

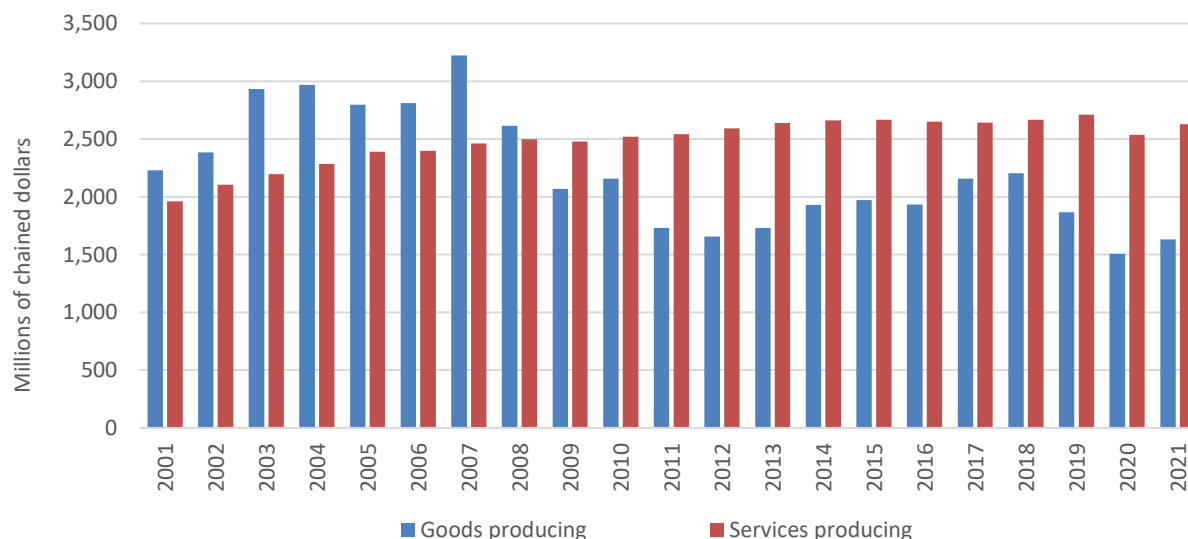


Gross Domestic Product Northwest Territories, 2021 Final

Statistics Canada has released initial 2021 estimates of income and expenditure accounts and revised 2021 estimates of Gross Domestic Product (GDP) for Canada, the provinces and territories. GDP is one way to report the size and growth of the economy. In 2021, the NWT economy grew by 4.8% partially offsetting the 10.2% decline in 2020.

Figure 1 shows the NWT GDP in millions of chained dollars¹ for the goods and service producing sectors over the last two decades. Typically, GDP in the NWT is driven by a few goods producing industries that may rise or fall over the short to medium term. In contrast, the service producing sector tends to increase steadily over time. The pandemic disrupted both sectors in 2020 with both experiencing a partial recovery in 2021.

**Figure 1 Gross Domestic Product at Basic Prices for the Goods and Service Sectors
1999 to 2021, Northwest Territories**



The mining, oil and gas extraction industry, the largest industry in the territory, grew by 12.9% between 2020 and 2021. Following a temporary shutdown for most of 2020, the Ekati mine reopened in early 2021 resulting in a 12.8% increase in the diamond mining industry. The construction industry remained relatively steady in 2021, increasing by 0.3%. GDP changes between 2020 and 2021 varied among service producing industries. Real estate & renting & leasing, along with finance & insurance and public administration showed increases for 2020 and 2021.

¹ Changes in chained dollar GDP estimates only reflect the change in the quantities of goods and services produced, not their prices.

In contrast, wholesale trade decreased 43% in 2020 and a further 26% in 2021. Transportation & warehousing, management, and arts, entertainment & recreation industries also had consecutive declines over the two-year period. After falling by 41% in 2020, accommodation & food services rose by 22% in 2021.

**Table 1 Gross Domestic Product at Basic Prices by Selected Industries, 2019 to 2021
Northwest Territories**

	Millions of Chained (2012) Dollars			Percent Change (%)	
	2019	2020	2021	2020	2021
All industries	4,601.5	4,133.2	4,333.5	-10.2	4.8
Goods Producing Industries					
Agriculture, forestry, fishing and hunting	8.2	7.9	7.9	-3.7	0.0
Mining, quarrying, and oil and gas	1,587.3	1,220.1	1,377.5	-23.1	12.9
Oil and gas extraction	168.9	118.7	125.4	-29.7	5.6
Diamond mining	1,463.7	1,151.8	1,299.7	-21.3	12.8
Support activities for mining, oil & gas	68.3	47.5	59.3	-30.5	24.8
Utilities	70.1	64.0	63.0	-8.7	-1.6
Construction	306.3	270.8	271.7	-11.6	0.3
Residential building construction	29.0	35.9	38.0	23.8	5.8
Non-residential building construction	40.1	17.1	16.9	-57.4	-1.2
Engineering construction	113.9	103.0	105.6	-9.6	2.5
Other activities in construction	44.2	32.7	32.0	-26.0	-2.1
Repair construction	81.2	77.1	74.4	-5.0	-3.5
Manufacturing	14.9	13.5	13.9	-9.4	3.0
Service Producing Industries					
Wholesale trade	103.7	58.9	43.9	-43.2	-25.5
Retail trade	165.4	175.4	175.2	6.0	-0.1
Transportation and warehousing	221.8	124.9	120.9	-43.7	-3.2
Information and cultural industries	104.9	104.9	105.8	0.0	0.9
Finance and insurance	117.2	122.0	129.0	4.1	5.7
Real estate, rental and leasing	401.4	407.2	414.1	1.4	1.7
Professional, scientific and technical services	96.2	93.6	93.5	-2.7	-0.1
Management of companies and enterprises	13.0	4.5	3.3	-65.4	-26.7
Administrative & support, waste man.	55.1	50.0	53.8	-9.3	7.6
Educational services	215.3	205.6	215.1	-4.5	4.6
Health care and social assistance	316.3	316.9	345.6	0.2	9.1
Arts, entertainment and recreation	6.5	3.9	3.2	-40.0	-17.9
Accommodation and food services	87.3	51.5	62.9	-41.0	22.1
Other services (except public administration)	59.6	55.6	59.5	-6.7	7.0
Public administration	747.2	765.1	804.6	2.4	5.2
Federal government	154.3	153.6	161.2	-0.5	4.9
Provincial and territorial	425.4	458.2	498.0	7.7	8.7
Local, municipal and regional	101.9	95.3	94.6	-6.5	-0.7
Indigenous	64.0	60.1	56.9	-6.1	-5.3

Table 2 shows select expenditure-side components of chained (2012) dollar GDP for the Northwest Territories. Final consumption expenditures grew between 2020 and 2021, a result of higher government expenditures (4.7%) and increased household expenditures (4.2%). Gross fixed capital formation, which includes construction of buildings and other infrastructure, increased by just over 10% in 2021 following a 26% decline the previous year.

Exports also partially rebounded, increasing by 11.7% between 2020 and 2021. The rise in exports of goods to other countries relates to the diamond industry while increased oil and gas extraction contributed to the gain in exports of goods to other provinces. Imports also rose to mostly offset the 6.9% decline in 2020.

**Table 2 Select Expenditure-Side Components of GDP Growth, 2019 to 2021
Northwest Territories**

	Millions of Chained (2012) Dollars			Percent Change (%)	
	2019	2020	2021	2020	2021
Gross domestic product (GDP)	4,750	4,265	4,475	-10.2	4.9
Final domestic demand	4,826	4,694	4,934	-2.7	5.1
Final consumption expenditure	3,989	4,082	4,258	2.3	4.3
Household expenditure	1,665	1,650	1,719	-0.9	4.2
Non-profit institutions serving households	84	88	84	4.8	-4.5
Governments expenditure	2,243	2,344	2,454	4.5	4.7
Gross fixed capital formation	846	626	689	-26.0	10.1
Governments gross fixed capital formation	291	257	283	-11.7	10.1
Business gross fixed capital formation	549	363	401	-33.9	10.5
Residential structures	56	77	88	37.5	14.3
Non-residential structures	216	129	125	-40.3	-3.1
Machinery and equipment	150	77	72	-48.7	-6.5
Intellectual property products	117	69	104	-41.0	50.7
Non-profit gross fixed capital formation	7	8	8	14.3	0.0
Exports of goods and services	3,250	2,443	2,730	-24.8	11.7
Exports of goods to other countries	2,047	1,525	1,695	-25.5	11.1
Exports of services to other countries	99	75	76	-24.2	1.3
Exports of goods to other provinces	408	344	402	-15.7	16.9
Exports of services to other provinces	679	499	564	-26.5	13.0
Less: imports of goods and services	3,240	3,017	3,176	-6.9	5.3
Imports of goods from other countries	927	922	943	-0.5	2.3
Imports of services from other countries	190	161	199	-15.3	23.6
Imports of goods from other provinces	622	671	585	7.9	-12.8
Imports of services from other provinces	1,499	1,267	1,442	-15.5	13.8

GDP can also be shown in current dollars which includes the impact of both volume and price changes (Table 3). Both compensation of employees (wages and salaries) and gross operating surplus (profit) increased in 2021, fully offsetting their respective declines in 2020. Gross mixed income (self-employed persons) continued to increase, rising by more than 5% in both 2020 and 2021.

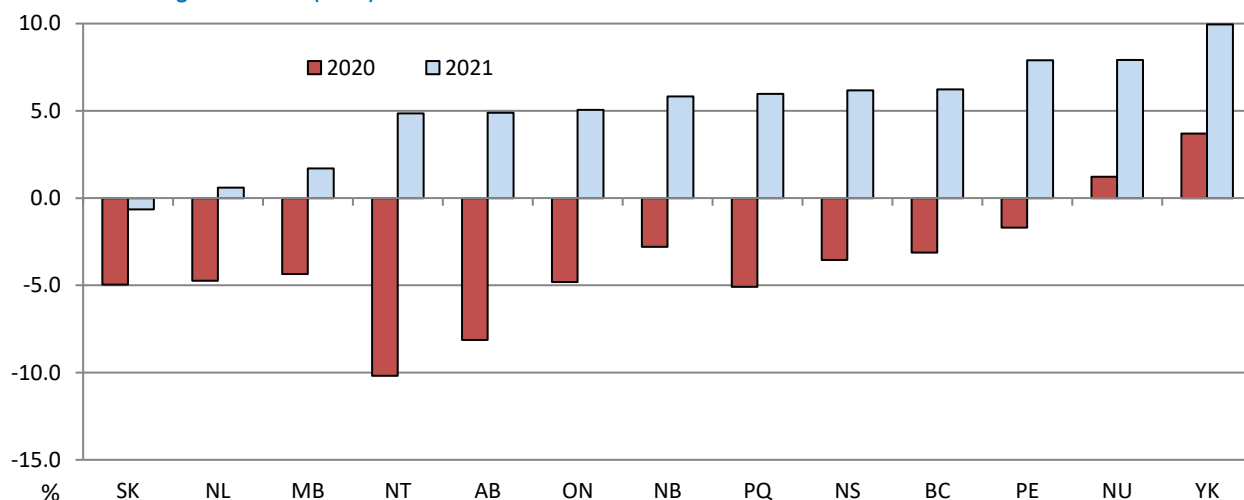
**Table 3 Select Income-Side Components of GDP Growth, 2019 to 2021
Northwest Territories**

	Millions of Current Dollars			Percent Change (%)	
	2019	2020	2021	2020	2021
Gross domestic product	4,670	4,145	4,966	-11.2	19.8
Compensation of employees	2,493	2,449	2,669	-1.8	9.0
Gross operating surplus	1,529	1,136	1,607	-25.7	41.5
Gross mixed income	387	416	438	7.5	5.3
Net mixed income	312	337	352	8.0	4.5
Consumption of fixed capital	75	79	86	5.3	8.9
Taxes less subsidies on production	93	-20	62	-121.5	-410.0
Taxes less subsidies on products & imports	166	166	194	0.0	16.9

National GDP

Most provinces and territories grew by over 5% between 2020 and 2021, with only Saskatchewan experiencing a decline over the period (figure 2). Many provinces fully recovered from their 2020 declines, while both Yukon and Nunavut were the only jurisdictions to have GDP growth in both 2020 and 2021. Overall, Canada increased by 4.9% in 2021, following a 5.1% decline in 2020.

**Figure 2 Percentage Change in Gross Domestic Product, 2020 & 2021
Provinces and Territories,
Change in Chained (2012) Dollars**



The next release of provincial/territorial economic accounts information is scheduled for May 2023 and will include preliminary 2022 estimates by industry.

For more information, please visit the NWT Bureau of Statistics website at <http://www.statsnwt.ca> or call (867) 767-9169.