

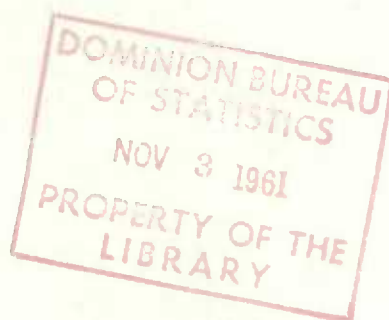
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ANNUAL



# SALES FINANCING 1960



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# PUBLICATIONS RELATING TO RETAIL TRADE

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(b) Monthly		
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# SALES FINANCING

1960

The results in this report are based upon an annual survey of all known sales finance companies and similar institutions engaged primarily in financing retail instalment sales. Companies engaged mainly in extending cash loans are not included nor are acceptance companies who are subsidiaries of large retail merchandisers.

The value of paper purchased by sales finance companies during 1960 amounted to \$1,243,904,000, a decrease of 1.1% from the previous all time record of \$1,258,203,000 registered in 1959. Balances outstanding at the end of the year on the books of sales finance companies increased by 6.3% to a new record of \$1,221,811,000.

The decline in the volume of financing of consumer goods (2.7%) was primarily the cause for the decrease in the value of total paper purchased. The largest decrease in this category was in the financing of used passenger cars (7.5%). A decrease was also registered in the financing of other consumer goods such as radios, television sets, electrical and gas appliances, etc. (3.3%). The only gain in the volume of paper purchased for consumer goods was in paper purchased for new passenger cars which increased by 1.7%.

On the other hand financing of commercial and industrial goods increased by 2.9% from the previous record of \$355,628,000 registered in 1959. The largest gain in this category was in paper purchased for other commercial goods which includes farm implements, tractors, factory and commercial equipment, etc.

Balances outstanding on the books of sales finance companies increased for all commodities

with the largest increase in other commercial goods (17.9%).

It is interesting to note that the proportion of paper purchased for consumer goods decreased from 71.7% of the total paper purchased in 1959 to 70.6% in 1960. In 1958 the ratio had been 76.7%.

Not all firms were able to provide a breakdown of balances outstanding between new and used vehicles and paper purchased for consumer goods other than passenger cars. The results from the panel of firms which were able to provide this information are shown in Tables 4 and 5 on page 5. It is assumed that the non-reporting firms generally had the same pattern as those shown in the tables on page 5.

Commodity	Per cent change 1960 / 1959	
	Paper purchased	Balances outstanding
<b>Total, all commodities .....</b>	<b>-1.1</b>	<b>+ 6.3</b>
Consumer goods .....	-2.7	+ 2.8
New passenger cars .....	+1.7	} + 2.5
Used passenger cars .....	-7.5	
Other consumer goods .....	-3.3	+ 3.9
Commercial and industrial goods .....	+2.9	+14.4
New commercial vehicles .....	+3.0	} + 9.2
Used commercial vehicles .....	-4.7	
Other commercial goods (including farm implements, tractors, factory and commercial equipment) .....	+5.2	+17.9

**TABLE 1. Retail Instalment Credit (extended and outstanding) of Sales Finance Companies**  
**Historical Summary, 1941 and 1947-60**

Year	Paper purchased			Balances outstanding (year end)		
	Consumer goods	Commercial and industrial goods	Total	Consumer goods	Commercial and industrial goods	Total
thousands of dollars						
1941 .....	77,326	22,951	100,277	48,854	15,820	64,674
1947 .....	84,374	89,816	174,190	48,275	58,356	106,631
1948 .....	122,522	85,644	208,166	70,451	59,669	130,120
1949 <sup>1</sup> .....	190,574	94,156	284,730	115,977	68,086	184,063
1950 .....	305,278	123,918	429,196	202,011	91,152	293,163
1951 .....	299,558	167,744	467,302	185,492	127,742	313,234
1952 .....	590,994	227,639	818,633	372,778	167,029	539,807
1953 .....	719,149	228,597	947,746	516,191	184,472	700,663
1954 .....	630,837	174,187	805,024	491,645	164,220	655,865
1955 .....	759,412	217,666	977,078	599,382	191,717	791,099
1956 .....	924,687	323,660	1,248,347	756,304	279,072	1,035,376
1957 .....	900,414	290,577	1,190,991	779,576	287,827	1,067,403
1958 .....	869,847	264,703	1,134,550	768,214	257,380	1,025,594
1959 .....	902,575	355,628	1,258,203	805,627	343,935	1,149,562
1960 .....	877,901	366,003	1,243,904	828,419	393,392	1,221,811

<sup>1</sup> Including Newfoundland from 1949.



**TABLE 2. Retail Instalment Credit (extended and outstanding) of Sales Finance Companies, by Commodities, 1959 and 1960**

Commodity	Paper purchased				Balances outstanding (year end)			
	Amount		Per cent of total		Amount		Per cent of total	
	1959	1960	1959	1960	1959	1960	1959	1960
	\$'000		%		\$'000		%	
<b>Total, all commodities .....</b>	<b>1,258,203</b>	<b>1,243,904</b>	<b>100.0</b>	<b>100.0</b>	<b>1,149,562</b>	<b>1,221,811</b>	<b>100.0</b>	<b>100.0</b>
Consumer goods .....	902,575	877,901	71.7	70.6	805,627	828,419	70.1	67.8
New passenger cars .....	371,392	377,851	29.5	30.4	609,525	624,737	53.0	51.1
Used passenger cars .....	322,746	298,415	25.6	24.0				
Other consumer goods (radios, television sets, electrical and gas appliances, furniture, jewellery, clothing, etc.) .....	208,437	201,635	16.6	16.2	196,102	203,682	17.1	16.7
Commercial and industrial goods ....	355,628	366,003	28.3	29.4	343,935	393,392	29.9	32.2
New commercial vehicles .....	94,707	97,506	7.6	7.8	138,132	150,791	12.0	12.3
Used commercial vehicles .....	59,457	56,634	4.7	4.6				
Other commercial goods (including farm implements, tractors, factory and commercial equipment) .....	201,464	211,863	16.0	17.0	205,803	242,601	17.9	19.9

**TABLE 3. Motor Vehicle Instalment (paper purchased) by Sales Finance Companies, by Provinces, 1960**

Province	Passenger cars					
	New		Used		Total	
	Units	Amount	Units	Amount	Units	Amount
		\$'000		\$'000		\$'000
<b>Canada .....</b>	<b>164,335</b>	<b>377,851</b>	<b>291,560</b>	<b>298,415</b>	<b>455,895</b>	<b>676,266</b>
Atlantic Provinces .....	12,155	25,923	24,750	22,079	36,905	48,002
Quebec .....	44,265	103,033	72,067	71,429	116,332	174,462
Ontario .....	70,195	160,815	105,408	112,043	175,603	272,858
Manitoba .....	7,170	17,272	15,985	17,643	23,155	34,915
Saskatchewan .....	6,514	14,643	15,831	14,855	22,345	29,498
Alberta .....	13,171	30,771	30,849	31,040	44,020	61,811
British Columbia <sup>1</sup> .....	10,865	25,394	26,670	29,326	37,535	54,720
	Commercial vehicles					
	New		Used		Total	
	Units	Amount	Units	Amount	Units	Amount
		\$'000		\$'000		\$'000
<b>Canada .....</b>	<b>24,864</b>	<b>97,506</b>	<b>39,752</b>	<b>56,634</b>	<b>64,616</b>	<b>154,140</b>
Atlantic Provinces .....	2,584	9,164	4,186	3,992	6,770	13,156
Quebec .....	6,550	25,848	8,975	12,305	15,525	38,153
Ontario .....	7,608	28,405	9,568	13,263	17,176	41,668
Manitoba .....	1,016	4,685	1,961	3,365	2,977	8,050
Saskatchewan .....	1,353	4,594	2,841	3,267	4,194	7,861
Alberta .....	3,716	15,304	6,941	11,087	10,657	26,391
British Columbia <sup>1</sup> .....	2,037	9,506	5,280	9,355	7,317	18,861

<sup>1</sup> Includes Yukon and Northwest Territories.

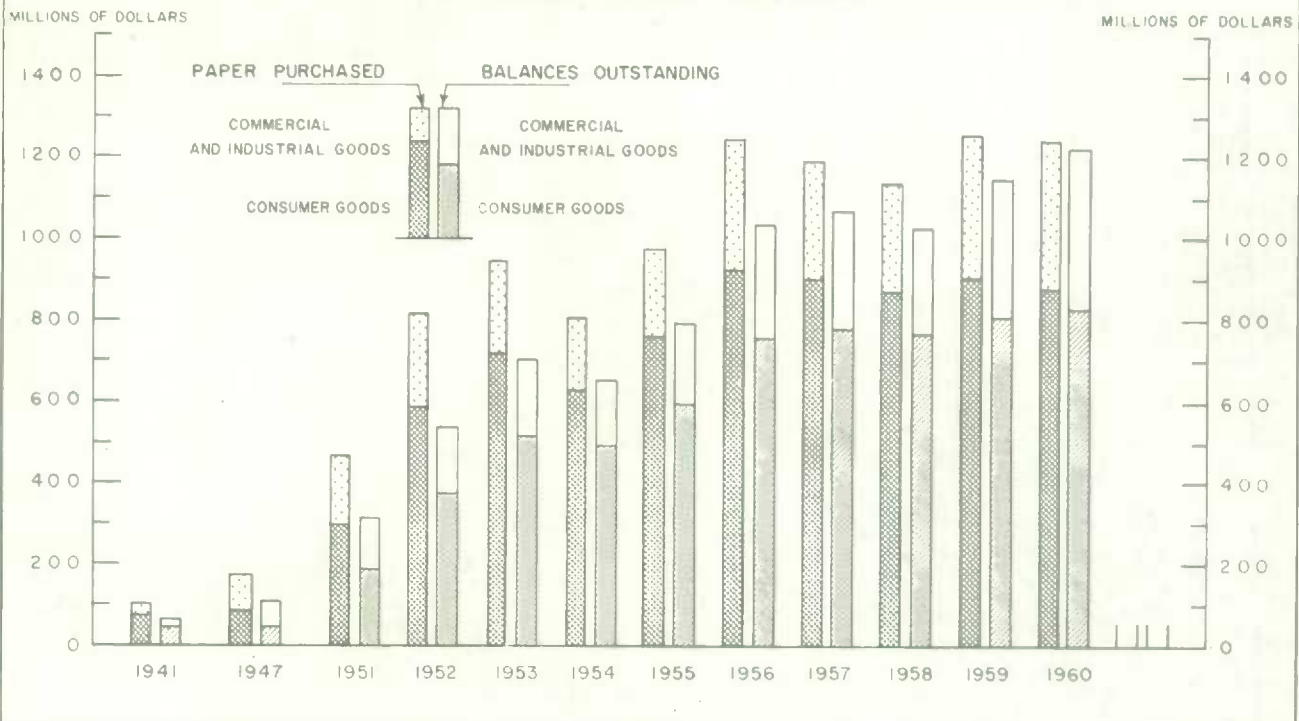
**Percentage Breakdown of Credit Outstanding  
Between New and Used Motor Vehicles**  
(for reporting panel only)

Commodity	Balances outstanding Dec. 31, 1960
	%
Passenger cars .....	100.0
New passenger cars .....	56.5
Used passenger cars .....	43.5
Commercial vehicles .....	100.0
New commercial vehicles .....	64.1
Used commercial vehicles .....	35.9

**Percentage Breakdown of Financing  
of "Consumer Goods other than  
Passenger Cars"**  
(for reporting panel only)

Commodity	Paper purchased 1960
	%
Consumer goods other than passenger cars .....	100.0
Television and radio.....	16.5
Electrical and gas appliances.....	25.9
Furniture.....	14.8
Heating and plumbing equipment.....	3.3
Mobile homes .....	9.1
All other consumer goods.....	30.4

**ANNUAL FINANCING OF RETAIL INSTALMENT SALES  
BY SALES FINANCE COMPANIES**



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