

# The Daily

Statistics Canada

Monday, April 23, 2012

Released at 8:30 a.m. Eastern time

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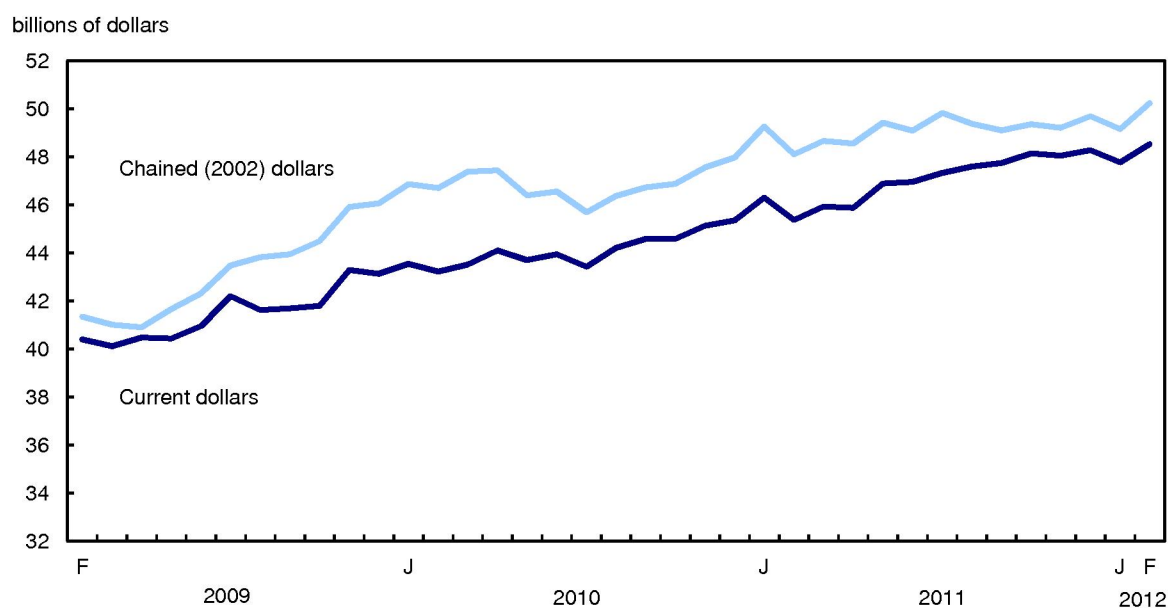
## Releases

### Wholesale trade, February 2012

Wholesale sales rose 1.6% in February to \$48.5 billion. The increase followed a 1.1% decline in January. Higher sales were reported in most subsectors in February, four of which accounted for about 90% of the national growth.

In volume terms, wholesale sales were up 2.2% in February.

**Chart 1**  
**Wholesale sales increase in February**



### Widespread gains in wholesale sales

The largest increase in dollar terms was in the motor vehicles and parts subsector. Sales were up 2.7% to \$7.7 billion in February. The advance largely reflects higher sales in the motor vehicle industry (+3.4%).

Sales in the machinery, equipment and supplies subsector rose 1.7% in February. Of the four industries in the subsector, three posted gains.

Sales in the machinery, equipment and supplies subsector have been on an upward trend since the beginning of 2010. The growth has paralleled rising business investment in plant and equipment over the past two years.

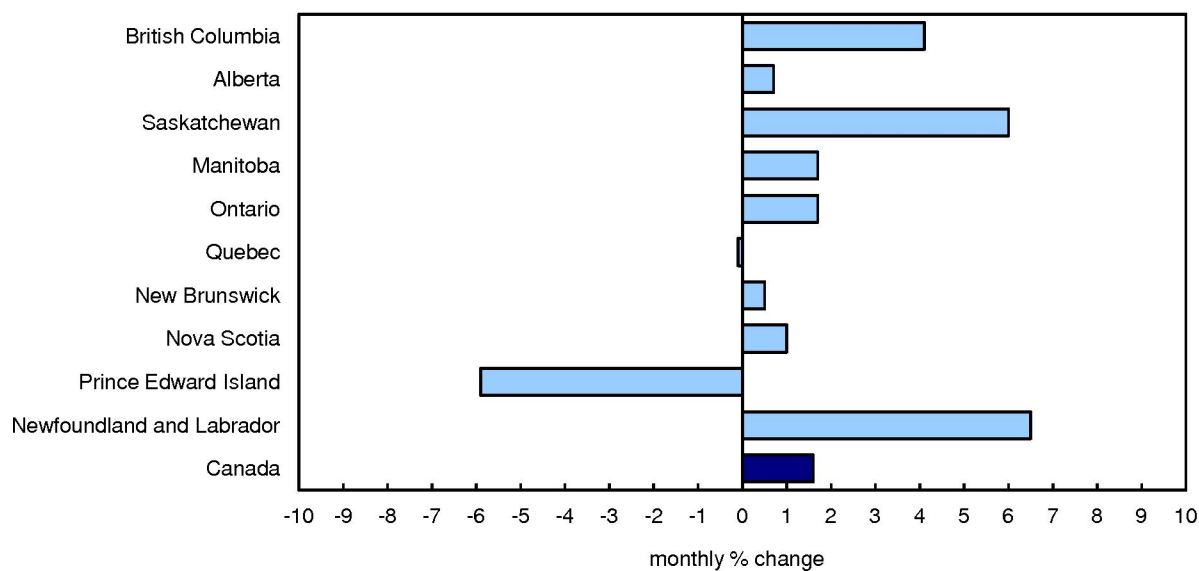
The personal and household goods subsector advanced 2.3% in February. Higher sales in the pharmaceuticals and pharmacy supplies industry (+3.1%) and the home entertainment equipment and household appliances industry (+12.3%) were responsible for the increase.

After declining in January, sales of building materials and supplies rose 2.2% in February. The gain was mainly the result of higher sales in the lumber, millwork, hardware and other building supplies industry.

## Sales up in most provinces

All provinces except Quebec and Prince Edward Island reported increases in February.

**Chart 2**  
**Wholesale sales up in most provinces in February**



Wholesalers in Ontario contributed the most to the national increase, followed by wholesalers in British Columbia and Saskatchewan.

Ontario posted a 1.7% increase in wholesale sales in February, its third advance in four months. The gain was largely attributable to higher sales in the motor vehicles and parts subsector and the machinery, equipment and supplies subsector.

The increase in sales in the building materials and supplies subsector and the machinery, equipment and supplies subsector was evident in British Columbia. Sales in the province were up 4.1% to \$4.5 billion in February.

In Saskatchewan, wholesale sales grew 6.0% following declines in the previous three months. Higher sales in the agricultural supplies industry, which accounts for about one-third of the province's wholesale sales, were a major contributing factor in February's advance in sales.

## Inventories continue to rise

Inventories rose 1.1% to \$59.0 billion in February, the 13th increase in 14 months. Inventories were up in 15 of the 25 industries.

Wholesalers in the construction, forestry, mining and industrial machinery, equipment and supplies industry (+2.1%) and the food industry (+1.8%) had the largest inventory increases in dollar terms.

The inventory-to-sales ratio was unchanged at 1.22 in February.

The inventory-to-sales 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 the data in this release are seasonally adjusted and in current dollars, unless otherwise noted.*

*Unadjusted monthly data were revised back to January 2009, while seasonally adjusted data were revised back to January 2006. Factors influencing revisions include late receipt of respondent information, correction of information in the data provided, the replacement of estimated figures with actual values (once available), the re-classification of companies within, into and out of the wholesale trade industry and updates to seasonal factors.*

*Data in volume terms have also been revised back to January 2006.*

*Wholesale sales expressed in volume are calculated by deflating current dollar values using import and industry product price indexes. Since many of the goods sold by wholesalers are imported, fluctuations in the value of the Canadian dollar can have an important influence on the prices of goods bought and sold by wholesalers.*

*The wholesale sales series in chained (2002) dollars is a chained Fisher volume index with 2002 as the reference year.*

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

	February 2011	January 2012 <sup>r</sup>	February 2012 <sup>p</sup>	January to February 2012	February 2011 to February 2012
	millions of dollars			% change	
<b>Total, wholesale sales</b>	<b>45,366</b>	<b>47,756</b>	<b>48,528</b>	<b>1.6</b>	<b>7.0</b>
<b>Total, excluding motor vehicle and parts wholesalers</b>	<b>38,214</b>	<b>40,245</b>	<b>40,813</b>	<b>1.4</b>	<b>6.8</b>
<b>Farm product</b>	<b>529</b>	<b>626</b>	<b>647</b>	<b>3.4</b>	<b>22.5</b>
<b>Food, beverage and tobacco</b>	<b>8,743</b>	<b>9,320</b>	<b>9,309</b>	<b>-0.1</b>	<b>6.5</b>
Food	7,783	8,314	8,326	0.1	7.0
Beverage	444	496	485	-2.3	9.3
Cigarette and tobacco product	517	510	498	-2.4	-3.6
<b>Personal and household goods</b>	<b>6,726</b>	<b>7,002</b>	<b>7,167</b>	<b>2.3</b>	<b>6.5</b>
Textile, clothing and footwear	910	945	914	-3.2	0.4
Home entertainment equipment and household appliance	614	742	833	12.3	35.8
Home furnishings	401	439	442	0.8	10.4
Personal goods	770	758	742	-2.1	-3.6
Pharmaceuticals and pharmacy supplies	3,379	3,461	3,568	3.1	5.6
Toiletries, cosmetics and sundries	653	658	667	1.4	2.2
<b>Motor vehicle and parts</b>	<b>7,152</b>	<b>7,511</b>	<b>7,715</b>	<b>2.7</b>	<b>7.9</b>
Motor vehicle	5,242	5,561	5,748	3.4	9.6
New motor vehicle parts and accessories	1,861	1,905	1,924	1.0	3.4
Used motor vehicle parts and accessories	49	45	44	-3.4	-10.4
<b>Building material and supplies</b>	<b>6,473</b>	<b>6,525</b>	<b>6,671</b>	<b>2.2</b>	<b>3.1</b>
Electrical, plumbing, heating and air-conditioning equipment and supplies	2,085	2,082	2,150	3.3	3.1
Metal service centres	1,369	1,544	1,518	-1.7	10.9
Lumber, millwork, hardware and other building supplies	3,019	2,899	3,002	3.5	-0.5
<b>Machinery, equipment and supplies</b>	<b>9,523</b>	<b>10,402</b>	<b>10,578</b>	<b>1.7</b>	<b>11.1</b>
Farm, lawn and garden machinery and equipment	1,086	1,184	1,205	1.8	11.0
Construction, forestry, mining, and industrial machinery, equipment and supplies	3,152	3,723	3,815	2.5	21.0
Computer and communications equipment and supplies	2,890	3,063	3,132	2.3	8.4
Other machinery, equipment and supplies	2,396	2,433	2,425	-0.3	1.2
<b>Miscellaneous</b>	<b>6,220</b>	<b>6,369</b>	<b>6,442</b>	<b>1.1</b>	<b>3.6</b>
Recyclable material	828	879	857	-2.5	3.5
Paper, paper product and disposable plastic product	883	910	948	4.1	7.3
Agricultural supplies	1,511	1,513	1,561	3.2	3.3
Chemical (except agricultural) and allied product	1,079	1,188	1,197	0.7	10.9
Other miscellaneous	1,918	1,879	1,879	0.0	-2.1

<sup>r</sup> revised

<sup>p</sup> preliminary

**Note(s):** Figures may not add to totals because of rounding.

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

	February 2011	January 2012 <sup>r</sup>	February 2012 <sup>p</sup>	January to February 2012	February 2011 to February 2012
	millions of dollars			% change	
<b>Canada</b>	<b>45,366</b>	<b>47,756</b>	<b>48,528</b>	<b>1.6</b>	<b>7.0</b>
Newfoundland and Labrador	311	348	371	6.5	19.1
Prince Edward Island	45	50	47	-5.9	3.9
Nova Scotia	628	688	695	1.0	10.6
New Brunswick	500	499	501	0.5	0.3
Quebec	8,603	9,012	9,006	-0.1	4.7
Ontario	22,750	23,426	23,827	1.7	4.7
Manitoba	1,211	1,280	1,301	1.7	7.5
Saskatchewan	1,646	1,734	1,838	6.0	11.7
Alberta	5,409	6,283	6,329	0.7	17.0
British Columbia	4,194	4,357	4,536	4.1	8.2
Yukon	12	13	11	-9.8	-6.8
Northwest Territories	51	57	59	3.3	16.7
Nunavut	6	9	6	-31.5	-8.2

<sup>r</sup> revised

<sup>p</sup> preliminary

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

**Table 3**  
**Wholesale merchants' inventories by industry – Seasonally adjusted**

	February 2011	January 2012 <sup>r</sup>	February 2012 <sup>p</sup>	January to February 2012	February 2011 to February 2012
	millions of dollars			% change	
<b>Total, wholesale inventories</b>	<b>53,703</b>	<b>58,332</b>	<b>58,978</b>	<b>1.1</b>	<b>9.8</b>
Farm product	173	208	200	-3.9	15.3
Food	4,362	4,936	5,028	1.8	15.3
Beverage	268	264	260	-1.5	-3.1
Cigarette and tobacco product	238	216	212	-1.8	-11.0
Textile, clothing and footwear	1,814	1,938	1,918	-1.0	5.7
Home entertainment equipment and household appliance	767	747	744	-0.4	-3.0
Home furnishings	957	934	930	-0.4	-2.8
Personal goods	1,367	1,553	1,541	-0.8	12.7
Pharmaceuticals and pharmacy supplies	4,022	4,442	4,487	1.0	11.6
Toiletries, cosmetics and sundries	609	713	753	5.6	23.7
Motor vehicle	3,418	3,656	3,723	1.9	8.9
New motor vehicle parts and accessories	3,131	3,257	3,310	1.6	5.7
Used motor vehicle parts and accessories	80	95	97	2.7	20.9
Electrical, plumbing, heating and air-conditioning equipment and supplies	2,897	3,025	3,036	0.4	4.8
Metal service centres	2,871	3,060	3,109	1.6	8.3
Lumber, millwork, hardware and other building supplies	4,595	4,390	4,471	1.8	-2.7
Farm, lawn and garden machinery and equipment	3,120	3,447	3,450	0.1	10.6
Construction, forestry, mining, and industrial machinery, equipment and supplies	7,116	8,690	8,873	2.1	24.7
Computer and communications equipment and supplies	1,476	1,562	1,588	1.7	7.6
Other machinery, equipment and supplies	3,237	3,265	3,274	0.3	1.1
Recyclable material	542	558	546	-2.2	0.6
Paper, paper product and disposable plastic product	632	746	755	1.3	19.4
Agricultural supplies	2,543	3,009	2,991	-0.6	17.6
Chemical (except agricultural) and allied product	918	986	960	-2.6	4.6
Other miscellaneous	2,549	2,637	2,725	3.3	6.9

<sup>r</sup> revised

<sup>p</sup> preliminary

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

**Available without charge in CANSIM: tables 081-0011 to 081-0013.**

**Definitions, data sources and methods: survey number 2401.**

The February 2012 issue of *Wholesale Trade* (63-008-X, free) will soon be available.

Wholesale trade data for March will be released on May 17.

To obtain data or for more information, contact Client Services (toll-free 1-877-421-3067; 613-951-3549; wholesaleinfo@statcan.gc.ca). To enquire about the concepts, methods or data quality of this release, contact Karim El hassani (613-951-0608; karim.elhassani@statcan.gc.ca), Distributive Trades Division.

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## Study: The role of natural resources in real income growth, 1870 to 2010

Driven by changes in natural resource prices, increases in Canada's 'terms of trade'—the ratio of export prices to import prices—have had a positive influence on Canada's standard of living during the past 140 years.

Increases in the terms of trade occur when export prices rise faster than import prices. As a result, exports can be exchanged for more imports. This raises the volume of goods and services Canadians can purchase, which supports consumption and investment, and thereby increases material standards of living beyond the changes in production captured by real gross domestic product (GDP) per capita.

The long-run improvement in Canada's terms of trade generated increases in real gross national income (GNI) per capita for Canadians that were larger than the increases in GDP per capita. Between 1870 and 2010, cumulative real GNI per capita growth was 18% larger than the cumulative growth in real GDP per capita.

Real GDP per capita is a measure of the production per person generated within a country. It is the usual measure employed to look at economic growth. Real GNI per capita is an alternative measure that looks at the purchases per person that a country can make with the income its citizens earn through productive activities, regardless of where that production occurs.

This study compared the growth in real GDP per capita with real GNI per capita between 1870 and 2010. During this period, a succession of natural resource products supported economic development and long-term increases in the terms of trade.

According to the study, real GDP and real GNI have shown different pictures of economic growth in Canada during particular periods because of the effect of resource price cycles. For example, between 2002 and 2007, real GNI per capita increased at an annual average rate of 3.1%, nearly double the 1.6% annual rate in GDP per capita.

This study also showed that although the terms of trade had cycles, there was a long-run upward trend. While increases in terms of trade were followed by decreases, the decreases were not sufficiently large to fully undo the effect of most of the gains. By 2010, this had generated a cumulative increase in the terms of trade of more than 90%. As a result, between 1870 and 2010, real GDP per capita grew at 1.87% per year, 0.12 percentage points slower than the 1.99% growth in real GNI per capita.

### Available without charge in CANSIM: tables 383-0027 and 383-0028.

The research paper "Natural Resources, the Terms of Trade, and Real Income Growth in Canada: 1870 to 2010", part of the *Economic Analysis Research Paper* series (11F0027M2012079, free), is now available from the *Key resource* module of our website under *Publications*.

Highlights of the findings of this paper are available in the article "The Role of Natural Resources in Real Income Growth in Canada, 1870 to 2010", part of the *Economic Insights* series (11-626-X2012006, free), from the *Key resource* module of our website, under *Publications*.

Similar studies from the Economic Analysis Division are available online ([www.statcan.gc.ca/economicanalysis](http://www.statcan.gc.ca/economicanalysis)).

For more information, or to enquire about the concepts, methods or data quality of this release, contact John Baldwin (613-951-8588) or Ryan Macdonald (613-951-5687), Economic Analysis Division.



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## Investment in new housing construction, February 2012

Data on the investment in new housing construction (including single dwellings, semi-detached dwellings, row housing, apartments and condominiums) are now available for February.

**Available without charge in CANSIM: table 026-0017.**

**Definitions, data sources and methods: survey number 5155.**

For more information, contact Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)).

To order data, or to enquire about the concepts, methods or data quality of this release, contact Mariane Nozière Bien-Aimé (613-951-7520), Investment, Science and Technology Division.

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## **Stocks of frozen eggs and poultry meats and edible dried egg products, April 1, 2012 (preliminary data)**

Data on stocks of frozen eggs and poultry meats and edible dried egg products in storage as of April 1 are now available.

**Available without charge in CANSIM: tables 003-0023 and 003-0024.**

**Definitions, data sources and methods: survey number 3425.**

For more information, contact Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)).

To enquire about the concepts, methods or data quality of this release, contact Emily Makosky (613-951-2442), Agriculture Division.

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## **Production of poultry and eggs, February 2012 (preliminary data)**

Data on the production of poultry and eggs are now available for February.

**Definitions, data sources and methods: survey number 5039.**

For more information, contact Statistics Canada's National Contact Centre  
(toll-free 1-800-263-1136; 613-951-8116; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)).

To enquire about the concepts, methods or data quality of this release, contact Emily Makosky  
(613-951-2442), Agriculture Division.

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## Primary iron and steel, February 2012

Data on primary iron and steel are now available for February.

**Available without charge in CANSIM: tables 303-0048 to 303-0051.**

**Definitions, data sources and methods: survey numbers 2116 and 2184.**

The February 2012 issue of *Steel, Tubular Products and Steel Wire* (41-019-X, free) will soon be available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or the Media Hotline (613-951-4636; [mediahotline@statcan.gc.ca](mailto:mediahotline@statcan.gc.ca)).

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## Industrial research and development characteristics, 1997 to 2009

Industrial research and development data for the provinces by industry are now available for 1997 to 2009.

**Available without charge in CANSIM: table 358-0161.**

**Definitions, data sources and methods: survey number 4201.**

The annual edition *Industrial Research and Development: Intentions, 2011* (88-202-X, free), is also available from the *Key resource* module of our website under *Publications*.

For more information, contact Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)).

To enquire about the concepts, methods or data quality of this release, contact Charlene Lonmo (613-951-6617), Investment, Science and Technology Division.

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## New products and studies

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### New products

**Canadian Economic Observer**, April 2012, Vol. 25, no. 4  
Catalogue number 11-010-X (free online; Print, \$25/\$243)

**Industrial Research and Development: Intentions, 2011**  
Catalogue number 88-202-X (HTML, free | PDF, free)

### New studies

**Economic Insights: "The Role of Natural Resources in Real Income Growth in Canada, 1870 to 2010"**, No. 6  
Catalogue number 11-626-X2012006 (HTML, free | PDF, free)

**Economic Analysis (EA) Research Paper Series: "Natural Resources, the Terms of Trade, and Real Income Growth in Canada: 1870 to 2010"**, No. 79  
Catalogue number 11F0027M2012079 (HTML, free | PDF, free)



### **Statistics Canada's official release bulletin**

Catalogue 11-001-X.

Published each working day by the Communications Division, Statistics Canada, 10G, R.H. Coats Building, 100 Tunney's Pasture Driveway, Ottawa, Ontario K1A 0T6.

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