

Financing of Motor Vehicle Sales in Canada.—Financing corporations play an important part in the retail distribution of both new and used motor vehicles in Canada. They extend credit facilities to customers who could not enter the market if required to pay with cash and to others who, though in a position to pay cash find it more convenient to budget their expenditures on the instalment basis. They also provide a service to the motor dealers by assuming the risks and inconveniences connected with instalment sales, thus permitting the dealers to operate on a smaller capital outlay than would otherwise be necessary.

Statistics on financing are compiled monthly from returns secured from all large finance companies in Canada which are engaged in purchasing accounts, contracts or notes arising out of retail sales of motor vehicles. Aggregates of the monthly data show that sales of 137,514 motor vehicles (including both new and used models) were financed to the extent of \$54,859,812 in 1936. These figures reveal increases of 37.3 p.c. in number and 36.3 p.c. in amount over the 100,178 vehicles which were financed for \$40,251,521 in 1935. New vehicles numbering 42,863 were financed for \$29,887,861 or an average of \$697 each. There were also 94,651 used vehicles whose sales were financed to the extent of \$24,971,951 or for \$264 each.

A comparison of sales and financing of new motor vehicles is shown in Table 35; 37.0 p.c. of all new motor vehicle sales in Canada in 1936 passed through the hands of financing corporations. The corresponding amount of financing amounted to 24.9 p.c. of the total selling value of all new models. Total sales of used vehicles not being available, a similar comparison for these types cannot be made.

35.—Comparison of Sales and Financing of New Motor Vehicles in Canada, 1932-36.

Year.	New Vehicles Sold.		New Vehicles Financed.			
			Units.		Financing.	
	Number of Units.	Retail Value.	Number.	Per cent of Total Sold.	Amount.	Per cent of Total Sales.
		\$			\$	
1932.....	45,870	45,260,742	21,293	46.4	12,741,179	28.2
1933.....	45,332	45,450,230	15,880	35.0	10,030,368	22.1
1934.....	73,358	75,785,461	23,264	31.7	16,364,735	21.6
1935.....	101,461	101,742,449	31,950	31.5	22,410,656	22.0
1936.....	115,759	120,049,297	42,863	37.0	29,887,861	24.9

Monthly Indexes of Retail Sales.—In recent years the Dominion Bureau of Statistics has published monthly indexes of the dollar value of retail sales based upon reports received from department stores and from chain organizations operating in thirteen lines of business. While these reports cover only a part of the field and relate only to the business of department and chain stores, they embrace a sufficiently large number of stores to provide a fairly accurate indication of the current movements in retail sales for the kinds of business which are included.

Two sets of figures are shown for the general indexes of retail trade in Table 36; in the first set no adjustments have been made, while in the second, corrections are