

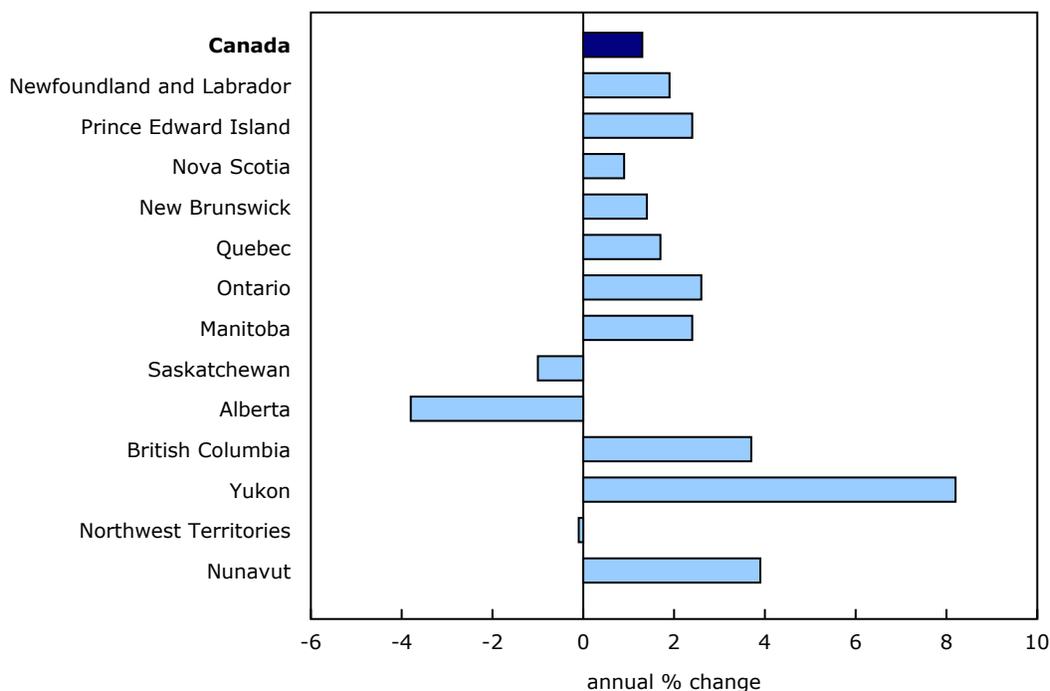
Gross domestic product by industry: Provinces and territories, 2016

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Real gross domestic product (GDP) by industry increased in eight provinces and two territories in 2016. GDP declined for the second consecutive year in Alberta and Saskatchewan, largely as a result of low oil and commodity prices. GDP also declined in Northwest Territories. Nationally, real GDP by industry rose 1.3% in 2016, following a 0.9% increase in 2015.

British Columbia led the provinces with GDP growth at 3.7%, followed by Ontario (+2.6%), Manitoba (+2.4%) and Prince Edward Island (+2.4%). For the second consecutive year, the largest decline in GDP was in Alberta (-3.8%).

Chart 1
Real gross domestic product, 2016



Source(s): CANSIM tables [379-0030](#) and [379-0031](#).

Newfoundland and Labrador

In Newfoundland and Labrador, GDP increased 1.9% in 2016 following a 1.8% decline in 2015. Growth was largely attributable to a 22% gain in output of conventional oil and gas extraction, due to higher output from the Hibernia oilfield. Construction output fell 3.7%. Engineering construction grew 5.0% as work on the Muskrat Falls electric power project more than offset declines in oil and gas engineering construction and other engineering construction. Non-residential construction declined 38% as major industrial and commercial projects were completed.



Manufacturing fell 7.9%. Boat and ship building accounted for most of the decline with the completion of a large drilling module in 2015. Fabricated metal products and refinery production also contributed to the decline. Non-ferrous metal products and seafood products preparation and packaging increased. Aquaculture increased 24% and fishing, hunting and trapping fell 8.6%.

Service-producing industries edged up 0.1%. Higher output of finance and insurance services, health care and universities was mostly offset by lower output in wholesale trade, professional, scientific and technical services, and retail trade.

Prince Edward Island

GDP rose 2.4% in Prince Edward Island in 2016—the strongest growth in 10 years—following a 1.3% gain in 2015. Goods-producing industries rose 3.2%. Construction increased 9.3%, led by electric power engineering construction as work continued on the Interconnection Upgrade Project to lay new power cables between the island and New Brunswick. Non-residential (+12%) and residential building construction (+4.5%) also advanced.

Manufacturing grew 3.7%, as increases in food products and aerospace products and parts more than offset declines in pharmaceuticals and medicines, and machinery. Crop production increased 3.8% on both higher yields and average quality of the potato harvest. Aquaculture output increased while fishing, hunting and trapping declined on a lower lobster catch. Wholesale trade (+3.9%) increased in tandem with goods output.

Services-producing industries grew 2.1% and accounted for almost 70% of total economy growth with gains in most subsectors. Finance and insurance industries increased 3.6%, led by banking and financial investment services. Offices of real estate agents and brokers rose 21%, driven by record sales of residential properties. Retail trade grew 3.2%, largely from stronger sales of motor vehicle and parts dealers. A good tourism season contributed to a 4.2% increase in accommodation and food services.

Nova Scotia

Nova Scotia's GDP rose 0.9% in 2016, following a 1.0% increase in 2015. Services output increased 1.0% and contributed the most to the gain, while goods output grew 0.5%. Retail trade advanced 2.0% with gains in motor vehicle and parts dealers and general merchandise stores. Air transportation services rose along with traveller accommodation, while wholesale trade and administrative support services declined. In the public sector, health care and social assistance, universities, and local, municipal and regional public administration added to the increase.

Construction increased 4.3%, led by a 26% increase in engineering construction as work began on the Nova Scotia segment of the Maritime Transmission Link and the development of the Touquoy gold mine got underway. However, non-residential building construction declined 11% with the opening of the new Halifax Shipyard Assembly facilities in 2015 and the near completion of a large hotel, convention centre and office complex in Halifax.

Manufacturing increased 2.8%, led by ship and boat building as the new Arctic and Offshore Patrol Ship project continued. Aerospace products and parts, sawmills and wood preservation, seafood products and preparation all contributed to growth. At the same time, paper manufacturing, fabricated metal products, and miscellaneous food manufacturing declined.

The mining, quarrying and oil and gas extraction sector fell 9.2%. There were decreases in oil and gas extraction (-2.1%), support activities to oil and gas extraction (-29%) and non-metallic mineral mining (-7.2%). Fishing, hunting and trapping contracted 9.0%, mainly due to a late start to the lobster season and unfavourable weather conditions.

New Brunswick

In New Brunswick, GDP grew 1.4% in 2016, following a 2.1% gain in 2015. Services-producing industries rose 1.5% and goods-producing industries grew 1.0%. Finance and insurance industries grew 3.5%. Retail trade advanced 2.7% on widespread gains across most types of stores, while wholesale trade rose 4.4%. Computer systems design and related services, truck transportation, and food services and drinking establishments

contributed to the growth, while architectural, engineering and related services declined. In the public sector, higher output by hospitals and local, municipal and local administration services more than offset a decline in defence services.

Construction increased 4.2% on contributions from all major subsectors. Engineering construction grew 8.7%, mostly as a result of the Interconnection Upgrade Project to upgrade power cables between New Brunswick and Prince Edward Island and, to a lesser extent, a maintenance project at the Saint John refinery. Non-residential building construction increased 8.5% with modernisation work at a pulp and paper mill and the start of construction of a new office tower in Saint John.

Manufacturing increased 1.1%, led by gains in output of food products, wood and paper products, primary metal products, non-metallic mineral products, and transportation equipment. Output of petroleum refineries declined 2.2% while miscellaneous manufactured goods output declined significantly. Aquaculture increased 8.9%, and fishing, hunting and trapping advanced 4.7%. Forestry and logging grew 3.2%.

Mining and quarrying fell 24% as the impact of the closing of the Piccadilly potash mine more than offset higher output at the Caribou lead and zinc mine.

Quebec

Quebec's GDP grew 1.7% in 2016, following a 1.2% increase in 2015. Services output rose 2.2% and contributed the most to the increase. Gains were reported by banking, financial investment services, lessors of real estate, retail trade, and wholesale trade, as well as air and truck transportation. In the public sector, hospitals, universities, and local, municipal and regional public administration services also contributed to the growth.

Goods-producing industries advanced 0.5%. Construction output grew 1.5%, the first increase since 2012, with contributions from electric power engineering construction and residential building construction. Non-residential building construction fell 7.1%, the fourth successive year of contraction, as construction on health and education facilities declined.

Manufacturing output fell 0.4%, as losses in aerospace products and parts (-12%) and alumina and aluminum products (-11%) more than offset gains in food products, pharmaceuticals and medicines, wood products, machinery, and plastic and rubber products.

Mining and quarrying increased 0.9% as higher output from gold and silver mines, copper, nickel, lead and zinc mines, as well as the first production from the Renard diamond mine, more than compensated for lower iron ore mining and other non-metallic mineral mining.

Ontario

Ontario's GDP rose 2.6% in 2016, following the same gain in 2015. Service-producing industries (+3.0%) contributed more to the growth than goods-producing industries (+1.3%). A robust housing market led to a 7.5% increase in residential construction and influenced gains in banking services, lessors of real estate, real estate agents and brokers, and insurance carriers. Total construction activity (+1.6%) was tempered by declines in engineering construction and, to a lesser extent, non-residential construction.

Wholesale trade grew 3.9% and retail trade advanced 3.5%, with growth reported in all but one trade industry. Professional, scientific and technical services were up 3.7%, largely on increased activity in computer systems design and related services. Financial investment services, air and truck transportation, as well as, federal government public administration contributed to the growth.

Manufacturing increased 1.8%, following a 1.1% gain in 2015. Increases in output were reported by motor vehicle parts, food products, plastic products, primary metal products, and pharmaceuticals and medicines manufacturing. Fabricated metal products, petroleum and coal products as well as printing and related products declined.

Electric power generation, transmission and distribution increased 3.0%. Low metal ore prices contributed to a significant decline in support activities for mining, with activity in this industry down 85% from its peak in 2012.

Manitoba

Manitoba's GDP increased 2.4% in 2016, following a 2.1% gain in 2015. Goods output rose 3.4%, mainly because of a 20% increase in engineering construction as work on major electric power generation and transmission projects progressed, more than offsetting a large decline in oil and gas engineering construction. In contrast, residential building construction fell for the third consecutive year as housing starts fell to their lowest level since 2009. In addition, non-residential building construction decreased 4.4%, mainly the result of a decline in the construction of institutional and government buildings.

Manufacturing grew 2.4%, as gains in food products, pharmaceuticals and medicines, wood products, and miscellaneous manufactured goods offset losses in transportation equipment and agricultural, construction and mining machinery. Electric power generation, transmission and distribution increased 2.4%.

Crop production grew 4.5% following a 14% gain in 2015. However, output remained below the bumper crop year of 2013. Low oil prices contributed to an 11% decline in conventional oil and gas extraction, the fourth consecutive year of contraction. Copper, nickel, lead and zinc mining increased 3.4%. Support activities for both mining and for oil and gas extraction dropped significantly.

Service-producing industries rose 2.0%. Finance and insurance services increased 3.9% on higher output from financial investment services, banking services and insurance carriers. There were also notable contributions from retail trade, transportation and warehousing, health care services, lessors of real estate, and food and drinking places. Wholesale trade was essentially unchanged.

Saskatchewan

In Saskatchewan, GDP fell 1.0% in 2016 following a 1.3% decline in 2015. This was the first time since 2001 and 2002 that GDP has declined for two consecutive years in the province. Goods-producing industries fell 2.9% and contributed the most to the decline, largely due to decreases in construction (-14%) and in mining, quarrying and oil and gas extraction (-4.5%). In contrast, crop production increased 6.2% due to above average yields.

Against a backdrop of low oil and commodity prices, engineering construction (-31%) fell sharply for the second consecutive year, as construction of oil and gas extraction projects and mining projects were scaled back. Lower output of electric power engineering construction also contributed to the decline. Residential construction was down 7.3%, following a 14% decline in 2015, as the number of housing starts fell to their lowest level since 2009. Non-residential building activity increased 11%, due to higher investment on institutional and government structures.

Manufacturing output increased 2.9%, following a 4.9% decline in 2015. Strong growth in grain and oilseed milling and, to a lesser extent, increases in pesticide, fertilizer and other agricultural chemical manufacturing, wood products, and agricultural, construction and mining machinery, more than compensated for declines in primary and fabricated metal products, and petroleum refineries.

Services output grew 0.6%, the lowest growth rate in 20 years (since the time series began). Gains were posted in public sector industries such as health care and social services (+2.7%), education (+2.5%), and local, municipal and regional public administration (+2.4%). Banking and local credit unions grew. Retail trade was up 0.3% as gains in health and personal care stores and gasoline stations were mostly offset by lower sales of motor vehicles and parts, which fell for the second consecutive year. Wholesale trade decreased 4.3% with losses across most wholesaling industries.

Alberta

In Alberta, GDP decreased 3.8% in 2016 after a similar decline (-3.7%) in 2015. The last time GDP fell for two consecutive years in Alberta occurred in 1982 and 1983. Goods-producing industries fell 8.6% while services-producing industries declined 0.7%. Low oil prices led to a 32% decline in oil and gas engineering construction following a 34% decline in 2015. Support activities for oil and gas extraction also decreased significantly for a second consecutive year, falling 32% following a 38% drop in 2015. Together, these two industries again accounted for most of the decline in GDP and contributed to lower output in many related industries.

Non-conventional oil and gas extraction increased 1.0% (the smallest increase since 2008), despite the wildfires in the Fort McMurray area in May and significant maintenance shutdowns at upgrader facilities, as annual production rose at large capital-intensive oil sands projects. Conventional oil extraction edged up 0.2%.

Manufacturing decreased 7.6%, as 15 of 19 major industry groups fell. Machinery and fabricated metal products contributed the most to the decline. The only notable increase was in chemical manufacturing (+7.8%), largely due to higher output of basic chemicals and agricultural chemicals.

Residential construction declined 20%, as a result of the fewest housing starts since 2009 and the second lowest number since 1997. Net interprovincial migration turned negative for the first time since the 2009 recession and only the second time in 21 years. Non-residential construction decreased 5.9%. Conversely, crop production rose 15% due to an increase in average yield.

Wholesale trade fell 7.3% with major losses in wholesaling of machinery, equipment and supplies, and in building material and supplies. Retail trade decreased 2.9%, led by a decline at motor vehicle and parts dealers (-7.6%). Lower output was also recorded in professional, scientific and technical services, administrative and support services, and offices of real estate agents and brokers. Higher output occurred in banking and financial investment services. Public sector industries, such as provincial public administration, and local, municipal, regional public administration, health care and social assistance, and education all grew.

British Columbia

In British Columbia, GDP rose 3.7% in 2016 following a 3.1% gain in 2015, the strongest growth among the provinces for the second consecutive year. While both goods-producing (+4.6%) and service-producing (+3.5%) industries contributed to growth, the service sector contributed more than twice as much as goods to growth.

Strong demand in the housing market, largely in the lower mainland, led to a 17% increase in residential construction, and contributed to gains in offices of real estate agents and brokers, lessors of real estate, banking and insurance carriers. Retail trade advanced 5.4% on gains across all store types. Transportation and warehousing increased 5.7%, led by air transportation, truck transportation, and support services to transportation industries. Professional, scientific and technical services, and accommodation and food services, and financial investment services contributed to growth.

Engineering construction declined 9.1%, as oil and gas engineering construction fell 30% for the second consecutive year, the result of low oil and natural gas prices. However, other engineering construction grew as work on a new gold mine began.

Manufacturing output increased 5.8%. Growth was largely attributable to a significant increase in output of alumina and aluminum production and processing as a major modernisation and expansion program at the Kitimat smelter was completed in 2015. Export driven growth led to higher output of wood products and food and beverage products. Electric power generation, transmission, and distribution rose 4.7%.

Mining, quarrying and oil and gas extraction grew 3.3%. Higher output of conventional oil and gas extraction and, to a lesser extent, gold and silver offset a decline in copper, nickel, lead and zinc mining. There was also a significant decline in support activities for mining and oil and gas extraction.

Yukon

In Yukon, GDP increased 8.2% in 2016 following a 6.0% decline in 2015. Copper, nickel, lead and zinc ore mining surged 78% on higher output and ore grade at the Minto mine. Gold and silver ore mining increased significantly.

Electric power generation, transmission and distribution grew 10%. Construction declined 0.9%, as a decrease in engineering construction more than offset a 7.2% increase in residential construction. Manufacturing grew, the result of a large increase in fabricated metal products.

Transportation services, retail trade, wholesale trade, traveller accommodation, and financial investment services increased. In the public sector, health care and social assistance, territorial public administration, as well as local, municipal and regional public administration contributed to the growth.

Northwest Territories

In the Northwest Territories, GDP edged down 0.1% in 2016 following a 1.3% gain in 2015. Other engineering construction fell 52% on the completion of the Gahcho Kué diamond mine. Diamond mining increased 5.7%, as a new mine opening offset the impact of a mine closure late in 2015. Other metal ore mining fell to zero as a tungsten mine closed.

Conventional oil and gas extraction decreased 4.3% and support activities for mining, oil and gas extraction declined notably. Residential construction rose 7.4%. Non-residential building construction increased significantly, the result of a new hospital project. Air transportation, lessors of real estate, banking, and territorial public administration contributed to the growth. Both wholesale and retail trade declined.

Nunavut

In Nunavut, GDP increased 3.9% in 2016 following a 1.2% gain in 2015. Iron ore mining rose significantly as the Mary River iron ore mine ramped up production. However, both gold and silver mining and support activities for mining declined notably. Engineering construction rose 30%, as work on a new gold mine and a number of electric power stations, more than offset a decline in transportation engineering construction.

Non-residential construction fell as the finishing touches were put on the Iqaluit Aquatic Centre, and both the Iqaluit airport improvement project and the Canadian High Arctic Research Station passed peak construction. Residential construction declined 15%. Services output rose 2.5%, mostly from gains in wholesale and retail trade, as well as territorial public administration.

Note to readers

The provincial and territorial gross domestic product (GDP) by industry data at basic prices are chained volume estimates with 2007 as their reference year. This means data for each industry and aggregate are obtained from a chained volume index multiplied by the industry's value added in 2007.

Percentage changes for GDP by industry are calculated using volume measures, that is, adjusted for price variations.

Estimates of provincial and territorial GDP by industry for 2016 are included with this release. No revisions have been made to data for previous years. Revised estimates of provincial–territorial GDP by industry, and by income and expenditure for 2014 to 2016 will be published in November 2017.

Table 1
Gross domestic product by industry, chained (2007) dollars

	2011	2012	2013	2014	2015	2016 ^P
	annual % change					
Canada	3.3	1.9	2.5	2.6	0.9	1.3
Newfoundland and Labrador	3.0	-4.5	5.0	-1.1	-1.8	1.9
Prince Edward Island	1.9	0.9	1.9	1.4	1.3	2.4
Nova Scotia	0.3	-1.0	-0.3	0.7	1.0	0.9
New Brunswick	0.2	-1.2	-0.4	-0.1	2.1	1.4
Quebec	2.1	1.3	1.3	1.2	1.2	1.7
Ontario	2.6	1.4	1.4	2.6	2.6	2.6
Manitoba	2.3	3.0	2.7	1.4	2.1	2.4
Saskatchewan	5.4	1.8	6.4	2.3	-1.3	-1.0
Alberta	6.7	4.0	5.8	4.9	-3.7	-3.8
British Columbia	2.8	2.6	2.4	3.2	3.1	3.7
Yukon	4.9	4.0	1.5	-0.2	-6.0	8.2
Northwest Territories	-9.2	-0.6	2.8	5.0	1.3	-0.1
Nunavut	5.8	2.5	10.1	-1.4	1.2	3.9

^P preliminary

Source(s): CANSIM tables [379-0030](#) and [379-0031](#).

Available in CANSIM: tables [379-0028](#) and [379-0030](#).

Definitions, data sources and methods: survey number [1303](#).

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