

61 001
Historical File Copy



CANADA
DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS
GENERAL STATISTICS BRANCH

Vol. 18

No. 5

BANK DEBITS TO INDIVIDUAL ACCOUNTS

or

Amount of Cheques Passing Through the Banks

at

Clearing House Centres in Canada

MAY 1941

-----+ + +-----
Published by Authority of the Hon. James A. MacKinnon, M.P.,
Minister of Trade and Commerce.

+ + +

OTTAWA

1941

Price 50 cents a year

Yale Univ. Library

MS. A. 1. 1.

DOMINION BUREAU OF STATISTICS - OTTAWA
GENERAL STATISTICS BRANCH

Dominion Statistician:
Chief, General Statistics Branch:

R. H. Coats, LL.D., F.R.S.C., F.S.S.(Hon.)
Sydney B. Smith, M.A.

BANK DEBITS TO INDIVIDUAL ACCOUNTS, MAY, 1941.

The amount of cheques cashed by the chartered banks was \$3,266 million in May, against \$3,340 million in the same month of last year. Marked increases were shown in the volume of productive operations and in employment over the same period of one year ago. A moderate advance was also recorded in wholesale prices. The level of common stocks and speculative trading, on the other hand, was considerably lower than one year ago.

Advances were shown in three of the five economic areas over the same month of last year. Cheques cashed in the three clearing centres of the Maritime Provinces rose from \$71.8 million one year ago to \$75.9 million in the month under review. Declines were shown in Montreal and in the aggregate of three clearing centres in the province of Quebec. The decline in the metropolitan centre and for the province was 8.6 p.c. and 5.4 p.c., respectively.

Bank debits in the fourteen centres of Ontario amounted to \$1,449 million against \$1,403 million in May, 1940, an increase of 3.3 p.c. The total for Toronto, however, receded from \$1,008 million to \$925 million. Bank debits in the Prairie Provinces were at a lower level than in May, 1940. The decline in Winnipeg was from \$525 million to \$419 million, while the aggregate for the economic area receded from \$710 million to \$633 million. Each of the three centres of British Columbia recorded advances over the same month of 1940, the advance in the aggregate having been slightly more than 3 p.c.

Comparison with April after Seasonal Adjustment.

The increase in the amount of cheques cashed in May over the preceding month was less than normal for the season, a decline of 4 p.c. having been shown in the adjusted totals. Increases were shown, however, in the Western areas in this comparison, counterbalanced by recessions in the Maritime Provinces, Quebec and Ontario. The increase in the Maritime Provinces was considerably less than normal for the season, a recession of 8.5 p.c. having been indicated. The increase in Quebec was from \$821 million to \$924 million, but the gain was somewhat less than normal for the season. A rise from \$1,390 million to \$1,449 million for Ontario was also less than seasonal expectations. The position was reversed in the Prairie Provinces where a gain of 1.0 p.c. was recorded even after the usual adjustment. A slight change only was shown in the debits of British Columbia, the total having been \$183.2 million in May as against \$183.4 million in April, an increase of 1.3 p.c. being indicated after seasonal adjustment.

Comparison with the First Five Months of 1940.

Cheques cashed during the first five months of the present year were \$14,569 million against \$14,320 million in the same period of 1940. An increase of 1.7 p.c. was indicated, reflecting expansion in the Maritime Provinces, Ontario and British Columbia. The total in the Maritime Provinces during the five months was \$354 million, a gain of 4.7 p.c. over the same period of last year. The recession in the aggregate for the province of Quebec reflected declines in Montreal and the capital city. The increase in the fourteen centres of Ontario amounted to \$642 million or 10.3 p.c., the total in the first five months of 1941 having been \$6,878 million.

The decline in Winnipeg led to a recession in the aggregate for the Prairie Provinces. The decline was 5.7 p.c., the total in the period under review having been \$2,397 million. An increase of 1.6 p.c. was shown in the aggregate for British Columbia during the first five months of 1941. Increases were shown in each of the three centres of the area, the total having been \$893 million against \$879 million one year ago.

Equation of Exchange.

A marked expansion was shown in the circulating media in the hands of the public in April over the same month of last year. The total, consisting of notes and subsidiary coin, was \$405.7 million against \$281.9 million in the same month one year ago. The sum of the four classes of deposits was \$3,064 million in May as compared with \$2,743 million in the twelve-month comparison. The sum of the cash and cheque payments was estimated at \$4,208 million in the month under review as compared with \$4,198 million a year ago, the increase having been in cash payments. The national income in current dollars was estimated at \$434.7 million in April against 375.3 million in the same month of 1940. Adjusting by an index of the general price level, real income was tentatively estimated at \$448.6 compared with \$402.3 million in April, 1940. Tables 5-9 present a summary of the study of the equation of exchange, by months, from this time last year, and by years from 1920 to the present.

BANK DEBITS TO INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE

CENTRES OF CANADA, MAY, 1941, WITH COMPARATIVE

FIGURES FOR APRIL, 1941 AND MAY, 1940.

Provinces and Clearing House Centres	DEBITS TO INDIVIDUAL ACCOUNT		
	May, 1941	April, 1941	May, 1940
<u>Maritime Provinces -</u>	\$	\$	\$
Halifax	42,114,807	41,937,300	41,173,794
Moncton	12,016,763	11,202,499	10,278,501
Saint John	21,767,499	20,623,024	20,326,197
Total - Maritime Provinces..	75,899,069	73,762,823	71,778,492
<u>Quebec -</u>			
Montreal	818,554,511	736,691,678	895,255,784
Québec	95,514,439	75,604,436	73,196,977
Sherbrooke	10,003,339	8,920,588	8,785,631
Total - Quebec	924,072,289	821,216,702	977,238,392
<u>Ontario -</u>			
Brantford	14,415,468	12,721,422	12,324,952
Chatham	8,531,256	9,258,509	10,231,517
Fort William	9,463,192	8,003,181	6,360,914
Hamilton	99,073,149	81,987,237	73,469,917
Kingston	8,649,573	7,831,954	8,915,296
Kitchener	17,757,274	17,047,346	16,430,544
London	39,898,204	37,876,426	40,419,934
Ottawa	215,858,623	242,091,324	156,724,612
Peterborough	9,759,001	8,923,816	7,749,982
St. Catharines	16,938,872	-	-
Sarnia	9,237,012	6,787,044	6,728,327
Sudbury	8,379,353	6,590,722	8,398,688
Toronto	925,258,584	891,451,798	1,007,802,417
Windsor	66,207,853	59,287,991	47,510,721
Total - Ontario	1,449,427,413	1,389,858,770	1,403,067,821
<u>Prairie Provinces -</u>			
Brandon	4,576,718	3,632,635	3,322,726
Calgary	79,544,794	71,959,844	61,248,915
Edmonton	51,052,347	48,498,979	42,559,270
Lethbridge	5,481,634	5,348,396	4,588,224
Medicine Hat	3,066,553	3,159,831	2,245,247
Moose Jaw	10,432,686	9,900,347	6,826,739
Prince Albert	3,638,268	3,230,255	2,752,557
Regina	42,465,700	54,785,085	49,233,266
Saskatoon	14,120,762	12,148,220	12,170,724
Winnipeg	418,889,135	303,232,430	524,867,428
Total - Prairie Provinces ..	633,268,597	515,896,022	709,815,096
<u>British Columbia -</u>			
New Westminster.....	8,851,809	8,632,770	7,362,262
Vancouver	143,424,695	143,118,872	142,154,301
Victoria	30,927,898	31,679,501	28,178,824
Total - British Columbia ...	183,204,402	183,431,143	177,695,387
GRAND TOTAL FOR CANADA	3,265,871,770	2,984,165,460	3,339,595,188

DEBITS TO INDIVIDUAL ACCOUNTS AT CLEARING HOUSE CENTRES IN THE ECONOMIC AREAS OF CANADA, BY MONTHS, MAY, 1940 TO MAY, 1941.

TOGETHER WITH A COMPARISON OF BANK DEBITS AND BANK CLEARINGS.

	Maritime Provinces	Quebec	Ontario	Prairie Provinces
	\$	\$	\$	\$
<u>1940</u>				
May	71,773,492	977,236,392	1,403,967,521	709,815,096
June	62,905,480	745,257,119	1,253,041,986	455,418,680
July	71,141,920	769,700,319	1,089,367,060	515,742,344
August	64,351,969	724,172,539	1,107,452,178	383,820,777
September	52,567,729	716,101,848	1,093,211,587	530,983,263
October	77,319,310	917,710,762	1,716,233,480	612,116,056
November	78,503,582	823,997,261	1,426,847,988	544,347,983
December	70,435,550	950,594,705	1,462,587,397	534,174,961
<u>1941</u>				
January	72,797,363	780,324,219	1,462,604,924	448,855,061
February	59,594,619	714,453,493	1,217,770,707	374,910,072
March	71,774,620	807,077,030	1,358,051,700	424,559,605
April	73,762,323	821,216,702	1,389,853,779	515,896,022
May	75,399,069	924,072,289	1,449,427,423	633,268,597
Total for five Months				
1941	353,928,594	4,047,243,733	6,377,713,524	2,397,489,357
1940	338,111,366	4,325,525,503	6,235,611,504	2,541,803,137
1939	265,426,542	4,010,268,283	5,608,487,987	1,616,452,307
1938	250,817,221	3,789,441,192	5,547,378,016	1,527,437,490
1937	312,368,361	5,049,977,344	7,082,369,559	1,956,020,093
1936	239,380,391	4,336,399,590	6,162,516,505	2,540,325,555
1935	210,180,825	3,573,630,560	5,816,365,518	2,244,929,163
1934	206,416,275	3,767,551,592	6,022,735,135	2,179,017,693
Percentage of 1941 to 1940	104.7	93.6	110.3	94.3
	British Columbia	Total Dominion	Bank Clearings	Percentage of Bank Debits to Bank Clearings
	\$	\$	\$	%
<u>1940</u>				
May	177,695,387	3,339,595,188	1,850,383,552	180.5
June	165,961,773	2,681,584,968	1,456,621,363	184.1
July	176,595,329	2,622,547,472	1,428,482,773	183.6
August	177,908,705	2,457,706,218	1,375,709,392	178.7
September	163,271,035	2,571,235,762	1,411,782,770	182.1
October	203,195,102	3,526,624,720	1,790,669,214	196.9
November	175,625,391	3,049,322,205	1,715,827,604	177.7
December	190,501,963	3,208,347,577	1,686,060,401	190.3
<u>1941</u>				
January	176,522,530	2,941,104,197	1,623,413,259	181.2
February	173,353,521	2,540,132,422	1,445,552,847	175.7
March	176,682,898	2,238,145,855	1,613,379,358	175.9
April	183,431,143	2,984,165,460	1,652,991,682	180.5
May	183,204,402	3,265,871,770	1,934,466,685	168.8
Total for five Months				
1941	893,194,494	14,569,469,692	8,269,903,831	176.2
1940	379,054,057	14,320,105,567	7,640,634,246	187.4
1939	810,596,441	12,302,221,566	6,849,174,319	179.6
1938	739,416,713	11,854,490,632	6,630,395,133	178.8
1937	593,355,841	15,294,091,278	7,927,448,069	192.9
1936	833,810,697	14,111,283,238	7,512,740,434	187.8
1935	660,668,666	12,505,824,733	6,483,157,526	192.9
1934	664,866,024	12,840,555,718	6,212,637,404	206.7
Percentage of 1941 to 1940 ...	101.6	101.7	108.2	-

BANK DEBITS TO INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE
CENTRES OF CANADA DURING THE FIRST FIVE MONTHS OF 1941, COMPARED
WITH THE SAME PERIOD OF 1940.

	First Five Months of 1941	First Five Months of 1940	Increase (+) Decrease (-)	Percentage of 1941 to 1940
	\$	\$	\$	P.C.
<u>Maritime Provinces -</u>				
Halifax	197,122,058	195,268,143	+ 1,853,915	100.9
Moncton	55,931,124	48,497,737	+ 7,433,387	115.3
Saint John	100,875,412	94,345,486	+ 6,529,926	106.9
Total - Maritime Provinces	353,928,594	338,111,366	+ 15,817,228	104.7
<u>Quebec -</u>				
Montreal	3,594,615,589	3,779,992,182	- 185,376,593	95.1
Quebec	420,193,639	507,968,644	- 97,775,005	80.8
Sherbrooke	42,334,505	57,564,677	+ 4,769,828	112.7
Total - Quebec	4,047,143,733	4,325,525,503	- 278,381,770	93.6
<u>Ontario -</u>				
Brantford	61,202,527	50,887,676	+ 10,314,851	120.3
Chatham	42,605,599	46,690,235	- 4,084,636	91.3
Fort William	38,052,819	28,544,901	+ 9,507,918	133.3
Hamilton	413,055,589	327,628,300	+ 90,427,289	127.6
Kingston	37,130,677	35,539,587	+ 1,591,090	104.5
Kitchener	79,609,350	71,311,117	+ 8,298,233	111.6
London	183,746,200	179,155,935	+ 4,590,265	102.6
Ottawa	1,178,199,652	754,660,137	+ 423,539,515	156.1
Peterborough	41,428,344	36,110,830	+ 5,317,514	114.7
St. Catharines	16,938,871	-	+ 16,938,871	-
Sarnia	36,388,101	30,399,842	+ 5,988,259	119.7
Sudbury	35,837,981	36,208,206	- 370,225	99.0
Toronto	4,418,116,190	4,433,297,723	- 15,181,533	99.7
Windsor	290,401,614	205,177,015	+ 85,224,599	141.5
Total - Ontario	6,877,713,514	6,235,611,504	+ 642,102,010	110.3
<u>Prairie Provinces -</u>				
Brandon	17,770,615	14,282,492	+ 3,488,123	124.4
Calgary	345,137,720	285,309,157	+ 59,828,563	121.0
Edmonton	239,867,978	203,943,391	+ 35,924,587	117.6
Lethbridge	29,980,586	20,846,714	+ 3,133,872	115.0
Medicine Hat	14,318,588	10,410,262	+ 3,908,326	137.6
Moose Jaw	41,564,353	33,945,996	+ 7,618,357	122.5
Prince Albert	16,111,686	12,303,917	+ 3,807,769	130.9
Regina	204,334,574	185,911,242	+ 18,423,332	109.9
Saskatoon	57,845,198	51,099,309	+ 6,745,889	113.2
Winnipeg	1,436,558,059	1,723,750,657	- 287,192,598	83.3
Total - Prairie Provinces	2,397,489,357	2,541,803,137	- 144,313,780	94.3
<u>British Columbia -</u>				
New Westminster	40,927,884	35,138,777	+ 5,789,107	116.5
Vancouver	700,384,366	697,508,070	+ 2,876,296	100.4
Victoria	151,882,244	146,407,210	+ 5,475,034	103.7
Total - British Columbia	893,194,494	879,054,057	+ 14,140,437	101.6
GRAND TOTAL FOR CANADA..	14,569,469,692	14,320,105,567	+ 249,364,125	101.7

4. FIVE ECONOMIC FACTORS WITH SEASONAL ADJUSTMENT WHERE NECESSARY.

	Bank Debits	National Income	Physical Volume Business	Common Stocks	Employment in Manu- facturing (1st of follow- ing month)	Wholesale Prices
<u>1940</u>		<u>1935-1939=100</u>				
May	93.3	119.6	117.8	73.3	126.9	82.1
June	75.3	113.3	120.0	65.5	127.7	81.6
July	78.0	124.9	120.9	66.1	131.4	82.4
August	79.5	120.2	128.6	69.3	134.5	82.7
September	81.4	116.7	130.1	75.8	139.3	83.1
October	97.2	126.7	129.0	74.2	143.3	83.3
November	83.4	127.0	129.7	74.5	146.3	84.0
December	90.0	124.4	128.3	70.3	152.1	84.2
<u>1941</u>						
January	92.6	125.2	130.5	71.3	152.9	84.6
February	86.2	122.7	126.1	66.5	154.0	85.2
March	92.9	122.7	124.0	66.8	161.1	85.9
April	95.0	129.1	127.9	65.8	-	86.6
May	91.3	-	-	-	-	-

5.	Bank of Canada Notes	Circu- lation of Bank Notes	Total Notes in Hands of Public	Subsidiary Coin in Hands of Public	Circulating Media in Hands of Public (M.)
	(1)	(2)	(3)	(4)	(5) (3 + 4)
<u>1940</u>					
May	221,192,474	89,171,887	243,953,661	37,906,250	281,859,911
June	230,372,781	94,299,428	264,668,621	38,403,750	303,072,371
July	272,565,020	97,286,050	307,333,286	38,901,250	346,234,536
August	291,676,133	92,271,313	302,763,707	39,398,750	342,162,457
September	306,533,742	93,388,294	325,938,870	39,896,250	365,835,120
October	331,957,412	92,558,303	337,844,271	40,393,750	378,238,021
November	332,354,797	91,624,793	338,213,181	40,891,250	379,104,431
December	335,487,344	90,903,096	347,378,004	41,388,750	388,766,754
<u>1941</u>					
January	359,949,121	83,788,640	341,455,563	41,886,250	383,341,813
February	343,502,920	81,456,155	343,836,589	42,383,750	386,220,339
March	352,945,953	82,439,057	359,965,464	42,881,250	402,846,714
April	365,323,365	83,467,245	364,895,139	43,378,750	408,274,889
May	372,596,683	81,377,405	361,822,103	43,876,250	405,698,353

6. BANK DEPOSITS AND BANK DEBITS AND RATIO OF DEBITS TO DEPOSITS
MAY, 1940 TO MAY, 1941.

	Notice	Demand	Dominion Govern- ment	Pro- vincial Sum of Govern- ment	Deposits M ₁	Percentage of Bank Debits to Deposits in Canada
Last Day of Preceding Month - Millions of Dollars						
<u>1940</u>						
May	1,671.5	832.6	179.4	59.0	2,742.5	101.8
June	1,643.1	816.9	239.5	85.2	2,784.7	96.3
July	1,608.9	821.2	203.0	73.4	2,706.5	96.9
August	1,612.6	851.5	136.8	73.5	2,674.4	108.8
September	1,634.4	877.4	113.9	63.2	2,688.9	95.6
October	1,655.0	1,003.9	76.1	64.8	2,799.8	126.0
November	1,599.5	941.3	176.4	60.5	2,777.7	109.8
December	1,625.9	962.5	95.6	73.5	2,757.5	116.3
<u>1941</u>						
January	1,641.3	1,030.7	66.2	66.5	2,804.7	104.9
February	1,668.1	1,009.2	128.4	66.9	2,872.6	88.4
March	1,687.0	1,051.4	174.9	75.5	2,988.8	95.0
April	1,702.7	1,050.5	154.6	64.4	2,972.2	100.4
May	1,707.6	1,128.0	141.7	86.4	3,063.7	106.6

7. BANK DEBITS, VELOCITY OF DEPOSITS, TOTAL PAYMENTS BY CASH AND CHEQUE (THOUSAND DOLLARS)

	Bank Debits in 32 Centres	Bank Debits Adding $12\frac{1}{2}$ p.c. ($M_1 V_1$)	Velocity of Bank Deposits V_1	Bank Debits less five larger centres	Cash Payments (M.V.)	Cash and cheque payments $M_1 V_1 + M.V.$
1940	(1)	(2)	(3)	(4)	(5)	(6)
May	3,339,595	3,757,044	1.37	612,791	441,000	4,198,044
June	2,681,585	3,016,783	1.12	580,861	451,000	3,467,783
July	2,622,547	2,950,365	1.09	599,206	461,000	2,411,365
August	2,457,706	2,764,919	1.03	582,494	471,000	3,235,919
September	2,571,236	2,892,641	1.08	619,647	481,000	3,373,641
October	3,526,625	3,967,453	1.42	788,396	491,000	3,458,453
November	3,049,322	3,430,487	1.24	670,458	501,000	3,931,487
December	3,208,348	3,609,392	1.31	728,471	511,000	4,120,392
1941						
January	2,941,104	3,308,742	1.18	642,477	521,000	3,829,742
February	2,540,182	2,857,705	.99	561,857	531,000	3,388,705
March	2,838,146	3,192,914	1.07	625,794	541,000	3,733,914
April	2,984,165	3,357,186	1.13	667,579	551,000	3,908,186
May	3,265,872	3,674,106	1.13	743,884	534,000	4,208,106

8. MONEY SUPPLY AND NATIONAL INCOME

Millions of Dollars and Indexes, 1926 = 100

	Index of cash and cheque payments	Money Supply $M_1 + M$	National Income	General Price Level	Real Income	Index of National Income P T
1940	(1)	(2)	(3)	(4)	(5)	(6)
May	131.4	3,051.6	403.0	93.6	430.6	107.6
June	108.5	3,071.9	381.5	93.9	406.3	101.9
July	106.8	3,092.2	420.6	94.2	446.5	112.3
August	101.3	3,112.5	404.7	94.5	428.3	108.1
September	105.6	3,132.8	393.2	94.8	414.8	105.0
October	108.2	3,153.1	426.7	95.1	448.7	113.9
November	123.1	3,173.4	427.7	95.4	448.3	114.2
December	129.0	3,193.7	418.9	95.7	437.7	111.9
1941						
January	119.9	3,214.0	421.7	96.0	439.3	112.6
February	106.1	3,234.3	413.3	96.3	429.2	110.4
March	116.9	3,254.6	413.3	96.6	427.8	110.4
April	122.3	3,274.9	434.7	96.9	448.6	116.1
May	131.7	-	-	-	-	-

TABLE 9. - TOTAL PAYMENTS BY CHEQUE AND CASH, MONEY SUPPLY AND NATIONAL INCOME.

Millions of Dollars and Indexes, 1926 = 100

Year	Cash and Cheque Payments $M_1 V_1 + MV$	Cash and Cheque Payments Index	Money Supply $M_1 + M$	National Income	General Price Level	Real Income	Index of National Income P T
1920	42,306.6	110.3	2,342	4,614	121.7	3,791	102.7
1921	35,788.6	93.3	2,175	3,735	105.9	3,527	83.1
1922	33,281.2	86.8	1,983	3,762	96.7	3,891	83.7
1923	35,718.4	93.2	1,990	3,945	97.0	4,067	87.8
1924	34,580.3	90.2	2,001	3,854	97.9	3,937	85.8
1925	35,610.4	92.9	2,059	4,161	99.3	4,194	92.6
1926	38,343.8	100.0	2,151	4,494	100.0	4,494	100.0
1927	45,375.3	118.3	2,274	4,682	101.3	4,622	104.2
1928	54,364.4	141.8	2,452	5,138	102.3	5,022	114.3
1929	58,356.5	152.2	2,497	5,149	104.8	4,913	114.6
1930	46,791.3	122.0	2,326	4,326	98.8	4,378	96.3
1931	39,174.5	102.2	2,274	3,498	88.0	3,975	77.8
1932	32,152.0	83.9	2,121	2,893	80.2	3,608	64.4
1933	37,341.9	97.4	2,106	2,795	79.6	3,511	62.2
1934	41,027.1	107.0	2,136	3,171	81.5	3,890	70.6
1935	39,343.3	102.6	2,272	3,381	83.0	4,074	75.2
1936	44,846.0	117.0	2,422	3,829	84.2	4,547	85.2
1937	44,039.7	114.9	2,583	4,342	89.8	4,835	96.6
1938	38,728.8	101.0	2,650	4,246	90.9	4,672	94.5
1939	39,595.1	103.3	2,838	4,409	90.3	4,883	98.1
1940	44,210.8	115.3	3,082	4,784	94.0	5,090	106.5

STATISTICS CANADA LIBRARY
BIBLIOTHÈQUE STATISTIQUE CANADA



1010526023