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- **Wholesale Trade, December 1993** 2

Seasonally adjusted, wholesale merchants' sales have increased for eight consecutive months. In December, sales reached \$18.3 billion, up 1.8% from the previous month. For 1993, annual sales totalled \$205.0 billion, up 11.6% from 1992.
- **Farm Cash Receipts, 1993** 5

Farm cash receipts for 1993 totalled \$23.7 billion, 2.2% higher than in 1992 and 6.9% above the previous five-year average of \$22.2 billion. Record livestock receipts and higher crop receipts offset a sharp decline in direct payments.

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MAJOR RELEASES

Wholesale Trade

December 1993 (Preliminary)

Seasonally adjusted, wholesale merchants' sales have increased for eight consecutive months. In December, sales reached \$18.3 billion, up 1.8% from the previous month. This followed a 1.9% increase in November and a 1.4% gain in October. For 1993, annual sales totalled \$205.0 billion, up 11.6% from 1992.

Sales

In December, seven of the nine trade groups posted sales increases. The most significant monthly gain in dollar terms was recorded by suppliers of farm machinery, equipment and supplies (+20.9%). This was greatly influenced by the 1992-93 small business investment tax credit (ITC) program on new equipment purchases (allowing Canadian farmers and small businesses a 10% writedown on their income tax) that ended in December. Also recording higher sales were distributors of food, beverage, drug and tobacco products (+1.8%) and wholesalers of other machinery, equipment and supplies (+1.9%). This latter group was also affected by the ITC.

Lower sales were reported by suppliers of apparel goods (-4.2%) and by distributors of household goods (-2.8%)—the second consecutive monthly decline for both of these trade groups.

Regionally, except for the Yukon and Northwest Territories, all provinces recorded higher sales in December. The highest was Saskatchewan (+10.9%), followed by Nova Scotia (+10.2%) and Prince Edward Island (+8.3%).

On an annual basis, wholesale merchants' sales increased 11.6% in 1993, totalling \$205.0 billion at

year-end. Except for household goods, all other trade groups recorded higher year-over-year sales. As in 1992, the largest increase in dollar terms in 1993 was by distributors of other machinery, equipment and supplies (+15.6%), which accounted for 22.2% of the total wholesale trade. Industrial, commercial and institutional users are the most important buyers, accounting for close to three-fourths of all purchases of such products (computers and related machinery and equipment, packaged software, industrial machinery and electronic machinery, equipment supplies, etc.).

Other significant contributors to the annual growth in 1993 were wholesalers of other products (farm and paper products, agricultural supplies, industrial and household chemicals, etc.) and suppliers of food, beverage, drug and tobacco products—which recorded strong increases of 12.4% and 7.1% respectively.

Inventories

Wholesale merchants' inventories remained unchanged, totalling \$26.3 billion in December.

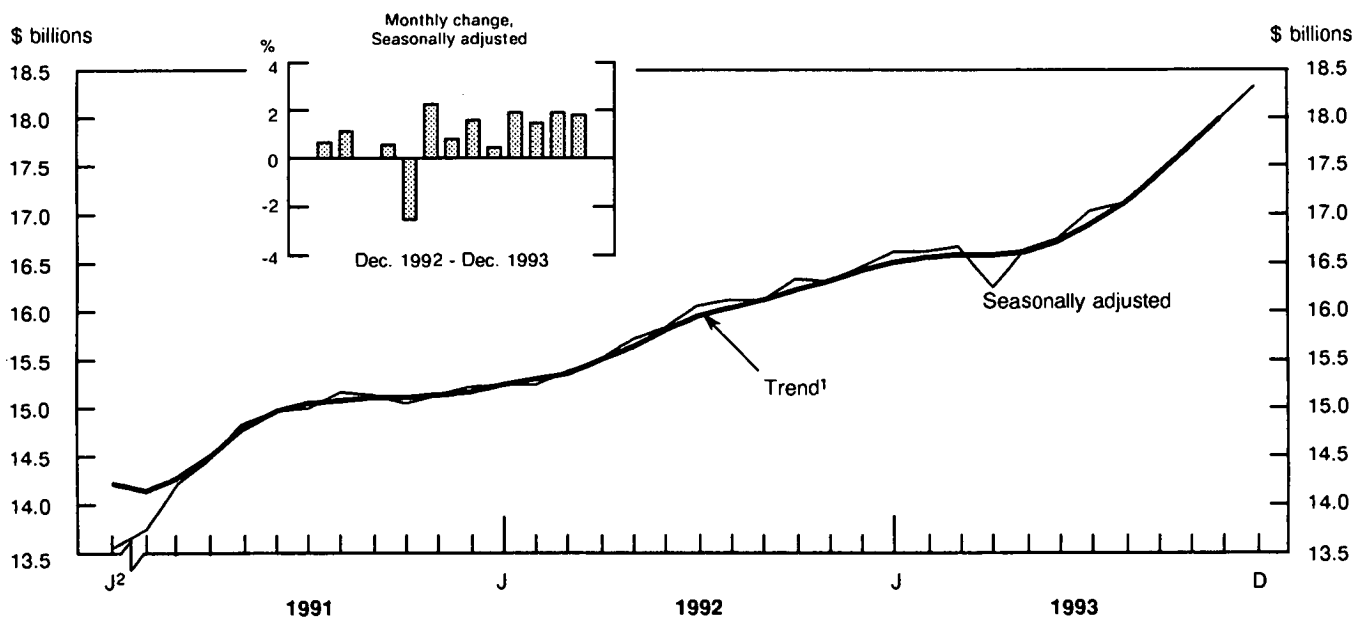
The inventories/sales ratio at the end of December was down to 1.44/1, from 1.46/1 at the end of November.

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

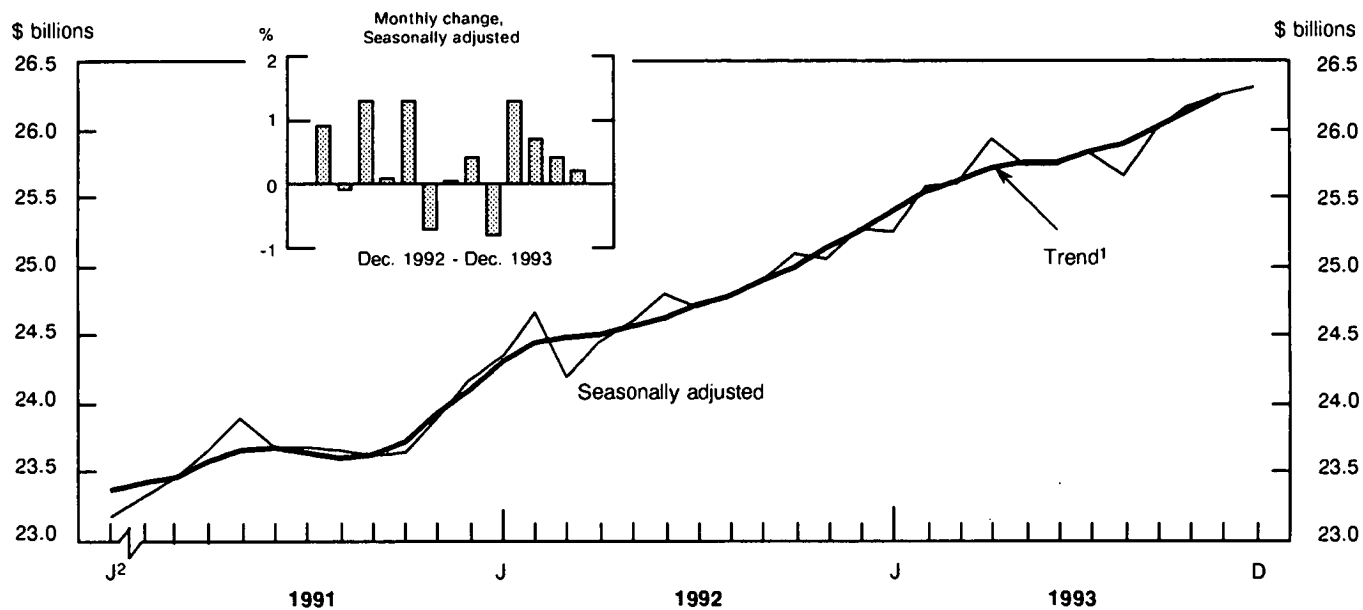
The December issue of *Wholesale Trade* (63-008, \$14.40/\$144) will be available the second week of March. See "How to Order Publications".

For information on this release, contact Gilles Berniquez (613-951-3540) or Gilles Simard (613-951-3541), Industry Division. □

Wholesale merchants' sales



Wholesale merchants' inventories



¹ The short-term trend represents a weighted average of data.

² Prior to 1991, data include Federal Sales Tax. Its successor, the Goods and Services Tax, is not included in the 1991 and later data.

Wholesale merchants' sales

Trade group	Dec. 1992	Nov. 1993 ^r	Dec. 1993 ^p	Dec. 1992 to Dec. 1993	Dec. 1992	Sept. 1993 ^r	Oct. 1993 ^r	Nov. 1993 ^r	Dec. 1993 ^p	Nov. 1993 to Dec. 1993	Dec. 1992 to Dec. 1993
	\$ millions			% change	\$ millions			% change			
	unadjusted				seasonally adjusted						
Canada											
Food, beverage, drug and tobacco products	4,482	4,736	4,854	8.3	4,387	4,460	4,543	4,618	4,700	1.8	7.1
Apparel and dry goods	265	420	264	-0.7	435	459	469	462	442	-4.2	1.6
Household goods	589	763	556	-5.7	601	586	600	590	573	-2.8	-4.6
Motor vehicles, parts and accessories	1,475	2,040	1,712	16.0	1,773	1,906	1,927	1,978	2,021	2.2	14.0
Metals, hardware, plumbing and heating equipment and supplies	994	1,318	1,080	8.6	1,159	1,249	1,240	1,252	1,256	0.3	8.4
Lumber and building materials	1,133	1,681	1,333	17.6	1,563	1,635	1,641	1,709	1,764	3.3	12.9
Farm machinery, equipment and supplies	315	355	498	57.8	349	390	416	441	533	20.9	52.7
Other machinery, equipment and supplies	3,868	4,243	4,564	18.0	3,625	3,984	4,008	4,111	4,189	1.9	15.6
Other products	2,465	2,900	2,791	13.3	2,529	2,738	2,815	2,832	2,843	0.4	12.4
Total, all trades	15,589	18,456	17,653	13.2	16,421	17,408	17,658	17,992	18,322	1.8	11.6
Provinces and territories											
Newfoundland	167	190	178	6.9	167	173	177	173	177	2.3	5.7
Prince Edward Island	43	35	41	-2.6	43	37	35	36	39	8.3	-8.8
Nova Scotia	360	359	416	15.5	366	386	378	377	416	10.2	13.7
New Brunswick	230	242	232	1.1	239	237	232	233	239	2.7	--
Quebec	3,639	4,488	3,995	9.8	3,978	4,123	4,192	4,267	4,318	1.2	8.6
Ontario	6,617	7,733	7,344	11.0	6,892	7,165	7,313	7,448	7,534	1.1	9.3
Manitoba	511	570	581	13.8	570	559	575	595	621	4.4	9.0
Saskatchewan	453	520	579	27.8	480	520	548	547	607	10.9	26.6
Alberta	1,413	1,746	1,763	24.8	1,472	1,636	1,669	1,736	1,783	2.7	21.1
British Columbia	2,136	2,551	2,502	17.1	2,192	2,548	2,516	2,557	2,566	0.4	17.1
Yukon and Northwest Territories	20	22	20	-0.7	23	23	23	24	23	-2.4	1.4

Wholesale merchants' inventories

Trade group	Dec. 1992	Nov. 1993 ^r	Dec. 1993 ^p	Dec. 1992 to Dec. 1993	Dec. 1992	Sept. 1993 ^r	Oct. 1993 ^r	Nov. 1993 ^r	Dec. 1993 ^p	Nov. 1993 to Dec. 1993	Dec. 1992 to Dec. 1993
	\$ millions			% change	\$ millions			% change			
	unadjusted				seasonally adjusted						
Canada											
Food, beverage, drug and tobacco products	3,276	3,353	3,303	0.8	3,262	3,271	3,279	3,323	3,300	-0.7	1.1
Apparel and dry goods	882	956	1,004	13.8	948	1,071	1,036	1,061	1,067	0.6	12.5
Household goods	1,120	1,257	1,222	9.1	1,120	1,344	1,356	1,257	1,222	-2.8	9.1
Motor vehicles, parts and accessories	3,566	3,311	3,287	-7.8	3,619	3,624	3,545	3,516	3,422	-2.7	-5.5
Metals, hardware, plumbing and heating equipment and supplies	2,097	2,327	2,330	11.1	2,188	2,261	2,292	2,380	2,397	0.7	9.6
Lumber and building materials	2,310	2,543	2,684	16.2	2,483	2,722	2,780	2,786	2,872	3.1	15.7
Farm machinery, equipment and supplies	1,207	1,149	1,196	-0.9	1,255	1,201	1,232	1,239	1,238	-0.1	-1.3
Other machinery, equipment and supplies	6,834	7,077	7,063	3.4	7,080	7,029	7,071	7,179	7,250	1.0	2.4
Other products	3,271	3,483	3,515	7.4	3,316	3,464	3,575	3,518	3,539	0.6	6.7
Total, all trades	24,564	25,456	25,604	4.2	25,273	25,989	26,165	26,259	26,307	0.2	4.1

^r Revised figures.^p Preliminary figures.

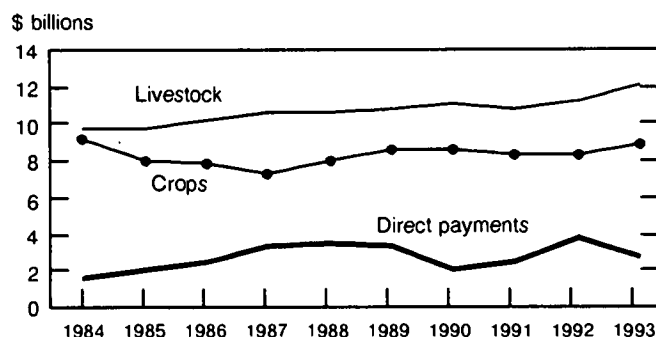
-- Amount too small to be expressed.

Farm Cash Receipts

1993

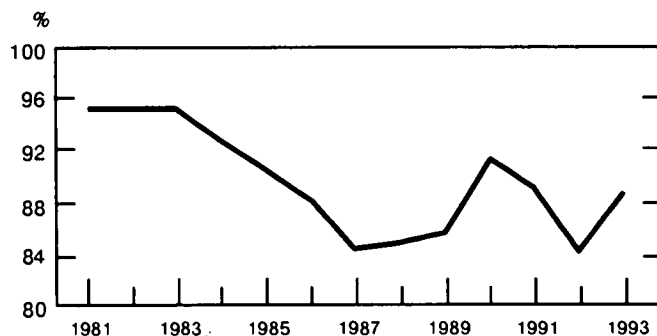
Farm cash receipts for 1993 totalled \$23.7 billion, 2.2% higher than the \$23.2 billion in 1992. Livestock receipts increased 8.3% to a record \$12.2 billion. Crop receipts rose 7.5% to \$8.9 billion, the highest level since 1984. These increases offset a 28% drop in direct payments.

Farm cash receipts



Receipts from the market—the sum of crop and livestock receipts—reached \$21.0 billion in 1993. The share of total receipts from the market rose to 89%, from the record low of 84% in 1992. Despite this increase, the share of receipts from the market remained well below 95%, the average between 1971 and 1983.

Share of cash receipts from the market



Note to users

Farm cash receipts measure the gross returns to farmers in current dollars from the sale of all agricultural products except those associated with direct sales between farms in the same province. They also include Canadian Wheat Board and Ontario Wheat Producers' Marketing Board payments, deferred grain receipts and direct payments to farmers from various federal, provincial and municipal programs.

Realized net farm income, which takes into account producers' operating expenses and depreciation charges, is published in Agriculture Economic Statistics Supplement II (10-603E, Issue 93-002, \$21/\$42).

Livestock receipts

Livestock and animal product receipts for 1993 were a record \$12.2 billion, 8.3% above the previous high of \$11.2 billion in 1992. The increase was due to higher cattle, hog and chicken receipts.

Cattle receipts rose 13% to \$4.6 billion in 1993, from \$4.0 billion a year earlier. Prices were 14% higher as output was lower than expected in the United States and as the value of the Canadian dollar declined. Both domestic slaughter and live exports were little changed from 1992. Exports were running ahead of the year-earlier level until the end of August, when stronger domestic prices related to the expansion of the cattle herd reversed the trend.

Hog receipts reached \$2.1 billion in 1993, 16% higher than \$1.8 billion in 1992. The increase resulted from a 16% rise in prices, as marketings were virtually unchanged. Prices were supported by lower-than-expected U.S. marketings, losses from the summer flooding in the U.S. Midwest, and the lower value of the Canadian dollar.

Chicken receipts for 1993 totalled \$1.0 billion, compared to the previous year's \$927 million. Quantities marketed rose 6.6% as strong demand led to increased production quotas. Prices were up 2.1%.

Crop receipts

Crop receipts rose to \$8.9 billion in 1993, a 7.5% increase from \$8.2 billion in 1992. Higher Canadian Wheat Board (CWB) payments and record receipts for canola, soybeans and potatoes offset a decline in wheat receipts.

CWB payments were \$1.0 billion in 1993, compared with \$468 million a year earlier. In 1992, farmers received \$15 million in final payments for the 1990/91 crop and \$253 million in interim payments for the 1991/92 crop. Similar payments in 1993 totalled \$431 million and \$348 million, respectively, as world grain prices strengthened.

Receipts from canola, soybeans and potatoes all reached new highs in 1993. Canola receipts increased 17% to \$1.2 billion as prices rose 10% despite the record Canadian crop. Marketings were up 5.7%, reflecting record domestic crush and export movement during the last five months of the year. Soybean receipts were \$417 million, an increase of \$107 million, as supplies in the U.S. tightened due to flooding in the Midwest. Potato receipts rose 29% to \$467 million as marketings increased 22% after the harvest of a record crop in 1992.

Wheat receipts fell 19% to \$1.8 billion in 1993, the lowest level since 1978. The 17% drop in marketings reflected the lower quality of the 1992 and 1993 harvests and reduced export demand from Russia and China, traditionally Canada's largest grain customers.

Direct payments

Direct program payments in 1993 totalled \$2.7 billion, a 28% decrease from the year-earlier \$3.7 billion. Lower other (ad hoc), tripartite, Net Income

Stabilization Account (NISA) and provincial stabilization payments offset higher crop insurance payments.

Other (ad hoc) payments fell to \$62 million in 1993, from \$647 million the previous year, as payments under the Farm Support and Adjustment Measures II program wound down. Tripartite payments were \$21 million, compared with \$371 million a year earlier—when low market prices for hogs and slaughter cattle triggered payments.

NISA payments dropped from \$338 million to \$130 million. Most of the 1993 NISA payments were from the 1991 and 1992 programs, which had fewer participants and smaller average withdrawals than the 1990 program. Provincial stabilization payments fell 39% to \$263 million, as payments on corn and hogs in Quebec were much lower.

The increase in crop insurance payments, from \$397 million in 1992 to \$763 million in 1993, reflected the adverse growing and harvesting conditions that prevailed in 1992.

Available on CANSIM: matrices 3582-3592.

The January-December 1993 issue of *Farm Cash Receipts* (21-001, \$11/\$44) will be available the last week of February. See "How to Order Publications".

For further information on this release, contact Ed Hamilton (613-951-8707) or Randy Kroeker (613-951-3154), Agriculture Division.

Total cash receipts from farming operations

	1992	1993	1992 to 1993
	\$ millions		% change
Canada	23,191.6	23,697.3	2.2
Newfoundland	62.8	62.4	-0.7
Prince Edward Island	225.2	235.2	4.4
Nova Scotia	313.8	311.9	-0.6
New Brunswick	264.3	279.3	5.7
Quebec	3,783.5	3,772.6	-0.3
Ontario	5,882.5	5,918.7	0.6
Manitoba	2,105.2	2,285.6	8.6
Saskatchewan	4,305.9	4,467.0	3.7
Alberta	4,891.2	4,937.9	1.0
British Columbia	1,357.3	1,426.7	5.1

Note: Totals may not add due to rounding.



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PUBLICATIONS RELEASED

Monthly Survey of Manufacturing,
December 1993.

Catalogue number 31-001

(Canada: \$17.30/\$173; United States:
US\$20.80/US\$208; Other Countries:
US\$24.20/US\$242).

Industry Price Indexes, December 1993.

Catalogue number 62-011

(Canada: \$18.20/\$182; United States:
US\$21.80/US\$218; Other Countries:
US\$25.50/US\$255).

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Library Materials, ANSI Z39.48 – 1984.



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