

# Monthly Survey of Manufacturing, January 2023

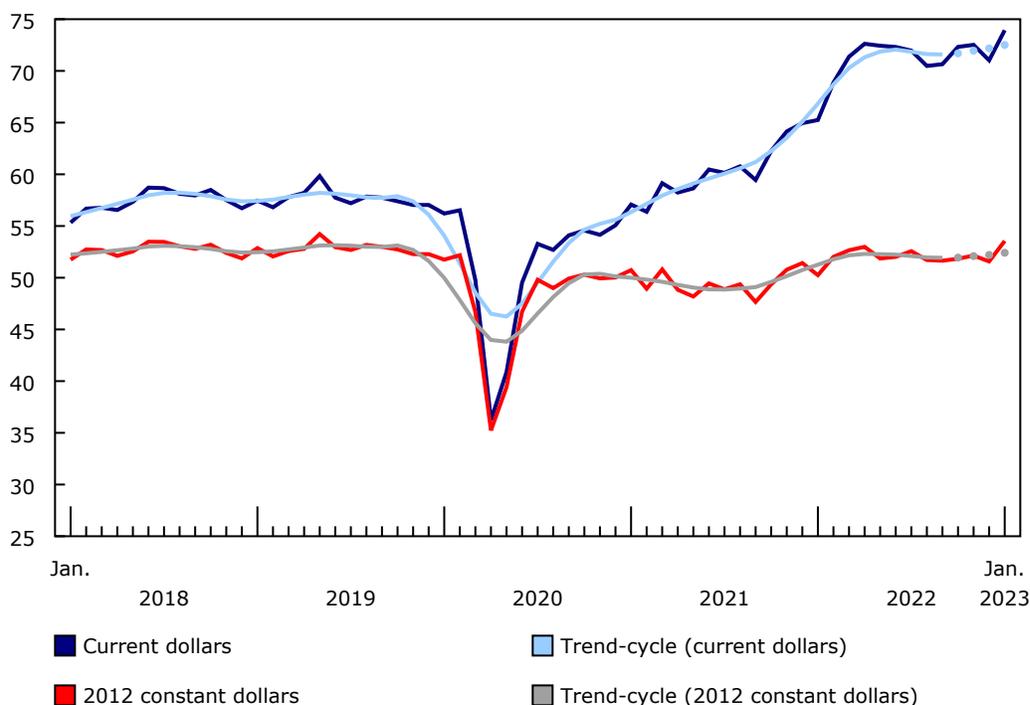
Released at 8:30 a.m. Eastern time in *The Daily*, Tuesday, March 14, 2023

Manufacturing sales rose 4.1% to \$73.9 billion in January, with increases in 16 of 21 industries. The petroleum and coal product (+10.1%), motor vehicle (+13.4%) and food (+3.4%) industries led the increases, while the aerospace product and parts (-11.2%), chemical (-2.8%) and wood (-4.9%) industries posted the largest declines.

Sales in constant dollars were up 3.8% in January, indicating that higher volumes played a significant role in the sales gain on a current dollar basis. The [Industrial Product Price Index](#) edged up 0.4% in January.

**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](#).

## Petroleum and coal products increase the most

Following two consecutive monthly declines, sales in the petroleum and coal product industry increased 10.1% to \$10.3 billion in January, with prominent volume growth (+12.0%). Prices for refined petroleum energy products (including liquid biofuels) rose 0.8% in January, while [exports were up 13.6%](#). The increases were partly attributed to weather-related refinery disruptions in the United States. Compared with January 2022, sales increased 26.6%.



Sales of motor vehicles increased for the third consecutive month, up 13.4% to \$4.8 billion in January 2023, the highest level since July 2020. Meanwhile, sales of motor vehicle parts, which have been increasing for four consecutive months, were up 2.7% to \$3.0 billion in January, the second highest level on record. Exports of motor vehicles and parts increased 8.2%. Production increases at several Canadian assembly plants came after downtime associated with end-of-year holidays. The motor vehicle industry continues to experience some supply chain challenges and shipping capacity constraints. Year over year, sales of motor vehicles increased 63.5% in January 2023.

Following two consecutive monthly declines, sales in the food industry rose 3.4% to \$12.4 billion in January. Leading the increase was the grain and oilseed industry, where a major oil crush plant recovered productions after an equipment failure in December. [The quantity of canola \(rapeseed\) oil was up 5.3%, while the price was down 0.5%](#). Exports of wheat (+21.2%) and other crop products (+20.6%) were up. Year over year, sales rose 12.5% in January.

### **Aerospace product and parts post the largest decline**

Production in the aerospace product and parts industry declined 11.2% to \$1.6 billion in January following strong gains in December, which reflected the trends generally observed at the end of the quarter in this industry. Exports for aircraft, aircraft engines and aircraft parts grew 5.6% in January. Despite the monthly decline, production grew 16.7% year over year in January.

Sales in the chemical industry were down 2.8% to \$5.7 billion in January, after an increase in December. The decline was mainly driven by lower sales in the pharmaceutical and medicine manufacturing industry (-11.9%), where exports fell 2.0%. In contrast, the pesticide, fertilizer and other agricultural chemical industry (+62.7%) posted the largest increase, partly attributed to elevated input costs as the price of potash was up 6.1% in January. The tightened global supply of fertilizer inputs following the war in Ukraine has induced strong demand from Canada. According to the [Annual Mineral Production Survey](#) the preliminary shipment value of potash in Canada grew 110.5% in 2022 compared with 2021. Year over year, sales of chemical products increased 3.8% in January.

### **Sales in Ontario increase the most**

Manufacturing sales increased in seven provinces in January, led by Ontario and Alberta. Meanwhile, Saskatchewan posted the largest decline.

Following a decrease in December, sales in Ontario gained 5.2% to \$32.6 billion in January, led by the motor vehicle industry (+14.3%). The increase in the motor vehicle industry accounted for slightly over one-third of the increase in the province, while lower production in the aerospace product and parts industry (-14.6%) partly offset the increase. Compared with 12 months earlier, total sales in Ontario increased 18.3% in January.

In Alberta, sales reached a record high, rising 11.5% to \$9.7 billion in January following two consecutive monthly declines. The petroleum and coal product industry (+25.7%) was the largest contributor to the increase, followed by the chemical (+17.3%) and food (+5.8%) industries. Year over year, sales rose 21.9% in January.

In Saskatchewan, sales fell 9.0% to \$2.2 billion in January, almost entirely driven by lower sales of chemical products (-52.7%) and was partly offset by higher sales of petroleum and coal products. Despite the monthly decline, total sales increased 17.9% in January on a yearly basis.

### **Sales in Edmonton grow the most**

Manufacturing sales increased in 13 of 15 census metropolitan areas in January, led by Edmonton and Toronto, while Regina experienced the largest decline.

After two consecutive monthly declines, sales in Edmonton increased 14.8% to \$4.8 billion in January, mainly attributable to higher sales of petroleum and coal products (+27.6%).

Sales in Toronto rose 2.7% to \$12.7 billion in January, mainly on higher sales in the food industry (+9.0%). Meanwhile, the aerospace product and parts industry (-16.2%) posted largest decrease.

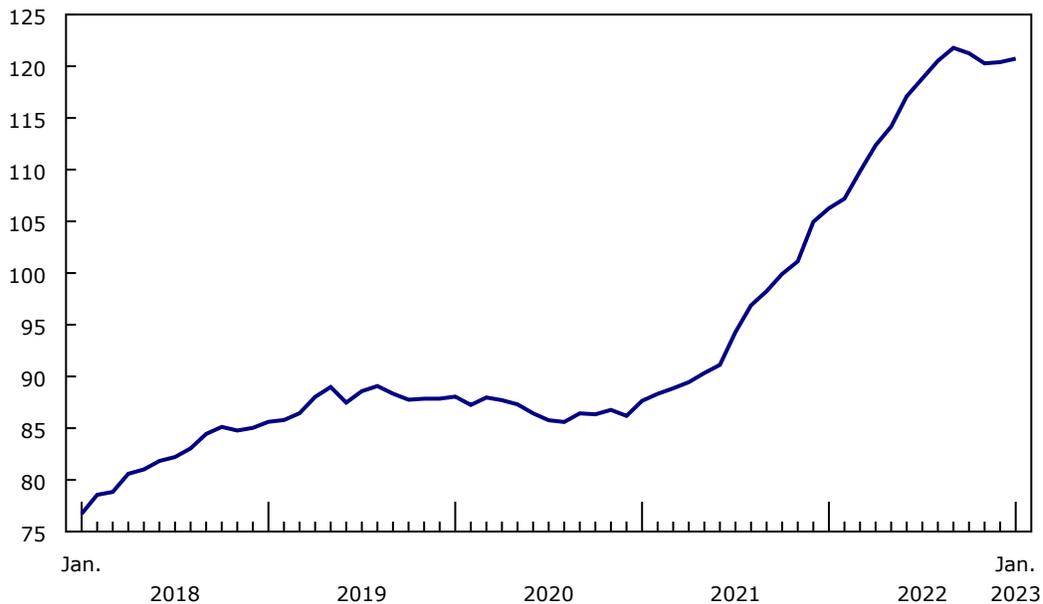
Sales in Regina declined 28.0% to \$850 million in January, following a 16.9% increase in December. The decrease was primarily driven by lower sales of chemicals and partially offset by higher sales of petroleum and coal products.

### Inventory levels edge up

Total inventory levels grew 0.3% to \$120.7 billion in January, driven by higher inventories in the machinery (+4.6%), primary metal (+3.0%), food (+2.2%) and beverage and tobacco (+7.2%) product industries. In contrast, inventories of chemical (-6.3%) and petroleum and coal (-3.3%) products posted the largest decline. Of the inventory components, raw materials (+0.9%) and goods in process (+0.3%) rose, while finished products declined 0.6%. In constant dollar terms, total inventories were up 0.2% in January.

### Chart 2 Inventory levels edge up

billions of dollars



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

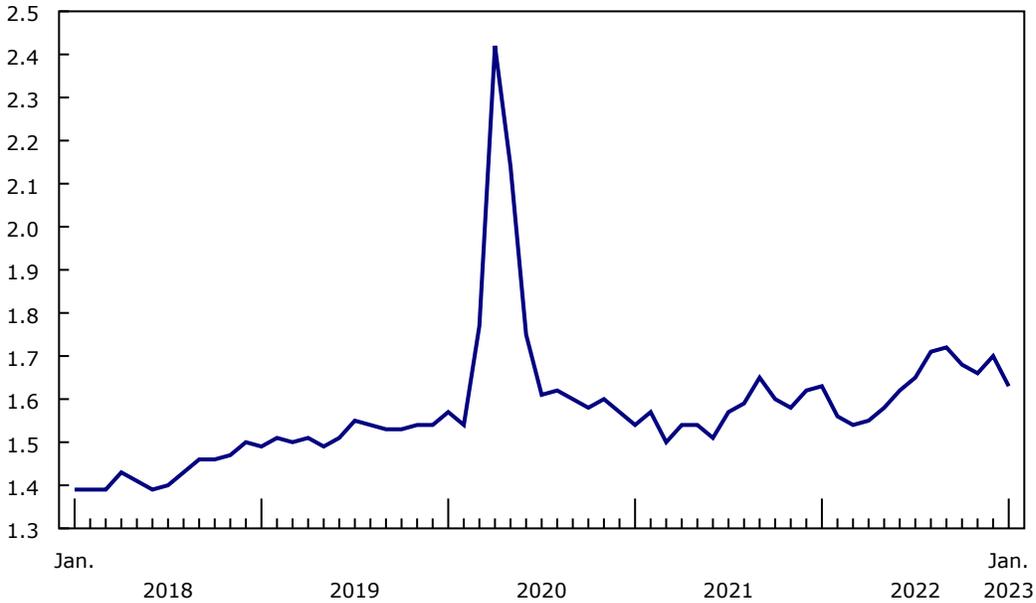
The inventory-to-sales ratio declined from 1.70 in December to 1.63 in January. This ratio measures the time, in months, that would be required to exhaust inventories if sales were to remain at their current level.

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### Chart 3 The inventory-to-sales ratio decreases

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ratio



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

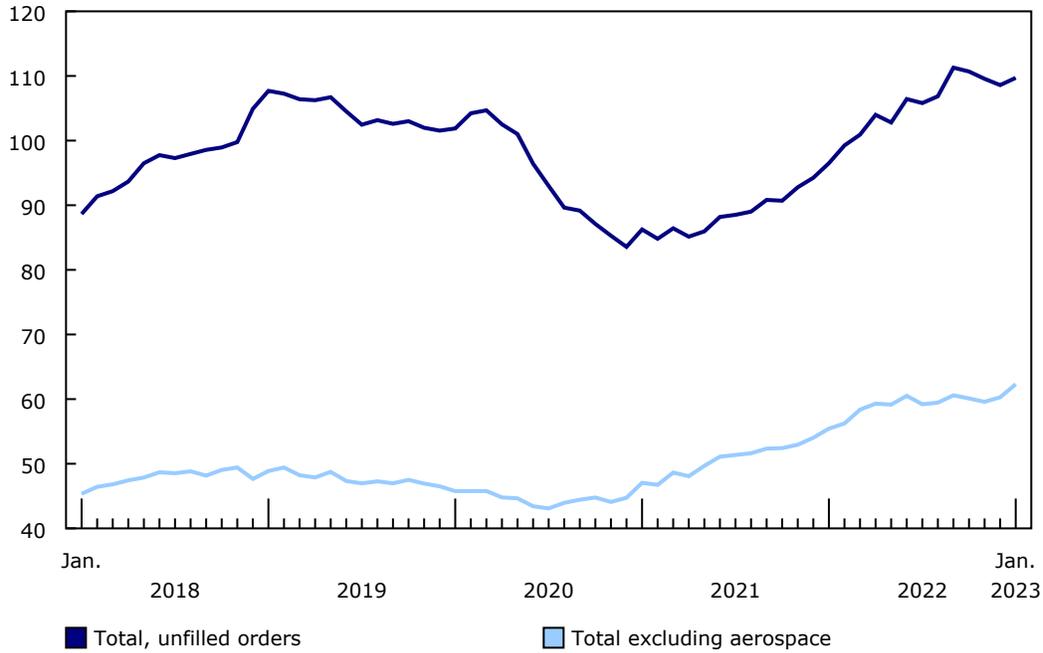
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### Unfilled orders rise

After three consecutive monthly declines, the total value of unfilled orders rose 1.0% to \$109.7 billion in January, mainly on higher unfilled orders of other transportation equipment, fabricated metal products and electrical equipment, appliance and component industries. Lower unfilled orders of aerospace product and parts partially offset the increase.

**Chart 4**  
**Unfilled orders increase**

billions of dollars



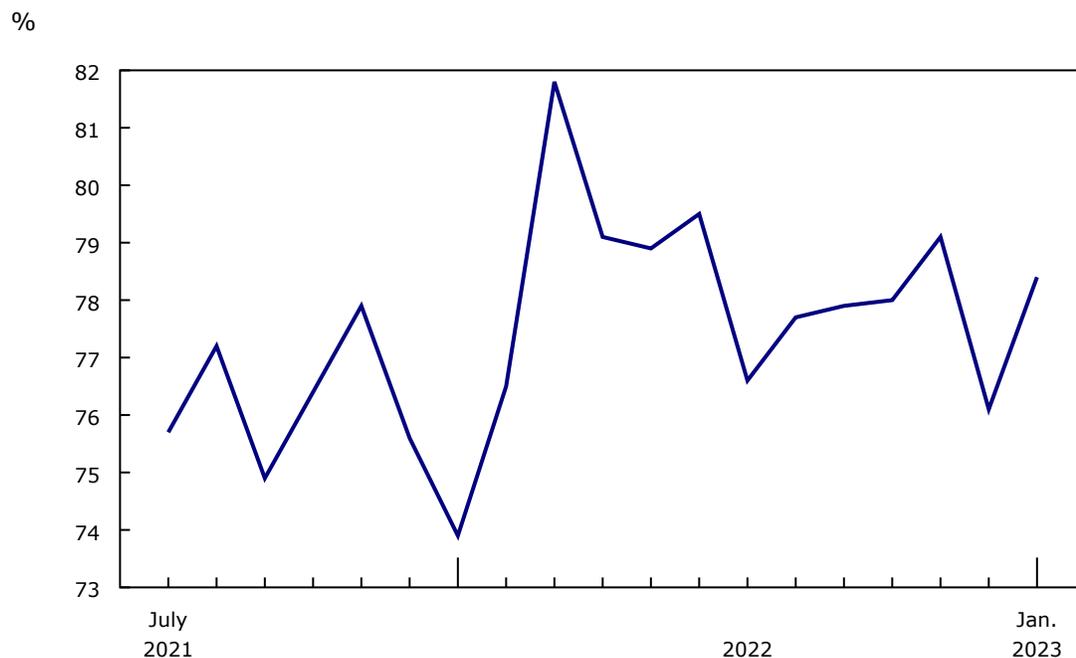
**Note(s):** Data are seasonally adjusted.  
**Source(s):** Table 16-10-0047-01.

The value of new orders increased 7.1% to \$75.1 billion in January, following three consecutive monthly decline. Higher new orders of transportation equipment (+22.9%) and petroleum and coal products (+12.0%) industries contributed the most to the growth.

**Capacity utilization rate increases**

The capacity utilization rate (not seasonally adjusted) for the manufacturing sector rose from 76.1% in December to 78.4% in January, with notable increases in the petroleum and coal product (+6.7 percentage points) and transportation equipment (+4.6 percentage points) industries. The decrease was partly offset by lower capacity utilization rates in the computer and electronic product (-5.7 percentage points) and miscellaneous (-1.3 percentage points) industries.

**Chart 5**  
The capacity utilization rate increases



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

**Table 1**  
Manufacturing: Principal statistics – Seasonally adjusted

	January 2022	December 2022 <sup>r</sup>	January 2023 <sup>p</sup>	December 2022 to January 2023	January 2022 to January 2023
	millions of dollars			% change <sup>1</sup>	
Manufacturing sales (current dollars)	65,252	71,022	73,934	4.1	13.3
Manufacturing sales (2012 constant dollars)	50,249	51,574	53,555	3.8	6.6
Manufacturing sales (current dollars) excluding motor vehicles, parts and accessories	60,043	63,945	66,217	3.6	10.3
Inventories	106,258	120,396	120,734	0.3	13.6
Unfilled orders	96,500	108,587	109,708	1.0	13.7
New orders	67,502 <sup>E</sup>	70,049 <sup>E</sup>	75,056 <sup>E</sup>	7.1	11.2
Inventory-to-sales ratio <sup>2</sup>	1.63	1.70	1.63	...	...

<sup>r</sup> revised

<sup>p</sup> preliminary

... not applicable

<sup>E</sup> use with caution

1. Percentage 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**

	January 2022	December 2022 <sup>r</sup>	January 2023 <sup>p</sup>	December 2022 to January 2023	January 2022 to January 2023
	millions of dollars			% change <sup>1</sup>	
Food manufacturing	11,065	12,037	12,446	3.4	12.5
Beverage and tobacco product	1,322	1,374	1,484	8.0	12.3
Textile mills	155	160	163	2.1	5.3
Textile product mills	150	147	166	13.1	10.5
Apparel manufacturing	232	244	244	0.2	5.5
Leather and allied product	33	36	27	-24.2	-17.8
Wood product	4,182	3,273	3,112	-4.9	-25.6
Paper manufacturing	2,527	2,904	2,889	-0.5	14.3
Printing and related support activities	717	759	809	6.6	12.8
Petroleum and coal product	8,119	9,335	10,280	10.1	26.6
Chemical	5,509	5,882	5,720	-2.8	3.8
Plastics and rubber products	3,432	3,282	3,315	1.0	-3.4
Non-metallic mineral product	1,648	1,751	1,835	4.8	11.3
Primary metal	5,520	5,630	5,847	3.9	5.9
Fabricated metal product	4,134	4,533	4,757	5.0	15.1
Machinery	3,707	4,170	4,381	5.0	18.2
Computer and electronic product	1,374	1,538	1,791	16.5	30.4
Electrical equipment, appliance and component	1,020	1,208	1,254	3.8	23.0
Transportation equipment	7,804	10,125	10,744	6.1	37.7
Motor vehicle	2,914	4,199	4,763	13.4	63.5
Motor vehicle body and trailer	340	473	493	4.3	45.0
Motor vehicle parts	2,296	2,877	2,954	2.7	28.7
Aerospace product and parts	1,412	1,856	1,648	-11.2	16.7
Railroad rolling stock	168	104	x	x	x
Ship and boat building	275	260	246	-5.5	-10.7
Furniture and related product	1,245	1,293	1,284	-0.7	3.1
Miscellaneous manufacturing	1,358	1,342	1,387	3.3	2.1
Non-durable goods industries	33,262	36,158	37,543	3.8	12.9
Durable goods industries	31,991	34,863	36,391	4.4	13.8

<sup>r</sup> revised

<sup>p</sup> preliminary

<sup>x</sup> suppressed to meet the confidentiality requirements of the *Statistics Act*

1. Percentage change calculated at thousands of dollars.

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

**Table 3**  
**Manufacturing sales: Provinces and territories – Seasonally adjusted**

	January 2022	December 2022 <sup>r</sup>	January 2023 <sup>p</sup>	December 2022 to January 2023	January 2022 to January 2023
	millions of dollars			% change <sup>1</sup>	
<b>Canada</b>	<b>65,252</b>	<b>71,022</b>	<b>73,934</b>	<b>4.1</b>	<b>13.3</b>
Newfoundland and Labrador	238	361	308	-14.8	29.1
Prince Edward Island	225	266	276	3.7	22.4
Nova Scotia	839	874	869	-0.6	3.6
New Brunswick	2,060	2,086	2,233	7.0	8.4
Quebec	17,161	17,889	18,034	0.8	5.1
Ontario	27,601	31,029	32,649	5.2	18.3
Manitoba	1,800	1,995	2,185	9.6	21.4
Saskatchewan	1,825	2,365	2,152	-9.0	17.9
Alberta	7,944	8,690	9,686	11.5	21.9
British Columbia	5,553	5,458	5,535	1.4	-0.3
Yukon	3	4	3	-6.2	22.4
Northwest Territories and Nunavut	2	4 <sup>E</sup>	4	11.0	93.7

<sup>r</sup> revised

<sup>p</sup> preliminary

<sup>E</sup> 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**

	January 2022	December 2022 <sup>r</sup>	January 2023 <sup>p</sup>	December 2022 to January 2023	January 2022 to January 2023
	millions of dollars			% change <sup>1</sup>	
Halifax	235	262	264	0.7	12.3
Québec	1,933	2,151	2,148	-0.1	11.1
Sherbrooke	216	263	324	22.9	49.9
Montréal	7,491	8,066	8,244	2.2	10.0
Ottawa–Gatineau, Ontario and Quebec	732	835	920	10.2	25.8
Toronto	10,795	12,379	12,715	2.7	17.8
Hamilton	1,856	1,928	2,126	10.3	14.5
Kitchener–Cambridge–Waterloo	2,081	2,259	2,345	3.8	12.7
Windsor	852	1,592	1,697	6.6	99.2
Winnipeg	861	1,021	1,030	0.8	19.6
Regina	646	1,181	850	-28.0	31.6
Saskatoon	471	509	552	8.4	17.1
Calgary	1,046	1,242	1,284	3.4	22.8
Edmonton	3,676	4,199	4,821	14.8	31.2
Vancouver	2,838	2,903	3,014	3.8	6.2

<sup>r</sup> revised

<sup>p</sup> 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**

	January 2022	December 2022 <sup>r</sup>	January 2023 <sup>p</sup>	December 2022 to January 2023	January 2022 to January 2023
	%			percentage point change	
Manufacturing	73.9	76.1	78.4	2.3	4.5
Non-durable goods industries	78.9	77.1	79.7	2.6	0.8
Food manufacturing	76.2 <sup>E</sup>	78.0 <sup>E</sup>	79.2 <sup>E</sup>	1.2	3.0
Beverage and tobacco product manufacturing	69.2	71.4	72.4 <sup>E</sup>	1.0	3.2
Beverage manufacturing	68.0	73.8 <sup>E</sup>	74.8 <sup>E</sup>	1.0	6.8
Tobacco manufacturing	75.3	57.7	59.2	1.5	-16.1
Textile mills	79.5	78.7	80.3	1.6	0.8
Textile product mills	71.6	62.9 <sup>E</sup>	64.5 <sup>E</sup>	1.6	-7.1
Apparel manufacturing	70.4 <sup>E</sup>	81.0 <sup>E</sup>	80.4 <sup>E</sup>	-0.6	10.0
Leather and allied product manufacturing	75.2	77.6 <sup>E</sup>	86.7 <sup>E</sup>	9.1	11.5
Paper manufacturing	83.8	80.3	83.7	3.4	-0.1
Printing and related support activities	69.0 <sup>E</sup>	75.4 <sup>E</sup>	69.5 <sup>E</sup>	-5.9	0.5
Petroleum and coal products manufacturing	89.9	84.7	91.4	6.7	1.5
Chemical manufacturing	77.5 <sup>E</sup>	73.4 <sup>E</sup>	76.4 <sup>E</sup>	3.0	-1.1
Plastics and rubber products manufacturing	72.0 <sup>E</sup>	62.3	63.6 <sup>E</sup>	1.3	-8.4
Plastic product manufacturing	70.9 <sup>E</sup>	60.8 <sup>E</sup>	63.4 <sup>E</sup>	2.6	-7.5
Rubber product manufacturing	80.7	71.3	65.1 <sup>E</sup>	-6.2	-15.6
Durable goods industries	69.2	75.1	77.1 <sup>E</sup>	2.0	7.9
Wood product manufacturing	80.5	68.5	75.3 <sup>E</sup>	6.8	-5.2
Non-metallic mineral product manufacturing	64.5 <sup>E</sup>	63.1 <sup>E</sup>	62.9 <sup>E</sup>	-0.2	-1.6
Primary metal manufacturing	70.4	72.2	73.8	1.6	3.4
Fabricated metal product manufacturing	68.8 <sup>E</sup>	74.7 <sup>E</sup>	75.4 <sup>E</sup>	0.7	6.6
Machinery manufacturing	73.9 <sup>E</sup>	78.8 <sup>E</sup>	78.7 <sup>E</sup>	-0.1	4.8
Computer and electronic product manufacturing	75.9	77.7	72.0 <sup>E</sup>	-5.7	-3.9
Electrical equipment, appliance and component manufacturing	76.4	82.0 <sup>E</sup>	86.5 <sup>E</sup>	4.5	10.1
Transportation equipment manufacturing	59.5	78.1	82.7	4.6	23.2
Furniture and related product manufacturing	75.6 <sup>E</sup>	77.6 <sup>E</sup>	77.5 <sup>E</sup>	-0.1	1.9
Miscellaneous manufacturing	76.1	72.9	71.6 <sup>E</sup>	-1.3	-4.5

<sup>r</sup> revised

<sup>p</sup> preliminary

<sup>E</sup> 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

With this release, Data for January 2023 and October to December 2022 of the Monthly Survey of Manufacturing are based on the updated version of the [North American Industry Classification System \(NAICS 2022\)](#). Data on the affected manufacturing industries at the 5- and 6-digit levels will be available in tables 16-10-0047-01 and 16-10-0048-01.

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; apparel; 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 March 22.

### Next release

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*Data from the Monthly Survey of Manufacturing for February will be released on April 14.*

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