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## RETAIL CONSUMER CREDIT

FOURTH QUARTER, 1953

Cash and credit sales for the last quarter of 1953 increased seasonally to \$2,241.5 million and \$931.1 million respectively. This increase established a new record high level for cash sales, five per cent greater than the previous record cash sales of the second quarter. Credit sales, however, remained below the all-time high also established in the second quarter of 1953. To diminish the seasonal effect, comparison with the corresponding period of 1952 showed a gain of 5.3 per cent in cash sales and a decline of 6.2 per cent in credit sales. This comparatively lower level of credit sales was common to both charge and instalment sales which were 4.9 per cent and 8.4 per cent, respectively, below last year's fourth quarter estimates.

Type of Sale	Sales - Fourth Quarter		
	1952	1953	% Change 1953/1952
(millions of dollars)			
Cash .....	2,128.9	2,241.5	+ 5.3
Instalment .....	357.6	327.7	- 8.4
Charge .....	634.5	603.4	- 4.9

The increase in cash sales over last year's fourth quarter was common to only seven of the thirteen trades specified. Motor vehicle dealers, furniture stores and general stores experienced a decline in credit sales which more than offset their gain in cash sales. Conversely, department stores, women's clothing stores, independent grocery stores and garages and filling stations obtained a greater increase in cash sales than the decline they experienced in credit sales. Motor vehicle dealers showed both the greatest percentage increase of 14.6 per cent and the largest absolute gain of \$28.8 million, compared to the cash sales of the corresponding period in 1952.

Charge sales, compared to last year's fourth quarter, were 4.9 per cent lower. Only four of the thirteen specified trades showed increments, department stores with 1.8 per cent, men's clothing with 12.5 per cent, family clothing with 0.9 per cent and coal and wood dealers with 0.3 per cent.

Instalment sales declined 8.4 per cent below the level established the last quarter of 1952. This trend was common to all trades extending this form of credit with the exception of appliance and radio stores which increased 15.4 per cent.

Customer's accounts receivable on the books of retailers as at December 31, 1953 exceeded the receivables on the corresponding date of last year by 9.8 per cent. Both instalment receivables, amounting to \$286.2 million, and charge receivables of \$469.9 million, surpassed the previous record high levels. This increase in accounts receivable, despite the decline in fourth quarter credit sales, indicates one or a combination of the following policy changes; a lowering of down-payments, extension of repayment periods or refinancing of old accounts.

NOTE:

The sales and receivables data in this report have not yet been revised to correspond with the "Retail Trade" bulletins which have been revised to the 1951 Census.

FOURTH QUARTER - SALES AND TOTAL ACCOUNTS RECEIVABLE - 1952 and 1953

Trade	Cash Sales			Instalment Sales		
	1952	1953	% Change	1952	1953	% Change
Total, All Trades .....	2,128.9	2,241.5	+ 5.3	357.6	327.7	- 8.4
Department .....	217.9	220.0	+ 1.0	57.0	55.1	- 3.3
Motor Vehicle .....	197.4	226.2	+ 14.6	166.7	143.5	- 13.9
Men's Clothing .....	55.9	48.5	- 13.2	3.7	3.6	- 2.7
Family Clothing .....	48.9	45.0	- 8.0	6.1	4.4	- 27.9
Women's Clothing .....	52.5	53.9	+ 2.7	0.9	0.7	- 22.2
Hardware .....	40.4	39.6	- 2.0	3.8	2.9	- 23.7
Furniture .....	22.5	23.0	+ 2.2	28.5	26.6	- 6.7
Appliance & Radio .....	20.4	20.3	- 0.5	22.8	26.3	+ 15.4
Jewellery .....	19.8	19.6	- 1.0	8.9	8.8	- 1.1
Grocery & Combination (Independent) .....	224.3	233.0	+ 3.9	-	-	-
Country General .....	105.0	105.1	+ 0.1	-	-	-
Coal and Wood .....	28.0	26.3	- 6.1	-	-	-
Garages and Filling Stations .....	102.9	116.6	+ 13.3	-	-	-

Percentage composition: The trend of the proportion of cash to total sales continued to increase to 70.7 per cent in the last quarter of 1953, from 70.4 per cent in the third quarter. Instalment sales, as a percentage of total sales, declined from 10.6 per cent to 10.3 per cent, compensating the increase in cash sales. Charge sales for the fourth quarter increased at the same rate as total sales, thereby retaining the same percentage composition ratio of 19.0 per cent of total sales. Within the trades, department stores showed a gain in the proportion of both cash and charge sales, but a decline in the proportion of instalment sales to total. Hardware, furniture and appliance and radio stores also showed an increased proportion of cash sales with a subsequent decline in both types of credit sales. Conversely, motor vehicle dealers, men's and family clothing stores and jewellery stores showed greater credit but smaller cash sales, when expressed as proportions of their total sales.

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)

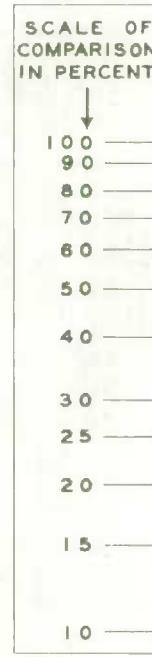
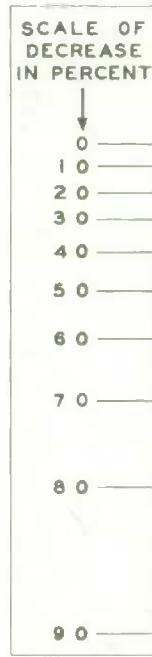
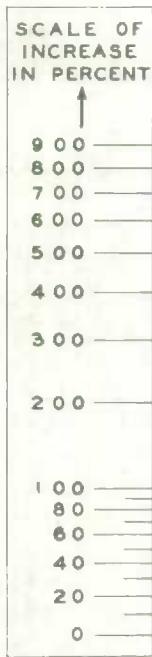
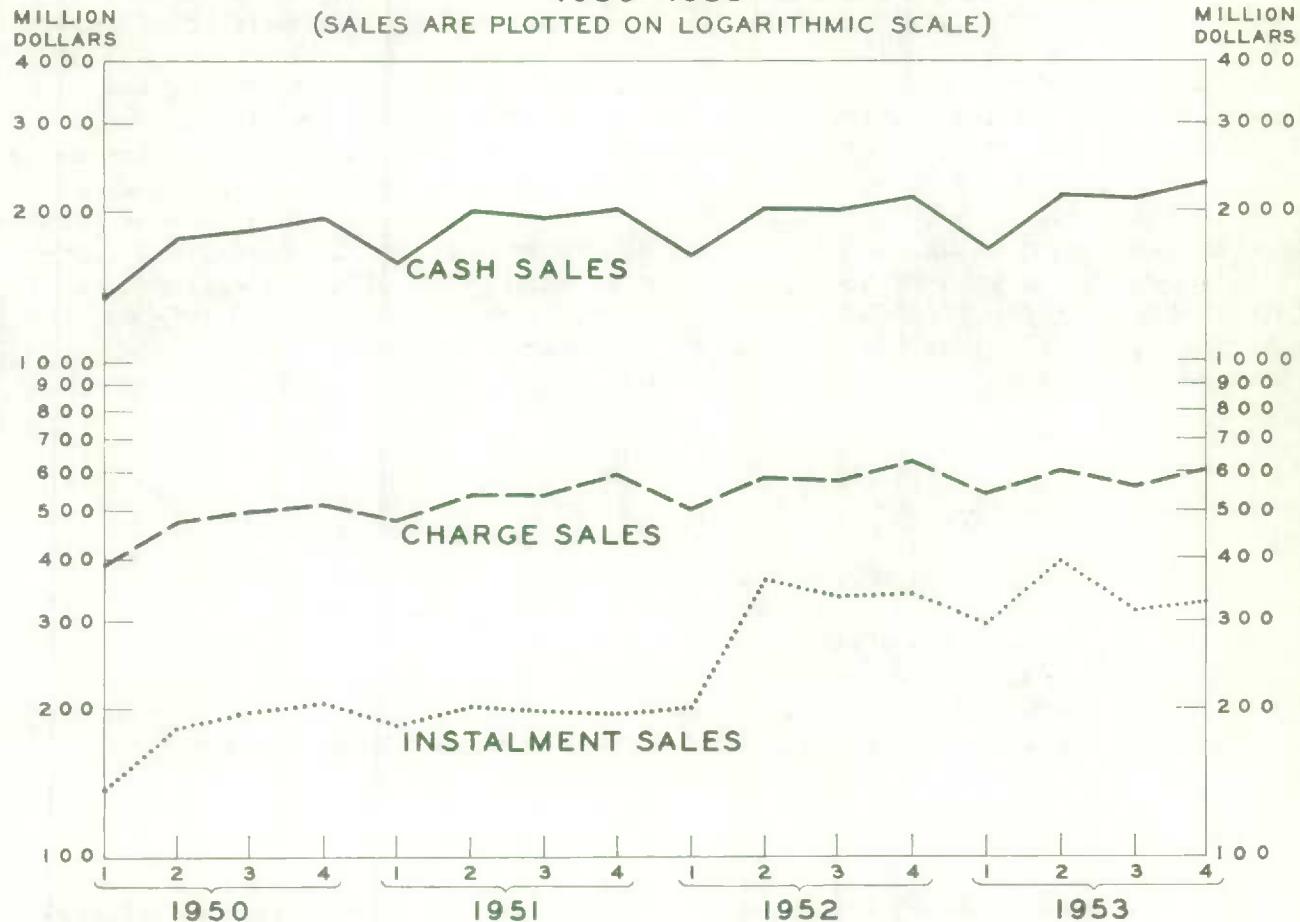
Charge Sales			Total Receivables			Trade
1952	1953	% Change	1952	1953	% Change	
634.5	603.4	- 4.9	688.5	756.1	+ 9.8	Total, All Trades
67.6	68.8	+ 1.8	137.0	162.8	+ 18.8	Department
119.2	103.8	- 12.9	78.9	83.1	+ 5.3	Motor Vehicle
12.8	14.4	+ 12.5	14.8	20.1	+ 35.8	Men's Clothing
10.6	10.7	+ 0.9	16.4	17.0	+ 3.7	Family Clothing
9.3	8.5	- 8.6	10.9	10.3	- 5.5	Women's Clothing
18.0	19.3	+ 7.2	22.3	22.4	+ 0.4	Hardware
8.2	7.9	- 3.7	55.9	60.3	+ 7.9	Furniture
10.7	9.7	- 9.3	48.3	61.3	+ 26.9	Appliance & Radio
6.5	6.5	-	14.0	16.1	+ 15.0	Jewellery
71.3	66.7	- 6.5	30.2	29.2	- 3.3	Grocery & Combination (Independent)
39.9	34.3	- 14.0	35.2	33.8	- 4.0	Country General
35.8	35.9	+ 0.3	25.6	24.6	- 3.9	Coal and Wood
34.0	31.3	- 7.9	30.3	32.0	+ 5.6	Garages and Filling Stations

# RETAIL CONSUMER CREDIT

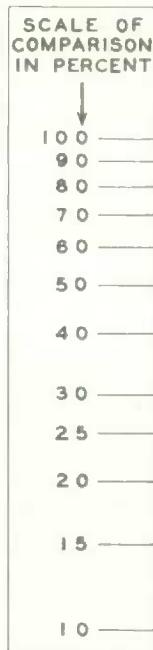
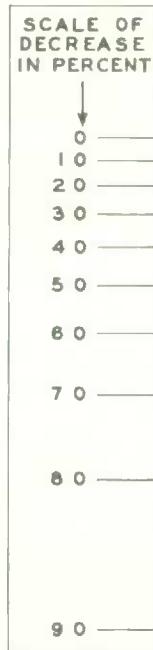
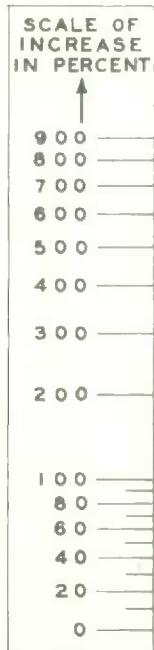
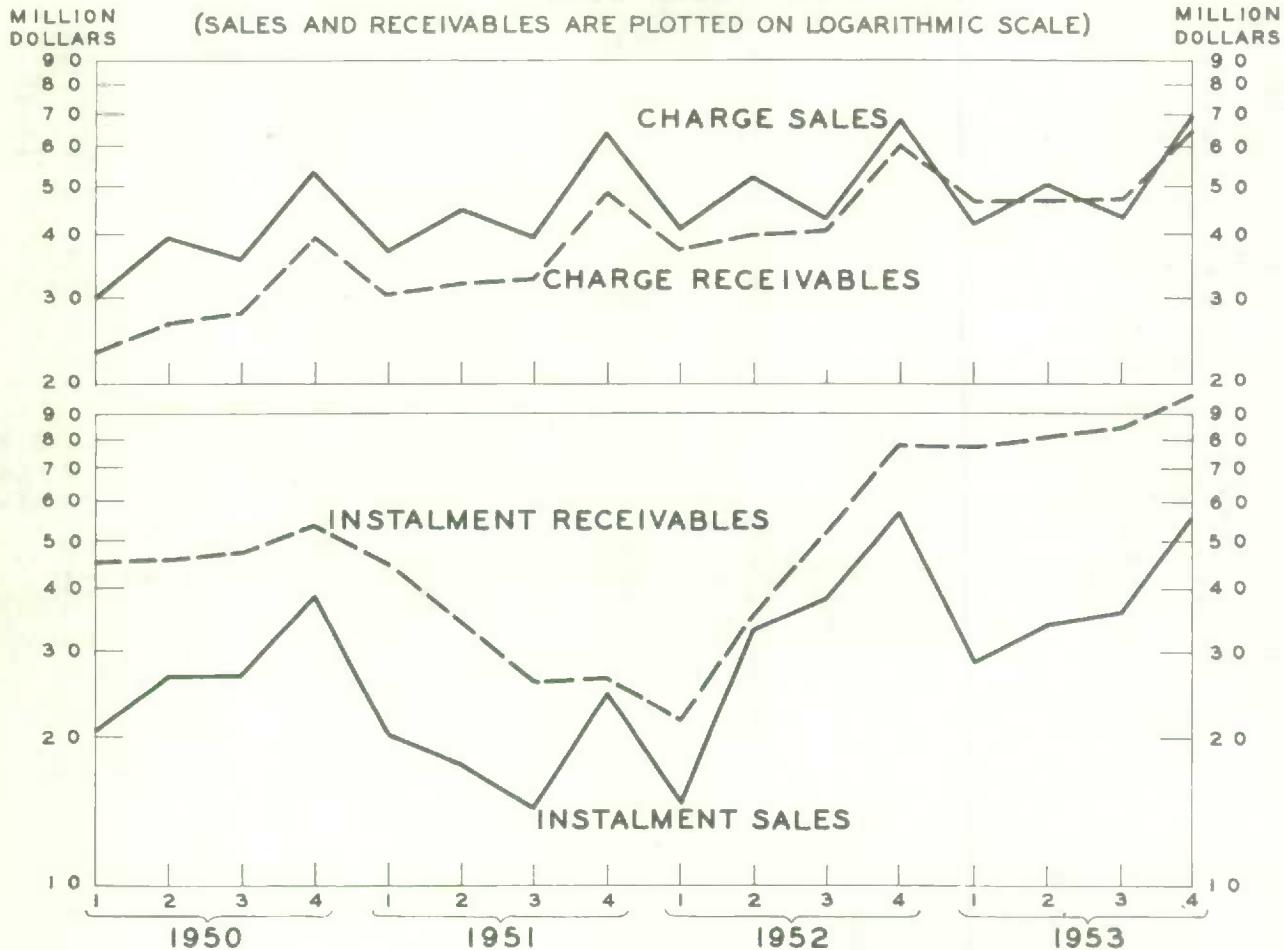
## CASH, CHARGE AND INSTALMENT SALES BY QUARTERS

1950-1953

(SALES ARE PLOTTED ON LOGARITHMIC SCALE)



**RETAIL CONSUMER CREDIT**  
**DEPARTMENT STORE CREDIT SALES AND RECEIVABLES BY QUARTERS**  
**1950-1953**

















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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)							
1952-Jan.-Mar. ...	725.1	32.1	147.3	904.5	17.9	97.6	115.5
Apr.-June ...	914.6	56.1	166.7	1,137.4	25.2	110.0	135.2
July-Sept. ..	948.4	57.7	180.1	1,186.2	33.1	113.9	147.0
Oct.-Dec. ...	993.0	59.2	190.6	1,242.8	44.3	124.4	168.7
1953-Jan.-Mar. ...	765.6	45.8	155.2	966.6	42.6	114.6	157.2
Apr.-June ...	968.1	63.4	173.6	1,205.1	44.9	120.7	165.6
July-Sept. ..	1,010.5	54.7	177.3	1,242.5	46.6	120.0	166.6
Oct.-Dec. (1)	1,064.4	55.8	185.6	1,305.8	53.0	130.1	183.1
Percentage Composition							
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. ..	79.9	4.9	15.2	100.0	22.5	77.5	100.0
Oct.-Dec. ...	79.9	4.8	15.3	100.0	26.3	73.7	100.0
1953-Jan.-Mar. ...	79.2	4.7	16.1	100.0	27.1	72.9	100.0
Apr.-June ...	80.3	5.3	14.4	100.0	27.1	72.9	100.0
July-Sept. ..	81.3	4.4	14.3	100.0	28.0	72.0	100.0
Oct.-Dec. (1)	81.5	4.3	14.2	100.0	28.9	71.1	100.0

(1) Preliminary.

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