

Gross domestic product by industry, August 2018

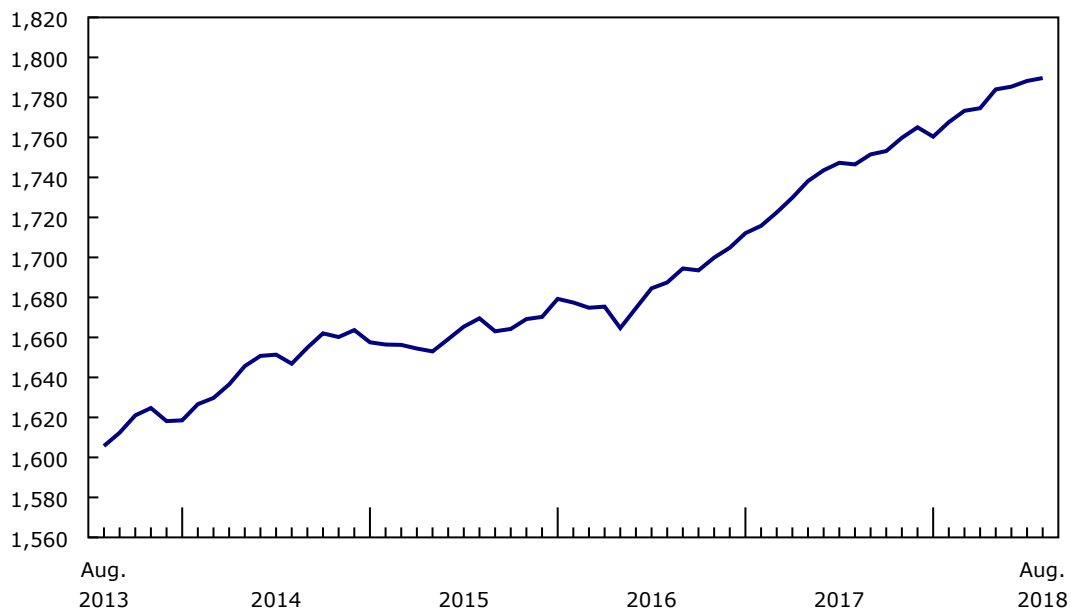
Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, October 31, 2018

Real gross domestic product rose for a seventh consecutive month, edging up 0.1% in August. Growth was concentrated in oil and gas extraction and finance and insurance, which more than offset declines in 12 of 20 industrial sectors.

The output of services-producing industries edged up 0.1%, while output was essentially unchanged for goods-producing industries.

Chart 1 Real gross domestic product edges up in August

billions of chained (2007) dollars — all industries



Source(s): Table 36-10-0434-01.

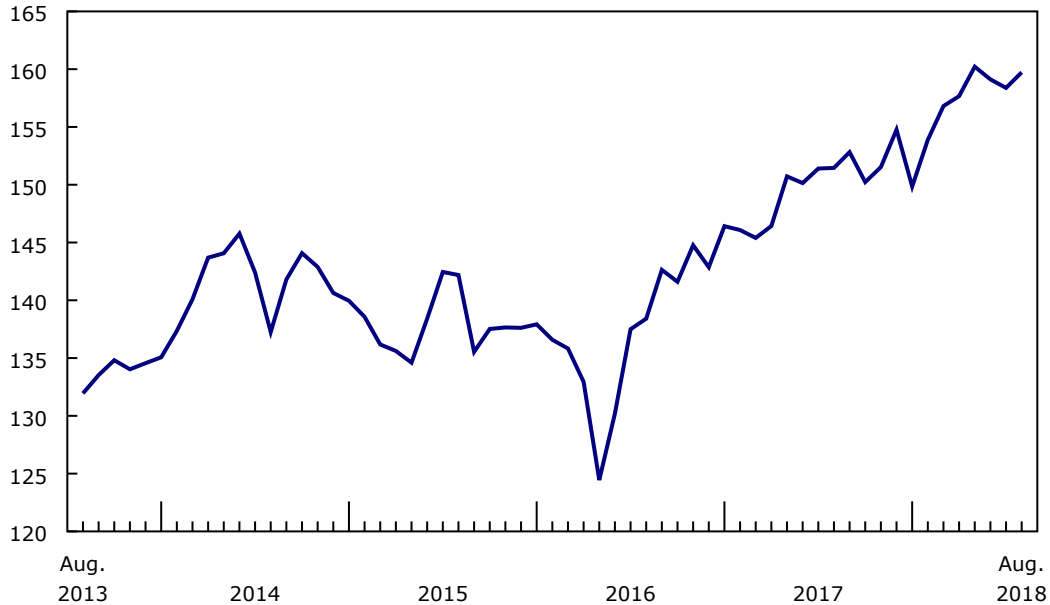
Higher oil and gas extraction pushes up the mining, quarrying, and oil and gas extraction sector

The mining, quarrying and oil and gas extraction sector posted the largest increase in activity in August, rising 0.9% to nearly offset the declines in the two previous months.



Chart 2
Mining, quarrying, and oil and gas extraction grows in August

gross domestic product in billions of chained (2007) dollars



Source(s): Table 36-10-0434-01.

The oil and gas extraction subsector was up 1.9%, led by a 3.2% rise in non-conventional oil extraction as crude bitumen and total crude production in Alberta reached record levels. Conventional oil and gas extraction (+0.8%) was up for the third month in a row, largely as a result of growth in natural gas extraction.

Mining and quarrying excluding oil and gas extraction was down 1.8% in August following three months of growth. Metal ore mining fell 5.9% as the majority of industries contracted. Contributing the most to the decline was a 13.7% drop in copper, nickel, lead and zinc mining, with the industry's output contracting for the 11th time in 12 months as some producers continued to adjust their production levels. Mine output for copper and nickel for August was at its lowest level since the beginning of 2010. Non-metallic mineral mining rose 2.9% as all industries expanded in August, led by an export-driven 3.4% expansion in potash mining. Coal mining edged up 0.1%.

Support activities for mining and oil and gas extraction were down for a fourth consecutive month, contracting 3.8% on lower activity by drilling and rigging services.

The finance and insurance sector rises as bond and equity markets grow on higher market activity

Following a 0.4% decline in July, the finance and insurance sector rose 1.0% in August, the largest monthly gain since May 2017. Increased activity in bond and equity markets was a factor in the growth of depository and credit intermediation services (+1.4%) and financial investment services, funds and other financial vehicles (+2.8%). Insurance carriers and related activities were down 0.6%, continuing the decline that began in March 2018.

Real estate continues to grow as home resale activity increases

The real estate and rental and leasing sector rose 0.3% in August. The output of offices of real estate agents and brokers (+2.0%) was up for the third month in a row. Home resale activity increased across the country, led by Ontario, Quebec, British Columbia and Alberta. However, the output of the offices of real estate agents and brokers remained 16.7% lower than the December 2017 level, just before new mortgage lending rules came into effect in January 2018.

Manufacturing declines as majority of subsectors contract

Following two months of growth, the manufacturing sector contracted 0.6% in August as both durable and non-durable manufacturing declined.

Durable manufacturing was down 0.9% as 7 of 10 subsectors decreased. Transportation equipment was down 1.5% as motor vehicle assembly contracted 1.9%, largely due to atypical shutdowns at some assembly plants in August. This decrease in assembly activity was also a factor in the 5.0% decline in motor vehicle parts manufacturing. Fabricated metal products (-2.0%) and primary metal manufacturing (-1.9%) were down as international demand slowed down in August.

Non-durable manufacturing was down 0.2%. Declines in chemical (-2.7%), petroleum and coal products (-3.3%), food manufacturing (-1.3%) and print and related support activities (-4.1%) were almost fully offset by growth in plastic and rubber products (+8.4%), beverage and tobacco (+4.3%) and textile, clothing and leather manufacturing (+4.4%).

The construction sector declines as new housing slows down

The construction sector was down 0.4% in August, contracting for the fourth time in five months.

Following declines of 0.4% in June and 2.6% in July, residential construction decreased a further 1.6% in August as single, semi-detached and row houses construction declined. August's level of activity reflects the largest decline in residential construction over a three-month period since the beginning of 2009. Non-residential construction was essentially unchanged as growth in industrial and commercial construction was offset by a decline in public construction. Repair construction declined 0.3% while engineering and other construction activities rose 0.5%.

Transportation and warehousing declines

Transportation and warehousing was down 0.5% in August, following six months of growth, as the majority of subsectors declined. Rail transportation decreased 3.8% due to lower rail movement of petroleum, chemicals, metals and minerals, automotive products and intermodal freight. Trucking (-0.5%), water transportation (-1.0%) and support activities for transportation (-0.7%) declined, while pipeline transportation grew 0.6%, reflecting a 1.5% increase in pipeline transportation of natural gas. Warehousing and storage (+2.9%) was up for the fifth month in a row.

Other industries

Utilities rose 0.8% in August following a 1.2% increase in July. Electric power generation, transmission and distribution was up 1.0%, as continued warm weather across many parts of the country followed a record-breaking heatwave in July, increasing electricity demand for cooling purposes. Natural gas distribution edged up 0.1%.

Professional services (+0.3%) were up for the seventh month in a row with increases in most industry groups.

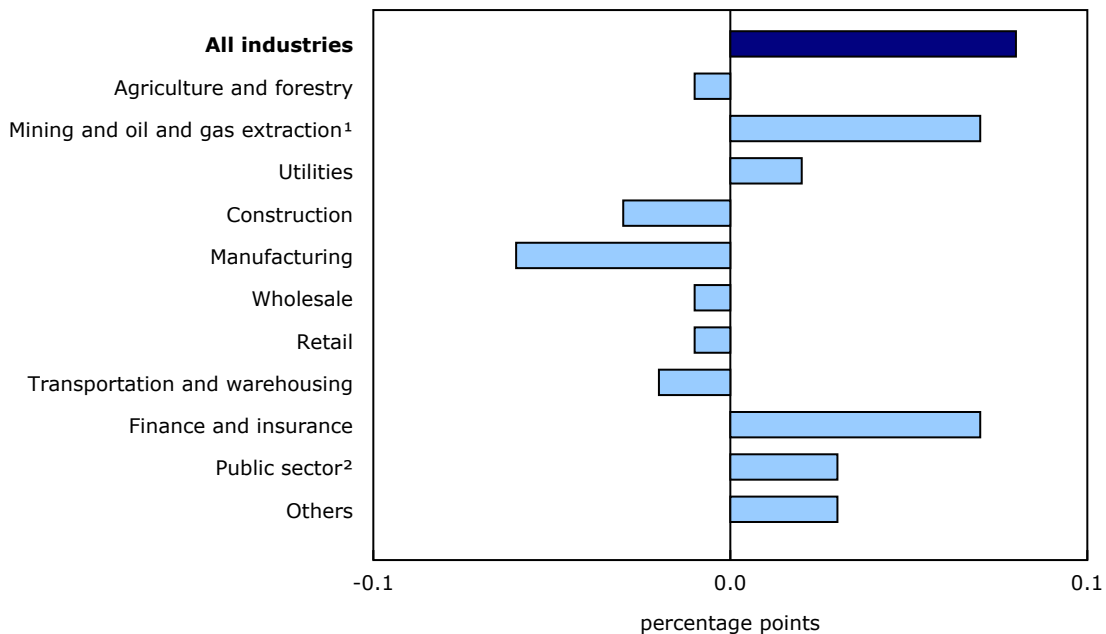
The public sector was up 0.2% with all three components (education, health care and public administration) increasing.

Wholesale trade edged down 0.1% in August as five of nine subsectors decreased. With the decline in August, the wholesale trade sector continued its sequence of increases alternating with smaller declines since the beginning of 2018. The wholesaling of motor vehicles and parts (-2.2%) was down for the fourth time in five months as both exports and imports of motor vehicles and parts declined.

Retail trade declined 0.2% in August, the fourth decrease in five months, as 7 of 12 subsectors contracted. Among store types associated with back-to-school sales, there were decreases in clothing and clothing accessories stores and electronics and appliance stores, while sales at general merchandisers and sporting goods, hobby, book and music stores increased.

Accommodation and food services were essentially unchanged for the second consecutive month in August. Accommodation services were up 0.5%, reflecting an increase in overseas travel to Canada. Food services and drinking places were down 0.2%.

Chart 3
Main industrial sectors' contribution to the percent change in gross domestic product in August



1. Includes quarrying.
 2. Education, health and public administration.
 Source(s): Gross domestic product by industry (1301).

Sustainable Development Goals

On January 1, 2016, the world officially began implementation of the [2030 Agenda for Sustainable Development](#)—the United Nations' transformative plan of action that addresses urgent global challenges over the next 15 years. The plan is based on 17 specific sustainable development goals.

The release on gross domestic product by industry is an example of how Statistics Canada supports the reporting on the Global Goals for Sustainable Development. This release will be used in helping to measure the following goal:



Note to readers

Monthly gross domestic product (GDP) by industry data at basic prices are chained volume estimates with 2007 as the reference year. This means that data for each industry and each aggregate are obtained from a chained volume index, multiplied by the industry's value added in 2007. Monthly data are benchmarked to annually chained Fisher volume indexes of GDP obtained from the constant-price supply and use tables (SUT) up to the latest SUT year (2014).

For the period starting with January 2015, data are derived by chaining a fixed-weight Laspeyres volume index to the prior period. The fixed weights are 2014 industry prices.

This approach makes the monthly GDP by industry data more comparable with expenditure-based GDP data, which are chained quarterly.

All data in this release are seasonally adjusted. For information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

For more information on GDP, see the video [What is Gross Domestic Product \(GDP\)?](#)

Revisions

With this release of monthly GDP by industry, revisions have been made back to January 2017.

Each month, newly available administrative and survey data from various industries in the economy are integrated and result in statistical revisions. Updated and revised administrative data (including taxation statistics), new information provided by respondents to industry surveys, and standard changes to seasonal adjustment calculations are incorporated with each release.

Real-time table

Real-time table 36-10-0491 will be updated on November 19.

Next release

Data on GDP by industry for September will be released on November 30.

Table 1
Monthly gross domestic product by industry at basic prices in chained (2007) dollars –
Seasonally adjusted

	March 2018 ^r	April 2018 ^r	May 2018 ^r	June 2018 ^r	July 2018 ^r	August 2018 ^p	August 2018 ^p	August 2017 ^r to August 2018 ^p
	month-to-month % change						millions of dollars ¹	% change
All industries	0.3	0.1	0.5	0.1	0.2	0.1	1,789,683	2.5
Goods-producing industries	0.6	0.1	0.6	0.0	0.1	-0.0	539,091	3.2
Agriculture, forestry, fishing and hunting	0.2	-0.2	0.8	0.3	-0.7	-0.5	27,682	-0.5
Mining, quarrying, and oil and gas extraction	1.9	0.5	1.6	-0.7	-0.5	0.9	159,727	5.5
Utilities	-0.2	0.4	-0.6	-0.3	1.2	0.8	40,061	1.0
Construction	0.0	-0.3	1.0	-0.2	-1.1	-0.4	125,947	1.9
Manufacturing	0.2	-0.0	-0.4	0.8	1.4	-0.6	185,315	3.3
Services-producing industries	0.2	0.1	0.5	0.1	0.2	0.1	1,251,704	2.2
Wholesale trade	1.1	-0.2	1.4	-1.0	1.2	-0.1	105,143	4.0
Retail trade	0.5	-0.9	2.1	-0.3	-0.1	-0.2	97,802	1.0
Transportation and warehousing	0.8	0.1	0.4	0.1	0.9	-0.5	80,919	2.9
Information and cultural industries	-0.0	-0.0	0.2	0.1	-0.1	-0.1	52,730	-0.2
Finance and insurance	-0.9	0.2	0.5	-0.0	-0.4	1.0	125,388	2.0
Real estate, and rental and leasing	0.1	0.3	0.1	0.4	0.3	0.3	230,181	1.9
Professional, scientific and technical services	0.4	0.3	0.5	0.5	0.1	0.3	100,383	4.3
Management of companies and enterprises	-0.1	0.1	0.1	-0.1	-0.4	-0.0	10,733	-1.2
Administrative and support, waste management and remediation services	0.0	0.3	-0.2	0.1	-0.0	-0.4	42,919	-0.7
Educational services	-0.1	0.3	0.2	0.2	0.2	0.2	92,556	2.6
Health care and social assistance	0.4	0.3	0.3	0.2	0.2	0.2	119,138	3.4
Arts, entertainment and recreation	-0.4	-1.4	2.7	-0.1	-1.8	-1.4	13,478	0.4
Accommodation and food services	0.3	-0.6	0.8	1.1	0.0	-0.0	38,648	2.0
Other services (except public administration)	-0.1	0.4	0.2	0.1	0.0	-0.2	33,209	0.9
Public administration	0.2	0.1	0.2	0.1	0.1	0.1	110,825	1.6
Other aggregations								
Industrial production	0.8	0.3	0.4	0.1	0.6	0.1	390,922	3.9
Non-durable manufacturing industries	-0.4	-0.0	0.5	1.1	2.3	-0.2	79,649	4.5
Durable manufacturing industries	0.6	-0.0	-1.2	0.6	0.7	-0.9	105,692	2.3
Information and communication technologies industries	0.3	-0.1	0.7	-0.0	0.4	0.7	80,901	5.5
Energy sector	1.5	0.6	1.4	-0.1	-0.3	1.0	182,825	5.7
Public sector	0.2	0.2	0.3	0.2	0.1	0.2	322,430	2.5

^r revised

^p preliminary

1. At annual rates.

Source(s): Table 36-10-0434-01.

Available tables: [36-10-0434-01](#) and [36-10-0449-01](#).

Definitions, data sources and methods: survey number [1301](#).

For more information about monthly national gross domestic product by industry, see the [System of Macroeconomic Accounts](#) module on our website.

The *User Guide: Canadian System of Macroeconomic Accounts* ([13-606-G](#)) is also available.

The *Methodological Guide: Canadian System of Macroeconomic Accounts* ([13-607-X](#)) is also available.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca).

To enquire about the concepts, methods or data quality of this release, contact Ederne Victor (613-863-6876), Industry Accounts Division.