

# Wholesale trade, September 2021

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## Wholesale sales continue growth

Wholesale sales grew 1.0% in September to \$71.3 billion, the fifth increase in the past seven months. Sales of agricultural supplies (part of the miscellaneous subsector) and machinery, equipment and supplies generated the gain in September. Lower sales in the motor vehicle and motor vehicle parts and accessories subsector and the building material and supplies subsector partially offset the increase. Overall sales rose in four of seven subsectors, representing nearly 70% of the sector.

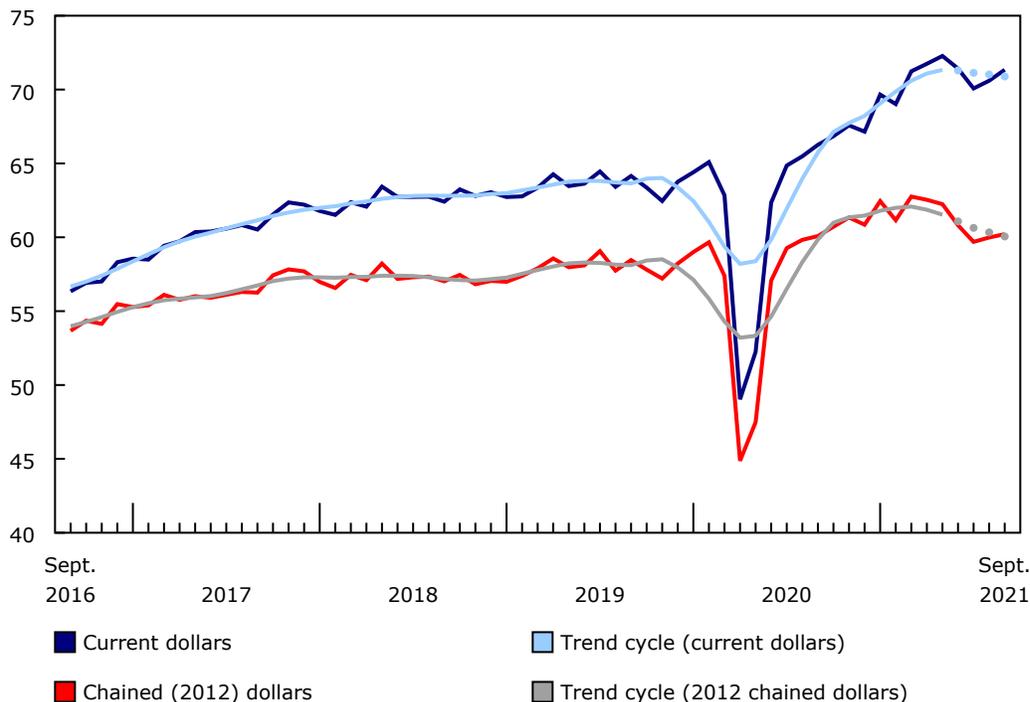
Notwithstanding the higher sales in both August and September, wholesale sales in the third quarter fell 1.6% to \$212.0 billion. This was the first quarterly decline since the second quarter of 2020. The decline was entirely as a result of a drop in sales of lumber, millwork, hardware and other building supplies which was generated by a steep decline in the prices for softwood lumber. Excluding the decrease in that industry, wholesale sales rose 1.0%.

The strongest increase in the third quarter came from the miscellaneous subsector which rose 5.7%. All of the industries in the subsector posted gains in the third quarter, led by agricultural supplies and recyclable materials.

Constant dollar sales rose 0.4% in September.

**Chart 1**  
**Wholesale sales rise in September**

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 [20-10-0074-01](#) and [20-10-0003-01](#).



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## Agricultural supplies sales generate growth

A 5.9% increase in sales in the miscellaneous goods subsector in September was the result of a 20.9% jump in sales in the agricultural products industry. The growth in the agricultural products industry pushed monthly sales to over \$3 billion for the first time on record. The gain reflected a surge in off-season demand for potash both domestically and internationally, as [potash exports rose 11.3% in September](#). In particular, sanctions placed on Belarus (another key producer of potash), and increased demand in China spurred the expansion of potash sales from Canada.

Sales also rose in the machinery, equipment and supplies subsector, up 2.7% in September to \$14.9 billion. Sales in the subsector were up in two of the past three months. The agricultural sector also played a role in the increase as sales in the farm, lawn and garden machinery industry rose 8.2% to \$1.9 billion. The increase was a bit of a rebound for the industry, which posted its lowest sales in 12 months in August 2021.

Wholesalers of motor vehicles and motor vehicle parts and accessories reported lower sales for the second consecutive month, down 2.0% in September to \$10.1 billion, the lowest since June 2020. The ongoing problems with world-wide supply chains continued to have an impact on the subsector, with many assembly plants in North America in particular shut down for most or all of September. As such, declines in the subsector were widespread.

Building material and supplies wholesalers reported a 1.4% drop in sales in September to \$11.2 billion. September marked the third time in the past four months that the subsector recorded lower sales of building materials. Sales in the lumber, millwork, hardware and other building supplies industry have fallen by 30.4% in the past four months, after reaching an all-time high of \$8.1 billion in May 2021. Notably, exports of forestry products and building and packaging materials fell 8.1% in September. Despite the recent cooling of sales in the subsector, it is still performing at historically strong levels. Sales in September 2021 were 14.4% higher than in September 2020.

## Ontario leads provinces and territories in sales

Wholesale sales increased in seven provinces and one territory in September, accounting for 68% of national sales. Wholesalers in Ontario reported the largest growth in sales, contributing 60% of the monthly increase, followed by Saskatchewan, which accounted for another 22%.

Sales in Ontario increased for the third consecutive month, up 1.8% in September to \$36.3 billion, for a record-high month. Sales have increased in Ontario in 14 of the 17 months since May 2020. Five of seven subsectors recorded increased sales, led by the personal and household goods subsector, which rose 6.1% to \$6.3 billion, and contributed just over half of the increase in the province. All component industries of this subsector saw gains, with the largest coming from the pharmaceuticals and pharmacy supplies industry. The machinery, equipment and supplies subsector increased 2.5% to \$7.5 billion, due to a 16.5% increase in sales of farm, lawn and garden machinery and equipment.

Saskatchewan also had a record-breaking month, with sales increasing 9.7% to \$2.6 billion. While six of the seven subsectors reported decreased sales in September, nearly all of the growth can be attributed to the agricultural supplies industry, which rose 28.8%. This industry had increased sales reported in all provinces and territories.

Since reaching a record high in May, sales in British Columbia have decreased for four consecutive months, down 2.3% to \$7.1 billion in September. The building material and supplies subsector had the largest decrease, with sales dropping 7.2%.

Sales in Quebec fell 0.9% to \$13.9 billion in September, with nearly all of the decline due to lower sales in the personal and household goods, and the motor vehicle and motor vehicle parts and accessories subsectors.

In the third quarter of 2021, seven provinces and one territory reported lower sales than in the second quarter. These provinces and territory contributed 46% of the third quarter's wholesale sales nationally. Quebec closed the quarter with the largest decline among the provinces, down 5.5% to \$41.2 billion. Sales in British Columbia were

down 7.2% to \$21.9 billion for the quarter. Both of these provinces' declines were largely attributable to lower sales in the building material and supplies subsector, which reported quarterly decreases in all provinces and one territory.

Conversely, quarterly sales in Ontario reached a record high, with an increase of 1.3% to \$107.5 billion, accounting for 51% of national sales. Higher sales in the personal and household goods, miscellaneous, and motor vehicle and motor vehicle parts and accessories subsectors each contributed to approximately 30% of Ontario's quarterly growth.

### **Inventories sustain growth streak**

Wholesale inventories increased 1.4% to \$98.6 billion in September. This marks the fifth consecutive month of growth. Six of seven subsectors reported larger inventories; they comprised 89% of inventories for the sector. Inventories grew 3.5% on a quarterly basis.

Machinery, equipment and supplies wholesalers' inventories grew 2.9% in September to \$27.6 billion, the highest level since June 2019. That subsector held 28% of the sector's inventory, and the subsector's month-over-month growth contributed 58% of the increase in the sector. Inventories increased in all component industries. Construction, forestry, mining, and industrial machinery, equipment and supplies increased the most, adding 4.0% for a total of \$12.2 billion of inventory.

Motor vehicle and motor vehicle parts and accessories inventories shrank 3.1% to \$10.8 billion. The last time inventories were lower in the subsector was in March 2016. Over half of inventories in the subsector are held by motor vehicle wholesalers, and a 6.5% reduction in that industry to \$5.6 billion accounted for all of the decrease. New motor vehicle parts and accessories made up 47%, or \$5.0 billion, of the value of inventories in the subsector, and a 0.9% expansion of inventories moderated the subsector decrease slightly.

Inventories of agricultural supplies increased 3.2% to \$5.8 billion.

Quarterly inventories declined 9.0% in the motor vehicle and motor vehicle parts and accessories subsector, \$1.1 billion lower than the previous quarter due to reductions in the motor vehicle and new motor vehicle parts and accessories industries. Building material and supplies (+9.6%) and machinery, equipment and supplies inventories (+4.3%) both increased. The miscellaneous subsector added 7.6% in the third quarter to the value of inventories, of which 80% was due to agricultural supplies.

The inventory-to-sales ratio remained at 1.38 in September. This ratio is a measure of the time (in months) required to exhaust inventories if sales were to remain at their levels.

**Table 1**  
**Wholesale merchants' sales by industry – Seasonally adjusted**

	September 2020	August 2021 <sup>r</sup>	September 2021 <sup>p</sup>	August to September 2021	September 2020 to September 2021
	millions of dollars			% change	
<b>Total, wholesale sales (current dollars)</b>	<b>66,259</b>	<b>70,599</b>	<b>71,339</b>	<b>1.0</b>	<b>7.7</b>
<b>Total, wholesale sales (2012 chained dollars)</b>	<b>60,081</b>	<b>59,985</b>	<b>60,211</b>	<b>0.4</b>	<b>0.2</b>
<b>Total wholesale sales (current dollars), excluding motor vehicle and parts</b>	<b>55,269</b>	<b>60,341</b>	<b>61,284</b>	<b>1.6</b>	<b>10.9</b>
Farm product	918	1,064	1,027	-3.4	11.9
Food, beverage and tobacco	12,628	13,296	13,392	0.7	6.0
Food	11,044	11,682	11,731	0.4	6.2
Beverage	837	798	818	2.5	-2.2
Cigarette and tobacco product	620	629	650	3.2	4.7
Cannabis	127	186	193	3.8	52.0
Personal and household goods	9,968	10,363	10,428	0.6	4.6
Textile, clothing and footwear	1,151	1,146	1,191	3.9	3.4
Home entertainment equipment and household appliance	898	790	798	1.0	-11.2
Home furnishings	650	698	675	-3.3	3.9
Personal goods	993	1,010	1,071	6.0	7.9
Pharmaceuticals and pharmacy supplies	5,316	5,683	5,645	-0.7	6.2
Toiletries, cosmetics and sundries	960	1,035	1,048	1.3	9.2
Motor vehicle and motor vehicle parts and accessories	10,990	10,258	10,055	-2.0	-8.5
Motor vehicle	8,694	7,831	7,586	-3.1	-12.7
New motor vehicle parts and accessories	2,224	2,352	2,394	1.8	7.6
Used motor vehicle parts and accessories	72	75 <sup>E</sup>	75	1.1	5.3
Building material and supplies	9,754	11,317	11,158	-1.4	14.4
Electrical, plumbing, heating and air-conditioning equipment and supplies	2,898	3,293	3,322	0.9	14.6
Metal service centres	1,442	2,262	2,219	-1.9	53.9
Lumber, millwork, hardware and other building supplies	5,414	5,762	5,616	-2.5	3.7
Machinery, equipment and supplies	13,456	14,465	14,858	2.7	10.4
Farm, lawn and garden machinery and equipment	1,756	1,744	1,887	8.2	7.5
Construction, forestry, mining, and industrial machinery, equipment and supplies	4,050	4,576	4,853	6.0	19.8
Computer and communications equipment and supplies	4,230	4,652	4,658	0.1	10.1
Other machinery, equipment and supplies	3,420	3,493	3,460	-0.9	1.2
Miscellaneous	8,544	9,837	10,421	5.9	22.0
Recyclable material	875	1,530	1,537	0.5	75.6
Paper, paper product and disposable plastic product	978	1,122	1,126	0.3	15.1
Agricultural supplies	2,557	2,666	3,223	20.9	26.0
Chemical (except agricultural) and allied product	1,514	1,784	1,820	2.0	20.2
Other miscellaneous	2,620	2,734	2,715	-0.7	3.6

<sup>r</sup> revised

<sup>p</sup> preliminary

<sup>E</sup> use with caution

**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**

	September 2020	August 2021 <sup>r</sup>	September 2021 <sup>p</sup>	August to September 2021	September 2020 to September 2021
	millions of dollars			% change	
<b>Canada</b>	<b>66,259</b>	<b>70,599</b>	<b>71,339</b>	<b>1.0</b>	<b>7.7</b>
Newfoundland and Labrador	347	376	382	1.7	10.0
Prince Edward Island	95	134	134	0.0	41.3
Nova Scotia	915	1,031	1,105	7.1	20.7
New Brunswick	615	756	787	4.1	28.1
Quebec	12,781	14,029	13,903	-0.9	8.8
Ontario	34,405	35,628	36,268	1.8	5.4
Manitoba	1,620	1,613	1,583	-1.9	-2.3
Saskatchewan	2,215	2,391	2,624	9.7	18.5
Alberta	6,389	7,274	7,364	1.2	15.3
British Columbia	6,832	7,302	7,133	-2.3	4.4
Yukon	12	16	15	-6.5	22.7
Northwest Territories	22	25	26	2.3	15.1
Nunavut	9	21	14	-35.1	50.4

<sup>r</sup> revised

<sup>p</sup> 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**

	September 2020	August 2021 <sup>r</sup>	September 2021 <sup>p</sup>	August to September 2021	September 2020 to September 2021
	millions of dollars			% change	
<b>Total, wholesale inventories</b>	<b>90,852</b>	<b>97,239</b>	<b>98,562</b>	<b>1.4</b>	<b>8.5</b>
Farm product	207	258	261	1.3	25.8
Food, beverage and tobacco	10,335	11,223	11,415	1.7	10.4
Food	9,172	9,879	10,068	1.9	9.8
Beverage	583	753	748	-0.6	28.4
Cigarette and tobacco product	400	377	400	6.3	0.1
Cannabis	180	215	199	-7.7	10.0
Personal and household goods	16,076	16,254	16,401	0.9	2.0
Textile, clothing and footwear	3,689	3,308	3,303	-0.2	-10.5
Home entertainment equipment and household appliance	724	977	995	1.8	37.4
Home furnishings	1,251	1,610 <sup>E</sup>	1,500	-6.8	19.9
Personal goods	2,000	1,998	2,179	9.1	9.0
Pharmaceuticals and pharmacy supplies	7,391	7,275	7,299	0.3	-1.2
Toiletries, cosmetics and sundries	1,022	1,087	1,126	3.6	10.2
Motor vehicle and motor vehicle parts and accessories	11,747	11,116	10,768	-3.1	-8.3
Motor vehicle	7,096	6,034	5,639	-6.5	-20.5
New motor vehicle parts and accessories	4,570	4,964	5,009	0.9	9.6
Used motor vehicle parts and accessories	F	F	F	F	F
Building material and supplies	14,043	18,137	18,443	1.7	31.3
Electrical, plumbing, heating and air-conditioning equipment and supplies	3,993	4,850	4,915	1.3	23.1
Metal service centres	3,579	4,655	4,814	3.4	34.5
Lumber, millwork, hardware and other building supplies	6,472	8,632	8,714	0.9	34.6
Machinery, equipment and supplies	26,805	26,797	27,567	2.9	2.8
Farm, lawn and garden machinery and equipment	5,455	5,644	5,785	2.5	6.0
Construction, forestry, mining, and industrial machinery, equipment and supplies	12,592	11,758	12,227	4.0	-2.9
Computer and communications equipment and supplies	2,824	3,438	3,518	2.3	24.6
Other machinery, equipment and supplies	5,934	5,958	6,037	1.3	1.7
Miscellaneous	11,637	13,454	13,707	1.9	17.8
Recyclable material	953	1,231	1,288	4.6	35.1
Paper, paper product and disposable plastic product	948	1,156	1,142	-1.3	20.4
Agricultural supplies	4,773	5,585	5,765	3.2	20.8
Chemical (except agricultural) and allied product	1,475	1,563	1,655	5.9	12.2
Other miscellaneous	3,487	3,919	3,857	-1.6	10.6

<sup>r</sup> revised

<sup>p</sup> preliminary

<sup>E</sup> use with caution

<sup>F</sup> 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.

### 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](#).

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 disruptions.

Total wholesale sales expressed in volume are calculated by deflating current dollar values using relevant price indexes. The wholesale sales series in chained (2012) dollars is a chained Fisher volume index, with 2012 as the reference year. For more information, see [Deflation of wholesale sales](#).

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).

### Real-time data tables

Real-time data tables 20-10-0019-01, 20-10-0020-01 and 20-10-0005-01 will be updated soon.

### Next release

Wholesale trade data for October will be released on December 16, 2021.

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

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

The product "[Monthly Wholesale Trade Survey: Interactive Tool](#)" ([71-607-X](#)) is now available online. This product is based on the data published in the tables of the Monthly Wholesale Trade Survey: 20-10-0074-01, 20-10-0076-01 and 20-10-0003-01.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; [STATCAN.infostats-infostats.STATCAN@canada.ca](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)). For analytical information, or to enquire about the concepts, methods or data quality of this release, contact Jeff Paul (613-854-2518; [jeff.paul@statcan.gc.ca](mailto:jeff.paul@statcan.gc.ca)), Mining, Manufacturing and Wholesale Trade Division.