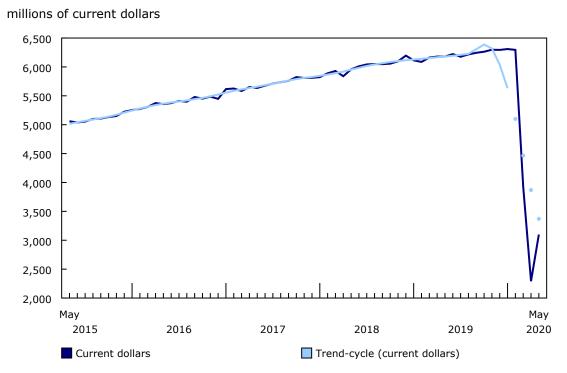
Food services and drinking places, **May 2020**

Released at 8:30 a.m. Eastern time in The Daily, Wednesday, July 22, 2020

Following two consecutive months of decreased sales due to COVID-19 regulations, sales in the food services and drinking places subsector increased 35.3% (seasonally adjusted) to \$3.1 billion in May compared with April. With businesses across the country gradually reopening, higher sales were reported across all industry groups and each of the provinces and territories. Nevertheless, when comparing May 2020 to May 2019, unadjusted sales are still down by half (-49.9%).

Chart 1 Sales in food services and drinking places



Note(s): The higher variability associated with the trend-cycle estimates is indicated with a dotted line on the chart for the current reference month and the three previous months. For more information, see the note to readers. Source(s): Table 21-10-0019-01.

Further information can be found in the "Food Services and Drinking Places Sales" dashboard. This web application provides access to data on sales in food services and drinking places for Canada, and by province and territory. This dynamic application allows users to compare provincial and territorial data through interactive maps and charts.

COVID-19

In March, a sequence of unprecedented government interventions was put in place related to COVID-19, including the closure of non-essential businesses, travel restrictions, and public health measures directing Canadians to limit public interactions. During this time, all provinces restricted access and implemented closures to businesses in the restaurant industry, which continued for the entire month of April. In May, businesses continued to reopen offering take-out options, while some provinces—including Manitoba, New Brunswick, Alberta and





Columbia—allowed dine-in and patio services under strict guidelines. Based on respondent feedback, 42% of food service and drinking place operators reported being closed at some point in May, compared with 56% in April. Also, 22% reported being closed for the entire month of May, compared with 41% being closed for the entire month of April.

Sales in the food services and drinking places subsector increase as COVID-19 restrictions ease

The largest increases in dollar terms were reported at limited-service restaurants (+30.8%) followed by full-service restaurants (+51.4%), special food services (+8.3%) and drinking places (+155.6%).

Sales at limited-service restaurants increased by almost one-third (+30.8%). One-quarter (25%) of limited-service restaurants were closed at some point in May falling from 31% in April. Just over one-tenth (11%) were closed for the entire month of May, compared with 18% who were close for the entire month of April. Since March, limited-service restaurants saw the least-pronounced drop in sales in percentage terms, with sales buoyed by take-out and delivery.

Full-service restaurant sales increased by more than half in May 2020 (+51.4%) compared with April, although sales are still less than half the size (40%) of limited-service sales where they are usually similar in normal times. As dining rooms and patios began to open in parts of the country and other restaurants relied on take-out and delivery, sales began to recover. Less than half (44%) of full-service restaurants were closed for part of May compared with 65% in April. One-fifth (21%) were closed for the entire month of May compared with 47% closed for the whole month of April.

Sales of special food services saw a small increase (+8.3%) as schools and businesses continued to be closed and flights, sporting events, concerts, and events such as conferences and weddings were cancelled or postponed. Almost half (49%) of special food services reported being closed for part of May compared with 60% in April. One-third (34%) reported being closed for the entire month of May, compared with 49% being closed for the entire month of April.

Sales at drinking places saw the largest rebound in percentage terms (+155.6%), even though many nightclubs and bars continued to be closed throughout the month. Most (85%) drinking places were closed at some point in May compared with 89% in April. Some reopened throughout the month so that 59% were closed for the entire month of May compared with 79% in April. Sales at drinking places fell by the highest proportion, as nightclubs and bars were closed and many do not have take-away food options.

Sales in the food services and drinking places subsector increase in every province and territory

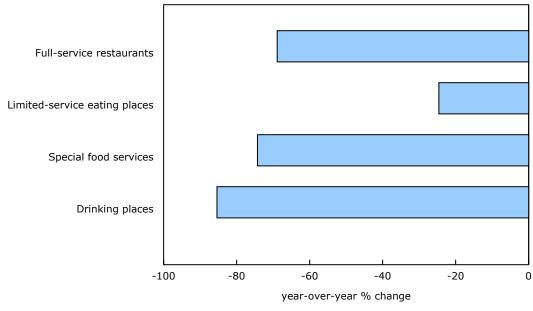
Every province and territory reported an increase in sales in May 2020. Ontario (+29.2%), Quebec (+45.4%), British Columbia (+42.4%) and Alberta (+37.4%) reported the largest increases in dollar terms.

Year-over-year sales in the food services and drinking places subsector decrease

The figures in this section are based on unadjusted (that is, not seasonally adjusted) estimates.

Due to the effects of COVID-19 on the food services and drinking places subsector, unadjusted sales for May 2020 were down by half (-49.9%) compared with May 2019. Sales fell in each of the following industry groups: full-service restaurants (-68.9%); limited-service restaurants (-24.6%); special food services (-74.3%); and drinking places (-85.4%).

Chart 2 Year-over-year percentage change in sales in the food services and drinking places subsector, by industry group, May 2020



Source(s): Table 21-10-0019-01.

Year-over-year sales decreased in every province, with Ontario (-52.8%), Quebec (-56.5%), British Columbia (-48.4%) and Alberta (-42.4%) reporting the largest dollar declines. Nova Scotia (-48.0%) and Newfoundland and Labrador (-43.4%) also showed large declines.

Prices for food purchased from restaurants were up 2.2% in May 2020 compared with May 2019, and prices for alcoholic beverages served in licensed establishments increased 2.1% in the same period.

Note to readers

All data in this release are seasonally adjusted and are expressed in current dollars, unless otherwise noted. Seasonally adjusted data are data that have been modified to eliminate the effect of seasonal and calendar influences to allow for more meaningful comparisons of economic conditions from period to period. For more information on seasonal adjustment, see Seasonally adjusted data – Frequently asked questions.

Trend-cycle data are included in selected charts as a complement to the seasonally adjusted series. These data represent a smoothed version of the seasonally adjusted time series and provide information on longer-term movements, including changes in direction underlying the series. For information on trend-cycle data, see the StatCan Blog and Trend-cycle estimates – Frequently asked questions.

Data for the current reference month are preliminary. Usually, unadjusted data are revised for the previous two months, and seasonally adjusted data are revised for the previous three months. Both seasonally adjusted data and trend-cycle estimates are subject to revision as additional observations become available. These revisions could be large and could even lead to a reversal of movement, especially for reference months near the end of the series or during periods of economic disruption.

Table 1 Food services and drinking places - Seasonally adjusted

	May 2019	February 2020 ^r	March 2020 ^r	April 2020 ^r	May 2020 ^p	April to May 2020	May 2019 to May 2020
	thousands of dollars					% change	
Total, food services sales	6,179,243	6,295,145	3,928,627	2,291,592	3,099,523	35.3	-49.8
Full-service restaurants	2,735,071	2,788,217	1,422,780	562,919	852,248	51.4	-68.8
Limited-service eating places	2,751,502	2,804,825	2,102,927	1,597,447	2,088,668	30.8	-24.1
Special food services	490,712	497,767	316,582	120,046	130,031	8.3	-73.5
Drinking places	201,958	204,335	86,338	11,180	28,576	155.6	-85.9
Provinces and territories							
Newfoundland and Labrador	71,093	71,490	46,408	30,404	41,146	35.3	-42.1
Prince Edward Island	24,930	25,731	17,223	12,264	15,313	24.9	-38.6
Nova Scotia	146,185	146,342	98,132	56,685	76,270	34.6	-47.8
New Brunswick	105,892	105,604	71,733	50,382	70,724	40.4	-33.2
Quebec	1,177,340	1,231,637	723,980	352,872	512,925	45.4	-56.4
Ontario	2,470,975	2,496,808	1,555,838	904,559	1,168,690	29.2	-52.7
Manitoba	178,909	180,171	123,061	90,680	113,601	25.3	-36.5
Saskatchewan	161,378	160,052	107,382	79,423	102,136	28.6	-36.7
Alberta	791,247	804,223	518,971	331,055	454,764	37.4	-42.5
British Columbia	1,036,781	1,058,050	655,044	375,027	534,019	42.4	-48.5
Yukon	6,214	7,264	5,318	3,973	4,901	23.4	-21.1
Northwest Territories	6,742	6,250	4,263	2,932	3,537	20.6	-47.5
Nunavut	1,558	1,523	1,274	1,335	1,497	12.1	-3.9

r revised

Note(s): Figures may not add up to totals as a result of rounding. Source(s): Table 21-10-0019-01.

Available tables: table 21-10-0019-01.

Definitions, data sources and methods: survey number 2419.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).

p preliminary