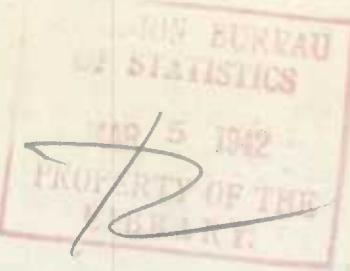


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CANADA  
DEPARTMENT OF TRADE AND COMMERCE  
DOMINION BUREAU OF STATISTICS  
GENERAL STATISTICS BRANCH

Vol. 19

No. 1

BANK DEBITS TO INDIVIDUAL ACCOUNTS

and

Equation of Exchange

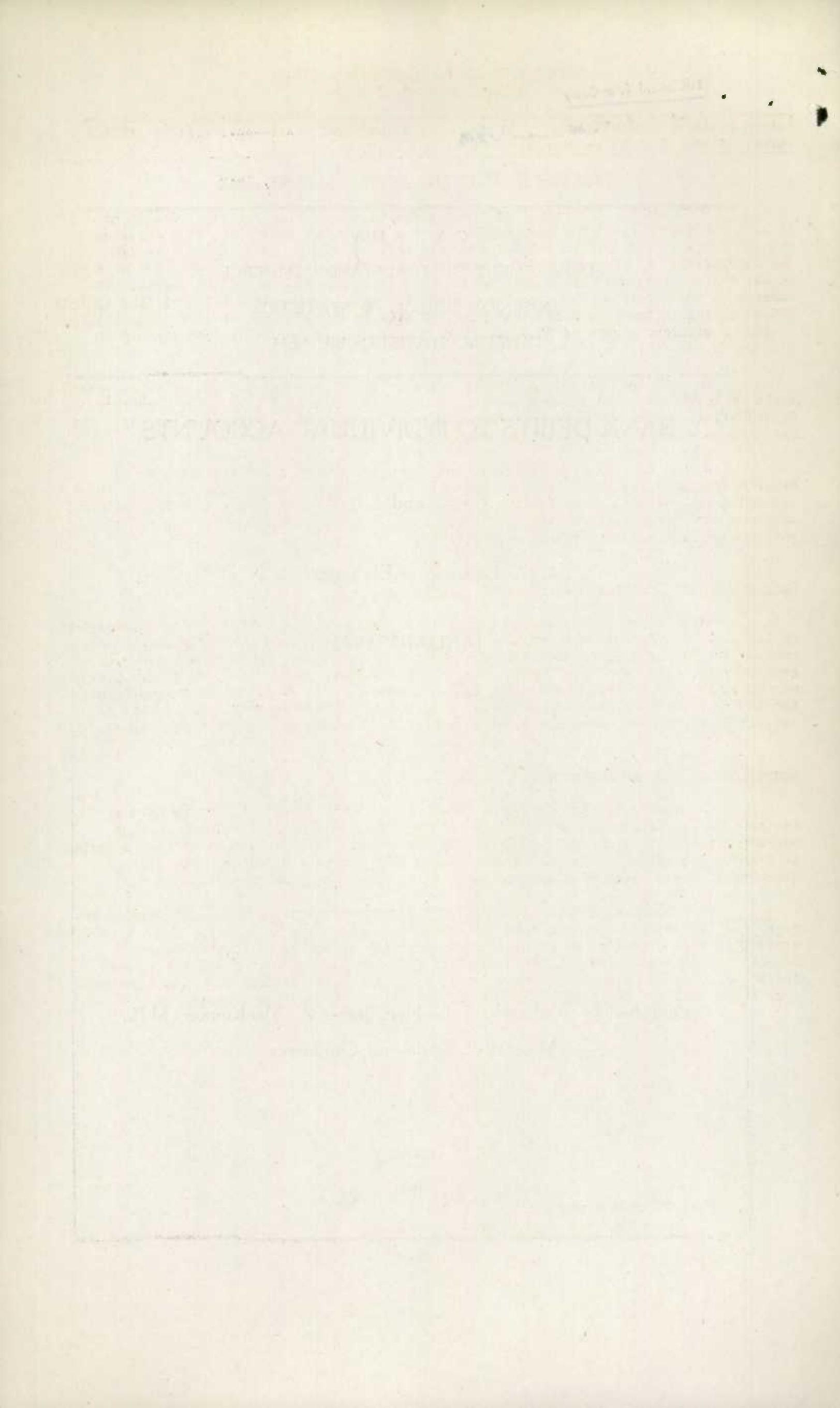
JANUARY 1942

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Acting Dominion Statistician:  
Chief, General Statistics Branch:

S. A. Cudmore, M.A. (Oxon.) F.S.S., F.R.S.C.,  
Sydney B. Smith, M.A.

BANK DEBITS TO INDIVIDUAL ACCOUNTS, JANUARY, 1942.

Bank debits, the amount of cheques cashed in clearing centres, were \$3,231 million in January against \$2,941 million in the same month last year. The consequent gain of 9.8 p.c. represented greater economic activity and a higher price level due to the accentuation of the war effort. Advances were recorded in each of the five economic areas, the greatest percentage gain having been shown in the province of Quebec. The advance in the Maritime Provinces was 6 p.c., the total having been \$77.2 million against \$72.8 million in the same month last year. Debits in Quebec moved up from \$780 million to \$939.8 million, a gain of 20.4 p.c. The increase in Montreal was from about \$700 million to \$841 million.

Each of the centres in Ontario, except Toronto, recorded gains over the first month of last year. The net result was a provincial total of \$1,517 million against \$1,463 million. The total for Ottawa rose from \$249 million to \$342 million, while the Hamilton total rose from \$81 million to \$103.6 million.

A gain of 11.4 p.c. was shown for the aggregate of the ten centres of the Prairie Provinces, the total moving up from \$449 million to nearly \$500 million. Considerable increase was shown in Winnipeg, the total in January having been \$285 million. Advances were recorded in each of the three centres of British Columbia, the total having been \$197 million against \$177 million.

Comparison with December After Seasonal Adjustment. -

After seasonal adjustment the Dominion total of bank debits showed a recession of 1.6 p.c. from the December total. Recessions were shown in each of the five economic areas. The declines in the Maritime Provinces and Quebec were 8.7 p.c. and 4.3 p.c., respectively. The total for Toronto was 13.1 p.c. lower, while a decline of 1.9 p.c. was shown in the provincial total for Ontario. Declines in Winnipeg and the aggregate for the Prairie Provinces were 14.5 p.c. and 10.9 p.c., respectively. The debits of British Columbia declined 3.6 p.c. while the total for Vancouver was 8.5 p.c. lower.

Comparison with Other Factors. -

The debits charged against current account were \$3,105 million in January against \$3,527 million in the preceding month. The debits charged against savings account receded to \$125.4 million from \$159.2 million. The turnover of current deposits in January consequently was 2.16 times against 2.52 times in December. The savings deposits turnover was 0.75 times against 0.97 times in the same comparison.

Circulating media in the hands of the public, including notes and subsidiary coin, was \$498 million against \$383 million in the same month last year. The sum of four classes of bank deposits was \$3,104.5 million at the beginning of January against \$2,804.7 on the same date of 1940. Thus the money supply was \$3,602 million against \$3,193 million twelve months before. It is estimated that the cash and cheque payments were \$4,313 million in January against \$3,836 million in the same comparison.

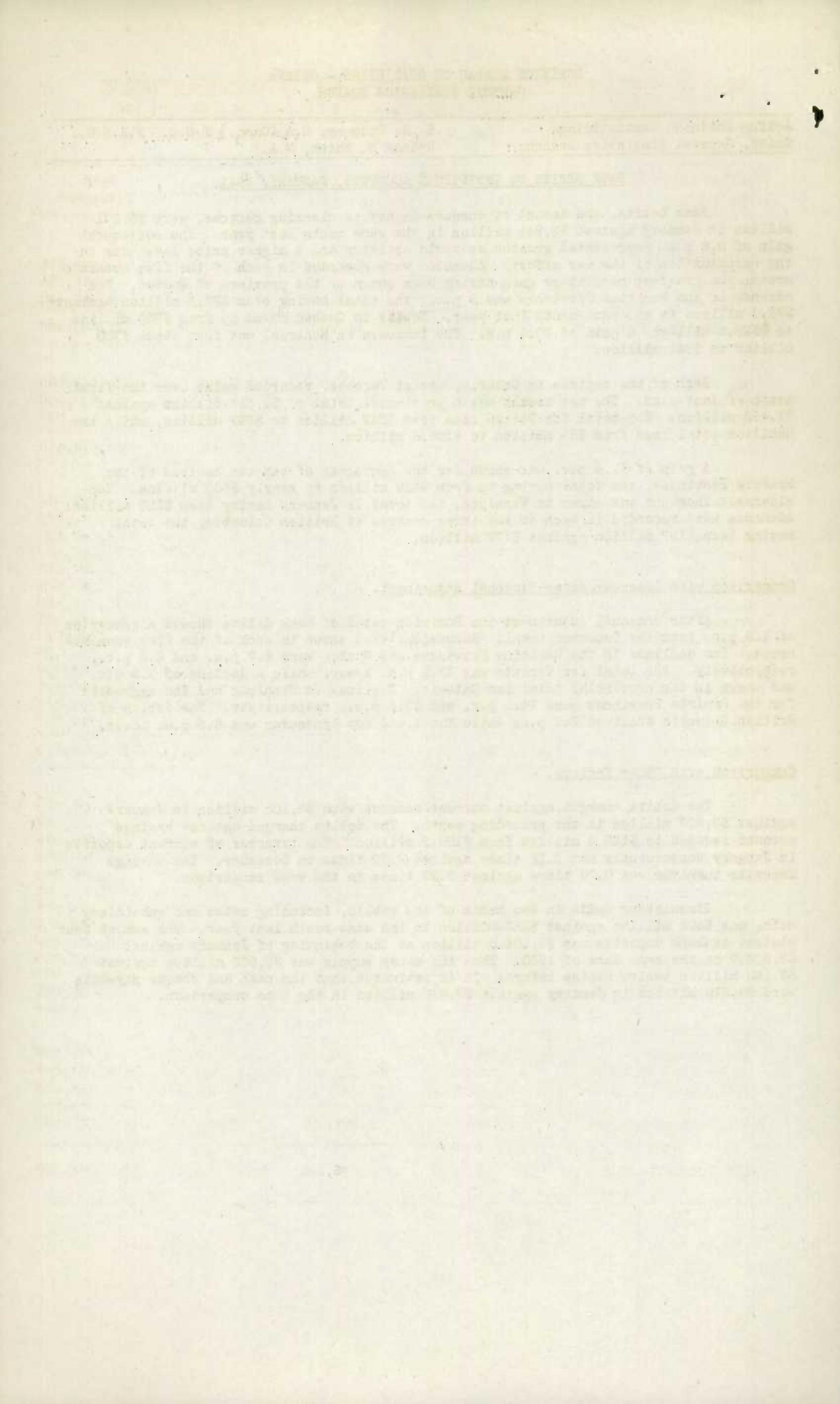


Table 1. BANK DEBITS TO INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES OF CANADA, JANUARY, 1942, WITH COMPARATIVE FIGURES FOR DECEMBER, 1941 AND JANUARY, 1941 AND BANK CLEARINGS, JANUARY, 1942.

Province and Clearing House Centres	DEBITS TO INDIVIDUAL ACCOUNTS			Bank Clearings
	January, 1942	December, 1941	January, 1941	
	\$	\$	\$	\$
<u>Maritime Provinces -</u>				
Halifax .....	40,592,579	51,802,990	41,380,777	16,192,376
Moncton .....	14,944,241	15,796,155	11,471,944	5,192,564
Saint John .....	21,618,272	22,367,464	19,944,742	9,968,490
Total-Maritime Provinces .....	77,155,092	89,966,609	72,797,463	31,353,430
<u>Quebec -</u>				
Montreal .....	841,369,251	978,145,166	699,934,547	536,941,985
Quebec .....	88,707,427	98,926,057	72,355,040	21,938,398
Sherbrooke .....	9,705,161	10,356,785	8,034,632	4,144,031
Total-Quebec .....	939,781,839	1,087,428,008	780,324,219	563,024,414
<u>Ontario -</u>				
Brantford .....	14,772,299	16,372,840	12,258,505	4,697,964
Chatham .....	11,235,298	13,532,463	8,300,765	3,074,578
Fort William .....	9,610,032	10,445,160	6,634,190	4,447,808
Hamilton .....	103,575,270	102,922,863	80,833,217	31,028,499
Kingston .....	10,275,208	11,152,724	8,200,973	3,496,398
Kitchener .....	18,515,330	21,003,544	15,848,118	5,586,375
London .....	44,443,624	44,765,759	41,829,642	12,292,886
Ottawa .....	341,651,787	342,146,824	248,616,500	230,673,899
Peterborough .....	11,725,660	11,943,231	8,326,490	3,276,512
St. Catharines ....	17,535,124	19,170,071	..	5,794,318
Sarnia .....	9,925,690	10,362,129	9,223,217	1,982,280
Sudbury .....	8,624,227	8,669,145	7,307,764	4,972,751
Toronto .....	844,051,677	992,942,649	960,539,821	607,596,459
Windsor .....	71,518,907	76,048,116	54,685,722	16,799,927
Total-Ontario .....	1,517,460,133	1,681,477,523	1,462,604,924	935,720,654
<u>Prairie Provinces -</u>				
Brandon .....	4,599,497	5,662,068	3,198,649	1,902,890
Calgary .....	78,272,465	87,161,317	72,932,174	28,432,423
Edmonton .....	54,428,851	58,962,852	51,497,700	25,665,095
Lethbridge .....	5,956,641	7,007,943	4,598,830	2,754,676
Medicine Hat .....	3,056,058	4,177,877	2,863,882	1,280,083
Moose Jaw .....	8,688,494	10,233,079	6,651,434	3,064,189
Prince Albert .....	4,191,426	4,819,160	3,317,168	2,038,626
Regina .....	42,309,881	45,421,386	41,490,576	18,176,803
Saskatoon .....	13,113,598	15,855,386	11,390,838	6,974,899
Winnipeg .....	285,236,363	380,165,857	250,913,810	189,437,558
Total-Prairie Provinces .....	499,853,274	619,466,925	448,855,061	279,727,242
<u>British Columbia -</u>				
New Westminster ...	9,670,117	10,535,699	7,463,561	3,778,968
Vancouver .....	154,505,400	166,173,888	138,620,693	87,095,618
Victoria .....	32,362,989	31,497,618	30,438,276	8,196,016
Total-British Columbia .....	196,538,506	208,207,205	176,522,530	99,070,602
GRAND TOTAL FOR CANADA.	3,230,788,844	3,686,546,270	2,941,104,197	1,908,896,342

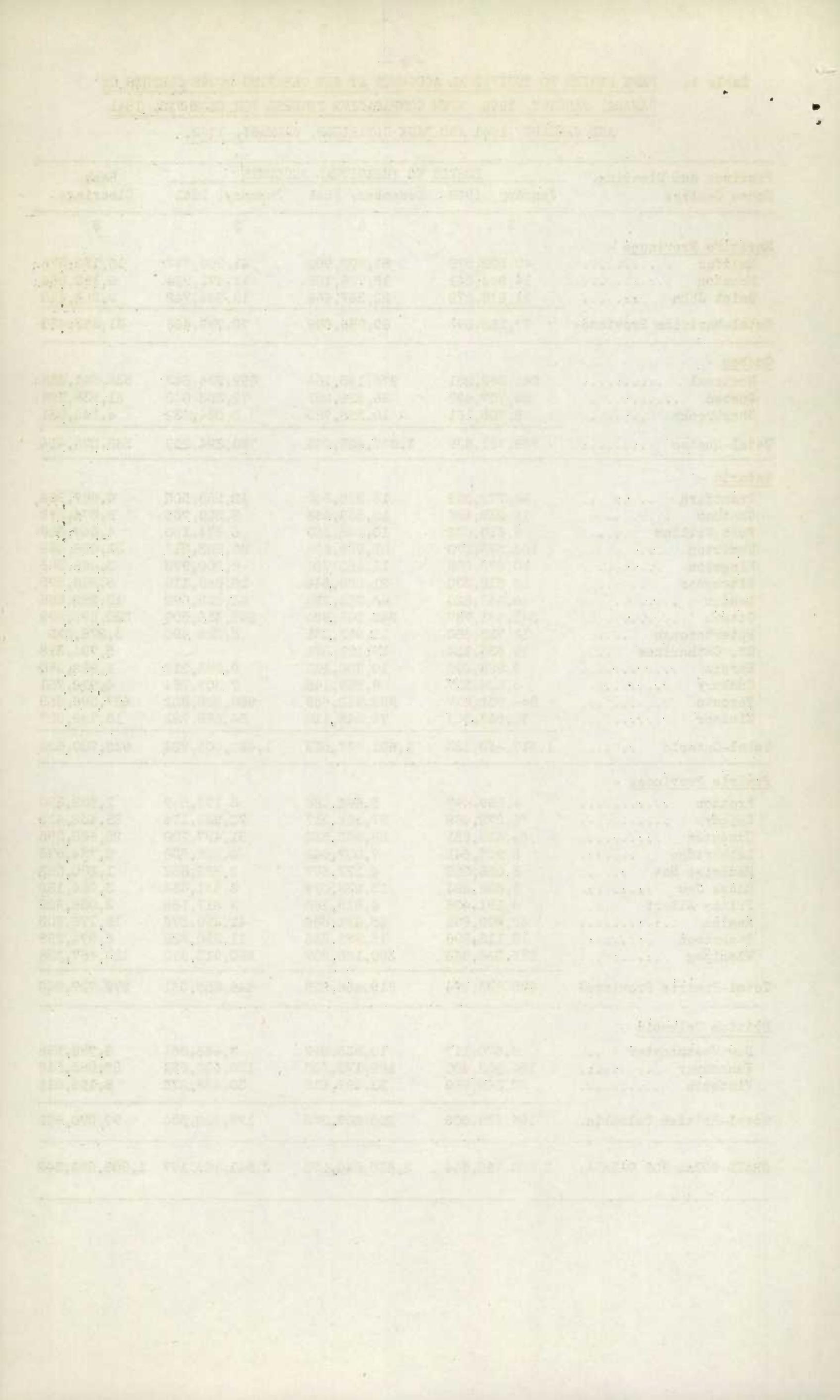


Table 2. DEBITS CHARGED TO CURRENT ACCOUNTS AND SAVINGS ACCOUNTS AT THE  
CLEARING HOUSE CENTRES OF CANADA, JANUARY, 1942 AND DECEMBER, 1941

Province and Clearing House Centres	CURRENT ACCOUNTS		SAVINGS ACCOUNTS	
	January, 1942	December, 1941	January, 1942	December, 1941
	\$	\$	\$	\$
<u>Maritime Provinces -</u>				
Halifax .....	39,271,010	50,006,972	1,321,569	1,796,018
Moncton .....	14,533,439	15,294,204	410,802	501,951
Saint John .....	20,628,098	21,182,462	990,174	1,185,002
Total-Maritime Provinces .....	74,432,547	86,483,638	2,722,545	3,482,971
<u>Quebec -</u>				
Montreal .....	805,081,365	933,708,817	36,287,886	44,436,349
Quebec .....	82,938,502	92,423,415	5,768,925	6,502,642
Sherbrooke .....	9,138,172	9,698,777	566,989	658,008
Total-Quebec .....	897,158,039	1,035,831,009	42,623,800	51,596,999
<u>Ontario -</u>				
Brantford .....	14,140,637	15,611,517	631,662	761,323
Chatham .....	10,505,791	12,195,770	729,507	1,336,693
Fort William .....	9,177,375	10,033,756	432,657	411,404
Hamilton .....	99,045,330	96,895,639	4,529,940	6,027,229
Kingston .....	9,285,516	9,726,249	1,039,692	1,426,475
Kitchener .....	17,807,876	20,294,356	707,454	709,188
London .....	41,407,108	42,361,559	3,036,516	2,404,200
Ottawa .....	336,111,100	335,907,875	5,540,687	6,238,949
Peterborough .....	11,001,671	10,805,316	723,989	1,137,915
St. Catharines .....	16,623,944	18,163,193	911,180	1,006,878
Sarnia .....	9,279,709	9,713,892	645,981	648,236
Sudbury .....	8,019,652	7,076,875	604,575	1,592,270
Toronto .....	811,391,043	944,720,240	32,560,634	48,222,409
Windsor .....	69,228,946	73,212,167	2,289,961	2,835,949
Total-Ontario .....	1,462,975,698	1,606,718,405	54,484,435	74,759,118
<u>Prairie Provinces -</u>				
Brandon .....	4,367,044	5,376,795	232,453	285,273
Calgary .....	75,322,726	84,671,480	2,449,739	2,489,837
Edmonton .....	52,419,039	57,026,154	2,009,812	1,936,698
Lethbridge .....	5,697,779	6,683,679	258,862	324,264
Medicine Hat .....	2,844,921	3,922,381	211,137	255,496
Moose Jaw .....	8,350,305	9,879,772	358,189	353,307
Prince Albert .....	4,007,979	4,501,948	183,447	317,212
Regina .....	41,148,468	44,252,764	1,161,413	1,168,622
Saskatoon .....	12,411,230	14,931,268	702,368	924,118
Winnipeg .....	279,835,387	374,076,295	5,400,976	6,089,562
Total-Prairie Provinces .....	486,904,878	605,322,536	12,948,396	14,144,389
<u>British Columbia -</u>				
New Westminster ...	9,026,032	9,572,456	644,085	963,243
Vancouver .....	145,356,788	154,963,626	9,148,612	11,210,262
Victoria .....	29,510,732	28,445,828	2,852,257	3,051,790
Total-British Columbia .....	183,893,552	192,981,910	12,644,954	15,225,295
GRAND TOTAL FOR CANADA.	3,105,364,714	3,527,337,498	125,424,130	159,208,772

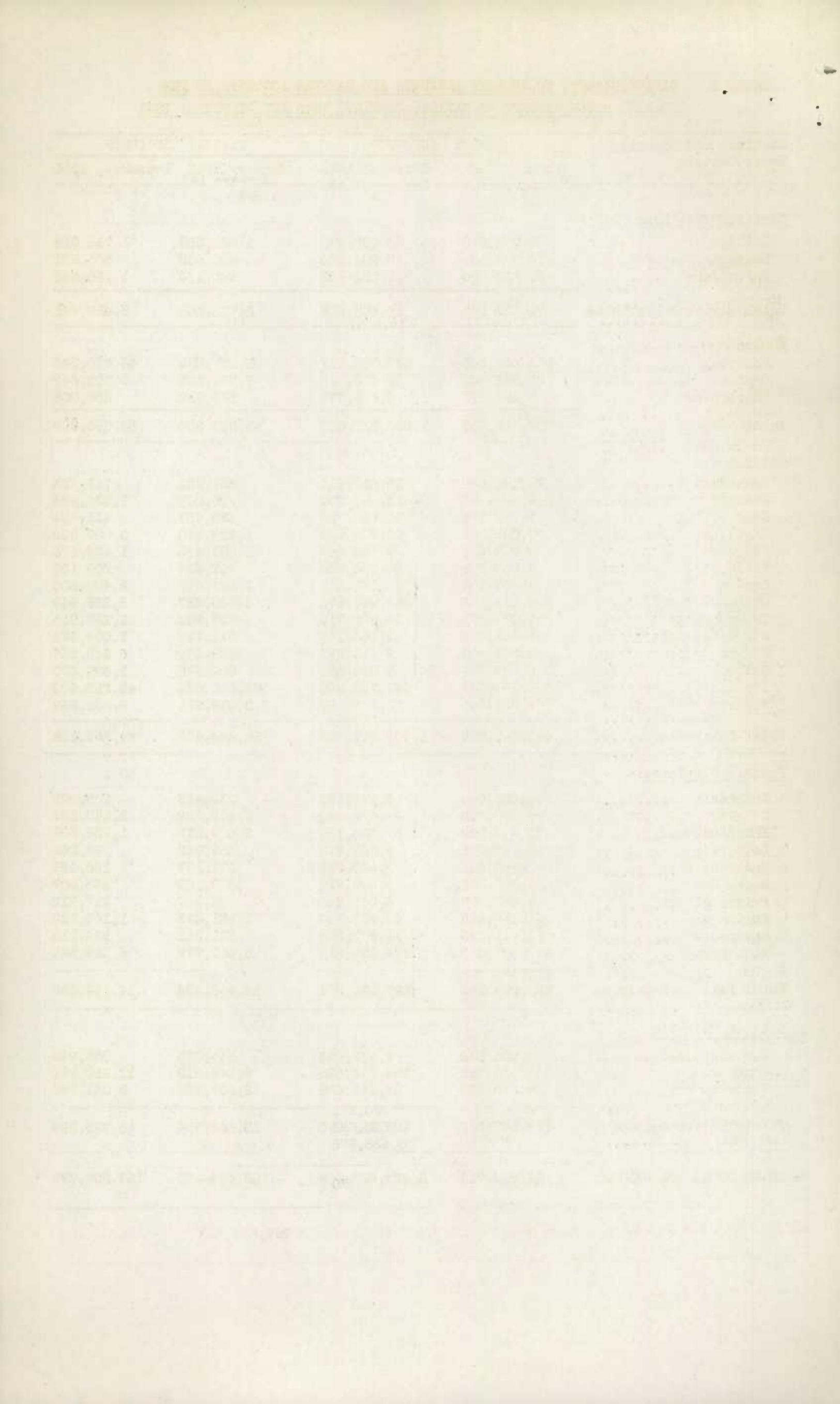


Table 3. BANK DEBITS TO INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES  
DURING JANUARY, 1942 COMPARED WITH JANUARY, 1941

Province and Clearing House Centres	January, 1942	January, 1941	Increase (+) Decrease (-)	Percentage of 1942 to 1941
	\$	\$	\$	P.C.
<u>Maritime Provinces -</u>				
Halifax .....	40,592,579	41,380,777	- 788,198	98.1
Moncton .....	14,944,241	11,471,944	+ 3,472,297	130.3
Saint John .....	21,618,272	19,944,742	+ 1,673,530	108.4
Total-Maritime Provinces	77,155,092	72,797,463	+ 4,357,629	106.0
<u>Quebec -</u>				
Montreal .....	841,369,251	699,934,547	+ 141,434,704	120.2
Quebec .....	88,707,427	72,355,040	+ 16,352,387	122.6
Sherbrooke .....	9,705,161	8,034,632	+ 1,670,529	120.8
Total-Quebec .....	939,781,839	780,324,219	+ 159,457,620	120.4
<u>Ontario -</u>				
Brantford .....	14,772,299	12,258,505	+ 2,513,794	120.5
Chatham .....	11,235,298	8,300,765	+ 2,934,533	135.4
Fort William .....	9,610,032	6,634,190	+ 2,975,842	144.9
Hamilton .....	103,575,270	80,833,217	+ 22,742,053	128.1
Kingston .....	10,275,208	8,200,973	+ 2,074,235	125.3
Kitchener .....	18,515,330	15,848,118	+ 2,667,212	116.8
London .....	44,443,624	41,829,642	+ 2,613,982	106.2
Ottawa .....	341,651,787	248,616,500	+ 93,035,287	137.4
Peterborough .....	11,725,660	8,326,490	+ 3,399,170	140.8
St. Catharines .....	17,535,124	-	+ 17,535,124	-
Sarnia .....	9,925,690	9,223,217	+ 702,473	107.6
Sudbury .....	8,624,227	7,307,764	+ 1,316,463	118.0
Toronto .....	844,051,677	960,539,821	- 116,488,144	87.9
Windsor .....	71,518,907	54,685,722	+ 16,833,185	130.8
Total-Ontario .....	1,517,460,133	1,462,604,924	+ 54,855,209	103.8
<u>Prairie Provinces -</u>				
Brandon .....	4,599,497	3,198,649	+ 1,400,848	143.8
Calgary .....	78,272,465	72,932,174	+ 5,340,291	107.3
Edmonton .....	54,428,851	51,497,700	+ 2,931,151	105.7
Lethbridge .....	5,956,641	4,598,830	+ 1,357,811	129.5
Medicine Hat .....	3,056,058	2,863,882	+ 192,176	106.7
Moose Jaw .....	8,688,494	6,651,434	+ 2,037,060	130.6
Prince Albert .....	4,191,426	3,317,168	+ 874,258	126.3
Regina .....	42,309,881	41,490,576	+ 819,305	102.0
Saskatoon .....	13,113,598	11,390,838	+ 1,722,760	115.1
Winnipeg .....	285,236,363	250,913,810	+ 34,322,553	113.7
Total-Prairie Provinces.	499,853,274	448,855,061	+ 50,998,213	111.4
<u>British Columbia -</u>				
New Westminster ....	9,670,117	7,463,561	+ 2,206,556	129.6
Vancouver .....	154,505,400	138,620,693	+ 15,884,707	111.5
Victoria .....	32,362,989	30,438,276	+ 1,924,713	106.3
Total-British Columbia .	196,538,506	176,522,530	+ 20,015,976	111.3
GRAND TOTAL FOR CANADA .	3,230,788,844	2,941,104,197	+ 289,684,647	109.8



Table 4. SIX ECONOMIC FACTORS WITH SEASONAL ADJUSTMENT WHERE NECESSARY

	Bank Debits	Physical Volume Business	Common Stocks	Employment in Manufacturing (1st of following month)	Wholesale Prices
	1935-1939 = 100				
<u>1941</u>				1926±100	
January .....	111.8	130.5	71.3	152.9	84.6
February .....	104.1	126.1	66.5	154.0	85.2
March .....	112.3	124.0	66.8	161.1	85.9
April .....	114.8	127.9	65.8	161.8	86.6
May .....	110.2	132.0	63.9	164.7	88.5
June .....	143.8	135.3	64.0	169.0	90.0
July .....	116.4	138.5	67.5	172.9	91.1
August .....	123.1	141.2	67.8	176.4	91.8
September .....	126.3	149.7	71.0	179.1	93.2
October .....	120.8	139.4	69.1	185.9	93.8
November .....	113.2	131.7	68.8	190.7	94.0
December .....	124.9	138.3	67.2	-	93.6
<u>1942</u>					
January .....	122.8		66.8		94.3

Table 5. CIRCULATING MEDIA IN DOLLARS

	Bank of Canada Notes	Circulation 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>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	42,831,250	402,846,714
April .....	365,323,365	83,467,245	364,896,139	43,378,750	408,274,889
May .....	372,596,683	81,377,405	361,822,103	43,876,250	405,698,353
June .....	379,425,574	83,282,285	384,219,083	44,373,750	428,592,833
July .....	393,396,609	84,144,726	391,966,782	44,871,250	436,838,032
August .....	404,673,682	82,835,134	393,207,827	45,368,750	438,576,577
September ....	422,230,154	83,773,658	422,014,387	45,866,250	467,880,637
October .....	435,288,499	82,024,348	419,999,648	46,363,750	466,363,398
November .....	448,865,693	82,243,767	442,449,376	46,861,250	489,310,626
December .....	474,098,830	79,200,600	462,137,735	47,358,750	509,496,485
<u>1942</u>					
January .....	495,956,232	73,204,656	450,168,690	47,856,250	498,024,940

Table 6. BANK DEPOSITS AND BANK DEBITS AND RATIO OF DEBITS TO DEPOSITS, JANUARY, 1941 TO JANUARY, 1942

	Notice	Demand	Dominion Government	Provincial Government	Sum of Deposits M <sub>1</sub>	Percentage of Bank Debits to Deposits in Canada
	Last Day of Preceding Month - Millions of Dollars					
<u>1941</u>						
January .....	1,641.3	1,050.7	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
June .....	1,695.2	1,105.2	152.7	92.0	3,045.1	139.3
July .....	1,446.9	984.3	560.9	62.6	3,074.7	105.4
August .....	1,488.7	1,009.2	502.5	67.3	3,067.7	102.7
September ....	1,522.2	1,026.0	424.2	59.0	3,031.4	108.9
October .....	1,555.2	1,110.3	316.5	54.9	3,036.9	119.4
November .....	1,591.7	1,135.5	220.3	64.5	3,012.0	113.8
December .....	1,639.2	1,180.2	160.9	60.8	3,041.1	121.2
<u>1942</u>						
January .....	1,669.0	1,268.5	114.2	52.8	3,104.5	104.1

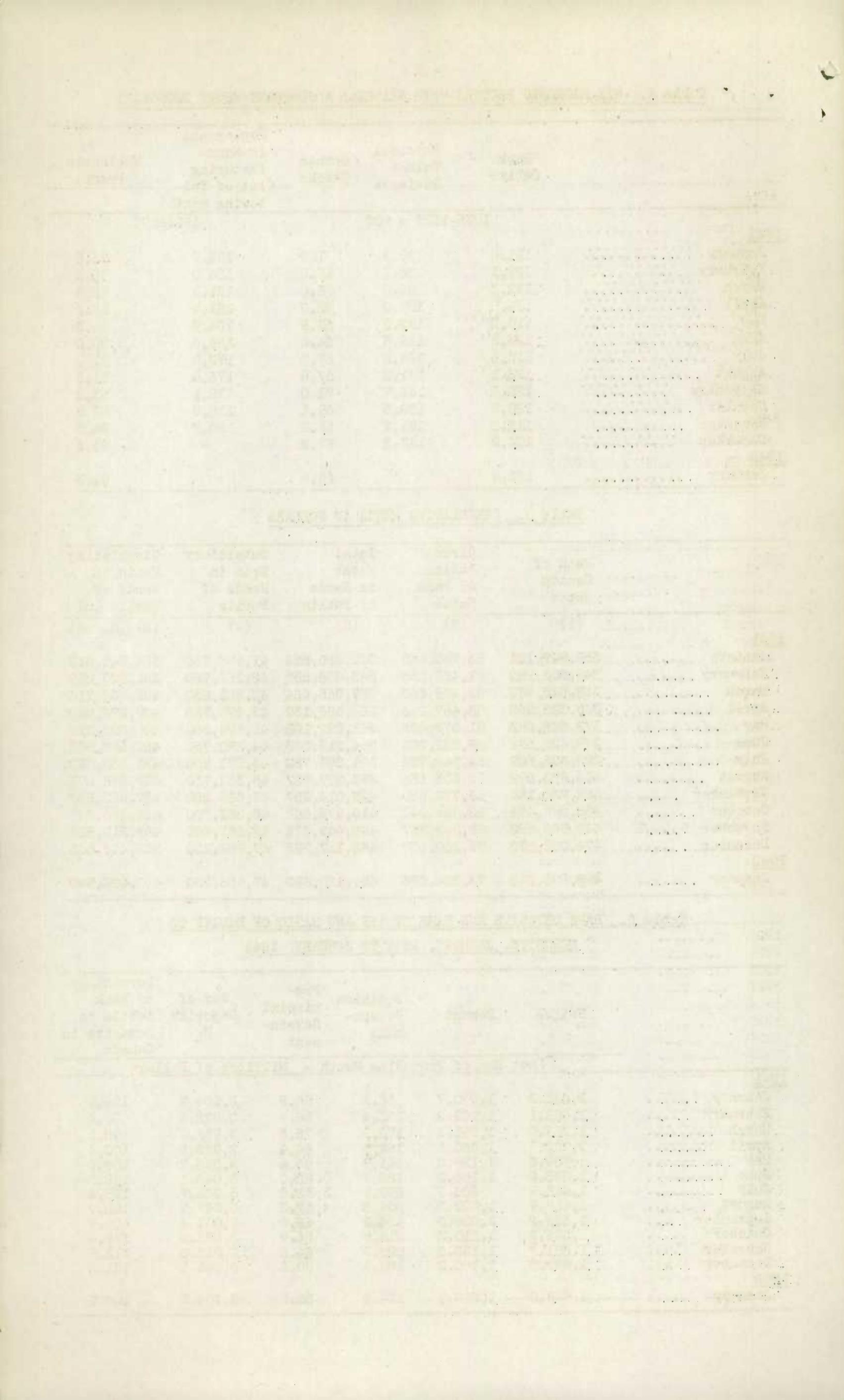


Table 7 BANK DEBITS AND VELOCITY OF DEPOSITS (THOUSAND DOLLARS)

	Bank Debits in 33 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
<b>1941</b>				
January .....	2,941,104	3,308,742	1.18	642,477
February .....	2,540,182	2,857,705	.99	561,857
March .....	2,838,146	3,192,914	1.07	625,794
April .....	2,984,165	3,357,186	1.13	667,579
May .....	3,265,872	3,674,106	1.20	743,884
June .....	4,240,630	4,770,709	1.57	921,540
July .....	3,241,707	3,646,920	1.19	714,545
August .....	3,149,791	3,543,515	1.16	739,523
September .....	3,300,731	3,713,322	1.22	707,311
October .....	3,627,177	4,080,574	1.34	816,416
November .....	3,426,906	3,855,269	1.28	896,365
December .....	3,686,546	4,147,364	1.36	826,972
<b>1942</b>				
January .....	3,230,789	3,634,638	1.17	763,974

8. PAYMENTS BY CASH AND CHEQUE AND MONEY SUPPLY, THOUSANDS OF DOLLARS AND INDEXES,  
1935-39=100

	Cash Payments (M V)	Cash and cheque payments $M_1 V_1 + M V$	Index of cash and cheque payments	Money Supply $M_1 + M$	Cost of Living
<b>1941</b>					
January .....	526,980	3,835,722	111.4	3,193,509	108.3
February .....	445,447	3,303,152	96.0	3,258,923	108.2
March .....	502,169	3,695,083	107.3	3,391,660	108.2
April .....	537,474	3,894,660	113.1	3,380,532	108.6
May .....	534,082	4,208,188	122.2	3,469,335	109.4
June .....	564,221	5,334,930	155.0	3,473,637	110.5
July .....	569,973	4,216,893	122.5	3,511,639	111.9
August .....	592,692	4,136,207	120.1	3,506,243	113.7
September .....	633,645	4,346,967	126.3	3,504,769	114.7
October .....	630,243	4,710,817	136.8	3,497,713	115.5
November .....	661,254	4,516,523	131.2	3,501,285	116.3
December .....	807,246	4,954,610	143.9	3,550,607	115.8
<b>1942</b>					
January .....	678,832	4,313,470	125.3	3,602,536	115.4

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

Millions of Dollars and Indexes, 1935-39=100

Year	Cash and Cheque Payments $M_1 V_1 + MV$	Cash and Cheque Payments Index	Money Supply $M_1 + M$	National Income	Cost of Living	Real Income	Index of National Income P T
1920 .....	42,306.6	110.3	2,342	4,614	150.5	3,066	114.2
1921 .....	35,788.6	93.3	2,175	3,735	132.5	2,819	92.4
1922 .....	33,281.2	96.8	1,983	3,762	121.3	3,101	93.1
1923 .....	35,718.4	93.2	1,990	3,945	121.7	3,242	97.6
1924 .....	34,580.3	90.2	2,001	3,854	119.5	3,225	95.4
1925 .....	35,610.4	92.9	2,059	4,161	120.6	3,450	103.0
1926 .....	38,343.8	100.0	2,151	4,494	121.8	3,690	111.2
1927 .....	45,375.3	118.3	2,274	4,682	119.9	3,905	115.9
1928 .....	54,366.4	141.8	2,452	5,138	120.5	4,264	127.1
1929 .....	58,356.5	152.2	2,497	5,149	121.7	4,231	127.4
1930 .....	46,791.3	122.0	2,326	4,326	120.8	3,581	107.1
1931 .....	39,174.5	102.2	2,274	3,498	109.1	3,206	86.6
1932 .....	32,152.0	83.9	2,121	2,893	99.0	2,922	71.6
1933 .....	37,341.9	97.4	3,106	2,795	94.4	2,961	69.2
1934 .....	41,027.1	107.0	2,136	3,171	95.7	3,313	78.5
1935 .....	39,343.3	102.6	2,272	3,381	96.2	3,515	83.7
1936 .....	44,846.0	117.0	2,422	3,829	98.1	3,903	94.8
1937 .....	44,039.7	114.9	2,583	4,342	101.2	4,291	107.4
1938 .....	38,728.8	101.0	2,650	4,246	102.2	4,155	105.1
1939 .....	39,595.0	103.3	2,838	4,409	101.5	4,344	109.1
1940 .....	44,210.8	115.3	3,082	4,784	105.6	4,530	118.4

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