

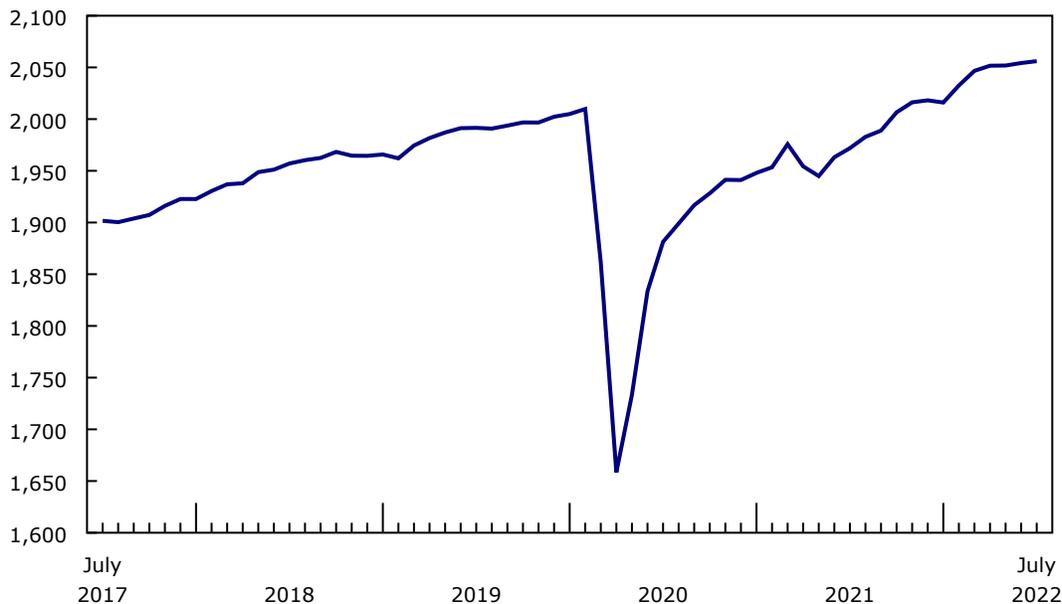
Gross domestic product by industry, July 2022

Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, September 29, 2022

Real gross domestic product (GDP) edged up 0.1% in July, after a similar increase in June (+0.1%). Growth in goods-producing industries (+0.5%) was partially offset by a decline in services-producing industries (-0.1%), with 11 of 20 industrial sectors increasing in July.

Chart 1 Real gross domestic product edges up in July

billions of chained (2012) dollars — all industries



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

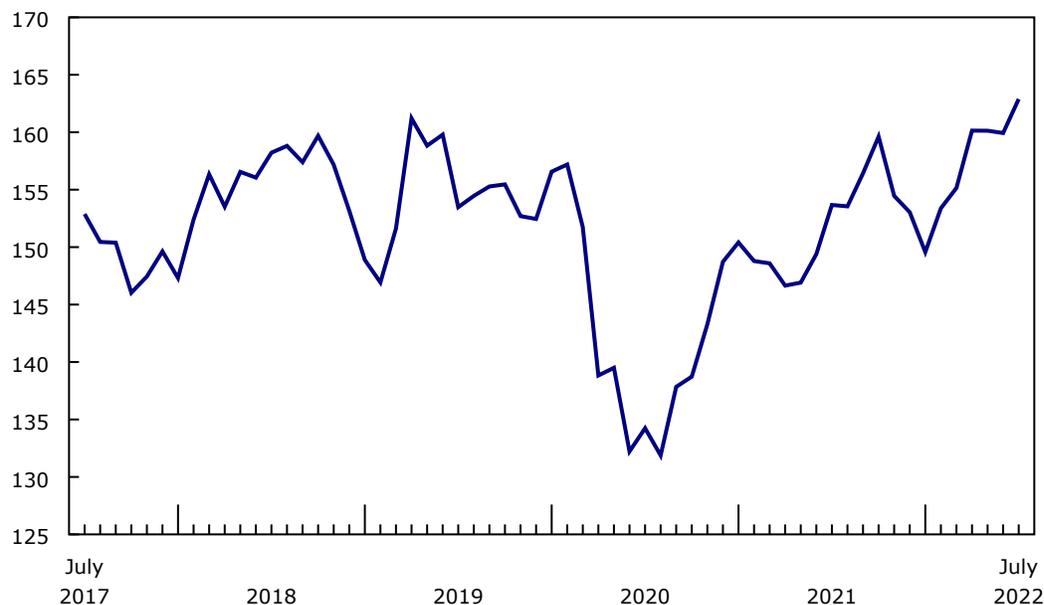
Advance information indicates that real GDP was essentially unchanged in August. Increases in retail and wholesale trade, as well as in agriculture, forestry, fishing, and hunting were offset by decreases in manufacturing and oil and gas extraction. Owing to its preliminary nature, this estimate will be updated on October 28 with the release of the official GDP data for August.

Mining, quarrying and oil and gas extraction expands

The mining, quarrying and oil and gas extraction sector expanded 1.9% in July, following slight declines in the previous two months, with growth in all three subsectors.

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

gross domestic product in billions of chained (2012) dollars



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

Oil sands extraction (+5.1%) increased strongly in July, following decreases in the previous two months. An increase of synthetic oil production coupled with a record level of production of marketable crude bitumen in Alberta contributed the most to growth. Oil sands output increased following maintenance turnarounds at facilities in the second quarter of 2022, which constrained production leading up to July.

Oil and gas extraction (except oil sands) was down 0.5% in July, as a decline in crude petroleum extraction more than offset an increase in natural gas extraction. Crude petroleum was down for the first time in five months, while natural gas production was up for the sixth month in a row.

Non-metallic mineral mining and quarrying increased 2.0%, reaching its highest level of output since July 2020, led by potash mining (+3.2%) for which both production and [export volumes have exhibited an upward trend over the last five quarters](#).

Agriculture grows, led by crop production

The agriculture, forestry, fishing and hunting sector rose 3.2% in July, driven by an increase in crop production. Crop production (except cannabis) expanded 7.2%, driven mainly by an increase in volumes of other grains and wheat.

Following record-high exports in 2020, export volumes of wheat dropped at the end of 2021, and lower volumes persisted in the first half of 2022. Amid the [expected rebound in wheat production](#) in the new crop year, as well as the conflict in Ukraine and stronger demand for Canadian wheat, export volumes increased strongly in July.

Farmers' seeding and better weather continued to provide a [positive outlook for the annual harvest, aided in part by above-average precipitation in Manitoba and Saskatchewan](#).

Manufacturing declines

The manufacturing sector contracted 0.5% in July, the third decline in four months, as an increase in non-durable goods manufacturing was more than offset by a decrease in durable goods manufacturing.

Durable goods manufacturing decreased 1.5% in July, as 7 of 10 subsectors fell. Leading the decline was fabricated metal product manufacturing, mainly due to a decrease in architectural and structural metals manufacturing. Adding to the drop were machinery manufacturing, non-metallic mineral product manufacturing, and furniture and related product manufacturing, while growth in transportation equipment manufacturing and miscellaneous manufacturing partially offset the decline.

Non-durable goods manufacturing was up 0.7% in July, its first increase since March, as six of nine subsectors saw growth. Contributing the most to the increase were petroleum and coal manufacturing and plastics and rubber products manufacturing, while food manufacturing (-1.8%) partially offset the gain.

Wholesale trade continues pull back

Wholesale trade contracted 0.7% in July, down for the fifth time in six months, as seven of nine subsectors decreased.

Personal and household goods (-3.0%) contributed the most to the decline in July, mainly due to a drop in textile, clothing and footwear wholesaling.

Building materials and supplies also saw a notable decline, contracting 2.5% in July. The decrease was predominantly due to [lower sales of lumber, millwork, hardware and other building supplies](#).

An increase in the machinery, equipment and supplies subsector (+1.0%) partially offset the overall decline in the wholesale trade sector.

Retail activity shrinks as prices are met with pressure

The retail trade sector contracted 1.9% in July, falling to the lowest level since December 2021, as 10 of 12 subsectors decreased. Among the widespread declines, the largest were recorded in the gasoline station and food and beverage store subsectors.

Output at gasoline stations dropped 7.1% in July, down for a third consecutive month, in spite of declines in gasoline prices amid downward pressure from [ongoing concerns related to slower global economic growth and lower global demand for crude oil](#).

Food and beverage stores contracted 1.8% in July, down for the second consecutive month. The decrease was observed across all four store types in the subsector, with beer, wine and liquor stores along with supermarkets and other stores experiencing the largest declines.

Accommodation and food services contracts for the first time since January

Accommodation and food services contracted 1.0% in July, the first decline since January, when the sector's activity level dropped as a result of the COVID-19 Omicron variant.

Food services and drinking places (-1.6%) mainly drove the decline, as activity levels in the subsector fell for the first time in six months.

The sector's decline was tempered by a 0.7% rise in the accommodation services subsector. The expansion was driven by a sixth consecutive monthly increase in traveller accommodation, although July's monthly growth rate was the slowest of the six. Continued growth in international and domestic travel activity, benefitting from looser travel restrictions, supported increased demand for such services.

Similarly, air transportation was up in July (+2.4%) for the sixth consecutive month, but at a much slower pace than the previous five months. Meanwhile, output in July sat around 40% below its pre-pandemic level.

Higher inflation and interest rate hikes continue to impact finance and real estate activity

The finance and insurance sector was essentially unchanged in July, following three consecutive declines, as increases from financial investment services, funds and other financial vehicles (+0.9%) were partially offset by decreases in banking, monetary authorities and other depository credit intermediation (-0.2%).

Equity funds rose in tandem with the S&P/TSX Composite Index in July, while bond market activity increased. Foreign investment in Canadian securities mainly [targeted debt securities issued by Canadian private corporations and, to a lesser extent, federal government bonds](#).

The increase in financial investment services, funds and other financial vehicles was offset by a decline in banking, monetary authorities and other depository credit intermediation, led by business loans, chequing and non-chequing deposits. This marked the fifth consecutive decline in non-chequing deposits, as households placed less money into savings accounts while facing inflation. [Household mortgage debt increased in July, however it continued to grow at a slowing rate](#).

The real estate and rental and leasing sector was also essentially unchanged in July, following four consecutive monthly declines.

Activity at the offices of real estate agents and brokers dropped 3.4% in July, down for the fifth consecutive month, as the rising cost of borrowing further dampened home resale activity across the country.

Legal services, which derive much of their activity from real estate transactions, declined 0.3% in July.

Public sector continues growth

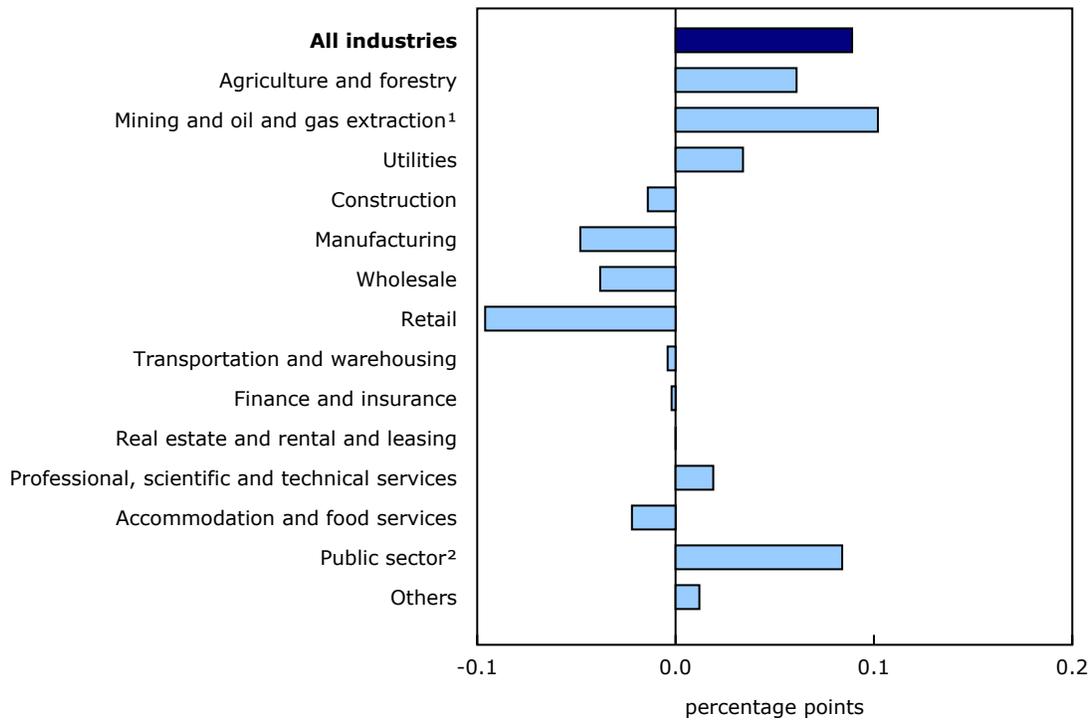
The public sector (educational services, health care and social assistance, and public administration combined) expanded 0.4% in July as all sectors were up.

Educational services (+0.8%) contributed the most to the growth in July as all industries were up, led by elementary and secondary schools (+0.7%) and universities (+0.7%).

Health care and social assistance rose 0.1% with increases in ambulatory health care services, nursing and residential care facilities and social assistance contributing the most to the growth. Hospitals partially offset the growth.

Public administration was up 0.5%, with all four subsectors expanding in July.

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



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

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

	February 2022 ^r	March 2022 ^f	April 2022 ^f	May 2022 ^f	June 2022 ^r	July 2022 ^p	July 2022 ^p	July 2021 ^r to July 2022 ^p
	month-to-month % change						millions of dollars ¹	% change
All industries	0.8	0.7	0.2	0.0	0.1	0.1	2,056,044	4.3
Goods-producing industries	0.8	1.1	0.7	-1.0	0.1	0.5	589,070	4.8
Agriculture, forestry, fishing and hunting	1.1	0.9	0.9	2.0	1.6	3.2	44,895	15.2
Mining, quarrying, and oil and gas extraction	2.5	1.2	3.2	-0.0	-0.1	1.9	162,891	6.0
Utilities	-2.7	-0.8	1.1	-0.4	-0.3	1.6	43,091	3.5
Construction	0.8	1.1	-0.1	-2.0	-0.5	-0.2	150,016	2.7
Manufacturing	0.5	1.7	-0.1	-1.6	0.4	-0.5	193,055	4.1
Services-producing industries	0.8	0.5	0.1	0.4	0.1	-0.1	1,463,755	4.1
Wholesale trade	-1.3	-0.7	-1.2	0.4	-0.5	-0.7	105,435	2.2
Retail trade	-0.3	-0.0	0.7	0.5	-0.0	-1.9	105,068	1.3
Transportation and warehousing	2.2	2.2	1.9	1.6	0.2	-0.1	80,625	11.8
Information and cultural industries	1.0	0.2	0.1	0.4	0.2	0.3	72,474	5.5
Finance and insurance	-0.0	0.5	-0.4	-0.1	-0.6	-0.0	151,162	1.6
Real estate, and rental and leasing	0.3	-0.5	-0.5	-0.1	-0.1	0.0	266,980	0.9
Professional, scientific and technical services	0.8	0.8	0.2	0.5	0.2	0.3	136,569	7.7
Management of companies and enterprises	-2.1	-1.0	-4.4	-5.0	-5.6	-1.9	1,827	-32.7
Administrative and support, waste management and remediation services	1.0	0.5	0.3	0.2	0.3	-0.1	49,579	5.4
Educational services	0.6	-0.3	0.4	0.3	0.7	0.8	109,677	3.4
Health care and social assistance	0.5	0.2	-0.0	0.2	0.3	0.1	146,830	1.4
Arts, entertainment and recreation	7.6	11.6	7.1	2.1	1.9	0.6	14,334	50.6
Accommodation and food services	14.1	10.9	1.1	1.4	1.1	-1.0	42,813	18.7
Other services (except public administration)	0.4	0.6	0.9	1.1	1.2	0.1	39,170	9.7
Public administration	1.3	0.2	-0.4	0.7	0.4	0.5	142,331	3.1
Other aggregations								
Industrial production	0.7	1.2	1.1	-0.9	0.2	0.5	401,921	4.6
Non-durable manufacturing industries	0.2	0.9	-1.1	-1.7	-0.0	0.7	90,327	1.2
Durable manufacturing industries	0.8	2.4	0.9	-1.4	0.8	-1.5	102,713	6.8
Information and communication technologies industries	1.1	0.1	0.3	0.8	0.2	0.7	114,474	9.2
Energy sector	1.0	0.5	2.5	-1.0	-0.6	2.3	184,997	5.1
Public sector	0.8	0.1	-0.1	0.4	0.4	0.4	398,895	2.6

^r revised

^p preliminary

1. At annual rates.

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

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 release on gross domestic product by industry is an example of how Statistics Canada supports monitoring the progress of global sustainable development goals. 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 (2018).

For the period starting in January 2019, data are derived by chaining a fixed-weight Laspeyres volume index to the previous period. The fixed weights are 2018 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 August 2022 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 2021.

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, data confrontation and reconciliation process 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 October 11.

Next release

Data on GDP by industry for August will be released on October 28.

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, 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).