

Gross domestic product, income and expenditure, first quarter 2026

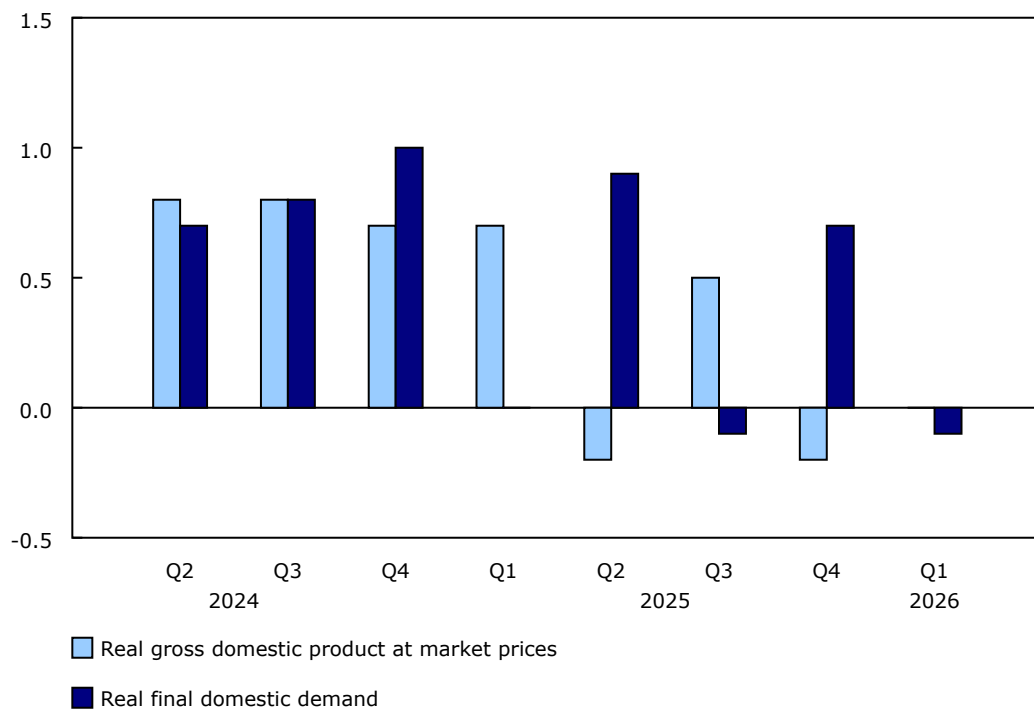
Released at 8:30 a.m. Eastern time in *The Daily*, Friday, May 29, 2026

Real gross domestic product (GDP) was unchanged in the first quarter of 2026, after declining 0.2% in the fourth quarter of 2025. Higher imports of goods, particularly gold, were offset by accumulations of business inventories. Decreased business and government capital investment was counterbalanced by higher household spending, as final domestic demand edged 0.1% lower.

On a per capita basis, real GDP increased 0.2% in the first quarter of 2026, as the population declined for a second consecutive quarter and GDP remained unchanged.

Chart 1
Real gross domestic product and final domestic demand

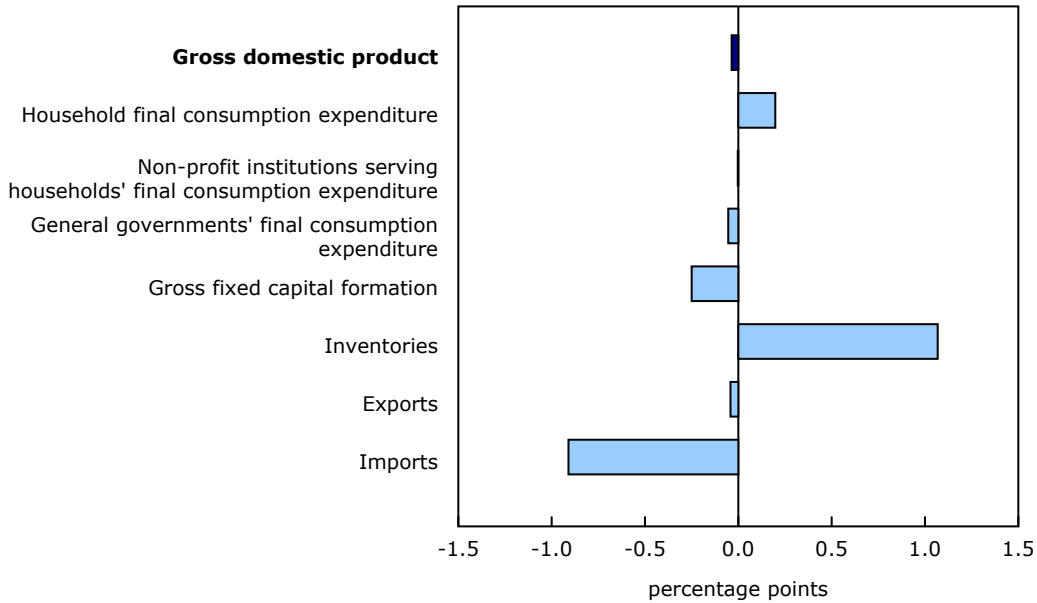
quarterly change (%), chained (2017) dollars



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



Chart 2
Contributions to percentage change in real gross domestic product, first quarter of 2026



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

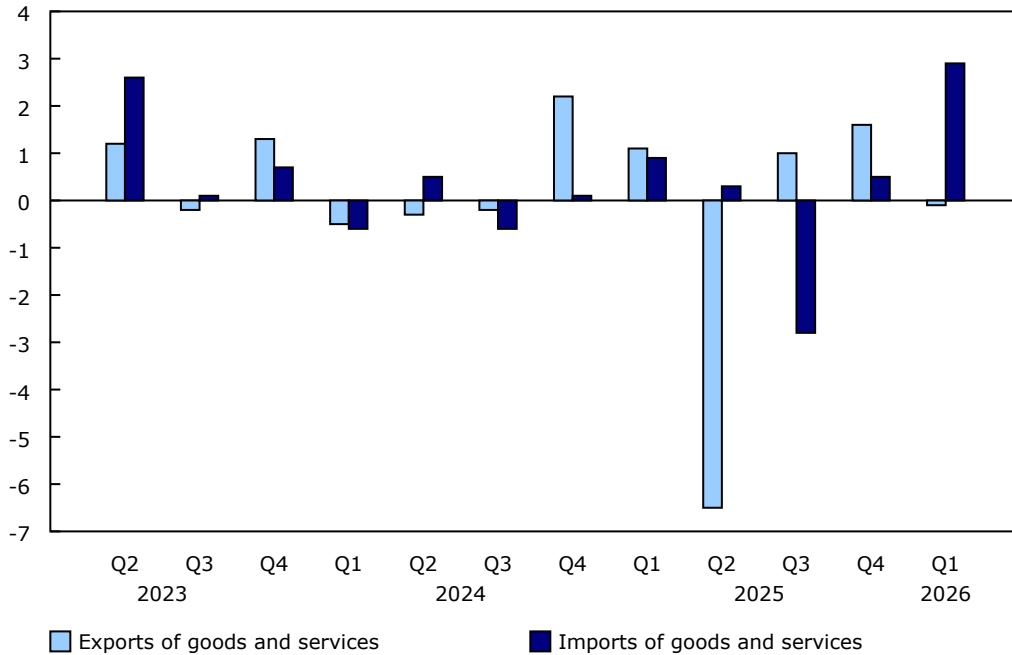
Rise in imports drags gross domestic product growth

Imports rose 2.9% in the first quarter of 2026, with roughly half of the rise coming from intermediate metal products and waste and scrap metal, both of which were driven by gold imports. Excluding these two categories, imports rose at less than half the pace (+1.2%), led by higher purchases of passenger cars and light trucks and industrial machinery and equipment. In contrast, imports of pharmaceuticals and medicinal products declined in the first quarter, as did travel imports, as fewer Canadians travelled abroad.

Exports edged down 0.1% in the first quarter of 2026, after rising 1.6% in the fourth quarter of 2025. The decline in the first quarter was led by fewer exports of passenger cars and light trucks, which have been impacted by US tariffs. Offsetting most of this decline was an increase in shipments of crude oil and crude bitumen, as well as natural gas.

Chart 3
Volumes of exports and imports

quarterly change (%), chained (2017) dollars



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

Accumulation of business inventories offsets higher imports of goods

Business inventories built up in the first quarter of 2026, as higher imports of gold fuelled the net acquisition of this precious metal. The manufacturing sector added to inventories in the first quarter after posting significant withdrawals in the fourth quarter. Meanwhile, the retail and wholesale trade sectors recorded inventory drawdowns in the first quarter.

Lower business investment in engineering structures more than offsets increased spending on other capital assets

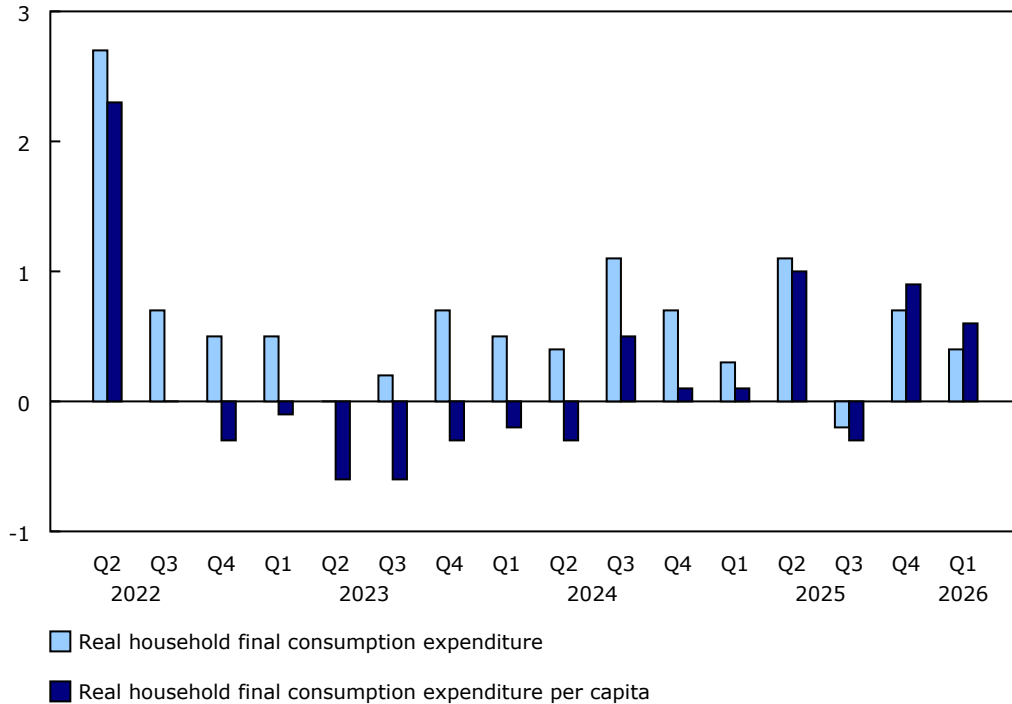
Business capital investment fell 0.7% in the first quarter of 2026, the fifth consecutive quarterly decline. A 4.6% decline in engineering structures was moderated by increased spending on machinery and equipment (+2.5%), mineral exploration and evaluation (+27.9%), non-residential buildings (+2.1%) and software (+1.9%).

Investment in residential structures falls on weak resale activity

Business investment in residential structures fell 2.0% in the first quarter of 2026, following a 2.4% decrease in the fourth quarter of 2025. The first quarter decline was led by continued weakness in resale housing activity (termed "ownership transfer costs"), which fell 9.9% in the first quarter of 2026 after falling 3.4% in 2025 overall. In the first quarter of 2026, new residential construction edged down 0.1%, led by decreased absorptions (the indicator for sales) of completed units, while work-put-in place for row homes and apartments increased.

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 slows

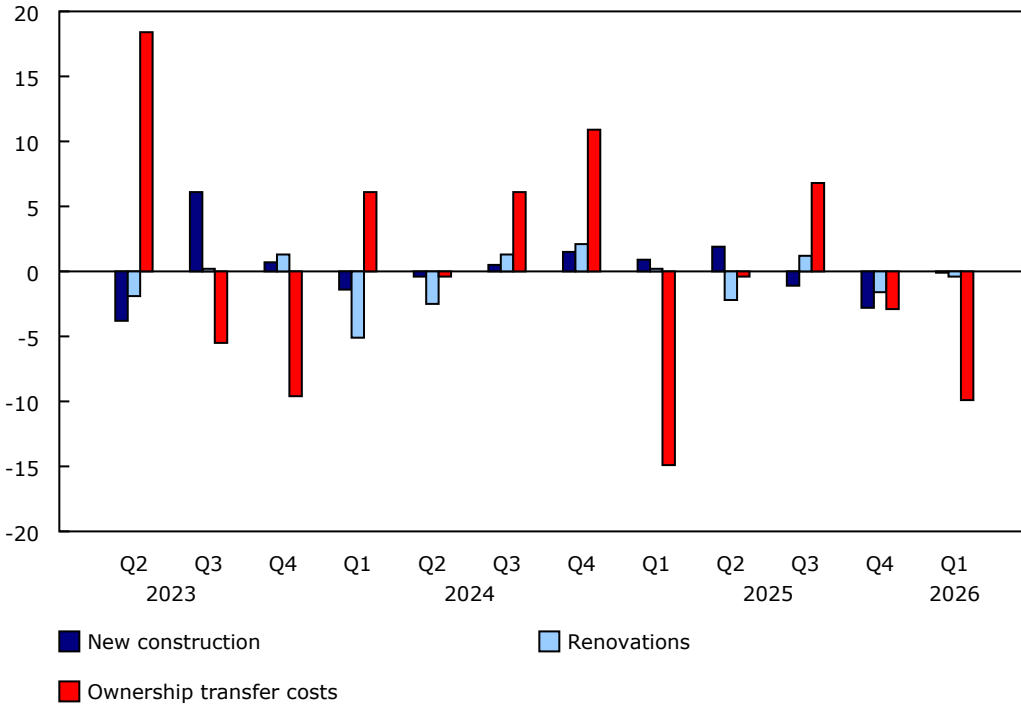
Government capital investment fell 2.5% in the first quarter of 2026, following notable strength throughout most of 2025. The first quarter decline was primarily due to lower investment in weapons systems compared with the high level of investment at the end of 2025. Despite the decrease, government investment in weapons systems in the first quarter of 2026 (\$8.3 billion, seasonally adjusted at annual rates) remained well above the average quarterly investment recorded since 1981 (\$1.7 billion, seasonally adjusted at annual rates).

Household spending up on financial services and food

Household spending rose 0.4% in the first quarter of 2026, following a 0.7% increase in the fourth quarter of 2025. Growth in the first quarter was led by higher spending on financial services and food. Meanwhile, fewer Canadians travelling abroad as well as decreased purchases of new vehicles tempered the overall growth in household consumption expenditures.

**Chart 5
Housing investment**

quarterly change (%), chained (2017) dollars



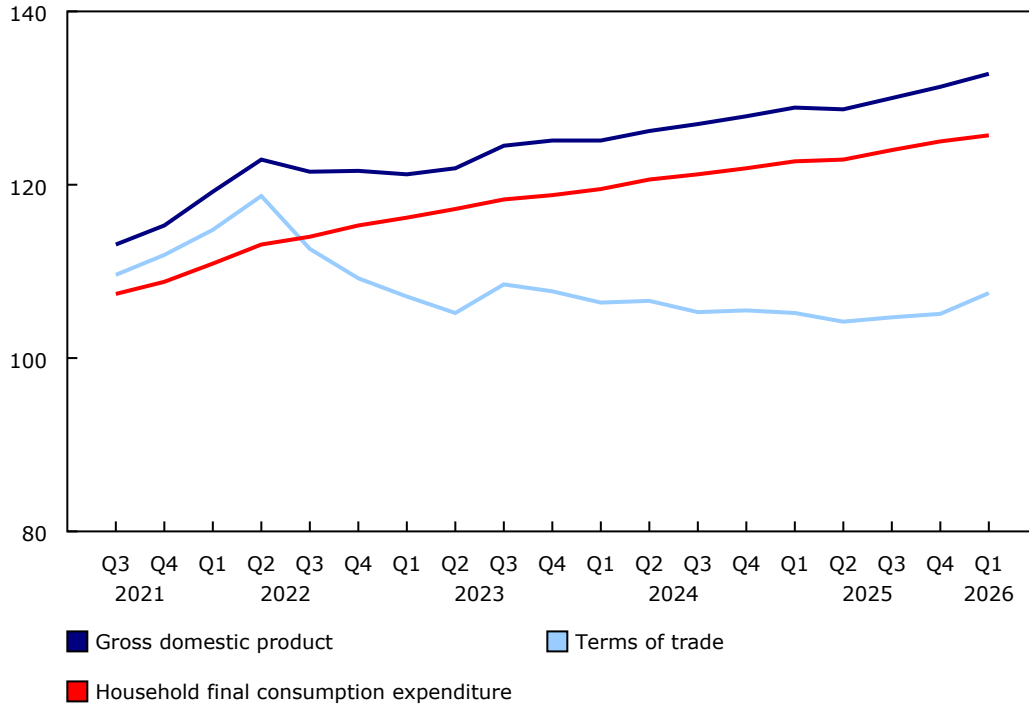
Source(s): Table 36-10-0108-01.

Higher export prices push up gross domestic product deflator

The GDP deflator rose 1.1% in the first quarter of 2026, led by export prices, which increased 3.4% following the global rise in oil prices. Import prices rose 1.1%, resulting in the terms of trade—the difference between the price of exported goods and services and the price of imported goods and services—increasing 2.3%. The deflator for household final consumption expenditure rose 0.6% in the first quarter; however, excluding food and energy prices, it edged up 0.2%.

Chart 6
Gross domestic product price indexes, selected components

index (2017=100)



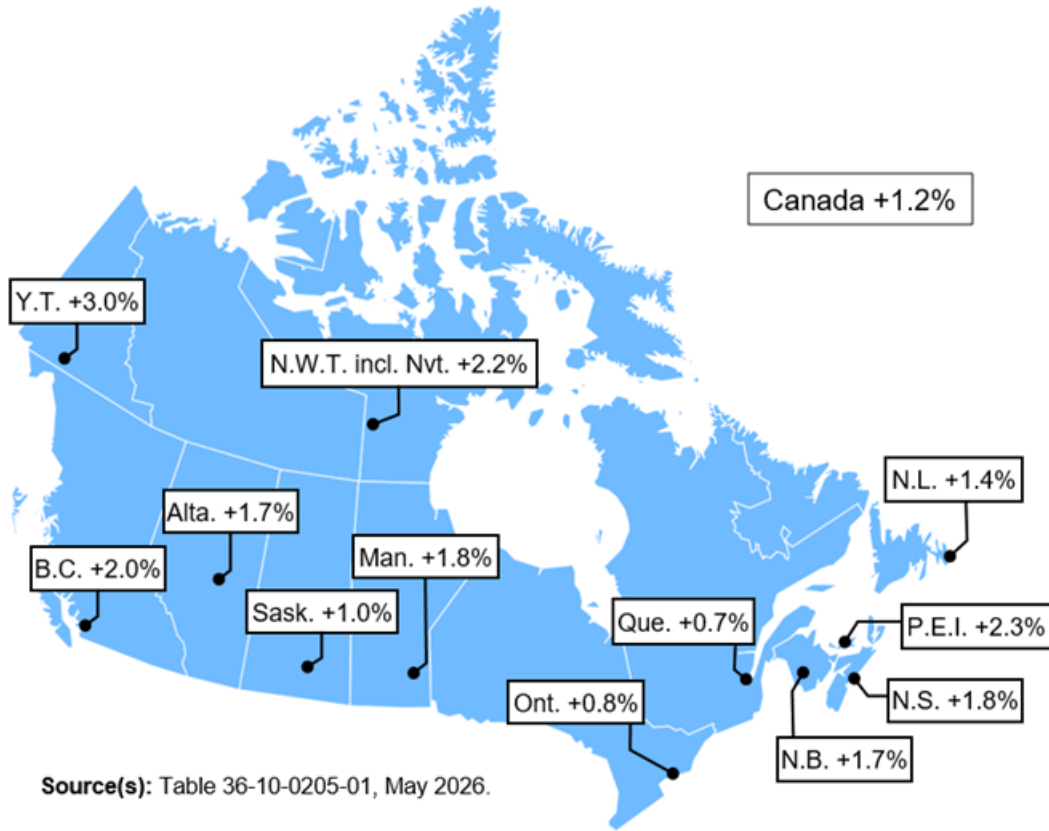
Source(s): Tables [36-10-0106-01](#) and [36-10-0105-01](#).

Compensation of employees rises

Compensation of employees increased 1.2% in the first quarter of 2026, led by professional and personal services (+2.0%), health care and social assistance (+1.7%) and retail and wholesale trade (+1.6%). These increases were moderated by declines in federal government public administration (-3.3%) and finance, real estate and company management (-1.2%).

Compensation of employees grew in all provinces and territories in the first quarter of 2026, ranging from 0.7% in Quebec to 3.0% in Yukon.

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



Corporate income growth fuelled by strength in energy prices

Corporate incomes increased 1.6% in the first quarter of 2026, the third consecutive quarter of growth. The energy sector led the gains in non-financial surplus, as global energy prices rose significantly in the quarter. Operating surplus for the mining sector was also up in the first quarter, continuing a string of increases since the start of 2025, while incomes for the services industries were generally flat. Gross operating surplus of financial corporations rose 6.1% in the first quarter of 2026, led by increased output of investment services and associated fee income.

Household saving rate dips to its lowest in two years

The household saving rate slowed to 3.5% in the first quarter of 2026, the lowest rate since the first quarter of 2024, as disposable income increased 0.6%, while nominal consumption expenditure rose 0.9%. Although compensation of employees increased in the first quarter of 2026, declines among other income sources weighed on disposable income, including self-employment income (termed net mixed income), net investment income (termed net property income) and net receipts of current transfer.

Net property income declined 0.6% in the first quarter of 2026 due to a combination of reduced investment earnings and higher interest payments. Household investment earnings (i.e., property income received) declined 0.1% in the first quarter, due mainly to lower returns on interest-bearing instruments. Household property income paid, comprised of mortgage and non-mortgage interest expenses, increased by 0.7%, marking the first increase since the second quarter of 2024. The Bank of Canada policy rate was unchanged during the first quarter of 2026, in contrast with its numerous reductions over the past two years.

Reconciling gross domestic product by income and expenditure to provide a clear picture of Canada's economy

Each quarter, a wide range of data sources are brought together to measure Canada's economy from two main perspectives: **income** and **expenditure**.

Income-based gross domestic product (GDP) tracks money earned through production. This includes:

- Wages and salaries paid to workers
- Income earned by self-employed individuals
- Operating surplus generated by corporations
- Taxes collected by governments on products and production, less any subsidies

Expenditure-based GDP focuses on how money is spent in the economy. This includes:

- Household spending on goods and services
- Government spending
- Business investment, such as in machinery, buildings and inventories
- Net trade, calculated as exports minus imports

In theory, these two approaches should give the same result. The total income earned from producing goods and services should equal the total expenditure on those goods and services.

Why differences occur

In practice, the two measures do not always match perfectly. This is because they rely on different data sources, which can vary in concepts, coverage, timing and accuracy.

To address these differences, national accountants carry out a detailed reconciliation process. This means carefully comparing related pieces of information from both perspectives to ensure they align.

How reconciliation works

National accounting experts look for logical links between income and spending data. For example:

- Profits in certain industries are closely tied to exports of their goods or services
- Investment in machinery and equipment often corresponds to imports, such as computers or other technology
- Investment in construction projects is closely linked to labour market conditions—particularly wage trends—as well as sales of key building materials

If these related figures do not align, it signals a potential inconsistency. When this happens, adjustments may be made so that the data tell a coherent and accurate story about the economy.

These adjustments are based on both:

- Quantitative analysis (examining the numbers closely) and
- Qualitative assessment (considering the quality and reliability of data sources)

Data quality

The quality of all data sources improves over time and are integrated in accordance with pre-established [revision cycle](#) which may introduce changes to previous adjustments. The confrontation of data sources is conducted for every quarter within the open period.

By combining multiple data sources and carefully resolving discrepancies in the coherence of different data sources, Canada's national accounts provide a consistent and trustworthy picture of the economy. This helps governments, businesses and Canadians make informed decisions.

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

Revisions

This release of gross domestic product, income and expenditure for the first quarter of 2026 includes revised estimates for the first quarter of 2025 to the fourth quarter of 2025. These estimates incorporate new and revised data, as well as updated information on seasonal trends.

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. Unless otherwise stated, quoted values represent seasonally adjusted amounts at annual rates.

For information on seasonal adjustment, see [Seasonal adjustment: Concepts and interpretation, 2026](#).

Real-time tables

Real-time tables 36-10-0430-01 and 36-10-0431-01 will be updated on June 8.

Next release

Data on GDP by income and expenditure for the second quarter of 2026 will be released on August 28.

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

	Fourth quarter 2024	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025	First quarter 2026	Fourth quarter 2025	First quarter 2026
	quarter-to-quarter % change						millions of dollars	
Compensation of employees	1.0	0.9	0.3	1.1	0.7	1.2	1,647,776	1,667,080
Gross operating surplus	3.0	1.5	-1.8	2.6	1.6	1.6	911,588	925,800
Gross mixed income	2.6	1.0	1.8	2.3	1.8	-1.4	418,816	412,788
Taxes less subsidies on production	-7.9	12.6	1.4	1.9	-4.5	6.7	112,716	120,264
Taxes less subsidies on products and imports	0.4	2.9	-4.6	-1.5	-2.6	0.3	193,340	193,876
Statistical discrepancy (millions of dollars)	1,216	-2,300	-1,228	1,316	1,404	1,436	344	1,780
Gross domestic product at market prices	1.4	1.5	-0.4	1.5	0.7	1.1	3,284,580	3,321,588

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

	Fourth quarter 2024	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025	First quarter 2026	Fourth quarter 2025	First quarter 2026
	quarter-to-quarter % change						millions of dollars	
Final consumption expenditure	0.6	0.3	1.0	-0.3	0.7	0.2	2,030,626	2,034,306
Household final consumption expenditure	0.7	0.3	1.1	-0.2	0.7	0.4	1,434,309	1,439,531
Non-profit institutions serving households' final consumption expenditure	0.5	0.1	0.4	0.5	0.1	-0.2	39,712	39,644
General governments final consumption expenditure	0.6	0.5	1.0	-0.5	0.6	-0.2	556,099	554,728
Gross fixed capital formation	2.5	-0.9	0.4	0.4	0.7	-1.1	535,580	529,694
Business gross fixed capital formation	2.6	-1.1	-0.1	-0.3	-0.4	-0.7	423,783	420,619
Residential structures	3.5	-2.6	0.1	1.1	-2.4	-2.0	155,039	151,891
Non-residential structures, machinery and equipment	2.4	0.1	-0.1	-1.5	0.6	-0.8	212,614	210,877
Intellectual property products	0.1	-0.1	-0.8	-0.5	2.3	3.3	62,977	65,052
General governments gross fixed capital formation	1.9	-0.1	2.5	3.7	5.6	-2.5	109,202	106,469

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

	Fourth quarter 2024	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025	First quarter 2026	Fourth quarter 2025	First quarter 2026
Investment in inventories (millions of dollars)	-23,840	13,161	25,120	-13,127	-26,373	23,257	-12,627	10,630
Exports of goods and services	2.2	1.1	-6.5	1.0	1.6	-0.1	741,277	740,304
Less: imports of goods and services	0.1	0.9	0.3	-2.8	0.5	2.9	791,010	813,744
Statistical discrepancy (millions of dollars)	-948	1,786	956	-1,026	-1,080	-1,078	-262	-1,340
Gross domestic product at market prices	0.7	0.7	-0.2	0.5	-0.2	-0.0	2,501,573	2,500,680
Final domestic demand	1.0	0.0	0.9	-0.1	0.7	-0.1	2,561,069	2,558,296

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

	Fourth quarter 2024	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025	First quarter 2026	Fourth quarter 2025	First quarter 2026
	quarter-to-quarter % change, annualized						millions of dollars	
Final consumption expenditure	2.5	1.4	4.3	-1.1	2.7	0.7	2,030,626	2,034,306
Household final consumption expenditure	2.6	1.2	4.4	-0.8	2.9	1.5	1,434,309	1,439,531
Non-profit institutions serving households' final consumption expenditure	2.1	0.4	1.6	2.2	0.5	-0.7	39,712	39,644
General governments final consumption expenditure	2.4	1.8	4.1	-2.1	2.3	-1.0	556,099	554,728
Gross fixed capital formation	10.2	-3.7	1.5	1.6	2.8	-4.3	535,580	529,694
Business gross fixed capital formation	10.7	-4.2	-0.5	-1.3	-1.7	-3.0	423,783	420,619
Residential structures	14.9	-10.2	0.2	4.4	-9.4	-7.9	155,039	151,891
Non-residential structures, machinery and equipment	10.1	0.2	-0.4	-5.9	2.3	-3.2	212,614	210,877
Intellectual property products	0.5	-0.6	-3.2	-2.0	9.4	13.8	62,977	65,052
General governments gross fixed capital formation	8.0	-0.6	10.4	15.5	24.6	-9.6	109,202	106,469
Investment in inventories (millions of dollars)	-23,840	13,161	25,120	-13,127	-26,373	23,257	-12,627	10,630
Exports of goods and services	9.3	4.5	-23.4	4.1	6.7	-0.5	741,277	740,304
Less: imports of goods and services	0.4	3.6	1.2	-10.9	2.0	12.0	791,010	813,744
Statistical discrepancy (millions of dollars)	-948	1,786	956	-1,026	-1,080	-1,078	-262	-1,340
Gross domestic product at market prices	2.8	2.9	-1.0	1.9	-1.0	-0.1	2,501,573	2,500,680
Final domestic demand	4.2	0.2	3.6	-0.5	2.7	-0.4	2,561,069	2,558,296

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

Table 4

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

	Fourth quarter 2025	First quarter 2026	First quarter 2026		
			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	2,030,626	2,034,306	0.141	0.497	0.568
Household final consumption expenditure	1,434,309	1,439,531	0.198	0.276	0.796
Goods	608,100	609,231	0.042	0.241	0.172
Durable goods	181,433	178,466	-0.109	0.044	-0.436
Semi-durable goods	112,229	111,673	-0.017	0.005	-0.068
Non-durable goods	316,190	320,465	0.169	0.191	0.676
Services	828,793	832,868	0.156	0.035	0.624
Non-profit institutions serving households' final consumption expenditure	39,712	39,644	-0.003	0.003	-0.012
General governments final consumption expenditure	556,099	554,728	-0.054	0.219	-0.216
Gross fixed capital formation	535,580	529,694	-0.250	0.058	-1.004
Business gross fixed capital formation	423,783	420,619	-0.136	0.027	-0.544
Residential structures	155,039	151,891	-0.146	-0.017	-0.584
Non-residential structures, machinery and equipment	212,614	210,877	-0.070	0.042	-0.280
Non-residential structures	132,768	129,244	-0.146	0.051	-0.584
Machinery and equipment	79,107	81,059	0.076	-0.009	0.304
Intellectual property products	62,977	65,052	0.080	0.002	0.320
Non-profit institutions serving households' gross fixed capital formation	3,940	3,825	-0.005	0.000	-0.020
General governments gross fixed capital formation	109,202	106,469	-0.110	0.031	-0.440
Investment in inventories	-12,627	10,630	1.068	-0.100	4.270
Exports of goods and services	741,277	740,304	-0.042	1.066	-0.168
Goods	563,046	561,699	-0.058	0.992	-0.232
Services	183,194	183,599	0.016	0.074	0.064
Less: imports of goods and services	791,010	813,744	0.910	0.358	3.638
Goods	613,115	636,127	0.914	0.362	3.654
Services	178,974	178,869	-0.004	-0.004	-0.016
Statistical discrepancy	-262	-1,340	-0.043	0.000	-0.172
Gross domestic product at market prices	2,501,573	2,500,680	-0.036	1.163	-0.144
Final domestic demand	2,561,069	2,558,296	-0.109	0.555	-0.436

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

Table 5
Canadian economic accounts key indicators – Seasonally adjusted

	Fourth quarter 2024	First quarter 2025	Second quarter 2025	Third quarter 2025	Fourth quarter 2025	First quarter 2026
Economy-wide						
Real gross domestic income (index 2017=100)	117.6	118.4	117.8	118.5	118.3	119.1
Gross domestic product deflator (index 2017=100)	127.9	128.9	128.7	130.0	131.3	132.8
Terms of trade (index 2017=100)	105.5	105.2	104.2	104.7	105.1	107.5
Household sector						
Household disposable income (millions of dollars)	1,765,468	1,776,756	1,775,844	1,790,264	1,801,452	1,811,968
Household net saving (millions of dollars)	97,248	93,316	75,888	78,988	67,220	62,940
Household saving rate (%)	5.5	5.3	4.3	4.4	3.7	3.5
Government sector						
General government disposable income (millions of dollars)	672,060	708,684	701,596	723,272	692,696	718,640
General government net saving (millions of dollars)	-13,072	10,712	-7,532	10,864	-31,928	-11,368
Corporate sector						
Non-financial corporations' net operating surplus (millions of dollars)	410,708	415,596	395,696	411,840	423,584	430,556
Financial corporations' net operating surplus (millions of dollars)	44,052	46,288	48,648	51,448	51,680	55,720
Non-financial corporations' net saving (millions of dollars)	-7,748	-12,256	-10,840	-14,940	8,184	-6,668
Financial corporations' net saving (millions of dollars)	79,612	61,140	60,252	78,080	88,896	86,548
National						
National net saving (millions of dollars)	163,376	157,004	122,696	159,804	140,736	138,884
National saving rate (%)	6.3	6.0	4.7	5.9	5.2	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	2.4	1,971,724	2,018,216
Household final consumption expenditure	-6.4	5.9	6.8	2.2	2.2	2.4	1,391,582	1,424,316
Non-profit institutions serving households' final consumption expenditure	0.4	0.3	6.1	5.6	2.3	1.3	39,008	39,530
General governments final consumption expenditure	1.3	5.6	2.9	2.4	3.8	2.4	540,593	553,824
Gross fixed capital formation	-3.8	8.8	0.0	-1.0	0.7	1.6	523,113	531,291
Business gross fixed capital formation	-5.0	10.4	-0.0	-2.3	-0.5	0.3	424,535	426,012
Residential structures	2.9	14.0	-9.1	-9.5	-0.2	0.5	156,261	157,058
Non-residential structures, machinery and equipment	-12.3	6.7	7.7	3.1	-1.4	0.2	212,969	213,391
Intellectual property products	-0.4	13.7	10.8	3.7	2.2	0.4	61,964	62,215
General governments gross fixed capital formation	2.2	0.9	-0.2	5.8	6.1	7.2	95,476	102,395
Investment in inventories (millions of dollars)	-27,796	20,384	29,831	-29,100	-4,376	900	6,536	7,436
Exports of goods and services	-9.0	3.3	4.5	6.2	0.9	-1.4	752,075	741,192
Less: imports of goods and services	-9.4	8.4	7.5	1.2	0.7	-0.3	801,302	799,004
Statistical discrepancy (millions of dollars)	70	145	-391	-111	-338	1,313	-491	822
Gross domestic product at market prices	-5.0	6.0	4.7	2.0	2.0	1.9	2,456,310	2,501,835
Final domestic demand	-4.1	6.4	4.3	1.5	2.2	2.2	2,490,145	2,544,310

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).