

The Daily

Statistics Canada

Monday, October 30, 2000

For release at 8:30 a.m.

MAJOR RELEASES

- **Provincial gross domestic product, 1999** 2
Gross domestic product increased in all provinces and territories in 1999. Ontario (+6.1%) and Newfoundland (+6.0%) posted the highest rates of growth. Nova Scotia surpassed the national average of 4.5%, as did Quebec, which registered its best performance in five years.

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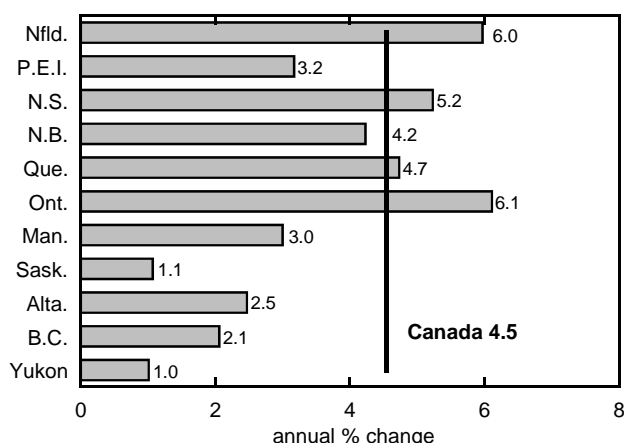


MAJOR RELEASES

Provincial gross domestic product 1999

Gross domestic product (GDP) advanced in all provinces and territories in 1999. Ontario (+6.1%) and Newfoundland (+6.0%) posted the highest rates of growth. Nova Scotia surpassed the national average of 4.5%, as did Quebec, which registered its best performance in five years.

GDP at 1992 prices, 1999



Several trends dominated Canada's economic landscape in 1999. Commodity prices stabilized, after falling precipitously in 1998. Investment in increased plant capacity wound down, while Y2K- and Internet-related demand for computers and telecommunications equipment continued unabated. Computer-related services also flourished. A strong U.S. economy fuelled rapid export growth, particularly for manufactured goods. The year 1999 marked the end of the war on government deficits, and surpluses burgeoned, particularly at the provincial level. Governments loosened spending after several years of restraint.

Newfoundland continued to reap the benefits of an emerging oil sector; GDP advanced a robust 6.0% on the strength of soaring oil production, exploration and investment in a second offshore drilling platform.

In the Maritimes, major construction projects boosted growth in New Brunswick and Nova Scotia, and Prince Edward Island enjoyed increased housing investment stimulated by population growth.

Note to readers

With this release, separate estimates for the Northwest Territories and Nunavut are available for the first time for the year 1999. Although the territories were officially divided on April 1, 1999, estimates shown represent the full calendar year. Because prior estimates are unavailable, growth calculations for the two separate territories are not possible for 1999.

In addition, a conceptual change regarding the treatment of public sector pensions has been introduced into the Provincial Economic Accounts. This change was effected at the national level with the release of first quarter estimates in May 2000, and has been incorporated into provincial estimates with this release. For more information on the impact of this conceptual change, please consult this page on Statistics Canada's Web site: www.statcan.ca/english/concepts/pensions.htm.

In the text of this release, all references to production (output) and to expenditure are at constant prices; all references to income are in current prices.

Central Canada continued to reap the benefits of a vibrant economy south of the border, as U.S. demand drove up exports of manufactured goods, notably autos, computers, telecommunications equipment and aircraft.

While the fall in commodity prices was finally halted, low prices for agricultural goods continued to depress farm incomes and constrain growth in the Prairies. Oil producers were slow to react to significant price hikes early in the year, but by the end of 1999 oil prices had more than doubled, the value of exports had soared, and profits had rebounded to 1997 levels.

British Columbia's growth improved from 1998's stagnant performance, but remained well short of the national average. Strong U.S. demand and a recovery from the Asian economic crisis spurred exports of lumber, wood pulp and newsprint. Manufacturers of computers and other electronic products benefited from Y2K-related strong demand south of the border.

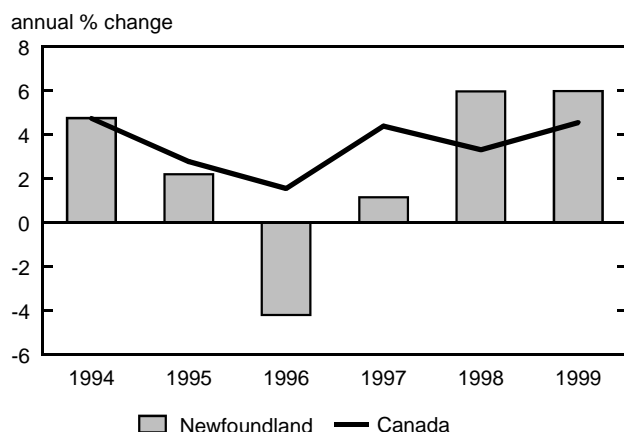
The Territories continued to suffer because of low metals prices, and mining output continued to tumble in the Yukon. However, diamond production gave the Northwest Territories a boost. The new territory of Nunavut benefited from construction related to the establishment of public services.

Another robust increase in Newfoundland

After a record year, Newfoundland's economy continued to outpace the national average, with a robust 6.0% increase in GDP. Oil was again the main impetus for growth, as production at Hibernia

was 50% higher than that of 1998, its first full year of operation. Spinoffs were felt throughout the economy, and corporate profits rose a striking 44.6% following an already booming year. While exports of oil took off, exploration along the Grand Banks and the construction of a second offshore drilling platform, Terra Nova, further boosted GDP.

Newfoundland's GDP at 1992 prices



Tourism picked up, and the fishing industry remained healthy for a second consecutive year as shrimp and crab quotas were increased. Newfoundland's metal mining industry suffered, however, as weak demand led to mine closures.

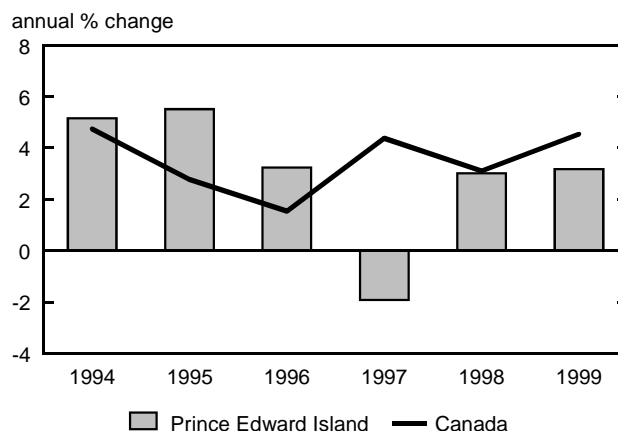
Newfoundland's strong growth lowered the unemployment rate by more than a full percentage point to 17.0%, its lowest annual rate since 1990 yet still Canada's highest. Despite moderate growth in personal income, consumer spending posted solid gains, particularly for durable goods.

Prince Edward Island saw sustained growth

Prince Edward Island's GDP grew 3.2%, slightly better than 1998's advance. Residential construction climbed 15%, stimulated by population growth. Business investment in non-residential construction

fell 4.8% on the heels of large declines in the previous two years. This decline was more than offset by a jump in machinery and equipment purchases.

Prince Edward Island's GDP at 1992 prices



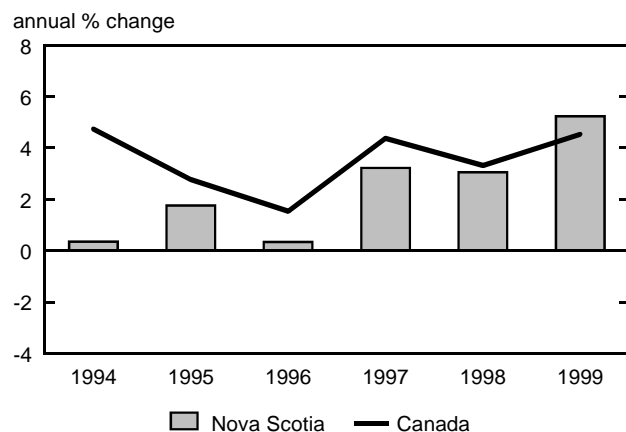
The potato harvest remained at bumper levels despite less-than-ideal weather conditions; overall output in agriculture was virtually unchanged. Manufacturing got a lift from a rapidly growing industry involved in the repair and overhaul of engines for DASH-8 commuter aircraft. Other pockets of strength were telecommunication services, wholesale and retail trade.

Personal income growth rose to 4.1%, the highest annual increase since the early 1990s. However, because of new entrants to the labour force, the unemployment rate increased by half a percentage point to 14.5% despite employment increases.

Economic picture brightened in Nova Scotia

After two years of moderate growth, Nova Scotia's GDP accelerated to a healthy 5.2% increase. Manufacturing output shot up thanks to a large contract to build railway cars, the re-opening of a shipyard and sharply higher demand for newsprint on export markets.

Nova Scotia's GDP at 1992 prices



Boosted by energy-related projects such as the Sable Offshore Energy Project, business non-residential construction climbed nearly 30%, more than tripling the level of activity since 1997. Business machinery and equipment investment also posted stellar gains, and Y2K concerns heightened demand for computer consulting services and computer-related wholesaling.

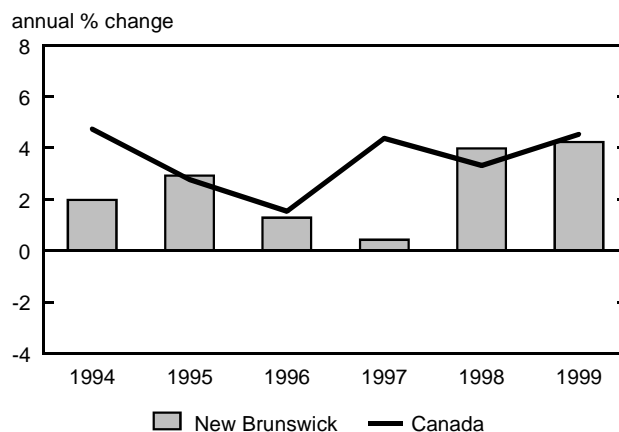
Nova Scotia's unemployment rate improved by a full percentage point to 9.6% for the year. Personal income posted another healthy gain, and consumer spending on durable goods continued at a brisk pace. Residential investment rebounded from a decline in 1998, and housing starts took off, rising 35.5%.

Government spending increased 5.1% after several consecutive annual declines. The growth occurred primarily at the federal level.

Investment projects boosted growth in New Brunswick

The New Brunswick economy enjoyed its best economic growth of the decade, rising 4.2%. Non-residential construction activity nearly doubled, as an oil refinery expansion in Saint John geared up and a pipeline for Sable Island gas reached completion.

New Brunswick's GDP at 1992 prices



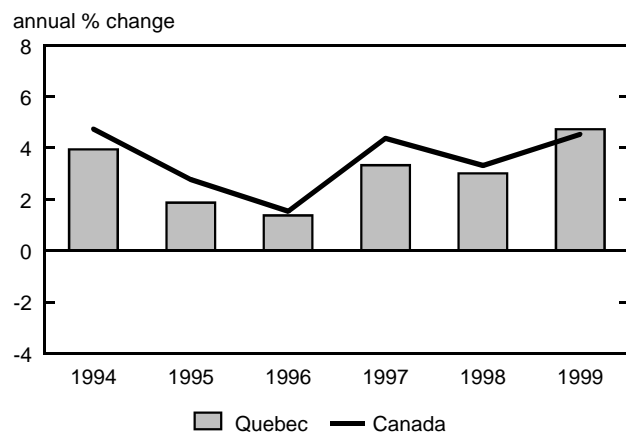
The economy also benefited from increased activity in a number of sectors. Wholesale activity was up 11.3%, on top of a robust increase in 1998. Retailing enjoyed a strong year as well, with motor vehicle sales hitting record numbers.

Labour income continued to increase (+5.2%). Consumer spending also rose; purchases of durable goods advanced 9.6%. Housing investment bounced back from a decline in 1998.

Best performance in five years in Quebec

The Quebec economy posted its best performance in five years. GDP growth outpaced the national rate, increasing 4.7%. Three industries shared the spotlight, as export demand for their outputs surged in 1999. Aircraft production jumped as the demand for regional jets continued to grow. Telecommunication equipment makers and carriers also posted remarkable advances, responding to soaring demand related to the Internet and cellular phones. Computer manufacturers hiked production as Y2K approached. As well, construction, wholesale trade, business and transportation services industries enjoyed a good year. Business non-residential construction investment increased 1.9% on top of an ice-storm-related 12.1% in 1998, and housing investment bounced back from a small decline.

Quebec's GDP at 1992 prices



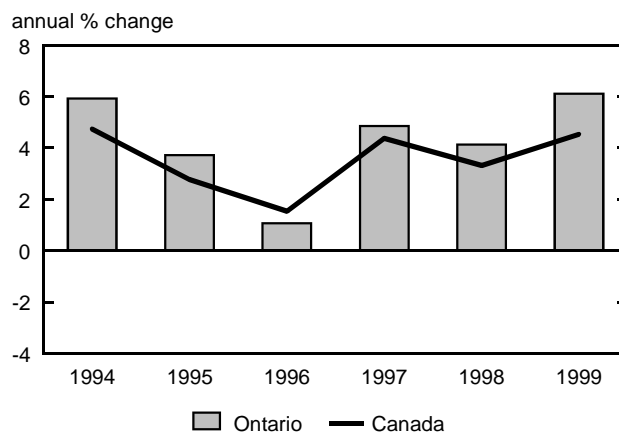
Corporate profits climbed 18.0% and business investment in machinery and equipment advanced rapidly, continuing the upward trend of the previous years. The annual unemployment rate fell to 9.3%, its lowest level in more than 20 years. Labour income rose steadily and consumer spending on durables posted a healthy advance.

Government restraint measures curbed output in health and education services, and government expenditure increased a mere 0.8%.

Ontario fuelled by vibrant U.S. economy

Ontario's GDP posted a robust 6.1% gain, surpassing the national average on the strength of its booming manufacturing sector. Demand from a vibrant American economy fuelled growth; exports of autos and parts soared more than 20%. Exports of computers and other electronic equipment were also a significant source of strength. Corporate profits climbed in tandem and business investment in machinery and equipment rose a Y2K-induced 14.1%. Business investment in non-residential construction edged down, while that of governments climbed 14% after several years of declines.

Ontario's GDP at 1992 prices

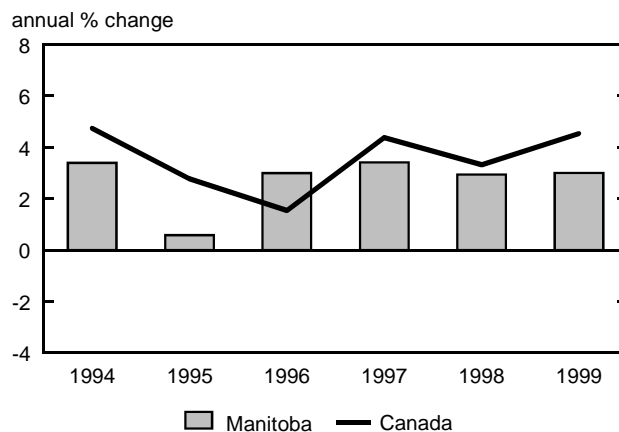


Consumer spending grew 4.2%, stimulated by solid personal income gains. The housing market took off; investment in residential housing climbed nearly 15% after a flat 1998.

Moderate advance in Manitoba

Manitoba's GDP grew 3.0%, an acceleration from 1998 but still shy of the national average. Manufacturers of aircraft and parts fared well, hiking production 11.7% to satisfy export demand. Output of services industries also advanced solidly, boosted by the Pan American Games, held in Winnipeg during the summer. Expanded capacity in meat processing led to increased production of hogs and processed meat for export.

Manitoba's GDP at 1992 prices



A prolonged strike in the nickel mining industry curbed output, reducing production in smelters and primary metal manufacturing industries. Agriculture suffered from heavy rains in the spring, leaving large areas unseeded. Declining harvests of grains and oilseeds, coupled with low world prices, pulled down farm incomes in the province.

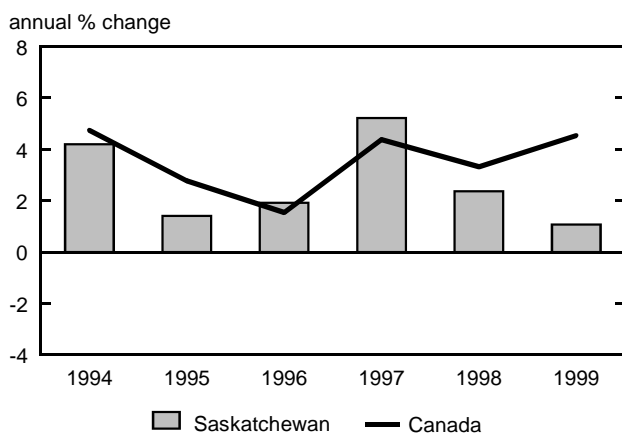
Business investment in non-residential construction fell 15% as the hog processing facility at Brandon reached completion. Consumer spending advanced 2.0% and the housing market grew solidly, on top of double-digit gains in 1998.

Government expenditure rose 3.6% after several years of restraint. Increases occurred at the provincial and local levels.

Growth slowed in Saskatchewan

The rate of economic growth in Saskatchewan continued to slow (+1.1%). Oil producers reduced output by 8.6%, awaiting confirmation that price hikes early in the year would be sustained. By the end of 1999, oil prices had more than doubled, and the value of exports of crude oil soared nearly 50%, even though production and exports declined in volume terms. Drilling activity remained low, despite increases in the latter part of the year. Corporate profits finished the year 27.1% higher, more than recouping the losses of 1998. Business plant and equipment investment picked up after substantial declines in 1998.

Saskatchewan's GDP at 1992 prices



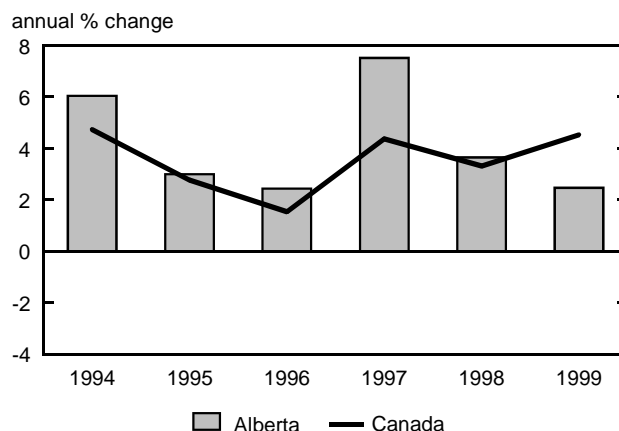
In agriculture, harvests of wheat, canola, flaxseed and barley all increased, but poor prices held down farm incomes for the third straight year. Stagnant population growth went hand in hand with moderate labour

income gains, and consumer spending increased 1.9%, matching 1998's growth.

Production stalled in Alberta's oilpatch

Alberta's GDP grew a modest 2.5% in 1999, as oilpatch production, exploration and drilling all declined. Low prices early in the year may have led to hesitation in the oil and gas industry, but by the end of 1999 profits swelled to record highs, as prices increased throughout the year. Exports of crude oil were down slightly in volume terms, but their value increased more than 50%. Increased output of natural gas was driven by strong U.S. demand.

Alberta's GDP at 1992 prices



Despite a wet and cool summer, agricultural production jumped 8.4% in 1999, as increased acreage and higher yields contributed to a record canola crop and a rebound in the wheat harvest. World prices for most grains remained at historic lows, however, constraining farmers' returns for their crops. Cattle operations continued to expand in response to growing demand for meat products.

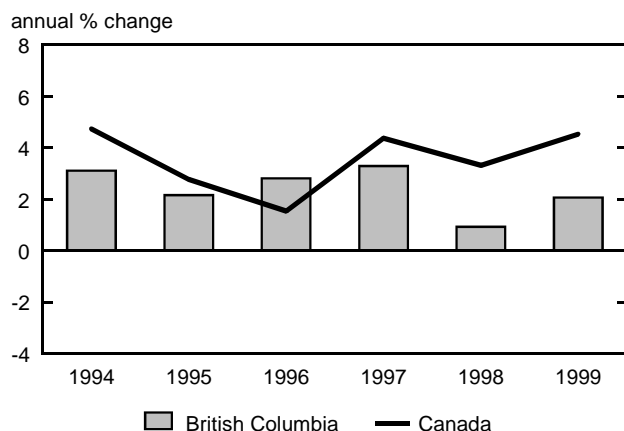
Total government current spending picked up in 1999 and capital investment by governments surged, with double-digit increases in construction spending and a near-50% rise in purchases of machinery and equipment. In contrast, business plant and equipment investment increased 1.8%.

Personal income increased 5.3%, on top of solid gains in the previous two years and consumer spending grew at a healthy pace, stimulated by population growth. Alberta's torrid housing market cooled in 1999; residential investment dipped 1.5% after substantial growth over the previous three years.

British Columbia started to regain strength

In British Columbia, GDP rose 2.1%, a marked acceleration from 1998's weak performance but still well short of the Canada average. Strong U.S. demand and a recovery from economic turmoil in Asia spurred exports of lumber, wood pulp and newsprint. Manufacturers of computers and other electronic products benefited from Y2K-related demand south of the border.

British Columbia's GDP at 1992 prices



Other industries did not fare as well, however, as weak prices prompted several metal-mine closures and coal and oil and gas production decreased. The fishing industry also suffered from the closure of the Fraser River salmon fishery.

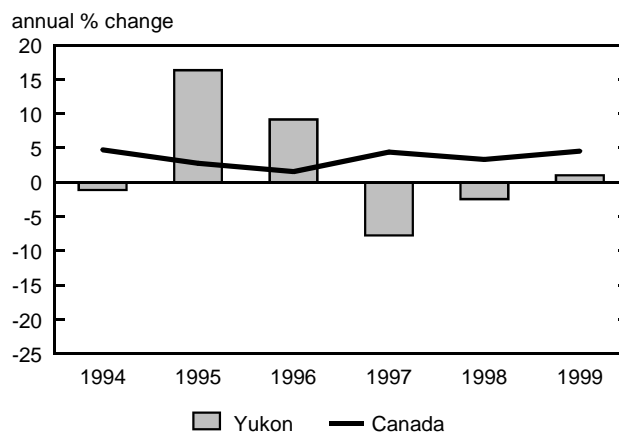
Business plant and equipment investment grew 13.9%, while governments' investment spending surged more than 25%.

Housing investment, after a substantial drop in 1998, fell another 6.4%. Consumer spending advanced moderately, in tandem with personal income gains.

Yukon increased modestly after two years of decline

Yukon's economy advanced 1.0% following two years of substantial declines. Mining operations were scaled back significantly for the third year in a row. Gold production plummeted, as a major producer cut output sharply and another shut down completely. The Faro lead-zinc mine closed in 1997, but related milling operations were open for a period in late 1998 and shut down completely by year-end. Mining-related job losses continued into 1999, resulting in further out-migration from the territory.

Yukon's GDP at 1992 prices



Bright spots included non-residential construction investment, which was up sharply with the building of new schools and municipal structures, and natural gas production, which more than doubled in 1999. Tourism continued to be a source of strength for the Yukon economy.

Northwest Territories benefited from diamond production

The year 1999 marked the first full year of diamond mining and saw the opening of a diamond grading and cutting facility in the Northwest Territories. Non-residential construction activity suffered, as diamond mine infrastructure reached completion. Production of diamonds offset declines elsewhere in the mining industry, where output fell in response to low world prices.

Nunavut focused on establishing public services

The economy of Nunavut, in its first year of existence, largely focused on establishing and delivering public services, spurring activity in construction and real estate. These activities accounted for roughly one-half of Nunavut's GDP. Mining represented nearly one-fifth, as the territory is endowed with mineral resources. A major gold producer closed its doors in 1999 because of depressed metal prices.

The combined economies of the Northwest Territories and Nunavut advanced 2.3% in 1999.

Available on CANSIM: matrices 8406-8429, 8967-9232, 9429, and 9430.

Provincial Economic Accounts, annual estimates (13-213-XDB, \$80; 13-213-PPB, \$50) is now available.

To purchase this product, contact the client services officer (613-951-3810; iead-info-dcrd@statcan.ca), Income and Expenditure Accounts Division. *Provincial gross domestic product at factor cost by industry, 1984–1999* (15-203-XIB, \$39) is also now available. See *How to order products*.

To purchase data on provincial gross domestic product by industry at factor cost, contact Yolande

Chantigny (613-951-9163; chanyon@statcan.ca), Industry Measures and Analysis Division.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Andrée Desaulniers (613-951-9149) or Bruce Cooke (613-951-9061), System of National Accounts Branch.

GDP at 1992 market prices

	1999	1996	1997	1998	1999
	\$ millions		% change		
Canada	880,254	1.5	4.4	3.3	4.5
Newfoundland	11,259	-4.2	1.1	6.0	6.0
Prince Edward Island	2,829	3.2	-1.9	3.0	3.2
Nova Scotia	20,865	0.3	3.2	3.0	5.2
New Brunswick	16,616	1.3	0.4	4.0	4.2
Quebec	192,535	1.4	3.3	3.0	4.7
Ontario	370,722	1.1	4.9	4.1	6.1
Manitoba	28,729	3.0	3.4	2.9	3.0
Saskatchewan	26,547	1.9	5.2	2.4	1.1
Alberta	101,960	2.4	7.5	3.7	2.5
British Columbia	104,323	2.8	3.3	0.9	2.1
Yukon	997	9.2	-7.7	-2.5	1.0
Northwest Territories	1,867	..	..	..	..
Nunavut	682	..	..	..	..

.. Figures not available.

GDP at factor cost, 1992 prices

	1999	1996	1997	1998	1999
	\$ millions		% change		
Canada	753,047	1.5	4.1	3.1	4.3
Newfoundland	9,433	-3.4	1.7	5.4	6.5
Prince Edward Island	2,537	2.8	-0.9	2.4	3.3
Nova Scotia	17,924	0.1	2.4	2.9	5.1
New Brunswick	14,187	2.1	0.3	3.7	4.2
Quebec	158,517	0.5	2.7	2.9	4.6
Ontario	313,510	1.2	4.4	4.2	5.7
Manitoba	25,244	3.5	3.8	3.3	2.4
Saskatchewan	23,886	3.8	5.6	1.7	1.4
Alberta	92,110	2.6	7.8	3.1	2.1
British Columbia	91,965	2.2	2.9	0.4	2.6
Yukon	971	11.4	-7.8	-2.0	1.6
Northwest Territories	1,828	..	..	..	..
Nunavut	670	..	..	..	..

.. Figures not available.

Personal expenditure on consumer goods and services, 1992 prices

	1999	1996	1997	1998	1999
	\$ millions		% change		
Canada	504,763	2.5	4.4	2.9	3.5
Newfoundland	7,326	0.6	2.7	2.9	3.4
Prince Edward Island	1,934	2.5	2.1	2.6	2.7
Nova Scotia	14,147	1.3	2.3	3.2	3.4
New Brunswick	10,969	1.8	1.9	4.0	2.9
Quebec	116,557	3.2	4.0	3.0	3.1
Ontario	198,853	2.2	4.7	3.5	4.2
Manitoba	17,386	0.8	3.1	1.4	2.0
Saskatchewan	15,294	1.8	4.3	1.7	1.9
Alberta	51,788	2.1	6.5	3.9	3.7
British Columbia	68,710	3.7	4.2	1.3	2.6
Yukon	549	-0.2	2.1	0.4	1.9
Northwest Territories	829	..	..	..	..
Nunavut	320	..	..	..	..

.. Figures not available.

Final domestic demand, 1992 prices

	1999	1996	1997	1998	1999
	\$ millions		% change		
Canada	852,876	2.2	5.2	2.8	4.4
Newfoundland	13,774	-4.6	3.1	2.0	7.2
Prince Edward Island	3,281	4.2	-0.6	1.7	2.8
Nova Scotia	25,617	-0.1	4.9	2.9	7.1
New Brunswick	19,195	1.5	0.3	5.4	7.0
Quebec	191,776	2.8	3.5	3.0	3.8
Ontario	327,771	2.1	4.8	3.3	5.1
Manitoba	29,431	2.1	4.1	1.4	3.6
Saskatchewan	27,101	3.8	8.3	-1.8	3.1
Alberta	97,651	2.4	11.7	5.4	3.4
British Columbia	112,273	2.6	4.8	-0.1	3.6
Yukon	1,266	-6.2	1.0	-1.5	3.9
Northwest Territories	2,126	..	..	..	..
Nunavut	967	..	..	..	..

.. Figures not available.



OTHER RELEASES

Pulpwood and wood residue statistics

August 2000

Pulpwood receipts in August totalled 2 811 615 cubic metres, up 4.1% from 2 699 764 cubic metres in August 1999. Wood residue receipts were 7 129 886 cubic metres, up 0.5% from 7 094 586 cubic metres in August 1999. Consumption of pulpwood residue totalled 9 668 933, cubic metres, up 1.6% from 9 518 504 cubic metres in August 1999.

The closing inventory of pulpwood and wood residue decreased 2.8% to 12 063 004 cubic metres, down from 12 415 775 cubic metres in August 1999. Year-to-date consumption of pulpwood and wood residue was 78 926 388 cubic metres, up 4.9% from 75 272 998 cubic metres in the same period of 1999. The 1999 figures have been revised.

Available on CANSIM: matrix 54.

The August 2000 issue of *Pulpwood and wood residue statistics* (25-001-XIB, \$6/\$55) is now available. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Gilles Simard (613-951-3516; simales@statcan.ca), Manufacturing, Construction and Energy Division. ■

Cereals and oilseeds review

August 2000

Data from the August issue of the *Cereals and oilseeds review* are now available. The information includes data on production, stocks, cash and futures prices, domestic processing, exports, farmers' deliveries and supply-disposition analyses.

The September situation report, an overview of current market conditions, both domestic and international, is also included in the August 2000 issue of *Cereal and oilseeds review* (22-007-XIB, \$11/\$112; 22-007-XPB, \$15/\$149), which will be available in November. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release contact Karen Gray (204-983-2856; karen.gray@statcan), Agriculture Division. ■

NEW PRODUCTS

Provincial economic accounts, annual estimates, 1999
Catalogue number 13-213-XDB (\$80).

Provincial economic accounts, annual estimates, 1999
Catalogue number 13-213-PPB (\$50).

Provincial gross domestic product by industry, 1984–1999
Catalogue number 15-203-XIB (\$39).

Pulpwood and wood residue statistics, August 2000
Catalogue number 25-001-XIB (\$6/\$55).

Refined petroleum products, April 2000
Catalogue number 45-004-XIB (\$16/\$155).

Refined petroleum products, April 2000
Catalogue number 45-004-XPB (\$21/\$206).

Industry price indexes, August 2000
Catalogue number 62-011-XPB (\$22/\$217).

All prices are in Canadian dollars and exclude sales tax. Additional shipping charges apply for delivery outside Canada.

Catalogue numbers with an -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; -XPB or -XPE are paper versions; -XDB are electronic versions on diskette and -XCD are electronic versions on compact disc.

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
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Catalogue 11-001E (F) English 11-001E/11-001E-001E	
 The Daily Statistics Canada	
Thursday, June 5, 1997 For release at 9:30 a.m.	
MAJOR RELEASES	
<ul style="list-style-type: none"> Urban transit, 1995 Despite the emphasis on taking urban transit, Canadians are getting it less and less. In 1995, about 10 million took an average of about 10 trips on some form of urban transit, the lowest level in the past 25 years. 	2
<ul style="list-style-type: none"> Productivity, hourly compensation and unit labour cost, 1995 Growth in productivity among Canadian businesses was relatively weak again in 1995, accompanied by sluggish gains in employment and slow economic growth during the year. 	4
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Statistics Canada's official release bulletin

Catalogue 11-001E.

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