



Provincial Treasury
Economics, Statistics and
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STATISTICS CANADA RELEASES 2005 GDP DATA

On April 26, 2006 Statistics Canada released preliminary Provincial Gross Domestic Product (GDP) data for 2005. The P.E.I. GDP at market prices in current dollars was valued at \$4,142 million in 2005. The statistics show that the Prince Edward Island economy expanded by 2.0 per cent in chained 1997 dollars that year, the strongest growth in Atlantic Canada. This increase followed growth of 1.8 per cent in 2004 and 1.5 per cent in 2003. As Table 1 indicates, the national economy grew by 2.9 per cent in chained 1997 dollars in 2005.

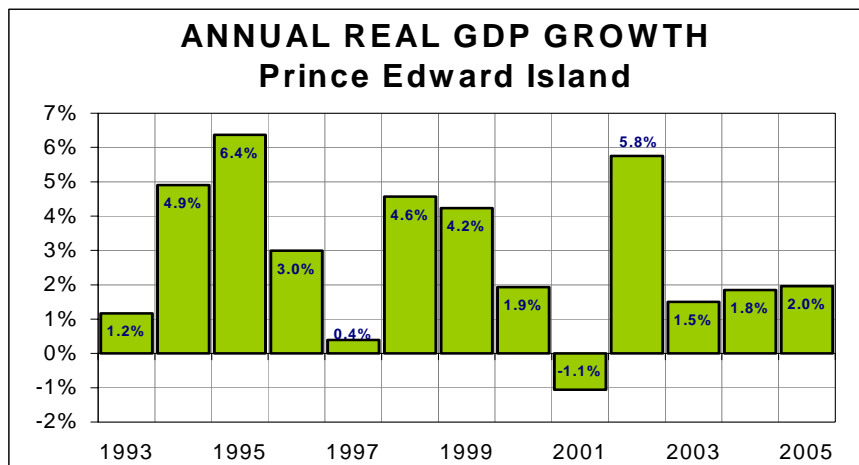
Table 1

REAL GDP GROWTH AND NOMINAL GDP, CANADA AND PROVINCES

PROVINCE:	CHAINED GDP GROWTH (%)				NOMINAL 2005 GDP \$ millions
	2002	2003	2004	2005	
Newfoundland	16.4	6.2	-1.4	0.4	21,534
P.E.I.	5.8	1.5	1.8	2.0	4,142
Nova Scotia	4.2	0.9	1.4	1.1	31,451
New Brunswick	4.4	1.7	2.0	0.5	23,727
Quebec	2.7	2.1	2.3	2.2	274,863
Ontario	3.2	1.6	2.7	2.8	537,604
Manitoba	1.9	1.8	2.3	2.7	41,933
Saskatchewan	-0.2	3.8	3.4	3.2	42,490
Alberta	2.5	3.1	4.3	4.5	215,858
British Columbia	3.5	2.7	4.0	3.5	168,011
Canada	3.1	2.0	2.9	2.9	1,368,726

Diagram 1 illustrates provincial economic growth from 1992/93 to 2004/05 in chained 1997 dollars.

Diagram 1



Source: Statistics Canada, cat. No. 13-213-XPB.

In terms of current dollars, GDP at market prices increased by 3.0 per cent in 2005. Statistics Canada reported that personal income on Prince Edward Island rose by 4.4 per cent that year compared to 4.0 per cent growth in 2004. The value of residential construction rose by 1.5 per cent in 2005, while non-residential construction fell by 14.7 per cent from the previous year. Government gross fixed capital formation increased by 41.2 per cent in 2005. Corporation profits increased by a mere 0.5 per cent in 2005 after an increase of 4.5 per cent a year earlier.

Statistics Canada also released revised data on P.E.I.'s *GDP by Industry*. This measure provides industry detail of the provincial economy, shown in Table 2. By that measure Island GDP grew by 1.9 per cent in 2005 in chained 1997 dollars. The value of the goods-producing sector of the P.E.I. economy was estimated at \$785.4 million in 2005, virtually unchanged from 2004. The agricultural industry contracted by 11.6 per cent, while the manufacturing sector increased by 3.2 per cent in 2005. The *fishing* industry declined by 8.1 per cent in 2003 after 2.4 per cent growth in 2004.

In 2005 the service sector formed 75 per cent of total GDP and was valued at \$2,365.2 million, 2.5 per cent higher than in 2004. In terms of growth in the service sector, all industries showed

positive growth in 2005. The largest contributors were the *Finance, Insurance and Real Estate* sector (up \$20.5 million or 3.4 per cent), followed by *Wholesale & Retail Trade services* (up \$14.4 million or 4.2 per cent), *Health Care & Social Assistance* (up \$7.2 million or 2.6%) and *Education* (up \$6.0 million or 3.3 per cent).

TABLE 2
P.E.I. GDP BY INDUSTRY (in constant chained 1997 Dollars)

INDUSTRY:	2002	2003	% Growth	2004	% Growth	2005	% Growth
Agriculture	130.2	122.1	-6.2	119.8	-1.9	105.9	-11.6
Fishing	65.3	61.5	11.8	63.0	-10.6	57.9	-8.1
Forestry & Logging	14.4	16.1	16.2	14.4	-18.4	13.9	-3.5
Mining	2.9	2.7	-6.9	2.3	-14.8	2.7	17.4
Manufacturing	333.6	360.8	8.2	384.7	6.6	396.9	3.2
Construction	167.0	167.7	0.4	163.4	-2.6	169.2	3.5
Utilities	36.8	37.9	3.0	37.7	-0.5	38.9	3.5
TOTAL GOODS	750.2	768.8	2.5	785.3	2.1	785.4	0.0
Transportation	75.8	75.9	0.1	78.6	3.6	81.1	3.2
Information & Culture	123.9	125.4	1.2	125.4	0.0	128.7	2.6
Retail trade	221.9	224.4	1.1	228.5	1.8	237.7	4.0
Wholesale trade	112.0	113.6	1.4	117.9	3.8	123.1	4.4
Fin., Insur. & Real Est.	569.1	578.8	1.7	600.0	3.7	620.5	3.4
Admin. & Support Serv	40.0	41.3	3.3	41.9	1.5	43.0	2.6
Profess. Scient. Techn.	61.6	63.7	3.4	64.4	1.1	65.5	1.7
Public Administration	380.6	384.3	1.0	381.6	-0.7	384.4	0.7
Educational Services	174.8	179.8	2.9	183.3	1.9	189.3	3.3
Health & Soc. Services	249.4	262.9	5.4	279.3	6.2	286.5	2.6
Accomm., Food, Bvgs	103.4	107.5	4.0	104.6	-2.7	109.3	4.5
Arts, Entert. & Recreat.	28.5	29.7	4.2	29.4	-1.0	31.1	5.8
Other Services	80.1	79.7	-0.5	97.7	0.0	80.6	1.1
TOTAL SERVICES	2,217.4	2,260.5	1.9	2,307.6	2.1	2,365.2	2.5
ALL INDUSTRIES	2,967.6	3,029.3	2.1	3,092.9	2.1	3,150.6	1.9

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