

# WESTERN POLICY Analyst

Bi-Weekly Briefing

Volume 3, Issue 4

JOHNSON  
SHOVANA GRADUATE SCHOOL OF  
PUBLIC POLICY

FEBRUARY 28, 2012

This Week...

Final 2011 Estimates for Retail Sales  
Final 2011 Estimates for Wholesale Sales  
Services for Crime Victims  
Livestock Inventories



## Final 2011 Estimates for Retail Sales

By Doug Elliott, Editor

Statistics Canada has released initial estimates for December retail sales thereby enabling

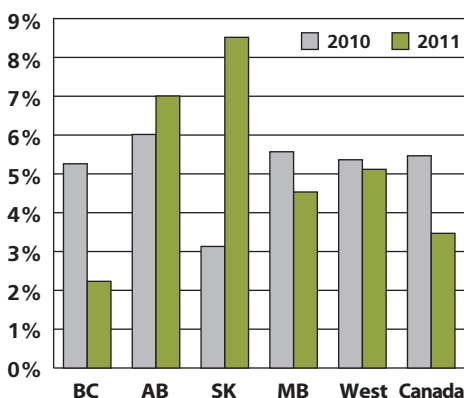
an examination of annual totals. The numbers show that consumers in the prairie provinces were in a spending mood last year compared with those in other parts of Canada<sup>1</sup>. Retail sales in Canada grew by 3.6% in 2011 which was noticeably lower than the 5.5% increase in 2010. After taking inflation into account, this translates into sales growth of less than 1% in real terms.

Retail sales in the West, on the other hand, grew by 5.1% which was down only slightly from the 5.4% increase in 2010. Sales growth was particularly strong in Alberta and Saskatchewan where the increases were 7.0% and 8.5%, respectively. This compares with increases of 4.6% in Manitoba and 2.3% in B.C. Figure 1 shows that this is the second year in a row for strong growth in Alberta.

In percentage terms, sales increased the most in gasoline service stations (15.9%), mainly because gasoline prices increased by 17.5% compared with 2010. In fact, retail sales excluding gasoline service stations increased by only 3.6% in 2011. There were also above-average increases for sales at new and used motor vehicle dealers and at clothing stores. Sales in food and beverage stores increased by only 1.2% in spite of a 4.2% inflation rate for groceries. Apparently consumers were cutting back on groceries to offset the cost of operating the family vehicle.

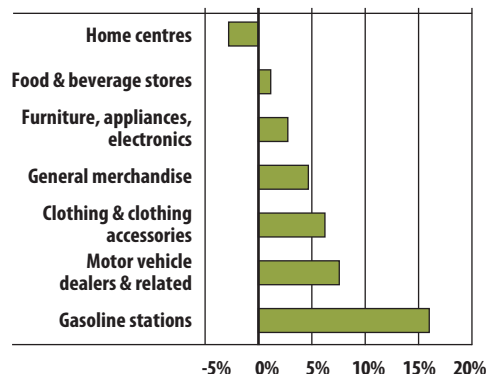
Western consumers will struggle to maintain this level of spending in 2012 because of increased

Figure 1: Annual Increase in Retail Sales



Consumers in Alberta and Saskatchewan were in a spending mood last year with increases in retail sales of 7.0% and 8.5%, respectively.

Figure 2: 2011 Increase in Retail Sales, Western Canada



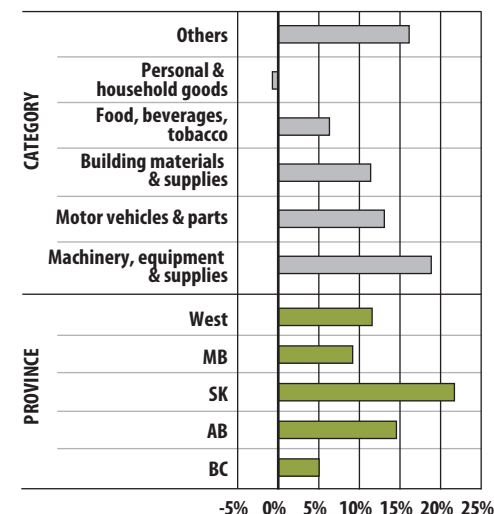
debt loads. Employment earnings in the West grew by 3.5% in 2011 compared with the 5.1% increase in retail sales so some of the extra spending would have been on credit.

In spite of the sales growth, employment in retail trade declined by 1.3% last year.

## Final 2011 Estimates for Wholesale Sales

As wholesale establishments sell directly to other businesses including retailers, wholesale sales act as both an indicator of business spending and a leading indicator for retail sales. Wholesale sales in the West increased by 11.8% in 2011 according to the recently-released estimates. This is double the 5.1% increase among retailers and well above the national average of 7.4%.

Figure 3: 2011 Increase in Wholesale Sales, Western Canada



<sup>1</sup> Some sales in retail establishments are made by businesses rather than consumers so retail sales are only a proxy for consumer spending.

As with retail sales, the largest increases were in Saskatchewan (22%) and Alberta (15%) but there were significant increases in each of the four western provinces. The breakdown by category in Figure 3 shows the largest increase was among wholesalers of machinery and equipment with sales of personal and household goods declining from 2010 to 2011. This suggests that business spending rather than consumer spending was responsible for the strong performance.

Employment in wholesale trade increased by 6.3% in 2011.

## Services for Crime Victims

The Canadian Centre for Justice Statistics routinely surveys the range of government-funded victim service providers whose mandate is to provide services to victims of crime. The most recent report covers the services in place as of March 31, 2010.

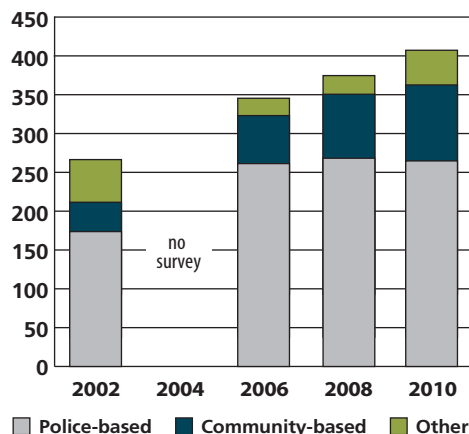
The number of victim services agencies in the West has grown from 265 in 2002 to 403 in 2010.

There has been a substantial increase in the number of these service agencies since 2002. In the four western provinces combined, the number has increased from 265 in 2002 to 403 in 2010. Figure 4 shows that the bulk of the services are police-based but the number of community-based services is increasing more quickly.

There are different counts and trends among the provinces. Compared with a 52% increase overall from 2002 to 2010, the number:

- increased by 221% from 29 to 93 agencies in Saskatchewan;
- increased by 39% from 87 to 121 agencies in Alberta;
- increased by 35% from 129 to 174 agencies in B.C.; and
- declined by 25% from 20 to 15 in Manitoba.

**Figure 4: Number of Victim Service Agencies in Western Canada**



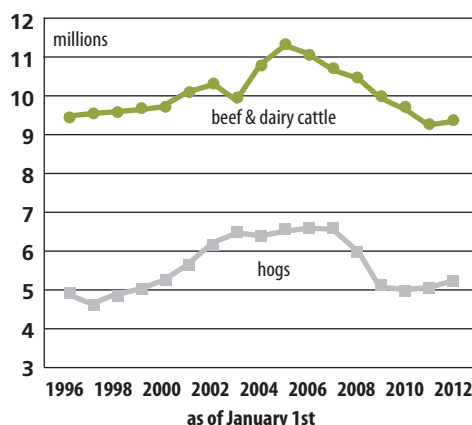
## Livestock Inventories

After declining for seven consecutive years, the number of beef and dairy cattle on western farms increased slightly in 2011. As of January 2012, there were 9.3 million head of cattle on farms in the West which is up 1% from a year ago. The turnaround was broadly based with more dairy cattle and more cattle in cow-calf operations and feeder and stocker operations. The number of hogs increased by 3%.

After declining for seven consecutive years, the number of beef cattle on western farms increased in 2011.

The majority of cattle (54%) are on Alberta's farms and the majority of hogs (51%) are in Manitoba. Nevertheless, the number of both cattle and hogs increased in all four provinces and in Canada as a whole.

**Figure 5: Livestock on Western Canadian Farms**



## Upcoming Releases

In the next two weeks, Statistics Canada will be releasing data describing:

- Public and private investment on February 29;
- January raw materials and industrial product price indices on March 1;
- January building permits on March 7; and
- February labour force statistics on March 9.

### Sources:

The figures are adapted from the following sources.

**Final 2011 Estimates for Retail Sales:** Statistics Canada CANSIM 080-0020

**Final 2011 Estimates for Wholesale Sales:** Statistics Canada CANSIM 081-0011

**Services for Crime Victims:** Statistics Canada CANSIM Table 256-0018 and Victim services in Canada, 2009/2010, 85-002-X

**Livestock Inventories:** Statistics Canada CANSIM Tables 003-0004 and 003-0032

FEBRUARY 28, 2012

The Western Policy Analyst is published bi-weekly and quarterly by the Johnson-Shoyama Graduate School of Public Policy. No reproduction of any material is allowed without express consent of the publishers.

### EDITOR

Doug Elliott

### EDITORIAL BOARD

Rose Olfert  
Lihui Zhang  
Jim Marshall

COPYRIGHT JSJS 2010

Johnson-Shoyama Graduate School of Public Policy

University of Saskatchewan Campus  
Diefenbaker Building  
101 Diefenbaker Place  
Saskatoon, SK, Canada  
S7N 5B8

Tel: 306 966-8525

Fax: 306 966-1967

Email: public.policy@usask.ca

University of Regina Campus

3737 Wascana Parkway  
Regina, SK, Canada  
S4S 0A2

Tel: 306 585-5460

Fax: 306 585-5461

Email: gspp@uregina.ca

### Outreach & Training

University of Regina  
College Avenue Campus  
Gallery Building, Second Floor  
Regina, SK, Canada  
S4S 0A2

Tel: 306 585-5777

Fax: 306 585-5780

Email: js\_outreach@uregina.ca

ISSN 1923-9971



University  
of Regina

www.schoolofpublicpolicy.sk.ca