tobacco as well as non-food products. Not included in this concept are newspaper and gasoline venders as well as machines which dispense "services" such as amusements, laundromats, music, photographs, shoe shines, etc. To be included in the survey a vending machine operator must operate at least 10 full-size vending machines or report sales of at least $20,000.

In 1972, 692 firms operated 105,588 machines with sales totalling $178.9 million including 30,824 "bulk confectionery" machines with sales of $1.6 million. Hence, in 1972, 74,764 full-size machines were in operation by vending machine operators with sales totalling $177.3 million. From 1961 to 1966 sales rose at the rate of 19.1% per year; from 1967 to 1972 sales rose at a rate of 8.4% per year. Of the total sales volume of $178.9 million, $87.4 million, or 48.9% was in tobacco products; $28.2 million (15.8%) in hot beverages such as coffee, tea or soups in cups; $15.1 million (8.4%) in cold drinks dispensed in disposable cups; and $14.0 million (7.8%) in cold drinks vended in bottles, cans or cartons.

Of all 74,764 full-size machines, 36.4% were placed in industrial plants; 22.2% in hotels, motels, restaurants and taverns; 14.3% in institutions, hospitals, universities, schools, etc.; 6.9% in business offices; 6.4% in gasoline stations; 6.1% in other retail and service outlets; 4.6% in amusement and recreation centres such as theatres, bowling alleys, etc.; and 3.2% in other locations. In Canada a total of 24,547 machines were sold in 1972 for $14.1 million, of which 22,125 were full-size machines for a value of $13.9 million; the difference is accounted for by bulk confectionery machines. Of the machines which commenced operation in Canada for the first time in 1972, about 10,000 were beverage vending machines, nearly 6,000 were cigarette vending machines, over 4,000 were non-food vending machines, and about 2,000 were confection and food venders.

Direct selling refers to the substantial volume of consumer goods sold directly to the final consumer for personal use through channels of distribution which bypass retail stores. The direct transfer of goods may be effected at any level, from the primary producer, manufacturer, importer, wholesaler or specialized direct seller. Among those engaged in direct selling may be, at the agricultural level, greenhouse and nursery operators and market gardeners and, at the manufacturing stage, integrated sales divisions using mail order or door-to-door canvassers. Figures on department store mail order catalogue sales are not included under "direct selling" but under "general merchandise stores". On the other hand, domestic fuel, which is distributed door to door is counted under "retail" rather than under "direct selling".

During 1972, Canadian householders spent $928.0 million on goods purchased directly through channels other than retail outlets (Table 18.11); $604.1 million worth of goods (65.1%) was bought in the home from door-to-door canvassers and home delivery tradesmen; $140.7 million (15.2%) was spent on mail order purchases (other than from department store catalogues); $165.8 million (17.8%) was spent in showrooms and premises of manufacturers; $17.5 million (1.9%) was purchased through greenhouses, market gardeners, roadside stands, newspaper "honour boxes", and exhibitions and shows. From 1966 to 1972 direct selling grew by 34.2%. During the same period, retail sales (through regular outlets) rose by 49.6%. One of the reasons for the relatively slow rise of direct selling was the decline of door-to-door selling of dairy products and bakery goods, both of which still account for a quarter of all direct sales; in 1966 they had accounted for well over one third of all direct sales. Most other categories showed substantial increases.

In 1972, $33,929.7 million was spent by consumers in retail outlets (including fuel dealers and department store mail order catalogue purchases); $928.0 million was spent on mail order goods, or purchased through door-to-door operations, from manufacturers' sales offices, showrooms, exhibitions, market stalls and the like; $105.6 million was bought through vending machines, and $44.1 million was spent in campus book stores. In total, consumers spent over $35,000 million in 1972 in regular retail outlets and through channels ancillary to the retailing industry.

18.1.2 Sales financing and consumer credit

Ancillary to the retailing industry are the financial services which facilitate consumer spending. Sales finance companies extend credit not only for consumer goods but for industrial and commercial goods as well. These firms include independent sales finance companies, the sales finance company subsidiaries of car, truck and farm implement manufacturers, and those consumer loan companies which also finance conditional sales contracts.