

Bank clearings, though generally regarded as a leading barometer of business conditions, are defective in that they record only inter-bank transactions—transactions through which one bank becomes either the debtor or the creditor of another. They do not record the numerous transactions in which the transfer of value is made within a single bank, as, for example, where the purchaser and the seller of values that are paid for by cheque carry their accounts in the same bank. As the number of separate banks has in recent years been steadily diminishing through amalgamations, there being only 11 in December, 1925 as compared with 18 in December, 1923, inter-bank transactions are bearing a steadily decreasing proportion to the total of business transacted, a fact which goes far to explain the decline in bank clearings shown in Table 60.

Bank Debits.—Since bank clearings have ceased to be a satisfactory measure of general business, the Bureau of Statistics in 1923 took up with the Canadian Bankers' Association the advisability of securing a record of bank debits, *i.e.*, of all cheques charged against accounts at any bank. The Bankers' Association agreed to secure from January, 1924, the monthly aggregate figures of the amount of cheques charged to accounts at all banking offices situated in the clearing house centres of Canada, and the figures of cheques charged to accounts (bank debits) are given for the first two years for which the record was compiled in Table 61. The Weyburn Security Bank, operating in Southern Saskatchewan, has voluntarily added a record of all cheques charged to accounts at any of its branches.

It will be noted, as establishing the need of the newer record, that bank debits for 1925 show a distinct advance over those of 1924, while bank clearings in the later year show a distinct falling off. The bank debits are a comparable record for the two years; the bank clearings, owing to the reduction in the number of banks, are not.

61.—Bank Debits at the Clearing House Centres of Canada, by Individual Centres, calendar years 1924-1925.

Clearing House Centres.	1924.	1925.	Increase(+) or decrease (-), 1924-1925.
	\$	\$	\$
Maritime Provinces—			
Halifax.....	249,104,107	291,519,137	+ 42,415,030
Moncton.....	73,359,527	72,670,817	- 688,710
St. John.....	262,397,740	208,309,576	- 54,088,164
Total.....	584,861,374	572,499,530	- 12,361,844
Quebec—			
Montreal.....	7,502,004,244	7,765,597,874	+ 263,593,630
Quebec.....	533,783,980	606,288,225	+ 72,504,245
Sherbrooke.....	97,202,878	103,338,392	+ 6,135,514
Total.....	8,132,991,102	8,475,224,491	+ 342,233,389
Ontario—			
Brantford.....	85,522,249	97,420,194	+ 11,897,945
Chatham.....	83,843,306	72,552,158	- 11,291,148
Fort William.....	94,542,523	80,641,924	- 13,900,599
Hamilton.....	551,817,813	561,986,629	+ 10,168,816
Kingston.....	63,623,168	60,681,605	- 2,938,563
Kitchener.....	95,723,382	101,458,597	+ 5,735,215
London.....	265,782,161	258,399,664	- 7,382,497
Ottawa.....	1,957,362,315	2,019,304,868	+ 61,942,553
Peterborough.....	69,005,106	74,622,879	+ 5,617,773
Toronto.....	7,659,055,119	7,587,940,228	- 71,114,891
Windsor.....	283,117,899	321,031,895	+ 37,913,996
Total.....	11,209,395,041	11,236,043,641	+ 26,648,600