

Retail trade, December 2020

Released at 8:30 a.m. Eastern time in The Daily, Friday, February 19, 2021

Retail sales posted their largest decline since the low of April driven by the COVID-19 pandemic, decreasing 3.4% to \$53.4 billion in December. Sales were down in 9 out of 11 subsectors, representing 83.6% of retail sales.

Core retail sales—which exclude sales by gasoline stations and motor vehicle and parts dealers—also posted their slowest growth since April, falling 4.6% in December on lower sales at general merchandise stores and clothing and clothing accessories stores, as well as sporting goods, hobby, book and music stores.

In volume terms, retail sales fell 3.6% in December.

On a quarterly basis, retail sales were up 1.2% in the fourth quarter compared with the third quarter of 2020, while retail sales in volume terms increased 0.8%.

With the resurgence of COVID-19 cases in Canada, provincial governments began to reintroduce physical distancing measures, which directly affected the retail sector. Based on respondent feedback, approximately 15% of retailers were closed during December. The average length of the shutdown was two business days. Despite these challenging times, most respondents reported their sales figures, and Statistics Canada thanks them for their continued collaboration.

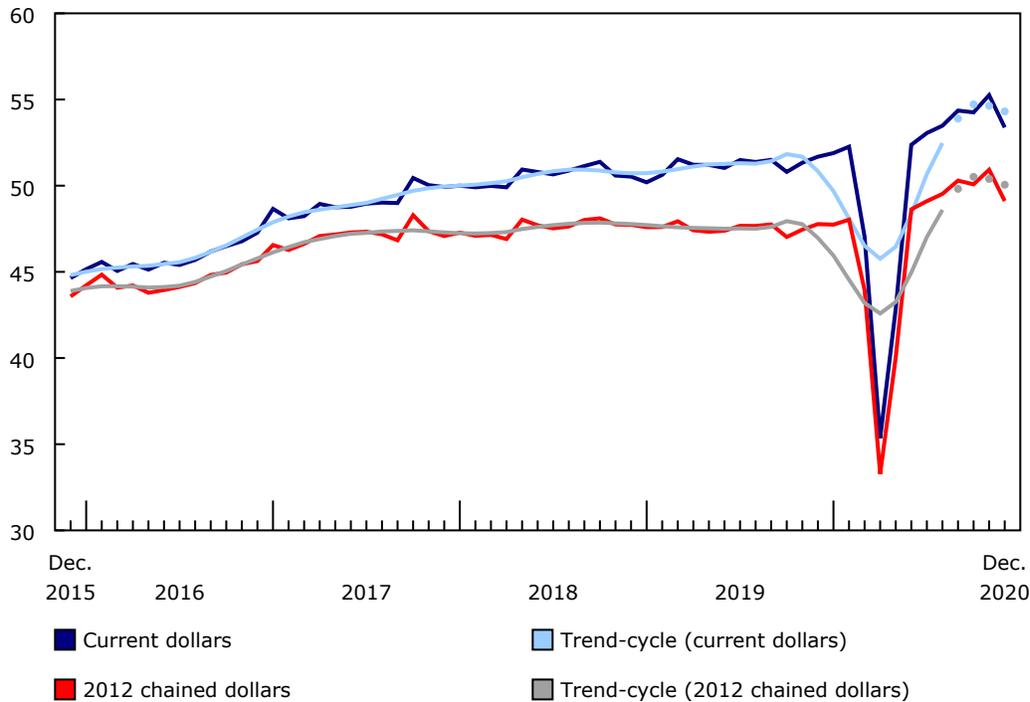
Given the rapidly evolving economic situation, Statistics Canada is providing an advance estimate of retail sales, which suggests that sales declined 3.3% in January. Owing to its preliminary nature, this figure will be revised.

This unofficial estimate was calculated based on responses received from 51% of companies surveyed. The average final response rate for the survey over the previous 12 months has been 86.8%.



Chart 1
Retail sales decrease in December

billions of dollars



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): Tables [20-10-0008-01](#) and [20-10-0078-01](#).

Widespread declines weigh down core retail sales

On the heels of continued growth in November, core retail sales declined 4.6% in December as all subsectors in this group, except health and personal care stores (+0.3%), posted lower sales. The largest contributor to the decline in core retail sales was general merchandise stores (-7.6%).

Sales at clothing and clothing accessories stores fell for the third consecutive month, decreasing 17.0% in December—the largest decline for this subsector since April. Approximately half of the retailers in this subsector reported being closed for an average of six business days in December. In April, 70% of retailers in this subsector were closed for an average of 20 days. Two of the three industries in this subsector reported declines in December, while sales at shoe stores edged up 0.1%.

Following two months of growth, sales at sporting goods, hobby, book and music stores decreased by over one-fifth (-22.5%) in December. This decrease coincided with the closure of brick-and-mortar retailers in several regions on Boxing Day, as well as other restrictions on the sale of non-essential goods.

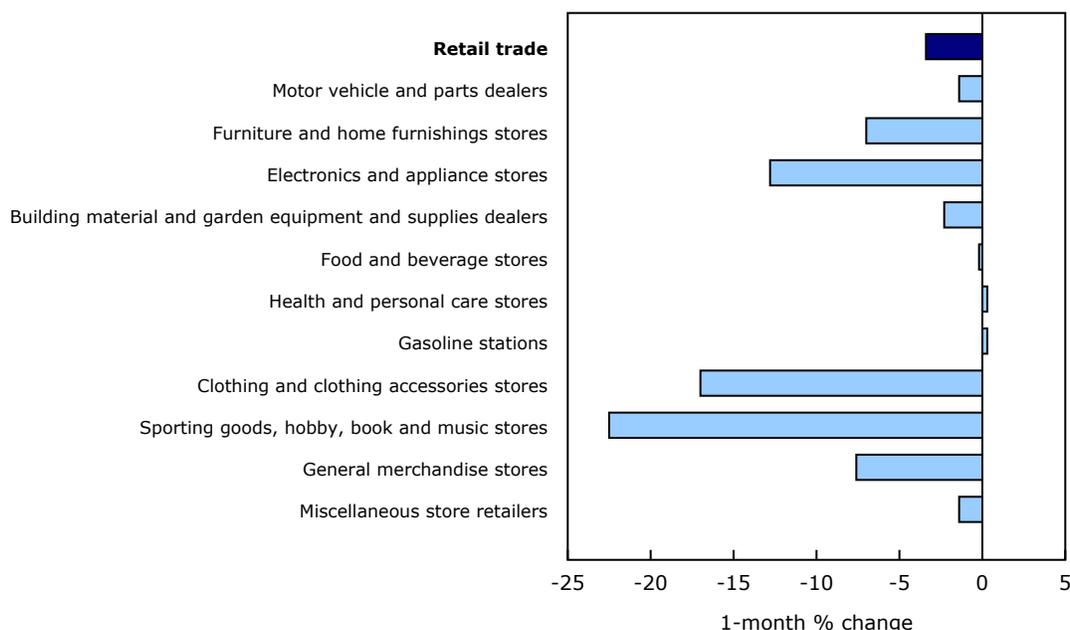
Also contributing to the decrease in core retail sales were electronics and appliance stores (-12.8%) and furniture and home furnishings stores (-7.0%). These declines followed increases in November, which saw [record gains in several commodity groups within these subsectors](#) as a result of a prolonged Black Friday and an earlier Christmas spending season.

Sales at motor vehicle and parts dealers decline for a second straight month

Continuing their decline from November, sales at motor vehicle and parts dealers contracted 1.4% in December—the largest decline since April. The decrease was driven by lower sales at new car dealers (-3.2%). According to the [New Motor Vehicle Sales Survey](#), sales of new motor vehicles declined 1.0% (not seasonally adjusted) year over year in December.

Sales at gasoline stations increased for the first time in four months, rising 0.3% in December. Growth was largely the result of higher gasoline prices. In volume terms, sales at gasoline stations were down 3.4%.

Chart 2 Sales down in 9 of 11 subsectors



Source(s): Table 20-10-0008-01.

Sales down in every province for the first time since April

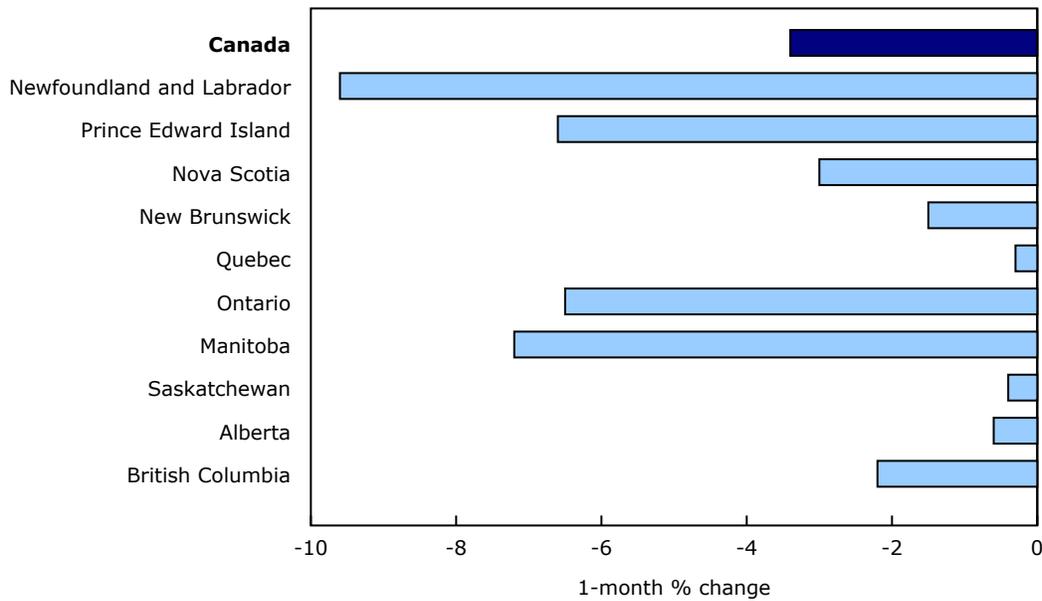
Sales decreased in every province in December, led by Ontario, British Columbia and Manitoba.

In Ontario, sales decreased 6.5%, with motor vehicle and parts dealers reporting the largest decline. In the census metropolitan area (CMA) of Toronto, sales were down 9.6%. In the second half of December, Ontario was under renewed lockdown measures that prohibited in-store shopping at many non-essential retailers and enforced stricter physical distancing measures at essential retailers.

Sales in British Columbia fell 2.2% in December, driven by lower sales at general merchandise stores. Sales were down 2.1% in the CMA of Vancouver.

In Manitoba, sales declined for the third month in a row, falling 7.2% in December on lower sales at general merchandise stores. Public health measures that began in mid-November and continued on into December led to the closure of non-essential retailers and restricted the sale of non-essential items at essential retailers in Manitoba.

Chart 3
Retail sales decline in all provinces



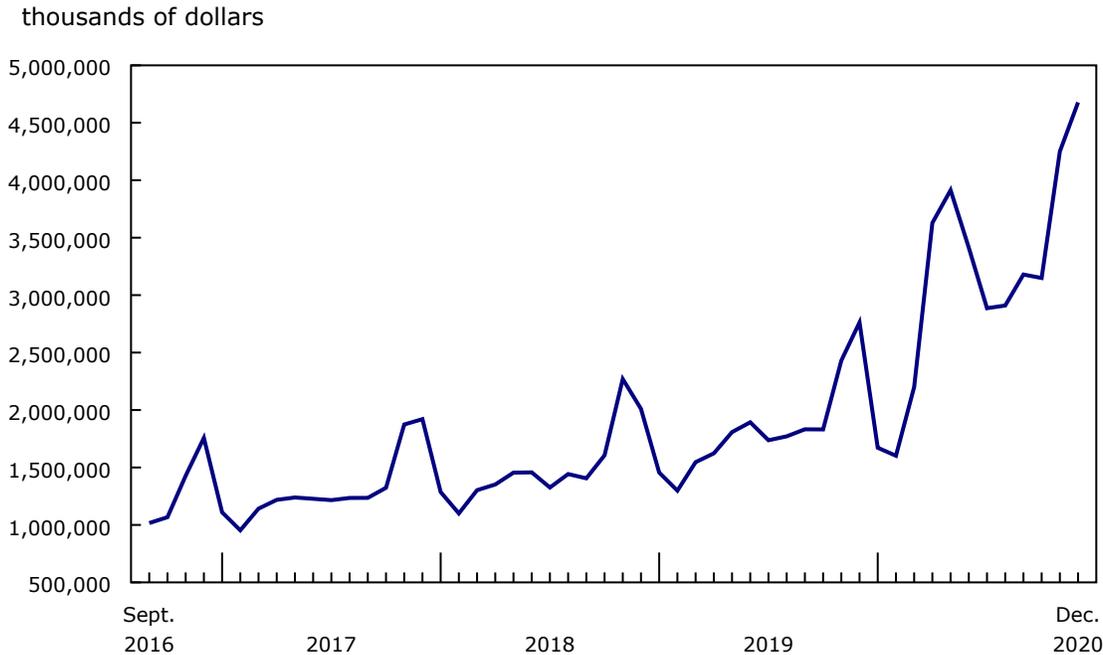
Source(s): Table 20-10-0008-01.

Retail e-commerce continues to climb

On an unadjusted basis, retail e-commerce sales reached a record high in December, increasing by over two-thirds (+69.3%) year over year to \$4.7 billion in December. In comparison, total unadjusted retail sales increased 5.9% on a year-over-year basis in December. E-commerce accounted for 7.8% of total retail trade in December—the largest share since May. The rise in e-commerce sales coincided with an uptick in the number of retailers reporting shutdowns in December.

When adjusted for basic seasonal effects, retail e-commerce sales increased 1.1%.

Chart 4
Retail e-commerce increases in December



Source(s): Monthly Retail Trade Survey (2406).

Retail sales in 2020

The COVID-19 pandemic led consumers to change their shopping habits and retailers to change their business practices, and this impacted retail sales. Both faced a rapidly changing retail environment as protective measures to curb the spread of COVID-19 resulted in the temporary closure of stores deemed non-essential, along with other physical distancing measures. This in turn changed the way consumers bought goods, as well as how they shopped.

Canadian retailers finished 2020 with \$606 billion in sales, down 1.4% from 2019. This was the largest annual decline since the 2009 recession, as the onset of COVID-19 in the first quarter of 2020 and related health measures led to the temporary closure of many non-essential brick-and-mortar retailers across the country.

Limitations on in-person shopping and gatherings also contributed to a 1.7% volume decline in sales, also the largest drop since 2009.

Ontario (-3.4%) and Alberta (-2.5%) led the national decline in retail sales, with the provinces of Nova Scotia (-2.0%), Quebec (-0.4%) and Saskatchewan (-1.1%) also posting declines. In contrast, sales in British Columbia increased 2.3%. Sales were also up in Manitoba (+0.6%), New Brunswick (+1.2%), Newfoundland and Labrador (+1.2%), and Prince Edward Island (+1.5%).

Retail e-commerce sales soar

In the spring of 2020, temporary store closures and physical distancing measures made online shopping a more attractive and accessible alternative to the in-store experience. Many brick-and-mortar retailers were quick to adopt and promote online sales. As a result, retail e-commerce sales increased 70.5% in 2020.

The share of e-commerce sales out of total retail trade reached a record-high 9.8% in April, when most non-essential retailers were mandated to [close their storefronts](#) across the country.

Retail e-commerce sales accounted for 5.9% of total retail sales in 2020, up from 3.5% in 2019. The onset of COVID-19 prompted many Canadian retailers to open or expand their e-commerce presence, quickly changing the retail landscape.

Lower sales at motor vehicle and parts dealers

Motor vehicle and parts dealers (-8.8%) led the decline in retail sales in 2020, outpacing the subsector's previous record decline in 2009 (-6.1%). Sales at new car dealers, which accounted for about one-fifth of total retail sales, declined 11.5% in 2020. Dealership closures during the early months of the pandemic more than offset strong sales during the summer, which saw a rebound in household spending combined with pent-up demand. According to the [New Motor Vehicle Sales Survey](#), sales of new motor vehicles declined 18.0% in 2020.

Accounting for just under 1/10 of total retail sales, sales at gasoline stations declined 17.8% in 2020. In volume terms, sales at gasoline stations fell 10.9%. Stay-at-home orders and lockdown measures in several regions throughout the year decreased domestic demand for gasoline. The [price of gasoline](#) was also lower in 2020 because of temporary business closures and lower global economic activity.

Core retail sales rise

In 2020, core retail sales rose at over twice the pace (+4.5%) compared with 2019 (+2.1%), with food and beverage stores, general merchandise stores, and building material and garden equipment and supplies dealers leading the gain. Sales declined at clothing and clothing accessories stores.

Sales at supermarkets and other grocery stores—deemed essential at the start of the pandemic—increased 11.5% in 2020. Part of the increase was attributable to a record sales surge in March (+28.7%) amid [panic buying of non-perishable goods during the early stages of the pandemic](#). Sales declined thereafter but remained at elevated levels compared with 2019. Higher prices also contributed to the sales increase, with prices for fresh vegetables and meat products up compared with 2019.

Sales at general merchandise stores, many of which were deemed essential, increased 7.2% in 2020.

With consumers spending a lot more time at home, sales at building material and garden equipment and supplies dealers increased 11.4% in 2020. Growth in this subsector was largely attributable to [increased spending on home improvement goods](#) as purchases of hardware, tools, and renovation and lawn and garden products remained elevated beyond the summer months. Higher prices of lumber and household equipment also contributed to the year-over-year increase in 2020.

Sales at clothing and clothing accessories stores declined by over one-quarter (-25.8%) in 2020—falling to their lowest level since 2011. Much of this decline was attributable to restrictions on in-store shopping at malls. From April to June, over half ([57%](#)) of retailers in this subsector were closed for at least one day. Lower prices also played a role in this decline as many retailers discounted online prices amid higher inventories.

Cannabis sales more than double

Marking the second full year of legal cannabis sales, sales at cannabis stores more than doubled (+120.5%) in 2020 on higher demand. Prices faced downward pressure as cannabis companies competed with the illicit market, coupled with increased competition as more companies entered the market.

Note to readers

All data in this release are seasonally adjusted and 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](#).

The percentage change for the advance estimate of retail sales is calculated using seasonally adjusted data and is expressed in current dollars.

This early indicator is a special product being provided in the context of the COVID-19 pandemic to offer Canadians timely information on the retail sector. The data sources and methodology used are the exact same as those outlined in the [Monthly Retail Trade Survey](#) information page.

Trend-cycle estimates 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 [Trend-cycle estimates – Frequently asked questions](#).

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.

For information regarding cannabis statistics, consult the [Cannabis Stats Hub](#).

Seasonally adjusted estimates for cannabis store retailers are presented in unadjusted form as there is no seasonal pattern established by official statistics yet. Establishing such a pattern requires several months of observed data. In the interim, the seasonally adjusted estimates for cannabis store retailers will be identical to the unadjusted figures.

Statistics Canada's retail e-commerce figures include the electronic sales of two distinct types of retailers. The first type does not have a storefront. These businesses are commonly referred to as pure-play Internet retailers and are classified to North American Industry Classification System (NAICS) code 45411—electronic shopping and mail-order houses. The second type has a storefront and is commonly referred to as a brick-and-mortar retailer. If the online operations of a brick-and-mortar retailer are separately managed, they too are classified to NAICS code 45411.

Some common e-commerce transactions, such as travel and accommodation bookings, ticket purchases, and financial transactions, are not included in Canadian retail sales figures.

For more information on retail e-commerce in Canada, see "[Retail E-Commerce in Canada](#)."

Total retail sales expressed in volume terms are calculated by deflating current-dollar values using consumer price indexes.

Real-time tables

Real-time tables 20-10-0054-01 and 20-10-0079-01 will be updated soon.

Next release

Data on retail trade for January 2021 will be released on March 19, 2021.

Table 1
Retail sales by province, territory and census metropolitan area – Seasonally adjusted

	December 2019	November 2020 ^r	December 2020 ^p	November to December 2020	December 2019 to December 2020
	millions of dollars			% change	
Canada	51,681	55,252	53,378	-3.4	3.3
Newfoundland and Labrador	750	856	773	-9.6	3.2
Prince Edward Island	213	244	228	-6.6	7.0
Nova Scotia	1,354	1,464	1,419	-3.0	4.8
New Brunswick	1,117	1,194	1,177	-1.5	5.4
Quebec	10,971	12,187	12,153	-0.3	10.8
Montréal	5,263	5,630	5,573	-1.0	5.9
Ontario	19,725	20,428	19,108	-6.5	-3.1
Toronto	8,364	7,983	7,217	-9.6	-13.7
Manitoba	1,744	1,825	1,694	-7.2	-2.8
Saskatchewan	1,632	1,691	1,684	-0.4	3.2
Alberta	6,752	7,098	7,052	-0.6	4.4
British Columbia	7,251	8,061	7,881	-2.2	8.7
Vancouver	3,362	3,619	3,542	-2.1	5.3
Yukon	70	81	81	0.2	15.6
Northwest Territories	64	78	79	0.9	23.4
Nunavut	40	47	49	6.2	22.7

^r revised

^p preliminary

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

Source(s): Table [20-10-0008-01](#).

Table 2
Retail sales by industry – Seasonally adjusted

	December 2019	November 2020 ^r	December 2020 ^p	November to December 2020	December 2019 to December 2020
	millions of dollars			% change	
Total retail trade (current dollars)	51,681	55,252	53,378	-3.4	3.3
Total retail trade (2012 chained dollars)	47,771	50,925	49,112	-3.6	2.8
Total (current dollars) excluding motor vehicle and parts dealers	37,892	40,860	39,181	-4.1	3.4
Total (current dollars) excluding motor vehicle and parts dealers and gasoline stations	32,679	36,532	34,841	-4.6	6.6
Motor vehicle and parts dealers	13,790	14,393	14,197	-1.4	3.0
New car dealers	11,133	11,186	10,826	-3.2	-2.8
Used car dealers	1,031	1,127	1,149	2.0	11.5
Other motor vehicle dealers	822	1,116	1,247	11.7	51.7
Automotive parts, accessories and tire stores	804	964	974	1.1	21.2
Furniture and home furnishings stores	1,589	1,848	1,718	-7.0	8.1
Furniture stores	1,014	1,176	1,064	-9.5	5.0
Home furnishings stores	575	672	654	-2.7	13.8
Electronics and appliance stores	1,161	1,448	1,262	-12.8	8.7
Building material and garden equipment and supplies dealers	3,298	4,048	3,953	-2.3	19.9
Food and beverage stores	10,996	12,377	12,347	-0.2	12.3
Supermarkets and other grocery (except convenience) stores	7,608	8,610	8,717	1.2	14.6
Convenience stores	664	727	732	0.8	10.3
Specialty food stores	670	762	740	-2.8	10.5
Beer, wine and liquor stores	2,054	2,279	2,157	-5.3	5.0
Health and personal care stores	4,051	4,391	4,402	0.3	8.7
Gasoline stations	5,213	4,327	4,340	0.3	-16.7
Clothing and clothing accessories stores	2,998	2,552	2,118	-17.0	-29.3
Clothing stores	2,341	1,981	1,595	-19.5	-31.8
Shoe stores	348	265	266	0.1	-23.8
Jewellery, luggage and leather goods stores	309	306	258	-15.8	-16.7
Sporting goods, hobby, book and music stores	1,012	1,233	956	-22.5	-5.5
General merchandise stores	6,082	6,859	6,334	-7.6	4.1
Miscellaneous store retailers	1,492	1,776	1,750	-1.4	17.3
Cannabis stores ¹	148	261	298	14.3	101.8

^r revised

^p preliminary

1. Data for this Canadian industry are presented in unadjusted form as there is no seasonal pattern established by official statistics yet.

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

Source(s): Tables [20-10-0008-01](#) and [20-10-0078-01](#).

Table 3
Retail sales by industry at 2012 constant prices – Seasonally adjusted

	December 2019	November 2020 ^r	December 2020 ^p	November to December 2020	December 2019 to December 2020
	millions of dollars			% change	
Total retail trade at 2012 constant prices¹	47,798	50,929	49,005	-3.8	2.5
Total excluding motor vehicle and parts dealers	35,905	38,819	37,045	-4.6	3.2
Total excluding motor vehicle and parts dealers and gasoline stations	30,652	34,084	32,472	-4.7	5.9
Motor vehicle and parts dealers	11,893	12,110	11,960	-1.2	0.6
New car dealers	9,579	9,379	9,089	-3.1	-5.1
Used car dealers	878	936	958	2.4	9.1
Other motor vehicle dealers	688	911	1,020	12.0	48.3
Automotive parts, accessories and tire stores	749	884	893	1.0	19.2
Furniture and home furnishings stores	1,534	1,757	1,630	-7.2	6.3
Furniture stores	992	1,137	1,026	-9.8	3.4
Home furnishings stores	542	619	604	-2.4	11.4
Electronics and appliance stores	1,417	1,801	1,570	-12.8	10.8
Building material and garden equipment and supplies dealers	2,921	3,528	3,461	-1.9	18.5
Food and beverage stores	9,633	10,665	10,668	0.0	10.7
Supermarkets and other grocery (except convenience) stores	6,684	7,446	7,574	1.7	13.3
Convenience stores	522	549	552	0.5	5.7
Specialty food stores	575	638	629	-1.4	9.4
Beer, wine and liquor stores	1,853	2,031	1,914	-5.8	3.3
Health and personal care stores	4,203	4,594	4,603	0.2	9.5
Gasoline stations	5,253	4,735	4,573	-3.4	-12.9
Clothing and clothing accessories stores	2,855	2,475	2,056	-16.9	-28.0
Clothing stores	2,238	1,952	1,577	-19.2	-29.5
Shoe stores	339	269	267	-0.7	-21.2
Jewellery, luggage and leather goods stores	279	253	211	-16.6	-24.4
Sporting goods, hobby, book and music stores	979	1,217	919	-24.5	-6.1
General merchandise stores	5,740	6,420	5,950	-7.3	3.7
Miscellaneous store retailers	1,370	1,628	1,615	-0.8	17.9
Cannabis stores ²	146	278	320	15.1	119.2

^r revised

^p preliminary

1. Calculated using the Laspeyres method.

2. Data for this Canadian industry are presented in unadjusted form as there is no seasonal pattern established by official statistics yet.

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

Source(s): Table 20-10-0078-01.

Table 4
Retail e-commerce sales – Unadjusted

	December 2019	November 2020	December 2020	December 2020
	millions of dollars			year-over-year % change
Retail trade sales (44-453)	54,328	55,588	56,781	4.5
Electronic shopping and mail-order houses sales (45411)	1,991	2,648	2,857	43.5
Retail e-commerce ¹	2,762	4,250	4,678	69.3
Retail e-commerce ¹ (% of total retail trade)	4.90	7.30	7.84	...

... not applicable

1. Retail e-commerce includes e-sales from both store retailers included in North American Industry Classification System (NAICS) codes 44-453 and non-store retailers included in electronic shopping and mail-order houses (NAICS 45411).

Note(s): For more information on retail e-commerce, see "[Retail E-Commerce in Canada](#)."

Source(s): Table [20-10-0072-01](#).

Available tables: [20-10-0008-01](#), [20-10-0072-01](#) and [20-10-0078-01](#).

Definitions, data sources and methods: survey numbers [2406](#) and [2408](#).

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).