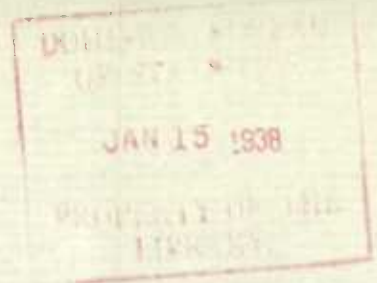


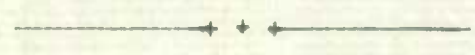
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CANADA
DOMINION BUREAU OF STATISTICS
CENSUS OF MERCHANDISING AND SERVICE ESTABLISHMENTS

MISCELLANEOUS STATISTICS
ON
WHOLESALE TRADE
1936



Published by Authority of the HON. W.D. EULER, M.P.,
Minister of Trade and Commerce.

♦ ♦ ♦

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DOMINION BUREAU OF STATISTICS - CANADA

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CENSUS OF MERCHANDISING AND SERVICE ESTABLISHMENTS.

Miscellaneous Statistics on Wholesale Trade, 1936

A number of reports, compiled from data secured from the annual Census of Merchandising and Service Establishments, have been published showing the value of Canadian wholesale trade in 1936 by economic divisions and by kinds of business within each division. This bulletin, which is one of the series, presents information to show the trends in the value of stocks on hand and in the payrolls of the regular wholesale establishments during the year. Tables are presented showing gross margin percentages of net sales for a number of leading kinds of business. The value of accounts outstanding on the books of wholesale firms at the end of 1936 is also shown as well as the distribution of sales for a few selected kinds of business according to the type of purchaser.

I. Comparison of Trends in Sales, Payroll Costs and Stocks

The value of wholesale trade in Canada in 1936 increased 9.3 per cent over 1935, while salaries and wages paid to employees increased 5.7 per cent. It may be noted that in 1935 the value of wholesale trade increased 5.6 per cent over 1934 whereas salaries and wages increased 7.2 per cent. It will be seen from Table 1 that, although all economic divisions of Canada showed increases in 1936 both in sales and in wages, the increases in wages in the Maritime Provinces and the Prairie Provinces were not so marked as those in other sections. The value of stocks on hand in wholesale trading establishments was 9.2 per cent greater at the end of 1936 than at the end of 1935. The value of stocks on hand at the end of 1935 was 1.5 per cent greater than at the end of 1934. Indexes for 1936, on the base 1930 equals 100, for the three series are 86.2 for sales, 84.7 for stocks on hand, and 73.5 for salaries and wages. Comparable indexes for 1935 were 78.9 for sales, 77.6 for value of stocks on hand, and 74.3 for salaries and wages.

II. Gross Margins for Wholesale Dealers

The gross margin percentage of net sales for Canada as a whole and for all lines of trade covered in this survey averaged 16.9 in 1936, no change being recorded from the previous year. There were slight decreases in 1936 as compared with 1935 in the Maritime Provinces, the Prairie Provinces and British Columbia, but these were offset by the slight increases in Ontario and Quebec. Twenty-four lines of wholesale trade showed increases in gross margin percentage of net sales, twenty-six showed decreases, while one remained unchanged. Figures for regular wholesalers ranged from 8.0 per cent for dealers in hay and feed to 40.9 per cent for dealers in optical goods. The figure for bulk shippers of coal and coke, although slightly larger than the previous year, was even lower than that for hay and feed dealers. Data for a number of firms in this category reveal a gross margin of 7.7 per cent of net sales. Gross margin percentages for a number of other important lines of trade in the wholesale field are as follows (comparative 1935 figures in brackets): Automotive equipment, 25.1 (25.5) per cent; drugs, 17.6 (17.1) per cent; clothing, 16.2 (15.6) per cent; groceries, 9.4 (8.8) per cent; meats and meat products, 16.0 (15.2) per cent; house furnishings, 25.8 (23.8) per cent; tobacco and tobacco products, 9.5 (9.9) per cent, and petroleum products, 27.1 (27.9) per cent.

In order to compile the information contained in this report, each wholesale trading firm was asked to report the cost of merchandise purchased in 1936. This cost of merchandise purchased, when adjusted for changes in inventory value at the beginning and close of the year, gives the cost of the goods sold. The cost of the goods sold when deducted from net sales gives the gross margin for the year. The value of merchandise purchased includes the invoice value plus duty, inward freight, express, truckage and other items contributing to the laid-down cost, less all returns, allowances or discounts. Operating expenses are omitted from the cost of goods purchased. Gross margins expressed as percentages of sales are given in Table 3. Dominion averages as well as regional figures are shown.

III. Outstanding Accounts

Accounts outstanding on wholesale merchants' books at the end of 1936 totalled \$160,485,000 as compared with \$151,472,000 at the end of 1935, an increase of 6.0 per cent. These figures refer to the amounts outstanding in the form of bills or accounts receivable and do not include accounts written off. They do not represent the amount of credit business transacted during the year, but represent only the amounts outstanding on December 31, 1936. From the accompanying table, it will be noted that the only economic section which showed a decrease in outstanding accounts was the Prairie Provinces division.

The total amount of accounts outstanding at the end of 1936, or \$160,485,000, formed 13.6 per cent of the total wholesale trade for the year. Distribution of this amount by economic divisions, together with the ratios that these figures form of annual sales, are as follows: Ontario, \$51,680,000 or 12.0 per cent of sales; Quebec, \$40,663,000 or 12.4 per cent of sales; British Columbia, \$13,626,000 or 12.2 per cent of sales; Maritime Provinces, \$12,375,000 or 15.2 per cent of sales, and Prairie Provinces, \$42,141,000 or 18.3 per cent of sales.

There is a considerable variation in the ratio of the value of outstanding accounts to annual sales according to kinds of business, ranging in 1936 from 3.7 per cent for dairy and poultry products to 52.3 per cent for machinery, equipment and supplies. At the end of the year there was \$23,270,000 owing to grocery wholesalers as compared with \$21,067,000 at the end of 1935; this amount formed 10.7 per cent of their annual sales as compared with 10.4 per cent at the end of 1935. In the same way, \$16,191,000 or 20.5 per cent of their annual sales was owing to wholesalers of dry goods and apparel as compared with \$15,307,000 or 20.3 per cent the previous year. There was \$23,619,000 or 12.5 per cent of their annual sales owing to dealers in petroleum products, while hardware wholesalers had \$11,961,000 or 21.3 per cent of their annual sales on their books.

IV. Distribution of Sales of Wholesalers Proper

The channels through which certain wholesale establishments distribute goods are shown in Table 5. In the "Meats and Meat Products" group, 50.9 per cent of sales during 1936 are shown as having been made to institutions or to retailers other than chain or department stores; 17.7 per cent of total sales were reported and 16.3 per cent were made to chain or department stores. In the "Fruits and Vegetables" group, 64.7 per cent of total sales were made to retailers other than chain or department stores and 23.2 per cent were made to jobbers or other wholesalers. In the "Hardware" group, 62.5 per cent of total sales were made to retailers other than chain or department stores and 16.5 per cent were made to manufacturers or industrialists to be used as materials.

Table 1.--WHOLESALE PROPER - Indexes of Sales and Payrolls, by Economic Divisions
and Kinds of Business, for Firms Furnishing Information for 1930,
1933, 1935 and 1936

	Indexes of Total Net Sales				Percent change, 1936/35	Indexes of Salaries and Wages				Per cent change, 1936/35
	1930	1933	1935	1936		1930	1933	1935	1936	
Maritime Provinces	100.0	67.9	80.3	88.0	+ 9.6	100.0	71.7	76.8	78.9	+ 2.7
Quebec	100.0	65.9	77.7	84.7	+ 9.0	100.0	63.4	68.4	73.1	+ 6.8
Ontario	100.0	68.9	83.3	91.5	+ 9.9	100.0	74.2	80.4	85.2	+ 6.0
Prairie Provinces	100.0	60.6	73.4	79.8	+ 8.8	100.0	63.8	71.3	73.6	+ 3.2
British Columbia	100.0	63.5	77.7	84.9	+ 9.2	100.0	66.0	78.7	85.5	+ 8.7
CANADA	100.0	65.7	78.9	86.2	+ 9.3	100.0	67.7	74.3	78.5	+ 5.7
Amusement, photographic and sporting goods ...	100.0	57.6	68.6	78.4	+14.4	100.0	77.1	70.0	77.9	+11.3
Automotive	100.0	64.2	80.6	89.9	+11.6	100.0	71.2	84.8	89.2	+ 5.2
Chemicals and paints ...	100.0	92.3	117.5	127.6	+ 8.6	100.0	86.4	105.7	111.6	+ 5.6
Drugs and drug sundries.	100.0	79.1	88.7	95.2	+ 7.4	100.0	73.3	78.0	80.3	+ 2.9
Coal and coke	100.0	85.3	103.9	110.9	+ 6.7	100.0	92.8	99.7	105.1	+ 5.4
Dry goods and apparel ..	100.0	62.9	73.7	77.3	+ 4.9	100.0	63.7	63.9	66.2	+ 3.6
Electrical	100.0	43.4	65.0	83.4	+28.3	100.0	55.2	62.7	71.5	+14.1
Farm supplies	100.0	54.4	69.5	65.4	- 6.0	100.0	82.3	83.1	79.7	- 4.1
Foods	100.0	69.8	82.2	89.3	+ 8.6	100.0	75.8	80.3	85.2	+ 6.1
Furniture and house furnishings	100.0	53.5	69.0	74.6	+ 8.1	100.0	53.7	54.5	60.0	+10.0
General merchandise	100.0	64.3	82.3	95.6	+16.1	100.0	64.6	73.9	80.5	+ 8.9
Hardware	100.0	57.7	74.7	85.0	+13.8	100.0	64.2	73.2	78.4	+ 7.1
Jewellery and optical goods	100.0	63.9	89.4	104.8	+17.1	100.0	60.8	73.1	80.0	+ 9.4
Leather and leather goods	100.0	72.2	88.3	92.9	+ 5.3	100.0	75.4	90.7	91.5	+ 0.9
Lumber and building materials	100.0	36.5	53.2	66.0	+24.1	100.0	40.1	47.2	52.7	+11.6
Machinery, equipment and supplies	100.0	36.7	56.9	66.9	+17.6	100.0	39.3	45.6	51.2	+12.2
Metals and metal work ..	100.0	48.5	79.1	91.2	+15.3	100.0	54.9	73.7	79.6	+ 8.0
Paper and paper products	100.0	76.9	89.5	94.8	+ 5.9	100.0	74.4	81.4	86.4	+ 6.2
Petroleum products	100.0	71.0	77.5	82.2	+ 6.1	100.0	78.8	87.5	88.4	+ 1.0
Plumbing and heating equipment and supplies	100.0	38.0	52.1	62.6	+20.2	100.0	48.5	52.7	60.3	+14.4
Tobacco and confection- ery	100.0	70.1	84.1	90.3	+ 7.4	100.0	78.6	84.5	89.8	+ 6.3
Waste material	100.0	62.6	96.1	126.7	+31.9	100.0	75.1	79.9	95.8	+19.9
All other	100.0	77.8	93.0	102.1	+ 9.8	100.0	71.2	83.4	89.0	+ 6.7

Table 2.--WHOLESALESAERS PROPER - Indexes of Sales and Stocks on Hand, by Economic Divisions and Kinds of Business, for Firms Furnishing Information for 1930, 1933, 1935 and 1936

	Indexes of Total Net Sales				Per cent change, 1936/35	Indexes of Stocks on Hand				Per cent change, 1936/35
	1930	1933	1935	1936		1930	1933	1935	1936	
Maritime Provinces .	100.0	67.9	80.3	88.0	+ 9.6	100.0	87.2	87.0	92.9	+ 6.8
Quebec	100.0	65.9	77.7	84.7	+ 9.0	100.0	73.4	79.1	84.8	+ 7.2
Ontario	100.0	68.9	83.3	91.5	+ 9.9	100.0	74.9	80.3	87.8	+ 9.4
Prairie Provinces ..	100.0	60.6	73.4	79.8	+ 8.8	100.0	71.6	68.3	75.9	+11.1
British Columbia ...	100.0	63.5	77.7	84.9	+ 9.2	100.0	82.0	84.6	93.6	+10.6
CANADA	100.0	65.7	78.9	86.2	+ 9.3	100.0	74.9	77.6	84.7	+ 9.2
Amusement, photogra- phic and sporting goods	100.0	57.6	68.6	78.4	+14.4	100.0	78.0	77.5	85.3	+10.1
Automotive	100.0	64.2	80.6	89.9	+11.6	100.0	81.4	85.5	89.5	+ 4.7
Chemicals and paints	100.0	92.3	117.5	127.6	+ 8.6	100.0	118.3	125.4	140.1	+11.7
Drugs and drug sundries	100.0	79.1	88.7	95.2	+ 7.4	100.0	78.9	77.4	83.2	+ 7.5
Coal and coke	100.0	85.3	103.9	110.9	+ 6.7	100.0	76.1	92.2	91.9	+ 0.3
Dry goods and apparel	100.0	62.9	73.7	77.3	+ 4.9	100.0	63.9	68.3	72.2	+ 5.7
Electrical	100.0	43.4	65.0	83.4	+28.3	100.0	74.1	75.2	94.2	+25.3
Farm supplies	100.0	54.4	69.5	65.4	+ 6.0	100.0	76.8	111.8	124.4	+11.3
Foods	100.0	69.8	82.2	89.3	+ 8.6	100.0	79.7	87.1	102.4	+17.6
Groceries	100.0	82.4	90.8	97.3	+ 7.1	100.0	83.6	86.8	99.7	+14.9
Dairy and poultry products	100.0	66.0	74.4	83.8	+12.6	100.0	68.5	90.5	91.6	+ 1.2
Fruits and veget- ables	100.0	63.7	76.2	84.0	+10.3	100.0	83.4	103.0	119.8	+16.3
Meats and fish ...	100.0	57.9	76.6	83.4	+ 8.9	100.0	70.1	81.5	100.7	+23.5
Furniture and house furnishings	100.0	53.5	69.0	74.6	+ 8.1	100.0	53.2	60.0	71.2	+18.6
General merchandise.	100.0	64.3	82.3	95.6	+16.1	100.0	78.0	82.3	88.1	+ 7.0
Hardware	100.0	57.7	74.7	85.0	+13.8	100.0	74.0	76.6	84.8	+10.7
Jewellery and optical goods	100.0	63.9	89.4	104.8	+17.1	100.0	81.9	76.8	78.1	+ 1.7
Leather and leather goods	100.0	72.2	88.3	92.9	+ 5.3	100.0	74.6	72.6	74.6	+ 2.7
Lumber and building materials	100.0	36.5	53.2	66.0	+24.1	100.0	59.3	63.2	66.9	+ 5.9
Machinery, equipment and supplies	100.0	36.7	56.9	66.9	+17.6	100.0	76.5	60.0	61.9	+ 3.2
Metals and metal work	100.0	48.5	79.1	91.2	+15.3	100.0	78.2	81.2	84.6	+ 4.2
Paper and paper products	100.0	76.9	89.5	94.8	+ 5.9	100.0	79.1	74.3	78.7	+ 5.9
Petroleum products .	100.0	71.0	77.5	82.2	+ 6.1	100.0	77.9	82.0	84.8	+ 3.4
Plumbing and heating equipment and supplies	100.0	38.0	52.1	62.6	+20.2	100.0	75.9	74.6	74.9	+ 0.4
Tobacco and confec- tionery	100.0	70.1	84.1	90.3	+ 7.4	100.0	74.5	78.7	83.9	+ 6.6
Waste materials	100.0	62.6	96.1	126.7	+31.9	100.0	75.1	91.0	102.7	+12.9
All other	100.0	77.8	93.0	102.1	+ 9.8	100.0	75.5	78.1	80.7	+ 3.3

Table 3.--WHOLESALESAERS PROPER - Percentage of Gross Margin to Net Sales
for Selected Kinds of Business, 1936

Kind of Business	CANADA	Maritimes	Quebec	Ontario	Prairies	British Columbia
TOTAL	16.9	18.3	15.6	18.3	16.2	15.7
Amusement, photographic and sport- ing goods:						
Amusement and sporting goods	27.1	-	-	27.6	25.9	-
Photographic goods	29.4	-	-	-	-	-
Automotive:						
Automotive equipment	25.1	21.5	26.8	25.9	23.9	24.6
Tires	13.8	-	-	-	-	-
Chemicals and paints:						
Chemicals	17.4	-	-	-	-	-
Paints, varnishes, enamels, etc..	23.8	-	-	-	-	-
Drugs and drug sundries:						
Drugs	17.6	18.0	18.9	16.7	15.4	-
Drugs and allied products	16.2	-	-	-	-	-
Toilet articles and preparations.	33.0	-	-	-	-	-
Coal and coke:						
Wholesale dealers	10.5	-	7.7	12.1	11.6	-
Bulk shippers	7.7	-	6.4	10.5	-	-
Dry goods and apparel:						
Clothing	16.2	-	15.8	12.4	-	-
Furnishings	21.3	-	-	-	-	-
Dry goods	17.6	19.5	18.1	16.2	17.5	19.0
Millinery	21.9	-	-	-	-	-
Notions	25.5	-	-	-	-	-
Piece goods	17.7	-	-	-	-	-
Footwear	15.9	-	18.4	13.9	16.0	14.6
Electrical	21.9	-	23.4	21.6	20.2	19.5
Farm supplies:						
Seeds and bulbs	26.6	-	-	-	-	-
Seeds	23.4	-	-	-	-	-
Hay and feed	8.0	-	-	-	-	-
Foods:						
Groceries	9.4	10.7	9.2	9.3	9.1	9.2
Grocery specialties	12.1	12.7	17.1	9.1	14.2	11.1
Dairy and poultry products	8.7	11.8	6.9	12.6	11.6	16.9
Fruits and vegetables	11.2	13.5	9.5(1)	11.0	11.3	14.1
Meats and meat products	16.0	-	-	-	-	-
Fish and sea foods	17.5	18.7(2)	18.0	19.4	15.4	16.7
Furniture and house furnishings:						
House furnishings	25.8	-	24.9	27.6	-	-
General merchandise	17.7	-	18.2	18.0	-	-
Hardware	20.2	20.1	19.4	20.5	20.1	20.8
Jewellery and optical goods:						
Jewellery	26.4	-	27.0	26.2	24.9	-
Optical goods	40.9	-	-	-	-	-
Leather and leather goods	19.5	-	20.2	17.8	-	-
Lumber and building materials:						
Construction and building mater- ials (other than metal and wood)	22.9	-	25.6	-	20.3	-
Lumber and millwork	15.5	-	-	-	-	-
Machinery, equipment and supplies:						
Commercial equipment and supplies	37.7	-	-	-	-	-
Construction equipment and supplies	16.6	-	-	-	-	-
Farm machinery and equipment	20.0	-	-	-	-	-
Manufacturing, lumbering, mining and drilling machinery	21.8	-	21.2	22.6	24.4	21.0

(1) and (2): See footnotes at end of table.

Table 3.--WHOLESALESAERS PROPER - Percentage of Gross Margin to Net Sales
for Selected Kinds of Business, 1936 (Cont'd.) -

Kind of Business	CANADA	Maritimes	quebec	Ontario	Prairies	British Columbia
Machinery, equipment and supplies (Cont'd.) -						
Professional equipment and supplies	31.0	-	-	-	-	-
Service equipment and supplies .	29.2	-	-	-	-	-
Transportation equipment and supplies	15.1	-	-	-	-	-
Metals and metal work	20.0	-	-	-	-	-
Paper and paper products	20.8	19.1	23.0	19.1	20.2	23.6
Petroleum products	27.1 ⁽³⁾	31.9	28.3	30.8	21.2	23.1
Plumbing and heating equipment and supplies	21.1	-	19.8	23.3	19.9	-
Tobacco and confectionery:						
Tobacco and tobacco products ...	9.5	-	8.0	9.9	9.6	10.1
Confectionery and soft drinks ..	17.3	-	-	-	-	-
Waste materials	18.9	-	19.7	18.7	18.9	-
All other:						
Books and periodicals	20.3	-	-	-	-	-

- (1) A considerable part of the trade in Quebec consists of ~~bulk selling to other wholesal-~~
ers.
(2) Includes a considerable amount of export business.
(3) Not including sales by ~~head offices of large companies.~~

Table 4.--WHOLESALESAERS PROPER - Accounts Outstanding at End of 1936,
by Economic Divisions and by Kinds of Business

Economic Division and Kind of Business	Net Sales, 1936 \$	Accounts Outstanding, At End of Year	
		Amount \$	Per cent of sales
Maritime Provinces	81,212,000	12,375,000	15.2
Quebec	327,034,000	40,663,000	12.4
Ontario	431,477,000	51,680,000	12.0
Prairie Provinces	230,288,000	42,141,000	18.3
British Columbia	111,532,000	13,626,000	12.2
CANADA	1,181,543,000	160,485,000	13.6
Amusement, photographic and sporting goods.	3,354,000	598,000	17.8
Automotive	18,875,000	2,537,000	13.4
Chemicals and paints	10,702,000	1,016,000	9.5
Drugs and drug sundries	26,644,000	3,301,000	12.4
Coal and coke	55,748,000	8,383,000	15.0
Dry goods and apparel	79,122,000	16,191,000	20.5
Electrical	19,170,000	3,447,000	18.0
Farm supplies	10,483,000	895,000	8.5
Foods	482,819,000	38,887,000	8.1
Groceries	217,713,000	23,270,000	10.7
Dairy and poultry products	40,860,000	1,497,000	3.7
Fruits and vegetables	83,236,000	5,114,000	6.1
Meats and fish	141,010,000	9,006,000	6.4
Furniture and house furnishings	10,163,000	2,008,000	19.8
General merchandise	12,886,000	1,883,000	14.6
Hardware	56,075,000	11,961,000	21.3
Jewellery and optical goods	11,374,000	3,198,000	28.1
Leather and leather goods	6,854,000	1,341,000	19.6
Lumber and building materials	34,234,000	5,767,000	16.8
Machinery, equipment and supplies	39,696,000	20,773,000	52.3
Metals and metal work	12,821,000	2,235,000	17.4
Paper and paper products	21,287,000	2,914,000	13.7
Petroleum products	189,272,000	23,619,000	12.5
Plumbing and heating equipment and supplies	9,078,000	1,916,000	21.1
Tobacco and confectionery	41,403,000	4,100,000	9.9
Waste materials	12,824,000	1,328,000	10.4
All other	16,659,000	2,187,000	13.1

Table 5.--Distribution of Sales of Wholesalers Proper, 1936

	Sales of Firms Reporting, 1936	Percentage of Total Sales Made to -							Sales at Retail Prices
		Manufacturers or industrial users		Jobbers or other wholesalers	Chain (other than voluntary) or department stores	Other retailers, institutions or professions	Export	Other	
		as materials	as supplies or equipment						
Meats and Meat Products, Total	145,187,700	7.9	0.2	5.7	16.3	50.9	17.7	0.7	0.6
Fruits and Vegetables, Total	63,862,600	0.2	0.4	23.2	10.3	64.7	0.8	0.1	0.3
Maritime Provinces	3,073,900	-	-	5.9	3.2	79.2	10.0	1.6	0.1
Quebec	16,737,800	0.5	-	58.1	10.5	30.3	0.2	-	0.4
Ontario	21,129,600	0.1	0.2	10.5	16.6	71.9	(a)	0.1	0.6
Prairie Provinces	17,148,800	-	-	13.4	2.1	84.5	-	-	(a)
British Columbia	5,772,500	0.3	3.2	6.7	15.0	71.5	3.3	-	-
Hardware, Total	42,371,500	8.9	16.5	4.3	1.0	62.5	(a)	1.6	5.0
Maritime Provinces	5,279,800	2.9	8.5	1.9	0.1	68.8	0.1	2.7	15.0
Quebec	6,990,100	5.0	12.3	8.0	1.3	70.5	0.1	1.0	1.8
Ontario	10,068,900	12.5	21.1	5.1	0.5	50.2	0.1	0.4	10.1
Prairie Provinces	10,409,600	0.2	4.0	2.7	1.2	91.6	-	-	0.3
British Columbia	9,623,100	20.7	32.7	4.0	1.8	34.7	-	4.5	1.6

(a) Less than 0.1 per cent.

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