

# Service bulletin Industrial Chemicals and Synthetic Resins



# February 2007

# **Highlights**

- Between January and February 2007, total production of polyethylene in Canada dropped 14.0% to 269,387 metric tonnes.
- Monthly ethylene production was down 7.4% to 403,716 metric tonnes in February.
- Monthly anhydrous ammonia production fell 16.5% to 351,071 metric tonnes in February. Compared with the same month last year, production declined 1.8%.

#### Statistical tables

Table 1
Production of new virgin resin (excluding compounding or colouring ingredients), by product, monthly

Product	SCG <sup>1</sup> Code	February 2006	January 2007	February 2007	Change February 2007 to January 2007	Change February 2007 to February 2006
		metric tonnes		percentage		
Synthetic resins Polyethylene, low and linear low density Polyethylene, high density	3901.10, 3901.90.10 3901.20	Χι	x x	153,624 115,763	x x	x x
Polyethylene, total Polystyrene and acrylonitrile-butadiene-styrene (abs) Polyvinyl chloride Polyesters, unsaturated	3903.1, 3903.30 3904.10 3907.91	304,486 r 15,272 x 7,232	313,311 9,565 x 6,054	269,387 6,612 x 5,251	-14.0 -30.9 x -13.3	-11.5 -56.7 X -27.4

x suppressed to meet the confidentiality requirements of the Statistics Act



<sup>1.</sup> SCG:Standard Classification of Goods.

Table 2 Production of industrial chemicals, by product, monthly

Product	SCG <sup>1</sup> Code	February 2006	January 2007	February 2007	Change February 2007 to January 2007	Change February 2007 to February 2006
		metric tonnes			percentage	
Acids						
Hydrochloric (muriatic) acid, 100%	2806.10.20	13,293	12,190	11,043	-9.4	-16.9
Nitric acid, 100 %	2808.00.10	94,965	92,087	100,364	9.0	5.7
Phosphoric acid, wet process	2809.20	x	X	x	x	х
Sulphuric acid, all grades, including oleum, as 100%	2807	307,899	351,544	278,165	-20.9	-9.7
Other Industrial Chemical Products						
Aluminum sulphate (alum)	2833.22	11,626	13,117	11,059	-15.7	-4.9
Ammonia, anhydrous, 100%	2814.10	357,686	420,539	351,071	-16.5	-1.8
Ammonium nitrate, all grades	3102.30	95,710	90,681	112,510	24.1	17.6
Ammonium phosphate, all grades	3105.30	X	Х	X	x	Х
Butadiene	2901.24.10	22,440	24,731	22,433	-9.3	0.0
Butylene	2901.23	15,723	19,434	17,250	-11.2	9.7
Carbon black	2803	17,649	18,579	17,842	-4.0	1.1
Chlorine	2801.10	81,114	63,115	58,436	-7.4	-28.0
Ethylene	2901.21	X	436,101	403,716	-7.4	x
Formaldehyde, 100% solids basis	2912.11	19,014	14,834	14,153	-4.6	-25.6
Hydrogen peroxide, 100%	2847.00	18,619	20,764	20,085	-3.3	7.9
Methyl alcohol (methanol)	2905.11	X	Х	X	x	x
Propylene, as propylene in all grades	2901.22	71,605	82,257	65,636	-20.2	-8.3
Sodium chlorate	2829.11	89,203	92,628	83,298	-10.1	-6.6
Sodium hydroxide (caustic soda), as 100% NaOH	2815.1	90,038	70,371	65,491	-6.9	-27.3
Urea, all grades	3102.10	263,426	347,658	282,250	-18.8	7.1
Benzene	2902.20	61,029	60,604	56,772	-6.3	-7.0
Toluene	2902.30	17,219	26,808	14,680	-45.2	-14.7
Xylene	2902.4	26,535	33,640	23,533	-30.0	-11.3
Zinc oxide	2817.00.1	X	x	X	x	х

x suppressed to meet the confidentiality requirements of the Statistics Act
 1. SCG:Standard Classification of Goods.

Table 3 Production of new virgin resin (excluding compounding or colouring ingredients), by product, year-to-date

Product	SCG <sup>1</sup> Code	Year-to-date February 2006	Year-to-date February 2007	Change year-to-date 2007 over 2006
		metric tonnes	percentage	
Synthetic resins Polyethylene, low and linear low density Polyethylene, high density	3901.10, 3901.90.10 3901.20	x x	x x	x x
Polyethylene, total Polystyrene and acrylonitrile-butadiene-styrene (abs) Polyvinyl chloride Polyesters, unsaturated	3903.1, 3903.30 3904.10 3907.91	594,129 32,841 x 14,151	582,698 16,177 x 11,305	-1.9 -50.7 x -20.1

x suppressed to meet the confidentiality requirements of the Statistics Act
 1. SCG:Standard Classification of Goods.

Table 4
Production of industrial chemicals, by product, year-to-date

Product	SCG <sup>1</sup> Code	Year-to-date February 2006	Year-to-date February 2007	Change year-to-date 2007 over 2006
		metric tonnes		percentage
Acids				
Hydrochloric (muriatic) acid, 100%	2806.10.20	27,222	23,233	-14.7
Nitric acid, 100 %	2808.00.10	201,420	192,451	-4.5
Phosphoric acid, wet process	2809.20	x	×	x
Sulphuric acid, all grades, including oleum, as 100%	2807	666,380	629,709	-5.5
Other industrial chemical products				
Aluminum sulphate (alum)	2833.22	24,367	24,176	-0.8
Ammonia, anhydrous, 100%	2814.10	728.365	771,610	5.9
Ammonium nitrate, all grades	3102.30	201,595	203,191	0.8
Ammonium phosphate, all grades	3105.30	X	x	x
Butadiene	2901.24.10	39.437	47,164	19.6
Butylene	2901.23	27,942	36,684	31.3
Carbon black	2803	37,135	36,421	-1.9
Chlorine	2801.10	162,941	121,551	-25.4
Ethylene	2901.21	×	839,817	x
Formaldehyde, 100% solids basis	2912.11	38,539	28,987	-24.8
Hydrogen peroxide, 100%	2847.00	40,846	40,849	0.0
Methyl alcohol (methanol)	2905.11	x	×	x
Propylene, as propylene in all grades	2901.22	121,821	147,893	21.4
Sodium chlorate	2829.11	188,798	175,926	-6.8
Sodium hydroxide (caustic soda), as 100% NaOH	2815.1	181,188	135,862	-25.0
Urea, all grades	3102.10	543,463	629,908	15.9
Benzene	2902.20	122,775	117,376	-4.4
Toluene	2902.30	30,123	41,488	37.7
Xylene	2902.4	X	57,173	x
Zinc oxide	2817.00.1	x	X	x

x suppressed to meet the confidentiality requirements of the Statistics Act

# Concepts, methodology and data quality

This publication presents the results of the survey, Industrial Chemicals and Synthetic Resins. This survey measures, on a monthly basis, the quantities of selected industrial chemicals and new virgin resins produced by Canadian manufacturers. The target population for this survey includes manufacturers in Canada of selected industrial chemicals and synthetic resins as defined in the Standard Classification of Goods (SCG), that report these products to the Annual Survey of Manufactures and Logging or ASML (Survey ID 2103). This means that estimates from this monthly survey do not cover the entire universe of industrial chemicals and synthetic resins producers in Canada, because the ASML does not survey all businesses. Instead, the ASML uses administrative data to cover the small and medium-sized establishments. These manufacturers are not part of this survey.

#### General methodology

Data are collected each month from survey respondents using a mail-out / mail-back process. Data capture and preliminary editing are performed simultaneously to ensure validity of the data. Businesses from whom no response has been received or whose data may contain errors are followed-up by telephone or fax.

Missing data for the current month are imputed automatically by applying to the previous month's value, the month-to-month change observed for the same period in the previous year, for the unit in question. However, an option exists for analysts to manually override this imputation with a better estimate based on pertinent knowledge about the industry or the business.

Various confidentiality rules are applied to all data before they are released to prevent the publication or disclosure of any information deemed confidential. If necessary, data are suppressed to prevent direct or residual disclosure of identifiable data.

<sup>1.</sup> SCG:Standard Classification of Goods.

Direct disclosure could occur when the value in a tabulation cell is composed of a few respondents or when the cell is dominated by a few companies. Residual disclosure could occur when confidential information can be derived indirectly by piecing together information from different sources or data series.

Under normal circumstances, data are collected, captured, edited, tabulated and published within 6 to 7 weeks after the reference month.

#### Revisions

Data may be revised to include amended information or reports from respondents that are received after the end of a collection cycle. Revisions are disseminated in subsequent periods and reflected in the CANSIM series and in the tables of this publication.

# **Data accuracy**

The methodology for this survey has been designed to promote data accuracy. Since data are collected from all Canadian producers of industrial chemicals and synthetic resins within the target population, the resulting estimates are not subject to sampling error. However, the results are still subject to non-sampling errors associated with coverage, non-response, inaccurate reporting, and processing. Errors relating to coverage and non-response can be measured. All attempts are made to control inaccurate reporting and processing errors.

Moreover, survey results are analyzed to ensure comparability with patterns observed in the historical data series and the economic condition of the industry. Information available from other sources such as the media, other government organizations and industry association are also used in the validation process.

### Coverage error

There is a degree of under coverage (referred to as coverage error) in the survey results as there is generally a lag between the time a new business comes into existence and when it is included in the universe of this sub-annual survey. This occurs because the list of businesses surveyed is derived from the latest available survey results for the ASML which are not available until 15 months after the reference period.

This error is kept at a minimum by also using advance information from the ASML, and other sources such as the Canadian Chemicals Producers' Association, trade journals and newspaper articles to identify new survey units.

Based on the ASML 2004 (latest available survey results), the coverage error for the Industrial Chemicals and Synthetic Resins survey was 3%.

# Non-response error

Some respondents may be unable to provide data for numerous reasons (i.e. fire, theft, strike, economic hardship, etc.), while others may be too late in responding. To minimize non-response, delinquent respondents are followed up rigorously by phone or fax. Data for the non-responding units are imputed using industry trend and other related information. Data are revised at a later date, if completed questionnaires are received after the end of a collection cycle.

The average non-response error for the Industrial Chemicals and Synthetic Resins survey was estimated at less than 1% for 2005 (the last completed cycle).

#### Inaccurate response

Inaccuracy may result from poor questionnaire design or an inability on the part of respondents to provide the requested information or from misinterpretation of the survey questions. To reduce such errors, the format

and wording in the questionnaire are reviewed from time to time and modified based on feedback from survey respondents and data users. Respondents are also reminded of the importance of their contribution and of the need for accurate reporting.

### **Processing errors**

These errors may occur at various stages in the processing of survey data such as data entry, verification, editing and tabulation. Data are examined for such errors using automated edits along with an analytical review by subject matter experts. Several checks are performed on the collected data to verify internal consistency and comparability over time.

#### **Definitions**

**Production:** production refers to the quantity of products manufactured in Canada during a reference period including intermediate products. The final products may be shipped or retained in inventory.

More detailed data are available from the Annual Survey of Manufactures and Logging, CANSIM Table 301-0003. Specific enquiries should be directed to: The marketing and dissemination section, manufacturing, construction and energy division, Statistics Canada, Ottawa, Ontario, K1A OT6 (Telephone: 1-866-873-8789 or 613-951-9497; Fax line: 613-951-9499; Internet: *manufact@statcan.ca*).

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#### Symbols

The following standard symbols are used in Statistics Canada publications:

- not available for any reference period
- . not available for a specific reference period
- ... not applicable
- 0 true zero or a value rounded to zero
- 0s value rounded to 0 (zero) where there is a meaningful distinction between true zero and the value that was rounded
- p preliminary
- r revised
- x suppressed to meet the confidentiality requirements of the Statistics Act
- E use with caution
- F too unreliable to be published

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