

consumer. Statistics Canada periodically carries out surveys of two distinct forms of direct selling — merchandise sales of vending machine operators, and of manufacturers and distributors specializing in direct-sales methods.

The survey of vending machine operators is designed to measure the value of sales made through automatic vending machines owned or operated by vending machine firms, including soft drink bottlers engaged in vending activities on a regular year-round basis. In 1971, such sales reached a new high of \$162.2 million, 3.5% above the 1970 total of \$156.8 million (Table 17.26). The 1971 sales were recorded by 697 vending machine operators through 101,550 automatic merchandising machines, including 1,476 microwave and infrared ovens and 2,109 coin and bill changers.

Although vending machines can be used to distribute many types of commodities, the largest proportion of sales has been accounted for consistently by three main lines — tobacco products, hot drinks, and cold drinks vended in bottles, cans, cartons and disposable cups. In 1971, sales in these three product areas amounted to \$132.4 million, an increase of 5.7% over the 1970 total. However, the over-all importance of tobacco products, hot drinks and cold drinks is declining. In 1960, these commodities accounted for 87.4% of all merchandise sold in vending machines; by 1971, this proportion had fallen to 81.6%. Among commodities sold in vending machines, tobacco products showed the largest increase in market share from 1970 to 1971 (Table 17.27).

Direct selling of manufacturers and specialist agencies. The first survey of direct selling, which was carried out in conjunction with the 1966 Census of Merchandising and Services, covered all manufacturing establishments which produce consumer goods as well as selected agencies specializing in direct sales methods. The data published since 1966 were estimates based on the results of a sample of businesses in these two areas. A new survey for the year 1971 also in conjunction with the census has now been completed, and the data from this survey have been used to revise the intercensal estimates from 1966 to 1970 (see previous issues of the *Canada Year Book*).

Table 17.28 shows that, over the five-year period 1967-71, direct sales by manufacturers and specialist agencies increased by nearly 12%, rising from \$719.5 million to \$805.0 million. Among the industries surveyed in 1971, the largest share of sales was accounted for by manufacturers and distributors of dairy products (20.2%); newspapers and magazines (15.6%); cosmetics (9.7%); and books (6.7%). Businesses in these four industries were responsible for more than half of all direct sales reported. The greatest growth, however, occurred primarily in the following areas: fur goods (+109.1%); magazines (+81.3%); meat, fish and poultry (+72.7%); and sail boats and pleasure craft (+49.2%).

In the 1971 direct-selling survey, information was also obtained (for the first time) on the provincial distribution of such sales. Not unexpectedly, the results were somewhat similar to the provincial distribution of "ordinary" retail sales (which are shown in brackets beside the direct-sales figures), as follows: Atlantic Provinces 6.4% (8.2%); Quebec 29.0% (25.1%); Ontario 40.2% (38.8%); Prairie Provinces 14.8% (16.0%); British Columbia 9.6% (11.9%).

Table 17.29 shows the percentage distribution of the \$805.0 million direct sales during 1971, for selected commodities, by method of distribution. Almost two thirds of this amount (\$524.7 million) was purchased at home, from home-delivery tradesmen or door-to-door canvassers: \$203.0 million for bread, milk and other dairy products, \$110.0 million for newspapers, \$75.7 million for cosmetics and costume jewellery, \$33.7 million for vacuum cleaners and other household electrical appliances, \$25.5 million for dinnerware, kitchenware and utensils, \$22.8 million for brushes, brooms and household cleaners, \$17.5 million for books, and \$36.5 million for sundry other items. Mail-order purchases by household consumers accounted for \$124.2 million, comprising chiefly books (\$35.9 million), newspaper and magazine subscriptions (\$26.1 million), phonograph records (\$14.0 million), and a wide range of electronic entertainment equipment and other leisure-time appliances offered to the credit-card holders of gasoline oil companies (\$20.0 million). Purchases from non-retail stores, e.g. sales offices or showrooms of manufacturing companies and certain primary producers, amounted to \$151.4 million and included such items as furniture repair and re-upholstery (\$32.5 million), frozen food plans (\$18.1 million), greenhouse flowers and nursery seeds (\$16.4 million), and household electrical appliances (\$12.8 million). Consumers also made \$4.7 million purchases during 1971 of meat, fish and poultry from temporary roadside market stalls, newspapers from honour boxes, and sail boats, etc., from exhibitions and shows.