

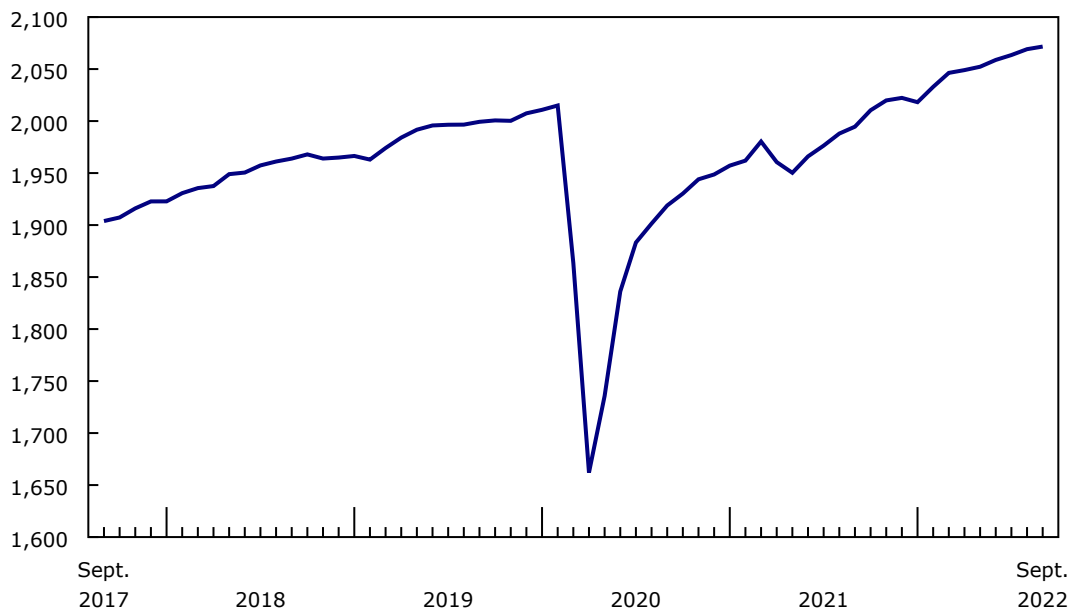
# Gross domestic product by industry, September 2022

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

Real gross domestic product (GDP) edged up 0.1% in September. Growth was led by goods-producing industries (+0.3%), while services-producing industries were essentially unchanged.

## Chart 1 Real gross domestic product edges up in September

billions of chained (2012) dollars — all industries



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

Advance information indicates that real GDP was essentially unchanged in October. Increases in the public, transportation and warehousing, construction and wholesale trade sectors were offset by decreases in the manufacturing and mining, quarrying and oil and gas extraction sectors. Due to its preliminary nature, this estimate will be updated on December 23 with the release of the official GDP data for October.

## Goods-producing industries expand as crude bitumen production level reaches a record high, while manufacturing activity continues to weaken

A significant gain in crude bitumen production in Alberta and the continued momentum in agricultural production largely contributed to the growth in goods-producing industries. Decreased manufacturing activity partially offset these increases.

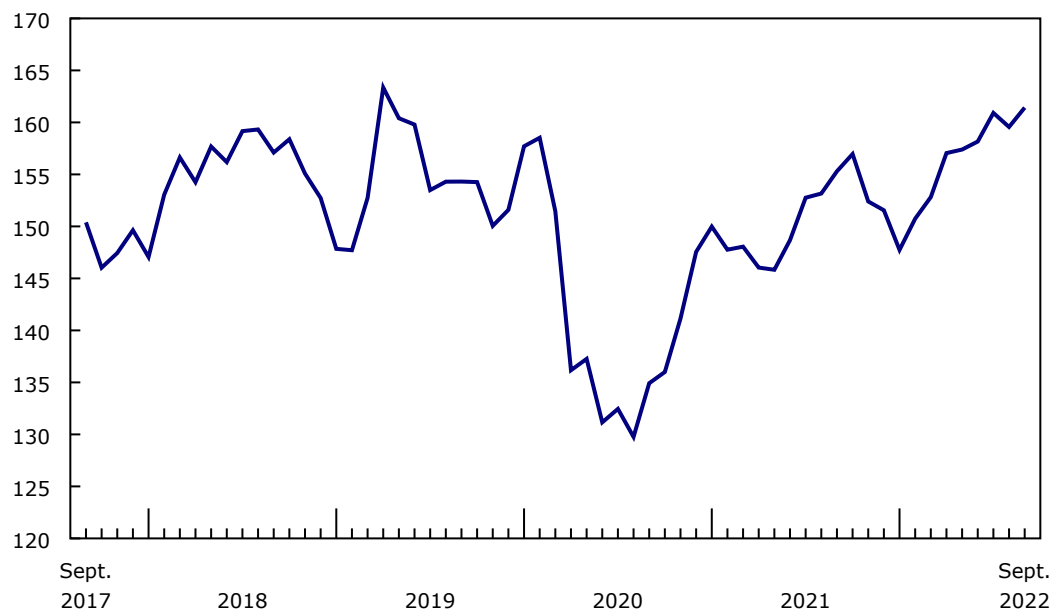
## Crude bitumen fuels mining, quarrying and oil and gas extraction

The mining, quarrying and oil and gas extraction sector rose 1.2% in September, the seventh increase in the last eight months, with growth in two of the three subsectors.



## Chart 2 Mining, quarrying, and oil and gas extraction increases in September

gross domestic product in billions of chained (2012) dollars



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

Oil and gas extraction rose 1.8%, led by a surge in oil sands extraction and attributable to a record high level of crude bitumen production (which exceeded the previous records reached in July and August).

Oil and gas extraction (except oil sands) was down 1.5%, driven by a decline in crude petroleum extraction and in part due to maintenance activity at an offshore crude production facility.

Mining and quarrying (except oil and gas) contracted 1.3% in September, mainly due to a decrease in non-metallic mineral mining and quarrying (-3.4%). [Significant decreases in shipments of potash destined to Brazil and the United States were observed in September.](#) Despite this monthly decline, the value of potash exports has more than doubled compared with September 2021 because of the impact the war in Ukraine has had on global demand for Canadian potash.

### Construction expands

The construction sector expanded 0.5% in September, largely driven by a gain in engineering construction activity (+1.7%). There were also increases in non-residential building and repair construction. Residential building construction was the only exception as it recorded a 0.6% decline, continuing the downward trend that began in April. Despite declines in five of the last six months, residential building construction was more than 6% above its February 2020 level, before the COVID-19 pandemic, but about 16% below its April 2021 peak.

### Agriculture continues to grow, led by crop production

The agriculture, forestry, fishing and hunting sector rose 0.8% in September, led by an increase in crop production. Crop production (except cannabis) expanded 0.7%, recording the 12th consecutive monthly increase following [drought conditions in Western Canada in 2021.](#) Increased production was largely driven by better growing conditions, leading to higher-than-expected yields.

## Manufacturing activity continues to weaken

The manufacturing sector decreased 0.1% in September. This was its fourth decline in five months, bringing the sector's activity level back to its lowest since January 2022. A decline in non-durable goods manufacturing was partially offset by increased activity in durable goods manufacturing.

Non-durable goods manufacturing fell 0.9% in September, as seven of the nine subsectors declined. Food product manufacturing (-1.4%) contributed the most to the decrease, as lower levels of meat and seafood product manufacturing offset growth in fruit and vegetable preserving and specialty food manufacturing as well as grain and oilseed milling.

Durable goods manufacturing rose 0.6% in September, despite 6 of the 10 subsectors decreasing. This was a rebound from two consecutive monthly declines; however, the activity level remained below the 2022 peak recorded in June. Machinery manufacturing drove growth, led by gains in agricultural, construction, and mining machinery manufacturing and industrial machinery manufacturing.

Transportation equipment manufacturing declined, as production remained constrained by limited semi-conductor availability, tempering the increase in durable goods manufacturing.

## Declines or slow growth in client facing industries halts growth in services-producing industries

Services-producing industries were essentially unchanged in September despite a contraction in the majority of sectors, including a reduction in retail trade and wholesale trade activity. However, increases in the health care and social assistance and the professional, scientific and technical services sectors largely offset the declines.

## Retail activity edges down

The retail trade sector edged down 0.1% in September, as 6 of the 12 subsectors decreased.

Food and beverage stores declined 1.9% in September to reach its lowest level since April 2018. Broad-based declines were observed across all four store types in the subsector, with the supermarkets and other grocery (except convenience) stores declining the most. [In September, prices for food purchased from stores \(+11.4%\) grew at the fastest pace year-over-year since August 1981 \(+11.9%\)](#). While food and beverage stores have been trending downward since the beginning of 2021, [food and beverage product sales](#) have continued increasing at other store types, such as general merchandise stores.

The overall decline in retail trade was partially offset by activity at gasoline stations, up 4.2%, the second consecutive monthly increase following three months of declines. [Gasoline prices fell 7.4% on an unadjusted basis in September](#), partially due to increased global crude oil supply.

## Wholesale trade down after strong increase in August

Wholesale trade edged down 0.1% in September, the third decline in four months, as four of nine subsectors decreased.

Gains and losses were relatively evenly distributed among the major subsectors. Decreases were recorded in the miscellaneous (-3.6%), building material and supplies (-3.0%) and machinery equipment and supplies (-1.0%) merchant wholesalers.

In contrast, the increase in the wholesaling of personal and household goods (+2.8%) partially offset these declines largely due to increased [Canadian imports of pharmaceutical products, which rose as the latest COVID-19 vaccine became available](#). The food, beverage and tobacco (+1.6%) and motor vehicle and motor vehicle parts and accessories (+2.2%) subsectors also contributed to tempering the decline in the sector.

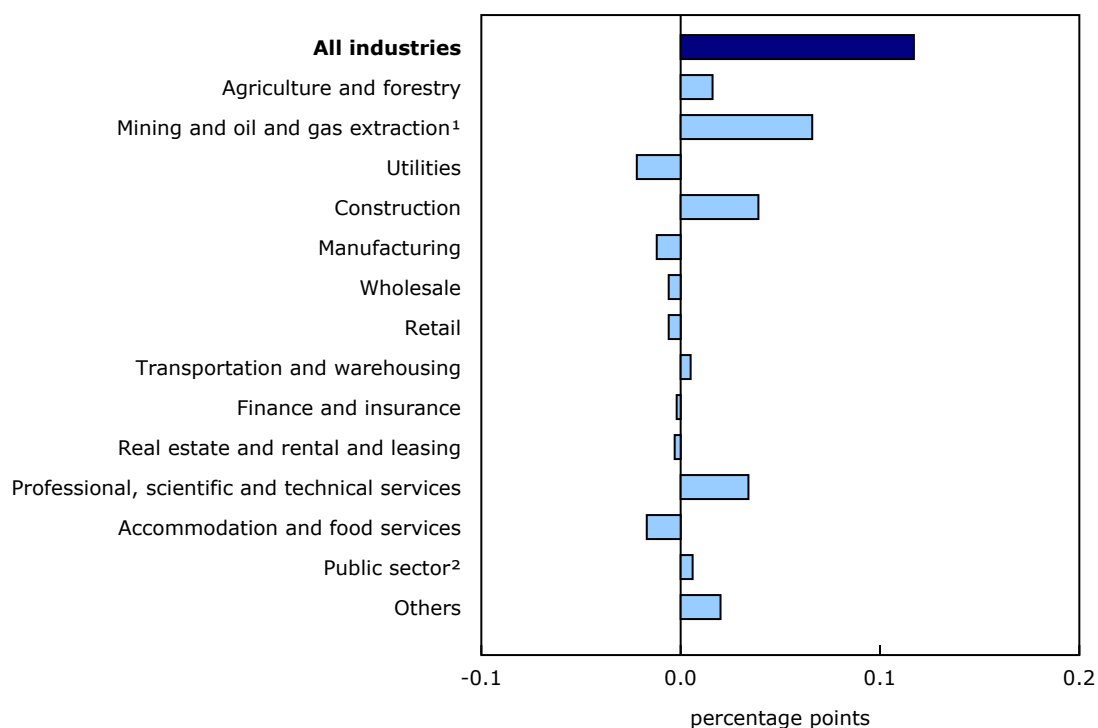
## Overall activity in the public sector is essentially unchanged

The public sector (educational services, health care and social assistance, and public administration combined) was essentially unchanged in September following four consecutive monthly gains. The increase in health care and social assistance was offset by declines in educational services and public administration.

Health care and social assistance increased 0.4%, as all subsectors were up, led by hospitals (+0.6%) and ambulatory health care services (+0.4%).

Public administration (-0.2%) declined, as most subsectors were down. There were declines in the federal government (-1.0%) and provincial and territorial (-0.4%) subsectors, partly due to the holiday that was added in the federal public service and some provincial governments to acknowledge the Queen's passing. Municipal public administration (+0.8%) increased amidst preparations for municipal elections across the country.

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



1. Includes quarrying.

2. Educational services, health care and social assistance, and public administration.

Source(s): Gross domestic product by industry (1301).

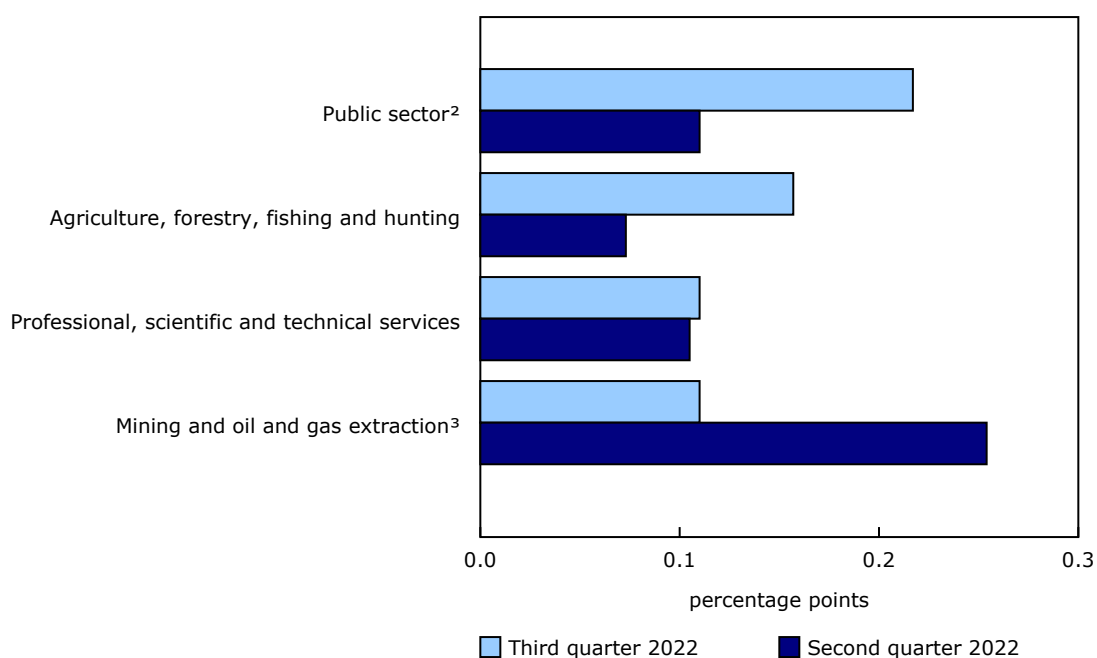
## Real gross domestic product expands for a fifth consecutive quarter

Real GDP expanded for a fifth consecutive quarter, increasing 0.7% in the third quarter of 2022. Services-producing industries (+0.6%) increased for the fifth consecutive quarter, while goods-producing industries (+1.0%) increased for the fourth consecutive quarter.

## Several sectors experiencing consecutive quarterly growth are among the main drivers of growth in the third quarter of 2022.

Several sectors that drove growth in the second quarter continued to be among the main drivers of growth in the third quarter. Natural resources—more specifically, the agriculture, forestry, fishing and hunting (+8.8%) and mining and quarrying and oil and gas extraction (+2.0%) sectors—were among the main contributors to growth in the quarter. [Better growing conditions in Western Canada](#), such as higher-than-average precipitation and moderate temperatures throughout the year, continued to support high annual crop yield and harvest estimates, resulting in another strong quarter for crop production (except cannabis) (+17.7%).

**Chart 4**  
**Top Contributors<sup>1</sup> to growth in the second quarter are the main drivers of growth in the third quarter**



1. Contribution to the percent change in gross domestic product.  
 2. Educational services, health care and social assistance, and public administration.  
 3. Includes quarrying.  
**Source(s):** Gross domestic product by industry (1301).

After a slow start to the year, the mining, quarrying and oil & gas extraction sector expanded for a second consecutive quarter, as all subsectors posted gains. Oil sands extraction led the way in the oil and gas extraction subsector, as increased [production of crude bitumen in Alberta boosted the subsector despite maintenance activity](#) within the third quarter. The gain in non-metallic mineral mining and quarrying was driven in part by increased potash mining, which expanded for the third consecutive quarter, as [exports of the commodity](#) have grown strongly following Russia's invasion of Ukraine.

The public sector (educational services, health care and social assistance, and public administration combined) continued to be a large contributor to growth in the third quarter, expanding 1.1%. Growth in both federal and municipal public administration as well as in elementary and secondary schools and ambulatory health care services drove the increase.

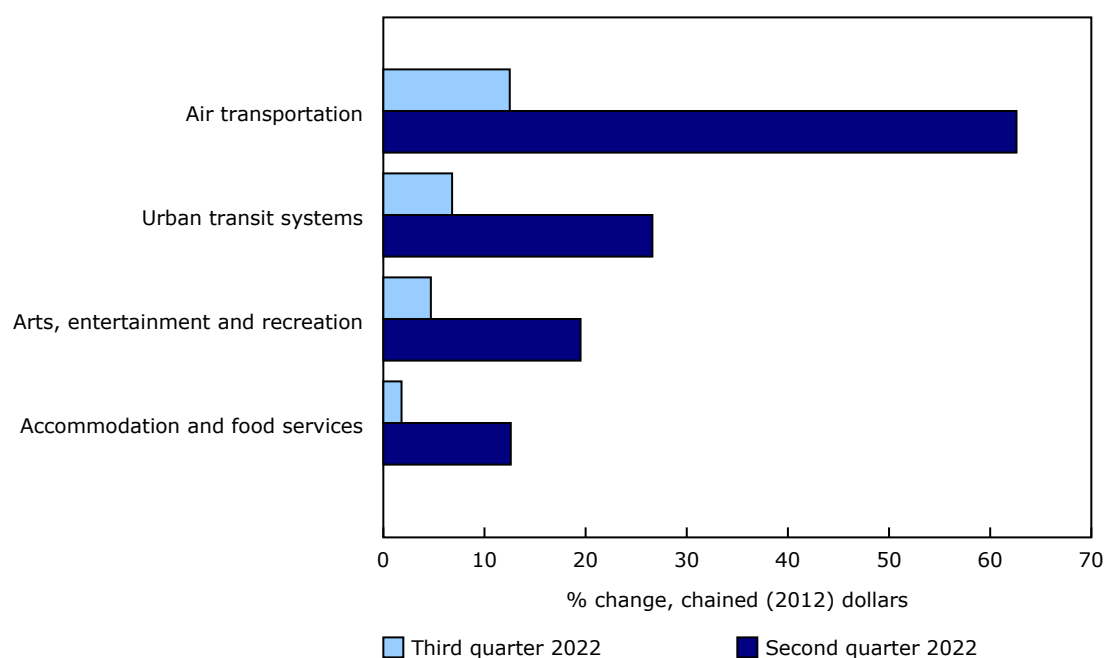
In the third quarter, professional, scientific and technical services (+1.7%) continued to expand, up for a fifth consecutive quarter. The computer systems design and related services industry, which accounts for the largest share of the sector and was a significant driver of growth in the sector even before the pandemic, drove the gain in the quarter.

### Growth slows in some sectors in the third quarter after driving growth in the previous quarter

Client-facing industries, which rebounded from the impact of Omicron variant in the second quarter, expanded at a slower rate and were no longer among the top contributors to growth in the third quarter.

Various factors contributed to this slowdown, including capacity constraints related to labour shortages and the diminishing impact of pent-up demand from the removal of COVID-19 restrictions earlier in the year.

**Chart 5**  
**Client-facing sectors recorded slower growth in the third quarter**



Source(s): Table 36-10-0449-01.

After expanding 5.5% in the second quarter, transportation and warehousing grew 0.3% in the third quarter. Air transportation was among the largest drivers of growth but grew at a slower pace compared with the second quarter, as many airlines and airports faced labour shortages, leading to an influx of flight cancellations. Food services and drinking places increased 1.4% after growing 11.1% in the second quarter.

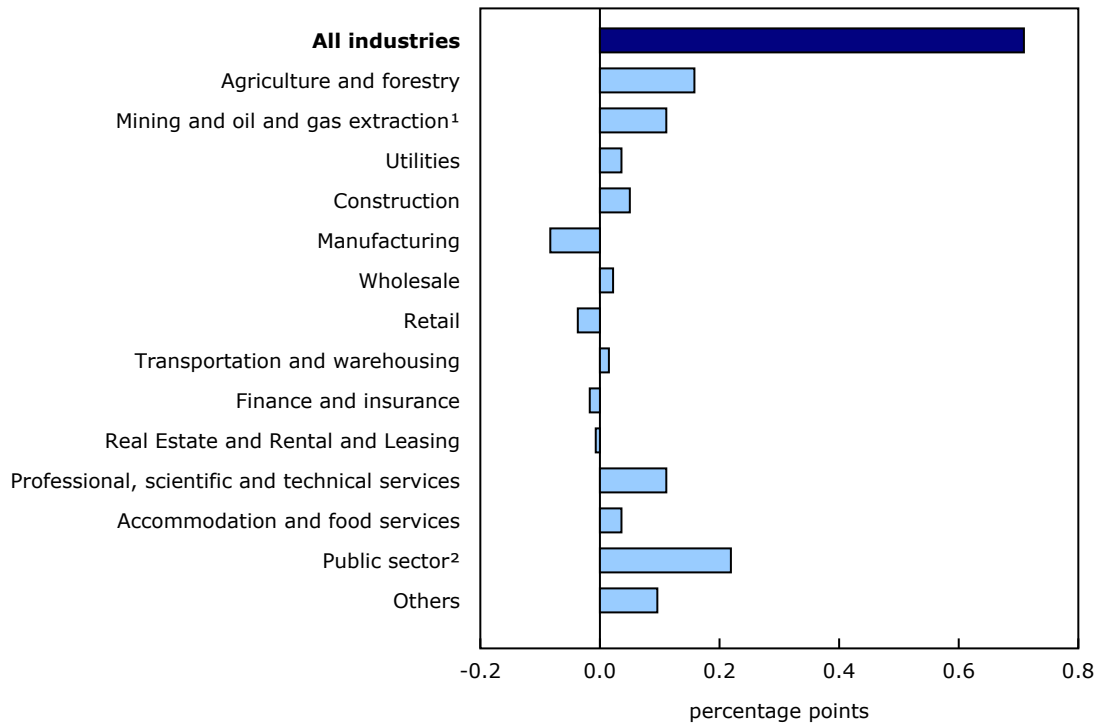
Interest rate hikes continued to impact activity in the real estate and rental and leasing (-0.0%) and finance and insurance sectors (-0.2%). Activity at the offices of real estate agents and brokers declined for a third consecutive quarter and for the fifth time in the last six quarters as home sales continued to drop, particularly in Ontario, British Columbia and Alberta. Declines in chequing and notice deposits as well as declines in equity and fixed-income mutual fund asset values drove the decline in the finance and insurance sector.

The construction sector increased 0.7% in the quarter despite continued weaker activity in the residential and non-residential building as well as repair construction subsectors. Engineering and other construction activities contributed the most to the gain, supported by ongoing construction of the LNG terminal in British Columbia and by wind farm projects in Alberta.

Weaker residential building construction in both the United States and Canada impacted other sectors of the economy, such as manufacturing and wholesale trade. Decreased activity in fabricated metal product manufacturing, such as architectural and structural metals, and in wood product manufacturing largely contributed to the decline in durable goods manufacturing in the quarter. Building material and supplies wholesalers posted a second consecutive decline in the third quarter and contributed to temper growth in the overall wholesale trade sector.

Retail trade also slowed growth in the quarter, in part due to decreased activity at gasoline stations as households faced higher fuel prices.

**Chart 6**  
**Main industrial sectors' contribution to the percent change in gross domestic product, third quarter**



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**

	April 2022 <sup>r</sup>	May 2022 <sup>r</sup>	June 2022 <sup>r</sup>	July 2022 <sup>r</sup>	August 2022 <sup>r</sup>	September 2022 <sup>p</sup>	September 2022 <sup>p</sup>	September 2021 <sup>r</sup> to September 2022 <sup>p</sup>
	month-to-month % change						millions of dollars <sup>1</sup>	% change
<b>All industries</b>	<b>0.1</b>	<b>0.2</b>	<b>0.3</b>	<b>0.2</b>	<b>0.3</b>	<b>0.1</b>	<b>2,071,640</b>	<b>3.9</b>
<b>Goods-producing industries</b>	<b>0.5</b>	<b>-0.7</b>	<b>0.6</b>	<b>0.7</b>	<b>0.1</b>	<b>0.3</b>	<b>594,798</b>	<b>6.0</b>
Agriculture, forestry, fishing and hunting	1.1	1.9	2.2	3.7	3.7	0.8	46,248	30.0
Mining, quarrying, and oil and gas extraction	2.8	0.2	0.5	1.7	-0.8	1.2	161,418	3.9
Utilities	0.9	-0.2	-0.0	1.0	1.6	-1.0	43,811	4.2
Construction	-0.8	-1.7	0.3	0.8	0.1	0.5	153,337	4.2
Manufacturing	0.1	-0.9	0.7	-0.7	-0.4	-0.1	193,681	5.1
<b>Services-producing industries</b>	<b>-0.0</b>	<b>0.5</b>	<b>0.2</b>	<b>0.1</b>	<b>0.3</b>	<b>0.0</b>	<b>1,473,425</b>	<b>3.1</b>
Wholesale trade	-1.1	0.3	-0.3	-0.3	1.4	-0.1	108,505	2.9
Retail trade	-0.1	1.1	-0.0	-1.5	0.8	-0.1	107,626	1.4
Transportation and warehousing	1.3	1.8	0.9	-0.6	-0.4	0.1	83,014	7.7
Information and cultural industries	0.1	0.3	0.2	0.3	0.3	0.4	73,355	3.7
Finance and insurance	-0.4	-0.3	-0.4	0.2	-0.1	-0.0	152,092	0.6
Real estate, and rental and leasing	-0.3	-0.1	-0.1	-0.0	0.1	-0.0	267,194	0.2
Professional, scientific and technical services	0.3	0.6	0.2	0.8	0.6	0.5	135,941	7.3
Management of companies and enterprises	-4.6	-4.7	-3.1	-2.1	-2.3	-3.1	1,932	-28.3
Administrative and support, waste management and remediation services	0.5	0.2	0.1	0.0	-0.1	-0.1	49,575	4.1
Educational services	0.2	0.4	0.7	0.6	-0.0	-0.2	109,551	2.0
Health care and social assistance	-0.0	0.2	0.3	0.3	0.3	0.4	149,227	2.2
Arts, entertainment and recreation	6.5	3.9	1.5	0.6	2.3	0.5	14,297	30.3
Accommodation and food services	0.5	2.4	1.6	-0.4	0.8	-0.8	40,214	11.0
Other services (except public administration)	0.8	1.1	1.0	0.7	0.5	0.4	39,686	8.5
Public administration	-0.4	0.5	0.3	0.5	0.6	-0.2	142,770	2.3
<b>Other aggregations</b>								
Industrial production	1.0	-0.4	0.5	0.3	-0.3	0.2	402,840	4.6
Non-durable manufacturing industries	-1.0	-1.5	0.1	0.4	-0.5	-0.9	89,389	0.1
Durable manufacturing industries	1.0	-0.3	1.2	-1.6	-0.4	0.6	104,341	9.9
Information and communication technologies industries	0.5	0.7	0.3	1.3	0.2	0.7	115,759	9.0
Energy sector	2.1	-0.8	-0.2	1.8	-0.0	0.6	186,850	3.6
Public sector	-0.1	0.4	0.4	0.4	0.3	0.0	401,674	2.2

<sup>r</sup> revised

<sup>p</sup> preliminary

1. At annual rates.

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



**Table 2**  
**Quarterly gross domestic product by industry at basic prices in chained (2012) dollars –**  
**Seasonally adjusted**

	Second quarter 2021 <sup>r</sup>	Third quarter 2021 <sup>r</sup>	Fourth quarter 2021 <sup>r</sup>	First quarter 2022 <sup>r</sup>	Second quarter 2022 <sup>r</sup>	Third quarter 2022 <sup>p</sup>	Third quarter 2022 <sup>p</sup>
	quarter-to-quarter % change						millions of dollars <sup>1</sup>
<b>Goods-producing industries</b>	<b>-0.6</b>	<b>-0.6</b>	<b>1.5</b>	<b>1.7</b>	<b>1.2</b>	<b>1.0</b>	<b>593,352</b>
Agriculture, forestry, fishing and hunting	-2.6	-8.2	3.6	6.1	4.3	8.8	45,444
Mining, quarrying, and oil and gas extraction	-1.2	4.7	-0.1	-2.1	4.7	2.0	160,627
Utilities	0.8	-0.4	0.1	2.8	-0.4	1.6	43,867
Construction	1.2	-3.2	1.2	2.7	-0.7	0.7	152,773
Manufacturing	-1.6	-0.1	2.6	2.1	0.7	-0.9	194,139
<b>Services-producing industries</b>	<b>-0.3</b>	<b>2.1</b>	<b>1.6</b>	<b>0.4</b>	<b>1.0</b>	<b>0.6</b>	<b>1,471,359</b>
Wholesale trade	-0.9	-2.3	5.1	0.3	-1.9	0.4	108,102
Retail trade	-3.5	3.1	0.3	0.9	0.9	-0.7	107,437
Transportation and warehousing	-1.8	4.4	3.5	-0.3	5.5	0.3	83,052
Information and cultural industries	0.2	2.7	2.3	0.1	0.7	0.9	73,081
Finance and insurance	-0.9	1.9	1.5	0.4	-0.4	-0.2	152,161
Real estate, and rental and leasing	0.0	0.2	0.8	0.2	-0.7	-0.0	267,183
Professional, scientific and technical services	-0.3	2.1	2.7	1.9	1.6	1.7	135,232
Management of companies and enterprises	-7.0	-4.5	-6.1	-6.4	-9.7	-8.1	1,989
Administrative and support, waste management and remediation services	-1.9	1.1	1.6	1.6	1.4	0.1	49,629
Educational services	-1.0	3.3	0.9	-0.1	0.7	1.1	109,722
Health care and social assistance	1.7	0.8	0.2	0.3	0.5	0.9	148,645
Arts, entertainment and recreation	0.9	24.4	16.3	-5.4	19.5	4.7	14,142
Accommodation and food services	1.4	30.3	1.7	-2.7	12.6	1.8	40,316
Other services (except public administration)	0.8	4.3	2.4	1.8	2.5	2.2	39,497
Public administration	1.2	0.7	0.4	0.9	0.5	1.2	142,708
<b>Other aggregations</b>							
Industrial production	-1.1	1.4	1.4	0.9	1.8	0.3	402,833
Non-durable manufacturing industries	-0.6	1.1	1.8	1.0	-1.5	-0.7	90,103
Durable manufacturing industries	-2.4	-1.2	3.3	3.2	2.6	-1.0	104,085
Information and communication technologies industries	-0.5	1.7	3.3	2.0	1.5	2.1	115,133
Energy sector	-0.1	3.2	0.1	0.3	2.3	1.6	186,106
Public sector	0.8	1.4	0.4	0.4	0.5	1.1	401,180

<sup>r</sup> revised

<sup>p</sup> 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 (2019).

For the period starting in January 2020, data are derived by chaining a fixed-weight Laspeyres volume index to the previous period. The fixed weights are 2019 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 October 2022 is available upon request.

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

### Revisions

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, reconciliation process and standard changes to seasonal adjustment calculations are incorporated with each release.

With this release of monthly GDP by industry, revisions have been made back to January 2018. Some individual monthly growth rates have been revised, resulting in updated estimates for the first quarter of 2022 from +0.9% to +0.8%, while the second quarter of 2022 recorded no revision in growth rate (+1.0%).

Monthly real GDP estimates for the first quarter of 2022 were revised down. The largest revisions were in retail trade, real estate agents and brokers and accommodation and food services as a result of the incorporation of new data and updated seasonal adjustment models as part of regular annual revisions with the September reference month release each year.

The advanced GDP by industry estimate for the third quarter of 2022 was revised up (from +0.4% to +0.7%). Growth in both July (from +0.1% to +0.2%) and August (from +0.1% to +0.3%) was revised up as a result of the incorporation of new or revised information from data suppliers as well as data confrontation resulting from the availability of the income and expenditure-based GDP data. Revisions were most notable in the construction and manufacturing, professional, scientific and technical services sectors as well as the accommodation and food services sector.

### Real-time table

Real-time table 36-10-0491-01 will be updated on December 5.

### Next release

Data on GDP by industry for October will be released on December 23.

**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.

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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](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).