



CANADA

SALES FINANCING

1954

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NOTICE

The annual reports prepared by the Industry and Merchandising Division of the Bureau of Statistics are divided into 3 volumes, as follows: Volume I—The Primary Industries, including mining, forestry and fisheries; Volume II—Manufacturing; Volume III—Merchandising and Services.

Volume III consists of the following parts with individual trade reports listed under each:

Part I—Wholesale Statistics

- A—Wholesale Trade, 25¢
- *B—Operating Results of Food Wholesalers, 25¢
- *C—Operating Results of Dry Goods, Piece Goods and Footwear Wholesalers, 25¢
- *D—1 Operating Results of Automotive Parts and Accessories Wholesalers, 25¢
 - 2 Operating Results of Drug Wholesalers, 25¢
 - 3 Operating Results of Hardware Wholesalers, 25¢
 - 4 Operating Results of Plumbing and Heating Supply Wholesalers, 25¢
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Part II—Retail Statistics

- E—General Review—(Discontinued)
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- M—Operating Results of Independent Hardware, Furniture, Appliance and Radio Stores, 25¢
- N—Operating Results of Filling Stations & Garages, 25¢
- O—1 Operating Results of Independent General Stores, 25¢
 - 2 Operating Results of Independent Restaurants, 25¢
 - 3 Operating Results of Independent Fuel Dealers, 25¢
 - 4 Operating Results of Independent Drug Stores, 25¢
 - 5 Operating Results of Independent Jewellery Stores, 25¢
 - 6 Operating Results of Independent Tobacco Stores, 25¢
- P—Retail Consumer Credit, 25¢

Part III—Services and Special Fields

- Q—Laundries, Cleaners and Dyers, 25¢
- R—Motion Picture Theatres, Exhibitors and Distributors, 25¢
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- X—Motion Picture Production (Memorandum), 10¢

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*Biennial reports—not issued for 1954.

SALES FINANCING

1954

Following record increases for the past three years there was a drop in the financing of retail instalment sales in 1954 by sales finance companies when the value of paper purchased dropped by 15.8% from \$942,746,000 in 1953 to \$793,624,000 in the year under review. There was a reduction in all commodity groupings with the exception of radio and television sets where an increase of 13.6% was reported in the amount of financing.

At the end of 1954 sales financing and acceptance companies had \$646,865,000 outstanding on their books, a decrease of 7.1% from the outstanding balance of \$696,663,000 reported at the end of 1953.

The provincial pattern of distribution of paper purchases and balances outstanding was similar to that of the previous year. Ontario handled 41.2% of all retail financing in 1954 and accounted for 39.8% of balances outstanding at the end of the year while the comparative figures for Quebec were 22.9% and 22.4% respectively. Alberta again led the Western provinces in terms of paper purchased accounting for 10.6% of the Canadian total followed by British Columbia with 8.3%, Saskatchewan 4.5% and Manitoba 4.0%. The Atlantic provinces obtained 8.5% of retail financing during 1954 and accounted for 8.4% of balances outstanding. The following table summarizes the provincial distribution of retail financing and balances outstanding in 1954.

Provincial Distribution of Paper Purchased in 1954 and Balances Outstanding at year end

Province	Total, all commodities Percent of Canada totals	
	Paper purchased	Balances outstanding
Canada	100.0	100.0
Atlantic Provinces	8.5	8.4
Quebec	22.9	22.4
Ontario	41.2	39.8
Manitoba	4.0	4.1
Saskatchewan	4.5	5.2
Alberta	10.6	11.8
British Columbia	8.3	8.3

CONSUMERS' GOODS

Consumers' goods accounted for 78.1% of total financing in 1954 compared with 75.8% in 1953 and 72.2% in 1952. Consumers' goods were financed to the extent of \$619,437,000 in 1954, 13.3% lower than the 1953 total of \$714,149,000.

Used passenger cars were financed to the extent of \$269,194,000 in 1954, representing 33.9% of the total paper purchased and a reduction of 16.2% in comparison with the 1953 volume of \$321,225,000. New passenger car financing amounted to \$230,960,000 in 1954, accounting for 29.1% of all financing and representing a drop of 8.5% in comparison with the 1953 volume of \$252,336,000. Financing of all the other items within the consumers' goods section amounted to \$119,283,000 in 1954, a decrease of 15.2% in relation to the 1953 level of \$140,588,000.

Finance companies and acceptance corporations reported \$482,645,000 still outstanding at the end of 1954 from consumers' goods paper purchased during the year. This amount

was 5.8% less than the \$512,191,000 outstanding on their books at the end of 1953.

Year-end unpaid balances on new passenger cars decreased from \$194,950,000 at the end of 1953 to \$193,558,000 at the end of 1954. Balances outstanding on used passenger cars amounted to \$194,686,000, a reduction of 9.8% in comparison with the \$215,885,000 owing at the end of 1953, while balances outstanding on all other consumers' goods amounted to \$94,401,000 compared with \$101,356,000 owing at the end of 1953.

COMMERCIAL AND INDUSTRIAL GOODS

Financing of commercial and industrial goods in 1954 at \$174,187,000 represented a 23.8% decrease in comparison with the 1953 volume of \$228,597,000. In 1954 the financing of commercial and industrial goods represented 21.9% of all financing compared with 24.2% in 1953. Financing of both new and used commercial vehicles registered declines in 1954, new commercial vehicles dropping from \$90,059,000 in 1953 to \$61,301,000 in 1954, a decrease of 31.9%. Used commercial vehicle financing amounted to \$50,286,000 in 1954, a drop of 20.2% from the \$62,980,000 reported for this item in 1953. All other commercial and industrial goods were financed to the extent of \$62,600,000 in 1954, a decrease of 17.1% in comparison with the 1953 level of \$75,558,000.

On December 31, 1954, balances outstanding on commercial and industrial goods amounted to \$164,220,000, a decrease of 11.0% in comparison with the \$184,472,000 owing at the end of 1953. Of these total balances outstanding, \$63,126,000 was on new commercial vehicles, \$41,159,000 on used commercial vehicles and \$59,935,000 on all other commercial and industrial goods, representing decreases of 18.6%, 10.0% and 2.0% respectively in relation to the unpaid balances on these items at the end of 1953.

The following table shows percentage changes in amount of financing and balances outstanding between the years 1953 and 1954.

Percentage Change in Financing of Retail Instalment Sales during year and Balances Outstanding, at year end, 1954/1953

Commodity	Per cent change 1954/1953	
	Amount of financing	Balances outstanding
Total, all commodities	-13.8	- 7.1
Consumers' goods	-13.3	- 5.8
New passenger cars	- 8.5	- 0.7
Used passenger cars	-16.2	- 9.8
Radio and television sets	+13.6	+21.5
Electric and gas household appliances....	-31.2	-22.9
Furniture	-23.3	-13.2
Other consumers' goods, including clothing and jewellery	-13.1	- 7.1
Commercial and industrial goods	-23.8	-11.0
New commercial vehicles	-31.9	-18.6
Used commercial vehicles	-20.2	-10.0
Other, including farm implements, tractors, factory and commercial equipment	-17.1	- 2.0

TABLE 1. Financing of Retail Instalment Sales, by Commodities, 1941, 1951, 1953, 1954

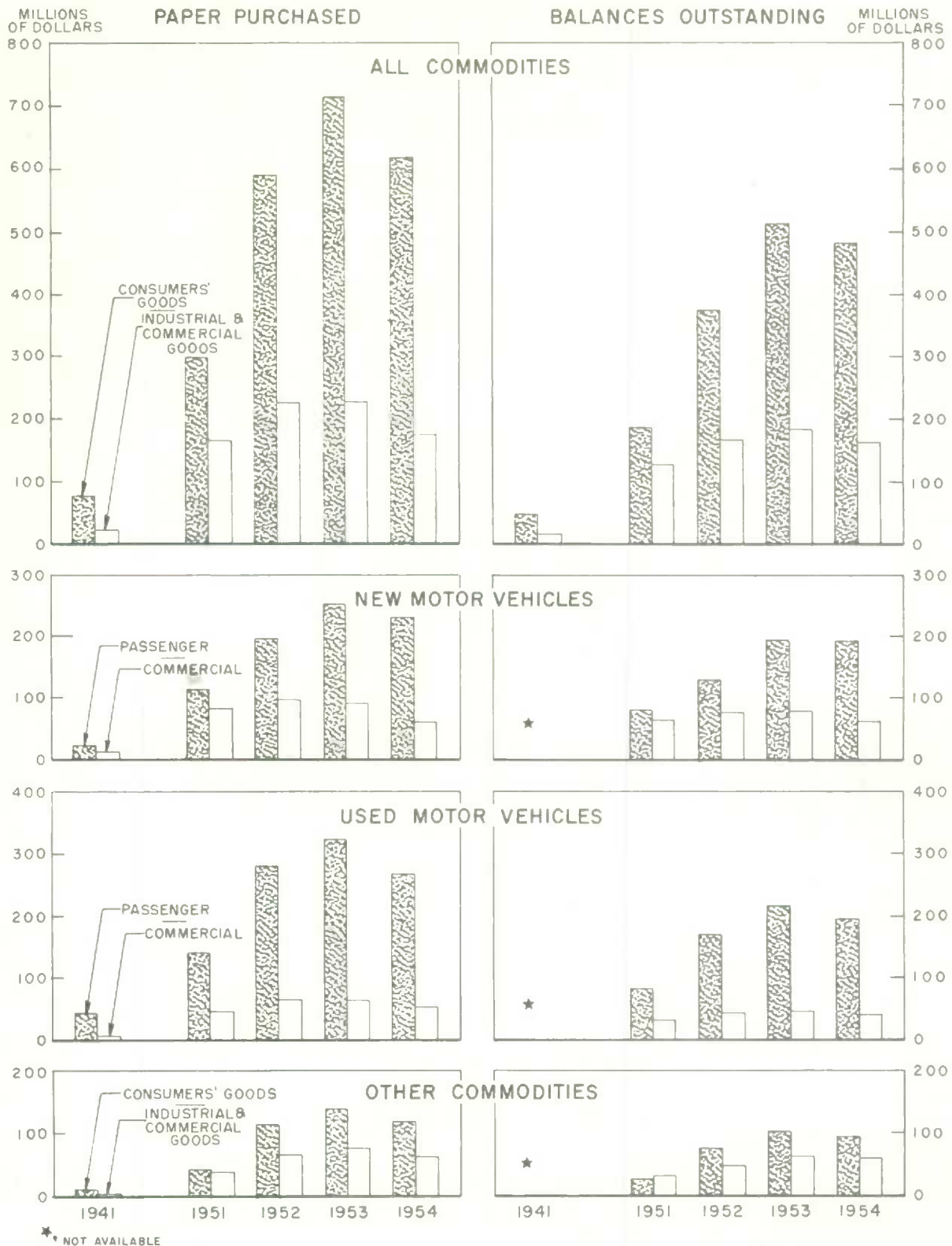
Commodity	Amount				Per cent of total			
	1941	1951	1953	1954	1941	1951	1953	1954
	\$'000	\$'000	\$'000	\$'000	%	%	%	%
Paper purchased								
Total, all commodities.....	100,277	467,302	942,746	793,624	100.0	100.0	100.0	100.0
Consumers' goods.....	77,326	299,558	714,149	619,437	77.1	64.1	75.8	78.1
New passenger cars.....	23,322	113,660	252,336	230,960	23.3	24.3	26.8	29.1
Used passenger cars.....	44,009	141,488	321,225	269,194	43.9	30.2	34.1	33.9
Radio and television sets.....	1,951	4,966	37,784	42,933	1.9	1.1	4.0	5.4
Electric and gas household appliances.....	5,161	14,881	63,864	43,932	5.1	3.2	6.8	5.5
Furniture.....	1	4,648	14,003	10,739	1	1.1	1.5	1.4
Other consumers' goods, including clothing and jewellery...	2,883	19,915	24,937	21,679	2.9	4.2	2.6	2.8
Commercial and industrial goods.....	22,951	167,744	228,597	174,187	22.9	35.9	24.2	21.9
New commercial vehicles.....	11,548	81,545	90,059	61,301	11.5	17.4	9.5	7.7
Used commercial vehicles.....	6,779	46,549	62,980	50,286	6.8	10.0	6.7	6.3
Other, including farm implements, tractors, factory and commercial equipment.....	4,624	39,650	75,558	62,600	4.6	8.5	8.0	7.9
Balances outstanding (Year end)								
Total, all commodities.....	64,674	313,234	696,663	646,863	100.0	100.0	100.0	100.0
Consumers' goods.....	48,854	186,428	512,191	482,645	75.5	59.5	73.5	74.6
New passenger cars.....	1	60,469	194,950	193,558	1	25.7	28.0	29.9
Used passenger cars.....	1	80,208	215,885	194,686	1	25.6	31.0	30.4
Radio and television sets.....	1	3,266	28,579	34,725	1	1.1	4.1	5.4
Electric and gas household appliances.....	1	9,164	46,380	35,776	1	2.9	6.7	5.5
Furniture.....	1	2,929	10,105	8,772	1	0.9	1.4	1.4
Other consumers' goods, including clothing and jewellery...	1	10,372	16,292	15,128	1	3.3	2.3	2.3
Commercial and industrial goods.....	15,820	126,806	184,472	164,220	24.5	40.5	26.5	25.4
New commercial vehicles.....	1	64,089	77,577	63,126	1	20.5	11.1	9.7
Used commercial vehicles.....	1	30,995	45,751	41,159	1	9.9	6.6	6.4
Other, including farm implements, tractors, factory and commercial equipment.....	1	31,722	61,144	59,935	1	10.1	8.8	9.3

1. Not available.

TABLE 2. Financing of Retail Instalment Sales, by Provinces, 1952, 1953, 1954

Province	Paper purchased										Balances outstanding (Year end)			
	New and used passenger cars		Other consumers' goods		Commercial and industrial goods		Total all commodities			Per cent change	Total all commodities			Per cent change
	1953	1954	1953	1954	1953	1954	1952	1953	1954	1954/1953	1952	1953	1954	1954/1953
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	%
Canada	573,561	500,154	140,588	119,283	228,597	174,187	818,633	942,746	793,624	- 15.8	539,807	696,663	646,863	- 7.1
Atlantic Provinces	46,400	43,789	8,341	8,699	18,356	14,863	62,087	73,097	67,351	- 7.9	40,052	53,059	54,183	+ 2.1
Quebec	119,763	113,186	28,644	28,517	46,281	39,688	172,093	194,688	181,391	- 6.8	113,427	146,213	145,072	- 0.8
Ontario	234,539	211,190	76,439	61,741	68,299	54,329	322,346	379,277	327,260	- 13.7	209,853	274,333	257,443	- 6.2
Manitoba.....	27,406	20,447	3,037	2,740	13,350	8,121	39,287	43,793	31,308	- 28.5	25,602	32,702	26,606	- 18.6
Saskatchewan.....	30,710	23,590	2,856	2,134	17,810	10,041	46,668	51,376	35,765	- 30.4	32,640	40,218	33,345	- 17.0
Alberta	59,647	44,454	13,279	8,901	46,437	31,097	104,744	119,363	84,452	- 29.2	73,452	92,471	76,299	- 17.5
British Columbia.....	55,096	43,498	7,992	6,551	18,064	16,048	71,408	81,152	66,097	- 18.6	44,781	57,667	53,917	- 6.5

FINANCING OF RETAIL INSTALMENT SALES BY SALES FINANCE COMPANIES, 1941-1951 TO 1954



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