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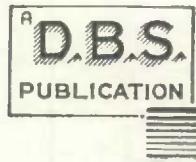
Government of Canada

CHEQUES CASHED

IN

CLEARING CENTRES

AUGUST, 1949



DOMINION BUREAU OF STATISTICS
DEPARTMENT OF TRADE AND COMMERCE

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CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS
AUGUST, 1949

Reflecting the prosperous condition of the economy, business transactions in the form of cheques cashed continued to advance in August. The gain over the same month of last year was 12.3 per cent, the total for the 34 clearing centres having been \$6,447 million.

Twenty-eight of the 33 centres for which comparable data exist for preceding years recorded increases, indicating that business activity continues at a high level throughout the country. Each of the five economic areas rose to a higher position.

As a result of the recent inclusion of St. John's, Newfoundland, for which no data are available for 1948, the Maritime area showed the greatest relative increase. All three centres registered gains over the same month last year. A sharp drop in cheques cashed in the city of Quebec was overshadowed by advances in Montreal and Sherbrooke, resulting in a relatively slight increase for the province.

Only one clearing centre in Ontario recorded a decline in August when the total rose more than 17 per cent over the same month of the preceding year. The highest percentage gain was registered in St. Catharines followed by a 20 per cent advance for Toronto.

The aggregate for the Prairie Provinces rose 18.2 per cent when eight of the ten clearing centres recorded increases in this comparison. Edmonton led all centres in Canada with a gain of 50 per cent. Calgary advanced 23 per cent to show the second highest increase for the area.

A decline of 8.5 per cent in Victoria was counter-balanced by a sharp gain of 16.6 per cent in Vancouver to result in an increase of 11.5 per cent for British Columbia.

So far this year, August has recorded the largest percentage increase in cheques cashed when the aggregates of recent months are compared with those of the same months last year.

The Eight Months

Cheques cashed in the first eight months of 1949 reached a record \$54.6 billion, a gain of over 8 per cent when compared with the same period of 1948. All five economic areas rose to higher positions with the Prairie Provinces still leading in this comparison, having shown an increase of 17.3 per cent. Each of the centres in Ontario and the Prairie Provinces showed advances with Lethbridge, Calgary and Edmonton in that order leading all other clearing centres in Canada. Saint John, Quebec and New Westminster were the only cities to show percentage losses in the eight months comparison. Montreal and Toronto registered gains of 4.2 per cent and 5.7 per cent respectively.

Each of the five economic areas continued to maintain its record level, the totals for Canada, the Maritime Provinces and British Columbia having shown an unbroken series of increases since 1938. For the first eight months the Canadian aggregate was 79.1 per cent higher than the similar period of 1929 and over 181 per cent above that of 1938.

Deposit Turnover

The turnover of current deposits in July was less than in the same month of 1948. The turnover is obtained by dividing the cheques cashed against current deposits by the average amount of such accounts during the month in question. The result is transferred to an annual basis to compare with twelve-month totals in previous years. The lower level of the turnover in July as compared with the same month of 1948 was occasioned by the greater relative increase in deposits than in the cheques cashed. The current deposits were 8.5 per cent greater while cheques cashed rose 4.7 per cent in the July comparison. The turnover of savings deposits also declined in July when it only amounted to 1.08 compared with 1.22 in the same month last year.

Cheques cashed against current accounts were greater in August in each of the five economic areas than in the same month of 1948. Only six centres failed to surpass last year's showing in the amount of financial transactions of this class. As deposits are not yet known for the month in question, no indication of turnover is available.

Economic Setting

A majority of the main factors which influence economic activity continued to show increases when compared with the corresponding month of 1948. As intimated above cheques cashed rose 12.3 per cent in August. Wholesale prices showed a gain of nearly 3 per cent in the latest available month. The cost of living index in August was at an all-time high.

Industrial production in July was up 4.6 per cent when compared with the same month last year and employment in nine leading industries showed a slight increase. Automobile production recorded a sharp advance of 68 per cent while cotton and rubber consumption and the production of steel and newsprint showed percentage losses.

Railway traffic as measured by tons loaded recorded a sharp gain of 15.7 per cent in August. Imports were up while exports declined in July. Retail trade advanced more than 5 per cent. Common stock prices and bond yields both receded in August while dividend payments increased 6.5 per cent.

For the first time this year, building permits in 58 municipalities failed to advance above the amount shown for the corresponding month of 1948. The total for June was 3.3 per cent lower than the same month last year.

The Charts

The charts of this number present the trend of bank cheques cashed by months since January 1920 to the current period in comparison with the main classes of security price indexes. The data for cheques cashed were adjusted for seasonal and price changes and calculated on a base of 1935-39=100 to compare with the indexes of stock prices. The long-term trend for each series was computed by the usual mathematical process.

TABLE 1. - CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES IN CANADA, AUGUST, 1949 WITH COMPARATIVE FIGURES FOR JULY, 1949 AND AUGUST, 1948

Province and Clearing House Centres	August 1949	July 1949	August 1948	Percentage of Aug. 1949 to Aug. 1948
	\$	\$	\$	%
<u>Maritimes and Newfoundland</u>				
Halifax	80,186,942	100,616,084	73,846,625	108.6
Moncton	32,490,050	33,851,597	27,874,188	116.6
Saint John	49,203,176	42,791,872	45,634,210	107.8
St. John's	36,354,459	31,745,056	-	-
Maritimes and Newfoundland	198,234,627	209,004,609	147,355,023	134.5
<u>Quebec</u>				
Montreal	1,577,450,566	1,780,022,834	1,527,954,993	103.2
Quebec	182,757,396	223,047,248	219,203,701	83.4
Sherbrooke	23,174,785	23,762,145	22,037,162	105.2
Total - Quebec	1,783,382,747	2,026,832,227	1,769,195,856	100.8
<u>Ontario</u>				
Brantford	31,664,386	35,762,212	31,656,659	100.0
Chatham	22,422,898	27,108,879	24,825,412	90.3
Fort William	19,767,510	19,920,405	18,456,610	107.1
Hamilton	158,924,302	172,034,792	144,775,265	109.8
Kingston	18,296,501	20,726,314	17,624,475	103.8
Kitchener	35,857,411	39,386,961	32,202,752	111.3
London	89,745,144	97,644,212	75,546,129	118.8
Ottawa	274,741,272	271,860,354	241,381,443	113.8
Peterborough	22,543,792	25,828,989	21,123,580	106.7
St. Catharines	29,186,084	33,119,585	21,756,820	134.1
Sarnia	25,974,449	27,370,911	25,348,991	102.5
Sudbury	22,088,022	22,692,235	19,424,209	113.7
Toronto	1,793,576,160	2,107,225,006	1,494,350,971	120.0
Windsor	117,189,155	122,635,947	98,361,828	119.1
Total - Ontario	2,661,977,086	3,023,316,802	2,266,835,144	117.4
<u>Prairie Provinces</u>				
Brandon	12,748,703	12,296,492	10,735,660	118.8
Calgary	205,177,009	193,705,564	166,856,057	123.0
Edmonton	148,241,420	149,040,947	98,803,829	150.0
Lethbridge	20,447,368	20,070,772	18,801,413	108.8
Medicine Hat	7,473,795	8,200,215	8,231,438	90.8
Moose Jaw	19,459,584	18,708,620	17,721,317	109.8
Prince Albert	11,575,131	10,308,507	10,738,038	107.8
Regina	93,718,199	90,779,357	95,764,908	97.9
Saskatoon	41,786,047	37,654,304	36,487,842	114.5
Winnipeg	636,815,329	615,580,816	548,738,271	116.1
Total - Prairie Provinces.	1,197,442,585	1,156,345,594	1,012,878,773	118.2
<u>British Columbia</u>				
New Westminster	27,291,703	27,201,813	27,129,188	100.6
Vancouver	493,900,336	474,402,089	423,563,985	116.6
Victoria	84,976,103	100,255,360	92,863,984	91.5
Total - British Columbia..	606,168,142	601,859,262	543,557,157	111.5
GRAND TOTAL FOR CANADA ...	6,447,205,187	7,017,358,494	5,739,821,953	112.3

TABLE 2. - BANK DEBITS TO INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES OF CANADA DURING THE FIRST EIGHT MONTHS OF 1949 COMPARED WITH THE SAME PERIOD OF 1948

Province and Clearing House Centres	Eight Months 1949	Eight Months 1948	Increase (+) Decrease (-)	Percentage of 1949-1948
<u>Maritimes and Newfoundland</u>	\$ '000	\$ '000	\$ '000	%
Halifax	682,999	672,924	+ 10,075	101.5
Moncton	248,997	217,606	+ 31,391	114.4
Saint John	345,031	372,392	- 27,362	92.7
St. John's	170,573	-	+ 170,573	-
Maritimes and Newfoundland	1,447,600	1,262,924	+ 184,676	114.6
<u>Quebec</u>				
Montreal	13,873,554	13,318,264	+ 555,290	104.2
Quebec	1,568,091	1,599,181	- 31,090	98.1
Sherbrooke	182,612	175,165	+ 7,447	104.3
Total - Quebec	15,624,258	15,092,610	+ 531,648	103.5
<u>Ontario</u>				
Brantford	287,204	244,447	+ 42,757	117.5
Chatham	200,365	168,967	+ 31,398	118.6
Fort William	147,412	143,525	+ 3,887	102.7
Hamilton	1,395,712	1,240,984	+ 154,728	112.5
Kingston	155,268	150,550	+ 4,718	103.1
Kitchener	314,417	302,404	+ 12,013	104.0
London	746,479	681,527	+ 64,952	109.5
Ottawa	2,556,333	2,299,058	+ 257,275	111.2
Peterborough	182,178	165,856	+ 16,322	109.8
St. Catharines	248,439	222,693	+ 25,746	111.6
Sarnia	200,660	186,651	+ 14,009	107.5
Sudbury	169,977	143,152	+ 26,825	118.7
Toronto	15,320,919	14,494,350	+ 826,569	105.7
Windsor	957,408	846,490	+ 110,918	113.1
Total - Ontario	22,882,771	21,290,653	+ 1,592,118	107.5
<u>Prairie Provinces</u>				
Brandon	90,283	81,774	+ 8,509	110.4
Calgary	1,535,483	1,230,404	+ 305,079	124.8
Edmonton	1,185,886	957,855	+ 228,031	123.8
Lethbridge	154,695	120,348	+ 34,347	128.5
Medicine Hat	65,324	59,096	+ 6,228	110.5
Moose Jaw	155,671	132,896	+ 22,775	117.1
Prince Albert	81,936	75,507	+ 6,429	108.5
Regina	833,400	698,335	+ 135,065	119.3
Saskatoon	288,563	275,667	+ 12,896	104.7
Winnipeg	5,388,608	4,705,552	+ 683,056	114.5
Total - Prairie Provinces	9,779,849	8,337,433	+ 1,442,416	117.3
<u>British Columbia</u>				
New Westminster	203,869	216,651	- 12,782	94.1
Vancouver	4,030,440	3,665,392	+ 365,048	110.0
Victoria	666,092	636,384	+ 29,708	104.7
Total - British Columbia	4,900,401	4,518,428	+ 381,973	108.5
GRAND TOTAL FOR CANADA	54,634,880	50,502,048	+ 4,132,832	108.2

TABLE 3. - CHEQUES CASHED IN CLEARING CENTRES, FIRST EIGHT MONTHS,
1926 - 1949

Thousand Dollars

Year	CANADA	Maritime Provinces	Quebec	Ontario	Prairie Provinces	British Columbia
1926	19,411,257	411,033	6,252,535	7,864,166	3,605,841	1,277,683
1927	21,312,936	397,548	7,310,524	8,763,383	3,540,183	1,301,299
1928	27,850,692	490,992	9,881,969	11,060,846	4,784,404	1,632,481
1929	30,506,539	530,149	10,699,164	12,415,540	4,874,468	1,987,218
1930	24,920,761	466,589	8,822,000	10,017,925	4,015,450	1,598,798
1931	21,069,110	427,081	7,201,154	9,048,219	3,169,453	1,223,193
1932	16,828,259	352,530	5,134,893	7,352,236	2,969,971	1,018,629
1933	19,371,609	309,087	5,484,101	8,316,983	4,277,515	983,924
1934	20,743,568	348,239	6,052,931	9,357,589	3,908,401	1,076,408
1935	20,258,840	362,817	5,796,513	9,190,900	3,825,952	1,082,658
1936	22,759,663	403,016	6,902,041	9,901,672	4,199,396	1,353,539
1937	23,519,603	489,291	7,727,190	10,791,220	3,095,291	1,416,611
1938	19,422,568	415,420	6,344,430	9,010,207	2,440,864	1,211,646
1939	19,899,573	418,169	6,539,425	8,859,059	2,763,328	1,319,591
1940	22,081,944	535,511	6,564,656	9,685,473	3,896,785	1,399,520
1941	25,201,597	602,936	7,055,974	11,733,034	4,217,142	1,592,510
1942	28,775,585	692,057	8,036,877	14,086,478	4,132,320	1,827,854
1943	33,893,599	796,682	9,835,878	15,718,218	5,452,555	2,090,266
1944	39,192,266	838,033	11,212,504	17,280,347	7,370,807	2,490,575
1945	42,812,901	950,351	12,195,168	19,669,617	7,296,903	2,700,862
1946	44,897,870	1,057,643	13,519,962	20,151,188	6,702,993	3,466,085
1947	47,769,640	1,130,675	15,173,786	19,674,603	7,552,032	4,238,544
1948	50,502,048	1,262,924	15,092,610	21,290,653	8,337,433	4,518,428
1949*	54,634,880*	1,447,600*	15,624,258	22,882,771	9,779,849	4,900,401
Percentage increase over: 1929 ..	+ 79.1	+ 173.1	+ 46.0	+ 84.3	+ 100.6	+ 146.6
1938 ..	+ 181.3	+ 248.5	+ 146.3	+ 154.0	+ 300.7	+ 304.4

* Includes debits in St. John's, Newfoundland, since April only.

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

Economic Area and Clearing House Centres	CURRENT ACCOUNTS		SAVINGS ACCOUNTS	
	<u>AUGUST</u>		<u>AUGUST</u>	
	1949	1948	1949	1948
<u>Maritimes and Newfoundland</u>				
Halifax	76,668	70,366	3,519	3,481
Moncton	30,909	26,210	1,582	1,664
Saint John	46,488	43,036	2,715	2,598
St. John's	35,314	-	1,041	-
Total - Maritimes and Newfoundland	189,378	139,612	8,856	7,743
<u>Quebec</u>				
Montreal	1,495,528	1,444,324	81,923	83,631
Quebec	172,146	207,021	10,611	12,182
Sherbrooke	21,828	20,641	1,347	1,396
Total - Quebec	1,689,502	1,671,987	93,881	97,209
<u>Ontario</u>				
Brantford	29,484	29,614	2,180	2,042
Chatham	20,196	22,373	2,227	2,452
Fort William	18,205	17,054	1,563	1,403
Hamilton	146,533	133,056	12,391	11,720
Kingston	15,804	15,314	2,492	2,311
Kitchener	33,658	30,457	2,200	1,746
London	83,775	70,131	5,970	5,416
Ottawa	256,487	226,104	18,254	15,277
Peterborough	19,904	19,183	2,640	1,941
St. Catharines	25,675	18,862	3,512	2,895
Sarnia	24,139	23,312	1,836	2,037
Sudbury	19,244	16,846	2,844	2,578
Toronto	1,701,289	1,413,484	92,287	80,867
Windsor	109,068	91,798	8,120	6,564
Total - Ontario	2,503,461	2,127,587	158,517	139,249
<u>Prairie Provinces</u>				
Brandon	11,596	9,481	1,153	1,255
Calgary	194,957	156,620	10,220	10,236
Edmonton	138,527	89,847	9,714	8,957
Lethbridge	18,934	17,584	1,513	1,218
Medicine Hat	6,767	7,611	707	621
Moose Jaw	18,017	16,343	1,443	1,378
Prince Albert	10,581	9,778	994	960
Regina	88,172	89,590	5,546	6,175
Saskatoon	38,563	33,102	3,223	3,386
Winnipeg	618,993	532,025	17,822	16,714
Total - Prairie Provinces	1,145,106	961,980	52,337	50,899
<u>British Columbia</u>				
New Westminster	23,905	23,317	3,387	3,812
Vancouver	451,774	384,207	42,126	39,357
Victoria	76,211	83,876	8,765	8,988
Total - British Columbia	551,889	491,400	54,279	52,157
GRAND TOTAL FOR CANADA	6,079,336	5,392,566	367,870	347,256

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
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
1948	75,970,063	2,775,050	27.38	4,717,385	3,958,972	1.19
1947 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.	5,824,048	2,541,549	27.50	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
Dec.	7,326,270	3,116,958	28.21	473,822	4,071,322	1.40
1949 Jan.	6,563,891	3,100,684	25.40	364,620	4,087,444	1.07
Feb.	5,649,733	3,053,956	22.20	326,605	4,138,673	0.95
Mar.	6,452,251	2,932,735	26.40	415,280	4,211,762	1.18
Apr.	6,842,062	2,848,191	28.83	424,738	4,301,503	1.18
May	6,494,777	2,922,294	26.67	420,105	4,338,730	1.16
June	6,742,084	2,999,005	26.98	474,171	4,334,167	1.31
July	6,628,950	2,998,381	26.53	388,409	4,335,335	1.08

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

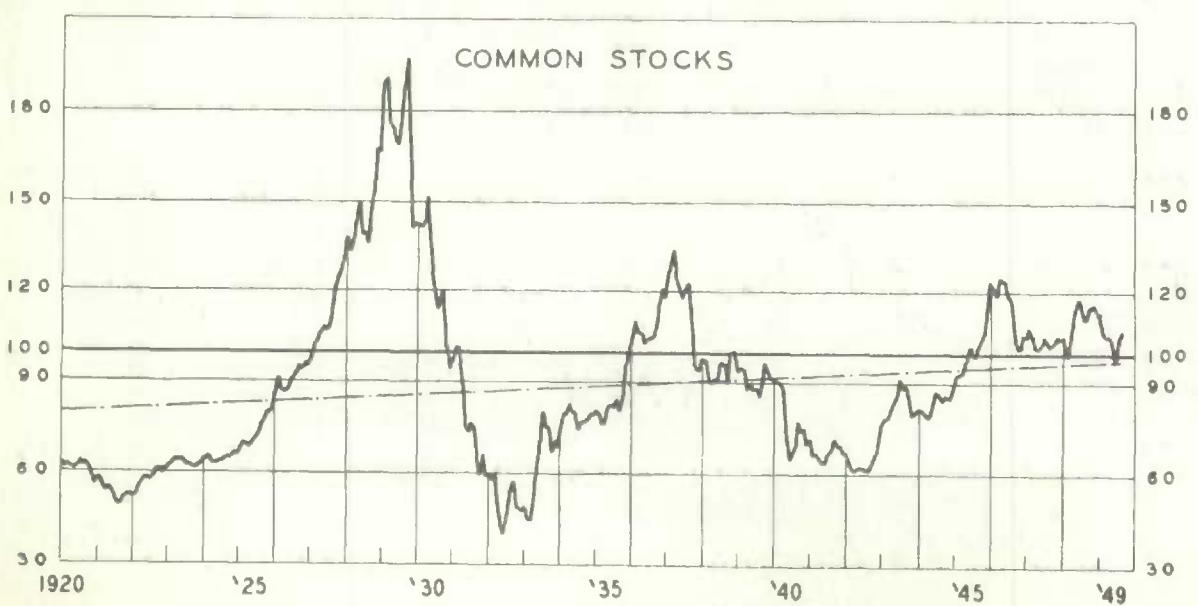
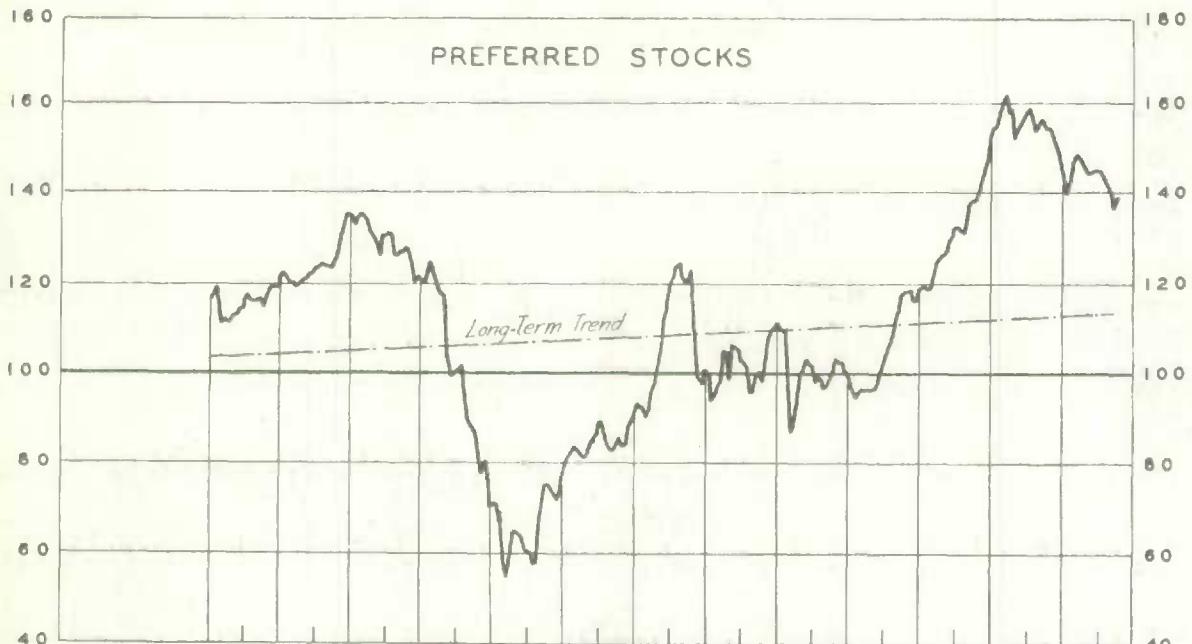
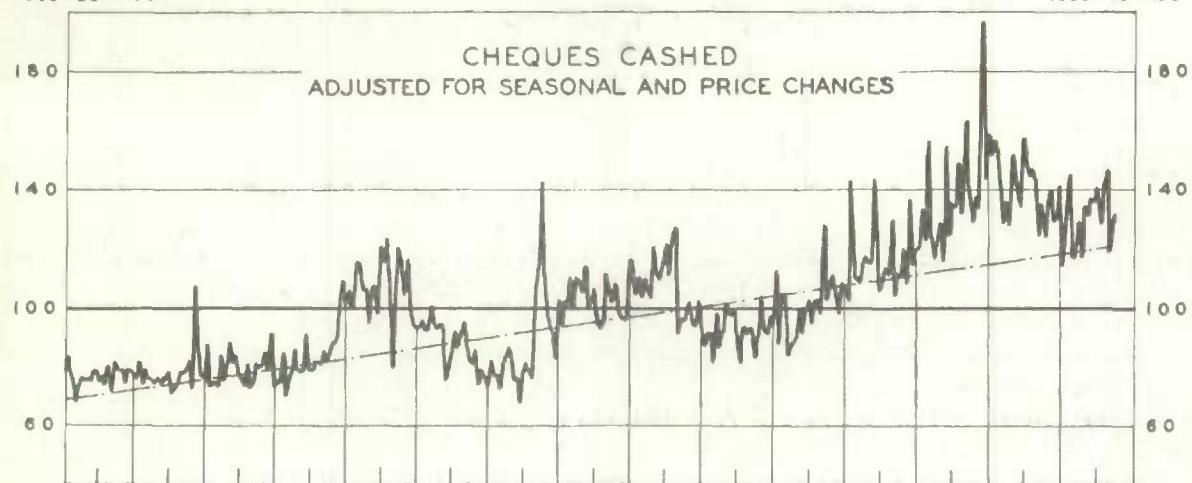
TABLE 6. RELATION OF CHEQUES CASHED TO OTHER FACTORS

	Name of Unit	Latest month per Col (1)	Same month 1948 (3)	Percentage change 1949 to 1948 (4)
	(1)	(2)	(3)	
Cheques Cashed	Million \$	Aug.	6,447	+ 12.3
Industrial Production-Total	1935-39=100	July	182.8p	+ 4.6
Manufactures	1935-39=100	July	190.7p	+ 4.4
Mining	1935-39=100	June	132.2	+ 6.9
Employment-9 Leading Industries ..	1926=100	July	196.9	+ 0.3
Manufactures	1926=100	July	207.3	(0)
Rough and Dressed Lumber	1926=100	July	143.2	- 1.4
Textile Products	1926=100	July	182.3	+ 2.3
Mining	1926=100	July	178.0	- 0.4
Aggregate Payrolls-9 Industries ..	Thousand \$	July	92,388	+ 7.4
Average Weekly Earnings -				
9 Industries	Dollars	July	42.88	+ 6.0
Rubber Consumption	Million lb.	July	9.84	- 16.5
Cigarettes Released	Millions	July	988	+ 1.6
Inspected Slaughterings-Cattle ..	Thousands	July	116	+ 20.8
-Hogs	Thousands	July	223	- 12.9
Creamery Butter	Million lb.	Aug.	34.31	- 6.8
Cheese	Million lb.	Aug.	15.98	+ 12.1
Cotton-Bale Openings	Thousand lb.	Aug.	12,270	- 6.8
Wood Pulp Production	Thousand tons	July	603.2	- 5.7
Newspaper Production	Thousand tons	July	421.5	- 0.7
Steel Production	Thousand tons	July	238.8	- 2.5
Automobile Production	Thousands	July	25.38	+ 68.0
Gold-Mint Receipts	Thousand fine ounces	July	303	+ 7.4
Building Permits-58 Muni- cipalities	Thousand \$	June	39,396	- 3.3
Primary Power-Consumption	Million kwh.	July	3,362	+ 0.2
Tons Loaded	Thousand tons	Aug.	10,658p	+ 15.7
Retail Trade	Million \$	July	664.3	+ 5.4
Exports	Million \$	July	241.3	- 3.8
Imports	Million \$	July	230.9	+ 2.6
Cost of Living	1935-39=100	Aug.	162.8	+ 3.4
Wholesale Prices-General	1926=100	July	156.6	+ 2.9
Raw and Partly Manufactured ...	1926=100	July	160.8	+ 3.7
Fully and Chiefly Manufactured.	1926=100	July	142.1	+ 2.3
Consumer Goods	1926=100	July	145.0	+ 2.7
Producers' Goods	1926=100	July	156.5	+ 3.4
Building Materials	1926=100	July	200.7	+ 2.7
Common Stock Prices	1935-39=100	Aug.	108.2	- 4.8
Bond Yields Index	1935-39=100	Aug.	92.6	- 3.7
Dividend Payments	Million \$	Aug.	14.30	+ 6.5
Chartered Bank Cash	Million \$	July	73.97	+ 12.0
Current Loans	Million \$	July	2,082	+ 10.9
Dominion-Expenditures	Million \$	July	154	(0)
-Revenues	Million \$	July	205	- 6.4

CHEQUES CASHED
COMPARED WITH
INDEXES OF STOCK PRICES

1935-39=100

1935-39=100



- 10 -

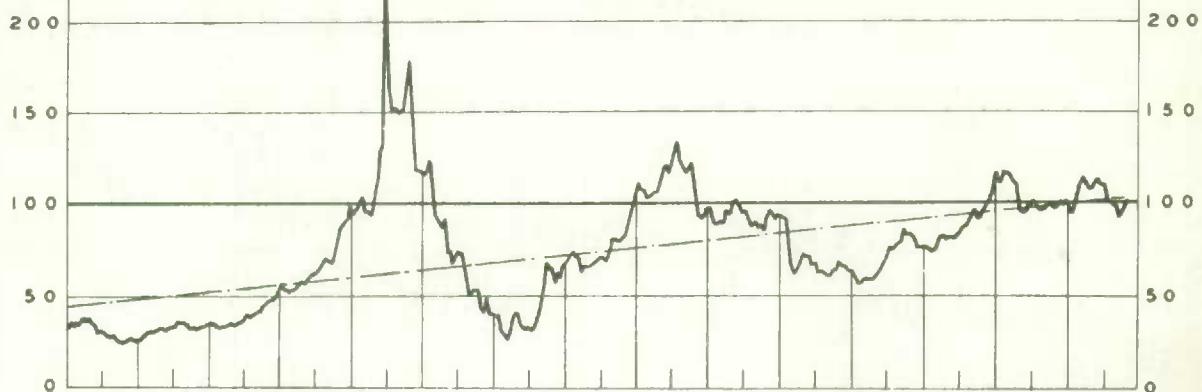
CHEQUES CASHED

WITH COMPARISONS CONCLUDED

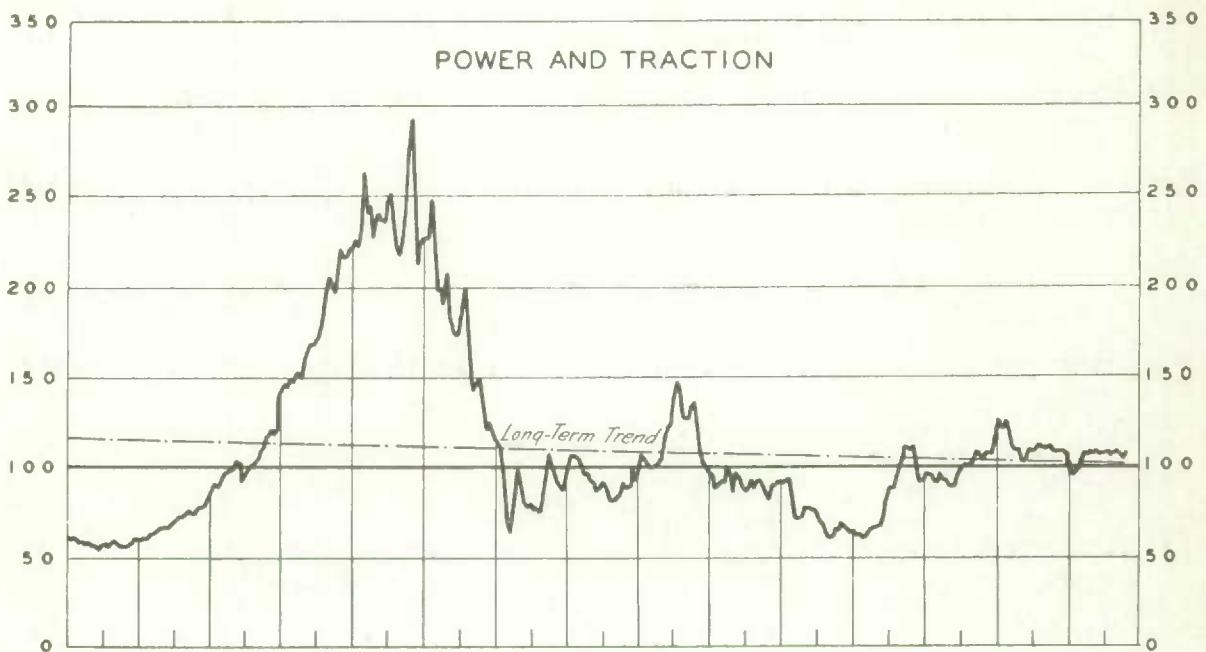
1935-39=100

1935-39=100

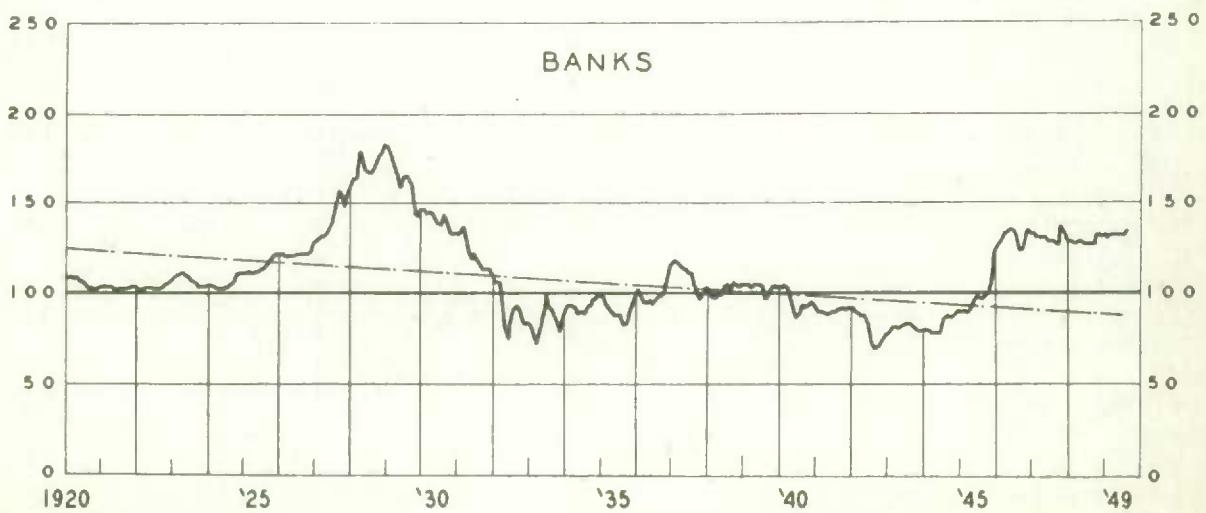
PRICES OF INDUSTRIAL STOCKS



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