

Wholesale trade, February 2022

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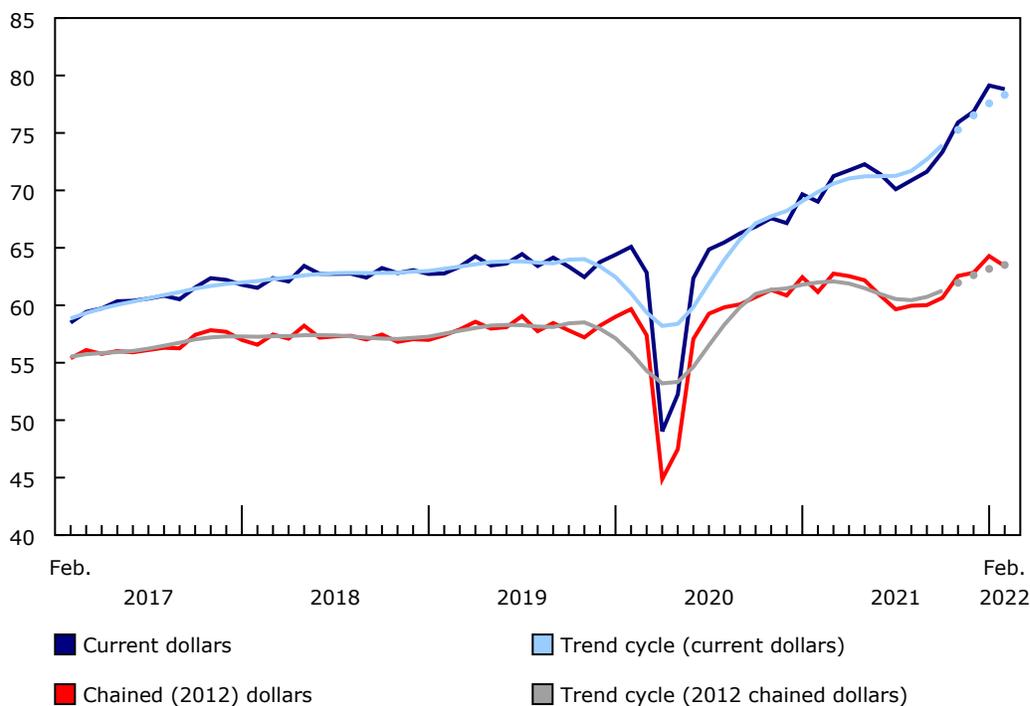
Wholesale sales fall for first time in seven months

Wholesale sales fell 0.4% in February to \$78.8 billion, the first decline since July 2021. Lower sales were posted in the personal and household goods, building material and supplies, and motor vehicle and motor vehicle accessories and parts subsectors, while sales in all other subsectors increased.

Volumes of wholesale goods sold fell 1.4% in February.

Chart 1
Wholesale sales decrease in February

billions of dollars



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

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

Sales of personal and household goods records largest decline

Sales of personal and household goods fell 5.1% in February to \$11.4 billion. Notwithstanding the decline, sales in February were the second highest on record for the subsector. The decline largely reflects a 6.1% drop in sales of pharmaceuticals and pharmacy supplies. In January, sales of pharmaceuticals and pharmacy supplies rose 15.4% as a result of purchases of COVID-19-related pharmaceuticals by the Government of Canada. Sales dropped somewhat in February 2022 but were still 8.3% higher than in December 2021.



Statistics Canada
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Canada

Building material and supplies wholesalers recorded a 2.8% drop in sales to \$13.7 billion as activity in the subsector was slower than normal in February. While the price of softwood lumber (the largest component of the subsector) increased and exports grew modestly, overall sales were lower. The decline reflected lower sales among small and medium sized wholesalers in the subsector, as larger companies reported increases.

The motor vehicle and motor vehicle accessories and parts subsector saw sales drop 1.9% in February to \$11.0 billion. It was the second consecutive decline in the subsector. The result reflects trade patterns in February, which saw exports in the motor vehicle sector decline 5.0% and imports rise 2.8%.

Partially offsetting the February decrease was a 2.8% rise in sales of machinery equipment and supplies, the sixth consecutive increase in the subsector and the highest level of sales ever recorded. Sales increases in the subsector were led by the other machinery and equipment industry (in particular sales of professional machinery, equipment and supplies), and the computer and electronic product industry.

Ontario leads declines in sales

Sales declined in six provinces and two territories in February, comprising 82.4% of total wholesale sales. Ontario reported the largest decline, followed by Quebec and Alberta. Higher sales in British Columbia, Saskatchewan, and Manitoba dampened the national decline.

In Ontario, sales fell 1.2% to \$39.2 billion in February, following seven consecutive months of increases. Sales fell in five of seven subsectors, accounting for 76% of sales. The largest decrease came from the building material and supplies subsector, down 6.9% to \$5.6 billion. Sales were lower in all component industries, and proportional to their share of the subsector's sales, each contributed equally to the decrease. Sales of personal and household goods fell to \$6.1 billion, a 3.3% drop from January.

Wholesale sales in Quebec were down 1.6%, falling to \$15.1 billion in February. This decline was largely driven by an 11.0% drop in sales of personal and household goods. All five component industries reported lower sales, with half of the decline coming from textile, clothing and footwear industry.

Sales in British Columbia grew for the fifth consecutive month, up 4.2% to \$8.5 billion. Over three-quarters of the increased sales value in the province was attributed to a 12.3% increase in sales of building material and supplies, largely led by the lumber, millwork, hardware and other building supplies industry. Conversely, sales of building material and supplies declined in the nine other provinces in February.

Saskatchewan and Manitoba saw higher sales in February, on the strength of the agriculture industry. Sales in Saskatchewan reached \$3.5 billion, up 5.4% from January. The miscellaneous subsector was the only subsector to report increased sales, nearly all of which were attributed to the agriculture supplies industry. In Manitoba, sales grew 3.0% to \$1.8 billion, with the machinery, equipment and supplies subsector contributing most of the growth, specifically the farm, lawn and garden machinery and equipment industry.

Inventories rise in February

The value of wholesale inventories rose 1.7% to \$107.9 billion in February, led by the machinery equipment and supplies, and motor vehicle and motor vehicle parts and accessories subsectors. Following a small drop in January, inventory levels reached another record high, making the last nine of ten months record breaking. Five of seven subsectors had larger inventories at the end of February, comprising 70% of the value of inventories in the sector.

Inventories in the machinery, equipment and supplies subsector grew 2.5% to \$30.3 billion in February. Two of four component industries had higher inventories, with three-quarters of the increases owing to a 10.0% rise of other machinery, equipment and supplies, reaching \$6.8 billion. This industry includes wholesalers of medical and laboratory equipment. The computer and communications equipment and supplies industry also contributed as it saw its inventories rise 5.8% to \$4.0 billion.

Motor vehicle and motor vehicle parts and accessories closed the month with inventories at \$12.4 billion, a 6.2% increase from January. Inventories in all component industries grew, but new motor vehicle parts and accessories accounted for over two-thirds of the increase. This industry was up 9.7% to \$5.6 billion, as imports of tires, motor vehicle engine and motor vehicle parts increased by 17.6% in February.

Wholesalers of the miscellaneous subsector had notable gains in inventories, up 2.8% to \$15.0 billion. While all component industries had higher inventory levels, over half of the accumulation was of agricultural supplies.

The inventory-to-sales ratio increased from 1.34 in January to 1.37 in February. This ratio is a measure of the time (in months) required to exhaust inventories if sales were to remain at their levels.

Protests disrupt transportation of goods

Statistics Canada included questions in February's survey to assess the impact of blockades of transportation routes on the wholesale sector.

In total, 15% of wholesalers indicated that their business was adversely affected by the protests, with 93% of those companies reporting transportation and/or shipping problems associated with the blockades, and 35% reporting lower sales. Overall, the demonstrations generated a drop in sales of approximately \$200 million in the sector.

Respondents also indicated a shortage of inventories due to transportation and border crossing difficulties, particularly with receipt of parts and raw materials. Many noted having higher inventory levels due to shipping disruptions for the transport of goods to end destinations and customers. In some cases, companies opted to delay shipments until conditions improved, and others also worked to increase their inventories to ensure sufficient stock for future months.

Table 1
Wholesale merchants' sales by industry – Seasonally adjusted

	February 2021	January 2022 ^r	February 2022 ^p	January to February 2022	February 2021 to February 2022
	millions of dollars			% change	
Total, wholesale sales (current dollars)	69,018	79,129	78,809	-0.4	14.2
Total, wholesale sales (2012 chained dollars)	61,155	64,284	63,409	-1.4	3.7
Total wholesale sales (current dollars), excluding motor vehicle and parts	58,526	67,941	67,833	-0.2	15.9
Farm product	977	1,097	1,114	1.6	14.1
Food, beverage and tobacco	12,282	13,491	13,538	0.3	10.2
Food	10,745	11,748	11,804	0.5	9.9
Beverage	815	897	882	-1.6	8.2
Cigarette and tobacco product	599	655	672	2.5	12.1
Cannabis	123	192	179	-6.4	46.3
Personal and household goods	10,004	11,966	11,351	-5.1	13.5
Textile, clothing and footwear	1,018	1,332	1,235	-7.3	21.3
Home entertainment equipment and household appliance	1,048	1,021	933	-8.6	-11.0
Home furnishings	675	734	768	4.7	13.8
Personal goods	1,039	1,055	1,037	-1.7	-0.2
Pharmaceuticals and pharmacy supplies	5,236	6,709	6,300	-6.1	20.3
Toiletries, cosmetics and sundries	987	1,115	1,078	-3.3	9.2
Motor vehicle and motor vehicle parts and accessories	10,492	11,188	10,976	-1.9	4.6
Motor vehicle	8,224	8,626	8,208	-4.8	-0.2
New motor vehicle parts and accessories	2,211	2,497	2,706	8.4	22.4
Used motor vehicle parts and accessories	57	66	62	-4.7	9.5
Building material and supplies	11,169	14,074	13,686	-2.8	22.5
Electrical, plumbing, heating and air-conditioning equipment and supplies	3,068	3,650	3,720	1.9	21.3
Metal service centres	1,719	2,608	2,588	-0.7	50.6
Lumber, millwork, hardware and other building supplies	6,382	7,816	7,377	-5.6	15.6
Machinery, equipment and supplies	14,972	16,318	16,768	2.8	12.0
Farm, lawn and garden machinery and equipment	1,885	1,896	1,884	-0.6	-0.1
Construction, forestry, mining, and industrial machinery, equipment and supplies	4,454	5,530	5,565	0.6	24.9
Computer and communications equipment and supplies	5,115	5,320	5,526	3.9	8.0
Other machinery, equipment and supplies	3,518	3,572	3,794	6.2	7.8
Miscellaneous	9,122	10,995	11,375	3.5	24.7
Recyclable material	1,145	1,306	1,331	1.9	16.2
Paper, paper product and disposable plastic product	1,026	1,164	1,223	5.1	19.3
Agricultural supplies	2,726	3,751	4,147	10.5	52.1
Chemical (except agricultural) and allied product	1,538	1,879	2,027	7.9	31.8
Other miscellaneous	2,687	2,895	2,647	-8.6	-1.5

^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

	February 2021	January 2022 ^r	February 2022 ^p	January to February 2022	February 2021 to February 2022
	millions of dollars			% change	
Canada	69,018	79,129	78,809	-0.4	14.2
Newfoundland and Labrador	383	383	377	-1.7	-1.7
Prince Edward Island	107	116	120	3.8	12.0
Nova Scotia	1,087	1,130	1,106	-2.1	1.7
New Brunswick	680	772	769	-0.4	13.0
Quebec	12,935	15,364	15,118	-1.6	16.9
Ontario	35,495	39,669	39,183	-1.2	10.4
Manitoba	1,620	1,752	1,806	3.0	11.5
Saskatchewan	2,563	3,326	3,505	5.4	36.7
Alberta	6,693	8,438	8,311	-1.5	24.2
British Columbia	7,409	8,121	8,459	4.2	14.2
Yukon	16	20	17	-13.4	9.7
Northwest Territories	15	24	23	-4.8	46.5
Nunavut	14	14	16	15.0	11.9

^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

	February 2021	January 2022 ^r	February 2022 ^p	January to February 2022	February 2021 to February 2022
	millions of dollars			% change	
Total, wholesale inventories	92,774	106,052	107,852	1.7	16.3
Farm product	230	278	288	3.3	25.2
Food, beverage and tobacco	10,527	11,299	11,267	-0.3	7.0
Food	9,095	9,730	9,823	1.0	8.0
Beverage	844	912	785	-13.9	-7.1
Cigarette and tobacco product	358	438	453	3.4	26.6
Cannabis	230	219	206	-6.0	-10.3
Personal and household goods	16,410	17,288	17,358	0.4	5.8
Textile, clothing and footwear	3,714	3,207	3,325	3.7	-10.5
Home entertainment equipment and household appliance	889	1,190	1,187	-0.2	33.5
Home furnishings	1,398	1,751	1,716	-2.0	22.7
Personal goods	2,096 ^E	2,170	2,305	6.2	10.0
Pharmaceuticals and pharmacy supplies	7,203	7,823	7,642	-2.3	6.1
Toiletries, cosmetics and sundries	1,109	1,147	1,183	3.1	6.6
Motor vehicle and motor vehicle parts and accessories	11,705	11,703	12,429	6.2	6.2
Motor vehicle	6,794	6,533	6,756	3.4	-0.5
New motor vehicle parts and accessories	4,822	5,059	5,551	9.7	15.1
Used motor vehicle parts and accessories	89 ^F	F	F	F	F
Building material and supplies	14,927	21,289	21,174	-0.5	41.9
Electrical, plumbing, heating and air-conditioning equipment and supplies	4,200	5,494	5,941	8.1	41.4
Metal service centres	3,521	6,417	5,835	-9.1	65.7
Lumber, millwork, hardware and other building supplies	7,205	9,378	9,398	0.2	30.4
Machinery, equipment and supplies	26,539	29,615	30,349	2.5	14.4
Farm, lawn and garden machinery and equipment	5,818	5,700	5,641	-1.0	-3.1
Construction, forestry, mining, and industrial machinery, equipment and supplies	11,898	13,905	13,859	-0.3	16.5
Computer and communications equipment and supplies	3,068	3,814	4,037	5.8	31.6
Other machinery, equipment and supplies	5,755	6,196	6,813	10.0	18.4
Miscellaneous	12,436	14,580	14,988	2.8	20.5
Recyclable material	1,222 ^E	1,317	1,330	1.0	8.8
Paper, paper product and disposable plastic product	1,087	1,187	1,271	7.1	16.9
Agricultural supplies	4,998	6,484	6,549	1.0	31.0
Chemical (except agricultural) and allied product	1,380	1,630	1,850	13.5	34.0
Other miscellaneous	3,750	3,962	3,989	0.7	6.4

^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.

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 [Section 2: Issues related to analysis and interpretation](#).

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 (see [Section 1: Concepts and definitions](#)) 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 March 2022 will be released on May 16, 2022.

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 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, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).