

Overview

How is Canada's economic health? It may seem a question better left to statisticians and economists, but it affects every Canadian. Almost everything we do every day is linked to the economy—we go to work, buy goods and services, pay taxes, accumulate wealth and make investments. And if Canada's major economic accounts—the tools that statisticians and economists use to measure the economy's size and performance—are any indication, our economy has been good to us over the past decade.

A long boom

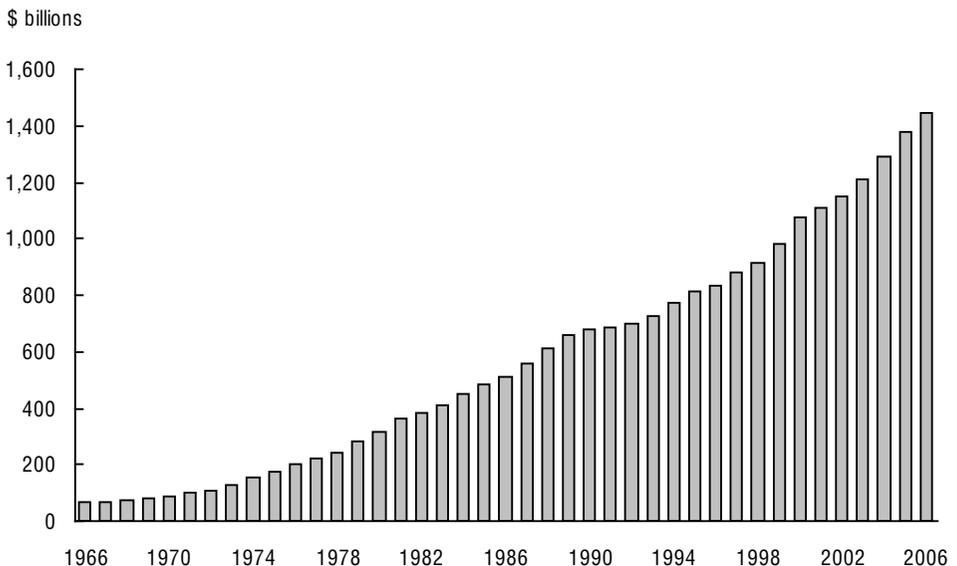
From 1996 to 2006, Canada's gross domestic product (GDP), which reflects the total value of all goods and services produced by a nation, did not stop growing. In real terms (adjusted for inflation), GDP expanded 23% during the first half of the past decade, and

then another 14% during the second half. In nominal terms, the value of all goods and services produced in Canada in 2006 was \$1.45 trillion—or just over \$44,000 for every man, woman and child in the country.

The services sector dominates the economy—it accounted for more than two-thirds of GDP in 2006. Services have also been the driving force of Canada's economic growth, expanding nearly 17% over the last five years—or almost twice as fast as the goods-producing sector, which grew just over 9%.

In addition to measuring production by industry, GDP can also be calculated using other approaches that measure economic performance. For example, income-based GDP measures the returns to the factors of production, including labour income of individuals and earnings of corporations. Adding up all of Canada's income, such as

Chart 9.1
Gross domestic product, income-based



Source: Statistics Canada, CANSIM table 380-0016.

labour income, profits and taxes, shows that the economy grew more than 25% from 2002 to 2006 (not adjusted for inflation). Rapid growth in corporate profits and advances in labour income accounted for much of that increase.

Another method called expenditure-based GDP tracks economic performance from a spending perspective—final spending on production—which includes consumer spending, business investments and government purchases. Of all the money spent in 2006, 56% (not adjusted for inflation) came from the wallets of individual Canadians shopping for goods and services. Among the other big-spending sectors, our three levels of government accounted for about 20% of all spending on goods and services. In 2006, expenditure-based GDP in real terms grew 2.8% for Canada.

Growing national wealth

The economy has grown considerably over the last decade, and Canadians have benefited from this expansion. The national balance sheet accounts—another of the economist’s tools—show that economic

Table 9.a
National balance sheet

	2002	2006
	\$ millions	
Assets	12,155,289	16,713,938
Liabilities	8,386,110	11,594,704
Net worth	3,769,179	5,119,234

Source: Statistics Canada, CANSIM table 378-0004.

growth and appreciation of assets have stimulated Canada’s overall net worth to grow significantly. By 2006, the economy had accumulated \$16.7 trillion in assets and \$11.6 trillion in liabilities, for a total net worth of \$5.1 trillion—a jump of almost 35% since 2002.

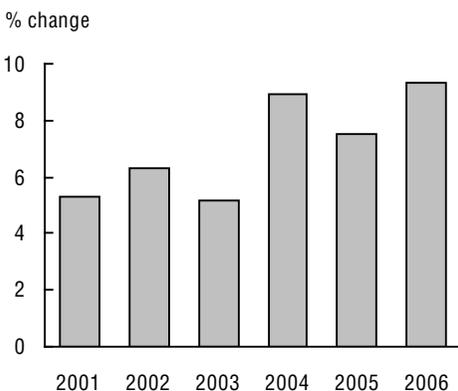
National net worth surged 10% in 2006 alone, thanks to a significant drop in net foreign indebtedness combined with a strong increase in non-financial assets. The gains in non-financial assets were led by business investment in non-residential structures and by the continuing growth in the value of residential real estate.

Most of the wealth in the economy belongs to individuals through their ownership of non-financial assets and their substantial investments in corporations—via equities held in pensions and investment funds. The lion’s share of household assets is financial, and these assets have seen robust growth over the last four years. Pensions, investment funds and equities account for 76% of household financial assets of \$3.7 trillion. Another \$0.7 trillion is made up of cash and deposits socked away in banks and other financial institutions.

For many Canadians, the most striking growth has occurred in the value of their home and their consumer durable goods. By 2006, the total value of household non-financial assets reached \$2.6 trillion, about 45% higher than in 2002, with residential real estate leading the way.

Accompanying the real estate boom has been a lending boom. Household liabilities—

Chart 9.2
National net worth



Source: Statistics Canada, CANSIM table 378-0004.

particularly mortgages and consumer credit—have grown 37% since 2002.

Trading with the world

Since Canada is a trade-dependent nation, economic health has as much to do with activity outside our borders as it does with activity inside them. The economist's toolbox also contains some economic accounts tools for tracking this activity.

One is Canada's balance of international payments. It's a summary of economic transactions between Canada and the rest of the world. On its current account side—which tracks the export and import of goods and services, as well as other international activity—the value of goods exported to other countries in 2006 rose for a third consecutive year, to \$455.7 billion. Also in 2006, Canadians imported \$404.4 billion worth of goods. Together, these exports and imports created a trade surplus of \$51.3 billion—the smallest in seven years, but a large surplus nonetheless.

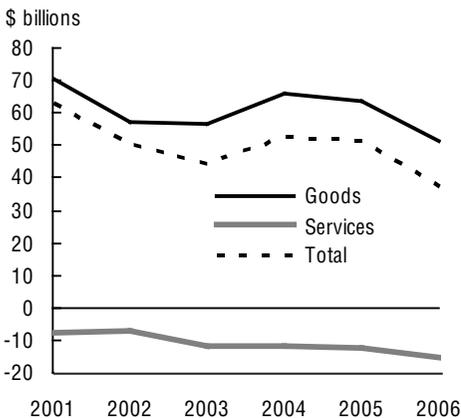
Meanwhile, there is Canadians' international trade in services. We consistently import

more services than we export, creating a trade deficit in services year after year. In 2006, the services trade deficit was \$15.2 billion—the largest deficit in services ever.

On the other side of the ledger, Canada's capital and financial account are comprised mainly of transactions in financial instruments. In 2006, these transactions led to a net outflow of \$18.5 billion. In other words, Canada's international assets grew faster than its liabilities to the rest of the world, which has been the norm over the last eight years. However, this was the lowest net outflow since 2003.

The growth in assets in 2006 came largely from Canada's portfolio investment, mainly foreign bonds. The increase in liabilities was concentrated in foreign direct investment—the largest increase in foreign direct investment in six years.

Chart 9.3
Balance of international payments



Source: Statistics Canada, CANSIM table 376-0001.

Selected sources

Statistics Canada

- *Canada's Balance of International Payments*. Quarterly. 67-001-XWE
- *Canada's International Transactions in Securities*. Monthly. 67-002-XWE
- *Canadian Economic Accounts Quarterly Review*. Quarterly. 13-010-XWE
- *Gross Domestic Product by Industry*. Monthly. 15-001-XIE
- *National Balance Sheet Accounts, Quarterly Estimates*. Quarterly. 13-214-XWE
- *National Income and Expenditure Accounts, Quarterly Estimates*. Quarterly. 13-001-XIB
- *Provincial and Territorial Economic Accounts Review*. Semi-annual. 13-016-XIE
- *Provincial Economic Accounts, Annual Estimates - Tables and Analytical Document*. Semi-annual. 13-213-PPB

Economic growth shifts from east to west

The continuing resources boom has shifted economic growth from east to west. Since 2003, Alberta and British Columbia have outpaced the nation.

Alberta led the provinces in growth for a third consecutive year in 2006, rising 6.8%, adjusted for inflation. Oil prices are the main driver, but the effects are rippling throughout the province's economy—and beyond.

British Columbia, at 3.6%, outpaced the national average for a fifth consecutive year in 2006. The construction industry benefited from demand for housing and investment for the 2010 Olympics. And Yukon's economy continued its three-year surge, up 2.9% from 2005, as high prices for metals and minerals spurred exploration.

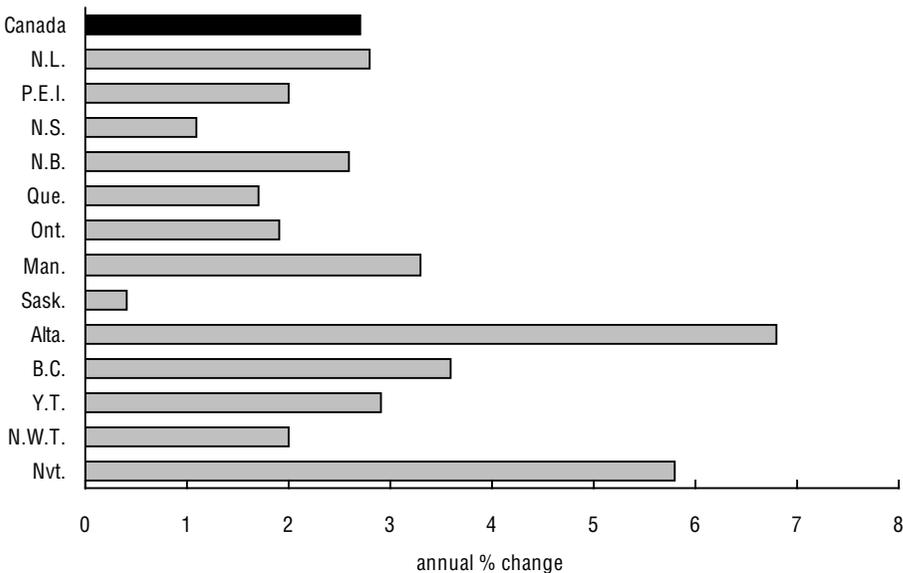
Machinery and equipment manufacturing for the Alberta market benefited Saskatchewan, but the province's economic output rose just

0.4% in 2006, down from 3.1% growth in 2005. Ideal growing conditions led to strong exports of canola and wheat: thus, Manitoba outpaced the national average in 2006 for the first time since 1998.

The same factors lifting Western Canada have dampened growth east of Manitoba. High commodity prices have pushed up the loonie and fuel prices, which makes manufacturing more expensive and slows exports. Ontario and Quebec, the traditional manufacturing centres, have fallen short of the national average from 2003 to 2006.

Newfoundland and Labrador grew 2.8% in 2006, thanks to the first full year of production at a new nickel mine and oilfield. New Brunswick gained 2.6% with the re-opening of two pulp and paper mills. Prince Edward Island's economy grew 2.0%, helped by an improved potato harvest and construction of a wind farm.

Chart 9.4
Real GDP, by province and territory, 2006



Note: Chained 1997 dollars.

Source: Statistics Canada, CANSIM table 384-0002.

The industries driving the growth

With all the talk about the resurgence of resource-based industries, you might think that Canadian economic growth is being driven by oil, mining and natural gas producers. While this industry and its related economic activities have driven big growth in recent years, other industries also play a major role in our economic well-being.

The overall economy advanced 2.8% in 2006, a slight slowdown from 2005 (all figures are adjusted for inflation). Canadian shoppers accounted for the largest part of this growth, with consumer spending advancing 4.2%.

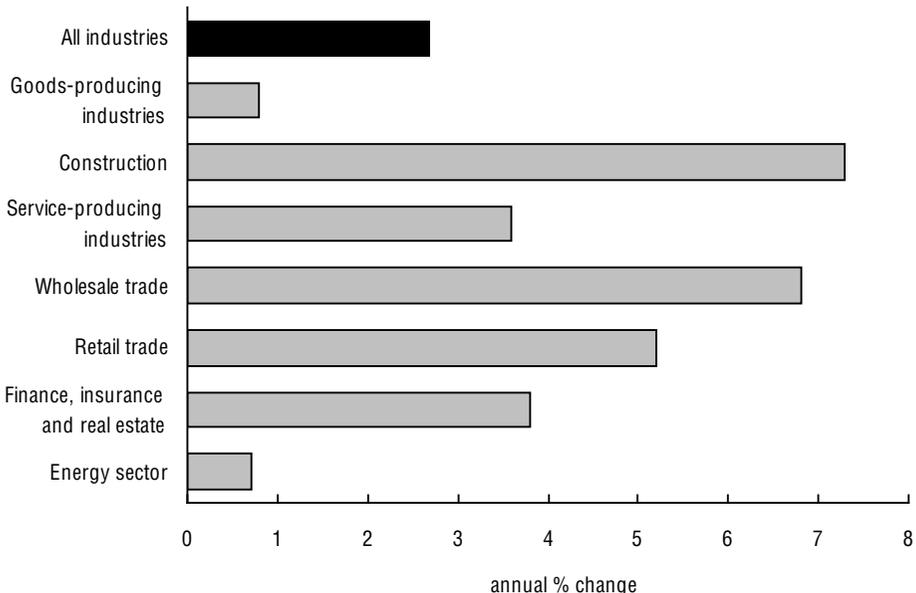
The construction industry posted the strongest growth rate in the entire economy in 2006, 7.4%. Much of this growth was thanks to engineering projects and construction related to the oil patch, although home and commercial building also contributed.

The retail and wholesale trade industries were busy in 2006 keeping store shelves stocked and cash registers ringing. Retailers saw their industry advance 5.2% in 2006, outdoing their already impressive growth from the previous year. Wholesalers saw a second straight year of nearly 7% growth.

Another strong performer is the white-collar world of finance, insurance and real estate, which grew 3.8% in 2006 and more than 18% since 2001. On a less positive note, activity in the manufacturing sector decreased 1.3%, with manufacturing of non-durable goods showing the biggest decline.

Despite the construction industry's strong showing and the continued visibility of our energy sector, Canada's economic growth has been largely driven by service industries, which generate more than two-thirds of our GDP and employ 3 in 4 Canadians. While goods-producing industries as a group crept up 0.8% in 2006, services grew 3.6%.

Chart 9.5
GDP, by selected industries, 2006



Note: Chained 1997 dollars.

Source: Statistics Canada, Catalogue no. 15-001-XIE.

Business investment still stoking growth

Consumers led economic growth in 2006, but business investment also helped to stoke the growth. Canadian shoppers spent 4.2% more in 2006 than in the previous year—their strongest shopping spree since 1997. Still, business investment to construct homes, infrastructure, and commercial and industrial buildings grew even faster, 7.1%, although less money was involved than in consumer expenditures.

Fixed capital investment—mainly the real estate boom—has accounted for a considerable share of the annual gains in GDP since 2003. Climbing prices and greater demand for homes have created strong annual growth for homebuilders since 2000—14.1% in 2002 alone.

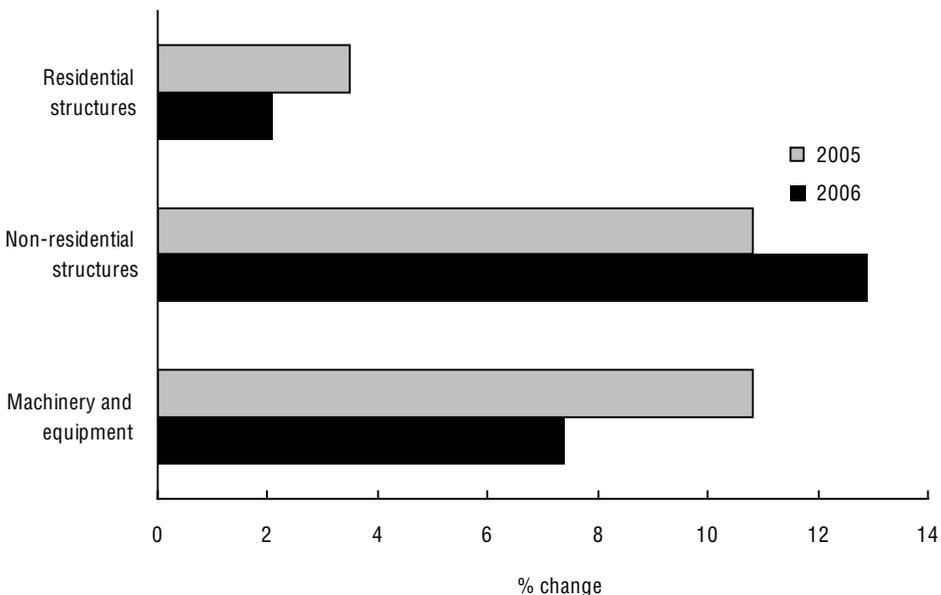
Handy Canadians have also helped to fuel the boom in residential investment. Home renovation outlays had their eighth

consecutive year of robust growth in 2006, at 7.1%.

However, as the overall pace of investment in residential construction slowed in the last two years to 2.1% growth by the end of 2006, business investment in non-residential structures, machinery and equipment quickened and topped 9.9%.

Big-spending consumers are partly responsible. As more shoppers flock to stores, companies often invest in building more stores, malls and warehouses to meet demand. But clearly the oil and gas boom in Western Canada is also a major factor in non-residential investment. The boom has spurred large-scale infrastructure expansion—particularly in and around Alberta's oil sands: investment nearly doubled in 2005.

Chart 9.6
Real GDP, business gross fixed capital formation



Note: Chained 2002 dollars.

Source: Statistics Canada, Catalogue no. 13-010-XWE.

Investing overseas

Canadians have never been shy about investing money overseas. Recently, this trend has intensified. By the end of 2006, strong global markets had helped push Canadian investment in foreign securities to record levels.

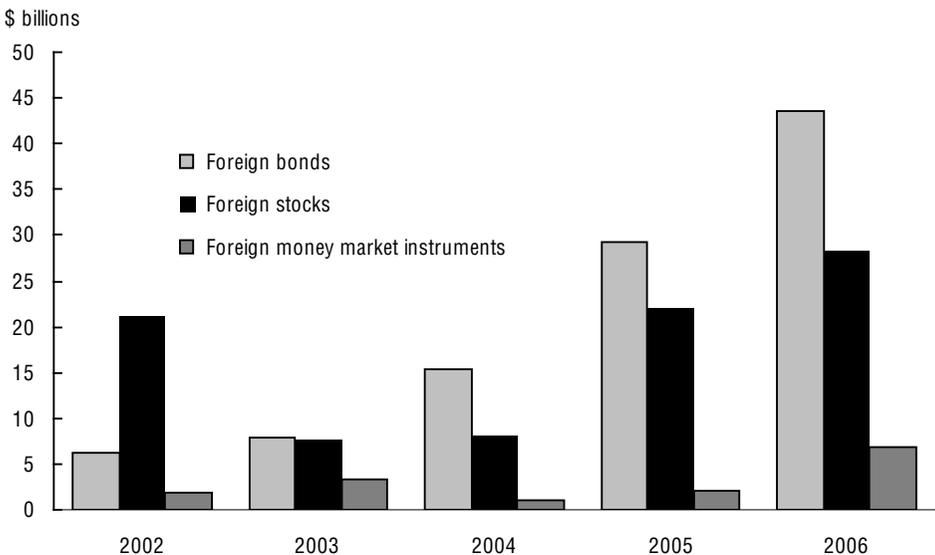
By December 2006, Canadians had been adding foreign stocks, bonds and money market instruments to their portfolios for 23 straight months. In 2006 alone, this investment abroad reached a record \$78.7 billion—64% went into debt instruments such as bonds, while the rest was invested in equities, such as stocks.

Foreign bonds, which companies or governments issue to raise money and are repaid at a fixed price and date, have been a hot investment choice. The Canadian government removed restrictions on foreign holdings in 2005. That shifted investors'

focus away from slow-growth domestic bonds to faster-growth foreign bonds. To diversify holdings toward stronger growth, many investors have turned to 'maple bonds'—bonds that foreign companies issue in Canadian dollars. As a result, the amount invested in foreign bonds has multiplied over five-fold since 2003.

Canadians' investment in foreign stocks can vary widely month to month—for instance, investment swung from \$5.2 billion purchased in August 2006 to \$952 million sold in September—but it has been very strong overall. In 2006, Canadians bought \$28.3 billion of foreign stocks, the most since 2001. Of this total, 69% went into U.S. shares. Overseas mining, oil and gas, banking and insurance firms were popular stock picks for Canadian investors.

Chart 9.7
Canadian portfolio investment in foreign securities



Note: Net flows; reverse of balance of payment signs.

Source: Statistics Canada, CANSIM table 376-0018.

Table 9.1 Gross domestic product, expenditure-based, by province and territory, 1992 to 2006

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
	\$ millions														
Canada	700,480	727,184	770,873	810,426	836,864	882,733	914,973	982,441	1,076,577	1,108,048	1,152,905	1,213,408	1,290,788	1,371,425	1,439,291
Newfoundland and Labrador	9,549	9,771	10,264	10,652	10,417	10,533	11,176	12,184	13,922	14,179	16,457	18,186	19,473	21,486	24,897
Prince Edward Island	2,345	2,471	2,521	2,662	2,823	2,800	2,981	3,159	3,366	3,431	3,701	3,806	4,027	4,169	4,332
Nova Scotia	18,094	18,343	18,667	19,296	19,512	20,368	21,401	23,059	24,658	25,909	27,082	28,801	29,859	31,344	31,966
New Brunswick	14,038	14,693	15,286	16,380	16,626	16,845	17,633	19,041	20,085	20,684	21,169	22,346	23,487	24,162	25,221
Quebec	158,362	162,229	170,478	177,331	180,526	188,424	196,258	210,809	224,928	231,624	241,448	250,626	262,988	273,588	284,158
Ontario	286,493	293,405	311,096	329,317	338,173	359,353	377,897	409,020	440,759	453,701	477,763	493,219	517,608	537,657	556,282
Manitoba	24,434	24,590	25,958	26,966	28,434	29,751	30,972	31,966	34,057	35,157	36,559	37,420	39,825	41,681	44,757
Saskatchewan	21,220	22,928	24,480	26,425	28,944	29,157	29,550	30,778	33,828	33,127	34,343	36,583	40,021	42,897	45,051
Alberta	74,936	81,179	88,041	92,036	98,634	107,048	107,439	117,080	144,789	151,274	150,594	170,300	188,865	218,433	235,593
British Columbia	87,242	94,077	100,512	105,670	108,865	114,383	115,641	120,921	131,333	133,514	138,193	145,763	157,540	168,855	179,701
Yukon	1,086	882	910	1,047	1,128	1,107	1,087	1,085	1,190	1,259	1,254	1,302	1,404	1,521	1,596
Northwest Territories (including Nunavut)	2,174	2,267	2,387	2,400	2,525	2,691	2,652	..	..	..	..	..	..	..	..
Northwest Territories	..	..	..	..	..	..	..	2,292	2,515	2,972	3,033	3,691	4,245	4,121	4,103
Nunavut	..	..	..	..	..	..	..	747	834	876	951	992	1,073	1,113	1,213
Outside Canada	507	349	273	244	257	273	286	300	313	341	358	373	373	398	422

Note: Dollar amounts in current prices.

Source: Statistics Canada, CANSIM table 384-0002.

Table 9.2 Gross domestic product, income-based, 1992 to 2006

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
	\$ millions														
Gross domestic product at market prices	700,480	727,184	770,873	810,426	836,864	882,733	914,973	982,441	1,076,577	1,108,048	1,152,905	1,213,175	1,290,828	1,375,080	1,446,307
Net domestic product at basic prices	557,995	576,833	613,352	644,818	664,294	700,063	723,487	780,786	863,254	884,203	912,615	967,051	1,032,534	1,104,917	1,164,344
Wages, salaries and supplementary labour income	387,788	394,816	404,918	418,825	428,792	453,073	475,335	502,726	545,204	570,008	593,307	621,003	654,957	694,041	737,382
Corporation profits before taxes	32,648	41,102	65,464	76,270	80,335	87,932	86,132	110,769	135,978	127,073	135,229	144,501	169,151	189,357	198,859
Government business enterprise profits before taxes	5,993	4,694	5,827	6,709	6,143	6,653	7,080	8,401	11,329	10,787	11,661	12,604	12,923	14,578	13,823
Interest and miscellaneous investment income	52,742	52,381	52,000	50,981	50,477	48,881	47,134	47,249	55,302	52,579	46,693	49,989	54,109	61,070	65,310
Accrued net income of farm operators from farm production	1,727	2,017	1,255	2,702	3,825	1,663	1,724	1,819	1,243	1,675	1,101	1,439	3,106	1,321	344
Net income of non-farm unincorporated business, including rent	39,406	42,068	44,931	46,363	49,278	54,663	57,936	61,466	64,944	68,857	74,292	77,181	81,037	83,636	85,980
Inventory valuation adjustment	-3,285	-3,122	-5,372	-2,473	-1,596	-623	-753	-2,317	-2,439	574	-3,584	4,262	-1,747	-933	-1,775
Taxes less subsidies on factors of production	40,976	42,877	44,329	45,441	47,040	47,821	48,899	50,673	51,693	52,650	53,916	56,072	58,998	61,847	64,421
Taxes less subsidies on products	51,378	54,350	56,721	59,758	61,126	66,025	68,439	72,747	76,647	75,871	84,139	84,380	89,838	94,334	97,161
Capital consumption allowances	89,573	94,035	99,631	105,021	110,818	116,574	122,659	128,999	137,425	147,536	155,567	161,817	168,274	176,338	184,750
Statistical discrepancy	1,534	1,966	1,169	829	626	71	388	-91	-749	438	584	-73	182	-509	52

Note: Dollar amounts in current prices.

Source: Statistics Canada, CANSIM table 380-0016.

Table 9.3 Gross domestic product, expenditure-based, 1992 to 2006

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
	\$ millions														
Gross domestic product at market prices	700,480	727,184	770,873	810,426	836,864	882,733	914,973	982,441	1,076,577	1,108,048	1,152,905	1,213,175	1,290,828	1,375,080	1,446,307
Personal expenditure on consumer goods and services	411,167	428,219	445,857	460,906	480,427	510,695	531,169	560,884	596,009	620,614	655,722	686,552	720,401	760,701	803,502
Durable goods	48,808	50,170	54,116	56,169	59,197	67,988	71,325	77,693	81,958	84,930	92,085	93,793	95,479	100,014	105,716
Semi-durable goods	38,129	39,263	41,104	42,304	42,766	44,939	47,262	49,548	52,115	54,565	57,052	58,485	60,608	63,055	66,818
Non-durable goods	108,307	111,863	112,287	115,024	118,697	123,143	126,253	132,959	143,264	150,305	158,399	168,144	176,939	187,836	195,572
Services	215,923	226,923	238,350	247,409	259,767	274,625	286,329	300,684	318,672	330,814	348,186	366,130	387,375	409,796	435,396
Government current expenditure on goods and services	168,787	171,163	171,590	172,459	171,161	171,756	179,317	186,054	200,084	211,706	224,428	238,416	248,868	262,650	279,806
Government gross fixed capital formation	19,959	19,805	21,634	21,406	20,587	20,104	20,046	23,039	24,524	27,287	28,589	30,107	32,082	36,296	40,336
Government inventories	-40	-4	-1	30	-2	5	-27	-3	24	13	-45	15	21	27	-41
Business gross fixed capital formation	111,272	111,269	123,321	121,592	129,351	154,737	161,790	171,431	181,748	189,978	196,585	208,090	229,434	253,074	277,885
Residential structures	39,903	39,666	42,422	36,136	39,538	43,519	42,497	45,100	48,572	55,133	65,651	72,714	82,918	89,791	98,386
Non-residential structures and equipment	71,369	71,603	80,899	85,456	89,813	111,218	119,293	126,331	133,176	134,845	130,934	135,376	146,516	163,283	179,499
Non-residential structures	29,654	30,192	34,002	34,669	36,360	43,872	45,177	47,229	49,826	52,966	50,659	54,545	62,081	72,674	85,698
Machinery and equipment	41,715	41,411	46,897	50,787	53,453	67,346	74,116	79,102	83,350	81,879	80,275	80,831	84,435	90,609	93,801
Business investment in inventories	-6,522	-1,294	528	8,999	2,271	8,174	4,733	4,990	11,505	-4,740	-2,674	4,305	5,589	9,642	7,824
Non-farm	-5,810	-2,153	775	8,705	1,577	9,174	5,409	4,951	11,355	-3,745	-1,094	2,982	4,098	9,038	8,369
Farm	-712	859	-247	294	694	-1,000	-676	39	150	-995	-1,580	1,323	1,491	604	-545
Exports of goods and services	189,784	219,664	262,127	302,480	321,248	348,604	379,203	424,258	490,688	482,463	479,185	462,473	495,347	520,379	524,706
Goods	163,464	190,213	228,168	265,334	280,079	303,379	327,160	369,037	429,375	420,733	414,034	399,122	429,064	451,779	455,696
Services	26,320	29,451	33,959	37,146	41,169	45,225	52,043	55,221	61,313	61,730	65,151	63,351	66,283	68,600	69,010
Imports of goods and services	192,393	219,673	253,014	276,618	287,553	331,271	360,871	388,303	428,754	418,836	428,301	416,856	440,732	468,197	487,660
Goods	154,428	177,121	207,875	229,938	237,689	277,727	303,395	327,026	362,337	350,067	356,728	342,711	363,307	388,282	404,391
Services	37,965	42,552	45,139	46,680	49,864	53,544	57,476	61,277	66,417	68,769	71,573	74,145	77,425	79,915	83,269
Statistical discrepancy	-1,534	-1,965	-1,169	-828	-626	-71	-387	91	749	-437	-584	73	-182	508	-51
Final domestic demand	711,185	730,456	762,402	776,363	801,526	857,292	892,322	941,408	1,002,365	1,049,585	1,105,324	1,163,165	1,230,785	1,312,721	1,401,529

Note: Dollar amounts in current prices.

Source: Statistics Canada, CANSIM table 380-0017.

Table 9.4 Gross domestic product at basic prices, by sector, 1992 to 2006

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
	\$ millions 1997 constant														
All sectors¹	703,485	720,700	753,118	772,843	783,810	816,763	848,963	896,577	946,025	960,658	985,873	1,006,985	1,039,166	1,069,661	1,100,363
Goods-producing sectors															
Agriculture, forestry, fishing and hunting	19,054	20,397	20,683	20,993	21,228	20,427	21,696	23,322	22,904	20,811	19,721	21,632	23,047	23,777	23,391
Mining and oil and gas extraction	28,917	30,158	31,479	32,601	32,948	33,935	34,461	34,399	35,459	35,507	36,345	38,287	39,469	39,750	40,173
Manufacturing	110,926	117,004	125,812	132,123	133,569	142,282	149,390	161,526	179,564	170,761	172,130	171,499	174,992	176,497	174,946
Construction	41,072	39,621	40,831	39,310	40,713	42,995	44,348	46,415	48,833	52,367	54,620	56,274	59,764	63,108	67,658
Utilities	22,950	23,533	24,123	25,010	25,455	26,685	26,140	26,409	26,502	25,533	26,982	27,221	27,366	28,562	28,045
Services-producing sectors															
Transportation and warehousing	32,773	33,561	36,219	37,640	38,774	40,337	41,036	43,604	45,764	46,741	46,638	47,176	49,494	51,403	52,782
Information and cultural industries	22,206	22,269	22,985	23,786	24,130	27,979	29,866	33,658	36,356	39,232	41,017	41,924	42,534	44,258	45,310
Wholesale trade	34,542	35,296	38,193	38,781	40,402	43,694	47,202	50,467	53,696	55,858	57,846	60,252	63,510	68,040	73,508
Retail trade	37,813	38,989	41,192	42,755	43,521	42,252	45,442	47,497	50,291	53,371	56,771	58,533	60,732	63,627	67,275
Finance and insurance, real estate and renting, and leasing and management of companies and enterprises	134,790	138,688	146,423	150,679	154,435	161,052	166,070	174,007	181,064	187,897	193,595	197,828	205,480	212,385	220,522
Professional, scientific and technical services	19,962	21,137	22,590	23,837	24,317	30,289	34,032	37,549	41,462	42,631	43,729	45,610	46,838	48,284	49,736
Administrative and support, waste management and remediation services	14,920	15,662	16,267	17,783	18,503	15,386	16,418	18,328	19,083	19,988	21,799	22,531	23,351	24,187	25,668
Educational services	42,825	43,276	43,469	43,827	43,938	42,314	42,575	43,565	43,757	43,972	44,712	45,252	46,293	47,055	47,969
Health care and social assistance	51,723	51,699	51,941	52,031	51,072	51,403	51,901	53,411	55,113	56,134	56,933	58,369	59,477	60,305	61,561
Arts, entertainment and recreation	6,330	6,205	6,647	6,809	6,935	7,405	7,603	7,984	8,499	8,913	9,130	9,117	9,223	9,283	9,523
Accommodation and food services	17,298	17,705	18,324	18,982	19,084	19,652	20,779	21,630	22,319	22,661	23,063	22,533	22,983	23,223	24,136
Public administration	50,000	50,031	50,437	50,374	49,117	49,482	50,249	51,828	53,208	54,693	56,346	57,882	59,084	59,902	61,533
Other services	14,608	15,000	15,281	15,564	15,689	19,194	19,755	20,978	22,151	23,588	24,496	25,065	25,529	26,015	26,627

Note: North American Industry Classification System (NAICS), 2002.

1. Aggregates are not always equal to the sum of their components from 1981 to 1996. This is caused by changing the set of relative prices when a new base year is adopted.

Source: Statistics Canada, CANSIM table 379-0017.

Table 9.5 Canada's balance of international payments, 1992 to 2006

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
	\$ millions														
Current account															
Receipts	205,455	235,576	285,601	330,978	351,038	385,415	414,777	461,219	531,961	513,754	514,913	496,899	539,081	575,151	594,207
Goods and services	188,585	218,444	260,917	301,130	319,965	347,134	377,385	422,670	489,090	480,795	477,522	460,903	493,757	518,762	522,926
Goods	163,464	190,213	228,167	265,334	280,079	303,378	327,162	369,035	429,372	420,730	414,039	399,122	429,067	451,783	455,696
Services	25,122	28,230	32,750	35,796	39,886	43,755	50,223	53,636	59,718	60,065	63,483	61,781	64,690	66,979	67,230
Investment income	13,770	13,787	21,100	25,898	26,176	33,252	32,338	32,905	36,755	25,990	30,502	29,253	38,169	48,213	61,599
Transfers	3,100	3,346	3,584	3,951	4,897	5,029	5,054	5,644	6,116	6,968	6,890	6,743	7,155	8,176	9,682
Payments	230,815	263,670	303,331	337,078	346,438	396,812	426,140	458,649	502,692	488,649	495,135	482,250	510,030	547,208	570,629
Goods and services	191,674	218,964	252,285	275,869	286,650	330,346	359,947	387,298	427,836	417,945	427,434	416,011	439,988	467,423	486,789
Goods	154,430	177,123	207,873	229,937	237,689	277,727	303,399	327,026	362,337	350,071	356,727	342,710	363,308	388,282	404,395
Services	37,245	41,840	44,413	45,933	48,961	52,619	56,549	60,272	65,500	67,874	70,707	73,302	76,680	79,141	82,394
Investment income	34,903	40,619	46,990	57,089	55,571	62,133	61,965	66,518	69,863	65,320	60,799	59,284	62,468	70,735	73,446
Transfers	4,237	4,088	4,056	4,120	4,217	4,333	4,228	4,834	4,992	5,384	6,902	6,955	7,574	9,051	10,394
Balance	-25,360	-28,093	-17,730	-6,099	4,600	-11,397	-11,363	2,570	29,269	25,104	19,778	14,649	29,051	27,943	23,578
Goods and services	-3,089	-520	8,632	25,261	33,315	16,788	17,438	35,373	61,254	62,850	50,088	44,892	53,769	51,340	36,137
Goods	9,034	13,090	20,295	35,397	42,391	25,652	23,763	42,009	67,036	70,659	57,311	56,413	65,759	63,501	51,302
Services	-12,123	-13,610	-11,663	-10,136	-9,076	-8,864	-6,325	-6,636	-5,782	-7,809	-7,224	-11,521	-11,990	-12,162	-15,165
Investment income	-21,133	-26,832	-25,889	-31,191	-29,395	-28,882	-29,627	-33,613	-33,109	-39,330	-30,297	-30,031	-24,299	-22,522	-11,847
Transfers	-1,137	-742	-472	-169	680	697	826	810	1,124	1,584	-12	-212	-419	-875	-712
Capital account, net flow	8,574	10,704	10,241	6,784	7,957	7,508	4,934	5,049	5,314	5,752	4,936	4,225	4,466	5,940	4,201
Financial account, net flow¹	13,316	23,763	7,520	-5,489	-20,191	8,256	-405	-17,531	-27,070	-21,375	-22,144	-19,935	-37,295	-38,287	-22,741
Canadian assets, net flow	-14,411	-26,943	-49,029	-38,394	-73,306	-62,546	-67,161	-41,946	-142,039	-113,930	-83,631	-67,724	-87,448	-116,081	-165,339
Canadian direct investments abroad	-4,339	-7,354	-12,694	-15,732	-17,858	-31,937	-50,957	-25,625	-66,352	-55,800	-42,015	-32,118	-56,841	-40,645	-51,322
Canadian portfolio investments	-11,749	-17,881	-8,927	-7,331	-19,317	-11,849	-22,497	-23,101	-63,927	-37,573	-29,319	-19,054	-24,369	-53,279	-78,693
Foreign portfolio bonds	-1,401	-5,071	435	-1,085	-2,070	-6,642	-7,064	-2,477	-3,963	-1,920	-6,229	-7,974	-15,290	-29,238	-43,602
Foreign portfolio stocks	-10,348	-12,811	-9,362	-6,247	-17,247	-5,207	-15,433	-20,623	-59,965	-35,653	-21,253	-7,699	-8,092	-21,951	-28,291
Foreign money market	..	..	..	..	..	..	..	..	..	..	-1,837	-3,381	-987	-2,089	-6,800
Other Canadian investments	1,677	-1,707	-27,408	-15,331	-36,132	-18,760	6,292	6,780	-11,759	-20,556	-12,297	-16,553	-6,238	-22,157	-35,325
Loans	-877	-1,139	123	-3,438	-4,208	-18,923	12,637	2,680	-5,126	-8,051	-8,587	7,614	3,558	8,217	-12,201
Deposits	1,604	10,214	-19,889	-7,162	-18,015	-2,898	-6,225	10,592	3,973	-2,172	5,844	-19,286	-10,661	-15,817	-8,183
Official international reserves	5,750	-1,206	489	-3,778	-7,498	3,389	-7,452	-8,818	-5,480	-3,353	298	4,693	3,427	-1,653	-1,013
Other assets	-4,800	-9,576	-8,131	-952	-6,411	-328	7,332	2,326	-5,125	-6,980	-9,851	-9,574	-2,561	-12,903	-13,927
Canadian liabilities, net flow	27,727	50,706	56,550	32,905	53,116	70,803	66,757	24,415	114,969	92,555	61,487	47,789	50,153	77,793	142,598
Foreign direct investments in Canada	5,708	6,103	11,206	12,703	13,137	15,958	33,828	36,762	99,198	42,844	34,769	10,483	-474	35,046	78,317
Foreign portfolio investments	24,701	52,799	23,312	25,233	18,668	16,181	24,779	3,738	14,598	37,779	18,599	19,714	54,762	9,577	32,544
Canadian portfolio bonds	18,766	31,446	15,995	30,730	17,953	6,166	10,337	2,602	-21,458	41,002	18,297	7,870	19,449	-78	18,015
Canadian portfolio stocks	1,036	12,056	6,412	-4,242	8,034	7,645	14,311	14,346	35,232	4,125	-1,531	13,491	35,742	9,133	10,814
Canadian money market	4,898	9,296	905	-1,254	-7,319	2,369	130	-13,209	824	-7,349	1,833	-1,646	-429	522	3,715
Other foreign investments	-2,682	-8,196	22,032	-5,032	21,311	38,664	8,149	-16,086	1,173	11,932	8,119	17,592	-4,135	33,171	31,737
Loans	792	-325	-137	1,129	5,994	1,873	3,181	6,641	3,396	-5,941	1,400	2,192	-2,013	3,496	11,873
Deposits	-4,037	-8,180	21,005	-6,009	16,863	34,106	3,375	-24,103	-962	23,716	13,565	18,304	-531	28,951	20,724
Other liabilities	564	310	1,165	-151	-1,546	2,685	1,593	1,377	-1,261	-5,843	-6,846	-2,904	-1,591	723	-860
Statistical discrepancy	3,470	-6,374	-32	4,805	7,633	-4,367	6,833	9,912	-7,514	-9,481	-2,570	1,062	3,778	4,404	-5,038

1. A minus sign denotes an outflow of capital resulting from an increase in claims to non-residents or a decrease in liabilities to non-residents.

Source: Statistics Canada, CANSIM tables 376-0001 and 376-0002.

Table 9.6 National balance sheet, assets, 1992 to 2006

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
	\$ millions														
All assets	6,436,779	6,836,021	7,261,081	7,621,198	8,105,253	8,682,898	9,236,089	9,885,481	10,555,419	11,160,760	11,737,908	12,194,457	13,046,496	14,048,355	15,231,434
Non-financial assets	2,546,805	2,654,584	2,783,847	2,852,877	2,942,186	3,077,380	3,218,515	3,382,306	3,564,334	3,737,307	3,965,790	4,167,500	4,483,592	4,794,042	5,157,467
Residential structures	667,367	707,914	739,526	749,702	770,434	798,876	829,677	871,382	906,034	958,361	1,031,276	1,122,515	1,215,119	1,314,745	1,465,798
Non-residential structures	697,122	709,197	737,311	759,734	788,612	818,984	845,979	875,800	920,032	946,214	976,364	1,015,034	1,084,323	1,131,290	1,165,960
Machinery and equipment	255,061	266,244	280,939	291,852	295,130	316,413	343,059	362,083	387,713	408,142	421,169	401,783	403,433	413,633	429,636
Consumer durables	212,657	218,930	227,097	231,167	236,360	246,692	258,923	277,357	292,519	308,021	330,846	345,088	359,248	374,978	386,824
Inventories	121,723	124,483	131,535	146,976	151,010	158,782	170,248	179,202	194,775	190,419	192,381	187,661	194,972	206,397	215,949
Land	592,875	627,816	667,439	673,446	700,640	737,633	770,629	816,482	863,261	926,150	1,013,754	1,095,419	1,226,497	1,352,999	1,493,300
Financial assets	3,889,974	4,181,437	4,477,234	4,768,321	5,163,067	5,605,518	6,017,574	6,503,175	6,991,085	7,423,453	7,772,118	8,026,957	8,562,904	9,254,313	10,073,967
Official reserves	15,135	16,881	17,487	20,769	28,204	25,705	35,920	41,463	47,801	53,327	56,230	45,689	40,314	38,029	40,960
Currency and bank deposits	346,096	386,748	414,558	442,188	464,682	504,193	500,298	540,982	605,648	637,910	678,791	707,792	782,036	856,234	919,320
Deposits in other institutions	211,405	183,650	173,614	177,209	181,106	168,562	174,625	185,072	147,525	160,118	164,536	180,135	193,269	210,475	225,308
Foreign currency and deposits	41,662	43,663	51,390	60,940	80,699	83,313	93,760	106,853	68,843	86,488	99,598	89,391	94,779	107,659	137,908
Consumer credit	99,752	104,551	111,166	116,713	124,054	132,826	144,189	158,245	172,093	187,131	204,792	225,221	248,691	273,869	302,103
Trade receivables	130,487	139,379	145,109	156,170	164,913	171,371	177,799	193,695	211,106	214,873	220,682	226,005	232,658	254,173	263,727
Bank loans	150,209	146,588	152,733	156,407	155,890	165,433	181,953	179,536	187,401	183,646	188,161	186,216	204,636	216,670	233,352
Other loans	91,638	92,441	103,787	108,681	116,467	132,026	145,558	163,978	170,401	176,959	194,674	192,815	209,452	219,123	233,575
Government of Canada short-term paper	138,696	139,687	129,356	133,524	117,851	95,038	77,955	85,482	72,775	92,290	97,163	108,420	110,734	120,159	113,158
Other short-term paper	54,139	63,370	66,829	69,965	80,505	103,581	128,194	160,587	173,781	169,597	171,604	156,627	154,342	175,390	214,354
Mortgages	398,735	417,936	433,497	443,906	459,879	478,715	497,928	519,765	544,082	571,944	601,957	640,838	687,882	748,525	816,121
Canada bonds	147,180	160,497	196,841	211,323	236,162	257,268	272,808	270,424	275,418	265,727	252,269	256,616	241,593	239,769	233,402
Provincial bonds	168,367	172,593	174,398	185,059	189,232	196,566	194,756	212,204	223,209	229,529	243,154	249,110	269,554	279,833	277,287
Municipal bonds	30,771	32,413	33,240	32,896	33,851	33,669	30,354	28,140	31,248	31,468	32,827	34,068	35,633	36,067	38,557
Other Canadian bonds	95,287	105,496	118,813	121,893	127,457	146,112	165,706	197,381	223,714	244,926	275,042	307,390	349,091	414,970	476,637
Life insurance and pensions	470,799	526,636	562,116	606,231	655,736	716,423	788,892	861,409	940,531	955,577	979,100	1,012,979	1,080,258	1,165,390	1,262,798
Corporate claims	436,091	462,841	503,729	545,557	576,758	645,998	734,715	748,271	868,874	976,178	1,063,854	1,075,689	1,168,054	1,217,074	1,308,610
Government claims	119,113	115,210	118,551	116,629	128,318	127,675	138,481	178,467	194,366	206,288	211,297	208,916	209,713	209,243	217,751
Shares	402,959	464,964	514,889	551,957	641,383	747,558	835,134	925,606	1,030,985	1,083,434	1,112,494	1,146,388	1,201,121	1,313,995	1,463,863
Foreign investments	65,302	80,452	96,910	104,850	127,767	150,569	172,303	193,275	225,148	256,414	280,438	263,886	265,695	295,396	367,418
Other financial assets	276,151	325,441	358,221	405,454	472,153	522,917	526,246	552,340	576,136	639,629	643,455	712,766	783,399	862,270	927,758

Source: Statistics Canada, CANSIM table 378-0004.

Table 9.7 National balance sheet, liabilities, 1992 to 2006

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
	\$ millions														
Liabilities and net worth	6,436,779	6,836,021	7,261,081	7,621,198	8,105,253	8,682,898	9,236,089	9,885,481	10,555,419	11,160,760	11,737,908	12,194,457	13,046,496	14,048,355	15,231,434
All liabilities	4,188,088	4,505,176	4,810,317	5,092,511	5,474,432	5,895,740	6,317,237	6,746,853	7,199,917	7,626,890	7,980,810	8,243,656	8,743,026	9,420,744	10,172,955
Currency and bank deposits	352,489	393,728	423,528	450,727	471,893	513,500	510,176	552,014	618,480	654,150	692,773	722,022	798,264	872,473	940,210
Deposits in other institutions	211,662	183,874	173,741	177,332	181,229	168,672	174,732	185,186	147,525	160,118	164,536	180,135	193,269	210,475	225,308
Foreign currency and deposits	74,342	72,791	85,759	82,751	94,066	110,575	120,232	124,102	93,582	110,309	120,120	107,519	103,666	116,274	132,089
Consumer credit	99,752	104,551	111,166	116,713	124,054	132,826	144,189	158,245	172,093	187,131	204,792	225,221	248,691	273,869	302,103
Trade payables	130,709	141,647	147,728	158,491	165,026	171,156	175,277	191,070	211,065	219,593	227,139	227,310	231,656	251,353	265,928
Bank loans	144,312	138,914	146,186	149,012	150,255	155,889	174,593	171,523	177,246	173,216	178,433	180,701	196,762	207,364	217,241
Other loans	121,007	120,616	126,871	130,736	138,149	149,057	163,928	182,862	185,987	187,799	199,182	196,217	206,014	217,614	222,459
Government of Canada short-term paper	160,396	172,479	165,199	164,230	142,128	116,782	97,253	98,203	84,362	99,729	107,050	118,941	118,762	129,632	126,307
Other short-term paper	68,542	76,391	78,504	83,360	94,351	122,071	149,783	175,332	189,948	183,283	186,542	166,356	165,240	185,764	223,451
Mortgages	399,140	418,319	433,889	444,326	460,199	479,026	498,252	520,095	544,397	572,266	602,323	641,194	688,233	748,873	816,467
Canada bonds	214,358	236,552	271,078	297,160	330,359	348,389	360,273	359,966	355,308	339,262	331,079	315,027	295,423	285,530	278,641
Provincial bonds	268,362	294,409	321,003	335,365	339,388	342,060	352,913	351,666	354,263	362,379	376,886	368,899	383,642	391,666	392,391
Municipal bonds	35,534	37,553	39,007	38,947	39,858	39,432	36,277	33,410	36,071	35,926	36,389	37,202	39,080	39,827	42,664
Other Canadian bonds	161,012	179,281	200,766	212,669	226,424	262,779	310,331	343,500	371,832	452,086	498,611	519,113	568,588	627,889	710,072
Life insurance and pensions	470,799	526,636	562,116	606,231	655,736	716,423	788,892	861,409	940,531	955,577	979,100	1,012,979	1,080,258	1,165,390	1,262,798
Corporate claims	183,583	194,280	211,810	229,417	244,039	288,752	331,966	324,638	356,884	399,148	440,710	427,029	429,373	478,062	513,323
Government claims	119,113	115,210	118,551	116,629	128,318	127,675	138,481	178,467	194,366	206,288	211,297	208,916	209,713	209,243	217,751
Shares	699,599	779,751	843,824	906,591	1,027,530	1,157,537	1,285,010	1,397,217	1,599,601	1,705,341	1,791,515	1,886,844	2,019,868	2,167,565	2,380,209
Other liabilities	273,377	318,194	349,591	391,824	461,430	493,139	504,679	537,948	566,376	623,289	632,333	702,031	766,524	841,881	903,543
Net worth	2,248,691	2,330,845	2,450,764	2,528,687	2,630,821	2,787,158	2,918,852	3,138,628	3,355,502	3,533,870	3,757,098	3,950,801	4,303,470	4,627,611	5,058,479

Source: Statistics Canada, CANSIM table 378-0004.

Table 9.8 Canada's international investment position, assets, 2001 to 2006

	2001	2002	2003	2004	2005	2006
	\$ millions					
All assets	921,976	979,184	921,148	961,998	1,013,424	1,190,429
Canadian direct investments abroad	399,253	435,494	412,217	448,975	459,606	523,260
Canadian portfolio investments	239,762	270,775	253,788	265,374	292,412	364,664
Portfolio foreign bonds	38,870	45,392	45,809	58,549	82,276	128,505
Portfolio foreign stocks	200,892	216,307	197,025	195,745	197,082	216,194
Other Canadian investments	282,962	272,915	255,143	247,649	261,405	302,504
Loans	68,402	71,731	50,695	49,392	45,957	72,360
Allowances	-11,851	-11,918	..	..	..	..
Deposits	108,929	99,056	103,583	109,442	120,813	131,427
Official international reserves	53,327	56,230	45,690	40,315	38,030	40,959
Other assets	64,155	57,817	55,174	48,500	56,605	57,758

Note: Data are as of December 31.

Source: Statistics Canada, CANSIM table 376-0037.

Table 9.9 Canada's international investment position, liabilities, 2001 to 2006

	2001	2002	2003	2004	2005	2006
	\$ millions					
All liabilities	1,125,414	1,187,876	1,137,847	1,142,120	1,179,855	1,289,417
Foreign direct investments in Canada	340,429	356,819	373,685	383,498	407,610	448,858
Foreign portfolio investments	526,178	554,975	507,150	520,432	507,419	541,677
Portfolio Canadian bonds	427,228	449,072	401,050	398,090	380,818	404,590
Portfolio Canadian stocks	77,487	80,617	84,712	102,721	105,818	112,571
Portfolio Canadian money market instruments	21,463	25,285	21,388	19,621	20,783	24,515
Other foreign investments	258,806	276,082	257,012	238,190	264,826	298,882
Loans	56,035	58,772	52,398	40,237	41,645	49,508
Deposits	181,055	195,036	183,125	175,978	201,025	227,149
Other liabilities	21,716	22,275	21,489	21,975	22,156	22,225
Canada's net international investment position	-203,437	-208,692	-216,699	-180,122	-166,431	-98,988

Note: Data are as of December 31.

Source: Statistics Canada, CANSIM table 376-0037.

Abbreviations and symbols



Provinces and territories

Newfoundland and Labrador	N.L.
Prince Edward Island	P.E.I.
Nova Scotia	N.S.
New Brunswick	N.B.
Quebec	Que.
Ontario	Ont.
Manitoba	Man.
Saskatchewan	Sask.
Alberta	Alta.
British Columbia	B.C.
Yukon	Y.T.
Northwest Territories	N.W.T.
Nunavut	Nvt.

Measurements

centimetre	cm
metre	m
kilometre	km
gram	g
kilogram	kg
litre	L
millilitre	mL
hour	h
watt	W
kilowatt	kW
degrees Celsius	°C

The symbols described in this document apply to all data published by Statistics Canada from all origins, including surveys, censuses and administrative sources, as well as straight tabulations and all estimations.

.	not available for any reference period
..	not available for a specific reference period
...	not applicable
0	true zero or a value rounded to zero
0 ^s	value rounded to zero where there is a meaningful distinction between true zero and the value that was rounded
P	preliminary
r	revised
X	suppressed to meet the confidentiality requirements of the <i>Statistics Act</i>
E	use with caution
F	too unreliable to be published

Note: In some tables, figures may not add to totals because of rounding.

When the figure is not accompanied by a data quality symbol, it means that the quality of the data was assessed to be 'acceptable or better' according to the policies and standards of Statistics Canada.

The statistics in this edition are the most up-to-date available at the time of its preparation. For more recent data, visit Canadian Statistics at www.statcan.ca