

## Gross Domestic Product Northwest Territories, 2016 Final

Today, Statistics Canada released initial 2016 estimates of income and expenditure accounts and revised 2016 estimates of Gross Domestic Product (GDP) by industry for Canada, the provinces and territories.

Table 1 shows the chained (2007) dollar GDP at market prices for 2016 and 2015. Changes in chained dollar GDP estimates only reflect changes in the quantities of goods and services produced, not their prices. In 2016, the chained dollar GDP for the Northwest Territories rose by 0.8%. Most jurisdictions experienced positive growth, with only Alberta and Saskatchewan declining between 2015 and 2016. Nationally, GDP for Canada rose by 1.4% over this period.

**Table 1 Gross Domestic Product at Market Prices, 2016 and 2015**  
Canada, Provinces and Territories  
Millions of chained (2007) dollars

|                           | 2016      | 2015      | Percent<br>Change<br>(%) |
|---------------------------|-----------|-----------|--------------------------|
| Canada                    | 1,801,368 | 1,776,251 | 1.4                      |
| Northwest Territories     | 3,868     | 3,839     | 0.8                      |
| Nunavut                   | 1,974     | 1,940     | 1.8                      |
| Yukon                     | 2,452     | 2,270     | 8.0                      |
| British Columbia          | 240,824   | 232,691   | 3.5                      |
| Alberta                   | 302,768   | 314,251   | -3.7                     |
| Saskatchewan              | 62,531    | 62,846    | -0.5                     |
| Manitoba                  | 60,445    | 59,132    | 2.2                      |
| Ontario                   | 685,008   | 667,659   | 2.6                      |
| Quebec                    | 343,260   | 338,463   | 1.4                      |
| New Brunswick             | 29,376    | 29,027    | 1.2                      |
| Nova Scotia               | 36,654    | 36,356    | 0.8                      |
| Prince Edward Island      | 5,237     | 5,118     | 2.3                      |
| Newfoundland and Labrador | 27,851    | 27,342    | 1.9                      |

Table 2 shows GDP at market prices in current dollars for Canada, the provinces and territories in 2015 and 2016. This measure of GDP includes the impact of both volume and price changes. Compared to 2015, the GDP in Northwest Territories declined by 2.6%. Among the provinces and territories, Alberta experienced the largest decline, falling by 4.9%, while Saskatchewan decreased by 4.0%. The largest GDP increase was in Yukon and British Columbia, both at 4.8%.

**Table 2 Gross Domestic Product at Market Prices, 2016 and 2015**  
**Canada, Provinces and Territories**  
 Millions of current dollars

|                           | 2016      | 2015      | Percent Change (%) |
|---------------------------|-----------|-----------|--------------------|
| Canada                    | 2,035,506 | 1,994,911 | 2.0                |
| Northwest Territories     | 4,739     | 4,868     | -2.6               |
| Nunavut                   | 2,443     | 2,397     | 1.9                |
| Yukon                     | 2,800     | 2,673     | 4.8                |
| British Columbia          | 263,706   | 251,744   | 4.8                |
| Alberta                   | 314,944   | 331,251   | -4.9               |
| Saskatchewan              | 75,261    | 78,377    | -4.0               |
| Manitoba                  | 67,863    | 66,346    | 2.3                |
| Ontario                   | 794,835   | 762,029   | 4.3                |
| Quebec                    | 394,819   | 384,511   | 2.7                |
| New Brunswick             | 34,224    | 33,028    | 3.6                |
| Nova Scotia               | 41,726    | 40,580    | 2.8                |
| Prince Edward Island      | 6,321     | 6,077     | 4.0                |
| Newfoundland and Labrador | 31,112    | 30,332    | 2.6                |

The detailed components of GDP can be shown through the income or expenditure side of the production process. Table 3 shows select income-side components of current dollar GDP for the Northwest Territories. The 2.6% fall in current dollar GDP was a result of a decrease in gross operating surplus, which includes profit earned by corporations. Compensation of employees (labour income) which comprises the largest share of income GDP also declined between 2015 and 2016.

**Table 3 Select Income-Side Components of GDP Growth, 2016 and 2015**  
**Northwest Territories**  
 Millions of current dollars

|   | 2016  | 2015  | Percent Change (%) |
|---|-------|-------|--------------------|
| Gross domestic product at market prices                 | 4,739 | 4,868 | -2.6               |
| Compensation of employees                               | 2,525 | 2,540 | -0.6               |
| Gross operating surplus                                 | 1,615 | 1,761 | -8.3               |
| Gross mixed income                                      | 362   | 343   | 5.5                |
| Net mixed income  | 292   | 276   | 5.8                |
| Consumption of fixed capital: unincorporated businesses | 70    | 67    | 4.5                |
| Taxes less subsidies on production                      | 99    | 97    | 2.1                |
| Taxes less subsidies on products and imports            | 137   | 124   | 10.5               |

Table 4 shows select expenditure-side components of chained (2007) dollar GDP for the Northwest Territories. Growth in final consumption expenditures was relatively flat with both household and government expenditures increasing by less than 1% between 2015 and 2016. Investment in inventories increased by over 80% from 2015, but makes up a relatively small component of GDP.

Gross fixed capital formation, which includes construction activity at the mines and construction of other non-residential structures, decreased by 4.7% between 2015 and 2016. A decline in business fixed capital formation was partially offset by a rise in government capital formation, which includes the Stanton Hospital Renewal Project and the Inuvik to Tuktoyaktuk Highway.

**Table 4 Select Expenditure-Side Components of GDP Growth, 2016 and 2015**  
**Northwest Territories**  
 Millions of chained (2007) dollars

|   | 2016  | 2015  | Percent Change (%) |
|---|-------|-------|--------------------|
| Gross domestic product (GDP)                    | 3,868 | 3,839 | 0.8                |
| Final domestic demand                           | 4,677 | 4,727 | -1.1               |
| Final consumption expenditure                   | 3,272 | 3,253 | 0.6                |
| Household expenditure                           | 1,422 | 1,416 | 0.4                |
| Non-profit institutions serving households exp. | 50    | 49    | 2.0                |
| Governments expenditure                         | 1,799 | 1,787 | 0.7                |
| Investment in inventories                       | 42    | 23    | 82.6               |
| Gross fixed capital formation                   | 1,412 | 1,482 | -4.7               |
| Governments gross fixed capital formation       | 392   | 292   | 34.2               |
| Business gross fixed capital formation          | 1,010 | 1,182 | -14.6              |
| Residential structures                          | 104   | 91    | 14.3               |
| Non-residential structures                      | 541   | 644   | -16.0              |
| Machinery and equipment                         | 263   | 291   | -9.6               |
| Intellectual property products                  | 103   | 134   | -23.1              |
| Non-profit gross fixed capital formation        | 9     | 9     | 0.0                |
| Exports of goods and services                   | 2,522 | 2,505 | 0.7                |
| Less: imports of goods and services             | 3,379 | 3,431 | -1.5               |

Table 5 shows GDP by industry for the Northwest Territories. The largest contributor to NWT GDP, the mining, oil and gas extraction industry, fell by 1.7%, mostly as a result of the Tungsten mine closure and declining oil production. This decrease was offset by an increase in diamond mining due to the start of pre-commercial production at the newest diamond mine, Gahcho Kué. Completion of the Gahcho Kué construction phase contributed to the 4.5% GDP decline in the construction industry. An increase in non-residential building construction, primarily from the Stanton Hospital Renewal Project, helped negate the industry's losses.

The service industries saw mixed results with wholesale and retail trade decreasing, while transportation, real estate and renting and leasing, as well as public administration posting modest gains between 2015 and 2016.



**Table 5 Gross Domestic Product at Basic Prices by Selected Industry, 2016 and 2015**  
**Northwest Territories**  
 Millions of chained (2007) dollars

|   | 2016    | 2015    | Percent<br>Change<br>(%) |
|---|---------|---------|--------------------------|
| All industries                                      | 3,744.8 | 3,714.1 | 0.8                      |
| Agriculture, forestry, fishing and hunting          | 21.0    | 20.8    | 1.0                      |
| Mining, quarrying, and oil and gas extraction       | 938.6   | 954.4   | -1.7                     |
| Oil and gas extraction                              | 255.5   | 280.2   | -8.8                     |
| Metal ore mining (Tungsten)                         | 0.0     | 25.9    | -100.0                   |
| Diamond mining                                      | 654.1   | 619.4   | 5.6                      |
| Support activities for mining , oil & gas           | 33.0    | 40.6    | -18.7                    |
| Utilities   | 48.5    | 46.8    | 3.6                      |
| Construction  | 367.6   | 385.0   | -4.5                     |
| Residential building construction                   | 24.1    | 21.6    | 11.6                     |
| Non-residential building construction               | 105.1   | 34.7    | 202.9                    |
| Engineering construction                            | 130.5   | 211.2   | -38.2                    |
| Repair construction                                 | 70.7    | 70.9    | -0.3                     |
| Other activities of the construction industry       | 43.9    | 48.7    | -9.9                     |
| Manufacturing                                       | 11.0    | 12.3    | -10.6                    |
| Wholesale trade                                     | 115.2   | 121.6   | -5.3                     |
| Retail trade  | 199.9   | 211.2   | -5.4                     |
| Transportation and warehousing                      | 339.6   | 304.2   | 11.6                     |
| Information and cultural industries                 | 83.9    | 83.4    | 0.6                      |
| Finance and insurance                               | 115.6   | 109.3   | 5.8                      |
| Real estate and rental and leasing                  | 319.8   | 306.4   | 4.4                      |
| Professional, scientific and technical services     | 83.6    | 85.3    | -2.0                     |
| Management of companies and enterprises             | 28.8    | 29.4    | -2.0                     |
| Administrative and support, waste management etc.   | 66.9    | 66.5    | 0.6                      |
| Educational services                                | 170.0   | 169.6   | 0.2                      |
| Health care and social assistance                   | 247.7   | 238.8   | 3.7                      |
| Arts, entertainment and recreation                  | 7.0     | 8.3     | -15.7                    |
| Accommodation and food services                     | 71.3    | 71.9    | -0.8                     |
| Other services (except public administration)       | 46.4    | 45.5    | 2.0                      |
| Public administration                               | 593.4   | 574.7   | 3.3                      |
| Federal government public administration            | 132.1   | 130.6   | 1.1                      |
| Provincial and territorial public administration    | 332.5   | 320.8   | 3.6                      |
| Local, municipal and regional public administration | 72.7    | 69.7    | 4.3                      |
| Aboriginal public administration                    | 54.4    | 52.4    | 3.8                      |

The next release of provincial/territorial economic accounts information is scheduled to be available in April 2018 and will include preliminary 2017 estimates by industry.

