

Gander school kids knew how to save!

(Robert G Pelley 2018-11-15)
<http://bobsganderhistory.com>

In the early part of Newfoundland's history, cod was called "Newfoundland's Currency", but in the 1800's banks came on the scene. Close to the end of the century there were three of them:

- ° Newfoundland Saving Bank (opened in 1834)
- ° Union Bank (1854)
- ° Commercial Bank (1857)

The first was a government operation, while the last two banks were commercially owned.

Fish merchants sat on the boards of the commercial banks and, having much control over day-to-day operations, they were able to make large loans to themselves. Over time they became over-extended and required backing from banks in London. This led to the bank crash of 10 December 1894, which had notably two consequences:

- ° The two commercial banks went under, leaving only the Savings Bank in operation
- ° Canadian banks rushed to Newfoundland's assistance and began to establish branches in the colony, in particular the Bank of Montreal, which accepted the government's account in early 1895

The Savings Bank was an important tool for the Newfoundland government to raise money for the war effort from 1914-1918 via a savings stamp plan that involved thousands of school children. Second attempt was made during the 2nd World War. I have seen an example dating from 1943 but it apparently started earlier. The stamps were first called "War savings stamps" then "National savings stamps" and later had a red over-stamp marked "Newfoundland savings banks".

At some point early after the war, the government decided to maintain the school saving stamp system. One reason was economic, simply to help post-war re-development. The other was sociologic. Over the years, Newfoundlanders, especially fishermen, no longer trusted merchants, commercial banks and employers. Hiding their money "under the mattress" or spending it to buy necessities before it was too late was the norm. The government wanted therefore to encourage good saving attitudes and habits.

The stamps were "sold" by schoolteachers and placed in same 4-page booklet.



These saving stamps had a value of 10-cents each, for a total of 2.50\$. However when a book was completed, it could be taken to the bank (and for a time, to the post office), where it could be exchanged for a 3\$ savings certificate.

There were four versions of the stamps:



The system seemed to have worked well in Gander, if the Hunt Memorial Academy is an example.



CONGRATULATIONS

TO THE PUPILS OF

HUNT MEMORIAL ACADEMY

FOR THEIR CONSISTENT PARTICIPATION IN THE

SCHOOL SAVINGS CAMPAIGN

FOR THE PAST THREE YEARS THEIR MONTHLY DEPOSITS IN THE

NEWFOUNDLAND SAVINGS BANK

HAVE BEEN THE HIGHEST OF ANY SCHOOL IN THE PROVINCE.

CONGRATULATIONS ALSO TO THE STAFF OF THE SCHOOL AND
THE PARENTS WHO HAVE HELPED AND ENCOURAGED THE
YOUNG PEOPLE TO

"SAVE THE SAVINGS STAMP WAY"

THE DIRECTOR OF SAVINGS PUBLICITY

The Bank of Montreal bought out the Newfoundland Savings Bank in 1962. It would appear the school saving stamp scheme was stopped at that time and possibly shortly before.