

Wholesale trade, December 2014

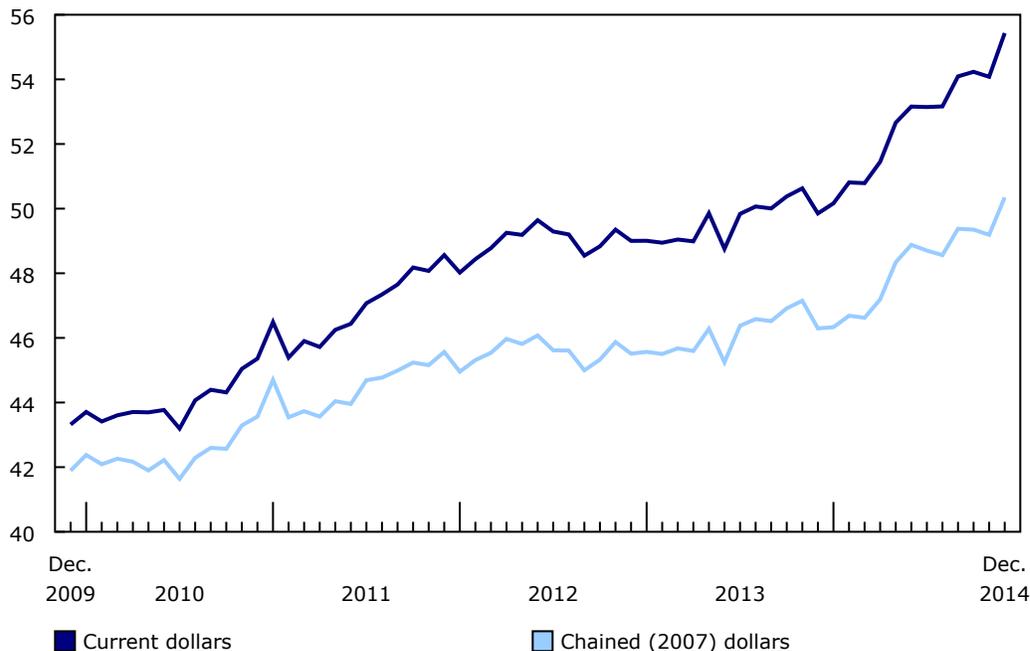
Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, February 18, 2015

Wholesale sales rose 2.5% to \$55.4 billion in December. Higher sales were recorded in six of seven subsectors, representing 80% of wholesale sales. The motor vehicle and parts subsector as well as the miscellaneous subsector led the gains.

In volume terms, wholesale sales increased 2.4%.

Chart 1
Wholesale sales rise in December

billions of dollars



Source(s): CANSIM tables [081-0011](#) and [081-0015](#).

Higher sales in six subsectors

The motor vehicle and parts subsector recorded the largest gain in dollar terms in December, rising 5.5% to \$10.1 billion. A third consecutive monthly increase in the motor vehicle industry (+9.0%), in part due to a shift in seasonal sales, accounted for most of the gain. December's sales were the highest on record for both this industry and its subsector. Higher exports, imports and manufacturing sales of motor vehicles were also recorded in December.

The miscellaneous subsector recorded higher sales for a fifth consecutive month, rising 6.1% to a record \$7.3 billion. The largest contributors to the gain were the agricultural supplies industry (+18.3%) and the chemical (except agricultural) and allied product industry (+7.0%). This was a fourth consecutive monthly gain for both industries. Exports and imports of fertilizer, pesticide and other chemical products rose in December.

Sales in the building material and supplies subsector increased 3.6% to \$8.1 billion, more than offsetting the decline in November. This gain was largely attributable to the electrical, plumbing, heating and air-conditioning equipment and supplies industry (+8.5%), which rose for the 9th time in 10 months.



The personal and household goods subsector rose 1.1% to a record high \$7.4 billion. All of the subsector's industries contributed to the gain, led by the home furnishings industry (+9.7%).

The machinery, equipment and supplies subsector recorded the sole decline in December, edging down 0.2% to \$11.2 billion. A second consecutive decline in the construction, forestry, mining, and industrial machinery, equipment and supplies industry (-3.8%) more than offset a gain in the computer and communications equipment and supplies industry (+2.4%), which rose for the first time in three months.

Sales up in seven provinces

Wholesale sales rose in seven provinces in December, representing 98% of total wholesale sales. Ontario accounted for most of the gain.

Sales in Ontario rose 3.7% to \$27.5 billion, the 9th increase in 12 months. Gains were widespread, led by the motor vehicle and parts subsector as well as the building material and supplies subsector.

In British Columbia, sales rose 2.6% to \$5.2 billion, led by gains in the miscellaneous subsector and the building material and supplies subsector.

The miscellaneous subsector was also a large contributor to the gains recorded in Saskatchewan and Manitoba. In Saskatchewan, sales increased 3.7% to \$2.4 billion, a fifth consecutive increase. In Manitoba, sales rose 3.3% to \$1.5 billion, offsetting the decline posted in November.

Nova Scotia recorded a third consecutive monthly increase, rising 5.6% to \$818 million. Gains were widespread across subsectors.

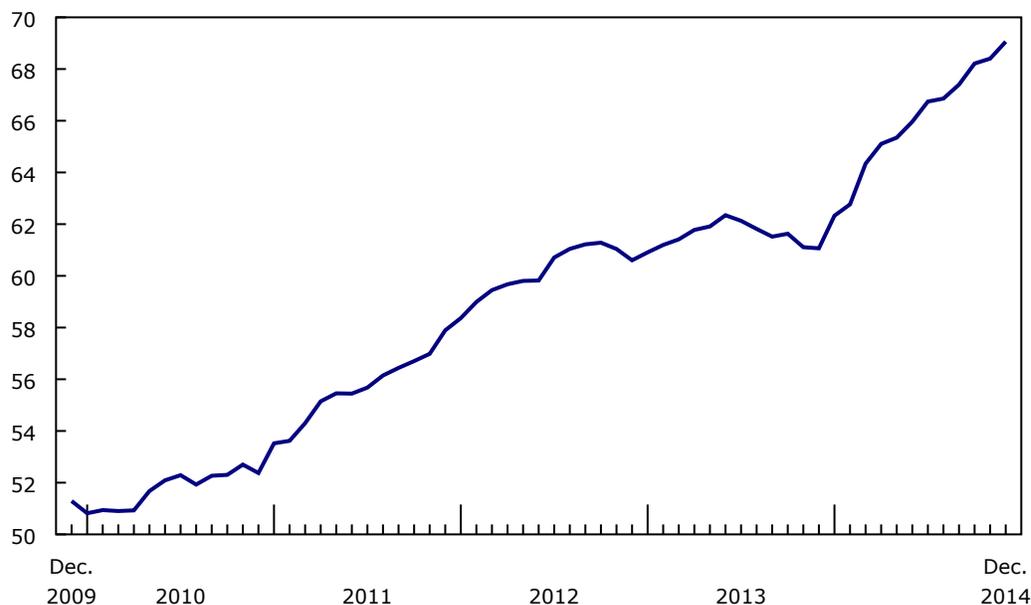
Sales in Alberta remained relatively flat for the sixth consecutive month, edging up 0.3% to \$7.2 billion.

Inventories rise in December

Inventories rose for a 12th consecutive month in December, up 1.0% to \$69.1 billion. Increases were recorded in six of seven subsectors, accounting for 87% of wholesale inventories.

Chart 2 Wholesale inventories increase in December

billions of dollars



Source(s): CANSIM table [081-0012](#).

The largest increase in dollar terms was in the machinery, equipment and supplies subsector (+1.4%). December's gain was the 10th in 12 months for both this subsector and the miscellaneous subsector (+1.3%).

Inventories increased for the 10th consecutive month in the building materials and supplies subsector (+1.4%) as well as the food, beverage and tobacco subsector (+1.2%).

Following three consecutive monthly gains, inventories declined 0.8% in the motor vehicle and parts subsector.

The inventory-to-sales ratio decreased from 1.26 in November to 1.25 in December. The inventory-to-sales ratio is a measure of the time in months required to exhaust inventories if sales were to remain at their current level.

Widespread growth in wholesale sales in 2014

On an annual basis, wholesale sales totalled \$633 billion in 2014, up 6.4% from the previous year. This increase exceeded the annual gains recorded in both 2012 (+4.3%) and 2013 (+1.3%).

Wholesale sales showed an upward trend throughout 2014.

All of the seven wholesale trade subsectors covered by the Monthly Wholesale Trade Survey recorded higher annual sales in 2014. The building material and supplies subsector and the motor vehicle and parts subsector recorded the largest increases in dollar terms. The smallest subsector, farm products, recorded the largest annual gain in percentage terms.

Every province recorded higher sales in 2014. Ontario, which accounted for approximately half of wholesale sales, contributed the most to the overall gain in dollar terms.

Note to readers

All data in this release are seasonally adjusted and in current dollars, unless otherwise noted. For more information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

Total wholesale sales expressed in volume are calculated by deflating current dollar values using relevant price indexes. The wholesale sales series in chained (2007) dollars is a chained Fisher volume index with 2007 as the reference year. For more information, see [Sales in volume for Wholesale Trade](#).

The Monthly Wholesale Trade Survey covers all industries within the wholesale sector as defined by the North American Industry Classification System (NAICS), with the exception of oilseed and grain merchant wholesalers (NAICS 41112), petroleum and petroleum products merchant wholesalers (NAICS 412) and business-to-business electronic markets, and agents and brokers (NAICS 419).

Table 1
Wholesale merchants' sales by industry – Seasonally adjusted

	December 2013	November 2014 ^r	December 2014 ^p	November to December 2014	December 2013 to December 2014
	millions of dollars			% change	
Total, wholesale sales (current dollars)	49,851	54,080	55,432	2.5	11.2
Total, wholesale sales (2007 chained dollars)	46,294	49,189	50,347	2.4	8.8
Total wholesale sales (current dollars), excluding motor vehicle and parts	41,563	44,467	45,295	1.9	9.0
Farm product	634	760	767	0.9	20.9
Food, beverage and tobacco	9,976	10,348	10,418	0.7	4.4
Food	8,977	9,328	9,381	0.6	4.5
Beverage	476	496	493	-0.7	3.6
Cigarette and tobacco product	523	524	544	3.9	4.1
Personal and household goods	7,169	7,365	7,443	1.1	3.8
Textile, clothing and footwear	965	980	988	0.9	2.4
Home entertainment equipment and household appliance	790	694	702	1.1	-11.2
Home furnishings	461	489	536	9.7	16.4
Personal goods	665	699	706	1.0	6.2
Pharmaceuticals and pharmacy supplies	3,627	3,839	3,842	0.1	5.9
Toiletries, cosmetics and sundries	662	664	668	0.7	0.9
Motor vehicle and parts	8,288	9,613	10,137	5.5	22.3
Motor vehicle	6,030	7,033	7,663	9.0	27.1
New motor vehicle parts and accessories	2,203	2,528	2,422	-4.2	9.9
Used motor vehicle parts and accessories	54	52	52	1.6	-2.5
Building material and supplies	6,878	7,824	8,103	3.6	17.8
Electrical, plumbing, heating and air-conditioning equipment and supplies	2,136	2,502	2,715	8.5	27.1
Metal service centres	1,482	1,710	1,688	-1.3	13.9
Lumber, millwork, hardware and other building supplies	3,260	3,613	3,700	2.4	13.5
Machinery, equipment and supplies	10,639	11,253	11,227	-0.2	5.5
Farm, lawn and garden machinery and equipment	1,364	1,345	1,330	-1.1	-2.5
Construction, forestry, mining, and industrial machinery, equipment and supplies	3,557	3,869	3,721	-3.8	4.6
Computer and communications equipment and supplies	3,212	3,589	3,676	2.4	14.4
Other machinery, equipment and supplies	2,506	2,450	2,499	2.0	-0.3
Miscellaneous	6,267	6,917	7,339	6.1	17.1
Recyclable material	673	854	817	-4.4	21.4
Paper, paper product and disposable plastic product	878	911	915	0.4	4.2
Agricultural supplies	1,734	1,934	2,288	18.3	32.0
Chemical (except agricultural) and allied product	1,150	1,277	1,366	7.0	18.8
Other miscellaneous	1,833	1,941	1,953	0.6	6.5

^r revised

^p preliminary

Note(s): Figures may not add up to totals as a result of rounding.

Source(s): CANSIM tables [081-0011](#) and [081-0015](#).

Table 2
Wholesale merchants' sales by province and territory – Seasonally adjusted

	December 2013	November 2014 ^r	December 2014 ^p	November to December 2014	December 2013 to December 2014
	millions of dollars			% change	
Canada	49,851	54,080	55,432	2.5	11.2
Newfoundland and Labrador	404	421	421	0.0	4.1
Prince Edward Island	59	60	58	-2.6	-2.5
Nova Scotia	694	775	818	5.6	17.8
New Brunswick	505	523	522	-0.3	3.3
Quebec	9,273	9,725	9,763	0.4	5.3
Ontario	24,124	26,480	27,472	3.7	13.9
Manitoba	1,379	1,444	1,492	3.3	8.2
Saskatchewan	1,916	2,320	2,405	3.7	25.6
Alberta	6,551	7,148	7,167	0.3	9.4
British Columbia	4,863	5,118	5,249	2.6	7.9
Yukon	13	10	10	-0.1	-21.7
Northwest Territories	61	51	50	-0.5	-17.2
Nunavut	8	7	5	-24.1	-39.7

^r revised

^p preliminary

Note(s): Figures may not add up to totals as a result of rounding.

Source(s): CANSIM table [081-0011](#).

Table 3
Wholesale merchants' inventories by industry – Seasonally adjusted

	December 2013	November 2014 ^r	December 2014 ^p	November to December 2014	December 2013 to December 2014
	millions of dollars			% change	
Total, wholesale inventories	61,065	68,403	69,058	1.0	13.1
Farm product	231 ^E	255 ^E	276 ^E	8.2	19.3
Food, beverage and tobacco	5,636	6,362	6,439	1.2	14.2
Food	5,037	5,772	5,798	0.5	15.1
Beverage	362	352	351	-0.4	-3.2
Cigarette and tobacco product	237	238	289	21.4	22.2
Personal and household goods	10,925	11,557	11,632	0.7	6.5
Textile, clothing and footwear	1,968	2,051	2,044	-0.3	3.9
Home entertainment equipment and household appliance	727	762	763	0.1	4.9
Home furnishings	1,139	1,200	1,206	0.5	6.0
Personal goods	1,319	1,370	1,365	-0.4	3.5
Pharmaceuticals and pharmacy supplies	5,006	5,460	5,555	1.7	11.0
Toiletries, cosmetics and sundries	767	713	699	-2.1	-8.9
Motor vehicle and parts	7,753	9,322	9,251	-0.8	19.3
Motor vehicle	4,147	5,116	5,048	-1.3	21.7
New motor vehicle parts and accessories	3,496	4,098	4,094	-0.1	17.1
Used motor vehicle parts and accessories	111	108	109	0.2	-2.2
Building material and supplies	11,224	12,489	12,658	1.4	12.8
Electrical, plumbing, heating and air-conditioning equipment and supplies	3,013	3,222	3,218	-0.1	6.8
Metal service centres	3,199	3,827	3,936	2.9	23.1
Lumber, millwork, hardware and other building supplies	5,012	5,440	5,503	1.2	9.8
Machinery, equipment and supplies	17,408	19,577	19,846	1.4	14.0
Farm, lawn and garden machinery and equipment	3,881	4,312	4,329	0.4	11.5
Construction, forestry, mining, and industrial machinery, equipment and supplies	8,425	9,765	9,919	1.6	17.7
Computer and communications equipment and supplies	1,612	1,854	1,895	2.2	17.5
Other machinery, equipment and supplies	3,490	3,646	3,704	1.6	6.1
Miscellaneous	7,887	8,841	8,956	1.3	13.6
Recyclable material	532	618	647	4.6	21.5
Paper, paper product and disposable plastic product	691	715	705	-1.4	2.0
Agricultural supplies	3,147	3,816	3,761	-1.4	19.5
Chemical (except agricultural) and allied product	993	1,241	1,342	8.1	35.3
Other miscellaneous	2,524	2,451	2,501	2.0	-0.9

^r revised

^p preliminary

^E use with caution

Note(s): Figures may not add up to totals as a result of rounding.

Source(s): CANSIM table [081-0012](#).

Available in CANSIM: tables [081-0011](#), [081-0012](#) and [081-0015](#).

Definitions, data sources and methods: survey number [2401](#).

The December 2014 issue of *Wholesale Trade* ([63-008-X](#)) will soon be available.

Wholesale trade data for January will be released on March 18.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

For analytical information, or to enquire about the concepts, methods or data quality of this release, contact Elspeth Hazell (613-951-8090; elspeth.hazell@statcan.gc.ca), Manufacturing and Wholesale Trade Division.