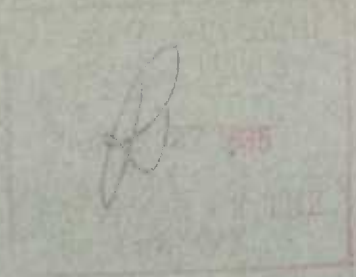


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CANADA
DOMINION BUREAU OF STATISTICS
CENSUS OF MERCHANDISING AND SERVICE ESTABLISHMENTS

RETAIL MERCHANDISE TRADE
IN THE
MARITIME PROVINCES
1933

Published by Authority of the HON. R. B. HANSON, K.C., M.P.,
Minister of Trade and Commerce.

OTTAWA
1935

Published by Authority of the HON. R. B. HANSON, K.C., M.P.,
Minister of Trade and Commerce.

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CENSUS OF MERCHANDISING AND SERVICE ESTABLISHMENTS.

Retail Merchandise Trade in the Maritime Provinces, 1930 - 1933

This report on Retail Merchandise Trade in the Maritime Provinces is one of a series presenting the results of the Census of Merchandising and Service Establishments for the year 1933. The first part of the report deals with the retail trade of the three Maritime Provinces as a whole with tables presenting the principal merchandising statistics for this economic division. Provincial tables then follow which give more detailed analyses of the merchandise trade in New Brunswick, Nova Scotia and Prince Edward Island.

The total retail merchandise trade in the Maritime Provinces for 1933 amounted to \$130,536,000 as compared with \$197,665,500 in 1930. Sales figures for the two intervening years are \$173,346,000 for 1931 and \$141,099,000 for 1932. Representing the total retail trade in 1930 by 100, indexes of sales for the following years are 87.7 for 1931, 71.4 for 1932 and 66.0 for 1933.

A comparison by the five economic divisions into which the country may be divided, and with the 1930 business of each division represented by 100, gives the following indexes of retail sales for 1933, arranged in descending order: Ontario, 67.0; Maritime Provinces, 66.0; Quebec, 64.7; British Columbia, 61.8; and the Prairie Provinces, 60.0. It is thus seen that the index of retail sales for the Maritime Provinces for 1933 is exceeded only by that for Ontario, which was 67.0 for that year.

The data for the basic year 1930 were secured in connection with the Census of Merchandising and Service Establishments, 1931. The figures for the following years have been derived from indexes of retail sales based upon reports secured in 1934 from all chain stores and from the larger independent stores and covering the period from 1931 to 1933. Since all stores were not covered in the current census, it is not possible to give the number of trading establishments in 1933. An explanation of the methods used in preparing the tables presented in this bulletin will be found in the last section of the introduction.

A year-to-year comparison of the decline in retail trade in the Maritime Provinces shows that the percentage changes in each year from that preceding were as follows: 1931, -12.3 per cent; 1932, -18.6 per cent; and 1933 compared with 1932 showed a decrease of 7.5 per cent. The year-to-year changes for each of the Maritime Provinces and for the group are as follows:

	<u>1931/1930</u>	<u>1932/1931</u>	<u>1933/1932</u>
Maritime Provinces	-12.3	-18.6	-7.5
New Brunswick	-15.0	-20.6	-7.9
Nova Scotia	- 9.4	-16.9	-7.4
Prince Edward Island	-16.8	-20.2	-4.4

It is thus seen that for the group as a whole and for each of the three provinces, the greatest percentage decrease from the preceding year occurred in 1932 and the smallest in 1933.

For the Census of Merchandising Establishments, 1933, 44 different kind-of-business classifications have been used and these have been combined into nine broad groups. Although the retail trade of the Maritime Provinces as a whole declined in 1933 to 66.0 per cent of that in 1930, considerable variations in the extent of the decline are observed for the various kind-of-business groups and also for the classifications within each group. As compared with the 1933 index of 66.0 for all stores, the food group of stores had the highest index of sales (75.1) and the automotive group had the lowest (48.7). Indexes of sales for 1933 for each group, arranged in descending order of indexes, are as follows: Food group, 75.1; country general stores, 69.6; general merchandise group, 67.7; apparel group, 67.4; restaurants, cafeterias and eating places, 66.5; building materials group, 53.0; furniture and household group, 49.9; and automotive group, 48.7. A miscellaneous classification combined under the heading "Other Retail Stores" had an index for 1933 of 71.3.

A year-to-year comparison of the declines in trade for these kind-of-business groups shows that, with the exception of country general stores, the greatest percentage decrease from the preceding year occurred in 1932 and the smallest in 1933. These percentage changes by kind-of-business groups for each of the years 1931, 1932 and 1933 are shown below:

	<u>1931/1930</u>	<u>1932/1931</u>	<u>1933/1932</u>
All stores	-12.3	-18.6	- 7.5
Food group	- 7.9	-12.7	- 6.7
Country general stores	-15.3	-15.0	- 3.3
General merchandise group	-12.6	-19.6	- 3.5
Automotive group	-24.1	-27.8	-11.2
Apparel group	-12.5	-18.6	- 5.3
Building materials group	-19.8	-24.8	-12.2
Furniture and household group.	-15.7	-30.9	-14.3

Sales by Kinds of Business

Grocery and Combination Stores.--For the three Maritime Provinces as a whole, sales of grocery and combination stores in 1933 amounted to \$25,778,000 or 76.9 per cent of the business transacted by these kinds of stores in 1930. Indexes of sales for the intervening years are 92.4 for 1931 and 81.9 for 1932. Combination stores are defined as those selling both groceries and meats, and, for the Census of Merchandising and Service Establishments, 1931, in which data were secured for the preceding year, separate sales figures were published for this type of store.

For the current census, combined figures only for grocery and combination stores are available.

Meat Markets.--The dollar volume of sales of meat markets declined from \$2,826,400 in 1930 to 64.5 per cent of that amount, or \$1,823,000, in 1933.

Department Stores.--In 1930 department store sales in the Maritime Provinces amounted to \$24,212,700. In 1933 the dollar volume of sales had declined to 65.7 per cent of that amount or \$15,899,000. In 1931 the index of sales of department stores was 85.8 and in 1932 it was 67.1.

Motor Vehicle Dealers.--This report shows that sales of motor vehicle dealers in the Maritime Provinces in 1933 amounted to \$9,433,000 or 42.1 per cent of the dollar volume transacted in 1930. Indexes of sales for the intervening years are 71.1 for 1931 and 47.8 for 1932.

Filling Stations.--Sales of filling stations in 1933 are estimated at \$3,002,000 as compared with \$3,803,000 in 1930. Representing the dollar volume of business in 1930 by 100, indexes of sales for the three following years are 98.7 for 1931, 85.8 for 1932 and 78.9 for 1933.

Men's and Boys' Clothing and Furnishings.--The business of these stores declined from \$5,505,900 in 1930 to 63.2 per cent of that amount, or \$3,479,000, in 1933. Indexes of sales for the intervening years are 81.6 for 1931 and 64.5 for 1932.

Women's Apparel and Accessories Stores.--The dollar volume of business of these stores declined from \$3,259,300 in 1930 to 58.3 per cent of that amount, or \$1,899,000, in 1933. It must be remembered, of course, that women's clothing and accessories are sold in other kinds of stores in addition to those establishments classified as Women's Apparel and Accessories Stores. Department stores, family clothing stores and dry goods stores are among the chief competitors in these lines of merchandise.

Hardware Stores.--Hardware stores sold merchandise in 1933 amounting in value to \$2,435,000 or 59.6 per cent of the 1930 business. The index of sales for 1931 was 84.4 and for 1932 it was 65.6.

Lumber and Building Material Dealers.--Sales of establishments under this classification declined from \$2,521,300 in 1930 to 44.6 per cent of that amount, or \$1,125,000 in 1933. Indexes of sales for the intervening years are 73.3 for 1931 and 51.8 for 1932.

Coal and Wood Yards.--The business transacted by coal and wood yards experienced a much smaller decline in trade over the period 1930 to 1933 than did most other kinds of retail trade. The total sales volume for 1933 amounted to \$5,197,000 or 80.0 per cent of the 1930 business.

Drug Stores.--Sales of drug stores declined from \$5,699,100 in 1930 to 76.5 per cent of that amount, or \$4,361,000, in 1933. The index of sales for 1931 was 94.6 and for 1932 it was 85.1.

Chain Stores and Sales

In 1933 sales made by chain stores in the three Maritime Provinces amounted to \$19,647,700 or 15.1 per cent of the business transacted by all retail stores. In 1930 the ratio of chain sales to total sales was 12.5 per cent, while the chain ratios for the two intervening years are 15.5 per cent for 1931 and 15.8 per cent for 1932. The chain figures given here do not include the sales of department stores belonging to multiple organizations, and voluntary chain sales are also excluded.

In the grocery and combination store field, sales made by chains in 1930 amounted to \$4,664,500 and this amount formed 13.9 per cent of the total sales of all grocery and combination stores in that year. In 1933 grocery and combination chain store sales amounted to \$5,474,600 or 21.2 per cent of the total business of all grocery and combination stores. Chain ratios for the two intervening years are 19.8 per cent for 1931 and 21.0 per cent for 1932.

For all kinds of business combined, considerable variations exist in the ratios of chain sales to total sales for the three Maritime Provinces. In 1930 chain store sales in Prince Edward Island formed 4.9 per cent of the total retail trade in that province. In 1933 the ratio of chain sales to total sales had declined to 4.0 per cent.

In Nova Scotia the ratio of chain store business to total business increased from 12.2 per cent in 1930 to 16.9 per cent in 1933. Chain store ratios for the two intervening years were 17.6 per cent in 1931 and 17.8 per cent in 1932. For the purposes of this Census, government liquor stores have been classified as chains and these stores were in operation in Nova Scotia for only part of the year 1930. The increase in chain ratio for 1931 over that for 1930 is partly due to the inclusion of a full year's business of these liquor stores in 1931, while the 1930 chain store figure includes data for only part of a year in so far as the liquor stores are concerned.

In New Brunswick the ratio of chain sales to total sales showed but slight change during the three-year period. In 1930 chains (exclusive of department store chains) accounted for 14.2 per cent of the total trade of the province. In 1933 the chain ratio was 14.5 per cent, while ratios for the two intervening years were 14.6 per cent for 1931 and 14.9 per cent for 1932.

Chain Stores and Sales Classified According to Type of Operation.---Chains have been classified as local, provincial, sectional and national, depending upon the extent of territory covered. Local chains are confined to one town or city, while provincial chains have stores located in more than one locality but they are confined to one province. Sectional chains are defined as those having units in two or three provinces, while national chains have stores in four provinces or more.

In 1933 there were 481 chain store units located in the Maritime Provinces and, of this number, 82, or 17.05 per cent, belonged to local chain organizations. Sales of these local chains amounted to \$2,374,300 or 12.08 per cent of the business transacted by all chains. Stores operated by provincial chains formed 42.83 per cent of all chain store units and these transacted 50.22 per cent of the business of all chain stores. There were 55 sectional chain units and these formed 11.43 per cent of the total number of chain stores. Sales by sectional chains formed 9.25 per cent of the sales made by all chains in 1933. Of all chain store units, 28.69 per cent belonged to national chains and these national chains accounted for about the same proportion (28.45 per cent) of the total chain store business.

Comparison of Indexes of Retail Sales and Cost of Living Indexes

The total sales of all retail merchandising establishments in the Maritime Provinces during each of the years 1930 to 1933 and indexes of sales (1930 = 100) are as follows:

<u>Year</u>	<u>Total Sales</u> \$	<u>Index of Sales</u> (1930 = 100)
1930 ...	197,665,500	100.0
1931 ...	173,346,000	87.7
1932 ...	141,099,000	71.4
1933 ...	130,536,000	66.0

How much of the decrease in dollar volume of sales is due to the decline in price levels and how much to a decrease in the quantity of goods consumed cannot be definitely stated due to the absence of price indexes so constructed as to be strictly comparable. Nevertheless, it is well established that a considerable portion of the drop in dollar volume is due to price declines. While cost of living index numbers are not constructed in such a way as to warrant their use as a correction for price changes in these index numbers of retail sales, they do give some indication of the order of magnitude of the price trends. The Bureau's Cost of Living Indexes for the period under review are given below and, for comparison purposes, have been adjusted to make the 1930 figure equal 100.

Index Numbers of Retail Prices, Rents and Costs of Services, Canada

(1930 = 100)

<u>Year</u>	<u>Total Index</u>	<u>Food Index</u>	<u>Fuel Index</u>	<u>Rent Index</u>	<u>Clothing Index</u>	<u>Sundries Index</u>	<u>Retail Price Index</u> (Foods, fuel, clothing, household requirements)
1930 ..	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1931 ..	90.3	78.4	98.4	97.3	87.5	98.0	85.3
1932 ..	82.1	65.2	95.5	89.4	77.5	95.2	75.2
1933 ..	78.3	64.6	91.6	80.4	72.3	93.3	72.8

Separate price indexes are shown for food, fuel, rent and clothing. The sundries index indicates the price changes in a miscellaneous group of commodities, together with the variations in costs of certain services, such as theatre costs, insurance, doctors' and dentists' fees, hospital charges and laundry. The total index given in the second column of the table is an average of the figures in the following five columns, each weighted in proportion to the consumption of the items involved. The last column, "Retail Price Index", is also a weighted average but omits the rental figures and includes only the merchandising items in the sundries index. From this column, it is seen that the retail price level for the Dominion as a whole in 1933 was 72.8 per cent of that in 1930, or that there was a decrease during the period of 27.2 per cent. The indexes of retail sales already given show that the decrease in dollar volume of sales in the Maritime Provinces over the same period was approximately 34 per cent or slightly less than 7 per cent greater than the drop in price levels.

Description of Methods Used in Constructing Indexes of Retail Sales

As already mentioned in this report, the figures for the basic year 1930 were secured for the Census of Merchandising and Service Establishments, 1931. The data for the following years were secured for an annual Census of Merchandising arising out of the Decennial Census and in which sales figures were obtained for each of the years 1931, 1932 and 1933. While the Decennial Census included in its scope every retail establishment, the annual census includes all chain stores and those independent stores which reported sales for 1930 over a specified amount. The independent stores from which reports were secured were those with an annual turnover of \$30,000 or more in 1930 (\$20,000 or more in the case of food stores and country general stores) and which continued in business throughout the period. This means that over two-thirds of the retail business of the Dominion is covered in the annual census. From the reports thus received, and using the year 1930 as the base period, indexes of retail sales for each of the years 1931 to 1933 have been computed. These indexes have then been applied to the total sales of all stores in 1930 in order to arrive at estimates of the total annual business of all retail establishments in each of the following years.

While a large portion of retail trade has been covered in the current census, it is clear that the figures presented in this report for the years 1931, 1932 and 1933 are estimates based on indexes computed from the returns of the establishments reporting. The chief factor which may not be reflected in the sales indexes is a decline in the number of stores in certain kinds of business. No information is available to show the extent to which firms going out of business have not been replaced by new stores of a similar character. The possibility, therefore, of the sales of the surviving stores covered by this Census not reflecting completely the trend in retail trade during the period from 1930 to 1933 must be noted. However, it is believed that for the retail trade as a whole the figures may be taken as approximately correct and for certain kind-of-business groups as being more accurate than for others. Among the kind-of-business classifications which are believed to be most accurate are included grocery and combination stores, meat markets, department stores, variety stores, automobile dealers, coal and wood yards, drug stores, and restaurants and other eating places.

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