr. Rankine had splendid business abilities, which gained for him a wide connection far beyond his native town.

Mr. Rankine was frequently invited to offer himself for municipal honours, but, unlike his father, who was elected to the Council in 1834, he always declined. He did not, however, refuse to take a share in the public service. As a J.P., and latterly as an Honorary Sheriff-Substitute, he devoted much time to the onerous duties of these offices. He was also a prominent member of the Committee of the Airdrie Public Library from 1885 till his death in 1926.

The Bank had a warm friend and supporter in Mr. Rankine. He never ceased to broadcast its merits and advantages wherever he

went. He greatly appreciated the honour of the Presidentship, and his name will always be associated with the erection of the Bank's New Headquarters, both at Airdrie and Coatbridge. His practical knowledge and wide experience were of the greatest value in the evolving of these two important building schemes.

Mr. Rankine had the honour of presiding at the two functions in connection with the new offices at Airdrie, first at the ceremony of laying the foundation stone by Lord Elgin, and second on the occasion of the opening ceremony by Emma, Lady Wilson. Mr. Rankine never laid claim to be a public speaker, but, when on important occasions he had to take a part, he took care to prepare, and also spoke to the point. His few introductory remarks in calling upon Lord Elgin to lay the foundation stone of the new building at Airdrie on 4th July, 1924, were most *apropos*, and deserve repetition here. Mr. Rankine said :—" My Lord and Lady Elgin, ladies and gentlemen, we are taking part to-day in what must be regarded as an outstanding event in the history of our town. The two institutions under whose auspices we are met are institutions of which Airdrie is justly proud. They play an important part and have exercised a beneficent influence in the life of this community. We like to think of them as reflecting to a large extent the character of the people. Their inception well nigh 100 years ago speaks to the wisdom, foresight, and patriotism which inspired the men who were their founders. And their subsequent development, and particularly in later years their phenomenal progress, bear ample testimony to an ever-increasing appreciation by the people of the noble ideals for which both institutions stand. Such institutions are worthy of a jealous care, and as they have come down to us as legacies of the past, so we of the present day seek in the buildings now in course of erection to hand them on to the next generation, the better fitted and the better equipped for the carrying on of the laudable work. We are specially honoured on this auspicious occasion by having Lord Elgin to lay the foundation stone of the new building. We give him a cordial welcome. The Committee could not have made a happier choice. Lord Elgin's family name—the name of Bruce—will ever be associated in our country's history with ' independence and freedom '—two virtues so well represented in both institutions.

For honest independence can alone be attained by thrift and the truest freedom by knowledge. The Bank stands for the former, the Library for the latter. And now, my Lord, I have the greatest pleasure in inviting you to lay the foundation stone of the new Head Office of the Airdrie Savings Bank, a building which I may justly tell you will be Airdrie's Memorial to Thrift."

At the opening ceremony Mr. Rankine was equally happy. On this occasion he was presented with a souvenir by the Architects and Contractors. The souvenir took the form of an Easy Chair. Col. J. Maurice Arthur, Architect, in making the presentation, said, " The contractors, in order to mark their appreciation, and in grateful recollection of the good spirit which had existed between the Directors of the Bank and all concerned in the erection of the new building, had resolved to present the President of the Bank with a personal souvenir of the opening. The President's place on the Board is the Chair, and, as there is a chair in the building for his official use, it is surely fitting that the presentation souvenir takes the form of a chair for the use of the President in his own home—a chair in which he will be able to sit at ease and meditate on the Bank's business."

The President, in reply, said, " I wish to thank you, Colonel Arthur, and the other gentlemen who have so kindly presented me with this handsome chair. I really cannot find words to express my gratitude, and I am wondering what I have done to deserve it. It reminds me of a little boy, who, on being asked by a stranger if he could direct him to a bank, said ' I'll tell you for a shilling.' ' Surely,' remarked the traveller, ' that is a large sum for such a small service.' ' Well,' said the boy, ' you can't expect a fellow to be a bank director for nothing.' Gentlemen, please accept my thanks."

Mr. Rankine survived the opening ceremony only a few weeks. He was in his 79th year. Of a genial and happy disposition, Mr. Rankine had a host of friends. His favourite recreation was bowling, and he figured in many a notable game both on the Airdrie green and elsewhere. For many years he was invariably included in the Lanarkshire Middle Ward Tournament, and he and I had the honour of helping to bear home some of the trophies of these doughty encounters.

CHAPTER LV.

Mr. James Hamilton, J.P.,

HONORARY PRESIDENT.

1926.

THE successor to the Presidentship after the death of Honorary Sheriff Rankine would have been, in ordinary circumstances, the Senior Vice-President, Mr. James Hamilton, F.J.I., J.P., senior member of the firm of Baird & Hamilton, Ltd., Publishers, Airdrie. Mr. Hamilton was well worthy of the honour, but his advanced age was an obstacle to his acceptance. The Directors, however, were unwilling to let the honour go past him, and suggested that if he felt unable to undertake the duties of the chair, he would allow them to nominate him for election at the Annual Meeting as an Honorary President. Mr. Hamilton, in deference to the wishes of his colleagues, agreed to this arrangement, and he still occupies this position as a member of the Board.

Mr. Hamilton joined the directorate in 1906, and was elected Vice-President in 1921. But long before his first appointment he showed himself to be a warm friend and ardent supporter of the Institution. As proprietor of the local newspapers—*Airdrie and Coatbridge Advertiser*, *Coatbridge Express*, and others throughout the district—he was in an excellent position to further the propaganda of the Bank.

Time was when no bank of high standing would ever deign to advertise its business in the public press. That was quite beneath its dignity as a first-class banking establishment. It was unprofessional. Moreover, advertising and press notices by or on behalf of any bank were always viewed with suspicion by the general public. They were looked upon as signs of weakness. People would

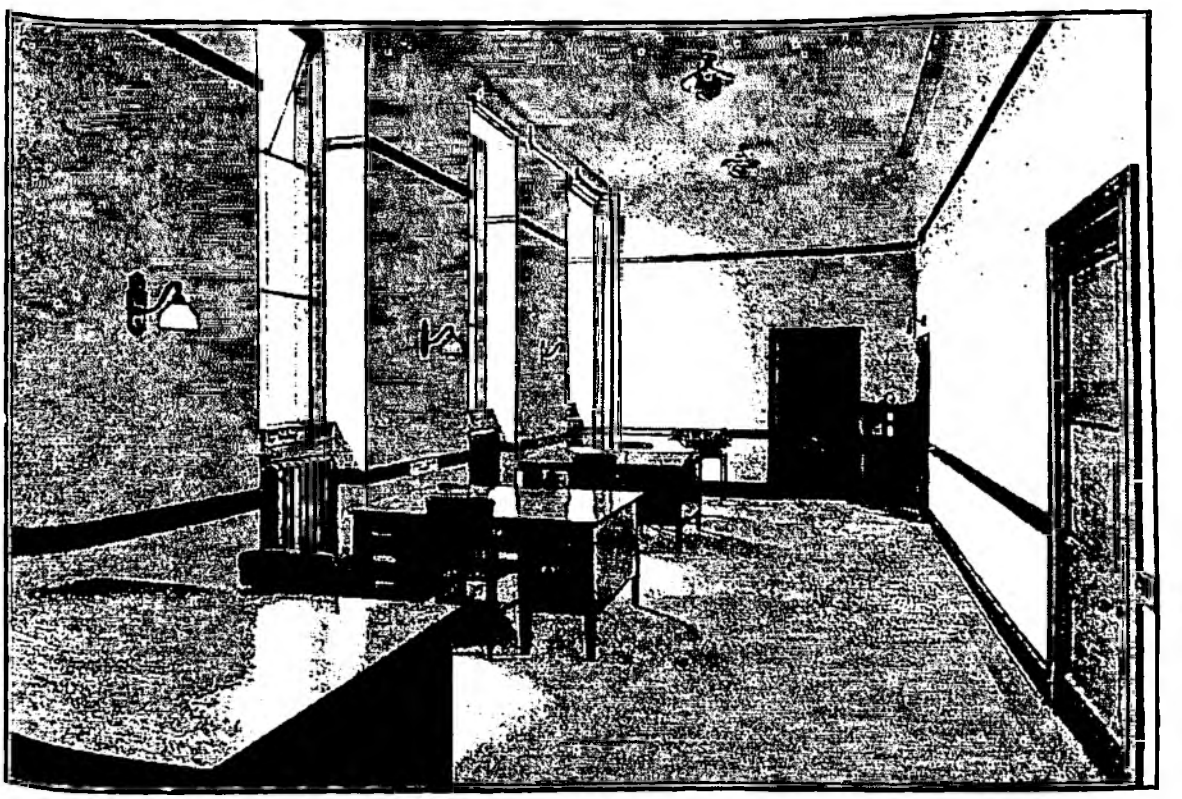
deem something was wrong with a bank when it needed to advertise for deposits or otherwise cater for business. Their usual conclusion was that such a bank must be hard up. But opinions and practices in this respect have altogether changed within the last fifty or sixty years. Advertising has become a science. It has even called to its aid the fine arts. Histories and text-books on the subject have been published for its proper study. Every great commercial concern has its advertising department. There are few businesses, large or small, which can afford to ignore the importance of attractive advertising. Banks of all classes have also thrown overboard their former prejudices, and may now be found amongst the prominent advertisers of the present day. The attitude of the public in regard to bank advertisements has also changed. Indeed, it seems to have gone to the other extreme. In a recent " scare " about the soundness of a certain bank a lady depositor was told by a neighbour that the bank had failed. " That cannot be the case," replied the depositor, " for I read its advertisement in the papers this very morning." Thus it would appear that, instead of being taken as a sign of weakness, as it used to be, advertising by banks is now regarded as a source of strength.

The modern savings bank, to be successful, must take advantage of every available means for bringing its aims and objects under the notice of the public. It is not sufficient to open a well-appointed office centrally situated with the name of the bank above the doorway. Attractive buildings alone will not make many converts to the habit of thrift. People will not come to the bank if the bank is not first taken to the people. Now, one of the best ways of taking the bank to the people is through the medium of advertising.

Any savings bank is fortunate if within its area of operations there circulates one or more popular local newspapers. It is still more fortunate if the newspaper is sympathetic to the movement, and shows its interest by frequent references in its news column.

The Savings Bank of Airdrie in this respect has been specially fortunate. The columns of Mr. Hamilton's papers have always been open for the purpose of bringing the Bank's advantages before the public. The proceedings of our Annual Meetings and other periodical reports are given a prominent place in the *Advertiser.*

PLATE 41.



ACCOUNTANTS' AND INVESTMENTS' DEPARTMENT.
HEAD OFFICE.

I have often observed that immediately following these publications there is invariably a greater influx of new depositors. If Mr. Hamilton had rendered the Bank no other service than this, he would have been entitled to all the honour the Bank could bestow.

In making acknowledgment of the Bank's indebtedness to the local newspaper press, I should like to add that the Editors of the *Coatbridge Leader*, *The Bellshill Speaker*, and *Hamilton Advertiser* respectively have also been equally ready to use their undoubted influence on behalf of the Bank.

But Mr. Hamilton's business experience and wide knowledge of affairs have also been freely given. His counsel and advice might at all times be relied upon. He has ever taken a very active and close interest in everything that concerned the Bank. For many years Mr. Hamilton was almost a daily visitor at the office. His name will ever have a front rank place amongst the men who built up the modern Savings Bank of Airdrie.

CHAPTER LVI.

Mr. Thomas Armour, J.P.

TWELFTH PRESIDENT OF THE BANK. 1926.

NEXT in succession to the Chair after Mr. Hamilton was the Junior Vice-President, Provost Thomas Armour, J.P., and at the Annual General Meeting in January, 1926, he was unanimously appointed.

Thus our present President occupies the unique position of being at the same time Provost of Airdrie. These two honourable and onerous positions have been attained by sheer merit and sterling worth. Provost Armour coveted neither of these honours. They came to him. They were the natural sequence to a life-long devotion to the best interests of his native town.

Provost Armour is descended on his mother's side from an old and highly respected Airdrie family—the Orrs of Drumbathie—while through his father he claims kinship with Jean Armour, the wife of our National Bard, as well as with John Galt, the distinguished novelist, author of "The Ayrshire Legatees," "The Annals of a Parish," and other works of high literary merit, which are still regarded as classics in the world of letters.

Provost Armour has a long and active public career behind him. He entered the Airdrie Town Council in 1901, and is thus in his twenty-sixth year of municipal service—a record equalled by few and surpassed by fewer still. In 1924 his colleagues unanimously elected him Chief Magistrate in succession to Provost Kennedy. He is also a J.P. of the County of Lanark.

The position of Provost is undoubtedly an honourable one, but it is no less onerous. In the latter respect it has become much more so during recent years, especially in industrial centres such

as Airdrie and Coatbridge. Partly owing to post-war conditions, and partly to recent social and other legislation, local administration alike in its scope and character has undergone a wide expansion. Vast developments have taken place, imposing upon our civic authorities new duties, heavier responsibilities, and increased burdens. Truly on every hand municipally and otherwise "old times are changed, old manners gone."

We have only to look around the town or, more convincing still, examine our latest tax notices to realise that we are living in altered days. If we look around, perhaps the most noticeable feature which meets the eye is the improved state of our highways, together with the ceaseless whirl of vehicular traffic passing over them. What a transformation! New roads made and old roads re-made. Bridges widened. Levels re-adjusted. Gradients lessened. Sharp turns rounded. Blind corners removed. "The crooked made straight and the rough places plain"—yea, as smooth and clean as a billiard ball. Verily the days of our dodging of dust clouds or of our wading through mud puddles have ended.

But alas! new ills have befallen us. That has ever been the lot of the denizens of this sublunary sphere. Daniel Defoe in his day illustrated it thus:—"Wherever God erects a house of prayer, the devil always builds a chapel there." So in the present case our riddance of the dust and the mud has been almost negatived by the advent of nerve-racking vehicles rattling along at all speeds —tooting, whistling, horn blowing, bell ringing, and back firing as from a 16-pounder gun—whose exclusive claim to the roads we may not dare to dispute except at the peril of our very life. These new terrors cannot be like the dust and mud "of the earth, earthy," and we have the late Lord Kelvin's authority that neither are they "of heaven." The distinguished scientist, sitting down to his breakfast one morning, announced to his friends around the table that he had made a great discovery the previous night. The company at once became expectant. Lord Kelvin then continued, "As I was reading a portion of Scripture, I discovered that there were no motor cars in heaven, for a verse informed me that in heaven 'there were children playing on the streets.'" While, therefore,

the abolition of the dust and the mud should make us jubilant, we are, nevertheless, constrained to sum up with the lines of Hood :—

> " But now 'tis little joy
> To know I'm farther off from heaven
> Than when I was a boy."

But, " Why is this, thus ? " The reason is not far to seek. We have become a generation who move about on wheels. Few there be who nowadays walk. After all, why should they use up shoe leather when through the almost unspeakable generosity, shall I term it, of the Glasgow Corporation in taking over our local trams we can now travel in the new " Car de Luxe " from Airdrie to Paisley *via* the City for a maximum fare of twopence, and from stage to stage *en route* at a halfpenny fare ? Moreover, these cars are running at intervals of three or four minutes. Then we have hundreds of motor buses plying in every direction. Hence it came to pass that our roads had to be made fit for people who go about on wheels. But independent of all our new ills, we are indeed grateful to Glasgow for the extension of the Corporation Tramways to the Monklands. Apart from the more frequent and cheaper communication with the City, the local service between Airdrie and Coatbridge is superior in every way to that of the former trams.

Then again, as we look around the town, we cannot fail to mark another distinct feature of municipal expansion in Airdrie's extensive housing schemes. Here surely old times are changed, and here, too, our civic rulers have undoubtedly scored. " The early bird gets the early worm." They were amongst the first to take up the original housing scheme of the Government, and so secured the financial benefits of that scheme. Moreover, they got early to work with the result that they had houses erected before many other districts had even made a beginning. They have never halted since, and their activity has been frequently and highly commended by the Scottish Board of Health.

The financial advantage of the Government's original plan

PLATE 42.



COATBRIDGE OFFICE.

was that it only involved an increase of four-fifths of a penny to the local rates—the Government making good any further deficiency. In later schemes the Government's contribution has considerably lessened. As regards the first scheme, I find from last year's statement of the burgh accounts that the deficiency for the year 1925-26 was in round figures £14,420, and was met in the following proportions :—Local Rates £420, Government contribution £14,000. To the £420 has to be added the annual charge for capital outlay in providing sewers and roads for the new houses, but, as against the total annual cost to the rates there must be put the gain to the burgh in respect of the increased revenue which the rateable value of the new houses yields in taxes, which at once turns the loss into a net gain. If parish and education rates were also taken into account, the gain would be almost doubled. As regards later schemes, where the Government contribution has substantially decreased, complete figures are not yet available, but the estimate is that in their case also the balance, though considerably less, will be on the right side for the burgh. So far, then, the Council has done well in meeting the housing shortage. Caution, however, should be exercised in regard to future developments. There are several all-important considerations to be kept in view. These are too obvious to need reiteration here. Suffice it to say, towns, like private individuals, may over-build themselves. The cogent warning of Glasgow's once famous magistrate—Bailie Nicol Jarvie—should, therefore, not be forgotten, " Never put out your arm further than you can draw it back." Besides, State-aided housing schemes were designed to meet a national emergency. When the housing shortage ceases to be national, and becomes purely local, State-aid will naturally end. If not, then there would arise a situation which would lend colour to the existence of a new phase in Scottish character. The same was humorously illustrated at a recent marriage feast, when the gentleman who proposed the toast of the bride and bridegroom varied the well-known sentiment, " Lang may yer Lum reek," by putting it thus :—" Lang may yer Lum reek at ither folk's expense." I cannot believe, however, that Airdrie will so far forget her ancient spirit of independence as to become a town whose " lums reek at ither folk's expense."

The activity of the Council in the closing of undesirable dwellings is also noticeable. Here, however, perplexing problems are met with. These cannot be discussed here. Suffice it to say that the task of our local authorities all over has been made much more difficult by the too rigid regulations laid down by the Board of Health in the matter of alternative houses. Until the absurd restrictions which now obtain are removed progress will continue to be retarded.

Prominent amongst other public undertakings of the first magnitude, which the Town Council has successfully engineered, is the sewage purification works. This scheme, after having exercised the minds of successive Town Councils for the past forty years, is now nearing completion. That once classic stream—the Auld North Burn—of which poets have so often sung, has at last been restored to its pristine purity. Once more the poetic lyre will, no doubt, awaken in praise of its Sylvan strand along the once hazel-decked banks, of which in days of yore that mystic couple, " Maggie Ramsay " and " Uncle Harry," were wont to ruminate amid the evening's solitudes, and like a

> " Youthful, modest, loving pair,
> In other's arms breathe out the tender tale."

Then, again, in looking around, we find there has been a passing away of ancient landmarks or their adaptation to the needs of the new age. Here, too, the Council has been busy. Airdrie House, the seat of the Lairds of Airdrie since before the Reformation, has been transformed into a Maternity Home for Coatbridge and Airdrie. Wester Moffat Mansion, the ancestral home of the Clarks of that ilk, has become the administrative block in connection with a new hospital and sanatorium for Airdrie, presently in course of erection there—an ideal site for such an institution. Even the old " Royal Hotel " at the new Town Cross has not escaped the vandal hand of this utilitarian age. This historic building had also to be municipalised to provide office accommodation for such Burgh officials as Mr. George H. Walkinshaw, Town Chamberlain; Mr. Gilbert

Scott, Sanitary Inspector, and others. So our local bard, Mr. A. J. Rose, soliloquises thus :—

> " Whaur Council dinners used to be
> Geordie noo counts the L. S. D.,
> And if ye ha'e a stappit drain
> Gilbert is next the Chamberlain.
> ' Jeyes Fluid ' is the only ' smell '
> You get noo in the Auld Hotel."

Another project of the Council in these last days has been an application to Parliament for an extension of the Burgh boundaries. That was a natural sequence to its other activities. Such schemes as the Sewage Works, Housing, and the New Hospital necessitated the acquisition of territory from the County Council and Coatbridge. No hostile attitude was assumed by these bodies in the carrying through of this, the Airdrie Town Council having wisely acted on the principle of " making terms with thine adversary whilst thou art in the way with him." This is the third time the Burgh has been extended since its creation as a municipality in 1821.

When we comprehend all these major achievements, without even taking into account the hundred and one minor operations which have followed in their train, we become convinced of two things—(1) that we are really living in altered times, and (2) that our civic rulers have fearlessly, courageously, and successfully met the new situation and the problems created by post-war and other conditions. Such achievements would hardly have been possible in the old days. In those days (not so old after all) any attempt of the kind involving such enormous cost would have resulted in civil revolt. The most amazing thing to " an old hand " like myself is the calm attitude of the average ratepayer in face of the additional burdens he has now to bear. I have no desire to disturb his serenity. It is altogether admirable. What a contrast to the ratepayers of my day ! Why, if any Councillor dared to project some scheme involving a few pence on the rates his chance of re-election when his term expired would have been somewhat remote. Now-

adays, however, the rates mount not by pence but by shillings, and the happy Councillors unabashed go on their way rejoicing.

The courage, however, of our civic rulers in undertaking so much is all the more commendable when we consider the exceptional industrial depression which has overtaken our district practically since 1920. In taking advantage of unemployment grants by the Government, they accomplished much, and greatly mitigated the evils of unemployment. I am well aware there are those who think that at such a time the Council should not have embarked on new ventures which would impose fresh burdens on the community. What a short-sighted view to take! The only alternative was parish relief, accompanied by its demoralising effects. Surely the more sensible policy was to provide for the unemployed as far as could be done by wages for works of public utility rather than by doles for only teaching them how to do nothing. In the former case the community was getting something in return for the increased rates. In the latter they were getting absolutely nothing.

The policy of the Council was also wise from another point of view. Towns which stand still at any time or in any circumstances soon deteriorate. They must keep pace with the times. That was never more necessary than it is to-day. Towns which stand still are like those industrial concerns that will not adapt themselves to new conditions by introducing the latest machinery or equipment. Sooner or later their works close down, and then how quickly they become mere derelicts. Even so as regards our town. It must be kept up to date at all hazards. We would not have it close down. We have had our times of depression and gloom at recurring periods of its history. But we never despaired. Our time-honoured slogan, " Airdrie's no dune yet," never failed, not only to sustain our courage, but to inspire us with a buoyant hope for the future. In such a spirit have our Councillors dealt with the difficult situation since the War, with the result that whatever Airdrie's prospects may be industrially or as a residential town, these prospects have been infinitely enhanced. The town to-day is more attractive to the stranger, and a greater pride to " our ain folk."

During the period referred to three Provosts have occupied in succession the Civic Chair—viz., Provost Frew, Provost Kennedy,

and Provost Armour. The burgh was fortunate in having three such Chiefs. Each was a veteran in municipal work before acceding to the Chair, and was thus specially qualified to shoulder the increased duties and responsibilities of the new age of municipal expansion. To each must be assigned a leading share in the signal achievements I have just reviewed.

The ordinary ratepayer has a poor conception of the personal sacrifice which the modern Provost has to make. Apart from the widely expanded work of the Council proper, his official and semi-official engagements are numerous. This is an age of Congresses and Conferences, local, national, and international. Besides, he represents the Burgh solely or jointly with others of his colleagues on various important public boards, such as the Water Board, the Public Library, the Board of Control, the Local Education Committee, Hospitals, Pensions, Unemployment, and many others. The life of a Provost is indeed a busy one.

Now, in all of these the Burgh has been well and ably represented by Provost Armour. His strict devotion to his public duties has been unsurpassed by any former occupant of the Civic Chair. On all occasions, too, he has lent dignity to his office. When his voice is heard, he always speaks to the point. At various functions referred to in this volume, in which he took a part, his addresses afford excellent reading, and show, not only a cultured fluency, but also a wide and intelligent grasp of affairs. Throughout them all, as indeed throughout his whole actions, there is a ring of genuine sincerity and that kindly human touch which ever appeals to the best instincts of our race. Airdrie has just reason to be proud of her present Civic Chief.

During his tenure of office Provost Armour has had a loyal backing from his colleagues, as well as able guidance and support from the Town Clerk, Mr. Thomas Thomson, who since his appointment has won the confidence and esteem of the whole community.

Provost Armour and I have been friends from childhood. We were boys together, and fate has decreed that in our maturer years we should be intimately associated with the Savings Bank of Airdrie. Provost Armour was called to the Board of Directors in 1908. The appointment was undoubtedly merited. It was a singularly appro-

priate recognition of one who for many long years had interested himself in the progress of the Bank.

The extensive business of painter and decorator, of which Provost Armour is the head, is one of the oldest and best known in the Airdrie district. It has more than a local reputation, being held in high repute over a wide area of Scotland. The founder of this prosperous concern was his father, the late Adam Armour, who in his day was a well-known citizen of Airdrie. The phenomenal expansion of the business may be attributed to the artistic skill, natural acumen, and indomitable energy of the subject of this sketch. He has doubtlessly inherited, not only the talents, but the attractive personality of his worthy sire.

CHAPTER LVII.

The New Alliance—A Conspicuous Success.

Coatbridge's Grand Record.

The part played by Coatbridge in the building up of the modern Savings Bank of Airdrie deserves special and honourable mention in these pages. In my address (included in this volume), on the occasion of the laying of the foundation stone of the new office, I briefly touched upon the subject. But at that date I could only speak of happenings prior to September, 1920—a period of but four years. Six more years, however, of continuous progress have since been added. The Bank in Coatbridge has now completed its first decade, and as an integral unit amongst the progressive forces of the community, the influence of its achievements on the institution as a whole can now be more accurately measured and duly appraised.

In my address, referred to, I pointed out that the new alliance of Airdrie and Coatbridge in the domain of Savings Bank enterprise was a union, not of weakness, but of strength. Each had something substantial to contribute, which, however, could only be fully developed by being brought together into one united and harmonious whole. To-day we are enjoying the rich fruits of the happy alliance of 1916, and I venture to predict that the best is yet to come.

Meantime I proceed to examine what has already been accomplished. Now, to begin with, it will be useful for my purpose, although hitherto in this volume I have not burdened my readers with tables of cold statistics, to put into tabulated form the figures showing the ten years' growth of business at the Coatbridge office. The table

gives, as at the close of each financial year on 15th November, (1) the number of depositors having balances to their credit; (2) the number and amount of depositors' accounts transferred from Airdrie office; (3) the interest added; and (4) the amount due to depositors.

COATBRIDGE OFFICE STATISTICS.

Date.	Number of Depositors.	Transferred from Airdrie.		Annual Interest.	Total due Depositors.
		No.	Amount.		
15th Nov., 1916,*	2,110	457	£31,865	£1,016	£70,237
,, 1917, .	7,708	609	49,382	5,570	217,377
,, 1918, .	9,374	163	16,406	9,401	324,671
,, 1919, .	10,793	91	11,570	13,697	450,295
,, 1920, .	12,107	77	11,542	18,274	575,557
,, 1921, .	11,327	55	9,790	21,512	632,634
,, 1922, .	11,279	49	12,103	25,214	773,171
,, 1923, .	11,667	52	5,768	30,646	917,016
,, 1924, .	11,997	29	3,399	34,290	1,001,960
,, 1925, .	12,033	19	3,149	35,495	1,022,081
,, 1926, .	12,179	26	3,506	35,954	1,019,702
Add Interest on closed accounts during whole period, . .	..	..	..	9,914	..
	..	1,627	£158,480	£240,983	..

* The figures for 1916 are for the period from the date of opening on 1st September, 1916.

From the foregoing figures we find that Coatbridge's contribution to the growth of the Bank as measured by depositors and deposits works out thus :—



MAIN STREET, BELLSHILL,
SHOWING
THE BELLSHILL OFFICE.

PLATE 43.

(1)	Number of depositors, ...	12,179
	Deduct transfers from Airdrie Office, .	1,627
		10,552
(2)	Amount of deposits, ...	£1,019,702
	Deduct transfers from Airdrie Office, .	158,480
		£861,222

Now, the growth of the Bank as a whole during the same period, as measured by depositors and deposits, shows increases of 15,410 in the former and £2,300,000 in the latter. It thus appears that the proportion of these increases due to Coatbridge office was about 70 per cent. in depositors, and over 37 per cent. in deposits. Such a contribution was, indeed, highly creditable to Coatbridge, and most gratifying to all concerned.

Now, the real value of this contribution to the Bank, as a whole, may be better appreciated when we consider what the addition of £861,222 of new money meant to the Bank during this particular period in its history. The addition came at a most opportune time. It was a time of dear money. Highly remunerative investments were obtainable. This large contribution by Coatbridge, therefore, was all the more valuable. It had the effect of raising the average annual yield from the Bank's investments, and so materially increased the annual surplus available for augmenting the Reserve Fund. Further, it enabled the Directors to take advantage to a much greater extent of the opportunity of securing investments, which ultimately raised the Reserve Fund to that high level to which I have referred in preceding chapters. While, therefore, Coatbridge's contribution to the total increase in the deposits of the Bank was only a little over 37 per cent., that contribution was relatively of greater value to the Bank as a whole in respect of the profit it yielded than was the increase at Airdrie.

I do not say that the whole contributions of Coatbridge in new depositors, and in new deposits, was due entirely to the opening

of an office in the town. Undoubtedly a proportion of the new business would have found its way to Airdrie, if the Coatbridge Office had not been opened. We are entitled to assume that the 1627 Coatbridge depositors at the Airdrie Office, who transferred their accounts to Coatbridge after the office was opened there, would have continued to transact business at Airdrie, if local facilities had not been granted to them, and it is difficult to estimate what part they contributed to the total deposits at Coatbridge.

Nevertheless, these depositors were Coatbridge residenters, and, whether their money was lodged at Airdrie or Coatbridge, their deposits must be counted as Coatbridge deposits. Further, in this connection, I may add that these 1,627 depositors do not represent the whole of Coatbridge residenters attached to the Airdrie Office. It may seem strange, but it is a fact that there are still a considerable number of Coatbridge residenters who have not yet transferred their accounts from Airdrie. They evidently prefer to continue their connection with the old office. These depositors represent a large sum, which, of course, is included in the Airdrie Office deposits —a sum, moreover, which has been largely augmented since the Coatbridge Office opened. The reasons for continuing to transact their business at Airdrie may be varied. One lady told me that she still preferred to keep her account at the Airdrie Office, because it gave her an excuse for occasionally visiting the town which she otherwise might not do. I believe, however, that with the most of these depositors it is the old associations which make them cling to the old office.

But the contribution made by Coatbridge to the building up of the modern Savings Bank of Airdrie is not to be appraised merely by the standard of pounds sterling. I do not despise in the slightest its monetary value, but after all, in a great moral movement like that of the Savings Bank Movement, it is the moral values that count. The addition of 10,552 individuals, being no less than 70 per cent. of the total increase during this period, to the ranks of the depositors, besides the thousands of children associated with the Coatbridge Office through the School Banks, imparted to the institution as a whole a strength and influence which can hardly be over-estimated. After all, the Bank exists to enrol recruits in the

army of the thrifty. The fact that Coatbridge had added almost one-half more to the total depositors, bringing that total up to 32,954, was bound to have a powerful moral effect on the Bank as a whole, in its efforts to still more augment the army of the thrifty throughout the whole district.

Another important factor in Coatbridge's contribution to the building up of the modern Savings Bank of Airdrie has been the additional strength imported into the management by the Coatbridge representatives, who have served as Trustees and Directors since 1916. The names of these gentlemen have only to be mentioned to appreciate this point. As Trustees, there have been the late Provost Thomas Davie, J.P., ex-Provost John Lavelle, J.P., Rev. Alexander Weir, and Mr. A. K. M'Cosh of Rochsoles. As Directors, there have been the late ex-Provost James Davidson, J.P., who also acted as President; the late Mr. William Service, J.P., Rector; Mr. William Fraser, J.P., Lochrin Iron Works, who is now Senior Vice-President; Mr. John M'Gregor, of Murray & Patterson, Ltd.; Mr. Charles W. Walker, J.P., of Langloan Iron and Chemical Co.; and Mr. Hugh S. Davie, J.P., of Blacklands Coal Co.

The Bank was fortunate in having such able and well-known business men to guide its affairs, and the community is deeply indebted to them for their valuable and disinterested services.

Such, then, appear to me to have been some of the leading features of the contribution made by Coatbridge to the recent successes of the Savings Bank of Airdrie. In return, what has Coatbridge received through the new alliance of 1916? As I already pointed out, both parties to the alliance had something substantial to give, the full value of which, however, could only be developed and felt when both had been united into one harmonious whole. The actual results have been in no way and on no side disappointing.

The gain to Coatbridge which followed the advent of the Bank into the Burgh has been substantial. Viewed from the depositors' standpoint, the facilities and benefits conferred by the Bank, compared with those of the former Coatbridge Savings Bank, have been most marked. During the ten years since 1916 the total sum distributed in interest has been £240,983. If the depositors' money

had been in the Post Office Savings Bank, or in the former Coatbridge Savings Bank, it would only have reaped in interest about £160,000. Thus the depositors received £80,983 more of interest on their deposits by having them in the Coatbridge Office of the Airdrie Savings Bank. Further, the depositors are members of a Bank which has a Reserve Fund and Surplus of over £165,000, with the prospect of it being £250,000 within a few years, which is also an additional guarantee of security for their deposits, and for a continuance of the attractive rates of interest on their deposits. Had the Bank brought no other gains than these, the alliance of 1916 would have been more than justified. But through the Bank the whole community has greatly benefited. Coatbridge has now an institution of which her citizens are entitled to be proud.

CHAPTER LVIII.

Bellshill Does Well,

Keeping Pace with Coatbridge.

As in the case of the Coatbridge Office, I have prepared similar statistics in the following tabulated form relating to the progress made at Bellshill since the opening of the office there on 28th July, 1917. The table shows, as at the close of each financial year on 15th November, (1) the number of depositors having balances to their credit, (2) the number and amount of the depositors' accounts transferred from the Airdrie Office, (3) the amount of interest paid to depositors, and (4) the total amount of deposits at the credit of the depositors :—

Date.	Number of Depositors.	Transferred from Airdrie.		Annual Interest.	Total due Depositors.
		No.	Amount.		
15th Nov., 1917,	884	49	£2,671	£237	£23,730
,, 1918,	1,469	51	4,335	1,736	82,237
,, 1919,'	1,954	20	3,026	4,026	148,421
,, 1920,	2,347	9	1,023	5,899	195,064
,, 1921,	2,294	15	1,933	7,112	206,529
,, 1922,	2,553	6	941	8,022	258,130
,, 1923,	2,913	17	4,924	10,454	314,922
,, 1924,	3,231	7	1,410	11,962	346,275
,, 1925,	3,341	5	674	12,536	357,367
,, 1926,	3,253	5	286	12,932	362,195
Add interest on closed accounts during whole period, . .	..	..	..	1,590	..
		184	£21,223	£76,506	..

Now, at first sight, as we look at the foregoing figures and compare them with those of Coatbridge, we are apt to form the impression that the record of Bellshill is far behind that of Coatbridge. But that is not so. The figures, no doubt, look small when placed side by side with those of Coatbridge. A fair comparison, however, cannot be made without taking into account certain material considerations. Indeed, when the benefit of these considerations is given to Bellshill, then if the results of the two offices are put on the scales, we may find it difficult to determine to which side the balance points.

Among these considerations are the following :—(1) Population, (2) position, and (3) time. As regards the first, the population of Coatbridge is more than double that of Bellshill. As regards the second, Bellshill is further distant from Airdrie, the centre of the Bank's influence. The Bank was known to the Coatbridge people as an old-established institution long before 1916. In Bellshill it was not so well known. That is evidenced from the fact that, while 1,627 Coatbridge depositors transferred their accounts from Airdrie to the new office at Coatbridge, only 184 Bellshill people transferred to Bellshill. As regards the third point, it is to be remembered that the office in Bellshill has only a nine years' record, as against ten years for Coatbridge.

But beyond these three considerations the fact must also be taken into account that the Bank had not the field to itself at Bellshill as it had at Coatbridge. There was, and still is, the Bellshill Penny Bank, which has been in operation for many years, and is regarded as an old local institution, which has done good work, and claims continued support.

When, therefore, we take into account the whole circumstances, Bellshill's contributions of 3,253 depositors, with £362,195 of deposits, to the building up of the modern Savings Bank of Airdrie, is entitled to equal rank with the achievements of its elder brother at Coatbridge. There are few instances, if any, on record when a "new start" has developed so rapidly, and so successfully, as Bellshill Office has done. Why, we have only to think of it, the Bank itself at Airdrie took nearly sixty years to accumulate its first quarter of a million, to appreciate fully Bellshill's marvellous feat.

Now, of the real value of Bellshill's contribution to the Bank as a whole, what I have already written of Coatbridge applies in every respect, and I need not reiterate it here. Suffice it to add that the experience of many savings banks, as of ordinary banks and other business concerns, in the opening of branches, has usually been that considerable time elapses, in some cases several years, before the new start becomes a paying proposition. But, in the case of both of our branches, they assumed the character of profit-earning concerns from the very outset. The new deposits they brought in came at a very opportune time. It was a period of dear money. The Directors were able to place out these deposits to great advantage.

How different it would have been had all this influx of new deposits come during a period of cheap money. In a previous chapter, entitled "A Period of Cheap Money, 1890-1900," we saw that the exceptional growth of the deposits at Airdrie during the ten years referred to, though most welcome, was nevertheless to a large extent unremunerative. The rate of interest obtainable from new investments reached the lowest point on record. The effect of the large increase in our deposits, which had to be placed out at the low rate, was to reduce the average yearly yield from the Bank's investments as a whole, and to such an extent that the depositors' interest had to be temporarily reduced.

So, if the additional deposits which came to the Bank through the opening of offices at Bellshill and Coatbridge had come during 1890-1900—the period of cheap money—instead of during 1916-1926—a period of dear money—their monetary value to the Bank as a whole might easily have been on the wrong side of the account. But the very opposite conditions prevailed. Therefore, Bellshill's contribution, like that of Coatbridge, to the Bank as a whole was doubly acceptable, inasmuch that it was greatly welcomed and exceptionally profitable.

For that reason alone, the share which Bellshill has had in the recent successes of the Savings Bank of Airdrie is a substantial one, and while Bellshill may be regarded as the junior partner in the concern, it is well entitled to an equal share in these great achievements.

The object of the advent of the Bank into Bellshill was not, however, for monetary gain to the Bank itself. The Bank had something to give. The opening of its office in Bellshill provided the community there with savings bank facilities, which were up till then absent. The existing Penny Bank could not offer such facilities. Further, Airdrie Savings Bank offered exceptional advantages. Had Bellshill people desired to open a local savings bank, such a bank would have had to be registered under the Savings Bank Act of 1863, which restricts the depositors' interest to a maximum of 2½ per cent. Assuming that such a bank had been established, and had accumulated the same deposits (£362,195) as are in our Bellshill branch, instead of the depositors receiving as they have done from us in the shape of interest £76,506, they would only have received £51,083 from their own local bank. Similarly, if they had placed their money in the Post Office Savings Bank, the same result would have accrued. Thus the advent of the Savings Bank of Airdrie to the depositors at Bellshill has been a gain in interest of £25,423 during the past nine years.

Then, as mentioned in reference to Coatbridge, there is the moral value of the Bank to an industrial community like Bellshill. The Bank is a true index of some of the results of the practice of thrift amongst the people. It has been said, "He'll never be a slave who learns to save." The real object of the Bank was well set forth at one of the annual meetings by the late Rev. John M'Neil, B.D., of Airdrie, when he said:—"It is a worthy end for any man to set himself to have a sum of money in his name in the Bank. But, remember, the end is worthy only because it is the means to a further and distinctly worthier end. It is not the love of money this Bank seeks to inspire, but the love of freedom; not the end of the simple possession of money does it hold up before you, but the possession of liberty. The man who is in debt is, at best, a bondman, and he who constantly lingers on the borderland of debt cannot have a very tranquil mind. The man who uses, as far as he can, the opportunities this Bank affords, to guard against the slavery of the one, or the dispeace of the other, is decidedly a wise man."

The 3,253 individuals who, by having become depositors of

PLATE 44.



Hon. Sheriff THOS. FORSTYH, Solicitor,
The Bank's Law Agent.



Mr. WILLIAM THOMSON, B.L., Crown
Fiscal, Hamilton, Formerly Treasurer.



Col. ARTHUR, C.M.G., D.S.O.,
Architect for Head Office.



Mr. ANDREW ORR, Branch Manager,
Coatbridge Office.



Mr. GAVIN BLACKIE, Branch Manager,
Bellshill Office.

the Bank at Bellshill, have shown themselves to be " wise," are giving by their personal example an added strength and influence to the forces that make for the moral well-being of the whole community. Thrift in its truest sense is the great builder up of character, and " character " is the greatest thing in the world.

I cannot close this brief reference to the Bank's progress at Bellshill without a note of appreciation of the services rendered by the members of the local advisory committee. The committee has been an undoubted asset in achieving success. The individual members were well known and respected throughout the whole district, and as a local committee proved a most effective medium in introducing the Bank to Bellshill. The committee has been, and still is, a tower of strength to the Bellshill Office.

Several of the original members of the committee have passed to their rest. These include the first representatives, who also acted as members of the Board of Trustees and the Board of Directors, viz. :—Mr. Peter N. Cunningham, J.P., Mr. James Austin, J.P., and Mr. Archibald Watson, J.P. The trio will be long remembered in the district for their good works, and as regards the Bank in particular they will ever be known as the pioneers and founders of the Bellshill branch. All three were personally known to me prior to the opening in 1917. Mr. Watson and I were schoolmates together for a couple of years at Dundyvan Academy, Coatbridge, under that excellent master, the late Mr. Robert Blacklock, whom the Rev. Dr. John Hutton, who was also a pupil, recently deservedly eulogised in some of his reminiscences of the old school and its famous dominie.

The names of the present members of the Bellshill Advisory Committee are :—Messrs. Robert Anderson, A. A. Dick, J.P., J. Dawson, Dr. Muir, John Harkness, J.P., Charles Law, J. Neil, James Paterson, and James Stewart.

CHAPTER LIX.

Jubilee of the Manager.

(*Reprinted from "Airdrie and Coatbridge Advertiser," December 18th,* 1926.)

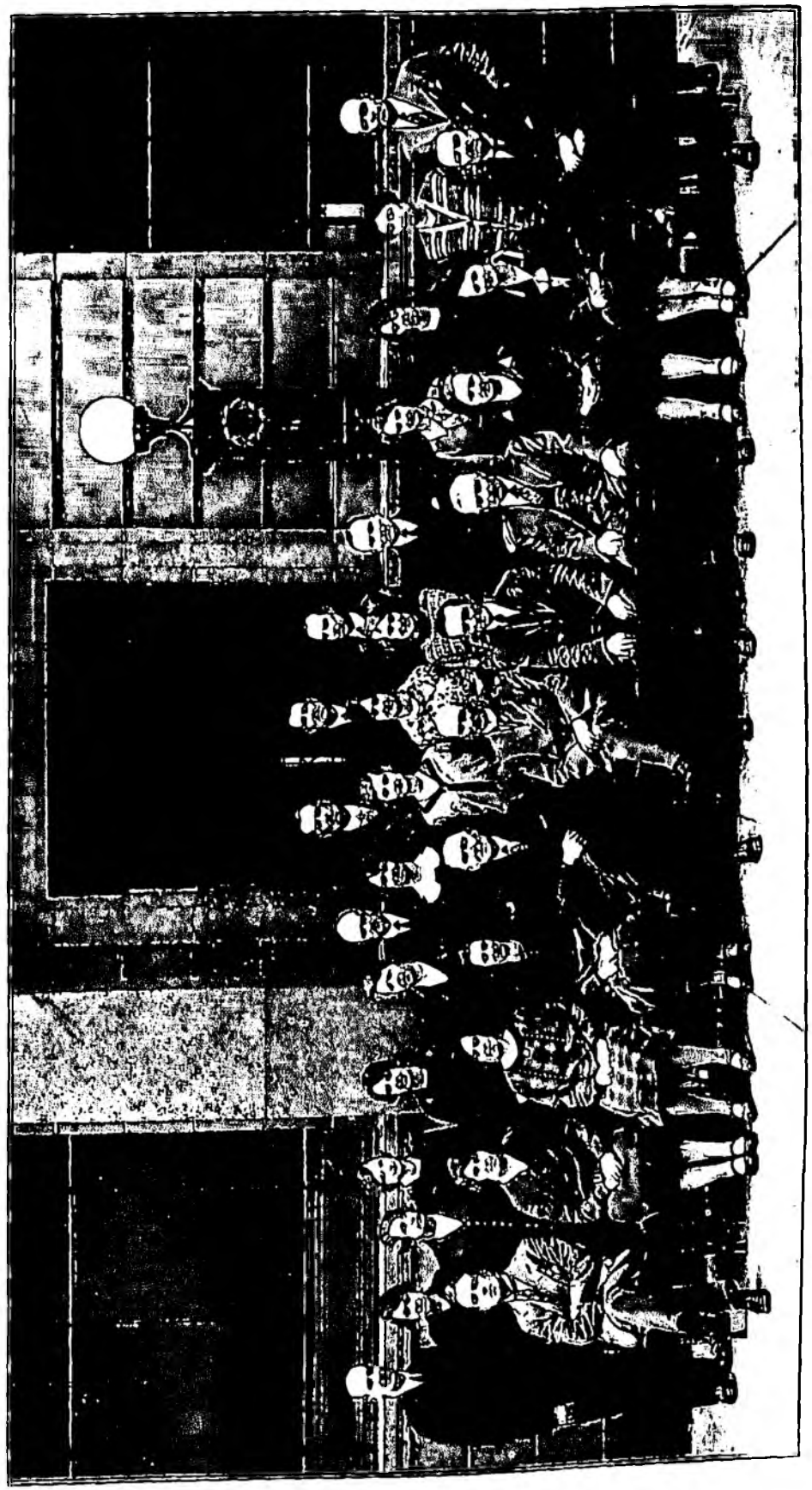
THE President and Directors of the Airdrie Savings Bank celebrated the jubilee of their Manager, Hon. Sheriff James Knox, J.P., at a complimentary dinner in his honour, which was held in the Sir John Wilson (Lesser) Town Hall on Wednesday evening. There was a large and influential company of ladies and gentlemen. Provost Armour, J.P., President of the Bank, occupied the chair, and was supported at the platform table by the guest of the evening, Mrs. Knox and Mrs. Armour, Sheriff Marcus Dods and Mrs. Dods, ex-Bailie William Neilson, J.P., Hon. President; Mr. George J. Scott, Treasurer of the Bank of Scotland; Mr. Thomas Henderson, Glasgow Savings Bank, and Mrs. Henderson; Mr. Somerville Shanks, the artist, and Mrs. Shanks; Mr. William Fraser, J.P., Vice-President, and Mrs. Fraser, Trustees and Directors of the Bank, Bellshill Advisory Committee; Mr. Walter S. Knox, Secretary of the Bank; and members of the staff.

PRESENTATION OF PORTRAIT.

After an excellent dinner, the Chairman proposed the health of "The King," which was duly honoured.

Provost Armour, J.P., President of the Bank, then said:—"Ladies and gentlemen, among the honours with which kind friends and Dame Fortune have favoured me, there is no honour I value more than the duty which devolves upon me to-night as President of the Airdrie Savings Bank. My duty is to propose the toast "Our Guest," and to offer congratulations to my old friend,

PLATE 45.



THE STAFF, 1927.

James Knox, on reaching his jubilee, and to voice your appreciation, gratitude and admiration for his devoted and marvellously successful fifty years' service in connection with the Bank. (Applause.)

"Half a century is an exceptionally long period of service, and few there are who attain such a record. But the name of Knox has been associated with the Bank for a longer period than that—yea, even from its very inception. It is indeed a record of which any family may well be proud. (Applause.). Since the Bank was instituted in 1835, four generations of the Knox family have moulded and developed its usefulness and advanced its prosperity. Mr. James Knox, the grandfather of our guest, was one of the founders of the Bank, and for nearly thirty years, as Director, President, and latterly as Treasurer, he wisely and successfully guided its affairs during those critical years of its youth. He was a good and worthy citizen, and one of his contemporaries writes of him as 'a true, upright, loving, loveable, and God-fearing man.' For some years he was a member of the Airdrie Town Council, and as a public man and employer of labour was much respected. James Knox was succeeded by his son, Walter Knox, the talented and esteemed father of our guest.

"It is a remarkable fact that for the last seven generations of the Knox family, the eldest sons in the line of succession have borne the name of James and Walter alternately. Our guest's father was Treasurer for thirteen years, and did much to popularise the Bank and bring its advantages before the public. He was a man of sterling character, the possessor of many accomplishments, an attractive and fluent speaker, an enthusiastic musician, a loyal churchman, one of the founders of the Airdrie Town Mission, a great admirer of Burns, a thorough business man, a specialist in book-keeping, and an expert accountant.

"We, who know his gifted son, are all agreed that what I have said regarding the father is truly applicable to the son—(applause)—who is indeed 'a very good chip of the old block,' and proves to some extent that there is, after all, something in heredity, and very much in good example. (Applause.) It is also evident that the race is not degenerating, as the important duties of Secretary of the Bank are now being most successfully carried on by the fourth generation

in the person of Mr. Walter S. Knox, B.Sc., the son of our guest. (Applause.) You will remember that at the opening of the new Bank Offices last year, even the fifth generation was in evidence, when the grandson of our guest, Master James T. Knox, gracefully, if somewhat bashfully, presented Lady Wilson with a bouquet of flowers. (Applause.) However, ladies and gentlemen, it is of our present Manager that I would more particularly speak.

"From what I have already mentioned about the family, there is no doubt that banking runs in the blood. This you will find very much exemplified when the history of the Bank, which is almost ready for the press, comes into your hands. The Directors have already read the greater part of the book, and I can assure you that you will find it, as we did, most interesting and entertaining reading. It is there recorded, in a most fascinating chapter, how our Manager, at the age of eleven, not satisfied with the progress being made by the Airdrie Savings Bank, set up a rival institution in his granny's cottage, the designation of the new venture being the 'Knox Street Savings Bank.' He was President, Board of Directors, Secretary and Treasurer, and most successfully carried on the 'Wee Bank' until the death of his dear old grandmother, whom I well remember on account of an incident, when she gently but effectively rebuked me, one Saturday afternoon, for trying to take James away from his lessons. (Laughter.) She was a dear old lady, and her precocious grandson was indeed 'the joy of her heart' and 'the apple of her eye.'

There is little wonder, ladies and gentlemen, that two years later the Directors of the Airdrie Savings Bank, taking into consideration that useful experience, appointed our Manager to the vacant post of Secretary of that institution in 1876. He was then in his 14th year, his father was the Treasurer, and the Bank was just emerging from its day of small things. The dawn of bigger things had appeared. Unfortunately, two years later, his father died. Fully three years afterwards, an incident occurred, which, to quote from the Manager's book, proved to be in the history of the Bank that 'tide in the affairs of men which taken at the flood leads on to fortune.' The peculiar circumstances which then arose showed the kind of grit and judgment the youthful Secretary pos-

PLATE 46.



Mr. JAMES KNOX
(Died 1866).



Mr. WALTER KNOX
(Died 1878).



Mr. JAMES KNOX, J.P.
(Present Manager).



Mr. WALTER S. KNOX, B.Sc.
(Present Secretary).

FOUR GENERATIONS OF THE KNOX FAMILY HAVE BEEN ASSOCIATED IN THE MANAGEMENT OF THE BANK CONTINUOUSLY SINCE ITS INSTITUTION.

sessed. He foresaw what the Bank needed, and proposed to the Directors to open an independent office for the Bank. That being accepted, the office at 21 Stirling Street was opened. From that day until now the Bank has never gone back; it has gone forward from one attainment to another, with the result that the deposits, which were counted in four figures, have reached over three and a half millions. (Applause.)

"It would be impossible for me, ladies and gentlemen, to recount the whole history of that achievement, but we are all convinced that it has been very largely due to the energy, aptitude, and perseverance of our Manager. (Hear, hear, and applause.) On the approach of this memorable event in the life of our Manager, the Directors considered how best they might recognise the occasion. They were unanimous in the opinion that the most fitting mark of their appreciation would be the providing of his portrait in oils, to be hung within the walls of the new head office. This, they considered, would also remain as a permanent memorial to the man who, by his distinguished service, has done so much to promote the success of this noble edifice, the Savings Bank of Airdrie. After some inquiry, the Directors placed the commission for the painting in the hands of Mr. Sommerville Shanks, the eminent Glasgow artist. Mr. and Mrs. Sommerville Shanks are with us to-night. We would extend to them a cordial welcome and offer our heartiest congratulations to Mr. Shanks on his wonderfully true portrait of our Manager. Mr. Shanks has already attained much distinction as an artist. Recently he received a French medal for a work exhibited in Paris. At the last exhibition in the Royal Academy, London, he had the distinction of having one of his pictures hung on the line, which picture has just been acquired by the Liverpool Corporation for the permanent collection in their famous Walker Art Gallery there." (Applause.)

Mrs. Armour here unveiled the portrait amid applause, revealing a wonderfully life-like picture of the fifty-years' Bank Manager.

Continuing, the Provost said "the portrait has been completed for some time, and by request has been exhibited for several months in the M'Lellan Galleries, Glasgow, where it has been admired as a work of art. It is, I think, a speaking likeness, and we extend

our congratulations to Mr. Shanks on this wonderfully true portrait of our Manager. (Applause.) And now, ladies and gentlemen, I would ask you to be upstanding and drink to the health and happiness of our guest, Sheriff James Knox, Manager of Airdrie Savings Bank." (The toast was heartily pledged, the company singing "He's a jolly good fellow," and, on the call of the President, gave three hearty cheers for Mrs. Knox.)

The Manager's Reply.

Hon. Sheriff Knox, J.P., on rising to reply, was received with renewed cheering. He said :—" Mr. President, ladies and gentlemen, at this moment, I assure you, I feel anything but a jolly good fellow. Such exuberant manifestations as I have just witnessed quite overwhelm me. No wonder that for the last fifty years I have been looking forward to this event with varying degrees of fear and trembling. (Laughter.)

" At first I consoled myself with the thought that the event was a long way off—that perhaps it would never come, that probably long before it was due, working men like myself, all working men indeed, would not be allowed to work more than a four hours' day, a four-day week, and cease work altogether at thirty-five, with full wages as a pension thereafter—a perfect jubilee all the time. (Laughter.) How I did sometimes speculate on what might happen, or if the event should come, what it would be like. That was a form of speculation in which I could indulge, and it was well that I had at least one door open to find vent for that phase of human weakness which we all more or less possess. For speculation was denied to me in my ordinary work. It was absolutely barred. There could be no speculation permitted in the Bank, for the Bank, or by the Bank. Why, that is the secret of how the Bank never lost a penny. (Applause.)

" Well, as I was saying, I found scope for any little speculative propensities I had, in conjuring up at times what this great affair would be like. I wondered, for instance, what would then be the fashion in jubilee celebrations? Who would be there? How would they come? Would aviation then be so perfect that the guests

would fly on their own wings to the dinner, though as canny Scots, fearing that M'Culloch of Paisley might be on the programme with his side-splitting stories, which might possibly end in wing trouble, they deemed it prudent, for that and perhaps other reasons, to provide some other means of transport for their return home. (Laughter and applause.) I wondered, too, would it be necessary, before running the show, to obtain a permit from the T.U.C.? (Laughter.) Would the function be over in time before Airdrie had become a 'dry' area? (Laughter.) Would wireless have so developed that our friends in Australia and other distant parts would not only be listening in and seeing every act in the great drama, but also actually scenting the inviting odours of the rare and savoury dishes as they passed round the festive board, eliciting from these friends the wish that they had caterers like Austin, Ltd., near them. (Laughter.) Would our local Astronomer-Royal, Bailie Lewis, of the Airdrie Observatory, have succeeded in bringing Mars so near that the people up there would also be listening in? and, though they usually spoke the 'Gallic,' were yet able to transmit back the following message in broad Scotch, with a distinct Glasgow accent:—'Ha, Jimmie, after a' we've heard the nicht aboot the Bank, we mean to open a branch up here. Send us ane o' your staff. That Blackie o' yours, if he's no in the peuk, wad be the man. (Laughter.) He could flee up. Besides, we hear he has nae incumbrances' (More laughter.)

"These were a few of my innocent speculations as the years passed through the half-century. The event has come at last. All dreams and visions and nightmares have vanished. And now the first thought that takes possession of my mind is one which recalls a stock topic at Young Men's Debating Associations in my early days—the question 'Whether there is greater pleasure in the pursuit than the attainment?' As young fellows we were wont to debate that interesting question more from the abstract point of view. We could not produce any satisfactory concrete examples out of our own limited experience. So sometimes I found myself on the one side, and sometimes on the other. Here to-night, however, I am confronted at last with a convincing concrete case in my own life. Fifty years' pursuit *versus* this altogether happy consum-

mation. Ladies and gentlemen, I have no hesitation in coming to a decision. You have made that easy for me. This honour you have done me, coupled with your warm-hearted reception, is worth more than a pursuit of even one thousand years. I thank you for your overflowing kindness. (Applause.) But I do feel—I sincerely feel—that you make me a very much over-estimated man. It is not good for me. But what concerns me most, as it is of far greater importance, is that it is not good for the Bank. I would rather—a thousand times rather—that this jubilee had not come off, if by anything that has been said or done the impression is created that, as regards the success of the Bank, I and I alone did it. The Bank never was and never can be a 'one-horse show.' (Applause.)

"It has been my privilege, as the Provost has remarked, to write up a history of the Bank. When the volume comes into your hands you will there find, I hope, not only a record of their names, but also a dutiful and grateful tribute to the men who in days past and at present have built up this noble institution—the Savings Bank of Airdrie. If the book serves no other purpose than that, it will not have been written in vain. (Applause.) I am specially grateful to the Provost for his honourable mention of my grandfather and father. The Japanese worship the spirits of their ancestors. We may not do that, but it is something to be able to say with Cowper:—

> 'My boast is not that I deduce my birth
> From loins enthroned or rulers of the earth,
> But higher far my proud pretentions rise,
> The child of parents passed into the skies.'

(Applause.) I am also grateful to the Provost for his reference to my son. It is when we rub against the young generation that we older men discover our deficiencies. (Applause.)

"Then the Provost alluded to that precocious specimen of the fifth generation. I don't know what to say about him. He has already expressed the wish to be in the Bank. (Laughter.) He says he would not like so well to stand at the counter as to occupy his grandpa's chair. (Laughter.) I suppose he would also expect

PLATE 47.



AIRDRIE CROSS
(FROM THE WEST).

his grandpa's salary. (Laughter.) When I see him dressed in his Highland garb, I imagine he is saying to himself, 'My foot is on my native heath, and my name it is Macknoc More'—that is the Gaelic for 'The Great Knox.' (Laughter.)

"This is the age for the young men. I recently listened in to an address by a Glasgow University Professor. He was speaking to the Church of Scotland's Young Men's Guild. He told them that everybody was depending on the young men to-day. If the country was to be saved, if the world was to be righted, the young men alone could do it. How different from the days of my youth. We were not allowed to right anything. I remember when I first stood for the Airdrie Town Council—I was then 25 years old—every second or third voter I canvassed said to me, "You are far too young—you should wait till you are older.' One old lady said, quite seriously, 'Oh, I am feared for you going in amang sic a squad; they are a wat, wat lot; mine ye, keep clear o' No. 7.' (Laughter.) My invariable reply to these objections was, 'Well, it's a fault that is aye mending.' They returned me. But my troubles over my youth were not ended. I was elected a member of the Hospital Committee.

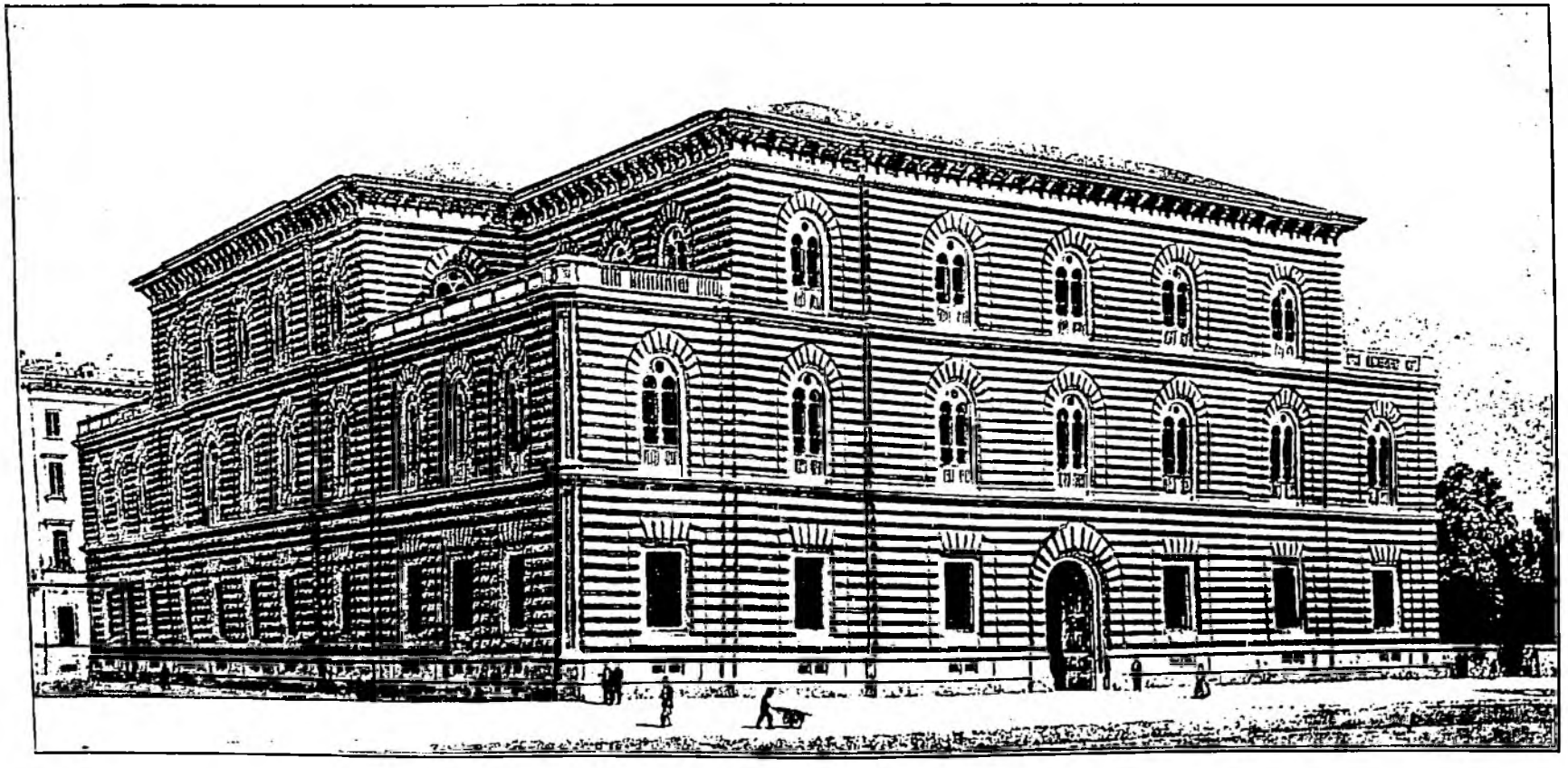
"At that time we had a remarkable matron. She had a mind of her own, and a tongue of her own. (Laughter.) At our first meeting some repairs were under discussion, when I ventured to make a suggestion. Her majesty at once turned round and said, 'Tuts, man, what dae you ken?—ye're just a laddie yet.' (Laughter.) Fancy one who had started to be a Bank Manager fourteen years before that being so insulted. (Turning to Sheriff Dods, who was present) 'Sheriff, have you ever had such a contempt of Court before you?' (Laughter.)

"Now, ladies and gentlemen, I must not detain you further. Let me say, in closing, that in looking back on those fifty years I have to-night to thank a kind Providence for many blesssings—known and unknown. I am proud that my lot was cast among my 'ain folk' here. I have no regrets that my life has been spent in this world-wide movement. There are some people who have a total misapprehension of its high mission in the world. What is the Savings Bank Movement? Let us look at its origin. The statement may seem somewhat paradoxical, if not altogether unintelligible, nevertheless

it is true that savings banks were first opened, not because the individuals they were primarily designed to attract and benefit had any savings to put into them, but because these individuals had none. The Savings Bank Movement was the first bold, organised challenge ever made to poverty—humanity's relentless scourge. (Applause.) It was the poverty of the masses of the people of Europe that brought savings banks into being. That was the real genesis of the movement, and that fact should never be forgotten.

"The movement first took shape in the closing years of the eighteenth century. It was not the creation of any State, or Government, or Legislature, nor of any political party, sect, or creed. Like other great progressive and beneficent movements that from time to time have come to the aid of a suffering humanity, the Savings Bank Movement was the creation of individual philanthropists. No personal gain was to be theirs. The public weal was their only reward. (Applause.) The movement was the direct outcome of the general awakening to higher humanitarian ideals, following upon the French Revolution and other upheavals which marked European history at that period.

"The authors and pioneers of the movement were imbued with the new spirit of the age. They were men who clearly foresaw in the pitiable and impoverished conditions of the people the main cause of these uprisings, as well as a formidable standing menace to all progress and liberty. They believed that if the people were ever to be saved from their thraldom and serfdom, the only sure road to freedom lay along the highway of frugality and thrift. The road was to the people an unfrequented and unknown path. But into this highway they must be led. They must be shown the way. So savings banks were designed and set up to be as finger posts pointing the direction in which emancipation would be found. (Applause.) Thus savings banks were to be only a means to an end —a fact that should be specially noted. For there are some people, and even governments, who have formed very erroneous ideas concerning them. They take a very limited view of their province. They imagine that savings banks were established and exist solely as convenient receptacles for the safe custody of money. That is



THE MILAN HEADQUARTERS OF THE SAVINGS BANK OF THE PROVINCES OF LOMBARDY.

undoubtedly one of their functions. But, all important as the function is, it is only, after all, a detail of their organisation. The Savings Bank Movement and Savings Banks have a much wider scope. They exist for much higher ideals. Their real end and purpose is to inculcate the spirit of thrift amongst the people. (Applause.)

"Thrift is one of the highest of human virtues. It is something altogether different from the mere piling up and safe keeping of money. On the contrary, thrift is the right usage of all wealth—money included. A fetish devotion to mere money hoarding kills thrift, and withers the very soul of any individual who is deceived thereby. (Applause.) Thrift is a most potent and moral educator. It fosters and promotes other virtues. It is the great builder up of character. It is the enemy of all selfishness. The Scottish people have been a thrifty race. Hence we find in their character such fine qualities as caution, prudence, foresight, perseverance, self-reliance, and generosity, which are all products of thrift. We are accused of being parsimonious. But the Scotsman has a warm heart. It is only the thrifty who can afford to be generous. Scotland has bred more Good Samaritans than Priests and Levites. It is in the cultivation of thrift that the Scotsman can claim to attain the 'glorious privilege of being independent.' (Applause.)

"In such a spirit and with such ideals was the Savings Bank Movement conceived, and so its place in the social and economic world is that of a great and powerful moral institution. (Applause.) These are the fundamental principles of the movement, and whatever savings banks may be to-day, or whatever other or subordinate functions they may perform on behalf of the State or other authority or concern, it can only be by the standard of fidelity to the root principles of the movement that their utility and service to humanity may be accurately measured. (Applause.) Of the Savings Bank of Airdrie, I only say that we have endeavoured to be loyal to the best traditions of the movement, and we believe that we have done something to help our common humanity in this district to fight the better the battle of life. Ladies and gentlemen, I thank you again for all your congratulations and good wishes, and the great honour you have done me." (Applause.)

Addresses were afterwards given by Mr. George J. Scott, Edinburgh, Treasurer of the Bank of Scotland, and Mr. Thomas Henderson, Actuary of the Glasgow Savings Bank, congratulating Hon. Sheriff Knox on his jubilee and the Directors of the Airdrie Savings Bank on the continued prosperity of the institution.

During the service of the dinner, Milton's Orchestra (Mr. W. Milton, conductor) rendered a number of selections in fine style. At intervals a high-class programme of songs, recitals, and violin solos was gone through by the following well-known artistes, namely:—Miss Margaret F. Stewart and Miss Margaret Anderson, Edinburgh, whose singing was greatly admired; Miss Bessie Spence, who, as usual, excelled in her violin selections; and Mr. Alex. M'Gregor, who rendered some popular ditties in fine voice; while Mr. William M'Culloch, Paisley, as usual proved vastly entertaining with his humorous recitals. The piano accompaniments were capably played by Mr. C. Midgley, A.R.C.O.

Ex-Provost Lavelle, J.P., Coatbridge, called for a vote of thanks to the Chairman at the close, and also made some felicitous remarks on the jubilee of the Bank Manager.

CHAPTER LX.

After Ninety-two Years.

THE SALIENT FEATURES OF THE BANK TO-DAY.

15th November, 1926.

THE 92nd Annual Report by the Directors for the year to 15th November, 1926, showed the total funds (including £11,500 of Income Tax due to be refunded by the Inland Revenue) to be £3,570,040 13s. 10d. Deducting therefrom the amount due to 32,954 depositors—namely, £3,403,181 2s. 3d.—there remained a surplus of £166,859 11s. 7d. In other words, there would be a sum of £166,859 11s. 7d. over what would be required to pay every depositor in full.

Compared with the year 1919 (see Chapters XXXIX. and XL.), these figures represent an increase in the deposits during the seven years of £1,471,078, and also an increase in the Surplus or Reserve Fund of £133,466. These figures bring down to date and complete our record of the growth of the deposits throughout the Bank's history.

Now, in summing up my narrative of these ninety-two years, I may here appropriately though briefly summarise what appear to me to be the salient features of the Institution as it stands to-day.

The first feature I would mention is loyalty to the fundamental principles and to the best traditions of the Savings Bank Movement. Readers of this volume cannot fail to notice that this has been a distinguishing characteristic of the Bank throughout its whole history. Here is one more testimony which only recently reached me. It is contained in a letter dated 9th December, 1926, which I received from Professor Filippo Ravizza, the Chief Director of the International Thrift Institute at Milan, Italy. This Institute,

as previously mentioned, was the direct outcome of the great World Congress of Savings Banks held at Milan in 1924. The Professor is a distinguished Italian economist and financier, and a noted authority on all matters pertaining to the Savings Bank Movement.

In his letter Professor Ravizza says :—" Many thanks for the publications concerning your Savings Bank, which completed my knowledge of your Institution, which I had already the occasion of studying, being, as it is, one of the best organised and most active Savings Banks. You will note from my report on Thrift Propaganda sent you under separate cover that mention was made of the Airdrie Savings Bank. Your Savings Bank is one of the oldest and truest savings banks in every sense of the term." That is weighty testimony, coming, as it does, spontaneously from one in a position to give an authoritative opinion.

The Bank's position is an honourable one. As regards accumulated funds, the Bank stands well amongst the savings banks of the country. It occupies first place amongst its own class of Scottish Savings Banks and as regards all Scottish Savings Banks, only those of the four large cities of Glasgow, Edinburgh, Aberdeen, and Dundee take precedence over it. Airdrie comes next, so that the Bank is one of Scotland's " big five."

The extent of the total funds of a savings bank is the common criterion by which the ordinary individual judges the bank's standing. No doubt it is *prima facie* evidence of the position which the bank has attained, but it is not enough. It cannot be taken alone in measuring the actual progress and the real utility and worth of the bank as a thrift promoting institution. To measure " progress," " utility," and " worth " aright, even as viewed solely from the purely material standpoint, something more than total funds must be taken into account. The statement at first sight may seem somewhat puzzling, but a true reckoning of a savings bank's success must take cognizance, not merely of the deposits which the bank still holds, but also the deposits which throughout its career have been withdrawn by its depositors.

To illustrate this point, I find that during the last 50 years the total amount withdrawn by the depositors from their accounts with our Bank was no less than nine and a half million pounds—

PLATE 49.



SILVER MEDAL PRESENTED TO EACH MEMBER OF SCHOOL CHOIR WINNING THE CHAMPIONSHIP COMPETITION.



SILVER TROPHY PRESENTED TO MONKLANDS MUSICAL FESTIVAL FOR SCHOOL CHOIRS CHAMPIONSHIP COMPETITION.

the total deposits having been nearly thirteen million pounds. Now, of this sum of nine and a half million, I am well within the mark, although it is impossible to form an accurate estimate, when I say that not one-half of that sum was withdrawn because its owners required it for the ordinary means of sustenance to meet the bills of the grocer, the baker, the butcher, the tailor, or because their regular sources of income had been temporarily suspended through sickness, unemployment, or otherwise, or for the purpose of being squandered. By far the greater part of these nine and a half millions was withdrawn for the purpose of being devoted to some form of profitable employment, or perhaps to better the living conditions in the homes of the depositors. Some of it may have been misspent and some of it may have been lost by individual depositors making bad investments, but the greater part of it went to set up homes, to build houses, to educate children, to start businesses, to enable numbers to emigrate, and many other legitimate outlets. A large amount also may be accounted for by removal of depositors from the district, or by the deaths of depositors, resulting in their life savings being distributed amongst relatives, probably far removed from Airdrie.

While, therefore, the existing total deposits of a savings bank may indicate the progress or success of the bank, it does not represent all. So, when we think of the three and a half million pounds now held by the Savings Bank of Airdrie, we are not to imagine that, satisfactory as that sum may be, it represents anything more than a mere fraction of what the Bank has accomplished as a savings institution for the people, even as viewed from a material standpoint.

Then, again, there is another aspect of withdrawals of deposits which are made for rightful purposes. They show that the Bank is functioning properly as a savings bank should. If mere hoarding of money was the only objective held out by savings banks to the people, then their interpretation of thrift and the purpose of their own being would be altogether fallacious. As I have previously stated, thrift is the right usage of all wealth, and every savings bank should ever uphold that ideal. Thus the withdrawals such as I have mentioned clearly show that the depositors of the Savings

Bank of Airdrie have a true conception of their habit of saving and the real object for which the Bank exists.

On the other hand, if there were no such withdrawals for the purposes specified, and the depositors acted on the principle that man's chief end was simply to pile up money, then I greatly fear we would be perilously near the time of which the poet warns us :—

> " Ill fares the land to hastening ills a prey
> Where wealth accumulates and men decay."

Another strong feature of the Bank is its material advantages to the depositors in respect of the interest allowed on their deposits. This question of interest is an important one, but to the individual of limited means it is not the most important. By the term " limited means " I include the average depositor of a savings bank who cannot afford to speculate or to take any risk as regards the safety of his money, and its get-at-ableness should he require it at any moment. The term would be difficult of standardisation, although I believe certain of our politicians who have an eye to a scheme for a levy on capital, as a means of reducing the national debt, have indicated their intention to exclude from such a plan the individual of " limited means," which they define to be all individuals whose total savings or capital is less than £5,000. That is indeed comforting to savings bank depositors, for such a standard would, of course, exclude the great bulk of the depositors. There are many people, however, if they became possessed of £5,000, would believe they had unlimited means and, what is worse, would act up to that belief, only, alas, to discover in a very short time that even £5,000 has its limitations.

But whether we accept this suggested standard of £5,000 or not, no sensible person who cannot afford to risk the safety or liquidity of his capital should allow himself to be decoyed by the offer of highly tempting rates of interest. Unfortunately, there have been too many instances in this country of banks, so called —not, be it noted, savings banks constituted under our savings banks statutes—which held out to the public extravagant rates of

PLATE 50.



INSCRIPTION ON FRAME.

JAMES KNOX,
MANAGER,
AIRDRIE SAVINGS BANK.
PRESENTED BY THE DIRECTORS ON HIS JUBILEE.
1876-1926.

interest. These concerns had their day, but they smashed, and many of our working classes lost their life savings.

No savings bank in this country which is certified under savings bank statutes can offer to its depositors rates of interest beyond what its investments yield, and as these investments are restricted to high-class "gilt-edged" securities, which generally yield the lowest rates on the market, the rates payable by the savings banks will be correspondingly low. The person of limited means should therefore be content to accept a moderate interest, preferring, as he should do, the safety and get-at-ableness of his savings to what these savings may yield him in interest.

Depositors, however, are entitled to look for the best interest possible for their money. It is just here that certain of our savings banks, particularly during and since the war, have heavily scored as compared with the Post Office Savings Bank and the ordinary departments of the Trustee Savings Banks. In the latter cases the rate of interest has remained at 2½ per cent. since the year 1888. Whether that rate was a reasonable one prior to the war may be doubtful, but there can be no question of its gross unfairness since 1914.

When, therefore, we come to compare the rate paid by the State-controlled banks with that of such savings banks as Airdrie, it is only fair to say that the difference, which is considerable, is probably as much due to the niggardliness of the Government in adhering to its low pre-war rates as to the superiority of the Savings Bank of Airdrie in being able to pay its higher rate.

Then again, in making a comparison of the rates of interest allowed by savings banks outwith the State-controlled banks, there are certain factors which should be taken into account. Some banks are more favourably situated as regards their ability to pay interest. Obviously the bank whose total deposits are comparatively small and whose surplus or reserve is correspondingly small is not in the position to afford the same rates as the bank which has, say, a million or more of deposits. Expenses of management enter into the reckoning. In the small bank the rate per £100 of total deposits for working expenses will usually be higher than in the case of the larger bank, thus leaving a less balance of annual revenue for dis-

tribution in the form of interest to depositors. The amount of a bank's surplus or reserve fund has also an important bearing. Whether the bank be small or large, if its reserve fund produces an income which partially or wholly meets the bank's expenses of management, it is clear that such bank will be in a position to pay a proportionally higher rate of interest. So, when we compare the rates paid by the Savings Bank of Airdrie with those paid by similar institutions, it is only fair to take into account that, not only has the Bank over three and a half millions of total funds, but that also included therein is a realised surplus or reserve fund of £166,000 Stg. This reserve fund yields annually an income equal to more than three-fourths of the Bank's working expenses.

The depositors of the Savings Bank of Airdrie have, therefore, as indicated, had for very many years the advantage of higher rates of interest than those allowed by the State-controlled banks. The difference between the two has for the reasons already stated been very pronounced since 1915. In August, 1915, the rate of interest on deposit accounts in our Bank was increased from 3¼ to 4 per cent., and the latter rate has been continued since on all deposits lodged prior to August, 1923, and in addition on all subsequent accumulations of interest thereon. Since 1923 the deposit rate on all new deposits has been 3½ per cent. The present rate on current accounts is 3 per cent. The reduction of the deposit rate in 1923 to 3½ per cent. on all new deposits was due to the fact that new investments by that time were yielding a much lower return. The idea of two separate deposit rates was perhaps a novel one, but in the circumstances it was an eminently fair and reasonable arrangement.

The advantage to the depositors of these attractive rates of interest can be better appreciated if we take the actual result over a period of years as compared with the 2½ per cent. allowed by the Post Office Savings Bank. If we take only the past ten years, the total amount of interest credited to the depositors of our Bank was (in round figures) £877,038. If the depositors had only received 2½ per cent., the total interest would have been £589,692. The difference between these two sums is £287,346, which represents the additional benefit in the shape of interest which the depositors of the Savings Bank of Airdrie received beyond what they would have

obtained under a 2½ per cent. rate. But that does not represent all, as the Bank has all along paid Income Tax on depositors' interest liable to assessment, whereas depositors in other savings banks have to pay (if they are liable to assessment) Income Tax on any interest they receive from such banks. Nor are the present rates allowed by the Bank likely to be reduced in the near future. The annual yield from the reserve fund will soon be equal to the whole amount required to meet the annual expenses of management, and when that point is reached the average rate of yield on the Bank's investments will require to drop below 4 per cent. before the depositors' rates of interest require to be considered. That is a contingency somewhat remote.

Another feature of the Bank is that it remains to-day as it has done all through its history, an essentially local institution. In this respect we have further confirmation of its loyalty and adherence to the root principles of the savings bank movement. As originally designed by their founder, the Rev. Dr. Duncan, savings banks were distinctly local in their constitution and character. They were managed locally. Their funds were controlled locally. The benefits they conferred were destined locally. Hence it was that when legislative protection was proposed Dr. Duncan refused to accept the English Act of 1818 when its provisions were offered to Scotland. That Act introduced State control of the funds, which it provided should be vested in the National Debt Commissioners, London. Dr. Duncan insisted, however, on local control, which, as I have previously noticed, was granted to Scotland by the Act of 1819, and is still secured to those Scottish savings banks which, like Airdrie, are certified under that Act.

Dr. Duncan's determination to preserve to the fullest degree the local character of savings banks arose from the fear that State control would destroy or at least weaken their position and influence as voluntary philanthropic agencies. Local interest in them would wane. There would be a danger of the movement losing one of its essential elements—the personal touch—which is the most potent and vitalising influence in all such movements for the uplift and well-being of the people.

Dr. Duncan, no doubt, had also in view that, as savings banks

were to benefit, not only the individual depositor, but also the whole community amongst which they operated, the diversion of their funds into State channels precluded their employment or investment in loans over local securities. Being local institutions, it was surely natural that local needs should have a preference in the use of the funds if the security was equally safe, remunerative, and get-at-able. The depositors themselves would thereby further benefit, for they would have a share with the rest of the community in the advantages which would follow the employment of their funds by the local authorities.

Now, this principle has been fully recognised and acted upon by the Savings Bank of Airdrie. It has upheld its position in this respect as a local institution. The local authorities within its own area of operations have been helped in financing to a large extent their various undertakings by borrowing directly from the Bank. By this means the ratepayers have been saved considerable sums, for the money so borrowed has generally been at lower rates and certainly at less expense than if it had been borrowed from any outside lenders. The modern agitation for the establishment of municipal banks has no support in our district. The people realise that they already enjoy all the advantages of such a bank without, moreover, any of its dangers. To them the Savings Bank of Airdrie is their own institution. It functions for their benefit and theirs alone. Their forebears created it, and it has come down to them as a much-prized legacy. Of its honourable history as a local institution they are justly proud. The very buildings in which it is housed in Airdrie and Coatbridge are distinctive architectural features of each burgh. They are more. They speak to the character of the inhabitants. In short, the whole Institution evokes and stimulates a spirit of local patriotism, which is one of the best incentives to the well-being of any community.

These are some of the salient features of the Bank as it stands to-day, and with this chapter my story of these ninety-two years comes to a close. The Bank, however, with firm step and head erect, continues its progressive march. Its centenary will soon be within sight, but its ultimate goal will not be reached until the triumph of thrift is universally acclaimed.

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