

The Daily

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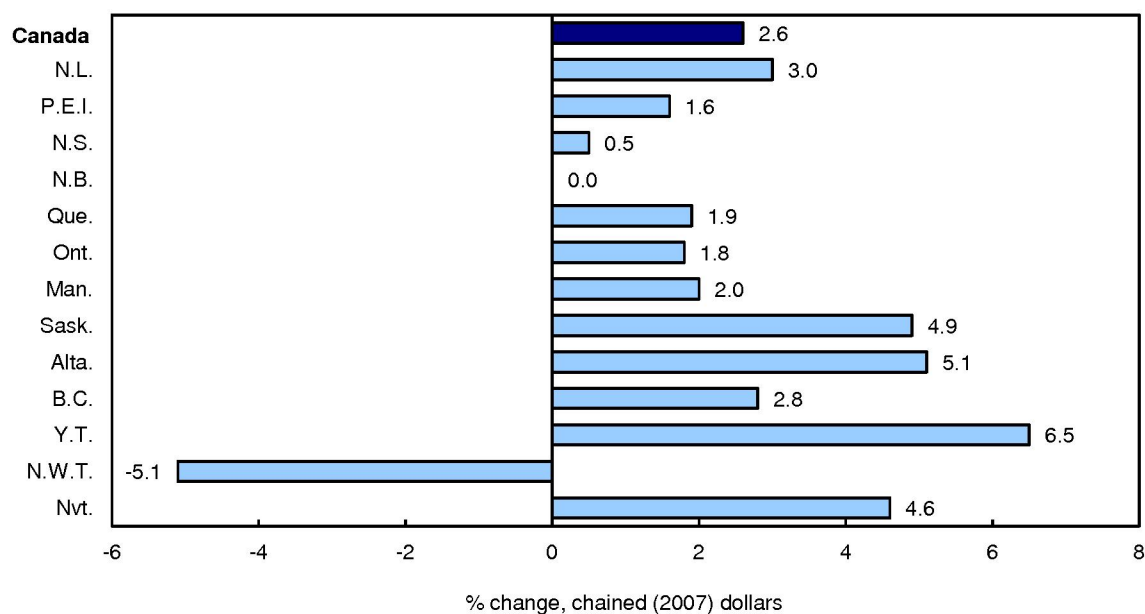


Releases

Provincial and territorial economic accounts, 2011

Most provinces and territories recorded slower economic growth in 2011 compared with 2010, with the exception of Saskatchewan, Alberta and Yukon, where growth accelerated. Nationally, real gross domestic product (GDP) increased 2.6%, compared with 3.2% growth in the previous year.

Chart 1
Real gross domestic product, 2011



The resource-rich provinces of Newfoundland and Labrador, Saskatchewan and Alberta increased their combined share of national GDP in nominal terms to 23% in 2011 from 22% in 2010. Yukon led the country with growth of 6.5% in 2011. The Northwest Territories economy contracted 5.1%.

Business investment drove growth in the Canadian economy, as well as most provincial and territorial economies in 2011, increasing 7.1% nationally on the strength of outlays in non-residential structures and machinery and equipment. Business investment declined in New Brunswick, Manitoba and the Northwest Territories.

Housing investment, which slowed considerably across most of the country in 2011, declined in Alberta, New Brunswick and the three territories. However, its pace picked up in Saskatchewan, Prince Edward Island and British Columbia.

Consumer spending advanced 2.4% nationally in 2011, compared with an increase of 3.5% in 2010. Saskatchewan and Nunavut recorded a faster pace of household consumption than in 2010.

The winding down of economic stimulus funding contributed to a 3.3% decline in government capital outlays nationally, following two years of increases averaging 9.0%. Government investment fell in every province except Nova Scotia, Prince Edward Island, Quebec and Saskatchewan. Public spending on infrastructure increased significantly in Yukon and Nunavut.

Atlantic Canada

Newfoundland and Labrador recorded a 3.0% increase in real GDP in 2011, after leading the provinces with 6.3% growth in 2010. Exports edged up 0.2%, although exports to other countries declined for a third straight year. Final domestic demand increased 5.7%, the fastest pace in the country, driven by business investment related to construction in the oil and gas and mining sectors. Imports were up 2.0%.

Prince Edward Island's economy expanded 1.6% in 2011, compared with a 2.7% rise in 2010. Growth in 2011 was driven by a 4.2% increase in final domestic demand. Business investment in non-residential structures and machinery and equipment rebounded 46.6% to return to pre-2009 levels. Business investment in residential housing rose 5.9%, its third straight year of steady gains. Exports declined 1.2%, the weakest rate among the provinces.

In Nova Scotia, real GDP advanced 0.5% in 2011, following a 1.9% increase in 2010. Consumer spending increased 1.5%, the slowest pace among the provinces, as outlays on consumer durable goods, notably new and used motor vehicles, declined. Business investment advanced 6.9%, driven by a 50.8% increase in outlays for machinery and equipment. Exports edged down 0.1%, while imports increased 3.3%.

New Brunswick's economy was flat in 2011, after growing 3.1% in 2010. Final domestic demand contracted 0.5%. Business investment was down 3.6%, the third year of decline. Government current and capital outlays were also down. Exports advanced 0.9%, while imports gained 0.2%, driven by trade with the rest of Canada. The province's international trade contracted.

Central Canada

Real GDP advanced 1.9% in Quebec in 2011, compared with an increase of 2.5% in 2010. Final domestic demand expanded 2.4% on gains in business investment, consumer spending and government outlays. Business investment in residential housing grew 0.7%, a much slower pace than in 2010 (+9.5%). Exports decreased 0.2%, owing to lower exports to other countries. Imports were up 4.2%.

The economy grew 1.8% in Ontario in 2011, following a 3.2% expansion in 2010. Exports were up 5.7%, with notable increases in shipments of nickel to other countries. Business investment in non-residential structures and machinery and equipment increased 13.8%. Business investment in residential housing was up 3.8%, twice the national average. Imports increased 7.5%.

Western Canada

Manitoba's economy advanced 2.0% in 2011, after increasing 2.5% the year before. Final domestic demand was up 1.3%, slower than its 5.5% increase in 2010. Business investment fell 0.8%, as a result of lower outlays on non-residential structures. Consumer spending increased 2.2%. Farm inventories were reduced, as heavy rains and flooding curtailed crop production. Exports were up 5.7%, boosted by international exports of nickel.

Saskatchewan's real GDP increased 4.9% in 2011, compared with a 4.4% rise in 2010. Exports were up 7.7%. Sharply higher exports of crude oil more than offset lower wheat exports. Consumer spending accelerated from the year before, gaining 3.0% as households increased outlays on durable goods, notably new trucks and used motor vehicles, and services. Business investment in residential structures (+18.8%) doubled its pace from 2010. Imports rose 8.5%.

Alberta's economy grew at the fastest rate among the provinces in 2011, expanding 5.1% compared with an increase of 4.0% in 2010. Exports advanced 9.2%, more than four times their pace in 2010. Consumer spending rose 3.4%, driven by household outlays on durable goods, notably new trucks and used motor vehicles, and services. Business investment was up 7.6%, despite a 5.2% decline in investment in residential housing.

Economic output advanced 2.8% in British Columbia in 2011, following 3.2% growth the previous year. Business investment increased 9.3%, driven by outlays on non-residential structures and machinery and equipment. Business investment in residential structures was up 3.4%, more than double the pace in 2010. Exports rose 4.9% and imports 6.6%.

The territories

Real GDP in Yukon rose 6.5% in 2011, the fastest pace in the country, following 5.5% growth in 2010. Exports jumped 22.0%, more than double their pace in 2010. Business investment rose 6.5% on the strength of outlays on mineral exploration. Consumer spending increased 4.5%, the fastest pace in Canada. Household spending on services was up notably, driven by rents, air transportation and food and non-alcoholic beverage services. Imports were up 18.2%.

In the Northwest Territories, economic activity contracted 5.1%, after expanding 2.0% in 2010. Exports fell 7.2% as a result of lower diamond shipments to other countries. Final domestic demand also contracted, as business investment decreased 7.8% and governments reduced outlays on infrastructure. Consumer spending rose 1.2%, the weakest pace in the country. Imports were down 1.7%.

Nunavut's economy expanded 4.6% in 2011, following 16.6% growth in 2010. Exports (+18.6%) continued to grow on increased gold and silver mining. Business investment rose 14.7%, driven by outlays on mineral exploration. Government outlays on infrastructure were also up. Consumer spending rose 3.9%, while imports increased 10.4%.

Note to readers

Periodically, the provincial and territorial economic accounts undergo historical revisions, which are much broader in scope than the regular revisions undertaken on an annual basis. These historical revisions are reserved for incorporating updated international national accounting standards, as well as conceptual, classification, presentational and major statistical changes.

This release incorporates such revisions back to 2007. Revisions back to 1981 will be released in 2013. The revisions are consistent with those incorporated in the Canadian economic accounts, published on October 1, 2012. This release also incorporates the new provincial and territorial input-output accounts benchmarks for reference year 2009. Revised provincial-territorial gross domestic product (GDP) by industry will be released on December 14.

Similar to the national results, the implementation of these historical revisions did not result in substantial changes to the level, nominal growth rate or real growth rate of provincial or territorial GDP. The revised accounts provide additional information that present a more comprehensive picture of the provincial and territorial economies in Canada.

Products, services and contact information

Detailed analysis and tables

All of Statistics Canada's information and data on the System of national economic accounts are available in the [National economic accounts](#) web module, accessible from the *Key resource* module of our website.

Available without charge in CANSIM: tables 026-0009 and 384-0037 to 384-0042.

Definitions, data sources and methods: survey number 1902.

This release of the provincial and territorial economic accounts incorporates revisions back to 2007, as part of the ongoing historical revisions, which are much broader in scope than the regular revisions undertaken on an annual basis. These historical revisions are reserved for incorporating updated international national accounting standards, as well as conceptual, classification, presentational and major statistical changes. Revisions back to 1981 will be released in 2013. The revisions are consistent with those incorporated in the Canadian economic accounts, published on October 1, 2012. This release also incorporates the new provincial and territorial input-output accounts benchmarks for reference year 2009.

The Provincial and Territorial Gross Domestic Product (GDP) by Income and by Expenditure Accounts include estimates of the income- and the expenditure-based GDP, real GDP, contributions to percent change in real GDP, implicit price indexes and the current accounts for the household sector.

For more information, consult the publication *Latest Developments in the Canadian Economic Accounts* (13-605-X, free), available from the *Key resource* module of our website under *Publications*.

To enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Study: Trucking across the Canada-US border, 2004 to 2009

In 2009, it cost 15% more to ship cargo across the border from Canada to the United States by truck than it did to transport equivalent goods the same distance between two destinations within Canada.

If cargo happened to be picked up in the United States and brought into Canada in 2009, the cost of importing these goods was estimated at 28% more than shipping the same goods domestically.

This study provides a first-ever estimate of the magnitude and sources of costs associated with trucking goods across the border between 2004 and 2009.

The two main factors in cross-border trucking costs are fixed costs per shipment of moving goods across the border and higher line-haul costs of trucking cargo over longer distances.

Delays at the border and other border compliance costs add to the fixed costs per shipment incurred by trucking firms. These fixed costs include facilities cost, insurance, and terminal costs, that is, loading and unloading costs.

Similarly, differences in fuel prices or difficulties finding "backhauls," namely cargo for a return shipment, can add to the line-haul costs of shipping to and from the United States.

The estimates for 2009 were a reversal of the situation five years earlier.

In 2004, the cost of trucking goods across the border from Canada to the United States was roughly 31% higher than shipping them the same distance domestically, well above the 2009 estimate.

However, the cost of importing goods by truck from the United States was an estimated 18% higher in 2004, well below the estimate five years later.

This reversal resulted primarily from changing line-haul costs, which, relative to domestic line-haul costs, fell for exports and rose for imports. Over this period, the balance of truck-borne trade swung decidedly towards imports, which may have switched the "backhaul" from the import to the export portion of a truck's round-trip.

On a tariff-equivalent basis, the extra cost associated with cross-border trucking added about 0.9% to the value of exported goods in 2004 and 0.4% to imported goods.

By 2009, the extra costs of cross-border trucking added about 0.4% to the value of exported goods, and 0.8% to the value of imported goods.

Note to readers

This study is based on data from Statistics Canada's Trucking Commodity Origin and Destination Survey. It examines how much crossing the border adds to the cost of moving goods by truck. In addition, it quantifies the cost of border delays, border-related compliance costs, and other costs associated with moving goods to and from the United States, Canada's main trading partner.

Costs measured by this study are only part of the total cost of shipping goods across the border. Institutional costs borne directly by exporting firms for matters such as customs administration have been estimated to be as great or greater than the costs passed on to them by freight carriers.

Definitions, data sources and methods: survey number 2741.

The research paper "Trucking Across the Border: The Relative Cost of Cross-border and Domestic Trucking, 2004 to 2009", part of the *Economic Analysis Research Paper Series* (11F0027M, free), is now available from the *Key resource* module of our website under *Publications*.

Highlights of the findings of this paper are available in the article "How Thick Is the Border?", as part of the *Economic Insights* series (11-626-X, free), from the *Key resource* module of our website, under *Publications*.

Similar studies from the Economic Analysis Division are available online (www.statcan.gc.ca/economicanalysis).

For more information, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Mark Brown (613-951-7292), Economic Analysis Division.

Primary iron and steel, September 2012

Data on primary iron and steel are now available for September.

Note to readers

Revised data for the months of May and August are also available.

Available without charge in CANSIM: tables 303-0048 to 303-0051.

Definitions, data sources and methods: survey numbers 2116 and 2184.

The September 2012 issue of *Steel, Tubular Products and Steel Wire* (41-019-X, free) will soon be available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

National and provincial-territorial input-output tables, 2009

The national and provincial-territorial input-output tables for 2009 are now available. The data reflect new input-output classifications, and conceptual and statistical improvements as part of a comprehensive revision to the System of national economic accounts. They are consistent with revisions incorporated in the Canadian economic accounts, published on October 1, 2012, and with the provincial and territorial economic accounts, published today.

Changes have not been incorporated to the national and provincial-territorial input-output tables for years prior to 2009.

Definitions, data sources and methods: survey number 1401.

Data are available in the products *National Input-Output Tables* (15F0041X, free) and *Provincial Input-Output Tables* (15F0042X, free), from the *Key resource* module of our website under *Publications*.

The following new CANSIM tables will be released on December 14: 381-0022 – Input-output tables, inputs and outputs, detailed level, basic prices; 381-0023 – Input-output tables, final demand, detailed level, basic prices; 381-0028 – Provincial input-output tables, inputs and outputs, summary level, basic prices; 381-0029 – Provincial input-output tables, final demand, summary level, basic prices; and 386-0003 – Provincial input-output tables, international and interprovincial trade flows, summary level, basic prices.

The following CANSIM tables will no longer be updated: 381-0009 – Inputs and outputs, by industry and commodity, L-level aggregation and North American Industry Classification System (NAICS); 381-0010 – Final demand categories, by commodity, L-level aggregation; 381-0011 – Final demand categories, by commodity, M-level aggregation; 381-0012 – Final demand categories, by commodity, S-level aggregation; 381-0013 – Inputs and outputs, by industry and commodity, S-level aggregation and North American Industry Classification System (NAICS); 381-0014 – Inputs and outputs, by industry and commodity, M-level aggregation and North American Industry Classification System (NAICS); and 386-0002 – Interprovincial and international trade flows at producer prices.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

New products and studies

New products

National Input-Output Tables, 2009

Catalogue number 15F0041X (Diskette, free)

Provincial Input-Output Tables, 2009

Catalogue number 15F0042X (Diskette, free)

New studies

Economic Insights: "How Thick Is the Border?", No. 20

Catalogue number 11-626-X2012020 (HTML, free | PDF, free)

Economic Analysis (EA) Research Paper Series: "Trucking Across the Border: The Relative Cost of Cross-border and Domestic Trucking, 2004 to 2009", No. 81

Catalogue number 11F0027M2012081 (HTML, free | PDF, free)



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