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

Wm. D. Langford
Asst. Deputy Governor
W. D. Langford

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

OCT 2 1947

CHEQUES CASHED
AND
MONEY SUPPLY
AUGUST, 1947



OTTAWA
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Published by Authority of the Queen's Printer
Ottawa, Canada

King's Printer

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DOMINION BUREAU OF STATISTICS - OTTAWA

Price:
50 cents a year

3-4020
August, 1947
Vol. 24, No. 8

Dominion Statistician:
Chief, Business Statistics Branch:

Herbert Marshall
Sydney B. Smith

CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS, AUGUST, 1947

Financial transactions in the form of cheques cashed were 7.6 per cent greater in August than in the same month of last year. Twenty-eight of the thirty-three clearing centres showed advances and the totals for each of the five economic areas rose to higher positions. The advance in the amount of cheques cashed reflected the expansion in productive operations and the increase in commodity prices. Employment and industrial production rose considerably over the levels of last year. The percentage of unemployed receded from 2.9 in August last year to about two in the current period. The advance in wholesale prices was nearly 18 per cent, while the cost of living rose 8.8 per cent. The level of common stock prices was nearly 10 per cent lower than in August last year.

Maritimes - The cheques cashed in the three centres of the Maritime Provinces was slightly greater than in the same month of last year. Advances were shown in Moncton and Saint John, while minor recession was recorded in Halifax.

Quebec - The increase in Quebec was 1.4 per cent despite the minor recession in Montreal. The increase in Quebec was 32.7 per cent, while a slight advance was shown in Sherbrooke. The transactions of this class in Montreal were \$1,362 million compared with \$1,383 million one year ago.

Ontario - Eleven of the fourteen centres in Ontario recorded advances over August of last year. The increase in Ottawa was 5.3 per cent, while Toronto showed a decline of 0.4 per cent. The totals for Sarnia and Windsor were at a somewhat lower position. The greatest percentage increase in the economic area was shown in Kitchener, the comparison having been \$33.2 million against \$24.4 million. In percentage increase, Chatham occupied second position, the total advancing from \$13.2 million to nearly \$18 million. The grand total for Ontario was 2.7 per cent greater than in August of last year.

Prairie Provinces - Each of the centres in the Prairie Provinces recorded gains, the advance in the aggregate having been more than 18 per cent. The total for Winnipeg was 22.6 per cent greater at \$511.8 million. The greatest relative increase of 30.4 per cent was recorded in Regina where the cheques cashed were \$92.9 million.

British Columbia - Each of the three centres in British Columbia showed advances of from 30 to 40 per cent. The advance in Vancouver was outstanding, the amount moving up from \$321 million to \$442 million, a gain of 37.8 per cent.

Comparison with the First Eight Months of 1946 - Cheques cashed in Canada during the first eight months were \$47,770 million, a gain of 6.4 per cent or \$2,872 million. Increases were shown in four of the five economic areas, the exception having been Ontario. Each of the clearing centres except Ottawa and Toronto recorded advances over the same period of last year.

Maritimes - The increase in cheques cashed in the Maritimes was 6.9 per cent. The total was \$1,131 million, a gain of \$73 million over the first eight months of last year. Moncton showed the greatest percentage increase in this comparison.

Quebec - Percentage increases during the first eight months of 1947 were fairly uniform in the three clearing centres of the Province of Quebec. The increase for the aggregate was 12.2 per cent and a similar percentage advance was shown in Montreal. The gains in Quebec and Sherbrooke were of slightly greater proportions.

Ontario - Owing to the decline in the cheques cashed in Ottawa and Toronto, the aggregate for the Province was 2.4 per cent lower in this comparison. The greatest percentage increase was shown in Chatham where the total moved up from \$115 million to \$153 million. In Sudbury the advance was nearly 25 per cent, the total in the elapsed portion of the present year having been \$120 million against \$95.8 million. The recession in Toronto was limited to about 3 per cent. The aggregate for the Province was \$19,675 million compared with \$20,151 million.

Prairie Provinces - Each of the ten centres in the Prairie Provinces showed increases over the first eight months of 1946. The aggregate at \$7,552 million was 12.7 per cent greater than in the same period of 1946. The greatest percentage increase was shown in Medicine Hat, where the total was 26 per cent higher. A gain of 21.8 per cent was shown in Regina. The greatest absolute increase was recorded in Winnipeg where a gain of 11.5 per cent was shown.

British Columbia - A marked gain was shown in Vancouver, the principal centre of British Columbia. The total was \$3,432 million, an increase of nearly 24 per cent. Cheques cashed in the province rose 22.3 per cent, the total in the first eight months having been \$4,239 million.

Long-Term Comparisons - Cheques cashed in Canada during the first eight months were greater than in the same period of any other year. Each of the five economic areas except Ontario also showed record levels in financial transactions of this class. The Canadian total was 56.6 per cent above 1929 and 145.9 per cent greater than in 1938. The largest percentage increase over 1938 was shown in British Columbia where the total was three and one-half times as great. The percentage gain in the Maritimes and in British Columbia over 1929 at 113.3 per cent was relatively greater than in the other economic areas.

Turnover in Current and Savings Accounts - The turnover of current accounts was 2.15 in July compared with 2.01 in the same month of last year. The cheques cashed against current accounts increased from \$5,204 million in July to \$5,745 million. The average of current deposits during the month was \$2,668 million this year against

\$2,586 million. As the advance in the cheques cashed was relatively greater than in the current deposits, an increase was shown in the turnover.

Savings deposits during July were about \$1 billion greater than the current deposits. The cheques cashed against savings accounts were at a much lower level than the transactions against current deposits. The turnover of savings accounts was 0.103 in July against 0.101 during the same month of 1946.

Money Supply - Further increase was shown in the money supply at the end of July, the latest date for which statistics are available. The total was computed at \$7,430 million compared with \$7,097 million last year. The increase in the deposits for the same comparison was 5.2 per cent, the total having risen from \$6,046 million to \$6,358 million. The increase in the notice deposits was 8.2 per cent, while demand deposits were 3.2 per cent less. The net result for the two classes of deposits was an increase of 4.8 per cent.

Deposits of the Dominion Government with the chartered banks showed a considerable increase, while Provincial Government balances were at a lower position. The increase in the two classes of deposits with the Bank of Canada recorded an advance of 17.9 per cent. Bank notes in the hands of the public amounted to \$1,008 million compared with \$989 million in July last year. The total circulating media including notes and coin were moderately greater, an increase of 2 per cent having been shown.

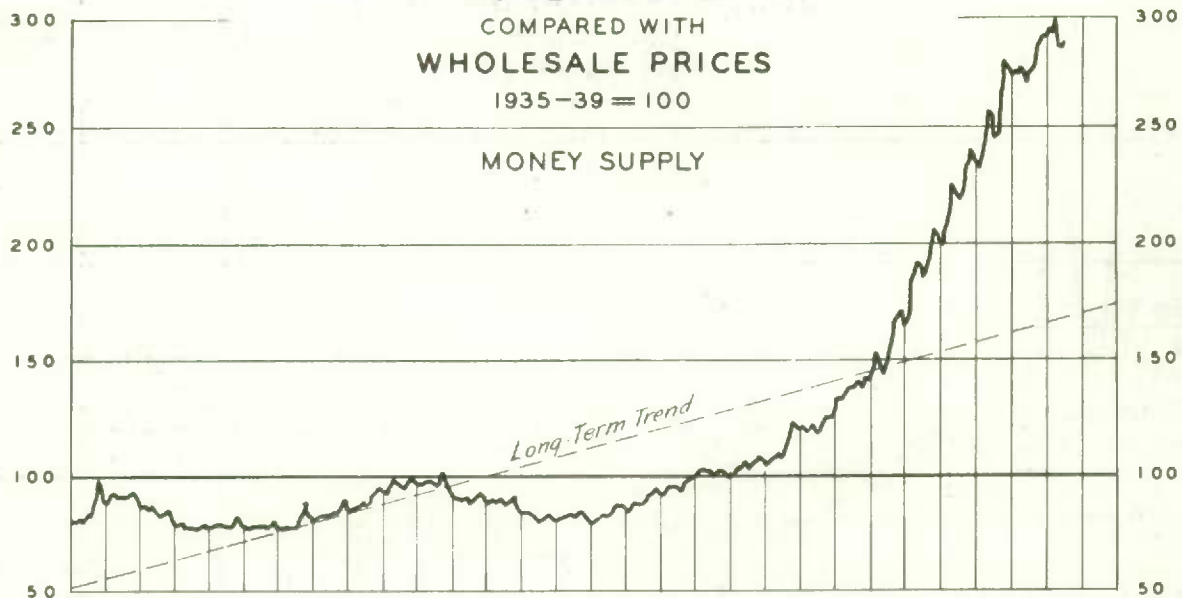
TABLE 1. CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES IN CANADA, AUGUST, 1947 WITH COMPARATIVE FIGURES FOR JULY, 1947 AND AUGUST, 1946.

CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS				
Province and Clearing House Centres	August 1 9 4 7 \$	July 1 9 4 7 \$	August 1 9 4 6 \$	Percentage of August 1947 to August 1946
<u>Maritime Provinces</u>				
Halifax	65,700,806	83,358,798	67,600,436	97.2
Moncton	24,613,761	26,478,278	24,042,248	102.4
Saint John	38,607,365	42,039,787	36,764,767	105.0
Total - Maritime Provinces	128,921,932	151,876,863	128,407,451	100.4
<u>Quebec</u>				
Montreal	1,362,418,176	1,786,439,368	1,382,552,124	98.5
Quebec	165,260,353	163,627,470	124,539,432	132.7
Sherbrooke	18,955,979	20,431,315	18,270,853	103.7
Total - Quebec	1,546,634,508	1,970,498,153	1,525,362,459	101.4
<u>Ontario</u>				
Brantford	24,677,691	28,951,368	23,185,086	106.4
Chatham	17,972,024	18,715,193	13,249,096	135.6
Fort William	16,762,335	17,655,381	16,539,307	101.3
Hamilton	129,935,682	150,123,579	111,438,072	116.6
Kingston	16,419,653	17,876,909	15,375,041	106.8
Kitchener	33,240,836	35,334,787	24,414,881	136.1
London	82,394,226	87,793,249	71,784,505	114.8
Ottawa	252,772,304	254,893,402	240,098,808	105.3
Peterborough	19,410,846	21,771,564	15,492,359	125.3
St. Catharines	22,933,403	25,889,110	20,951,042	109.5
Sarnia	19,304,962	23,936,015	23,246,387	83.0
Sudbury	16,425,485	16,870,277	12,936,516	127.0
Toronto	1,332,437,184	1,574,572,718	1,337,707,669	99.6
Windsor	90,029,519	101,504,580	93,703,024	96.1
Total - Ontario	2,074,716,150	2,375,883,132	2,020,121,793	102.7
<u>Prairie Provinces</u>				
Brandon	9,337,708	8,808,033	7,954,499	117.4
Calgary	140,046,317	159,977,971	125,276,978	111.8
Edmonton	111,258,451	117,820,869	107,284,493	103.7
Lethbridge	14,691,970	13,794,503	13,530,498	108.6
Medicine Hat	6,986,215	8,866,580	6,029,285	115.9
Moose Jaw	17,221,873	19,319,275	14,231,684	121.0
Prince Albert	9,272,520	8,649,645	8,437,115	109.9
Regina	92,869,390	99,455,110	71,223,991	130.4
Saskatoon	33,642,434	32,347,947	30,175,967	111.5
Winnipeg	511,825,459	591,634,737	417,515,528	122.6
Total - Prairie Provinces	947,152,337	1,060,674,670	801,660,038	118.1
<u>British Columbia</u>				
New Westminster	24,513,902	23,690,628	18,706,870	131.0
Vancouver	442,298,906	468,697,638	321,063,512	137.8
Victoria	72,088,520	72,571,469	51,217,463	140.7
Total - British Columbia	538,901,328	564,959,735	390,987,845	137.8
GRAND TOTAL FOR CANADA ..	5,236,326,255	6,123,897,553	4,866,539,586	107.6

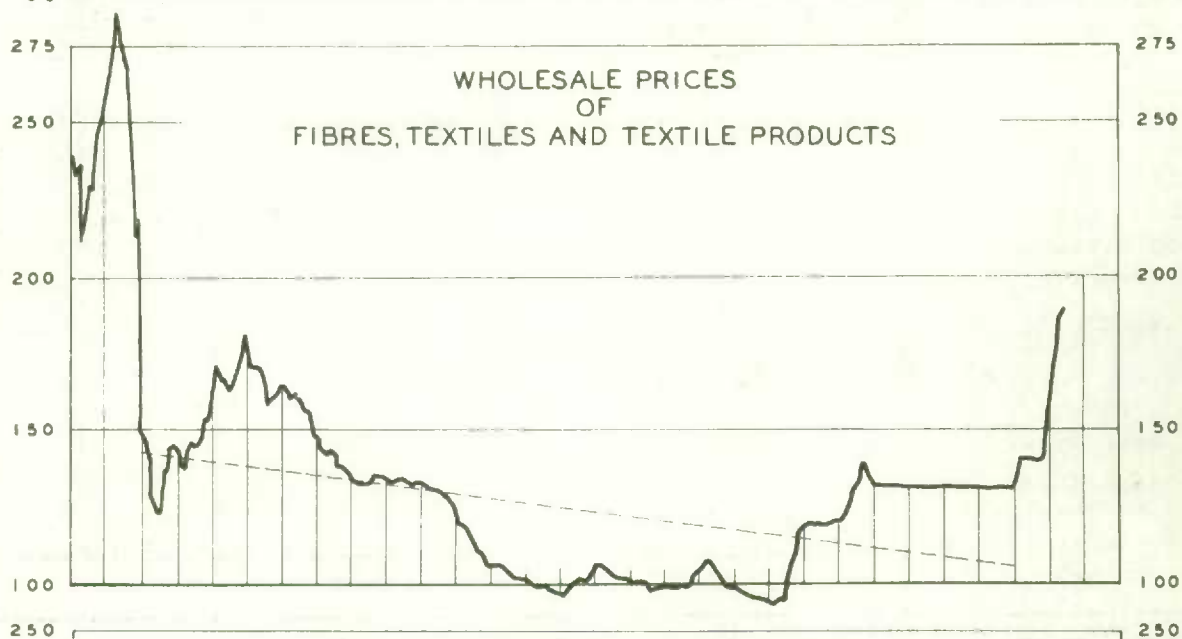
Table 2. - CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES IN CANADA DURING THE FIRST EIGHT MONTHS OF 1947 COMPARED WITH THE SAME PERIOD OF 1946

	First Eight Months 1 9 4 7	First Eight Months 1 9 4 6	Increase (+) Decrease (-)	Percent- age of 1947-1946
	\$	\$	\$	
<u>Maritime Provinces -</u>				
Halifax	603,167,347	531,844,101	+ 21,323,246	103.7
Moncton	197,161,829	176,185,784	+ 20,976,045	111.9
Saint John	330,346,108	299,612,652	+ 30,733,456	110.3
Total - Maritime Provinces	1,130,675,284	1,057,642,537	+ 73,032,747	106.9
<u>Quebec -</u>				
Montreal	13,771,738,364	12,277,734,422	+1,494,003,942	112.2
Quebec	1,256,918,847	1,115,197,949	+ 141,720,898	112.7
Sherbrooke	145,128,575	127,029,295	+ 18,099,280	114.2
Total - Quebec	15,173,785,786	13,519,961,666	+1,653,824,120	112.2
<u>Ontario -</u>				
Brantford	209,720,424	176,186,434	+ 33,533,990	119.0
Chatham	152,620,459	115,304,178	+ 37,316,281	132.4
Fort William	128,638,442	115,322,047	+ 13,366,395	111.6
Hamilton	1,113,458,014	928,100,978	+ 185,357,036	120.0
Kingston	136,999,659	129,144,070	+ 7,855,589	106.1
Kitchener	277,829,519	238,143,235	+ 39,686,284	116.7
London	651,842,711	580,422,429	+ 71,420,282	112.3
Ottawa	2,634,777,884	3,293,236,961	- 658,459,077	80.0
Peterborough	149,455,656	125,217,123	+ 24,238,533	119.4
St. Catharines	194,095,653	159,456,412	+ 34,639,241	121.7
Sarnia	170,153,465	154,534,078	+ 15,619,387	110.1
Sudbury	119,609,303	95,762,270	+ 23,847,033	124.9
Toronto	13,023,281,750	13,418,404,158	- 395,122,408	97.1
Windsor	712,070,438	621,954,096	+ 90,116,342	114.5
Total - Ontario	19,674,603,377	20,151,188,469	- 476,585,092	97.6
<u>Prairie Provinces -</u>				
Brandon	68,236,945	66,513,533	+ 1,723,412	102.6
Calgary	1,142,546,121	985,058,457	+ 157,487,664	116.0
Edmonton	859,391,524	793,133,756	+ 66,257,768	108.4
Lethbridge	108,547,799	92,332,071	+ 16,215,728	117.6
Medicine Hat	57,962,098	46,015,712	+ 11,946,386	126.0
Moose Jaw	130,521,568	116,449,941	+ 14,071,627	112.1
Prince Albert	70,028,921	66,592,930	+ 3,435,991	105.2
Regina	693,830,012	569,484,896	+ 124,345,116	121.8
Saskatoon	243,724,397	220,733,998	+ 22,990,399	110.4
Winnipeg	4,177,242,581	3,746,677,671	+ 430,564,910	111.5
Total - Prairie Provinces	7,552,031,966	6,702,992,965	+ 849,039,001	112.7
<u>British Columbia -</u>				
New Westminster	174,935,616	146,957,533	+ 27,978,083	119.0
Vancouver	3,481,943,041	2,811,093,447	+ 670,849,594	123.9
Victoria	581,664,930	508,033,760	+ 73,631,170	114.5
Total - British Columbia	4,238,543,587	3,466,084,740	+ 772,458,847	122.3
GRAND TOTAL FOR CANADA ..	47,769,640,000	44,897,870,377	+ 2,871,769,623	106.4

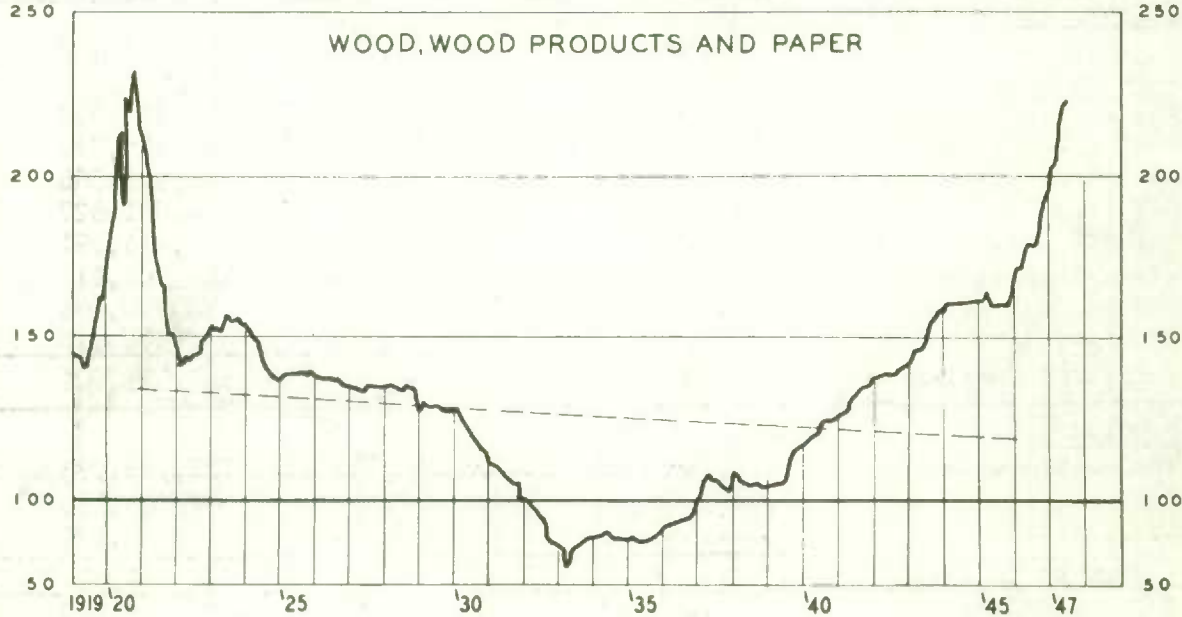
**MONEY SUPPLY
COMPARED WITH
WHOLESALE PRICES**
1935-39 = 100



**WHOLESALE PRICES
OF
FIBRES, TEXTILES AND TEXTILE PRODUCTS**



WOOD, WOOD PRODUCTS AND PAPER



MONEY SUPPLY AND PRICES

(CONCLUDED)

1935-39 = 100

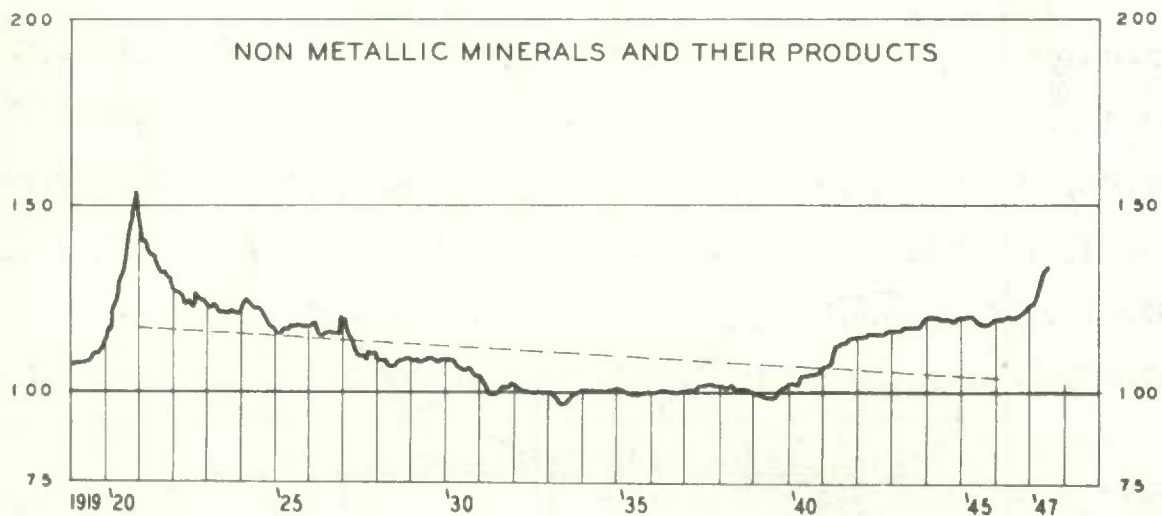
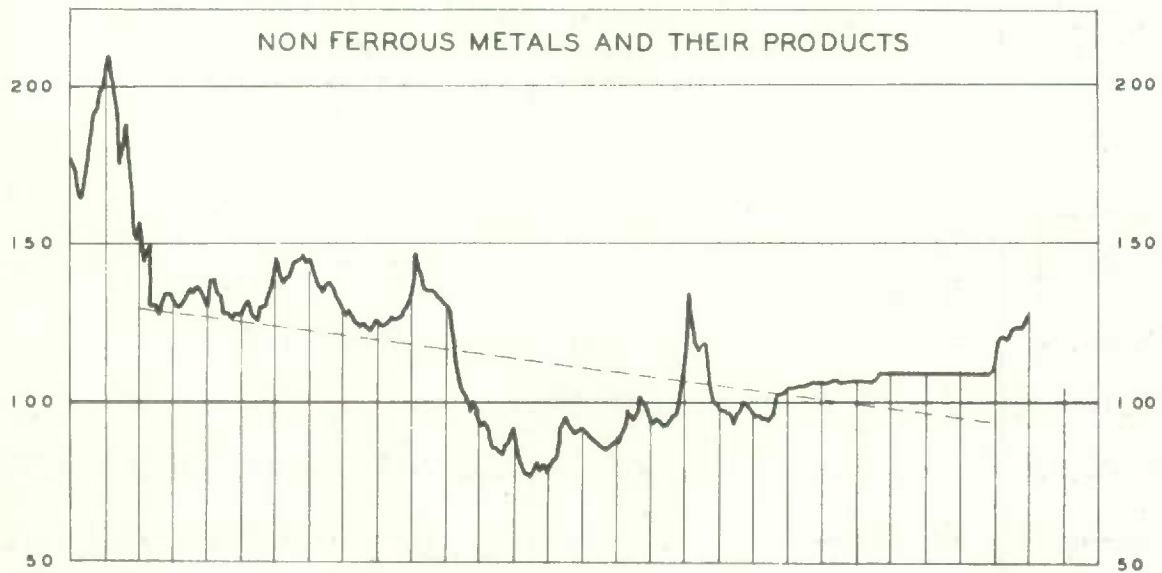
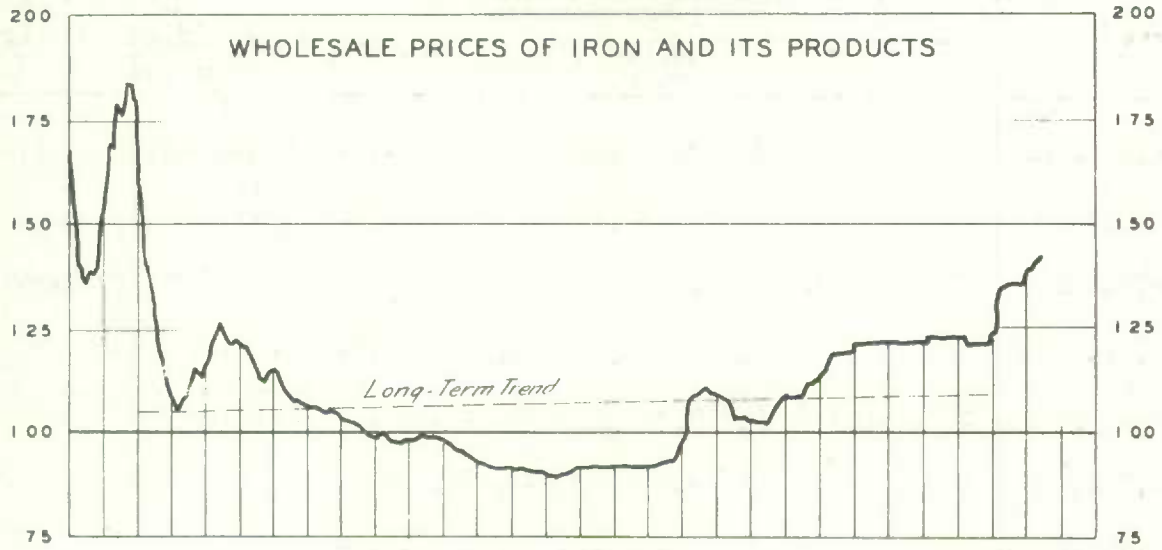


TABLE 3. - CHEQUES CASHED IN CLEARING CENTRES, FIRST EIGHT MONTHS - 1925 - 1947.

DOLLARS						
Year	Canada	Maritime Provinces	Quebec	Ontario	Prairie Provinces	British Columbia
1925	17,150,773,314	366,734,937	5,303,458,129	6,872,565,612	3,414,414,535	1,193,605,101
1926	19,411,257,391	411,032,710	6,252,534,573	7,864,166,088	3,605,840,690	1,277,683,330
1927	21,312,936,164	397,548,081	7,310,523,954	8,763,382,537	3,540,182,667	1,301,298,925
1928	27,850,691,782	490,992,477	9,881,968,551	11,060,845,856	4,784,403,567	1,632,481,331
1929	30,506,538,895	530,143,791	10,699,163,978	12,415,540,217	4,874,467,782	1,987,218,127
1930	24,920,761,209	466,589,112	8,822,000,036	10,017,924,504	4,015,449,680	1,598,797,877
1931	21,069,109,733	427,080,751	7,201,164,115	9,048,218,899	3,169,453,309	1,223,192,659
1932	16,823,258,805	352,529,557	5,134,893,048	7,352,236,228	2,969,970,593	1,018,629,379
1933	19,371,609,314	309,086,679	5,484,100,876	8,316,983,354	4,277,514,638	983,923,767
1934	20,743,567,650	348,238,641	6,052,930,513	9,357,588,723	3,908,401,386	1,076,408,387
1935	20,258,840,122	362,816,786	5,796,513,211	9,190,900,494	3,825,951,761	1,002,657,870
1936	22,759,663,011	403,016,220	6,902,040,652	9,901,671,879	4,199,395,716	1,353,538,544
1937	23,519,603,158	489,291,380	7,727,190,129	10,791,220,157	3,095,290,874	1,416,610,618
1938	19,422,568,100	415,420,325	6,344,430,447	9,010,206,990	2,440,863,872	1,211,646,466
1939	19,899,572,786	418,169,420	6,539,424,700	8,859,058,746	2,763,328,437	1,319,591,483
1940	22,081,944,225	535,510,665	6,564,656,030	9,685,472,728	3,896,784,938	1,399,519,864
1941	25,201,596,880	602,935,599	7,055,974,342	11,733,034,051	4,217,142,446	1,592,510,442
1942	28,775,584,895	692,056,916	8,036,876,986	14,086,477,921	4,132,319,518	1,827,853,554
1943	33,893,599,333	796,682,412	9,835,877,639	15,718,217,789	5,452,555,446	2,090,266,047
1944	39,192,266,185	838,032,964	11,212,504,319	17,280,347,364	7,370,806,762	2,490,574,776
1945	42,812,901,145	950,350,587	12,195,167,562	19,669,617,290	7,296,903,298	2,700,862,408
1946	44,897,870,377	1,057,642,537	13,519,961,666	20,151,188,469	6,702,992,965	3,466,084,740
1947	47,769,640,000	1,130,675,284	15,173,785,786	19,674,603,377	7,552,031,966	4,238,543,587
Percentage increase of 1947 over 1929 and 1938						
P.c. to 1929 + 56.6		+113.3	+ 41.8	+ 58.5	+ 54.9	+113.3
P.c. to 1938 +145.9		+172.2	+139.2	+118.4	+209.4	+249.8

TABLE 4. - CHEQUES CASHED IN ECONOMIC AREAS-SHOWING TYPE OF ACCOUNT

Type of Accounts	CURRENT ACCOUNTS		SAVINGS ACCOUNTS	
	August, 1947	July, 1947	August, 1947	July, 1947
Maritime Provinces	121,904,557	143,993,224	7,017,375	7,883,639
Quebec	1,461,268,494	1,870,898,997	85,366,014	99,599,156
Ontario	1,954,601,437	2,231,755,826	120,114,713	144,132,306
Prairie Provinces	896,120,479	1,013,412,402	51,031,858	47,262,268
British Columbia	492,428,685	435,076,118	46,472,643	79,883,617
GRAND TOTAL FOR CANADA ..	4,926,323,652	5,745,136,567	310,002,603	378,760,986

TABLE 5. - CHEQUES CASHED AGAINST CURRENT AND SAVINGS ACCOUNTS \$ 000

	1946		1947			
	July	August	April	May	June	July
Cheques Cashed, Current	5,203,838	4,566,334	5,700,878	6,442,146	5,610,916	5,745,137
Current Deposits - Average .	2,585,662	2,605,143	2,888,442	2,802,471	2,644,490	2,663,264
Velocity of Current Accounts	2.01	1.75	1.97	2.30	2.12	2.15
Cheques cashed, Savings	343,024	300,206	342,355	399,005	364,443	378,761
Savings Deposits - Average .	3,387,165	3,438,294	3,628,301	3,659,831	3,663,069	3,666,613
Velocity Savings Accounts ..	0.101	0.087	0.094	0.109	0.101	0.103

TABLE 6. - RELATION OF CHEQUES CASHED TO OTHER FACTORS
1935-39=100

Economic Indexes	1946		1947			
	July	August	April	May	June	July
Cheques cashed adjusted	199.1	190.2	232.4	230.8	202.6	219.9
Employment (8 Industries)	159.8	159.1	166.4	165.5	169.9	174.1
Percentage Unemployed	3.2	2.9	3.9	2.8	2.2	2.0
Wholesale Prices	142.4	141.8	159.5	162.6	165.8	167.5
Cost of Living	125.1	125.6	130.6	133.1	134.9	135.9
Common Stocks	119.1	116.9	104.8	104.4	105.3	107.4

TABLE 7. - MONEY SUPPLY - MILLIONS OF DOLLARS

	1946		1947			
	July	August	April	May	June	July
Money Supply (M+M1)	7,097.3	7,120.6	7,694.1	7,394.0	7,397.0	7,430.2
Bank Notes in Circulation -						
Bank of Canada	1,117.9	1,127.4	1,153.9	1,148.1	1,152.6	1,153.7
Chartered Banks	22.9	22.5	20.5	20.2	19.9	19.5
Notes in hands of public	983.6	1,015.9	1,009.6	1,026.0	1,020.7	1,008.2
Subsidiary coin in hands of public	62.6	63.9	63.4	64.5	64.7	63.9
Total Circulating Media in hands of public (M)	1,051.2	1,079.8	1,073.0	1,090.5	1,085.4	1,072.1
Deposits -						
Deposits with Chartered Banks -						
Dominion Government	143.0	153.8	368.7	186.4	197.9	230.3
Provincial Government	136.0	124.3	183.9	143.6	124.1	125.0
Demand	2,197.1	2,148.2	2,166.2	2,053.3	2,135.8	2,125.6
Notice	3,410.9	3,465.7	3,637.3	3,682.4	3,643.8	3,689.5
Total	5,886.9	5,892.1	6,356.1	6,065.7	6,151.6	6,170.4
Deposits with Bank of Canada -						
Dominion Government	69.1	69.1	195.7	179.4	105.6	124.1
Other	90.1	79.7	69.3	58.5	54.4	63.7
Total	159.2	148.7	265.0	237.8	160.0	187.7
Total Deposits (M1)	6,046.1	6,040.8	6,621.1	6,303.5	6,311.6	6,358.1



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