

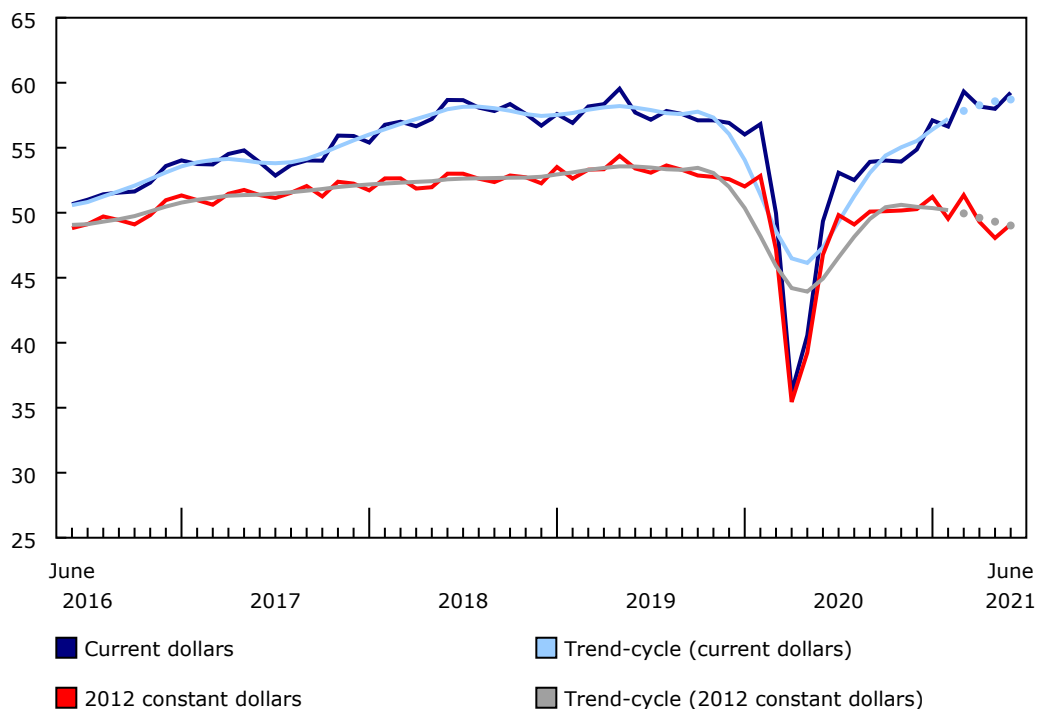
Monthly Survey of Manufacturing, June 2021

Released at 8:30 a.m. Eastern time in *The Daily*, Monday, August 16, 2021

Following two consecutive monthly declines, manufacturing sales rose 2.1% to \$59.2 billion in June. Sales rose in 13 of 21 industries, with most of the increase attributable to improved production at auto assembly plants and higher sales of petroleum and coal products. Wood product sales posted the largest decline in June.

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 in constant dollars increased 2.2% to \$49.1 billion in June, indicating a higher volume of goods sold. The [Industrial Product Price Index](#) was unchanged month over month in June, while the Raw Materials Price Index increased 3.9% month over month.

Production ramps up in auto industry

While the semiconductor chip supply shortage continues to affect motor vehicle manufacturing around the world, most auto assembly plants in Canada were able to partially increase production in June, and sales rose by one-quarter (+25.6%) month over month to \$2.9 billion. [Exports of motor vehicles and parts](#) rose 14.9% in June, while the capacity utilization rate in the industry rose 3.4 percentage points. Nevertheless, motor vehicle sales were still down 26.8% year over year in June. Despite the partial recovery in the auto sector in June, the shortage of semiconductor chips is expected to continue for the rest of the year as supply struggles to keep up with growing demand.



Sales in the petroleum and coal industry rose 5.2% to \$5.6 billion in June, following two monthly declines. Sales in volume terms rose 3.8%, indicating that both the price and the volume of sales contributed to the increase. Exports of refined petroleum energy products rose 37.1% in June to their highest level since January 2020.

Production of aerospace product and parts (+21.7%) and sales of food products (+1.3%) and machinery (+3.0%) were also up in June from the previous month.

Following six consecutive monthly gains, wood product sales fell 5.7% to \$5.1 billion in June, on lower volumes and prices. Sales of wood products in constant dollars declined 1.0%. Despite lower sales of wood manufacturing products in June, total exports of forestry products and building and packaging materials rose 4.4% and the value of [building permits](#) issued were up 6.9% on higher residential permits.

Sales in the beverage and tobacco industry fell 2.8% to \$1.3 billion in June, the fourth consecutive monthly decrease. Lower sales of beverages were responsible for the decline and have fallen since their record high of \$1.4 billion in February.

Partial recovery in motor vehicle and parts production in Ontario

Manufacturing sales rose in seven provinces in June, led by Ontario and Quebec. Meanwhile, Manitoba posted the largest decline.

Following two consecutive monthly declines, sales in Ontario rose 4.3% to \$25.1 billion in June, driven by motor vehicle (+27.5%), chemicals (+4.3%) and motor vehicle parts (+4.5%). Despite the monthly increase, motor vehicle sales were down by almost one-third (-30.0%) in the second quarter, the third consecutive quarterly decline.

Sales in Quebec increased 1.6% to \$14.8 billion in June, led by the aerospace products and parts (+23.8%), petroleum and coal (+22.0%) and food (+2.4%) industries. Wood product sales posted the largest decline, down 9.2% in June. Total sales were up 1.3% in Quebec in the second quarter.

In Manitoba, sales declined 7.6% to \$1.6 billion in June, mainly attributable to lower sales of chemicals (-44.9%), while sales in Alberta decreased 1.4% month over month in June and were up 13.1% in the second quarter.

Higher aerospace production boosts the increase in Montréal

Manufacturing sales on a seasonally adjusted basis increased in 9 of 12 census metropolitan areas (CMA) covered by the survey in June, led by Montréal and Québec. Sales in Toronto declined the most.

Following two consecutive declines, manufacturing sales in Montréal increased 5.6% to \$6.6 billion in June, on higher production of aerospace products (+57.4%). Year over year, sales in Montréal rose 4.9%.

In Québec, sales increased 11.3% to \$1.3 billion, mainly attributable to higher sales of petroleum at refineries.

Sales in Toronto fell 2.2% to \$9.3 billion in June, the third consecutive monthly decline. Although motor vehicle sales in Ontario were up 27.5% during the month, auto sales in Toronto declined 21.0% due to a production slowdown at a major auto assembly plant in the CMA.

Wood products contribute the most to quarterly sales

Manufacturing sales increased 1.4% in the second quarter, the fourth consecutive quarterly increase. Higher sales of wood (+17.5%), food (+4.8%) and chemicals (+6.7%) were offset by declines in sales of motor vehicle (-29.2%) and motor vehicle parts (-12.1%). Nevertheless, sales were up 39.1% year over year in the second quarter.

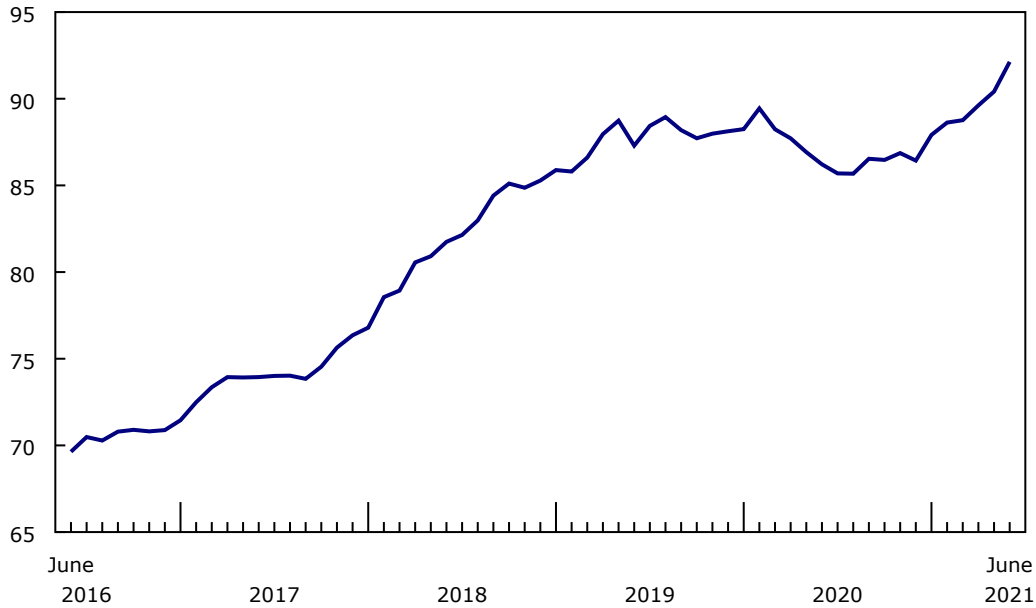
Volume sales declined 3.7% in the second quarter, led by the motor vehicle (-29.0%) and motor vehicle parts (-12.1%) industries. The machinery industry posted the largest increase (+10.8%).

Inventory levels rise

Total inventories rose 1.9% in June to a record high \$92.1 billion, driven by higher inventories of machinery (+5.7%) and chemicals (+2.0%). On a year-over-year basis, total inventories were up 6.9%.

Chart 2 Inventory levels rise

billions of dollars

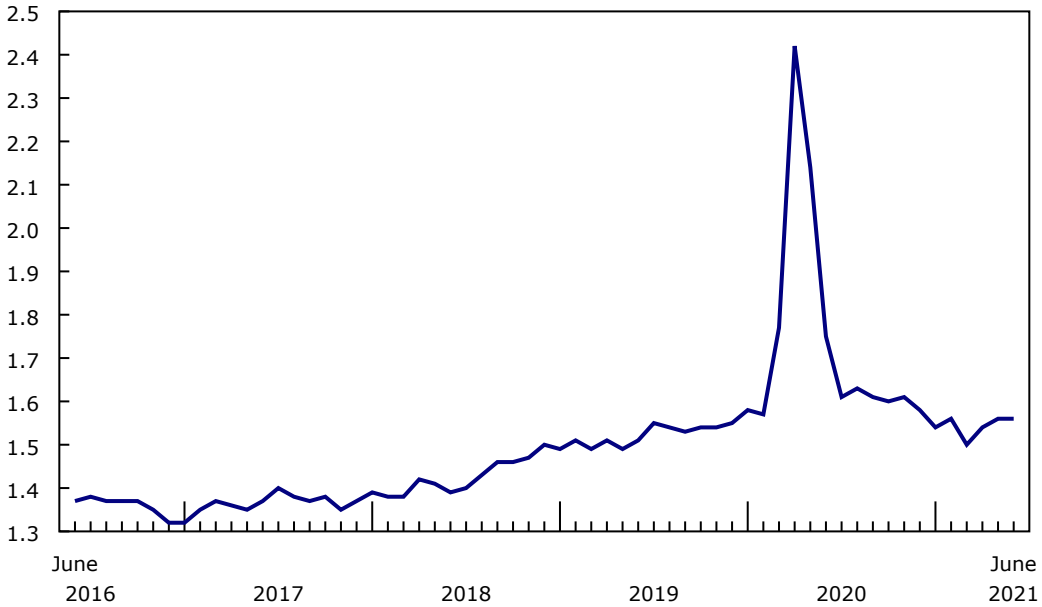


Note(s): Data are seasonally adjusted.
Source(s): Table [16-10-0047-01](#).

The inventory-to-sales ratio was unchanged at 1.56 in June. The ratio measures the time, in months, that would be required to exhaust inventories if sales were to remain at their current level.

Chart 3 The inventory-to-sales ratio is unchanged

ratio



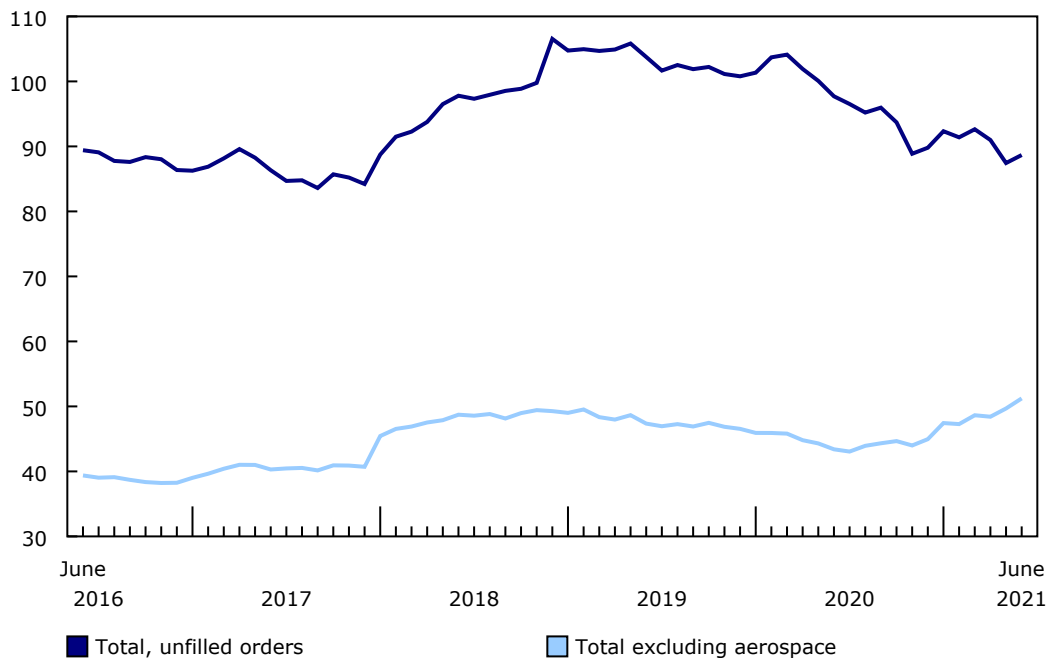
Note(s): Data are seasonally adjusted.
Source(s): Table [16-10-0047-01](#).

Unfilled orders increase

Following two consecutive declines, unfilled orders increased 1.4% to \$88.7 billion in June, attributable to higher unfilled orders of machinery (+6.9%) and primary metal (+14.6%). Unfilled orders of transportation equipment declined 0.3% to \$53.0 billion.

Chart 4
Unfilled orders increase

billions of dollars



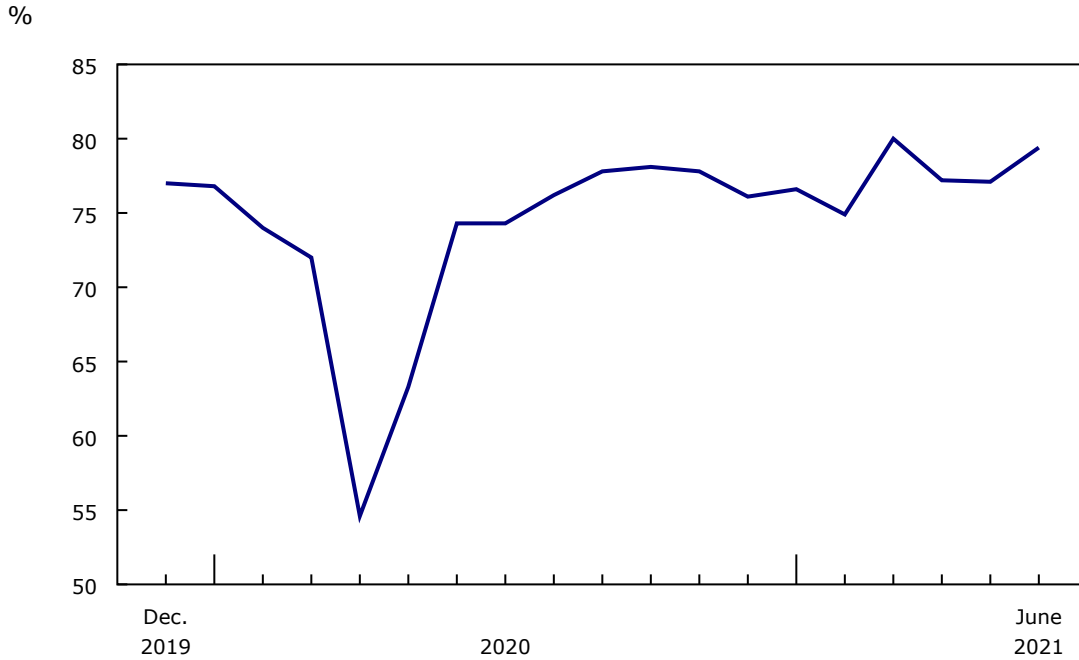
Note(s): Data are seasonally adjusted.
Source(s): Table 16-10-0047-01.

The total value of new orders increased 11.1% to \$60.5 billion in June, on higher new orders in the transportation equipment and machinery industries.

Higher production raises capacity utilization rate

The capacity utilization rate (not seasonally adjusted) for the total manufacturing sector increased from 77.1 in May to 79.4 in June on higher production.

Chart 5
The capacity utilization rate increases



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

The increase was largely attributable to the increases in transportation equipment (+6.8 percentage points), petroleum and coal (+8.3 percentage points), plastic and rubber (+4.1 percentage points) and fabricated metal product (+3.7 percentage points) industries in June. The gains were partially offset by a 2.4 percentage point decline at chemical manufacturers.

Table 1
Manufacturing: Principal statistics – Seasonally adjusted

	June 2020	May 2021 ^r	June 2021 ^P	May to June 2021	June 2020 to June 2021
	millions of dollars			% change ¹	
Manufacturing sales (current dollars)	49,346	57,993	59,234	2.1	20.0
Manufacturing sales (2012 constant dollars)	46,780	48,058	49,100	2.2	5.0
Manufacturing sales (current dollars) excluding motor vehicles, parts and accessories	42,968	53,658	54,207	1.0	26.2
Inventories	86,216	90,412	92,128	1.9	6.9
Unfilled orders	97,708	87,439	88,672	1.4	-9.2
New orders	46,975	54,447	60,467	11.1	28.7
Inventory-to-sales ratio ²	1.75	1.56	1.56

^r revised

^P preliminary

... not applicable

1. Percent 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

	June 2020	May 2021 ^r	June 2021 ^P	May to June 2021	June 2020 to June 2021
	millions of dollars			% change ¹	
Food manufacturing	9,009	10,169	10,298	1.3	14.3
Beverage and tobacco product	1,312	1,336	1,299	-2.8	-1.0
Textile mills	135	128	148	15.9	9.6
Textile product mills	119	150	123	-18.1	2.7
Clothing manufacturing	174	187	201	7.9	15.8
Leather and allied product	19	22	25	15.6	34.5
Wood product	2,524	5,455	5,146	-5.7	103.9
Paper manufacturing	2,145	2,386	2,435	2.1	13.5
Printing and related support activities	627	660	659	-0.2	5.1
Petroleum and coal product	3,141	5,335	5,611	5.2	78.7
Chemical	4,098	5,152	5,117	-0.7	24.9
Plastics and rubber products	2,489	2,780	2,801	0.8	12.5
Non-metallic mineral product	1,225	1,374	1,367	-0.6	11.6
Primary metal	3,541	4,963	5,016	1.1	41.7
Fabricated metal product	2,967	3,532	3,545	0.4	19.5
Machinery	2,820	3,174	3,270	3.0	15.9
Computer and electronic product	1,162	1,222	1,211	-0.9	4.2
Electrical equipment, appliance and component	832	950	953	0.3	14.5
Transportation equipment	8,961	6,596	7,554	14.5	-15.7
Motor vehicle	3,987	2,324	2,919	25.6	-26.8
Motor vehicle body and trailer	252	315	340	7.9	35.0
Motor vehicle parts	2,391	2,012	2,108	4.8	-11.8
Aerospace product and parts	1,679	1,259	1,532	21.7	-8.7
Railroad rolling stock	177	196	169	-13.7	-4.2
Ship and boat building	237	231	223	-3.5	-6.1
Furniture and related product	949	1,065	1,062	-0.2	11.9
Miscellaneous manufacturing	1,096	1,358	1,394	2.6	27.2
Non-durable goods industries	23,267	28,304	28,716	1.5	23.4
Durable goods industries	26,079	29,689	30,518	2.8	17.0

^r revised

^P preliminary

1. Percent change calculated at thousands of dollars.

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

Table 3
Manufacturing sales: Provinces and territories – Seasonally adjusted

	June 2020	May 2021 ^r	June 2021 ^p	May to June 2021	June 2020 to June 2021
	millions of dollars			% change ¹	
Canada	49,346	57,993	59,234	2.1	20.0
Newfoundland and Labrador	255	416	376	-9.6	47.6
Prince Edward Island	168	204	211	3.8	25.8
Nova Scotia	733	838	852	1.6	16.2
New Brunswick	1,118	1,761	1,803	2.4	61.4
Quebec	12,426	14,556	14,782	1.6	19.0
Ontario	23,198	24,044	25,081	4.3	8.1
Manitoba	1,386	1,735	1,603	-7.6	15.7
Saskatchewan	1,064	1,592	1,712	7.5	61.0
Alberta	4,960	7,296	7,196	-1.4	45.1
British Columbia	4,033	5,545	5,609	1.2	39.1
Yukon	4	2	3	41.5	-28.0
Northwest Territories and Nunavut	3	4	6	61.5	128.1

^r revised

^p preliminary

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

	June 2020	May 2021 ^r	June 2021 ^p	May to June 2021	June 2020 to June 2021
	millions of dollars			% change ¹	
Halifax	236	230	235	2.4	-0.1
Québec	1,058	1,154	1,284	11.3	21.3
Montréal	6,258	6,217	6,566	5.6	4.9
Ottawa–Gatineau, Ontario and Quebec	612	780	752	-3.5	22.8
Toronto	9,153	9,541	9,335	-2.2	2.0
Hamilton	1,471	1,715	1,764	2.9	19.9
Winnipeg	706	807	807	0.0	14.4
Regina	348	581	632	8.8	81.8
Saskatoon	331	392	422	7.7	27.8
Calgary	884	968	925	-4.4	4.6
Edmonton	2,109	3,006	3,011	0.2	42.8
Vancouver	2,206	2,564	2,597	1.3	17.7

^r revised

^p preliminary

1. Percentage change calculated in 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

	June 2020	May 2021 ^r	June 2021 ^p	May to June 2021	June 2020 to June 2021
	%			percentage point change	
Manufacturing	74.3	77.1	79.4	2.3	5.1
Non-durable goods industries	76.5	78.4	80.7	2.3	4.2
Food manufacturing	78.0	79.2	81.6	2.4	3.6
Beverage and tobacco product manufacturing	77.9	73.7	74.4	0.7	-3.5
Beverage manufacturing	78.8	73.1	73.8	0.7	-5.0
Tobacco manufacturing	72.8	77.1	77.7	0.6	4.9
Textile mills	74.7	78.2	79.4	1.2	4.7
Textile product mills	69.7	74.8	77.6	2.8	7.9
Clothing manufacturing	61.5	72.7	71.8	-0.9	10.3
Leather and allied product manufacturing	49.2	77.1	72.4	-4.7	23.2
Paper manufacturing	84.8	86.4	84.7	-1.7	-0.1
Printing and related support activities	66.2	72.6	73.7	1.1	7.5
Petroleum and coal products manufacturing	76.3	78.4	86.7	8.3	10.4
Chemical manufacturing	73.2	78.9	76.5	-2.4	3.3
Plastics and rubber products manufacturing	74.6	72.9	77.0	4.1	2.4
Plastic product manufacturing	76.5	73.1	77.9	4.8	1.4
Rubber product manufacturing	62.0	71.5	72.7	1.2	10.7
Durable goods industries	72.4	75.9	78.3	2.4	5.9
Wood product manufacturing	79.7	86.4	86.7	0.3	7.0
Non-metallic mineral product manufacturing	75.0	76.9	79.1	2.2	4.1
Primary metal manufacturing	66.9	79.9	78.3	-1.6	11.4
Fabricated metal product manufacturing	63.7	75.3	79.0	3.7	15.3
Machinery manufacturing	67.2	74.6	76.5	1.9	9.3
Computer and electronic product manufacturing	76.4	77.9	82.8	4.9	6.4
Electrical equipment, appliance and component manufacturing	72.2	74.7	78.3	3.6	6.1
Transportation equipment manufacturing	77.7	65.7	72.5	6.8	-5.2
Furniture and related product manufacturing	69.3	77.8	81.3	3.5	12.0
Miscellaneous manufacturing	70.5	75.7	79.9	4.2	9.4

^r revised

^p preliminary

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; clothing; 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 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 August 24.

Next release

Data from the Monthly Survey of Manufacturing for July will be released on September 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; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).