

Non-profit institutions and volunteering: Economic contribution, second quarter 2021

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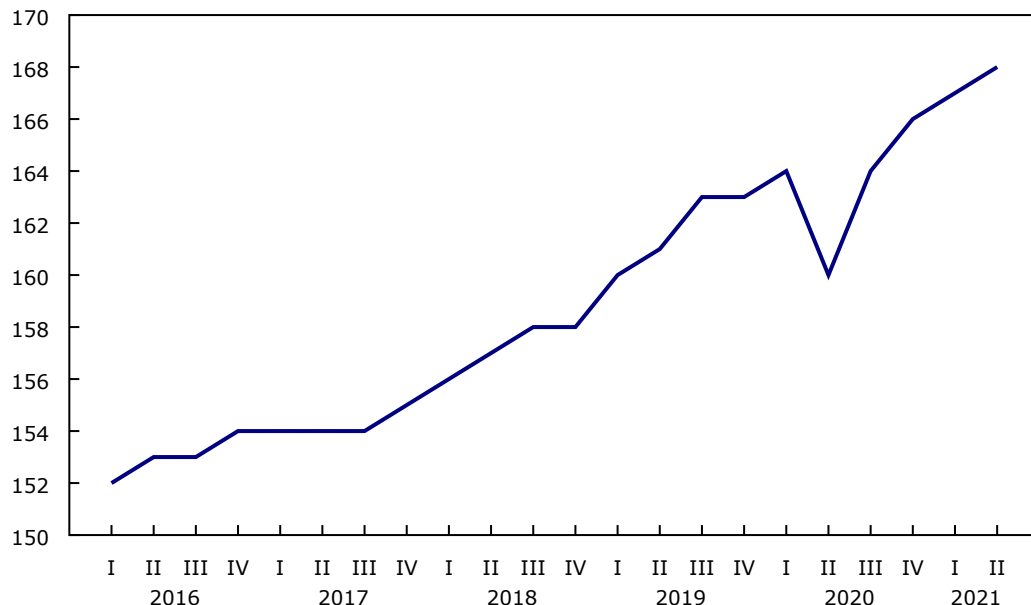
Real gross domestic product increases for a fourth straight quarter

Real gross domestic product (GDP) of non-profit institutions rose 0.7% in the second quarter of 2021, led by non-profits serving businesses. By contrast, the economy-wide real GDP edged down (-0.3%) in the quarter, owing to lower exports and housing resale activity, which have minimal impact on non-profit institutions.

Year over year, real GDP of the non-profit sector rose 4.6% compared with the second quarter of 2020. At that time, non-profit GDP fell 2.4% because of the widespread shutdowns imposed to reduce the spread of COVID-19.

Chart 1
Real gross domestic product, non-profit institutions

billions of dollars (annualized)



Source(s): Table [36-10-0648-01](#).

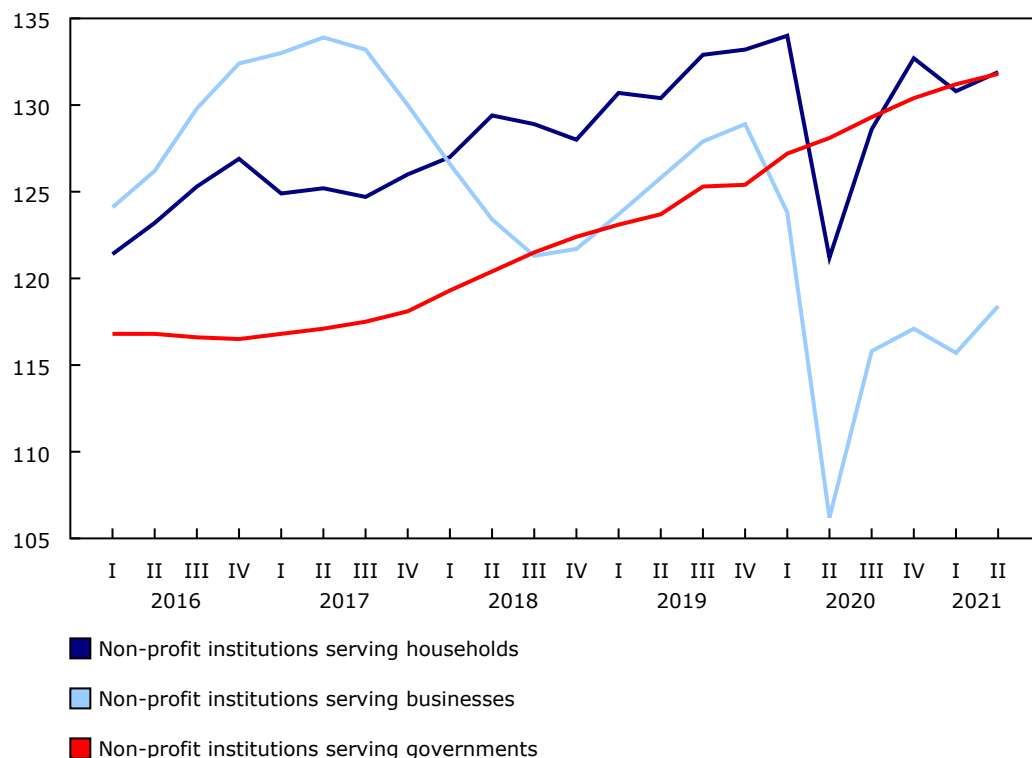
Excluding non-profit institutions serving governments, real GDP rose 1.3%, reversing the 1.3% decline from the previous quarter. Year over year, real GDP increased 2.9% for non-profits serving governments, compared with a 9.7% increase for non-profits serving households and businesses.

Non-profits serving governments continued to operate throughout the pandemic, as hospitals shifted their focus to combatting COVID-19 and universities expanded their enrolment with an increase in part-time students, while migrating courses online. Non-profits serving households and businesses were disproportionately impacted by the pandemic due to widespread lockdowns and mandatory closures of non-essential services.



Chart 2
Real gross domestic product, non-profit institutions, by subsector

index (first quarter 2009=100)



Source(s): Table 36-10-0648-01.

Non-profits serving businesses, households and governments record higher real GDP

Real GDP of non-profits serving businesses rose by 2.4% in the second quarter of 2021, the largest quarterly increase of the three non-profit subsectors. The increase marked the subsector's third gain in four quarters, as non-profits serving businesses continued to slowly recover from the pandemic-related shutdowns. Despite the second quarter increase, the economic activity of non-profits serving businesses remained 8.2% lower than its peak level in the fourth quarter of 2019.

Non-profits serving households recorded a real GDP increase of 0.8% in the second quarter of 2021, following a 1.4% decline in the first quarter. Similar to non-profits serving businesses, the subsector has recorded three increases in the past four quarters. Quarterly real GDP of non-profits serving households was 1.0% lower than the peak recorded in the fourth quarter of 2019.

Real GDP of non-profits serving governments increased 0.5% in the second quarter of 2021, an 18th consecutive quarterly increase.

Widespread increases in non-profit employment

Employment rose throughout non-profit organizations in the second quarter of 2021, up 1.2%, as social services, health care and business and professional associations and unions expanded their work force. Excluding non-profits serving governments, employment increased 4.1%, led by a higher number of jobs in social services.

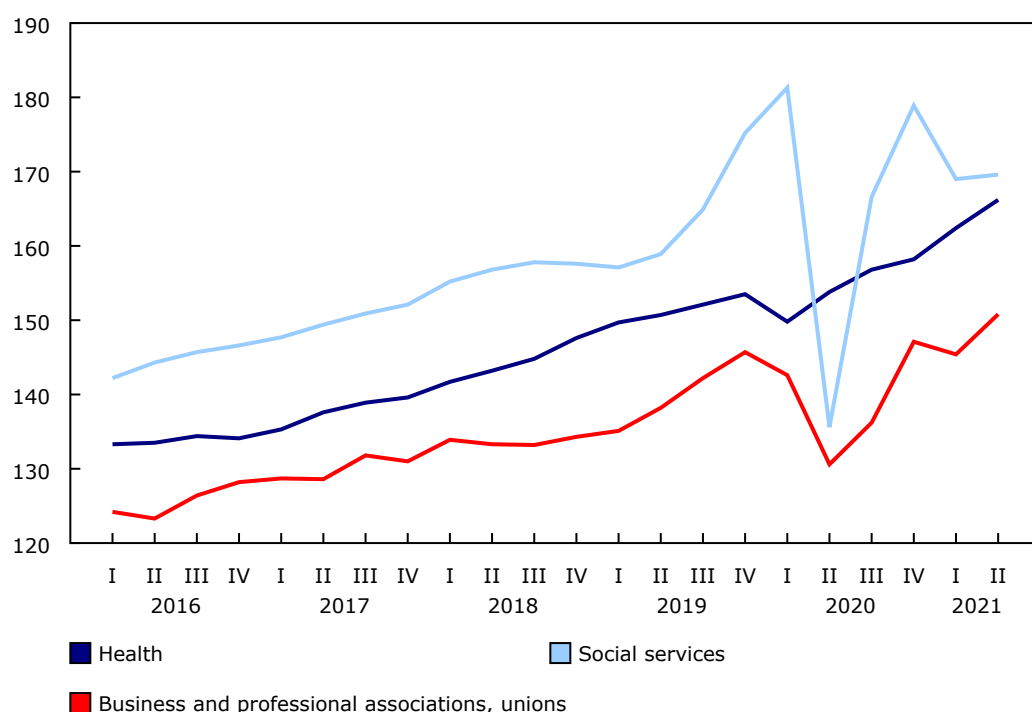
The number of jobs in social services rose 2.3% in the second quarter of 2021, a fourth consecutive quarterly increase, following a significant decline from the widespread lockdowns and stay-at-home orders in the second quarter of 2020. Year over year, the number of employees were 57.2% higher than in the second quarter of 2020 but was 8.9% lower than in the first quarter of 2020.

Employment in health care rose 0.7% in the second quarter of 2021 for a third consecutive quarter, as non-essential health care services continued to increase following the shift of resources to the pandemic effort.

Business and professional associations and unions increased their number of jobs by 2.8% in the second quarter of 2021, a third quarterly increase in four quarters.

Chart 3 Nominal gross domestic product, non-profit institutions, by activity

index (first quarter 2009=100)



Source(s): Table 36-10-0649-01.

Nominal gross domestic product rises

Non-profit nominal gross domestic product increased in the second quarter of 2021, up 1.6%, a fourth consecutive quarterly increase. Activities in health care primarily accounted for the higher GDP levels, up 2.3%. Similar to the increase in jobs within health care, the higher nominal GDP was attributable to an increase in non-essential health care services that were previously shut down or restricted earlier in the pandemic.

For non-profits institutions excluding governments, nominal gross domestic product rose 2.4%, a third increase in the previous four quarters. Overall, non-profit institutions represented 8.3% of economy-wide nominal GDP in the second quarter of 2021, down from 8.4% in the first quarter.

Note to readers

The non-profit indicators are quarterly indicators for the main aggregates in the Satellite Account of Non-profit Institutions and Volunteering, namely, gross domestic product, output and employment. The estimates from this account are directly comparable to the estimates in the Canadian System of Macroeconomic Accounts.

For the purposes of these estimates, the definition of the non-profit sector adheres to international standards published in the United Nations Handbook of Satellite Accounts on Non-profit and Related Institutions and Volunteer Work. Canada's overall non-profit sector is divided into the following three broad categories:

Community non-profits institutions include organizations engaged, for example, in social services, advocacy or sports and recreation. These make up the "non-profit institutions serving households" sector in standard macroeconomic measures.

Business non-profits institutions include, for example, business associations, chambers of commerce and condominium associations. These are classified to the business sector in standard measures.

Government non-profits institutions include hospitals, some residential care facilities, universities and colleges. These are classified to the government sector in standard measures.

Available tables: [36-10-0648-01](#) and [36-10-0649-01](#).

Definitions, data sources and methods: survey numbers [1901](#) and [5110](#).

The [Economic Accounts Statistics](#) portal, accessible from the Subjects module of the Statistics Canada website, features an up-to-date portrait of national and provincial economies and their structure.

The *Latest Developments in the Canadian Economic Accounts* ([13-605-X](#)) is available.

The *User Guide: Canadian System of Macroeconomic Accounts* ([13-606-G](#)) is available.

The *Methodological Guide: Canadian System of Macroeconomic Accounts* ([13-607-X](#)) is 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; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).