

Reference Period: January 2015

MONTHLY INFOSTATS



**Restaurants
Canada**

The voice of foodservice | La voix des services alimentaires

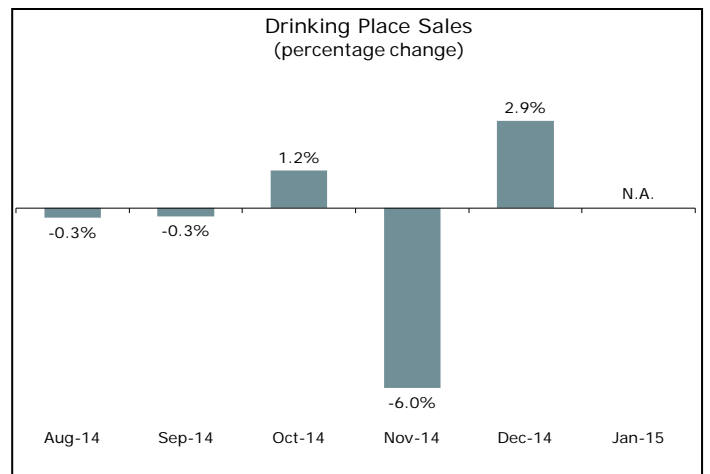
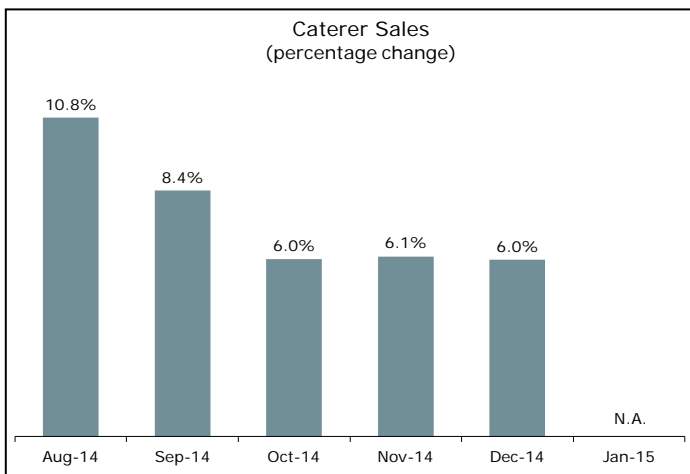
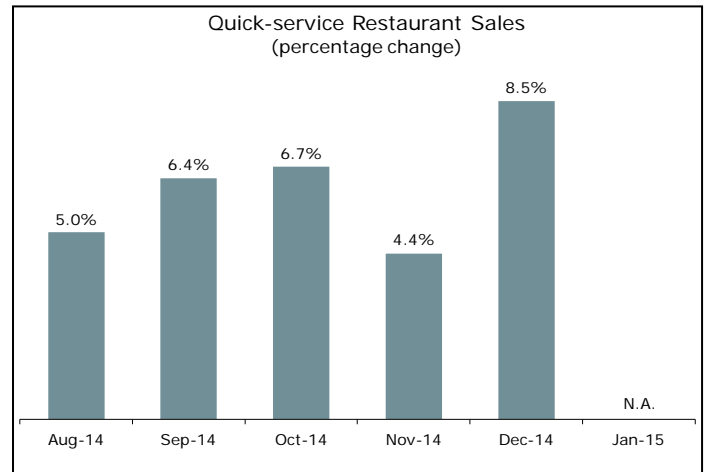
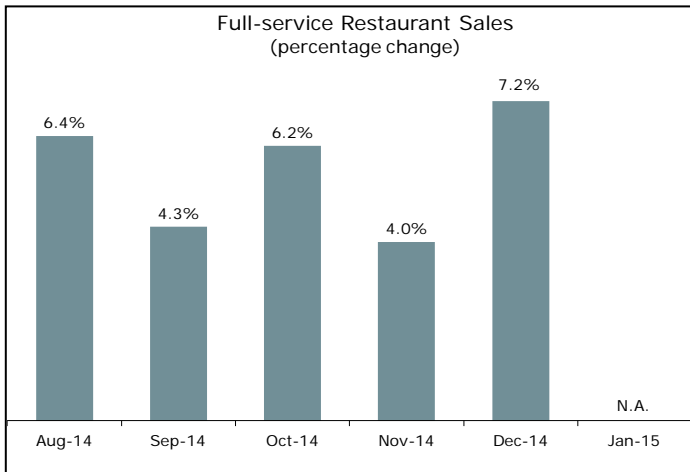
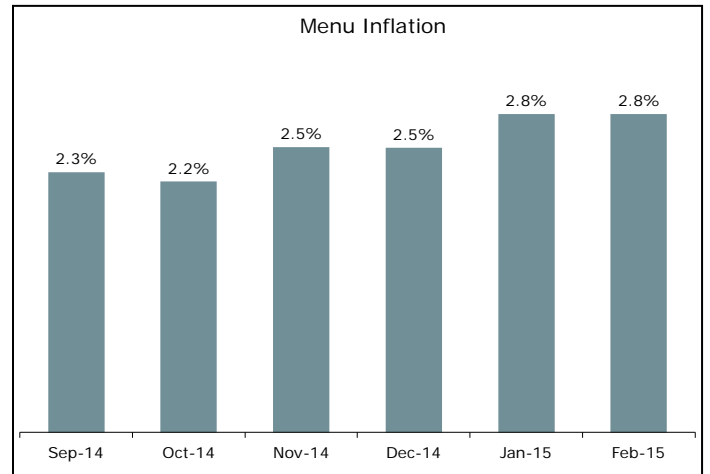
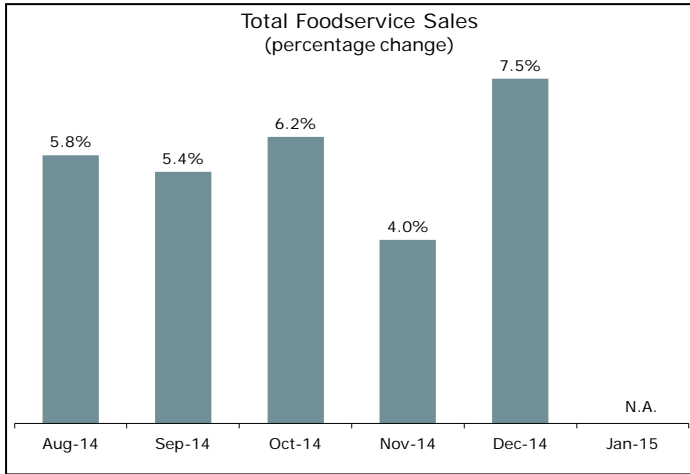
Prepared by
Chris Elliott, Senior Economist

April 13,
2015

Highlights

Due to some concerns about the data, Restaurants Canada will release the January foodservice sales data when the revised figures are released at the end of April.

Commercial Foodservice Trends - Canada



Note: All growth rates are year-over-year and based on preliminary data from Statistics Canada.

Monthly InfoStats – January 2015

The Economy

Highlights

Lower gasoline prices caused **Canada's economy** to contract by 0.1% in January over December.

After a sharp decline in February, **consumer confidence** rebounded in March as Canadians were more optimistic about their financial and job security.

Retail spending fell by 1.7% in January, due in large part to lower prices at gasoline stations.

Lower gasoline prices held **Canada's inflation rate** to 1.0% in February.

Total employment in Canada rose by a stronger-than-expected 29,000 jobs in February.

Canada's unemployment rate held steady at 6.8% in February as more people entered the workforce.

Net employment in the United States rose by a weaker-than-expected 126,000 jobs in March. As a result, the unemployment rate remained at 5.5%.

On a month-over-month basis, **Canada's real GDP** contracted by 0.1% in January. This represents the second monthly decline in the past three months. Economic activity was restrained by declines in wholesale trade, retail trade, manufacturing and construction.

The sluggish start to the year for the economy was not unexpected. Lower oil prices will lead to weak **economic growth** in the first half of 2015. Improved economic activity in the United States, however, will bolster Canada's exports and boost real GDP growth in the second half of the year.

In March, **consumer confidence** in Canada rebounded by 12.9 points to 108.5 (2014 = 100) as more Canadians were optimistic about their future financial situation, their willingness to make a big-ticket purchase and job prospects.

A decline in gasoline prices led to a 1.7% drop in month-over-month **retail sales** in January. This is on the heels of a 1.8% decline in December. Sales fell in seven out of 11 subsectors, with lower spending also reported in furniture and home furnishings stores (-2.1%), motor vehicle and parts dealers (-1.4%), food and beverage stores (-1.2%), and general merchandise stores (-1.1%).

At the provincial level, **retail spending** fell in nine provinces. The greatest declines were in Alberta (-2.8%), Newfoundland (-2.5%) and Quebec (-2.4%). After posting the largest drop in December, Prince Edward Island sales rose by a modest 0.5%.

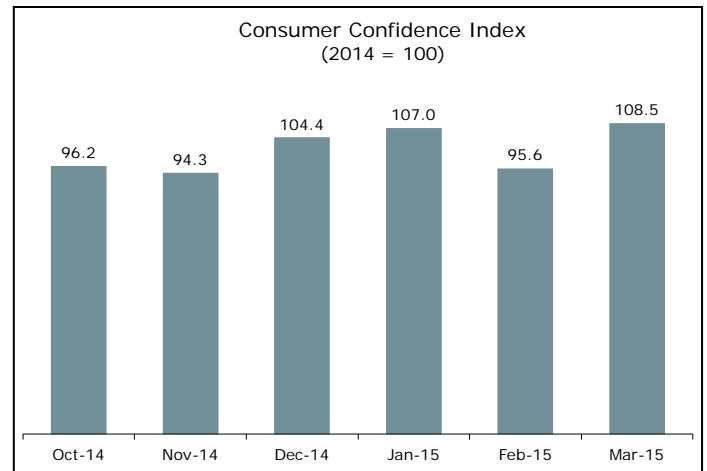
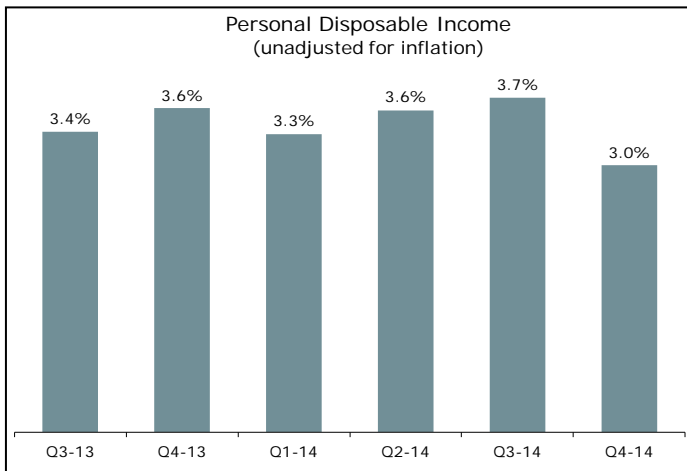
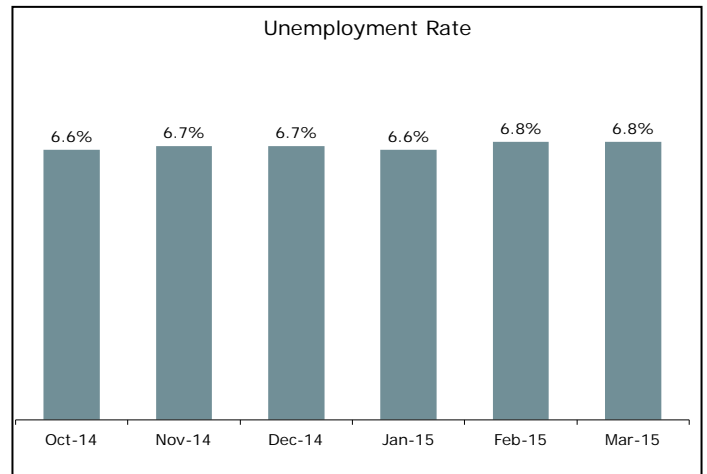
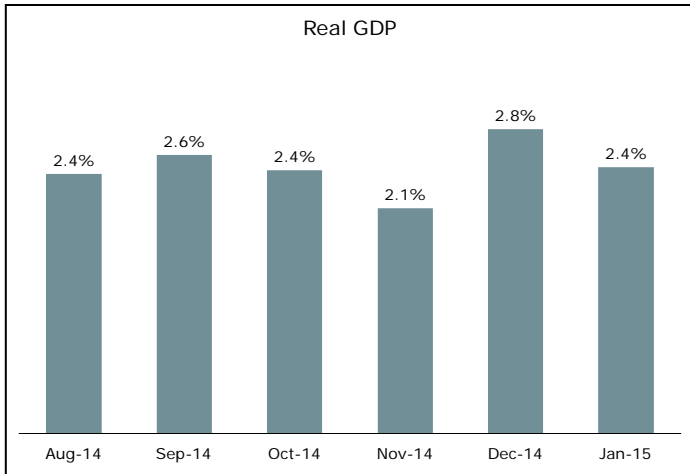
Canada's year-over-year **inflation rate** held steady at 1.0% in February. Gasoline prices were 21.8% lower in February 2015 than in February 2014. Excluding gasoline, inflation was 2.2%.

On a year-over-year basis, prices for **food at grocery stores** were 4.3% higher in January. The largest increases were for beef (+18.7%), pork (+12.4%) and fresh vegetables (+8.4%). The price of lettuce jumped 40% on a year-over-year basis while tomato prices rose by 9.1%.

Net employment in Canada grew by a stronger-than-expected 29,000 jobs in March. While part-time employment rose by 56,800 jobs, full-time employment fell by a disappointing 28,300 jobs. More people entering the workforce kept the unemployment rate unchanged at 6.8%.

In the **United States**, net employment rose by a weaker-than-expected 126,000 jobs in March. As a result, the unemployment rate held steady at 5.5%.

Economic Indicators - Canada



Source: Statistics Canada and Conference Board of Canada

Note: GDP and Personal Disposable Income are year-over-year changes. Consumer confidence and the unemployment rate are actual values.

MENU INFLATION (2002=100)

	Period	Amount	This period over year ago (%)	Year-to- date (%)	2014 over 2013(%)	2013 over 2012(%)
By Sector						
Menu Inflation – Total	January	137.5	2.8%	2.8%	2.0%	1.5%
Menu Inflation – Full Service	January	138.7	2.8%	2.8%	2.1%	1.5%
Menu Inflation – Quick Service	January	134.7	2.7%	2.7%	1.4%	1.6%
Menu Inflation – Cafeterias	January	137.6	2.8%	2.8%	2.0%	1.5%
By Province						
Newfoundland	January	145.4	3.2%	3.2%	2.1%	2.7%
Prince Edward Island	January	134.7	2.3%	2.3%	0.1%	1.1%
Nova Scotia	January	143.7	3.8%	3.8%	1.3%	1.7%
New Brunswick	January	140.1	2.6%	2.6%	1.7%	1.9%
Quebec	January	142.0	3.9%	3.9%	3.5%	2.2%
Ontario	January	135.0	2.0%	2.0%	1.3%	2.0%
Manitoba	January	143.6	3.8%	3.8%	3.1%	3.3%
Saskatchewan	January	142.4	2.5%	2.5%	2.6%	2.8%
Alberta	January	138.2	2.8%	2.8%	2.3%	3.1%
British Columbia	January	131.2	2.6%	2.6%	0.4%	-2.6%

THE ECONOMY (seasonally adjusted)

	Period	Amount	This period over year ago (%)	Year-to- date (%)	2014 over 2013(%)	2013 over 2012(%)
General Indicators						
Real GDP (2002 \$billion)	January	\$1,653.3	2.4%	2.4%	2.4%	2.1%
Consumer Price Index (2002=100)	January	124.3	1.0%	1.0%	1.9%	0.9%
Number of Employed ('000's)	January	17,886.9	0.7%	0.7%	0.6%	1.4%
Unemployment Rate ¹	January	6.6%	7.0%	6.6%	6.9%	7.1%
Prime Rate ¹	January	2.85%	3.00%	2.85%	3.00%	3.00%
Consumer Confidence (2014=100)	January	107.0	15.3%	15.3%	4.9%	9.2%
Disposable Income (\$billion)	Q4'14	\$1,127.8	3.0%	3.4%	3.4%	3.8%
Other (in \$ millions)						
Supermarkets and Grocery Stores	January	\$7,111.3	5.9%	5.9%	1.2%	0.2%
Commercial Foodservice Employment²						
Number of Employed ('000's)	January	996.9	2.5%	2.5%	2.2%	3.8%
Average Weekly Hours	January	21.8	3.3%	3.3%	1.4%	-1.7%
Average Weekly Wage	January	\$332.79	3.2%	3.2%	1.6%	-1.9%

Source: Statistics Canada

¹ Refers to actual values

² Unadjusted for seasonal variation

Menu Inflation

	2014 Mar	2014 Apr	2014 May	2014 Jun	2014 Jul	2014 Aug	2014 Sep	2014 Oct	2014 Nov	2014 Dec	2015 Jan	2015 Feb	2015 Year-to-date
Canada	1.0%	2.1%	2.1%	2.3%	2.1%	2.1%	2.3%	2.2%	2.5%	2.5%	2.8%	2.8%	2.8%
Full-service restaurants	1.0%	2.3%	2.3%	2.5%	2.4%	2.4%	2.5%	2.4%	2.8%	2.7%	2.8%	2.8%	2.8%
Quick-service restaurants	0.8%	1.7%	1.6%	1.6%	1.4%	1.5%	1.7%	1.6%	1.7%	1.9%	2.7%	2.7%	2.7%
Cafeteria	1.0%	2.1%	2.1%	2.3%	2.2%	2.1%	2.3%	2.3%	2.5%	2.5%	2.8%	2.8%	2.8%
Newfoundland and Labrador	1.8%	1.7%	1.6%	1.6%	1.9%	2.1%	2.6%	2.4%	2.3%	2.8%	3.2%	3.2%	3.3%
Prince Edward Island	-1.3%	0.2%	-1.5%	-1.4%	-0.8%	-0.6%	1.5%	1.4%	1.8%	1.9%	2.3%	2.3%	2.2%
Nova Scotia	0.2%	0.6%	0.4%	1.0%	1.4%	1.5%	1.9%	1.9%	2.4%	2.8%	3.8%	3.8%	3.8%
New Brunswick	1.4%	1.4%	1.7%	1.5%	1.8%	1.9%	2.0%	1.9%	2.1%	2.4%	2.6%	2.6%	2.5%
Quebec	3.3%	3.4%	3.7%	3.8%	3.6%	3.7%	3.7%	3.5%	3.9%	3.7%	3.9%	3.9%	3.8%
Ontario	1.1%	1.0%	1.1%	1.3%	1.0%	1.0%	1.4%	1.3%	1.6%	1.6%	2.0%	2.0%	2.0%
Manitoba	3.3%	2.9%	2.6%	4.2%	3.1%	2.8%	2.9%	2.7%	3.0%	3.7%	3.8%	3.8%	3.8%
Saskatchewan	2.7%	2.8%	2.5%	2.1%	2.6%	2.2%	2.2%	2.3%	2.6%	3.0%	2.5%	2.5%	2.4%
Alberta	2.6%	2.7%	2.0%	2.2%	2.8%	2.0%	1.9%	2.1%	2.4%	2.6%	2.8%	2.8%	2.9%
British Columbia	-4.5%	2.3%	2.1%	1.7%	1.8%	2.0%	2.0%	2.1%	2.4%	2.2%	2.6%	2.6%	2.5%

Source: Statistics Canada