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Safe Haven for the Poor? Depositors and the Government Savings Bank in Halifax, 1832-1867

EARLY IN THE 19TH CENTURY a savings bank was established in Halifax for the benefit of the working classes in and around the city. Its stated aim was to act as a safe haven for the savings of the working poor so exigencies such as sickness, unemployment and old age could be met without recourse to the relief rolls.¹ A case study of this 'safe haven' considering who founded it, whom it served and how it functioned can provide valuable insights into the nature and structure of 19th century Halifax society. Equally important, such a case study, focussing on a single institution, can lead to a clearer understanding not only of the philanthropic impulse which resulted in the establishment of institutions designed to uplift and educate the working classes, but also of the response of the working classes to such attempts to promote middle class values and attitudes. Philanthropic institutions, such as savings banks, thus invite several levels of analysis.

From the perspective of the philanthropists, the decision to establish a savings bank had both ideological and pragmatic implications. Who were the boosters of the bank and what was their agenda? On an ideological level, the philanthropists who founded the Halifax Savings Bank can be seen as part of the broader movement for social and humanitarian reform in the early Victorian era. The philosophy and ideology articulated by spokesmen for the broader movement influenced the prominent actors on the local stage, as evidenced by the use and interplay of borrowed ideas and symbols which characterized their rhetoric. On another level, the boosters of the bank also had a very pragmatic agenda relating both to their own aspirations as businessmen and to their broader aspirations for the economic stability and success of their city. But whatever the personal agenda of the individual founders, local conditions and priorities inevitably affected the actual implementation and execution of reform.

From the perspective of the working classes, whom the institution was designed to serve, the decision to become a patron of the savings bank also had both ideological and pragmatic implications. In Halifax, the most numerous depositors were domestic servants, labourers and mechanics. Did their use of the bank mean that they embraced the mid-19th century aspirations for progress and self-improvement? While the data used here does not allow for definitive assertions about individual motivation, it does suggest that people from the working class

1 *Statutes of Nova Scotia* (1832), ch. 41. The author would like to thank, along with the anonymous readers, Michael Cross, Colin Howell and Bertin Webster for their contributions to the development of this paper. Of course, any shortcomings inherent in the paper obtain solely to the author.

did, in fact, make use of the bank in order to achieve self-sufficiency and status mobility. However, the size of deposits and accounts, as compiled by the bank at the time, show that it did not enjoy unqualified success in attracting the working poor of Halifax society. Many simply could not afford to use the bank: they had no savings to deposit. Others chose not to use it. Partly as a result, the role of the bank gradually changed. While many hundreds of modest working class depositors continued to use the bank, they stood in line more and more with middle class and even upper class patrons by the time of responsible government.

Savings banks, which first appeared in Britain and Europe during the first decade of the 19th century, were philanthropic institutions designed to promote, among the working poor, the ideology of thrift, sobriety and discipline that the "industrial masses" supposedly lacked. British savings banks were run by incorporated trustees under government charter and regulation. These trustees, almost always gentlemen of high social station, gave their time and effort on a volunteer basis. Their motivations, presumably, were increased social stability, the feeling of 'doing good', and the acquisition or maintenance of the status and prestige associated with philanthropic endeavour during the 'age of improvement'. Historians studying savings banks in Britain have questioned their economic importance and belittled their effect as reform agents, noting that depositors were not predominantly the workers at whom the rhetoric of the banks was aimed.²

In the United States trustee savings banks first appeared in the 1810s, but, in typically American fashion, there was also a practical emphasis on the collateral advantages the banks could provide to private sector and state development. In contrast to the British experience, close affiliation with commercial banks was an immediate phenomenon and, by the 1860s, professional managers had replaced amateur, charity minded trustees as the institutions evolved towards the modern species of mutual savings and loans. In the United States, savings banks have been seen as successful collectors of capital and allocators of credit in a young, capital scarce economy. Like their British counterparts, however, they are seen as failing in their educative role because depositors were not predominantly the 'working poor'.³

In British North America a melding of the British and American models took place. The trustee system was borrowed from Britain while the American disposition to channel savings banks' funds into pools of banking and development capital found expression as well.⁴ In the Maritime colonies, the first trustee savings

2 See H. Oliver Home, *A History of Savings Banks* (London, 1947); Albert Fishlow, "The Trustee Savings Banks, 1817-1861", *Journal of Economic History*, 21, 1 (March 1961); J.R. Poynter, *Society and Pauperism: English Ideas on Poor Relief, 1795-1834* (Toronto, 1969).

3 Alan L. Olmstead, *New York City Mutual Savings Banks, 1819-1861* (Chapel Hill, 1976); Emerson Keyes, *A History of Savings Banks in the United States* (New York, 1876); P.L. Payne and L.E. Davis, *The Savings Bank of Baltimore, 1818-1866* (Baltimore, 1956); Alan Teck, *Savings Banks and Savings and Loan Associations* (New York, 1968); Weldon Welfing, *Mutual Savings Banks: The Evolution of a Financial Intermediary* (Cleveland, 1968).

4 R.T. Naylor, "The Rise and Decline of Trustee Savings Banks in British North America", *The Canadian Historical Review*, 65, 4 (December 1984), pp. 511-41; D. Baldwin and H. Gill, "The Savings Bank of P.E.I.: Philanthropy & Self-Interest in the Nineteenth Century", *Journal of Canadian Studies*, 20, 4 (1985-86), pp. 115-25; E.P. Neufeld, *The Financial System of Canada: Its*

banks were founded in the New Brunswick towns of Saint John and Fredericton in 1824, both receiving government sanction the next year.⁵ The New Brunswick banks, like those in Lower Canada, were run by trustees, many of whom were bankers interested in acquiring funds for their businesses. The first savings bank in Nova Scotia was created in 1832, after abortive attempts in 1819, 1824 and 1826. The Nova Scotia legislation was unique because it created a new type of government-run savings bank. Unlike New Brunswick, the government, rather than trustees, operated the bank on philanthropic principles.

This early hybrid model of state philanthropy emerged out of the battles between entrenched banking and mercantile interests, represented by the Executive Council on the one hand and the emerging middle class and anti-Halifax rural elements in the Legislative Assembly on the other. The former faction, comprised of men like Richard J. Uniacke, Enos Collins and H.H. Cogswell, represented the apogee of office-holding and mercantile success. Collins and Cogswell, along with other councillors, such as Samuel Cunard, were directors and/or shareholders of the first bank in the province, the Halifax Banking Company, established in 1825. In addition, several councillors also held large amounts of the funded public debt.⁶ Important, too, were various Lieutenant Governors, such as James Kempt, Peregrine Maitland and Colin Campbell, whose aristocratic upbringing and philanthropic experience underlay the patronage and support they gave savings banks in North America. Lieutenant Governors, drawn mainly from the landed gentry, envisioned an institution that would help poor immigrants and urban paupers acquire financial security that, in turn, would be transmuted into agrarian independence. This would increase the stability and viability of the community, ensuring the maintenance of conservative values embodied by a gentrified elite. That it would also yield personal financial dividends to the businessmen-cum-trustees was accepted as natural. On the other hand, somewhat younger members of society espoused a more individualistic, liberal agenda in place of the organic, conservative model favoured by earlier elites. This group was represented by men like Charles R. Fairbanks, William Lawson and Joseph Howe, all middle class assembly members.

As the century wore on, the inculcation of industrial morality and thrift — the educative function of the bank — became compatible with the need for an institution mitigating the costs of developing infrastructure such as canals and railways. Savings banks could fill this role by replacing inefficient trusteeship with state stewardship and broadening their clientele base to include the middle class. Of course, it is with caution that one categorizes the actors and their motivations. Joseph Howe, for instance, has been rightly characterized as a ‘conservative’

Growth and Development (Toronto, 1972), Ch. 5, “Savings Banks”.

5 “An Act to encourage the establishment of Banks for Savings in this Province”, *Statutes of New Brunswick* (1825), VI Geo. IV, Ch. IV. P.E.I. did not start a savings bank until 1864.

6 For details of their careers see the following entries in the *Dictionary of Canadian Biography [DCB]*: B.C. Cuthbertson, “Richard J. Uniacke”, VI (Toronto, 1987), pp. 789-92; David A. Sutherland, “Henry H. Cogswell”, VIII (Toronto, 1985), pp. 167-9; David Sutherland & D. Barker, “Enos Collins”, X (Toronto, 1972), pp. 188-90; Phyllis R. Blakeley, “Samuel Cunard”, XII (Toronto, 1982), pp. 173-85.

reformer and certainly was no egalitarian leveller.⁷ People in both camps could share a genuine sympathy for the plight of the poor and a strong desire to reduce poor rates. A savings bank, which had the potential to stabilize and improve the living conditions of labour, could address both issues. Just as the lack of organized parties in the Assembly allowed for 'issue specific' agreement and division, society at large was characterized by shades of opinion rather than by strong cleavages. Furthermore, nascent liberals could sometimes evolve into arch-conservatives, in the process becoming defenders of privilege and position. In general, however, two main currents of social thought and economic outlook tended to compete against one another in the early 19th century. The conservative ideology — organic and communitarian — became increasing residual, while the emerging liberal outlook became more and more dominant.

In Nova Scotia, as elsewhere, the actual passage of a savings bank bill was stimulated by economic pressures affecting both the pocketbooks and the humanitarian conscience of the ruling conservative elite and the middling rate-payers. The mercantile and political elite, after reaping a windfall from the imperial expenditures, privateering and related litigation of the Napoleonic conflicts and the War of 1812, faced a sharply reduced capacity for profits in the midst of a general depression after the war.⁸ The distress of merchants and office-holders affected farmers and workers as well. Chronic unemployment, depressed business and credit restrictions following the transition to peace led to massive immigration to the Atlantic colonies. A thousand destitute Scots and Irish immigrants arrived in Halifax in 1816, and more than 2,000 in the succeeding three years. Irish Newfoundlanders and country folk also found their way to Halifax in increasing numbers in search of work and food.⁹ Crops failed in 1816, the infamous 'Year With No Summer' and were further ravaged by plagues of field mice and killer frosts. The town ratepayers, who, in 1817, were drawn from a population of 11,176, could not afford to feed, house and employ all these people.¹⁰ Attempts were made to give succour to the poor, however, and from this general economic depression and social crisis emerged the first discussions about a bank for savings.¹¹ In 1819, rural politicians called for a provincial bank of issue which

7 See J. Murray Beck, *Joseph Howe, Conservative Reformer, 1804-1848* (Montreal, 1982).

8 For a survey of the woes of Halifax during this period see Thomas H. Raddall, *Halifax, Warden of the North* (London, 1950); for a detailed study of government finances during the early 19th century see J.S. Martell, *A Documentary Study of Provincial Finance and Currency, 1812-1836* (Halifax, 1947).

9 A useful essay on the seasonality of employment and how it affected the poor in Canada is Judith Fingard's, "The Poor in Winter: Seasonality and Society in Pre-Industrial Canada", in Michael S. Cross and Gregory S. Kealey, eds., *Pre-Industrial Canada 1760-1849: Readings in Canadian Social History*, Vol. 2 (Toronto, 1982), pp. 62-78.

10 David Sutherland, "Halifax 1815-1914: 'Colony to Colony'", *Urban History Review*, 75, 1 (June 1975), p. 7; George E. Hart, "The Halifax Poor Man's Friend Society, 1820-1827: An Early Social Experiment", *The Canadian Historical Review*, 34, 2, (June 1953), pp. 110-11.

11 The experience of Samuel Cunard provides an example of philanthropic charity work performed by members of the business elite during this period of stress. He and Michael Tobin, another councillor, were selected by Lieutenant-Governor Dalhousie to assist destitute immigrants to find

would ensure a sufficient supply of paper money in the province to carry on business and encourage development. Attached to this bank was to be a “Provident or Savings Bank”.¹²

While it never came to fruition, this early proposal contained several key notions that characterized early savings bank discussions in most jurisdictions. Importantly, small deposits were to be accepted to encourage the poor to use the banks, and compound interest was to be paid on small fractions of a pound. The managers of the bank were to be drawn from the upper classes of society, although the users of the bank should be given a voice in its policies. Six of 12 directors would be gentlemen who would not and did not, supposedly, need the services of the institution. Furthermore, the profits of the bank would be expressly employed to ameliorate the burden of supporting the Poor House and other charities. From the initial discussions, then, there appeared a decided echoing of the economic benefits which others, elsewhere, sought to squeeze out of the banks — benefits which would accrue to the wealthier class of citizens as well as to the lowly worker.

The first legislation, “An Act to facilitate the Establishment of Banks for Savings,” appeared in 1826.¹³ It allowed “for receiving the Deposits of the Poor, or of the Labouring Classes”. It gave the Lieutenant Governor or the Council the power to appoint persons or to incorporate trustees to manage the bank, with all the corporate rights and privileges as usually granted in England. Thus it sought to mirror quite closely the form these institutions took in England. The trustees were allowed to receive deposits to the amount of £15,000, and, on the first day of every quarter, starting in January, they were to deposit any monies they had received into the Provincial Treasury in instalments of not less than £100 each. They would, in return, receive Treasury Certificates, bearing four per cent interest. The act did not stipulate how depositors’ withdrawals would be paid. Certainly ordinary depositors would not receive Certificates, which were too large and unwieldy to use as payments to supposedly unsophisticated investors. Designed to be identical in form and operation to the existing funded debt certificates, this type of vehicle was reserved for the financial elite of the colony.

An important clause in the act referred to the liquidation of the funded debt of the province, since the money which the Treasury received from the trustees would be used to retire treasury notes in circulation. The trustees would not have the option of placing any funds into the coffers of the Halifax Banking Company. By the end of 1825 the funded debt of the province was £38,150, greatly increased by

work on country farms. In the winter of 1820, the two, along with John Starr, organized a soup kitchen which served up to 320 individuals daily. P. Blakeley, “S. Cunard”, *DCB*, XIII, p. 175.

- 12 *Halifax Journal*, 22 February 1819. Support also came from the Halifax Poor Man’s Friend Society led by transplanted English humanitarian Walter Bromley. See, as well, Judith Fingard’s “English Humanitarianism and the Colonial Mind: Walter Bromley in Nova Scotia, 1813-1825”, *The Canadian Historical Review*, 55, 2 (June 1973), pp. 125-51 and “Proceedings of the Halifax Poor Man’s Friend Society”, 17 February 1820; 29 March 1824; 3, 7, 8 April 1824, MG 20, vol. 180, Public Archives of Nova Scotia [PANS].
- 13 *Statutes of Nova Scotia* (1826), Ch. 38. Another false start had occurred in 1824, when the Halifax Poor Man’s Friend Society drafted plans for a bank at the behest of Lieutenant-Governor Kempt. Using Attorney-General Uniacke as an intermediary, the Council ultimately rejected the plan mainly because they were required, *in toto*, to be trustees. “Minutes of Executive Council”, 2, 27 April 1824, RG 1, vol. 194, PANS.

the £21,750 in Treasury Notes which had been funded that year.¹⁴ The story of these notes is a long and complicated one, but suffice it to say that because of the lack of specie in the colony, especially outside of Halifax, the notes had been the general currency of the Province since 1818. The merchants of Halifax were much less enthusiastic about them than the country farmers and working people since they tended to devalue specie. Accordingly, they favoured a ‘real money’ policy and sought to reduce the amount of such notes in circulation.

A series of five letters, appearing in the *Novascotian* in 1826, illustrated the enthusiasm and rationale for savings banks. The first proclaimed that the colonies enjoyed the advantage of the Mother Country’s experience and that Britain represented the best example of all. For this reason alone an idea was often deemed beneficial by colonial editors. The *Novascotian* correspondent pointed to the importance of maintaining the condition and character of the labouring classes, who produced all wealth. The writer proceeded to illustrate the value of savings banks by detailing the societal benefits of the savings bank movement in England, the effects of savings banks in foreign countries, and the probable benefits for Nova Scotia.¹⁵ One letter trumpeted that:

[Savings banks]...supply the grand desideratum which is felt in every young country and particularly in this Province. Once supply this and the improvements of Nova Scotia will go forward with an accelerated ratio. The resources of the Country would be hastened in their development and more speedily converted into materials of foreign commerce.¹⁶

This chain of reasoning extended to embrace the idea of new farming settlements initiated by urban workers bankrolled by their newly saved wealth. More farms would provide additional population, securing the basis for increased trade. Savings banks could be connected with the material progress of society in obvious ways, in addition to the more personal, subtle aspects such as temperance and self-respect. Add to the savings bank an established form of religion — not those who “dose in fat slumbers in church”, but those who encourage Sunday school, regular education — and you will have “the exhilarating picture of a happy, independent and moral peasantry, contented with the fruits of their own industry and exalted in their character and conduct by that temperament of mind which results from the influence of conscious independent virtue”.¹⁷ In fact, the linkage of savings banks with land use ties into the contemporary shift in the focus of agrarian theory. The

14 Martell, *A Documentary Study*, Appendix X. The Treasury Notes were funded by the extension of Loan Certificates in lieu of specie when the owner redeemed his note. Thus, for every £100 of T-Notes that were printed, a £100 Loan Certificate could be issued to a person who demanded his £100 from the government. These bore an interest of 6% from 1818 to 1832, reduced to 4% in 1833 and increased to 5% in 1835. The government, then, was paying anywhere from 4 to 6% interest on its funded debt during those years.

15 *Novascotian* (Halifax), 25 May, 1, 8, 16, 22 June 1826.

16 *Novascotian*, 22 June 1826.

17 *Novascotian*, 16 June 1826.

strong bias that had existed against the small farmer in England in 1800 had all but disappeared by 1850 under the onslaught of thinkers like J.S. Mill, W.T. Thronton and Richard Jones. Indeed, three of the five points of Jones' theory of capital accumulation sound like a savings bank prospectus: savings institutions were a prerequisite for capital accumulation by small savers, a high degree of security of investments was necessary and the possibility of social advancement through saving must be widely appreciated.¹⁸ Yet, in general, the essays were diatribes against indiscriminate alms giving. The highlighting of irresistible, natural economic laws, whose gloomy outcome for the poor, beset by "cankeworms" of vice, indolence and disease which formed "a mass of wretchedness and poverty", derived inspiration from Malthus and Ricardo, the very men whose theories Jones, Mill and Thronton repudiated. Thus, the local essay writer, following a practice that was not uncommon, drew his ideas from antithetical sources. Like John 'Agricola' Young in his attempts to encourage scientific farming in Nova Scotia, the Halifax elites drank deeply from the wellspring of British thought but applied it poorly and haphazardly to the conditions of pre-industrial Nova Scotia.

Ideological motivations also came from within the colony. The uncharitable attitude towards working class behaviour held by the local middle class was illustrated by a series of letters that appeared in the *Novascotian* in late 1824 and early 1825, entitled "On the Character and Treatment of Domestic Servants".¹⁹ The story of one employer's maid served as an example of the pretensions that domestics were liable to acquire if not watched closely. The maid, Jenny, after one year's good work, got "notions" in her head and began rushing her chores every morning so the afternoons would be free for personal activity. One eve, Jenny came out at dusk, before her mistress, decked out in "respectable finery". When asked how she afforded such attire on \$4.00 per month, she brashly pronounced that all her money went towards luxuries. Upon being pressed, she stated she would refuse to clean or to carry water. The employer's friend rejoined sympathetically that at least Jenny was "honest and quiet", unlike the "thieves" she employed. Her description of servants as lazy, extravagant, impudent and dishonest strongly echoed middle class perceptions of the poor in general. The savings bank would presumably act as an inducement to work and foster saving instead of spending.

Despite its enthusiastic supporters, the Savings Bank Act of 1826 did not bear fruit.²⁰ The bill was an enabling act only and set out no specific time frame for the

18 Clive Dewey, "The Rehabilitation of the Peasant Proprietor in Nineteenth Century Economic Thought", *History of Political Economy*, 6, 1 (1974), p. 26.

19 *Novascotian*, 29 December 1824, 12 January and 2 February 1825. The writer was a male who identified himself as 'An Hearer' because his point of departure had been an overheard conversation between two women discussing the "vices of menial servants". Although these anecdotes predate the Savings Bank, the discourse and symbolism contained therein, on the 'love of finery' and the 'servant problem', was present in much the same form throughout the 19th century.

20 The original savings bank bill was drafted by Charles Rufus Fairbanks, member for Halifax Township (1823-1834) and presented by the same to the House on 11 March 1826. This bill, 'An Act to facilitate the Establishment of Banks for Savings', apparently passed both the House and the

implementation of its provisions. Lieutenant-Governor Kempt, a supporter of the bill in the beginning, did not remain in Halifax, so vice-regal support, a factor so important in New Brunswick's quick start, was not as forthcoming.²¹ The men left in charge during his absences, particularly Michael Wallace, were personally indifferent to philanthropic endeavour.²² In addition, there is undoubtedly some truth to the argument that, as conditions improved during the late 1820s, and "transient agents" such as Walter Bromley, the founder of the Halifax Poor Man's Friend Society, departed, wind left the sails of humanitarian reform.²³ Accordingly, the new owners of the Halifax Banking Company, deprived of easy access to savings bank funds, reverted to type and dismissed the idea as unprofitable and therefore unworthy of support. However, the reverse of this argument also obtains. Nova Scotia, by **not** allowing a diversion of funds to occur, demonstrated a greater sensitivity to the pitfalls of unrestrained capitalism than supposedly more enlightened areas. The scandals caused by dishonest trustee bankers abusing the funds of innocent savings bank depositors are notorious and legion.²⁴ Seen in this light, reform failed because the elite retreated from the brink of action, not because Nova Scotians lacked a reform discourse or reform impetus.

With the impending opening of the rival Bank of Nova Scotia in 1832, the defenders of the Halifax Banking Company, in their position as councillors, decided to counter-attack by reviving the defunct savings bank plan of 1826. They induced the Lieutenant Governor, Sir Peregrine Maitland, to call for a report on the lack of a savings bank, which they gladly provided for him.²⁵ An amended bill was introduced in the Assembly. Thus, it seems that financial expediency provided the impetus for a politically powerful faction to transform ideas into the reality of a savings bank.²⁶ In fact, the opportunity to use the savings bank as a foil was serendipity. It would not have existed if the legislation of 1826 had been

Council with no amendments or divisions. Nova Scotia, *Journals of the House of Assembly* (1826), p. 599. It is possible that Fairbanks had a vested interest in the Savings Bank since he could have reasonably expected that, if it was successful, some of the monies might have been channelled into helping develop the province by expediting the building of the Shubenacadie Canal, a project to which he devoted a great deal of time and energy. See David Sutherland, "Charles R. Fairbanks", *DCB*, VII, pp. 278-80.

- 21 D. Murray Young, "Howard Douglas", *DCB*, IX (Toronto, 1976) pp. 218-22; see also John Irwin Cooper, "Some Early Canadian Savings Banks", *Canadian Banker*, 57 (Spring 1950), pp. 135-43 and S.W. Fullom, *The Life of General Sir Howard Douglas, Bart., From his Notes, Conversation and Correspondences* (London, 1863).
- 22 David Sutherland, "Michael Wallace", *DCB*, VI, pp. 798-801.
- 23 Fingard, "English Humanitarianism", p. 150.
- 24 Naylor in "The Rise and Decline", mentions scandals in Upper and Lower Canada and New Brunswick, as do the standard works on Canada's financial history such as Neufeld's *The Financial System of Canada*, Chapter Five, "Savings Banks". Contemporary accounts in Lower Canada include "Montreal & Provident Savings Bank, 15 July, 1848", Canadian Institute for Historical Microreproductions [CIHM], #38070, and "Montreal Provident & Savings Bank, 1851", CIHM, #62941. As well, savings banks in Scotland and England witnessed scandals brought on by greedy and careless trustees. See Horne, *A History*, and Olmstead's *New York City Mutual*.
- 25 Martell, *A Documentary Study*, p. 21. The report was prepared by Collins and Cogswell. Maitland, while never achieving great success in his posting, was a sincere, sober Methodist who took his religion and position very seriously. Hartwell Bowsfield, "Sir Peregrine Maitland", *DCB*, VIII, pp. 596-604.
- 26 See Martell, *A Documentary Study*, p. 21 and Naylor, "Rise and Decline", pp. 518-19.

implemented; that particular failure owes as much to chance, personality and last minute legislative amendments as it does to the faulty consciences of the elite. Furthermore, the ideological foundations for the bank had been laid in the preceding years and, without them, no amount of panic on the part of worried councillors could have created a savings bank out of thin air. The thrift discourse that had unfolded since 1819 meant that the quick action taken in 1832 did not occur in a vacuum. Because of its powerful simplicity, the temptation exists to ascribe the motive force behind the bank to financial self-interest. But a more satisfactory explanation embraces the difficulties of motivation and rests within a theoretical framework recognizing the interplay of ideas and interests.

The Savings Bank opened on 14 July 1832. Later that month notices appeared in the local newspapers informing the public of its existence, along with its rules and regulations.²⁷ Customers at the new bank could make deposits every Monday between the hours of 10 and three o'clock. Withdrawals could be made then too, as long as one week's notice was given. The limit for individual accounts was set at £50 per year, to be filled with sums of not less than one shilling. Although the bank received five per cent on its deposits with the Provincial Treasurer, the depositors themselves received only four, one per cent being reserved for operating expenses.²⁸ Depositors who were expected to patronize the bank were described as "Tradesmen, Mechanics, Servants, Labourers, and others of the Labouring Classes, Seafaring Men, Non-Commissioned Officers, and Privates in the Army, and Charitable Societies". Their transactions were to be verified by the production of a ticket along with the passbook, and parties other than the owner of the account could deposit money.²⁹ The Director of the bank was the Provincial Treasurer, Charles Wentworth Wallace. Wallace's role at the bank consisted of overseeing its general operation and accepting ultimate responsibility for the accuracy of the books. The Cashier of the Savings Bank was Edward Duckett Jr., who was also Wallace's chief clerk at the Treasury Office.

From 1832 to 1836 the bank grew at a very healthy rate (see Table One). By 1836, however, deposit growth slowed and signs indicated that the intended liquidation of the public debt through the transfer of deposits into the Treasury was not proceeding according to plan.³⁰ In an address to the House in March 1837, Lieutenant Governor Colin Campbell stated that, as of June 1836, the legal limit for deposits at the Bank, £15,000, had been reached and that "many Persons have since been precluded from the benefits of an Institution, which has had so salutary

27 *Novascotian*, 25 July 1832.

28 *Statutes of Nova Scotia* (1832), ch. 41. "Depositors Accounts Halifax Savings Bank", 1832, MG 100, vol. 27, file 11, PANS.

29 "Depositors Accounts", MG 100, vol. 27, file 11, PANS.

30 Each year various sums were paid into the treasury representing the amount the government supposedly was receiving for its current account purposes. Oftentimes, as in 1856, the deposit/withdrawal difference was not enough to account for the amount paid the treasury. For these years excess withdrawals were probably met with treasury certificates from the treasurer in lieu of cash or treasury notes. In other words the government took in the cash, up to the limit prescribed by law, knowing that it could pay 'extra' withdrawals with debt instruments.

an influence on the habits of the labouring poor and poor classes of the Community". He recommended that the limit should be increased and that provisions should be made for the application of those increased deposits to the reduction of the funded debt. Unfortunately, as Campbell pointed out, the latter goal had "hitherto been found impracticable". Because of the specie shortage,

Table One
The Halifax Savings Bank, 1832-1865

Year	Depositors	Deposits £	Withdrawals £	Paid Treas'y £	Balance-Treas'y £	Owed Depositors £
1832	127	2,388	125	2,200	2,200	2,263
1835	333	3,176	1,083	4,000	11,800	11,942
1836	366	5,894	3,142	3,200	15,000	15,340
1840	601	5,821	5,633	1,000	20,000	20,337
1844	825	7,291	8,409	----	27,000	27,407
1845	796	7,229	8,775	----	27,000	26,897
1846	927	13,545	6,581	8,000	35,000	34,997
1847	1,009	15,067	11,611	5,950 *	39,800	39,838
1856	N/A	47,170	37,277	14,000	106,000	N/A
1857	1,723	43,481	41,480	6,300	112,300	112,113
1859	1,651	25,908	31,277	----	125,000	126,181
1861	N/A	29,222	32,331	----	125,000	127,882
1862	1,690	21,624	26,816	----	125,000	128,890
1865	2,400	70,000	56,250	13,500	160,000	165,111

Source: Martell, *A Documentary Study*, Appendix III; *Journal of the House of Assembly* (1837), App.52; (1841), App.41; (1845), App.19; (1846), App.28; (1847), App.33; (1848), App.34; (1856), App.1; (1857), App.47; (1860), App. 'Public Accounts'; (1866), App.37 P.A.; *Year Book and Almanac of British North America* (1867); *Year Book and Almanac of Canada* (1869); *Novascotian*, 6 April 1836.

* £1150 was withdrawn from the Treasury for reasons unknown leaving £39,800 instead of £40,950. Accuracy of figures depends on existence and veracity of reports and accounts. Errors of Treasurer are corrected where possible. Figures in "Owed Depositors", when less than corresponding "Balance at Treasury", are doubtful. Since "Owed Depositors" includes interest it should always have been larger.

deposits had most often been paid in treasury notes or silver coins, whereas gold was required to pay off the Loan Certificates.³¹ Lacking hard currency, many people had been depositing the only available 'money' — Treasury Notes. However, it would have been somewhat disingenuous for government to pay off its wealthy creditors holding Loan Certificates with Treasury Notes not convertible into specie

31 Nova Scotia, *Journal of the House of Assembly* (1837).

and subject to price fluctuations. The ceiling was raised again and further attempts made to direct the proceeds of the bank to the funded debt. Thus, by the end of its early years, the debt reduction operation of the bank had encountered problems but had come more and more to dominate the agenda. Although the initial moral uplift and social reform programme remained firmly in place as the foundation upon which the existence of the institution nominally rested and found justification, the ultimate governors of the bank, the Council, actually paid more attention, as the years passed, to its financial health. In this context, the moral uplift and social reform programme tended to take an increasingly secondary position in relation to the need for more depositors. A larger depositor base would provide more capital which, in turn, could be used to facilitate the fiscal flexibility of a modernizing government. Not surprisingly, these new depositors tended to be middle class people, citizens who had money to invest.

In Nova Scotia, depositor occupations nominally matched the rules of the bank regarding use by specific classes. Table Two provides a category classification of specific groups of depositors for selected years found in the treasury records. Domestic servants, mechanics and labourers dominated the account holdings, yet were they the people who deposited the greatest share of the money? A detailed analysis of accounts and deposits yields two salient points. First, the small account classes (£0-20 and £20-30) attracted the greatest number of depositors, but they did not comprise the largest part of the total balance held by the Bank. (See Table Three.) In other words, though most accounts were in the low ranges, as would be expected given the mandate of the bank, as an aggregate of deposits they never amounted to the majority of funds on balance. Similarly, Table Four reveals that, while small deposits made up the lion's share of individual deposits in any one year, they never amounted to a majority of yearly total deposits. For both deposit and account ranges, then, the higher categories, while fewer in instance, accounted for the greater share of total monies put into the bank.³²

³² Two examples serve to further explain these observations. Table Three shows that in 1835, while 34.8% of the depositors held accounts containing between £0 and £20, their accounts amounted to only 7.1% of the total balance of that year. Meanwhile, for the Account Class of over £100, a mere 5.5% of depositors held 19.4% of the total balance. Turning to Table Four, the same trend is observed. 22.5% of deposits made in the year 1835 were of the £0-1 class, but these deposits amounted to only 1.2% of total monies deposited. Conversely, the upper deposit class of £40-50 comprised only 9.2% of depositors but accounted for 38.7% of monies deposited. By 1845, deposits in the £0-1 class had fallen to 13.5% of total deposits. Interestingly though, this smaller percentage of deposits accounted for 10.4% of monies deposited that year. This points to the fact that, since the deposits were limited to £25, wealthier investors had less chance to use the bank; the importance of smaller deposits, £0-1 and £1-5, increased proportionally. Still, high-end deposits made in both years amounted to the single largest slice of the deposit pie: 38.7% in 1835 and 47.2% in 1845.

In terms of account distribution there is almost no change between 1835 and 1845. In the former year, accounts in the £0-20 class comprised 34.8% of depositors but only 7.1% of monies in the bank. In the latter year the figures for the same class were 35.4% and 9.5% respectively. In 1835, the class 'Over £100' represented 5.5% of customers who held some 19.4% of the balance. For 1845, the comparable £100-150 class tallied 5.6% of depositors holding 22.2% of bank funds. A significant change did occur, however, in the middle range accounts. In 1835 the £20-30 class accounted for 13.9% of depositors and 9.5% of monies. In the same year the £50-100 class

Table Two³³
Per cent Distributions of Categories of Depositors
Various Years

Year	Domestics %	Labourers %	Mechanics %	Children %	Others %	Total Depositors
1832	38.5	11	17.3	8.6	24.6	127
1835	30.9	19.2	15.3	10.8	23.8	333
1836	30	25.2	13.1	13.6	18.1	366
1840	25.9	20.6	13.8	13.3	26.4	601
1844	33	18.3	17.3	6.3	25.1	825
1845	31.6	18.8	15.5	10.1	24	796

Table Three³⁴
Distributions of Accounts by Size
Percentage Distributions

£ Act Cl	1835		1836		1840		1844		1845	
	% Dep	Tot Bal	% Dep	Tot Bal	% Dep	Tot Bal	% Dep	Tot Bal	% Dep	Tot Bal
0-20	34.8	7.1	31.9	6.7	34.1	9.1	34.5	9.9	35.4	9.5
20-30	13.9	9.5	10.9	7.5	33.4	24.4	33.8	25.7	29.3	18.6
30-40	9.8	6.5	6.0	4.7	5.1	4.9	8.0	8.3	8.7	8.7
40-50	5.5	6.8	6.2	6.5	4.9	6.6	2.9	3.8	5.1	6.7
50-100	30.2	50.3	33.8	46.0	10.8	29.4	15.5	31.0	15.5	30.6
+100	5.5	19.4	----	----	----	----	----	----	----	----
1-150	----	----	----	----	6.4	25.3	----	----	5.6	22.2
1-200	----	----	7.9	24.0	----	----	5.2	21.0	----	----
+200	----	----	0.8	4.3	----	----	----	----	----	----

Act Cl = Account Class; % Dep = Per cent of Depositors;
Tot Bal = Per cent of Total Balance Accounted For

comprised 30.2% of depositors and 50.3% of monies, showing a clear bias towards the more well-off depositor. By 1845, however, the situation had reversed itself somewhat, with the £20-30 class now attracting some 29.3% of depositors, who held some 18.6% of funds. Now the £50-100 class accounted for only 15.5% of depositors and 30.6% of the monies. This reversal was only partial and the bias **overall** was one that clearly emphasized accounts over £30.

33 Martell, *A Documentary Study*, p. 22; Nova Scotia, *Journals of the House of Assembly*, "Saving Bank Reports": 1836, 1837, 1840, 1845, 1846. It is for these years that the best data are available, data which allow for the type of analysis earlier done on American and British savings banks. Unfortunately there were gaps in the *Journals* from year to year. 'Others' comprises the remainder of the depositors represented by various miscellaneous occupations.

34 Source for both Tables Three and Four: Nova Scotia, *Journals of the House of Assembly*, "Savings Bank Reports": 1836, 1837, 1840, 1845, 1846. Please note that, for Table Three, "% Dep" means 'Per cent of depositors' while for Table Four it refers to 'Per cent of deposits'.

Table Four
Distributions of Deposits by Size
Percentage Distributions

£ Dep Cl	1835		1836		1840		1844		1845	
	% Dep	Tot Dep	% Dep	Tot Dep	% Dep	Tot Dep	% Dep	Tot Dep	% Dep	Tot Dep
0-1	22.5	1.2	21.7	1.1	15.1	.9	10.6	0.5	13.5	10.4
1-5	31.1	7.8	28.9	6.5	34.5	11.5	36.9	9.4	37.7	12.3
5-10	13.3	9.3	15.5	9.5	19.5	16.8	17.9	13.4	16.0	13.4
10-15	4.4	5.4	8.1	8.1	----	----	----	----	----	----
10-20	----	----	----	----	14.6	25.9	16.0	23.5	15.5	25.8
15-20	6.6	10.7	3.5	5.1	----	----	----	----	----	----
20-25	----	----	----	----	16.1	44.6	18.4	52.5	17.1	47.2
20-30	9.2	15.4	6.1	12.0	----	----	----	----	----	----
30-40	3.3	11.1	2.6	7.2	----	----	----	----	----	----
40-50	9.2	38.7	13.3	50.1	----	----	----	----	----	----

Dep Cl = Deposit Class; % Dep = Per cent of Deposits;
Tot Dep = Per cent of Total Deposits Accounted For

Obviously, unless one can envision workers making between one and two shillings per day laying away £20-50 at a time, the Bank relied on a relatively small number of wealthier individuals to ensure its financial stability and success. This suggests a structure of wealth exhibiting inequality between employees and employers, even when both were nominally 'manual' workers. For instance, the account class profile appears sharply sectioned, with the top echelon making, and thus able to save, much more than the rest. This type of bifurcation has been found to be typical of commercial and industrial development in North America.³⁵ Nevertheless, given the large presence of working-class depositors, it seems likely that the bank **was** successful in attracting the right 'type' of depositor. Certainly, the use that children, labourers and domestics made of the bank was desirable from an economic point of view. They would see their monies invested in a secure form and ultimately the market, or the state, would reap the benefits of that capital when it was spent. At the same time, however, the ideology that supported the bank, the one that tied it to the moral uplift of the poor, was not reflected in the origin of most of the bank's resources, which came from a minority of depositors who were, judging by the amounts they deposited, not of the working-poor.

Since most of the money came in the form of a few large deposits, not the many

35 Michael Katz, M. Doucet, and M. Stern contend, with much evidence, that the social structures of both commercial and early industrial capitalism were characterized by the existence of two classes: an owning/salaried one and a producing/wage earning one. The gap between the two in terms of a variety of wealth related measures was large and based predominantly on occupation. See their *The Social Organization of Early Industrial Capitalism* (Cambridge, 1982), pp. 14-63, Chapter 1, "A Two Class Model".

small ones expected of a bank of this type, determining the source of the bank's funds is problematic. It is therefore important to examine more closely the three classes of depositors to reconcile the seeming centrality of their role with their deposit and account profiles. What induced so many domestic servants to use the bank? Was this proclivity to use the bank a function of paternalistic pressure from their middle class masters? Did they and mechanics earn enough to allow them to become the substantial depositors which the deposit profiles reveal? How might their position have changed over time? Pertinent too are question about the mid-19th century aspirations for progress and self-improvement. Did the Halifax Government Savings Bank reflect the desire of members of the lower social orders to improve themselves? And were these more modest depositors then eventually edged out by the middle class as it came to dominate the Mechanics Institute, and colonial and local government in the era of responsible government?

In attempting to assess the bank's level of success in attracting working class clients, it useful to situate the various classes of depositors within the broader context of the population as a whole. According to the Census of 1827, female "Servants" comprised 7.6 per cent of the total population of Halifax city and 6.5 per cent of Halifax County.³⁶ When adjustments are made to find the ratio of servants to all census workers who might be accepted at the bank, or what could be termed the 'savings bank workforce', the percentage of female servants relative to that workforce rises to about their level of participation at the bank.³⁷ Unfortunately, the Census of 1851 neglected servants, while the census of 1861 suffers from an obvious failure to count servants with any degree of accuracy.³⁸ The 1871 figures reflect more closely those of 1827, and are similar to values for urban centres elsewhere. In 1871, domestic servants accounted for approximately 5.9 percent of Halifax's population.³⁹ These variations between censuses suggest that pre-Confederation data must be used with caution. Still, the similarity of the two censuses at either end of the century indicates that servants were a continuing

36 Census of 1827 in *Statistics of Canada, 1665-1871*, Vol. IV (Ottawa, 1876). The breakdown is as follows: Halifax Peninsula, 1321 men + 1103 women = (2424) 16.8% of total population of city; Halifax District, 345 men + 689 women = (1034) 9.8% of total population of county.

37 'Saving bank workforce' simply refers to all workers in the censuses who might be construed as legitimate objects of the bank's benefits as defined by the depositor parameters stated in the opening rules in 1832.

38 People engaged in service were now recorded as members of the "Domestic Class" and the combined total for city and district was given as 297. This is only .6 per cent of the population and suggests significant under-reporting. Even assuming that all domestic servants were engaged in urban households, they still would account for only 1.2 per cent of the city's population. "Census of 1861", *Statistics of Canada*, Vol. IV. The smaller number is suspect since the city's population had increased to 25,026 and that of the county to 23,995. Another clue that domestics were miscounted is that in 1844 there were 273 domestics with accounts in the savings bank alone.

39 Claudette Lacelle, "Les domestiques dans les villes canadiennes au XIX siècle: effectifs et conditions de vie", *Histoire sociale/Social History*, XV, 29 (May 1992), p. 185. In 1871 Domestics constituted the following percentages of total populations: Toronto, 5.1%; Montreal, 4.1%; Quebec, 4.3%. A good general survey of servants during the 19th century is Genevieve Leslie, "Domestic Service in Canada, 1880-1920", in Janice Acton, *et al*, eds. *Women at Work, Ontario, 1850-1930* (Toronto, 1974).

phenomenon throughout the 19th century. More significantly, a consideration of domestic servants as a proportion of the 'savings bank workforce' suggests that perhaps too much has been made about over-participation by domestic servants in savings banks in the United States and the United Kingdom.⁴⁰ In Halifax, domestic servants utilized the services of the bank in direct proportion to their total numbers.

The same cannot be said about the mechanics and labourers. According to the census of 1851, the "Industrial Class" of Halifax, city and county, amounted to 4191 or 10.5 per cent of the total population of urban and rural Halifax.⁴¹ Five years earlier there were 123 mechanics listed as using the bank. Thus, the data suggests that wage-earning mechanics and master tradesmen within the catchment area of the bank were not using it in droves. Labourers, classified as "Labourers or servants", were enumerated at 1321 in 1827, but accounted for only 14 of the depositors at the opening in 1832. Later they were included in the "Industrial" and "Agricultural" classes of the 1851 census which totalled 6290 people. However, they only amounted to 150 customers at the bank in 1845.⁴²

Nevertheless, a close analysis of depositors suggests that the clientele of the bank were best described as working class. For many years prior to Confederation the Halifax Savings Bank maintained a signature book which was signed by all new account holders.⁴³ The signature books indicate that many accounts were opened for workers by their employers or for children by their parents. Even unskilled or semi-skilled workers who opened accounts on their own verified their identity and position by providing a reference, usually someone of higher status. This practice, besides speaking to the paternalism of the era, also probably relates to another pervasive fact — transiency. People recently moved to the area needed some form of reference to open an account. Using information drawn from the signature books, Table Five provides a breakdown, by occupational category, of depositors using the bank.⁴⁴ In keeping with the tenets of thrift banking, there were

40 A. Fishlow, in particular, comments on the massive presence of domestics in English savings banks. See "The Trustee Savings Banks", p. 38.

41 "Census of 1851" in *Statistics of Canada, 1876*, Vol. IV.

42 *Ibid.*

43 From these books a series of lists were constructed on the basis of simple systematic samples using every fourth record or, in some cases, every record. While using spaced samples allows for a greater swath of depositors to be sampled, using every record over a period of time allows for particular familial and residential connections to be observed.

44 Signature Book for Halifax Savings Bank, 1836-48, RG 3, vol. 1111, National Archives of Canada [NAC]. The categorization of occupations is necessarily arbitrary and difficult to do. The classification model used here is borrowed from T.W. Acheson's study of Saint John. See *Saint John: The Making of a Colonial Urban Community* (Toronto, 1985). Examples of occupations used in the classification are as follows: High Status — merchants, leading officials, prominent professional groups such as doctors and lawyers; White Collar — grocers, clerks, minor government officials, teachers; Skilled Trade — artisans, carpenters, shipbuilding trades, masons, master mariner; Semi-skilled — teamsters, truckmen, painters, farmers, fishermen, milliners, seamstresses, soldiers, sailors; Unskilled — labourers, vendors, pedlars, washerwomen; Servants — female domestics, male servants usually to gentlemen or military officers; Other — occupation unknown, societies and estate/trust accounts. Children, Married Women and Widows/Spinsters are self-explanatory.

no high status depositors. In December 1832, five months after opening, the bank's depositors comprised 49 Domestic Servants, 22 Mechanics, 14 Labourers, 11 Children of Mechanics, nine Non-Commissioned Officers and Privates, five Milliners, six Pedlars, three Mariners, two Washerwomen, two Charities, one Fisherman, one Postman, one Lawyer, one Schoolmaster.⁴⁵ In the late 1830s, 23.6 per cent of depositors in Halifax were servants. Of these, 36.9 per cent were men.⁴⁶

Table Five
Classification of Depositors, Halifax, 1836-38

Group	N = 309	Per cent
High Status	0	0
White Collar	4	1.3
Skilled Trade	35	11.3
Semi-skilled	74	23.9
Unskilled	59	19
Servants	73	23.6
Children	19	6.1
Married Women	23	7.4
Widows/Spinsters	7	2.3
Other	12	3.9

Several of the male servants worked for military officers or high office holders such as Rupert D. George, the provincial secretary, and one-time supreme court justice S.S. Blowers. Aristocratic British officers and the office holding elite were perhaps the only classes in colonial society that both desired and could also afford the higher priced male livery or servants. Successful merchants or 'practical' men of business possessed both male and female servants. Enos Collins, A.M. Uniacke, and H.H. Cogswell all opened accounts for female domestic live-in servants. On the other hand, William A. Black, and James Allison, as well as Dr. William Almon, all employed male servants with accounts at the bank.

Although the majority of servants who opened bank accounts were women, servants were not the only women to use the bank. Table Six provides a breakdown of the occupations of the women depositors sampled for the years before Confederation.⁴⁷ Domestic servants were, as expected, the largest single occupation

45 Martell, *A Documentary Study*, p. 22.

46 Another sample from Halifax (1839-43; N=285) yielded 60 servants, exactly one-third or 33.3 per cent of whom were male. One of those, Charles Kavanagh, was a servant in the household of savings bank booster, Charles R. Fairbanks. Three were from Sable Island, while another lived with a military officer. Obviously the term 'servant' for males covered a wide range of activities.

47 Source: Signature Books for Halifax Savings Bank, 1836-38, 1839-43, 1859-60, RG 3, vols. 1111 and 1112, NAC. Samples from 1836-38, 1839-43 and 1859-60. "Other" category includes various

at 32.2 per cent, but milliners, seamstresses, and other clothing industry workers were also users of the bank in fairly large numbers. As well, the category "shopkeepers" includes depositors registered as such, along with those noted as owning a "small shop" or as "vendors". That category comprised some 3.6 per cent of all the women using the bank. Taken together, women engaged in gainful employment of some sort, excluding servants, numbered 54, or 22 per cent of all female depositors. The majority of these were independent business women.

Table Six
Occupations of Women Depositors
Halifax, 1836-1860

OCCUPATION	N=245	Per Cent
Married	67	27.3
Spinster	13	5.3
Widow	22	8.9
Seamstress	12	4.9
Milliner	3	1.2
Other Clothing	5	2
Servants	79	32.2
Shopkeeper	9	3.6
Other	25	10.2
Unknown	11	4.5

A recent study of business women in 19th century Halifax has identified three broad categories, encompassing various motives, aspirations and levels of capitalization. The largest group were women attempting to meet basic survival needs of themselves and their families. Other entrants into the market were women concerned with upward mobility and those pursuing business ventures as an avenue to provide independence and satisfaction.⁴⁸ The breakdown of the business women recorded at the bank reflects the same pattern. Of the 54 women listed as self-employed, 35 per cent (19) performed low-paying unskilled or semi-skilled jobs such as labouring, seamstress, sewingwoman, washerwoman, cook and the like. One woman in this category, Johannah Gilfooy, was registered as keeping cows. The keeping of cows and other farm animals within the urban milieu was a common

occupations such as teachers, farmers, labourers, nurses, cooks washwomen and one woman who kept cows.

48 Janet Guildford, "More than Idle Ladies: Business Women in Nineteenth Century Halifax", Unpublished paper presented at Atlantic Canada Studies Conference, St. John's, Newfoundland, 1992, p. 2. Many Halifax business women would fit John Benson's criteria for 'penny capitalists': assumption of risk for capital which they controlled, operation on a small scale and working-class origins. Like Guildford, he posits two overarching groups: full-time entrants who aspired to upward mobility and financial independence, and part-time entrepreneurs who were engaged in a defensive struggle to survive. See "Penny Capitalism: a task for the local historian", *Local Historian*, 17, 4 (1986), pp. 226-35 and *The Penny Capitalists: A Study of Nineteenth Century Working-Class Entrepreneurs* (New Brunswick, N.J., 1983).

pursuit among women seeking to supplement or establish the family income with dairy and meat product sales.⁴⁹ The very fact that these women were listed with occupations meant they were likely widowed, and working out of necessity. The other type of entrepreneur recorded — the shopkeepers — may well have aspired to upward mobility as they deposited their savings. Finally, depositors who worked for satisfaction or independence followed occupations such as schoolmistresses.

Despite the varied nature of their activities, Halifax business women generally tended to focus on providing goods and services usually associated with the domestic household, either producing clothing or supplying food and lodging. The data from the savings bank again reflects the same division. Of the 54 self-employed women, 37 per cent (20) were clearly in the clothing industry. Added to this figure, too, should be at least some of the shopkeepers who may have had dress or hat stores. On the food supply side, besides the cow keeper, some of the “Other” category registrants kept stalls at the market that sold apples and home-made sausages. The occupations of women, when listed, were quite varied and spanned a spectrum of skills. Savings banks could assist these women in their struggle to survive and stay ahead of financial calamity by offering a secure, interest-bearing haven for their earnings.

While the bank deposits made by Halifax business women many well have been larger than those made by domestic servants, they were not more numerous. And possibly some domestic servants, because of their status as paid boarders, may have been able to make large deposits. But, the average salary for female domestics in the early 19th century was £10 per year. By the 1870s this had increased to £19 per year.⁵⁰ A generous assumption would be that, in the 1840s, the average salary of a domestic in Halifax was £15 per year. If she were parsimonious and saved two-thirds of her money she would then have had £10 to put away in the bank. Yet, because she would normally be paid only two or three times a year, the average deposit of even the most frugal young woman could be no more than £3 to £5. At this rate it would seem highly unlikely that domestics were responsible for the large deposits of £20 and over, which accounted for such a large proportion of the bank’s total holdings. On the contrary, domestic servants were more likely to sink into destitution and despair than to amass large bank deposits. Milliners, dressmakers and seamstresses, along with domestics, were occupations which were highlighted in medical and political discourse as the recruitment base for prostitutes, supposedly because they exhibited an immoral “love of finery” which led them to debauchery.⁵¹ In fact, while that analysis was wrong, the evidence that

49 Bettina Bradbury, “Pigs, Cows and Boarders: Non-Wage Forms of Survival Among Montreal Families, 1861-1881”, *Labour/Le Travailleur* (1984). It is known that Gilfoy lived within Halifax because her location was also registered.

50 Lacelle, “Les Domestiques dans le ville”, p. 201.

51 As Marianna Valverde puts it, key semiotic distinctions were made in Victorian fashion between “honest dress” and “finery”. “Finery”, while sometimes a nonjudgemental reference to “fine clothes”, such as Jenny’s “respectable finery”, more commonly connoted moral flaws if worn by a “showy and dishonest” servant rather than an “elegant and proper” lady. See “The Love of Finery: Fashion and the Fallen Woman in Nineteenth-Century Social Discourse”, *Victorian Studies*, 32, 2

prompted it was real. In Halifax, such women did tend to work as part-time prostitutes, or even to fall into full-time practice because of abandonment, under- or unemployment and other misfortunes.⁵² The significant numbers of domestic servants, milliners, dressmakers and seamstresses among the depositors at the savings bank underscores the effort that women put into amassing savings lest they fall into destitution at some future point in their lives.

Undoubtedly some employers who opened savings accounts for their servants were themselves depositors. Perhaps some among them were prosperous mechanics. Of the major groups of depositors, the mechanics are the most difficult to define. A mechanic, for most of the 19th century, was defined as a master tradesman, journeyman or apprentice. The latter two were paid wages by, and worked for, the master tradesmen.⁵³ This ambiguous group not only exhibited a high degree of variation in income and status, but also experienced important changes over time; by the 1860s the family owned, master artisanal shop was being transformed by capitalist oriented production. Some skilled workers incorporated dominant middle class values into their behaviour while others did not.⁵⁴ Notions of who or what constituted the middle class were often subjective, but probably many of the depositors classified as mechanics were well-off tradesmen who thought **themselves** to be 'middle class' and who employed servants who had accounts at the very same bank. As Sutherland argues, "These were not the labouring poor but rather the master craftsmen and retail shopkeepers who constituted the core of the lower middle class of Halifax. [They were] Propertied, generally literate and often ambitious."⁵⁵

A meeting of ship and house joiners in Halifax in 1857 sheds light on the typical remuneration levels of mechanics who worked for wages. They petitioned the master joiners to raise their wages by one shilling a day, applicable to a range from 5s 6d per day to 8s 6d per day.⁵⁶ The lack of steady, year-round work is revealed by a clause stating that pay in the winter months was to be given by the hours worked. Thus, if mechanics at the high end of this wage scale were able to secure work for a full 10 months of the year, total individual pay would have been about £94.⁵⁷ Given day to day expenses of food, board and clothing, it would appear that only the most disciplined saver could put away £20 to £50. Assuming he had a wife and children, the prospect of reaching such savings levels appears slim indeed. Large deposits and accounts were more probably made and held by the

(Winter 1988), p. 169.

52 Judith Fingard in *The Dark Side of Life in Victorian Halifax* (Porter's Lake, N.S., 1989), provides numerous examples of Halifax women from these occupations falling into prostitution, that appeared in her study group of recidivists. See pp. 99-100.

53 Martin Hewitt, "Mechanics' Institute Movement, 1831-1889", M.A. thesis, University of New Brunswick, 1989.

54 Ian McKay, "The Working Classes of Metropolitan Halifax, 1850-1889", Honours thesis, Dalhousie University, 1975, pp. 45-6.

55 David A. Sutherland, "Halifax, 1871: 'Poor mans's city'?", Presentation to the Faculty-Graduate Seminar, Dalhousie University, March 1991.

56 McKay, "The Working Class of Metropolitan Halifax", p. 47.

57 This is assuming a work week of 5.5 days. T.W. Acheson puts Saint John, N.B., carpenters, joiners, shipwrights and cabinet-makers at 40-45 shillings per week in 1841. At 45 shillings, 10 months work would yield £90 a year. See *Saint John*, p. 71.

master joiner to whom the mechanics were petitioning for more money. In effect then, the majority of deposits of mechanics came not from the worker, but from the profits upon his labour.

The myth and reality of the bank came together in its mechanic clientele. It was indeed being used by the classes for whom it was intended, but the actual operation of the bank as reflected in its deposits does not necessarily mean that it enticed the majority of mechanics or members of the working classes to enter its doors. There arose a propensity to use the bank by those interested in social and occupational mobility, including some domestics and mechanics, but many respectable workers and working poor simply could not afford its services. Furthermore, it was the latter class at which the rhetoric of uplift and thrift was aimed, but whom it failed most conspicuously to affect. Workers were not being turned into capitalists, at least not the sort envisioned by the boosters, by the creation of rapidly growing savings accounts.

This distance between rhetoric and reality is thrown into strong relief by the poverty of the third largest group, the labourers. On average, they would have made even less than mechanics. Edmund Ward, editor of the *Novascotian*, stated that labourers in the 1820s made the princely sum of between 3s and 3s 6d per day or 18s to 21s per week. He estimated the average annual employment at 34 weeks a year, from 15 April to 15 December.⁵⁸ Ward then reduced the average earnings during his 34 week work-period to 15s per week and assigned a sum of £9 for a labourer's winter earnings in order to err on the side of caution. While he admitted the seasonal nature of the Nova Scotian work cycle, he mistakenly assumed that an "overabundance" of work in summer could provide sustenance year round. He linked profligate spending and "the establishment of a public society [read Halifax Poor Man's Friend Society] which was expressly intended to relieve the temporary suffering of the period" as the causes of the "mass of misery". A savings bank, he reasoned, would help alleviate the seasonal nature of distress; it would be an alternative to the "counter of the grog shop and the obscenity of the brothel".⁵⁹ The blindness of this rhetoric is particularly evident in the case of the labourers. Thus, Ward's 'conservative' figures, when taken together amounting to £34 10s for the entire year, are overly generous given economic realities. For instance, a surplus labour force tended to drive wages down anywhere from 25 to 50 per cent for both skilled and unskilled workers in winter. None the less, rents remained high. Moreover, as work became scarcer goods became more expensive.⁶⁰ The working poor had no storage facilities and so were forced to buy firewood in small expensive parcels. Bread prices rose by as much as 50 per cent in winter. Remembering that few labourers actually seemed to use the bank, it is evident Ward's rhetoric lacked substance.

58 *Novascotian*, 9 February 1825. Ward was a booster of the savings bank from a neo-Malthusian, conservative standpoint. Acheson puts labourers in Saint John at 15 shillings per week in 1841, and 18 shillings in 1831, *Saint John*, p. 72.

59 *Novascotian*, 22 June 1826.

60 Fingard, "The Poor in Winter", p. 66.

Other boosters of the Savings Bank, perhaps more realistic than Ward, moved cautiously in the direction of broadening the depositor base. The government retained an interest in the bank and, over the years, cooperated with bank officials in tinkering with the deposit and account ceilings in an attempt to ensure both financial stability and the proper clientele. Generally, the Council wished to keep the bank strictly for the honest working poor, while the middle class members of the Assembly advocated loosening the rules to include a broader range of depositors. Specific questions regarding such concerns were raised during the hearings of a committee investigating the accounts in 1845. In questioning the cashier, members of the committee identified three significant impediments hindering the development of the Bank: the limited categories of depositors allowed to use the bank, the deposit ceiling (then £27,000) and the low ceiling (£25) imposed on individual accounts.⁶¹ The cashier stated that he had: “refused to receive the deposits from persons of middling classes, such as Clerks in offices and stores, and a great number of others who did not come under the restrictions as laid down in printed rules”. He went on to say that he had declined applications from middle class depositors on a “very frequent” basis, amounting, over the years, to “several thousands”.⁶²

When asked what restriction, if removed, would result in the largest gain for the bank, the cashier singled out the deposit limit. He wanted this limit increased from £25 to £100 per year and not to exceed £300 at any one time. He believed that, if that had been done, the capital of the Bank could have been increased by any amount desired, given the current interest rate of four and one-half per cent. This represented an old debate since the deposit ceiling had been £50 until 1841 when it was lowered to £25. In the period before responsible government, the middle class, eager to gain more access to the bank and now forming a majority in the Assembly, was prevented from taking control of the bank by a still dominant conservative Executive which retained a sense of *noblesse oblige* towards the poor, coupled with a distrust of the nascent middle class.

In general, the cashier painted a picture of a group of customers whom he would have described not as middle class, but rather working class or mixed. Under his supervision, the bank was being used not by the middle class proper — clerks, doctors, lawyers and such — but by men and women of other less prestigious occupations who aspired to middle class status. It seems very likely that, given the significant proportion of funds encompassed by the high-end accounts and placed in the bank in large deposits, the bank’s business was dependent upon relatively few persons from the mechanic and other ranks. Moreover, domestic servants, the most numerous group of depositors, while admitted by the occupational guidelines, were not the focus of the rhetoric of the boosters. While the Jennys of Halifax might often need instruction in the value of frugality, temperance and modesty, their career paths were supposed to end with marriage and dependence on husbands, not the labour market. While they worked they were vulnerable to the vicissitudes of

61 Nova Scotia, *Journal of House of Assembly* (1847), Appendix 28.

62 *Ibid.*

sickness and unemployment, but their long-term stability in the labour market, especially if they were live-in servants, did not threaten, periodically, to overload the poor relief system as did the more uncertain employment conditions of the unskilled labourer. Citizens the bank sought to keep from being profligate and lazy, and ultimately off the poor rolls, were the same workers who could not save enough money to afford to put £20 or £30 in the bank, let alone £100. Their margin of existence was too slim and precarious. Thus it is not surprising that, by the 1860s, the depositor profile of the Halifax Savings Bank had shifted significantly when compared with that of the 1830s.

Table Seven, which compares two Halifax samples, one from 1859-60 and the other from 1869-71, provides evidence of an evolving depositor base. The most distinctive change is the increase in White Collar participation. The rise, from 8.8 to 18.4 per cent, was largely driven by an increase in the number of clerk depositors. In 1859-60 there were only seven counted, but by 1869-71 there were 23. Men like George A. Sangster, clerk for the local branch of the Bank of Montreal, typified the new middle class occupations that had opened up with the diversification accompanying the national development of capitalism. Other groups, such as the Skilled Trade and Children did not vary significantly. The growth of a middle-class element seems to have come at the expense of the Unskilled workers and the Servants.⁶³ In fact, out of the 380 depositors with

Table Seven
Comparison of Depositor Occupations, Halifax: 1859-71

Group	1859-60		1869-71		Change
	N = 205	Per cent	N = 380	Per cent	
High Status	6	2.9	2	.5	-2.4
White Collar	18	8.8	70	18.4	+9.6
Skilled Trade	34	16.6	69	18.2	+1.6
Semi-skilled	25	12.2	71	18.7	+6.5
Unskilled	21	10.2	17	4.5	-5.7
Servants	11	5.4	12	3.1	-2.3
Children	17	8.3	37	9.7	+1.4
Married Women	29	14.1	40	10.5	-3.6
Widow/Spinster	33	16.1	51	13.4	-2.7
Other	11	5.4	11	2.9	-2.5

63 These shifts become even more obvious when Table Seven is compared to Table Five. A comparison with Table Five also suggests that the increase in the proportion of depositors among the Semi-skilled group represented a recovery from a temporary dip rather than a long-term trend.

occupations, only eight were labourers. Labourers such as Patrick Kennedy and Patrick Moriarty, both of the working class district of Lower Water Street, were becoming rare depositors at the bank. Societal change during the 1850s saw the middle class achieve the power that enabled them to legitimate their access to the institution. Conversely, when the socio-economic divisions became sharper as commercial capitalism mutated into industrial capitalism, the wage earning class seemed to have been able to make less use of the bank.

During the first 35 years of operation, the bank was used extensively, but not exclusively, by the workers of Halifax. Available data clearly show that, from its inception, the bank provided opportunities for those who, given the size of their investments, were not the working poor. The presence of these wealthier depositors, along with large numbers of children, reveals a bank that, not surprisingly, found capital where it existed. Servants, while encouraged to use the bank, more likely did so for reasons they defined, rather than for reasons favoured by employers. Increasingly, the bank's patrons were those who needed no schooling in the values of industry, frugality and temperance. Neither were they those in the direst need of protection from the 'frown of fortune' and financial inoculation against the 'sickness' of poverty. The lack of universal patronage by the poorer workers of Halifax, and later the province, while not surprising, means that any increases in the Bank's deposits cannot be seen as an indication of any overall growth in the financial well-being of the province. In fact, after the abrogation of the Reciprocity Treaty in 1866, and continuing into the Confederation era, it can be argued that increases in Maritime savings banks deposits may reflect decreased growth and deficient investment opportunities.

During the period of responsible government, the strident reform rhetoric connected with the early Savings Bank faded. The bank was modified to assume a role in the financing of capital outlays, and, later, interest payments on foreign debt contracted for provincial railways. Under the Howe administration of 1851, deposit levels were increased to provide these additional funds, establishing a template for the future role that Maritime savings banks would play in the construction of the C.P.R. The major difference between these two examples of state manipulation of savings bank capital was one of scale. Howe's savings bank bill of 1854 allowed for a maximum of £200 per account, while the Dominion Savings Banks, by 1885, allowed \$3,000, and even this amount could easily be increased with some imaginative depositing.

A study of the Halifax Savings Bank of the early 19th century, refracted through the discourse of its boosters and the socio-economic context of its depositors, reveals important social contradictions and paradoxes. While conservative elites hoped that the bank might help to reduce the poor rates and ensure the maintenance of a society founded on the stability of the independent yeoman, they ignored the fact that their business practices involved the setting of wages and prices that precluded the participation of the working poor in this plan. The most compelling reason preventing the working poor from using the savings banks in greater numbers was their lack of surplus funds to save. The early hope that healthy savings banks might denote increases in the real level of trade and commerce belied

the fact that they were oftentimes merely the vehicle whereby scarce capital was transferred from one section of the economy to another, without any concomitant increase in the level of goods or services produced. Savings banks could act as a reservoir and conduit for scarce capital, but this function was constrained by the inability of various sections of the workforce to invest. The extent of public investment of private funds is therefore problematic, given the low pay of workers in Victorian Halifax. The ideology and rhetoric behind the bank were often undercut by the reality of the economic situation of those it purported to help. Elites wanted to help the poor, but, for some, active participation and support hinged on the potential for personal profit through access to bank funds. Such self-interested motivation, however, while it goes a long way towards explaining individual behaviour, does not provide a universal theoretical framework for understanding broad social movements. The conservative elites, believing themselves the natural and proper caretakers and arbiters of economic and political power filtered the reform impulse through their own ideological lens. The origin and motivations behind the reform institutions they founded had strong social roots, and the ideology used to support them cannot be dismissed as propaganda or empty rhetoric, blind to all but self-interest.

Like its contemporary, the mechanics institute, the savings bank also portrayed middle class ambivalence towards the idea of workers not only achieving financial independence but also assuming middle-class economic and social values. With the emergence of responsible government some middle-class reformers began to fear that workers could possess too much education and wealth, as well as too little. While these institutions did appear to be designed to encourage and facilitate the advancement of the working class, it is doubtful that the middle class wanted every honest workingman to embrace notions of egalitarian success. In the case of mechanics institutes, middle class aspirations and the desire for technical knowledge prompted some mechanics to join. The social mixing and status that went with membership was an important factor as well. Yet a middle class audience, format and curriculum, not a practical technical one designed for mechanics, came to dominate the institutes by the 1850s. The same could be said of the savings banks. By Confederation, the middle class was becoming an important patron of the savings banks. The financial potentialities of the banks were utilized by those best able to take advantage of them, not by those thought to be in the most need. The notion of self-advancement and self-improvement was much more vibrant among the ranks of the clerks and small-scale shopkeepers. The ambivalence of the transitional period of the 1830s, 1840s and 1850s represented itself in the nature of the depositor profiles, with the larger accounts being held by a segment of the skilled working class who were striving for middle class status and capital acquisition. By the 1860s and 1870s this continuing ambivalence led to a compromise which condoned middle class participation, higher account ceilings and “a new dichotomy based on access to capital”.⁶⁴

64 Hewitt, “Mechanics Institutes Movement”, pp. 292-3. See also Patrick Keane, “A Study in Early Problems and Policies in Adult Education: the Halifax Mechanics’ Institute”, *Histoire*

Some depositors certainly bought into the idea that to have capital made one a capitalist. The fact, however, was that even the large accounts represented the culmination of years of maximum effort which was then translated into home ownership, old age security, dowries or a decent funeral, not a launching pad into middle class life. Lifestyle improvements for most would be restricted to home ownership and a better life through marriage, not upward occupational or class mobility. It should be noted that the average account size, occupational breakdown and savings strategies of American savings bank depositors appear to be quite similar to those in Halifax.⁶⁵ This is not surprising since the general outlines of the transition from artisanal enterprise to full-blown capitalism in both countries have strong parallels.⁶⁶ Thus, the changes witnessed at the Halifax savings bank reflect the secular, complex unfolding of social change as industrial capitalism evolved.

The savings bank was situated at the nexus of the development programme, poor relief, moral reform, social control and political change. The bank, even though it failed to foster an industrial morality in the province, is useful as a manifestation of the ideological constructions of the local elite. More important, it proved to be an institutional mechanism which workers could adapt to their own agendas and strategies. Its foundation and growth throughout the years mirrored changes in society and politics as Nova Scotia encountered, along with other developing regions, the important transitional years between 1830 and Confederation.

Sociale/Social History, XIII, 16 (November 1975), pp. 255-74.

65 See Stephan Thernstrom, *Poverty and Progress: Social Mobility in a Nineteenth Century City* (Cambridge, Mass., 1964), Chap. 5, "Property, Savings and Status" and Howard M. Gitelman, *Workingmen of Waltham. Mobility in American Urban Industrial Development, 1850-1890* (Baltimore, 1974), pp. 59-64. Studies that provide examples of the worker's own outlook on savings and investment are Michael Cross, ed. *The Workingman in the Nineteenth Century* (Toronto, 1974); Gregory Kealey *Canada Investigates Industrialism: The Royal Commission on The Relations of Labour and Capital* (Toronto, 1973).

66 Bruce Laurie, *Artisans into Workers, Labor in Nineteenth Century America* (New York, 1989) and Katz *et al*, *The Social Organization* are but two examples of a vast American literature on the subject; see also Michael Katz, *The People of Hamilton, Canada West: Family and Class in a Mid-Nineteenth Century City* (Cambridge, 1975); Gordon Darroch, "Occupation Structure, Assessed Wealth and Homeowning during Toronto's Early Industrialization, 1861-1899", *Histoire Sociale/Social History*, XVI, 32 (November 1983), pp. 381-410.