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CANADA
DEPARTMENT OF TRADE AND COMMERCE DOMINION BUREAU OF STATISTICS

## ANNUAL REPORT <br> OF

# 1. BANK DEBITS TO INDIVIDUAL ACCOUNTS 

# 2. NOTES ON THE EQUATION OF EXCHANGE <br> IN THE POST-WAR PERIOD. 

1937
(





Dominion Statistician:
Business Statistician:
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BANK DEBITS TO INDIVIDUAL ACCOUNTS
or
Amount of Cheques Charged against Bank Accounts at the Clearing House Centres in 1937.

Financiel transfers in the form of cheques cashed against individual accounts by the branch banks in the thirty-two clearing centres showed a decline of two per cent in 1937 from the preceding year. The total of bank debits was $\$ 35.2$ billion against $\$ 35.9$ billion in 1936 , a decline of $\$ 762.5$ million. Each of the five economic areas, excent the Prairie Provinces, recorded increases in this comparison. Only 7 of the 32 clearing centres recorded declines, five of these being in the Prairie Provinces and two in Ontario.

The increase in the Maritime Provinces was 16 per cent, a gain of about $\$ 103$ million having been show. Each of the three centres in Quebec recorded increases, Montreal showing an advance of 4.4 per cento Larger percentage gains were show in Quebec and Sherbrooke, the net result for the Province being an increase of 5.8 per cent. Eleven of the thirteen centres in Ontario showed larger bank debits in 1937 than in the preceding year, exceptions being London and Ottawa. The gain in Toronto was $\frac{1}{2}$ per cent, the total having been $\$ 12,227$ million. The aggregate for the Province of Ontario recorded ars increase of 1 per cent., the total amount having been $\$ 15,939$ million. One-half of the ten centres in the Prairie Provinces recorded gains over 1936. Marked decline was shown in the bank debits of Winnipeg, exerting the main influence toward the drop of 26 per cent in the aggregate for the economic area. The gain in Vancouver was 0.7 per cent and increases were shown for the three centres of the Province. The total recorded a gain of nearly $\$ 23$ million of 1.1 per cent.

## Comparison with Other Economic Factors.

The economic year was more favourable than indicated by the statistics of bank debits. The index of the physical volume of business based on 46 factors averaged 122,7 in 1937 against 112.2 in the preceding year, a gain of 9.4 per cent. the gain in manufacturing employment was $10 \sim 6$ per cent. Wholesale prices maintained a higher level, averaging 13.4 per cent above the preceding year. While common stock prices declined sharply in the last quarter of 1927 , the monthly average for the year under review wis 6.5 per cent higher than in 1936.

Bank Debits in Branch Banks Outside of Clearing Centres.
Statistics of bank debits as published in this bulletin are limited to returns from the 32 clearing house centres only. For the purpose of establishing the ratio of the debits in clearing centres to the total amount of debits charged to individual accounts at all branch banks in Canada in a particular month, a special enquiry was made by the Canadian Bankers" Association with regard to the amount of bank debits charged to accounts at branch banks outside of clearing house centres during January 1935. It was ascertained that the total debits outside of clearing house centres were in that month only $1 l$ per cent of the total debits or 12.4 per cent of the debits at the clearing house centres. The buainess done through the passage of cash from hand to hand cannot he estimated with any degree of accuracy.

## 1. BAMK DEBITS TO INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES OF CANADA, 1934 to 1937.

| Province and Clearing House Centres | 1934 | 1935 | 1956 | 1937 |
| :---: | :---: | :---: | :---: | :---: |
| Maritime Provinces | \$ | \$ | \$ | \$ |
| Halifax | 275,940,590 | 310,052,273 | 341,775,552 | 406,581,857 |
| Moncton | 87,228,253 | 30,680,025 | 98,641,301 | 112,550,923 |
| Saint John | 171,074,214 | 173, 320.562 | 189,985,161 | 214,216,666 |
| Total - Maritiae Provinces | 534,251,057 | 574,052,860 | 630,402,014 | 733, 559,446 |

Quebec

| Montreal | 435 | 8,307,134,410 | ,150,016,770 | 705 |
| :---: | :---: | :---: | :---: | :---: |
| Quebec | 550,653, 976 | 306,964,150 | 717,145,205 | 888,524,702 |
| Sherbrooke | 64,354,455 | $63,430,463$ | 71,484,756 | 83,635,135 |
| Total - Quebec | 9,449,709,866 | 8,977,529,023 | 10,938 | 568,421,542 |
| Ontario |  |  |  |  |
| Brentford | 84,950,018 | 94,186,017 | 103,221,459 | 120,088,991 |
| Chatham | 71,122,708 | 79,902,107 | 100,652,126 | 111,553,991 |
| Fort William | 49,838,324 | 50,202,917 | 53, 348,734 | 38,085,229 |
| Hamilton | 528,307,95? | 559, 388,191 | 601,358,570 | 691,483,173 |
| Kingston | 52,719,962 | 55,634,971 | 67,867,438 | 76,687,282 |
| Kitchener | 108,804,353 | 114,191,829 | 128,018, 389 | 142,265,155 |
| London | 534,741,204 | 362,317,629 | 420,989,625 | 413,075,352 |
| Ottawe | , 914,296,966 | 1,444,156,227 | 1,469,292,434 | 1,348,844,155 |
| Peterborough | 53,757,240 | 60,023,1.93 | 68,620,654 | 75,770,408 |
| Sarnia | 78,158,895 | 69,145,537 | 74,160,267 | 81, 347,420 |
| Sudbury | 48,991,202 | 55,537,151 | 72,735,265 | 88,780,581 |
| Toronto | ,389,321,892 | 10,642,516,427 | 12,168,836,487 | 12,226,885,028 |
| Windsor | 204,433,272 | 289,384,280 | 439,378, 363 | 493,282,632 |
| Total - Ontario | , 919,504,095 | 76,626,476 | 15,778 | 5,939,149,497 |
| Pralile Provinces |  |  |  |  |
| Brando | 26,885,135 | 25,686,690 | 28,313,991 | 31,358,553 |
| Calgary | 526,966,099 | 616,831,075 | 6xف,145,594 | 658,768,133 |
| Edmonton | 382,681,968 | 400,418,426 | 387,386,725 | 417,969,669 |
| Lethbridge | 42,671,124 | 48,945,714 | 45,780,043 | 51,787,553 |
| Medicine Hat | 25,377,296 | 27,322,542 | 26,842,723 | 20,611,236 |
| Moose Jaw | 51,316,748 | 53,874,399 | 77,376,584 | 73, 307, 347 |
| Prince Albert | 21,106,382 | 24,434,064 | 25,976,662 | 28,790,736 |
| Regina | 475,021,328 | 505,052,792 | 495,621,447 | 428,357,391 |
| Saskatoon | 102,965,180 | 110,058,112 | 121,553,190 | 121,374,564 |
| Winnipeg | 4,682,240,160 | 4,632,791,950 | 4,660,521,712 | 2,988,095,575 |
| Total - Preirie Pro | 6,557,239,720 | 6,445,395,764 | 6,505,518,677 | 4,827,021,407 |
| British Columbia |  |  |  |  |
| New Mestminster | 52,390,693 | 59,819,150 | 70,089,850 | 74,751,206 |
| Vancouver | 1,320,856,775 | 1, $249,924,217$ | 1,682,786,803 | 1,692,513,585 |
| Victoria | 252,720,716 | 262,718,851 | 322,481,821 | 320,844,455 |
| Total - British Columbla | 1,625,968,184 | 1,672,462,218 | 2,075,358,484 | 2,098,109,246 |

GRAND TOTAL FOR CANADA - $32,866,672,92231,546,066,34135,928,606,74335,166,061,138$
2. BANK DEBITS TO INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES OF CANADA 1937 and 1936.

3. INDEX NUMBERS OF BANK DEBITS IN CANADA BASED ON THE AVERAGE FOR 1923 EQUALLING 100 , CORRECTED FOR SEACONAL VARIATION AUCORDING TO EXPERIENCE HITH BANK DEBITS OVER A TERM OF YEARS

| Year and Month | Montreal | Toronto | Winnt peg | Vancouver | Canada |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 1937 |  |  |  |  |  |
| January | 134.4 | 182.7 | 75.6 | 107.1 | 13 . 6 |
| February | 126.4 | 160.2 | 76.3 | 119.0 | 121.9 |
| March | 146.8 | 167.4 | 94.7 | 118.6 | 137.4 |
| April | 138,7 | 190.? | 108.4 | 112.6 | 141.3 |
| May | 98.2 | 121,0 | 81.4 | 106.8 | 102 \% |
| June | 97.4 | 145. 3 | 74.1 | 105.8 | 106.7 |
| July | 107.7 | 131.5 | 66.2 | 103.3 | 106.3 |
| August | 112.0 | 148.4 | 65.1 | 109.5 | 111.2 |
| September | 118,6 | 130.7 | 86.7 | 114.2 | 113.9 |
| October | 108.0 | 128.6 | 73.4 | 102.9 | 105.5 |
| November | 98.0 | 138.6 | 75.9 | 105.3 | 105.2 |
| December | 115.8 | 146.9 | 58.2 | 103.7 | 113.6 |

4. BANK DEBITS, BANK CLEARINGS AND PERCENTAGE OF BANK DEBITS TO CLEARINGS BY MONTHS DURING 1935 and 1337.

| Year and Month | Bank Debits | Bank Clearings | Percentage of Bank Debits to Bank Clearings |
| :---: | :---: | :---: | :---: |
| 1936 | \$ | \$ |  |
| January | 2,992,068,239 | 1,551,155,045 | 192.9 |
| February | 2,767,449,324 | 1,461,938,711 | 189.3 |
| March | 2,598,810,717 | 1,389,908,584 | 187.0 |
| April | 2,773,756,280 | 1,434,904,772 | 193.3 |
| May | 2,979,198,678 | 1,674,833,322 | 177.9 |
| June | 3,135,569,349 | 1,527,349,610 | 192.7 |
| July | 2,893,657,924 | 1,560,946, 336 | 185.4 |
| August | 2,619,152,500 | 1,456,361,476 | 179.8 |
| September | 3,133,564,540 | 1,710,895,147 | 183.2 |
| October | 3,328,225,661 | 1,837,016,459 | 181.2 |
| November | 3,302,561,345 | 1,735,144,337 | 188.4 |
| December | 3,404,591,886 | 1,762,072,773 | 193.2 |
| Total | 35,928,606,743 | 19,202,526,572 | 187.1 |
| 1937 |  |  |  |
| January |  |  |  |
| February | 2,731,934,437 | 1,352, 286,537 | $202.0$ |
| March | 3,189,836,520 | 1,631,393,849 | 195.5 |
| Aoril <br> May | 3,376,200,540 | 1,719,712,734 | 196.3 |
| May <br> June | 2,768,765,981 | 1,597,480,966 | 173.3 |
| June <br> July | $2,891,916,624$ $2,720,737,779$ | $1,547,921,398$ $1,510,001,371$ | 186.8 |
| August | 2,612,857,577 | 1,510,001,371 | 180.2 183.9 |
| September | 2,733,624,854 | 1,530,594,430 | 178.6 |
| October | 2,905,802,514 | 1,641,113,815 | 177.1 |
| November | 2,925,615,844 | $1,518,954,675$ | 180.7 |
| December | 3,081,414,768 | $1,653,414,830$ | 186.4 |
| Total | 35,166,061,138 | 18,850,384,598 | 186.6 |

## 5. BANK DEBITS AT THE CLEARIMG HOUSE CENTRES OF CANADA, BY CLEARING CENTRES AND BY MONTHS, DURING 1936 and 1987.

## 1. MARITIME PROVINCES

| Year and Month | Halifax | Moncton | Saint John | Total for Maritime Provinces |
| :---: | :---: | :---: | :---: | :---: |
|  | \$ | $\$$ | ¢ | \$ |
| 1936 ( * * * |  |  |  |  |
| January .... | 29,544,171 | 7,258,272 | 13,556,760 | 50,359,203 |
| February | 21,381,479 | 7,276, 31.3 | 14,859,159 | $45,826,951$ |
| March | 25,199,379 | $7,131,472$ | 14, 177,707 | 46,408,558 |
| April $\ldots .$. | 24,197,755 | 8, 125,156 | 15,485,206 | 47,808,097 |
| May | 26,569,428 | 8,338,767 | 16,009,887 | 50,918,082 |
| June | 35,121,997 | 8,785,146 | 17,737,082 | 61,644,225 |
| July | 30,600,577 | 8,230,469 | 15,291,086 | 54,122,732 |
| August | 24,706,004 | 7,867,058 | 15,355,310 | 47,928,372 |
| September | 27,092,080 | 8,829,786 | 15,792,016 | 51,713,882 |
| Ootober | 29,191,016 | 8,582,384 | 18,107,639 | 55,871,039 |
| November | 37,558,052 | 8,545,908 | 17,033,619 | 65,147,789 |
| December | 30, 313,604 | 9,670,590 | 16,668,890 | 56,653,084 |
| Total | 541,775,552 | 98,641,301 | 189,985,161 | 630,402,014 |
| 1937 |  |  |  |  |
| January | 39,174,002 | 8,975,993 | 18,249,074 | 66,399,069 |
| February | $23,479,322$ | $7,459,354$ | 14,377,086 | 45, 315,762 |
| March | 49,682,678 | 8,464,042 | 19,987,562 | $78,134,282$ |
| April | 37,105,619 | 9,061,371 | 18,301,520 | $54,468,510$ |
| May | 29,243,413 | 9,870,814 | 18,936,511 | 58,050,738 |
| June | 31,702,369 | 10,129,871 | 17,102,542 | 58,934,782 |
| July | 32,028,070 | 9,600,001 | 18,421,720 | 60,049,791 |
| August | 30,789,182 | 9,288, 554 | 17,860,710 | $57,938,446$ |
| September | 30,824, 009 | 9,280,137 | 17,989,878 | 58,094, 724 |
| Oetober | 29,932,556 | 10,025,953 | 16,608,990 | $56,567,499$ |
| Novernber .... | $32,284,487$ | 9,834,976 | 16,784,743 | 58,904,206 |
| December .... | $40,346,150$ | $10,558,857$ | 19,596,330 | 70,502,337 |
| Tatal | $406,591,857$ | 112,550,923 | 214,216,666 | 733, 359,446 |

## 2. PROVINCE OF QUEBEC

| Year and Month | Montreal | Quebec | Sherbrooke | Total for Quebec Province |
| :---: | :---: | :---: | :---: | :---: |
| 1936 | \$ | \$ | \$ | \$ |
| January | 780,891,441 | 42,823,363 | 5,321,124 | 829,035,928 |
| February | 808,663,635 | 52,281,112 | 4,845,562 | 865,790,309 |
| March | 769,932,433 | 47,778,351 | 4,957,831 | 822,668,615 |
| April | 878,810,581 | 42,883,378 | 5,322,305 | 927,016,264 |
| May | 833,730,663 | 52,168,909 | 5,898,902 | 891,798,474 |
| June | 847,692,219 | 66,074,125 | 6,190,837 | 919,957,181 |
| July | 798,380,200 | 52,450,500 | 6,005,636 | 856,830,336 |
| August | 732,766,068 | $50,482,415$ | 5,689,062 | 788,937,545 |
| September | 802,971,549 | 48,592,431 | 7,435,460 | 858,999,440 |
| Octnber | 920,658,683 | 103,499,737 | 6,511,465 | 1,030,669,885 |
| November | 986,604,322 | $94,884,587$ | $6,474,144$ | $1,087,962,853$ |
| December | 988,915,276 | 63,227,197 | 6,832,428 | $1,058,974,901$ |
| Total | 150,016,770 | 717,146,205 | 71,484,756 | 10,938,647,731 |

5. BAMTK DEBITS AT CLEARING HOUSE CENTHES OF CANADA. BY CLEARING CENTRES AND BY MONTHS, DURING 1936 and 1937. (Contd.)
6. PROVINCE OF QUEBEC (concluded)

| Year and Month | Montreal | Quebec | Sherbrooke | Total for |
| :--- | :---: | :---: | :---: | :---: | :---: |
| Quebec Province |  |  |  |  |

3. PROVINCE OF ONTARIO

| Year and Month | Brantford | Chatham | Fort William | Hamilton |
| :---: | :---: | :---: | :---: | :---: |
| 1936 | \$ | \$ | \$ | \$ |
| January | 7,857,603 | 11,270,246 | 3,899,022 | 49,924,642 |
| February | 7,021,419 | 6,787,120 | 3,820,608 | 46,668,791 |
| March | 7,113,847 | 6,853,865 | 3,589,591 | 43,820,343 |
| April | 7,960,889 | 7,409,847 | 3,684,448 | 48,394,337 |
| May | 9,135,101 | 6,762,413 | 7,392,076 | 51,846,422 |
| June | 9,140,409 | 8,646,309 | 5,921,475 | 50,590,536 |
| July | 10,198,479 | 7,511,032 | 5,349,973 | 51,483,824 |
| August | 8,661,508 | 7,647,222 | 5,345,835 | 45,225, 312. |
| September | 8,790,471 | 7,166,075 | 5,653,898 | 49,761,460 |
| October | 8,493,225 | 8,139,190 | 6,000,022 | 54,717,498 |
| November | 8,495,220 | 9,918,557 | 6,204,113 | 52,301,379 |
| December | 10,353,498 | 12,480,250 | 6,486,673 | 55,620,666 |
| Total | 103,221,469 | 100,652,126 | 63,348,734 | 601,358,570 |
| $\underline{1.937}$ |  |  |  |  |
| J anuary | 9,041,972 | 9,126,146 | 5,569,724 | 49,087,667 |
| February | 8,352,991 | 8,570,827 | 6,497,520 | 45,891,510 |
| March | 9,542,971 | 9,118,685 | 4,394,315 | 49,757,906 |
| April | 10,375,972 | 8,574,269 | 4,572,982 | 61,475,127 |
| May | 10,730̂,135 | 7,697,317 | 4,915,113 | 58,856,513 |
| June | 10,201,155 | 8,297,009 | 5,709,253 | 55,161,307 |
| July | 10,415,009 | 8,736,000 | 5,767,133 | 61,647,716 |
| August | 8,917,533 | 8,384,803 | 5,852,487 | 57,793,023 |
| September | 9,416,606 | 8,485,092 | 5,727,275 | 57,101,712 |
| October | 11,047,024 | 9,736,716 | 6,055,175 | 69,508,132 |
| November | 10,306,654 | 11,598,263 | 6,515,396 | 61,935,369 |
| December | 11,734,969 | 13,228,864 | 6,407,556 | 63,267,191 |
| Total | 120,088,991 | 111,553,391 | 68,085,229 | 691,483,173 |

5. BANK DEBITS AT THE CIJGRING HOUSE CENTRES OF CANADA, BY CLFARING CENTRES AND BY OHTHS, DURILG 19?3 ANL 1937. (Cont'd.)
?. PROVINCE OF ONTARIO (Contld.)

| Year and Month | Kingst,on | Kitchener | London | Ottawa | Peterborough |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 1936 \$ \$ \$ |  |  |  |  |  |
|  |  |  |  |  |  |
| January | 4,992,205 | 9,943,315 | 35,977,585 | 108,616,136 | 5,131,351 |
| February | 4,498,109 | 9,7:0,063 | 20,967,000 | 90,886,642 | 4,565,993 |
| March | 4,551,290 | 9,234,721 | 28,022,417 | 88,253,530 | 4,5:4,925 |
| April | 4,770,024 | 10,575,359 | 31,599,297 | 123,555,391 | 5,150,956 |
| May | 5,809,028 | 10,208,075 | 32,985,936 | 128,801,999 | 5,425,565 |
| June | 5,845,072 | 11,900,2:3 | 41,503,337 | 154,842,359 | 5,937,543 |
| July | 7,149,963 | 10,505,306 | 72, 917,005 | 124,7:0,952 | 7,231,284 |
| August | 5,013,801 | 9,382,856 | 34,022,355 | 100,011,244 | 5,383,091 |
| September | 6,078,995 | 10,575, 3 88 | 41,701, 203 | 114,971,298 | 6,634,404 |
| October | 6,407,715 | 71,506,508 | 29,310,905 | 182,702,413 | 5,720,823 |
| November | 5,112,947 | 11,125,397 | 21,280,411 | 168,193,026 | 5,825,261 |
| December | 6,550, 188 | 12,594,088 | 39,198,394 | 182,017,444 | 6,778,468 |
| Total | 67,867,488 | 128,018,389 | 420,889,625 | 1,469,292,454 | 68,620,664 |
| 1937 |  |  |  |  |  |
| January | 6,258,590 | 12,323,975 | 36,034,969 | 115,774,887 | $0,798,702$ |
| Pebruary | 4,821,086 | 10,025,597 | 31,424,273 | 82,872,946 | $5,661,318$ |
| Warch | 6,435,142 | 11, 323,912 | 32,198,984 |  | 5,287,083 |
| April | 5,712,92\% | 12,382,578 | 35,893,491 | 115,942,278 | 6,456,553 |
| May | 6,1<5,372 | 12,55\%,503 | 84,463,601 | 111,655,873 | 5,597,906 |
| June | 3,742,091 | 11,550,477 | 33,427,816 | 108,222,045 | 9,124,933 |
| July | 7,139,723 | 11,545,771 | 24, 351, 373 | 128,471, ?11 | 6,963,717 |
| August | 6,186,202 | 10,730,706 | 29, 389,505 | 80,341,933 | 5,551,394 |
| September | 6,254,118 | 12,240,005 | 32,851,574 | 97,009,279 | 5,868,545 |
| October | 6,676,355 | 12,238,330 | 35,515,122 | 110,820,427 | 6,136,223 |
| November | 6,932,577 | 13,046,275 | 38,712,692 | 1z3,080,226 | 6,379,219 |
| December | 7,332, 900 | 12,184,945 | : 4, 737, 243 | 158,512,232 | 6,844,715 |
| Total | 76,587,282 | 143, 265,155 | 115,75,25? | 348,344, 155 | 75,77, 408 |
|  | Sarnia | Sudbury | Toronto | Windsor | Tot:l for Ontario |
| 1933 \$ \$ \$ - . |  |  |  |  |  |
| January | 5,340,556 | 4,779,471 | 1,017,711,170 | 4.5,630,274 | 1,312, 279,577 |
| February | 5,298,305 | 4,786,152 | 1,012,637,053 | 20,571, 054 | 1,258,222,826 |
| March | 5,498,081 | 4,372,347 | 209,5:1,20? | 35,906,758 | 1,158, 183,012 |
| April | 5,918,510 | 5,462,757 | $84 z, 272,1 \leq 3$ | 35,655,353 | 1,133,610,611 |
| May | 6,577,875 | 5,235,927 | 994,494,075 | 38,485,957 | 1,705,250, 779 |
| June | 6,250,357 | 6,585, 3, ? | 1,079,615,443 | 36,806,92? | 1,423,598,155 |
| July | 5,574,505 | 3,5:1,580 | 911, 340,757 | 40,894,030 | 1,222,822,470 |
| August | 5,727,859 | 6,459,859 | 829,75:,395 | 29,823,11: | 1, 293,7 71, 78.8 |
| Sentember | 5,001,998 | 3, 513,793 | 1,092, 240,254 | 34,450,512 | 1,3:0, 7:4,434 |
| October | 6,962,462 | 3,755,399 | 1,029,824,810 | 31,574,308 | 1,? $\leq 1,578,980$ |
| November | 6,067,553 | 3,359, 179 | 1,154,943,225 | 23,651, 093 | 1,502,802,011 |
| December | 5,731,690 | 7,013,073 | 1,300, 089,193 | 43,112,979 | 1,540,922,30\% |

Total
$74,160,257 \quad 72,735,23512,168,866,487$
453,578,369 15,778,079,8:7
5. BANK DEBITS AT THE CLFARTIG HOUSE CENTRES OF CANADA, BY CLEARING CENTRES AND BY MONTHS, LURI NG 1936 AND 193\%. (Cont² d)
3. PROVINCE OF ONTARIO (Concluded)

| Ienr and Month | Sarnie | Sudbury | Toronto | Tindsor | Total for |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Ontario |  |  |  |  |  |

4. PRAIRIE PROVI ICES

| Year and Month | Brandon | Calgary | Edmonton | Lethbridge |
| :---: | :---: | :---: | :---: | :---: |
| 1936 | \$ | \$ | \$ | ¢ |
| January | 2,056,?06 | 49,296,280 | 37,595,418 | 3,580,088 |
| February | 1,811,511 | 44,747,473 | 24,279,756 | 2,962,058 |
| March | 1,862,729 | 47,254,011 | 31,343,653 | 3,222,667 |
| April | 2,092,605 | 47,792,264 | 55,757,781 | 3,571,591 |
| May | 2,185,512 | 50,013,468 | 30,547,990 | 5,470,398 |
| June | 2,477,810 | 51,347,951 | 32,807,810 | 3,887,677 |
| July | 2,515,667 | $53,905,692$ | 29,972,506 | 5,652,624 |
| August | 2,259,841 | 47,815,921 | 26,991,587 | 3,683,878 |
| September | 2,826,712 | 60,935,921 | 31,030,617 | 4,612,312 |
| October | 2,871,818 | 65,802,184 | 56,810,639 | 4,689,366 |
| November | 2,645,465 | 55,976,587 | 35,554,542 | 3,982,020 |
| December | 2,706,815 | 61,347,832 | 36,684,326 | $4,415,584$ |
| Total | 28,313,991 | 636,145,594 | 587,386,725 | 45,780,043 |
| 1937 |  |  |  |  |
| January | 2,448,2:4 | $54,010,953$ | 33,917,565 | $3,069,434$ |
| February | 2,132,586 | 54,340,995 | 26,317,299 | 2,836,526 |
| March | 2,152,470 | 55,155,589 | 50,351,916 | 3, 365,841 |
| April | 2,378,824 | 57,599,583 | 56,821,089 | 4,086,504 |
| May | 2,224,590 | 52,926,937 | 56,348,464 | 3,495,596 |
| June | 2,366,935 | $54,066,570$ | 33,747,886 | 3,648,794 |
| July | 2,632,490 | 52,275,626 | 54,591, 396 | 3,826,043 |
| August | 2,431,528 | 45,286,918 | 34,444,635 | 4,207,296 |
| Sentember | 2,977,793 | 54,525,437 | 54,054,023 | 6,077,566 |
| October | 3,491,167 | 66,547,110 | 38,464,889 | 6,276, 395 |
| November | 3,228,506 | $62,715,499$ | $38,323,656$ | 5,510,098 |
| December | 2,893,330 | 49,319,321 | 40,606,151 | 5,389,662 |
| Total ....... | 31,358,553 | $658,768,183$ | 417,969,669 | 51,787,553 |

5. BAMK DEBITS AT THE CLEARING HOUSE CENTRES OE GANADA, BY CLEARING CENTRES AND BI :ANHES DURING 1956 AND 1937. (Contid.)

## 4. PRAIRIE PRONIMCES (Contido)

| Year and Month | Medicine Hat | Moose Jaw | Prince Albert | Regina |
| :---: | :---: | :---: | :---: | :---: |
| 56 | \$ | - | \$ | \$ |
| January | 2,090,809 | 4,549,582 | 1,961,963 | 53,475,062 |
| February | 1,681,986 | 5,509,393 | 1,729,257 | 30,526,177 |
| March | 2,014,112 | 3,895,189 | 2,045,327 | 33,502,472 |
| April | 2,495,303 | 4,150,875 | 2,002,147 | 29,714,295 |
| May | 2,070,791 | 5,657,853 | 2,199,006 | 44,382,101 |
| $J$ une | 2,096,1.94 | 5,846,194 | 2,351,211 | 27,556,683 |
| July | 2,248,546 | 7,649,139 | 2,152,365 | 42,517,143 |
| August | 2,285,398 | 5,517,572 | 2,047,762 | 44,811,248 |
| September | 2,570,790 | 10,842,165 | 2,312,460 | 65,549,152 |
| October | 2,877,10? | 10,279,323 | 2,087,996 | 60,596,251 |
| November | 2,263,790 | 7,212,459 | 2,237,007 | 45,253,169 |
| December | 2,147,913 | 7,267,010 | 2,370,181 | 37,837,694 |
| Total | 26,842,729 | 77, 376,584 | 25,976,662 | 495,621,447 |
| 1937 |  |  |  |  |
| January | 1,995,293 | 5,491,751 | 2,236,506 | 37,957,966 |
| February | 1,668,197 | 4,828,390 | 1,748,250 | 27,227,453 |
| March | 2,015,215 | 5,119, 329 | 2,399,880 | 34,593,946 |
| April | 1,992,379 | 5,481,567 | 2,296,723 | 44,593,964 |
| May | 1,936,804 | 7,554,846 | 2,227,628 | 34,437,983 |
| June | 1,992,138 | 5,266,742 | 2,617,445 | 35,650,724 |
| July | 2,524,510 | 6,922,315 | 2,446,924 | 40,092,780 |
| August | 2,172,116 | 5,927,013 | 2,422,945 | 28,908,275 |
| September | 2,856,574 | 6,519,111 | 2,868,723 | 38,596,475 |
| October | 3,070,135 | 6,885,927 | 2,658,389 | 37,890,502 |
| November | 2,303,556 | 6,645,326 | 2,455,823 | 31,869,032 |
| December | 2,084,321 | 6,867,230 | 2,411,500 | 35,538,591 |
| Total | 26,611,236 | 73,307,647 | 28,790,736 | 428,357,691 |
|  | Saskatoun |  | Winnf peg | Total for irie Provinces |
| 1936 \$ \$ \$ |  |  |  |  |
| January | 8,517, |  | ,890 | 634,966,171 |
| February | 7,908, |  | , 509 | 427,832,564 |
| March | 7,937, | 279 | ,623 | 412,747,942 |
| April | 8,822, | 362 | ,917 | 497,378,985 |
| May | 9,992, | 416 | ,900 | 567,399,893 |
| June | 10,087, | 423 | 5,874 | 562,155,062 |
| July | 10,152, | 419 | ${ }_{8} 876$ | 574, 413,709 |
| August | 9,884, |  | , 615 | 522,501,390 |
| September | 12,652, | 463 | , 947 | 656,335,251 |
| Octaber | 13,469, | 524 | ,857 | 724,971,248 |
| November | 11,605, | 305 | ,856 | 472,481,036 |
| December | 11,484, | 286 | 3,848 | 452,335,426 |
| Total | 121,553, | 4,660 | ,712 | ,505,518,677 |

## 5. BAMK DEBITS AT THK CLEARIMG MOUSE CKMTRES OI CANADA BY CLEARTNG CENTRES AND BY HONTHS DURING 1936 ANO 19\$7. (Concluded)

4. PRAIRIE PROVIRCLS (Concluded)

| Year and Month | Saskatoon | Winnipeg | Total for Prairie Provinces |
| :---: | :---: | :---: | :---: |
| 1937 | \$ | $\bigcirc$ | \$ |
| January | 9,651,210 | 224,250, 014 | 375,028,926 |
| February | 8,284,291 | 184,547,380 | 313,731, *6? |
| March | 9,225,649 | $228,105,987$ | 370,459,572 |
| April | 10,466,881 | 298,764,470 | 464,482,784 |
| May | 11,194,885 | $279,963,711$ | 452,517,444 |
| June | 10,395,285 | 245, 752, 280 | 393,484,799 |
| July | 9,688,985 | 259,151,080 | 394,150,099 |
| August | 9,674,843 | $216,160,519$ | 551,635,983 |
| September | 10,720,139 | 290,941,167 | 450,137,008 |
| October | 12, 046,572 | 516,269,799 | $493,600,881$ |
| November | 9,707,055 | 272, 106,798 | 434,863,449 |
| Decernber | $10,320,819$ | 196,898,570 | $355,129,195$ |
| Total | $121,574.564$ | 2,988,695,575 | 4,827,021,407 |

5. BRITISH COLUMBTA

| Year and Month | New West- <br> minster | Vancouver | Victoria | Total for <br> British <br> Citimbia | CANADA |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: | :---: |

6. BANK DEBITS IN CANADA AND IN ECONOMIC AREAS FROM 1924 TO 1937.

IN MILLION DOLLARS

| Year | Canada | Maritime <br> Provinces | Quebec | Ontario | Prairie <br> Provinces | British <br> Columbia |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| 1924 | $\ldots$ | 27,159 | 584.9 | $8,133.0$ | $11,209.4$ | $5,507.1$ | $1,725.2$ |
| 1925 | $\ldots$ | 28,126 | 572.5 | $8,475.2$ | $11,236.0$ | $5,000.0$ | $1,842.8$ |
| 1926 | $\ldots$ | 30,358 | 604.7 | $9,909.5$ | $11,998.3$ | $5,885.6$ | $1,959.8$ |
| 1927 | $\ldots$ | 36,094 | 627.7 | $12,643.9$ | $14,641.8$ | $6,127.0$ | $2,053.1$ |
| 1928 | $\ldots$ | 43,477 | 745.5 | $14,912.7$ | $17,312.8$ | $8,006.7$ | $2,499.3$ |
| 1929 | $\ldots$ | 46,670 | 798.0 | $16,483.7$ | $18,543.3$ | $7,922.8$ | $2,922.8$ |
| 1930 | $\ldots$ | 37,491 | 708.4 | $13,137.1$ | $15,044.4$ | $5,279.1$ | $2,322.5$ |
| 1931 | $\ldots$ | 31,586 | 652.5 | $10,550.1$ | $13,376.8$ | $5,201.2$ | $1,805.8$ |
| 1932 | $\ldots$ | 25,844 | 519.2 | $7,756.2$ | $11,258.9$ | $4,797.2$ | $1,502.8$ |
| 1933 | $\ldots$ | 29,981 | 481.0 | $8,567.1$ | $13,027.4$ | $6,414.4$ | $1,491.6$ |
| 1934 | $\ldots$ | 32,867 | 534.2 | $9,449.7$ | $14,919.5$ | $6,337.2$ | $1,626.0$ |
| 1935 | $\ldots$ | 31,546 | 574.1 | $8,977.5$ | $13,876.6$ | $6,445.4$ | $1,672.5$ |
| 1936 | $\ldots$ | 35,929 | 530.4 | $10,938.6$ | $15,778.7$ | $6,505.5$ | $2,075.4$ |
| 1937 | $\cdots$ | 35,166 | 733.4 | $11,568.4$ | $15,939.1$ | $4,827.0$ | $2,098.1$ |

Percentage of Preceding Years to 1927.

| 1924 | $\ldots$ | 77.23 | 79.75 | 70.30 | 70.32 | 114.08 | 82.22 |
| ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| 1925 | $\ldots$ | 79.98 | 78.06 | 73.26 | 70.49 | 124.30 | 87.80 |
| 1926 | $\ldots$ | 86.32 | 82.45 | 85.66 | 75.27 | 121.93 | 93.40 |
| 1927 | $\ldots$ | 102.63 | 85.58 | 109.29 | 91.86 | 126.93 | 97.85 |
| 1928 | $\ldots$ | 123.63 | 101.64 | 128.90 | 108.61 | 165.87 | 119.12 |
| 1929 | $\ldots$ | 132.71 | 108.80 | 142.48 | 116.33 | 164.13 | 139.30 |
| 1930 | $\ldots$ | 106.61 | 96.59 | 113.56 | 94.38 | 130.08 | 110.69 |
| 1931 | $\ldots$ | 89.81 | 88.96 | 91.19 | 83.92 | 107.75 | 86.06 |
| 1932 | $\ldots$ | 73.49 | 70.79 | 57.13 | 70.63 | 99.38 | 71.62 |
| 1935 | $\ldots$ | 85.25 | 65.58 | 74.05 | 81.73 | 132.88 | 71.09 |
| 1934 | $\ldots$ | 93.46 | 72.83 | 81.68 | 93.60 | 131.28 | 77.49 |
| 1935 | $\ldots$ | 89.70 | 78.27 | 77.60 | 87.06 | 133.52 | 79.71 |
| 1936 | $\ldots$ | 102.16 | 85.95 | 94.55 | 98.99 | 134.77 | 98.91 |

7. INDEXES OF FIVE ECONOMIC FACTORS, YITH SEASONAL ADJUSTMENT WHERE NECESSARY, $\frac{1934=1937}{1926=100}$

| Year and Month | Bank Debits | Physical <br> Volume of <br> Business | Employment in Manufacturing first of following month | Wholesale Prices | Common Stocks |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 1934 |  |  |  |  |  |
| January | 106.0 | 86.8 | 87.3 | 70.6 | 81.6 |
| February | 93.7 | 86.4 | 88.1 | 72.1 | 86.5 |
| March | 106.6 | 98.1 | 89.3 | 72.0 | 88.0 |
| April | 105.7 | 92.6 | 89.5 | 71.1 | 90.7 |
| May | 115.4 | 99.6 | 90.4 | 71.1 | 88.6 |
| June | 104.4 | 95.8 | 91.2 | 72.1 | 87.2 |
| July | 114.5 | 95.7 | 91.4 | 72.0 | 81.3 |
| August | 112.4 | 99.0 | 91.9 | 72.3 | 83.8 |
| September | 109.4 | 97.1 | 91.9 | 72.0 | 83.8 |
| October | 117.3 | 95.8 | 91.9 | 71.4 | 85.2 |
| November | 103.1 | 96.5 | 92.4 | 71.2 | 86.0 |
| December | 105.2 | 92.4 | 94.7 | 71.1 | 86.2 |
| Average ... | 108.1 | 94.2 | 90.8 | 71.6 | 85.7 |

7. INDEXES OF EIVE ECONOMIC FACTORS, WITH SEASONAL ADJUSTMENT WHERE NBCESSARY,
$1954-1937$
$1926=100$ (Concluded)

| Year and Month | Bank Debits | Physical <br> Volume of <br> Business | Employment in <br> Manufacturing <br> first of <br> following month | Wholesale Prices | Common <br> Stocks |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 1955 |  |  |  |  |  |
| January | 109.5 | 97.5 | 93.7 | 71.4 | 88.6 |
| February | 97.3 | 100.6 | 94.4 | 71.9 | 87.8 |
| March | 95.7 | 94.2 | 95.0 | 72.0 | 84.4 |
| April | 98.6 | 98.3 | 95.1 | 72.5 | 86.4 |
| May | 115.5 | 103.2 | 95.7 | 72.3 | 93.6 |
| June | 108.8 | 99.2 | 95.9 | 71.5 | 93.8 |
| July | 105.3 | 103.0 | 97.0 | 71.5 | 92.4 |
| August | 110.8 | 107.9 | 98.1. | 71.6 | 94.7 |
| September | 102.9 | 101.9 | 100.6 | 72.3 | 93.6 |
| October | 100.0 | 107.2 | 102.5 | 73.1 | 96.1 |
| November | 100.8 | 170.0 | 102. 4 | 72.7 | 105.8 |
| December | 101.5 | 106.2 | 104.9 | 72.6 | 107.4 |
| Average | 103.9 | 102.4 | 97.9 | 72.1 | 93.7 |


| 1936 |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| January | 122.1 | 105.2 | 102.4 | 72.9 | 112.9 |
| February | 128.9 | 104.9 | 101.3 | 72.5 | 120.7 |
| March | 111.3 | 103.3 | 102.3 | 72.4 | 117.4 |
| April | 115.5 | 108.8 | 102.2 | 72.2 | 115.9 |
| May | 109.8 | 109.7 | 100.6 | 71.9 | 112.8 |
| June | 125.8 | 110.3 | 101.9 | 72.3 | 113.8 |
| July | 119.8 | 110.0 | 101.9 | 74.3 | 114.3 |
| August | 116.2 | 113.2 | 103.0 | 76.1 | 114.7 |
| September | 132.9 | 115.3 | 106.1 | 76.4 | 119.5 |
| October | 114.5 | 119.8 | 108.6 | 77.1 | 126.9 |
| November | 110.1 | 120.0 | 108.1 | 77.2 | 131.8 |
| December | 117.8 | 1120 | 111.1 | 79.6 | 129.2 |
| Average | 118.7 | 111.0 | 103.9 | 74.6 | 119.2 |
| 1937 |  |  |  |  |  |
| January | 133.6 | 116.9 | 109.3 | 81.3 | 137.4 |
| February | 121.9 | 115.0 | 109.6 | 82.9 | 142.4 |
| March | 137.4 | 118.7 | 112.1 | 85.5 | 147.2 |
| April | 141.3 | 124.0 | 113.2 | 86.1 | 136.2 |
| May | 101.7 | 122.0 | 114.7 | 85.1 | 132.2 |
| June | 106.7 | 126.0 | 115.9 | 84.6 | 129.4 |
| July | 106.3 | 126.5 | 114.8 | 87.5 | 133.0 |
| August | 111.2 | 123.4 | 117.9 | 85.6 | 135.2 |
| September | 113.9 | 123.8 | 118.5 | 85.0 | 118.9 |
| October | 105.3 | 127.4 | 117.8 | 84.7 | 105.8 |
| November | 105.2 | 127.9 | 117.5 | 83.1 | 103.1 |
| December | 113.6 | 121.4 | 117.7 | 82.7 | 103.7 |
| Average | 117.5 | 122.8 | 114.9 | $84.5{ }^{+}$ | 127.0 |

+ Subject to revision.


## CANADA'S EQUATION OF EXCHANGE



## II. Canada's Equation of Exchange in the Post-War Period.

The following tables bearing on the equation of exchange in Canada for the last nineteen years ray be of interest. The equation takes the form of $M V+M_{1} V_{1}=P T$. $M$ signifies the amount of circulating media in the hands of the public. $V$ is the velocity of the money in circulation or the number of times the media is used in making payments. $M V$ consequently signifies the total amount of cash payments within a stated period.
$M_{1}$ signifies the amount of the bank deposits and $V_{1}$ the velocity or turnover of such deposits. The symbol $\mathbf{M}_{1} V_{1}$ stends for the total amount of payments by cheque against individual accounts during a given period. In the present study, the year is taken as the unit.

On the other side of the equation, $P$ symbolizes the general price level, and T stands for the products exchanged and services rendered.

## Method of Compilation

4 Bank notes in the hands of the public were obtained by deducting the "notes held by other banks" from the total circulation of bank notes. Previous to March 1935, Dominion notess in the possession of the banks and in the central gold reserves were deducted from the total issue of such notes. For the last nine months of 1935, the holdings of the chartered banks of Bank of Canada notes were deducted from the total amount of such notes outstanding. This method was continued in 1936 and 1937.

The amount of subsidiary coin held by the chartered banks in Canada during the last nine months of 1935 averaged about $\$ 8,500,000$. The outstanding silver, nickel and bronze coins at the end of each year are reported ay the dint. Assuming that the amount of subsiciary coin held by the banks was maintained, the indicated amount was deducted from the outstanding coin to obtain the amount in the hands of the public.

Adding the notes and subsidiary coin items obtained, we have the amount of circulating media in the hands of the public.
$M_{1} \quad$ The sum of the Dominion and provincial government deposits and the notice and demand deposits in Canada is regarded as $M_{1}$ - denosit liabilities of the banks subject to cheque. The sverage of the twelve monthly totals wis used as the annual data.
$M_{1} V_{1}$ Bank debits as published by the Bureau areavailable from January 1924 for the thirty-two clearing centres. By using bank clearings and a constant, determined by the relationship between clearings and debits, bank debits were interpolated for the neriod from January 1919 to December 1923. By a test made for January 1935, it wos found that cheques cashed outside of clearing centres amount to $12 \frac{1}{2}$ per cent of the public totals. Adding $12 \frac{1}{2}$ per cent to clearing-house totals, we get a series roughly equivalent to $M_{1} V_{1}$.
$V_{1}$ Upon dividing bank debits plus the $12 \frac{1}{2}$ per cent, by bank deposits, we obtain the velocity of deposits, the $V_{1}$ of the equation.
$V$ As no statistics are available showing the amount of money paid into the chartered banks during any given period, it is impossible to directly obtain the velocity of circulating media in the hands of the public.

It is inferred from experience in the United States that the turnaver of money is about 16.5 per cent greater than the turnover of deposits. The estimated velocity of money in the United States from 1896 to 1909 was nearly 21 according to statistics given in the "Purchasing Power of Money". The average turnover of
derosits in Canada from 1919 to 1935 was 17.96. The turnover of money on this besis was regarded as beinf 16.5 per cent greater than that of deposits. These assumptions admittedly involve a margin of error, but money payments play a small part in comparison with cheque payments and the resulting error in total payments is not regarded as important.

MV Multiplying the circulating media in the hands of the public by the velocity, the total cash payments were obtained. Totel payments by cash and cheque, $M V+M_{1} V_{1}$, were obtained in millions of dollars by addition, the results being shown in Table $\frac{1}{4}$.
P The general price level was computed from price indexes of industrial commodities, farm products, retail food, rents, other costs of living, transportation costs, securities, producers' equipment, hardware and composite wages.
$T \quad$ " $T$ M is represented by the index of physical volume of business published in the Monthly Review of Business Statistics and in the annual supplements. The index is derived from forty-six factors of production and distribution.

Statistics of bank debits as published in this bulletin are limited to returns from clearing house centres only. For the purpose of establishing the ratio of the debits in clearing centres to the total amount of debits charged to all accounts at all branch banks in Canada in a particular month, a special enquiry was made by the Canadian Bankers' Association in regard to the amount of bank debits charged to accounts at branch banks outside of clearing house centres during January 1935. It was ascertained that the total debits outside of clearing house centres were in that month only 12.5 per cent of the debits in clearing centres.

Since payments by cheque in the thirty-two clearing centres of Canada were, as already stated, $\$ 35,166$ million in 1937 compared with $\$ 35,928.6$ million in the preceding year, and since bank debits outside of clearing centres are about 12.5 per cent of the reported totals, it follows that, os nearly as can be estimated, cheque payments in the Dominion as a whole were about $\$ 39,561.8$ million in 1937 , compared with $\$ 40,419.7$ million in 1936. The circulation of Bank and Dominion notes was slightly greater in 1937 than in 1936, and the turnover, if proportional to the turnover of bank deposits, would also show a gain. It is estimated that currency in circulation averaged about $\$ 228$ million compared with $\$ 208$ million in the preceding year. On this basis, it is calculated that the total payments by cheque and cash were about $\$ 44,020 \mathrm{million}$ compared with $\$ 44,846$ million in 1936. The sum of cheque and cash payments constitutes one side of the equation of exchange, while the other is the total quantity of comodities and services sold multiplied by their price.

The cyclical fluctuation of bank deposits is of a more moderate character than that of bank debits, the turnover of bank deposits being much greater in periods of prosperity than in depression. Thus the rate of turnover of bank deposits in 1937, as ascertained by dividing the grand total of bank debits in all centres by the average of bank deposits, was 16.80 times as compared with 23.04 times in 1929. The present level of bank deposits is sufficient for considerable business and speculative expansion. If the same ratio had been meintained in 1987 as in 1929, payments by cheque would have aggregated 54.3 billion compared with the total of 39,561 million obtained by adding 12.5 per cent to the recorded amount of debits in the thirty-two centres.

The main factors in the equation of exchange are shown by years during the post-war period in the chart in page 15 and the following tables 1 to 4.

## 1. Circulating Media in Hands of Public

 Millions of Dollars|  | Dominion and Bank of Cangda Notes | circulation of Bank Notes/3 | Totel <br> Notes in Hands of Publial $1 / 8$ | Subsidiary Coin Out standing | Subsidiary <br> Coin in Hands of Publio | Circulating Media in Hends of Public |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Symbol |  |  |  |  |  | 1 |
| 1919 | 308.0 | 218.9 | 217,0 | 28.77 | 22.97 | 239.97 |
| 1920 | 305.8 | 228.8 | 214.2 | 50,28 | 24.48 | 258,68 |
| 1921 | 271.5 | 194.6 | 171.2 | 50.50 | 24.50 | 195.70 |
| 1922 | 240\% 4 | 166.5 | 151.? | 30.19 | 24.59 | 178.09 |
| 1923 | 240.9 | 170.4 | 160.1 | 30.23 | 24.45 | 184.55 |
| 1924 | 226.0 | 166.1 | 179.0 | 50.15 | 24.53 | 203.35 |
| 1925 | 212.7 | 165.2 | 175,8 | 50.15 | 24.55 | 200.13 |
| 1926 | 190.0 | 168.9 | 180.5 | 30.04 | 24.24 | 204.54 |
| 1927 | 184.9 | 172.1 | 184.1 | 50,00 | 24,20 | 208. 30 |
| 1928 | 201.2 | 176.7 | 189.0 | 30.97 | 25.17 | 214.17 |
| 1929 | 204.4 | 178.5 | 191.5 | 52.26 | 26.46 | 217.96 |
| 1930 | 174.6 | 159.3 | 173.0 | 32.55 | 26.55 | 199.65 |
| 1351 | 153,1 | 142,0 | 156.7 | 32.85 | 27.05 | 183.73 |
| 1932 | 165.9 | 152.2 | 149.1 | 35.55 | 27.55 | 176.65 |
| 1933 | 179.2 | 130.4 | 149.8 | 33.27 | 27. 47 | 177.27 |
| 1934 | 190.3 | 135.5 | 155.7 | 33.70 | 27.90 | 183.60 |
| 1935 | $86.8 / 2$ | 125.6 | 165.9 | 35.67 | 27.87 | 193.77 |
| 1936 | 105.3 | 119.5 | 179.9 | 34.00 | 28.20 | 208.10 |
| 1937 | 141.1 | 110.3 | 199,1 | 34.50 | 28.70 | 227.79 |

/I Holdings of chartered banks and of Central Gold Reserves are deducted from the sum of the first and second columns to give total notes in hands of public.
12 The average of Bank of Canada notes for the last ten months of the year.
/ 3 Average of monthly data.
2. Deposits in Canadae Average of Monthly Data
Mililons of Dollars

|  | Notice Deposits | Demand Deposits | Dominion Government Deposites | Provinaial Governient Deposits | Sum of Deposits |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Symbol |  |  |  |  | 1 |
| 1919 | 1,125.2 | 621.7 | 181.8 | 22.0 | 1,950.7 |
| 1920 | 1,239,3 | 655.9 | 188.4 | 21.4 | 2,102.9 |
| 1921 | 1,289.3 | 551.9 | 109.4 | 28.8 | 1,979.5 |
| 1922 | 1,191.6 | 502.8 | 83.7 | 28.8 | 1,806.9 |
| 1923 | 1,197.3 | 523.2 | 50.6 | 34.3 | 1,805.3 |
| 1924 | 1,198.2 | 511.8 | 53.9 | 34.8 | 1,798.1 |
| 1925 | 1,269.5 | 531.2 | 34.5 | 23.8 | 1,859.1 |
| 1926 | 1,340.6 | 553.3 | 31.5 | 21.6 | 1,946.8 |
| 1927 | 1,399.1 | 596.1 | 45.4 | 25.6 | 2,066.1 |
| 1928 | 1,496.6 | 677.5 | 42.2 | 21.8 | 2,238.1 |
| 1929 | 1,479.9 | 696.4 | 77.8 | 24.5 | 2,278,6 |
| 1930 | 1,427.6 | 622.9 | 47.7 | 28.0 | 2,126,2 |
| 1931 | 1,438.0 | 578.6 | 49.0 | 24.4 | 2,089.3 |
| 1932 | 1,376,3 | 486.3 | 55.6 | 26.2 | 1,944.3 |
| 1933 | 1,378.5 | 488.5 | 38,8 | 23.2 | 1,929.0 |
| 1934 | 1,372.8 | 514.0 | 35.1 | 30.8 | 1,952.6 |
| 1935 | 1,445.3 | 568.6 | 25.5 | 39.5 | 2,078.7 |
| 1936 | 1,518.2 | 618.3 | 37.8 | 39.5 | 2,213.7 |
| 1937 | 1,573.7 | 691.3 | 47.2 | 42.7 | 2,354,9 |

3. Bank Debits and Velocity of Deposits and Money.

Millions of Dollars

| Year | Bank Clearings | Bank <br> Debits <br> in 32 <br> Centres | Bank Debits adding 12立 p.c. | Velocity of Bank Deposits | $\begin{aligned} & \text { Velocity } \\ & \text { of Koney } \\ & \text { or } 116.5 \\ & \text { p.c.af } \nabla_{1} \end{aligned}$ | ```Bank Debits less four large Centres``` |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Symbol |  |  | $\mathrm{M}_{1} \mathrm{~V}_{1}$ | $\mathrm{V}_{1}$ | V |  |
| 1919 | 16,680.9 | 27,332.0 | 30,748.5 | 15.76 | 18.37 | 9,386.9 |
| 1920 | 20,251.1 | 23,212.0 | 27,363.5 | 17.77 | 20.71 | 11,571.0 |
| 1921 | 17,443.1 | 28,526,0 | 32,091.8 | 16.21 | 18.89 | 9,735.5 |
| 1922 | 16,227.1 | 26,567.0 | 29,887.9 | 16.54 | 19.27 | 8,991.1 |
| 1923 | 17,332.6 | 28,354.0 | 31,898.3 | 17.57 | 20.59 | 9,453.8 |
| 1924 | 17,008.0 | 27,159.5 | 30,554.4 | 16.99 | 19.80 | 9,641.1 |
| 1925 | 16.761.5 | 28,126.1 | 31,341.8 | 17.02 | 19.83 | 10,086.4 |
| 1926 | 17,715.1 | 30,358.0 | 34,152.8 | 17.54 | 20.44 | 11,064.7 |
| 1927 | 20,568.4 | 36,093.5 | 40,605.2 | 19.65 | 22.90 | 12,360.7 |
| 1928 | 24,554.9 | 43,477.0 | 48,911.6 | 21.85 | 25.46 | 14,990.0 |
| 1929 | 25,105.2 | 46,670.5 | 52,504.3 | 23.04 | 26.85 | 16,441.3 |
| 1930 | 20,091.9 | 37,491.3 | 42,177.7 | 19.84 | 23.12 | 13,634.6 |
| 1931 | 16,827.6 | 31,586.5 | 35,534.8 | 17.100 | 19.81 | 11,116.2 |
| 1932 | 12,914.2 | 25,844.3 | 29,074.8 | 14.95 | 17.42 | 9,155.1 |
| 1933 | 14,720.6 | 29,981.5 | 33,729.1 | 17.49 | 20.38 | 9,426.4 |
| 1934 | 15,963.6 | 32,866.7 | 36,975.0 | 18.94 | 22.07 | 10,154.4 |
| 1985 | 16,927.5 | 31,546.1 | 35,489.3 | 17.07 | 19.89 | 10,462.7 |
| 1936 | 19,202.5 | 35,928.6 | 40,419.7 | 18.25 | 21.27 | 11,971.0 |
| 1937 | 18,850.4 | 35,166.1 | 39,561.8 | 16.80 | 19.59 | 8,005.4 |

4. Total Payments by Cheque and Cash, General Price Level and Physical Volume of Business
Millions of Dollars and Indexes $1926=100$.

| Year | Cash Payments | Cash and Cheque Payments | ```General Price Level 1926=100``` | Physical Volume of $\qquad$ | Physical <br> Volume of <br> Business X <br> Price Index |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Symbol | MV | $M_{1} V_{1}+\mathrm{MV}$ | P | I | PT |
| 1919 | 4,408.2 | 35,156.7 | 106.6 | 71.3 | 76.0 |
| 1920 | 4,943.1 | 42,306.6 | 121.7 | 75.0 | 91.3 |
| 1921 | 3,696.8 | 35,788.5 | 105.9 | 66.5 | 70.6 |
| 1922 | 3,393.3 | 33,281.2 | 96.7 | 79.1 | 76.5 |
| 1923 | 3,820.1 | 35,718.4 | 97.0 | 85.5 | 82.9 |
| 1924 | 4,025.9 | 34,580.3 | 97.9 | 84.6 | 82.8 |
| 1925 | 3,968.6 | 35,610.4 | 99.3 | 90.9 | 90.3 |
| 1926 | 4,191.0 | 38,343.8 | 100.0 | 100.0 | 100.0 |
| 1927 | 4,770.1 | 45, 575.3 | 101.3 | 106.1 | 107.5 |
| 1928 | 5,452.8 | 54,364.4 | 102.3 | 117.3 | 120.0 |
| 1929 | 5,852.2 | 58,356.5 | 104.8 | 125.5 | 131.5 |
| 1930 | 4,613.6 | 46,791.3 | 98.8 | 109.5 | 108.2 |
| 1931 | 3,639.7 | 39,174.5 | 88.0 | 93.5 | 82.3 |
| 1932 | 3,077.2 | 32,152.0 | 80.2 | 78.7 | 63.1 |
| 1933 | 3,612.8 | 37,341.9 | 79.6 | 79.7 | 63.4 |
| 1934 | 4,052.1 | 41,027.1 | 81.5 | 94.2 | 76.8 |
| 1985 | 3,854. $\frac{1}{3}$ | 39,343.3 | 83.0 | 102.4 | 85.0 |
| 1.936 1.937 | 4,426.3 $4,458.2$ | $44,846.0$ $44,020.0$ | 84.2 89.8 | 111.0 122.8 | 93.9 110.3 |

Als

