

Gross domestic product, income and expenditure, fourth quarter 2025

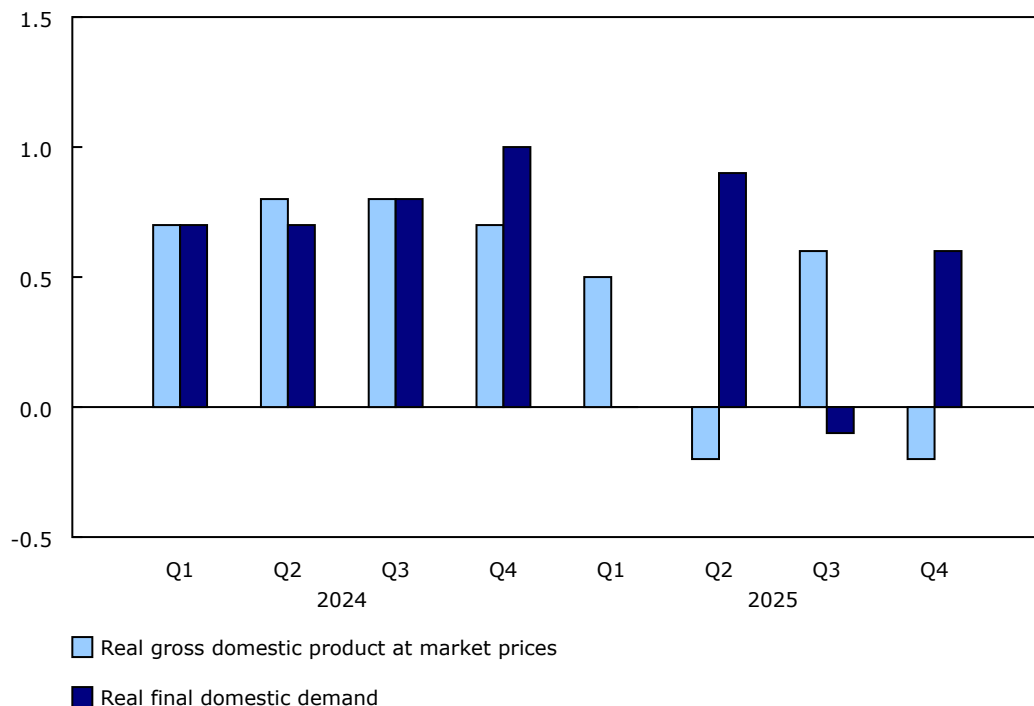
Released at 8:30 a.m. Eastern time in *The Daily*, Friday, February 27, 2026

Real gross domestic product (GDP) declined 0.2% in the fourth quarter of 2025, after rising 0.6% in the third quarter. The fourth quarter decrease was due to withdrawals of business inventories following inventory accumulations in the third quarter. Offsetting some of the decline was higher exports, household spending and government capital investment. On a per capita basis, GDP was unchanged in the fourth quarter after increasing 0.5% in the previous quarter.

Real GDP increased 1.7% in 2025, the slowest pace of annual growth since the decline in 2020. Lower exports, particularly to the United States, were the main contributor to the slower rise in GDP in 2025.

Chart 1
Real gross domestic product and final domestic demand

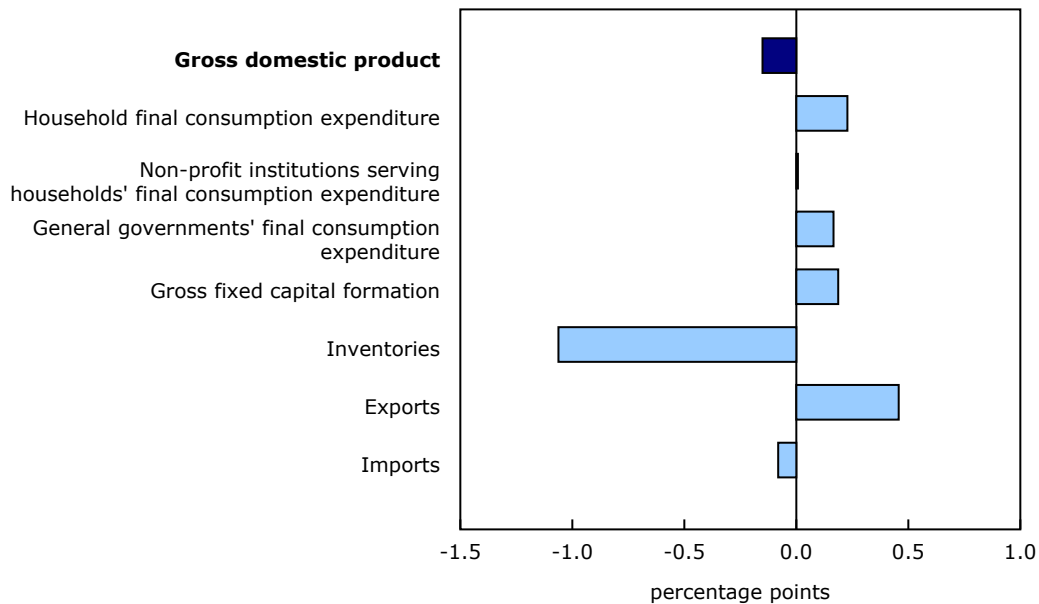
quarterly change (%), chained (2017) dollars



Source(s): Table 36-10-0104-01.



Chart 2
Contributions to percentage change in real gross domestic product, fourth quarter of 2025



Source(s): Table 36-10-0104-01.

Withdrawals of business inventory dampen growth in fourth quarter

Businesses withdrew from non-farm inventories in the fourth quarter, after adding to their stock in the previous two quarters. The largest withdrawals in the fourth quarter occurred in the manufacturing sector, followed by the wholesale trade sector. In the retail sector, motor vehicle inventories declined.

On an annual basis, businesses withdrew from non-farm inventories in 2025, marking the first annual decline of inventory stock since 2020, during the COVID-19 pandemic. In contrast, the stock of farm inventories rose for the first time in three years, given strong crop production in 2025.

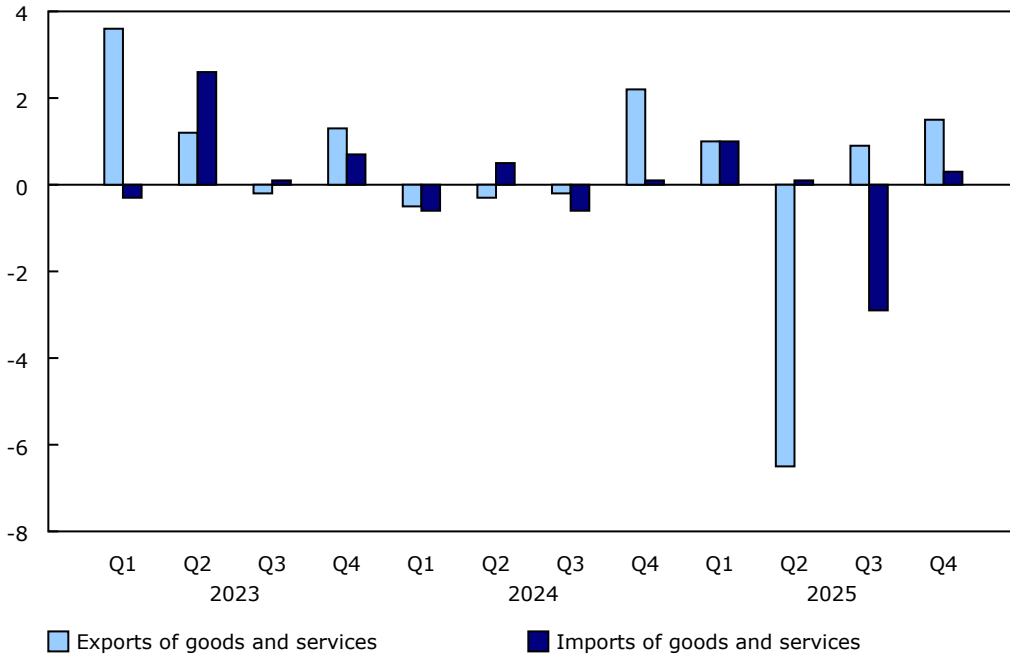
Exports and imports rise in fourth quarter, but decrease in 2025 overall

Exports rose 1.5% in the fourth quarter, after increasing 0.9% in the third quarter. The growth in the fourth quarter was led by higher exports of unwrought gold and of unwrought aluminum and aluminum alloys. Despite the increases in the latter half of the year, exports fell 1.7% in 2025, as shipments to the United States did not fully recover following the drop in the second quarter.

Imports edged up 0.3% in the fourth quarter, as higher imports of computers, clothing and footwear, and metal ores were largely offset by lower imports of pharmaceutical and medicinal products. For the year, imports were down 0.4% in 2025 due to the 2.9% decline in the third quarter.

Chart 3
Volumes of exports and imports

quarterly change (%), chained (2017) dollars



Source(s): Table 36-10-0104-01.

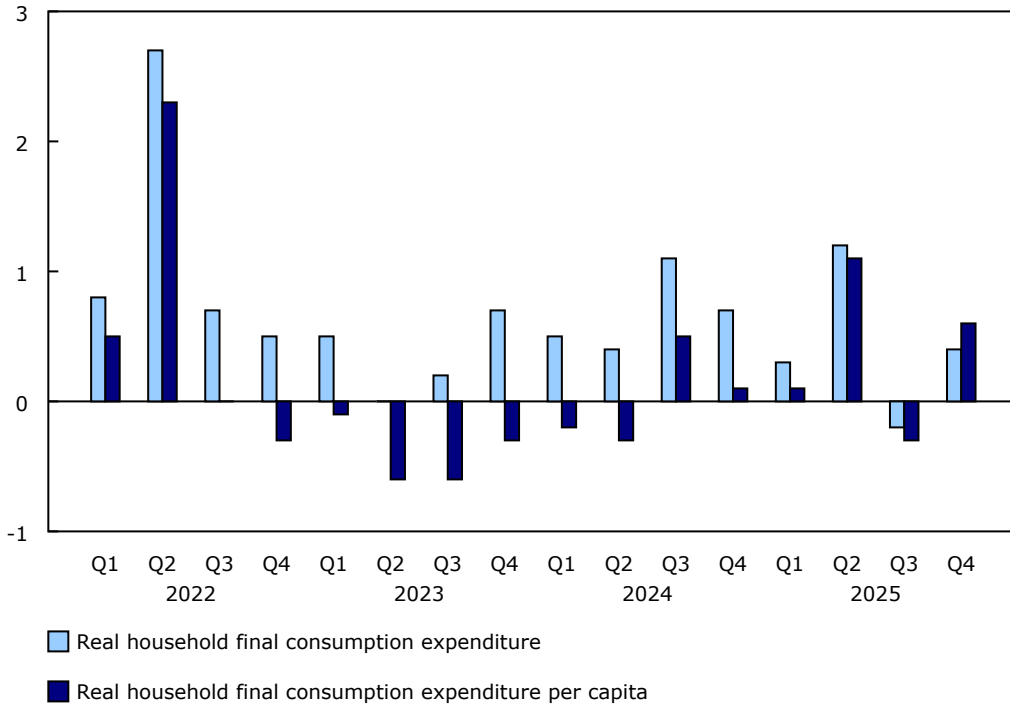
Household spending up on strength in services

Household spending rose 0.4% in the fourth quarter after declining 0.2% in the third quarter. Higher expenditures on rent and financial services in the fourth quarter were partially offset by lower spending on new passenger vehicles and alcoholic beverages, as overall expenditures on goods declined for a second consecutive quarter.

On an annual basis, household final consumption expenditure was up 2.3% in 2025, keeping pace with the 2.2% growth in each of the previous two years. The rise in 2025 was led by increased household spending on financial services and rent.

Chart 4
Change in total and per capita real household final consumption expenditures

quarterly change (%)



Source(s): Tables 36-10-0104-01 and 36-10-0706-01.

Government investment in weapons systems leads overall capital investment

Total capital investment rose 0.8% in the fourth quarter, driven by increased government investment in weapons systems. In contrast, business capital investment edged down 0.1% in the fourth quarter, as both residential and non-residential investment decreased. These declines were moderated by increased business investment in machinery and equipment, primarily computers (+19.6%) and intellectual property products, namely software (+0.7%).

Annually, total capital investment increased 1.4% in 2025, led by higher government investment in weapons systems (+45.9%) and engineering structures (+6.7%). Business investment rose 0.3% in 2025, as higher residential construction (+1.0%) and non-residential construction (+1.6%) were largely offset by weaker investment in machinery and equipment (-3.5%). The year 2025 was the third consecutive year in which government capital investment contributed more to GDP growth than business capital expenditures.

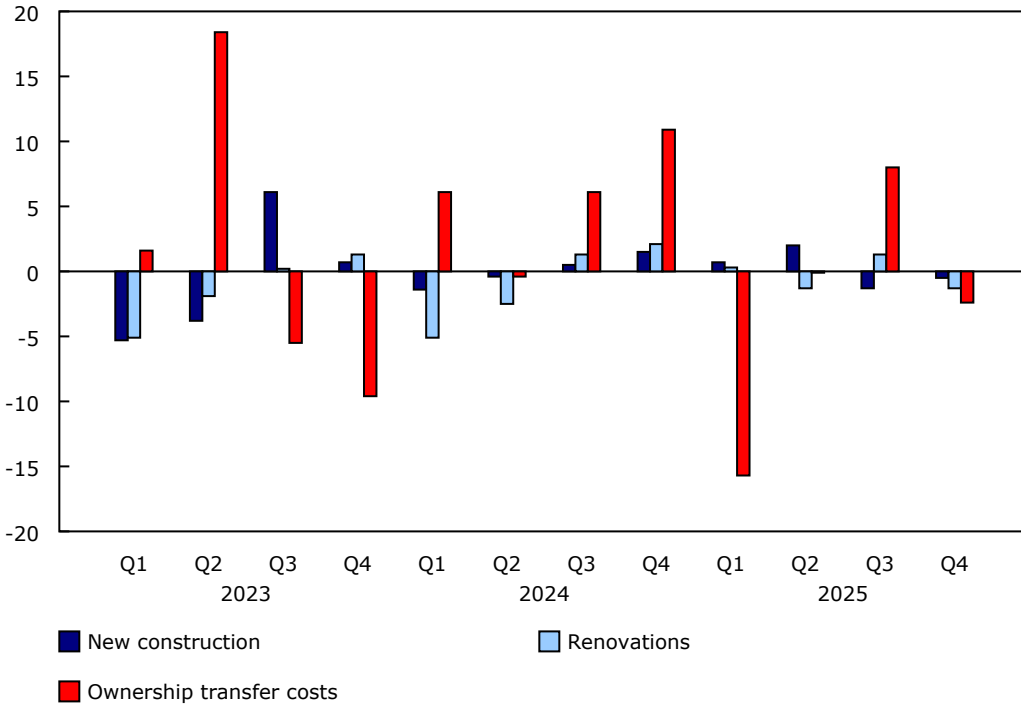
Business residential investment falls in fourth quarter but rises for the year

Business residential investment declined in the fourth quarter, led by decreased ownership transfer costs (-2.4%), a measure of resale market activity, as well as lower renovations (-1.3%). New construction (-0.5%) also declined in the fourth quarter on lower work put in place for singles and apartments.

Higher business residential investment in 2025 represented the first annual increase since 2021, as increased new construction (+2.7%) and renovations (+1.0%) more than offset the decline in ownership transfer costs (-3.4%).

Chart 5 Housing investment

quarterly change (%), chained (2017) dollars



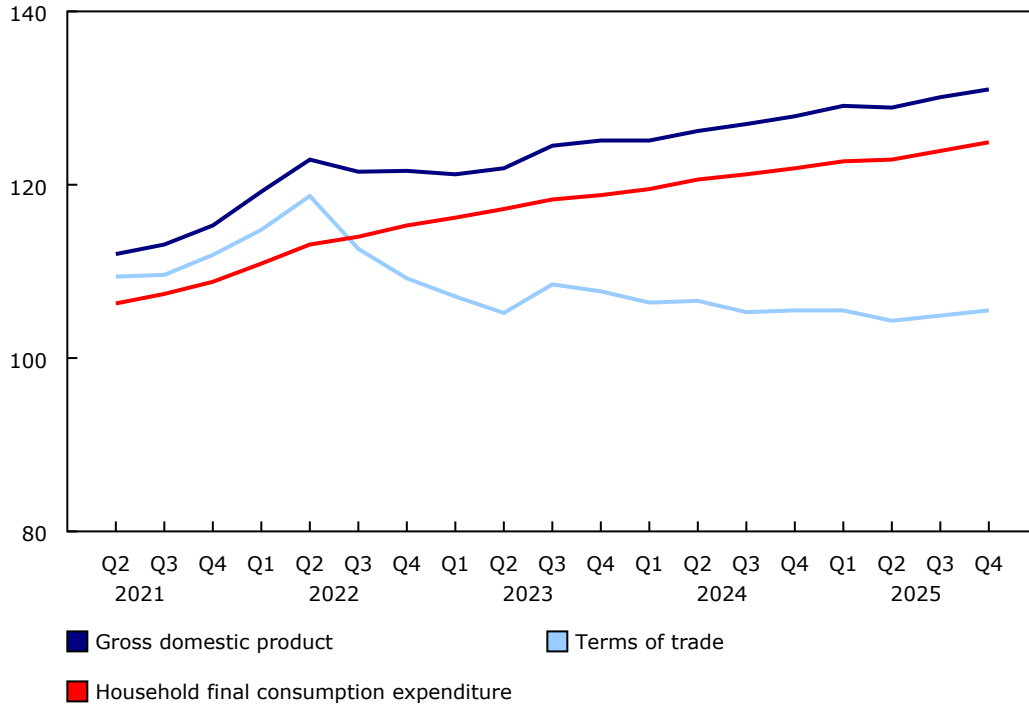
Source(s): Table 36-10-0108-01.

Higher export prices push up gross domestic product deflator

The GDP deflator was up 0.7% in the fourth quarter, following a 0.9% increase in the third quarter. The increase in the fourth quarter was led by higher export prices (+1.6%), while import prices rose 1.1%. As a result, the terms of trade—the difference between the price of exported goods and services and the price of imported goods and services—increased 0.5%. Higher prices for household consumption (+0.8%) also contributed to growth in the GDP deflator in the fourth quarter.

Chart 6
Gross domestic product price indexes, selected components

index (2017=100)



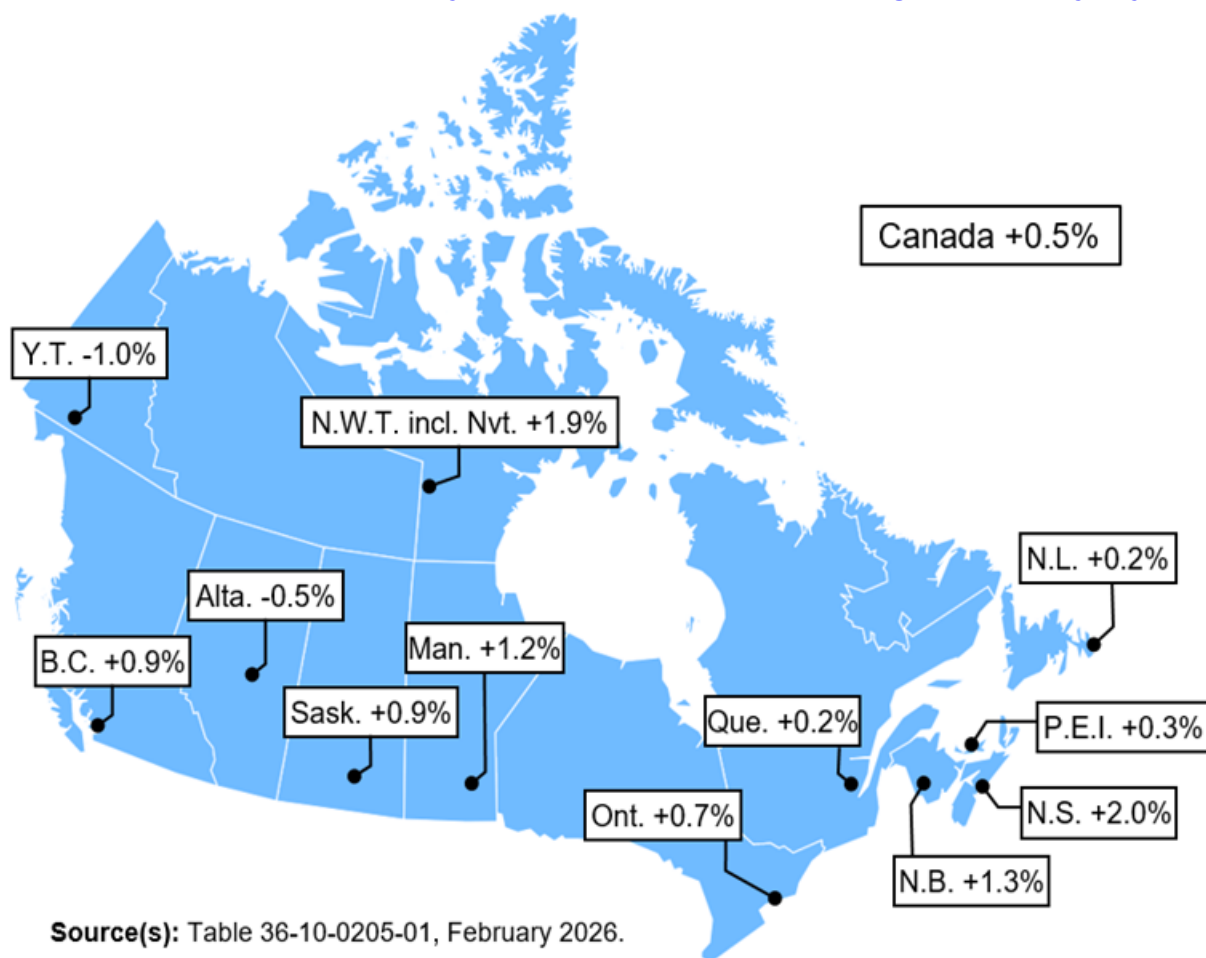
Source(s): Tables [36-10-0106-01](#) and [36-10-0105-01](#).

Compensation of employees rises

Compensation of employees rose 0.5% in the fourth quarter, following a 1.0% increase in the third quarter. Increased wages in federal government and public administration (+4.5%), finance, real estate and company management (+1.3%) and professional and personal services (+0.6%) in the fourth quarter were moderated by declines in educational services (-1.5%) and construction (-1.2%). Retroactive payments and wage increases for the Canadian Armed Forces contributed to the increase in federal government and public administration. Except in Alberta (-0.5%) and Yukon (-1.1%), compensation of employees rose in all provinces and territories in the fourth quarter.

On an annual basis, compensation of employees rose 3.9% in 2025, the smallest increase since 2016, aside from in 2020, during the pandemic. In 2025, wages were up in all industries except the retail and wholesale trade sectors (-1.5%). The fastest increase in wages was in provincial and territorial administration (+7.6%), followed by health care and social assistance (+6.9%).

Map 1 – Compensation of employees, quarter-to-quarter % change, seasonally adjusted data



Corporate incomes continue growth in the fourth quarter

Corporate incomes, termed gross operating surplus, rose 1.3% in the fourth quarter. The surplus of non-financial corporations increased albeit at a slower pace than in the previous quarter. Income growth in the fourth quarter was bolstered by the mining and primary metals industries, while gains were partially offset by declines in the energy sector, wholesale trade sector and some manufacturing industries. Continued strength in the earnings of financial corporations throughout 2025, notably among chartered banks, helped to push the financial surplus 9.0% higher for the year.

Household net saving declines on weaker employment income and investment earnings

The household saving rate was 4.4% in the fourth quarter, down from 5.2% in the previous quarter, as growth in disposable income (+0.6%) lagged that in spending (+1.2% in nominal dollars). Despite lower net saving in the fourth quarter, the household saving rate was 4.9% in 2025, about the same as in 2024.

Household disposable income grew at a slower pace in the fourth quarter of 2025, as did wages and salaries and self-employment income (termed mixed income). Net property income declined 1.7% in the fourth quarter due to a reduction in investment earnings that outweighed lower interest payments. Household investment earnings (termed property income received) declined 1.7% in the fourth quarter, due mainly to lower returns on interest-bearing deposits. Household property income paid, comprised of mortgage and non-mortgage interest expenses, declined by 1.6% in the fourth quarter.

On an annual basis, household property income received was up 1.4% in 2025 compared with an annual gain of 12.6% in 2024. At the same time, property income paid, including interest payments, fell 4.4% in 2025, a significant easing from the 11.2% increase in 2024. In 2025, the Bank of Canada reduced the policy interest rate four times.

Sustainable development goals

On January 1, 2016, the world officially began implementing the [2030 Agenda for Sustainable Development](#)—the United Nations' transformative plan of action that addresses urgent global challenges over the following 15 years. The plan is based on 17 specific sustainable development goals.

Data on gross domestic product, income and expenditure are an example of how Statistics Canada supports the reporting on global sustainable development goals. This release will be used to measure the following goals:



Note to readers

Gross domestic product (GDP) data for the fourth quarter of 2025 have been released along with updated data for the first three quarters of the year. Updates to the first three quarters of 2025 were due to the incorporation of updated source data, including preliminary estimates from the [Capital and Repair Expenditures Survey](#) and the intentions estimates from the Gross domestic expenditures on research and development.

Estimates of international trade have been revised to incorporate revised merchandise trade statistics as well as various prices used to estimate real imports and exports of goods and services. Additionally, Balance of Payments estimates of travel services have been revised from the first quarter to the third quarter of 2025 to incorporate the latest information from the [Visitor Travel Survey](#).

Percentage changes for expenditure-based statistics (such as household spending, investment and exports) are calculated from volume measures that are adjusted for price variations. Percentage changes for income-based statistics (such as compensation of employees and operating surplus) are calculated from nominal values; that is, they are not adjusted for price variations. Unless otherwise stated, growth rates represent the percentage change in the series from one quarter to the next: for instance, from the second quarter of 2025 to the third quarter of 2025.

For information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

Real-time tables

Real-time tables 36-10-0430-01 and 36-10-0431-01 will be updated on March 9, 2026.

Next release

Data on GDP by income and expenditure for the first quarter of 2026 will be released on May 29.

**Table 1
Gross domestic product by income account – Seasonally adjusted at annual rates**

	Third quarter 2024	Fourth quarter 2024	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025	Third quarter 2025	Fourth quarter 2025
	quarter-to-quarter % change						millions of dollars	
Compensation of employees	1.7	1.0	0.9	0.4	1.0	0.5	1,637,008	1,645,612
Gross operating surplus	1.1	3.0	1.6	-2.3	2.8	1.3	895,916	907,184
Gross mixed income	2.5	2.6	0.6	1.7	2.4	1.5	410,068	416,268
Taxes less subsidies on production	0.2	-7.9	12.7	1.0	1.7	-4.9	117,460	111,656
Taxes less subsidies on products and imports	-0.7	0.4	2.4	-3.7	-1.1	-1.7	200,324	196,904
Statistical discrepancy (millions of dollars)	-408	1,216	-2,164	1,412	-1,208	1,752	-808	944
Gross domestic product at market prices	1.4	1.4	1.5	-0.4	1.5	0.6	3,259,968	3,278,568

Source(s): Table [36-10-0103-01](#).

**Table 2
Real gross domestic product by expenditure account, quarterly change – Seasonally adjusted at annual rates, chained (2017) dollars**

	Third quarter 2024	Fourth quarter 2024	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025	Third quarter 2025	Fourth quarter 2025
	quarter-to-quarter % change						millions of dollars	
Final consumption expenditure	1.2	0.6	0.3	1.1	-0.3	0.5	2,017,422	2,027,847
Household final consumption expenditure	1.1	0.7	0.3	1.2	-0.2	0.4	1,425,267	1,431,258
Non-profit institutions serving households' final consumption expenditure	0.5	0.5	0.2	0.3	0.5	0.5	39,652	39,844
General governments final consumption expenditure	1.3	0.6	0.4	1.1	-0.7	0.8	552,016	556,201
Gross fixed capital formation	-0.6	2.5	-1.1	0.3	0.5	0.8	531,249	535,612
Business gross fixed capital formation	-0.9	2.6	-1.3	-0.1	-0.2	-0.1	425,188	424,929
Residential structures	1.8	3.5	-2.9	0.5	1.2	-1.1	159,390	157,619
Non-residential structures, machinery and equipment	-3.6	2.4	-0.1	-0.6	-1.3	0.5	210,316	211,378

Table 2
Real gross domestic product by expenditure account, quarterly change – Seasonally adjusted at annual rates, chained (2017) dollars

	Third quarter 2024	Fourth quarter 2024	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025	Third quarter 2025	Fourth quarter 2025
Intellectual property products	1.1	0.1	-0.3	-0.4	-0.7	1.2	61,697	62,432
General governments gross fixed capital formation	0.6	1.9	-0.4	2.2	3.9	4.7	103,085	107,972
Investment in inventories (millions of dollars)	-3,392	-23,840	12,144	24,912	-12,284	-23,463	13,364	-10,099
Exports of goods and services	-0.2	2.2	1.0	-6.5	0.9	1.5	727,486	738,350
Less: imports of goods and services	-0.6	0.1	1.0	0.1	-2.9	0.3	786,122	788,140
Statistical discrepancy (millions of dollars)	323	-948	1,679	-1,094	934	-1,338	621	-717
Gross domestic product at market prices	0.8	0.7	0.5	-0.2	0.6	-0.2	2,505,960	2,502,165
Final domestic demand	0.8	1.0	-0.0	0.9	-0.1	0.6	2,543,489	2,558,391

Source(s): Table [36-10-0104-01](#).

Table 3
Real gross domestic product by expenditure account, annualized change – Seasonally adjusted at annual rates, chained (2017) dollars

	Third quarter 2024	Fourth quarter 2024	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025	Third quarter 2025	Fourth quarter 2025
	quarter-to-quarter % change, annualized						millions of dollars	
Final consumption expenditure	4.7	2.5	1.3	4.6	-1.3	2.1	2,017,422	2,027,847
Household final consumption expenditure	4.7	2.6	1.2	4.7	-0.8	1.7	1,425,267	1,431,258
Non-profit institutions serving households' final consumption expenditure	1.8	2.1	0.8	1.2	2.0	2.0	39,652	39,844
General governments final consumption expenditure	5.1	2.4	1.4	4.5	-2.7	3.1	552,016	556,201
Gross fixed capital formation	-2.3	10.2	-4.5	1.3	2.1	3.3	531,249	535,612
Business gross fixed capital formation	-3.4	10.7	-5.0	-0.5	-0.9	-0.2	425,188	424,929
Residential structures	7.6	14.9	-11.1	2.0	5.0	-4.4	159,390	157,619
Non-residential structures, machinery and equipment	-13.6	10.1	-0.6	-2.4	-5.3	2.0	210,316	211,378
Intellectual property products	4.4	0.5	-1.0	-1.4	-2.6	4.9	61,697	62,432
General governments gross fixed capital formation	2.2	8.0	-1.5	9.2	16.5	20.4	103,085	107,972
Investment in inventories (millions of dollars)	-3,392	-23,840	12,144	24,912	-12,284	-23,463	13,364	-10,099
Exports of goods and services	-0.6	9.3	4.0	-23.6	3.8	6.1	727,486	738,350
Less: imports of goods and services	-2.3	0.4	4.0	0.4	-11.0	1.0	786,122	788,140
Statistical discrepancy (millions of dollars)	323	-948	1,679	-1,094	934	-1,338	621	-717
Gross domestic product at market prices	3.3	2.8	2.1	-0.9	2.4	-0.6	2,505,960	2,502,165
Final domestic demand	3.1	4.2	-0.1	3.8	-0.5	2.4	2,543,489	2,558,391

Source(s): Table 36-10-0104-01.

Table 4
Real gross domestic product by expenditure account – Seasonally adjusted at annual rates

	Third quarter 2025	Fourth quarter 2025	Fourth quarter 2025		
			Contributions to percent change in real gross domestic product	Contributions to percent change in implicit price indexes	Annualized contributions to percent change in real gross domestic product
	millions of chained (2017) dollars		percentage points		
Final consumption expenditure	2,017,422	2,027,847	0.401	0.664	1.599
Household final consumption expenditure	1,425,267	1,431,258	0.228	0.446	0.909
Goods	611,392	610,021	-0.051	0.071	-0.204
Durable goods	185,096	183,768	-0.049	-0.010	-0.196
Semi-durable goods	112,815	113,287	0.015	-0.015	0.060
Non-durable goods	315,376	314,947	-0.017	0.096	-0.068
Services	816,553	823,842	0.279	0.375	1.113
Non-profit institutions serving households' final consumption expenditure	39,652	39,844	0.007	0.006	0.028
General governments final consumption expenditure	552,016	556,201	0.166	0.212	0.662
Gross fixed capital formation	531,249	535,612	0.187	0.037	0.746
Business gross fixed capital formation	425,188	424,929	-0.011	0.021	-0.044
Residential structures	159,390	157,619	-0.083	-0.009	-0.331
Non-residential structures, machinery and equipment	210,316	211,378	0.043	0.011	0.171
Non-residential structures	133,108	132,032	-0.045	-0.016	-0.180
Machinery and equipment	76,394	78,638	0.088	0.027	0.351
Intellectual property products	61,697	62,432	0.029	0.019	0.116
Non-profit institutions serving households' gross fixed capital formation	3,925	3,936	0.000	0.001	0.000
General governments gross fixed capital formation	103,085	107,972	0.198	0.015	0.790
Investment in inventories	13,364	-10,099	-1.062	-0.138	-4.238
Exports of goods and services	727,486	738,350	0.457	0.491	1.824
Goods	548,543	560,030	0.485	0.423	1.936
Services	183,988	183,296	-0.028	0.068	-0.112
Less: imports of goods and services	786,122	788,140	0.081	0.330	0.319
Goods	611,935	613,992	0.081	0.220	0.323
Services	175,354	175,337	-0.001	0.111	-0.004
Statistical discrepancy	621	-717	-0.054	0.000	-0.216
Gross domestic product at market prices	2,505,960	2,502,165	-0.151	0.723	-0.604
Final domestic demand	2,543,489	2,558,391	0.588	0.700	2.345

Source(s): Tables 36-10-0104-01 and 36-10-0106-01.

Table 5
Canadian economic accounts key indicators – Seasonally adjusted

	Third quarter 2024	Fourth quarter 2024	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025
Economy-wide						
Real gross domestic income (index 2017=100)	116.8	117.6	118.3	117.6	118.5	118.5
Gross domestic product deflator (index 2017=100)	127.0	127.9	129.1	128.9	130.1	131.0
Terms of trade (index 2017=100)	105.3	105.5	105.5	104.3	104.9	105.5
Household sector						
Household disposable income (millions of dollars)	1,748,196	1,765,468	1,780,588	1,788,440	1,807,932	1,818,456
Household net saving (millions of dollars)	103,260	97,248	95,580	80,132	94,096	80,736
Household saving rate (%)	5.9	5.5	5.4	4.5	5.2	4.4
Government sector						
General government disposable income (millions of dollars)	664,264	672,060	700,568	690,756	714,136	702,096
General government net saving (millions of dollars)	-14,244	-13,072	2,828	-18,664	2,908	-21,448
Corporate sector						
Non-financial corporations' net operating surplus (millions of dollars)	387,892	410,708	416,152	392,084	410,204	416,696
Financial corporations' net operating surplus (millions of dollars)	46,900	44,052	46,712	48,612	51,456	53,456
Non-financial corporations' net saving (millions of dollars)	-26,956	-7,748	-9,872	-16,120	-18,728	-6,324
Financial corporations' net saving (millions of dollars)	83,232	79,612	64,572	67,960	73,844	73,536
National						
National net saving (millions of dollars)	149,604	163,376	156,640	120,264	158,832	136,280
National saving rate (%)	5.8	6.3	5.9	4.6	5.9	5.1

Source(s): Tables [36-10-0105-01](#), [36-10-0106-01](#), [36-10-0111-01](#), [36-10-0112-01](#), [36-10-0118-01](#) and [36-10-0116-01](#).

Table 6
Real gross domestic product by expenditure account, year-over-year change – Seasonally adjusted at annual rates, chained (2017) dollars

	2020	2021	2022	2023	2024	2025	2024	2025
	year-over-year % change						millions of dollars	
Final consumption expenditure	-4.2	5.7	5.6	2.3	2.6	2.3	1,971,724	2,017,730
Household final consumption expenditure	-6.4	5.9	6.8	2.2	2.2	2.3	1,391,582	1,424,165
Non-profit institutions serving households' final consumption expenditure	0.4	0.3	6.1	5.6	2.3	1.4	39,008	39,571
General governments final consumption expenditure	1.3	5.6	2.9	2.4	3.8	2.4	540,593	553,453
Gross fixed capital formation	-3.8	8.8	0.0	-1.0	0.7	1.4	523,113	530,507
Business gross fixed capital formation	-5.0	10.4	-0.0	-2.3	-0.5	0.3	424,535	425,742
Residential structures	2.9	14.0	-9.1	-9.5	-0.2	1.0	156,261	157,788
Non-residential structures, machinery and equipment	-12.3	6.7	7.7	3.1	-1.4	-0.3	212,969	212,331
Intellectual property products	-0.4	13.7	10.8	3.7	2.2	0.3	61,964	62,142
General governments gross fixed capital formation	2.2	0.9	-0.2	5.8	6.1	6.7	95,476	101,840
Investment in inventories (millions of dollars)	-27,796	20,384	29,831	-29,100	-4,376	876	6,536	7,412
Exports of goods and services	-9.0	3.3	4.5	6.2	0.9	-1.7	752,075	739,409
Less: imports of goods and services	-9.4	8.4	7.5	1.2	0.7	-0.4	801,302	798,036
Statistical discrepancy (millions of dollars)	70	145	-391	-111	-338	584	-491	93
Gross domestic product at market prices	-5.0	6.0	4.7	2.0	2.0	1.7	2,456,310	2,499,116
Final domestic demand	-4.1	6.4	4.3	1.5	2.2	2.1	2,490,145	2,542,976

Source(s): Table [36-10-0104-01](#).

Available tables: [12-10-0161-01](#), [12-10-0162-01](#), [34-10-0163-01](#), [36-10-0103-01](#) to [36-10-0109-01](#) , [36-10-0111-01](#), [36-10-0112-01](#), [36-10-0114-01](#) to [36-10-0118-01](#) , [36-10-0121-01](#) to [36-10-0132-01](#) , [36-10-0135-01](#), [36-10-0205-01](#), [36-10-0369-01](#), [36-10-0477-01](#), [36-10-0484-01](#), [36-10-0688-01](#), [36-10-0699-01](#) and [36-10-0706-01](#).

Definitions, data sources and methods: survey numbers [1901](#), [2602](#), [2820](#) and [5169](#).

The data visualization product "[Gross domestic product by income and expenditure: Interactive tool](#)," which is part of the *Statistics Canada – Data Visualization Products* series ([71-607-X](#)), is now available.

The document "[Revisions to Canada's GDP](#)," which is part of *Latest Developments in the Canadian Economic Accounts* ([13-605-X](#)), is available.

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 *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).