

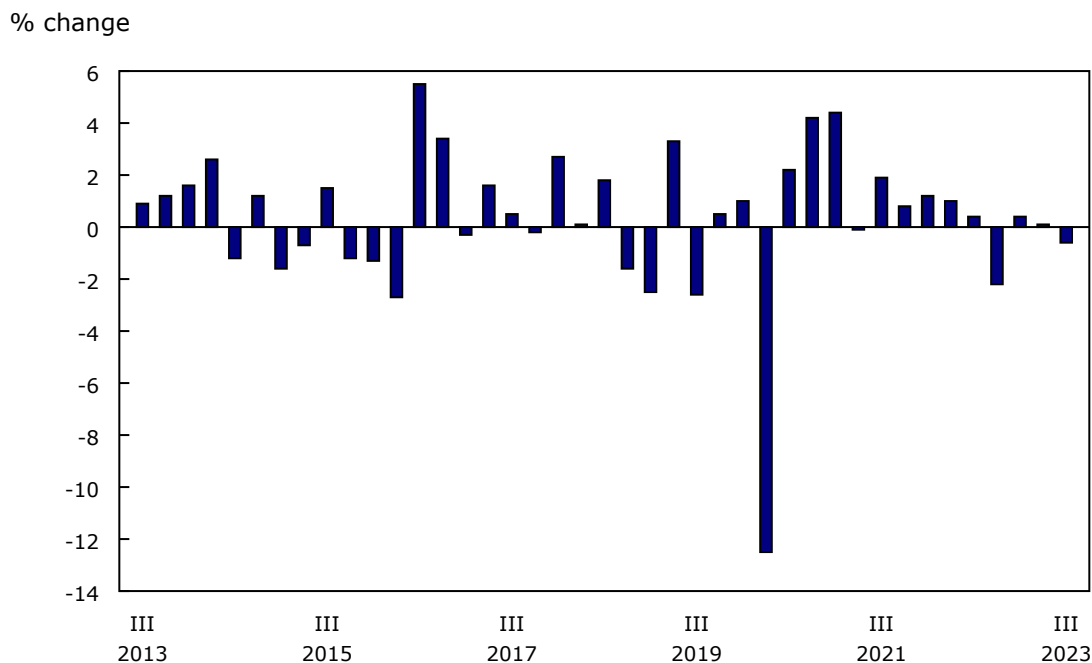
Natural resource indicators, third quarter 2023

Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, January 18, 2024

Natural resources real gross domestic product decreases in the third quarter

Real gross domestic product (GDP) of the natural resources sector decreased 0.6% in the third quarter, after edging up 0.1% in the second quarter. At the same time, the economy-wide real GDP fell 0.3%, following a 0.3% increase in the previous quarter.

Chart 1
Natural resources real gross domestic product



Source(s): Table 38-10-0285-01.

The decline in natural resources real GDP in the third quarter was attributable to the energy (-0.9%), minerals and mining (-0.2%) and hunting, fishing and water (-0.2%) subsectors. The real GDP of the forestry subsector edged up 0.1%.

The decline in the energy subsector was attributable to petrochemicals (-5.7%) and refined petroleum products (-5.5%), reflecting lower production of motor gasoline, aviation fuel and petrochemical feedstocks. These declines were partially offset by increases in natural gas (+2.2%) and crude oil (+1.1%)

In the minerals and mining subsector, declines in real GDP of coal (-6.5%) and metallic minerals (-0.9%) were partly offset by a rise in real GDP of non-metallic minerals (+4.9%). The decrease in coal was due to reduced production that coincided with forest fires and a strike by port workers in British Columbia.

Real GDP of primary sawmill and wood products advanced 0.5%, coinciding with a 6.5% rise in new home construction in the third quarter. This increase was partially offset by a decline in primary pulp and paper products (-1.7%).



Export and import volumes fall

Natural resources export volumes fell 3.6% in the third quarter as the energy (-4.9%), minerals and mining (-2.7%) and forestry (-0.3%) subsectors all declined. The decline in exports of electricity (-27.0%) was a significant drag on the energy subsector, while falling exports of metallic minerals (-17.2%) was the main contributor to lower exports in the minerals and mining subsector, due to lower sales of refined gold to the United States and the United Kingdom.

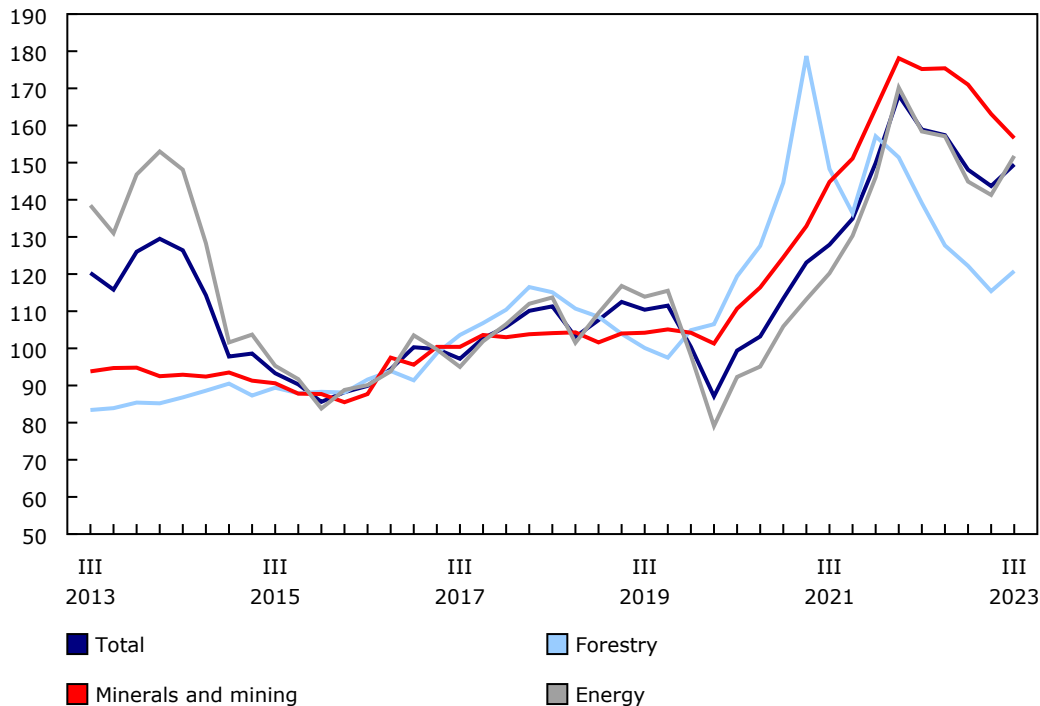
Import volumes of the natural resources sector (-1.9%) declined in the third quarter. Import volumes of the minerals and mining subsector fell 6.2%, largely due to metallic minerals (-12.8%), which is attributable to [declining imports of unwrought gold](#). Import volumes in the energy subsector increased 3.6%, driven by crude oil (+5.4%). Import volumes increased in the third quarter for the forestry subsector (+1.1%) due to primary sawmill and wood product imports rising 1.6%.

Natural resource prices rise

Overall, natural resource prices increased 4.1% in the third quarter. Prices fell in the minerals and mining (-4.0%) subsector but were offset by increases in the energy (+7.4%) and forestry (+4.7%) subsectors in the third quarter. Coal (-8.0%) led the decrease in minerals and mining. The rise in energy prices was mainly attributable to crude oil (+13.3%) coinciding with restricted supply from the Organization of Petroleum Exporting Countries (OPEC). The price increase in the forestry subsector was heavily influenced by primary sawmill and wood products (+8.3%). Forestry prices increased due to a few factors, such as ongoing wildfires in the Pacific Northwest and the strike by port workers in British Columbia, causing concerns about future supply and adding uncertainty to the market.

Chart 2
Natural resources' prices

index (2017=100)



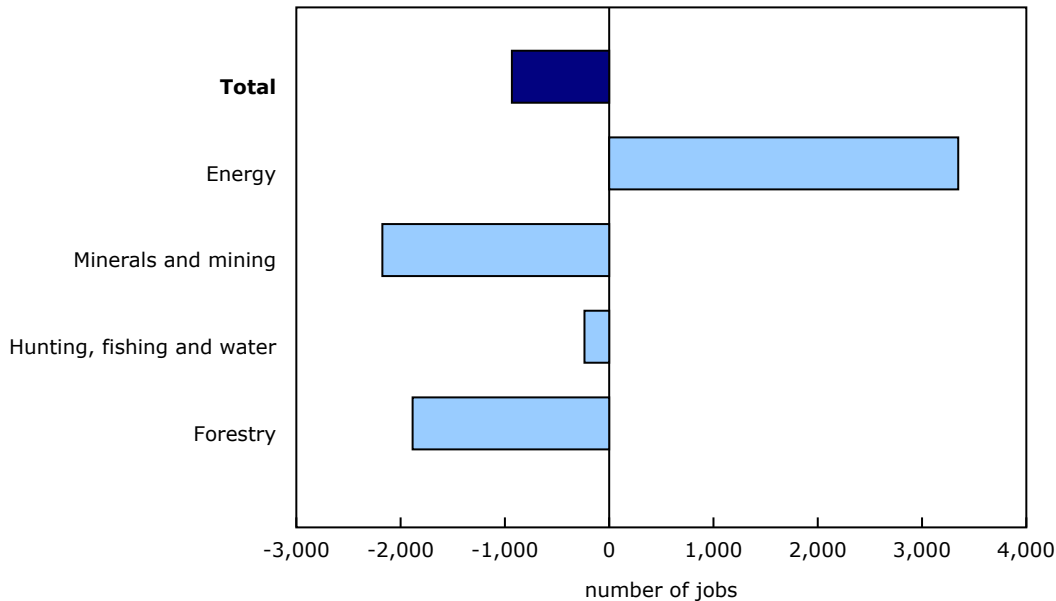
Source(s): Table 38-10-0285-01.

Natural resources nominal GDP increased 3.4% in the third quarter to \$333.9 billion at annual rates, representing 12.3% of the Canadian economy.

Jobs decrease

The number of jobs in the natural resources sector fell 0.1% in the third quarter after rising 0.7% in the second quarter. The energy subsector (+3,300 jobs) recorded increases in jobs, while minerals and mining (-2,200 jobs), and forestry (-1,900 jobs) saw declines.

Chart 3
Changes in jobs, third quarter of 2023



Source(s): Table 38-10-0285-01.

Downstream activities

For analytical purposes, secondary and tertiary processing for the forestry and minerals and mining subsectors are identified separately. The nominal GDP of these downstream activities was \$10.9 billion in the third quarter, a 3.5% decrease. Prices increased 0.5% following a 0.9% decrease in the second quarter.

2022 Annual Review

This release also includes detailed annual tables for the 2022 reference year. Annual Real GDP in the natural resources sector rose 3.1% from 2021 to 2022, with increases in all subsectors. By comparison, the economy-wide real GDP rose 3.8% in 2022.

Real GDP of the energy (+4.4%), mineral and mining (+1.0%) and forestry (+0.9%) subsectors all increased from 2021 to 2022. In 2022, the overall natural resources price index increased 27.2%, following a 27.6% increase in 2021.

In 2022, the natural resource sector gained 14,100 jobs, led by the energy (+11,000) and minerals and mining (+5,500) subsectors. The number of jobs in forestry (-2,500) decreased in 2022.

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Note to readers

Data on natural resources for the third quarter of 2023 have been released along with revised data from the first quarter of 2020.

The release incorporated new benchmark values from the supply-use tables for the 2020 reference year. Volume and price estimates for the quarterly and annual natural resources gross domestic product have been updated to 2017 (2017=100) reference year.

The natural resource indicators provide quarterly indicators for the main aggregates in the Natural Resources Satellite Account (NRSA), namely gross domestic product, output, exports, imports and employment. The estimates from this account are directly comparable with the estimates in the Canadian System of Macroeconomic Accounts.

Core natural resources: *The NRSA defines natural resource activities as those that result in goods and services originating from naturally occurring assets used in economic activity, as well as their initial processing (primary manufacturing).*

Downstream activities: *Although not part of the core account, natural resources have important downstream effects on other sectors. In general, this production uses a large portion of primary manufactured products as inputs.*

Jobs estimates reported in this release align with the noted definitions of natural resource subsectors. Consequently, these estimates may differ from those released by the labour productivity program.

Next release

Data on natural resource indicators for the fourth quarter of 2023 will be released on March 25, 2024.

Available tables: [36-10-0456-01](#), [36-10-0458-01](#) to [36-10-0460-01](#) , [36-10-0490-01](#), [36-10-0596-01](#) and [38-10-0285-01](#).

Definitions, data sources and methods: survey number [5367](#).

For more information on energy in Canada, including production, consumption, international trade and much more, please visit the [Canadian Centre for Energy Information](#) website and follow #energynews on social media.

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 structures.

Additional information can be found in the articles "[The Natural Resources Satellite Account: Feasibility study](#)" and "[The Natural Resources Satellite Account – Sources and methods](#)," which are part of the *Income and Expenditure Accounts Technical Series* ([13-604-M](#)).

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; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).