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DOMINION BUREAU OF STATISTICS
MERCHANDISING AND SERVICES STATISTICS

OTTAWA, CANADA

RETAIL CONSUMER CREDIT

JULY 1945 - DECEMBER 1947



September, 1948

Price 25 cents

JULY 1945-DECEMBER 1947

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FACSIMILE OF THE SCHEDULE

One copy of this form, properly completed, should be returned on or before _____ File No. _____

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DOMINION BUREAU OF STATISTICS
MERCHANDISING AND SERVICES
OTTAWA

DEPARTMENT OF TRADE AND COMMERCE
CANADA

**RETAIL CONSUMER CREDIT
1947**

Taken in conformity with the requirements of the Statistics Act, Chapter 190, Revised Statutes of Canada, 1927.

Overall statistics on retail credit sales and accounts receivable indicate how consumers are financing their purchases, how they are meeting their obligations and the approximate amount of their indebtedness. Retailers are directly interested because credit sales tie up their capital in customers' accounts. The consolidated results of this survey will be held in strictest confidence. Individual results will not be released either to the public or any department of government.

Retailers can then compare their own credit experience with the average for their trade. All returns will be held in strictest confidence. Individual results will not be released either to the public or any department of government.

I. General Description:—

(a) Name and address of firm _____

(b) Check (✓) below the trade which describes most closely the kind of business you are carrying on: _____

Men's Clothing _____ Radio and Household Appliances _____
Women's Clothing _____ Furniture _____
Family Clothing _____ Hardware _____
Other kind of business (specify) _____ Jewellery _____

For the designated semi-annual periods, Sales should include the value of trade-ins taken as part payment for merchandise, but should be net so far as merchandise returns, allowances or rebates are concerned.

January 1/47 to June 30/47 July 1/47 to December 31/47
(If none, write "none")

II. Net Retail Sales:—

(a) CASH AND C.O.D. SALES: Exclude down payments from instalment sales, receipts from customers' accounts or from non-trading sources \$ _____

(b) INSTALMENT SALES: Include all financing charges, cash down payments and trade-in allowances. Report full amount whether paper is sold or held \$ _____

(c) CHARGE OR OTHER CREDIT SALES: Include all financing charges, cash down payments and trade-in allowances \$ _____

(d) TOTAL NET SALES: Sum of (a), (b) and (c) \$ _____

III. Instalment Paper Discounted or Sold:—

Report full amount sold to finance companies, banks or others, during the period, regardless of whether collections are made by you or by the purchasing institution \$ _____

IV. Accounts Receivable:—

(Report receivables at the dates specified. If fiscal dates differ, please estimate amounts owing at the dates specified as closely as possible. Figures should relate to "Instalment" and "Charge Or Other Credit" sales, as defined in II (b) and II (c) above.)

(a) INSTALMENT PAPER: owing and payable directly to your business \$ _____

(b) OTHER CHARGE OR CREDIT ACCOUNTS: owing and payable directly to your business \$ _____

(c) TOTAL RECEIVABLES: Sum of (a) and (b) \$ _____

CERTIFICATE

This is to certify that the information contained in this report is correct and complete to the best of my knowledge and belief.

Signed _____
Official Capacity _____

Date of this report _____

Printed by Finance Division, C.M.G. B.S. 1-19. Order to the King's Most Excellent Majesty, 1947.

DOMINION BUREAU OF STATISTICS
MERCHANDISING AND SERVICES STATISTICS
OTTAWA

Dominion Statistician: HERBERT MARSHALL
Director, Division of Census of Industry and Merchandising: W.H. Losee
Chief, Merchandising and Services Statistics: C.H. McDonald

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No. 3

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RETAIL CONSUMER CREDIT JULY 1945 TO DECEMBER 1947

INTRODUCTION

This is the initial report issued by the Dominion Bureau of Statistics concerning trends in retail consumer credit in Canada. Sales and receivables have been reported by half-year periods from the latter half of 1945 to the latter half of 1947 (July, 1945 - December, 1947, inclusive). From the beginning of 1948, the survey will be undertaken on a quarterly basis, for which appropriate bulletins will be prepared and published.

The trades selected are those dealing principally in clothing, household durables, and personal goods:

Department Stores	Household Appliances and Radio Stores
Men's Clothing Stores	Furniture Stores
Women's Clothing Stores	Hardware Stores
Family Clothing Stores	Jewellery Stores
Furriers	Motor Vehicle Dealers

These were chosen for coverage because of the relatively large proportion which credit business was of total receipts according to the 1941 Census of Merchandising and Services. A weighted composite index of the trades surveyed has been prepared in order to present some notion of the general post-war trend in credit sales and receivables. To provide a period on which to base half-yearly indexes, returns for the year 1941 were employed. Data on cash, instalment and charge account sales were available only for the whole of 1941, while the information from 1945 to 1947 has been secured on a semi-annual basis. To arrive at a figure comparable to the more recent half-yearly data, 1941 totals for cash, instalment and charge account sales were divided by two producing an average half year (1941) value which has been used as the base (=100) for the sales indexes.

The bases for accounts receivable indexes are instalment and charge accounts outstanding in the hands of the responding firms on December 31, 1941. These figures were also taken from the 1941 Census of Merchandising records.

Indexes have been used in place of dollar figures because of certain problems in the sampling of retail firms. It is expected that both indexes and dollar values will be made available by 1949. The survey schedule has been reproduced on Page ii for two purposes; first, to outline the extent of the information required of the various trades concerning credit operations; and secondly, to clarify terms used in the text, these being explained in some detail on the form.

CONSUMER CREDIT REGULATIONS AND WARTIME PRICES AND TRADE BOARD SURVEYS

Consumer credit controls, administered by the Wartime Prices and Trade Board were first introduced on October 14, 1941 and were maintained throughout the remainder of the war period and for some months afterward. During the latter months of 1945 and 1946 regulations were gradually relaxed by such techniques as lengthening the period allowed for payment of charge accounts and increasing the contractual period of instalment paper on certain commodities. All controls were removed on January 13, 1947.

During the period in which consumer credit regulations were effective, the Wartime Prices and Trade Board conducted surveys of credit operations at the retail level in order to observe the effect of controls on the sales and accounts receivable of retailers. In all, four surveys were made covering the interval January 1, 1941 to June 30, 1945 by half-year periods.

On examination of these studies, it was realized that, owing to the specific purpose for which they were devised, the trends would not be continuous with those derived from the Dominion Bureau of Statistics consumer credit surveys. Department store figures of the Wartime Prices and Trade Board studies may be used in part. Further comment on the development of present studies from the Wartime Prices and Trade Board prototypes is made in the note on method at the back of this bulletin.

THE SIGNIFICANCE OF CONSUMER CREDIT STATISTICS

Credit regulations administered by the Wartime Prices and Trade Board were intended to help reduce the demand for consumer goods by stiffening terms of payment of credit accounts outstanding, setting minimum down payments on instalment purchases and shortening periods of repayment of instalment receivables.

These and controls on prices and on supply of consumer goods coupled with increases in personal disposable income (personal income less personal direct taxes) were among the factors which resulted in a high rate of personal saving during the war period. Since the end of the war the rate of personal saving dropped sharply as is indicated by the following table:

Personal Saving and Spending

	1939		1944		1946		Prelim. 1947	
	Millions	%	Millions	%	Millions	%	Millions	%
	\$		\$		\$		\$	
Personal consumer expenditure	3,828	92	6,253	79	7,712	89	8,736	94
Personal saving .	334	8	1,676	21	957	11	588	6
Personal disposable income(1) .	4,162	100	7,929	100	8,669	100	9,324	100

(1) Personal income less personal direct taxes.

The per cent of personal saving to personal disposable income had fallen to 6% in 1947 from 21% in 1944 and 11% in 1946. In dollars, personal saving in 1947 was about 1/3 of the 1944 total of \$1,676,000,000.

A fall in the rate of saving reflects an increase in the rate of liabilities incurred and/or a decrease in the rate of acquisition of assets. Retail consumer credit is an important type of personal liability which enables consumers to spend more on consumer goods and services than they have earned in a period of time.

An increase in personal liabilities and a decrease in personal assets may take place as follows:

1. By the liquidation of personal assets for the purchase of consumer goods; such as disposal of securities, real estate or other holdings, the cash surrender of insurance policies, the reduction of savings accounts or cash on hand, etc.
2. By a reduction in the amount of savings out of current income, in which case a smaller proportion of current income is converted into personal assets.
3. By securing personal loans from institutions such as banks, insurance companies, finance companies, money lenders or loan companies, for the purchase of consumer goods.
4. By securing retail credit in the purchase of goods or services from tradesmen.

Retail consumer credit falls into the fourth of these categories, and has to do with the purchase of goods, no data being available in the present survey concerning service credit. While not all trades have been covered, the ten kinds reported represented 40% of all credit sales, 72% of instalment sales and retained 46% of all accounts outstanding according to the 1941 Census of Merchandising.

INFORMATION AVAILABLE

Indexes of sales -cash, instalment, charge and total- were calculated for the five half-year periods from July, 1945 to December, 1947. Indexes of accounts receivable, -instalment, charge and total- apply to final dates in each period from June 30, 1946 to December 31, 1947.

Percentage composition of both sales and accounts receivable revealed significant trends which are shown in the tables and charts. A further set of useful figures were available in the form of ratios which credit sales were to receivables in the various periods as compared to the base and to each other. Once such ratios are available, the average period in days for the repayment of charge account and instalment purchases may be roughly calculated. This calculation involves assumption of little change in credit sales from the previous period. Let it be assumed, for example, that a ratio of 2.0 holds for instalment sales over instalment receivables in any six-month interval. In other words by the end of the period instalment sales were twice the amount of instalment receivables outstanding on the books of a merchant. By dividing the ratio of sales to accounts outstanding (2.0) into the number of months (6) it is apparent that the rough average period for the repayment of instalment purchases is $6 \div 2.0$ or 3 months (or approximately 90 days).

Per cent of instalment receivables sold to banks or finance companies is shown in some of the trades when applicable. Charts on pages 6 and 7 show the trend in indexes of sales and receivables for the periods covered. Chart 2 on page 8 portrays the change in sales composition from 1941 to the first post-war period (July-December 1945) and from then to the last period surveyed. The composition of accounts receivable in Chart 3 shows the middle point of 1946, as figures were not available for December 31, 1945. Seasonal variation, however, affects percentage composition to a minimum.

HIGHLIGHTS

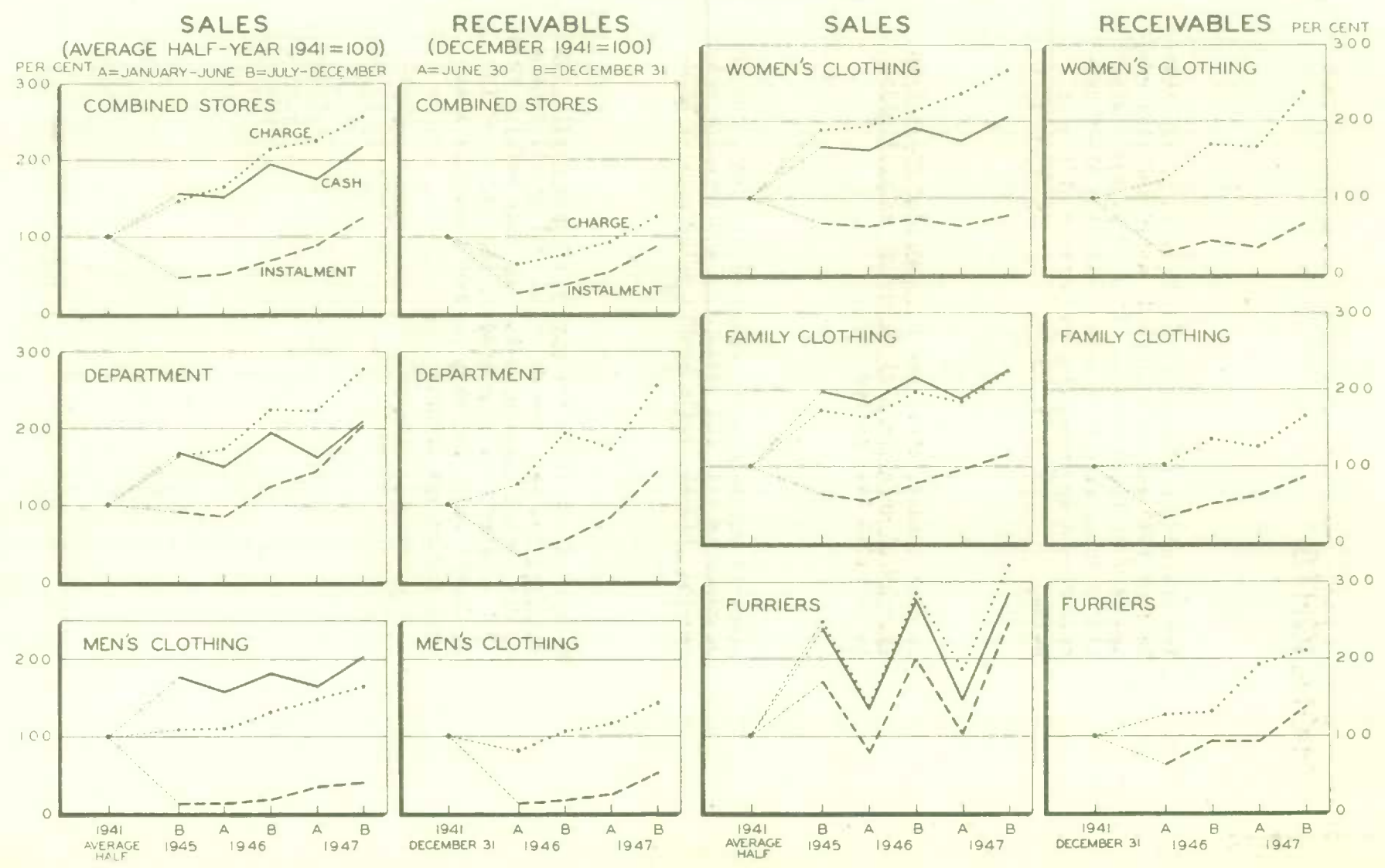
The proportion of cash to total sales in the latter half of 1947 was only slightly above the 1941 average (60% of total sales). From July, 1945, when 67% of sales were on a cash basis, the trend has been toward an increasing proportion of credit sales.

In most trades, there was a pronounced shift from instalment sales in 1941 to charge account sales in the 1945-1947 period.

Accounts outstanding at December 31, 1947, for the combined trades, had risen only 25% from the year-end 1941 figure, while credit sales were up 85%.

By the end of 1947, the number of days credit outstanding had been reduced from 1941 in all trades except retail jewellery, but had been gaining from 1945 to 1947. In most trades, the period of instalment credit had been reduced much more than that for charge credit.

CONSUMER CREDIT : INDEXES OF SALES AND RECEIVABLES IN TEN KINDS OF RETAIL BUSINESS JULY 1945 TO DECEMBER 1947



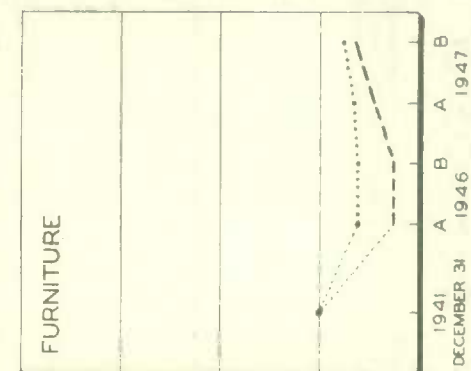
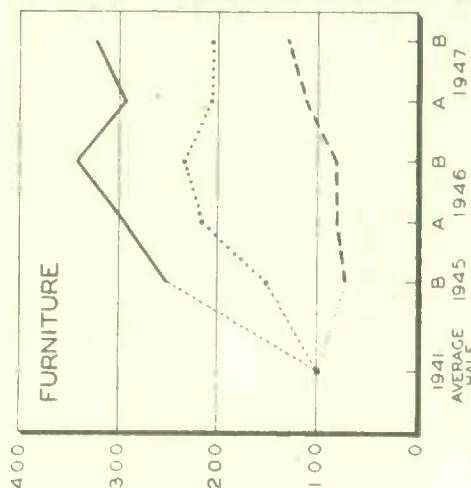
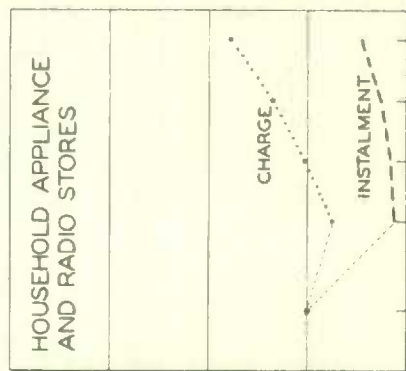
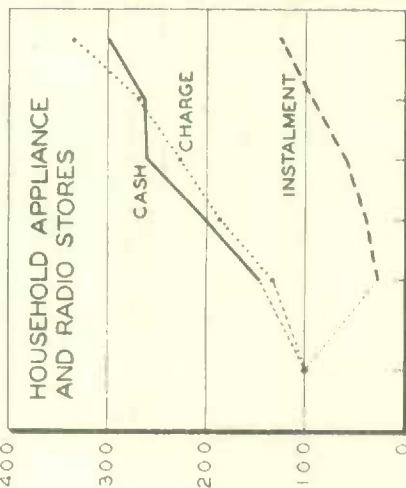
CONSUMER CREDIT : INDEXES OF SALES AND RECEIVABLES

SALES

(AVERAGE HALF-YEAR 1941 = 100)

A=JANUARY-JUNE B=JULY-DECEMBER

PER CENT

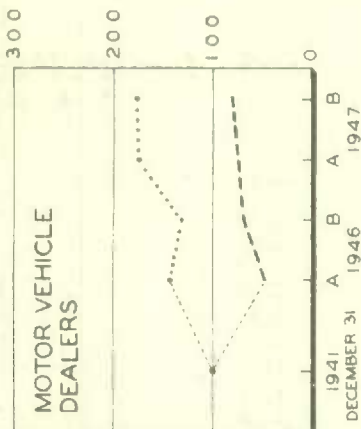
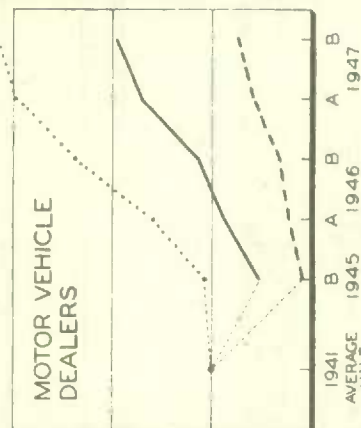
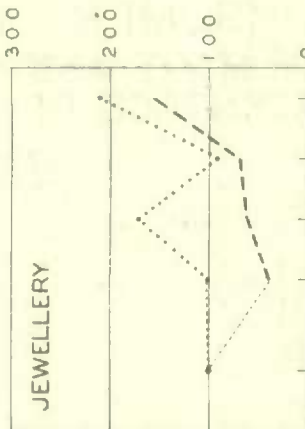
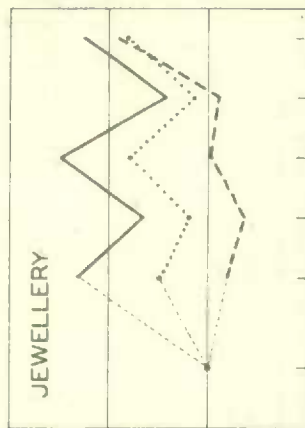
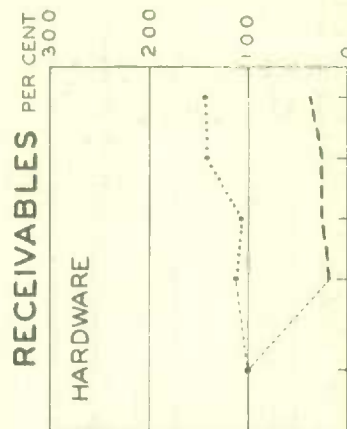
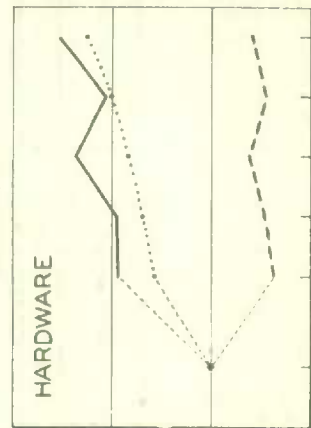


RECEIVABLES

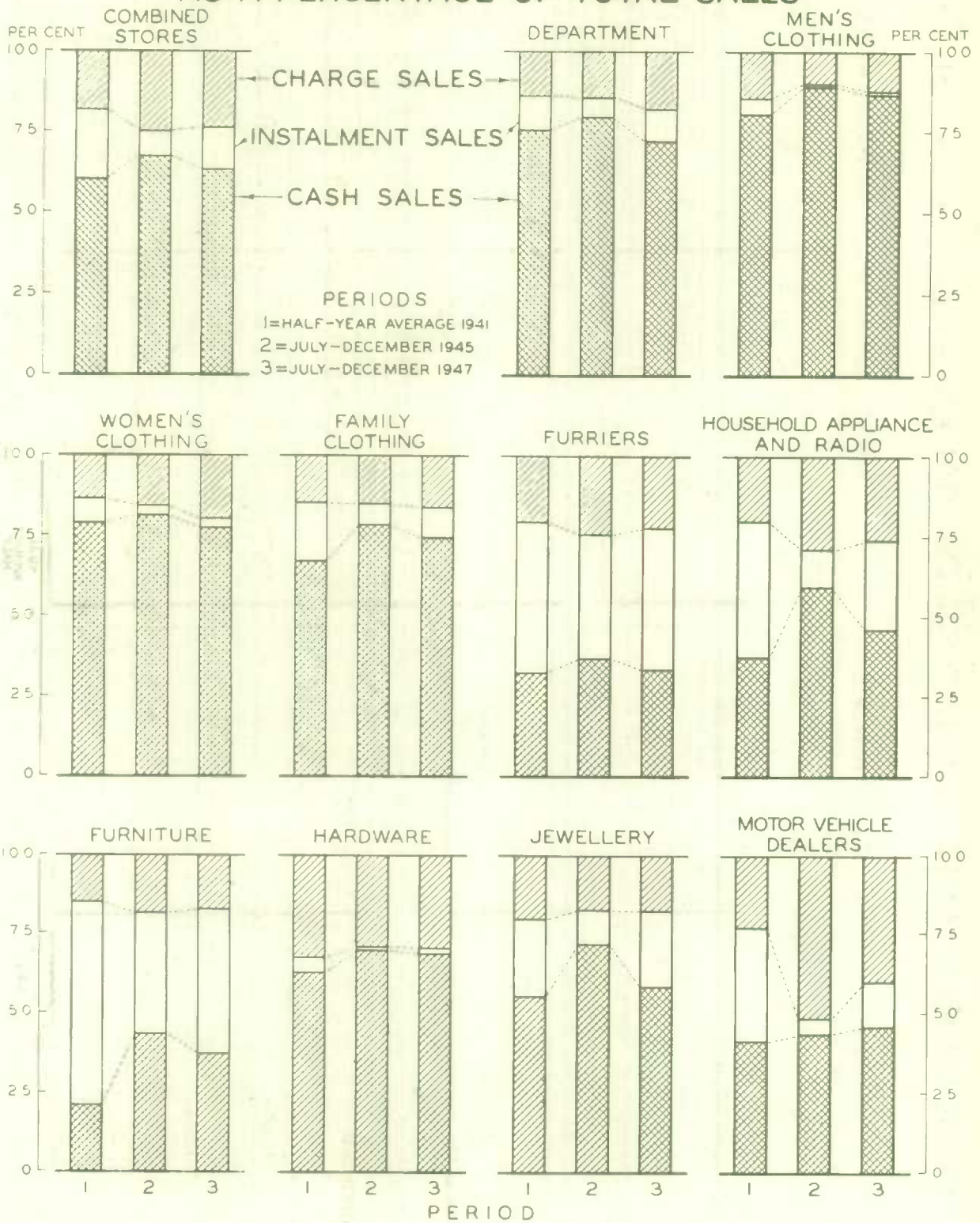
(DECEMBER 1941 = 100)

A=JUNE 30 B=DECEMBER 31

SALES



CONSUMER CREDIT CASH, INSTALMENT AND CHARGE SALES AS A PERCENTAGE OF TOTAL SALES



CONSUMER CREDIT INSTALMENT AND CHARGE RECEIVABLES AS A PERCENTAGE OF TOTAL RECEIVABLES



GENERAL DISCUSSION AND TABLES.....

Combined Trades (Table 1, page 16)

Sales

The proportion of cash sales in the latter half of 1947 was slightly above the 1941 average of 60.2%. From July, 1945 the trend has been in the direction of a gradual resumption of the cash-credit ratios which were characteristic of 1941 retailing.

While total credit sales have made up a smaller percentage of total sales than in 1941, a pronounced shift from instalment to charge account buying has been evident in the interval 1945 to the end of 1947 as compared to 1941. This tendency was evident in most trades. Instalment sales have gradually increased from 8% to 13% but drained off charge account trading only slightly in 1947. From the more complete series available for department stores (1941-1947) it would appear that cash sales were highest in the latter half of 1945, with a corresponding low in credit sales.

By the last period of the survey, cash sales varied from a high of 87% in men's clothing to a low of 33% in furriers.

Although total sales had more than doubled since 1941, by the July-December period of 1947 the combined index of instalment sales was up only 22% from the base period. As a proportion of total trading, instalment sales amounted to about one fifth in the base period, dropped to 8% in the first half of 1945 and rose gradually to 13% by the latter half of 1947. This trend was characteristic of all trades covered, both durable and soft goods lines. Furriers and dealers in household durables reported highest proportions of instalment business.

Charge account sales increased both absolutely and as a proportion of total sales from the base period. As compared with the doubling of sales from 1941 to the latter half of 1947, the combined index indicates that charge account sales had multiplied more than 2 1/2 times, and were 24% of total sales as compared with 18% in the base figures.

Receivables

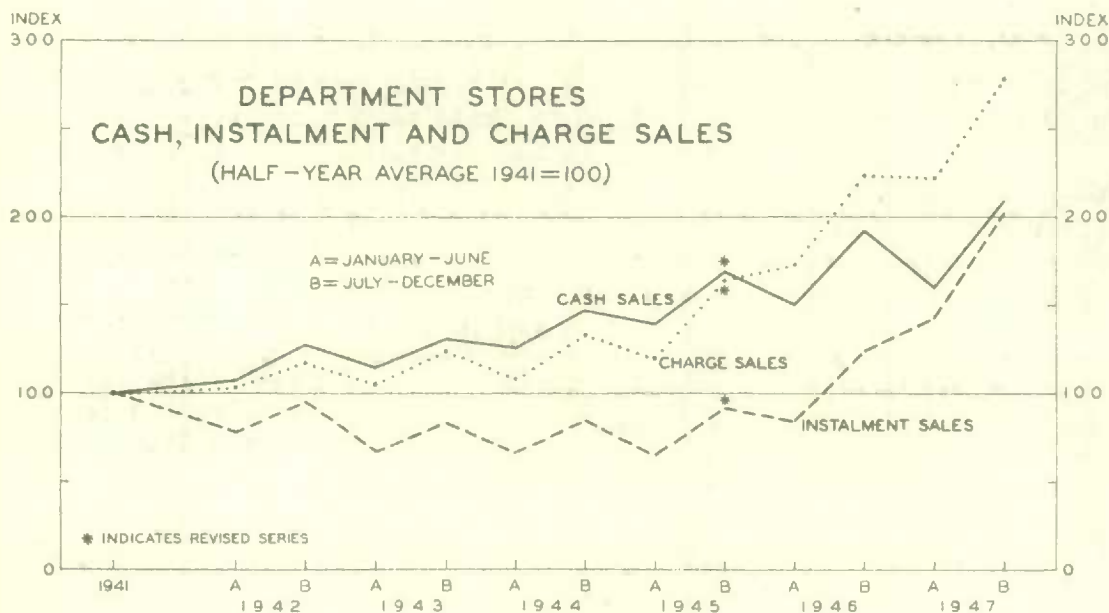
Generally speaking, from the middle of 1946 to the latter half of 1947 the trend of total accounts receivable was more sharply upward than that of sales. In the combined trades sales rose 21% in this interval while receivables more than doubled. Between the first and second halves of 1947 sales jumped 25% and receivables 37%.

Instalment accounts outstanding in the 10 retail trades increased steadily over the 4 end-of-period dates for which receivable figures were available, but had not yet reached the base total (December 31, 1941). Although charge accounts outstanding had almost doubled by the end of 1947, they had not kept pace with charge account sales which had mounted to 258% of the 1941 average. The instalment receivable index had dropped to a low of 27 on June 30, 1946, but rose steadily from that time to 88 by the end of 1947.

On December 31, 1941 instalment receivables made up 61% of accounts outstanding in the trades, dropped to a low of 36% in the middle of 1946 and rose steadily to 49% by the end of 1947. Charge accounts outstanding have followed complementary patterns.

Department Stores (Table 2, pages 17 & 18)

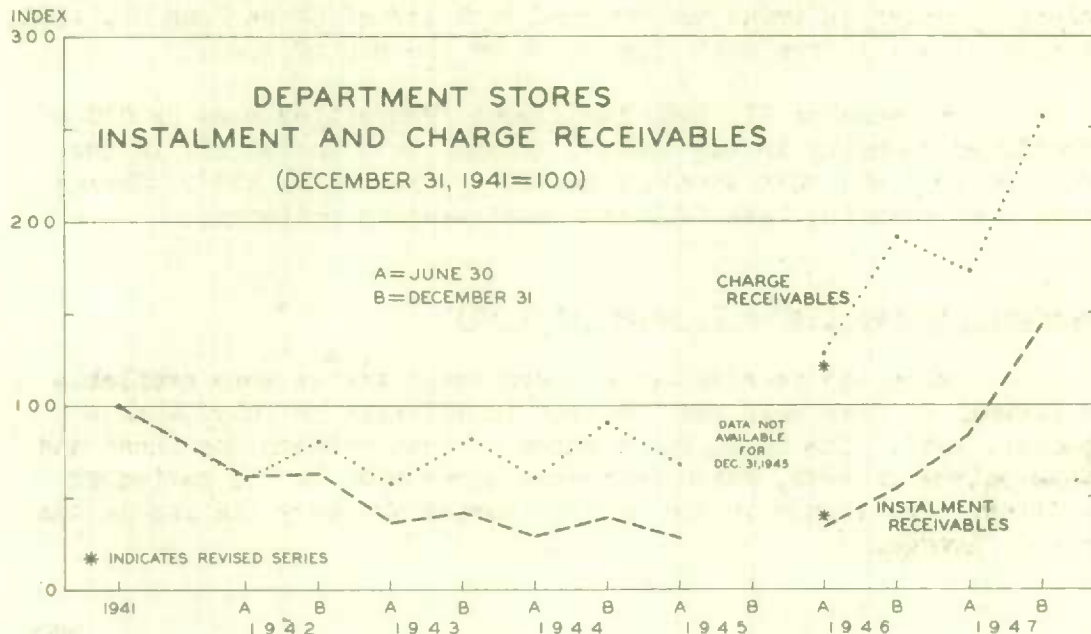
Sales and receivables of department stores were available for several earlier half year periods in addition to July, 1945 - December, 1947. The chart below shows a break between the first and second halves of 1945, which indicates a revision in the series at that time. The trends in the earlier series are very similar to the revised figures.



Cash sales indexes exceeded charge and instalment trends until the early part of 1946 when charge sales surpassed cash. At the same time instalment and charge account trading began a sharp upward climb which continued to the last period covered by the survey (July-December, 1947). By this time the instalment sales index had almost reached that for cash sales, and charge account sales were some 70 points in excess of it.

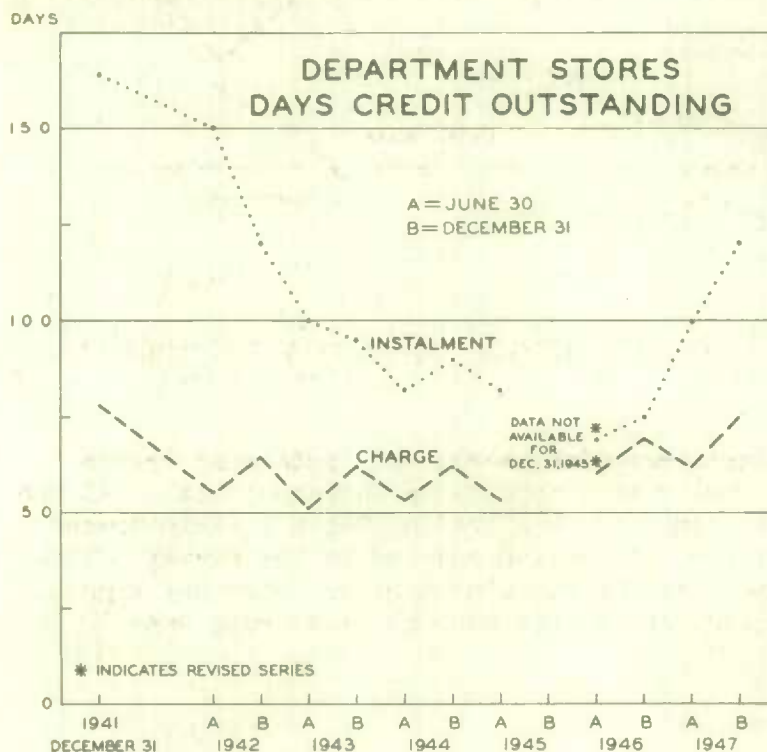
Receivables

Instalment receivables fell steadily in the five periods following 1941 and the imposition of controls, only surpassing the base period in the latter half of 1947. Charge accounts outstanding passed the 1941 level at some time during the interval for which



the indexes are incomplete, but follow the same upward trend since the middle of 1946 as was evidenced in instalment receivables.

Days Credit Outstanding



Derivation of these figures which provide a means of comparison of the trends in sales and receivables were described in the introduction.

One interpretation of the different trends in the preceeding chart would be that Consumer Credit regulations affected repayment of instalment accounts to a relatively greater degree than charge accounts. Shortages of goods customarily purchased on instalment contracts must also be included as a factor in the reduction of instalment trading in 1942-1945 and for its rapid climb in the latter part of 1946 and in 1947 when supplies returned to the markets.

In the later periods days of charge account outstanding closely approximated the 1941 average, and the instalment credit period showed sharp increases from the end of 1946 but had not yet reached the 1941 figure. The seasonal factor in days charge account credit is evident from the chart.

Apparel Stores - Men's, Women's and Family Clothing Stores -
(Tables 3, 4, 5, pp 19, 20, 21)

Cash sales formed a high proportion (about 80%) of the total in men's and women's retail trading in 1941, and a smaller part of family clothing store receipts (about 68%). By 1945 this proportion had varied only slightly in women's clothing but had risen considerably in the other apparel outlets - to 90% in men's and to almost 80% in family outlets. Following the end of 1945, the proportion of cash to total sales in all three clothing store types decreased from 3 to 4 points.

Men's retail store cash sales have run above charge sales indexes in the period July, 1945 to December, 1947, while the opposite is true of retail women's clothing shops. The level of cash sales was about the same in each, but charge sales indexes in women's stores were well above men's stores. Instalment sales had dropped to a negligible amount in men's stores by early 1946 then increased by a very small amount. In 1945 women's shops instalment sales fell to 68% of the 1941 average and varied little in the succeeding periods, while family clothing stores showed sizable gains in instalment sales in the same interval.

The shift from instalment to charge account buying has been evident in all three clothing businesses.

The trends of accounts receivable in the apparel trades were similar, charge accounts outstanding exceeding instalment in each instance. Family clothing instalment receivables in 1946 and 1947 were a larger proportion of total accounts outstanding than in the other store types. In all three types, a pronounced decrease in proportion of instalment receivables took place from the end of 1941 to 1946. By the end of 1947 instalment accounts outstanding were 11% of total receivables in men's, 13% in women's and 45% in family clothing stores.

In men's and women's stores, no clear distinction seemed to have been made between charge accounts and instalment trading when considered from the standpoint of number of days credit outstanding. By the end of 1947 days credit outstanding had surpassed 1941 levels only in men's clothing instalment sales.

Furriers (Table 6, page 22)

Fur sales indexes were characterized by wide seasonal variations. Charge sales indexes have exceeded both cash and instalment from 1945 - 1947. Cash sales proportions gained from instalment in 1945 and 1946 but by 1947 had moved back to proportions close to those of 1941. In the July-December 1947 half-year, sales were divided: cash 33%, instalment 44%, and charge 23%.

Unlike other clothing outlets, the greater part of furriers' receivables have been instalment accounts. These amounted to 77% of total accounts outstanding at the end of 1941, had dropped to 62% by June 30, 1946 and risen again to 71% by the end of 1947.

Household Appliance and Radio Stores (Table 7, page 23)

From July, 1945, the trend of cash sales in this store type moved upward less steeply than charge and instalment sales.

Cash sales made up 38% of total trading in 1941, rose to 59% in 1945, and began to fall off sharply in 1947. Charge and instalment sales made up 28% and 26% of total sales respectively in July-December, 1947.

A striking feature of the appliance and radio store trade has been the large drop in number of days instalment credit outstanding - from 225 in 1941 to 75 by the end of 1947. Such a change may have resulted partly from shortening the period required for the repayment of individual instalment accounts and to larger down payments, leaving smaller amounts of instalment credit outstanding in proportion to instalment sales. A similar reduction in days credit outstanding was true of charge credit but was less pronounced.

Furniture Stores (Table 8, page 24)

In 1946 cash and charge sales indexes of furniture stores moved up sharply, with more moderate increases in instalment buying. Small recessions from 1946 in both cash and instalment sales occurred in 1947. Since the proportion of cash sales in 1941 was small, the index was influenced by smaller changes than that of instalment which accounted for more than two thirds of sales in the base period.

From 1945 to 1947 furniture stores were in a particularly favorable position as regards accounts outstanding, the total at the end of that period amounting to only two-thirds of December 31, 1941 totals. The index of total receivables on December 31, 1947 was lower only in household appliance and radio stores.

Number of days instalment credit outstanding in furniture stores increased sharply from 1946 to 1947, but by the latter period was 120 days as compared to 225 days in 1941. Period of charge credit was very low at December 31, 1947: 47 days as compared to 139 days in 1941.

Hardware Stores (Table 9, page 25)

Instalment sales formed an insignificant part of the hardware store trade, credit being largely on a charge basis. For the 1945-1947 interval of this survey, cash and charge sales kept pace with each other consistently indicating that credit regulations and other conditions affecting most of the retail trades were not operative in reducing to any great extent the amount of credit sales of hardware stores.

The trend of accounts outstanding and day's credit, however, shows quite clearly that a reduction in the amount of credit on the books of hardware merchants took place, relative to the amount of credit sales. The seeming anomaly that charge account credits require **longer** periods for repayment than instalment accounts in all periods may be a function of the longer credit periods allowed builders and other commercial buyers of hardware who have standing charge accounts with hardware firms.

Jewellery Stores (Table 10, page 26)

While there was little change in total sales of jewellery stores in 1947 from 1946 instalment sales showed heavy increases.

Of the trades reviewed, jewellery operations alone indicated a larger gain in charge accounts outstanding than in charge sales. By the final half of 1947 charge sales were 80% above the 1941 average, but charge receivables had climbed 110% by December 31, 1947. In addition, charge receivables, which accounted for about one-third of the total in 1941, took up 40% of all accounts receivable by the end of 1947.

Number of days charge credit outstanding by the end of 1947 was greater than the end of 1941 figure, but the instalment period had reached only 106 days as compared to 129 days in 1941.

Motor Vehicle Dealers (Table 11, page 27)

The conditions of sales of motor vehicles during the war period, shortages in the immediate post war, and methods of financing of motor vehicle sales makes the picture of credit buying in retail motor vehicle firms somewhat difficult to analyze.

The majority of new automobiles sold are financed directly from the manufacturers through the dealers, who rarely assume the instalment receivable. Table 11 shows that nearly 60% of instalment paper is sold, or handled by the finance companies, a small portion is retained on the books of dealers, and probably a large proportion of the remainder represents the down payment which in most cases is a minimum of 1/3 of the purchase price.

It was learned from dealers that the proportion of charge sales had increased as a result of additional lines of accessories carried and services offered by motor vehicle dealers when vehicles were scarce. Since instalment credit is handled in very small amounts by dealers the high percentage of charge receivables is understandable.

Retail Consumer Credit, 1947

Table 1. - Consumer Credit - Combined Trades

INDEXES

Period	Sales during period				Accounts receivable at end of period		
	Cash	Instal- ment	Charge	Total	Instal- ment	Charge	Total
1941 - Half year average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1945 - July - Dec.	156.9	46.4	148.7	132.1	(not available)		
1946 - Jan. - June	151.4	50.2	166.2	132.6	27.0	116.7	62.5
- July - Dec.	191.7	69.6	213.2	170.1	37.8	138.4	77.6
1947 - Jan. - June	174.7	89.8	226.5	165.7	54.2	151.9	92.0
- July - Dec.	217.0	122.2	257.7	205.0	87.7	189.0	126.7

PERCENTAGE COMPOSITION

1941 - Half year average	60.2	21.7	18.1	100.0	60.6	39.4	100.0
1945 - July - Dec.	67.0	7.9	25.1	100.0	(not available)		
1946 - Jan. - June	66.1	8.7	25.2	100.0	36.4	63.6	100.0
- July - Dec.	65.3	9.2	25.5	100.0	38.2	61.8	100.0
1947 - Jan. - June	62.6	12.2	25.2	100.0	45.3	54.7	100.0
- July - Dec.	62.6	13.4	24.0	100.0	48.5	51.5	100.0

Table 2. - Consumer Credit - Department Stores

A. INDEXES

Period	Sales during period				Accounts receivable at end of period		
	Cash	Instal- ment	Charge	Total	Instal- ment	Charge	Total
1941 - Half year average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1942 - Jan. - June	106.7	77.7	103.2	102.5	61.7	60.6	61.3
- July - Dec.	127.4	94.6	117.2	121.6	62.9	80.9	70.3
1943 - Jan. - June	114.5	66.5	104.6	106.8	36.4	57.9	45.3
- July - Dec.	130.1	82.5	123.4	123.0	42.4	82.1	58.8
1944 - Jan. - June	125.5	65.7	108.6	115.1	29.2	61.6	42.6
- July - Dec.	147.4	84.0	133.3	137.0	39.8	90.1	60.5
1945 - Jan. - June	139.1	64.4	119.7	123.4	28.1	68.4	44.7
<hr/>							
- July - Dec.	168.5	91.1	164.9	159.5	(not available)		
1946 - Jan. - June	150.1	83.7	173.5	146.2	34.8	128.7	70.7
- July - Dec.	192.7	123.7	223.8	189.6	54.9	191.8	107.3
1947 - Jan. - June	160.8	142.0	222.5	167.4	83.9	173.0	118.0
- July - Dec.	208.1	201.1	278.4	217.2	142.2	256.8	186.1

B. PERCENTAGE COMPOSITION

1941 - Half year average	75.1	10.9	14.0	100.0	61.7	38.3	100.0
1942 - Jan. - June	73.2	9.4	17.4	100.0	59.2	40.8	100.0
- July - Dec.	73.7	9.7	16.6	100.0	52.6	47.4	100.0
1943 - Jan. - June	75.3	7.8	16.9	100.0	47.2	52.8	100.0
- July - Dec.	74.3	8.4	17.3	100.0	42.4	57.6	100.0
1944 - Jan. - June	76.6	7.1	16.3	100.0	40.3	59.7	100.0
- July - Dec.	76.4	7.5	16.1	100.0	37.7	62.3	100.0
1945 - Jan. - June	77.4	6.4	16.2	100.0	35.9	64.1	100.0
<hr/>							
- July - Dec.	79.3	6.2	14.5	100.0	(not available)		
1946 - Jan. - June	77.1	6.2	16.7	100.0	30.4	69.6	100.0
- July - Dec.	76.3	7.1	16.6	100.0	31.6	68.4	100.0
1947 - Jan. - June	72.1	9.2	18.7	100.0	43.9	56.1	100.0
- July - Dec.	71.9	10.1	18.0	100.0	47.2	52.8	100.0

Note - A revision in the series occurred after June 1945.

Table 2. (Cont'd) - Consumer Credit - Department Stores

C. SALES-RECEIVABLES RATIO			DAYS CREDIT OUTSTANDING	
Date	Instalment	Charge	Instalment	Charge
1941 - Dec. 31	1.1	2.3	164	78
1942 - June 30	1.2	3.3	150	55
- Dec. 31	1.5	2.8	120	64
1943 - June 30	1.8	3.5	100	51
- Dec. 31	1.9	2.9	95	62
1944 - June 30	2.2	3.4	82	53
- Dec. 31	2.0	2.9	90	62
1945 - June 30	2.2	3.4	82	53
<hr/>				
- Dec. 31		(not available)		
1946 - June 30	2.6	3.0	69	60
- Dec. 31	2.4	2.6	75	69
1947 - June 30	1.8	2.9	100	62
- Dec. 31	1.5	2.4	120	75

Note - A revision in the series occurred after June 1945.

Table 3. - Consumer Credit - Men's Clothing Stores

A. INDEXES

Period	Sales during period				Accounts receivable at end of period		
	Cash	Instal- ment	Charge	Total	Instal- ment	Charge	Total
1941 - Half year average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1945 - July - Dec.	176.8	11.0	109.7	158.7	(not available)		
1946 - Jan. - June	158.7	12.0	110.1	144.3	10.8	80.5	62.4
- July - Dec.	180.9	17.3	130.1	165.3	16.8	107.2	83.8
1947 - Jan. - June	164.8	33.3	147.9	155.6	22.7	117.6	92.7
- July - Dec.	201.6	39.3	164.2	188.0	51.7	142.7	118.8

B. PERCENTAGE COMPOSITION

1941 - Half year average	80.3	5.0	14.7	100.0	25.9	74.1	100.0
1945 - July - Dec.	89.5	0.3	10.2	100.0	(not available)		
1946 - Jan. - June	88.4	0.4	11.2	100.0	4.5	95.5	100.0
- July - Dec.	87.9	0.5	11.6	100.0	5.2	94.8	100.0
1947 - Jan. - June	85.6	1.1	13.3	100.0	6.4	93.6	100.0
- July - Dec.	86.7	1.1	12.2	100.0	11.4	88.6	100.0

C. SALES - RECEIVABLES RATIO

Date	Instalment		Charge		DAYS CREDIT OUTSTANDING	
	Instalment	Charge	Instalment	Charge	Instalment	Charge
1941 - Dec. 31.....	2.3	2.4	78	75		
1946 - June 30	2.6	3.2	69	56		
- Dec. 31	2.4	2.9	75	62		
1947 - June 30	3.7	3.1	49	58		
- Dec. 31	1.9	2.8	95	64		

Table 4. - Consumer Credit - Women's Clothing Stores

A. INDEXES

Period	Sales during period				Accounts receivable at end of period		
	Cash	Instal-ment	Charge	Total	Instal-ment	Charge	Total
1941 - Half year average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1945 - July - Dec.	168.2	67.6	189.8	163.4	(not available)		
1946 - Jan. - June	160.7	62.1	193.1	157.6	29.0	123.6	87.5
- July - Dec.	190.6	71.8	211.5	184.3	44.1	170.3	122.1
1947 - Jan. - June	174.2	62.8	235.7	175.0	35.3	168.6	122.2
- July - Dec.	205.0	77.0	266.8	204.5	65.4	238.9	178.5

B. PERCENTAGE COMPOSITION

1941 - Half year average	78.8	7.7	13.5	100.0	38.2	61.8	100.0
1945 - July - Dec.	81.1	3.2	15.7	100.0	(not available)		
1946 - Jan. - June	80.4	3.0	16.6	100.0	12.7	87.3	100.0
- July - Dec.	81.5	3.0	15.5	100.0	13.8	86.2	100.0
1947 - Jan. - June	76.7	2.8	20.5	100.0	10.1	89.9	100.0
- July - Dec.	77.2	2.9	19.9	100.0	12.7	87.3	100.0

C. SALES - RECEIVABLES RATIO

Date	Instalment		Charge		DAYS CREDIT OUTSTANDING	
	Instalment	Charge	Instalment	Charge	Instalment	Charge
1941 - Dec. 31	2.1	2.3	86	78		
1946 - June 30	4.6	3.7	39	49		
- Dec. 31	3.5	2.9	51	62		
1947 - June 30	3.8	3.2	47	56		
- Dec. 31	2.5	2.6	72	69		

Table 5. - Consumer Credit - Family Clothing Stores

A. INDEXES

Period	Sales during period				Accounts receivable at end of period		
	Cash	Instal- ment	Charge	Total	Instal- ment	Charge	Total
1941 - Half year average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1945 - July - Dec.	197.2	62.1	173.7	169.8	(not available)		
1946 - Jan. - June	182.4	54.4	163.6	156.9	32.6	101.0	58.2
- July - Dec.	217.3	77.4	198.8	189.8	50.6	135.1	82.3
1947 - Jan. - June	187.3	93.7	182.4	170.7	60.2	126.0	85.8
- July - Dec.	226.3	113.7	224.3	206.9	85.2	167.0	116.9

B. PERCENTAGE COMPOSITION

1941 - Half year average	67.5	17.8	14.7	100.0	62.6	37.4	100.0
1945 - July - Dec.	78.4	6.5	15.1	100.0	(not available)		
1946 - Jan. - June	78.5	6.1	15.4	100.0	35.0	65.0	100.0
- July - Dec.	77.3	7.3	15.4	100.0	38.5	61.5	100.0
1947 - Jan. - June	74.7	9.3	16.0	100.0	42.9	57.1	100.0
- July - Dec.	74.5	9.3	16.2	100.0	44.6	55.4	100.0

C. SALES - RECEIVABLES RATIO

Date	SALES - RECEIVABLES RATIO		DAYS CREDIT OUTSTANDING	
	Instalment	Charge	Instalment	Charge
1941 - Dec. 31	1.2	1.7	150	106
1946 - June 30	2.1	2.8	86	64
- Dec. 31	1.9	2.5	95	72
1947 - June 30	2.0	2.6	90	69
- Dec. 31	1.7	2.4	106	75

Table 6. - Consumer Credit - Furriers

A. INDEXES							
Period	Sales during period				Accounts receivable at end of period		
	Cash	Instal- ment	Charge	Total	Instal- ment	Charge	Total
1941 - Half year average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1945 - July - Dec.	239.4	170.2	248.9	208.7	(not available)		
1946 - Jan. - June	134.9	79.5	136.1	109.0	62.6	128.5	77.7
- July - Dec.	275.3	199.8	285.4	241.8	92.5	131.3	101.4
1947 - Jan. - June	147.6	104.9	186.4	133.8	92.2	191.8	113.4
- July - Dec.	285.4	243.4	320.5	271.3	138.5	210.1	153.7

B. PERCENTAGE COMPOSITION

1941 - Half year average	32.2	47.2	20.6	100.0	77.1	22.9	100.0
1945 - July - Dec.	36.9	38.5	24.6	100.0	(not available)		
1946 - Jan. - June	39.9	34.4	25.7	100.0	62.1	37.9	100.0
- July - Dec.	36.7	39.0	24.3	100.0	70.3	29.7	100.0
1947 - Jan. - June	34.8	38.8	26.4	100.0	64.0	36.0	100.0
- July - Dec.	33.2	44.4	22.4	100.0	70.9	29.1	100.0

C. SALES - RECEIVABLES RATIO

Date	Instalment		DAYS CREDIT OUTSTANDING	
	Instalment	Charge	Instalment	Charge
1941 - Dec. 31	1.1	1.6	164	113
1946 - June 30	1.4	1.7	129	106
- Dec. 31	2.4	3.5	75	51
1947 - June 30	1.3	1.6	138	113
- Dec. 31	2.0	2.5	90	72

Table 7. - Consumer Credit - Household Appliance and Radio Stores

A. INDEXES

Period	Sales during period				Accounts receivable at end of period		
	Cash	Instal- ment	Charge	Total	Instal- ment	Charge	Total
1941 - Half year average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1945 - July - Dec.	146.6	26.2	132.0	92.9	(not available)		
1946 - Jan. - June	200.7	38.5	186.8	129.6	10.3	75.9	20.9
- July - Dec.	259.8	58.6	226.0	168.2	15.6	102.4	29.7
1947 - Jan. - June	261.0	92.6	269.5	179.2	24.8	135.6	38.7
- July - Dec.	298.8	122.8	334.4	217.8	43.2	177.8	60.1

B. PERCENTAGE COMPOSITION

1941 - Half year average	37.6	42.1	20.3	100.0	83.8	16.2	100.0
1945 - July - Dec.	59.2	11.9	28.9	100.0	(not available)		
1946 - Jan. - June	58.2	12.5	29.3	100.0	41.2	58.8	100.0
- July - Dec.	58.0	14.7	27.3	100.0	44.2	55.8	100.0
1947 - Jan. - June	48.9	25.6	25.5	100.0	56.0	44.0	100.0
- July - Dec.	46.1	27.9	26.0	100.0	62.9	37.1	100.0

C. SALES - RECEIVABLES RATIO

Date	Instal- ment		Charge	
	Instal- ment	Charge	Instal- ment	Charge
1941 - Dec. 31 ...	0.8	1.9	225	95
1946 - June 30 ...	2.8	4.7	64	38
- Dec. 31 ...	2.8	4.2	64	43
1947 - June 30 ...	3.2	4.1	56	44
- Dec. 31 ...	2.4	3.8	75	47

DAYS CREDIT
OUTSTANDING

INSTALMENT CREDIT
SOLD TO BANKS ETC.

Percent of Instalment Sales
(not available)
9.7
6.3
7.3
8.5

Table 8. - Consumer Credit - Furniture Stores

A. INDEXES

Period	Sales during period				Accounts receivable at end of period		
	Cash	Instal-ment	Charge	Total	Instal-ment	Charge	Total
1941 - Half year average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1945 - July - Dec.	250.8	70.9	150.9	120.8	(not available)		
1946 - Jan. - June	295.6	80.0	216.0	145.9	25.3	61.4	29.2
- July - Dec.	340.2	80.1	234.0	158.1	25.1	61.0	29.0
1947 - Jan. - June	292.3	111.6	207.0	164.3	44.7	66.1	47.2
- July - Dec.	323.4	129.5	206.5	182.2	64.7	76.2	66.1

B. PERCENTAGE COMPOSITION

1941 - Half year average	21.0	63.8	15.2	100.0	89.1	10.9	100.0
1945 - July - Dec.	43.5	37.5	19.0	100.0	(not available)		
1946 - Jan. - June	42.4	35.0	22.6	100.0	77.1	22.9	100.0
- July - Dec.	45.1	32.3	22.6	100.0	77.1	22.9	100.0
1947 - Jan. - June	37.3	43.1	19.6	100.0	83.9	16.1	100.0
- July - Dec.	37.2	45.1	17.7	100.0	86.7	13.3	100.0

C. SALES - RECEIVABLES RATIO

Date	DAYS CREDIT OUTSTANDING		INSTALMENT CREDIT SOLD TO BANKS ETC.	
	Instal-ment	Charge	Instal-ment	Charge
1941 - Dec. 31 ...	0.8	1.3	225	139
1946 - June 30 ...	2.4	4.7	75	38
- Dec. 31 ...	2.4	4.9	75	37
1947 - June 30 ...	1.8	4.4	100	41
- Dec. 31 ...	1.5	3.8	120	47

INSTALMENT CREDIT SOLD TO BANKS ETC.

Percent of Instalment Sales
(not available)
0.5
0.6
1.1
1.4

Table 9. - Consumer Credit - Hardware Stores

A. INDEXES

Period	Sales during period				Accounts receivable at end of period		
	Cash	Instal- ment	Charge	Total	Instal- ment	Charge	Total
1941 - Half year average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1945 - July - Dec.	193.8	36.6	157.1	174.4	(not available)		
1946 - Jan. - June	194.8	45.2	169.8	179.6	19.1	111.9	100.9
- July - Dec.	235.3	60.0	183.1	210.1	25.3	107.4	97.6
1947 - Jan. - June	206.1	42.7	200.1	194.7	25.9	141.2	125.5
- July - Dec.	251.1	58.1	225.6	232.0	38.0	143.3	129.0

B. PERCENTAGE COMPOSITION

1941 - Half year average	62.8	4.8	32.4	100.0	11.9	88.1	100.0
1945 - July - Dec.	69.8	1.0	29.2	100.0	(not available)		
1946 - Jan. - June	68.2	1.2	30.6	100.0	2.3	97.7	100.0
- July - Dec.	70.4	1.4	28.2	100.0	3.1	96.9	100.0
1947 - Jan. - June	67.2	1.3	31.5	100.0	2.8	97.2	100.0
- July - Dec.	68.7	1.5	29.8	100.0	4.0	96.0	100.0

C. SALES - RECEIVABLES RATIO

Date	Instalment		Charge		DAYS CREDIT OUTSTANDING	
	Instalment	Charge	Instalment	Charge	Instalment	Charge
1941 - Dec. 31	1.8	1.7	100	106		
1946 - June 30	4.3	2.6	42	69		
- Dec. 31	4.3	2.9	42	62		
1947 - June 30	3.4	2.4	53	75		
- Dec. 31	3.2	2.7	56	67		

Table 10. - Consumer Credit - Jewellery Stores

A. INDEXES

Period	Sales during period				Accounts receivable at end of period		
	Cash	Instal- ment	Charge	Total	Instal- ment	Charge	Total
1941 - Half year average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1945 - July - Dec.	231.2	80.6	149.8	177.9	(not available)		
1946 - Jan. - June	166.3	61.8	119.2	131.3	39.0	101.8	60.7
- July - Dec.	247.8	97.2	179.8	197.3	60.6	170.4	98.6
1947 - Jan. - June	141.4	87.5	113.2	121.6	68.7	90.6	75.8
- July - Dec.	224.1	189.1	180.2	206.0	155.0	210.1	172.9

B. PERCENTAGE COMPOSITION

1941 - Half year average	55.0	24.1	20.9	100.0	65.5	34.5	100.0
1945 - July - Dec.	71.5	10.9	17.6	100.0	(not available)		
1946 - Jan. - June	69.7	11.4	18.9	100.0	42.1	57.9	100.0
- July - Dec.	69.1	11.9	19.0	100.0	40.3	59.7	100.0
1947 - Jan. - June	62.2	18.6	19.2	100.0	61.2	38.8	100.0
- July - Dec.	58.2	23.8	18.0	100.0	60.5	39.5	100.0

C. SALES - RECEIVABLES RATIO

Date	SALES - RECEIVABLES RATIO		DAYS CREDIT OUTSTANDING	
	Instalment	Charge	Instalment	Charge
1941 - Dec. 31	1.4	2.2	129	82
1946 - June 30	2.2	2.6	82	69
- Dec. 31	2.2	2.3	82	78
1947 - June 30	1.7	2.8	106	64
- Dec. 31	1.7	1.9	106	95

Table 11. - Consumer Credit - Motor Vehicle Dealers

A. INDEXES

Period	Sales during period				Accounts receivable at end of period		
	Cash	Instal- ment	Charge	Total	Instal- ment	Charge	Total
1941 - Half year average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1945 - July - Dec.	51.4	6.8	107.5	48.6	(not available)		
1946 - Jan. - June	85.9	21.3	159.3	80.1	47.4	143.5	126.1
- July - Dec.	113.9	30.7	237.0	113.1	69.8	131.3	120.1
1947 - Jan. - June	170.6	57.3	299.2	159.9	73.9	175.1	157.3
- July - Dec.	195.0	72.9	317.1	179.7	80.0	178.6	161.2

B. PERCENTAGE COMPOSITION

1941 - Half year average	41.2	35.5	23.3	100.0	18.2	81.8	100.0
1945 - July - Dec.	43.5	5.0	51.5	100.0	(not available)		
1946 - Jan. - June	44.2	9.4	46.4	100.0	6.8	93.2	100.0
- July - Dec.	41.5	9.6	48.9	100.0	10.5	89.5	100.0
1947 - Jan. - June	44.8	12.6	42.6	100.0	8.3	91.7	100.0
- July - Dec.	45.6	14.3	40.1	100.0	8.7	91.3	100.0

C. INSTALMENT CREDIT SOLD TO BANKS ETC.

Date	Percent of Instalment Sales
1941 - Dec. 31	(not available)
1946 - June 30	53.9
- Dec. 31	54.7
1947 - June 30	58.5
- Dec. 31	59.3

Notes on Method

The Sample

The three surveys on retail consumer credit conducted by the Wartime Prices and Trade Board from 1943 to 1945 covered department, clothing, furniture and jewellery stores. The sample used consisted of stores having a significant amount of credit business and ranged in number for all types from some 500 in the first to 444 stores in the last survey which carried the trends in consumer credit to June 30, 1945.

To this sample, a new group of about 1100 stores was added for the present series. These were selected to:

- (1) Provide enough clothing stores to allow separate tabulations for men's, women's and family clothing stores.
- (2) Augment the survey to include automobile dealers, household appliance and radio stores, and hardware stores.
- (3) Balance the predominately credit sample formerly used to result in a cash-credit ratio closely conforming to the 1941 Census ratios in the respective trades.

Both independent and chain organizations have been included in the sample. The 1941 sales of the sample follow very closely the provincial distribution of total sales for the respective trades as obtained from the 1941 Census. A check on the size of business distribution shows a trend toward larger businesses in the sample. This would be expected as smaller businesses on the average extend less credit and are less able to provide the information required.

Method of Tabulation

For all new firms added to the original Wartime Prices and Trade Board sample, 1941 figures on sales and receivables were obtained from the 1941 Census records. These were available only for the full year as to sales and December 31, 1941 for accounts receivable. The 1941 base for subsequent half-year periods was therefore obtained by merely dividing 1941 sales by two and taking the amounts outstanding at December 31, 1941 as the base for indexes on receivables for later periods.

The 1946 schedule requested information on cash, instalment, charge and total sales for the two half-year periods of that year and for the last six months of 1945. Instalment and charge receivables were requested for the dates on June 30 and December 31, 1946 only. The 1947 schedule covered the same items for the two half year periods of that year.

Since some firms did not report or could not furnish a proper breakdown for all periods, the sample used in the tabulation of the 1946 and the 1947 results varies to a slight degree. In each case, however, the 1941 half year average of the reporting firms forms the base for indexes of sales and the December 31, 1941 figure on receivables the base for indexes of receivables for the respective periods. The indexes and composition percentages were obtained from the aggregate dollar volume of all usable firms in each kind of business for the different items of sales and receivables.

The two types of credit receivables were divided into their respective credit sales to obtain the sales-receivables ratios. These ratios were then divided into 180 days (six 30 day months) to arrive at the average period for repayment of the respective credit purchases.

The combined trades totals were obtained by weighting the indexes or composition percentages of the different items by the weight of the respective type of sale or receivable for each kind of business as shown in the 1941 Census results. For instance, the sales of men's clothing stores in the 1941 Census formed 5.1% of the sales of the ten trades. This weight was applied to the men's clothing total sales indexes for all subsequent periods under review. The other kinds of business weights, in relation to the total for the ten trades, were applied to their respective total sales indexes. The sum of the results for each period was merely divided by 100 to obtain the weighted index. Cash, instalment, and charge sales likewise had their own weights, taken from the 1941 Census. Men's clothing total sales weight was 5.9; cash sales was 6.3; instalment 1.5; and charge 4.7.

The department store sample changed so little from the Wartime Prices and Trade Board sample that the series is shown from 1941 to the end of 1947. A break mid-way through 1945 designates the slight change in coverage.

Other store types not included in this study but which have significant amounts of credit sales, largely charge accounts, include food stores, country general stores, coal and wood distributors, lumber and building material dealers. These have been excluded at present because of the greater interest in instalment credit dealing, which is less predominant than charge trading in these store types.

THE
FEDERAL
BUREAU OF
INVESTIGATION
UNITED STATES
DEPARTMENT OF JUSTICE
WASHINGTON, D. C.

TO : DIRECTOR, FBI
FROM : SAC, NEW YORK
SUBJECT: [Illegible]
[Illegible text follows]

RE: [Illegible]
[Illegible text follows]

[Illegible text follows]

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