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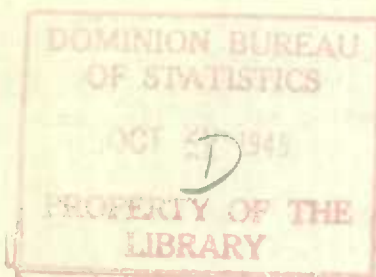
DOMINION BUREAU OF STATISTICS  
Industry and Merchandising Division  
OTTAWA

Published by Authority of the Rt. Hon. C. D. Howe, Minister of Trade and Commerce

Series 1948 No. 8  
16-1150

Price 25 cents

SALES FINANCING  
1947 AND 1948  
BY  
SALES FINANCE  
AND  
ACCEPTANCE COMPANIES



Reports received from 94 companies showed total retail financing of \$208,166,000 in 1948. This figure exceeded by 19.5% the total of \$174,190,000 reported by 91 companies for 1947.

Balances outstanding at the end of last year were \$130,120,000, compared with \$106,631,000 at the end of 1947, a gain of 22%.

In 1941, the only other year for which a complete tabulation has been made, purchases of retail instalment paper were valued at \$100,277,000 and balances unpaid at the end of the year were \$64,674,000.

These results are based on an almost complete coverage of financial institutions in Canada engaged in the purchase or discounting of notes receivable arising from retail instalment sales.

Throughout this publication, two principal classifications have been used:

- (1) Consumers' Goods--including new and used passenger cars, and an "all other" category composed mainly of radics and household appliances.
- (2) Commercial and Industrial Goods--including new and used trucks and buses, and an "all other" group under which are included such items as farm machinery, tractors, etc.

Consumers' goods were financed to the extent of \$122,522,000 in 1948 and accounted for 58.9% of all retail financing. In 1947, consumers' goods totalled \$84,374,000 and were only 48.4% of the total. This class had greater relative importance in 1941 when transactions involved \$77,326,000, 77% of all retail paper purchased. Balances outstanding on consumers' goods paper were \$70,451,000 at the end of 1948, \$48,275,000 a year previously and \$48,854,000 on December 31, 1941.

Within the consumers' goods category, used passenger car financing was the largest item in 1948, amounting to \$56,572,000 (27% of the total). New passenger car financing totalled \$38,027,000 and other financing, \$27,923,000. There was a greater expansion in used car financing between 1947 and 1948 than for the other two classes of consumers' goods. On the other hand, there had been a greater reduction between 1941 and 1947 for that segment, and the proportion of used car financing remained considerably lower in 1948 than in 1941. In connection with the rather sharp rise in financing of "other consumers' goods", it should be pointed out that there had been a marked curtailment of activity in this field in 1941 as a result of restrictions on the output and sale of radios and appliances as a war measure.

The \$85,644,000 of commercial and industrial goods financed in 1948 was made up of \$36,173,000 for new commercial vehicles, \$18,350,000 for used commercial vehicles and \$31,121,000 for other items. Financing of all of these was well above corresponding 1941 totals, but most outstanding was the rise for the latter of the three categories. From a total of only \$4,624,000 in 1941, financing of other commercial and industrial goods had risen to \$42,854,000 in 1947, evidence that finance companies became extensively involved in the financing of heavier types of industrial equipment when war conditions forced curtailment of motor vehicle financing. In 1948, financing of "other" commercial and industrial goods declined sharply to \$31,121,000, which may indicate a return to greater emphasis on the motor vehicle field in which finance companies have a longer specialized experience.

Balances outstanding on commercial and industrial goods were reported to be \$59,669,000 on December 31, 1948, \$58,356,000 at the end of 1947 and \$15,820,000 at the close of 1941.

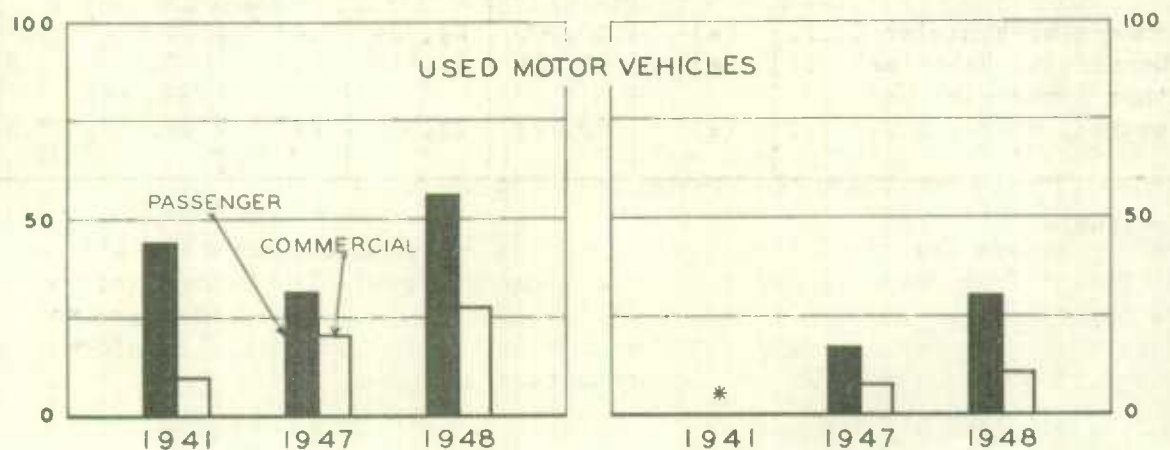
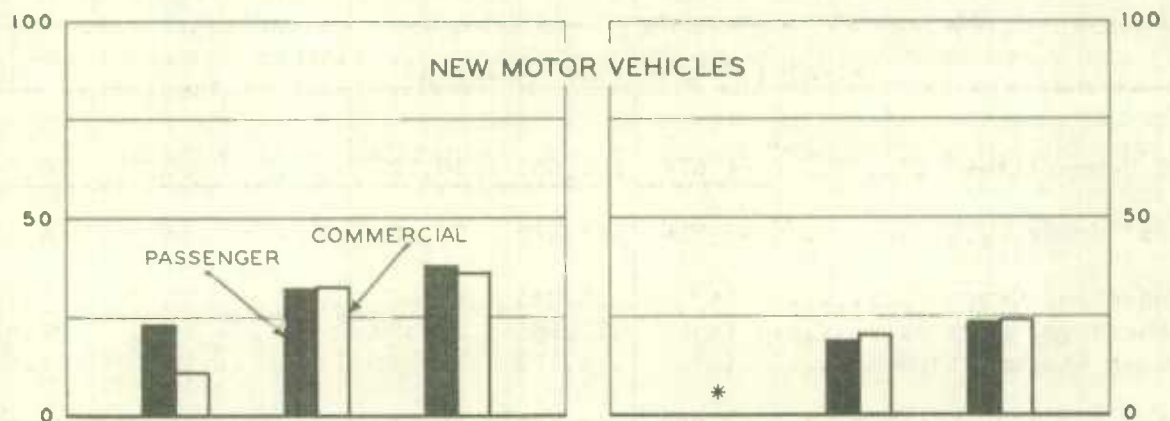
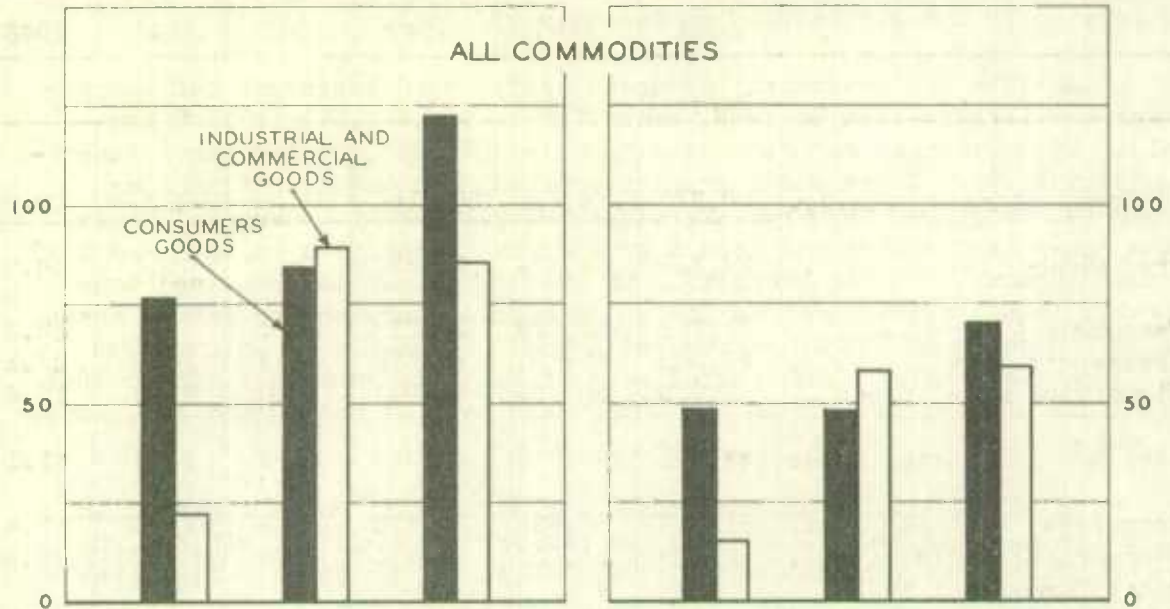
Summaries of paper purchased and balances outstanding by commodities in Table 1 are followed by a provincial tabulation in somewhat lesser detail (Table 2).

Monthly totals, estimated on the basis of partial returns, are shown in Table 3. The design of this table differs from that of the others in that stress is placed on the "automotive" and "non-automotive" activities of sales finance companies during the last two years.

Totals for the automotive classes given in this report are slightly different from those contained in the summary report "New Motor Vehicle Sales and Financing of Motor Vehicle Sales, 1948". The differences are not significant, and they are entirely due to minor inconsistencies in information reported to this office on different occasions.

## FINANCING OF RETAIL INSTALMENT SALES 1941 - 1947 - 1948

MILLIONS OF DOLLARS PAPER PURCHASED BALANCES OUTSTANDING MILLIONS OF DOLLARS



\* NOT AVAILABLE

TABLE 1.--FINANCING OF RETAIL INSTALMENT SALES - BY COMMODITIES

1941, 1947 and 1948

COMMODITY	AMOUNT (\$000's)			PER CENT OF TOTAL		
	1941	1947	1948	1941	1947	1948
Paper Purchased						
Total, All Commodities .....	100,277	174,190	208,166	100.0	100.0	100.0
Consumers' Goods .....	77,326	84,374	122,522	77.1	48.4	58.9
New Passenger Cars .....	23,322	32,028	38,027	23.2	18.4	18.3
Used Passenger Cars .....	44,009	31,691	56,572	43.9	18.2	27.2
All Other Consumers' Goods ..	9,995	20,655	27,923	10.0	11.8	13.4
Commercial and Industrial Goods	22,951	89,816	85,644	22.9	51.6	41.1
New Commercial Vehicles .....	11,548	32,929	36,173	11.5	18.9	17.4
Used Commercial Vehicles .....	6,779	14,033	18,350	6.8	8.1	8.8
All Other Commercial and Industrial Goods .....	4,624	42,854	31,121	4.6	24.6	14.9
Balances Outstanding (year end)						
Total, All Commodities .....	64,674	106,631	130,120	100.0	100.0	100.0
Consumers' Goods .....	48,854	48,275	70,451	75.5	45.3	54.1
New Passenger Cars .....	(a)	18,853	23,627	(a)	17.7	18.1
Used Passenger Cars .....	(a)	17,303	30,599	(a)	16.2	23.5
All Other Consumers' Goods ..	(a)	12,119	16,225	(a)	11.4	12.5
Commercial and Industrial Goods	15,820	58,356	59,669	24.5	54.7	45.9
New Commercial Vehicles .....	(a)	20,900	24,734	(a)	19.6	19.0
Used Commercial Vehicles .....	(a)	8,234	11,135	(a)	7.7	8.6
All Other Commercial and Industrial Goods .....	(a)	29,222	23,800	(a)	27.4	18.3

(a) Not available.

TABLE 2.--FINANCING OF RETAIL INSTALMENT SALES - BY PROVINCES

1941, 1947 and 1948

(amounts in thousands of dollars)

Province	PAPER PURCHASED										BALANCES OUTSTANDING			
	New and Used Passenger Cars		Other Consumers' Goods		Commercial and Industrial Goods		Total, All Commodities			% Change	Total, All Commodities			% Change
	1947	1948	1947	1948	1947	1948	1941	1947	1948	1948/1947	1941	1947	1948	1948/1947
CANADA .....	63,719	94,599	20,655	27,923	89,816	85,644	100,277	174,190	208,166	+19.5	64,674	106,631	130,120	+22.0
Maritime Provinces ..	3,851	5,786	1,104	2,023	6,491	7,184	6,615	11,446	14,993	+31.0	4,169	7,266	9,621	+32.4
Quebec .....	13,911	18,704	3,198	4,312	24,561	22,601	16,195	41,670	45,617	+ 9.5	10,103	26,364	30,068	+14.0
Ontario .....	28,969	44,683	11,892	16,656	28,890	27,262	48,096	69,751	87,601	+25.6	29,641	41,984	53,722	+28.0
Manitoba .....	2,861	3,802	1,044	1,474	5,149	4,760	5,085	9,054	10,036	+10.8	3,349	5,395	6,022	+11.6
Saskatchewan .....	2,180	2,781	583	716	4,005	3,433	5,838	6,768	6,930	+ 2.4	4,560	3,906	4,073	+ 4.3
Alberta .....	4,389	7,046	1,262	1,629	10,173	10,074	8,969	16,824	18,749	+18.5	6,362	9,671	11,718	+21.2
British Columbia ....	7,568	11,797	1,572	2,113	10,547	10,330	9,490	19,677	24,240	+23.2	6,490	12,045	14,896	+23.7



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TABLE 3.--ESTIMATED MONTHLY PURCHASES OF RETAIL PAPER AND BALANCES OUTSTANDING  
1947 and 1948

(millions of dollars)

Year and Month	Automotive Paper		Non-automotive Paper		Total, All Retail Paper	
	Amount of Financing	Balances Outstanding	Amount of Financing	Balances Outstanding	Amount of Financing	Balances Outstanding
<u>1947</u>						
January ..	4.6	23.3	2.9	21.2	7.5	44.5
February .	5.6	26.1	4.0	23.0	9.6	49.1
March ....	7.2	29.4	4.4	24.7	11.6	54.1
April ....	9.9	35.5	6.1	28.0	16.0	63.5
May .....	10.6	41.4	6.8	31.8	17.4	73.2
June .....	10.4	47.3	7.1	35.1	17.5	82.4
July .....	10.0	50.9	5.9	37.1	15.9	88.0
August ...	9.3	54.7	5.1	38.3	14.4	93.0
September.	10.9	58.5	5.3	39.3	16.2	97.8
October ..	12.0	62.4	4.9	39.3	16.9	101.7
November .	11.2	65.6	5.1	40.1	16.3	105.7
December .	9.1	65.3	5.9	41.3	15.0	106.6
<u>1948</u>						
January ..	7.5	64.0	4.1	42.6	11.6	106.6
February..	8.3	64.4	5.0	43.0	13.3	107.4
March ....	12.1	66.6	5.1	44.1	17.2	110.5
April ....	15.4	72.8	6.0	44.2	21.4	117.0
May .....	14.8	78.0	5.4	44.9	20.2	122.9
June .....	14.5	82.2	5.5	44.9	20.0	127.1
July .....	13.7	85.0	4.9	44.1	18.6	129.1
August ...	11.7	87.0	4.4	43.3	16.1	130.3
September.	12.5	88.3	4.5	41.8	17.0	130.1
October ..	13.4	89.5	4.7	40.5	18.1	130.0
November .	13.1	90.4	4.3	39.5	17.4	129.9
December .	12.3	90.1	5.3	40.0	17.6	130.1