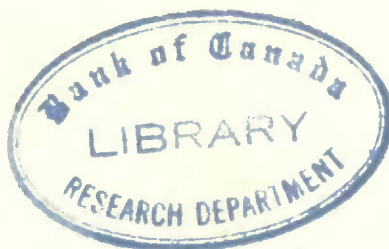


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**DEPARTMENT OF TRADE AND COMMERCE**  
**DOMINION BUREAU OF STATISTICS**  
**BUSINESS STATISTICS BRANCH**

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**CHEQUES CASHED**  
**AND**  
**MONEY SUPPLY**  
**MARCH, 1948**



OTTAWA  
1948



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CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS, MARCH, 1948

Business transactions in the form of cheques cashed rose 9.4 per cent in March, over the same month of last year. Each of the five economic areas except Quebec recorded advances. Twenty-eight of the 33 clearing centres participated in the expansion. The greatest percentage increase of the five economic areas was shown in Ontario where the upward movement was 17 per cent. Advances in the Maritimes and Prairie Provinces were 15 per cent and 12 per cent, respectively.

Maritime Provinces

Each of the three centres in the Maritime Provinces showed gains in this comparison. The greatest increase was recorded in Halifax where the total moved up 22.3 per cent, to the high position of 82 million dollars. Cheques cashed in the area were \$150 million, compared with \$130 million in the same month last year.

Quebec

As the debits in Montreal were slightly more than four per cent less than in the same month of last year, the provincial total for Quebec was somewhat less than in March, 1947. A gain of nearly 42 per cent was shown in the city of Quebec, while Sherbrooke recorded an advance of 19 per cent.

Ontario

Twelve of the 14 centres in Ontario recorded gains in March, the exceptions being Chatham and Sarnia. The greatest percentage increase was in Hamilton where the total moved up from \$123 million to \$156 million. Important advances were also shown in Fort William, Ottawa and Windsor. The increases in Peterborough and St. Catharines were 21.2 per cent and 21.6 per cent, respectively. The aggregate for Ontario was \$2,729 million, compared with \$2,331 million.

Prairie Provinces

Except for Regina and Moose Jaw, each of the ten centres in the Prairie Provinces recorded increases. The net result for the economic area was an advance of 12.3 per cent. The greatest percentage increase in the centres of the Prairie Provinces was in Brandon, the total moving up nearly 15 per cent. Lethbridge and Edmonton showed advances of nearly 14 per cent and 11 per cent, respectively. The total for Winnipeg was \$463 million, an increase of about 4.4 per cent.

British Columbia

Vancouver and New Westminster in the Pacific Province showed advances, while the recession in Victoria was 7.7 per cent. The gain in Vancouver was nearly five per cent, the total in March having been \$455 million.

#### LONG TERM COMPARISON

The cumulative total for the first quarter was greater than in the same period of any other year. Cheques cashed in the 33 clearing centres of Canada during the three months amounted to \$18,319 million. The preceding maximum was reached in 1947 when the total was \$17,550 million. Quebec was the only economic area failing to show an increase in the first quarter of 1947. The total for the Maritime Provinces moved up from \$383 million to \$441 million. The gain in Ontario was from \$7,467 million to \$7,837 million, and important advances were shown in the Prairie Provinces and British Columbia. The Maritimes showed an increase of 131 per cent over 1929, and the advance in British Columbia was 264 per cent over 1938. Marked increases were also shown over pre-war years in the Prairie Provinces and in the Maritimes.

#### TURNOVER OF DEPOSITS

The turnover of current accounts was 2.08 in February, compared with 1.83 in the same month of last year. Current deposits showed a decline relatively greater than the cheques cashed against current accounts. The situation was reversed in the savings division. Advances were shown both in cheques cashed and in savings deposits, but the rise in deposits was relatively greater than in cheques cashed against such accounts, the turnover receding slightly.

#### RELATION TO OTHER FACTORS

The index of cheques cashed was 248.3 in March, against 226.9 in the same month of last year, a considerable advance having been indicated. The change in prices was mainly responsible for the greater amount of cheques presented to the banks for payment or deposit. The latest available index of wholesale prices rose from 153.3 to 191.1, a gain of no less than 24.7 per cent. Employment and industrial production also recorded an appreciable gain over the same period of last year, but the advance in employment was limited to 4.7 per cent. The index of industrial production rose from 176.3 in February of last year to 181.5 in the recent comparable month.

#### MONEY SUPPLY

The money supply consisting of currency and deposits, was 1.2 per cent less at the end of February than on the same date of 1947. An increase was shown in the estimate of subsidiary coin in the hands of the public and in notice deposits. The latter rose from \$3,586 million last year to \$3,881 million, an increase of 8.2 per cent. Notes in the hands of the public, after deducting the holdings of the chartered banks, rose from \$1,030 million to \$1,038 million, a gain of nearly one per cent. The net result was that the money supply showed a decline of about 1.2 per cent during the twelve-month period.



TABLE 1. - CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES IN CANADA, MARCH, 1948 WITH COMPARATIVE FIGURES FOR FEBRUARY, 1948 AND MARCH, 1947.

CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS

Province and Clearing House Centres	March 1 9 4 8 \$	February 1 9 4 8 \$	March 1 9 4 7 \$	Percentage of Mar. 1948 to Mar. 1947
<u>Maritime Provinces -</u>				
Halifax .....	82,347,036	64,612,621	67,322,132	122.3
Moncton .....	24,765,744	22,594,324	23,801,995	104.0
Saint John .....	42,872,274	59,395,088	39,000,029	109.9
Total - Maritime Provinces ..	149,985,054	146,602,033	130,124,156	115.3
<u>Quebec -</u>				
Montreal .....	1,645,004,745	1,526,402,144	1,716,128,088	95.9
Quebec .....	227,446,195	148,199,848	160,457,546	141.7
Sherbrooke .....	19,661,500	18,456,861	16,512,368	119.1
Total - Quebec .....	1,892,112,440	1,693,058,853	1,893,098,002	99.9
<u>Ontario -</u>				
Brantford .....	28,310,823	25,295,347	26,364,849	107.4
Chatham .....	18,478,909	20,324,279	22,205,177	83.2
Fort William .....	19,248,489	15,620,510	15,569,648	123.6
Hamilton .....	156,127,905	140,331,646	123,395,630	126.5
Kingston .....	18,348,517	15,771,707	15,312,785	119.8
Kitchener .....	36,533,010	36,596,698	34,198,707	106.8
London .....	83,049,026	76,496,459	78,548,548	105.7
Ottawa .....	310,971,402	328,824,378	253,239,661	122.8
Peterborough .....	20,140,126	17,432,749	16,624,003	121.2
St. Catharines .....	28,243,738	24,248,297	23,223,492	121.6
Sarnia .....	19,957,756	19,596,653	22,110,965	90.3
Sudbury .....	16,386,214	14,503,356	13,982,596	117.2
Toronto .....	1,865,920,277	1,585,879,403	1,598,206,085	116.8
Windsor .....	107,239,626	90,975,860	87,951,438	121.9
Total - Ontario .....	2,728,955,818	2,411,897,342	2,330,933,584	117.1
<u>Prairie Provinces -</u>				
Brandon .....	8,856,250	7,838,289	7,711,378	114.8
Calgary .....	138,473,229	125,950,548	128,006,085	108.2
Edmonton .....	116,338,086	102,519,070	104,585,154	111.2
Lethbridge .....	13,405,246	11,180,837	11,765,008	113.9
Medicine Hat .....	6,890,982	5,299,087	6,868,731	100.3
Moose Jaw .....	14,852,178	12,345,403	15,475,259	96.0
Prince Albert .....	90,478,116	7,996,629	8,920,317	101.4
Regina .....	74,950,097	52,274,275	98,551,871	76.1
Saskatoon .....	30,266,125	27,258,440	27,460,414	110.2
Winnipeg .....	462,949,226	455,765,518	443,350,159	104.4
Total - Prairie Provinces ..	957,459,435	808,428,096	852,694,376	112.3
<u>British Columbia -</u>				
New Westminster .....	24,632,963	24,942,272	22,026,664	111.8
Vancouver .....	455,471,591	405,886,232	434,012,751	104.9
Victoria .....	68,511,985	60,322,137	74,232,521	92.3
Total - British Columbia ...	548,616,539	491,150,641	530,271,936	103.5
GRAND TOTAL FOR CANADA .....	6,277,129,286	5,551,136,965	5,737,122,054	109.4

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

DOLLARS

Year	Canada	Maritime Provinces	Quebec	Ontario	Prairie Provinces	British Columbia
1925 .....	6,150,105,199	125,880,455	1,872,574,670	2,446,618,354	1,282,943,941	422,087,779
1926 .....	6,809,742,705	152,182,972	2,176,273,261	2,692,250,957	1,306,017,458	483,018,057
1927 .....	7,512,275,144	140,531,062	2,502,822,189	3,213,562,332	1,195,590,478	459,769,083
1928 .....	9,716,504,228	167,277,300	3,359,923,165	4,022,829,125	1,544,377,775	622,096,863
1929 .....	11,504,783,030	191,235,139	4,220,848,054	4,660,142,151	1,644,322,457	788,335,229
1930 .....	9,118,488,109	167,396,622	3,092,171,134	3,784,311,796	1,469,326,203	605,282,354
1931 .....	7,773,648,825	158,089,348	2,742,275,319	3,350,194,245	1,057,070,867	466,019,046
1932 .....	6,085,118,518	129,232,428	1,880,527,745	2,645,681,500	1,041,221,125	388,455,720
1933 .....	5,686,476,156	106,040,355	1,703,328,170	2,501,042,828	1,447,610,134	325,713,621
1934 .....	7,175,275,569	119,654,360	2,126,381,122	3,494,860,188	1,037,478,966	396,900,933
1935 .....	7,006,890,805	120,253,498	2,059,698,235	3,413,815,038	1,029,204,291	383,919,743
1936 .....	8,358,328,280	140,594,712	2,517,494,852	3,722,645,515	1,475,546,677	502,046,524
1937 .....	9,149,125,557	189,849,113	3,057,255,830	4,300,051,812	1,059,219,865	542,748,937
1938 .....	6,991,253,473	147,282,873	2,226,982,117	3,338,340,383	829,385,834	449,262,266
1939 .....	6,989,983,015	144,206,840	2,306,503,705	3,179,200,206	868,055,052	492,017,212
1940 .....	8,042,212,543	199,346,779	2,521,116,133	3,504,307,973	1,292,446,623	524,995,035
1941 .....	8,319,432,462	204,266,702	2,301,854,742	4,038,427,331	1,248,324,738	526,558,949
1942 .....	10,300,482,455	260,395,196	2,897,550,474	5,051,895,460	1,464,635,697	662,005,628
1943 .....	11,623,354,720	263,546,491	3,444,889,728	5,585,704,343	1,620,760,870	708,453,288
1944 .....	13,493,783,808	287,097,394	3,887,843,189	6,061,865,566	2,367,816,634	889,161,025
1945 .....	14,832,463,059	322,262,929	4,380,524,390	6,947,177,010	2,259,561,510	922,937,220
1946 .....	17,004,745,848	353,211,307	4,901,020,360	8,059,409,508	2,401,480,693	1,289,623,980
1947 .....	17,549,672,532	383,283,878	5,703,308,485	7,466,710,995	2,471,145,035	1,525,224,139
1948 .....	18,319,056,311	441,143,089	5,496,765,995	7,836,896,654	2,908,508,398	1,635,742,175
Percentage increase over:						
1929 .....	+ 59.2	+ 130.7	+ 30.2	+ 68.2	+ 76.9	+ 107.5
1938 .....	+ 162.0	+ 199.5	+ 146.8	+ 134.8	+ 250.7	+ 264.1



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

Type of Accounts	CURRENT ACCOUNTS		SAVINGS ACCOUNTS	
	March, 1948	February, 1948	March, 1948	February, 1948
	\$	\$	\$	\$
Maritime Provinces .....	143,195,974	140,951,862	6,789,080	5,650,171
Quebec .....	1,763,233,465	1,603,540,112	128,878,975	89,518,741
Ontario .....	2,585,868,816	2,280,955,899	143,087,002	130,941,443
Prairie Provinces .....	914,383,356	774,644,689	43,076,079	33,783,407
British Columbia .....	498,366,760	451,102,250	50,249,779	40,048,391
GRAND TOTAL FOR CANADA ...	5,905,048,371	5,251,194,812	372,080,915	299,942,153

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

	1 9 4 7				1 9 4 8	
	February	March	November	December	January	February
Cheques Cashed, Current ..	5,307,938	5,411,880	6,391,279	6,425,689	6,129,572	5,251,195
Current Deposits-Average ..	2,904,427	2,834,521	2,730,178	2,761,395	2,684,740	2,521,814
Velocity of Current Accounts .....	1.83	1.91	2.34	2.33	2.28	2.08
Cheques Cashed, Savings ..	288,772	325,242	382,772	385,387	361,218	299,942
Savings Deposits-Average ..	3,559,548	3,602,793	3,731,567	3,725,430	3,782,221	3,852,274
Velocity Savings Accounts.	0.081	0.090	0.102	0.103	0.096	0.078

TABLE 5. - RELATION OF CHEQUES CASHED TO OTHER FACTORS

1935-39=100

	1 9 4 7				1 9 4 8	
	February	March	November	December	January	February
Cheques Cashed, Adjusted ..	229.4	226.9	223.8	230.7	246.8	227.5
Employment (8 Industries) ..	166.4	166.0	181.9	183.9	178.4	174.2
Percentage Unemployed ....	5.2	4.8	2.8	4.4	6.1	6.9
Wholesale Prices .....	153.3	156.2	184.9	186.2	190.6	191.1
Cost of Living .....	127.8	128.9	143.6	146.0	148.3	150.1
Common Stocks .....	109.4	106.4	107.3	106.2	107.5	102.2

TABLE 6. - MONEY SUPPLY - MILLIONS OF DOLLARS

	1 9 4 7				1 9 4 8	
	February	March	November	December	January	February
Money Supply (M+M1) .....	7,555.3	7,502.7	7,544.5	7,660.1	7,479.3	7,466.6
Bank Notes in Circulation-						
Bank of Canada .....	1,137.9	1,153.2	1,182.3	1,211.4	1,010.3	1,020.6
Chartered Banks .....	20.9	20.7	18.4	18.2	18.0	17.3
Notes in hands of public ..	1,029.6	1,026.6	1,052.4	1,045.6	1,028.3	1,038.4
Subsidiary coin in hands of public .....	63.4	63.8	66.5	66.4	65.2	65.8
Total Circulation Media in hands of public (M) ..	1,093.0	1,090.4	1,119.0	1,112.0	1,093.5	1,104.2
Deposits -						
Deposits with Chartered Banks						
Dominion Government ....	299.3	435.6	340.2	262.2	279.0	132.9
Provincial Government ..	140.2	137.3	102.2	113.5	104.3	107.7
Demand .....	2,145.4	1,995.7	2,126.4	2,295.6	2,073.3	2,105.4
Notice .....	3,586.3	3,619.3	3,710.4	3,740.4	3,824.0	3,880.5
Total .....	6,171.3	6,188.0	6,279.3	6,411.8	6,280.6	6,226.5
Deposits with Bank of Canada						
Dominion Government ....	215.7	159.8	84.2	68.8	44.6	60.8
Other .....	75.3	64.6	62.0	67.5	60.6	75.0
Total .....	291.0	224.4	146.3	136.3	105.2	135.8
Total Deposits (M1) .....	6,462.2	6,412.4	6,425.6	6,548.1	6,385.8	6,362.3

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