

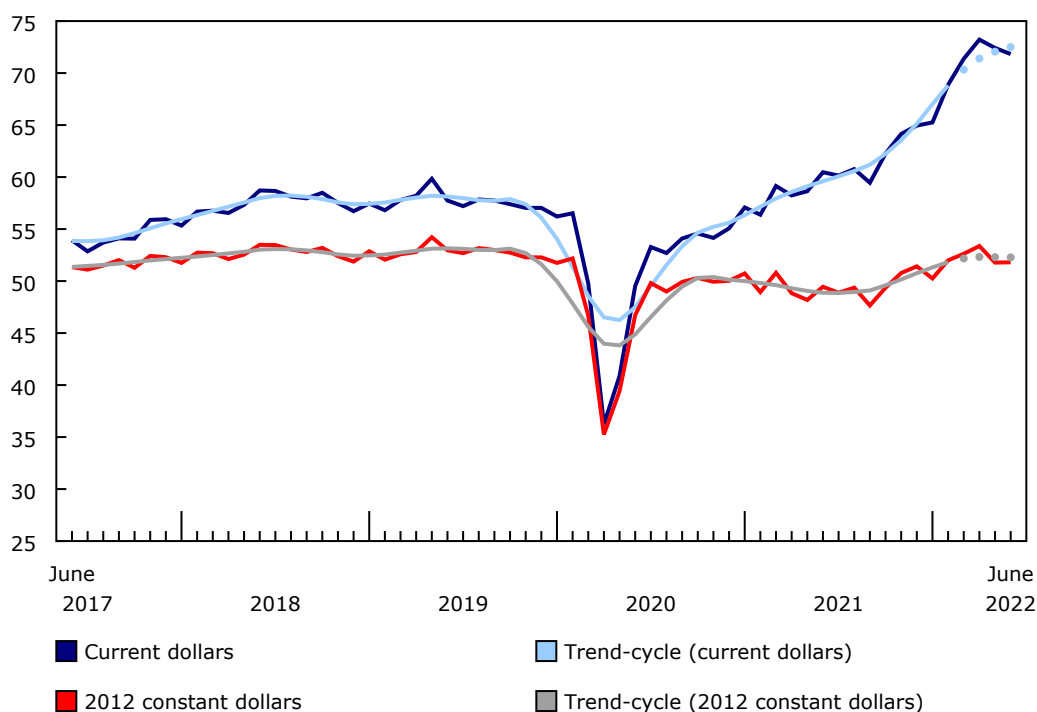
Monthly Survey of Manufacturing, June 2022

Released at 8:30 a.m. Eastern time in *The Daily*, Monday, August 15, 2022

Following a 1.1% decline in May, manufacturing sales fell 0.8% to \$71.8 billion in June, on lower sales in 8 of 21 industries, led by the petroleum and coal product (-7.8%), wood product (-7.2%) and aerospace product and parts (-16.8%) industries. Meanwhile, sales of motor vehicles (+13.8%) and chemical products (+6.0%) increased the most.

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](#).

On a quarterly basis, sales rose 5.8% in the second quarter, the eighth consecutive quarterly gain and the third largest gain in dollars on record. The petroleum and coal industry (+21.9%) contributed the most to the increase, while the wood product industry (-6.3%) posted the largest quarterly decline.

Sales in constant dollars edged up 0.1% in June, while the [Industrial Product Price Index](#) declined 1.1% in that month. On a quarterly basis, constant dollars sales increased 1.3% in the second quarter.

Petroleum and coal sales decline the most

Sales in the petroleum and coal industry decreased 7.8% to \$10.7 billion in June, following five consecutive monthly gains. Despite the monthly decline, quarter over quarter, sales of petroleum and coal products rose 21.9% in the second quarter. Concerns over the global economic slowdown led to lower demands for energy products and



contributed to the lower sales in the petroleum and coal product industry in June. Petroleum sales on a constant dollar basis fell 11.3% in June. Prices of refined petroleum energy products (including liquid fuels) increased 1.9% in June, while [exports of refined petroleum energy products](#) were down 3.0%.

Wood product sales fell 7.2% to \$3.9 billion in June, the third consecutive monthly decline, mainly on lower sales of sawmills and wood preservation products (-19.1%). Consequently, sales of wood on a quarterly basis fell 6.3%. Prices of softwood lumber declined 28.0% in June, the largest monthly decline since July 2021 (-32.9%), while exports of forestry products and building and packaging materials fell 6.6%. Lower construction activities in the United States resulted in declines in demand for Canadian wood products, while the [total value of building permits in Canada](#) decreased 1.5% in June.

Other industries that contributed to the monthly decline were the aerospace product and parts (-16.8%), food (-1.8%), and beverage and tobacco product (-6.0%) industries.

Motor vehicles post the largest increase

Following a 32.6% decline in May, sales of motor vehicles increased 13.8% to \$3.7 billion in June on higher production in most of the motor vehicle assembly plants in Ontario despite the ongoing semiconductor chip shortages. On a quarterly basis, motor vehicle sales rose 10.0% in the second quarter, while year over year, sales were up 27.4%. Despite the higher month-over-month sales in June, exports of motor vehicles and parts declined 2.3%.

Sales in New Brunswick decline the most

Manufacturing sales declined in 8 provinces in June, led by New Brunswick, Quebec, and Alberta. Meanwhile, Manitoba and Ontario posted increases.

In New Brunswick, following seven consecutive monthly increases, manufacturing sales fell 9.6% to \$2.2 billion in June, primarily on lower sales of non-durables (-10.9%). On a quarterly basis, total sales in New Brunswick were up 9.2% in the second quarter.

In Quebec, sales declined 1.0% to \$18.0 billion in June, mainly driven by lower production in the aerospace product and parts industry (-21.4%) and lower sales in the petroleum and coal and beverage and tobacco product industries. Year over year, total sales for Quebec rose 14.3% in June.

In Manitoba, sales marked the highest level on record, rising 9.0% to \$2.2 billion in June, mainly on higher sales in the chemical (+75.6%) and transportation equipment (+20.8%) product industries. Higher sales of pharmaceutical and medicine products (+47.2%) accounted for most of the observed gains in the chemical industry in June.

In Ontario, sales increased 0.5% to \$30.8 billion in June, primarily attributable to higher sales of the motor vehicle industry (+13.1%) and non-metallic minerals (+10.7%). On a quarterly basis, total sales for Ontario were up 5.9% in the second quarter.

Windsor sales decline the most, while Toronto sales post the largest increase

Manufacturing sales fell in 8 of the 15 selected census metropolitan areas in June, led by Windsor and Saskatoon. Sales in Toronto increased the most in June.

Manufacturing sales in Windsor decreased 22.9% to \$1.2 billion in June, mainly on lower sales of motor vehicle and motor vehicle parts. The Windsor motor vehicle industry has faced repeated shutdowns due to a global shortage of microchips since 2021. The declines were partially offset by higher sales in the machinery and fabricated metal industries.

In Saskatoon, sales fell 8.5% to \$477.0 million in June, following a 2.6% decline in May, mainly driven by lower food sales. The declines in June were partially offset by an increase in sales of computer and electronic products. Year over year, total sales in Saskatoon rose 12.6%.

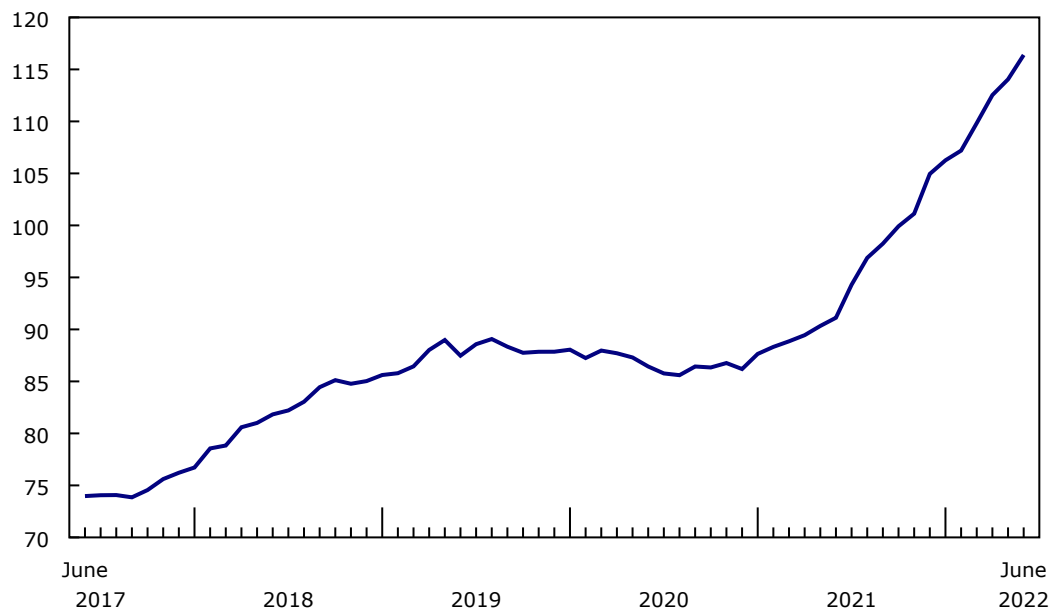
Sales in Toronto rose 2.8% to \$11.8 billion in June, mainly on higher sales of the motor vehicle industry (+27.1%) and to a lesser extent, chemicals (+2.8%). Compared with the same month a year earlier, total sales in Toronto were 20.6% higher.

Record-high inventory levels continue

Total inventory levels increased 2.1% to \$116.4 billion in June, mainly on higher inventories in the machinery (+4.3%), transportation equipment (+2.5%) and chemical (+3.5%) product industries. Meanwhile, the miscellaneous industry (-3.5%) posted the largest decline in inventory levels in June. Raw materials, representing the largest component of inventories, have been trending upward for 20 consecutive months due to higher prices. Year over year, total inventories rose 27.7%.

Chart 2
Inventory levels rise

billions of dollars

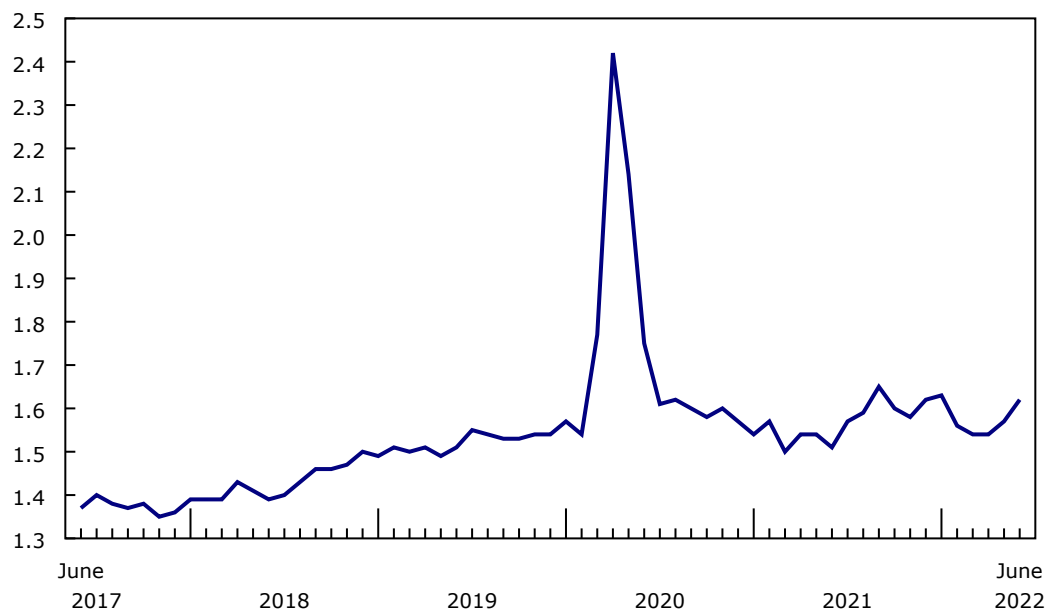


Note(s): Data are seasonally adjusted.
Source(s): Table 16-10-0047-01.

The inventory-to-sales ratio increased from 1.57 in May to 1.62 in June. This 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 increases

ratio



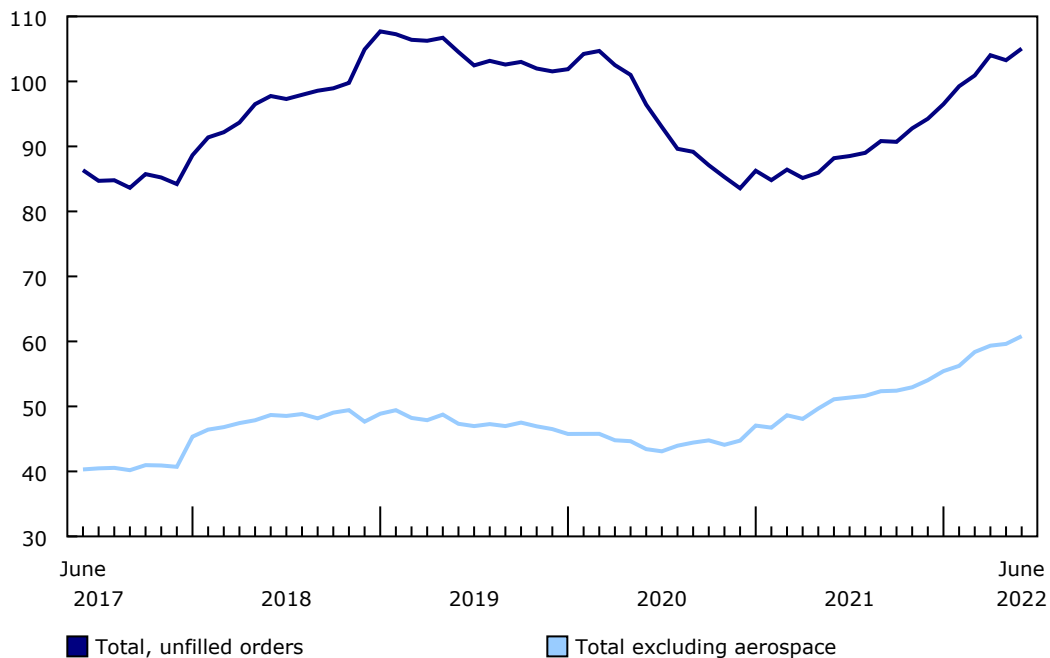
Note(s): Data are seasonally adjusted.
Source(s): Table [16-10-0047-01](#).

Unfilled orders rise

The total value of unfilled orders rose 1.7% to \$105.0 billion in June. The increases were mainly attributable to higher unfilled orders in the motor vehicle (+87.5%), aerospace product and parts (+1.4%), and computer and electronic (+3.7%) product industries. Total unfilled orders were up 19.1% on a year-over-year basis in June.

Chart 4
Unfilled orders rise

billions of dollars



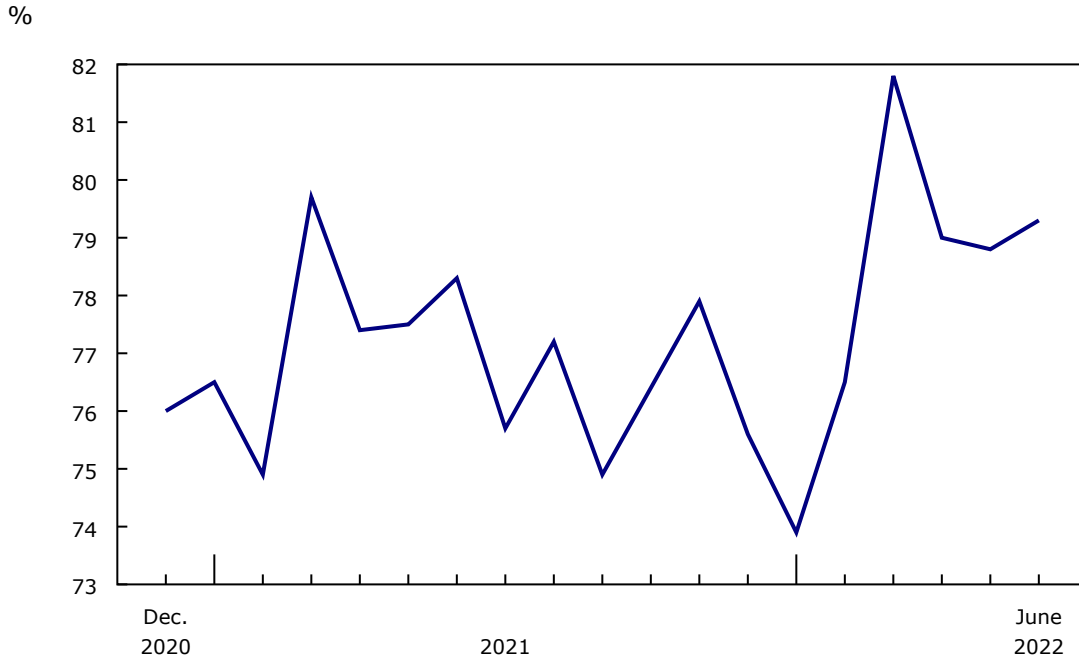
Note(s): Data are seasonally adjusted.
Source(s): Table 16-10-0047-01.

The total value of new orders increased 2.7% to \$73.6 billion in June, largely due to higher new orders of aerospace product and parts, motor vehicles, and chemical products.

Capacity utilization rate increases

The capacity utilization rate (not seasonally adjusted) for the total manufacturing sector increased from 78.8% in May to 79.3% in June due to 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 rates rose in 10 of 21 industries in June and was noticeable in the transportation equipment (+7.2 percentage points), computer and electronic (+4.1 percentage points), and fabricated metal (+2.9 percentage points) product industries. The gains were partially offset by a lower capacity utilization rate in the petroleum and coal (-3.0 percentage points) and wood (-1.3 percentage points) product industries.

Table 1
Manufacturing: Principal statistics – Seasonally adjusted

	June 2021	May 2022 ^r	June 2022 ^p	May to June 2022	June 2021 to June 2022
	millions of dollars			% change ¹	
Manufacturing sales (current dollars)	60,466	72,416	71,826	-0.8	18.8
Manufacturing sales (2012 constant dollars)	49,450	51,776	51,805	0.1	4.8
Manufacturing sales (current dollars) excluding motor vehicles, parts and accessories	55,393	66,564	65,555	-1.5	18.3
Inventories	91,121	114,043	116,387	2.1	27.7
Unfilled orders	88,187	103,261	105,047	1.7	19.1
New orders	62,696 ^E	71,647 ^E	73,612 ^E	2.7	17.4
Inventory-to-sales ratio ²	1.51	1.57	1.62

^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

	June 2021	May 2022 ^r	June 2022 ^p	May to June 2022	June 2021 to June 2022
	millions of dollars			% change ¹	
Food manufacturing	10,673	11,585	11,381	-1.8	6.6
Beverage and tobacco product	1,393	1,501	1,410	-6.0	1.2
Textile mills	152	164	174	6.3	14.2
Textile product mills	124	163	158	-2.9	27.8
Clothing manufacturing	214	262	255	-2.9	19.0
Leather and allied product	26	32	34	5.7	30.2
Wood product	5,088	4,249	3,942	-7.2	-22.5
Paper manufacturing	2,468	2,706	2,701	-0.2	9.4
Printing and related support activities	667	761	771	1.4	15.7
Petroleum and coal product	6,014	11,630	10,718	-7.8	78.2
Chemical	4,786	5,781	6,129	6.0	28.1
Plastics and rubber products	2,941	3,513	3,483	-0.9	18.4
Non-metallic mineral product	1,396	1,519	1,585	4.4	13.6
Primary metal	5,241	6,310	6,329	0.3	20.7
Fabricated metal product	3,604	4,361	4,500	3.2	24.9
Machinery	3,525	4,023	4,119	2.4	16.8
Computer and electronic product	1,233	1,526	1,540	0.9	25.0
Electrical equipment, appliance and component	926	1,116	1,132	1.4	22.3
Transportation equipment	7,555	8,452	8,640	2.2	14.4
Motor vehicle	2,933	3,282	3,735	13.8	27.4
Motor vehicle body and trailer	337	362	368	1.7	9.3
Motor vehicle parts	2,141	2,569	2,536	-1.3	18.4
Aerospace product and parts	1,501	1,564	1,301	-16.8	-13.3
Railroad rolling stock	172	156	139	-11.1	-19.3
Ship and boat building	223	239	256	6.9	14.7
Furniture and related product	1,087	1,366	1,417	3.7	30.4
Miscellaneous manufacturing	1,354	1,395	1,408	1.0	4.0
Non-durable goods industries	29,458	38,098	37,215	-2.3	26.3
Durable goods industries	31,008	34,317	34,611	0.9	11.6

^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

	June 2021	May 2022 ^r	June 2022 ^p	May to June 2022	June 2021 to June 2022
	millions of dollars			% change ¹	
Canada	60,466	72,416	71,826	-0.8	18.8
Newfoundland and Labrador	363	386	297	-23.0	-18.2
Prince Edward Island	222	267	246	-8.1	11.0
Nova Scotia	836	1,034	922	-10.8	10.4
New Brunswick	1,814	2,465	2,228	-9.6	22.8
Quebec	15,763	18,197	18,017	-1.0	14.3
Ontario	25,306	30,599	30,752	0.5	21.5
Manitoba	1,597	2,034	2,216	9.0	38.7
Saskatchewan	1,762	2,238	2,206	-1.4	25.2
Alberta	7,220	9,445	9,271	-1.8	28.4
British Columbia	5,577	5,745	5,663	-1.4	1.5
Yukon	2	3	3 ^E	-15.2	19.0
Northwest Territories and Nunavut	3	4	5	30.8	44.1

^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

	June 2021	May 2022 ^r	June 2022 ^p	May to June 2022	June 2021 to June 2022
	millions of dollars			% change ¹	
Halifax	243	288	276	-4.1	13.8
Québec	1,509	2,393	2,383	-0.4	57.9
Sherbrooke	208	253	258	2.0	24.5
Montréal	7,037	8,054	8,050	-0.0	14.4
Ottawa–Gatineau, Ontario and Quebec	740	821	805	-1.9	8.8
Toronto	9,745	11,429	11,755	2.8	20.6
Hamilton	1,802	2,045	2,116	3.5	17.4
Kitchener–Cambridge–Waterloo	2,056	2,207	2,177	-1.4	5.9
Windsor	837	1,573	1,213	-22.9	44.9
Winnipeg	824	1,029	1,087	5.6	31.8
Regina	598	926	949	2.4	58.5
Saskatoon	424	522	477	-8.5	12.6
Calgary	935	1,257	1,258	0.1	34.4
Edmonton	3,017	4,953	4,962	0.2	64.5
Vancouver	2,599	2,996	2,979	-0.6	14.6

^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

	June 2021	May 2022 ^r	June 2022 ^p	May to June 2022	June 2021 to June 2022
	%			percentage point change	
Manufacturing	78.3	78.8	79.3	0.5	1.0
Non-durable goods industries	80.4	81.3	80.2	-1.1	-0.2
Food manufacturing	80.1 ^E	80.4 ^E	80.5 ^E	0.1	0.4
Beverage and tobacco product manufacturing	73.8	80.7	77.1	-3.6	3.3
Beverage manufacturing	73.2	81.9	77.8	-4.1	4.6
Tobacco manufacturing	77.7	74.1	72.8	-1.3	-4.9
Textile mills	80.0	80.8	80.6	-0.2	0.6
Textile product mills	75.6 ^E	78.5 ^E	81.3 ^E	2.8	5.7
Clothing manufacturing	70.8	87.9 ^E	82.7 ^E	-5.2	11.9
Leather and allied product manufacturing	79.0	64.7	83.9	19.2	4.9
Paper manufacturing	84.6	84.6	86.0	1.4	1.4
Printing and related support activities	73.7 ^E	76.6 ^E	79.8 ^E	3.2	6.1
Petroleum and coal products manufacturing	86.3	85.5	82.5	-3.0	-3.8
Chemical manufacturing	78.5	79.0 ^E	78.5 ^E	-0.5	0.0
Plastics and rubber products manufacturing	76.8	75.4 ^E	73.0 ^E	-2.4	-3.8
Plastic product manufacturing	77.7	75.8 ^E	72.5 ^E	-3.3	-5.2
Rubber product manufacturing	72.0	72.8	76.6	3.8	4.6
Durable goods industries	76.5	76.2	78.5	2.3	2.0
Wood product manufacturing	85.9	84.8	83.5	-1.3	-2.4
Non-metallic mineral product manufacturing	79.5 ^E	77.5 ^E	78.0 ^E	0.5	-1.5
Primary metal manufacturing	68.7	77.1	76.8	-0.3	8.1
Fabricated metal product manufacturing	78.0 ^E	76.1 ^E	79.0 ^E	2.9	1.0
Machinery manufacturing	76.9 ^E	80.0 ^E	80.8 ^E	0.8	3.9
Computer and electronic product manufacturing	81.4	72.9	77.0 ^E	4.1	-4.4
Electrical equipment, appliance and component manufacturing	85.6	88.8 ^E	85.7 ^E	-3.1	0.1
Transportation equipment manufacturing	72.5	67.2	74.4	7.2	1.9
Furniture and related product manufacturing	80.5 ^E	85.6 ^E	83.6 ^E	-2.0	3.1
Miscellaneous manufacturing	77.6	81.9 ^E	81.4 ^E	-0.5	3.8

^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 August 22, 2022.

Next release

Data from the Monthly Survey of Manufacturing for July will be released on September 14, 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](#).

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).