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CHEQUES CASHED

AND

MONEY SUPPLY

APRIL, 1947



OTTAWA
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CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS, APRIL, 1947

Cheques cashed or otherwise paid were \$6,043 million in April, representing a gain of five per cent over the same month of last year. Advances were shown in each of the five economic areas except Ontario. Twenty-nine of the thirty-three clearing centres recorded increases over one year ago, indicating that an improvement in economic conditions was fairly general throughout the Dominion.

Financial transactions of this type recorded an increase of nearly thirteen per cent in the Maritime Provinces. The gain in Moncton was 20.5 per cent, and a percentage increase of nearly the same proportions was indicated in Saint John.

Conditions continued active in the Quebec area. The increase in Montreal was nearly 18 per cent, the total in April having been \$1,728 million. The greatest percentage increase was shown in the City of Quebec and conditions recorded a betterment in Sherbrooke.

Twelve of the fourteen centres in Ontario recorded gains in April over one year ago. The declines in Ottawa and Toronto counterbalanced the advance in other cities. The net result was that the aggregate for the province was 4.7 per cent lower than in April last year. The increase in Hamilton was 21.6 per cent, the total rising from \$111 million to \$135 million. Important advances were also shown in Chatham, St. Catharines and Sudbury. The increase in Windsor was 11.7 per cent, the total in April having been \$85.9 million.

Eight of the ten centres in the Prairie Provinces recorded advances in April, the aggregate for the area rising 4.1 per cent. Recessions were shown in Winnipeg and Moose Jaw, while important increases were recorded in Calgary, Brandon and Medicine Hat. The recession in Winnipeg was limited to 3.4 per cent.

Conditions in British Columbia were again favourable, the cheques cashed in Vancouver rising from \$364 million to \$426 million. Increases were shown in the three centres of the province, the advance in New Westminster having been more than 17 per cent. The net result was that the provincial total for April rose to \$513 million, an increase of 15.7 per cent.

Comparison with the First Four Months of 1946

Cheques cashed in Canada during the first four months of the present year amounted to \$23,593 million, an increase of 3.7 per cent over the same period of last year. Increases were recorded in each of the five economic areas except Ontario. Twenty-nine of the thirty-three clearing centres recorded gains over the first four months of last year. The exceptions were Ottawa, Toronto,

Edmonton and Moose Jaw. The gain in the Maritime provinces was 9.6 per cent resulting in a total of \$516 million. Moncton and Saint John showed important percentage increases over the early months of 1946.

Each of the three centres in Quebec recorded advances in the first four months. The increase in Montreal was 17.4 per cent and the gains in Quebec and Sherbrooke were of considerable proportions. The increase for the economic area was no less than \$1,099 million, resulting in a total during the first four months of \$7,611 million.

Twelve of the fourteen centres in Ontario recorded advances in this comparison, but the aggregate for the province showed a recession of 6.7 per cent. The total for the area was \$10,061 million, a decline of \$721 million from the first four months of last year. Important increases were shown in Chatham, St. Catharines and Sudbury. The recession in Toronto was limited to 3.9 per cent.

Eight of the ten centres in the Prairie Provinces recorded a greater amount of financial transactions in the first four months than in the same period of 1946. The gain in Calgary and Medicine Hat was 11.2 and 20.1 per cent, respectively. The total cheques cashed in Regina were \$312 million, representing an increase of 13.6 per cent. The aggregate for the area at \$3,367 million was 3.2 per cent greater than in the early months of last year.

The greatest percentage increase among the economic areas was recorded in British Columbia where the total was \$2,038 million, an advance of 17.6 per cent. The percentage increase in Vancouver was 15.3, while the relative gain in Victoria was more than twice as great.

Long-Term Comparison

The amount of cheques cashed in the first four months was greater than in the similar period of any other year. The total was \$23,593 million. The gain over 1938, the last full year of peacetime before the war, was 151 per cent. The cheques cashed in 1929, the maximum for a major economic cycle was \$15,128 million, the increase in 1947 over that year having been 56 per cent. The Maritime Provinces showed the greatest percentage gain over 1929, while British Columbia recorded the most important percentage increase of any of the five economic areas over 1938.

Debits in the Maritime provinces were more than doubled in the first four months of 1947 compared with the same period of 1929. The increase in Quebec over 1929 was nearly 42 per cent, while an advance of 155 per cent was shown over 1938. The increase in Ontario over the longer-term comparison was 62.5 per cent, while over the pre-war year the advance was 127 per cent. The Prairie Provinces and British Columbia showed advances of 48.5 per cent and 95.5 per cent, respectively, over 1929, while increases over 1938 were no less than 184.7 and 244.2 per cent, respectively.

Turnover of Current and Savings Accounts.

Cheques cashed in April amounting to \$6,043 million, may be distributed between transactions against current accounts amounting to \$5,701 million and transactions against savings accounts which amounted to \$342 million. The turnover of current deposits of different descriptions was slightly greater in March of this year than in the same period of 1946. During the interval the cheques cashed increased from \$5,339 million to \$5,412 million, while the current deposits receded from \$2,930 million to \$2,834 million. The net result was that the turnover of current accounts was 1.91 in March this year against 1.82. Cheques cashed against notice deposits receded from \$339 million in March last year to \$325 million, whereas the deposits increased from \$3,124 million to \$3,603 million. The net result was that the turnover receded from .108 to .090.

Relation of Cheques Cashed to Other Factors.

The index of cheques cashed adjusted for seasonal tendencies on the pre-war base was 232 in April against 222.1 in the same month last year. The index of the physical volume of business based on production and distribution was 190.1 in March against 191.4 in March one year ago. The index of employment in eight industries on the other hand showed an increase from 153.8 to 166.0. The percentage of unemployment receded from 7.3 in March 1946 to 4.8 in the same month of this year. The percentage is obtained by dividing the number on the live unemployment register by the total number of insured persons under the Unemployment Insurance Act and multiplying by 100. The advances in wholesale prices and cost of living were appreciable during the twelve-month period. The index of wholesale prices transferred to the 1935-39 base was about 159 in April against 140.5 one year ago. The index of the cost of living rose from 120.8 to 130.6 during the same period. Common stock prices on the other hand receded 20 points to 105.1.

Money Supply

The money supply of Canada consisting of deposits subject to cheque, notes and coin in the hands of the public was \$7,503 million at the end of March, the increase over the same date of 1946 having been 5.9 per cent. The increase in the sum of the notes and coins exclusive of bank holdings was 2.4 per cent, the total in March having been \$1,090 million. The notes showed a greater percentage increase than the coin. The notes rose from \$1,002 million to \$1,026.6 million, the percentage increase being 2.5 per cent. The total deposits considered in this connection rose 6.5 per cent to \$6,412 million. Notice deposits with the chartered banks rose to a new high position at \$3,619 million, the increase over the same date of last year having been 14.2 per cent. The total of four classes of deposits with the chartered banks showed an increase of 7 per cent only.

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

CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS				
Province and Clearing House Centres	April 1 9 4 7	March 1 9 4 7	April 1 9 4 6	Per-centage of April, 1947 to April, 1946
<u>Maritime Provinces</u>	\$	\$	\$	
Halifax	63,376,061	67,322,132	59,539,151	106.4
Moncton	25,278,993	23,801,995	20,984,560	120.5
Saint John	44,257,173	39,000,029	37,307,552	118.6
Total - Maritime Provinces	132,912,227	130,124,156	117,831,263	112.8
<u>Quebec</u>				
Montreal	1,728,461,916	1,716,128,088	1,465,463,805	117.9
Quebec	160,649,864	160,457,546	129,047,276	124.5
Sherbrooke	18,089,412	16,512,368	15,842,084	114.2
Total - Quebec	1,907,201,192	1,893,098,002	1,610,353,165	118.2
<u>Ontario</u>				
Brantford	26,596,634	26,364,849	22,552,161	117.9
Chatham	15,884,930	22,205,177	12,445,327	127.6
Fort William	16,542,840	15,569,648	13,267,106	124.7
Hamilton	134,717,202	123,395,630	110,828,892	121.6
Kingston	17,310,525	15,312,785	16,599,930	104.3
Kitchener	34,931,015	34,198,707	27,703,381	126.1
London	76,154,464	78,548,548	71,671,565	106.3
Ottawa	479,435,817	253,239,661	657,203,572	73.0
Peterborough	18,058,362	16,624,003	16,648,231	108.5
St. Catharines	23,571,222	23,223,492	19,589,045	120.3
Sarnia	18,812,943	22,110,965	16,722,956	112.5
Sudbury	14,743,434	13,982,596	11,520,557	128.0
Toronto	1,631,265,829	1,598,206,085	1,648,097,706	99.0
Windsor	85,895,794	87,951,438	76,914,858	111.7
Total - Ontario	2,593,921,011	2,330,933,584	2,721,765,287	95.3
<u>Prairie Provinces</u>				
Brandon	9,150,217	7,711,378	7,767,099	117.8
Calgary	139,436,946	128,006,085	111,349,437	125.2
Edmonton	101,588,594	104,585,154	93,445,413	108.7
Lethbridge	14,363,535	11,765,008	12,240,005	117.3
Medicine Hat	7,717,350	6,868,731	6,077,789	127.0
Moose Jaw	15,277,872	15,475,259	15,921,802	96.0
Prince Albert	9,010,823	8,920,317	8,741,071	103.1
Regina	93,186,206	98,551,871	83,942,482	111.0
Saskatoon	31,500,677	27,460,414	29,709,379	106.0
Winnipeg	475,122,163	443,350,159	492,095,429	96.6
Total - Prairie Provinces	896,354,383	852,694,376	861,289,906	104.1
<u>British Columbia</u>				
New Westminster	21,379,056	22,026,664	18,225,126	117.3
Vancouver	426,305,137	434,012,751	364,191,491	117.1
Victoria	65,159,895	74,232,521	61,003,543	106.8
Total British Columbia	512,844,088	530,271,936	443,420,160	115.7
GRAND TOTAL FOR CANADA	6,043,232,901	5,737,122,054	5,754,659,781	105.0

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

Type of Accounts	CURRENT ACCOUNTS		SAVINGS ACCOUNTS	
	April, 1947	March, 1947	April, 1947	March, 1947
	\$	\$	\$	\$
Maritime Provinces	125,257,305	123,483,824	7,654,922	6,640,332
Quebec	1,814,953,732	1,797,912,113	92,247,460	95,185,889
Ontario	2,445,432,874	2,195,296,628	148,488,137	135,636,956
Prairie Provinces	847,611,522	810,468,879	48,742,861	42,225,497
British Columbia	467,622,900	484,718,567	45,221,188	45,553,369
GRAND TOTAL FOR CANADA .	5,700,878,333	5,411,880,011	342,354,568	325,242,043

TABLE 3. - CHEQUES CASHED AGAINST CURRENT AND SAVINGS ACCOUNTS \$ 000

	1946		1947		
	March	December	January	February	March
Cheques Cashd, Current ..	5,339,253	5,590,455	5,894,883	5,307,938	5,411,880
Current Deposits	2,929,659	2,991,043	2,934,916	2,904,427	2,834,521
Velocity of Current Accounts	1.82	1.87	2.01	1.83	1.91
Cheques Cashd, Savings ..	338,917	344,724	320,957	288,772	325,242
Savings Deposits	3,124,066	3,464,734	3,501,077	3,559,548	3,602,793
Velocity of Savings Accounts	0.108	0.099	0.092	0.081	0.090

TABLE 4. - RELATION OF CHEQUES CASHED TO OTHER FACTORS

Economic Indexes	1935-39=100				1947		
	March	April	Nov.	Dec.	Jan.	Feb.	March
Cheques cashed adjusted	224.6	222.1	205.2	201.0	236.3	229.4	226.9
Physical Volume of							
Business	191.4	192.8	181.3	186.7	194.2	187.9	190.1
Employment (9 Industries)	153.8	155.5	168.2	171.0	166.7	166.4	166.0
Percentage Unemployed .	7.3	5.8	3.0	4.0	4.9	5.2	4.8
Wholesale Prices	136.2	140.5	144.6	145.1	148.2	153.3	156.2
Cost of Living	120.1	120.8	127.1	127.1	127.0	127.8	128.9
Common Stocks	119.2	125.1	102.5	106.4	106.2	109.4	106.4

TABLE 5. - MONEY SUPPLY - MILLIONS OF DOLLARS

Bank Notes in Circulation -

Bank of Canada	1,102.2	1,114.4	1,161.1	1,186.2	1,138.6	1,137.9	1,153.2
Chartered Banks	24.5	24.1	21.7	21.4	21.1	20.9	20.7
Notes in Hands of public ...	1,002.0	984.0	1,042.4	1,030.8	1,016.7	1,029.6	1,026.6
Subsidiary coin in hands of public	62.8	62.0	65.1	64.7	63.0	63.4	63.8
Total Circulating Media in hands of public (M)	1,064.7	1,046.0	1,107.5	1,095.5	1,079.7	1,093.0	1,090.4

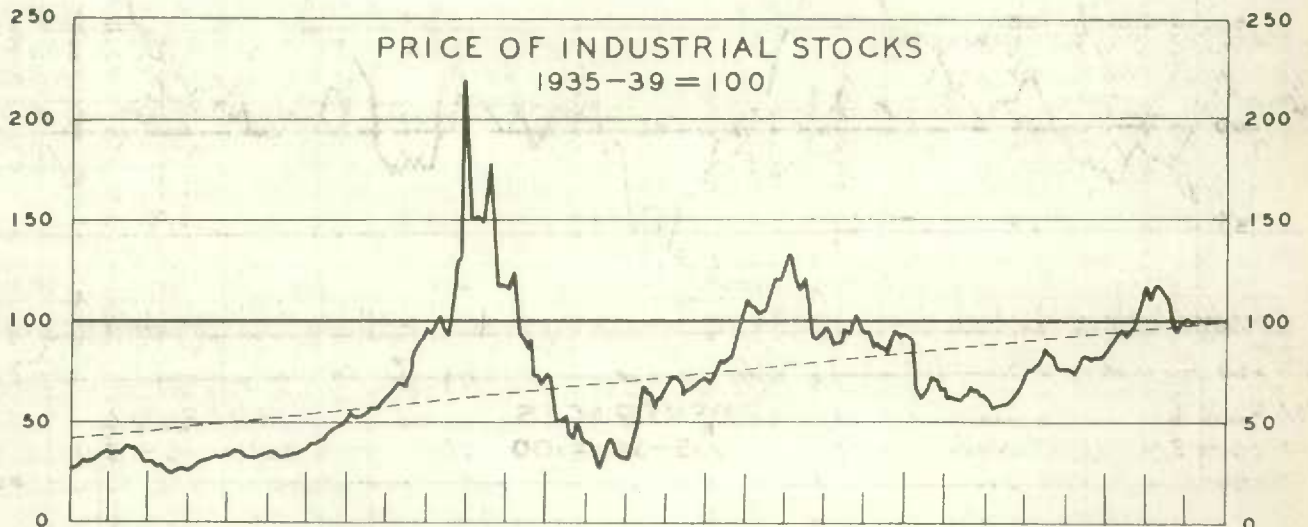
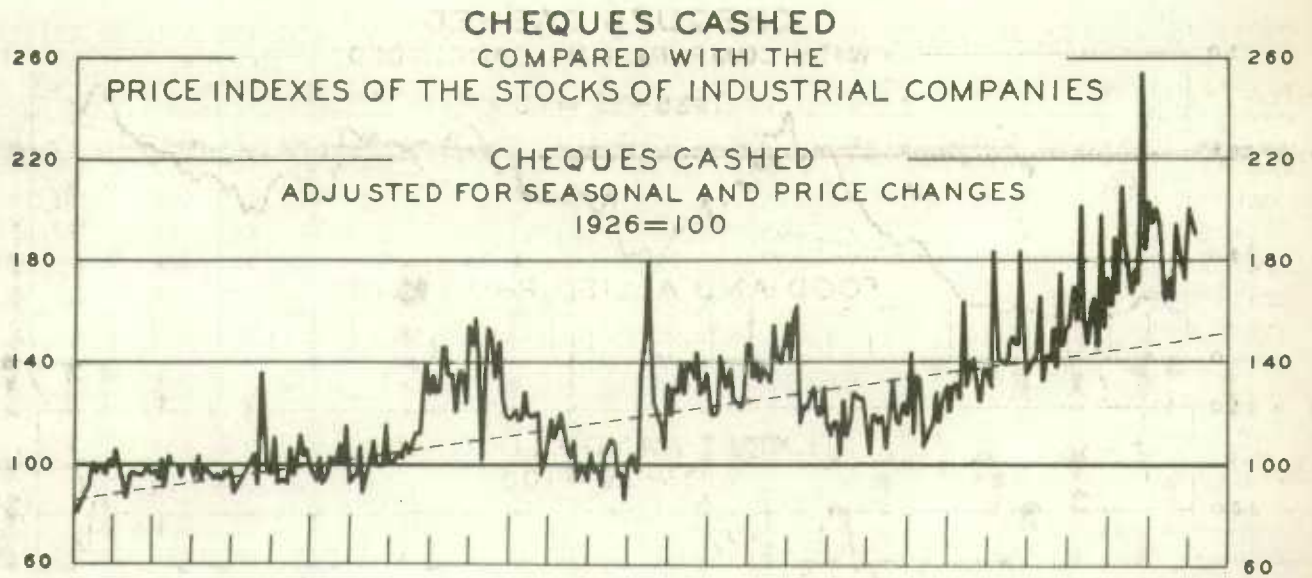
Deposits

Deposits with Chartered Banks

Dominion Government	517.6	359.6	600.2	365.9	452.0	299.3	435.6
Provincial Government	108.1	122.3	119.8	126.0	161.3	140.2	137.3
Demand	1,985.3	2,178.5	2,181.8	2,290.8	2,086.6	2,145.4	1,995.7
Notice	2,170.2	3,237.5	3,460.1	3,469.3	3,532.8	3,586.3	3,619.3
Total	5,781.2	5,897.9	6,362.0	6,252.0	6,232.7	6,171.3	6,188.0

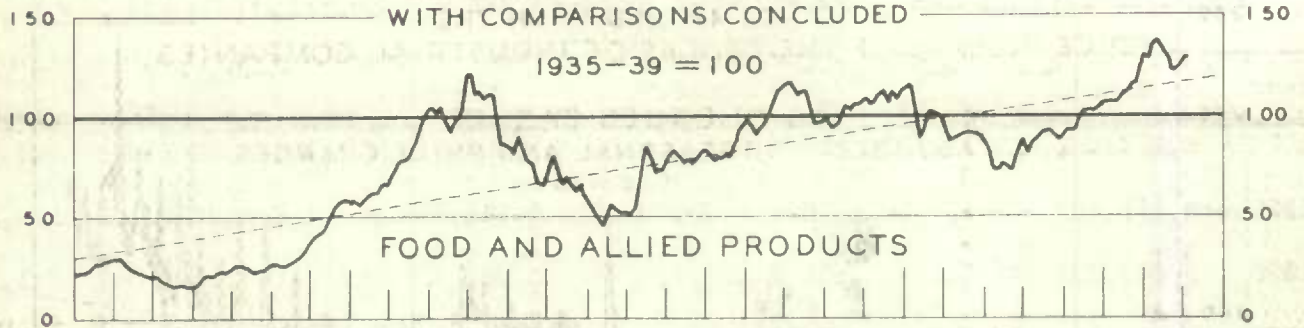
Deposits with Bank of Canada -

Dominion Government	149.2	183.3	63.9	60.5	150.1	215.7	159.8
Other	89.1	62.7	79.4	93.3	82.9	75.3	64.6
Total	238.3	246.0	143.3	153.8	233.0	291.0	224.4
Total Deposits (M1)	6,019.5	6,143.9	6,505.3	6,406.3	6,465.9	6,462.2	6,412.4
Money Supply (M + M1)	7,084.2	7,189.8	7,612.8	7,501.8	7,545.4	7,555.3	7,502.7



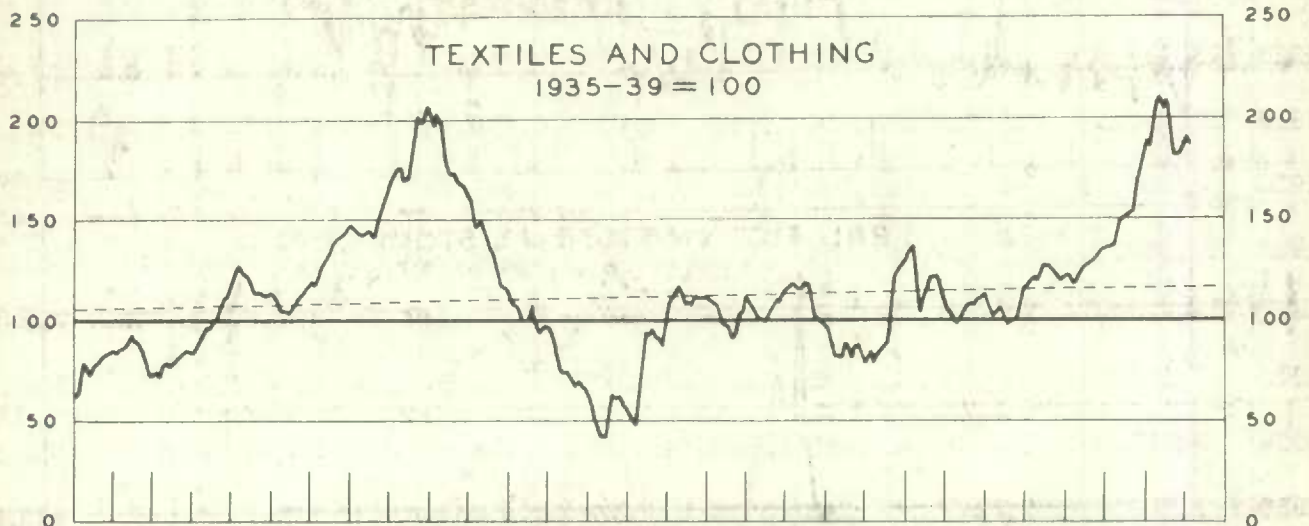
CHEQUES CASHED

WITH COMPARISONS CONCLUDED



TEXTILES AND CLOTHING

1935-39 = 100



BEVERAGES

1935-39 = 100

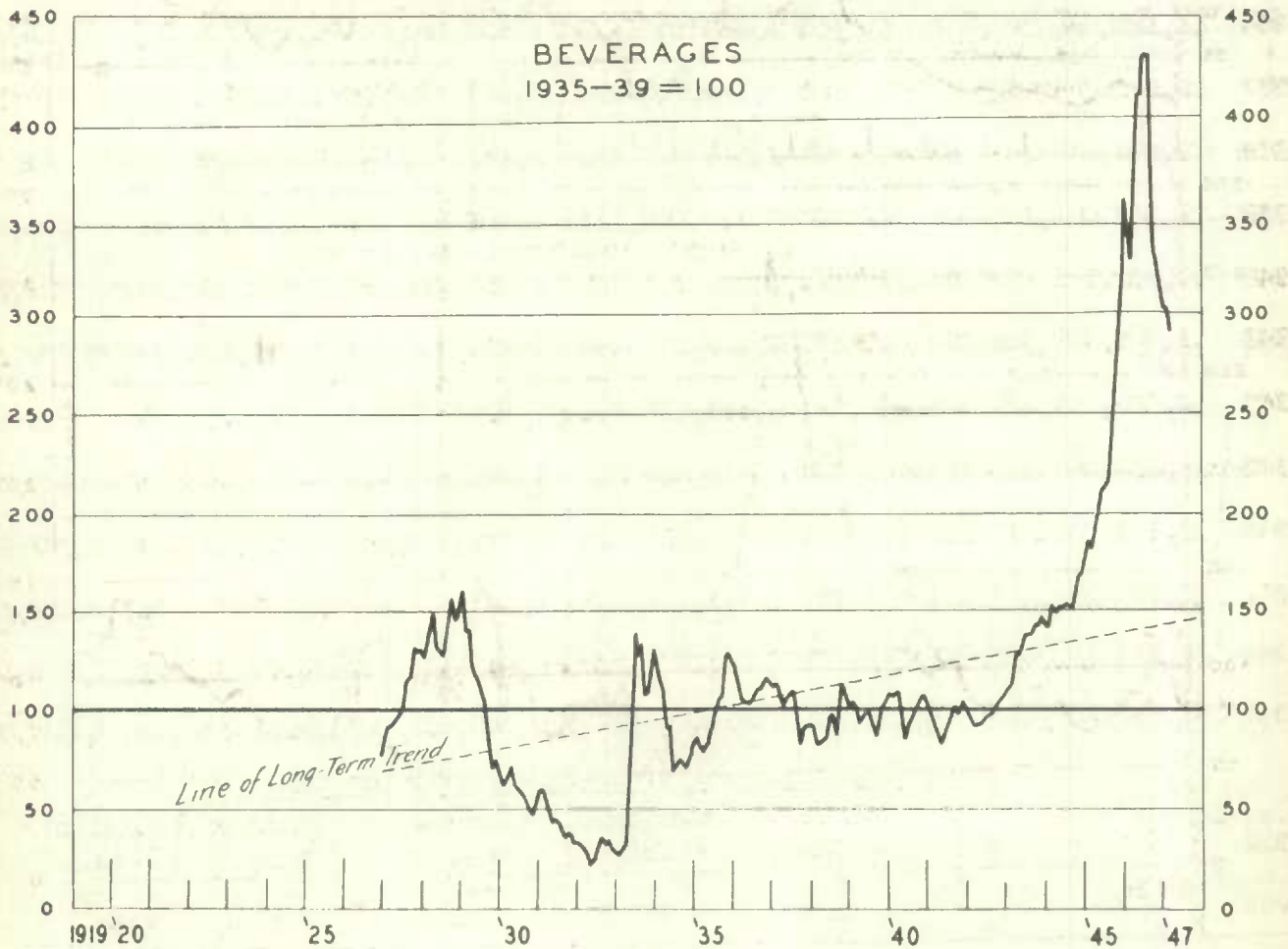


TABLE 6 - CHEQUES CASHED IN CLEARING CENTRES, FIRST FOUR MONTHS - 1924 - 1947
DOLLARS

Year	Canada	Maritime Provinces	Quebec	Ontario	Prairie Provinces	British Columbia
1924	8,174,097,118	198,754,814	2,551,002,305	3,390,763,425	1,478,665,486	554,911,088
1925	8,379,240,232	173,901,710	2,572,072,272	3,331,098,950	1,733,764,742	568,402,558
1926	9,441,224,145	202,135,536	3,027,222,740	3,847,336,037	1,722,662,388	641,867,444
1927	10,152,246,224	188,797,622	3,393,567,340	4,309,857,140	1,642,594,212	617,429,910
1928	13,014,578,801	229,889,695	4,557,962,635	5,329,605,952	2,069,624,166	827,496,353
1929	15,128,086,222	256,132,458	5,368,501,038	6,193,617,334	2,267,512,896	1,042,322,496
1930	12,200,560,088	223,181,591	4,256,831,756	4,997,667,123	1,918,284,874	804,594,744
1931	10,560,002,823	212,143,054	3,674,668,448	4,558,588,935	1,493,582,257	621,020,129
1932	8,159,024,078	171,754,266	2,476,432,966	3,570,941,522	1,420,325,308	519,570,016
1933	7,563,229,370	139,608,228	2,223,510,177	3,321,595,894	1,447,610,134	430,904,937
1934	9,711,622,591	158,726,231	2,951,545,715	4,691,607,926	1,374,209,584	535,533,135
1935	9,373,616,114	162,692,348	2,715,199,328	4,456,592,453	1,515,146,745	523,985,240
1936	11,132,084,560	188,402,809	3,444,511,116	4,856,256,126	1,972,925,662	669,988,847
1937	12,525,326,097	254,317,623	4,156,255,630	5,867,089,184	1,523,702,649	723,961,011
1938	9,392,623,243	197,633,801	2,988,206,424	4,431,740,747	1,183,007,866	592,034,405
1939	9,463,014,943	190,634,750	3,128,034,115	4,313,272,410	1,179,324,560	651,749,108
1940	10,980,510,379	266,332,874	3,348,287,111	4,832,543,683	1,831,988,041	701,356,670
1941	11,303,597,922	278,029,525	3,123,071,444	5,428,286,101	1,764,220,760	709,990,092
1942	14,033,701,432	345,972,787	3,899,120,701	6,910,712,067	2,001,710,428	876,185,449
1943	15,694,067,229	355,248,640	4,600,898,857	7,425,585,732	2,366,588,296	945,745,704
1944	18,055,044,182	386,653,024	5,036,037,124	8,029,104,833	3,425,412,803	1,177,836,398
1945	19,687,568,002	438,814,272	5,718,120,051	9,148,325,559	3,155,701,502	1,226,606,618
1946	22,759,405,629	471,042,570	6,511,373,525	10,781,174,795	3,262,770,599	1,733,044,140
1947	23,592,905,433	516,196,105	7,610,509,677	10,060,632,006	3,367,499,418	2,038,068,227

Percentage increase of 1947 over 1929 and 1938

P.c. to	Canada	Maritimes	Quebec	Ontario	Prairies	B.C.
1929	+ 56.0	+ 101.5	+ 41.8	+ 62.5	+ 48.5	+ 95.5
P.c. to						
1938	+ 151.2	+ 161.2	+154.7	+127.0	+184.7	+244.2

TABLE 7. - BANK DEBITS TO INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES OF CANADA DURING THE FIRST FOUR MONTHS OF 1947 COMPARED WITH THE SAME PERIOD OF 1946

Province and Clearing House Centres	First Four Months 1947	First Four Months 1946	Increase (+) Decrease (-)	Percentage of 1947-1946
	\$	\$	\$	
Maritime Provinces -				
Halifax	260,699,217	244,086,931	+ 16,612,286	106.8
Moncton	93,689,281	82,784,257	+ 10,905,024	113.2
Saint John	161,807,607	144,171,382	+ 17,636,225	112.2
Total, Maritime Provinces	516,196,105	471,042,570	+ 45,153,535	109.6
Quebec -				
Montreal	6,958,125,835	5,929,009,681	+1,029,116,154	117.4
Quebec	587,347,732	525,229,637	+ 62,118,095	111.8
Sherbrooke	65,036,110	57,134,207	+ 7,901,903	113.8
Total - Quebec	7,610,509,677	6,511,373,525	+1,099,136,152	116.9
Ontario -				
Brantford	97,929,750	83,718,186	+ 14,211,564	117.0
Chatham	78,047,835	57,799,617	+ 20,248,218	135.0
Fort William	61,601,556	53,515,451	+ 8,086,105	115.1
Hamilton	506,447,496	456,990,492	+ 49,457,004	110.8
Kingston	64,856,190	64,873,616	- 17,426	100.0
Kitchener	137,326,381	118,567,210	+ 18,759,171	115.8
London	306,123,176	279,270,754	+ 26,852,422	109.6
Ottawa	1,365,541,794	2,037,875,349	- 672,333,555	67.0
Peterborough	67,716,863	58,622,853	+ 9,094,010	115.5
St. Catharines	92,943,390	74,012,672	+18,930,718	125.6
Sarnia	81,536,317	70,899,654	+ 10,636,663	115.0
Sudbury	54,626,743	43,957,063	+ 10,669,680	124.3
Toronto	6,818,364,878	7,097,253,853	- 278,888,975	96.1
Windsor	327,569,637	283,818,025	+ 43,751,612	115.4
Total - Ontario	10,060,632,006	10,781,174,795	- 720,542,789	93.3
Prairie Provinces -				
Brandon	30,178,004	29,012,328	+ 1,165,676	104.0
Calgary	520,256,098	467,999,637	+ 52,256,461	111.2
Edmonton	393,278,911	413,511,344	- 20,232,433	95.1
Lethbridge	51,402,605	44,380,675	+ 7,021,930	115.8
Medicine Hat	26,204,265	21,814,553	+ 4,389,712	120.1
Moose Jaw	57,284,809	57,415,921	- 131,112	99.8
Prince Albert	34,602,067	31,862,741	+ 2,739,326	108.6
Regina	311,545,895	274,288,602	+ 37,257,293	113.6
Saskatoon	109,541,770	105,433,675	+ 4,108,095	103.9
Winnipeg	1,833,204,994	1,817,051,123	+ 16,153,871	100.9
Total - Prairie Provinces	3,367,499,418	3,262,770,599	+104,728,819	103.2
British Columbia -				
New Westminster	79,866,993	69,524,525	+ 10,342,468	114.9
Vancouver	1,660,143,365	1,440,317,395	+ 219,825,970	115.3
Victoria	298,057,869	223,202,220	+ 74,855,649	133.5
Total, British Columbia	2,038,068,227	1,733,044,140	+ 305,024,087	117.6
GRAND TOTAL FOR CANADA .	23,592,905,433	22,759,405,629	+ 833,499,804	103.7



1010526873

c.2

Province or Territory	Household
Atlantic	
New Brunswick	
Nova Scotia	
Prince Edward Island	
Quebec	
Total, Atlantic	
Central	
Manitoba	
Ontario	
Total, Central	
West	
Alberta	
British Columbia	
Total, West	
Northwest Territories	
Yukon	
Total, Northwest Territories and Yukon	
Grand Total	