

The Daily

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MAJOR RELEASES

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 Wholesale sales rebounded in March, continuing their long-term gradual rise. Wholesalers sold \$31.6 billion in goods, up 2.0% from February. It was the largest monthly percentage increase since October 1998 (+3.2%).
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MAJOR RELEASES

Wholesale trade

March 2000 (preliminary)

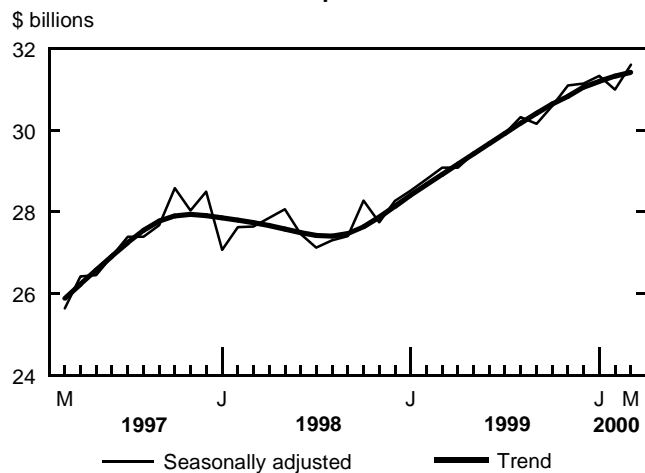
Wholesale sales rebounded in March, continuing their long-term gradual rise. Wholesalers sold \$31.6 billion in goods, up 2.0% from February. It was the largest monthly percentage increase since October 1998 (+3.2%).

The March advance was broadly based, as 10 of 11 trade groups reported increases. Only wholesalers of computers, packaged software and other electronic machinery reported a decline in sales (-0.6%).

The March results end the first quarter of 2000 with sales of \$93.9 billion, up 1.2% over the last quarter of 1999.

Except for a sluggish period from late 1997 to mid-1998, wholesale sales have been rising for several years. However, the rate of growth subsided during the first quarter of 2000, which marked the first time since the fourth quarter of 1998 that the quarterly increase has slipped below 2%.

Wholesale sales in first quarter 2000 up over first quarter 1999



Increased sales in most sectors

Wholesalers in all groups, except for the computer sector, reported higher sales in March. In dollar terms, wholesalers in four sectors accounted for almost 75% of the \$616 million increase, each showing notable monthly percentage increases. They include wholesalers in the

farm machinery (+\$134 million), industrial machinery (+\$114 million), lumber (+\$112 million) and automotive (+\$91 million) sectors.

Wholesalers of farm machinery posted a 27.5% increase in sales in March, on the heels of a 17.6% drop in February. March's strength came from wholesalers in Ontario and Quebec, who had recorded depressed sales in February. Despite the March increase, sales in this group have generally been declining since the fall of 1997.

Similarly, wholesalers' inventories in this group have been declining since the fall of 1998. With a 0.2% drop in March, inventories are almost 9% smaller than they were a year ago.

In contrast, wholesalers of industrial machinery, equipment and supplies posted a 2.4% increase in March, their fifth consecutive monthly rise. Sales by Ontario wholesalers of office and store machinery was the chief contributor. Sales by wholesalers of industrial machinery, equipment and supplies have generally been increasing for several years, except for a period of decline between the end of 1997 and the fall of 1998. The last three quarters have seen consistently strong advances of more than 3%. March sales are almost 14% above those of March 1999.

Wholesalers of lumber and building materials sold 4.6% more in March than in February, which almost offsets February's 5.2% decline from January. This occurred in conjunction with a 3.3% jump in shipments by manufacturers of wood products.

Sales in the first quarter of 2000 were 2.5% above the final quarter of 1999, the seventh consecutive quarterly increase, and 24.0% above the second quarter of 1998. This is the longest string of increases across all the sectors.

Several factors may have contributed to this result. Residential construction activity remains at historically high levels, despite the drop in housing starts in Canada and the United States in March. Rising employment and earnings and fears of further interest rate hikes may explain the continued strong demand for new housing. Sales by wholesalers of lumber and building materials have been generally rising since mid-1998, but the rate of increase has subsided in recent months.

In the automotive sector, wholesale sales rose 1.5% in March. This follows two months of increases of only 0.1% each. Quebec wholesalers made a significant contribution to the advance this month.

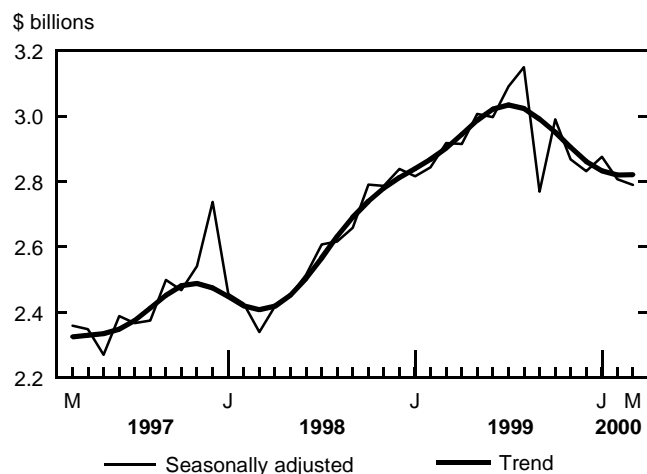
Sales for the first quarter of 2000 were 0.8% higher, the sixth quarterly increase in a row, however increases in the other quarters ranged from 2.0% to 8.2%.

The value of inventories held by wholesalers in the auto sector fell 2.3% in March, the first decline in six months, though the general tendency for inventories remains upward.

Wholesalers in the computer sector may still feel the Y2K effect

Wholesalers of computers, packaged software and other electronic machinery were the only group to post lower sales in March. Furthermore, they were the only wholesalers to show back-to-back quarterly decreases, 2.5% in the first quarter of 2000 and 3.6% in the fourth quarter of 1999. Wholesalers are still feeling the lingering effects of delayed spending by large corporate customers. Sales in this sector have generally been declining since late summer 1999, after a period of increasing sales that began in early 1998.

Wholesalers in the computer group looking for a turnaround



Wholesalers in Quebec recover to lead the way during March

In March, wholesalers in Quebec (+4.7%) and British Columbia (+2.6%) recovered from the setbacks they suffered in February of 3.9% and 3.1%, respectively.

In Quebec, wholesalers in the lumber and farm machinery sectors rebounded from poor February sales. Wholesalers in the auto sector in Quebec saw very strong sales in March. Since a brief slowdown in sales from late 1997 until the spring of 1998, sales by wholesalers in Quebec have generally risen.

In British Columbia, the March increase was based on strong sales by wholesalers in the food, auto, and

lumber sectors. British Columbia wholesalers have seen their sales generally climb since late 1998, though the rate of expansion has eased in recent months. Sales were up only 0.4% in the first quarter of 2000 compared with the final quarter of 1999.

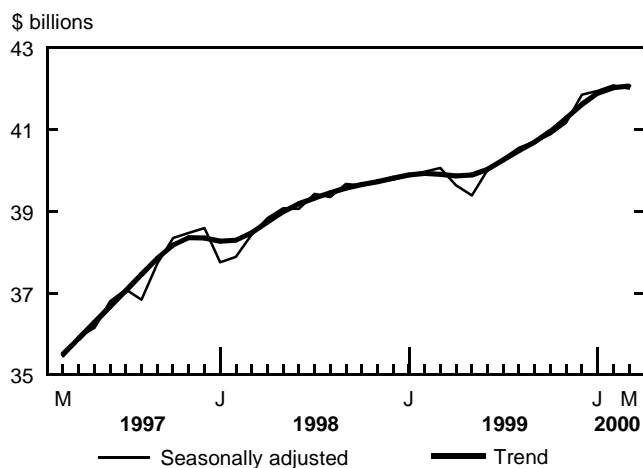
Wholesalers in all four Atlantic provinces saw their sales decline in March. The decreases ranged from 0.1% in New Brunswick to 1.8% on Prince Edward Island. Despite these recent setbacks, sales in these provinces been generally rising.

Value of inventories slips

For the first time since May 1999, inventories held by wholesalers at month's end decreased from the prior month, down 0.2% during March to \$42.0 billion.

Despite the March decline, inventories have been climbing; however, the pace has slowed in recent months. Except for a period of moderate gains from early 1998 until the spring of 1999, the overall value of inventories has been advancing strongly for several years.

Runup in inventories stalled in March



The inventory-to-sales ratio decreased from 1.36 in February to 1.33 in March. A shift of this magnitude has not occurred since November 1998. The change reflects the shrinking inventories and rising sales during March. The ratio peaked at about 1.45 in mid-1998 and fell by mid-1999 to the 1.35 range, where it has remained since.

Available on CANSIM: matrices 59, 61, 648-649.

The March 2000 issue of *Wholesale trade* (63-008-XIB, \$14/\$140) will be available shortly. See *How to order publications*.

For data or general information, contact the Client Services Unit (613-951-3549; 1-877-421-3067; wholesaleinfo@statcan.ca). To enquire about the

concepts, methods or data quality of this release, contact Greg Parsons (613-951-0062; parsons@statcan.ca), Distributive Trades Division.

Wholesale merchants' sales and inventories

	March 1999 ^r	Dec. 1999 ^r	Jan. 2000 ^r	Feb. 2000 ^r	March 2000 ^p	Feb. to March 2000	March 1999 to March 2000
seasonally adjusted							
	\$ millions					% change	
Sales, all trade groups	29,082	31,139	31,329	30,987	31,603	2.0	8.7
Food products	4,569	4,906	4,690	4,712	4,732	0.4	3.6
Beverage, drug and tobacco products	1,893	1,921	1,898	1,886	1,924	2.0	1.6
Apparel and dry goods	549	578	531	517	545	5.3	-0.8
Household goods	783	848	870	838	851	1.5	8.7
Motor vehicles, parts and accessories	5,342	6,143	6,147	6,152	6,243	1.5	16.9
Metals, hardware, plumbing and heating equipment and supplies	1,896	2,093	2,116	2,026	2,077	2.5	9.5
Lumber and building materials	2,280	2,556	2,581	2,447	2,559	4.6	12.3
Farm machinery, equipment and supplies	646	568	592	488	622	27.5	-3.6
Industrial and other machinery, equipment and supplies	4,305	4,628	4,734	4,781	4,895	2.4	13.7
Computers, packaged software and other electronic machinery	2,918	2,832	2,876	2,807	2,790	-0.6	-4.4
Other products	3,902	4,066	4,294	4,332	4,364	0.7	11.9
Sales by province and territory							
Newfoundland	207	215	223	224	222	-1.0	7.2
Prince Edward Island	49	51	50	53	52	-1.8	6.1
Nova Scotia	545	582	530	581	575	-1.1	5.4
New Brunswick	370	404	403	398	398	-0.1	7.5
Quebec	5,994	6,395	6,364	6,117	6,407	4.7	6.9
Ontario	14,481	15,465	15,558	15,491	15,667	1.1	8.2
Manitoba	888	876	895	889	872	-1.9	-1.8
Saskatchewan	808	822	915	955	966	1.2	19.6
Alberta	2,639	2,983	2,998	2,985	3,069	2.8	16.3
British Columbia	3,074	3,324	3,367	3,263	3,349	2.6	9.0
Yukon	11	10	10	10	10	0.8	-8.9
Northwest Territories	12	10	12	19	13	-31.1	10.0
Nunavut	3	2	3	3	2	-5.2	-4.4
Inventories, all trade groups	40,063	41,860	41,953	42,086	42,006	-0.2	4.9
Food products	2,672	2,824	2,898	2,829	2,871	1.5	7.5
Beverage, drug and tobacco products	2,212	2,409	2,343	2,383	2,387	0.2	7.9
Apparel and dry goods	1,247	1,184	1,145	1,146	1,110	-3.1	-11.0
Household goods	1,536	1,582	1,540	1,525	1,471	-3.5	-4.2
Motor vehicles, parts and accessories	5,627	6,386	6,430	6,612	6,458	-2.3	14.8
Metals, hardware, plumbing and heating equipment and supplies	3,516	3,740	3,726	3,792	3,771	-0.5	7.2
Lumber and building materials	3,607	3,996	4,014	4,052	4,070	0.4	12.8
Farm machinery, equipment and supplies	2,215	2,050	2,020	2,023	2,018	-0.2	-8.9
Industrial and other machinery, equipment and supplies	9,756	10,100	10,189	10,185	10,287	1.0	5.4
Computers, packaged software and other electronic machinery	2,360	2,464	2,500	2,469	2,462	-0.3	4.3
Other products	5,315	5,124	5,151	5,071	5,100	0.6	-4.0

^r Revised figures.

^p Preliminary figures.

OTHER RELEASES

Travel between Canada and other countries

March 2000

In March, the number of trips between Canada and other countries rose, compared with February, mostly due to the increase in travel between Canada and the United States. Foreigners made 4.2 million trips to Canada, up 2.3% from February, while the number of international trips by Canadians grew by 1.6% to 4.1 million. (Unless otherwise stated, data are seasonally adjusted.)

For the nineteenth consecutive month, the number of Americans who took overnight trips to Canada surpassed the number of Canadians travelling one or more nights to the United States. Americans stayed at least one night in Canada on more than 1.3 million occasions in March, up 1.5% from February. With slightly less than 1.3 million trips, Canadian overnight travel south of the border was up 0.9% compared with last month.

Canadians made 2.4 million car excursions to the United States in March, up 2.3% over February, while the number of similar trips by Americans to Canada increased 2.1% to 2.3 million. March is the eighth consecutive month that Canadians made more same-day car trips to the United States than Americans made to Canada. During those eight months, the Canadian dollar gained 2.2% against the U.S. dollar, up from US\$0.67 in August 1999 to US\$0.68 in March 2000.

Travel between Canada and overseas countries declined in March. Canadians made 355,000 overnight trips to overseas destinations, 0.8% fewer than in February. The number of overnight trips to Canada from overseas countries fell for the second consecutive month, dropping 2.4% to 360,000.

Among travellers from Canada's most important overseas markets, residents from South Korea (+54.0%), Taiwan (+29.0%) and the Netherlands (+15.9%) made substantially more overnight trips to Canada in March 2000 than in March 1999. Travellers from Mexico (-28.7%) and Hong Kong (-21.4%) recorded the largest drops in overnight trips to Canada (unadjusted data).

Note: Month-to-month comparisons use seasonally adjusted data. Year-over-year comparisons use unadjusted data.

Travel between Canada and other countries

	Feb. 2000 ^r	March 2000 ^p	Feb. to March 2000	March 2000 ^p	March 1999 to March 2000
	seasonally adjusted			unadjusted	
	'000	% change		'000	% change
Canadian trips abroad¹	4,047	4,111	1.6	4,258	9.1
Same-day car trips to the United States	2,317	2,369	2.3	2,281	9.0
Total trips, one or more nights	1,631	1,640	0.6	1,892	9.0
United States ²	1,274	1,286	0.9	1,380	14.0
Car	715	725	1.4	693	14.0
Plane	443	441	-0.4	614	14.0
Other modes of transportation	116	119	3.0	72	15.0
Other countries ³	357	355	-0.8	512	-2.0
Travel to Canada¹	4,096	4,189	2.3	3,101	3.0
Same-day car trips from the United States	2,248	2,295	2.1	1,981	2.0
Total trips, one or more nights	1,681	1,692	0.6	1,003	5.0
United States ²	1,312	1,331	1.5	787	5.0
Car	834	850	1.9	467	8.0
Plane	321	321	0.1	253	1.0
Other modes of transportation	157	160	2.1	67	4.0
Other countries ³	369	360	-2.4	216	2.0
Most important overseas markets					
United Kingdom	..	..	..	47	-5.5
Japan	..	..	..	27	-6.2
France	..	..	..	17	6.3
Germany	..	..	..	15	-7.2
Taiwan	..	..	..	9	29.0
Australia	..	..	..	8	-0.4
Hong Kong	..	..	..	6	-21.4
Mexico	..	..	..	6	-28.7
Netherlands	..	..	..	5	15.9
Italy	..	..	..	5	3.2
Switzerland	..	..	..	4	-0.8
South Korea	..	..	..	7	54.0

^r Revised figures.

^p Preliminary figures.

¹ Totals exceed the sum of same-day car trips and total trips, one or more nights because they include all of the same-day trips.

² Estimates for the United States include counts of cars and buses, and estimated numbers for planes, trains, boats and other methods.

³ Figures for other countries exclude same-day entries by land only, via the United States.

.. Figures not available.

Available on CANSIM: matrices 2661-2697, 5780-6049 and 8200-8329.

The March 2000 issue of *Touriscope, international travel* (66-001-PIB, \$6/\$55) is now available. See *How to order publications*.

For data requests, contact Pearl Bellefeuille (613-951-1674; fax: 613-951-2909; pearl.bellefeuille@statcan.ca). For more information, or to enquire about the concepts, methods or data quality of this release, contact Johanne Plante (613-951-1910; fax: 613-951-2909; johanne.plante@statcan.ca), Tourism Statistics Program. ■

For-hire trucking (commodity origin and destination)

First and second quarters 1999 (preliminary)

Preliminary data are now available from the For-hire Trucking (Commodity Origin and Destination) Survey for the first and second quarters of 1999.

Canada-based long-distance for-hire carriers hauled more than 133 million tonnes of freight in the first half of 1999, an increase of 16% from the same period in 1998.

Although domestic activities accounted for 74% of the total tonnage and 78% of the total shipments, transborder movements generated 46% of the total revenues earned and 47% of the total tonne-kilometres for these carriers.

Available on CANSIM: matrix 143.

More detailed information on data for 1999 will appear in a coming issue of the *Surface and marine transport: Service bulletin* (50-002-XIB, \$10/\$62). See *How to order publications*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Robert Laroque (613-951-2486; laroque@statcan.ca) or Yves Gauthier (613-951-0188; fax: 613-951-0579; gautyve@statcan.ca), Transportation Division. ■

Steel primary forms

March 2000

Steel primary forms production in March was 1 525 673 tonnes, an increase of 9.7% from 1 390 133 tonnes in March 1999.

Year-to-date production reached 4 368 604 tonnes, up 11.2% from 3 929 697 tonnes in the same period of 1999.

Available on CANSIM: matrix 58 (level 2, series 3).

For more information, or to enquire about the concepts, methods or data quality of this release, contact Andy Shinnan (613-951-3515; shinand@statcan.ca), Manufacturing, Construction and Energy Division. ■

Shipments of rolled steel

March 2000

Rolled steel shipments in March totalled 1 421 033 tonnes, up 10.9% from 1 280 962 tonnes in February and up 1.7% from 1 397 831 tonnes in March 1999.

Year-to-date shipments at the end of March totalled 3 973 459 tonnes, up 6.9% from 3 716 155 tonnes the previous year.

Available on CANSIM: matrices 58 and 122 (series 22-25).

For more information, or to enquire about the concepts, methods or data quality of this release, contact Andy Shinnan (613-951-3515; shinand@statcan.ca), Manufacturing, Construction and Energy Division. ■

Crushing statistics

April 2000

Canadian oilseed processors crushed 205 655 metric tonnes of canola in April, according to the monthly survey of crushing plants. Oil production totalled 85 154 tonnes, and meal production amounted to 127 725 tonnes.

In the first nine months of the 1999/2000 crop year, the canola crush volume was 2 270 701 tonnes, a 7.7% decline from the 2 461 288 tonnes crushed in the same nine months of 1998/99.

Available on CANSIM: matrix 5687.

The April 2000 issue of *Cereals and oilseeds review* (22-007-XPB, \$15/\$149; 22-007-XIB, \$11, \$112) will be released in July. See *How to order publications*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Les Macartney (613-951-8714; les.macartney@statcan.ca) or Karen Gray (204-983-2856; karen.gray@statcan.ca), Agriculture Division. ■

Stocks of frozen poultry meat

May 1, 2000 (preliminary)

Data for stocks of frozen poultry meat in cold storage on May 1 are now available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Sandra Gielfeldt (613-951-2505), Livestock and Animal Products Section, Agriculture Division. ■

Available on CANSIM: matrices 5675-5677.

PUBLICATIONS RELEASED

Primary iron and steel, March 2000
Catalogue number **41-001-XIB** (\$5/\$47).

Consumer price index, April 2000
Catalogue number **62-001-XPB** (\$11/\$103).
Available at 7:00 a.m. Thursday, May 18.

New motor vehicle sales, March 2000
Catalogue number **63-007-XIB** (\$13/\$124).

Touriscope, international travel, Vol. 16, no. 3
Catalogue number **66-001-PIB** (\$6/\$55).

All prices are in Canadian dollars and exclude sales tax. Additional shipping charges apply for delivery outside Canada.

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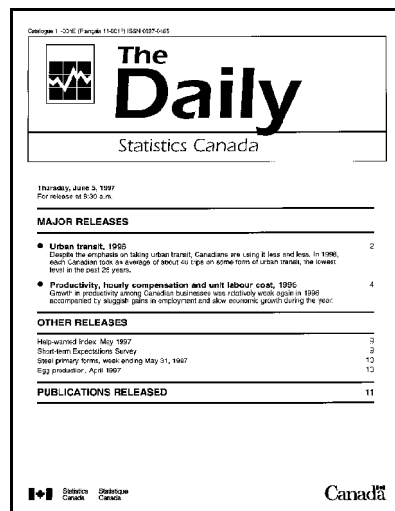
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