

# Monthly Survey of Manufacturing, July 2023

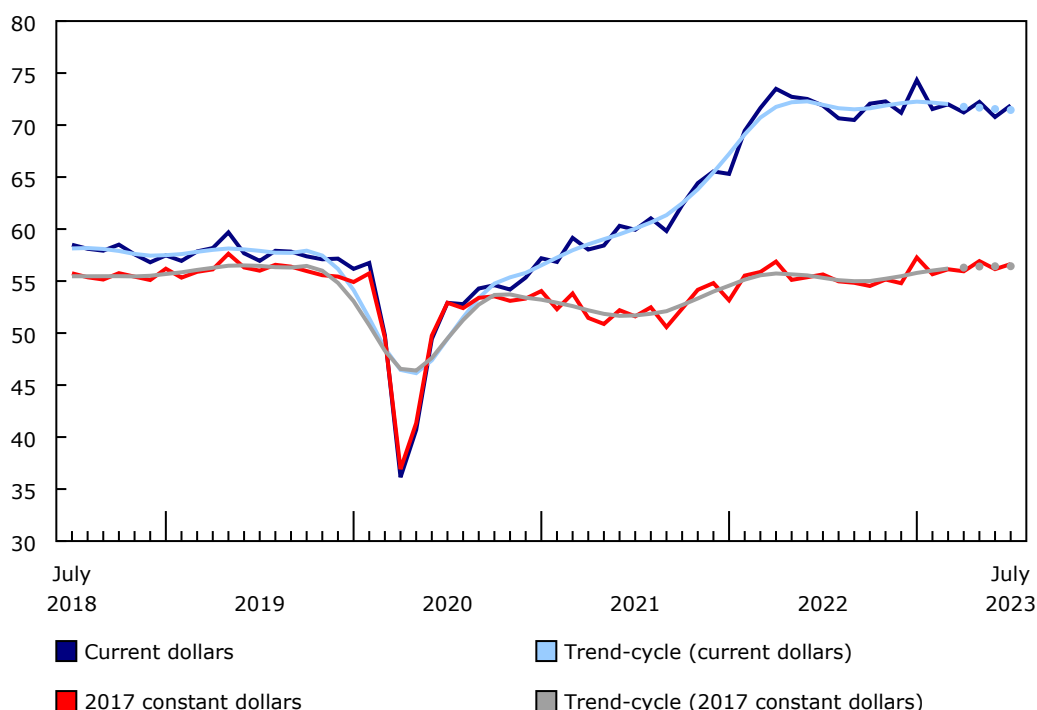
Released at 8:30 a.m. Eastern time in *The Daily*, Friday, September 15, 2023

Following a 2.0% decline in June, Canadian manufacturing sales increased 1.6% to \$71.9 billion in July, led primarily by higher sales of food products (+3.1%), petroleum and coal products (+4.6%) and transportation equipment (+2.4%). Meanwhile, sales of paper (-4.6%) and plastics and rubber (-3.4%) products decreased the most.

Sales in constant dollars rose 0.9% in July, while the [industrial product price index](#) increased 0.4% month over month.

## 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](#).

## Impacts of the port strike on manufacturing activities

Despite the gains observed for July, the port strike in British Columbia disrupted supply chains primarily on the west coast of Canada and had moderate impacts on manufacturing activities. At the national level, the port strike impacted 13.2% of manufacturing plants in July, mainly through shortages of raw material (8.8%) and disruptions in transportation (4.9%). While it is difficult to quantify the exact impact, the information indicates that sales in the paper product and chemical subsectors were impacted the most by the strike.



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## Food manufacturing subsector posts the largest increase

Sales of food products increased 3.1% to \$12.4 billion in July, following five consecutive monthly declines. The monthly increase was attributable to significant gains in the grain and oilseed milling industry group (+25.5%), partially due to resumption of operations following maintenance shutdowns at some crushing plants in June. Prices of grain and oilseed products rose 7.5% in July, while the [quantity of canola \(rapeseed\) oil production was up 34.3%](#). [Exports of canola \(+107.8%\) more than doubled in July](#). Sales of food products in volume terms increased 2.5% month over month, and sales in current dollars were up 3.8% on a yearly basis in July.

Sales of petroleum and coal products rose 4.6% to \$7.5 billion in July, following a 9.9% decline in June. The month-over-month increase in July was mainly attributable to higher prices as constant dollar sales increased 0.8%. Prices of refined petroleum energy products (including liquid biofuels) rose 3.9% in July, while their exports were down 14.6%. Year over year, sales in current dollars of petroleum and coal products fell 26.7%.

Sales of motor vehicles rose 3.5% to \$5.8 billion in July, the highest level since May 2017. Sales of motor vehicle parts rose 3.5% to \$3.3 billion in July 2023, following a significant decline in June. Easing of global supply chains has helped auto manufacturers to produce and sell more motor vehicles, contributing to the higher sales for July. Exports of motor vehicles and motor vehicle parts rose 2.1% in July.

Sales of paper products declined 4.6% to \$2.6 billion in July, the lowest level since December 2021. More than half of paper product manufacturers in British Columbia were impacted by the port strike in July 2023, contributing to the decline.

## Primary metals lead provincial increase in Quebec

Manufacturing sales increased in seven provinces in July, led by Quebec (+3.5%) and Saskatchewan (+22.1%). Manitoba (-10.7%) posted the largest decline.

Sales in Quebec increased 3.5% to \$17.9 billion in July, mainly on higher sales of primary metals (+7.9%). Higher volume sales and increased domestic demand were mainly responsible for the gain. Higher primary metal sales also contributed to the increase in sales in Montréal (+1.1%), while higher sales of petroleum and coal products led to a 9.5% increase in Québec.

In Saskatchewan, sales were up 22.1% to \$2.1 billion in July, following a substantial decline in June. The increase was mainly due to higher sales of grain and oilseed milling products after some oilseed manufacturers experienced downtime in June.

Sales in Manitoba posted the largest decline in July, falling 10.7% to \$2.0 billion, the lowest level since April 2022. Lower sales of motor vehicles and aerospace products and parts were partially responsible for the decline.

## Total inventories decrease

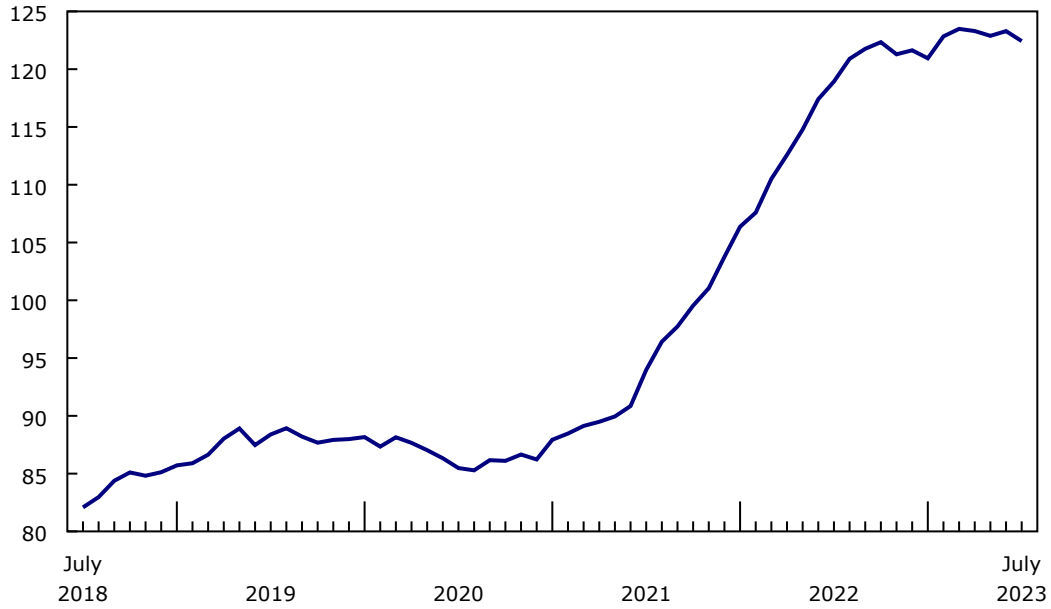
Total inventory levels declined 0.7% to \$122.4 billion in July, on lower raw materials (-1.6%) and goods in process (-0.9%), while finished products (+0.7%) increased slightly. Inventories of chemicals contributed the most to the decline, down 4.7% month over month in July.

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**Chart 2**  
**Inventory levels decrease**

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billions of dollars



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

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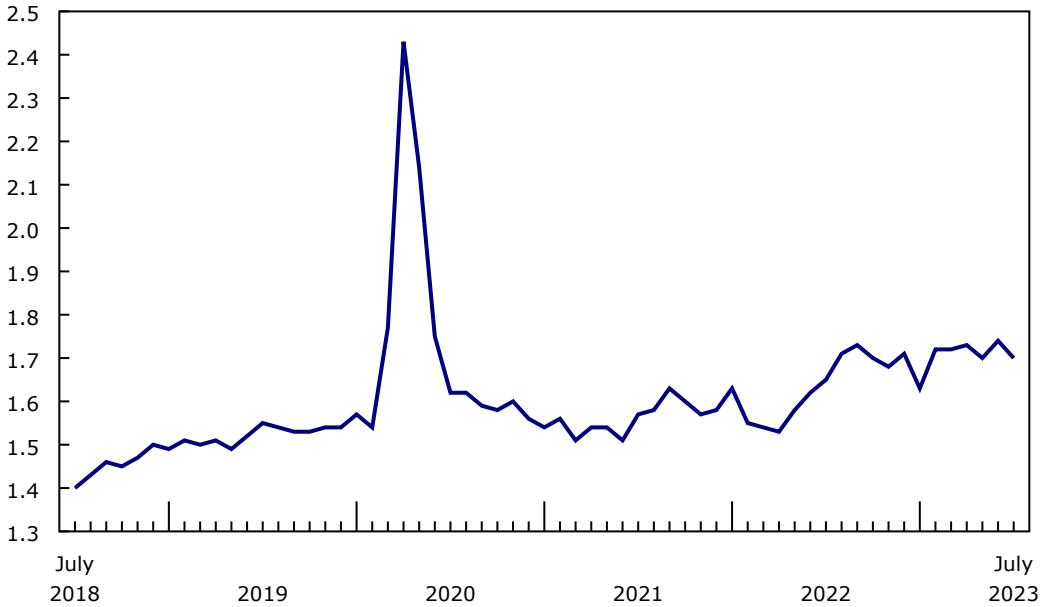
The inventory-to-sales ratio decreased from 1.74 in June to 1.70 in July. This ratio measures the time, in months, that would be required to exhaust inventories if sales were to remain at their current level.

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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](#).

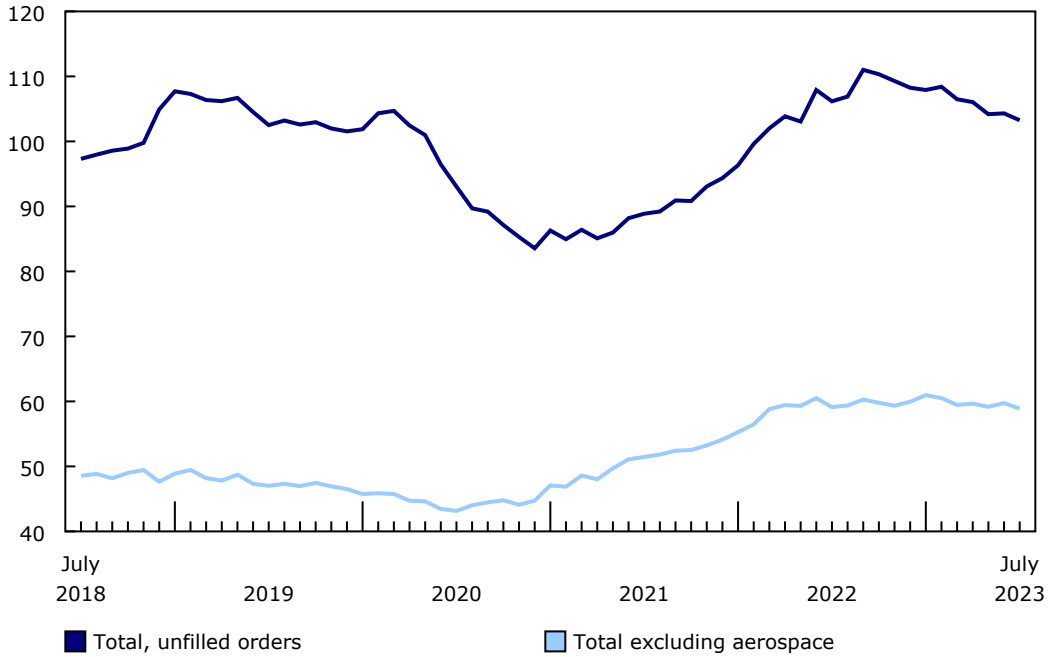
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### Unfilled orders decline

The total value of unfilled orders declined 1.0% to \$103.3 billion in July, primarily driven by lower unfilled orders of computer and electronic products (-2.7%) and aerospace products and parts (-0.5%).

**Chart 4**  
**Unfilled orders decline**

billions of dollars

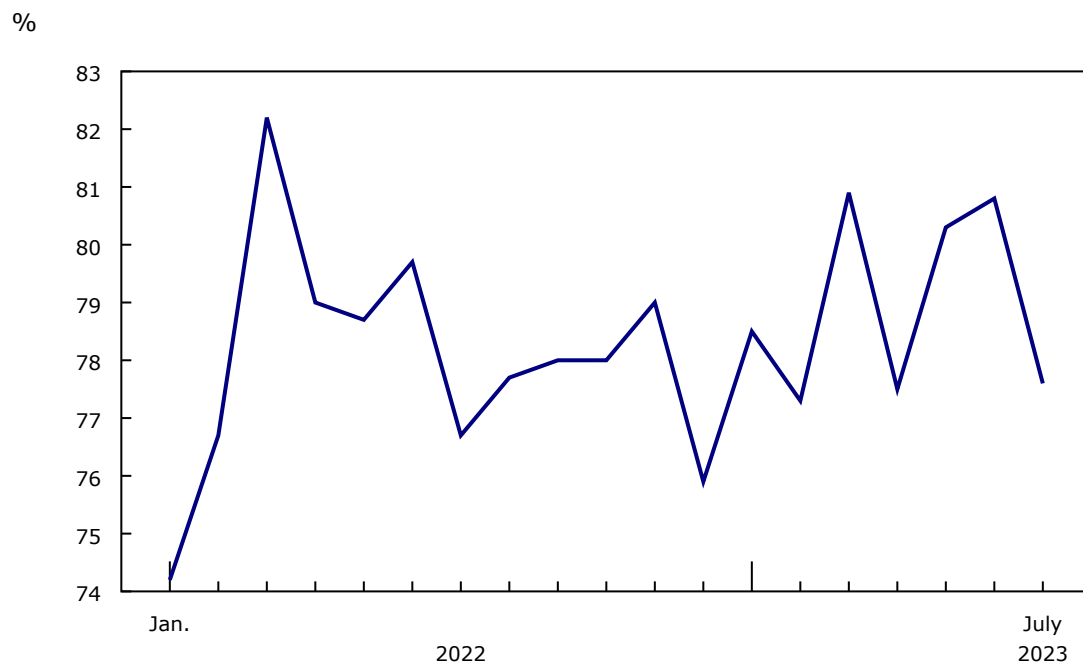


**Note(s):** Data are seasonally adjusted.  
**Source(s):** Table 16-10-0047-01.

**Capacity utilization rate decreases**

The capacity utilization rate (not seasonally adjusted) for the total manufacturing sector fell from 80.8% in June to 77.6% in July, on lower production. The decline in capacity utilization rates was most noticeable in the wood product (-9.8 percentage points), transportation equipment (-7.5 percentage points) and machinery (-7.2 percentage points) subsectors.

**Chart 5**  
The capacity utilization rate decreases



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

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

	July 2022	June 2023 <sup>r</sup>	July 2023 <sup>p</sup>	June to July 2023	July 2022 to July 2023
	millions of dollars			% change <sup>1</sup>	
Manufacturing sales (current dollars)	71,867	70,775	71,888	1.6	0.0
Manufacturing sales (2017 constant dollars)	55,635	56,145	56,633	0.9	1.8
Manufacturing sales (current dollars) excluding motor vehicles, parts and accessories	65,245	61,949	62,751	1.3	-3.8
Inventories	118,931	123,293	122,431	-0.7	2.9
Unfilled orders	106,165	104,311	103,252	-1.0	-2.7
New orders	70,124 <sup>E</sup>	70,903 <sup>E</sup>	70,830 <sup>E</sup>	-0.1	1.0
Inventory-to-sales ratio <sup>2</sup>	1.65	1.74	1.70	...	...

<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**

	July 2022	June 2023 <sup>r</sup>	July 2023 <sup>p</sup>	June to July 2023	July 2022 to July 2023
	millions of dollars			% change <sup>1</sup>	
Food manufacturing	11,952	12,033	12,408	3.1	3.8
Beverage and tobacco product	1,479	1,513	1,531	1.2	3.5
Textile mills	163	164	157	-4.7	-4.0
Textile product mills	137	150	142	-5.5	3.4
Apparel manufacturing	219	221	246	11.1	12.1
Leather and allied product	26	32	30	-5.8	17.5
Wood product	3,849	2,948	3,003	1.9	-22.0
Paper manufacturing	2,957	2,674	2,552	-4.6	-13.7
Printing and related support activities	773	794	787	-0.9	1.7
Petroleum and coal product	10,239	7,174	7,507	4.6	-26.7
Chemical	5,989	5,637	5,660	0.4	-5.5
Plastics and rubber products	3,578	3,398	3,284	-3.4	-8.2
Non-metallic mineral product	1,627	1,775	1,748	-1.5	7.4
Primary metal	5,686	5,481	5,664	3.3	-0.4
Fabricated metal product	4,316	4,574	4,727	3.4	9.5
Machinery	4,124	4,533	4,597	1.4	11.5
Computer and electronic product	1,636	1,557	1,513	-2.8	-7.6
Electrical equipment, appliance and component	1,116	1,279	1,282	0.2	14.9
Transportation equipment	9,267	12,079	12,366	2.4	33.4
Motor vehicle	3,788	5,607	5,804	3.5	53.2
Motor vehicle body and trailer	398	495	509	2.9	28.0
Motor vehicle parts	2,834	3,220	3,334	3.5	17.6
Aerospace product and parts	1,573	2,033	1,954	-3.9	24.3
Railroad rolling stock	198	124	110 <sup>E</sup>	-11.0	-44.5
Ship and boat building	249	257	283	10.0	13.5
Furniture and related product	1,312	1,374	1,333	-3.0	1.6
Miscellaneous manufacturing	1,422	1,386	1,353	-2.4	-4.9
Non-durable goods industries	37,513	33,790	34,303	1.5	-8.6
Durable goods industries	34,354	36,985	37,586	1.6	9.4

<sup>r</sup> revised

<sup>p</sup> preliminary

<sup>E</sup> use with caution

1. Percentage change calculated at thousands of dollars.

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

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

	July 2022	June 2023 <sup>r</sup>	July 2023 <sup>p</sup>	June to July 2023	July 2022 to July 2023
	millions of dollars			% change <sup>1</sup>	
<b>Canada</b>	<b>71,867</b>	<b>70,775</b>	<b>71,888</b>	<b>1.6</b>	<b>0.0</b>
Newfoundland and Labrador	258	231	244	6.0	-5.3
Prince Edward Island	258	272	272	0.1	5.7
Nova Scotia	907	936	854	-8.7	-5.8
New Brunswick	2,477	1,918	1,923	0.3	-22.4
Quebec	17,602	17,292	17,903	3.5	1.7
Ontario	31,055	32,988	33,281	0.9	7.2
Manitoba	2,131	2,268	2,024	-10.7	-5.0
Saskatchewan	2,207	1,694	2,068	22.1	-6.3
Alberta	9,269	7,803	8,157	4.5	-12.0
British Columbia	5,694	5,368	5,156	-4.0	-9.4
Yukon	3	4 <sup>E</sup>	4 <sup>E</sup>	-3.3	17.4
Northwest Territories and Nunavut	6	3	2	-28.2	-60.8

<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**

	July 2022	June 2023 <sup>r</sup>	July 2023 <sup>p</sup>	June to July 2023	July 2022 to July 2023
	millions of dollars			% change <sup>1</sup>	
Halifax	258	272	261	-4.0	1.1
Québec	2,177	1,675	1,835	9.5	-15.7
Sherbrooke	248	273	273	0.1	10.2
Montréal	7,804	8,127	8,216	1.1	5.3
Ottawa–Gatineau, Ontario and Quebec	812	789	758	-3.9	-6.6
Toronto	11,903	13,346	13,054	-2.2	9.7
Hamilton	2,033	1,908	1,927	1.0	-5.2
Kitchener–Cambridge–Waterloo	2,139	2,560	2,347	-8.3	9.7
Windsor	1,471	1,986	2,187	10.1	48.7
Winnipeg	1,032	1,200	979	-18.4	-5.1
Regina	872	701	774	10.5	-11.3
Saskatoon	507	476	520	9.3	2.6
Calgary	1,211	1,349	1,316	-2.4	8.7
Edmonton	4,879	3,748	3,691	-1.5	-24.3
Vancouver	2,909	2,968	2,862	-3.6	-1.6

<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**

	July 2022	June 2023 <sup>r</sup>	July 2023 <sup>p</sup>	June to July 2023	July 2022 to July 2023
	%			percentage point change	
Manufacturing	76.7	80.8	77.6	-3.2	0.9
Non-durable goods industries	79.1	79.0	78.7	-0.3	-0.4
Food manufacturing	79.6 <sup>E</sup>	80.3 <sup>E</sup>	80.4 <sup>E</sup>	0.1	0.8
Beverage and tobacco product manufacturing	74.2	72.9	69.6	-3.3	-4.6
Beverage manufacturing	76.1	76.5	71.8	-4.7	-4.3
Tobacco manufacturing	64.4	53.5	54.0	0.5	-10.4
Textile mills	76.7	81.4	79.3	-2.1	2.6
Textile product mills	73.1 <sup>E</sup>	72.7 <sup>E</sup>	69.7 <sup>E</sup>	-3.0	-3.4
Apparel manufacturing	83.9 <sup>E</sup>	85.1 <sup>E</sup>	81.6 <sup>E</sup>	-3.5	-2.3
Leather and allied product manufacturing	80.1	72.6	81.8 <sup>E</sup>	9.2	1.7
Paper manufacturing	85.9	81.9	81.0	-0.9	-4.9
Printing and related support activities	75.1 <sup>E</sup>	78.1 <sup>E</sup>	70.6 <sup>E</sup>	-7.5	-4.5
Petroleum and coal products manufacturing	88.7	86.3	87.6	1.3	-1.1
Chemical manufacturing	70.5 <sup>E</sup>	74.9	73.5 <sup>E</sup>	-1.4	3.0
Plastics and rubber products manufacturing	66.1 <sup>E</sup>	69.8 <sup>E</sup>	67.0 <sup>E</sup>	-2.8	0.9
Plastic product manufacturing	65.7 <sup>E</sup>	68.8 <sup>E</sup>	65.7 <sup>E</sup>	-3.1	0.0
Rubber product manufacturing	69.0	77.0	75.9	-1.1	6.9
Durable goods industries	74.1	82.4	76.5	-5.9	2.4
Wood product manufacturing	77.4	78.8	69.0 <sup>E</sup>	-9.8	-8.4
Non-metallic mineral product manufacturing	76.5 <sup>E</sup>	81.8 <sup>E</sup>	77.1 <sup>E</sup>	-4.7	0.6
Primary metal manufacturing	72.7	75.5	75.1	-0.4	2.4
Fabricated metal product manufacturing	73.3 <sup>E</sup>	78.5 <sup>E</sup>	72.6 <sup>E</sup>	-5.9	-0.7
Machinery manufacturing	75.6 <sup>E</sup>	81.2 <sup>E</sup>	74.0 <sup>E</sup>	-7.2	-1.6
Computer and electronic product manufacturing	75.1	79.9 <sup>E</sup>	78.9 <sup>E</sup>	-1.0	3.8
Electrical equipment, appliance and component manufacturing	83.8 <sup>E</sup>	83.6	80.5 <sup>E</sup>	-3.1	-3.3
Transportation equipment manufacturing	70.4	89.6	82.1	-7.5	11.7
Furniture and related product manufacturing	77.9 <sup>E</sup>	82.9 <sup>E</sup>	77.5 <sup>E</sup>	-5.4	-0.4
Miscellaneous manufacturing	76.7	80.4 <sup>E</sup>	75.7 <sup>E</sup>	-4.7	-1.0

<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

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 industry groups, 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 September 22.

### Next release

Data from the Monthly Survey of Manufacturing for August will be released on October 16.

**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)).