

At the end of 1973, total balances of "retail sales paper" outstanding on the books of sales finance companies reached a new record of \$2,679.7 million, an increase of 20.2% over the 1972 total of \$2,228.4 million. Of the total balances outstanding at year-end 1973, \$1,528.9 million was for commercial and industrial goods and \$1,150.8 million for consumer goods.

New paper purchased by sales finance companies in 1973 totalled \$2,463.1 million, of which \$1,383.0 million was for commercial and industrial goods, and \$1,080.1 million for consumer goods. From 1972 to 1973, the extent of financing of commercial goods was greater than that of consumer goods; total paper purchased rose by 22.1%, for consumer goods by 14.8%, and for commercial and industrial goods by 28.5%.

Although declining in importance, the most important commodity financed through sales finance companies is still new passenger cars. From 1970 to 1973, balances outstanding for passenger cars of consumers declined from 34.3% to 29.6% of total outstanding balances, while balances outstanding for commercial vehicles (including passenger cars for commercial purposes) increased from 27.0% to 36.5%.

Consumer credit arises through an advance of cash, the advance of goods and services, or through the use of credit cards, in exchange for a promise to pay at a later date — generally by instalments which include interest and finance charges. Instalment financing by acceptance companies which are subsidiaries of, or associated with, large retail organizations are included but fully secured loans and long-term indebtedness, such as residential mortgages and home improvement loans are excluded.

Table 18.12 shows the trends for various kinds of lending institutions with regard to outstanding balances of consumer loans and of the financing of consumer purchases. From 1966 to 1969 total balances outstanding for consumer loans rose by 43.2%; from 1970 to 1973, they rose by 50.3%. By comparison, consumer purchases in retail stores in the two equivalent periods rose by 20.8% and 36.4%, and the consumer price index increased by 12.7% and 16.0%, respectively.

Different lending institutions performed at greatly different rates of change. The outstanding balances of consumer loans of sales finance and consumer loan companies actually declined from 1966 to 1973. The same applies to companies lending money under the Small Loans Act (lending sums of less than \$1,500). Other lending institutions showed relatively small increases from 1966 to 1973 such as furniture, television, radio and appliance stores (13.0%), "other" retailers (44.8%), department stores (57.5%), public utility companies (80.8%) and life insurance company policy loans (92.7%). The largest increases in outstanding balances were recorded by consumer loan companies lending over \$1,500 (223%), chartered banks (261%), "other" credit card issuers (183%), and credit unions (158%).

18.1.3 Service trades

Service trades generally encompass those businesses which perform a service and in which the sale of goods constitutes only a minor function. Service trades are classified generally into six principal groups: amusement and recreational services (movie theatres, bowling alleys, billiard parlours, health clubs, etc.); personal services (barber shops, beauty parlours, laundry and dry cleaning, laundromats and shoe repair shops); restaurant services (restaurants, take-out food shops, and other eating and drinking places); miscellaneous services including photographers, automobile and truck rentals and driving schools; services to business such as lawyers, accountants, computer services, consultants, advertising agencies, and media representatives; accommodation services which include hotels, motels and tourist camps. Not included under service trades are educational services, health services, real estate operations and financial services. It should also be noted that automotive services such as garages and other repair shops are covered under retailing.

Traveller accommodation. Table 18.13 summarizes the major types of accommodation in 1970. Total accommodation receipts in 1970 were \$1,380.0 million, of which hotels accounted for the major share, 81.8%, with total receipts of \$1,128.4 million. It should be noted that the accommodation group is so large and diverse that not all units could be covered in the survey, but the foregoing data represent a very high proportion of the total tourist accommodation facilities.

A provincial breakdown for tourist accommodation is provided in Table 18.14. The share of the accommodation dollar of eastern Canada, i.e. Ontario, Quebec and the Atlantic Provinces, is relatively low compared with that of the West — 59.8% to 39.8% — in the light of