idea, some of the large railway corporations have obtained powers in special acts of parliament to establish savings banks for those in their employment. The success of these banks has been great, though it has varied much, and it is difficult to trace any general rule of progress. Thirteen such institutions return their operations to the Registrar of Friendly Societies. The total amount held was, by the return for 1905, £5,513,207 in 60,427 accounts. In these banks the interest paid, as well as the deposits, are really guaranteed by the whole assets of the companies. Further, in order to encourage thrift among their employés, the companies have formally agreed and bound them­selves, by the provisions of their special acts, that the rate of interest paid shall be higher than can be obtained in the open market on the same security.

Other efforts have been made to establish savings banks at factories, to be open at the time wages are paid. One great diffi- culty, however, has been the objection many of those employed have to their employers knowing of their savings, and their fear lest it may affect their rate of pay. To get over this objection the plan has been tried of employing an outside agency to hold the savings bank. This has not been much more successful, as the suspicion that accounts may be looked at by employers is difficult to overcome. It is found that the most successful savings banks are those which are carried on as a business, where the trans­actions are so numerous that the individual feels that his own private account is not likely to become known.

Another class of savings bank which of late years has developed considerably, is the penny bank. These banks have a twofold object: one to provide facilities for putting by ex­tremely small sums for those whose means are very limited, and the other to attract children in their earliest years so as to train them to habits of thrift and the realization of the importance and use of even quite small savings. Some form of penny bank now exists in nearly every district, and indeed in nearly every parish. No returns have been collected, but it may be safely said that there are tens of thousands in operation. Many of these penny banks are feeders to the Post Office, which gives them special advantages to invest in that institution. Not only is the gross amount of money thus taken large, but (what is more important) the habit of thrift and of husbanding resources is being taught to the young in all parts of the United Kingdom. This has been one cause of the large extension of the Post Office savings bank itself, and has no doubt led to considerable change in the habits of the people. In a few cases successful efforts have been made to establish permanently these penny banks on a commercial basis, as in the case of the Yorkshire Penny Bank, which has 858 branches, nearly 500,000 depositors and deposits of nearly £16,000,000; and the National Penny Bank, which has 13 branches in London, most of them open from 9 in the morning till 9 at night, with 155,768 depositors, and over *£2,000,000* in deposits. The establishment of penny banks in schools has been carried on for many years, and it is difficult to exaggerate the useful work they have done in inculcating habits of thrift in the children, and in adding depositors to the Post Office savings banks when the children start in life. In England and Wales there are over 7000 of these savings banks held in the various elementary schools inspected by the Education Department. The London County Council has done much to promote this movement by instituting penny banks in its various schools. Although the financial result is not large, the educational effect of these banks is con­siderable. It has been found that many children open accounts at outside penny banks in preference to going to those carried on at their own schools, but it is probable that the idea of so doing

is often suggested by the school savings bank.

With a view of bringing the savings bank still nearer the door of the people, efforts have been made to establish collecting savings banks. In these the collector calls at fixed periods for the deposits. This scheme has grown out of the investigations of a committee of the Charity Organization Society, and is based on the idea, which undoubtedly is the fact, that many people will make contributions when the money is called for, who will

not take the trouble to walk a few yards themselves to make the same deposit. That this is so is proved most conclusively by the Post Office life insurance experience, a branch of the Post Office which is scarcely used by the people, while at the same time collecting life insurance companies (which of course must charge a considerable extra premium for collecting) do business to the extent of millions. In most of these banks no interest is given, but facilities and encouragements are afforded for the transfer of each individual account to the Post Office as soon as it is large enough to earn interest.

Closely allied, though essentially different, are the very numerous sharing-out clubs which may be called temporary savings banks. These nearly all take a weekly subscription from their members, and, should any member die, his representa­tive receives a certain sum, the balance left being divided at Christmas equally among the survivors, in proportion to the weekly subscriptions. Some of these clubs are registered, and at a rough estimate they number about 900, with some 120,000 members. The unregistered are, however, much more numerous, though no official information is to be had of them, and it is certain that hundreds of thousands of pounds are divided in this way each Christmas.

The attempt to induce sailors and soldiers to exercise habits of thrift by the establishments of naval savings banks under the act of 1866, and military savings banks under the act of 1859, should be mentioned. The amount in the naval savings bank is generally about £300,000. As might be expected the amount does not grow. This is accounted for by the fact that the depositors leave the service and draw out their savings. About *£200,000* a year, however, goes in and out of the naval banks, and £80,000 in the army banks. This sum represents a good deal of self-denial, when the margin within which it is possible to save among sailors and soldiers is considered.

Closely allied to savings banks are a number of societies which need only be briefly referred to here. The largest of them are building societies *(q.v.)* under the Act of 1874, which are a very popular form of saving, especially in certain localities. The contributions to the shares of these societies, which are paid by instalments, differ but little from the periodical payments into savings banks; and although the money is not so readily repaid, notice and other forms having to be gone through, large numbers of persons pay in and draw out money, and receive the interest on the shares in much the same way as they do on deposits in savings banks without any idea of building or buying houses. In 1906 the receipts were £43,219,548 in the United Kingdom, and the accumulated capital more than £70,000,000, with a membership of 612,424. The action of industrial and provi­dent societies regulated under the act of parliament of 1893, must also be mentioned with reference to that part of their business which is closely allied to savings banks. These societies are divided into three classes:—(*a*) ordinary co-operative societies; (*b*) societies for carrying on various businesses, including loan and banking; (*c*) land and building societies. Most of these societies, indirectly or directly, act as savings banks, and have had considerable influence in the growth of thrift in the United Kingdom. (See Friendly Societies.) In the co-operative societies the sales in 1905 amounted to more than £71,000,000, and the profits to over £5,000,000. These profits are divided in different ways among the members, and they form a saving fund of large dimensions. The societies for carrying on various businesses, such as working men’s clubs, loan and banking organiza­tions, registered under the 1893 act, numbered 286, with total receipts £2,020,569. These are not rapidly increasing, but they must be included as one exhibition of the savings of the people, and they are practically used as savings banks. The land and building societies under the act of 1893 are not the same as those above re­ferred to, though their action as regards savings is similar. They are not under the act of 1874, but carry on a trade or business, including dealings of any kind in land. Their operations are slightly increasing. They received £336,424 from subscriptions and other sources, ac­cording to a return of 1905, and the value of the land and mortgages was £982,900. Two other classes of institutions should be referred to, the friendly and trade societies, which exist for special purposes, namely, to make provision in sickness, for death, for a want of em­ployment, and to a limited extent for old age. They differ essentially from savings banks, as the subscriptions are parted with and cannot be withdrawn. But as the subscriptions are for certain definite needs, almost certain to be required by each member, which but for those societies would have to be provided for by direct savings in banks, they must be mentioned in treating of the subject as a whole. The amount held by the friendly societies is estimated at £50,459,060, subscribed by 13,978,790 members.

It was once stated with truth that the national debt was held by a