

Wholesale trade, August 2015

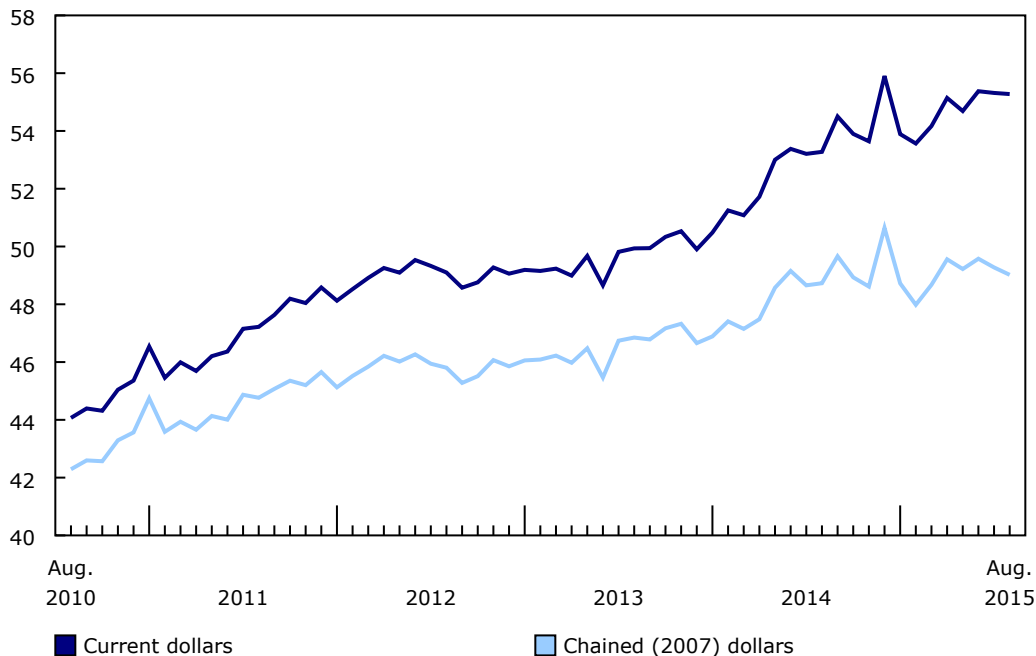
Released at 8:30 a.m. Eastern time in *The Daily*, Tuesday, October 20, 2015

Wholesale sales edged down 0.1% to \$55.3 billion in August. Declines in four subsectors, in particular the machinery, equipment and supplies subsector, accounted for the decrease. Higher sales in the miscellaneous subsector partially offset these declines.

In volume terms, wholesale sales decreased 0.5% in August.

Chart 1
Wholesale sales edge down in August

billions of dollars



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

Lower sales in four subsectors

In August, four subsectors recorded declines. Together, these subsectors accounted for 72% of wholesale sales.

Following two consecutive gains, the machinery, equipment and supplies subsector decreased 2.4% to \$11.0 billion, its lowest level since April 2014. The computer and communications equipment and supplies industry (-6.9%) led the subsector's decline, more than offsetting the gain in this industry in July. Imports of electronic and electrical equipment and parts were also lower in August.

Following two consecutive gains, the motor vehicle and parts subsector declined 1.2% to \$10.1 billion. All of the subsector's industries contributed to the decrease, led by the motor vehicle industry (-1.3%). Despite the decline, year-to-date sales for the subsector were 7.9% higher compared with the same period in 2014.

Sales in the food, beverage and tobacco subsector declined for a second consecutive month, down 0.4% to \$10.7 billion in August. In dollar terms, the food industry (-0.3%) contributed the most to the decline, although all industries in the subsector recorded lower sales.



The miscellaneous subsector rose 4.3% to \$7.3 billion, its highest level in four months, led by gains in the agricultural supplies industry (+15.7%). August's increase offset the preceding three consecutive months of declines in this industry.

Sales in the building material and supplies subsector rose 1.0% to \$7.7 billion in August, more than offsetting their decline in July. The lumber, millwork, hardware and other building supplies industry (+3.8%) accounted for the gain in August with its third increase in four months.

Sales in the farm product subsector rose 6.9% to \$690 million, offsetting most of the decline in July.

Sales down in six provinces

In August, sales were down in six provinces, which together accounted for 82% of wholesale sales. Ontario contributed the most to the decline.

Following two consecutive gains, sales in Ontario decreased 1.1% to \$27.7 billion. Lower sales in the machinery, equipment and supplies subsector and the motor vehicle and parts subsector led the decline. These subsectors had contributed to the gains in June and July.

Sales decreased for the eighth time in nine months in Alberta, down 0.9% to \$6.6 billion. The machinery, equipment and supplies subsector was the largest contributor to the decline.

In Quebec, sales were down 0.4% to \$9.9 billion, a second consecutive decrease. Lower sales in the miscellaneous subsector and the food, beverage and tobacco subsector led the decline.

The machinery, equipment and supplies subsector and the food, beverage and tobacco subsector contributed to lower sales in all three Maritime provinces. Both Nova Scotia, down 2.6% to \$770 million, and New Brunswick, down 2.3% to \$528 million, recorded a second consecutive decrease in August. In Prince Edward Island, sales declined 7.1% to \$60 million following three consecutive gains.

Sales in Saskatchewan rose for the first time in eight months, up 9.3% to \$2.3 billion, their highest level in four months. The agricultural supplies industry in the miscellaneous subsector accounted for most of the gain. This industry also contributed to the increase in Manitoba, where sales rose 5.8% to \$1.5 billion.

In British Columbia, sales rose 1.4% to \$5.4 billion, a fourth consecutive increase, on the strength of gains in the building material and supplies subsector.

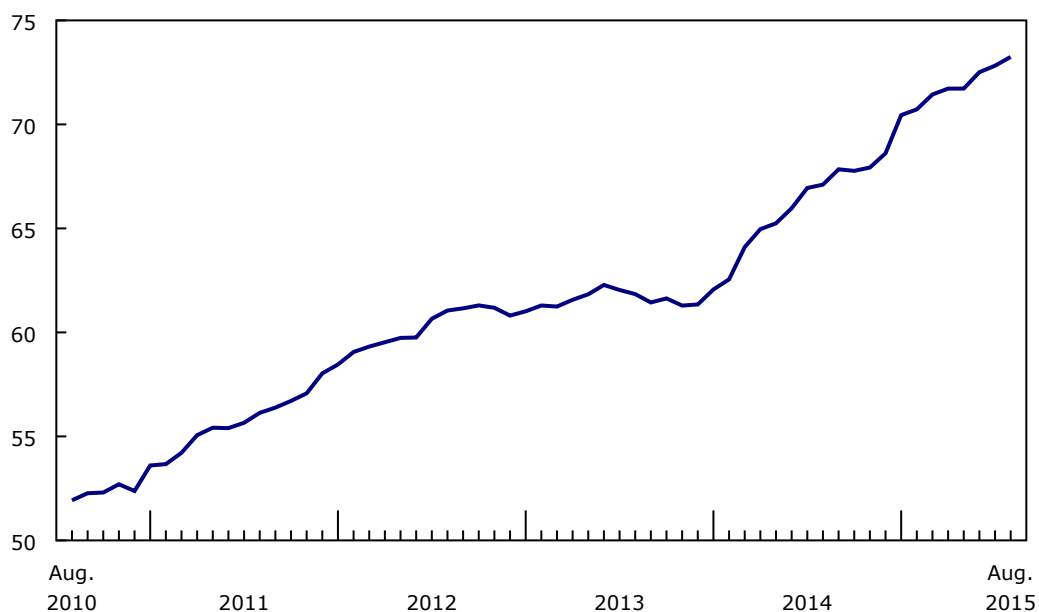
Sales in Newfoundland and Labrador were up 11.8% to \$451 million, mostly offsetting their decline in July. The miscellaneous subsector led the gain.

Inventories rise in August

Inventories rose 0.6% to \$73.2 billion in August, the highest level on record. Gains were recorded in four of seven subsectors, which together represented 69% of wholesale inventories.

Chart 2 Wholesale inventories increase in August

billions of dollars



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

Inventories increased for the seventh time in nine months in the personal and household goods subsector (+2.1%) and for the eighth time in nine months in the machinery, equipment and supplies subsector (+1.0%).

The food, beverage and tobacco subsector (+0.4%) recorded a fifth consecutive gain, while the miscellaneous subsector (+0.2%) recorded a third consecutive increase.

Inventories declined for the fifth consecutive month in the building material and supplies subsector (-0.7%), which reached its lowest level since September 2014.

The inventory-to-sales ratio rose from 1.32 in July to 1.33 in August. 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.

Table 1
Wholesale merchants' sales by industry – Seasonally adjusted

	August 2014	July 2015 ^r	August 2015 ^p	July to August 2015	August 2014 to August 2015
	millions of dollars			% change	
Total, wholesale sales (current dollars)	53,276	55,316	55,277	-0.1	3.8
Total, wholesale sales (2007 chained dollars)	48,729	49,276	49,020	-0.5	0.6
Total wholesale sales (current dollars), excluding motor vehicle and parts	43,997	45,063	45,151	0.2	2.6
Farm product	722	645	690	6.9	-4.5
Food, beverage and tobacco	10,295	10,707	10,662	-0.4	3.6
Food	9,294	9,662	9,630	-0.3	3.6
Beverage	490	516	511	-0.8	4.4
Cigarette and tobacco product	511	529	520	-1.7	1.6
Personal and household goods	7,191	7,819	7,795	-0.3	8.4
Textile, clothing and footwear	908	980	933	-4.8	2.7
Home entertainment equipment and household appliance	740	849	855	0.7	15.5
Home furnishings	492	540	550	1.9	11.7
Personal goods	717	763	760	-0.5	5.9
Pharmaceuticals and pharmacy supplies	3,666	4,015	4,021	0.2	9.7
Toiletries, cosmetics and sundries	667	672	677	0.7	1.5
Motor vehicle and parts	9,280	10,253	10,126	-1.2	9.1
Motor vehicle	6,952	7,681	7,580	-1.3	9.0
New motor vehicle parts and accessories	2,276	2,521	2,495	-1.0	9.7
Used motor vehicle parts and accessories	52	51	51	-0.4	-1.5
Building material and supplies	7,664	7,646	7,724	1.0	0.8
Electrical, plumbing, heating and air-conditioning equipment and supplies	2,417	2,371	2,343	-1.2	-3.1
Metal service centres	1,722	1,557	1,521	-2.3	-11.7
Lumber, millwork, hardware and other building supplies	3,525	3,718	3,860	3.8	9.5
Machinery, equipment and supplies	11,403	11,244	10,974	-2.4	-3.8
Farm, lawn and garden machinery and equipment	1,321	1,258	1,255	-0.2	-5.0
Construction, forestry, mining, and industrial machinery, equipment and supplies	3,939	3,633	3,664	0.8	-7.0
Computer and communications equipment and supplies	3,647	3,859	3,593	-6.9	-1.5
Other machinery, equipment and supplies	2,497	2,494	2,462	-1.3	-1.4
Miscellaneous	6,721	7,003	7,306	4.3	8.7
Recyclable material	861	710	702	-1.2	-18.4
Paper, paper product and disposable plastic product	947	1,007	1,010	0.3	6.6
Agricultural supplies	1,710	1,966	2,275	15.7	33.1
Chemical (except agricultural) and allied product	1,203	1,336	1,381	3.4	14.8
Other miscellaneous	2,001	1,984	1,938	-2.3	-3.1

^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

	August 2014	July 2015 ^r	August 2015 ^p	July to August 2015	August 2014 to August 2015
	millions of dollars			% change	
Canada	53,276	55,316	55,277	-0.1	3.8
Newfoundland and Labrador	454	403	451	11.8	-0.6
Prince Edward Island	57	64	60	-7.1	5.0
Nova Scotia	760	791	770	-2.6	1.3
New Brunswick	528	541	528	-2.3	0.1
Quebec	9,513	9,901	9,866	-0.4	3.7
Ontario	26,118	28,038	27,732	-1.1	6.2
Manitoba	1,447	1,395	1,477	5.8	2.1
Saskatchewan	2,077	2,145	2,345	9.3	12.9
Alberta	7,147	6,660	6,596	-0.9	-7.7
British Columbia	5,100	5,310	5,384	1.4	5.6
Yukon	12	11	11	6.4	-4.2
Northwest Territories	58	53	52	-2.5	-10.0
Nunavut	6	4	4	-13.5	-38.7

^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

	August 2014	July 2015 ^r	August 2015 ^p	July to August 2015	August 2014 to August 2015
	millions of dollars			% change	
Total, wholesale inventories	67,104	72,822	73,245	0.6	9.2
Farm product	244 ^E	270 ^E	260 ^E	-3.7	6.5
Food, beverage and tobacco	6,150	6,568	6,596	0.4	7.3
Food	5,554	5,947	5,958	0.2	7.3
Beverage	355	358	372	3.9	4.8
Cigarette and tobacco product	241	263	266	1.3	10.5
Personal and household goods	11,470	12,646	12,912	2.1	12.6
Textile, clothing and footwear	2,095	2,304	2,367	2.7	13.0
Home entertainment equipment and household appliance	787	789	797	1.1	1.3
Home furnishings	1,189	1,252	1,278	2.1	7.5
Personal goods	1,343	1,630 ^E	1,732 ^E	6.3	29.0
Pharmaceuticals and pharmacy supplies	5,345	5,948	6,005	1.0	12.4
Toiletries, cosmetics and sundries	712	723	733	1.3	3.0
Motor vehicle and parts	8,796	10,042	10,031	-0.1	14.0
Motor vehicle	4,672	5,534	5,480	-1.0	17.3
New motor vehicle parts and accessories	4,021	4,407	4,450	1.0	10.7
Used motor vehicle parts and accessories	103	102	101	-0.8	-2.3
Building material and supplies	12,054	12,494	12,411	-0.7	3.0
Electrical, plumbing, heating and air-conditioning equipment and supplies	3,144	3,361	3,344	-0.5	6.4
Metal service centres	3,603	3,531	3,459	-2.0	-4.0
Lumber, millwork, hardware and other building supplies	5,307	5,602	5,608	0.1	5.7
Machinery, equipment and supplies	19,750	21,359	21,573	1.0	9.2
Farm, lawn and garden machinery and equipment	4,290	4,422	4,581	3.6	6.8
Construction, forestry, mining, and industrial machinery, equipment and supplies	10,114	10,876	10,902	0.2	7.8
Computer and communications equipment and supplies	1,787	2,129	2,156	1.3	20.7
Other machinery, equipment and supplies	3,560	3,931	3,934	0.1	10.5
Miscellaneous	8,641	9,444	9,461	0.2	9.5
Recyclable material	565	582	573	-1.5	1.4
Paper, paper product and disposable plastic product	783	816	823	0.8	5.0
Agricultural supplies	3,721	4,025	4,019	-0.1	8.0
Chemical (except agricultural) and allied product	1,174	1,332	1,331	-0.1	13.4
Other miscellaneous	2,398	2,689	2,716	1.0	13.3

^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](#).

Note to readers

All data in this release are seasonally adjusted and in current dollars, unless otherwise noted. For 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 4112), petroleum and petroleum products merchant wholesalers (NAICS 412) and business-to-business electronic markets, and agents and brokers (NAICS 419).

Real-time CANSIM tables

Real-time CANSIM tables 081-8011, 081-8012 and 081-8015 will be updated on October 27. For more information, consult the document [Real-time CANSIM tables](#).

Next release

Wholesale trade data for September will be released on November 19.

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

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

The August 2015 issue of *Wholesale Trade* ([63-008-X](#)) will soon be available.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@canada.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@canada.ca), Manufacturing and Wholesale Trade Division.