



▶ PROVINCIAL WHOLESALE TRADE CLIMBING HIGHER

INTRODUCTION

As an industry, wholesale trade flies under the radar, especially compared to its more popular and monitored cousin - retail trade. However, over the past ten years the industry has been an important driver for growth in the Saskatoon Region, with data showing that provincial wholesale trade volumes nearly doubled from 2006 to 2016 - the fastest growth of any province.

THE DETAILS

Saskatchewan wholesale trade came in at \$2.2B in December 2016, up 4.3% from November but down 3.5% from December 2015. The monthly reading was by far the highest level for 2016 and is another sign that the worst of the commodity downturn is in the past.

CONTEXT

In Saskatchewan, two industries account for roughly two-thirds of wholesale trade: machinery and

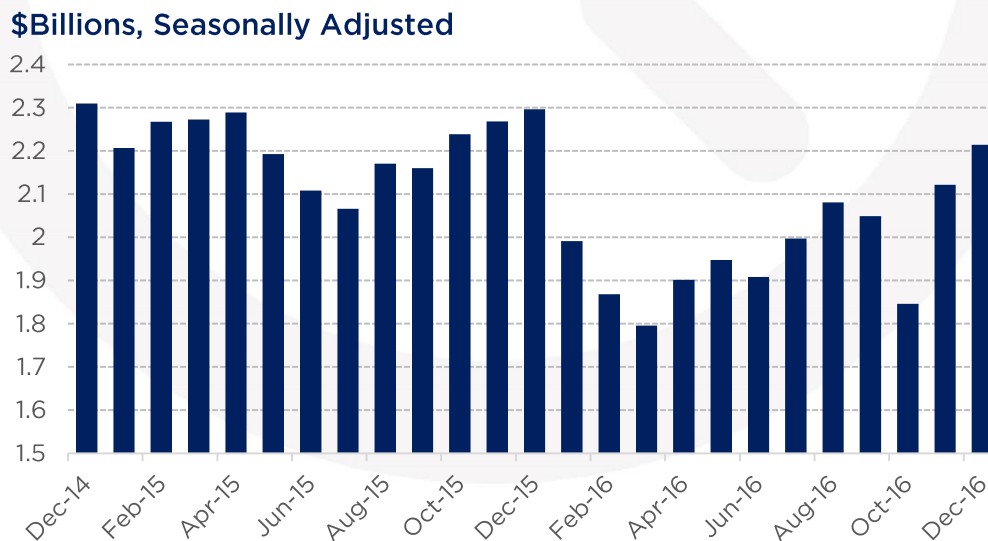
equipment (agriculture, mining and oil gas related) and agriculture supply products. The industry is well represented in the Saskatoon Region with many wholesale firms supplying goods to the large mining companies or farmers located in the region.

The wholesale industry represents the supply chain resource extraction companies rely on to run their businesses. Considering the growth that has occurred in wholesale trade, it may be that mining and oil and gas companies have trended towards sourcing more of their goods locally - a strong positive for the local economy.

OUTLOOK

The outlook for the local wholesale industry is somewhat tied to resources. However, considering how large the Western Canadian resource sector is, there is plenty of market share for local wholesalers to win from firms out of province in order to grow their business.

SASKATCHEWAN WHOLESALE TRADE



Source: Statistics Canada

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