

Gross Domestic Product (GDP) 2023 Highlights

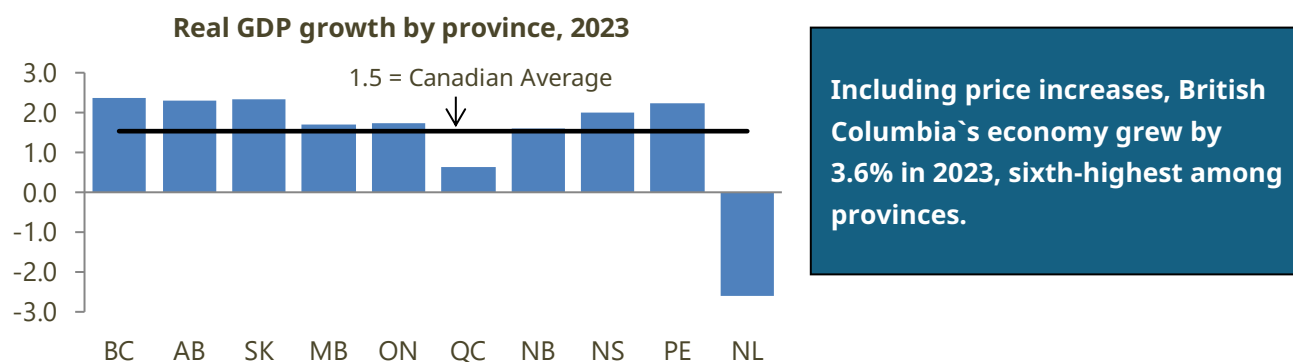
Gross Domestic Product (GDP) measures the total value of goods and services produced within a region over a specific period of time. It's a key economic measure used by central banks and policymakers to make decisions about the economy. These are the highlights of British Columbia's GDP for 2023.

The term "real GDP" means the numbers have been adjusted for inflation.

Detailed figures and additional data can be found in the [BC Open Data Catalogue](#).

B.C.'s real GDP grew by 2.4% in 2023, the strongest growth among provinces.

Alberta (+2.3%), Saskatchewan (+2.3%) and Prince Edward Island (+2.2%) also saw solid gains during the year. The Canadian economy grew by 1.5%, in part due to slower growth in Quebec (+0.6%) and a contraction in Newfoundland and Labrador (-2.6%) and the Northwest Territories (-0.5%).



In British Columbia, final consumption expenditure rose 2.8% in 2023, driven by large increases in government expenditures (6.9%) and non-profit institutions (+4.8%), outpacing a more modest household spending growth (+1.5%) increase.

Investment in fixed capital rose by 1.6% in 2023. The increase was concentrated in government (+22.4%) and non-profit institutions (0.2%), while business investment fell by 1.7%. The decrease in business investment was primarily due to lower housing investment (-7.7%) although investment in machinery and equipment (-3.3%) also slowed.

The value of B.C.'s exports of goods and services grew 1.4% during the year, with sales to other countries (+1.8%) increasing at a faster pace than sales to other provinces (+0.7%).

Imports of goods and services rose by 2.3%, with imports from other provinces (+2.3%) gaining ground while international imports remained virtually unchanged.

B.C. Real GDP Growth by Expenditure Category

	2019	2020	2021	2022	2023
GDP at market prices	2.6%	-3.1%	7.7%	4.0%	2.4%
Final consumption expenditure	2.0%	-2.1%	7.8%	3.9%	2.8%
Household expenditure	1.7%	-3.9%	7.8%	3.9%	1.5%
Non-profit expenditure	2.6%	1.9%	3.1%	4.7%	4.8%
Government expenditure	2.9%	3.8%	8.0%	3.7%	6.9%
Gross fixed capital formation	9.9%	-0.8%	8.7%	0.9%	1.6%
Business fixed capital investment	11.6%	-2.2%	8.9%	1.5%	-1.7%
<i>Residential structures</i>	-2.7%	-3.2%	11.1%	-7.1%	-7.7%
<i>Non-residential structures</i>	38.1%	6.1%	5.3%	10.6%	6.2%
<i>Machinery and equipment</i>	11.7%	-19.7%	7.3%	8.4%	-3.0%
<i>Investment in IP</i>	16.0%	5.6%	13.0%	9.1%	0.8%
Governments fixed capital investment	0.8%	8.3%	8.2%	-4.1%	22.4%
Exports	1.9%	-10.2%	6.2%	5.8%	1.4%
Imports	3.9%	-7.4%	8.2%	6.7%	1.0%

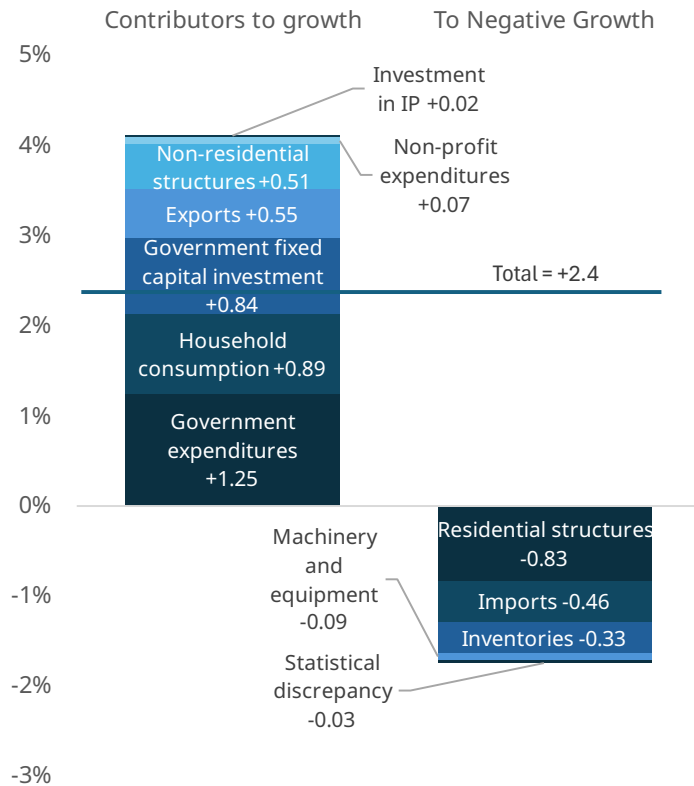
Government and household spending contributed most to GDP growth

Operating expenditures by all levels of government rose \$4.2 billion in 2023 while government gross fixed capital investment rose \$2.7 billion, contributing 1.25 and 0.84 percentage points to B.C.'s overall real GDP growth. Household expenditures, always a large category, rose \$3.1 billion and contributed 0.89 points to GDP growth.

Exports grew more than imports, meaning B.C.'s net exports contributed 0.09 points.

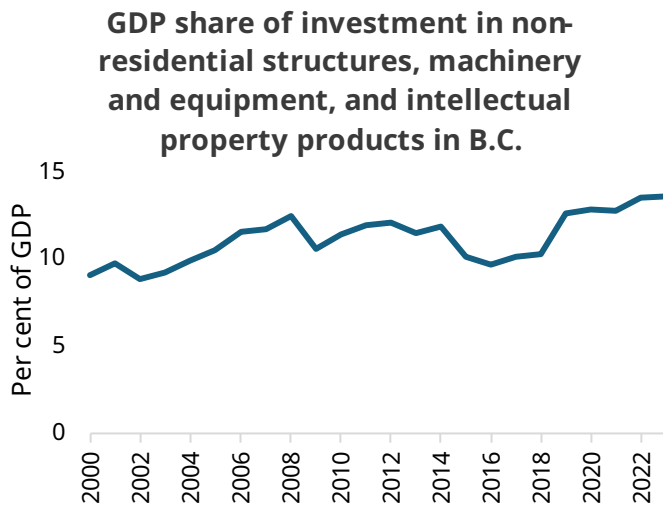
Investment in non-residential structures grew \$1.4 billion while investment in residential structures fell by \$2.3 billion.

Contributions to B.C. Real GDP Growth in 2023



B.C. continues to increase its share of GDP business investment in long-term assets.

Real business investment in non-residential structures, machinery and equipment, and intellectual property products as a percentage of GDP was 13.6%, the largest share for B.C. since 2000 (as far back as the current comparable record is available) and the fourth largest among provinces for the year.

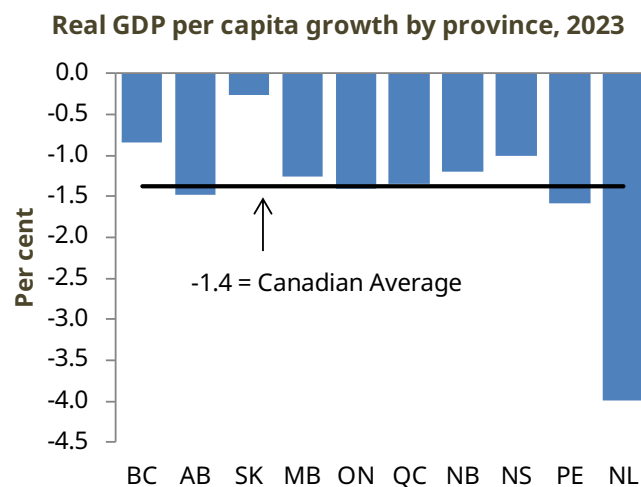


Together, these investments drive productivity by equipping businesses with advanced tools, supporting innovation through intellectual assets, and providing the infrastructure needed for efficient operations. Long-term growth in these areas contributes to a more resilient, competitive economy that can lead and adapt to technological change.

Population growth outpaced economic growth in 2023, reducing real GDP per capita.

Real per capita GDP fell in every province in 2023. However, B.C. fared better than most, with the second smallest decrease (-0.8%), behind only Saskatchewan (-0.3%).

Real GDP per capita is a crucial economic indicator that adjusts a country's total economic output for both price and population increases. Higher real GDP per capita suggests greater prosperity and typically indicates higher living standards, as it implies that, on average, people can access more goods and services.

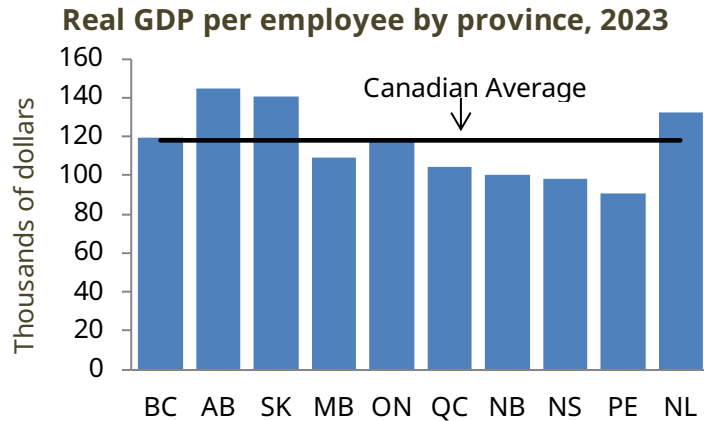


Real GDP per employee grew by 0.8% in B.C., the largest increase among provinces in 2023.

In dollar terms, real GDP per employee in B.C. (\$119k) ranked fourth among provinces, and was in line with the national average (\$118k).

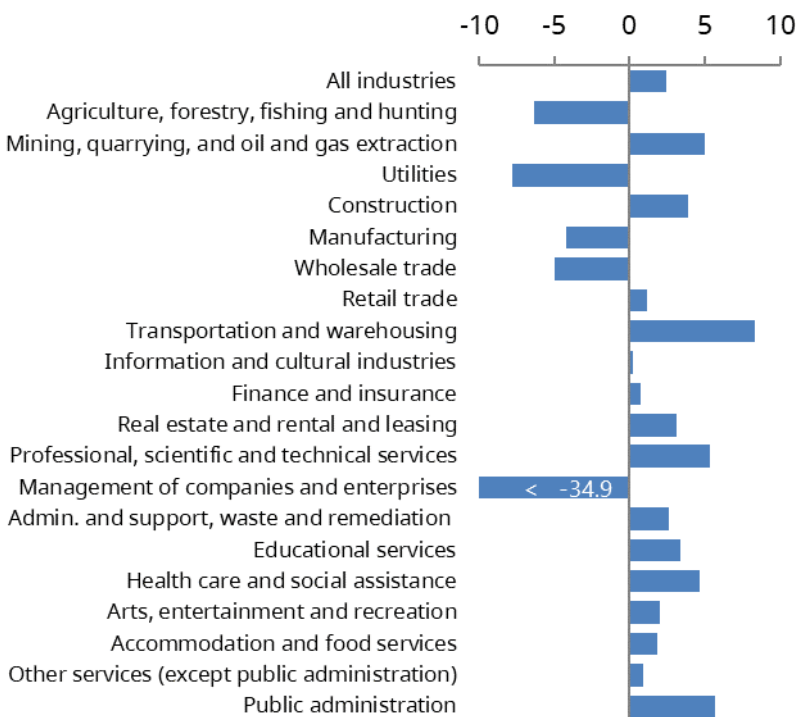
The only provinces to see an improvement in GDP per employee in 2023 were B.C. and Saskatchewan (+0.5%).

This metric provides insight into labor productivity, indicating how efficiently a workforce contributes to economic growth. Higher GDP per employee suggests that each worker is, on average, generating more value, which often correlates with better technology, improved skills, and effective management.



Economic gains in 2023 were strong among service industries.

Real GDP Growth by Industry in B.C., 2023



In the industry account, real GDP growth was 2.4% in 2023, with both the goods (+0.4%) and services sector (+3.1%) advancing.

The increase was widespread in the service sector, with almost every industry subsector expanding during the year. The exceptions were management of companies and enterprises (-34.9%) and wholesale trade (-5.0%).

The goods sectors expansion was due to gains in mining, quarrying and oil and gas extraction (+5.0%), and construction (+3.9%), outweighing loses in all other subsectors.