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BANK DEBITS TO INDIVIDUAL ACCOUNTS.

An important addition is made to the available information regarding the trend of business in Canada through the inauguration, with the present bulletin, of Monthly Statistics of Bank Debits to individual accounts at the clearing house centres of Canada. In other words, the amount of every cheque paid by any branch of any chartered bank in any of the 29 clearing house centres of Canada will be included in the new record, which will hereafter be published monthly in bulletin form by the General Statistics Branch of the Dominion Bureau of Statistics.

For the past quarter of a century, the statistic in most common use, to measure the general trend of business throughout the country and its important centres, has been bank clearings, which, indeed, have throughout the civilized world been regarded as the leading barometer of business transacted. Bank clearings, however, have obvious defects as a measure of the volume of business, in that they record only inter-bank transactions - transactions within the branches of a single bank not reaching the clearing house and going unrecorded. Thus, with every reduction in the number of the chartered banks of Canada, transactions, which used to be inter-bank transactions become intra-bank transactions, and cease to appear in the clearings, so that on account of the reduction in the number of our chartered banks during the present century from 34 in 1901 to 15 at the present time, an ever-decreasing proportion of the business of Canada has been recorded in the bank clearings.

It has, therefore, seemed advisable in the national interest to establish, as has been done in the United States by the Federal Reserve Board, a record which will adequately show the real changes occurring in the volume of business, no matter what reorganizations may take place in the banking world. The new record will also be more comprehensive than bank clearings in that it will include intra-bank as well as inter-bank transactions.

With this object in view, the Dominion Bureau of Statistics last year approached the Canadian Bankers' Association on the subject. The Bankers' Association, at its annual meeting on November 8, 1923, resolved "that the banks should agree to compile monthly, the total amount of debits passed to accounts, (including savings accounts) of all customers at points in Canada where there are clearing houses; the figures for each clearing house centre to be supplied by the bank within 30 days after the end of each calendar month and forwarded to the Secretary of the Association"; compilation of these statistics to begin with the month of January, 1924. (Since the above meeting, the banks have agreed to supply the figures referred to within 10 days after the end of each calendar month instead of within 30 days, as provided in the original resolution).

It may be added that the Weyburn Security Bank, operating, in the main, at points in southern Saskatchewan where there is no clearing house, agreed to make a special compilation of all debits to individual accounts at its various branches; this will be included in the monthly report, and will be valuable in furnishing a barometric of the state of business in southern Saskatchewan.

The Dominion Bureau of Statistics takes this opportunity of tendering its grateful acknowledgments to the Canadian Bankers' Association and to the individual banks for their cordial co-operation in establishing this new and most important record, which,

unlike the bank clearings, will continue, in the future, to be the most adequate and the most accurate practicable barometer of the volume of business transacted in Canada.

The more comprehensive character of the debits to individual accounts as compared with bank clearings is shown in the Table, where the bank clearings for January, 1924, are given side by side with the debits to individual accounts. The debits to individual accounts in the 29 clearing house cities and at the branches of the Weyburn Security Bank aggregated $2,171,653,377 as compared with the reported bank clearings of $1,387,398,716, exceeding the bank clearings by no less than 55.7 per cent.

Bank debits to individual accounts, as now published, give the totality of business transacted at the various centres, while bank clearings bear a varying proportion to the total of transactions, - a proportion dependent upon the number of the chartered banks doing business in a particular centre and upon the proportion of inter-bank business to total business. The statistics of bank debits now furnished are, therefore, a much better index to the relative importance of commercial centres in Canada than bank clearings, though the total of the Ottawa bank debits is doubtless abnormally increased as a result of the large transactions of the Dominion Government.

Bank Debits to Individual Accounts and Bank Clearings at the Clearing House Centres of Canada, January, 1924.

Clearing House Centres	January, 1924.	
	Debits to Individual Accounts	Bank Clearings
	$	$
Maritime Provinces-		
Halifax	20,156,380	12,209,818
Moncton	6,461,059	2,536,619
St. John	25,360,034	11,719,521
Total - Maritime Provinces	51,937,473	27,465,958
Quebec -		
Montreal	566,100,363	444,600,306
Quebec	43,156,211	24,020,727
Sherbrooke	7,665,011	3,528,460
Total - Quebec	616,921,585	472,149,493
Ontario -		
Brantford	6,467,926	4,216,896
Fort William	6,789,357	3,632,405
Hamilton	47,291,263	21,521,116
Kingston	5,396,030	2,753,937
Kitchener	7,530,361	4,155,314
London	24,154,339	13,187,300
Ottawa	132,829,275	26,991,813
Peterborough	5,651,584	3,347,346
Toronto	643,961,242	449,560,139
Windsor	21,183,831	13,064,743
Total - Ontario	901,255,208	542,431,057
Prairie Provinces -		
Brandon	3,100,276	2,175,756
Calgary	60,841,894	31,472,446
Edmonton	30,721,602	21,113,612
Lethbridge	5,301,409	2,485,623
Medicine Hat	5,585,039	1,528,670
Moosejaw	8,290,465	5,055,479
Prince Albert	2,209,947	1,480,266
Regina	21,057,385	14,928,659
Saskatoon	9,715,826	7,497,355
Winnipeg	305,238,494	180,894,645
Branches of the Weyburn Security Bank	1,632,771	-
Total - Prairie Provinces	453,695,108	268,632,514
British Columbia -		
New Westminster	4,311,086	2,344,224
Vancouver	119,369,199	66,363,858
Victoria	24,163,718	8,011,612
Total - British Columbia	147,844,003	76,719,694
GRAND TOTAL FOR CANADA -	2,171,653,377	1,387,398,716

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