

The Daily

Statistics Canada

Friday, August 14, 2015
Released at 8:30 a.m. Eastern time

Releases

Monthly Survey of Manufacturing, June 2015 2
Manufacturing sales rose 1.2% to \$50.8 billion in June, the second consecutive gain and the third increase since January 2015. Despite the gains in June, year-to-date sales were down 1.5% from the same period in 2014.

Supply and disposition of refined petroleum products, May 2015 10

Total income of farm operators, 2013 12

New products and studies 13

Release dates: August 17 to 21, 2015 14

Releases

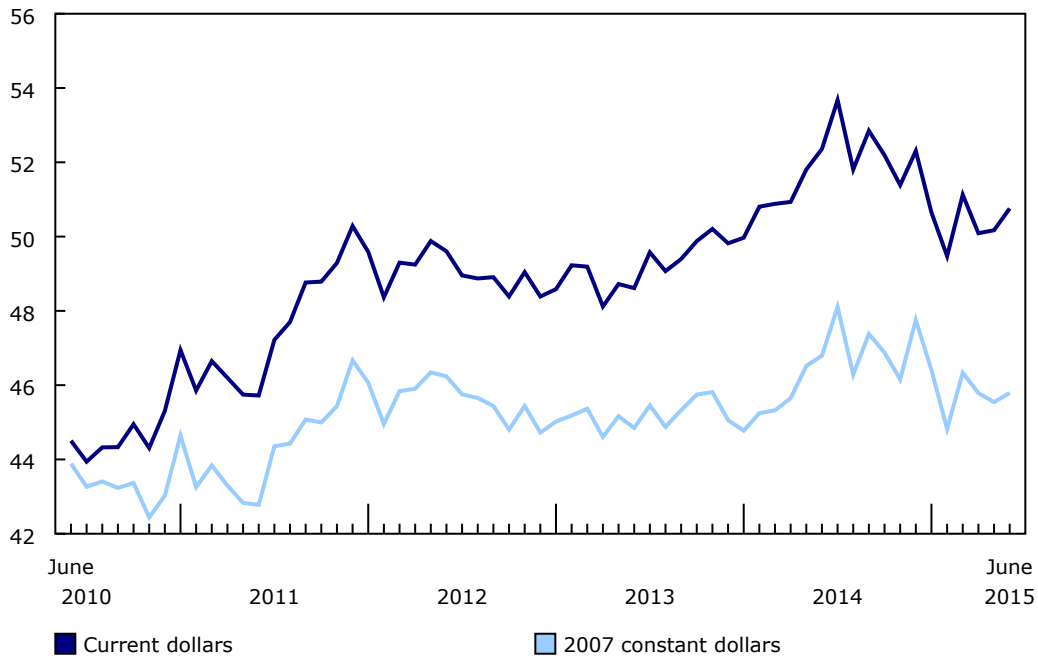
Monthly Survey of Manufacturing, June 2015

Manufacturing sales rose 1.2% to \$50.8 billion in June, the second consecutive gain and the third increase since January 2015. Despite the gains in June, year-to-date sales were down 1.5% from the same period in 2014.

Constant dollar sales increased 0.5%, indicating a higher volume of goods sold.

Chart 1 Sales increase for the third time in 2015

billions of dollars



Note(s): Data are seasonally adjusted.

Source(s): CANSIM tables [304-0014](#) and [377-0009](#).

Sales up in most industries

Sales increased in 18 of 21 industries in June, representing 80% of the manufacturing sector. Higher sales of chemical products and motor vehicles led the gains. Lower sales of fabricated metals partly offset the advance.

Sales of chemical products rose 5.4% to \$4.1 billion in June. Typically, sales of pesticides, fertilizers and other agricultural products peak in May and decline in June, once seeding in the agricultural sector has taken place. However, in 2015, some sales that normally occur in May took place in June.

Motor vehicles also contributed to the overall gains, as sales rose 4.2% to \$4.9 billion, the third increase for the industry in 2015. On a year-to-date basis, sales of motor vehicles were up 5.6% from the same period in 2014. Year-to-date sales are at their highest level since 2007, the year before the industry reported significant losses as a result of the recession.

Sales of fabricated metal products fell 8.2% to \$2.6 billion, partially offsetting the advance at the national level. A number of fabricated metal manufacturers bill upon completion of projects, which can take months or years to complete. This leads to volatility in their sales numbers. In June, some manufacturers tied to oil and gas extraction reported lower sales after finishing some long-term contracts in previous months.

Quebec leads widespread gains

The gain in manufacturing sales was widespread in June, with seven provinces recording increases. Quebec posted the largest sales gain, followed by Alberta and Ontario. Declines in New Brunswick partially offset the growth.

Sales in Quebec increased 2.9% to \$12.4 billion, partially reflecting higher production of aerospace products and parts. The aerospace industry rose 5.3% as some manufacturers posted higher production. There were widespread increases in other industries, such as other transportation equipment, petroleum and coal products, as well as paper products. Sales increased in 17 out of 21 industries in the province.

For a second consecutive month, sales rose in Alberta, increasing 1.9% to \$6.0 billion. The gains reflected higher sales of chemical products, up 12.5% following a 7.2% decline in May. As with the industry at the national level, the increase reflects sales of pesticides, fertilizers and other agricultural products shifting into June. Lower sales of fabricated metal products partially offset the gains, down 17.8%, reflecting declines in the boiler, tanks and shipping containers industry.

Following two consecutive decreases, sales in Ontario increased 0.4% to \$23.5 billion. Motor vehicle sales were mainly responsible for the growth, increasing 4.1%. An 8.2% decrease in sales of fabricated metal products partly offset the advance.

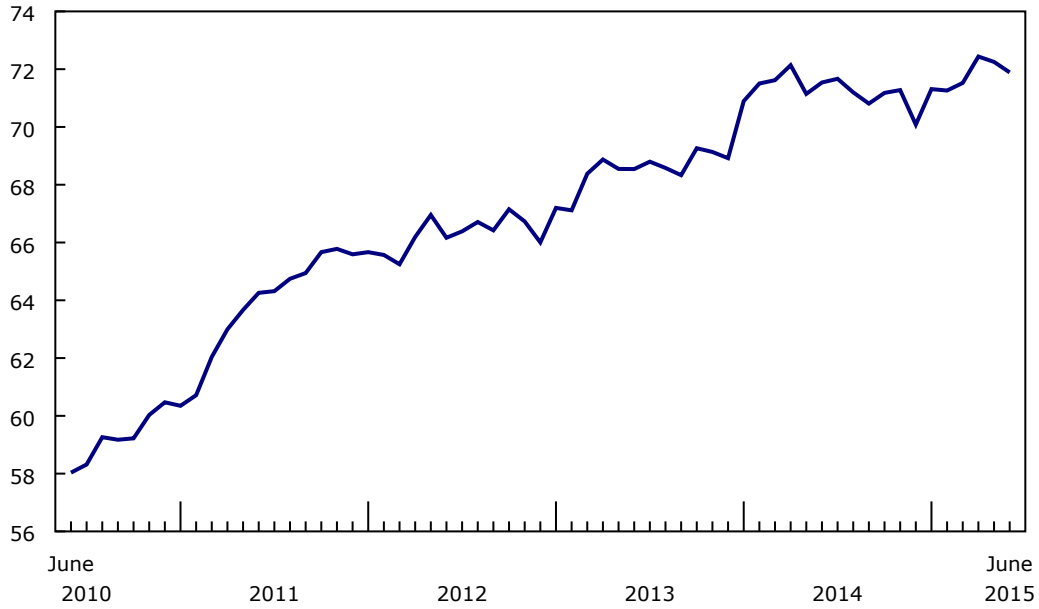
Lower sales of non-durable products in New Brunswick offset a portion of the national gains and led to the 4.7% decline for the province. Exports of refined petroleum products were down in June after peaking in May.

Inventories decline for a second consecutive month

Inventories declined 0.5% to \$71.9 billion in June, the second consecutive drop. There were decreases in 12 of 21 industries, representing 67% of total inventories held. Machinery manufacturers posted a 3.1% decline, reflecting lower inventories on hand. Inventories fell 8.1% in the motor vehicle industry and 1.3% in the aerospace products and parts industry. Finished products decreased in both industries, as manufacturers shipped more products to their customers in June. Inventories were also down in the petroleum and coal product industry (-2.2%).

Chart 2
Inventories decline for the second consecutive month

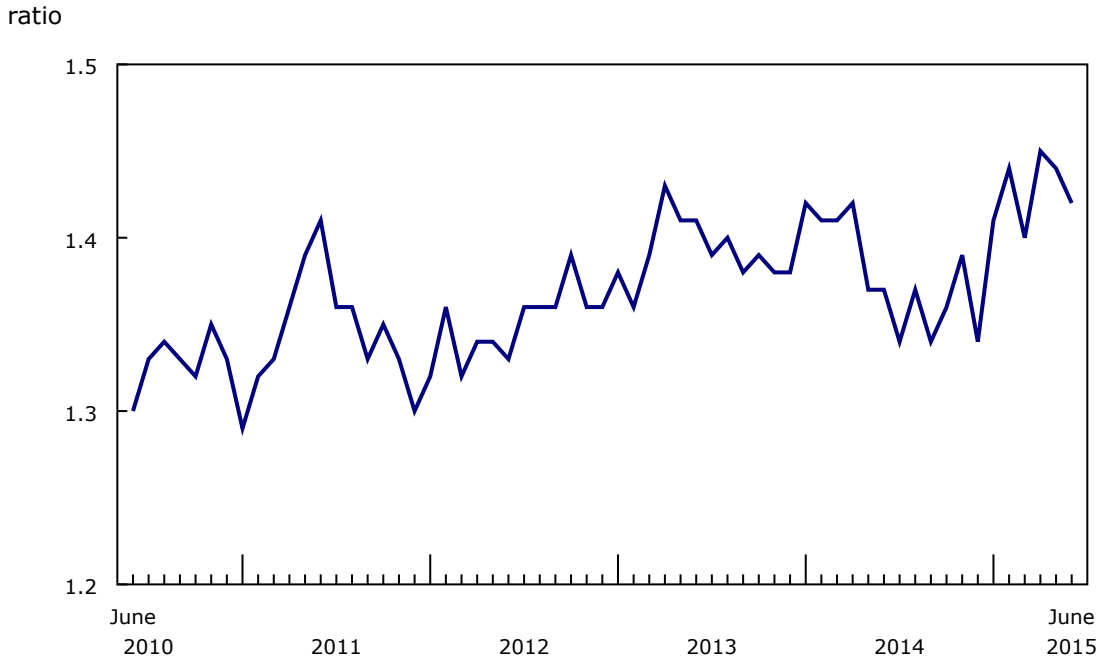
billions of dollars



Note(s): Data are seasonally adjusted.
Source(s): CANSIM table [304-0014](#).

The inventory-to-sales ratio fell from 1.44 in May to 1.42 in June. The inventory-to-sales ratio measures the time, in months, that it would take to exhaust inventories if sales were to remain at their current rate.

Chart 3
The inventory-to-sales ratio decreases



Note(s): Data are seasonally adjusted.
Source(s): CANSIM table [304-0014](#).

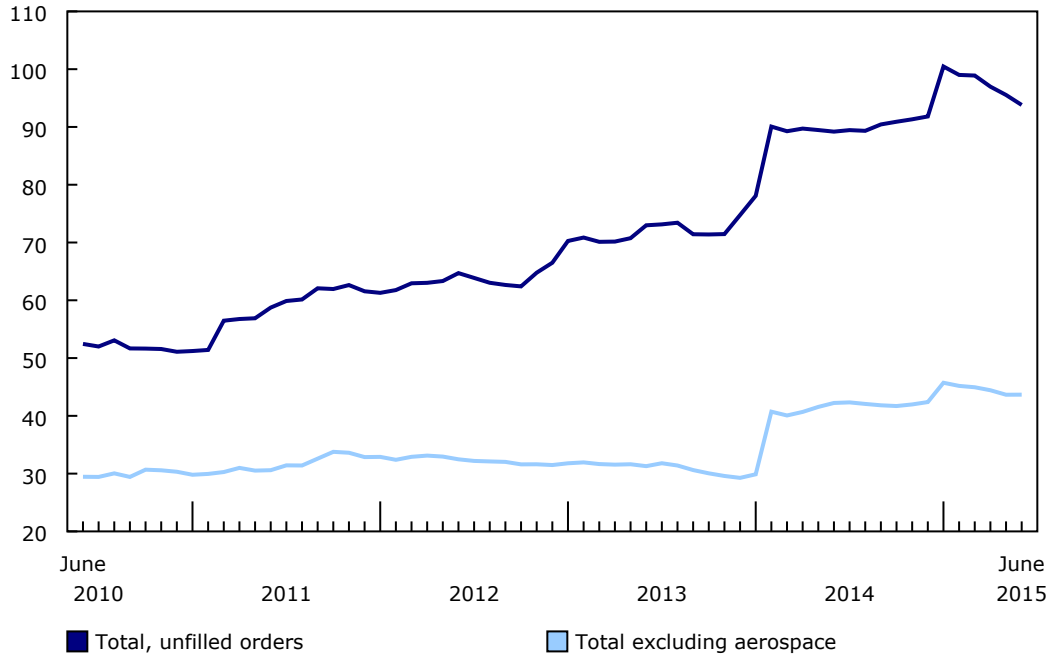
Unfilled orders down since January 2015

Unfilled orders continued their slide, down 1.8% from May to \$93.8 billion in June. Compared with January, unfilled orders were down 6.6%. With this most recent decline, unfilled orders have fallen for five consecutive months, a trend that has not occurred since 2009 when unfilled orders dropped 14.3% over a similar five-month period.

Most of the decrease in June was a result of lower unfilled orders in the aerospace product and parts industry. A portion of the decline in aerospace products and parts reflects an appreciation in the Canadian dollar in June. Given that the majority of unfilled orders in the aerospace industry are held in US dollars, fluctuations in the value of the Canadian dollar relative to the US dollar can influence trends for the industry. Excluding the aerospace industry, unfilled orders were unchanged from May.

Chart 4
Unfilled orders decline for the fifth consecutive month

billions of dollars



Note(s): Data are seasonally adjusted.
Source(s): CANSIM tables [304-0014](#).

New orders rose 0.6% in June, reflecting widespread increases led by the computer and electronic product industry as well as the chemical product industry. The gains were offset by declines in the aerospace industry.

Note to readers

Monthly data in this release are seasonally adjusted and are expressed in current dollars unless otherwise specified. For more information on seasonal adjustment, refer to the document [Seasonally adjusted data – Frequently asked questions](#).

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 metal, 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 industry and shipbuilding industries, the value of production is used instead of sales of goods manufactured. This value is calculated by adjusting monthly sales of goods manufactured by the monthly change in inventories of goods in process and finished products manufactured. Production is used because of the extended period of time that it normally takes to manufacture products in those 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 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 (noon spot rate) established by the Bank of Canada is used for the conversion. The monthly average exchange rate is available in CANSIM table 176-0064.

Inventories and unfilled orders are reported at the end of the reference period. For most respondents, the noon spot exchange rate on the last working day of the month is used for the conversion of these variables. Some manufacturers choose to report their data as of a day other than the last day of the month. In those instances, the noon spot exchange rate of the day selected by the respondent is used. The noon spot exchange rate is available in CANSIM table 176-0067. Note that because of exchange rate fluctuations, the monthly average exchange rate can differ substantially from the exchange rate on the last working day of the month.

Revision policy

Each month the Monthly Survey of Manufacturing releases preliminary estimates for the reference month and revised estimates for the three previous 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. During annual revisions, changes are made to the seasonal adjustment parameters.

Next release

Data from the July Monthly Survey of Manufacturing will be released on September 16.

Table 1
Manufacturing: Principal statistics – Seasonally adjusted

	June 2014	May 2015 ^r	June 2015 ^P	May to June 2015	June 2014 to June 2015
	millions of dollars			% change ¹	
Manufacturing sales (current dollars)	52,359	50,171	50,757	1.2	-3.1
Manufacturing sales (2007 constant dollars)	46,795	45,544	45,789	0.5	-2.1
Manufacturing sales (current dollars) excluding motor vehicles, parts and accessories	45,627	43,184	43,585	0.9	-4.5
Inventories	71,539	72,252	71,888	-0.5	0.5
Unfilled orders	89,190	95,537	93,806	-1.8	5.2
New orders	52,085	48,734	49,026	0.6	-5.9
Inventory-to-sales ratio ²	1.37	1.44	1.42

^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): CANSIM tables [304-0014](#) and [377-0009](#).

Table 2
Manufacturing sales: Industry aggregates – Seasonally adjusted

	June 2014	May 2015 ^r	June 2015 ^P	May to June 2015	June 2014 to June 2015
	millions of dollars			% change ¹	
Food manufacturing	8,143	7,774	7,881	1.4	-3.2
Beverage and tobacco product	1,028	1,050	1,052	0.2	2.3
Textile mills	120	118	128	7.9	6.2
Textile product mills	142	139	143	3.1	0.9
Clothing manufacturing	223	196	196	0.4	-12.0
Leather and allied product	39	34	37	8.4	-5.5
Wood product	2,051	2,017	2,059	2.1	0.4
Paper manufacturing	2,056	2,198	2,230	1.4	8.5
Printing and related support activities	753	724	760	4.9	0.9
Petroleum and coal product	7,601	5,525	5,461	-1.2	-28.2
Chemical	4,255	3,901	4,112	5.4	-3.4
Plastics and rubber products	2,181	2,255	2,252	-0.2	3.2
Non-metallic mineral product	1,089	1,081	1,111	2.8	2.1
Primary metal	4,002	3,823	3,831	0.2	-4.3
Fabricated metal product	2,837	2,866	2,630	-8.2	-7.3
Machinery	2,877	2,855	2,867	0.4	-0.3
Computer and electronic product	1,064	1,135	1,176	3.6	10.5
Electrical equipment, appliance and component	834	797	861	8.0	3.2
Transportation equipment	9,148	9,762	10,010	2.5	9.4
Motor vehicle	4,538	4,699	4,894	4.2	7.9
Motor vehicle body and trailer	315	331	342	3.6	8.9
Motor vehicle parts	2,194	2,288	2,277	-0.5	3.8
Aerospace product and parts	1,540	1,917	1,929	0.7	25.3
Railroad rolling stock	108	116	133	14.3	22.2
Ship and boat building	111	122	125	2.1	12.2
Furniture and related product	920	915	917	0.3	-0.3
Miscellaneous manufacturing	998	1,007	1,044	3.7	4.6
Non-durable goods industries	26,541	23,914	24,250	1.4	-8.6
Durable goods industries	25,818	26,257	26,506	1.0	2.7

^r revised

^P preliminary

1. Percent change calculated at thousands of dollars.

Source(s): CANSIM table [304-0014](#).

Table 3
Manufacturing sales: Provinces and territories – Seasonally adjusted

	June 2014	May 2015 ^r	June 2015 ^p	May to June 2015	June 2014 to June 2015
	millions of dollars			% change ¹	
Canada	52,359	50,171	50,757	1.2	-3.1
Newfoundland and Labrador	558	494	534	8.0	-4.4
Prince Edward Island	142	123	122	-0.6	-14.1
Nova Scotia	602	617	622	0.7	3.2
New Brunswick	1,704	1,547	1,475	-4.7	-13.5
Quebec	12,192	12,016	12,359	2.9	1.4
Ontario	23,995	23,444	23,544	0.4	-1.9
Manitoba	1,296	1,270	1,264	-0.5	-2.5
Saskatchewan	1,373	1,202	1,255	4.4	-8.6
Alberta	6,913	5,845	5,957	1.9	-13.8
British Columbia	3,578	3,609	3,621	0.3	1.2
Yukon	2	2	2	6.2	1.3
Northwest Territories and Nunavut	2	2	2	-4.0	-1.7

^r revised

^p preliminary

1. Percent change calculated at thousands of dollars.

Source(s): CANSIM tables [304-0014](#) and [304-0015](#).

Available in CANSIM: tables [304-0014](#), [304-0015](#) and [377-0009](#).

Definitions, data sources and methods: survey number [2101](#).

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Michael Schimpf (613-863-4480; michael.schimpf@statcan.gc.ca) or Elizabeth Richards (613-863-4623; elizabeth.richards@statcan.gc.ca), Manufacturing and Wholesale Trade Division.

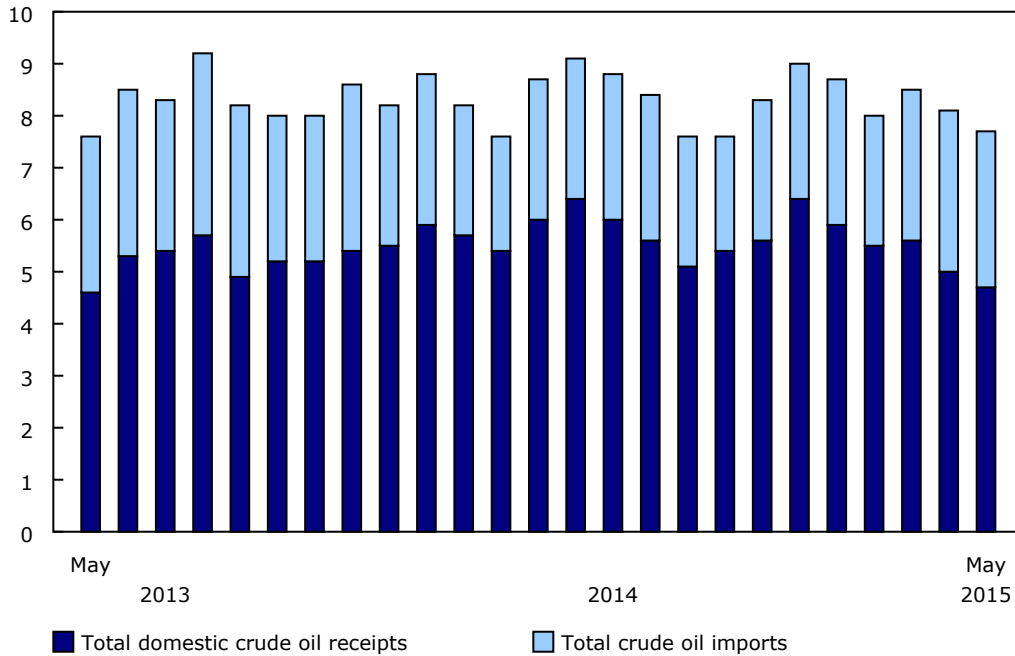
Supply and disposition of refined petroleum products, May 2015

Refinery receipts decrease

Canadian refineries received 7.7 million cubic metres of crude oil in May, down 11.9% compared with the same month in 2014.

Chart 1
Refinery receipts of crude oil and equivalent

millions of cubic metres



Source(s): CANSIM table [134-0001](#).

Refinery receipts of domestic crude oil totalled 4.7 million cubic metres, down 21.2% from the same month a year earlier.

Crude oil imports increased 8.4% from May 2014 to 3.0 million cubic metres in May. Imports represented 38.7% of total crude oil received at refineries in Canada.

Sales decrease

Domestic sales of refined petroleum products totalled 8.7 million cubic metres in May, down 2.5% from May 2014.

Refinery production decreased 3.7% compared with May 2014 to 8.8 million cubic metres.

Inventories of refined petroleum products held by refineries at the end of May were down 5.3% from the same month a year earlier to 8.3 million cubic metres.

Note to readers

The Monthly Refined Petroleum Products survey collects data on the activities of all Canadian refineries involved in the production of refined petroleum products (North American Industry Classification System [NAICS] 324000) and of selected major distributors of these products (NAICS 412000).

Domestic sales include all sales by reporting companies, excluding exports and sales to other reporting companies.

Refinery **receipts** of crude oil and equivalent hydrocarbons (condensates and pentanes plus) are for refinery consumption or storage from domestic and foreign sources.

Available in CANSIM: tables [134-0001](#) to [134-0004](#).

Definitions, data sources and methods: survey number [2150](#).

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) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Total income of farm operators, 2013

Average total income of farm operators in Canada increased 3.5% to \$93,723 in 2013, according to data from personal income tax returns.

The overall growth reflects increases in both average income from off-farm sources (+4.4%) and average net operating income (+2.8%). Off-farm income accounted for 48.2% of the total income of farm operators, up from 47.8% in 2012.

Farm operators specialized in greenhouse, nursery and floriculture production reported the largest gain in average total income, up 21.6%. These producers ranked third in terms of average total income, behind poultry and egg producers, and potato producers.

By contrast, farm operators primarily engaged in beef cattle farming (-3.9%), fruit and tree nut farming (-2.2%), or dairy cattle and milk production (-1.6%) saw their average total income decrease as a result of lower average net operating income.

Average total income of farm operators increased in every province except Prince Edward Island (-3.5%) and Saskatchewan (-2.3%) in 2013. Farm operators in Manitoba posted the largest increase in average total income (+18.9%), followed by Newfoundland and Labrador (+17.5%), British Columbia (+10.8%) and Nova Scotia (+10.0%).

Note to readers

The Agriculture Taxation Data Program uses taxation records to produce data on total income of farm operators. The estimates cover farm operators involved in one or more unincorporated farms (with gross operating revenues of \$10,000 or more) or incorporated farms (with gross operating revenues of \$25,000 or more).

*The **average total income** corresponds to the sum of **average off-farm income** (wages and salaries, net off-farm self-employment income, investment income, pension income, government social transfers [excluding pension amounts] and other off-farm income) and **average net operating income** (total operating revenues less total operating expenses).*

Available in CANSIM: tables [002-0034](#) to [002-0042](#).

Definitions, data sources and methods: survey number [3447](#).

Summary tables are available from the *Browse by key resource* module of our website under *Summary tables*.

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) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

New products and studies

There are no new products today.

Release dates: August 17 to 21, 2015

(Release dates are subject to change.)

Release date	Title	Reference period
17	Canada's international transactions in securities	June 2015
19	Travel between Canada and other countries	June 2015
20	Wholesale trade	June 2015
20	Employment Insurance	June 2015
21	Retail trade	June 2015
21	Consumer Price Index	July 2015
21	Production of principal field crops	July 2015

See also the [release dates for major economic indicators](#) for the rest of the year.



Statistics Canada's official release bulletin

Catalogue 11-001-X.

Published each working day by the Communications Division, Statistics Canada, 10G, R.H. Coats Building, 100 Tunney's Pasture Driveway, Ottawa, Ontario K1A 0T6.

To access or subscribe to *The Daily* on the Internet, visit our website at <http://www.statcan.gc.ca>.

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 2015. All rights reserved. Use of this publication is governed by the [Statistics Canada Open Licence Agreement](#):

<http://www.statcan.gc.ca/reference/copyright-droit-auteur-eng.htm>