

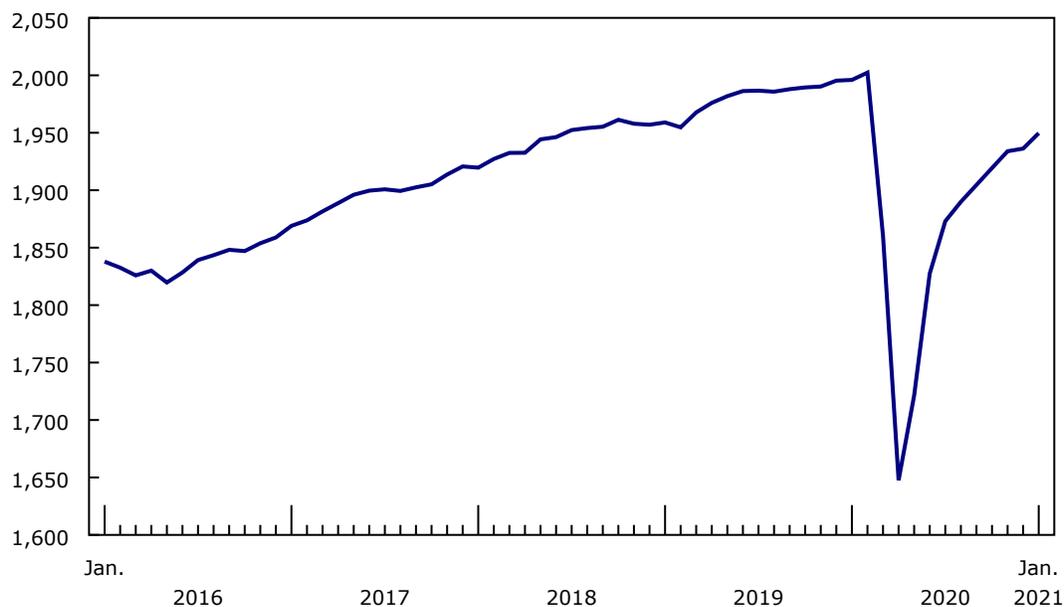
Gross domestic product by industry, January 2021

Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, March 31, 2021

Real gross domestic product (GDP) rose 0.7% in January, following 0.1% growth in December. This ninth consecutive monthly increase continued to offset the steepest drops on record in Canadian economic activity observed in March and April 2020. However, total economic activity was about 3% below the February level before the COVID-19 pandemic.

Chart 1 Real gross domestic product grows in January

billions of chained (2012) dollars — all industries



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

Both goods-producing (+1.5%) and services-producing (+0.4%) industries were up in January as the 20 industrial sectors were nearly evenly split between expansions and contractions.

Preliminary information indicates an approximate 0.5% increase in real GDP for February. Retail trade, construction, and real estate and rental and leasing all contributed to the growth, while manufacturing offset some of the increase. Owing to its preliminary nature, this estimate will be revised on April 30 with the release of the official GDP data for February.

Wholesale trade grows

Wholesale trade was up 3.9% in January, more than offsetting a 1.5% contraction in December.

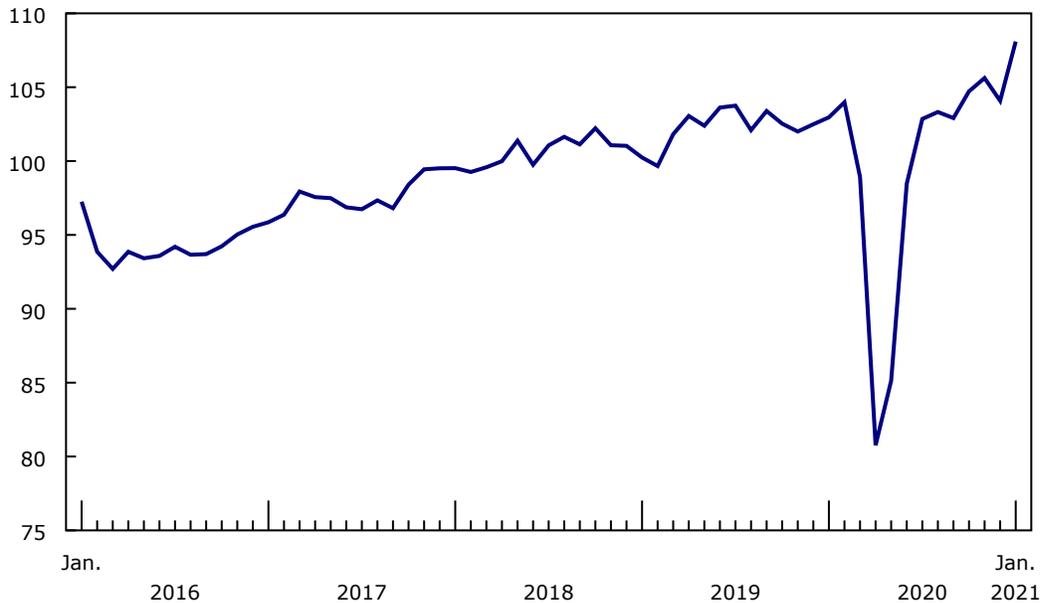


Statistics Canada
Statistique Canada

Canada

Chart 2 Wholesale trade grows in January

gross domestic product in billions of chained (2012) dollars



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

Eight of nine subsectors contributed to the growth, led by machinery, equipment and supplies wholesaling (+8.2%), as [higher imports](#) of all types of machinery contributed to increases in the subsector. Building material and supplies wholesaling jumped 9.6%, benefiting from increased construction activity, while food, beverage and tobacco wholesaling rose 1.5%. Offsetting some of the growth was personal and household goods wholesaling (-1.6%), down for the second month in a row.

Manufacturing increases

The manufacturing sector expanded 1.9% in January, more than offsetting a 0.7% contraction in December, continuing the sequence of increases alternating with small declines seen since September 2020. [Increases in sales and inventory buildup](#) contributed to higher production in January as both durable and non-durable manufacturing grew.

Durable manufacturing was up 2.9%, the largest growth rate since August 2020, on broad-based increases across all subsectors. Leading the growth were fabricated metal product (+4.7%) and machinery (+4.4%) manufacturing, as production in the majority of the industries comprising the subsectors increased. Wood product manufacturing rose 4.1% as all industries were up, benefiting from [higher prices](#) for their products and heightened demand both domestically and [internationally](#). The transportation equipment manufacturing subsector was unchanged (0.0%) in January as a 10.7% decline in the motor vehicle manufacturing industry was fully offset by gains in all the other industries within the subsector. Electrical equipment, appliance and component manufacturing contracted 6.6%.

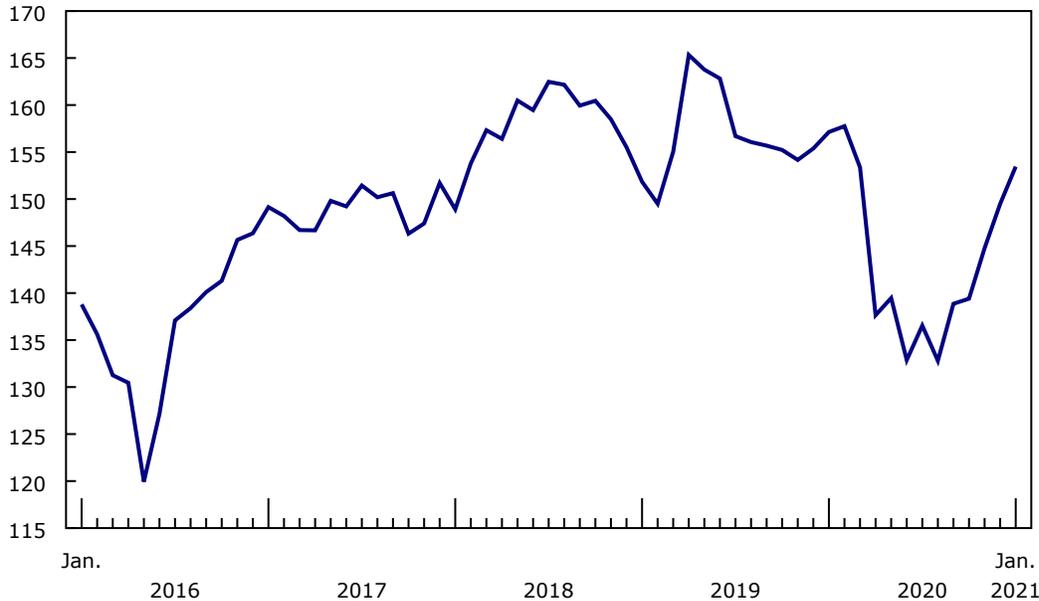
Non-durable manufacturing increased 0.7% in January, up for the fourth time in five months. Contributing most to the growth were plastics and rubber products (+8.7%), chemical (+0.8%), and food (+0.4%) manufacturing, while paper manufacturing (-2.7%), printing and related support activities (-5.4%), and petroleum and coal product manufacturing (-1.8%) declined.

Mining, quarrying, and oil and gas extraction continues growing

The mining, quarrying, and oil and gas extraction sector grew 2.7% in January, up for a fifth consecutive month, as all three subsectors expanded.

Chart 3 Mining, quarrying, and oil and gas extraction grows in January

gross domestic product in billions of chained (2012) dollars



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

Oil and gas extraction expanded 2.1% in January, up for a fifth consecutive month. Oil sands extraction grew 2.7% as facilities in Alberta continued to increase production. Oil and gas extraction (except oil sands) rose 1.3% as both oil extraction and natural gas extraction were up. Support activities for mining, and oil and gas extraction grew 5.1% in January, led by higher drilling and rigging services.

The mining and quarrying (except oil and gas) subsector was up for a third consecutive month, rising 3.0% in January, as most of the mining industries increased. Metal ore mining rose 5.0%, as iron ore (+13.1%) and copper, nickel, lead and zinc ore (+4.4%) mining increased, driven by higher international demand for these commodities. Non-metallic mineral mining and quarrying contracted 2.0%, mainly as a result of a decline in potash mining (-6.6%). Coal mining grew 5.0%, up for an eighth consecutive month.

Construction advances

Construction was up 1.4% in January, the third increase in four months, as the majority of subsectors rose. Residential construction grew 3.1%, rising every month since May 2020, as all types of residential construction were up. Repair construction increased 1.4%, while non-residential construction edged up 0.1% as higher commercial and institutional construction offset lower industrial construction. Engineering and other construction activities edged down 0.2% in January.

Retail trade contracts

[Retail trade](#) was down for the third time in four months, decreasing 1.7% in January, as 9 of 12 subsectors declined. The stay-at-home orders, curfews and other measures reintroduced across many parts of the country to slow the spread of COVID-19 contributed to the decrease. Stores more dependent on in-store traffic felt the largest impact of these measures.

Clothing and clothing accessories stores (-17.0%) and sporting goods, hobby, book and music stores (-14.1%) saw a second consecutive month of double-digit declines, while activity at furniture and home furnishings stores also fell 12.8% in January. General merchandise stores grew 3.3%, while building material and garden equipment and supplies dealers were up 3.6%, benefiting from continued growth in home renovation and improvement activity. Non-store retailers were up for the third month in a row, rising 2.8% in January.

Finance and insurance increases

Finance and insurance increased 0.8% in January as all subsectors were up. Banking, monetary authorities and other depository credit intermediation (+1.0%) led the growth, benefiting from a [7.1% year-over-year increase in households' overall mortgage debt](#), along with elevated deposits at Canadian institutions. Financial investment services, funds and other financial vehicles rose 0.9%, while insurance carriers and related activities grew for a ninth consecutive month, with a 0.4% increase in January.

Professional services grow

Professional services expanded 1.1% in January as all industries, except for advertising, public relations, and related services (-0.5%), were up. Contributing the most to the gains were other professional, scientific and technical services (+1.5%), and computer systems design and related services (+1.4%).

Legal services, which derive much of their activity from real estate transactions, grew 1.1% in January as strong home resale activity in the Western Canadian provinces contributed to a 1.7% increase in activity at offices of real estate agents and brokers.

Public sector grows

The public sector (educational services, health care and social assistance, and public administration) grew 0.3% in January. Health care and social assistance rose 0.8%, led by ambulatory health care services (+1.2%). The educational services sector was up 0.4%, as elementary and secondary schools and universities contributed most to the increase. Public administration (-0.4%) declined for the first time in nine months, as a 1.5% decrease in local, municipal and regional public administration contributed the most to the contraction.

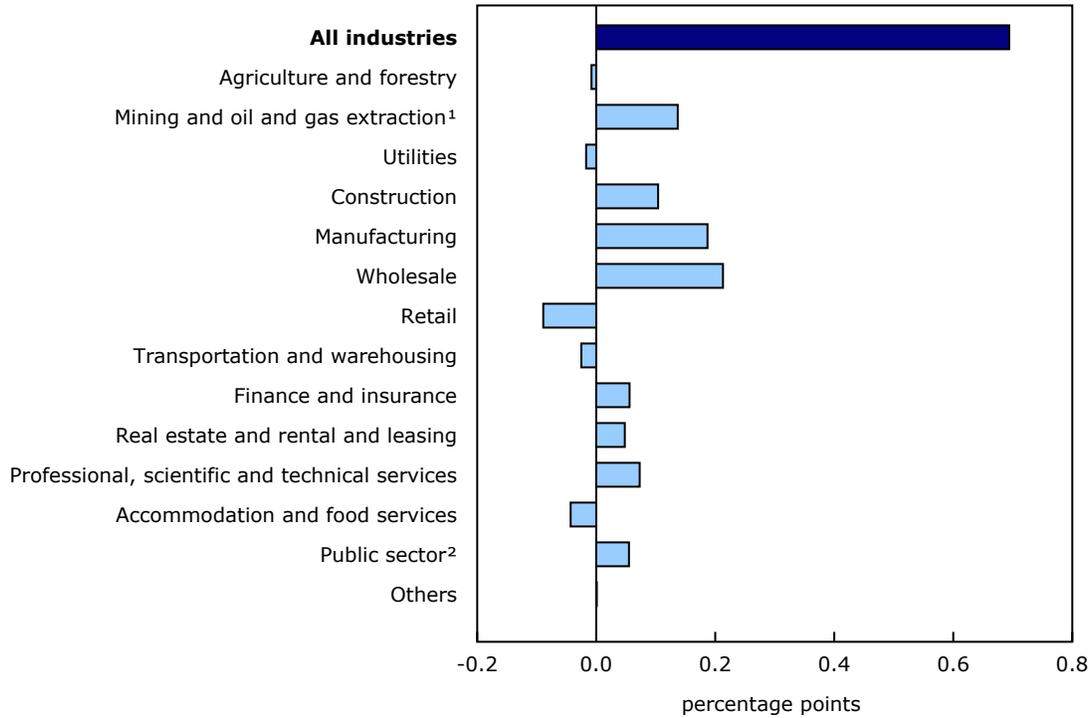
Other industries

Accommodation and food services declined 3.0% in January, following a 6.7% decrease in December, as both [food services and drinking places](#) (-3.1%) and accommodation services (-2.7%) were down, affected by measures aimed at slowing the spread of COVID-19.

Transportation declined 0.7% in January as a majority of industries were down. A drop in urban transit systems (-28.0%) contributed the most to the decrease as lockdown restrictions across the country dampened the demand for such services. Truck transportation (-1.4%) and postal services and couriers and messengers (-2.4%) also posted notable declines in the month, while [rail transportation](#) (+3.7%), support activities for transportation (+0.9%) and pipeline transportation (+1.0%) were up.

Utilities contracted 0.8% in January, as lower electric power generation, transmission and distribution (-0.9%) and natural gas distribution (-0.2%) contributed to the decline.

Chart 4
Main industrial sectors' contribution to the percentage change in gross domestic product



1. Includes quarrying.
 2. Educational services, health care and social assistance, and public administration.
Source(s): Gross domestic product by industry (1301).

Sustainable development goals

On January 1, 2016, the world officially began implementing 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 global sustainable development goal reporting. This release will be used to help measure the following goal:



Note to readers

Monthly data on gross domestic product (GDP) by industry at basic prices are chained volume estimates with 2012 as the reference year. This means that the data for each industry and each aggregate are obtained from a chained volume index multiplied by the industry's value added in 2012. The monthly data are benchmarked to annually chained Fisher volume indexes of GDP obtained from the constant-price supply and use tables (SUTs) up to the latest SUT year (2017).

For the period starting in January 2018, data are derived by chaining a fixed-weight Laspeyres volume index to the prior period. The fixed weights are 2017 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](#).

An advance estimate of industrial production for February 2021 is available upon request.

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 2020.

Each month, newly available administrative and survey data from various industries in the economy are integrated, resulting 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 36-10-0491-01 will be updated on April 12, 2021.

Next release

Data on GDP by industry for February 2021 will be released on April 30, 2021.

Table 1
Monthly gross domestic product by industry at basic prices in chained (2012) dollars –
Seasonally adjusted

	August 2020 ^r	September 2020 ^r	October 2020 ^r	November 2020 ^r	December 2020 ^r	January 2021 ^p	January 2021 ^p	January 2020 ^r to January 2021 ^p
	month-to-month % change						millions of dollars ¹	% change
All industries	0.9	0.8	0.8	0.8	0.1	0.7	1,949,641	-2.3
Goods-producing industries	-0.0	0.9	0.7	1.3	0.8	1.5	572,877	-0.6
Agriculture, forestry, fishing and hunting	0.4	1.1	2.4	1.6	1.8	-0.3	48,337	12.1
Mining, quarrying, and oil and gas extraction	-2.7	4.6	0.4	3.9	3.3	2.7	153,453	-2.3
Utilities	-2.1	-2.2	1.1	-0.8	-0.3	-0.8	41,053	-3.9
Construction	1.0	-0.3	1.4	-0.3	1.1	1.4	142,947	-1.1
Manufacturing	1.0	0.8	-0.2	1.6	-0.7	1.9	190,210	-1.2
Services-producing industries	1.2	0.7	0.8	0.6	-0.1	0.4	1,374,697	-3.0
Wholesale trade	0.5	-0.4	1.8	0.9	-1.5	3.9	108,089	5.0
Retail trade	0.4	1.0	-0.1	1.3	-3.6	-1.7	97,989	-3.2
Transportation and warehousing	-0.9	1.1	2.0	1.1	1.1	-0.7	71,945	-18.8
Information and cultural industries	1.5	0.8	0.4	0.4	-0.1	-0.3	64,856	-1.4
Finance and insurance	0.4	-0.1	0.9	1.1	-0.1	0.8	147,815	4.7
Real estate, and rental and leasing	0.9	0.4	0.0	0.1	0.9	0.3	265,180	3.8
Professional, scientific and technical services	1.6	1.3	1.4	0.7	-0.1	1.1	121,601	-0.1
Management of companies and enterprises	-1.4	-0.9	-0.9	-1.3	-1.3	-1.0	5,539	-20.0
Administrative and support, waste management and remediation services	3.7	1.7	1.4	0.9	0.9	1.0	48,148	-7.7
Educational services	2.3	1.5	1.5	0.6	0.6	0.4	103,785	-1.5
Health care and social assistance	1.7	1.1	1.3	0.8	0.9	0.8	139,336	-1.4
Arts, entertainment and recreation	8.9	0.5	3.1	-3.0	-1.9	0.1	7,818	-51.5
Accommodation and food services	6.9	-1.7	-4.5	-0.5	-6.7	-3.0	25,587	-42.2
Other services (except public administration)	3.6	2.4	0.5	0.7	-0.5	-0.8	33,933	-12.8
Public administration	0.5	1.1	1.0	0.1	0.5	-0.4	133,995	-0.8
Other aggregations								
Industrial production	-0.5	1.4	0.1	1.9	0.5	1.7	388,473	-1.9
Non-durable manufacturing industries	-1.5	1.0	1.6	1.4	-1.1	0.7	88,850	-0.4
Durable manufacturing industries	3.2	0.7	-1.8	1.8	-0.4	2.9	101,431	-1.9
Information and communication technologies industries	1.0	-0.2	2.0	0.1	-0.1	3.3	102,343	6.3
Energy sector	-3.5	3.2	2.5	1.7	1.0	1.3	170,019	-5.8
Public sector	1.4	1.2	1.2	0.5	0.7	0.3	377,150	-1.2

^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](#).

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

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

The [Economic accounts statistics](#) portal, accessible from the *Subjects* module of the Statistics Canada website, features an up-to-date portrait of national and provincial economies and their structure.

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.