

# Statistics Canada

# Monday, August 21, 2000

For release at 8:30 a.m.

# **MAJOR RELEASES**

Retail trade, June 2000
 Retail sales advanced 0.8% in June to \$22.9 billion, following a 0.5% gain in May.

# **OTHER RELEASES**

Natural gas sales, June 2000

Shipments of solid fuel-burning heating products, second quarter 2000

NEW PRODUCTS

# NEW PRODUCTS 7



# **MAJOR RELEASES**

# Retail trade

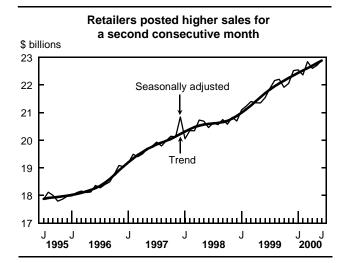
June 2000

Retail sales advanced 0.8% in June to \$22.9 billion, following a 0.5% gain in May. The gains of the last two months completely offset the 1.1% decline in April, bringing the level of retail sales slightly above the previous high of \$22.8 billion observed in March. In constant prices, retail sales advanced by 0.4% in June.

The automotive sector powered retail sales growth in May and June. Excluding the automotive sector, sales decreased 0.2% in May and increased 0.4% in June. Attractive financial incentives offered by manufacturers drove motor vehicle sales in June, and higher prices for petroleum products resulted in increased sales by gasoline service stations. These strong sales gains observed in the auto sector followed a significant decline in April.

All other retail sectors also saw rising sales in June, with the exception of furniture stores.

Despite a slow start in 2000, retailers have enjoyed generally strong sales increases since early 1996, except for a period of weaker gains in the spring and summer of 1998. In June, retail sales were 6.3% higher than in June 1999.



The economic fundamentals that affect retail sales remain strong. Disposable income advanced 5.0% in the first quarter of 2000 (the most recent period for which data are available) compared with the first quarter of 1999. However, interest rates increased three times

since the start of 2000; the Bank of Canada's Bank Rate rose from 5.0% in January to 6.0% in May.

#### Furniture stores led the second quarter results

In the second quarter, consumers increased their purchases in all retail stores by 0.7% compared with the previous quarter and by 6.2% compared with the second quarter of 1999. This rise is the ninth consecutive quarterly advance in retail sales.

Although furniture stores posted a decline in June, they ended the second quarter with strong sales. The largest gains in the second quarter were reported by retailers in the furniture (+2.1%), food (+1.9%) and drug (+1.2%) sectors. The remaining sectors posted little or no gains in the second quarter compared with the previous quarter.

#### Auto sector still in the driver's seat

In June, consumer spending in the automotive sector advanced 1.5% from May, following an identical increase in May from April. Gasoline service stations (+2.7%) and motor and recreational vehicle dealers (+1.9%) posted sales advances, while automotive parts, accessories and services stores reported a 2.3% decline in June. Higher gasoline prices (+6.3% in June) continued to push sales up in gasoline service stations. Advantageous incentives for motor vehicle purchases, such as zero-percent financing and large cash rebates, contributed to the increase in sales by auto dealers.

#### Back-to-back sales increases in clothing stores

Purchases in clothing stores increased by 1.0% in both May and June compared with the previous month. Within the sector, other clothing stores (+1.7%), which include family and children's clothing stores, led sales advances in June. Men's (+0.5%) and women's (+0.3%) clothing stores posted their second consecutive monthly gain in sales in June. Sales in the overall clothing sector have generally been increasing since early 1996.

In June, advancing sales in department stores (+1.6%) led to a 0.9% increase for the general merchandise sector. This was a third straight monthly gain in sales by stores in the sector. Within the sector, other general merchandise stores posted essentially unchanged sales in June, after a 0.9% increase in May. Due to restructuring in the department store industry, sales in the general merchandise sector have remained essentially unchanged since the summer of 1999.

In June, consumers reduced spending in furniture stores (-1.0%) after three months of increases. Sales in furniture stores have generally been advancing since the spring of 1996, posting the strongest growth of all retail sectors.

### Half the provinces posted large gains

Strong increases in retail sales were observed in Nova Scotia (+2.4%), British Columbia (+2.1%), Quebec (+1.1%), Alberta (+1.1%) and Newfoundland (+1.0%) in June. Retailers in the remaining provinces posted little or no change in sales.

British Columbia's 2.1% increase was a strong rebound after flat sales in the first five months of 2000; all sectors advanced except furniture. This healthy gain brought retail sales in British Columbia back to the upward movement that began in the fall of 1998.

In June, consumers in Nova Scotia and Quebec spent more in retail stores after two months of belt-tightening. In Nova Scotia, consumers reduced spending only in the food and furniture sectors. In Quebec, only food stores saw reduced sales. Retail sales in Nova Scotia have generally been increasing since the spring of 1997. In Quebec, the period of overall advances in retail sales started in the summer of 1998.

#### Related indicators for July

Reflecting slower growth in job creation in the last few months, total employment was nearly unchanged in July (-0.1%) for the second consecutive month. Preliminary figures from the auto industry indicate a decline in the number of new motor vehicles sold in July compared with June. However, after four monthly declines the number of housing starts in July jumped 22.6% from June.

Available on CANSIM: matrices 2399 and 2400 (main matrices), 2299, 2397, 2398, 2401-2416 and 2418-2420.

The June 2000 issue of *Retail trade* (63-005-XPB, \$21/\$206; 63-005-XIB, \$16/\$155) will be available soon. See *How to order products*.

Retail sales estimates for July will be released on September 21.

To order data, or for general information, contact the Client Services Unit (1-877-421-3067; 613-951-3549; retailinfo@statcan.ca). For analytical information, or to enquire about the concepts, methods or data quality of this release, contact Paul Gratton (613-951-3541; gratpau@statcan.ca), Distributive Trades Division.

Retail sales							
	June	March	April	May	June	May	June
	1999	2000 <sup>r</sup>	2000 <sup>r</sup>	2000 <sup>r</sup>	2000 <sup>p</sup>	to	1999
						June	to
						2000	June
							2000
_			seasonally	adjusted			
		;	\$ millions			% char	nge
Food	4,889	5,014	5,093	5,019	5,028	0.2	2.8
Supermarkets and grocery stores	4,525	4,641	4,718	4,647	4,657	0.2	2.9
All other food stores	363	373	375	371	370	-0.2	1.9
Orug and patent medicine stores	1,105	1,109	1,128	1,123	1,129	0.6	2.2
Clothing	1,173	1,259	1,224	1,236	1,248	1.0	6.4
Shoe stores	129	144	130	133	133	-0.2	2.7
Men's clothing stores	123	132	126	131	132	0.5	7.1
Women's clothing stores	369	390	371	382	383	0.3	3.9
Other clothing stores	552	593	596	590	600	1.7	8.8
Furniture	1,153	1,241	1,255	1,259	1,247	-1.0	8.1
Household furniture and appliance stores	946	1.012	1.024	1.027	1.019	-0.7	7.7
Household furnishings stores	207	229	231	232	227	-2.1	10.1
Automotive	8,393	9,253	8,949	9,081	9,213	1.5	9.8
Motor and recreational vehicle dealers	5,688	6,115	5,936	6,006	6,120	1.9	7.6
Gasoline service stations	1,468	1,813	1,770	1,779	1,827	2.7	24.5
Automotive parts, accessories and services	1,237	1,326	1,243	1,295	1,266	-2.3	2.3
General merchandise stores	2,490	2,536	2,557	2,564	2,588	0.9	3.9
Retail stores not elsewhere classified	2,336	2,428	2,391	2,427	2,441	0.6	4.5
Other semi-durable goods stores	709	727	710	715	723	1.1	2.1
Other durable goods stores	578	608	588	611	617	1.0	6.8
All other retail stores not elsewhere classified	1,050	1,093	1,092	1,101	1,101	0.0	4.8
otal, retail sales	21,539	22,840	22,596	22,708	22,893	8.0	6.3
otal excluding motor and recreational vehicle dealers	15,851	16,725	16,660	16,701	16,773	0.4	5.8
	13,031	10,723	10,000	10,701	10,773	0.4	3.6
Provinces and territories  Newfoundland	354	372	373	371	375	1.0	5.9
Prince Edward Island	97	101	104	103	103	0.1	5.8
Nova Scotia	692	707	697	694	711	2.4	2.8
New Brunswick	545	590	573	572	573	0.2	5.3
Quebec	5.011	5,307	5,170	5,151	5.207	1.1	3.9
Ontario	8,203	8,701	8,620	8,765	8,784	0.2	7.1
Manitoba	737	779	771	781	778	-0.3	5.5
Saskatchewan	640	679	664	677	679	0.4	6.2
Alberta	2,402	2,606	2,627	2,619	2,648	1.1	10.2
British Columbia	2,786	2,919	2,920	2,900	2,960	2.1	6.2
Yukon	28	29	29	29	29	-0.5	3.8
Northwest Territories	30	34	32	31	31	-1.5	1.8
Nunavut	15	16	15	15	15	2.6	5.5

Revised figures. Preliminary figures.

	June 1999	May 2000 <sup>r</sup>	June 2000 <sup>p</sup>	June 1999
	.000	2000	2000	to
				June 2000
		\$ millions		% change
ood	4,944	5,063	5,276	6.7
Supermarkets and grocery stores	4,565	4,682	4,885	7.0
All other food stores	379	381	391	3.0
rug and patent medicine stores	1,086	1,119	1,120	3.1
lothing	1,142	1,245	1,235	8.2
Shoe stores	140	155	144	2.2
Men's clothing stores	125	127	142	13.2
Women's clothing stores	373 503	409 554	387 563	3.7 12.0
Other clothing stores		554		
urniture	1,122	1,176	1,228	9.4
Household furniture and appliance stores	904	940	994	9.9
Household furnishings stores	218	236	235	7.6
utomotive	9,790	10,881	10,706	9.4
Motor and recreational vehicle dealers	6,890	7,560	7,364	6.9
Gasoline service stations	1,521	1,839	1,936	27.3
Automotive parts, accessories and services	1,379	1,482	1,405	1.9
eneral merchandise stores	2,394	2,526	2,539	6.1
etail stores not elsewhere classified	2,416	2,547	2,591	7.2
Other semi-durable goods stores	762	822	780	2.4
Other durable goods stores	565	606	618	9.3
All other retail stores not elsewhere classified	1,088	1,119	1,193	9.6
otal, retail sales	22,893	24,557	24,695	7.9
otal excluding motor and recreational	40.000	40.007	47.004	
vehicle dealers	16,003	16,997	17,331	8.3
rovinces and territories				
Newfoundland	380	403	415	9.2
Prince Edward Island Nova Scotia	108 732	109	117 786	8.4 7.4
New Brunswick	732 592	730 628	628	6.2
Quebec	5,385	5,798	5,685	5.6
Ontario	8,785	9,456	9,520	8.4
Manitoba	772	820	831	7.7
Saskatchewan	673	709	720	7.0
Alberta	2,508	2,798	2,801	11.7
British Columbia	2,877	3,025	3,108	8.0
Yukon Northwest Territories	33 34	33 32	34 35	4.6 1.8
Northwest Territories Nunavut	34 14	32 16	35 15	1.: 5.:

5

Revised figures. Preliminary figures.

### OTHER RELEASES

# Natural gas sales

June 2000 (preliminary)

Natural gas sales totalled 3 922 million cubic metres in June, up 5.0% over June 1999. All three sectors (residential, commercial and industrial) recorded higher sales. Use by the industrial sector (including direct sales) rose 5.7% over June 1999, owing to higher demand for natural gas by electric utilities and the chemical industry.

#### Natural gas sales

	June	June	June		
	2000 <sup>p</sup>	1999	1999		
			to		
			June		
			2000 % change		
	thousands of c	thousands of cubic metres			
Natural gas sales	3 922 437	3 734 524	5.0		
Residential	526 683	508 473	3.6		
Commercial	345 682	341 526	1.2		
Industrial	1 413 492	1 454 362			
			5.7		
Direct	1 636 580	1 430 163			
	year-to-date				
	2000 <sup>p</sup>	1999	1999 to 2000		
	thousands of c	thousands of cubic metres			
Natural gas sales	39 333 277	37 333 179	5.4		
Residential	9 167 524	9 097 649	0.8		
Commercial	6 311 069	6 297 079	0.2		
Industrial	10 549 089	10 522 148			
			8.7		
Direct	13 305 595	11 416 303			

Preliminary figures.

Year-to-date sales were up 5.4% over the same period in 1999. Industrial sector sales (including direct

sales) continued to maintain strong growth, posting an 8.7% increase over the same period of 1999. Consumption by the residential and commercial sectors both rose, 0.8% and 0.2% respectively.

# Available on CANSIM: matrices 1052-1055.

The June 2000 issue of *Natural gas transportation* and distribution (55-002-XIB, \$13 / \$125) will be available in September. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Gary Smalldridge (613-951-3567; smalgar@statcan.ca) or Tom Lewis (613-951-3596; talewis@statcan.ca), Manufacturing, Construction and Energy Division.

# Shipments of solid fuel-burning heating products

Second quarter 2000

Shipments of solid fuel-burning heating products totalled \$13.0 million in the second quarter of 2000, a decrease of 28.2% from the \$18.1 million shipped during the second quarter of 1999.

The quantities for these shipments are also available.

The 2000 second quarter issue of *Shipments of solid* fuel-burning heating products (25-002-XIB, \$6/\$19) is now available. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Greg Milsom (613-951-7093; *milsomg@statcan.ca*), Manufacturing, Construction and Energy Division.

#### **NEW PRODUCTS**

Shipments of solid fuel burning heating products, second quarter 2000 Catalogue number 25-002-XIB (\$6/\$19).

Monthly survey of manufacturing, June 2000 Catalogue number 31-001-XPB (\$20/\$196).

Employment, earnings and hours, May 2000 Catalogue number 72-002-XPB (\$32/\$320).

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

Catalogue numbers with an -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; and -XPB or -XPE denote a paper version.

# How to order products

#### Order products by phone:

Please refer to the • Title • Catalogue number • Volume number • Issue number • Your VISA or MasterCard number.

In Canada and the United States call:

From other countries call:

To fax your order:

Address changes or account inquiries:

1-800-267-6677
1-613-951-7277
1-877-287-4369
1-800-700-1033

**To order a product by mail write:** Statistics Canada, Circulation Management, Dissemination Division, Ottawa, K1A 0T6. Include a cheque or money order payable to **Receiver General of Canada/Publications**. Canadian customers add 7% GST and applicable PST.

**To order by Internet:** write to *order@statcan.ca* or download an electronic version by accessing Statistics Canada's Web site (www.statcan.ca), under the headings Products and services, Downloadable publications.

Authorized agents and bookstores also carry Statistics Canada's catalogued publications.



# Statistics Canada's official release bulletin

Catalogue 11-001E.

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

To access *The Daily* on the Internet, visit our site at <a href="http://www.statcan.ca">http://www.statcan.ca</a>. To receive *The Daily* each morning by E-mail, send an E-mail message to listproc@statcan.ca. Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".

Editor: Tom Vradenburg (613-951-1103, vradtom@statcan.ca)

Head of Official Release: Madeleine Simard (613-951-1088), simamad@statcan.ca

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 2000. Citation in newsprint, magazine, radio, and television reporting is permitted subject to the requirement that Statistics Canada is acknowledged as the source. Any other reproduction is permitted subject to the requirement that Statistics Canada is acknowledged as the source on all copies as follows: Statistics Canada, *The Daily*, catalogue 11-001E, along with date and page references.