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CURRENT TRENDS IN FOOD DISTRIBUTION, APRIL, 1940

Introduction

Indexes reflecting current trends in food distribution in Canada have been published for some years, indexes of retail and wholesale grocery trading establishments forming components of the two regular monthly bulletins on retail and wholesale trade issued by the Internal Trade Branch of the Dominion Bureau of Statistics. This series brings together in one report the information on retail and wholesale grocery sales contained in the other bulletins thus facilitating a comparison of the trends in monthly sales in the two stages of food distribution. This report is the seventh of the series, the first being that for October, 1939.

Wholesale Trade

Sales of 77 wholesale houses in the grocery trade averaged 15 per cent higher in April, 1940 over April, 1939 and 11 per cent over March, 1940, unadjusted indexes, on the base 1930 equals 100, standing at 109.4 for April, 1940, 99.0 for March, 1940 and 95.3 for April, 1939. The 15 per cent increase over April of the previous year compared with the 1 per cent increase recorded in the March corresponding-month comparison and with margins of 18 per cent and 28 per cent recorded in February and January over the same months of 1939.

Indexes of Sales, 1930 = 100

	1940			1939
	April	March	February	April
Unadjusted index	109.4	99.0	97.6	95.3
Seasonally adjusted index	117.6	107.5	116.5	102.5

Results for April indicate that wholesale grocery sales were substantially increased in every region of the country but were especially high for the Maritime provinces and Quebec. Sales in the Maritimes increased 24 per cent over April a year ago and in Quebec, 23 per cent. In British Columbia sales were up 14 per cent, in Ontario, 13 per cent and in the Prairie provinces, 11 per cent.

Percentage Change in Wholesale Sales, by Provinces

	April Dollar Sales Per cent change from		Year to date <u>1940</u> 1939	Number of Firms Reporting
	April 1939	March 1940		
Canada	+ 14.8	+ 10.5	+ 14.8	77
Maritimes	+ 24.1	+ 6.9	+ 22.7	15
Quebec	+ 22.9	+ 20.8	+ 17.4	22
Ontario	+ 12.7	+ 12.0	+ 12.1	21
Prairies	+ 10.9	+ 7.0	+ 14.5	13
British Columbia	+ 13.6	+ 5.8	+ 12.9	6

Stocks

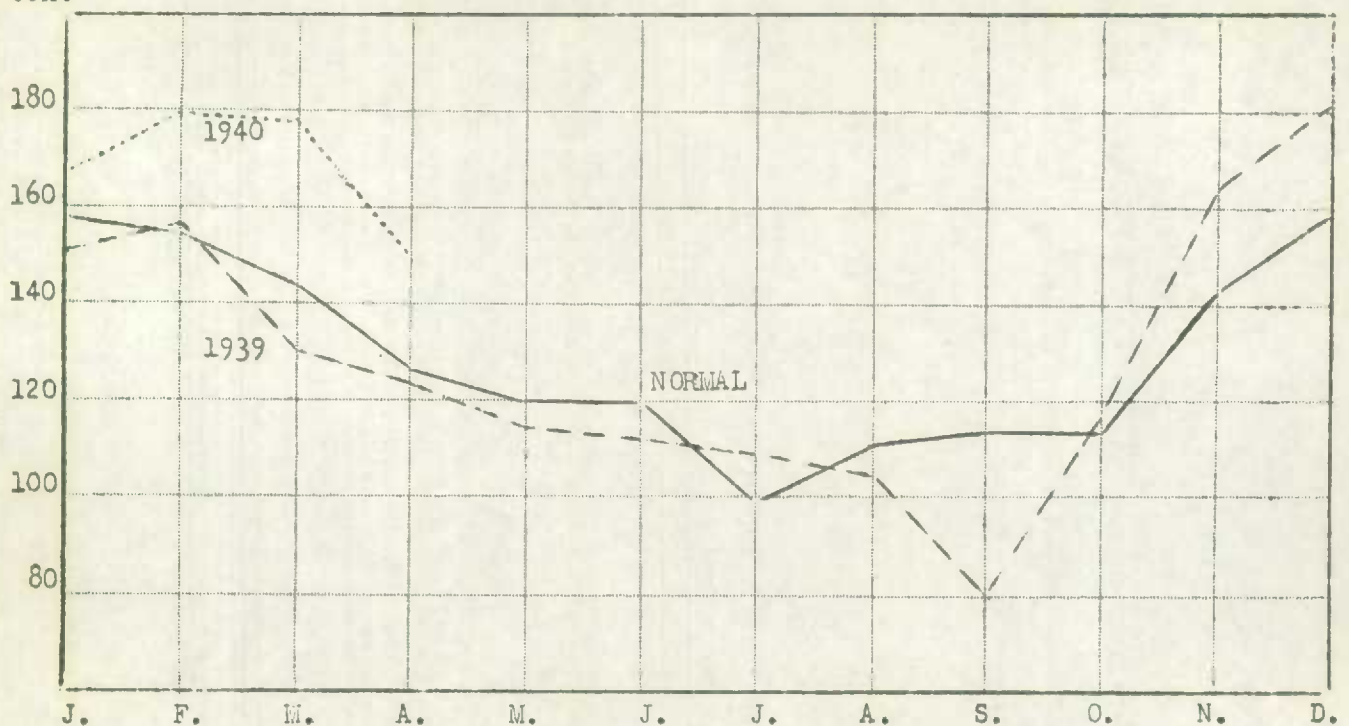
Wholesalers' inventories were valued 30 per cent higher at the end of April, 1940 than 1939 but were down 1 per cent from March 30th, 1940. Stocks on hand at any period are unduly high or low only when considered in relation to sales in the immediately ensuing period. Stocks on hand at the beginning of April normally amount to approximately 127 per cent of April sales. The corresponding ratio for April, 1940, was 150 per cent, indicating that stocks on hand at the beginning of the month were in excess of the normal inventory position for that time of year.

Wholesale Grocery Trade:- Percentage that Stocks on Hand

at Beginning of Month bear to Sales during Month

(Normal = Average for 1935, 1936)

Per cent



Retail Trade

Chain Stores

Sales of 1,181 chain store units operated by 31 chain companies in the food retailing field averaged 14 per cent higher in April, 1940, than the sales of 1,375 units operated by the same 31 firms in the corresponding month of 1939. Increases were greater in the West than in the East. Chain sales in the province of Quebec were up 4 per cent; Ontario, 9 per cent; Prairie Provinces, 34 per cent and British Columbia, 57 per cent. Average daily sales for grocery and meat chains were 15 per cent higher in April, 1940, than in April, 1939.

Comparison of Stores and Sales for April, 1939 and 1940

31 Chain Companies

	April, 1939		April, 1940		Per cent change in Sales
	No. Stores	Sales	No. Stores	Sales	
Canada	1,375	8,311,831	1,181	9,444,758	+ 13.6
Quebec	257	1,792,687	209	1,864,347	+ 4.0
Ontario	774	5,053,401	665	5,482,807	+ 8.5
Prairie Provinces	228	909,895	215	1,222,443	+ 34.3
British Columbia	116	555,848	101	875,161	+ 57.4

Independent Stores

Dollar sales for 1,066 independent grocery and combination stores were 1 per cent higher in April, 1940, compared with April, 1939. Results on a geographical basis indicate that sales increases were recorded in the Eastern half of the country and decreases in the Western sections. Those ranged from a gain in the Maritimes of 6 per cent to a decrease of 3 per cent in Saskatchewan. Ontario sales were up by 2 per cent, while Alberta and Manitoba reported decreases of 1 and 2 per cent. Sales in Quebec and British Columbia were unchanged from April a year ago.

Comparison of Sales Reported for April, 1939 and 1940

	No. stores reporting	No. reporting increase	Per cent change in sales
Maritimes	144	104	+ 6.2
Quebec	233	114	+ 0.3
Ontario	419	228	+ 1.7
Manitoba	73	24	- 1.8
Saskatchewan	38	15	- 2.5
Alberta	69	31	- 1.0
British Columbia	90	42	- 0.1
Canada	1,066	558	+ 1.2



1. The purpose of this study is to determine the effect of the new tax law on the income of the taxpayers. The study is based on the data collected from the tax returns of the taxpayers for the year 1998. The data is divided into two groups: the first group consists of the taxpayers who are subject to the new tax law, and the second group consists of the taxpayers who are not subject to the new tax law. The study will compare the income of the two groups and determine the effect of the new tax law on the income of the taxpayers.

TABLE 1. Income of taxpayers by age group and sex, 1998

Age group	Male		Female		Total
	Number	Income	Number	Income	
15-19	100	1000	100	1000	200
20-24	200	2000	200	2000	400
25-29	300	3000	300	3000	600
30-34	400	4000	400	4000	800
35-39	500	5000	500	5000	1000
40-44	600	6000	600	6000	1200
45-49	700	7000	700	7000	1400
50-54	800	8000	800	8000	1600
55-59	900	9000	900	9000	1800
60-64	1000	10000	1000	10000	2000
65-69	1100	11000	1100	11000	2200
70-74	1200	12000	1200	12000	2400
75-79	1300	13000	1300	13000	2600
80-84	1400	14000	1400	14000	2800
85-89	1500	15000	1500	15000	3000
90-94	1600	16000	1600	16000	3200
95-99	1700	17000	1700	17000	3400
Total	10000	100000	10000	100000	20000

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