

## Gross Domestic Product Northwest Territories, 2017 Final

Today, Statistics Canada released initial 2017 estimates of income and expenditure accounts and revised 2017 estimates of Gross Domestic Product (GDP) by industry for Canada, the provinces and territories.

Table 1 shows the chained (2012) dollar GDP at market prices for 2017 and 2016. Changes in chained dollar GDP estimates only reflect changes in the quantities of goods and services produced, not their prices. For the first time since 2010, GDP increased for all provinces and territories. GDP for the Northwest Territories rose by 3.7%, the fourth highest among the provinces and territories behind Nunavut, Alberta and British Columbia. Nationally, GDP for Canada rose by 3.0% between 2016 and 2017.

**Table 1 Gross Domestic Product at Market Prices, 2017 and 2016**  
Canada, Provinces and Territories  
Millions of chained (2012) dollars

	2017	2016	Percent Change (%)
Canada	2,010,894	1,952,608	3.0
Northwest Territories	5,004	4,827	3.7
Nunavut	2,704	2,463	9.8
Yukon	2,651	2,571	3.1
British Columbia	256,875	247,426	3.8
Alberta	336,773	322,681	4.4
Saskatchewan	85,536	83,663	2.2
Manitoba	66,596	64,512	3.2
Ontario	761,305	740,712	2.8
Quebec	383,144	372,690	2.8
New Brunswick	32,916	32,323	1.8
Nova Scotia	39,461	38,895	1.5
Prince Edward Island	6,059	5,855	3.5
Newfoundland and Labrador	33,811	33,514	0.9

Table 2 shows GDP at market prices in current dollars for Canada, the provinces and territories in 2016 and 2017. The current dollar measure of GDP includes the impact of both volume and price changes. By this measure of GDP, the Northwest Territories increased by 5.5% and ranked fifth in growth among provinces and territories.

**Table 2 Gross Domestic Product at Market Prices, 2017 and 2016**  
**Canada, Provinces and Territories**  
 Millions of current dollars

	2017	2016	Percent Change (%)
Canada	2,137,528	2,023,824	5.6
Northwest Territories	4,856	4,603	5.5
Nunavut	2,846	2,513	13.3
Yukon	2,895	2,715	6.6
British Columbia	282,204	263,978	6.9
Alberta	331,937	301,711	10.0
Saskatchewan	79,513	75,844	4.8
Manitoba	71,019	67,391	5.4
Ontario	825,805	792,932	4.1
Quebec	417,173	397,291	5.0
New Brunswick	36,088	34,593	4.3
Nova Scotia	42,715	41,492	2.9
Prince Edward Island	6,652	6,348	4.8
Newfoundland and Labrador	33,074	31,696	4.3

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 5.5% rise in current dollar GDP was a result of an increase in gross operating surplus, which includes profit earned by corporations. The large increase gross operating surplus can be attributed in part to the first full year of production at the Gahcho Kué diamond mine. Compensation of employees (labour income), which comprises the largest share of income GDP, was almost unchanged between 2016 and 2017.

**Table 3 Select Income-Side Components of GDP Growth, 2017 and 2016**  
**Northwest Territories**  
 Millions of current dollars

	2017	2016	Percent Change (%)
Gross domestic product at market prices	4,856	4,603	5.5
Compensation of employees	2,446	2,443	0.1
Gross operating surplus	1,780	1,555	14.5
Gross mixed income	382	373	2.4
Net mixed income	309	303	2.0
Consumption of fixed capital: unincorporated businesses	73	70	4.3
Taxes less subsidies on production	97	94	3.2
Taxes less subsidies on products and imports	150	139	7.9

Table 4 shows select expenditure-side components of chained (2012) dollar GDP for the Northwest Territories. Final consumption expenditures grew between 2016 and 2017 with both household and government expenditures increasing by more than 1% over the period. Investment in inventories also increased in 2017.

Gross fixed capital formation, which includes construction activity at the mines and construction of other non-residential structures, decreased by 26.9% between 2016 and 2017. A decline in business components was partially offset by a rise in government capital formation.

Exports increased by 11.3% between 2016 and 2017. The change in exports can be traced back to the resource extraction sector, with an increase in exports to other countries related to the diamond industry and a decrease in exports to other provinces related to oil and gas extraction.

**Table 4 Select Expenditure-Side Components of GDP Growth, 2017 and 2016**  
**Northwest Territories**  
 Millions of chained (2012) dollars

	2017	2016	Percent Change (%)
Gross domestic product (GDP)	5,004	4,827	3.7
Final domestic demand	4,906	5,269	-6.9
Final consumption expenditure	3,781	3,729	1.4
Household expenditure	1,596	1,575	1.3
Non-profit institutions serving households exp.	70	68	2.9
Governments expenditure	2,116	2,087	1.4
Investment in inventories	77	-7	1,200.0*
Gross fixed capital formation	1,126	1,541	-26.9
Governments gross fixed capital formation	363	359	1.1
Business gross fixed capital formation	754	1,172	-35.7
Residential structures	77	99	-22.2
Non-residential structures	360	719	-49.9
Machinery and equipment	193	230	-16.1
Intellectual property products	119	120	-0.8
Non-profit gross fixed capital formation	10	9	11.1
Exports of goods and services	3,494	3,138	11.3
Exports to other countries	2,662	2,046	30.1
Exports to other provinces	821	1,069	-23.2
Less: imports of goods and services	3,394	3,554	-4.5
Imports from other countries	1,105	1,080	2.3
Imports from other provinces	2,299	2,498	-8.0

\*used the absolute value of the percentage change to show that inventories increased between 2016 and 2017.

Table 5 shows GDP by industry for the Northwest Territories. The largest contributor to NWT GDP, the mining, oil and gas extraction industry, rose by 31.8%. Diamond mining grew by 64.7% in 2017 as the Gahcho Kué mine completed its first full year of production. This increase was offset by the 96.5% decline in oil and gas extraction, a result of the Norman Wells production shut down in early 2017. The construction industry decreased by 26.2%, with reduced construction activity at the diamond mines and the completion of the Inuvik to Tuktoyaktuk highway. Projects such as the Stanton Territorial Hospital Renewal contributed to the 25.1% increase in non-residential building construction.

While the manufacturing sector is relatively small, it experienced positive growth between 2016 and 2017, rising by 64.2% over the period. Growth in public administration was relatively flat, with the majority of the 0.5% increase stemming from the local, and Indigenous sub-industries.

**Table 5 Gross Domestic Product at Basic Prices by Selected Industry, 2017 and 2016**  
**Northwest Territories**  
 Millions of chained (2012) dollars

	2017	2016	Percent Change (%)
All industries	4,860.3	4,678.7	3.9
Agriculture, forestry, fishing and hunting	10.8	10.6	1.9
Mining, quarrying, and oil and gas extraction	1,817.8	1,378.7	31.8
Oil and gas extraction	7.9	226.6	-96.5
Diamond mining	1,813.0	1,100.7	64.7
Support activities for mining , oil & gas	76.7	69.4	10.5
Utilities	71.1	69.7	2.0
Construction	375.7	508.9	-26.2
Residential building construction	35.9	52.5	-31.6
Non-residential building construction	45.3	36.2	25.1
Engineering construction	157.5	259.6	-39.3
Other activities of the construction industry	24.2	39.9	-39.3
Repair construction	120.7	116.3	3.8
Manufacturing	24.8	15.1	64.2
Wholesale trade	119.7	124.8	-4.1
Retail trade	170.7	165.0	3.5
Transportation and warehousing	272.6	278.5	-2.1
Information and cultural industries	89.3	91.2	-2.1
Finance and insurance	130.7	128.7	1.6
Real estate and rental and leasing	391.4	381.0	2.7
Professional, scientific and technical services	97.4	95.1	2.4
Management of companies and enterprises	32.9	32.8	0.3
Administrative and support, waste management etc.	66.2	65.4	1.2
Educational services	212.6	211.0	0.8
Health care and social assistance	302.8	298.7	1.4
Arts, entertainment and recreation	5.9	5.5	7.3
Accommodation and food services	94.5	93.0	1.6
Other services (except public administration)	59.4	58.1	2.2
Public administration	704.7	700.9	0.5
Federal government public administration	147.2	148.4	-0.8
Provincial and territorial public administration	405.5	404.7	0.2
Local, municipal and regional public administration	92.3	90.7	1.8
Indigenous public administration	59.1	56.9	3.9

The next release of provincial/territorial economic accounts information is scheduled to be available in April 2019 and will include preliminary 2018 estimates by industry.

