

Except for a set-back in 1951 when restrictions were imposed during the Korean War, consumer credit outstanding has risen steadily from \$678 million in 1948 to some \$7,000 million at the end of 1965. Table 1 shows that the rise has continued not only in absolute terms but also as a ratio of the gross national product as well as of personal disposable income. Throughout the fifties it was customary to compare our situation favorably with the United States. In that country, where consumer credit is more highly developed than anywhere else in the world, the ratio of consumer credit was always higher than ours as measured by either of these indices. However, since 1961 we have surpassed the United States both in our ratio to GNP and to personal disposable income.

TABLE 1  
CONSUMER CREDIT OUTSTANDING  
RATIO TO GNP AND TO PERSONAL DISPOSABLE INCOME,  
CANADA AND U.S.A., 1948-1963

Year	Ratio to GNP		Ratio to Personal Disposable Income	
	Canada	U.S.A.	Canada	U.S.A.
1948.....	4.3	5.0	5.9	6.8
1949.....	4.9	6.2	6.8	8.5
1950.....	5.4	6.5	7.9	9.1
1951.....	4.6	6.2	6.6	8.9
1952.....	5.7	7.2	8.5	10.5
1953.....	7.0	8.2	10.4	11.6
1954.....	7.5	8.2	11.0	11.7
1955.....	8.1	9.0	12.2	13.0
1956.....	8.2	9.3	12.4	13.3
1957.....	8.4	9.6	12.4	13.6
1958.....	8.8	9.2	12.6	13.0
1959.....	9.4	9.9	13.9	14.2
1960.....	10.1	10.5	14.4	14.9
1961.....	10.2	10.0	14.8	14.5
1962.....	10.6	10.5	15.3	15.1
1963.....	11.1	10.9	16.0	16.0

SOURCE: Bank of Canada brief, proceedings, p. 118.

At the close of the year 1965 the consumer credit owed by Canadians was distributed as shown in Table 2.