



RETAIL CREDIT SECOND QUARTER, 1956



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RETAIL CREDIT

Cash sales and credit sales of retail establishments in the second quarter of 1956 amounted to an estimated \$2,278.3 million and \$1,352.3 million, respectively. For the January-June period cash sales were 7.6 per cent and credit sales 6.5 per cent more than in the first half of last year. Credit outstanding on June 30, 1956 stood at \$906.0 million, the result of a net change of +5.7 per cent since March 31, 1956. This increase was about half as large as occurred over corresponding dates in 1955; nevertheless the level of credit outstanding was \$82.1 million higher than on June 30 of last year.

The estimates in this report include retail sales to non-consumers and non-consumer receivables on the books of retailers. The non-consumer content occurs mainly in trades such as Lumber and Building Material Dealers, Farm Implement Dealers, Feed Stores and Farmers' Supply Stores, all of which are represented in the miscellaneous classification "All Other Trades". Other trade classifications contain portions of non-consumer business as well. For example, builders' hardware is included in Hardware Stores, commercial vehicles in Motor Vehicle Dealers, etc.

Sales' figures are not adjusted for seasonal variations, price changes and number of shopping days.

Instalment Sales and Receivables

Total instalment sales in the second quarter of 1956 amounted to \$520.4 million, \$2.0 million less than in the corresponding quarter of last year. At the end of the quarter instalment receivables held by retailers (which by definition exclude receivables on instalment paper sold to sales finance companies) totalled \$373.6 million. Instalment sales increased from the first quarter level by 54.6 per cent; the net change in outstanding instalment debt on retailers' books was +1.8 per cent.

Of the specified trades, Motor Vehicle Dealers reported the largest increase in instalment sales over the less active first quarter of the year, an increase of 88.3 per cent, but the volume of their instalment sales was just fractionally higher than in the second quarter of 1955. This increase in instalment business resulted in a net change from the first quarter of +21.6 per cent in Motor Vehicle Dealers' instalment credit outstanding.

Department Stores reported instalment sales of \$50.5 million — \$10.4 million higher than in the first quarter of the year. This increment compares favorably with the \$9.1 million increase in the corresponding period of last year. Department Stores, which do not sell their instalment accounts to outside finance companies to any extent, held instalment receivables on June 30, 1956 worth roughly $2\frac{1}{2}$ times the value of their second quarter instalment sales. Their instalment credit outstanding was 25.0 per cent more than on June 30, 1955.

Instalment receivables for all the specific trades in which the instalment component is significant were larger than at June 30, 1955, with one exception: Women's Clothing Stores showed decreases of 46.7 per cent in instalment sales and 23.1 per cent in instalment receivables compared with a year ago.

Charge Sales and Receivables

Charge sales in the second quarter of 1956 amounted to \$831.9 million, just half a million less than in the peak quarter (the fourth quarter) of last year, and \$57.6 million more than in the second quarter of 1955. Of the specified trades,

Independent Grocery and Combination Stores showed the only decline in charge sales from a year ago, and this amounted to 3.3 per cent. Compared with the first quarter of 1956, charge sales of all specified trades increased, with the exception of Fuel Dealers (-48.4 per cent). The largest percentage increase was that of Hardware Stores (59.6 per cent), followed by Motor Vehicle Dealers (47.3 per cent) in which trade charge accounts would include repairs, parts and service credit in addition to motor vehicle sales. The non-specified group (All Other Trades) showed a gain of 56.2 per cent, aided by the seasonally active Lumber and Building Materials Dealers and the Farm Group.

Charge account receivables on June 30, 1956 amounted to \$532.4 million -- a net increase of 5.6 per cent over June 30, 1955, which was reflected in nine of the twelve specified trades. For the specified trades increases ranged from 24.4 per cent (Jewellery Stores) to 0.7 per cent (Garages and Filling Stations). Charge account debt on the books of Department Stores on June 30, 1956 was approximately \$300,000 more than Department Stores' second quarter charge sales which include substantial amounts of revolving credit and budgeted charge accounts.

Percentage Composition

In the second quarter of 1956 cash sales and charge sales each accounted for a larger share of the retail sales dollar than in the corresponding quarter of last year, while the portion attributable to instalment sales was lower by 1.0 per cent. Of the specified trades with significant instalment sales, all except Department Stores and Jewellery Stores reflected a decrease in the percentage of instalment sales to total sales compared with the second quarter of last year.

Note: 1951 Census benchmarks serve as the base for computations in this series.

Credit Sales

<u>Instalment Sales</u> - credit sales made under conditional sale agreements which provide for time payments and contain a repossession clause. Cash down-payments, trade-in allowances and retailers' service charges are included.

Charge Account Sales - credit sales other than instalment sales. Thirty-day accounts, revolving credit and budgeted charge accounts are included.

<u>Cash Sales</u> - cash and C.O.D. sales exclusive of cash receipts related to instalment and charge sales, e.g., payments on customers accounts, cash down-payments on credit sales and cash received from the sale of financial paper.

Instalment Receivables exclude contingent liabilities on paper sold to finance companies.

Percentage Changes

Total All Trades and Selected Trades

	Instalmen	nt Sales	Charge Account Sales			
Trade	2nd qtr. 56 over 2nd qtr. 55	2nd qtr. 56 over lst qtr. 56	2nd qtr. 56 over 2nd qtr. 55	over		
TOTAL, ALL TRADES	- 0.4	+ 54.6	+ 7.4	+ 27.0		
Department Stores Motor Vehicle Dealers Men's Clothing Stores Family Clothing Stores Women's Clothing Stores Hardware Stores Furniture, Appliance and	+ 13.5 + 0.5 - 11.1 - 20.6 - 46.7 + 4.5	+ 25.9 + 88.3 + 6.7 0 + 14.3 + 35.3	+ 6.5 + 9.3 + 1.6 + 3.7 + 11.4 + 11.8	+ 26.7 + 47.3 + 14.3 + 30.2 + 13.2 + 59.6		
Radio Stores	+ 2.7 + 12.2	+ 6.6 + 19.6	+ 20.7	+ 8.1 + 18.6		
(Independent) Stores	N/A	N/A	- 3.3	+ 10.5		

ACCOUNTS RECEIVABLE

Percentage Changes

Total All Trades and Selected Trades

	Instalment Receivables	Charge Account Receivables
Trade	June 30, 1956 over March 31, 1956	June 30, 1956 over March 31, 1956
TOTAL, ALL TRADES	+ 1.8	+ 8.7
Department Stores Motor Vehicle Dealers Men's Clothing Stores Family Clothing Stores Women's Clothing Stores Hardware Stores	+ 1.9 + 21.6 - 5.6 + 1.4 0 + 9.1	+ 5.4 + 18.9 + 3.5 + 0.9 - 5.0 + 16.7
Furniture, Appliance and Radio Stores Jewellery Stores Grocery and Combination (Independent) Stores	+ 1.0 - 1.8	+ 0.5 + 1.8 - 2.1

Table 1. - Total, All Trades
Sales and Accounts Receivable

Period		Sal	es		Accounts Receivable (at end of period)				
	Cash	Instalment	Charge	Total	Instalment	Charge	Total		
			Dollar Est	imates (in mi	llions)				
1955-JanMar AprJune July-Sept OctDec Total	1,651.1 2,117.5 2,098.2 2,325.4 8,192.2	296.4 522.4 458.3 401.2 1,678.3	607.0 774.3 789.8 832.4 3.033.5	2,554.5 3,414.2 3,346.3 3,559.0 12,874.0	308.2 319.5 339.8 381.8	436.0 504.4 523.1 542.8	744.2 823.9 862.9 924.6		
1956-JanMar AprJune (1)	1,797.9	336.6 520.4	655.1	2,789.6 3,630.6	367 . 1 373 . 6	489.9 532.4	857.0 906.0		
	Percentage Composition								
1955-JanMar AprJune July-Sept OctDec Average	64.6 62.0 62.7 65.3 63.7	11.6 15.3 13.7 11.3	23.8 22.7 23.6 23.4 23.4	100.0 100.0 100.0 100.0	41.4 38.8 39.4 41.3	58.6 61.2 60.6 58.7	100.0 100.0 100.0		
1956-JanMar AprJune (1)	64.4 62.8	12.1 14.3	23.5	100.0	42.8	57.2 58.8	100.0		

Table 2. - Department Stores
Sales and Accounts Receivable

			Dollar Est	imates (in mil)	lions)		
1955-JanMar AprJune July-Sept OctDec Total	138.0 170.0 152.2 251.1 711.3	35.4 44.5 49.1 69.3 198.3	45.2 59.7 53.2 83.2 241.3	218.6 274.2 254.5 403.6 1.150.9	111.8 113.7 123.2 146.6	52.6 56.7 58.0 79.8	164.4 170.4 181.2 226.4
1956-JanMar AprJune (1)	152.4 183.2	40.1 50.5	50.2 63.6	242.7 297.3	139.4	60.6 63.9	200.0
			Percent	age Compositi	on		
1955-JanMar AprJune July-Sept OctDec	63.1 62.0 59.8 62.2	16.2 16.2 19.3 17.2	20.7 21.8 20.9 20.6	100.0 100.0 100.0 100.0	68.0 66.7 68.0 64.8	32.0 33.3 32.0 35.2	100.0 100.0 100.0
1956-JanMar AprJune (1)	62.8 61.6	16.5	20.7	100.0	69.7 69.0	30.3 31.0	100.0

Period		Sal	es			ents Receiva	
	Cash	Instalment	Charge	Total	Instalment	Charge	Total
			Dollar Es	stimates (in mi	llions)		
1955-JanMar AprJune July-Sept OctDec Total	144.6 257.4 202.2 151.4 755.6	169.5 355.4 291.3 196.6 1.012.8	116.2 164.9 156.7 138.0 575.8	430.3 777.7 650.2 486.0 2.344.2	12.8 22.4 21.4 18.7	55.9 73.9 72.7 70.0	68.7 96.3 94.1 88.7
1956-JanMar AprJune (1)	150 . 1 280 . 6	189.6 357.0	122.4	462.1 817.9	19.9	67.7 80.5	87.6 104.7
			Percei	ntage Composi	ion		
1955-JanMar AprJune July-Sept OctDec	33.6 33.1 31.1 31.1	39 • 4 45 • 7 44 • 8 40 • 5	27.0 21.2 24.1 28.4	100.0 100.0 100.0	18.6 23.3 22.7 21.1	81.4 76.7 77.3 78.9	100.0 100.0 100.0
1956-JanMar AprJune (1)	32.5 34.3	41.0	26.5 22.0	100.0	22.7 23.2	77.3 76.8	100.0

Table 4. - Men's Clothing Stores Sales and Accounts Receivable

			Dollar Est	imates (in mill	ions)		
1955-JanMar AprJune July-Sept OctDec Total	30 •2 38 •8 35 •4 55 •8 160 •2	1.3 1.8 1.0 2.4 6.5	9.3 12.6 9.0 15.8 46.7	40.8 53.2 45.4 74.0 213.4	1.5 1.4 1.2 1.7	9.7 10.8 10.3 12.8	11.2 12.2 11.5 14.5
1956-JanMar AprJune (1)	31.7 39.4	1.5	11.2	44.4 53.8	1.8	11.3	13.1
			Percent	age Compositi	on		1
1955-Jan Mar · · · · · Apr June · · · · July-Sept · · · Oct Dec · · · · ·	74.1 73.1 78.0 75.4	3.1 3.3 2.2 3.2	22.8 23.6 19.8 21.4	100.0 100.0 100.0 100.0	13.9 11.4 10.6 11.9	86.1 88.6 89.4 88.1	100.0 100.0 100.0
1956-JanMar AprJune (1)	71.5 73.2	3.3	25.2 23.8	100.0	13.7 12.8	86.3 87.2	100.0

⁽¹⁾ Preliminary

Table 5. - Family Clothing Stores
Sales and Accounts Receivable

Period		Sa	les		Accounts Receivable (at end of period)		
2 01 200	Cash	Instalment	Charge	Total	Instalment	Charge	Total
		Y	Dollar Es	timates (in m	illions)		
1955-JanMar AprJune July-Sept OctDec Total	23.9 36.3 33.5 47.8 141.5	2.5 3.4 2.8 5.4 14.1	7.5 10.8 8.6 15.9 42.8	33.9 50.5 44.9 69.1 198.4	6.6 6.5 6.7 8.0	9.6 10.3 9.6 13.5	16.2 16.9 16.3 21.5
1956-JanMar AprJune (1)	27.0 37.9	2.7	8.6	38.3 51.8	6.9 7.0	11.4	18.3
	14111		Percer	tage Compos	ition		
1955-JanMar AprJune July-Sept OctDec	70.4 72.0 74.6 69.2	7.4 6.7 6.2 7.8	22.2 21.3 19.2 23.0	100.0 100.0 100.0	40.7 38.7 41.1 37.2	59.3 61.3 58.9 62.8	100.0 100.0 100.0
1956-JanMar AprJune (1)	70.3 73.1	7.2 5.2	22.5	100.0	37.9 38.0	62.1 62.0	100.0

Table 6. - Women's Clothing Stores
Sales and Accounts Receivable

			Dollar Es	timates (in mil	lions)		
1955-JanMar AprJune July-Sept OctDec Total	32.4 46.7 39.8 53.1 172.0	1.2 1.5 1.3 1.7	10.1 12.3 10.2 14.0 46.6	43.7 60.5 51.3 68.8 224.3	1.2 1.3 1.3 1.5	9.3 9.4 9.1 10.8	10.5 10.7 10.4 12.3
1956-JanMar AprJune (1)	36.1 46.7	0.7	12.1 13.7	48.9 61.2	1.0	10.0	11.0
			Percei	ntage Composit	ion		
1955-JanMar AprJune July-Sept OctDec	74.2 77.2 77.6 77.2	2.7 2.5 2.6 2.4	23.1 20.3 19.8 20.4	100.0 100.0 100.0	11.9 12.8 12.1 12.3	88.1 87.2 87.9 87.7	100.0 100.0 100.0
1956-JanMar AprJune (1)	73.8 76.3	1.4	24.8 22.4	100.0	8.9	91.1 90.8	100.0

⁽¹⁾ Preliminary

Period		Sal	es			ents Receiva	
	Cash	Instalment	Charge	Total	Instalment	Charge	Total
			Dollar Est	imates (in mi	illions)		
1955-JanMar AprJune July-Sept OctDec Total	24.4 43.8 41.2 46.9 156.3	1.5 2.2 2.4 2.3 8.4	14.5 23.7 25.5 25.2 88.9	40.4 69.7 69.1 74.4 253.6	2.4 2.7 3.6 3.7	17.7 20.8 24.4 23.1	20.1 23.5 28.0 26.8
1956-JanMar AprJune (1)	25.8 44.8	2.3	16.6 26.5	44.1 73.6	3.3 3.6	20.4	23.7 27.4
			Percent	tage Composi	tion		
1955-JanMar AprJune July-Sept OctDec	60.3 62.8 59.6 63.0	3.7 3.2 3.5 3.1	36.0 34.0 36.9 33.9	100.0 100.0 100.0 100.0	12.1 11.6 13.0 13.9	87.9 88.4 87.0 86.1	100.0 100.0 100.0
1956-JanMar AprJune (1)	58.6 60.9	3.9 3.1	37.5 36.0	100.0	14.0	86.0 87.0	100.0

Table 8. - Furniture, Appliance and Radio Stores Sales and Accounts Receivable

			Dollar Est	imates (in mi	illions)		
1955-JanMar AprJune July-Sept OctDec Total	37.5 36.4 38.2 48.6 160.7	53.8 62.6 65.5 76.5	23.1 22.2 25.0 30.7	114.4 121.2 128.7 155.8 520.1	128.0 124.0 134.0 149.0	21.6 20.6 21.3 25.9	149.6 144.6 155.3 174.9
1956-JanMar AprJune (1)	39 .1 42 . 0	60•3 64•3	24.8 26.8	124.2 133.1	144.6 146.0	22.0 22.1	166.6 168.1
1955-JanMar AprJune July-Sept OctDec	32.8 30.0 29.7 31.2	47.0 51.6 50.9 49.1	20.2 18.4 19.4 19.7	100.0 100.0 100.0	85.6 85.8 86.3 85.2	14.4 14.2 13.7 14.8	100.0 100.0 100.0
1956-JanMar AprJune (1)	31.5 31.6	48.5 48.3	20.0	100.0	86.8 86.9	13.2	100.0

⁽¹⁾ Preliminary

Table 9. - Jewellery Stores Sales and Accounts Receivable

Period		Sal	es		Accounts Receivable (at end of period)				
	Cash	Instalment	Charge	Total	Instalment	Charge	Total		
			Dollar Est	timates (in m	illions)				
1955-JanMar AprJune July-Sept OctDec Total	13.3 15.0 17.5 26.9	4.0 4.9 5.5 10.1 24.5	3.9 4.7 4.7 8.9 22.2	21.2 24.6 27.7 45.9 119.4	9.8 9.0 9.7 13.6	5.1 4.5 5.2 8.3	14.9 13.5 14.9 21.9		
1956-JanMar AprJune (1)	13.9 15.3	4.6 5.5	4.3 5.1	22.8 25.9	11.3	5.5 5.6	16.8		
	Percentage Composition								
1955-Jan Mar · · · · · Apr ·- June · · · · July-Sept · · · · Oct ·- Dec · · · · ·	62.9 61.2 63.0 58.5	18.8 19.8 19.9 22.0	18.3 19.0 17.1 19.5	100.0 100.0 100.0 100.0	65.8 66.7 65.2 61.9	34.2 33.3 34.8 38.1	100.0 100.0 100.0		
1956-JanMar AprJune (1)	60.9 59.1	20.4	18.7	100.0	67.3 66.5	32.7 33.5	100.0		

Table 10. - Grocery and Combination Stores (Independent)
Sales and Accounts Receivable

T X			Sales			Accounts		
Period	Cas	h	Char	ge	Total	Receivable (Charge)		
	Amount	%	Amount	%	Amount			
	Dollar Estimates (in millions)							
955-JanMar AprJune July-Sept OctDec	245.0 283.2 286.9 285.5	74.8 75.8 75.5 74.9	82.5 90.5 93.1 95.4	25.2 24.2 24.5 25.1	327.5 373.7 380.0 380.9	33.2 33.9 32.6 34.8		
Total	1,100.6		361.5		1,462.1			
956-JanMar AprJune (1)	265.6 300.0	77.0 77.4	79.2 87.5	23.0 22.6	344.8 387.5	33 .1 32.4		

(1) Preliminary

Table 11. - General Stores Sales and Accounts Receivable

(in millions of dollars)

Period		Accounts				
	Cash		Credit		Total	Receivable (Charge)
	Amount	%	Amount	%	Amount	
1955-JanMar. AprJune July-Sept. OctDec. Total	70.1 93.4 100.1 95.5 359.1	67.4 68.4 68.7 67.3	34.0 43.1 45.7 46.3 169.1	32.6 31.6 31.3 32.7	104.1 136.5 145.8 141.8 528.2	26.1 29.1 29.9 27.1
1956-JanMar	74.6 95.2	67.1 67.0	36.5 46.8	32.9 33.0	111.1	25.6 27.4

Table 12. - Fuel Dealers Sales and Accounts Receivable

(in millions of dollars)

Period		Accounts					
	Cash		Credit		Total	Receivable (Charge)	
	Amount	%	Amount	%	Amount	(000000	
1955-JanMar. AprJune July-Sept. OctDec. Total	20.3 7.3 10.4 22.2 60.2	22.9 18.7 23.4 24.1	68.3 31.9 34.1 69.7 204.0	77.1 81.3 76.6 75.9	88.6 39.2 44.5 91.9	34.7 24.7 28.0 40.2	
1956-JanMar	23.9 9.9	24.0 20.1	75•7 39•1	76.0 79.9	99.6 49.0	43.0 30.1	

Table 13. - Garages and Filling Stations
Sales and Accounts Receivable

(in millions of dollars)

Period		Accounts				
	Cash		Credit		Total	Receivable (Charge)
	Amount	%	Amount	%	Amount	
1955-JanMar	91.3 125.0 136.2	70.4 71.3 72.6	38 • 3 50 • 4 51 • 5	29.6 28.7 27.4	129.6 175.4 187.7	24.5 28.1 30.0
OctDec	115.8 468.3	71.3	46.7 186.9	28.7	162.5 655.2	27.8
1956-JanMar	95.5 132.5	68.4 71.4	44.2 52.9	31.6 28.6	139.7 185.4	25.7 28.3



Table 14. - All Other Trades
Sales and Accounts Receivable

Period	Sales				Accounts Receivable (at end of period)			
	Cash	Instalment	Charge	Total	Instalment	Charge	Total	
	Dollar Estimates (in millions)							
1955-JanMar AprJune July-Sept OctDec Total	780.1 964.2 1,004.6 1.124.8 3.873.7	27.2 46.1 39.4 35.1 147.8	154.1 247.5 272.5 244.4 918.5	961.4 1,257.8 1,316.5 1.404.3 4.940.0	34.1 38.5 38.7 36.9	136.0 181.6 192.0 170.8	170.1 220.1 230.7 207.7	
AprJune (1)	1,050.8	34.0	267.3	1,352.1	34.8	187.7	222.5	
	Percentage Composition							
1955-JanMar AprJune July-Sept OctDec	81.2 76.6 76.3 80.1	2.8 3.7 3.0 2.5	16.0 19.7 20.7 17.4	100.0 100.0 100.0 100.0	20.0 17.5 16.8 17.8	80.0 82.5 83.2 82.2	100.0 100.0 100.0	
1956-JanMar AprJune (1)	80 . 8 77.7	3.2 2.5	16.0 19.8	100.0	19.1 15.6	80.9 84.4	100.0	

⁽¹⁾ Preliminary