

Gross Domestic Product Northwest Territories, 2018 Final

Today, Statistics Canada released initial 2018 estimates of income and expenditure accounts and revised 2018 estimates of Gross Domestic Product (GDP) by industry for Canada, the provinces and territories. GDP is one way to report the size and growth of the economy.

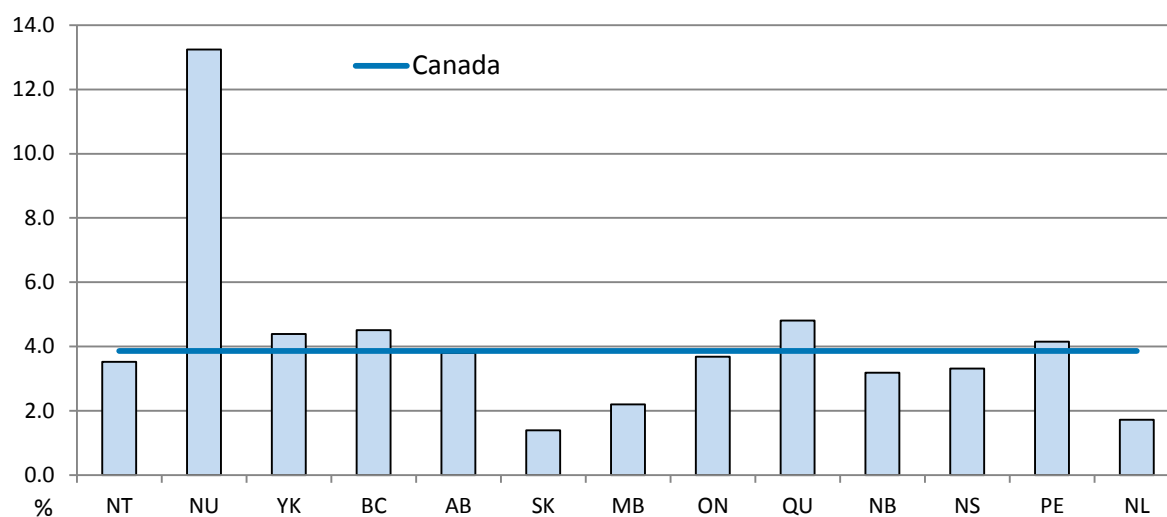
Table 1 shows the chained (2012) dollar GDP at market prices for 2018 and 2017. Changes in chained dollar GDP estimates only reflect changes in the quantities of goods and services produced, not their prices. Between 2017 and 2018, GDP for the Northwest Territories rose by 1.9%. In comparison, Nunavut experienced the largest growth over the same period, expanding by 7.6%, while Yukon was second highest with 3.3%. Newfoundland and Labrador was the only province to experience a decline in GDP with a 3.5% drop. Overall growth in Canada was 2.0% between 2017 and 2018.

Table 1 Gross Domestic Product at Market Prices, 2018 and 2017
Canada, Provinces and Territories
Millions of chained (2012) dollars

	2018	2017	Percent Change (%)
Canada	2,058,117	2,017,492	2.0
Northwest Territories	4,889	4,798	1.9
Nunavut	2,986	2,776	7.6
Yukon	2,699	2,612	3.3
British Columbia	264,063	257,466	2.6
Alberta	346,477	341,029	1.6
Saskatchewan	86,598	85,456	1.3
Manitoba	67,432	66,576	1.3
Ontario	778,518	761,818	2.2
Quebec	394,865	385,385	2.5
New Brunswick	33,195	32,917	0.8
Nova Scotia	40,249	39,651	1.5
Prince Edward Island	6,314	6,154	2.6
Newfoundland and Labrador	32,406	33,597	-3.5

Table 2 shows the percentage change in current dollar GDP for Canada, the provinces and territories. 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 3.5% and ranked eighth in growth among provinces and territories.

Table 2 Percentage Change in Current Dollar Gross Domestic Product, 2018
Canada, Provinces and Territories



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 3.5% rise in current dollar GDP was a result of an increase in gross operating surplus, which includes profit earned by corporations. Compensation of employees (labour income), which comprises the largest share of income GDP, also contributed to the increase, rising by 3.2% between 2017 and 2018.

Table 3 Select Income-Side Components of GDP Growth, 2018 and 2017
Northwest Territories
Millions of current dollars

	2018	2017	Percent Change (%)
Gross domestic product at market prices	4,730	4,569	3.5
Compensation of employees	2,507	2,430	3.2
Gross operating surplus	1,597	1,504	6.2
Gross mixed income	374	375	-0.3
Net mixed income	298	303	-1.7
Consumption of fixed capital: unincorporated businesses	76	72	5.6
Taxes less subsidies on production	96	98	-2.0
Taxes less subsidies on products and imports	163	156	4.5

Table 4 shows select expenditure-side components of chained (2012) dollar GDP for the Northwest Territories.

Final consumption expenditures grew between 2017 and 2018 with household and government expenditures increasing by 1.3% and 0.8% respectively over the period. Gross fixed capital formation, which includes construction activity at the mines and construction of other non-residential structures, rose by 1.9% between 2017 and 2018. A decline in the business components was offset by a rise in government capital formation.

Exports increased by 0.8% between 2017 and 2018. The change in exports can be traced back to the resource extraction sector, with a decrease in exports to other countries related to the diamond industry and an increase in exports to other provinces related to oil and gas extraction.

Table 4 Select Expenditure-Side Components of GDP Growth, 2018 and 2017
Northwest Territories
Millions of chained (2012) dollars

	2018	2017	Percent Change (%)
Gross domestic product (GDP)	4,889	4,798	1.9
Final domestic demand	4,914	4,860	1.1
Final consumption expenditure	3,826	3,792	0.9
Household expenditure	1,648	1,627	1.3
Non-profit institutions serving households exp.	69	72	-4.2
Governments expenditure	2,111	2,095	0.8
Investment in inventories	28	19	47.4
Gross fixed capital formation	1,093	1,073	1.9
Governments gross fixed capital formation	382	322	18.6
Business gross fixed capital formation	703	742	-5.3
Residential structures	67	74	-9.5
Non-residential structures	375	382	-1.8
Machinery and equipment	126	172	-26.7
Intellectual property products	125	103	21.4
Non-profit gross fixed capital formation	9	10	-10.0
Exports of goods and services	3,581	3,553	0.8
Exports to other countries	2,710	2,724	-0.5
Exports to other provinces	883	844	4.6
Less: imports of goods and services	3,535	3,514	0.6
Imports from other countries	1,312	1,204	9.0
Imports from other provinces	2,210	2,313	-4.5

Table 5 shows GDP by industry for the Northwest Territories. The largest contributor to NWT GDP, the mining, oil and gas extraction industry, was largely unchanged between 2017 and 2018. The 4.7% decline in diamond mining was offset by a rise in oil and gas extraction when the Norman Wells oil field resumed operations after a temporary shutdown. Repairs to the oil and gas pipeline in 2018 contributed to the 14.1% increase in engineering construction. Non-residential building construction fell by 16.0% due to the completion or near completion of various projects including an arena in Hay River, a school gymnasium in Yellowknife and the Stanton Territorial Hospital Renewal Project. Overall, construction increased by 3.2% between 2017 and 2018.

GDP growth between 2017 and 2018 occurred in many of the larger service industries including real estate, rental and leasing, health care and social assistance and public administration. A 4.8% rise in transportation & warehousing over the year was mainly due to the re-opening of the Norman Wells to Alberta oil pipeline in 2018.

Table 5 Gross Domestic Product at Basic Prices by Selected Industry, 2018 and 2017
Northwest Territories
 Millions of chained (2012) dollars

	2018	2017	Percent Change (%)
All industries	4,716.4	4,642.7	1.6
Agriculture, forestry, fishing and hunting	9.7	9.7	0.0
Mining, quarrying, and oil and gas extraction	1,714.1	1,715.2	-0.1
Oil and gas extraction	37.2	7.7	383.1
Diamond mining	1,663.8	1,746.3	-4.7
Support activities for mining, oil & gas	114.9	94.4	21.7
Utilities	74.3	72.3	2.8
Construction	359.6	348.4	3.2
Residential building construction	34.3	36.8	-6.8
Non-residential building construction	39.9	47.5	-16.0
Engineering construction	181.2	158.8	14.1
Other activities of the construction industry	25.3	27.1	-6.6
Repair construction	81.7	84.0	-2.7
Manufacturing	15.0	12.0	25.0
Wholesale trade	104.7	107.1	-2.2
Retail trade	166.2	163.8	1.5
Transportation and warehousing	254.8	243.1	4.8
Information and cultural industries	97.1	96.0	1.1
Finance and insurance	120.5	119.7	0.7
Real estate, rental and leasing	399.5	394.1	1.4
Professional, scientific and technical services	83.7	82.4	1.6
Management of companies and enterprises	27.4	28.1	-2.5
Administrative and support, waste management etc.	55.2	56.8	-2.8
Educational services	215.0	211.0	1.9
Health care and social assistance	308.7	303.1	1.8
Arts, entertainment and recreation	6.5	6.5	0.0
Accommodation and food services	94.8	92.7	2.3
Other services (except public administration)	56.3	57.4	-1.9
Public administration	716.4	698.3	2.6
Federal government public administration	150.4	148.1	1.6
Provincial and territorial public administration	407.1	400.6	1.6
Local, municipal and regional public administration	97.0	92.2	5.2
Aboriginal public administration	60.3	56.7	6.3

The next release of provincial/territorial economic accounts information is scheduled to be available in May 2020 and will include preliminary 2019 estimates by industry.