

# Monthly Survey of Manufacturing, October 2023

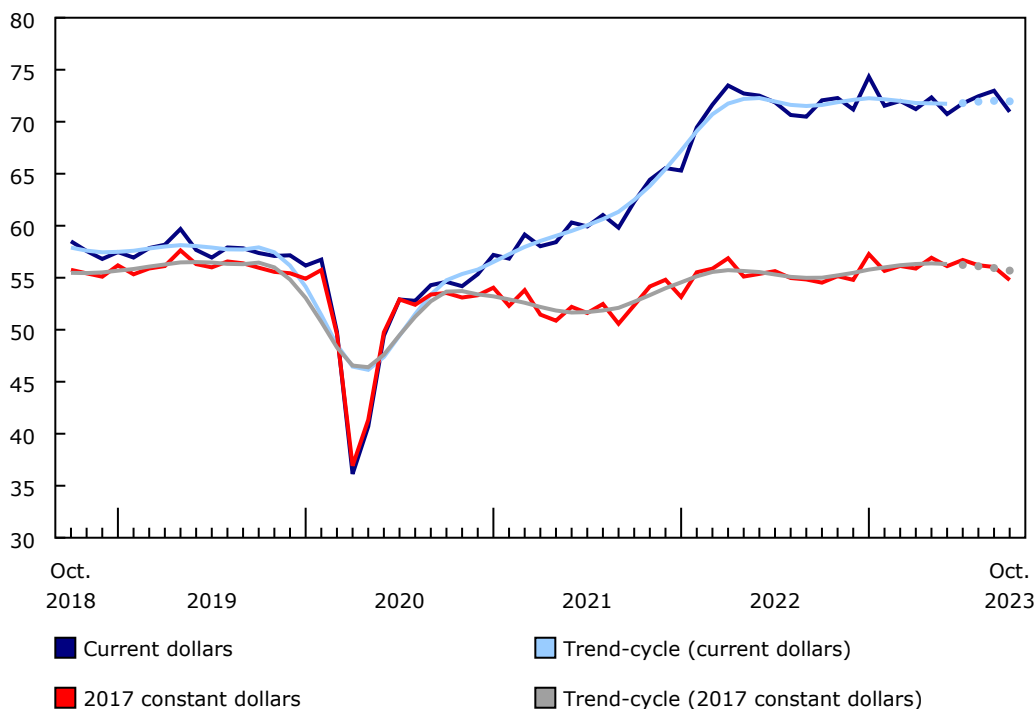
Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, December 14, 2023

Canadian manufacturing sales declined 2.8% to \$71.0 billion in October, on lower sales in 12 of 21 subsectors, led by the petroleum and coal product (-10.3%), machinery (-6.6%) and computer and electronic product (-15.0%) subsectors. Partially offsetting the declines were higher production of aerospace products and parts (+6.9%). Year over year, total sales decreased 1.5% in October.

Total sales in constant dollars declined 2.2% in October, indicating a lower volume of goods sold. At the same time, the [Industrial Product Price Index](#) fell 1.0%.

## 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](#).

## Sales of petroleum and coal products decrease the most

Following three consecutive monthly increases, sales of petroleum and coal products decreased 10.3% to \$8.4 billion in October, on lower prices, as well as on volumes (-4.1%). Prices of refined petroleum energy products (including liquid biofuels) were down 6.2% in October, partly on lower prices of crude and bitumen (-4.7%). Maintenance activities in some refineries also contributed to the decline. Year over year, current dollar sales of petroleum and coal products fell 19.4% in October.



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Following three consecutive monthly gains, sales of machinery declined 6.6% to \$4.4 billion in October, on widespread decreases over five of seven industry groups, mainly driven by lower sales of industrial machinery (-22.5%) and agricultural, construction and mining machinery (-10.5%). Total sales of machinery on a constant dollar basis declined 7.4%. [Exports of industrial machinery, equipment and parts](#) also decreased in October (-2.0%).

The declines were partially offset by a 6.9% increase, to \$2.2 billion in October, in the production of aerospace products and parts, the third consecutive monthly gain and the highest level since March 2020. Exports of aircraft, aircraft engines and aircraft parts were up 4.4% in October 2023. Year over year, total production of aerospace products and parts rose 25.5%.

## Sales decline in six provinces, led by Ontario and Alberta

Manufacturing sales declined in six provinces in October, led by Ontario and Alberta. Nova Scotia posted the largest increase.

In Ontario, sales declined for the third consecutive month, down 4.1% to \$31.5 billion in October, primarily driven by lower sales of machinery (-12.5%), motor vehicles (-3.6%) and motor vehicle parts (-6.1%). A shutdown in a major auto assembly plant for retooling as well as lower exports of motor vehicle parts to the United States due to the United Auto Worker's strike were mainly responsible for the decline. Exports of motor vehicle engines and motor vehicle parts fell 9.4% in October. The motor vehicle and motor vehicle part industry groups also contributed to a 35.3% decline in total sales in Windsor for the same period. Despite the monthly decrease in October, total sales in Ontario rose 2.1% compared with the same month in 2022.

After three consecutive monthly increases, sales in Alberta fell 4.6% to \$8.8 billion in October 2023, mainly attributable to lower sales in the petroleum and coal product subsector (-11.8%), which was also the main contributor to lower sales in Edmonton (-8.4%) for the same period. Higher sales of food products (+2.0%) partly offset the losses at the provincial level.

Sales in Nova Scotia rose 4.4% to \$915 million in October, primarily on higher production of aerospace products and parts and higher sales of food products. On a yearly basis, total sales in Nova Scotia increased 3.5% in October.

## Total inventories increase

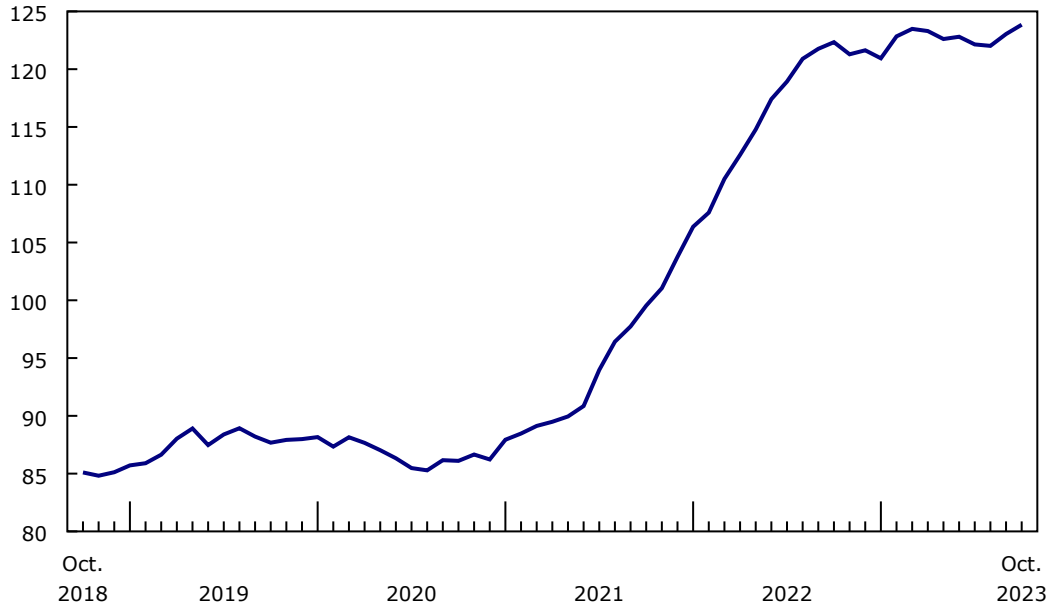
Total inventories increased 0.7% to \$123.8 billion in October, the second consecutive monthly gain, on higher raw material (+0.8%), finished product (+0.8%) and goods in process (+0.2%) inventories. Inventories rose in 13 of 21 subsectors led by the transportation equipment (+1.9%), beverage and tobacco (+6.3%) and computer and electronic product (+4.9%) subsectors. The gains were partially offset by a 2.1% decline in inventories of machinery.

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**Chart 2**  
**Inventory levels increase**

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billions of dollars



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

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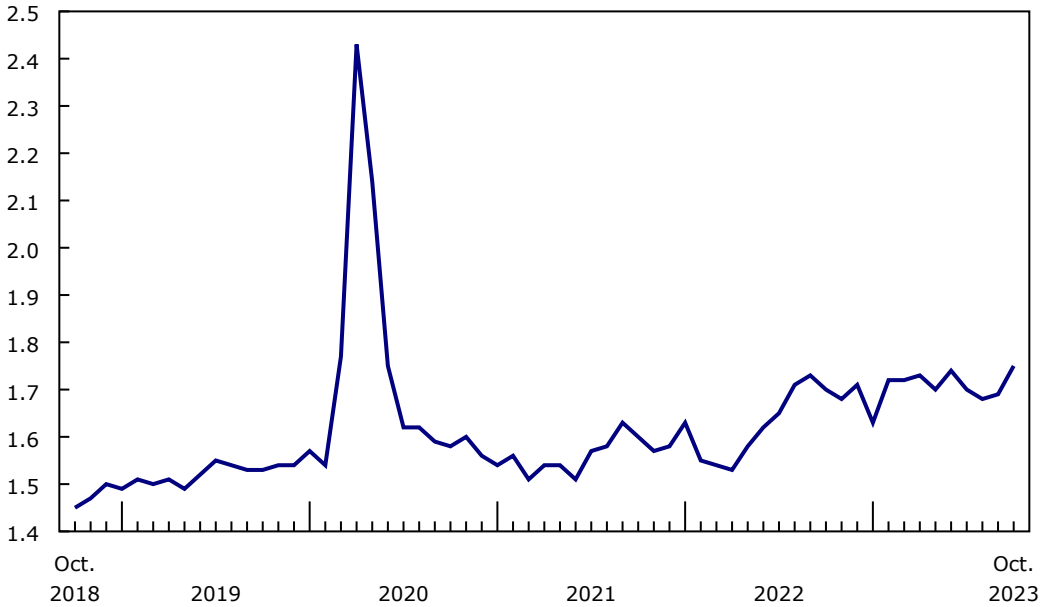
The inventory-to-sales ratio rose from 1.69 in September to 1.75 in October, the highest since June 2020. This ratio measures the time, in months, that would be required to exhaust inventories if sales were to remain at their current level.

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

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ratio



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

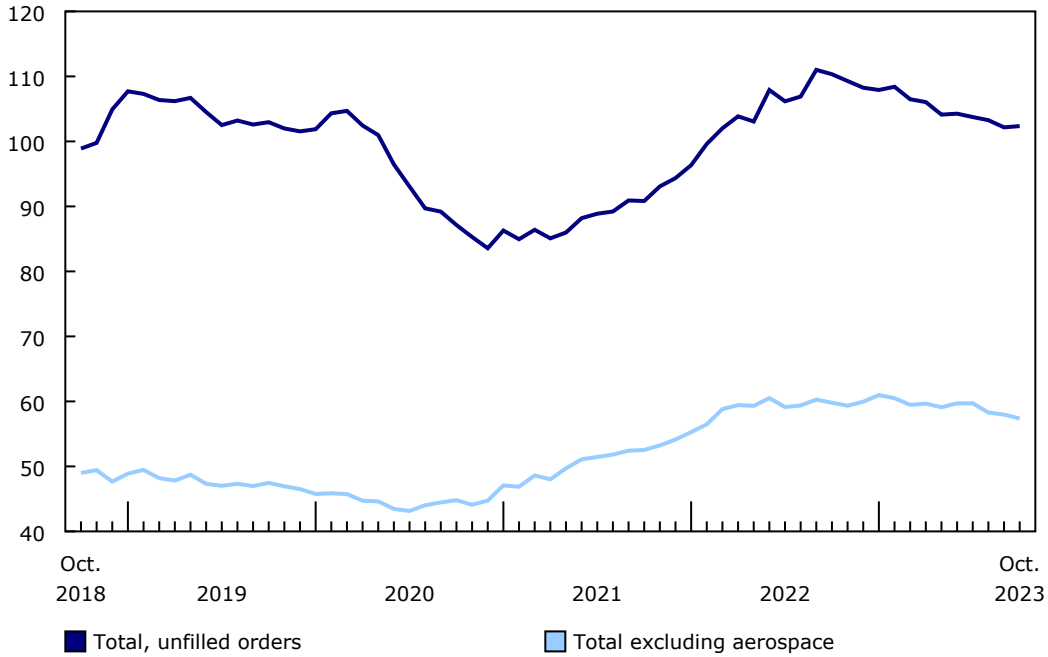
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### Unfilled orders edge up

Unfilled orders edged up 0.2% to \$102.4 billion in October, primarily on an 1.8% increase in unfilled orders of aerospace products and parts. On a yearly basis, total unfilled orders were down 7.2% in October.

**Chart 4**  
**Unfilled orders edge up**

billions of dollars



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

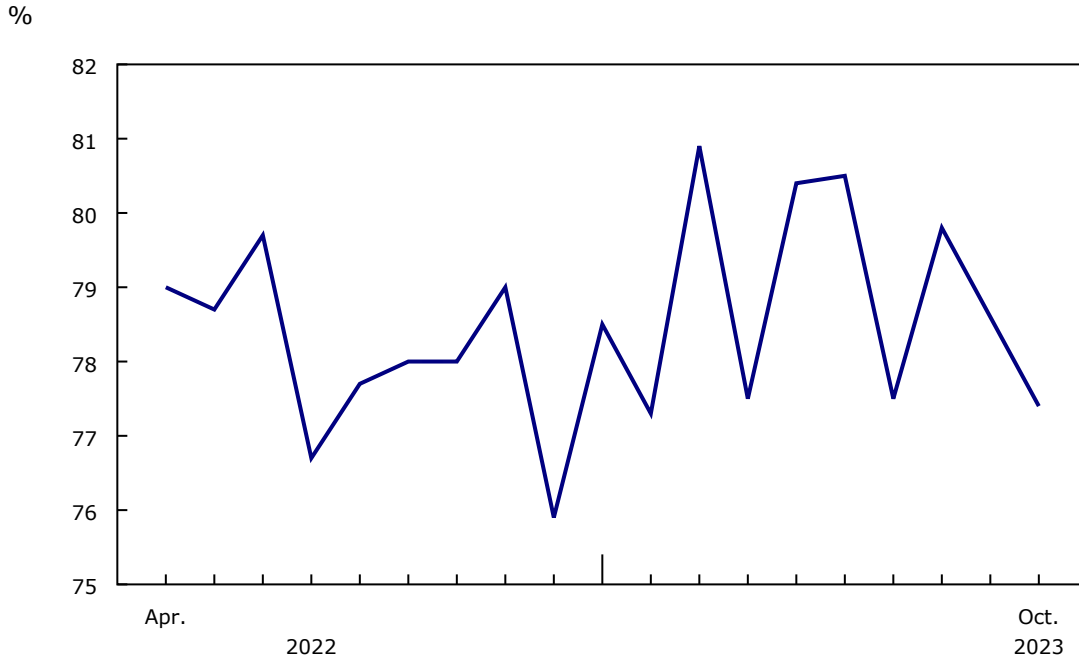
**Capacity utilization rate declines**

The capacity utilization rate (not seasonally adjusted) for the total manufacturing sector decreased from 78.6% in September to 77.4% in October, on lower production. The declines in the capacity utilization rates were noticeable in the petroleum and coal (-7.9 percentage points), food (-1.3 percentage points), and beverage and tobacco (-6.5 percentage points) subsectors. The capacity utilization rate increased 2.4 percentage points in the wood product subsector in October.

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**Chart 5**  
**The capacity utilization rate declines**

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

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

	October 2022	September 2023 <sup>r</sup>	October 2023 <sup>p</sup>	September to October 2023	October 2022 to October 2023
	millions of dollars			% change <sup>1</sup>	
Manufacturing sales (current dollars)	72,057	72,979	70,955	-2.8	-1.5
Manufacturing sales (2017 constant dollars)	54,527	56,033	54,778	-2.2	0.5
Manufacturing sales (current dollars) excluding motor vehicles, parts and accessories	65,918	64,166	62,526	-2.6	-5.1
Inventories	122,337	123,040	123,847	0.7	1.2
Unfilled orders	110,334	102,160	102,356	0.2	-7.2
New orders	71,383 <sup>E</sup>	71,874 <sup>E</sup>	71,152 <sup>E</sup>	-1.0	-0.3
Inventory-to-sales ratio <sup>2</sup>	1.70	1.69	1.75	...	...

<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**

	October 2022	September 2023 <sup>r</sup>	October 2023 <sup>p</sup>	September to October 2023	October 2022 to October 2023
	millions of dollars			% change <sup>1</sup>	
Food manufacturing	12,455	12,837	12,680	-1.2	1.8
Beverage and tobacco product	1,445	1,360	1,377	1.3	-4.7
Textile mills	165	156	158	1.2	-4.3
Textile product mills	151	158	143	-9.6	-5.0
Apparel manufacturing	265	232	222	-4.7	-16.3
Leather and allied product	28	29 <sup>E</sup>	21	-26.9	-24.4
Wood product	3,495	3,172	3,256	2.6	-6.9
Paper manufacturing	3,020	2,494	2,498	0.2	-17.3
Printing and related support activities	792	734	763	4.1	-3.6
Petroleum and coal product	10,387	9,334	8,371	-10.3	-19.4
Chemical	6,000	5,460	5,294	-3.0	-11.8
Plastics and rubber products	3,376	3,329	3,240	-2.7	-4.0
Non-metallic mineral product	1,680	1,712	1,713	0.1	2.0
Primary metal	5,568	5,369	5,360	-0.2	-3.7
Fabricated metal product	4,399	4,440	4,541	2.3	3.2
Machinery	4,180	4,736	4,422	-6.6	5.8
Computer and electronic product	1,727	1,606	1,365	-15.0	-20.9
Electrical equipment, appliance and component	1,114	1,221	1,229	0.6	10.3
Transportation equipment	9,007	12,051	11,759	-2.4	30.5
Motor vehicle	3,430	5,698	5,501	-3.5	60.4
Motor vehicle body and trailer	439	483	509	5.5	16.0
Motor vehicle parts	2,709	3,114	2,929	-6.0	8.1
Aerospace product and parts	1,749	2,053	2,194	6.9	25.5
Railroad rolling stock	125	95	106 <sup>E</sup>	12.1	-14.8
Ship and boat building	222	246	222	-9.7	0.1
Furniture and related product	1,344	1,296	1,320	1.9	-1.8
Miscellaneous manufacturing	1,459	1,253	1,224	-2.3	-16.1
Non-durable goods industries	38,084	36,122	34,767	-3.8	-8.7
Durable goods industries	33,973	36,857	36,188	-1.8	6.5

<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**

	October 2022	September 2023 <sup>r</sup>	October 2023 <sup>p</sup>	September to October 2023	October 2022 to October 2023
	millions of dollars			% change <sup>1</sup>	
<b>Canada</b>	<b>72,057</b>	<b>72,979</b>	<b>70,955</b>	<b>-2.8</b>	<b>-1.5</b>
Newfoundland and Labrador	285	276	267	-3.3	-6.4
Prince Edward Island	251	283	290	2.3	15.3
Nova Scotia	884	876	915	4.4	3.5
New Brunswick	2,048	2,156	1,915	-11.2	-6.5
Quebec	17,930	17,744	17,749	0.0	-1.0
Ontario	30,816	32,815	31,477	-4.1	2.1
Manitoba	2,297	2,240	2,237	-0.1	-2.6
Saskatchewan	2,307	2,057	1,986	-3.4	-13.9
Alberta	9,552	9,180	8,757	-4.6	-8.3
British Columbia	5,680	5,347	5,359	0.2	-5.7
Yukon	3	4	3 <sup>E</sup>	-9.6	2.2
Northwest Territories and Nunavut	4 <sup>E</sup>	2	1	-13.0	-62.1

<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**

	October 2022	September 2023 <sup>r</sup>	October 2023 <sup>p</sup>	September to October 2023	October 2022 to October 2023
	millions of dollars			% change <sup>1</sup>	
Halifax	255	252	239	-5.4	-6.3
Québec	2,383	2,092	1,982	-5.3	-16.9
Sherbrooke	246	267	260	-2.5	5.8
Montréal	8,188	8,171	8,254	1.0	0.8
Ottawa–Gatineau, Ontario and Quebec	914	646	721	11.6	-21.1
Toronto	11,933	13,333	13,003	-2.5	9.0
Hamilton	2,091	2,026	1,943	-4.1	-7.1
Kitchener–Cambridge–Waterloo	2,074	2,532	2,570	1.5	23.9
Windsor	1,361	1,674	1,082	-35.3	-20.5
Winnipeg	1,060	1,206	1,172	-2.9	10.6
Regina	1,030	828	791	-4.4	-23.2
Saskatoon	554	545	581	6.5	4.9
Calgary	1,215	1,359	1,330	-2.1	9.5
Edmonton	4,772	4,540	4,158	-8.4	-12.9
Vancouver	3,099	2,994	2,922	-2.4	-5.7

<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**

	October 2022	September 2023 <sup>r</sup>	October 2023 <sup>p</sup>	September to October 2023	October 2022 to October 2023
	%			percentage point change	
Manufacturing	78.0	78.6	77.4	-1.2	-0.6
Non-durable goods industries	79.4	77.8	75.1	-2.7	-4.3
Food manufacturing	81.3 <sup>E</sup>	80.4 <sup>E</sup>	79.1 <sup>E</sup>	-1.3	-2.2
Beverage and tobacco product manufacturing	71.6	68.0	61.5 <sup>E</sup>	-6.5	-10.1
Beverage manufacturing	74.4	69.1 <sup>E</sup>	60.4 <sup>E</sup>	-8.7	-14.0
Tobacco manufacturing	55.2	62.2	72.6	10.4	17.4
Textile mills	82.1	75.5	74.7	-0.8	-7.4
Textile product mills	70.5 <sup>E</sup>	70.2 <sup>E</sup>	69.4 <sup>E</sup>	-0.8	-1.1
Apparel manufacturing	82.4 <sup>E</sup>	77.6 <sup>E</sup>	79.4 <sup>E</sup>	1.8	-3.0
Leather and allied product manufacturing	77.1	80.3 <sup>E</sup>	82.6 <sup>E</sup>	2.3	5.5
Paper manufacturing	85.5	80.3	81.9	1.6	-3.6
Printing and related support activities	76.9 <sup>E</sup>	76.0 <sup>E</sup>	77.3 <sup>E</sup>	1.3	0.4
Petroleum and coal products manufacturing	84.1	84.8	76.9	-7.9	-7.2
Chemical manufacturing	73.6 <sup>E</sup>	69.3	69.1 <sup>E</sup>	-0.2	-4.5
Plastics and rubber products manufacturing	70.9	68.1	70.1	2.0	-0.8
Plastic product manufacturing	70.5 <sup>E</sup>	66.7	68.7 <sup>E</sup>	2.0	-1.8
Rubber product manufacturing	73.7	77.9	79.4	1.5	5.7
Durable goods industries	76.5	79.4	79.8	0.4	3.3
Wood product manufacturing	80.4	76.4	78.8 <sup>E</sup>	2.4	-1.6
Non-metallic mineral product manufacturing	77.1 <sup>E</sup>	76.8 <sup>E</sup>	75.6 <sup>E</sup>	-1.2	-1.5
Primary metal manufacturing	71.7	75.1	74.2	-0.9	2.5
Fabricated metal product manufacturing	77.1 <sup>E</sup>	77.6 <sup>E</sup>	79.0 <sup>E</sup>	1.4	1.9
Machinery manufacturing	81.3 <sup>E</sup>	79.0 <sup>E</sup>	80.3 <sup>E</sup>	1.3	-1.0
Computer and electronic product manufacturing	75.7	84.1	80.5	-3.6	4.8
Electrical equipment, appliance and component manufacturing	85.7 <sup>E</sup>	83.4	82.3 <sup>E</sup>	-1.1	-3.4
Transportation equipment manufacturing	73.6	83.5	83.4	-0.1	9.8
Furniture and related product manufacturing	82.6 <sup>E</sup>	77.0 <sup>E</sup>	79.6 <sup>E</sup>	2.6	-3.0
Miscellaneous manufacturing	79.3	73.3 <sup>E</sup>	80.1 <sup>E</sup>	6.8	0.8

<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 December 21.

### Next release

Data from the Monthly Survey of Manufacturing for November 2023 will be released on January 15, 2024.

**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)).