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**CHEQUES CASHED
IN
CLEARING CENTRES
DECEMBER, 1948**

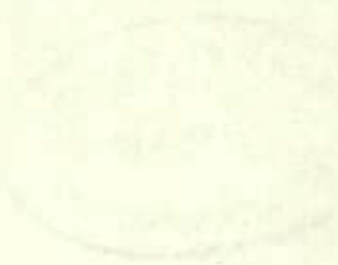


CLEARING CENTRES
TWELVE MONTHS
HISTORICAL COMPARISON
CURRENT ACCOUNTS
SAVINGS ACCOUNTS
RELATED FACTORS

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CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS,
DECEMBER, 1948

The cheques cashed or otherwise paid in Canada exceeded \$80 billion in the year recently ended. The financial transactions of this type were greater than in any other similar period. The increase over 1947 was 8.3 per cent when the debits were \$74.5 billion. The country-wide total has recorded advances year by year since 1938, the standing at that time having been about \$31 billion. The increase over the pre-war year was nearly 161 per cent. The advance in 1948 was general in each of the five economic areas, a new maximum having been reached during the year.

Thirty-two of the clearing centres recorded advances over 1947. Lethbridge and Sudbury recorded the greatest percentage increases, the advances in the two centres having been 29.9 per cent and 20.9 per cent, respectively.

Comparison With December, 1947

A conspicuous increase of 14.5 per cent was shown in December over the same month of 1947. The total was \$7.8 billion compared with \$6.8 billion one year before. Advances were shown in each of the five economic areas, the greatest percentage increase having been recorded in Ontario. The advance of 19.5 per cent may be compared with 12.6 per cent in the Prairie Provinces. The gains in the Maritimes and Quebec ranged from 10 per cent to 10.6 per cent. Twenty-nine of the 33 clearing centres showed advances over the same month of 1947. The increase in Montreal was 11.8 per cent, the total having risen to nearly \$2 billion from \$1,787 million. The marked increase of 28 per cent was shown in Toronto where the total rose from \$1.8 billion to \$2.3 billion. The increase of 9.7 per cent in Winnipeg compares with a gain of 16 per cent in Vancouver.

Deposit Turnover

Current deposits at the end of November were more than \$3 billion compared with \$2,730 million on the same date of 1947. As the cheques cashed against such current accounts rose to a greater extent relatively, the turnover advanced from 28.09 to 30.23 on an annual basis. The turnover of the savings or notice deposits increased from 1.23 to 1.28 during the same interval.

Relation To Other Factors

The historical maximum in cheques cashed was reached in 1948 owing to the exceedingly high level of wholesale prices and wage rates and a level of production higher than in any other year of peacetime. The index of wholesale prices in November was 12 per cent greater than in the same month of 1947, the increase in raw materials having been even relatively greater. Producers' goods and building materials advanced 14 per cent and 10 per cent, respectively, over the high level of 1947. The index of building materials on a base of 1926 = 100 was 205.7 in November compared with 186.9. The cost of living was 158.9 on the pre-war base, on December 1, an increase of 8.8 per cent over the last month of 1947.

The records of production in 1947 were moderately exceeded during the year recently ended, the labour force having been employed close to the practical limit. The increase in production in most lines was not spectacular. An index of industrial production on the pre-war base rose to 185.5 in November a gain of 4.3 per cent over the same month of 1947. The mining index recovered sharply, an increase of 16.4 per cent having been shown in physical production. The advance in employment in nine leading industries was less than 3 per cent, while the payrolls showed an increase of 15.5 per cent. Newsprint production which had been 4.4 million tons in 1947 rose to 4.6 million tons in the year under review. Raw cotton opened for consumption rose 3.8 per cent to 186.7 million pounds.

Dividend payments in 1948 amounted to \$409 million compared with \$351 million in 1947, a gain of no less than 16.5 per cent.

TABLE 1. CHEQUES CAHSED AGAINST INDIVIDUAL ACCOUNTS AT THE CLEAR-
ING HOUSE CENTRES IN CANADA, DECEMBER, 1948 WITH COMPARATIVE
FIGURES FOR NOVEMBER, 1948 AND DECEMBER 1947

CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS				
Province and Clearing House Centres	December 1948	November 1948	December 1947	Percentage of Dec. 1948 to Dec. 1947
Maritime Provinces -	\$	\$	\$	
Halifax	93,974,051	118,742,824	86,051,046	109.2
Moncton	34,223,485	33,131,060	30,044,026	113.9
Saint John	52,518,366	46,447,414	48,030,436	109.3
Total-Maritime Provinces	180,715,902	198,321,298	164,125,508	110.1
Quebec -				
Montréal	1,997,914,635	2,040,143,417	1,786,927,534	111.8
Quebec	196,329,847	198,172,816	199,191,916	98.6
Sherbrooke	27,063,515	24,655,964	22,238,863	121.7
Total - Quebec	2,221,307,997	2,262,972,197	2,008,358,313	110.6
Ontario -				
Brantford	34,591,799	35,016,217	29,817,938	116.0
Chatham	32,509,888	28,820,350	26,885,503	120.9
Fort William	21,127,007	20,521,539	20,239,696	104.4
Hamilton	188,274,250	186,287,029	162,578,521	115.8
Kingston	22,328,072	20,280,150	20,684,078	107.9
Kitchener	47,004,936	41,886,107	43,048,561	109.2
London	111,470,921	101,550,539	91,593,758	121.7
Ottawa	271,584,486	447,747,557	346,965,951	78.3
Peterborough	25,582,689	23,287,522	22,470,011	113.9
St. Catharines	33,202,027	30,578,302	30,218,895	109.9
Sarnia	31,331,505	28,074,948	25,889,480	121.0
Sudbury	23,472,348	22,261,447	19,004,868	123.5
Toronto	2,339,486,666	2,175,177,581	1,826,770,950	128.1
Windsor	131,930,923	114,275,688	106,067,949	124.4
Total - Ontario	3,313,897,517	3,275,764,976	2,772,236,159	119.5
Prairie Provinces -				
Brandon	11,966,019	13,773,355	11,440,241	104.6
Calgary	197,798,475	231,793,506	165,633,805	119.4
Edmonton	163,518,208	157,705,568	145,055,061	112.7
Lethbridge	29,915,246	24,241,442	12,996,412	230.2
Medicine Hat	9,529,355	10,901,688	8,645,226	110.2
Moose Jaw	25,632,760	25,223,806	20,007,276	128.1
Prince Albert	11,519,159	12,664,184	10,836,361	106.3
Regina	117,100,909	144,211,178	107,487,791	108.9
Saskatoon	40,299,146	43,586,092	39,105,051	103.1
Winnipeg	794,627,198	960,768,152	724,039,953	109.7
Total - Prairie Provinces	1,401,906,475	1,624,868,971	1,245,247,177	112.6
British Columbia -				
New Westminster	27,288,141	28,243,958	35,018,870	77.9
Vancouver	571,795,597	548,429,568	492,753,440	116.0
Victoria	83,179,848	83,380,737	93,336,506	89.1
Total - British Columbia	682,263,586	660,054,263	621,108,816	109.8
GRAND TOTAL FOR CANADA	7,800,091,477	8,021,981,705	6,811,075,973	114.5

TABLE 2. CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS AT THE
CLEARING HOUSE CENTRES IN CANADA DURING
1948 COMPARED WITH 1947

Province and Clearing House Centres	Twelve Months 1948	Twelve Months 1947	Increase (+) Decrease(-)	Percentage of 1948-1947	
	\$ '000	\$ '000	\$'000		
Maritime Provinces -					
Halifax	1,049,266	932,830	+	116,436	112.5
Moncton	353,563	310,451	+	43,112	113.9
Saint John	567,250	507,373	+	59,877	111.8
Total - Maritime Provinces	1,970,079	1,750,655	+	219,424	112.5
Quebec -					
Montreal	20,978,799	20,611,366	+	367,433	101.8
Quebec	2,433,328	2,077,761	+	355,567	117.1
Sherbrooke	277,707	230,782	+	46,925	120.3
Total - Quebec	23,689,833	22,919,909	+	769,924	103.4
Ontario -					
Brantford	381,129	321,207	+	59,922	118.7
Chatham	276,949	244,616	+	32,333	113.2
Fort William	225,286	209,577	+	15,709	107.5
Hamilton	1,952,145	1,735,130	+	217,015	112.5
Kingston	232,559	213,912	+	18,647	108.7
Kitchener	463,306	435,652	+	27,654	106.3
London	1,069,978	1,013,242	+	56,736	105.6
Ottawa	3,676,302	3,919,696	-	243,394	93.8
Peterborough	260,090	231,701	+	28,389	112.3
St. Catharines	348,357	307,934	+	40,423	113.1
Sarnia	299,390	267,231	+	32,159	112.0
Sudbury	231,991	191,809	+	40,182	120.9
Toronto	22,655,185	20,210,585	+	2,444,600	112.1
Windsor	1,308,939	1,131,584	+	177,355	115.7
Total - Ontario	33,381,605	30,433,876	+	2,947,729	109.7
Prairie Provinces -					
Brandon	133,695	114,364	+	19,331	116.9
Calgary	2,072,826	1,779,370	+	293,456	116.5
Edmonton	1,568,265	1,313,138	+	255,127	119.4
Lethbridge	219,442	168,987	+	50,455	129.9
Medicine Hat	100,545	98,232	+	2,313	102.4
Moose Jaw	231,956	207,672	+	24,284	111.7
Prince Albert	123,869	108,770	+	15,099	113.9
Regina	1,333,318	1,286,896	+	46,422	103.6
Saskatoon	442,603	394,915	+	47,688	112.1
Winnipeg	8,375,791	7,381,393	+	994,398	113.5
Total - Prairie Provinces .	14,602,310	12,853,736	+	1,748,574	113.6
British Columbia -					
New Westminster	326,958	289,113	+	37,845	113.1
Vancouver	5,765,370	5,321,162	+	444,208	108.3
Victoria	951,291	929,641	+	21,650	102.3
Total - British Columbia ..	7,043,620	6,539,916	+	503,704	107.7
GRAND TOTAL					
FOR CANADA	80,687,448	74,498,093	+	6,189,355	108.3

TABLE 3. CHEQUES CASHED IN CLEARING CENTRES, 1925 - 1948
Thousand Dollars

Year		CANADA	Maritime Provinces	Quebec	Ontario	Prairie Provinces	British Columbia
1925	.....	28,126,061	572,500	8,475,224	11,236,044	6,000,047	1,842,245
1926	.....	30,358,035	604,740	9,909,472	11,998,344	5,885,646	1,959,833
1927	.....	36,093,503	627,744	12,643,906	14,641,811	6,126,986	2,053,056
1928	.....	43,476,959	745,468	14,912,658	17,312,849	8,006,713	2,499,271
1929	.....	46,670,982	797,958	16,483,667	18,543,768	7,922,806	2,922,782
1930	.....	37,491,302	708,351	13,137,058	15,044,340	6,279,081	2,322,471
1931	.....	31,586,468	652,543	10,550,073	13,376,840	5,201,212	1,805,800
1932	.....	25,844,288	519,171	7,766,201	11,258,872	4,797,206	1,502,839
1933	.....	29,981,465	481,014	8,567,070	13,027,438	6,414,354	1,491,590
1934	.....	32,866,673	534,251	9,449,710	14,919,504	6,337,240	1,625,968
1935	.....	31,546,066	574,053	8,977,529	13,876,626	6,445,396	1,672,462
1936	.....	35,928,607	630,402	10,938,648	15,778,680	6,505,519	2,075,358
1937	.....	35,166,061	733,359	11,568,422	15,939,149	4,827,021	2,098,109
1938	.....	30,924,363	639,683	9,965,182	13,810,063	4,572,384	1,937,051
1939	.....	31,617,352	679,948	9,820,399	13,618,490	5,478,230	2,020,284
1940	.....	34,437,474	824,490	9,973,061	15,384,403	6,118,407	2,137,113
1941	.....	39,242,957	940,712	11,068,667	18,214,789	6,591,645	2,427,145
1942	.....	45,526,254	1,075,737	12,751,094	22,136,164	6,722,377	2,840,883
1943	.....	53,796,715	1,243,763	15,373,881	24,681,702	9,199,964	3,297,405
1944	.....	60,676,954	1,327,661	17,222,287	26,902,945	11,488,440	3,735,622
1945	.....	68,384,813	1,553,591	19,309,333	31,543,362	11,562,164	4,416,364
1946	.....	69,247,607	1,604,018	20,749,360	30,401,956	11,124,680	5,367,594
1947	.....	74,498,093	1,750,655	22,919,909	30,433,876	12,853,736	6,539,916
1948	.....	80,687,448	1,970,079	23,689,833	33,381,605	14,602,310	7,043,620
Percentage increase over: 1929		+ 72.9	+ 146.9	+ 43.7	+ 80.0	+ 84.3	+ 141.0
1938		+ 160.9	+ 208.0	+ 137.7	+ 141.7	+ 219.4	+ 263.6

TABLE 4. CHEQUES CASHED - DISTRIBUTED BY TYPE OF ACCOUNT \$'000

Economic Area and Clearing House Centres	CURRENT ACCOUNTS		SAVINGS ACCOUNTS	
	December		December	
	1948	1947	1948	1947
Maritime Provinces -				
Halifax	89,629	82,042	4,345	4,009
Moncton	32,592	28,662	1,631	1,382
Saint John	48,995	45,340	3,524	2,690
Total - Maritime Provinces ..	171,216	156,044	9,500	8,082
Quebec -				
Montreal	1,873,361	1,678,611	124,553	108,316
Quebec	182,743	184,934	13,587	14,258
Sherbrooke	24,847	20,651	2,217	1,588
Total - Quebec	2,080,951	1,884,197	140,357	124,162
Ontario -				
Brantford	32,097	27,625	2,495	2,193
Chatham	29,849	24,485	2,661	2,401
Fort William	19,608	18,793	1,519	1,447
Hamilton	171,947	150,699	16,327	11,880
Kingston	19,655	17,902	2,673	2,782
Kitchener	44,297	40,729	2,708	2,320
London	103,098	85,149	8,373	6,445
Ottawa	253,902	333,164	17,683	13,802
Peterborough	22,989	20,253	2,594	2,217
St. Catharines	29,862	27,140	3,340	3,079
Sarnia	29,082	23,899	2,250	1,990
Sudbury	20,838	16,747	2,634	2,258
Toronto	2,217,839	1,732,543	121,648	94,228
Windsor	119,057	98,734	12,874	7,334
Total - Ontario	3,114,119	2,617,861	199,778	154,376
Prairie Provinces -				
Brandon	10,914	10,481	1,052	959
Calgary	187,261	157,385	10,538	8,249
Edmonton	153,319	136,118	10,199	8,937
Lethbridge	28,140	11,899	1,776	1,098
Medicine Hat	8,232	7,733	1,297	913
Moose Jaw	24,255	18,654	1,377	1,354
Prince Albert	10,492	10,015	1,027	821
Regina	112,808	103,688	4,293	3,800
Saskatoon	37,132	36,351	3,167	2,754
Winnipeg	776,072	706,405	18,555	17,635
Total - Prairie Provinces	1,348,626	1,198,729	53,281	46,518
British Columbia -				
New Westminster	23,439	31,195	3,849	3,824
Vancouver	514,678	453,874	57,118	38,880
Victoria	73,240	83,791	9,940	9,546
Total - British Columbia	611,357	568,859	70,907	52,249
GRAND TOTAL FOR CANADA	7,326,270	6,425,689	473,822	385,387

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

		CURRENT ACCOUNTS			SAVINGS ACCOUNTS		
		Cheques Cashed	Deposits	Turn- over	Cheques Cashed	Savings Deposits	Turn- over
1942	.....	43,574,261	1,733,109	25.14	1,951,993	1,644,670	1.19
1943	.....	51,575,324	2,193,173	23.52	2,221,391	1,852,737	1.20
1944	.....	58,023,253	2,489,552	23.31	2,653,701	2,252,774	1.18
1945	.....	64,971,186	2,752,211	23.61	3,413,627	2,731,926	1.25
1946	.....	65,174,276	2,828,331	23.05	4,073,331	3,301,891	1.23
1947	.....	70,160,625	2,758,232	25.44	4,337,468	3,669,934	1.18
1946	Nov.	5,836,163	2,945,564	23.78	375,332	3,468,438	1.30
	Dec.	5,590,455	2,991,043	22.43	344,724	3,464,733	1.19
1947	Jan.	5,894,883	2,934,916	24.10	320,957	3,501,077	1.10
	Feb.	5,307,938	2,904,427	21.93	288,772	3,559,548	0.97
	Mar.	5,411,880	2,834,521	22.93	325,242	3,602,793	1.08
	Apr.	5,700,878	2,888,442	23.69	342,355	3,628,301	1.13
	May	6,442,146	2,802,471	27.58	399,005	3,659,831	1.31
	June	5,610,916	2,644,490	25.46	364,443	3,663,069	1.19
	July	5,745,137	2,668,264	25.84	378,761	3,666,613	1.24
	Aug.	4,926,324	2,636,199	22.42	310,003	3,731,745	1.00
	Sept.	5,545,663	2,632,258	25.28	388,712	3,789,946	1.23
	Oct.	6,757,891	2,661,218	30.47	451,060	3,779,294	1.43
	Nov.	6,391,279	2,730,178	28.09	382,772	3,731,567	1.23
	Dec.	6,425,689	2,761,395	27.92	385,387	3,725,430	1.24
1948	Jan.	6,129,572	2,684,740	27.40	361,218	3,782,221	1.15
	Feb.	5,251,195	2,521,814	24.99	299,942	3,852,274	0.93
	Mar.	5,905,048	2,541,549	27.88	372,081	3,903,616	1.14
	Apr.	6,480,265	2,649,266	29.35	388,228	3,938,843	1.18
	May	6,041,737	2,714,719	26.71	403,823	3,953,027	1.23
	June	6,051,171	2,785,103	26.07	423,374	3,945,374	1.29
	July	6,334,011	2,763,850	27.50	401,560	3,947,450	1.22
	Aug.	5,392,566	2,745,623	23.57	347,256	3,980,924	1.05
	Sept.	6,329,152	2,847,471	26.67	380,585	4,025,590	1.13
	Oct.	7,220,472	2,916,784	29.71	433,117	4,044,221	1.29
	Nov.	7,589,604	3,012,721	30.23	432,377	4,062,798	1.28

Note: Turnover in the monthly section is placed on an annual footing.

TABLE 6. RELATION OF CHEQUES CASHED TO OTHER FACTORS

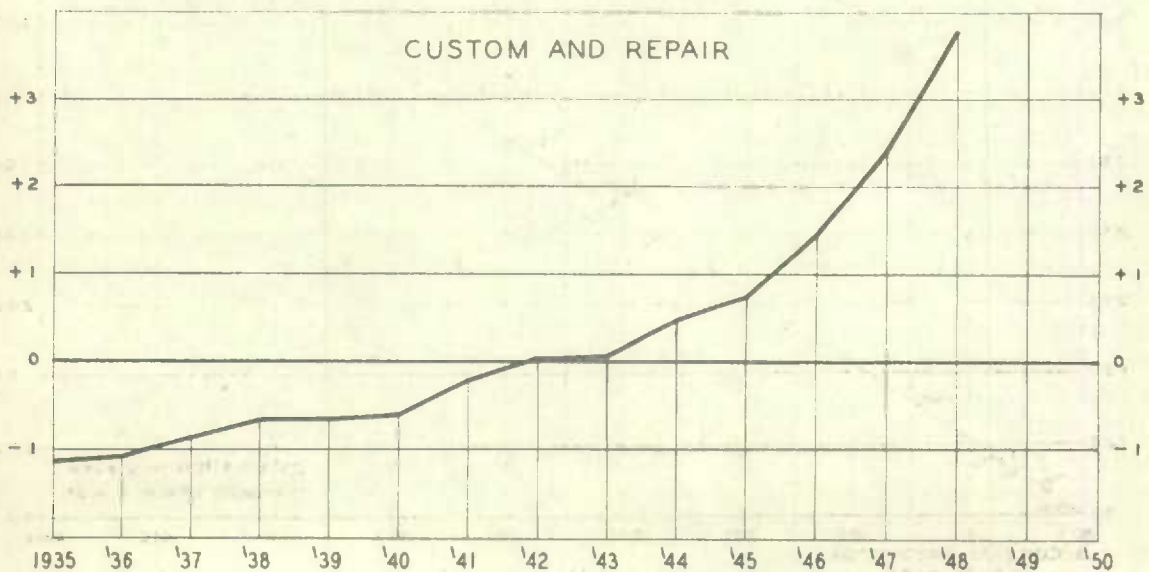
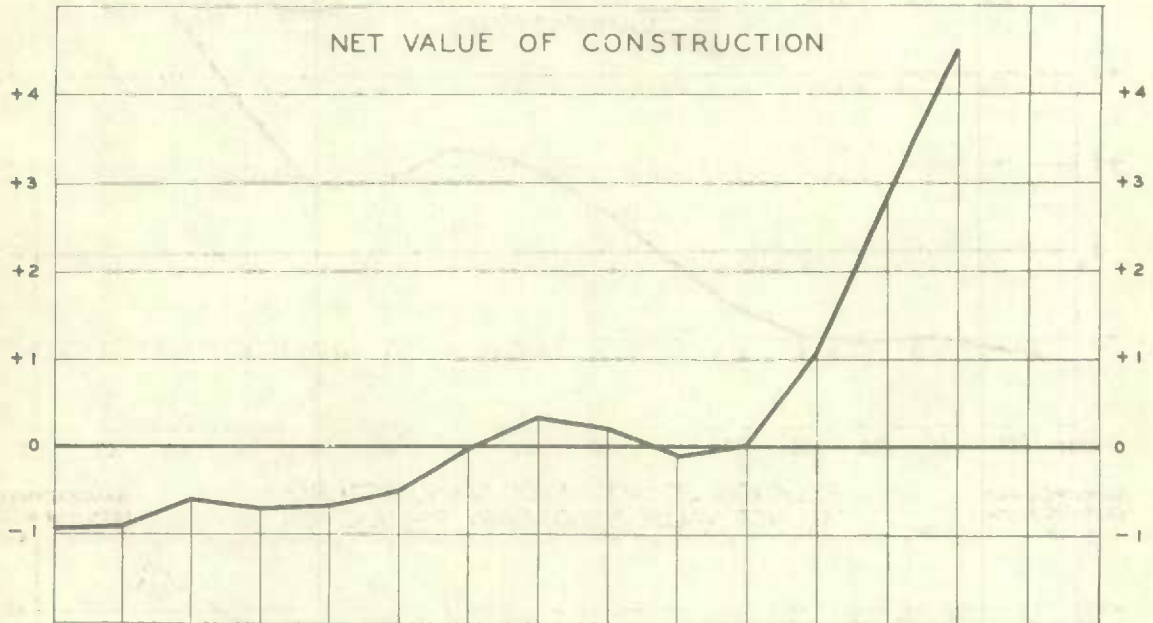
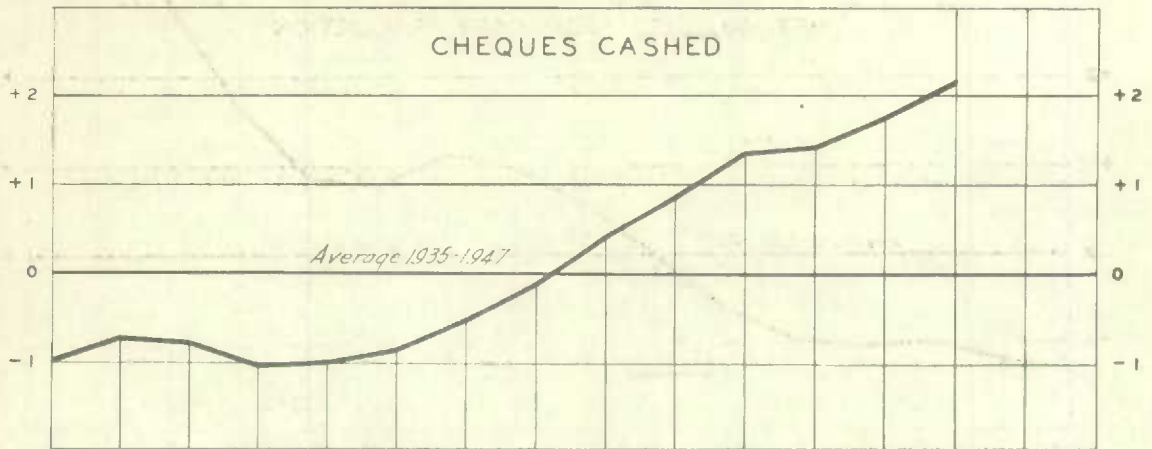
	Name of Unit		Latest month per Col.(1)	Same month 1947 (3)	Percentage change 1948 to 1947 (4)
		(1)	(2)	(3)	(4)
Cheques Cashcd	Million \$	Dec.	7,800	6,811	+ 14.5
Industrial Production - Total ...	1935-39=100	Nov.	185.5p	177.8	+ 4.3
Manufactures	1935-39=100	Nov.	197.3p	191.0	+ 3.3
Mining	1935-39=100	Nov.	134.1p	115.2	+ 16.4
Employment - 9 Leading Industries	1926=100	Nov.	201.6	195.9	+ 2.9
Manufactures	1926=100	Nov.	208.1	205.1	+ 5.5
Rough and dressed lumber ...	1926=100	Nov.	136.1	134.4	+ 1.3
Textile Products	1926=100	Nov.	183.0	175.3	+ 4.4
Mining	1926=100	Nov.	180.9	168.0	+ 7.7
Aggregate Payrolls-9 Industries.	Thousand \$	Nov.	92,394	79,999	+ 15.5
Average Weekly Earnings -					
9 Industries	Dollars	Nov.	42.04	37.77	+ 11.3
Rubber Consumption	Million lb.	Nov.	15.4	14.8	+ 4.1
Cigarettes Released	Millions	Nov.	1,479	1,366	+ 8.3
Inspected Slaughtering - Cattle .	Thousands	Dec.	123	163	- 24.5
- Hogs ..	Thousands	Dec.	376	581	- 35.3
Creamery Butter	Million lb.	Dec.	11.94	10.25	+ 16.5
Cheese	Million lb.	Nov.	2.81	3.90	- 27.9
Cotton - Bale Openings	Thousand lb.	Dec.	17,043	14,235	+ 19.7
Wood Pulp Production	Thousand tons	Nov.	633.0	584.0	+ 8.4
Newsprint Production	Thousand tons	Dec.	385.8	368.9	+ 4.6
Steel Production	Thousand tons	Nov.	278.0	255.4	+ 8.8
Automobile Production	Thousands	Nov.	26.79	23.24	+ 15.3
Gold - Mint Receipts	Thousand fine ounces	Nov.	296	236	+ 25.4
Building Permits - 58 Municipalities	Thousand \$	Oct.	29,617	29,345	+ 0.9
Primary Power-Consumption ..	Million kwh.	Nov.	3,392	3,227	+ 5.1
Tons Loaded	Thousand tons	Nov.	9,674	9,680	- 0.1
Retail Trade	(unadjusted). 1935-39=100	Nov.	290.6	273.9	+ 6.1
Exports	Million \$	Nov.	293.9	253.1	+ 16.1
Imports	Million \$	Nov.	238.2	229.1	+ 4.0
Cost of Living	1935-39=100	Dec.	158.9	146.0	+ 8.8
Wholesale Prices - General	1926=100	Nov.	159.7	142.5	+ 12.1
Raw and Partly Manufactured ..	1926=100	Nov.	164.5	142.5	+ 15.4
Fully and Chiefly Manufactured .	1926=100	Nov.	143.9	131.4	+ 9.5
Consumer Goods	1926=100	Nov.	144.0	130.1	+ 10.7
Producers' Goods	1926=100	Nov.	162.9	142.4	+ 14.4
Building Materials	1926=100	Nov.	205.7	186.9	+ 10.1
Common Stock Prices	1935-39=100	Dec.	115.8	106.2	+ 9.0
Bond Yields Index	1935-39=100	Dec.	95.5	84.8	+ 12.6
Dividend Payments	Million \$	Dec.	76.86	65.33	+ 17.6
Chartered Bank Cash	Million \$	Nov.	769.8	684.9	+ 12.4
Current Loans	Million \$	Nov.	2,129	1,985	+ 7.3
Dominion - Expenditures	Million \$	Nov.	179	181	- 1.1
Revenues	Million \$	Nov.	206	215	- 4.2

p - Preliminary.

CHEQUES CASHED
COMPARED WITH
OTHER ECONOMIC FACTORS

UNIT OF
STANDARD
DEVIATION

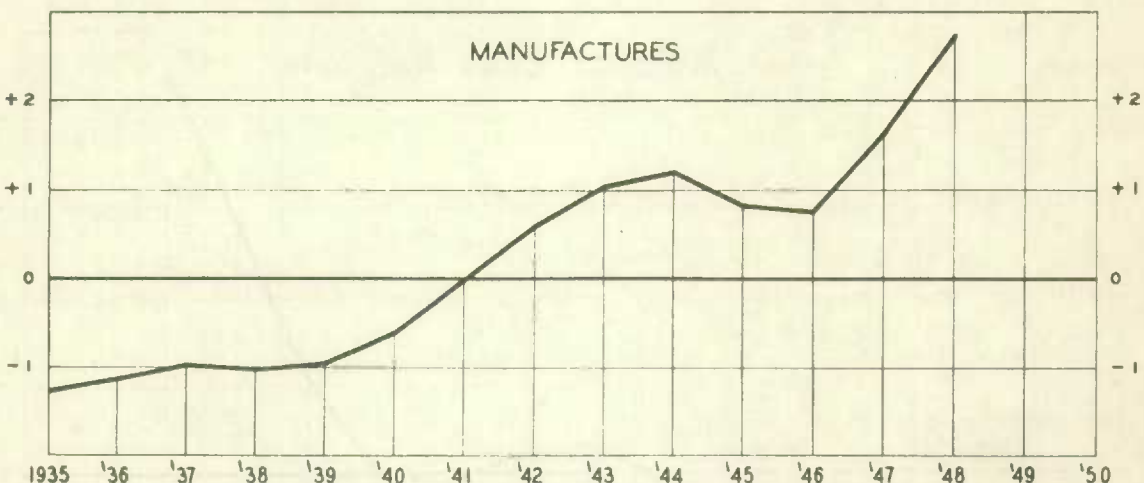
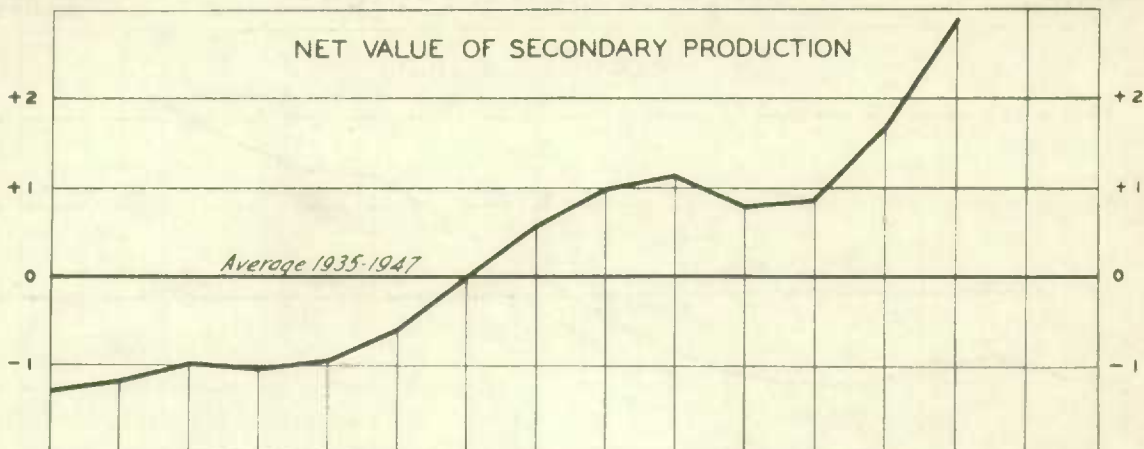
UNIT OF
STANDARD
DEVIATION



CHEQUES CASHED COMPARED WITH OTHER ECONOMIC FACTORS CONCLUDED

UNIT OF
STANDARD
DEVIATION

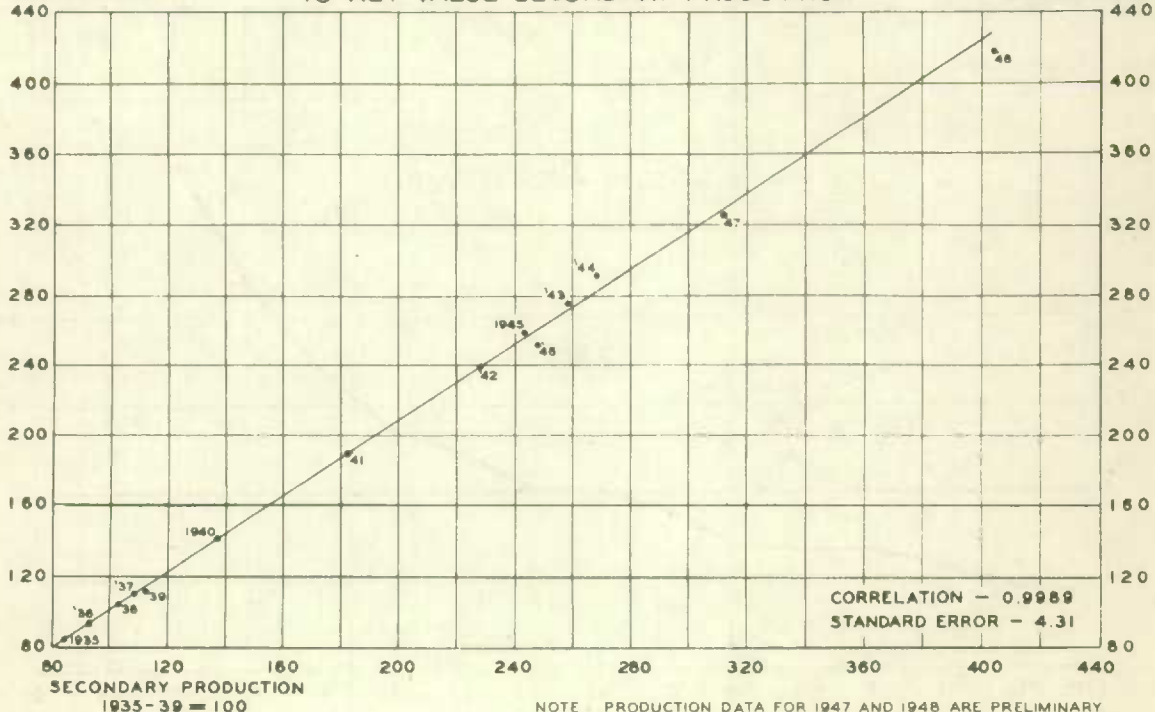
UNIT OF
STANDARD
DEVIATION



MANUFACTURES
1935-39 = 100

RELATION OF NET VALUE MANUFACTURES
TO NET VALUE SECONDARY PRODUCTION

MANUFACTURES
1935-39 = 100



COMMENT ON CHARTS

The Charts

The movement of cheques cashed from 1935 to 1948 by years is portrayed in comparison with the net value of production for four industrial groups on pages 9 and 10. According to preliminary estimates each of the series achieved a maximum last year, the marked advance in prices contributing to the result. The differences between the data and the average for the thirteen years are divided by the standard deviation so as to place the fluctuations on a comparative basis.

The last section on page 10 shows the regression of the net value of production for manufactures to that of secondary production, the latter consisting of manufactures, construction and custom and repair. As manufactures constitutes such a large component of secondary production the coefficient of correlation is 0.9989, compared with 1.0000 the latter signifying perfect correlation. The standard error of the regression was limited to 4.31 points of the index of manufactures based on the five-year pre-war period.



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