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Asst. Deputy Governor

*W. Suggell*

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Minister of Trade and Commerce

**CANADA**

**DEPARTMENT OF TRADE AND COMMERCE**

**DOMINION BUREAU OF STATISTICS**

**BUSINESS STATISTICS BRANCH**

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**CHEQUES CASHED**

**AND**

**MONEY SUPPLY**

**OCTOBER, 1946**



OTTAWA  
1946





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### CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS, OCTOBER, 1946.

Cheques cashed in October were greater than in the same month of any other year. The total was \$6,313 million compared with \$5,749 million, an increase of 9.8 per cent over October of last year. Advances were shown in each of the five economic areas except Ontario. Thirty of the thirty-three clearing centres showed increases over the same month of 1945.

The greatest percentage increase in this comparison was shown in Quebec. Bank debits in the province were 26 per cent greater at \$1,882 million. The total for Montreal showed an increase of 26.5 per cent, while Quebec and Sherbrooke showed gains of 21.5 per cent and 18.6 per cent, respectively. The increase in the Maritime provinces was nearly 20 per cent. The greatest gain in the area was recorded in Halifax, the total moving up from \$62 million to \$80 million.

Thirteen of the fourteen centres in Ontario showed considerable advances in October over the same month of last year. The total in Toronto was \$1,590 million, a gain of 14.8 per cent. The cheques cashed in Ottawa affected by government financing, receded from \$797 million to \$499 million. The advances in Brantford, Chatham, Kitchener, St. Catharines and Windsor were each greater than 20 per cent.

Eight of the ten centres in the Prairie provinces showed increases over one year ago. The total for the area was \$1,227 million, an increase of 6.3 per cent. The level for Winnipeg was 9.5 per cent greater. Declines were shown in Edmonton and Regina. The aggregate for British Columbia showed an increase of 24.2 per cent. The total for Vancouver was 22.7 per cent greater at \$411.4 million. The advance in Victoria was 40.6 per cent to a total of \$75.5 million.

#### Comparison with the First Ten Months of 1945

The cheques cashed during the first ten months amounted to \$57.1 billion compared with \$53.7 billion in the same period of last year. The consequent increase was \$3,402 million or 6.3 per cent. Advances were shown in each of the five economic areas except the Prairie provinces. The greatest percentage increase was recorded in British Columbia where the advance was 27.7 per cent. The greatest absolute increase was recorded in Quebec, where a gain of \$2,142 million or 14.2 per cent was shown. The total for the province in the first ten months of the present year was \$17,229 million. Cheques cashed in Ontario in the same period were \$25,238 million, an increase of 2.4 per cent or \$578 million. The gain in the Maritime provinces was 8.4 per cent, the advance having been \$102 million to \$1,318 million. The decline in the Prairie provinces was 4 per cent, the total in the elapsed portion of the present year having been \$8,938 million.

#### Long Term Comparison

The cheques cashed in the first ten months of 1946 were greater than in the same period of any other year. The increase over 1929 was 47.6 per cent, while a gain of 128 per cent was shown over 1938. The total for the Maritime provinces was greater than in any other year, percentage gains of 98.5 and 153.1 having been shown over 1929 and 1938, respectively. The total for Quebec and Ontario showed advances of 112.9 and 125.5 over the first ten months of 1938. Important increases were also recorded over 1929, the culmination of the last major economic cycle. The total for



the Prairie provinces was less than in either 1944 or 1945 but was greater than in any other year. The advance over 1929 was 38.6 per cent while an increase of 144.1 per cent was shown over 1938. The percentage gain in British Columbia over 1938 was greater than in any other economic area. The total was \$4,398 million, an increase of 177.6 per cent over the pre-war year.

#### Cheques Cashed Against Current and Savings Accounts

The cheques cashed against current accounts were \$5,864 million in October compared with \$5,549 million in the preceding month. The consequent increase was about \$315 million. The percentage gain, however, was only 5.7 per cent. The gain in cheques cashed against notice deposits was 31.4 per cent, the total in October having been \$449 million. As the total in September was \$341.6 million, the increase was slightly more than \$107 million.

#### Relation to Other Factors

The index of bank debits on the base of 1935-39 moved up from 131.5 in October last year to 210.3 in the month under review. During the intervening period, the productive operations and employment in manufacturing showed a considerable decline. The standing of the index on the base of 1926=100 was 193.0 in September last year dropping to 181.8 in the same month of this year. During the same period the index of the physical volume of business dropped from 205.3 to 173.3. Following the decline in common stock prices in the preceding month, the standing of the index on the base 1935-39 was not greatly changed in October from the level of 104.2 in the same month of last year. Wholesale prices and cost of living, on the other hand, showed an advance, the former rising from 103.3 in September 1945 to 109.1 in the same month this year. The index of the cost of living rose from 119.9 to 125.5. The standing of the latter index on the first of October was 126.8.

#### Money Supply

The money supply at the end of September was \$7,232 million, an increase of nearly 13 per cent over the same date of 1945. Total deposits, subject to cheque, were 15.4 per cent greater. The notice deposits rose to a new high position at the end of September, the standing having been \$3,524 million. The increase was 20 per cent over September 30, 1945. Demand deposits rose 8.3 per cent and Dominion balances were at a lower position. Provincial government deposits rose from \$108.6 million to \$127.2 million. The net result was that the deposits with chartered banks were 14.6 per cent greater at the end of September than in the same month of 1945. The circulating media consisting of bank notes and subsidiary coin in the hands of the public were only about three-quarters of one per cent greater at the end of September than twelve months before.

TABLE 1. - CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES  
IN CANADA, OCTOBER, 1946 WITH COMPARATIVE FIGURES FOR SEPTEMBER, 1946 AND  
OCTOBER, 1945

CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS			
Province and Clearing House Centres	October 1 9 4 6	September 1 9 4 6	October 1 9 4 5
	\$	\$	\$
<u>Maritime Provinces -</u>			
Halifax .....	80,105,051	60,508,159	62,462,496
Moncton .....	25,552,556	20,701,504	23,970,937
Saint John .....	38,788,490	34,449,084	34,014,112
Total - Maritime Provinces .....	144,446,097	115,658,747	120,447,545
<u>Quebec -</u>			
Montreal .....	1,706,311,029	1,675,904,644	1,349,183,712
Quebec .....	156,905,206	135,118,880	129,140,186
Sherbrooke .....	18,502,902	16,614,275	15,603,187
Total - Quebec .....	1,881,719,137	1,827,637,799	1,493,927,085
<u>Ontario -</u>			
Brantford .....	25,604,779	21,449,659	19,296,659
Chatham .....	15,488,475	14,433,533	12,690,923
Fort William .....	17,413,751	16,916,922	15,125,441
Hamilton .....	129,563,757	117,190,425	110,009,945
Kingston .....	18,499,538	16,965,835	16,387,662
Kitchener .....	31,049,401	25,326,104	24,740,012
London .....	72,000,798	64,276,440	62,469,357
Ottawa .....	498,514,057	545,339,860	796,689,928
Peterborough .....	18,151,162	16,201,011	16,265,233
St. Catharines .....	23,400,608	20,920,257	18,740,188
Sarnia .....	21,806,587	22,421,396	18,600,281
Sudbury .....	14,893,040	13,049,153	12,791,332
Toronto .....	1,589,623,983	1,545,802,158	1,384,922,995
Windsor .....	75,941,279	74,686,393	62,864,406
Total - Ontario .....	2,551,951,215	2,514,979,146	2,571,594,362
<u>Prairie Provinces -</u>			
Brandon .....	10,317,951	8,496,674	8,504,928
Calgary .....	171,877,739	125,752,120	147,444,666
Edmonton .....	102,098,552	101,754,331	125,096,114
Lethbridge .....	14,605,070	13,478,568	12,711,651
Medicine Hat .....	8,552,917	6,977,946	6,454,679
Moose Jaw .....	19,567,261	17,190,809	16,640,119
Prince Albert .....	10,221,094	8,311,829	7,783,015
Regina .....	104,267,354	108,807,084	116,788,125
Saskatoon .....	34,031,186	29,588,139	27,035,648
Winnipeg .....	751,661,406	587,691,874	686,274,550
Total - Prairie Provinces .....	1,227,200,530	1,008,049,374	1,154,733,495
<u>British Columbia -</u>			
New Westminster .....	20,250,161	18,503,718	19,335,774
Vancouver .....	411,426,732	336,196,226	335,385,871
Victoria .....	75,559,993	69,484,226	53,726,848
Total - British Columbia .....	507,236,886	424,184,170	408,448,493
GRAND TOTAL FOR CANADA .....	6,312,553,865	5,890,509,236	5,749,150,980



TABLE 2. - CHEQUES CASHED IN ECONOMIC AREAS-SHOWING TYPE OF ACCOUNT & CUMULATIVE TOTALS

Type of Account	CURRENT ACCOUNTS		SAVINGS ACCOUNTS	
	Oct., 1946	Sept., 1946	Oct., 1946	Sept., 1946
	\$	\$	\$	\$
Maritime Provinces ...	133,271,304	108,460,362	11,174,793	7,198,385
Quebec .....	1,770,016,160	1,734,482,231	111,702,977	93,155,568
Ontario .....	2,347,326,527	2,384,008,225	204,624,688	130,970,921
Prairie Provinces ...	1,165,265,993	944,901,323	61,934,537	63,148,051
British Columbia ....	447,826,044	377,064,259	59,410,842	47,119,911
GRAND TOTAL FOR CANADA.	5,863,706,028	5,548,916,400	448,847,837	341,592,836
Cumulative Totals	First Ten Months of 1946	First Ten Months of 1945	Increase (+) Decrease (-)	Percentage of 1946 to 1945
Maritime Provinces ..	1,317,747,381	1,215,691,852	+ 102,055,529	108.4
Quebec .....	17,229,318,602	15,087,617,421	+2,141,701,181	114.2
Ontario .....	25,238,118,830	24,660,550,202	+ 577,568,628	102.4
Prairie Provinces ..	8,938,242,869	9,313,060,130	- 374,817,261	96.0
British Columbia ....	4,397,505,796	3,442,453,121	+ 955,052,675	127.7
GRAND TOTAL FOR CANADA.	57,120,933,478	53,719,372,726	+3,401,560,752	106.3

TABLE 3. - RELATION OF CHEQUES CASHED TO OTHER FACTORS

Seasonally Adjusted		1	9	4	5		1	9	4	6		
Economic Indexes		Sept.		Oct.		May	June		July		August	Sept.
Bank Debits, 1935-39 = 100	.....	197.3		191.5		206.4	109.2		199.1		190.2	225.4
Physical Volume of Business	.....	205.3		194.5		184.3	178.9		180.3		178.1	173.3
Common Stocks, 1935-39=100	.....	102.0		104.2		124.4	123.3		119.1		116.9	104.4
Cost of Living, 1935-39=100	.....	119.9		120.1		122.0	123.6		125.1		125.6	125.5
Employment in Manufacturing												
1926=100	.....	193.0		182.4		184.4	181.0		183.3		179.9	181.8
Wholesale Prices, 1926=100	.....	103.3		103.6		108.6	109.1		109.5		109.2	109.1

TABLE 4. - MONEY SUPPLY - MILLIONS OF DOLLARS

	1	9	4	5	1	9	4	6
	Sept.	Oct.	May	June	July	August	Sept.	
<u>Circulating Media</u>								
Bank Notes in Circulation -								
Bank of Canada .....	1,112.4	1,136.6	1,109.5	1,114.0	1,117.9	1,127.4	1,147.5	
Chartered Banks .....	27.2	26.7	23.7	23.3	22.9	22.5	22.2	
Notes in hands of public ...	1,009.2	1,007.4	995.6	1,011.0	988.6	1,015.9	1,016.1	
Subsidiary coin in hands of public .....	62.4	62.2	62.7	64.0	62.6	63.9	63.3	
Total Circulating Media in hands of public (M) .....	1,071.6	1,069.5	1,058.4	1,075.0	1,051.2	1,079.8	1,079.5	
<u>Deposits</u>								
Deposits with Chartered Banks -								
Dominion Government .....	133.2	155.9	248.6	114.3	143.0	153.8	120.7	
Provincial Government .....	108.6	128.9	120.2	128.1	136.0	124.3	127.2	
Demand .....	2,092.3	2,297.0	2,207.0	2,150.3	2,197.1	2,148.2	2,265.3	
Notice .....	2,934.8	2,991.6	3,305.7	3,363.5	3,410.9	3,465.7	3,524.1	
Total .....	5,269.0	5,573.4	5,881.5	5,756.1	5,886.9	5,892.1	6,037.4	
Deposits with Bank of Canada -								
Dominion Government .....	39.6	51.0	87.1	57.9	69.1	69.1	27.4	
Other .....	22.4	32.4	78.4	85.6	90.1	79.7	87.8	
Total .....	62.1	83.4	165.6	143.4	159.2	148.7	115.2	
Total Deposits (MI) .....	5,331.0	5,656.8	6,047.1	5,899.6	6,046.1	6,040.8	6,152.5	
Money Supply (M + MI) .....	6,402.6	6,726.4	7,105.5	6,974.6	7,097.3	7,120.6	7,232.0	

TABLE 5. - CHEQUES CASHED IN CLEARING CENTRES IN THE FIRST TEN MONTHS, 1924-46

DOLLARS

Year	CANADA	Maritime Provinces	Quebec	Ontario	Prairie Provinces	British Columbia
1924	21,486,086,934	490,809,794	6,515,885,786	8,907,417,454	4,158,715,854	1,413,258,046
1925	22,218,780,789	466,519,153	6,843,393,198	8,868,719,829	4,536,661,777	1,503,486,832
1926	24,599,221,268	506,870,599	8,053,005,743	9,784,965,820	4,561,597,270	1,592,781,836
1927	27,668,700,400	509,538,874	9,526,696,887	11,368,494,895	4,605,131,818	1,658,837,926
1928	25,174,183,775	612,555,510	12,275,962,951	13,958,056,103	6,285,520,789	2,042,088,422
1929	38,689,583,472	663,986,803	13,663,150,647	15,447,274,045	6,448,568,940	2,466,603,037
1930	31,505,449,976	587,833,896	11,110,312,701	12,599,533,733	5,232,363,805	1,975,405,841
1931	26,106,512,871	534,129,884	8,976,107,418	11,049,046,779	4,056,941,093	1,490,287,692
1932	21,293,368,923	439,108,018	6,450,367,264	9,196,590,229	3,951,915,062	1,255,388,350
1933	24,652,074,422	393,568,753	6,978,306,308	10,599,485,255	5,437,167,578	1,242,546,528
1934	26,734,293,884	439,605,483	7,717,679,065	11,976,153,171	5,247,785,163	1,353,071,002
1935	25,592,251,573	460,219,727	7,285,920,177	11,275,137,488	5,209,632,014	1,361,342,167
1936	29,221,453,212	510,601,141	8,791,709,977	12,633,945,223	5,580,702,215	1,704,494,656
1937	29,159,030,526	603,952,903	9,602,822,091	13,159,709,545	4,039,028,763	1,753,517,224
1938	25,053,158,918	520,570,771	8,093,224,030	11,193,042,424	3,661,933,794	1,584,387,899
1939	25,630,139,255	545,574,492	8,136,176,500	11,124,824,082	4,160,123,484	1,663,440,697
1940	28,179,804,697	675,497,704	8,198,468,640	12,494,968,095	5,039,884,257	1,770,986,001
1941	32,129,505,109	765,575,431	9,017,100,905	14,929,766,559	5,405,501,477	2,011,560,737
1942	36,365,082,629	877,096,956	10,185,191,812	17,694,693,614	5,305,064,991	2,303,035,256
1943	43,032,809,594	997,867,750	12,281,807,832	19,970,294,453	7,116,628,536	2,666,211,023
1944	48,942,744,365	1,050,995,498	13,839,799,862	21,664,683,760	9,335,048,669	3,052,216,576
1945	53,719,372,726	1,215,691,852	15,087,617,421	24,660,550,202	9,313,060,130	3,442,453,121
1946	57,120,933,478	1,317,747,381	17,229,318,602	25,238,118,830	8,938,242,869	4,397,505,796

Percentage increase of 1946 over 1929 and 1938

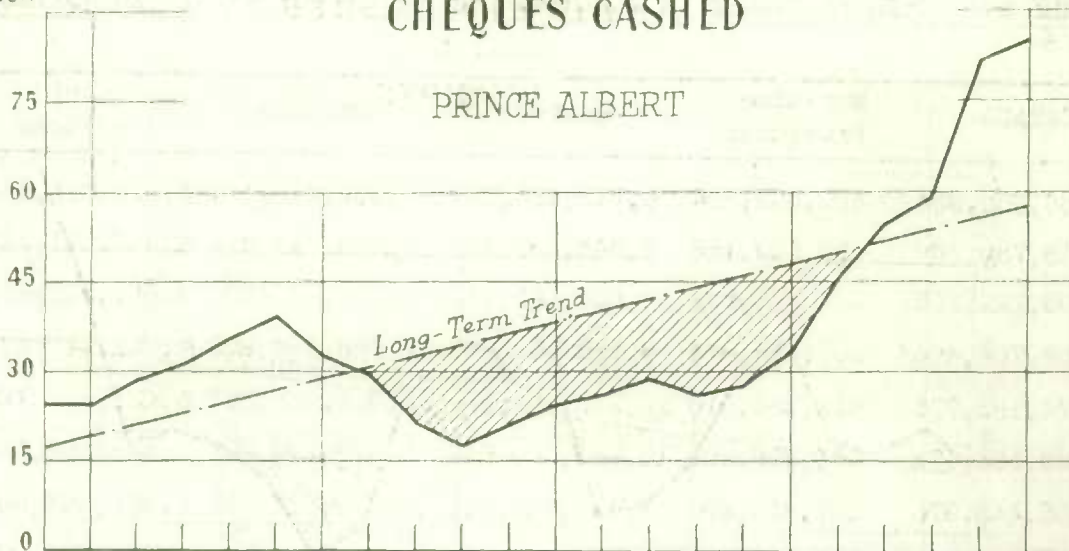
P.c. to 1929	+ 47.6	+ 98.5	+ 26.1	+ 63.4	+ 38.6	+ 78.3
P.c. to 1938	+ 28.0	+ 153.1	+ 112.9	+ 125.5	+ 144.1	+ 177.6



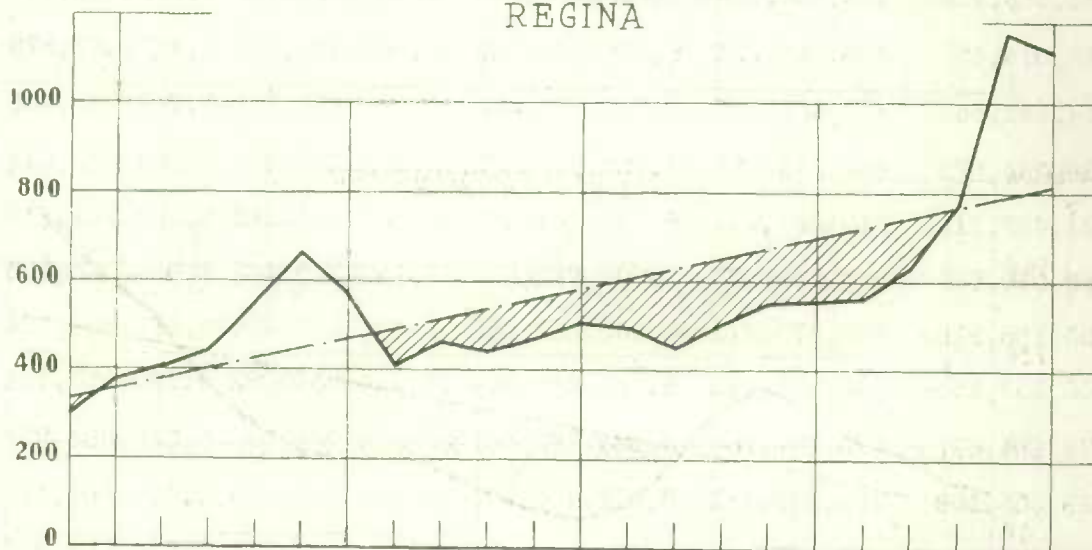
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# CHEQUES CASHED

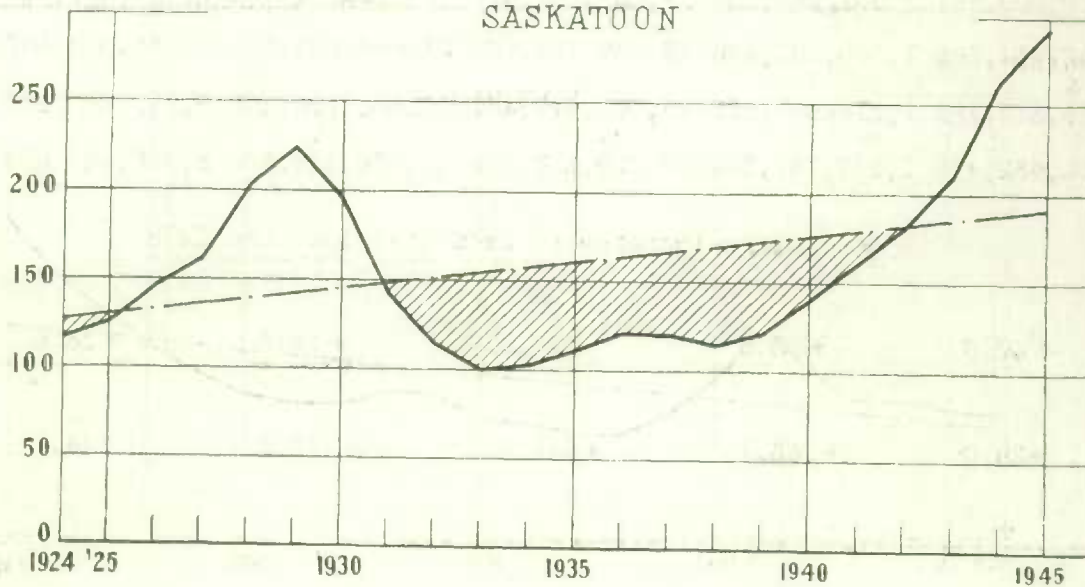
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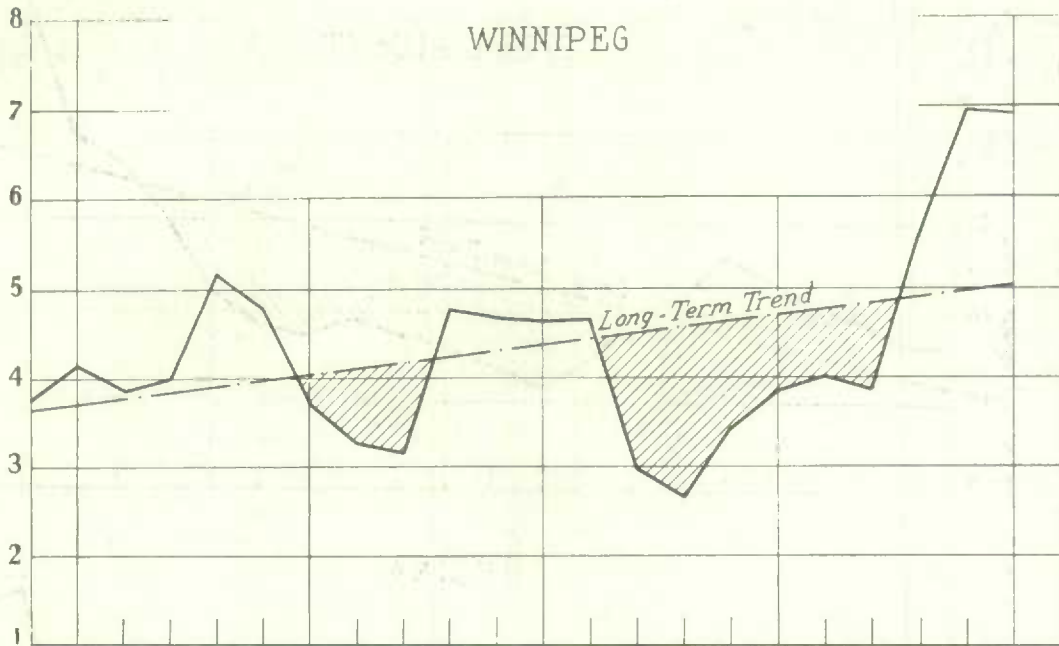




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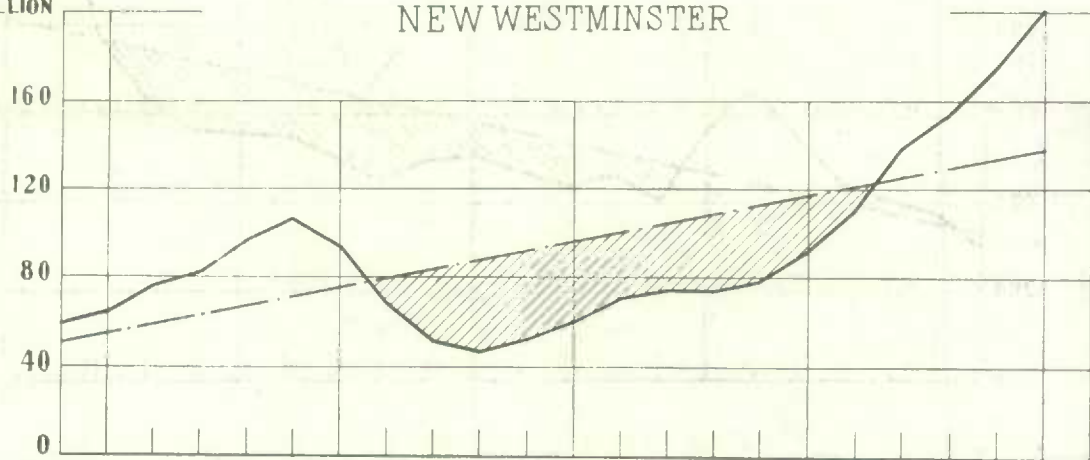
# CHEQUES CASHED

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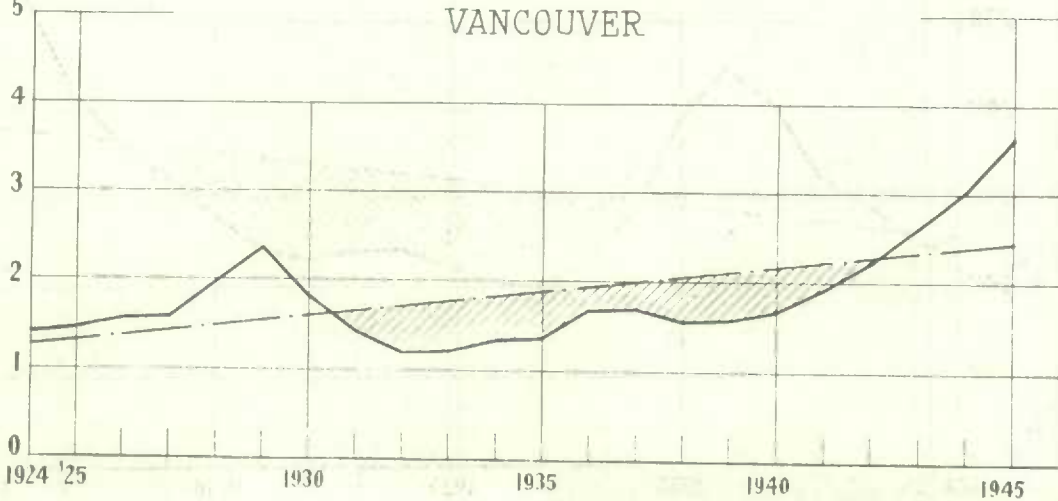
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