

1-001 c-2

MAR 25 1948

Published by Authority of the Rt. Hon. C. D. Howe, M.P.,
Minister of Trade and Commerce

McNodan
Bain
ca Strike
Mich Douglas

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

CHEQUES CASHED

AND

MONEY SUPPLY

FEBRUARY, 1948



OTTAWA
1948

DOMINION BUREAU OF STATISTICS - OTTAWA

Price:
50 cents a year

3-4020
February, 1948
Vol. 25, No. 2

Dominion Statistician:
Chief, Business Statistics Branch:

Herbert Marshall
Sydney B. Smith

CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS, FEBRUARY, 1948

The amount of cheques cashed was \$5,551 million in February, a decline of about one per cent from the same month of last year. Advances were recorded in twenty-five of the thirty-three clearing centres, and the totals for the Maritimes, Prairie Provinces and British Columbia were greater than in the same month of last year. A gain of 25 per cent was shown in the Maritime Provinces, while the total for the Prairie Provinces was 15 per cent greater. The increase in British Columbia was limited to 4.6 per cent.

Advances were shown in cheques cashed in each of the three clearing centres of the Maritime Provinces, over February of last year. The greatest percentage increase was shown in St. John, where the total rose from \$37 million to \$59 million. Owing to the reduced level of the business transactions of this type in Montreal, the aggregate for the province of Quebec was 4.3 per cent less than in the same month last year. Considerable percentage increases were shown in Quebec and Sherbrooke, the total for the province having been \$1,693 million compared with \$1,770 million in February last year.

Eleven of the fourteen centres in Ontario recorded advances in this comparison. Owing to the decline in Ottawa, Toronto and Chatham, the provincial total was 5 per cent less. The greatest percentage increase was shown in Hamilton, where the total rose from \$115 million to \$140 million. The total for Windsor was one-fifth greater than in February last year, the standing having been nearly \$91 million. The net result for the province was \$2,412 million against \$2,339 million, one year ago.

Seven of the ten centres in the Prairie Provinces recorded gains in this comparison. The total for the whole was 15 per cent at \$808 million. The greatest percentage increase was shown in Brandon, where a gain of 30 per cent was recorded. An excellent showing was made by Winnipeg and Saskatoon, where an increase of about 20 per cent was shown. The gain in British Columbia was 4.6 per cent, Vancouver and New Westminster contributing to the result. A considerable recession was shown in Victoria, where the total was \$60 million compared with \$87 million last year.

LONG TERM COMPARISON

Cheques cashed in the first two months of 1948 were greater than in any other similar period in history. The total was \$12,042 million compared with \$11,813 million in the preceding year. The increase over 1938 was 161 per cent while the level was 60 per cent greater than in 1929, when conditions in Canada were part-

icularly prosperous. Three of the economic areas recorded a new maximum for the first two months of the year, Quebec and Ontario showing a somewhat lower level than one year ago. The maximum for Ontario was reached in the first two months of 1946, while the maximum for the province of Quebec was recorded in 1947.

The total for the Maritime Provinces was 134 per cent greater than in the same period of 1929, and was about three times as great as in 1938. The gain in British Columbia, where the total for the first two months exceeded \$1 billion for the first time, was 124 per cent over 1929, and 268 per cent over 1938.

CURRENT AND SAVINGS ACCOUNTS

Cheques cashed against current deposits were \$6,130 million in January compared with \$5,895 million in the same month of 1947. As the current deposits showed a decline, the turnover rose from 2.01 one year ago, to 2.28 in the first month of this year. An increase was also shown in the velocity of notice deposits.

RELATION TO OTHER FACTORS

As stated above, a minor decline was shown in the cheques cashed in February, compared with the same month of last year. The cost of living advanced 17.4 per cent during the same interval. Common stock prices, on the other hand, receded nearly 7 per cent. Two additional factors considered in this connection recorded increases during January over the same month of 1947. The index of employment in eight industries rose 7 per cent, while wholesale prices were 28.6 per cent greater. Unemployment, however, was somewhat greater in January than in the same month one year ago.

MONEY SUPPLY

The money supply showed a decline of nearly 1 per cent at the end of January, compared with the same date of last year. The total was \$7,479 million against \$7,545 million. The money in the hands of the public, consisting of notes and subsidiary coin, was placed at \$1,094 million, an increase of 1.3 per cent. The deposits subject to cheque receded from \$6,466 million to \$6,386 million at the end of January, a decline of 1.2 per cent. Notice deposits rose 8.2 per cent, while current accounts were somewhat lower.

TABLE I. - CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES IN CANADA, FEBRUARY, 1948 WITH COMPARATIVE FIGURES FOR JANUARY, 1948 AND FEBRUARY, 1947.

CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS

Province and Clearing House Centres	February 1 9 4 8	January 1 9 4 8	February 1 9 4 7	Percentage of Feb. 1948 to Feb. 1947
	\$	\$	\$	
<u>Maritime Provinces -</u>				
Halifax	64,612,621	77,805,901	59,803,856	108.0
Moncton	22,594,324	27,282,723	20,442,663	110.5
Saint John	59,595,088	39,467,378	36,858,907	161.1
Total - Maritime Provinces.	146,602,033	144,556,002	117,105,426	125.2
<u>Quebec -</u>				
Montreal	1,526,402,144	1,685,655,948	1,630,248,388	93.6
Quebec	148,199,848	207,705,453	124,369,934	119.2
Sherbrooke	18,456,861	20,233,301	15,044,493	122.7
Total - Quebec	1,693,058,853	1,911,594,702	1,769,662,815	95.7
<u>Ontario -</u>				
Brantford	25,295,347	27,352,378	21,753,674	116.3
Chatham	20,324,279	24,043,955	20,660,034	98.4
Fort William	15,620,510	16,813,108	14,278,381	109.4
Hamilton	140,331,646	152,899,091	115,500,335	121.7
Kingston	15,771,707	16,865,585	13,877,084	113.7
Kitchener	36,596,698	38,330,856	34,097,675	107.3
London	76,496,459	87,585,955	70,597,467	108.7
Ottawa	328,824,378	315,777,320	389,079,647	84.5
Peterborough	17,432,749	19,234,946	16,017,581	108.8
St. Catharines	24,248,297	28,360,851	23,546,690	103.0
Sarnia	19,596,653	22,366,811	18,589,388	106.6
Sudbury	14,503,356	15,574,987	12,521,988	115.8
Toronto	1,585,879,403	1,825,893,887	1,713,650,267	92.5
Windsor	90,975,860	104,945,766	75,678,969	120.2
Total - Ontario	2,411,897,342	2,696,043,494	2,539,249,180	95.0
<u>Prairie Provinces -</u>				
Brandon	7,838,289	9,879,019	6,014,643	130.3
Calgary	125,950,548	184,468,726	112,649,076	111.8
Edmonton	102,519,070	122,241,116	90,389,280	113.4
Lethbridge	11,180,837	13,444,663	12,879,263	86.8
Medicine Hat	5,299,087	7,686,015	5,307,333	99.9
Moose Jaw	12,345,403	16,999,425	11,208,223	110.1
Prince Albert	7,996,629	10,160,117	7,686,772	104.0
Regina	52,274,275	92,562,334	52,375,198	99.8
Saskatoon	27,258,440	33,521,687	22,680,949	120.2
Winnipeg	455,765,518	651,657,765	380,149,717	119.9
Total - Prairie Provinces .	808,428,096	1,142,620,867	701,340,454	115.3
<u>British Columbia -</u>				
New Westminster	24,942,272	32,234,178	17,881,281	139.5
Vancouver	405,886,252	480,218,836	364,124,987	111.5
Victoria	60,322,137	83,521,981	87,345,942	69.1
Total - British Columbia ..	491,150,661	595,974,995	469,352,210	104.3
GRAND TOTAL FOR CANADA	5,551,136,965	6,490,790,060	5,596,710,035	99.2

TABLE 2. - CHEQUES CASHED IN CLEARING CENTRES FIRST TWO MONTHS, 1925-48

DOLLARS

Year	CANADA	Maritime Provinces	Quebec	Ontario	Prairie Provinces	British Columbia
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	1,016,300,459	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	1,694,833,237	2,570,612,503	1,062,798,735	337,093,934
1937	5,959,239,037	111,714,831	1,913,844,022	2,888,731,056	688,760,233	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	3,827,445,372	1,559,693,527	595,790,650
1945	9,503,505,550	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	255,159,722	3,810,210,483	5,135,777,411	1,618,450,659	994,952,203
1948	12,041,927,025	291,158,035	3,604,653,555	5,107,940,836	1,951,048,963	1,087,125,636

Percentage Increase of 1948 over 1929 and 1938

P.C. to 1929	+ 60.1	+ 133.6	+ 32.8	+ 63.4	+ 82.2	+ 123.8
P.C. to 1938	+ 160.6	+ 198.5	+ 148.7	+ 130.1	+ 249.4	+ 268.2

TABLE 3. - CHEQUES CASHED IN ECONOMIC AREAS - SHOWING TYPE OF ACCOUNT

Type of Accounts	CURRENT ACCOUNTS		SAVINGS ACCOUNTS	
	February, 1948	January, 1948	February, 1948	January, 1948
	\$	\$	\$	\$
Maritime Provinces	140,951,862	138,163,421	5,650,171	6,592,581
Quebec	1,603,540,112	1,803,618,681	39,518,741	107,976,021
Ontario	2,280,955,899	2,548,298,206	130,941,443	147,745,288
Prairie Provinces	774,644,689	1,091,592,759	33,783,407	51,028,108
British Columbia	451,102,250	547,898,996	40,048,391	48,075,999
GRAND TOTAL FOR CANADA ..	5,251,194,812	6,129,572,063	299,942,153	361,217,997

TABLE 4. - CHEQUES CASHED AGAINST CURRENT AND SAVINGS ACCOUNTS \$ 000

	1 9 4 7					1 9 4 8
	January	February	October	November	December	January
Cheques Cashed, Current ..	5,894,883	5,307,938	6,757,891	6,391,279	6,425,689	6,129,572
Current Deposits-Average..	2,934,916	2,904,427	2,661,218	2,730,178	2,761,395	2,684,740
Velocity of Current Accounts	2.01	1.83	2.53	2.34	2.33	2.28
Cheques Cashed, Savings ..	320,957	288,772	451,060	382,772	385,387	361,218
Savings Deposits-Average..	3,501,077	3,559,548	3,779,294	3,731,567	3,725,430	3,782,221
Velocity Savings Accounts..	0.092	0.081	0.119	0.102	0.103	0.096

TABLE 5. - RELATION OF CHEQUES CASHED TO OTHER FACTORS
1935-39=100

	1 9 4 7					1 9 4 8
	January	February	October	November	December	January
Cheques Cashed, Adjusted	236.3	229.4	240.1	225.3	230.7	246.8
Employment (8 Industries)	166.7	166.4	179.2	181.8	183.9	178.4
Percentage Unemployed ...	4.9	5.2	2.0	2.3	4.4	6.1
Wholesale Prices	148.2	153.3	180.8	184.9	186.2	190.6
Cost of living	127.0	127.3	142.2	145.6	146.0	148.3
Common Stocks	106.2	109.4	105.5	107.3	106.2	107.5

TABLE 6. - MONEY SUPPLY - MILLIONS OF DOLLARS

	1 9 4 7					1 9 4 8
	January	February	October	November	December	January
Money Supply (M+MI)	7,545.4	7,555.3	7,618.3	7,544.5	7,660.1	7,479.3
Banks Notes in Circulation -						
Bank of Canada	1,138.6	1,137.9	1,179.4	1,182.3	1,211.4	1,010.3
Chartered Banks	21.1	20.9	18.6	18.4	18.2	18.0
Notes in hands of public .	1,016.7	1,029.3	1,055.1	1,052.4	1,045.6	1,028.3
Subsidiary coin in hands of public	63.0	63.4	65.5	66.5	66.4	65.2
Total Circulation Media in hands of public (M)	1,079.7	1,093.0	1,120.6	1,119.0	1,112.0	1,093.5
Deposits -						
Deposits with Chartered Banks						
Dominion Government	452.0	299.3	139.3	340.2	262.2	279.0
Provincial Government	161.3	140.2	128.1	102.2	113.5	104.3
Demand	2,086.6	2,145.4	2,263.1	2,126.4	2,295.6	2,073.3
Notice	3,532.8	3,586.3	3,732.7	3,710.4	3,740.4	3,824.0
Total	6,232.7	6,171.3	6,283.2	6,279.3	6,411.8	6,280.6
Deposits with Bank of Canada						
Dominion Government	150.1	215.7	143.4	84.2	68.9	44.6
Other	82.9	75.5	71.2	62.0	67.3	60.6
Total	233.0	291.0	214.7	146.3	136.3	105.2
Total Deposits (MI)	6,465.7	6,462.2	6,497.9	6,425.6	6,548.1	6,385.8

STATISTICS CANADA LIBRARY
BIBLIOTHEQUE STATISTIQUE CANADA



1010526853

0.2