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Compiled by the Office of Consumer Affairs of Industry Canada from information given by card issuers, and accurate as of December 1, 1995.

To get copies of this bulletin in your region, contact:

Atlantic	Tanya Nadeau	(902) 426-4778	Quebec	Mary Bourdon	(514) 283-3099
Ontario	Irene Meek	(416) 973-5040	Prairies	Lydia Shevchuk	(204) 983-2826
British Columbia	Nicola Fletcher	(604) 666-1404			

Information: David Waite (613) 952-8019

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## **Credit card facts and figures<sup>1</sup>**

- There are an estimated 58.5 million credit cards<sup>2</sup> in circulation<sup>3</sup> in Canada, or 2.6 cards for every adult Canadian over the age of 18. Of those, 28.8 million are Visa or MasterCard, 26.6 million are cards issued by large department stores and 3 million are gasoline cards. Other cards, such as American Express and Diner's Club/enRoute, and cards issued by other retail stores, constitute the remainder of credit or charge cards estimated to be in circulation.
- The total number of Visa and MasterCards in circulation in 1995 increased over 1994, from 27.5 million to 28.8 million.
- MasterCard and Visa credit cards were used for more than 840.0 million transactions in 1995. The volume of sales in 1995 was \$61.3 billion compared to \$55.1 billion in 1994.
- As of October 1995, approximately 540,018 merchant outlets in Canada accepted Visa or MasterCard or both, an increase over the 1994 total of 525,796 merchant outlets.
- At the end of October 1995, the accumulated outstanding balance on MasterCard and Visa credit cards was \$17.4 billion, an increase over 1994 at \$15.4 billion.
- The average sale per transaction charged to Visa and MasterCard increased from \$72.40 in 1994 to \$74.50 by October 1995.

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<sup>1</sup>Dollar amounts are quoted in current dollars.

<sup>2</sup>This estimate includes only cards issued by the institutions and retailers listed in this report. Their assistance and that of the Canadian Bankers' Association in compiling this information is gratefully acknowledged.

<sup>3</sup>The basis for estimation of the number of cards in circulation may differ from one issuer to another.

## Visa and MasterCard\*

December 1995

Card Issuer	Fees (\$ annual)	Interest Rates (% annual)	Grace Period (days)	Interest Calculated from
				Date of Purchase
<b>MasterCard</b>				
<b>Bank of Montreal</b>				
Standard	—	18.90	21	x
Prime +	18	12.75	0	x
Air Miles Reward	35	18.90	21	x
Canada Trust <sup>4</sup>	8	18.00	21	x
CS CO-OP	—	18.90	21	x
National Bank	—	18.90	21	x
<b>National Trust</b>				
Basic	—	16.75	21	x
Low Interest Option <sup>5</sup>	30	9.90	21	x
Niagara Credit Union	—	18.25	21	x
Canadian Tire	—	18.90	21	x
<b>VISA</b>				
<b>Bank of Nova Scotia</b>				
Standard	8	18.50	21	x
Value Visa	29	12.90	21	x
<b>CIBC</b>				
Standard	—	18.50	21	x
Ford Visa	—	18.50	21	x
Club Z	—	18.50	21	x
<b>Confédération des caisses populaires et d'économie</b>				
Desjardins du Québec	—	17.50	21	x
Laurentian Bank	—	18.50	21	x
<b>Royal Bank</b>				
Standard	—	17.50	21	x
Option	25	13.50	21	x
<b>Toronto-Dominion Bank</b>				
Standard <sup>4</sup>	12	17.75	21	x
GM Card	—	18.75	21	x
Emerald Card <sup>4</sup>	12	12.90	0	x
Vancouver City Savings	12	18.50	21	x

\* As of December 1995. Since credit card terms and conditions may change, you should contact card issuers directly for the latest information.

<sup>4</sup> Under certain conditions, fee may be reduced or waived entirely.

<sup>5</sup> National Trust Low Interest Option will increase from 9.90% to 11.75% effective February 1996.

## Other Credit Cards\*

December 1995

Card Issuer	Fees (\$ annual)	Interest Rates (% annual)	Grace Period (days)	Interest Calculated from	
				Date of Purchase	Date of Statement
Canadian Tire	--	28.8	30		x
Eaton's	--	28.8	30		x
Home Card	--	28.8	30		x
Hudson's Bay	--	28.8	25-30		x
Imperial Oil (Esso)	--	24.0	30		x
Petro-Canada	--	24.0	30	x	
Sears	--	28.8	25-30		x
Simpsons	--	28.8	25-30		x
Zellers	--	28.8	25-30		x

## Charge Cards\*

Card Issuer	Fees (\$ annual)	Late Penalty Rates/Delin- quency Rate  (% annual)	Grace Period (days)	Late Penalty Calculated from	
				Date of Purchase	Date of Statement
American Express	55	30	30		x
Diners Club/enRoute	65	30	30-60		x
Irving Oil	--	24	25		x

\* As of December 1, 1995. Since credit card terms and conditions may change, you should contact card issuers directly for the latest information.

## Definitions

**Credit Cards:** Cards that provide revolving credit. Minimum monthly payments are required.

**Charge cards:** Cards requiring payment in full each month.

**Fees:** Charges such as transaction fees, administration fees or annual fees.

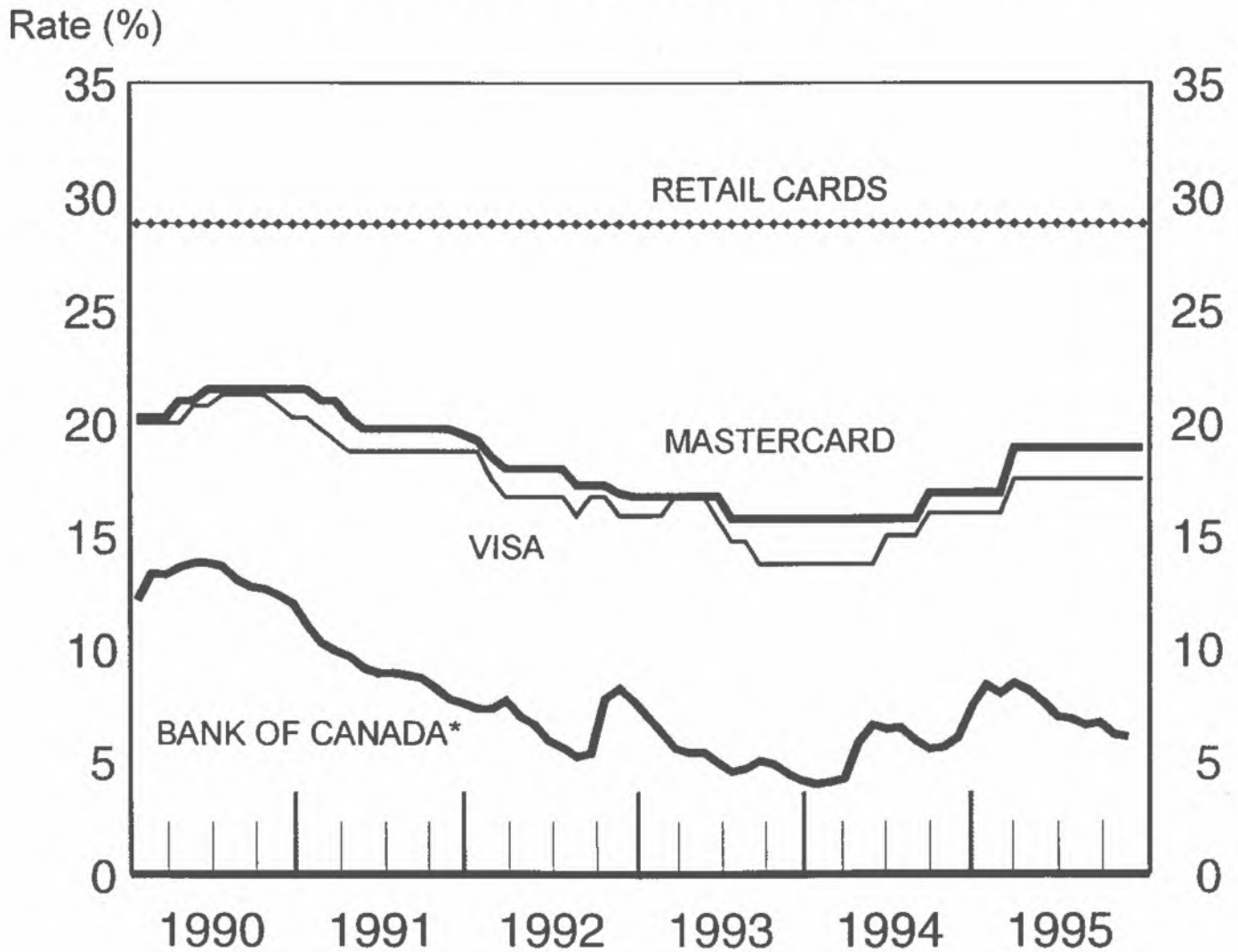
**Interest/Penalty Rate:** The nominal annual rate at which interest or penalty payments are calculate.

**Grace Period:** The number of days between the statement date and the payment due date.

December 1995

# CREDIT CARD RATES

## AND THE BANK OF CANADA RATE



- Bank of Canada rate is end-month to end-November 1995.

- One Visa and one MasterCard issuer was selected as an example. Rates of other card issuers may vary.

\* The Bank of Canada rate is the rate at which banks can borrow money from the Central Bank.

It is seen as an indicator of the direction of other short term rates, such as those for consumer loans.

## Terms and Conditions

Remember these facts and save money:

### Bank, Trust Company and Credit Union Cards

- Interest is charged daily. So, if you make payments between statements, you save money.
- Interest is charged on cash advances from the day you borrow until they are paid in full.
- Interest is not charged on purchases showing up on your statement for the first time if the entire statement balance is paid by the due date.

And don't forget:

- When the balance is not paid in full by the due date, interest is charged on the daily balance from the date purchases have been posted to the account until it is paid in full.

### Other Credit Cards

- In most cases you pay less interest if you pay off at least half the balance each month. Retail stores (except in Quebec), subtract payments equal to 50% or more of the balance from the balance on the statement before charging interest. In Quebec, interest is calculated daily so in that province, you save money if you make payments between statements.
- Interest is compounded, so if you miss a payment, the next month you will pay interest on the balance plus interest. For example, at the current rate of 2.4% per month, one month's interest on \$100.00 is \$2.40. If no payment is made on this at all, the next month's interest will be charged on \$102.40 and will amount to \$2.47.

### Charge Cards

- Irving Oil calculates penalties on the outstanding daily balance.
- The American Express and Diners Club/enRoute account balances are due on receipt of statement. A delinquency assessment equal to 30% per annum is charged on unpaid balances. Cards are cancelled if balances remain unpaid.