

23.—Deposits in the Montreal City and District Savings Bank and La Banque d'Économie de Québec, Representative Fiscal Years 1868-1900 and 1905-45

NOTE.—Figures for intermediate years will be found at p. 833 of the 1926 Year Book.

Year	Deposits	Year	Deposits	Year	Deposits
	\$		\$		\$
1868.....	3,369,799	1914.....	39,110,439	1930.....	68,846,366
1870.....	5,369,103	1915.....	37,817,474	1931.....	69,820,422
1875.....	6,611,416	1916.....	40,405,037	1932.....	68,683,324
1880.....	6,681,025	1917.....	44,139,978	1933.....	68,113,501
1885.....	9,191,895	1918.....	42,000,543	1934.....	66,673,219
1890.....	10,908,987	1919.....	46,799,877	1935.....	66,496,595
1895.....	13,128,483	1920.....	53,118,053	1936.....	69,665,415
1900.....	17,425,472	1921.....	58,576,775	1937.....	73,450,133
1905.....	25,050,966	1922.....	58,292,920	1938.....	77,260,433
1906.....	27,399,194	1923.....	59,327,961	1939.....	81,566,754
1907 ²	28,359,618	1924.....	64,245,811	1940.....	79,838,963
1908.....	28,927,248	1925.....	65,837,254	1941.....	76,391,775
1909.....	29,867,973	1926.....	67,241,344	1942.....	74,386,412
1910.....	32,239,620	1927.....	69,940,351	1943.....	84,023,772
1911.....	34,770,386	1928.....	72,695,422	1944.....	103,276,757
1912.....	39,526,755	1929.....	70,809,603	1945.....	122,574,607
1913.....	40,133,351				

¹ Formerly the Caisse d'Économie de Notre-Dame de Québec.

² For 1907 and subsequent years

the fiscal years ended Mar. 31; previous to 1907 the years ended June 30.

Section 7.—Foreign Exchange

Subsection 1.—Exchange Rates

The Canadian dollar, adopted as Canada's currency in 1857, was equivalent to 15/73 of the pound sterling; in other words, the pound was equal to \$4.866 in Canadian currency at par, and remained so, with minor variations between the import and export gold points representing the cost of shipping gold in either direction, until the outbreak of the War of 1914-18. During the first eleven years after Confederation, the Canadian dollar was at a premium in the United States, as the United States dollar was not, after the Civil War, redeemable in gold until 1878. From the latter date, the dollar in the two countries was equivalent at par, and variation was only between the import and export gold points or under \$2 per \$1,000.

At the outbreak of the War of 1914-18, both the pound sterling and the Canadian dollar were removed from the gold standard, and fell to a discount in New York. However, this discount was 'pegged' or kept at a moderate percentage by sales of United States securities previously held in the United Kingdom, by borrowing in the United States and, after the United States entered the War, by arrangement with the United States Government. After the War, when the exchanges were 'unpegged' about November, 1920, the British pound went as low as \$3.18 and the Canadian dollar as low as 82 cents in New York. In the course of the next year or two, exchange returned practically to par, and the United Kingdom resumed gold payments in April, 1925, and Canada on July 1, 1926. From then until 1928 the exchanges were within the gold points, but in 1929 the Canadian dollar again fell to a moderate discount in New York. The dislocation of exchange persisted, with the exception of a few months in the latter half of 1930, into 1931. Dollar rates were below the gold export points, however, only for a few scattered intervals.