

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 10 in December, 1934, as compared with 18 in 1923, inter-bank transactions are bearing a steadily decreasing proportion to the total of business transacted, a fact which goes far to explain the relative smallness of the increase in bank clearings from 1926 to 1929 and makes the extent of the subsequent decrease, as shown in Table 25, open to question.

**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 question of securing a record of bank debits, *i.e.*, of all cheques charged against accounts at all banks. 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 years 1930-34 in Table 26.

It will be noted, as establishing the need of the newer record, that bank debits for 1932 decreased 40·6 p.c. as compared with those of 1928, while bank clearings in the later year show a decrease of 47·4 p.c. The bank debits are a comparable record for the five years; the bank clearings, owing to the reduction in the number of banks, are not a comparable record.

**26.—Bank Debits at the Clearing-House Centres of Canada, by Individual Centres, calendar years, 1930-34.**

| Clearing-House Centre.     | 1930.                 | 1931.                 | 1932.                 | 1933.                 | 1934.                 |
|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                            | \$                    | \$                    | \$                    | \$                    | \$                    |
| <b>Maritime Provinces—</b> |                       |                       |                       |                       |                       |
| Halifax.....               | 361,736,685           | 330,371,553           | 257,989,295           | 254,222,616           | 275,948,590           |
| Moncton.....               | 101,018,427           | 87,229,007            | 73,548,793            | 72,568,809            | 87,228,253            |
| Saint John.....            | 245,595,665           | 234,942,909           | 187,632,726           | 154,222,107           | 171,074,214           |
| <b>Totals.....</b>         | <b>708,350,777</b>    | <b>652,543,469</b>    | <b>519,170,814</b>    | <b>481,013,532</b>    | <b>534,251,057</b>    |
| <b>Quebec—</b>             |                       |                       |                       |                       |                       |
| Montreal.....              | 12,271,206,394        | 9,756,753,765         | 7,135,517,032         | 7,943,786,599         | 8,834,691,435         |
| Quebec.....                | 744,930,005           | 701,258,405           | 560,686,426           | 558,047,475           | 550,663,976           |
| Sherbrooke.....            | 120,921,940           | 92,060,809            | 69,997,106            | 65,236,186            | 64,354,455            |
| <b>Totals.....</b>         | <b>13,137,058,339</b> | <b>10,550,072,979</b> | <b>7,766,200,564</b>  | <b>8,567,070,260</b>  | <b>9,449,709,866</b>  |
| <b>Ontario—</b>            |                       |                       |                       |                       |                       |
| Brantford.....             | 126,813,356           | 106,212,582           | 85,438,727            | 80,401,856            | 84,950,018            |
| Chatham.....               | 95,460,287            | 81,403,262            | 71,625,208            | 64,147,944            | 71,122,708            |
| Fort William.....          | 78,028,739            | 66,540,124            | 55,335,694            | 47,791,570            | 49,838,324            |
| Hamilton.....              | 831,837,930           | 649,599,942           | 526,940,741           | 460,728,640           | 528,307,959           |
| Kingston.....              | 79,797,075            | 64,828,365            | 55,085,899            | 51,473,716            | 52,719,962            |
| Kitchener.....             | 139,515,780           | 116,857,177           | 96,266,553            | 93,144,698            | 108,804,353           |
| London.....                | 408,176,670           | 365,324,602           | 315,954,273           | 299,130,638           | 334,741,204           |
| Ottawa.....                | 1,904,804,194         | 1,869,730,944         | 1,579,527,632         | 1,339,009,715         | 1,914,296,966         |
| Peterborough.....          | 84,634,613            | 70,964,205            | 55,426,709            | 49,090,223            | 53,767,240            |
| Sarnia.....                | 124,524,399           | 104,000,535           | 95,058,795            | 86,377,931            | 78,158,895            |
| Sudbury.....               | 87,109,599            | 58,832,961            | 40,328,991            | 41,886,025            | 48,991,202            |
| Toronto.....               | 10,654,982,452        | 9,512,342,450         | 8,066,207,006         | 10,221,687,968        | 11,389,321,892        |
| Windsor.....               | 428,655,192           | 310,203,205           | 215,676,051           | 192,566,981           | 204,483,372           |
| <b>Totals.....</b>         | <b>15,044,340,286</b> | <b>13,376,840,354</b> | <b>11,258,872,279</b> | <b>13,027,437,905</b> | <b>14,919,504,095</b> |