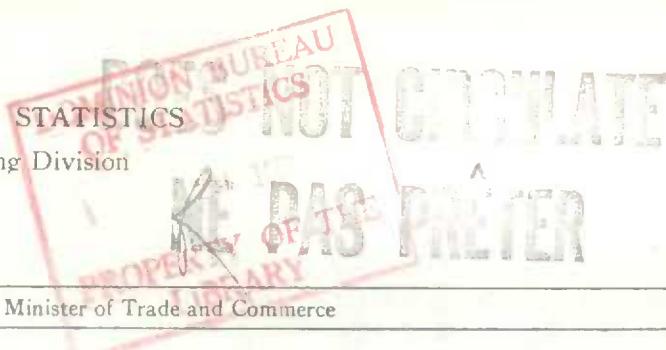




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## RETAIL CONSUMER CREDIT

THIRD QUARTER, 1952

Cash sales for the third quarter decreased only slightly, whereas both charge and instalment sales showed more than normal seasonal declines. Despite the declines from the record sales levels established last quarter, cash, instalment, and charge sales amounting to \$1,990.0 million, \$314.0 million and \$566.5 million respectively, levelled at a new high for the third quarter. To diminish the seasonal effect, comparison with the third quarter sales of last year, indicates respective increases of +3.6%, +59.1% and +5.6%. The high level of credit sales is continued, but followed a more normal pattern, since the revocation of consumer credit restrictions on May 6 of this year.

Type of Sale	Sales - Third Quarter		
	1951	1952	% Change 1952/1951
(millions of dollars)			
Cash.....	1,920.5	1,990.0	+ 3.6
Instalment.....	197.4	314.0	+ 59.1
Charge.....	536.5	566.5	+ 5.6
TOTAL .....	2,654.4	2,870.5	+ 8.1

Cash sales advanced 3.6% over the third quarter of last year, chiefly due to increased sales of the appliance and radio, independent grocery and combination, and family clothing stores, and garages and filling stations, and motor vehicle dealers. These increased sales more than outweighed the declines noted in department, jewellery, furniture and men's clothing stores and coal and wood dealers.

Instalment sales compared to the third quarter of last year, showed advances in all trades which extend this form of credit, except women's clothing which was of the same order. Department stores showed the greatest percentage increase of +169.9% representing an absolute increase of \$24.3 million. Motor vehicle dealers' increase of 38.7% represented the largest absolute gain of \$45.2 million.

Charge sales showed increases over the third quarter of last year in all trades except furniture and country general stores. The greatest percentage increase occurred in women's clothing store sales (+18.0%), but the largest absolute advances were experienced by department stores and motor vehicle trades amounting to \$3.7 and \$3.5 million respectively.

Customers' accounts receivable at the end of the third quarter of this year showed substantial gains in both instalment and charge receivables, over the corresponding date last year. Although credit sales declined from last quarter, the receivables increased substantially and showed a definite shift towards instalment receivables. The receivables are now showing the cumulative effect of the lifting of credit restrictions, indicating a lengthening of payment time and a decrease in amount of initial down payment. The shift to a higher proportion of instalment receivables substantiates this trend.

#### THIRD QUARTER - SALES AND TOTAL ACCOUNTS RECEIVABLE - 1951 and 1952

Trade	Cash Sales			Instalment Sales		
	1951	1952	% Change	1951	1952	% Change
Total, All Trades .....	1920.5	1990.0	+ 3.6	197.4	314.0	+ 59.1
Department .....	134.9	132.3	- 1.9	14.3	38.6	+169.9
Motor Vehicle .....	228.2	232.5	+ 1.9	116.9	162.1	+ 38.7
Men's Clothing .....	31.4	31.0	- 1.3	1.4	1.7	+ 21.4
Family Clothing .....	30.5	32.5	+ 6.6	2.4	2.7	+ 12.5
Women's Clothing .....	35.8	35.7	- 0.3	0.5	0.5	0.0
Hardware .....	35.1	34.6	- 1.4	1.4	3.6	+157.1
Furniture .....	17.7	17.1	- 3.4	13.1	25.6	+ 95.4
Appliance & Radio .....	11.5	13.3	+ 15.7	9.5	17.6	+ 85.3
Jewellery .....	11.4	10.9	- 4.4	3.1	4.4	+ 41.9
Grocery & Combination (independent) .....	207.0	213.7	+ 3.2	-	-	-
Country General .....	104.3	105.8	+ 1.4	-	-	-
Coal & Wood .....	20.2	18.8	- 6.9	-	-	-
Garages & Filling Stations .....	118.5	125.3	+ 5.7	-	-	-

Percentage Composition: The decrease of total sales from the second quarter changed the component composition only slightly. Increases of +0.6 and +0.3 occurred in the proportion ratios of cash and charge sales respectively. The ratio of instalment sales to total sales was therefore reduced by -0.9 to +11.0, an abnormally high proportion for the third quarter. The change in percentage composition experienced by department stores, men's clothing, hardware, furniture and jewellery stores for the third quarter was directly opposite to that experienced by all trades combined. That is, the proportion of cash and charge sales decreased and instalment sales' proportion increased correspondingly.

Instalment sales, as far as possible, include only those sales made under conditional sales agreement with a recovery clause.

Charge sales include specialized types as revolving charge and budgeted charge accounts.

Figures for Newfoundland firms are not included in the results of these quarterly surveys.

WITH PERCENTAGE CHANGE, BY TRADES. (Sales in millions of dollars)

Charge Sales			Total Receivables			Trade
1951	1952	% Change	1951	1952	% Change	
536.5	566.5	+ 5.6	456.7	601.1	+ 31.6	Total, All Trades
39.2	42.9	+ 9.4	58.7	92.8	+ 58.1	Department
106.7	110.2	+ 3.3	71.1	94.6	+ 33.1	Motor Vehicle
5.6	5.9	+ 5.4	8.8	10.0	+ 13.6	Men's Clothing
5.2	5.8	+ 11.5	9.3	11.4	+ 22.6	Family Clothing
6.1	7.2	+ 18.0	6.8	10.3	+ 51.4	Women's Clothing
18.2	19.8	+ 8.8	20.6	22.4	+ 8.7	Hardware
6.9	6.2	- 10.1	26.0	46.2	+ 77.7	Furniture
7.6	7.8	+ 2.6	25.9	42.0	+ 62.2	Appliance & Radio
2.8	3.0	+ 7.1	4.7	7.6	+ 61.7	Jewellery
68.5	70.5	+ 2.9	27.1	28.6	+ 5.5	Grocery & Combination (independent)
41.3	40.8	- 1.2	31.9	34.1	+ 6.9	Country General
22.5	25.1	+ 11.6	19.7	20.1	+ 2.0	Coal & Wood
35.6	36.8	+ 3.4	28.8	31.1	+ 8.0	Garages & Filling Stations

**RETAIL CONSUMER CREDIT**  
**CASH, CHARGE AND INSTALMENT SALES BY QUARTERS**  
**1949-1952**

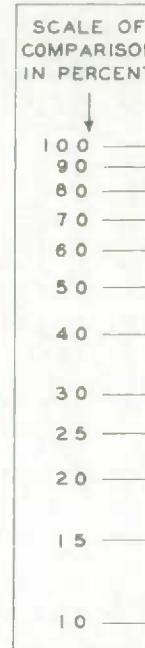
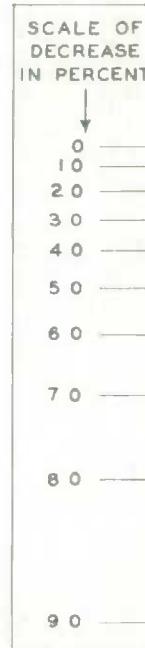
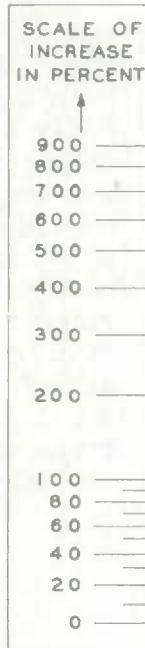
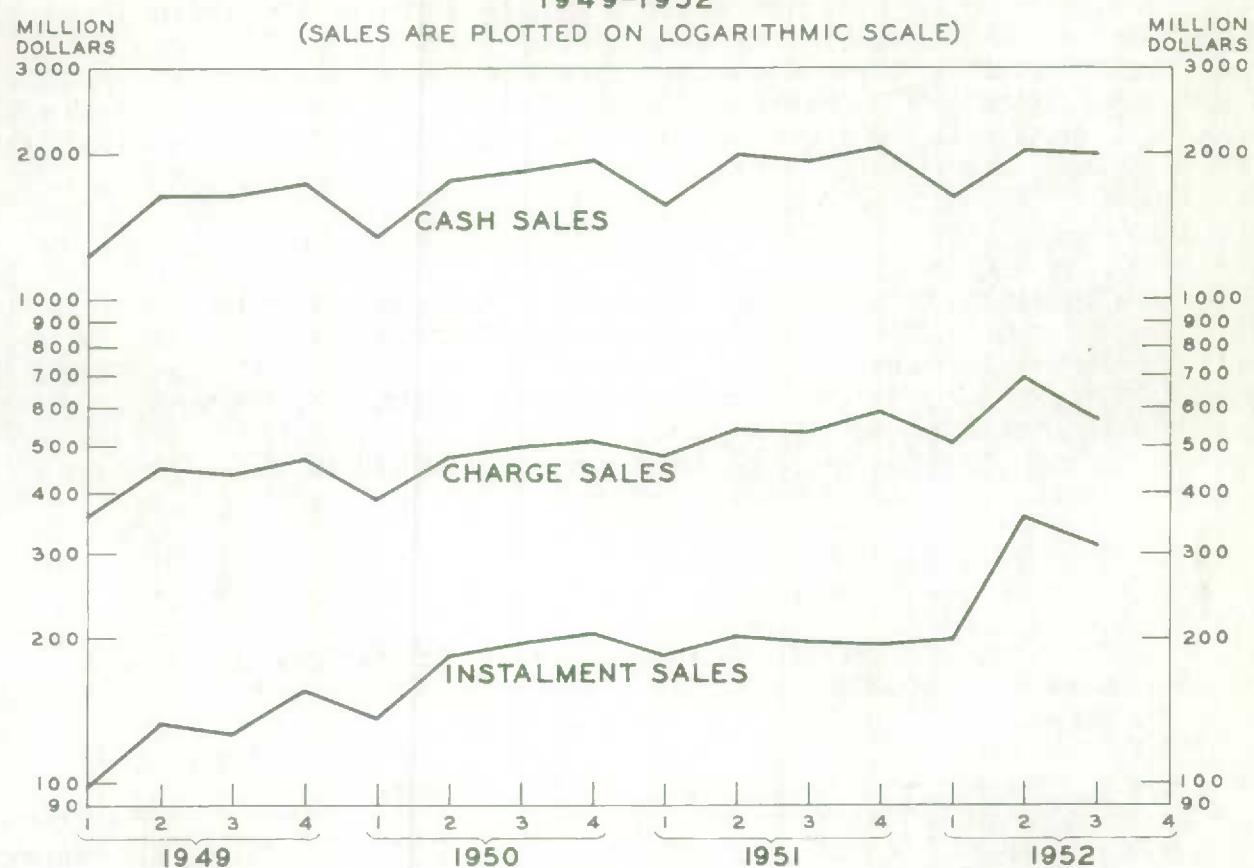














Table 15. - All Other Trades  
Sales and Accounts Receivable

Period	Sales				Account receivable (at end of period)		
	Cash	Instalment	Charge	Total	Instalment	Charge	Total
Dollar Estimates (in millions)							
1941- $\frac{1}{4}$ yr. ave. ...	275.4	14.0	46.0	335.4	15.6	44.3	59.9
1951-Apr.-June ...	908.3	30.8	157.6	1,096.7	22.5	98.7	121.2
July-Sept. ...	934.0	34.8	170.3	1,139.1	18.5	98.8	117.3
Oct.-Dec. ...	962.9	32.7	180.4	1,176.0	19.2	111.1	130.3
1952-Jan.-Mar. ...	761.3	33.7	154.7	949.7	17.9	97.6	115.5
Apr.-June ...	945.6	58.0	172.4	1,176.0	25.2	110.0	135.2
July-Sept.(1)	986.5	57.2	184.5	1,228.2	33.4	116.5	149.9
Percentage Composition							
1941- $\frac{1}{4}$ yr. ave. ...	82.1	4.2	13.7	100.0	25.9	74.1	100.0
1951-Apr.-June ...	82.8	2.8	14.4	100.0	18.6	81.4	100.0
July-Sept. ...	82.0	3.1	14.9	100.0	15.8	84.2	100.0
Oct.-Dec. ...	81.9	2.8	15.3	100.0	14.7	85.3	100.0
1952-Jan.-Mar. ...	80.2	3.5	16.3	100.0	15.5	84.5	100.0
Apr.-June ...	80.4	4.9	14.7	100.0	18.6	81.4	100.0
July-Sept. ...	80.3	4.7	15.0	100.0	22.3	77.7	100.0

(1) Preliminary.

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