

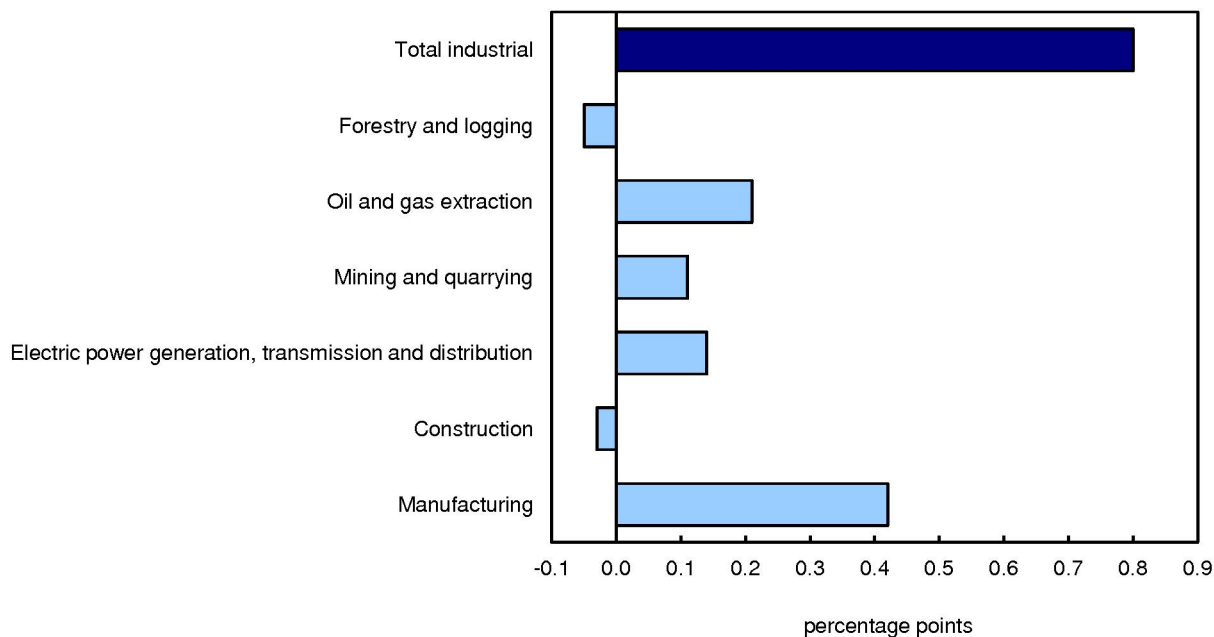
# Industrial capacity utilization rates, fourth quarter 2013 and annual 2013

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Canadian industries operated at 82.0% of their production capacity in the fourth quarter, up from 81.2% in the third quarter. The manufacturing and oil and gas extraction industries were the main sources of this increase.

## Chart 1

### Main industrial sectors' contribution to the change in the industrial capacity utilization rate, fourth quarter 2013



### Manufacturing led upward by the transportation equipment and food industries

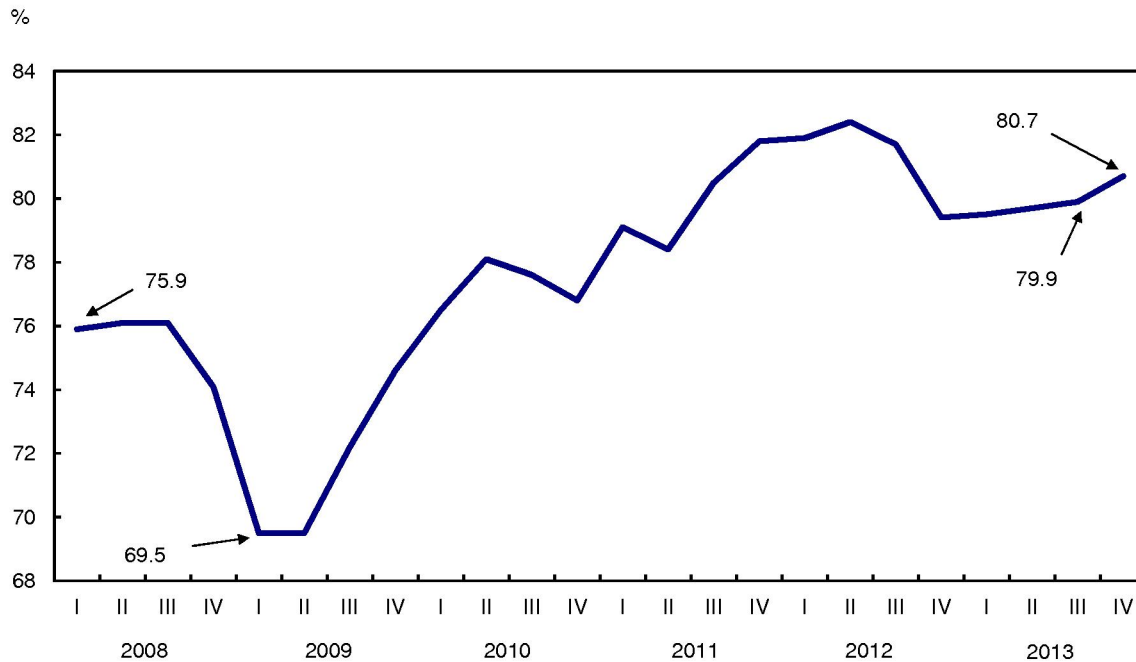
The manufacturing sector was the main source of growth in the capacity utilization rate in the fourth quarter, accounting for more than half of the overall increase.

The manufacturing sector operated at 80.7% of its capacity in the fourth quarter, up 0.8 percentage points from the third quarter. The transportation equipment manufacturing and food manufacturing industries were largely responsible for this increase.

Of the 21 major groups in the manufacturing sector, 9 increased their capacity utilization. Capacity use was down in 12 industries, notably the fabricated metal products industry and the computer and electronic product manufacturing industry.



**Chart 2**  
**Capacity utilization in manufacturing increases**



In the transportation equipment manufacturing industry, the rate rose 3.0 percentage points to 90.6% in the fourth quarter. Higher production of motor vehicles and motor vehicle parts and of aerospace products and parts was the main source of this increase.

For food manufacturers, capacity use rose from 74.2% to 77.5% in the fourth quarter. This increase was due to higher production in every subsector of the industry, except dairy product manufacturing and sugar and confectionery product manufacturing.

**Non-manufacturing industries: The oil and gas extraction industry leads the increase for a second consecutive quarter**

As in the third quarter, the oil and gas extraction industry was the predominant source of growth in the capacity utilization rate for non-manufacturing industries in the fourth quarter.

Higher extraction of non-conventional crude petroleum was primarily responsible for pushing the oil and gas extraction industry's capacity utilization rate up 1.5 percentage points to 87.5%.

After declining for eight consecutive quarters, the mining and quarrying industry's capacity utilization was up 1.5 percentage points to 63.1%, as a result of an increase in metallic and non-metallic mineral production.

Higher demand for electricity was responsible for an increase in the electric power generation, transmission and distribution industry's capacity use, which rose 1.6 percentage points to 89.1%.

Reduced activity in the forestry and logging industry accounted for the 3.2 percentage-point decline in its capacity utilization rate to 86.2% in the fourth quarter.

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## Average annual rate down for the first time since 2009

Compared with 2012, the average capacity utilization rate of Canadian industries fell 0.2 percentage points to 81.3% in 2013, the first annual decrease since 2009.

The average annual rate in the manufacturing sector was 80.0% in 2013, down from 81.4% in 2012. This decline was partly offset by the increase posted by non-manufacturing industries.

Mining was the lone non-manufacturing industry with a lower capacity utilization rate compared with 2012, edging down 0.1 percentage points to 62.9% in 2013. This was the second consecutive annual decrease for this industry.

Compared with 2012, the industries with the largest percentage-point gains in capacity use in 2013 were wood product manufacturing, furniture and related product manufacturing, and forestry and logging. The largest declines were in machinery and fabricated metal products.

### **Note to readers**

*The **industrial capacity utilization rate** is the ratio of an industry's actual output to its estimated potential output.*

*For most industries, the annual estimates are obtained from the Capital and Repair Expenditures Survey while the quarterly pattern is derived from output-to-capital ratio series, the output being the real gross domestic product at basic prices, seasonally adjusted, by industry.*

*This program covers all manufacturing and selected non-manufacturing industries.*

*With this release on industrial capacity utilization rates, data were revised back to the first quarter of 2013 to reflect updated source data.*

**Table 1**  
**Industrial capacity utilization rates**

	Fourth quarter 2012	Third quarter 2013 <sup>r</sup>	Fourth quarter 2013	Third quarter to fourth quarter 2013	Fourth quarter 2012 to fourth quarter 2013
	%			percentage point change	
<b>Total industrial</b>	<b>80.8</b>	<b>81.2</b>	<b>82.0</b>	<b>0.8</b>	<b>1.2</b>
Forestry and logging	84.0	89.4	86.2	-3.2	2.2
Mining and oil and gas extraction	76.8	77.6	79.2	1.6	2.4
Oil and gas extraction	85.1	86.0	87.5	1.5	2.4
Mining and quarrying	60.8	61.6	63.1	1.5	2.3
Electric power generation, transmission and distribution	88.1	87.5	89.1	1.6	1.0
Construction	84.0	84.2	84.1	-0.1	0.1
Manufacturing	79.4	79.9	80.7	0.8	1.3
Food	74.7	74.2	77.5	3.3	2.8
Beverage and tobacco products	72.0	71.0	73.2	2.2	1.2
Beverage	72.7	71.9	74.2	2.3	1.5
Tobacco	66.8	64.7	66.0	1.3	-0.8
Textiles	64.9	68.4	70.5	2.1	5.6
Textile mills	70.9	75.6	78.5	2.9	7.6
Textile product mills	60.1	62.6	64.2	1.6	4.1
Clothing	69.3	67.6	61.9	-5.7	-7.4
Leather and allied products	70.2	69.8	63.2	-6.6	-7.0
Wood products	82.4	84.7	84.0	-0.7	1.6
Paper	87.2	89.3	89.7	0.4	2.5
Printing and related support activities	71.1	68.9	68.7	-0.2	-2.4
Petroleum and coal products	80.5	80.4	78.5	-1.9	-2.0
Chemical products	76.7	75.9	78.3	2.4	1.6
Plastics and rubber products	75.8	79.0	78.3	-0.7	2.5
Plastic products	74.8	78.0	77.4	-0.6	2.6
Rubber products	80.3	83.7	82.7	-1.0	2.4
Non-metallic mineral products	72.7	71.1	70.9	-0.2	-1.8
Primary metal	79.2	83.6	85.4	1.8	6.2
Fabricated metal products	79.4	79.0	77.1	-1.9	-2.3
Machinery	77.9	81.8	83.6	1.8	5.7
Computer and electronic products	84.9	77.3	73.6	-3.7	-11.3
Electrical equipment, appliances and components	76.9	74.9	71.2	-3.7	-5.7
Transportation equipment	87.8	87.6	90.6	3.0	2.8
Furniture and related products	76.7	80.6	79.2	-1.4	2.5
Miscellaneous manufacturing	79.0	80.8	76.9	-3.9	-2.1

<sup>r</sup> revised

**Table 2**  
**Industrial capacity utilization rates: Annual average**

	2011	2012	2013	2011 to 2012	2012 to 2013
	%			percentage point change	
<b>Total industrial</b>	<b>80.6</b>	<b>81.5</b>	<b>81.3</b>	<b>0.9</b>	<b>-0.2</b>
Forestry and logging	87.0	83.2	85.8	-3.8	2.6
Mining and oil and gas extraction	79.8	77.4	78.1	-2.4	0.7
Oil and gas extraction	84.9	85.0	86.0	0.1	1.0
Mining and quarrying	69.6	63.0	62.9	-6.6	-0.1
Electric power generation, transmission and distribution	87.9	86.4	88.2	-1.5	1.8
Construction	79.8	83.1	84.0	3.3	0.9
Manufacturing	80.0	81.4	80.0	1.4	-1.4
Food	79.8	76.8	75.8	-3.0	-1.0
Beverage and tobacco products	72.6	73.0	73.3	0.4	0.3
Beverage	73.5	74.1	74.4	0.6	0.3
Tobacco	65.8	65.4	65.3	-0.4	-0.1
Textiles	71.2	70.6	67.4	-0.6	-3.2
Textile mills	76.8	77.7	73.8	0.9	-3.9
Textile product mills	66.6	64.9	62.4	-1.7	-2.5
Clothing	73.4	70.9	67.1	-2.5	-3.8
Leather and allied products	72.1	71.8	69.0	-0.3	-2.8
Wood products	75.1	80.7	84.3	5.6	3.6
Paper	87.9	86.4	88.5	-1.5	2.1
Printing and related support activities	69.1	70.1	69.4	1.0	-0.7
Petroleum and coal products	79.5	79.4	79.0	-0.1	-0.4
Chemical products	75.8	77.0	77.2	1.2	0.2
Plastics and rubber products	77.6	78.2	77.7	0.6	-0.5
Plastic products	75.5	77.1	76.7	1.6	-0.4
Rubber products	86.2	83.4	82.6	-2.8	-0.8
Non-metallic mineral products	77.0	76.8	68.9	-0.2	-7.9
Primary metal	85.1	83.0	83.2	-2.1	0.2
Fabricated metal products	80.3	82.5	78.5	2.2	-4.0
Machinery	81.7	85.6	81.5	3.9	-4.1
Computer and electronic products	89.6	83.3	80.5	-6.3	-2.8
Electrical equipment, appliances and components	76.7	76.2	75.7	-0.5	-0.5
Transportation equipment	83.5	90.8	87.0	7.3	-3.8
Furniture and related products	74.3	76.4	79.1	2.1	2.7
Miscellaneous manufacturing	81.2	78.9	80.9	-2.3	2.0

**Available in CANSIM: table 028-0002.**

**Definitions, data sources and methods: survey number 2821.**

Data on industrial capacity utilization rates for the first quarter will be released on June 12.

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 (613-951-4636; [mediahotline@statcan.gc.ca](mailto:mediahotline@statcan.gc.ca)).