

It must be remembered that the employment of cheques in settling accounts is constantly on the increase, so that the increase of over 50 per cent in the note circulation does not represent the total increase which has taken place in the internal trade and traffic of the country.

838. The highest circulation of bank notes in any one day during 1893 was in November, when the returns show that \$37,834,627 were outside of the banks. This amount was twice exceeded in 1892—in November, when the maximum of \$39,318,218 was reached, and in October, when the figures were \$39,024,285. It was also exceeded in November, 1891, when the highest circulation of that year was \$38,553,546.

839. During the last quarter of 1893 the financial difficulties of the United States affected business in Canada to some extent. The degree of the influence exerted may be measured by the following comparative table:—

NOTES OF CHARTERED BANKS IN CIRCULATION.

	1890.	1891.	1892.	1893.
	\$	\$	\$	\$
January.....	30,879,961	31,662,099	32,705,400	32,831,747
February.....	30,627,074	31,925,749	32,711,015	32,978,840
March.....	31,704,281	33,020,661	32,483,965	33,430,883
April.....	30,671,938	30,904,096	31,496,369	32,633,073
May.....	30,831,914	30,917,215	31,383,218	31,927,342
June.....	32,059,178	31,379,886	32,614,699	33,483,413
July.....	31,167,628	30,579,968	32,488,718	33,573,468
August.....	32,718,363	32,012,196	32,646,187	33,308,967
September.....	35,522,319	34,083,051	34,927,615	35,128,926
October.....	36,480,649	37,182,768	38,688,429	36,906,941
November.....	36,344,546	37,430,690	37,124,505	35,120,561
December.....	35,006,274	35,634,129	36,194,023	34,418,936
Total.....	394,014,125	396,732,508	405,464,143	405,743,097
Annual average.....	32,834,510	33,061,042	33,788,678	33,811,925

840. The drop took place in the December quarter—the average in that quarter for 1893 being \$35,482,146, as against \$37,335,652 in the December quarter of 1892, \$36,749,195. in the corresponding period of 1891, and \$35,943,823 in 1890. Practically, therefore, the business of the December quarter of 1893 was put back to the condition that existed in 1890.