

LETTER FROM A WORCESTER, MASSACHUSETTS, NATIONAL BANK.

Referring to the Par Collection System which you are to put in operation about July 15th, I have no doubt you are hearing from a great many banks who are against the adoption of this system, but hear very little from the many banks who are in favor of it. Some of the Texas bankers are back of a propoganda to stir up all the banks of the country in opposition to the Par Collection System.

The banks in New England are much in favor of the adoption of this system for the reason that, in New England something similar to this was adopted several years ago by the Boston Clearing House, by which all country banks remit to the Boston Clearing House at par, as you know. This has been very successful and very satisfactory to the country banks as well as the city banks.

I well remember the opposition of some of the country banks at that time. Their arguments were the same as the Texas bankers are making now, - that they were going to lose the exchange charges which they were making. They did not seem to figure that these items would be made up by their not having to pay exchange on items which were deposited with them on other banks. In fact, many of them did not realize that they were paying exchange, for their city correspondents were taking out several days' time which amounted to the same thing.

I trust you will not be deterred by this opposition which, as I understand, comes from the Southwest, and I venture to predict that after it has been in operation for a year, they will all realize that it is a good thing for all.

6/7/1916.