



The Daily

Statistics Canada

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Major releases

- **Provincial and territorial economic accounts, 2000 to 2003**

Newfoundland and Labrador's 6.8% real gross domestic product growth in 2003 led the provinces for a second year running. Saskatchewan recovered after two years of contraction. The Northwest Territories progressed strongly in 2003 with real gross domestic product growth of 20.8%.

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 - **Study: Provincial gross domestic product per capita, 1990 to 2003**

Through the 1990s and early 2000s, Alberta's gross domestic product per capita accelerated away from the national average. Over the same period, gross domestic product per capita among the remaining provinces began to converge, according to a new study.

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- Study: Infant mortality among First Nations and non-First Nations people in British Columbia, 1981 to 2000

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 - Production of eggs and poultry, September 2004

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New products

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Major releases

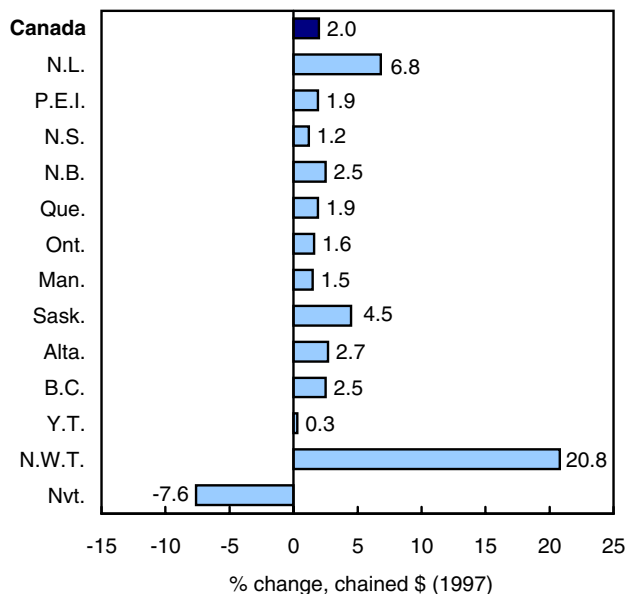
Provincial and territorial economic accounts

2000 to 2003

Real gross domestic product (GDP) for 2003 has been revised upwards for most provinces and territories except for Prince Edward Island and Saskatchewan, which were unchanged, and New Brunswick, which was lowered slightly. The Northwest Territories and Newfoundland and Labrador had the largest growth rates in 2003. In general, real GDP for the provinces and territories was revised downwards in 2000, with mixed revisions for 2001 and upward revisions for 2002.

Following elevated growth of national real GDP of 5.2% in 2000, the economy slowed to 1.8% in 2001 and experienced more moderate growth of 3.4% in 2002 and 2.0% in 2003. Newfoundland and Labrador was a strong performer in 2002 and 2003, with growth in GDP fuelled by oil output. Of the territories, the Northwest Territories experienced stellar growth, hitting 21.2% in 2001 and 20.8% in 2003, spurred by the diamond industry in that territory.

Real gross domestic product, 2003



Alberta and Ontario were the strongest performers among the provinces in 2000, with growth of 6.1% and 5.9% respectively. Alberta was buoyed by a strong

Note to readers

Revised estimates of the provincial and territorial economic accounts are available for 2000 to 2003, including updated estimates of gross domestic product, following the incorporation of statistical revisions to the national estimates published on May 31, 2004. For further information about these revisions, consult the page The 2000-2003 revisions of the Income and Expenditure Accounts of our Web site. For additional details on revisions that occurred with this release, please see the article entitled Provincial and Territorial Economic Accounts, 2003 (13-604-MIE2004046, free) that can be found in the paper Income and Expenditure Accounts Technical Series.

energy sector, whereas Ontario was partly sustained by strong demand for computers and telecommunications equipment. Nunavut's growth of 8.3% was driven by the mining sector as well as by government spending over the period when the territory was established. Prince Edward Island, weakened by a United States ban on the import of potatoes, had the slowest growth at 1.9%, decelerating along with other Atlantic provinces.

Weak demand for goods and services, both in Canada and the United States resulted in a general slowdown in the Canadian economy in 2001. This slowdown was reflected across the regions, with the exception of Nova Scotia at 2.9% growth and Northwest Territories at 21.2% growth. Nova Scotia's growth was propelled by the strong natural gas industry with the Sable Island project coming on stream. The peak in real GDP growth in the Northwest Territories was driven by investment related to the diamond industry. The economies of Saskatchewan and Prince Edward Island, both devastated by drought in 2001, recorded growth rates of -1.8% and -0.3%, respectively.

In 2002, the Canadian economy picked up steam, with all provinces east of Ontario having higher growth rates than the national rate of 3.4%. Newfoundland and Labrador stepped away from the rest of the provinces with a remarkable growth rate of 16.7% spurred by crude oil production from the Terra Nova oil field. Saskatchewan's economy contracted further in 2002 as the province was still affected by drought conditions. Although growth in the Northwest Territories slowed for 2002, it was still quite strong relative to the national growth.

Newfoundland and Labrador's 6.8% growth in 2003 led the provinces for a second year running, driven by continued strength in oil production. Saskatchewan recovered after two years of contraction

with a growth of 4.5%. The Northwest Territories progressed strongly in 2003, as diamond mining and spin-off industries pushed GDP growth to 20.8%.

Real gross domestic product growth, chained (1997) \$

	2000 ^r	2001 ^r	2002 ^r	2003
	% change			
Newfoundland and Labrador	5.2	1.3	16.7	6.8
Prince Edward Island	1.9	-0.3	6.1	1.9
Nova Scotia	3.1	2.9	5.2	1.2
New Brunswick	2.1	1.3	4.8	2.5
Quebec	4.3	1.1	4.1	1.9
Ontario	5.9	2.0	3.4	1.6
Manitoba	4.3	0.8	2.2	1.5
Saskatchewan	2.6	-1.8	-0.3	4.5
Alberta	6.1	1.6	2.4	2.7
British Columbia	4.6	0.9	3.3	2.5
Yukon Territories	3.9	4.4	0.2	0.3
Northwest Territories	6.4	21.2	4.1	20.8
Nunavut	8.3	5.0	5.0	-7.6
Canada	5.2	1.8	3.4	2.0

^r Revised figures.

Selected components

Wages, salaries and supplementary labour income has generally accounted for approximately 50% of current dollar GDP and this ratio, nationally, has stayed relatively stable over the 2000 to 2003 time period. However, this proportion has varied greatly among the provinces. Newfoundland and Labrador had a high of 48% in 1999, but this dropped to below 40% by 2003—offset by a higher share of corporate profits due to the energy sector's boom. On the other hand, the ratio for Saskatchewan which was 39% in 2000, increased to 42% by 2003 offset by lower farm incomes.

Consumer spending outpaced personal disposable income, bringing down the personal saving rate across the country. Five provinces recorded a negative saving rate in 2003, compared with only two in 2000.

In both Newfoundland and Labrador and Northwest Territories, corporate profits (before taxes) have doubled over the period. On the other hand, Ontario and Alberta recorded declines in corporate profits for two out of the four years, while Nunavut had three years of decline. Accrued net income of farm operators dropped drastically in 2002, as Nova Scotia, Quebec and Alberta each suffered large losses.

Growth in real personal expenditure on consumer goods and services has remained relatively stable across the provinces over the period, with growth between 2.7% and 4.0% nationally. Investment in residential structures has increased rapidly at the Canada level, with housing starts growing by more than 45% from 1999 to 2003. Yukon, New Brunswick and Quebec had the highest provincial growth in residential investment over the period.

Real business investment in non-residential structures declined nationally in 2002, with positive growth occurring only in Ontario, Yukon and Nunavut. Real investment in machinery and equipment recorded strong growth in 2000 and 2003, but fell in 2001 and 2002, constrained by declines in Quebec and Ontario.

At the Canada level, international exports have declined, with 2003 real exports lower than in 2000. This was influenced by a weak US economy as well as the strong Canadian dollar in 2003. Although international exports in the Atlantic provinces and Northwest Territories have grown since 2000, the opposite has been the case in the rest of the country, particularly Quebec and Ontario. Exports from those two provinces were affected by reduced demand for telecommunications equipment and automobiles.

Available on CANSIM: tables 379-0023 to 379-0026, 381-0009 to 381-0014, 383-0009, 383-0010, 384-0001, 384-0002, 384-0004 to 384-0013, 384-0036, 386-0001 and 386-0002.

Definitions, data sources and methods: survey numbers, including related surveys, 1303, 1401, 1402 and 1902.

Provincial economic accounts, 2000 to 2003

Revised provincial and territorial economic accounts estimates for 2000, 2001 and 2002 are included with this release. Updated estimates of the preliminary 2003 data that were released on April 28, 2004 are also included.

The provincial and territorial economic accounts includes estimates of the income and the expenditure based GDP, estimates of real GDP, contributions to percent change in real GDP, implicit price indexes, sources and disposition of personal income and government detail tables. The government detail tables include revised revenue and expenditure data for 2000 and 2001 based on public accounts as well as new estimates for 2002.

Summaries by sub-sector of government (federal, provincial, local, Canadian Pension Plan and Quebec Pension Plan) are provided in tables 6 to 10. Revenue side details are presented in Tables 11 to 13. Table 11 disaggregates direct taxes, social insurance contributions and transfers paid by persons to government. Table 12 presents the components of taxes on production and products, while table 13 lists the sources of government investment income. On the expenditure side, the major transfers to persons are presented in table 14 while subsidies and capital transfers, to both the personal and business sectors, can be found in table 15. Finally, table 16 lists the

most important current transfers between levels of governments.

Provincial Economic Accounts: Tables and Analytical Document, 2003 (13-213-PPB, \$54; 13-213-DDB, \$428) is now available. Diskettes can also be purchased at a lower cost seven business days after the official release date (13-213-XDB, \$86). To purchase any of these products, contact the client services officer (613-951-3810; iead-info-dcrd@statcan.ca), Income and Expenditure Accounts Division.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the information officer (613-951-3640; iead-info-dcrd@statcan.ca), Income and Expenditure Accounts Division.

Provincial gross domestic product by industry

To purchase data on provincial gross domestic product by industry at basic prices, contact the client services officer (1-800-887-IMAD; imad@statcan.ca), Industry Measures and Analysis Division.

For more information, or to enquire about the concepts, methods or data quality of this release, contact James Nightingale (613-951-2938; james.nightingale@statcan.ca), Industry Measures and Analysis Division.

Labour statistics accounts, revisions 1997 to 2003

Starting today, the Canadian productivity accounts will include revised industry estimates of labour and hours worked, covering the entire Canadian economy, by province and territory, for 1997 to 2003. The breakdown of these estimates by business and non-commercial sectors will be published at the same time as a new provincial database on labour productivity and related variables.

Also released today is a study (11F0027MIE2004024, free) that examines the

differences in economic output per person, as measured by GDP per capita, across provinces and territories, from a long-term perspective.

The study finds that through the 1990s and early 2000s Alberta's GDP per capita accelerated past the national average. Over the same period, GDP per capita among the remaining provinces began to converge. Those with the highest levels of GDP per capita in 1990 (Ontario and British Columbia) tended to experience weak GDP per capita growth, while those provinces with relatively low levels of GDP per capita in 1990 (Saskatchewan and the Atlantic Provinces) experienced stronger growth.

For more information, or to enquire about the concepts, methods or data quality, contact Jean-Pierre Maynard (613-951-3654; fax: 613-951-3292; productivity.measures@statcan.ca), Microeconomic Analysis Divisions.

Provincial input-output tables, 2000 (revised) and 2001 (preliminary)

The national and provincial input-output tables for 2000 (revised) and 2001 (preliminary) are now available on CANSIM.

With this release, certain modifications that were implemented with the provincial input-output tables for 1999 and 2000 in November 2003 have been applied back to 1997.

Revised inter-provincial and international trade data for 2000, as well as preliminary data for 2001, are also available.

A historical set of tables will soon be released for 1961 to 1997 on a Standard Industrial Classification basis.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Ronald Rioux (613-951-3697; fax: 613-951-0489; riouxr@statcan.ca), Input-Output Division. ■

Study: Provincial gross domestic product per capita

1990 to 2003

Through the 1990s and early 2000s, Alberta's gross domestic product (GDP) per capita accelerated away from the national average. Over the same period, GDP per capita among the remaining provinces began to converge, according to a new study.

The study examined the differences in economic output per person, as measured by GDP per capita, across the provinces and territories during two separate periods: 1990 to 1997 and 1997 to 2003.

The first period was marked by a major recession and a restructuring of the economy that resulted in part from the implementation of the Canada-US Free Trade Agreement and the North American Free Trade Agreement. The second period was one of relatively strong economic growth and revived gains in labour productivity.

These macro-economic trends were reflected in provincial rates of GDP per capita growth. Growth rates in provincial GDP per capita during the 1990 to 1997 period were relatively small compared with those between 1997 and 2003.

Looking across the whole period, Alberta increased its GDP per capita from 117% of the national level to 140%.

For the other nine provinces, those with the highest levels of GDP per capita in 1990 (Ontario and British Columbia) tended to experience weak GDP per capita growth. In contrast, provinces with relatively low levels of GDP per capita in 1990 (Saskatchewan and the Atlantic provinces) tended to experience strong growth. The result is a group of provinces whose levels of GDP per capita have become more tightly packed over time.

Alberta's GDP per capita continues to outpace other provinces by a wide margin

Between 1990 and 2003, only per capita GDP in Alberta and Ontario exceeded the national level. Over this period, Alberta accelerated away from the national level while Ontario drifted back towards it.

In 1990, Alberta and Ontario's GDP per capita were, respectively, 117% and 112% of the national level. By 2003, Alberta's GDP per capita was 140% of the national level, while Ontario's had dropped to just 105%.

GDP per capita increased relative to the national level in all four Atlantic provinces. Newfoundland and Labrador's rise was particularly dramatic. Its GDP per capita rose from 65% of the national level in 1990 to 92% in 2003, with all of its growth occurring after 1997.

Quebec experienced little change in its relative level of GDP per capita.

In the Western provinces, Manitoba and British Columbia fell behind, while Saskatchewan and Alberta gained relative to national levels.

Saskatchewan increased its relative level of GDP per capita from 86% in 1990 to 95% in 2003, while British Columbia fell from 98% to 91%. By 2003, Newfoundland and Labrador and British Columbia had about equal levels of GDP per capita.

Real GDP per capita growth stronger after 1997

Changes in the relative levels of GDP per capita across provinces are caused by changes in the relative growth rates of the volume of output and by relative growth in prices received for the products of different provinces. The former is a measure of constant dollar or "real" GDP per capita.

Nationally, real GDP per capita increased at an average annual rate of 0.9% between 1990 and 1997. During the late 1990s, the growth rate had tripled to 2.7%. The slow growth during the early period reflected the sharp recession. The faster growth in the later period reflected a major turnaround in almost all key economic indicators.

Atlantic region mirrors trend in Newfoundland and Labrador

Newfoundland and Labrador experienced relatively moderate growth in real GDP per capita between 1990 and 1997. But by the turn of the millennium, it reported the highest growth rate of GDP per capita in the country.

In general, the entire Atlantic region mirrored Newfoundland and Labrador's experience of relatively low growth in real GDP per capita in the early 1990s and faster growth at the turn of the millennium.

Between 1990 and 1997, GDP per capita grew at an annual average rate of 1.1% in Newfoundland and Labrador. During the 1997 to 2003 period, this rate had soared to 7.8%. Growth also accelerated by 0.9 percentage points in Prince Edward Island, 2.7 points in Nova Scotia, and 2.0 points in New Brunswick.

In Newfoundland and Labrador, the gain was propelled by crude oil production from offshore fields, with the Terra Nova oil field coming on stream early in 2002.

In Ontario and Quebec, the average annual growth rate of GDP per capita between 1997 and 2003 exceeded that of the early 1990s by at least two percentage points.

Diamonds add luster to the economy of Northwest Territories

With a population of about 100,000, less than 1% of the national total, the three territories account for one-third of Canada's area. A large proportion of the North's economy is concentrated in mining, a capital intensive sector that is subject to large price fluctuations.

Between 1990 and 1997, the Yukon and Northwest Territories (Nunavut had not yet come into existence) both experienced a decline in real GDP per capita.

However, the sources of this decline were different. In the Yukon, it was the poor performance of the labour market; in the Northwest Territories, it was a poor performance in productivity.

During the 1990s, the Northwest Territories experienced a major turnaround, the result of a surge in the mining sector after the discovery of an exploitable diamond vein 300 kilometres from Yellowknife. This new activity has generated important spillover effects, particularly in terms of job creation in the construction and transportation sectors.

A first mine began operations in 1998 and a second one in 2003. Between 1997 and 2003, the operations of these two diamond mines contributed to the rebound in economic output in the Northwest Territories. Its real GDP per capita increased at an average annual rate of 11.8% between 1999 and 2003, compared with a decline of 0.7% between 1990 and 1997.

Sources of growth in real GDP

Several factors contributed to the growth in real GDP per capita across the provinces during the 1990s.

This study found that those provinces experiencing high growth rates in real GDP per capita also experienced high growth in labour productivity, as well as favourable labour market conditions.

Growth in the 1990 to 1997 and 1997 to 2003 periods was driven predominantly by gains in labour productivity growth. Labour productivity captures how effectively resources, or hours worked, are used to produce output. As a result, it is not surprising that growth in output per hour worked played such an important role in growth in real GDP per capita in most of the provinces.

Newfoundland and Labrador, the province with the fastest growth in real GDP per capita between 1997 and 2003, boasted labour productivity growth that was a full 2.1 percentage points above its closest competitor.

Of all factors driving growth in real GDP per capita, labour market conditions, that is, employment rate plus labour intensity (hours worked per worker), were also an influential factor.

For example, between 1997 and 2003, labour market conditions largely bolstered growth in real GDP per capita in all provinces, except Saskatchewan, Alberta and British Columbia. These three reported the slowest growth in GDP per capita in Canada during this period.

The research paper *Catching Up and Falling Behind: The Performance of Provincial GDP per Capita from 1990 to 2003*, no. 24 (11F0027MIE2004024, free) is now available online. From the *Our products and services* page, under *Browse our Internet publications*, choose *Free*, then *National accounts*.

Additional information on related papers that describe provincial economic performance can be found at our economic analysis site on the page *Updates on economic analysis*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact John Baldwin (613-951-8588), Micro-economic Analysis Division. ■

Other releases

Study: Infant mortality among First Nations and non-First Nations people in British Columbia

1981 to 2000

First Nations infants were more likely to be born pre-term, but have heavier birth weights, than non-First Nations infants, according to a recent study of infant mortality in British Columbia. This was the case in both rural and urban areas of the province.

In addition, infant mortality rates were more than twice as high among First Nations as non-First Nations people. Post-neonatal mortality rates were 3.6 times as high.

However, from 1981 to 2000, infant mortality rates declined 64% for First Nations people living in rural areas, and declined 47% for those in urban areas.

Relative risks of infant mortality for First Nations compared with non-First Nations people were similar for both poor and rich neighbourhoods. This suggests that these disadvantages may be independent of neighbourhood socio-economic status.

Most of the excess infant mortality among First Nations people was due to higher postneonatal mortality, in particular, deaths due to preventable causes, such as sudden infant death syndrome, infection and external causes. This suggests the need for improved socio-economic and living conditions.

The differences in neonatal mortality were largely attributable to higher rates of pre-term birth among First Nations people, rather than to differences in gestational age-specific neonatal mortality, which were not observed.

Definitions, data sources and methods: survey numbers, including related surveys, 3231 and 3233.

The study "Infant mortality among First Nations versus non-First Nations in British Columbia: Temporal

trends in rural versus urban areas, 1981 to 2000," published in the *International Journal of Epidemiology*, is a collaboration of Statistics Canada, McGill University, the University of British Columbia, and the British Columbia Vital Statistics Agency. An abstract of the article is available free online (<http://www.ncbi.nlm.nih.gov/entrez>), in English only.

For more information about the concepts, methods or data quality of this release, or to obtain a copy, contact Russell Wilkins (1-613-951-5305; russell.wilkins@statcan.ca), Health Analysis and Measurement Group. ■

Production of eggs and poultry

September 2004 (preliminary)

Egg production, was estimated at 44.4 million dozen in September, down 6.9% from September 2003.

Poultry meat production reached 95.9 million kilograms in September, up 3.6 from September 2003.

Available on CANSIM: tables 003-0022, 003-0038 and 003-0039.

Definitions, data sources and methods: survey numbers, including related surveys, 3424, 3425 and 5039.

The September 2004 issue of *Production of Eggs* (23-003-XIB, free) is now available online. From the *Our products and services* page, choose *Free publications*, then *Agriculture*.

For further information, or to enquire about the concepts, methods or data quality of this release, contact Sandy Gielfeldt (613-951-2505; sandy.gielfeldt@statcan.ca) or Barbara Bowen (613-951-3716; barbara.bowen@statcan.ca) Livestock and Animal Products Section, Agriculture Division. ■

New products

Economic Analysis Research Paper Series:
Catching Up and Falling Behind: The Performance
of Provincial GDP per Capita from 1990 to 2003,
no. 24
Catalogue number 11F0027MIE2004024
(free).

Infomat, A Weekly Review, November 9, 2004
Catalogue number 11-002-XWE (\$100).

Income and Expenditure Accounts Technical
Series: Provincial and Territorial Economic
Accounts, 2003, no. 46
Catalogue number 13-604-MIE2004046
(free).

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Series: Provincial and Territorial Economic
Accounts, 2003, no. 46
Catalogue number 13-604-MPE2004046
(free).

Production of Eggs, September 2004
Catalogue number 23-003-XIB
(free).

Quarterly Telecommunications Statistics, Second
quarter 2004, Vol. 28, no. 2
Catalogue number 56-002-XIE (\$23/\$43).

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Thursday, June 5, 1997 For release at 9:30 a.m.	
MAJOR RELEASES	
• Urban transit, 1995 Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about six trips on some form of urban transit, the lowest level in the past 25 years.	2
• Productivity, hourly compensation and unit labour cost, 1995 Growth in productivity among Canadian businesses also noticeably weak again in 1996, accompanied by sluggish gains in employment and slow economic growth during the year.	4
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