

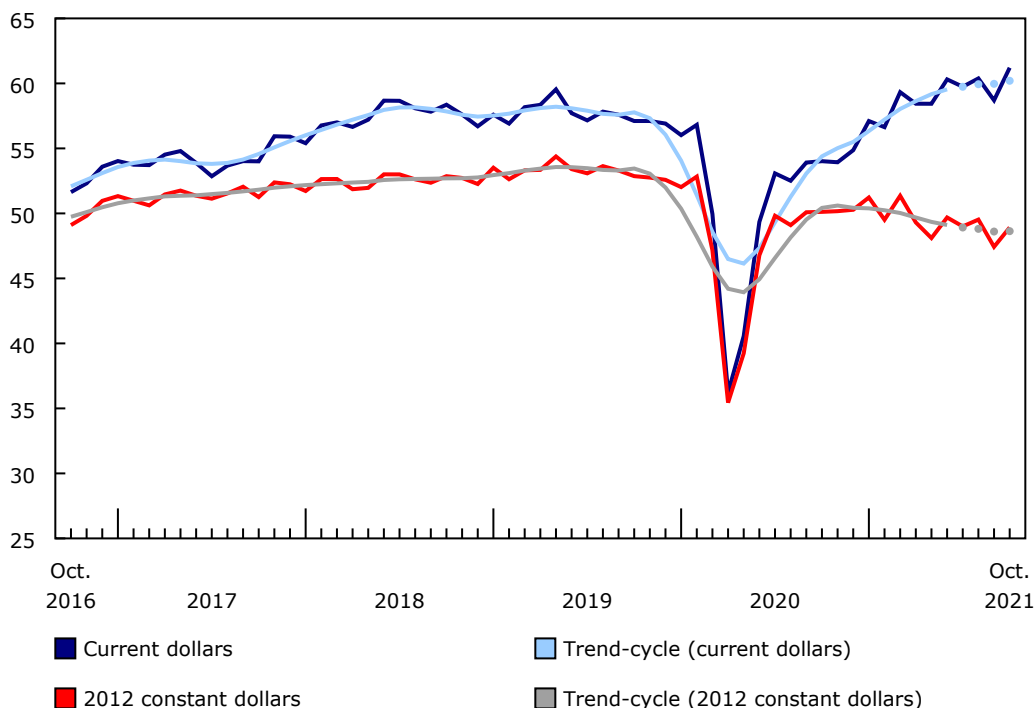
Monthly Survey of Manufacturing, October 2021

Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, December 15, 2021

Manufacturing sales rebounded in October, rising 4.3% to \$61.2 billion, following a 2.8% decline in September. Sales increased in 17 of 21 industries in October, led by the motor vehicle, motor vehicle parts, and primary metal industries. The aerospace product and parts industry posted the largest decline.

Chart 1
Manufacturing sales

billions of dollars



Note(s): Data are seasonally adjusted. The higher variability associated with the trend-cycle estimates is indicated with a dotted line on the chart for the current reference month and the three previous months. For more information, see the Note to readers.

Source(s): Tables [16-10-0047-01](#) and [16-10-0013-01](#).

Sales in constant dollars increased 3.1% in October, indicating a higher volume of goods sold, but also inflationary pressures. The Industrial Product Price Index increased 1.3% month over month in October, while the Raw Materials Price Index rose 4.8%.

Motor vehicle production increases despite ongoing semiconductor chip shortage

Motor vehicle production increased in October, despite the global semiconductor supply disruption. However, the growth in motor vehicle sales in October follows a substantial decrease (-35.8%) in September which was the largest drop since the pandemic began. Sales of motor vehicles increased 61.0% to \$3.1 billion in October, while motor vehicle part sales rose 23.1% to \$2.2 billion. Meanwhile, [exports of motor vehicles and parts](#)



increased 30.8%. On a year-over-year basis, sales of motor vehicles were down 30.1%. Semiconductors chips are expected to be in short supply for the foreseeable future and to improve around mid-2022, as more supplies become available and chip manufacturers operate at a higher capacity.

Sales of the primary metal industry rose 4.0% to \$5.4 billion in October, driven by higher sales of alumina and aluminum products. Sales in the alumina and aluminum production and processing industry reached their highest level on record in October, rising 10.2% to \$1.4 billion. On a year-over-year basis, sales in the primary metal industry rose 41.3%. Meanwhile, primary metal volume sales increased 2.6% month over month. The curbs that China imposed on its metal production and energy use contributed to the increase in prices of unwrought aluminum and aluminum alloy products in October (+4.6%).

Sales of chemical products also rose to their highest level on record, up 3.7% to \$5.3 billion in October, on higher prices and volumes and mainly due to gains in the basic chemical and pesticide, fertilizer and other agricultural chemical industries. Chemical product sales in constant dollars were up 2.9%. While prices of petrochemicals have been rising due to the pandemic and supply chain disruptions, strong food demand, along with the higher cost of natural gas—an important feedstock to fertilizer production—have accounted for the substantial increase in prices of fertilizers in the past few months. Natural gas prices rose 21.0% in October. Total sales in the chemical product industry increased 18.3% year over year.

Sales also increased in the petroleum and coal (+2.4%), plastic and rubber (+5.1%) and food (+0.7%) product industries in October.

Aerospace production fell 8.3% to \$1.4 billion in October, following a 1.7% decline in September. Production of aerospace products and parts was down 40.2% compared with the pre-pandemic level in February 2020 and was 11.8% lower on a year-over-year basis.

Motor vehicle production rebounds in Ontario

Manufacturing sales increased in six provinces in October, led by Ontario and Alberta. Meanwhile, sales in New Brunswick decreased the most.

Sales in Ontario increased 8.6% to \$27.2 billion in October, on higher sales of motor vehicles (+65.5%) and motor vehicle parts (+24.6%). The strong increase in motor vehicle sales followed a significant decline in September (-37.2%), which had been due to a marked production cut at the majority of auto assembly plants. Despite the increase in October, sales were down compared with the same month a year earlier in the motor vehicle (-30.2%) and in the motor vehicle part (-18.2%) industries. Month over month, the gains in Ontario were partially offset by a decline in the production of aerospace products (-22.1%) and a decrease in the sales of petroleum and coal products (-3.6%).

Sales in Alberta increased 2.9% to \$7.2 billion, following four consecutive monthly declines, on higher sales of petroleum and coal (+9.1%), machinery (+13.3%) and wood products (+9.0%). Food product sales posted the largest decrease, down 3.3% to \$1.8 billion in October. On a year-over-year basis, total sales in Alberta rose 32.9%.

Sales in New Brunswick decreased 3.6% to \$1.5 billion in October on lower sales of non-durable goods (-4.2%). Despite the decline, sales were 9.7% higher compared with the same month a year earlier.

Sales in Toronto partially rebound despite stalled motor vehicle manufacturing

Manufacturing sales increased in 8 of the 12 census metropolitan areas in October, led by Toronto, Vancouver, and Québec City, while sales in Hamilton declined the most.

Following a 2.8% decline in September, sales in Toronto increased 1.3% to \$10.2 billion in October, mostly on higher sales of machinery (+8.2%) and motor vehicle parts (+7.8%). Motor vehicle sales posted the largest decline in October, down 8.5% to \$1.1 billion, the second lowest sales figure since May 2021. Total sales in Toronto fell 1.6% year over year in October.

In Vancouver, sales rose 3.0% from September to \$2.7 billion in October, on widespread increases in 17 of 21 industries, led by petroleum and coal and computer and electronic products. This brought year-over-year sales in Vancouver up 9.8% in October.

Sales in Québec City rose 4.6% to \$1.7 billion in October, primarily attributable to higher sales of non-durable goods (+6.7%). Production of ship and boat building posted the largest decline.

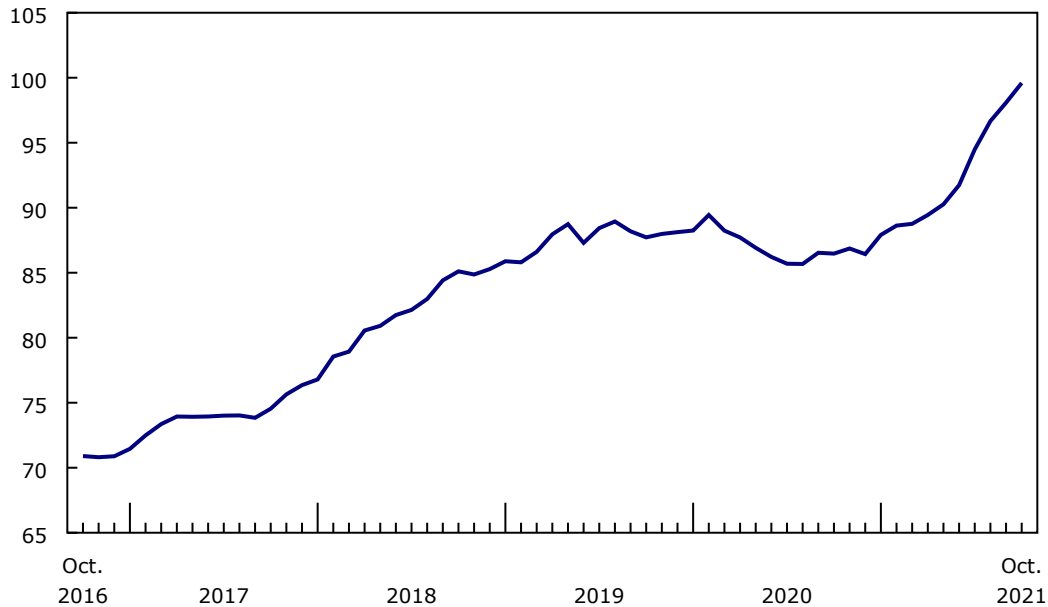
Meanwhile, sales in Hamilton fell 4.0% to \$1.9 billion in October, mainly on lower sales of plastics and rubber products.

Record high inventory levels continue

Total inventories increased 1.5% to a record high \$99.6 billion in October, as a result of higher inventories in the primary metal (+4.4%), petroleum and coal (+5.2%) and food (+1.8%) industries, mainly attributable to higher raw material prices. Year over year, total inventories rose 15.2%.

Chart 2 Inventory levels rise

billions of dollars

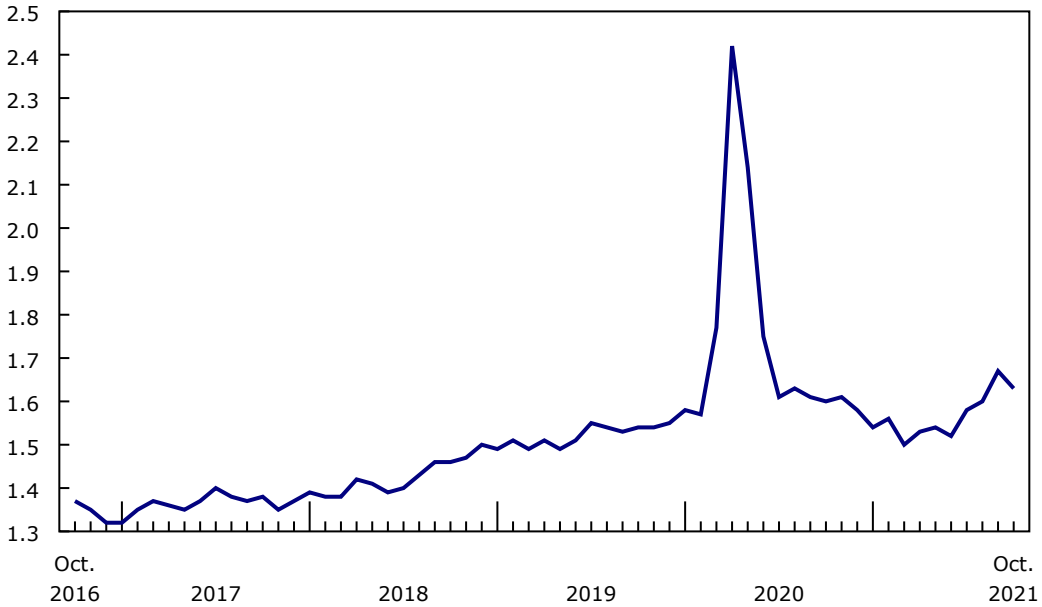


Note(s): Data are seasonally adjusted.
Source(s): Table 16-10-0047-01.

The inventory-to-sales ratio decreased from 1.67 in September to 1.63 in October. The ratio measures the time, in months, that would be required to exhaust inventories if sales were to remain at their current level.

Chart 3
The inventory-to-sales ratio decreases

ratio



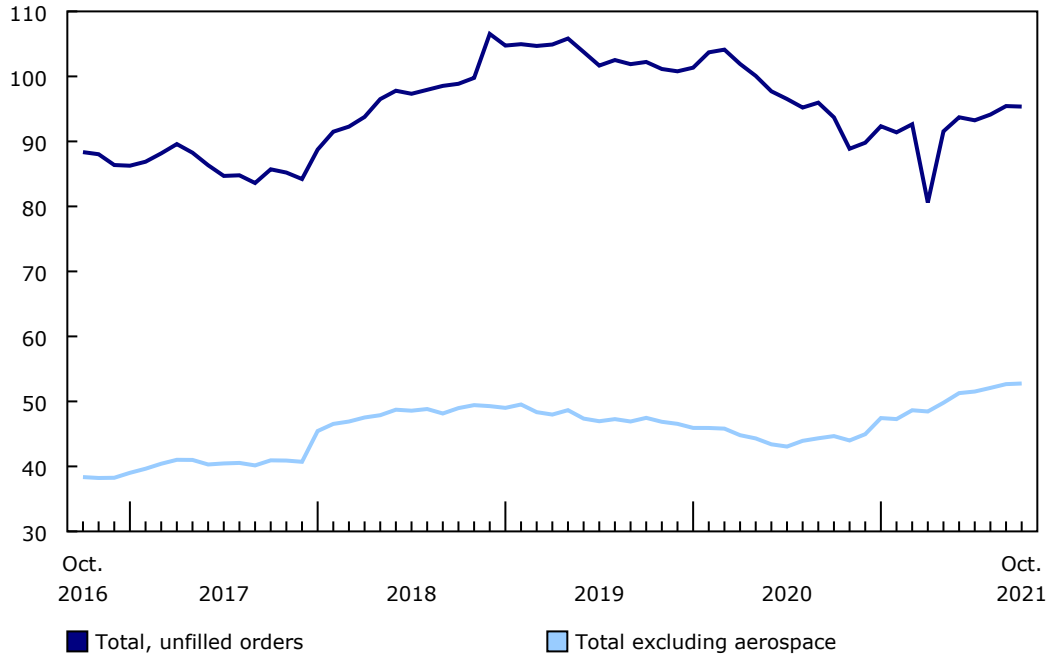
Note(s): Data are seasonally adjusted.
Source(s): Table [16-10-0047-01](#).

Unfilled orders edge downward

Total value of unfilled orders edged down 0.1% to \$95.4 billion in October, mostly due to lower unfilled orders of fabricated metals (-3.3%) and aerospace products (-0.4%). This was mostly offset by higher unfulfilled orders of machinery (+1.8%) and electrical equipment, appliances, and components (+6.2%). Year over year, the value of unfilled orders was up 1.8%.

Chart 4
Unfilled orders edged down

billions of dollars



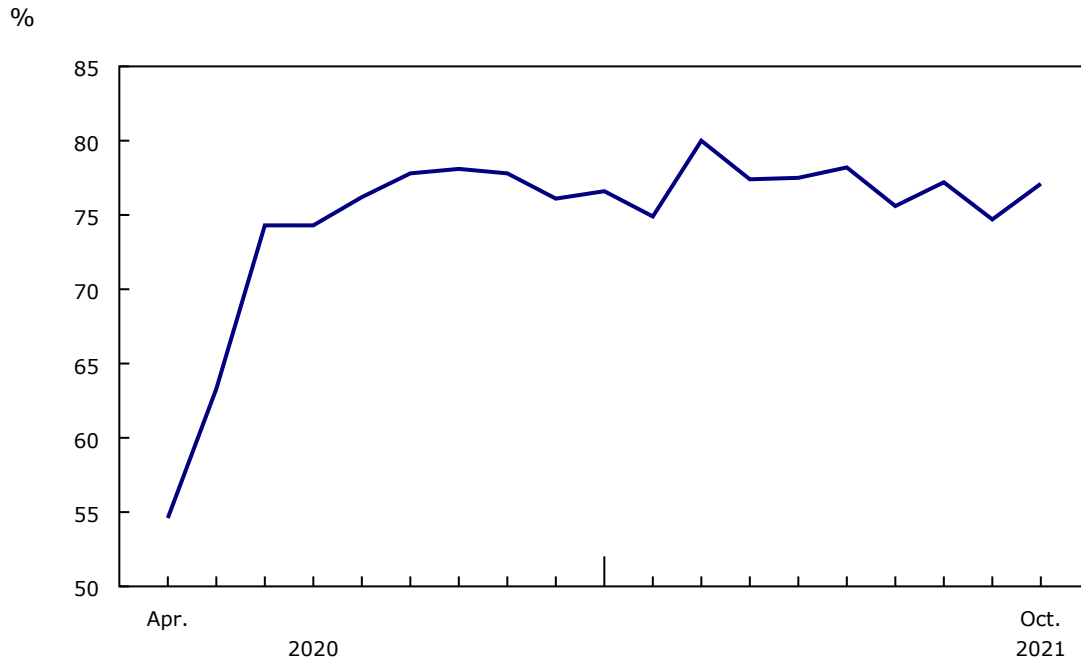
Note(s): Data are seasonally adjusted.
Source(s): Table 16-10-0047-01.

The total value of new orders increased 1.9% to \$61.1 billion in October, mainly attributable to higher new orders of transportation equipment (+9.9%).

Capacity utilization rate increases on higher production

The capacity utilization rate (not seasonally adjusted) for the total manufacturing sector increased from 74.7% in September to 77.1% in October on higher production.

Chart 5
The capacity utilization rate increases



Note(s): Data are not seasonally adjusted.
Source(s): Table [16-10-0012-01](#).

The capacity utilization rate rose in 11 of 21 industries in October on higher production in the transportation equipment (+11.9 percentage points), chemical (+6.4 percentage points), and fabricated metal (+2.6 percentage points) product industries. The capacity utilization rate in the petroleum manufacturing industry fell 2.1 percentage points.

Table 1
Manufacturing: Principal statistics – Seasonally adjusted

	October 2020	September 2021 ^r	October 2021 ^p	September to October 2021	October 2020 to October 2021
	millions of dollars			% change ¹	
Manufacturing sales (current dollars)	54,016	58,699	61,205	4.3	13.3
Manufacturing sales (2012 constant dollars)	50,118	47,428	48,917	3.1	-2.4
Manufacturing sales (current dollars) excluding motor vehicles, parts and accessories	46,877	54,971	55,881	1.7	19.2
Inventories	86,470	98,080	99,594	1.5	15.2
Unfilled orders	93,700	95,435	95,356	-0.1	1.8
New orders	51,757	60,008 ^E	61,127 ^E	1.9	18.1
Inventory-to-sales ratio ²	1.60	1.67	1.63

^r revised

^p preliminary

... not applicable

^E use with caution

1. Percent change calculated at thousands of dollars for current dollars and millions of dollars for constant dollars.

2. The inventory-to-sales ratio measures the time in months that it would take to exhaust inventories if sales were to remain at the current rate.

Source(s): Tables 16-10-0047-01 and 16-10-0013-01.

Table 2
Manufacturing sales by industry – Seasonally adjusted

	October 2020	September 2021 ^r	October 2021 ^p	September to October 2021	October 2020 to October 2021
	millions of dollars			% change ¹	
Food manufacturing	9,275	10,683	10,755	0.7	15.9
Beverage and tobacco product	1,347	1,445	1,499	3.7	11.2
Textile mills	134	137	144	5.2	7.4
Textile product mills	130	130	133	2.3	2.1
Clothing manufacturing	232	232	230	-0.8	-0.8
Leather and allied product	21	28	25	-11.7	15.5
Wood product	3,517	3,474	3,545	2.0	0.8
Paper manufacturing	2,343	2,445	2,406	-1.6	2.7
Printing and related support activities	652	698	703	0.7	7.8
Petroleum and coal product	3,846	6,738	6,897	2.4	79.3
Chemical	4,501	5,135	5,325	3.7	18.3
Plastics and rubber products	2,775	2,919	3,068	5.1	10.6
Non-metallic mineral product	1,211	1,328	1,346	1.3	11.1
Primary metal	3,847	5,226	5,437	4.0	41.3
Fabricated metal product	3,035	3,772	3,806	0.9	25.4
Machinery	3,133	3,478	3,488	0.3	11.3
Computer and electronic product	1,176	1,254	1,293	3.1	9.9
Electrical equipment, appliance and component	876	940	965	2.6	10.2
Transportation equipment	9,712	6,168	7,664	24.2	-21.1
Motor vehicle	4,464	1,939	3,122	61.0	-30.1
Motor vehicle body and trailer	298	334	305	-8.6	2.4
Motor vehicle parts	2,676	1,789	2,202	23.1	-17.7
Aerospace product and parts	1,531	1,474	1,351	-8.3	-11.8
Railroad rolling stock	188	196	207	5.7	10.2
Ship and boat building	269	267	237	-11.0	-11.8
Furniture and related product	996	1,171	1,169	-0.2	17.3
Miscellaneous manufacturing	1,255	1,297	1,311	1.1	4.4
Non-durable goods industries	25,257	30,591	31,184	1.9	23.5
Durable goods industries	28,759	28,109	30,022	6.8	4.4

^r revised

^p preliminary

1. Percent change calculated at thousands of dollars.

Source(s): Table 16-10-0047-01.

Table 3
Manufacturing sales: Provinces and territories – Seasonally adjusted

	October 2020	September 2021 ^r	October 2021 ^p	September to October 2021	October 2020 to October 2021
	millions of dollars			% change ¹	
Canada	54,016	58,699	61,205	4.3	13.3
Newfoundland and Labrador	234	279	268	-3.9	14.5
Prince Edward Island	195	211	218	3.5	11.9
Nova Scotia	786	828	795	-3.9	1.2
New Brunswick	1,406	1,600	1,542	-3.6	9.7
Quebec	13,228	15,326	15,353	0.2	16.1
Ontario	25,178	25,003	27,163	8.6	7.9
Manitoba	1,631	1,748	1,732	-0.9	6.2
Saskatchewan	1,191	1,720	1,821	5.9	52.9
Alberta	5,403	6,979	7,181	2.9	32.9
British Columbia	4,758	4,999	5,125	2.5	7.7
Yukon	4	2	3	8.0	-28.2
Northwest Territories and Nunavut	2	3	3 ^E	-1.7	69.7

^r revised

^p preliminary

^E use with caution

1. Percentage change calculated at thousands of dollars.

Source(s): Tables 16-10-0047-01 and 16-10-0048-01.

Table 4
Manufacturing sales by selected census metropolitan area – Seasonally adjusted

	October 2020	September 2021 ^r	October 2021 ^p	September to October 2021	October 2020 to October 2021
	millions of dollars			% change ¹	
Halifax	249	256	230	-10.2	-7.6
Québec	1,212	1,656	1,732	4.6	43.0
Montréal	6,254	6,968	6,928	-0.6	10.8
Ottawa–Gatineau, Ontario and Quebec	668	742	765	3.1	14.4
Toronto	10,320	10,033	10,159	1.3	-1.6
Hamilton	1,525	1,932	1,855	-4.0	21.6
Winnipeg	873	906	868	-4.2	-0.6
Regina	453	811	847	4.4	87.0
Saskatoon	343	377	401	6.3	16.8
Calgary	864	969	1,028	6.1	19.0
Edmonton	2,228	2,884	2,959	2.6	32.8
Vancouver	2,431	2,592	2,670	3.0	9.8

^r revised

^p preliminary

1. Percentage change calculated at thousands of dollars.

Note(s): Data in this table are seasonally adjusted.

Source(s): Table 16-10-0011-01.

Table 5
Manufacturing capacity utilization rates by industry – Unadjusted

	October 2020	September 2021 ^r	October 2021 ^p	September to October 2021	October 2020 to October 2021
	%			percentage point change	
Manufacturing	78.1	74.7	77.1	2.4	-1.0
Non-durable goods industries	78.2	78.1	78.8	0.7	0.6
Food manufacturing	79.6	79.2 ^E	80.2 ^E	1.0	0.6
Beverage and tobacco product manufacturing	73.6	74.0	69.7	-4.3	-3.9
Beverage manufacturing	73.9	73.8	68.0	-5.8	-5.9
Tobacco manufacturing	72.4	75.7	80.6	4.9	8.2
Textile mills	79.2	72.7 ^E	77.3 ^E	4.6	-1.9
Textile product mills	74.2	73.8 ^E	70.2 ^E	-3.6	-4.0
Clothing manufacturing	85.8	76.2	74.5	-1.7	-11.3
Leather and allied product manufacturing	84.6	86.9	85.3 ^E	-1.6	0.7
Paper manufacturing	84.8	83.3	85.1	1.8	0.3
Printing and related support activities	72.9	75.8 ^E	77.9 ^E	2.1	5.0
Petroleum and coal products manufacturing	76.4	82.4	80.3	-2.1	3.9
Chemical manufacturing	75.6	72.6	79.0	6.4	3.4
Plastics and rubber products manufacturing	78.4	74.3	72.6 ^E	-1.7	-5.8
Plastic product manufacturing	79.3	74.4 ^E	72.5 ^E	-1.9	-6.8
Rubber product manufacturing	73.6	73.2	73.2	0.0	-0.4
Durable goods industries	78.1	71.6	75.4	3.8	-2.7
Wood product manufacturing	84.7	82.5	82.9	0.4	-1.8
Non-metallic mineral product manufacturing	79.7	80.9 ^E	75.8 ^E	-5.1	-3.9
Primary metal manufacturing	74.3	75.8	76.7	0.9	2.4
Fabricated metal product manufacturing	70.4	73.9 ^E	76.5 ^E	2.6	6.1
Machinery manufacturing	74.2	78.1 ^E	78.2 ^E	0.1	4.0
Computer and electronic product manufacturing	79.4	78.7	78.1 ^E	-0.6	-1.3
Electrical equipment, appliance and component manufacturing	78.1	82.6	81.9	-0.7	3.8
Transportation equipment manufacturing	80.9	55.6	67.5	11.9	-13.4
Furniture and related product manufacturing	78.7	80.5 ^E	82.0 ^E	1.5	3.3
Miscellaneous manufacturing	78.9	81.2 ^E	78.4 ^E	-2.8	-0.5

^r revised

^p preliminary

^E use with caution

Note(s): Data in this table are not seasonally adjusted.

Source(s): Table 16-10-0012-01.

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 following 15 years. The plan is based on 17 specific sustainable development goals.

The Monthly Survey of Manufacturing is an example of how Statistics Canada supports the reporting on the global sustainable development goals. This release will be used to help measure the following goal:



Note to readers

Monthly data in this release are seasonally adjusted and are expressed in current dollars, unless otherwise specified.

Seasonally adjusted data are data that have been modified to eliminate the effect of seasonal and calendar influences to allow for more meaningful comparisons of economic conditions from period to period. For more information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

Trend-cycle estimates are included in selected charts as a complement to the seasonally adjusted series. These data represent a smoothed version of the seasonally adjusted time series and provide information on longer-term movements, including changes in direction underlying the series. For information on trend-cycle data, see [Trend-cycle estimates – Frequently asked questions](#).

Both seasonally adjusted data and trend-cycle estimates are subject to revision as additional observations become available. These revisions could be large and could even lead to a reversal of movement, especially for reference months near the end of the series or during periods of economic disruption.

Non-durable goods industries include food; beverage and tobacco products; textile mills; textile product mills; clothing; leather and allied products; paper; printing and related support activities; petroleum and coal products; chemicals; and plastics and rubber products.

Durable goods industries include wood products; non-metallic mineral products; primary metals; fabricated metal products; machinery, computer and electronic products; electrical equipment; appliances and components; transportation equipment; furniture and related products; and miscellaneous manufacturing.

Production-based industries

For the aerospace and shipbuilding industries, the value of production is used instead of the value of sales of goods manufactured. The value of production is calculated by adjusting monthly sales of goods manufactured by the monthly change in inventories of goods in process and finished products manufactured. The value of production is used because of the extended period of time that it normally takes to manufacture products in these industries.

Unfilled orders are a stock of orders that will contribute to future sales, assuming that the orders are not cancelled.

New orders are those received, whether sold in the current month or not. New orders are measured as the sum of sales for the current month plus the change in unfilled orders from the previous month to the current month.

Manufacturers reporting sales, inventories and unfilled orders in US dollars

Some Canadian manufacturers report sales, inventories and unfilled orders in US dollars. These data are then converted to Canadian dollars as part of the data production cycle.

For sales, based on the assumption that they occur throughout the month, the average monthly exchange rate for the reference month established by the Bank of Canada is used for the conversion. The monthly average exchange rate is available in table 33-10-0163-01. Inventories and unfilled orders are reported at the end of the reference period. For most respondents, the daily average exchange rate on the last working day of the month is used for the conversion of these variables.

However, some manufacturers choose to report their data as of a day other than the last working day of the month. In these instances, the daily average exchange rate on the day selected by the respondent is used. Note that because of exchange rate fluctuations, the daily average exchange rate on the day selected by the respondent can differ from both the exchange rate on the last working day of the month and the monthly average exchange rate. Daily average exchange rate data are available in table 33-10-0036-01.

Revision policy

Each month, the Monthly Survey of Manufacturing releases preliminary data for the reference month and revised data for the previous three months. Revisions are made to reflect new information provided by respondents and updates to administrative data.

Once a year, a revision project is undertaken to revise multiple years of data.

Real-time data tables

Real-time data tables 16-10-0118-01, 16-10-0119-01, 16-10-0014-01 and 16-10-0015-01 will be updated on December 22, 2021.

Next release

Data from the Monthly Survey of Manufacturing for November 2021 will be released on January 17, 2022.

Available tables: [16-10-0011-01](#) to [16-10-0013-01](#) , [16-10-0047-01](#) and [16-10-0048-01](#).

Definitions, data sources and methods: survey number [2101](#).

Please note that the tables available on the [website](#) represent a subset of the data available with this release. The full dataset is available upon request by contacting Javad Sadeghzadeh (javad.sadeghzadeh@statcan.gc.ca).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).