

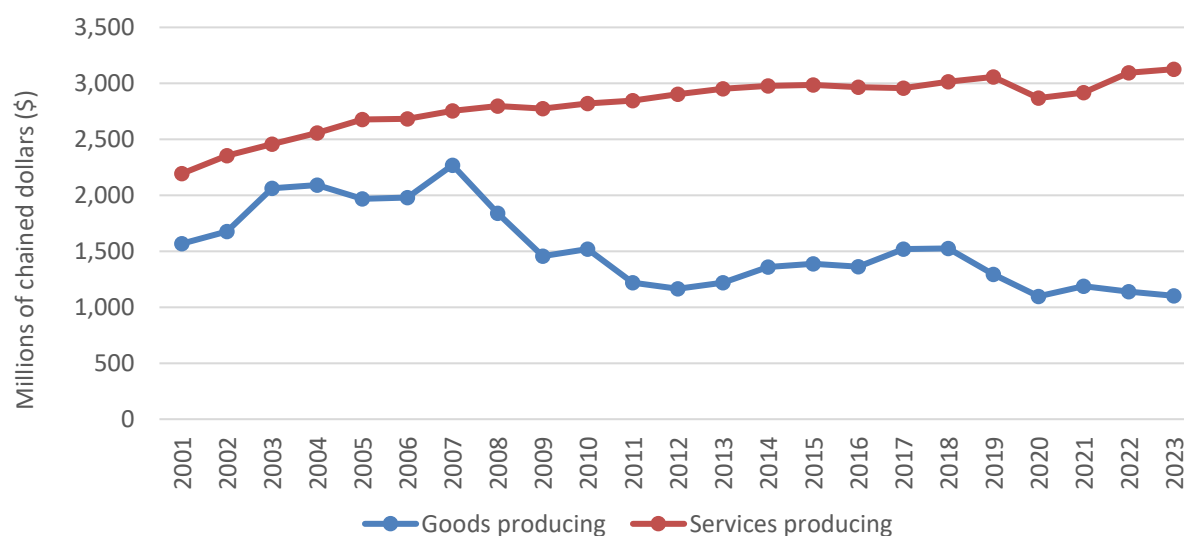


Gross Domestic Product Northwest Territories, 2023 Final

Statistics Canada has released initial 2023 estimates of income and expenditure accounts and revised 2023 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.

NWT's GDP decreased by 0.4% between 2022 and 2023. Typically, the NWT's economy is driven by a few goods producing industries whose GDP may rise or fall over the short to medium term. In contrast, GDP in 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. Since then, the service sector has returned to pre-pandemic levels while the goods sector has slightly declined.

Figure 1 Gross Domestic Product at Basic Prices for the Goods and Service Sectors, 2001 to 2023
Northwest Territories, Millions of chained (2017) dollars



During 2023, GDP declined in the mining, oil and gas extraction industry as oil & gas extraction and diamond mining fell by 33.5% and 2.1% respectively. In contrast, the construction industry increased by 7.0%. The change in GDP between 2022 and 2023 varied among service producing industries. Transportation and warehousing fell by 4.1%, a result largely stemming from a decline in pipeline transportation due to lower oil & gas extraction. While air transportation also declined, it was still above pre-pandemic levels. Other industries such as educational services and management of companies and enterprises also declined between 2022 and 2023.

These declines were offset by increases in sectors such as health care and social assistance (3.5%) and wholesale trade (5.3%). Accommodations and food services, one of the hardest-hit sectors of the pandemic, increased by 12.5% between 2022 and 2023. Public administration also increased, rising by 2.1% between 2022 and 2023. Other industries such as retail trade, and real estate, rental and leasing experienced marginal growth over the same period.

Table 1 Gross Domestic Product at Basic Prices by Selected Industries, 2022 to 2023
Northwest Territories, Millions of chained (2017) dollars

	2022	2023	Percent Change (%)
All industries	4,214.3	4,199.5	-0.4
Good Producing Industries			
Agriculture, forestry, fishing and hunting	24.2	25.8	6.6
Mining, quarrying, and oil and gas	763.9	720.5	-5.7
Oil and gas extraction	125.7	83.6	-33.5
Diamond mining	615.0	602.0	-2.1
Support activities for mining, oil & gas	60.2	68.0	13.0
Utilities	72.3	69.0	-4.6
Construction	268.7	287.6	7.0
Manufacturing	14.8	13.6	-8.1
Service Producing Industries			
Wholesale trade	41.3	43.5	5.3
Retail trade	187.1	187.2	0.1
Transportation and warehousing	279.2	267.8	-4.1
Information and cultural industries	112.9	112.8	-0.1
Finance and insurance	132.9	133.1	0.2
Real estate, rental and leasing	461.3	461.9	0.1
Professional, scientific and technical services	87.5	92.1	5.3
Management of companies and enterprises	2.1	1.3	-38.1
Administrative & support, waste man.	62.3	63.8	2.4
Educational services	273.8	272.0	-0.7
Health care and social assistance	395.2	409.2	3.5
Arts, entertainment and recreation	6.9	9.1	31.9
Accommodation and food services	98.6	110.9	12.5
Other services (except public administration)	73.4	71.8	-2.2
Public administration	853.3	870.9	2.1
Federal government	171.1	167.6	-2.0
Provincial and territorial	479.4	484.3	1.0
Local, municipal and regional	112.9	123.5	9.4
Indigenous	91.6	97.3	6.2

Table 2 shows select expenditure-side components of chained (2017) dollar GDP for the Northwest Territories. Final consumption expenditures increased by 1.8% between 2022 and 2023 as higher government expenditures (3.3%) were partially offset by lower household expenditures (-0.7%). Gross fixed capital formation, which includes construction of buildings and other infrastructure, rose by 7.5% in 2023.

Table 2 Select Expenditure-Side Components of GDP Growth, 2022 to 2023
Northwest Territories, Millions of chained (2017) dollars

	2022	2023	Percent Change (%)
Gross domestic product (GDP)	4,352	4,330	-0.5
Final domestic demand	5,437	5,586	2.7
Final consumption expenditure	4,606	4,687	1.8
Household expenditure	1,781	1,769	-0.7
Non-profit institutions serving households exp.	80	81	1.3
Governments expenditure	2,744	2,834	3.3
Investment in inventories	42	144	242.9
Gross fixed capital formation	829	891	7.5
Governments gross fixed capital formation	401	416	3.7
Business gross fixed capital formation	421	467	10.9
Residential structures	70	62	-11.4
Non-residential structures	129	169	31.0
Machinery and equipment	119	101	-15.1
Intellectual property products	107	142	32.7
Non-profit gross fixed capital formation	7	9	28.6
Exports of goods and services	2,264	2,240	-1.1
Exports to other countries	1,402	1,400	-0.1
Exports to other provinces	884	860	-2.7
Less: imports of goods and services	3,378	3,593	6.4
Imports from other countries	1,281	1,376	7.4
Imports from other provinces	2,102	2,222	5.7

GDP can also be shown in current dollars which includes the impact of both volume and price changes (Table 3). Gross domestic product decreased by 0.5% in current dollars. Most components of income-based GDP increased; compensation of employees (labour income) increased by 5.1% while gross mixed income (self-employment income) increased by 12.5. In contrast, gross operating surplus, which includes profits from the private sector, decreased by 12.9% between 2022 and 2023.

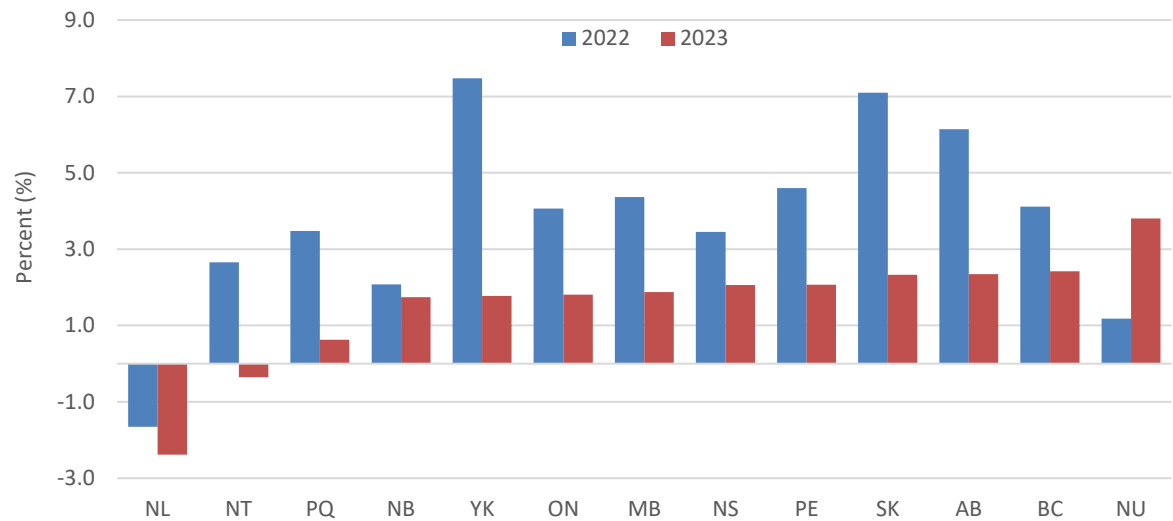
Table 3 Select Income-Side Components of GDP Growth, 2022 to 2023
Northwest Territories, Millions of current dollars

	2022	2023	Percent Change (%)
Gross domestic product at market prices	5,505	5,478	-0.5
Compensation of employees	2,801	2,943	5.1
Gross operating surplus	1,948	1,696	-12.9
Gross mixed income	465	523	12.5
Net mixed income	364	399	9.6
Consumption of fixed capital: unincorporated businesses	101	124	22.8
Taxes less subsidies on production	70	75	7.1
Taxes less subsidies on products and imports	224	242	8.0

National GDP

Except for Newfoundland and Labrador and Northwest Territories, all provinces and territories experienced positive GDP growth in 2023. GDP increased the most in Nunavut and was the only jurisdiction with a higher growth rate in 2023 compared to 2022.

Figure 2 Percentage Change in Gross Domestic Product, 2022 & 2023
Provinces and Territories, Change in Chained (2017) Dollars



The next release of provincial/territorial economic accounts information is scheduled for May 2025 and will include preliminary 2024 estimates by industry. For more information, please visit the NWT Bureau of Statistics website at <http://www.statsnwt.ca> or call (867) 767-9169.