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The cheques cashed or otherwise paid by the banks were nearly 5 per cent greater in February than in the same month of last year. The total was \$5,597 million against \$5,336 million. Business transactions of this description are continuing to show an advance, which has been particularly pronounced since the beginning of the war. Increases were shown in each of the five economic areas. Twenty-seven of the thirty-three clearing centres recorded debits greater than in the same month of 1946.

MARITIMES - Each of the three centres in the Maritime Provinces showed increases in this comparison. The greatest percentage gain was shown in Saint John, the total moving up from \$31.4 million to \$36.9 million. The net result for the area was an increase of 9.6 per cent, the total in February having been \$117 million.

QUEBEC - Greater business activity in Montreal was indicated by an increase of 12.6 per cent in the amount of cheques cashed. The total in February was \$1,630 million compared with \$1,447 million. An increase was also shown in Sherbrooke, while the City of Quebec was at a somewhat lower position. The aggregate for the Province was slightly more than 10 per cent greater than in the second month of last year.

ONTARIO - Each of the fourteen centres of Ontario except Toronto recorded increases. The gain in Ottawa was 24.4 per cent and a similar percentage increase was shown in Sudbury. The gain in Windsor was 10.8 per cent, while a decline of 6.8 per cent was shown in Toronto. The provincial total was \$2,539 million, showing a slight increase over \$2,531 million recorded for February last year.

PRAIRIE PROVINCES - Three of the ten centres in the Prairie Provinces receded to a slightly lower level in February than in the same month of last year, while the standing in Calgary was slightly more than maintained. The greatest percentage increase was shown in Lethbridge, where the cheques cashed at \$12.9 million were 29 per cent greater than in the same month of 1946. The total in Winnipeg showed a decline of about \$5 million to \$380 million. The total for the ten centres of the area was \$701 million against \$697 million, a fractional increase having been shown.

BRITISH COLUMBIA - Each of the three centres in British Columbia recorded advances in February. The increase in Vancouver was from \$328 million to \$364 million, amounting to 11 per cent. The advance in Victoria was spectacular, the total moving up from \$50 million to \$87 million. The total for British Columbia at \$469 million was 19.4 per cent greater than in the second month of 1946.

Comparison with the First Two Months of Last Year -

As increases were shown in both January and February over the same months of 1946 the cumulative total was also somewhat greater. The amount was \$11,823 million, the increase having been 4.3 per cent or \$486 million. The greatest increase in this respect was achieved in the Province of Quebec. The total in that Province rose from \$3,263 million to \$3,810 million, the change having been \$548 million or 16.8 per cent. Advances were shown in each of the five economic areas except Ontario.

The increase in the Maritime Provinces was 10.3 per cent, the total in the first two months of 1947 having been \$253 million. Cheques cashed in Ontario receded about \$250 million to \$5,136 million. The increase in the Prairie Provinces was 1.4 per cent, the total for the two months having been \$1,618 million. British Columbia made a good showing, the increase having been 16.6 per cent. The total in the elapsed portion of the present year was \$995 million.

Relation to Other Factors -

The index of bank debits or cheques cashed on the base of 1935-1939 was 229.4 in February compared with 218.7 in the same month of last year. Wholesale prices and the cost of living showed considerable increase, the latter having risen from 119.9 at the first of February last year to 127.8. The increase in wholesale prices was more than 10 points in the index, the standing in February last year having been 105.2.

High levels of production and employment were reached in the first two months of the year, the index of the physical volume of business having been nearly as high in January as in the same month of 1946. Employment in manufacturing suggests greater productive activity. The index at the first of the year was 204.2 against 192.6 on the same date of 1946. Common stock prices are at a somewhat lower level than in the early months of last year.

Turnover of Current and Savings Accounts -

Cheques cashed against notice deposits were about \$321 million in January. The average of the notice deposits during the month were about \$3,501 million, resulting in a turnover of .092. The turnover in January last year was .099. The notice deposits in that month averaged \$2,914 million.

The turnover of current deposits was slightly larger in January than in the same month of 1946. The sum of the current deposits during January 1947 was \$2,935 million compared with \$3,164 million in January last year. The cheques cashed against such deposits, however, increased from \$5,702 million to \$5,894 million. The net result was that the turnover was 2.01 in January compared with 1.80 one year ago.

The series are available from August 1941 when a distribution was first made between cheques cashed against current accounts and against notice accounts. As the increase in the deposits since that time has been counterbalanced by the advance in cheques cashed, the turnover of current deposits and of savings deposits, have been remarkably steady during the period of observation. The statistics from August 1941 to October 1946 were given in the November number of this publication. Two charts were presented giving the fluctuations in six items resulting from this study.

Long Term Trend -

Cheques cashed in the first two months were greater than in any other similar period in Canada's history. The increase over 1929 was 57 per cent, while an advance of 155.6 per cent was shown over the last full peace-time year of 1938. Increases were shown in each of the five economic areas over 1929 as well as over 1938. The percentage increase in British Columbia over 1929 was greater than in any other area. The Maritime Provinces, however, showed an increase of 103.1 per cent, while the advance in British Columbia was 104.8. British Columbia also showed the greatest percentage increase over 1938, while the Prairie Provinces were second in this respect. Gains over 1946 were shown in each of the five economic areas except Ontario. Further information on this phase of the subject is presented in Table 5 on Page 5.

Money Supply -

The money supply at the end of January was \$7,545 million, an increase of about 6.9 per cent over the same date of the preceding year. The money supply consists of bank notes and subsidiary coin in the hands of the public and four classes of deposits with the chartered banks and two classes with the Bank of Canada.

The increase in deposits were somewhat greater than in the money supply as a whole. The former rose 7.2 per cent over \$6,032 million, the standing in January 1946. Bank notes in circulation showed a lesser percentage increase than deposits. The total at the end of January was \$1,017 million, a gain of 5.2 per cent. The advance in the subsidiary coin in the hands of the public was estimated as from \$61.2 million in January 1946 to \$63 million in the month under review.

TABLE 1. - CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES IN CANADA, FEBRUARY, 1947 WITH COMPARATIVE FIGURES FOR JANUARY, 1947 AND FEBRUARY, 1946

CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS			
Province and Clearing House Centres	February 1947 \$	January 1947 \$	February 1946 \$
Maritime Provinces			
Halifax	59,803,856	70,197,168	55,837,816
Moncton	20,442,663	24,165,630	19,590,043
Saint John	36,858,907	41,691,498	31,378,615
Total - Maritime Provinces	117,105,426	136,054,296	106,806,474
Quebec			
Montreal	1,630,248,388	1,883,287,443	1,447,443,633
Quebec	124,369,934	141,870,388	147,540,926
Sherbrooke	15,044,493	15,389,837	12,608,643
Total - Quebec	1,769,662,815	2,040,547,668	1,607,593,202
Ontario			
Brantford	21,753,674	23,214,593	19,404,695
Chatham	20,660,034	19,297,694	15,079,399
Fort William	14,278,381	15,210,687	12,901,740
Hamilton	115,300,335	133,034,329	104,774,148
Kingston	13,877,084	18,355,796	13,544,959
Kitchener	34,097,675	34,098,984	29,954,857
London	70,397,467	81,022,697	59,716,318
Ottawa	389,079,647	243,786,669	312,765,907
Peterborough	16,017,581	17,016,917	14,012,427
St. Catharines	23,546,690	22,601,986	17,268,698
Sarnia	18,389,388	22,223,021	15,891,432
Sudbury	12,521,988	13,378,725	10,066,727
Toronto	1,713,650,267	1,875,242,697	1,837,700,082
Windsor	75,678,969	78,043,436	68,274,970
Total - Ontario	2,539,249,180	2,596,528,231	2,531,356,359
Prairie Provinces			
Brandon	6,014,643	7,301,766	6,348,599
Calgary	112,649,076	140,163,991	112,634,282
Edmonton	90,389,280	96,715,883	88,776,984
Lethbridge	12,879,263	12,394,799	9,983,754
Medicine Hat	5,307,333	6,310,851	4,725,149
Moose Jaw	11,208,223	15,323,455	11,322,699
Prince Albert	7,686,772	8,984,155	7,284,714
Regina	52,375,198	67,432,620	49,241,921
Saskatoon	22,680,949	27,899,730	21,458,810
Winnipeg	380,149,717	534,582,955	385,134,828
Total - Prairie Provinces	701,340,454	917,110,205	696,911,740
British Columbia			
New Westminster	17,881,281	18,579,992	15,050,969
Vancouver	364,124,987	435,700,490	328,009,228
Victoria	87,345,942	71,319,511	50,191,254
Total - British Columbia	469,352,210	525,599,993	393,251,451
GRAND TOTAL FOR CANADA	5,596,710,085	6,215,840,393	5,336,919,226

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

Type of Accounts	CURRENT ACCOUNTS		SAVINGS ACCOUNTS	
	Feb., 1947	Jan., 1947	Feb., 1947	Jan., 1947
Maritime Provinces	111,235,060	128,910,000	5,870,366	7,144,296
Quebec	1,677,136,049	1,950,685,214	92,526,766	89,862,454
Ontario	2,420,986,917	2,456,622,552	118,262,263	139,905,679
Prairie Provinces	668,819,649	875,663,527	32,520,805	41,446,678
British Columbia	429,760,557	483,002,180	39,591,653	42,597,813
GRAND TOTAL FOR CANADA ..	5,307,938,232	5,894,883,473	288,771,853	320,956,920
Cumulative Totals	Two Months 1947	Two Months 1946	Increase (+) Decrease (-)	Percentage of 1947 to 1946
Maritime Provinces	253,159,722	229,547,865	+ 23,611,857	110.3
Quebec	3,810,210,483	3,262,690,698	+ 547,519,785	116.8
Ontario	5,135,777,411	5,385,531,232	- 249,753,821	95.4
Prairie Provinces	1,618,450,659	1,595,855,058	+ 22,595,601	101.4
British Columbia	994,952,203	852,950,056	+ 142,002,147	116.6
GRAND TOTAL FOR CANADA ..	11,812,550,478	11,326,574,909	+ 485,975,569	104.3

TABLE 3. - RELATION OF CHEQUES CASHED TO OTHER FACTORS

Seasonally Adjusted Economic Indexes	1946						1947
	Jan.	Feb.	Sept.	Oct.	Nov.	Dec.	Jan.
Bank debits, 1935-39=100	227.8	218.7	225.4	210.3	205.2	201.0	236.3
Physical Volume of Business 1935-39=100	195.4	181.2	173.3	179.0	181.3	186.7	194.2
Common Stocks, 1935-39=100	123.5	121.8	104.4	101.8	102.5	106.4	106.2
Cost of Living, 1935-39=100	119.9	119.9	125.5	126.8	127.1	127.1	127.0
Emp. in Manufacturing 1926=100	192.6	190.2	181.8	182.3	189.9	196.5	204.2
Wholesale Prices, 1926=100	104.6	105.2	109.1	110.8	111.4	111.8	114.1

TABLE 4. - MONEY SUPPLY - MILLIONS OF DOLLARS

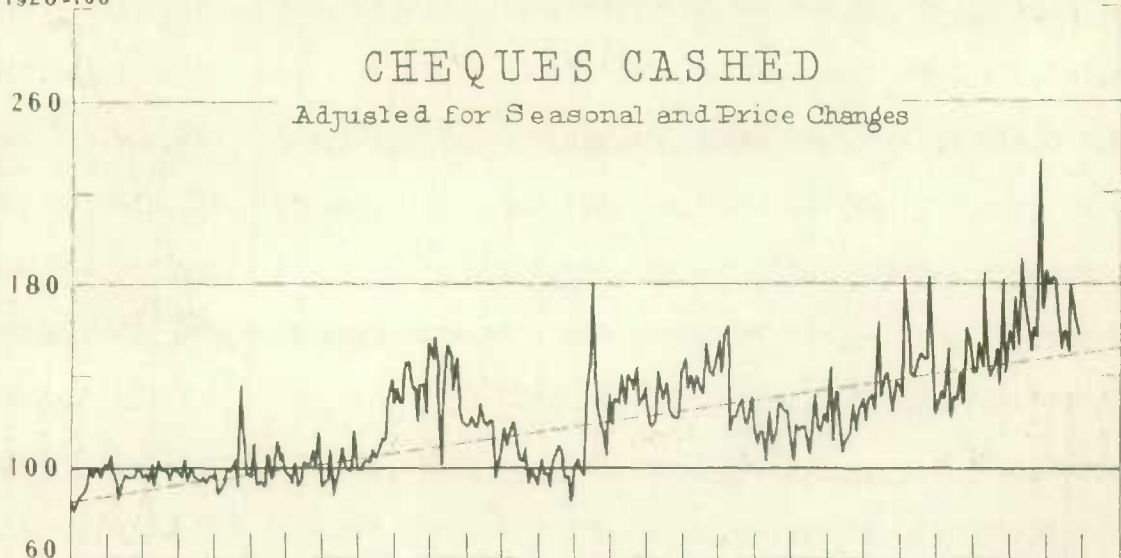
	1946						1947
	Jan.	Feb.	Sept.	Oct.	Nov.	Dec.	Jan.
Bank Notes in Circulation =							
Bank of Canada	1,088.1	1,086.7	1,147.5	1,156.9	1,161.1	1,186.2	1,138.6
Chartered Banks	25.2	24.8	22.2	21.8	21.7	21.4	21.1
Notes in Hands of public	966.1	978.9	1,016.1	1,029.4	1,042.4	1,030.8	1,016.7
Subsidiary coin in hands of public	61.2	61.5	63.3	63.7	65.1	64.7	63.0
Total Circulating Media in hands of public (M)	1,027.3	1,038.4	1,079.5	1,093.0	1,107.5	1,095.5	1,079.7
Deposits							
Deposits with Chartered Banks							
Dominion Government	795.5	650.7	120.7	286.7	600.2	365.9	452.0
Provincial Government	103.6	105.9	127.2	121.8	119.8	126.0	161.3
Demand	1,948.5	1,995.4	2,265.3	2,315.7	2,181.8	2,290.8	2,086.6
Notice	2,962.9	3,078.0	3,524.1	3,476.7	3,460.1	3,469.3	3,532.8
Total	5,810.5	5,830.0	6,037.4	6,200.9	6,362.0	6,252.0	6,232.7
Deposits with Bank of Canada =							
Dominion Government	187.2	201.7	27.4	36.6	63.9	60.5	150.1
Other	34.2	56.4	87.8	85.2	79.4	93.8	82.9
Total	221.4	258.1	115.2	121.9	143.3	154.3	233.0
Total Deposits (MI)	6,031.8	6,088.0	6,152.5	6,322.7	6,505.3	6,406.3	6,465.7
Money Supply (M + MI)	7,059.1	7,126.4	7,232.0	7,415.8	7,612.8	7,501.8	7,545.4

TABLE 5. - CHEQUES CASHED IN CLEARING CENTRES FIRST TWO MONTHS - 1924-1947

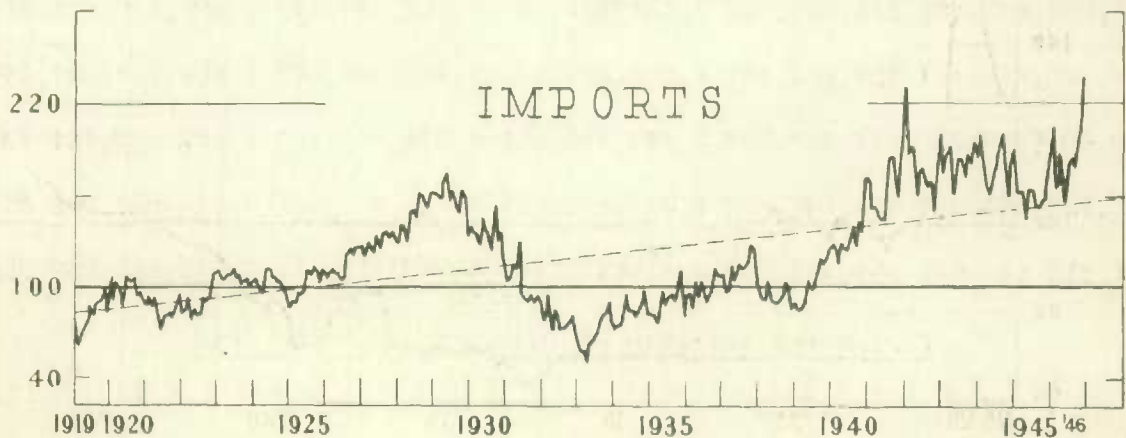
DOLLARS						
Year	Canada	Maritime Provinces	Quebec	Ontario	Prairie Provinces	British Columbia
1924	4,264,675,190	98,504,481	1,300,536,596	1,804,684,977	781,674,967	279,274,169
1925	4,145,078,086	82,145,442	1,309,691,469	1,643,712,596	825,917,183	283,611,396
1926	4,500,430,357	103,368,573	1,448,836,713	1,783,877,463	851,858,361	312,489,247
1927	4,911,907,573	92,734,676	1,637,337,642	2,140,130,085	742,260,205	299,444,965
1928	6,501,096,452	103,753,247	2,277,132,621	2,699,031,201	1,016,300,439	404,878,944
1929	7,522,611,061	124,622,761	2,714,748,505	3,126,617,116	1,070,759,345	485,863,334
1930	6,026,446,039	111,977,480	1,997,249,313	2,500,398,361	1,011,753,636	405,067,249
1931	5,203,238,131	105,215,902	1,832,573,748	2,234,540,365	726,647,127	304,260,989
1932	4,061,080,747	87,995,695	1,242,211,209	1,784,386,515	688,419,938	258,067,390
1933	3,799,152,594	72,744,353	1,168,966,868	1,715,541,636	1,050,351,182	221,193,643
1934	4,686,361,909	78,850,547	1,392,044,378	2,261,120,293	693,337,615	261,009,076
1935	4,771,091,303	80,367,664	1,353,895,801	2,352,986,173	733,293,075	250,548,590
1936	5,759,517,563	94,186,154	1,694,826,237	2,570,612,503	1,062,798,735	337,093,934
1937	5,959,289,037	111,714,831	1,913,844,022	2,888,731,056	688,760,293	356,238,835
1938	4,620,595,297	97,534,116	1,449,548,401	2,219,890,908	558,358,307	295,263,565
1939	4,561,885,246	93,677,151	1,468,758,448	2,091,663,864	580,643,461	327,142,322
1940	5,629,552,067	138,842,154	1,756,871,314	2,451,499,194	919,825,298	362,514,107
1941	5,481,286,609	132,492,082	1,494,777,712	2,680,375,631	823,765,133	349,876,051
1942	6,123,652,426	154,845,922	1,765,592,470	2,861,724,292	935,179,358	406,310,384
1943	7,611,471,481	161,551,993	2,331,037,927	3,626,646,476	1,032,126,433	460,108,652
1944	8,720,506,417	184,352,331	2,553,226,537	3,827,443,372	1,559,693,527	595,790,650
1945	9,503,505,350	210,457,872	2,864,454,556	4,274,663,500	1,556,769,454	597,159,968
1946	11,326,574,909	229,547,865	3,262,690,698	5,385,531,232	1,595,855,058	852,950,056
1947	11,812,550,478	253,159,722	3,810,210,483	5,135,777,411	1,618,450,659	994,952,203
Percentage increase of 1947 over 1929 and 1938						
P.c. to 1929	+ 57.0	+ 103.1	+ 40.4	+ 64.3	+ 51.1	+ 104.8
P.c. to 1938	+ 155.6	+ 159.6	+ 162.9	+ 131.4	+ 189.9	+ 237.0

CHEQUES CASHED COMPARED WITH THE VOLUME OF EXPORTS AND IMPORTS

1926=100



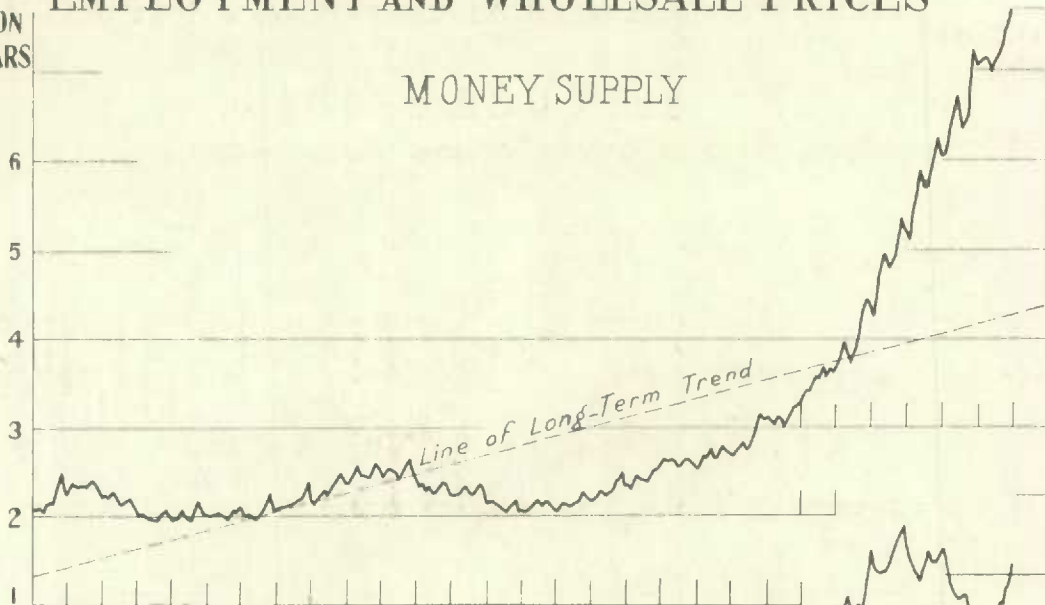
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MONEY SUPPLY COMPARED WITH EMPLOYMENT AND WHOLESALE PRICES

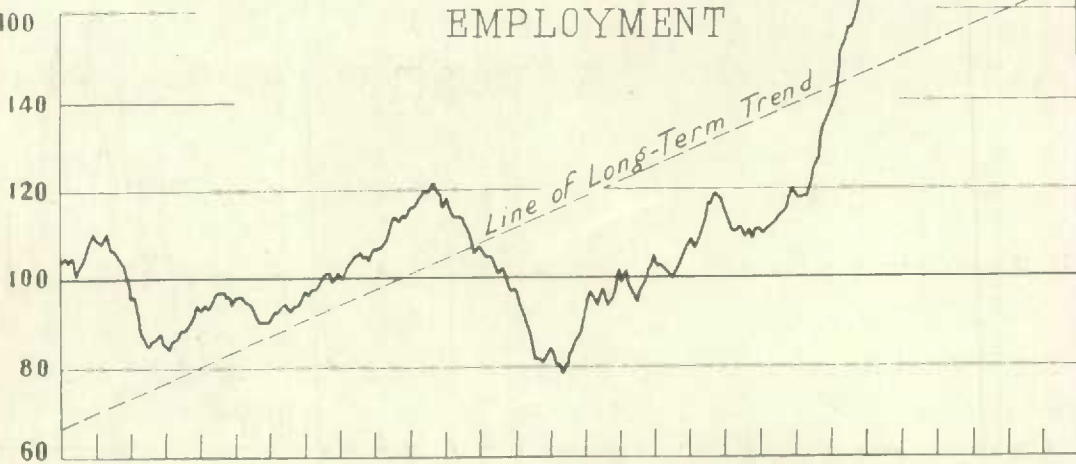
BILLION
DOLLARS

MONEY SUPPLY



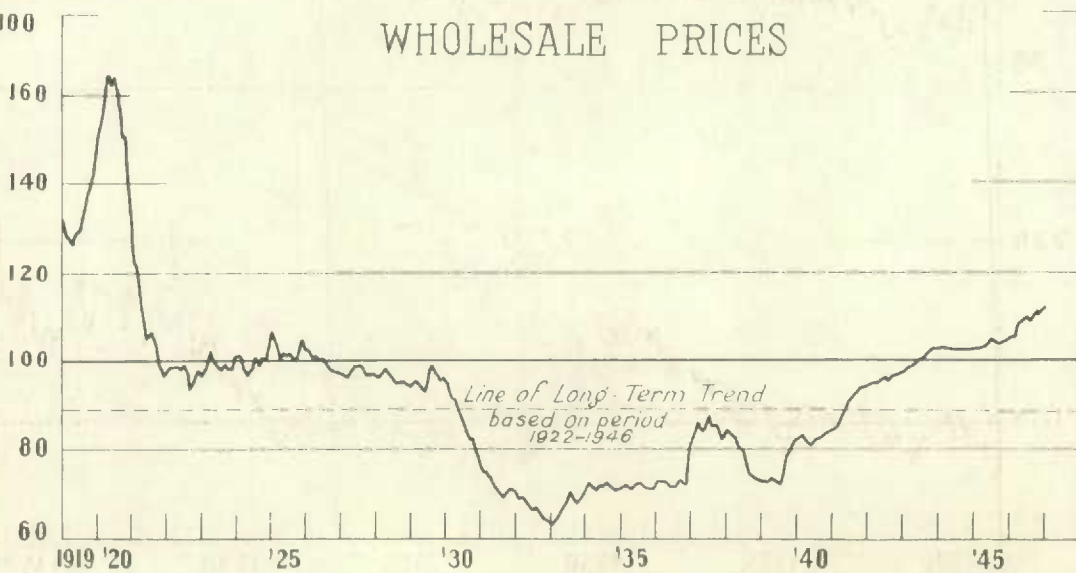
1926=100

EMPLOYMENT



1926=100

WHOLESALE PRICES



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