

Wholesale trade, October 2018

Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, December 20, 2018

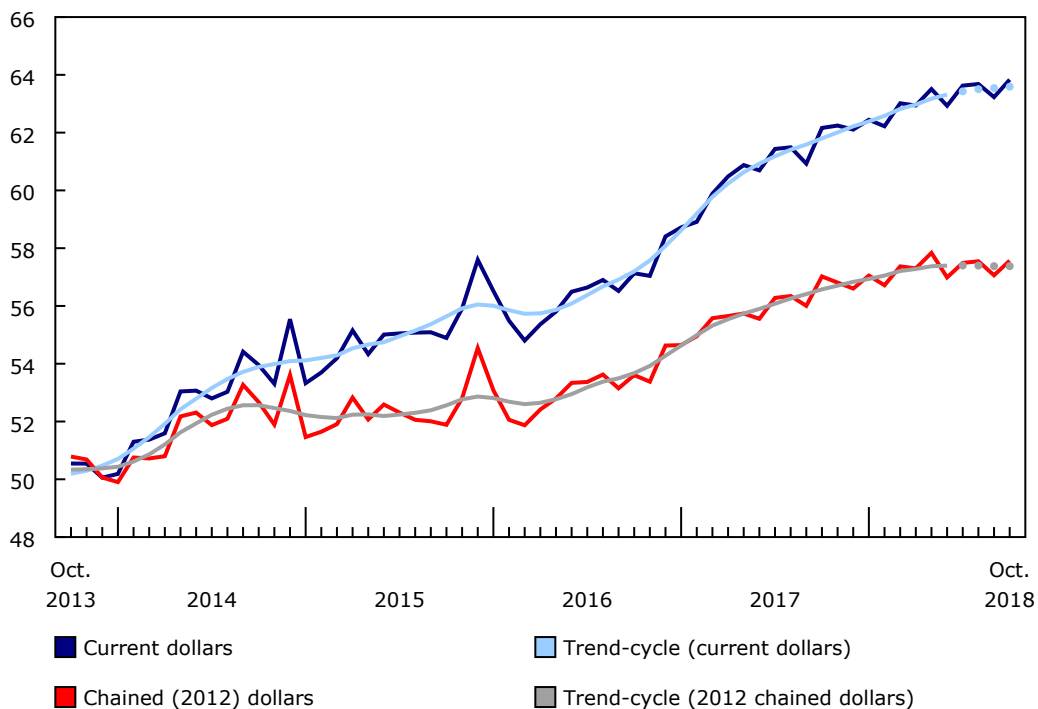
Wholesale sales rose 1.0% to \$63.8 billion in October, more than offsetting the 0.7% decline in September. Sales were up in four of seven subsectors, representing about 68% of total wholesale sales.

The machinery, equipment and supplies, and the personal and household goods subsectors contributed the most to the gains in October, while the motor vehicle and parts subsector posted the largest decline.

In volume terms, wholesale sales increased 0.9%.

Chart 1 Wholesale sales increase in October

billions of dollars



Source(s): Tables [20-10-0074-01](#) and [20-10-0003-01](#).

Increase attributable to higher sales in four of seven subsectors

The machinery, equipment and supplies subsector rose 2.8% to \$13.4 billion in October, a third increase in four months. Sales were up in three of four industries, led by the farm, lawn and garden machinery and equipment industry (+9.4%), its first increase in four months. Imports of industrial machinery, equipment and parts (+1.5%) and manufactured machinery sales (+2.9%) also increased in October.

Sales in the personal and household goods subsector were up 3.1% to \$9.3 billion on higher sales in the pharmaceuticals and pharmacy supplies industry (+5.2%).

Wholesale sales in the miscellaneous subsector increased 1.6% to \$8.5 billion. Sales were up in three of five industries, led by the paper, paper product and disposable plastic product industry.



The motor vehicle and parts subsector declined 1.7% to \$10.6 billion, falling to its lowest level since November 2016. Following a 0.2% increase in September, sales in the motor vehicle industry decreased 2.8% to \$8.2 billion in October. Imports of passenger cars and light trucks declined 5.8%, a second consecutive drop.

Sales in the building material and supplies subsector decreased 1.2% to \$9.3 billion, the second decline in three months. Two of three industries were down, led by the lumber, millwork, hardware and other building supplies industry (-3.5%).

Higher sales in four provinces

In October, sales increased in four provinces, which together represented about 71% of total wholesale sales, led by Ontario and Quebec.

Wholesale sales in Ontario rose 2.3% to \$33.0 billion in October, their highest level on record following two consecutive monthly declines. Sales were up in four of seven subsectors, led by the machinery, equipment and supplies (+5.9%) and the personal and household goods (+7.6%) subsectors.

In Quebec, sales increased for the third time in four months, up 1.2% to \$11.9 billion. Higher sales in the building material and supplies (+10.8%) and the motor vehicle and parts (+10.6%) subsectors contributed the most to the gain.

Lower sales were reported in all four western provinces, led by Alberta. Wholesale sales in Alberta declined for a third consecutive month, down 2.4% to \$6.6 billion, their lowest level since December 2017. The machinery, equipment and supplies (-4.6%) and the building material and supplies (-6.6%) subsectors contributed the most to the decline in October.

Following three consecutive monthly gains, sales in Manitoba declined 2.8% to \$1.6 billion, led by lower sales in the machinery, equipment and supplies subsector (-12.4%).

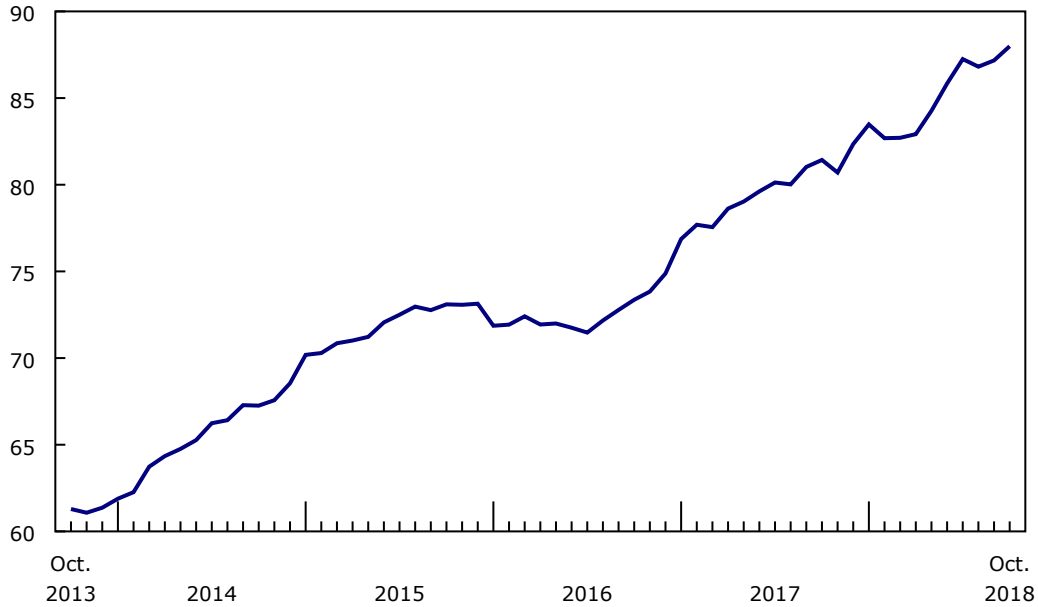
In British Columbia, sales declined 0.6% to \$6.6 billion, led by the building material and supplies subsector. The miscellaneous subsector led the decline in Saskatchewan, where sales fell 1.4% to \$2.2 billion. This was the second consecutive decrease for both provinces.

Inventories increase for the seventh time in eight months

Wholesale inventories increased 0.9% to \$88.0 billion in October, the seventh gain in eight months. Increases were reported in six of seven subsectors, representing about 83% of total wholesale inventories.

Chart 2 Inventories rise in October

billions of dollars



Source(s): Table [20-10-0076-01](#).

In dollar terms, inventories in the food, beverage and tobacco subsector (+3.6%) posted the largest gain, following a 1.8% decline in September. All three industries rose, with the food industry contributing the most to the increase.

Inventories grew 1.4% in the building material and supplies subsector, the seventh gain in 2018. The majority of the rise was driven by the electrical, plumbing, heating and air-conditioning equipment and supplies industry.

Higher inventories in the machinery, equipment and supplies subsector (+0.8%) were led by the other machinery, equipment and supplies industry.

The inventory-to-sales ratio was unchanged at 1.38 in October. This ratio is a measure of the time in months required to exhaust inventories if sales were to remain at their current level.

Note to readers

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

Effective with the September 2018 release of the wholesale trade estimates on November 21, 2018, wholesale sales estimates disseminated by Manufacturing and Wholesale Trade Division have been converted from a 2007 reference year to a 2012 reference year for its volume and price estimates. Constant price estimates and their associated price index are now using 2012 as their base year. Adopting a new reference year did not affect constant dollars sales estimates growth rates over the period from 2004 to 2011, as it represents a rescaling of the 2007-based data. However, levels and growth rates of the estimates for the period of 2012 to date have been affected by revisions to estimates at current prices and to price indices.

The Monthly Wholesale Trade Survey covers all industries within the wholesale trade 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).

For information on trend-cycle data, see the [StatCan Blog](#) and [Trend-cycle estimates – Frequently asked questions](#).

Real-time data tables

Real-time data tables 20-10-0019-01, 20-10-0020-01 and 20-10-0005-01 will be updated on January 7, 2019.

Next release

Wholesale trade data for November 2018 will be released on January 22, 2019.

Table 1
Wholesale merchants' sales by industry – Seasonally adjusted

	October 2017	September 2018 ^r	October 2018 ^p	September to October 2018	October 2017 to October 2018
	millions of dollars			% change	
Total, wholesale sales (current dollars)	62,162	63,229	63,833	1.0	2.7
Total, wholesale sales (2012 chained dollars)	57,021	57,062	57,566	0.9	1.0
Total wholesale sales (current dollars), excluding motor vehicle and parts	50,442	52,491	53,278	1.5	5.6
Farm product	820	875	861	-1.6	5.0
Food, beverage and tobacco	11,642	11,812	11,940	1.1	2.6
Food	10,463	10,545	10,661	1.1	1.9
Beverage	611	644	667	3.5	9.2
Cigarette and tobacco product	568	623	613	-1.7	7.8
Personal and household goods	8,712	9,056	9,339	3.1	7.2
Textile, clothing and footwear	1,187	1,364	1,351	-0.9	13.8
Home entertainment equipment and household appliance	904	865	882	1.9	-2.4
Home furnishings	518	526	553	5.3	6.8
Personal goods	840	887	872	-1.6	3.9
Pharmaceuticals and pharmacy supplies	4,478	4,617	4,857	5.2	8.5
Toiletries, cosmetics and sundries	786	798	823	3.1	4.7
Motor vehicle and parts	11,720	10,739	10,555	-1.7	-9.9
Motor vehicle	9,543	8,469	8,230	-2.8	-13.8
New motor vehicle parts and accessories	2,121	2,208	2,264	2.6	6.8
Used motor vehicle parts and accessories	56	62	61	-2.1	8.5
Building material and supplies	8,883	9,379	9,263	-1.2	4.3
Electrical, plumbing, heating and air-conditioning equipment and supplies	2,619	2,832	2,893	2.2	10.5
Metal service centres	1,658	1,918	1,902	-0.8	14.7
Lumber, millwork, hardware and other building supplies	4,606	4,629	4,468	-3.5	-3.0
Machinery, equipment and supplies	12,546	13,019	13,389	2.8	6.7
Farm, lawn and garden machinery and equipment	1,872	1,592	1,741	9.4	-7.0
Construction, forestry, mining, and industrial machinery, equipment and supplies	4,070	4,409	4,406	-0.1	8.2
Computer and communications equipment and supplies	3,531	3,798	3,917	3.1	11.0
Other machinery, equipment and supplies	3,073	3,219	3,325	3.3	8.2
Miscellaneous	7,840	8,350	8,486	1.6	8.2
Recyclable material	994	974	970	-0.4	-2.4
Paper, paper product and disposable plastic product	1,010	1,067	1,197	12.2	18.5
Agricultural supplies	2,222	2,509	2,414	-3.8	8.6
Chemical (except agricultural) and allied product	1,446	1,493	1,530	2.5	5.8
Other miscellaneous	2,167	2,307	2,375	2.9	9.6

^r revised

^p preliminary

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

Source(s): Tables [20-10-0074-01](#) and [20-10-0003-01](#).

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

	October 2017	September 2018 ^r	October 2018 ^p	September to October 2018	October 2017 to October 2018
	millions of dollars			% change	
Canada	62,162	63,229	63,833	1.0	2.7
Newfoundland and Labrador	351	349	348	-0.3	-1.1
Prince Edward Island	71	77	78	1.1	9.9
Nova Scotia	792	829	797	-3.9	0.6
New Brunswick	541	542	575	6.1	6.2
Quebec	11,406	11,714	11,854	1.2	3.9
Ontario	31,992	32,238	32,992	2.3	3.1
Manitoba	1,625	1,667	1,621	-2.8	-0.3
Saskatchewan	2,248	2,282	2,250	-1.4	0.1
Alberta	6,698	6,807	6,645	-2.4	-0.8
British Columbia	6,369	6,616	6,578	-0.6	3.3
Yukon	10	40	25	-37.5	148.6
Northwest Territories	43	59	62	3.8	43.6
Nunavut	15	10	10	5.7	-30.8

^r revised

^p preliminary

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

Source(s): Table [20-10-0074-01](#).

Table 3
Wholesale merchants' inventories by industry – Seasonally adjusted

	October 2017	September 2018 ^r	October 2018 ^p	September to October 2018	October 2017 to October 2018
	millions of dollars			% change	
Total, wholesale inventories	81,430	87,171	87,990	0.9	8.1
Farm product	186	152	158	4.3	-14.9
Food, beverage and tobacco	8,308	8,053	8,346	3.6	0.5
Food	7,557	7,284	7,513	3.1	-0.6
Beverage	491	512	532	3.9	8.5
Cigarette and tobacco product	260	256	300	17.1	15.2
Personal and household goods	13,943	14,840	14,701	-0.9	5.4
Textile, clothing and footwear	2,653	F	F	F	F
Home entertainment equipment and household appliance	1,082	1,090	1,104	1.3	2.1
Home furnishings	1,396	F	1,568	F	12.3
Personal goods	1,765	1,960	1,950	-0.5	10.5
Pharmaceuticals and pharmacy supplies	6,044	6,149	6,128	-0.3	1.4
Toiletries, cosmetics and sundries	1,004	F	F	F	F
Motor vehicle and parts	12,327	12,203	12,297	0.8	-0.2
Motor vehicle	7,361	7,065	7,125	0.8	-3.2
New motor vehicle parts and accessories	4,892	5,062	5,090	0.6	4.0
Used motor vehicle parts and accessories	74	76	83	8.2	12.0
Building material and supplies	13,823	15,112	15,320	1.4	10.8
Electrical, plumbing, heating and air-conditioning equipment and supplies	3,943	4,230	4,459	5.4	13.1
Metal service centres	3,871	4,514	4,461	-1.2	15.2
Lumber, millwork, hardware and other building supplies	6,009	6,367	6,400	0.5	6.5
Machinery, equipment and supplies	23,350	25,475	25,677	0.8	10.0
Farm, lawn and garden machinery and equipment	6,375	6,898	6,935	0.5	8.8
Construction, forestry, mining, and industrial machinery, equipment and supplies	10,002	11,282	11,321	0.4	13.2
Computer and communications equipment and supplies	2,268	2,470	2,443	-1.1	7.7
Other machinery, equipment and supplies	4,705	4,825	4,978	3.2	5.8
Miscellaneous	9,493	11,337	11,491	1.4	21.0
Recyclable material	865 ^E	F	F	F	F
Paper, paper product and disposable plastic product	795	884	888	0.5	11.7
Agricultural supplies	3,541	4,819	4,897	1.6	38.3
Chemical (except agricultural) and allied product	1,319	1,502	1,479	-1.5	12.1
Other miscellaneous	2,972	3,228	3,281	1.6	10.4

^r revised

^p preliminary

^E use with caution

F too unreliable to be published

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

Source(s): Table 20-10-0076-01.

Available tables: [20-10-0003-01](#), [20-10-0074-01](#) and [20-10-0076-01](#).

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

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca). For analytical information, or to enquire about the concepts, methods or data quality of this release, contact John Burton (613-862-4878; john.burton@canada.ca), Manufacturing and Wholesale Trade Division.