

# Wholesale trade, August 2014

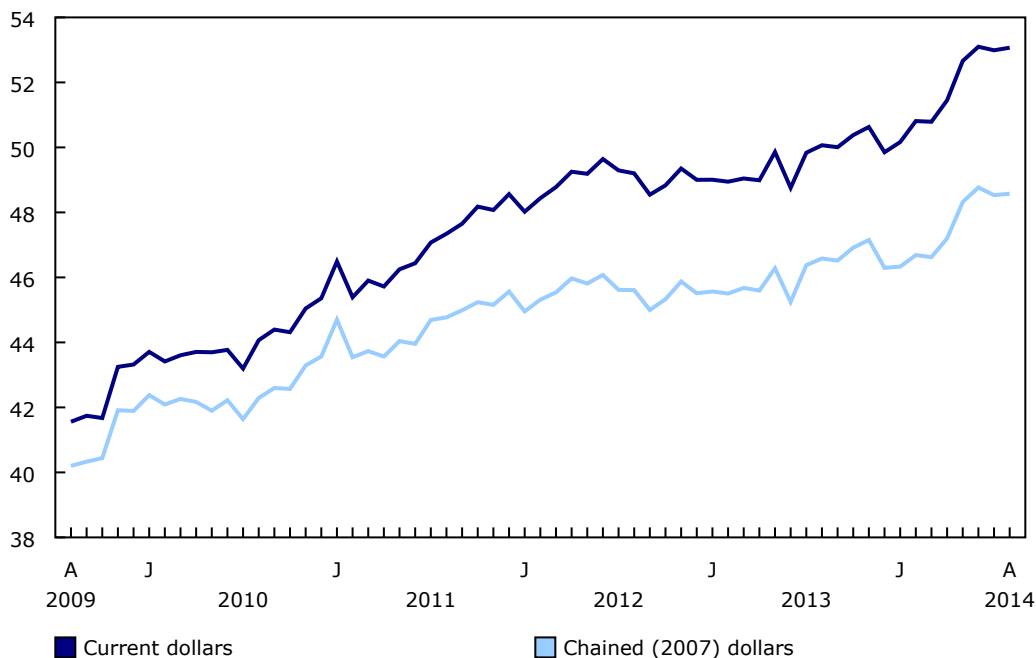
Released at 8:30 a.m. Eastern time in *The Daily*, Monday, October 20, 2014

Wholesale sales edged up 0.2% to \$53.1 billion in August. Gains in three subsectors, in particular the machinery, equipment and supplies subsector, more than offset declines elsewhere. Excluding the motor vehicle and parts subsector, which recorded the largest decline, wholesale sales rose 1.0%.

In volume terms, wholesale sales edged up 0.1%.

**Chart 1**  
**Wholesale sales edge up in August**

billions of dollars



## Higher sales in three subsectors

The machinery, equipment and supplies subsector recorded the largest gain in August, rising 3.6% to a record high \$11.3 billion, on the strength of gains in all industries. The largest contributor was the computer and communications equipment and supplies industry (+5.7%), which rose for the fourth time in five months. Following declines in the two previous months, sales rose in both the construction, forestry, mining, and industrial machinery, equipment and supplies industry (+2.7%) as well as the farm, lawn and garden machinery and equipment industry (+5.1%).

Sales in the miscellaneous subsector rose 1.2% to \$6.7 billion. The other miscellaneous industry (+7.4%), which includes wholesalers of logs, wood chips, minerals, ores and precious metals, reached its highest level since October 2011, more than offsetting a second consecutive decline in the agricultural supplies industry (-6.3%), which fell to its lowest level in nine months.



The motor vehicle and parts subsector declined 3.7% to \$9.2 billion, offsetting most of the 4.5% increase recorded in July. Year to date unadjusted sales for this subsector are 5.4% higher compared with the same period last year. All industries contributed to the decrease in August, led by the motor vehicle industry (-4.2%). Exports, imports, and manufacturing sales of motor vehicles also declined in August.

### **Sales up in four provinces**

Sales increased in four provinces in August, which together represented 67% of total wholesale sales in Canada. Ontario accounted for much of the gain.

Sales in Ontario increased for a fifth consecutive month, rising 0.5% to \$26.0 billion in August, despite a decline in the motor vehicle and parts subsector. One of the main contributors to the increase in August was the machinery, equipment and supplies subsector.

In Newfoundland and Labrador, sales increased 10.6% to \$422 million. Sales in this province tend to be more volatile than in other provinces.

Sales rose 1.1% to \$2.0 billion in Saskatchewan, following a 6.3% decline in July. The machinery, equipment and supplies subsector was a large contributor to the gain.

Following three consecutive monthly gains, sales decreased 0.5% to \$9.6 billion in Quebec. The personal and household goods subsector led the decline.

Sales in British Columbia fell 0.6% to \$5.1 billion, a third consecutive decline. The food, beverage and tobacco subsector was the largest contributor to the decrease.

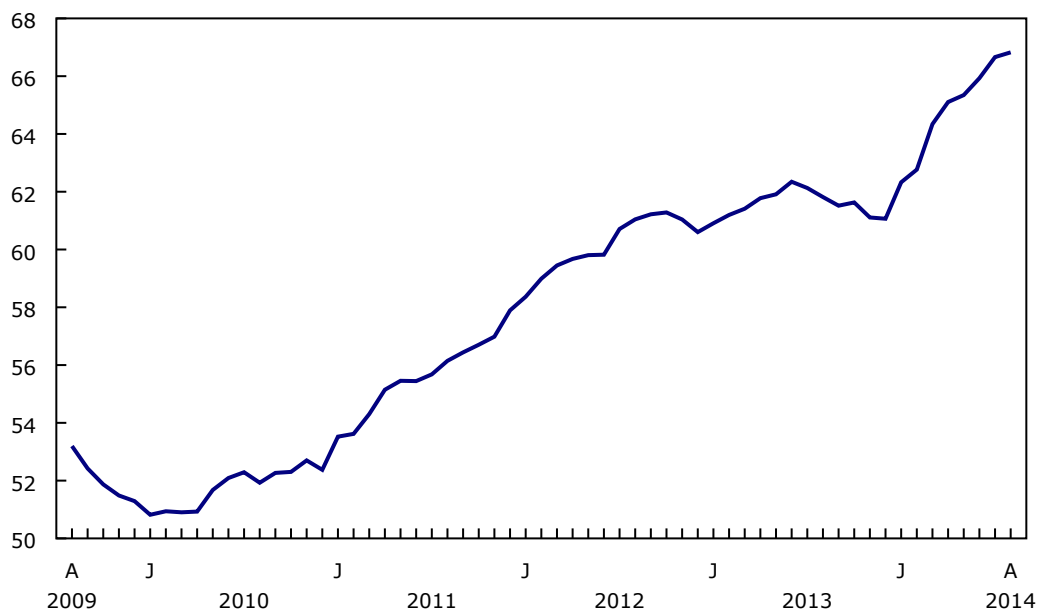
For the second time in three months, sales decreased in New Brunswick (-1.7%), Nova Scotia (-0.9%) and Prince Edward Island (-4.2%). Lower sales in the food, beverage and tobacco subsector led the declines in all three provinces.

### **Inventories continue to increase in August**

Inventories increased for an eighth consecutive month in August, edging up 0.2% to \$66.8 billion, the highest level on record. Five of the seven subsectors, which represent 69% of wholesale inventories, recorded gains.

**Chart 2**  
**Wholesale inventories edge up in August**

billions of dollars



In dollar terms, the largest gain was in the machinery, equipment and supplies subsector (+0.8%), a seventh increase in eight months. Inventories grew for a seventh consecutive month in the miscellaneous subsector (+1.1%), while inventories in the food, beverage and tobacco subsector (+0.4%) rose for a sixth consecutive month.

Inventories declined in the motor vehicle and parts subsector (-1.3%), following two consecutive monthly gains.

The inventory-to-sales ratio remained at 1.26 in August. 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 data in this release are seasonally adjusted and in current dollars, unless otherwise noted. For more information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

Total wholesale sales expressed in volume are calculated by deflating current dollar values using relevant price indexes. The wholesale sales series in chained (2007) dollars is a chained Fisher volume index with 2007 as the reference year. For more information, see [Sales in volume for Wholesale Trade](#).

The Monthly Wholesale Trade Survey covers all industries within the wholesale 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).

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

	August 2013	July 2014 <sup>r</sup>	August 2014 <sup>p</sup>	July to August 2014	August 2013 to August 2014
	millions of dollars			% change	
<b>Total, wholesale sales (current dollars)</b>	<b>50,066</b>	<b>52,988</b>	<b>53,068</b>	<b>0.2</b>	<b>6.0</b>
<b>Total, wholesale sales (2007 chained dollars)</b>	<b>46,582</b>	<b>48,531</b>	<b>48,576</b>	<b>0.1</b>	<b>4.3</b>
<b>Total wholesale sales (current dollars), excluding motor vehicle and parts</b>	<b>41,442</b>	<b>43,451</b>	<b>43,881</b>	<b>1.0</b>	<b>5.9</b>
Farm product	556	694	685	-1.4	23.2
Food, beverage and tobacco	9,783	10,259	10,293	0.3	5.2
Food	8,785	9,246	9,293	0.5	5.8
Beverage	495	494	492	-0.5	-0.7
Cigarette and tobacco product	503	519	508	-2.1	0.9
Personal and household goods	7,227	7,338	7,275	-0.9	0.7
Textile, clothing and footwear	980	917	898	-2.1	-8.5
Home entertainment equipment and household appliance	738	761	756	-0.7	2.5
Home furnishings	473	491	479	-2.5	1.4
Personal goods	718	695	719	3.5	0.2
Pharmaceuticals and pharmacy supplies	3,614	3,800	3,745	-1.4	3.6
Toiletries, cosmetics and sundries	704	672	677	0.7	-3.9
Motor vehicle and parts	8,624	9,537	9,188	-3.7	6.5
Motor vehicle	6,519	7,224	6,921	-4.2	6.2
New motor vehicle parts and accessories	2,052	2,256	2,213	-1.9	7.8
Used motor vehicle parts and accessories	53	57	54	-5.5	1.9
Building material and supplies	6,986	7,603	7,600	0.0	8.8
Electrical, plumbing, heating and air-conditioning equipment and supplies	2,161	2,341	2,356	0.7	9.1
Metal service centres	1,559	1,747	1,753	0.3	12.4
Lumber, millwork, hardware and other building supplies	3,266	3,515	3,491	-0.7	6.9
Machinery, equipment and supplies	10,763	10,948	11,338	3.6	5.3
Farm, lawn and garden machinery and equipment	1,289	1,255	1,320	5.1	2.4
Construction, forestry, mining, and industrial machinery, equipment and supplies	3,667	3,811	3,912	2.7	6.7
Computer and communications equipment and supplies	3,250	3,353	3,544	5.7	9.1
Other machinery, equipment and supplies	2,557	2,529	2,562	1.3	0.2
Miscellaneous	6,127	6,608	6,690	1.2	9.2
Recyclable material	620	833	866	4.0	39.6
Paper, paper product and disposable plastic product	895	872	907	4.0	1.3
Agricultural supplies	1,592	1,840	1,724	-6.3	8.3
Chemical (except agricultural) and allied product	1,165	1,202	1,196	-0.5	2.6
Other miscellaneous	1,855	1,861	1,998	7.4	7.7

<sup>r</sup> revised

<sup>p</sup> preliminary

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

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

	August 2013	July 2014 <sup>r</sup>	August 2014 <sup>P</sup>	July to August 2014	August 2013 to August 2014
	millions of dollars			% change	
<b>Canada</b>	<b>50,066</b>	<b>52,988</b>	<b>53,068</b>	<b>0.2</b>	<b>6.0</b>
Newfoundland and Labrador	370	382	422	10.6	14.1
Prince Edward Island	52	58	56	-4.2	8.1
Nova Scotia	689	756	749	-0.9	8.8
New Brunswick	507	526	517	-1.7	2.0
Quebec	9,455	9,620	9,571	-0.5	1.2
Ontario	24,224	25,852	25,977	0.5	7.2
Manitoba	1,350	1,480	1,450	-2.0	7.4
Saskatchewan	1,821	1,996	2,018	1.1	10.8
Alberta	6,594	7,140	7,147	0.1	8.4
British Columbia	4,892	5,113	5,084	-0.6	3.9
Yukon	12	11	11	6.5	-1.7
Northwest Territories	55	50	59	16.7	5.9
Nunavut	45	5	8	57.3	-83.0

<sup>r</sup> revised

<sup>P</sup> preliminary

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

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

	August 2013	July 2014 <sup>r</sup>	August 2014 <sup>p</sup>	July to August 2014	August 2013 to August 2014
	millions of dollars			% change	
<b>Total, wholesale inventories</b>	<b>61,816</b>	<b>66,661</b>	<b>66,825</b>	<b>0.2</b>	<b>8.1</b>
Farm product	F	F	F	F	F
Food, beverage and tobacco	5,535	6,110	6,136	0.4	10.9
Food	4,966	5,508	5,532	0.4	11.4
Beverage	340	359	360	0.4	5.9
Cigarette and tobacco product	228	243	243	0.1	6.4
Personal and household goods	10,750	11,546	11,558	0.1	7.5
Textile, clothing and footwear	1,973	2,059	2,083	1.1	5.6
Home entertainment equipment and household appliance	747	721	748	3.8	0.2
Home furnishings	1,070	1,183	1,175	-0.7	9.9
Personal goods	1,426	1,354	1,345	-0.7	-5.6
Pharmaceuticals and pharmacy supplies	4,817	5,502	5,474	-0.5	13.6
Toiletries, cosmetics and sundries	718	726	732	0.9	1.9
Motor vehicle and parts	8,466	9,057	8,942	-1.3	5.6
Motor vehicle	4,526	4,939	4,718	-4.5	4.2
New motor vehicle parts and accessories	3,825	4,007	4,112	2.6	7.5
Used motor vehicle parts and accessories	115	111	112	0.8	-2.9
Building material and supplies	11,180	11,830	11,822	-0.1	5.7
Electrical, plumbing, heating and air-conditioning equipment and supplies	2,984	3,157	3,152	-0.1	5.6
Metal service centres	3,346	3,559	3,590	0.9	7.3
Lumber, millwork, hardware and other building supplies	4,850	5,114	5,079	-0.7	4.7
Machinery, equipment and supplies	17,871	19,247	19,392	0.8	8.5
Farm, lawn and garden machinery and equipment	3,981	4,230	4,269	0.9	7.3
Construction, forestry, mining, and industrial machinery, equipment and supplies	9,046	9,781	9,768	-0.1	8.0
Computer and communications equipment and supplies	1,568	1,739	1,751	0.7	11.7
Other machinery, equipment and supplies	3,277	3,497	3,604	3.1	10.0
Miscellaneous	7,782	8,620	8,718	1.1	12.0
Recyclable material	525	548	563	2.7	7.2
Paper, paper product and disposable plastic product	685	715	721	0.8	5.3
Agricultural supplies	3,047	3,736	3,810	2.0	25.0
Chemical (except agricultural) and allied product	1,004	1,187	1,172	-1.3	16.7
Other miscellaneous	2,521	2,433	2,452	0.7	-2.8

<sup>r</sup> revised

<sup>p</sup> preliminary

F too unreliable to be published

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

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**Available in CANSIM: tables [081-0011](#), [081-0012](#) and [081-0015](#).**

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

The August 2014 issue of *Wholesale Trade* ([63-008-X](#)) will soon be available.

Wholesale trade data for September will be released on November 20.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)).

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