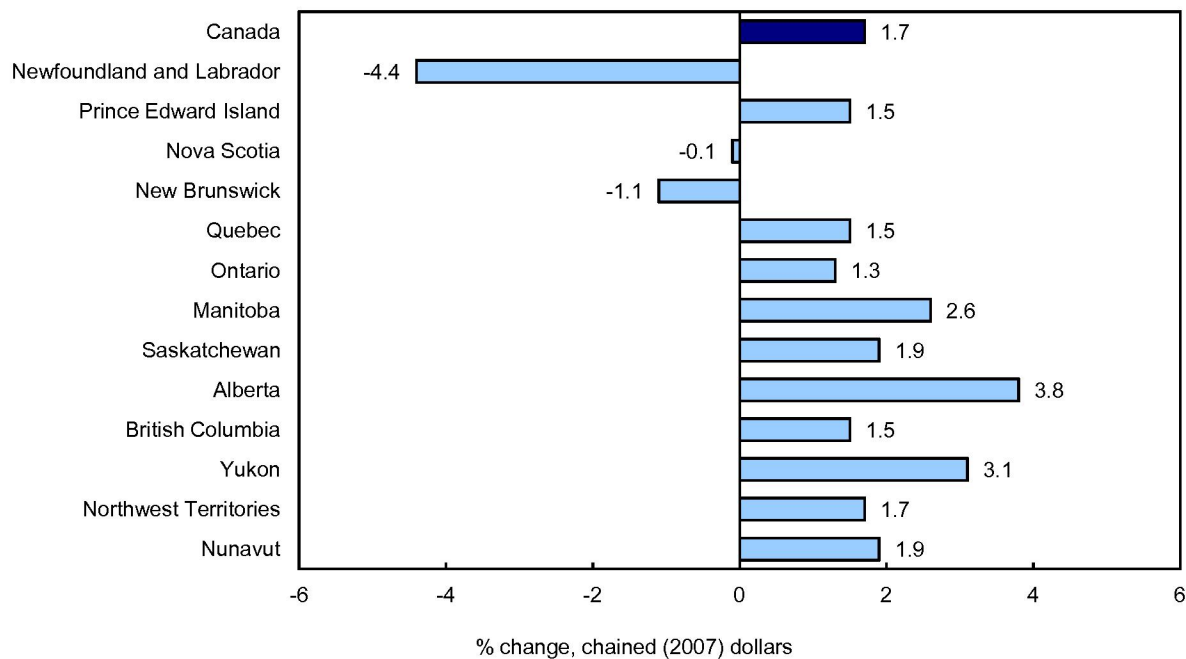


# Provincial and territorial economic accounts, 2012

Released at 8:30 a.m. Eastern time in *The Daily*, Friday, November 8, 2013

Economic growth was slower for most provinces and territories in 2012 compared with 2011. Nationally, real gross domestic product (GDP) increased 1.7% following 2.5% growth in 2011.

**Chart 1**  
**Real gross domestic product, 2012**



Real GDP growth surpassed the national average in Manitoba, Saskatchewan, Alberta, Yukon and Nunavut, with Alberta (+3.8%) recording the largest increase. Real GDP was down in Newfoundland and Labrador (-4.4%), New Brunswick (-1.1%) and Nova Scotia (-0.1%).

Household final consumption expenditure rose in all provinces and territories. However, it grew at a slower pace than in 2011 in all jurisdictions, except Newfoundland and Labrador, Saskatchewan and Alberta. In Alberta, households recorded the strongest increase in spending in the country at 4.3%.

Business gross fixed capital formation in residential structures increased 6.1% nationally in 2012 compared with 1.6% in 2011. Outlays were up in all provinces and in the Northwest Territories. Saskatchewan and Alberta led the way at 16.3% and 12.9%, respectively.

At the national level, business gross fixed capital formation in non-residential structures and machinery and equipment advanced 6.2% in 2012, following two years of double-digit gains. Newfoundland and Labrador, Quebec and British Columbia were well above the national average pace. Nova Scotia, New Brunswick, Yukon and Nunavut all posted declines.



Nationally, exports advanced 1.5% in 2012, slower than the 4.7% gain in 2011. Export growth also slowed across most of the provinces and territories. In Newfoundland and Labrador, Nova Scotia, Manitoba, British Columbia and Northwest Territories, exports fell in real terms. In Prince Edward Island, New Brunswick and Quebec, export growth accelerated in 2012.

Imports grew in all jurisdictions except Nova Scotia and the three territories in 2012. Nationally, imports were up 3.1% after increasing 5.7% in 2011, with most provinces and territories showing slower growth. Newfoundland and Labrador as well as New Brunswick posted stronger import growth than in 2011.

Compensation of employees (in current dollars) advanced in all provinces and territories except Nova Scotia (-0.3%), with Alberta (+9.2%) posting the strongest growth. Nationally, compensation of employees grew 4.5% in 2012 after advancing 5.3% in 2011.

Net operating surplus of corporations (in current dollars) was lower for all provinces and territories except Manitoba, Saskatchewan and Yukon. Nationally, net operating surplus of corporations declined 4.9% compared with an 11.3% increase in 2011.

Household disposable income (in current dollars) increased for most provinces and territories, led by Alberta (+9.0%), Yukon (+8.6%) and Newfoundland and Labrador (+7.0%). Nova Scotia (-0.4%) registered the lone decline. All provinces and territories except Prince Edward Island, Manitoba, Alberta, Yukon and Northwest Territories recorded slower growth in household disposable income than in 2011. National household disposable income was up 3.9% in 2012 after increasing 4.6% in 2011.

## **Atlantic Canada**

Newfoundland and Labrador's real GDP fell 4.4% in 2012 following a 2.9% increase in 2011. Exports declined 13.7% mainly as a result of lower exports of energy products. Business gross fixed capital formation advanced 34.3%, driven by outlays on non-residential building construction. Household final consumption expenditure increased 2.7%. Final domestic demand rose 9.2%, the fastest pace in the country. Imports of goods and services were up 6.2%. Compensation of employees advanced 8.9%, similar to the pace registered in 2011. Net operating surplus of corporations fell 11.4%.

Prince Edward Island's economy expanded 1.5% in 2012 after a 1.0% increase in 2011. Growth was driven by a 3.7% increase in exports, notably to other provinces. Final domestic demand declined 0.6% after two consecutive years of growth. Government gross fixed capital formation fell 15.0%, as several engineering projects were completed. Growth in business investment slowed to 1.9%, following double-digit gains in 2011. Household final consumption expenditure increased 1.0%. Imports rose 2.7%, led by higher imports from other countries. Compensation of employees was up 3.6% in 2012 following a 4.3% increase in 2011. Net operating surplus of corporations was down 14.5%.

In Nova Scotia, real GDP declined 0.1% in 2012 after growing 0.6% in 2011. Lower exports to other countries contributed to an overall 0.7% decline in exports of goods and services. Final domestic demand was down 0.5%, as business gross fixed capital formation declined 6.7%. Outlays on machinery and equipment fell 21.1%, following two years of strong growth. Household final consumption expenditure went up 0.7%, compared with a 1.7% increase in 2011. Imports were down 0.2%. Compensation of employees decreased 0.3%. Net operating surplus of corporations decreased 10.3%.

Real GDP in New Brunswick contracted 1.1% in 2012 after expanding 0.3% in 2011. Exports rose 3.4%, mainly as a result of shipments of energy products. Final domestic demand declined 2.0% after two consecutive years of growth. Government gross fixed capital formation fell 23.6%, following two years of strong growth. Business gross fixed capital formation, on the other hand, increased 0.2% as higher investment in residential structures was offset by lower outlays on machinery and equipment. Household final consumption expenditure rose 0.3%. Imports went up 2.6% as imports from other countries advanced 10.1%. Compensation of employees increased 1.9%. Net operating surplus of corporations decreased 12.6% after two consecutive years of growth.

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## Central Canada

Real GDP advanced 1.5% in Quebec in 2012, compared with an increase of 1.8% in 2011. Final domestic demand expanded 2.0% on gains in business gross fixed capital formation (+6.5%) and in household final consumption expenditure (+1.2%). Growth in investment in non-residential structures and machinery and equipment (+15.0%) was notably strong. Exports increased 1.6%, after edging up in 2011. Imports grew 2.9% in 2012 with most of the increase coming from other countries. Net operating surplus of corporations declined 0.6%. Compensation of employees was up 3.7%.

In Ontario, real GDP grew 1.3% in 2012 following 2.2% growth in 2011. Final domestic demand was up 1.3%, as household and government final consumption expenditure and business gross fixed capital formation all increased. Business investment in residential structures went up 4.7%, a faster pace than in 2011. Business outlays on non-residential structures, on the other hand, fell 1.6% following 18.0% growth in 2011. Imports were up 2.0% in 2012 compared with 5.6% in 2011. Exports were up 1.7%, as shipments of motor vehicles and parts advanced. Net operating surplus of corporations decreased 1.0%. Compensation of employees increased 3.1%.

## Western Canada

Manitoba's real GDP increased 2.6% in 2012, compared with a 1.7% rise in 2011. Business gross fixed capital formation advanced 5.9%, boosted by higher outlays for non-residential structures and machinery and equipment. Business investment in residential structures grew 7.4% compared with a 2.7% increase in 2011. Imports rose 3.2%. Lower exports to other countries led to an overall decline of 0.4% in exports in 2012. The net operating surplus of corporations increased 8.0%, after growing 4.1% in 2011. Compensation of employees was up 4.3% for the second straight year.

Saskatchewan recorded a 1.9% increase in real GDP in 2012 following 5.0% growth in 2011. Household final consumption expenditure increased 3.8% in 2012, driven by outlays on services and durable goods. Business investment in residential structures increased 16.3%, driving overall business gross fixed capital formation up 3.6%. Imports gained 0.9% and exports were up 0.5%. Compensation of employees increased 8.1% compared with 9.6% in 2011.

Alberta led the country in 2012 with 3.8% real GDP growth, after expanding 5.2% in 2011. Household final consumption expenditure rose 4.3% as outlays on services and durable and semi-durable goods remained strong. Business gross fixed capital formation advanced 6.6%, driven by outlays on residential structures (+12.9%) and non-residential structures (+7.8%). Exports grew 2.9% as shipments of energy products advanced. Compensation of employees was up 9.2%, the fastest pace in the country. Net operating surplus of corporations fell 10.4% after two years of strong gains.

Real GDP advanced 1.5% in British Columbia in 2012, following a 2.7% increase in 2011. Final domestic demand expanded 2.9% on increases in business gross fixed capital formation and household and government final consumption expenditures. Outlays on residential structures increased 9.1%. Imports were up 2.8%. Exports were flat, after increasing 5.5% in 2011. Compensation of employees advanced 4.2%. Net operating surplus of corporations fell 17.9%.

## The territories

Real GDP in Yukon rose 3.1% in 2012 following 3.3% growth in 2011. Exports grew 2.9% as shipments of mining products increased. Household final consumption expenditure advanced 2.8%. Business gross fixed capital formation fell 25.2% following two years of strong growth. Business outlays on non-residential structures were sharply down following the completion of major electric power engineering projects in 2011. Final domestic demand decreased 6.1%. Imports of goods and services fell 3.9%. Compensation of employees advanced 7.4%, while net operating surplus of corporations rebounded from a sharp decline in 2011.

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In the Northwest Territories, economic activity rose 1.7% in 2012 after contracting 7.3% in 2011. Final domestic demand increased 4.6%. Business gross fixed capital formation rose 21.0%, driven by investment in intellectual property products (which includes outlays on mineral exploration). Household final consumption expenditure rose 1.4%. Exports fell 8.9% with a downturn in mining products. Imports (-0.4%) were also down. Net operating surplus of corporations fell 24.9%, similar to the decline in 2011, while compensation of employees advanced 4.7%.

Nunavut's economy expanded 1.9% in 2012 following a gain of 3.7% in 2011. Exports increased 19.4% as a result of higher shipments of metal ores and concentrates to other provinces and territories. While household final consumption expenditure rose 2.4%, government final consumption expenditure was down 2.1% and business gross fixed capital formation declined 16.9%. Final domestic demand fell 6.6%. Imports of goods and services decreased 7.4%. Compensation of employees increased 4.6%, while net operating surplus of corporations fell markedly for a second year in a row.

### **Note to readers**

*This release incorporates revisions to the provincial and territorial economic accounts from 2007 to 2011 and an update to 2012. The provincial-territorial GDP by industry data are also revised from 2007 to 2012. Both incorporate the revised 2009 and new 2010 provincial and territorial input-output accounts benchmarks, the revisions to the national income and expenditure accounts released in May 2013, the revisions to the national GDP by industry data released in September 2013, as well as revised provincial-territorial source data.*

*Methodological improvements were also introduced, notably to the price index used to deflate own-account research and development and to the estimates of residence-based compensation of employees. These latter adjustments had different impacts on household disposable income across jurisdictions.*

*Revisions to the provincial-territorial economic accounts from 1981 to 2006 as well as revisions to the provincial-territorial GDP by industry data from 1997 to 2006 are scheduled for release on December 20, 2013.*

*Percentage changes for expenditure-based statistics (such as household final consumption expenditure, gross fixed capital formation, exports and imports) are calculated from volume measures that are adjusted for price variations. Percentage changes for income-based statistics (such as compensation of employees and net operating surplus of corporations) are calculated from nominal values; that is, they are not adjusted for price variations.*

## **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 through the [National economic accounts](#) web module, accessible from the home page of the agency's website.

Revised provincial and territorial data on GDP by industry for 2007 to 2012 are also now available.

## **Provincial and territorial gross domestic product by income and by expenditure accounts**

**Available in CANSIM: tables 384-0037 to 384-0042.**

**Definitions, data sources and methods: survey numbers 1902.**

Revised provincial and territorial gross domestic product by income and by expenditure data for 2007 to 2011 are included with new 2012 data in this release.

The provincial and territorial gross domestic product 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, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations (613-951-4636; [mediahotline@statcan.gc.ca](mailto:mediahotline@statcan.gc.ca)).

**Gross domestic product by industry – Provincial and territorial (annual)**

**Available in CANSIM: tables 379-0028 and 379-0030.**

**Definitions, data sources and methods: survey numbers 1303.**

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)).

To enquire about the concepts, methods or data quality of this release, contact Guillaume Dubé (613-951-1026; [guillaume.dube@statcan.gc.ca](mailto:guillaume.dube@statcan.gc.ca)), Industry Accounts Division.