Ontario Economic Accounts

Learn about Ontario's economic performance and outlook for the fourth quarter of 2024.

View the related data tables at Ontario's Open Data Catalogue.

Data Tables (https://data.ontario.ca/dataset/ontario-economic-accounts)

Highlights

- Ontario’s real gross domestic product (GDP) increased 0.6% in the fourth quarter (October, November, December) of 2024, after advancing 0.4% in the third quarter.
- Fourth quarter growth was supported by gains in household spending, business investment and exports.
- Nominal GDP rose 1.7%, following a 1.1% increase in the previous quarter.
- Economy-wide prices, as measured by the implicit price index for GDP, increased 1.1% in the fourth quarter.
- Economic production, measured on an industry basis, rose 0.5% in the fourth quarter, with gains in both goods sector output (+0.3%) and service sector production (+0.5%).

2024 Annual Highlights

- Ontario’s real GDP advanced by 1.5% in 2024, following a 1.7% increase in 2023.
- In 2024, the increase in real GDP was supported by higher household consumption (+2.1%).
- Nominal GDP rose 5.2% in 2024, following a 5.4% increase in 2023.

- Economic production, measured on an industry basis, rose 1.4%. An increase in service sector production (+2.5%) was partially offset by a decline in goods sector output (−2.7%).

Table 1.1
Ontario Economic Accounts summary
(per cent change)

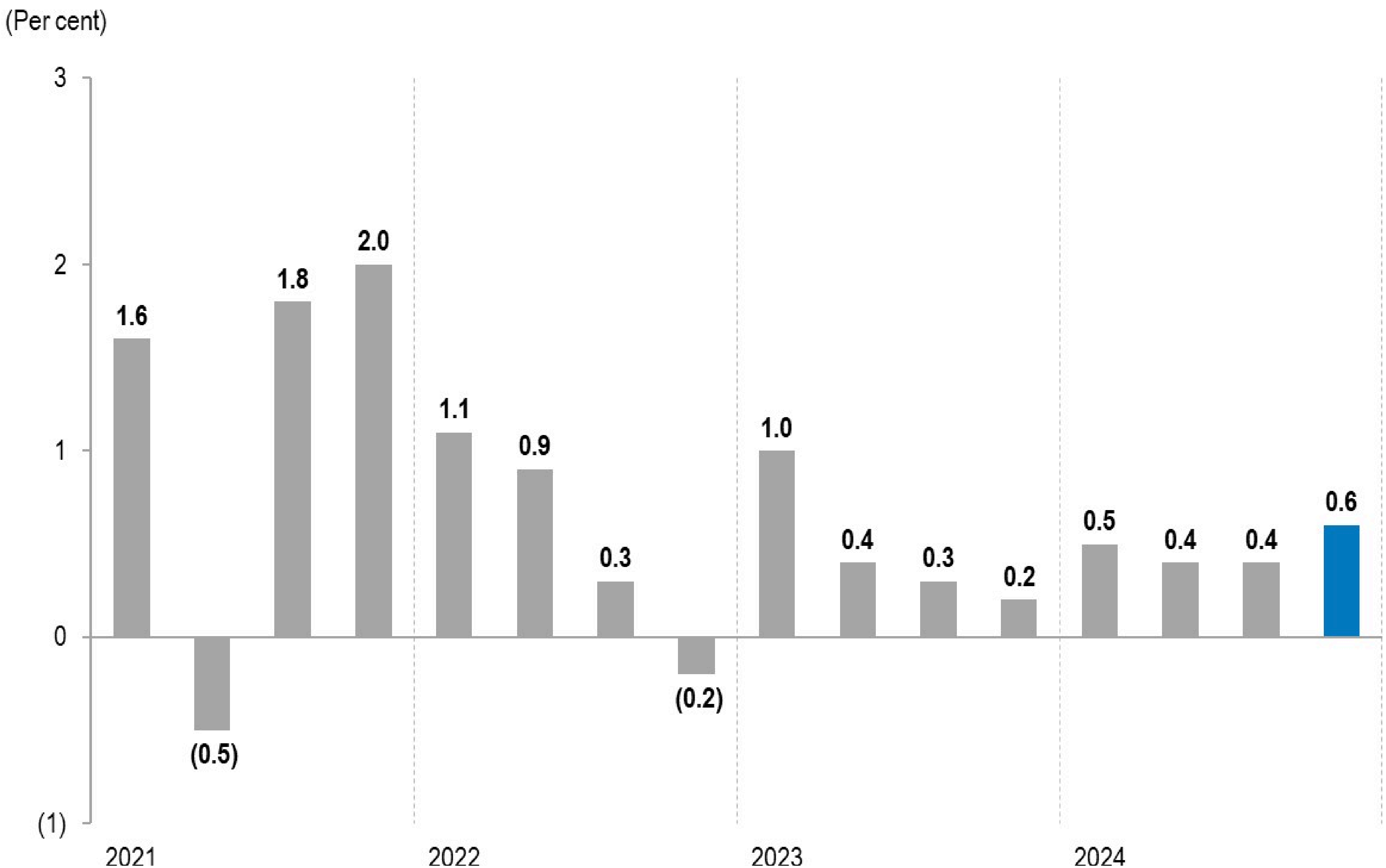
Component	2023	2024	2024 Q1	2024 Q2	2024 Q3	2024 Q4
Real GDP	1.7	1.5	0.5	0.4	0.4	0.6
Nominal GDP	5.4	5.2	0.4	1.6	1.1	1.7

Sources: Statistics Canada and Ontario Ministry of Finance.

Expenditure details

Ontario's **real GDP** advanced 0.6% in the fourth quarter of 2024, after increasing 0.4% in the previous quarter.

Chart 1.1
Real GDP growth



Source: Ontario Ministry of Finance.

Accessible description of Chart 1.1: Real GDP growth

Household consumption spending rose 1.7%, following a 0.4% increase in the previous quarter. Spending was higher for durables (+5.2%), semi-durables (+2.1%), non-durables (+0.1%) and services (+1.6%).

Total business investment rose 2.6%, after declining 0.3% in the previous quarter. Investment in residential construction (+4.6%), machinery and equipment (+1.3%), non-residential construction (+0.8%) and intellectual property products (+0.5%) increased in the quarter.

Spending at all three levels of **government** combined rose 0.5% in the fourth quarter, after increasing 1.3% in the previous quarter.

Exports (+1.9%) and **imports** (+0.5%) increased in the fourth quarter. International exports rose 3.2%, while international imports were 1.1% higher. Interprovincial exports (−0.7%) and interprovincial imports (−1.2%) declined in the quarter.

Businesses drew down **inventories** by $652 million in the fourth quarter, following an accumulation of $12.3 billion in the previous quarter.

Table 1.2
Real GDP by expenditure
(Per cent change)

Component	2023	2024	2024 Q1	2024 Q2	2024 Q3	2024 Q4

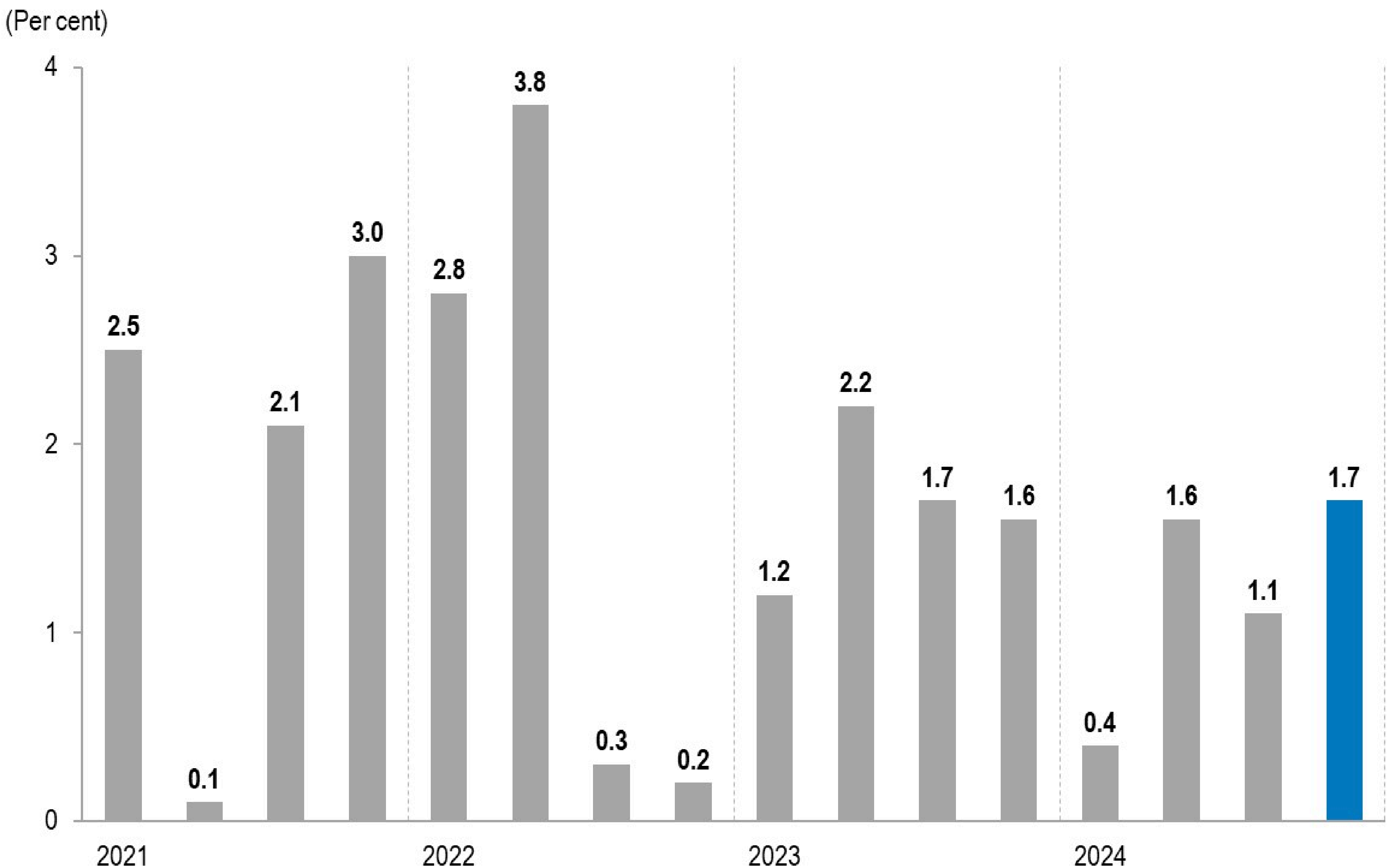
Component	2023	2024	2024 Q1	2024 Q2	2024 Q3	2024 Q4
Real GDP	1.7	1.5	0.5	0.4	0.4	0.6
Household consumption	1.5	2.1	1.1	0.0	0.4	1.7
Business investment	(2.1)	(0.1)	(0.7)	0.4	(0.3)	2.6
Government	1.2	2.8	1.5	1.4	1.3	0.5
Exports	4.4	(1.0)	2.0	(2.4)	(0.6)	1.9
Imports	0.7	(1.5)	0.5	(0.6)	(0.7)	0.5
Investment in inventories ($ billions)	8.7	8.5	8.8	13.7	12.3	(0.7)

Sources: Statistics Canada and Ontario Ministry of Finance.

Income details

Ontario’s **nominal GDP** increased 1.7% in the fourth quarter of 2024, after increasing 1.1% in the third quarter.

Chart 1.2
Nominal GDP growth



Source: Ontario Ministry of Finance.

Accessible description of Chart 1.2: Nominal GDP growth

Compensation of employees, which includes both wages and salaries and supplementary labour income, increased 1.3%, after rising 1.6% in the third quarter.

Net operating surplus of corporations increased 7.6%, after decreasing 2.3% in the third quarter.

Net mixed income, which is comprised of farm income, unincorporated business income and rental income, increased 2.9%, following a 2.5% gain in the previous quarter.

Table 1.3
Nominal GDP by income
(Per cent change)

Component	2023	2024	2024 Q1	2024 Q2	2024 Q3	2024 Q4
Nominal GDP	5.4	5.2	0.4	1.6	1.1	1.7
Compensation of employees	6.7	6.2	1.3	2.5	1.6	1.3

Component	2023	2024	2024 Q1	2024 Q2	2024 Q3	2024 Q4
Net operating surplus	(4.2)	(2.0)	(13.8)	2.1	(2.3)	7.6
Net mixed income	11.5	13.2	2.2	3.2	2.5	2.9

Sources: Statistics Canada and Ontario Ministry of Finance.

Price details

Economy-wide prices, as measured by the **implicit price index for GDP**, increased 1.1% in the fourth quarter, following a 0.7% increase in the third quarter.

Prices for **household consumption expenditures** rose 0.7%, following a 0.3% increase in the third quarter.

Business investment prices increased 0.8%, following an increase of 0.4% in the previous quarter. Prices in the quarter increased for intellectual property products (+1.1%), residential construction (+0.9%), machinery and equipment (+0.8%) and non-residential construction (+0.5%).

Export prices (+1.3%) and **import** prices (+1.4%) both increased in the quarter.

Table 1.4
Implicit price indexes, gross domestic product

(Per cent change)						
Component	**2023**	**2024**	**2024 Q1**	**2024 Q2**	**2024 Q3**	**2024 Q4**
GDP	3.7	3.6	(0.1)	1.2	0.7	1.1
Household consumption	3.6	2.8	0.3	0.9	0.3	0.7
Business investment	3.4	1.9	0.2	0.7	0.4	0.8
Exports	3.5	3.2	(0.3)	2.1	0.6	1.3
Imports	1.5	2.3	0.4	1.9	0.5	1.4

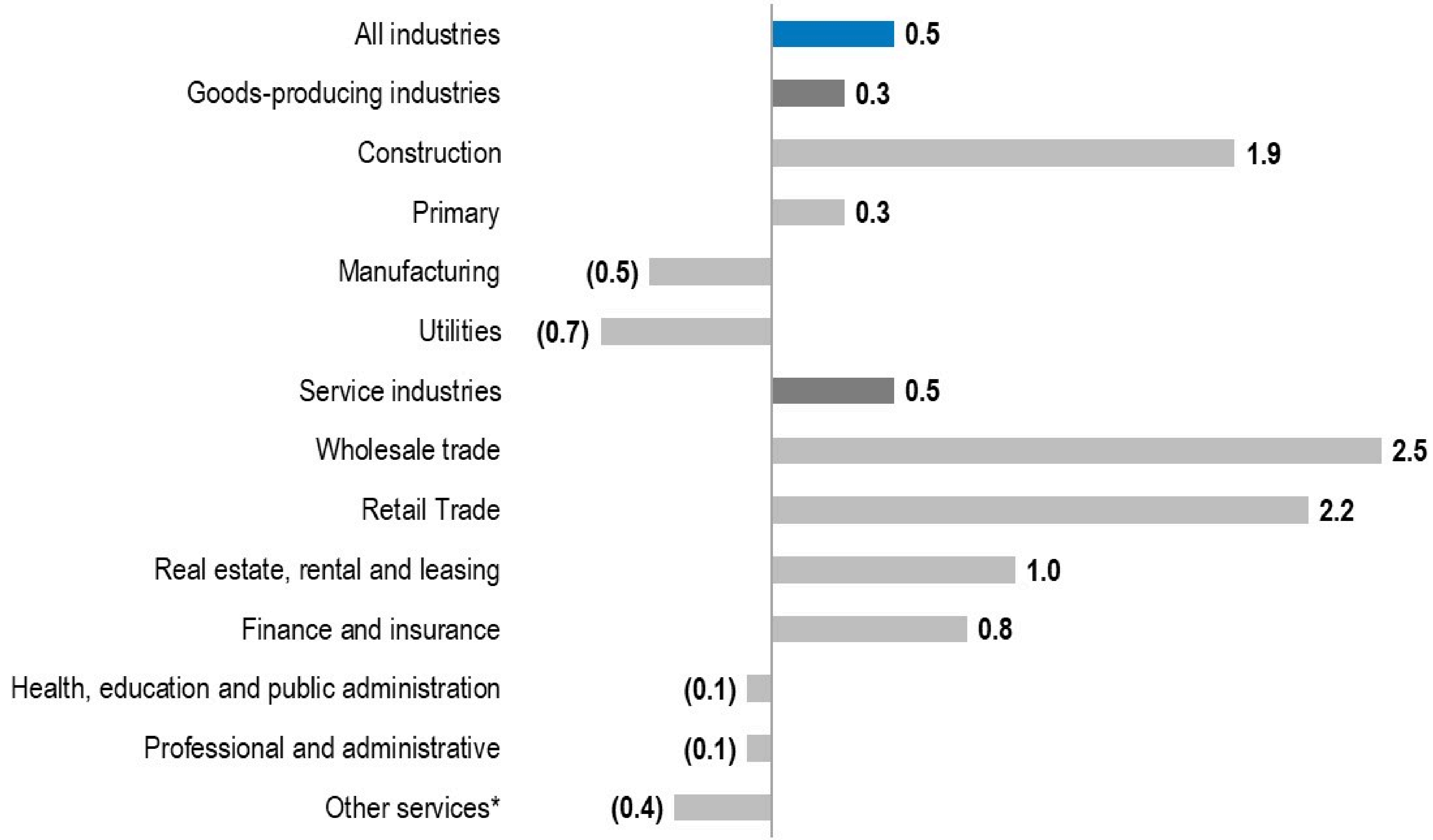
Sources: Statistics Canada and Ontario Ministry of Finance.

Industry details

Ontario **real GDP**, measured as value-added by industry, rose 0.5% in the fourth quarter of 2024. Service sector output advanced 0.5% in the quarter, while output in the goods sector rose 0.3%.

Chart 1.3
Real GDP change by industry, 2024Q4

(Per cent)



*Other services includes transportation and warehousing; information and cultural; arts, entertainment and recreation; accommodation and food services; management of companies and enterprises; and other services.
Source: Ontario Ministry of Finance.

Accessible description of Chart 1.3: Real GDP change by industry, 2024 Q4

Manufacturing output decreased 0.5% in the quarter, driven by a decline in primary and fabricated metal products.

Construction output was 1.9% higher, as residential construction (+1.9%) and non-residential structures and engineering construction (+1.9%) increased in the quarter.

Primary industry output increased 0.3%, led by production in the agriculture sector (+0.6%).

Utilities output declined 0.7%, as lower natural gas, water, and other production (−6.9%) was partially offset by higher electric power production (+1.6%).

Service industry output increased 0.5% in the quarter, led by gains in wholesale trade (+2.5%), real estate and leasing (+1.0%), retail trade (+2.2%) and finance and insurance (+0.8%).

Table 1.5
Real GDP by industry
(Per cent change)

Component	2023	2024	2024 Q1	2024 Q2	2024 Q3	2024 Q4
Total output	1.8	1.4	0.5	0.3	0.2	0.5

Component	2023	2024	2024 Q 1	2024 Q 2	2024 Q 3	2024 Q 4
Total goods producing industries	(0.3)	(2.7)	(0.1)	(0.5)	(0.9)	0.3
Primary	1.8	3.7	1.5	1.5	0.6	0.3
Utilities	2.0	3.2	(0.3)	(0.3)	4.0	(0.7)
Construction	(2.0)	(2.2)	0.0	(0.4)	(0.9)	1.9
Manufacturing	0.1	(4.9)	(0.4)	(1.0)	(1.9)	(0.5)
Total service producing industries	2.4	2.5	0.7	0.5	0.4	0.5
Wholesale trade	1.4	1.6	0.1	(0.4)	1.1	2.5
Retail trade	(0.2)	1.1	0.5	(1.7)	0.6	2.2
Transportation and warehousing	8.9	3.9	1.2	1.1	(0.3)	0.1
Information and culture	1.3	0.5	0.9	(0.7)	(2.3)	(1.7)

Component	2023	2024	2024 Q 1	2024 Q 2	2024 Q 3	2024 Q 4
Finance and insurance	(0.2)	4.2	0.7	1.0	1.9	0.8
Real estate, rental and leasing	0.4	1.4	0.2	0.2	0.5	1.0
Management of companies and enterprises	(34.9)	(26.3)	(6.7)	(5.8)	(4.2)	(7.9)
Professional and administrative services	3.2	2.5	1.0	1.0	0.3	(0.1)
Education	3.6	3.8	1.3	2.2	0.1	(1.5)
Health care and social services	4.1	3.3	1.4	0.8	0.1	0.5
Arts, entertainment and recreation	14.8	2.8	(1.1)	0.1	0.3	0.2
Accommodation and food	6.4	3.9	0.2	0.4	(0.8)	1.7
Other services	3.8	1.4	0.7	0.2	(0.3)	(0.5)
Public administration	3.3	2.6	0.7	1.0	0.9	0.4

Sources: Statistics Canada and Ontario Ministry of Finance.

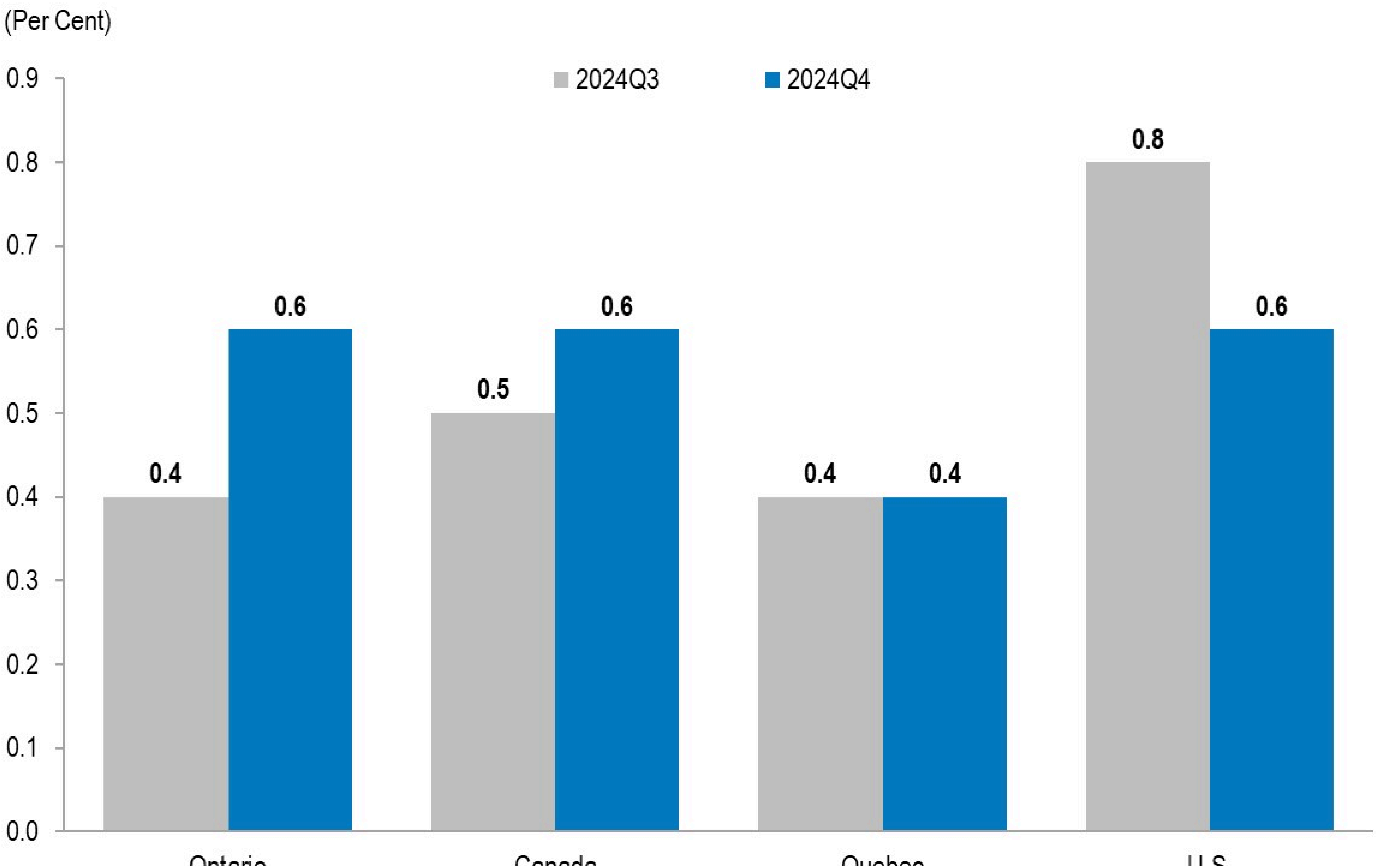
Jurisdictional comparison

Canadian real GDP increased 0.6% in the fourth quarter, following an increase of 0.5% in the previous quarter. Fourth quarter growth was driven by higher household spending, exports and business investment. Growth was moderated by inventory drawdowns and higher imports.

Quebec's real GDP increased 0.4% in the fourth quarter, matching the gain in the third quarter. Growth in the quarter was supported by gains in household spending and business investment, while exports declined in the quarter.

In the **U.S.**, real GDP increased 0.6% in the fourth quarter, following a 0.8% gain in the previous quarter. The fourth quarter gain reflected increases in consumer and government spending, which was partially offset by a decline in investment.

Chart 1.4
Real GDP growth across jurisdictions



Sources: Ontario Ministry of Finance, Statistics Canada, U.S. Bureau of Economic Analysis and Institut de la statistique du Québec.

Accessible description of Chart 1.4: Real GDP growth across jurisdictions

Global economic environment

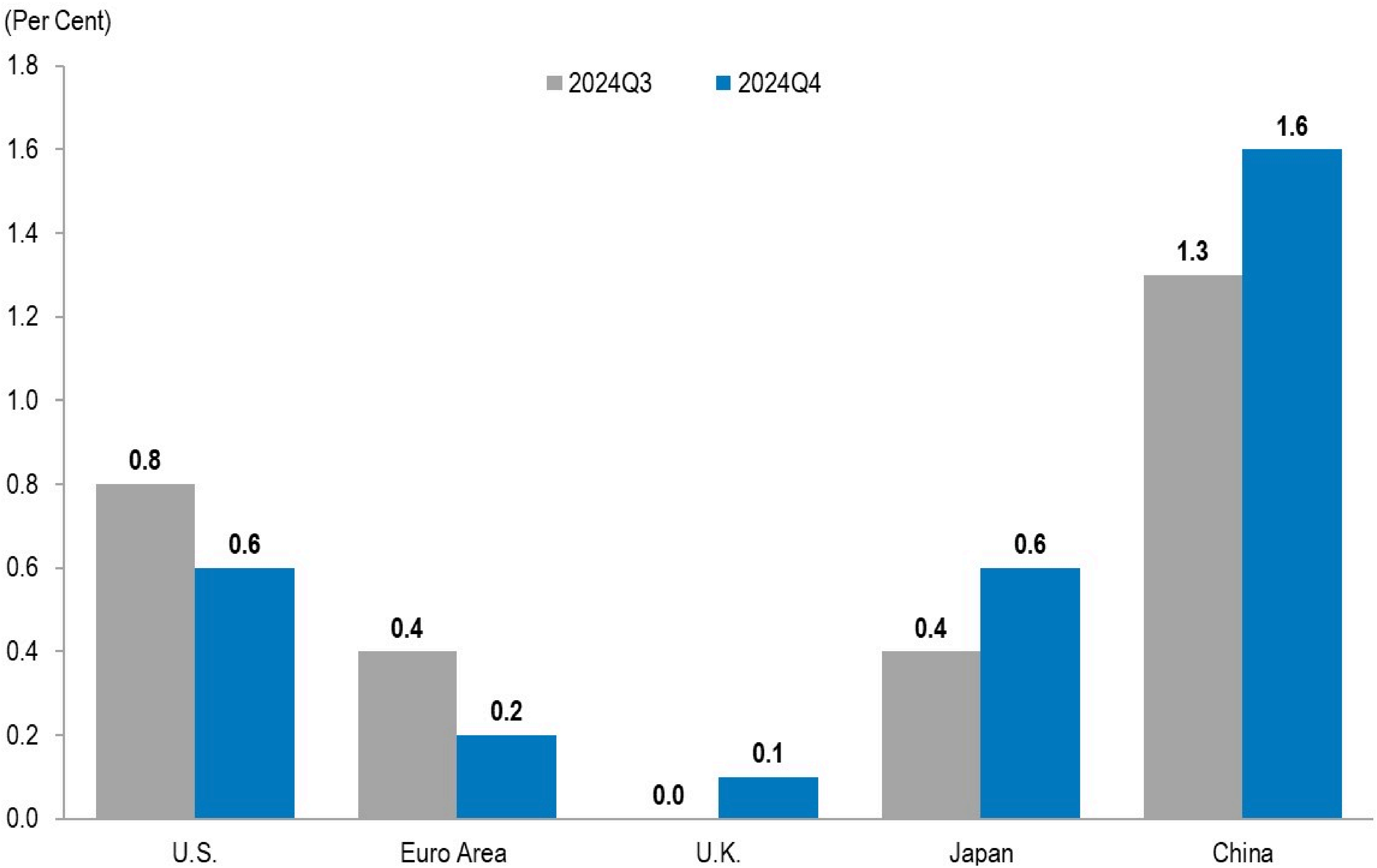
Real GDP in the U.S. increased 0.6% in the fourth quarter of 2024, following a 0.8% increase in the third quarter. Fourth quarter growth primarily reflected increases in consumer and government spending.

Euro area real GDP grew 0.2% in the fourth quarter, slowing from a 0.4% increase in the third quarter. Growth in the fourth quarter was led by household and government consumption and fixed capital formation. U.K. real GDP edged up 0.1% in the fourth quarter of 2024, following no growth in the third quarter.

Real GDP in Japan increased 0.6% in the fourth quarter, following 0.4% growth in the third quarter.

China’s real GDP growth accelerated to 1.6% in the fourth quarter from a 1.3% rise in the third quarter. The increase was supported by continuing fiscal and monetary initiatives aimed at strengthening local government finances, lowering borrowing costs and mitigating the effects of the downturn in the property sector.

Chart 1.5
Real GDP growth



Sources: U.S. Bureau of Economic Analysis, Eurostat, U.K. Office for National Statistics, Cabinet Office of Japan and National Bureau of Statistics of China.

Accessible description of Chart 1.5: Real GDP growth

With inflation close to the 2% target and trade tensions with the U.S. increasing economic uncertainty, the **Bank of Canada** lowered the target for the overnight rate by 25 basis points to 2.75% in March, following a 25-basis point cut in January. Since June 2024, the Bank of Canada has reduced its target for the overnight rate by a total of 225 basis points.

In the **U.S.**, the **Federal Reserve** has kept the target range for the federal funds rate at 4.25-4.5% since December 2024 due to continued elevated inflation. Since September 2024, the Federal Reserve has reduced its key policy interest rate target by a total of 100 basis points.

The yield on short-term Canadian government bonds followed the Bank of Canada overnight rate lower in the first quarter of 2025. The **Canadian 3-month government treasury bill yield** averaged 2.8% in the first quarter, down from 3.4% in the fourth quarter of 2024. The **yield on the Canadian 10-year government bond** also eased in the first quarter, decreasing to 3.1% from 3.3% in the fourth quarter.

As U.S. and Canada monetary policy diverged further and economic uncertainty intensified, the **Canadian dollar** continued to depreciate in the first quarter. The Canada-US exchange rate averaged 69.7 cents US in the first quarter, down from 71.5 cents US in the fourth quarter and 73.3 cents US in the third quarter.

Oil prices rose in January on tighter U.S. sanctions and weather impacts before declining over February and March as concerns grew over escalating trade tensions and the impact on oil demand growth. The **West Texas Intermediate (WTI) crude oil price** averaged US$72 per barrel in the first quarter, little changed from US$71 per barrel in the fourth quarter.

Table 1.6
External factors

Component	2023	2024	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1

Component	2023	2024	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1
U.S. real GDP growth (per cent)	2.9	2.8	0.4	0.7	0.8	0.6	–
West Texas Intermediate (WTI) crude oil ($US per barrel)	78	77	78	82	76	71	72
Canadian dollar (cents US)	74.1	73.0	74.1	73.1	73.3	71.5	69.7
Three-month treasury bill rate[1] (per cent)	4.8	4.3	5.0	4.8	4.2	3.4	2.8
10-year government bond rate (per cent)	3.3	3.4	3.4	3.7	3.1	3.3	3.1

[1] Government of Canada interest rates.

Sources: U.S. Bureau of Economic Analysis; U.S. Energy Information Administration, and Bank of Canada

Appendix A: OEA release dates

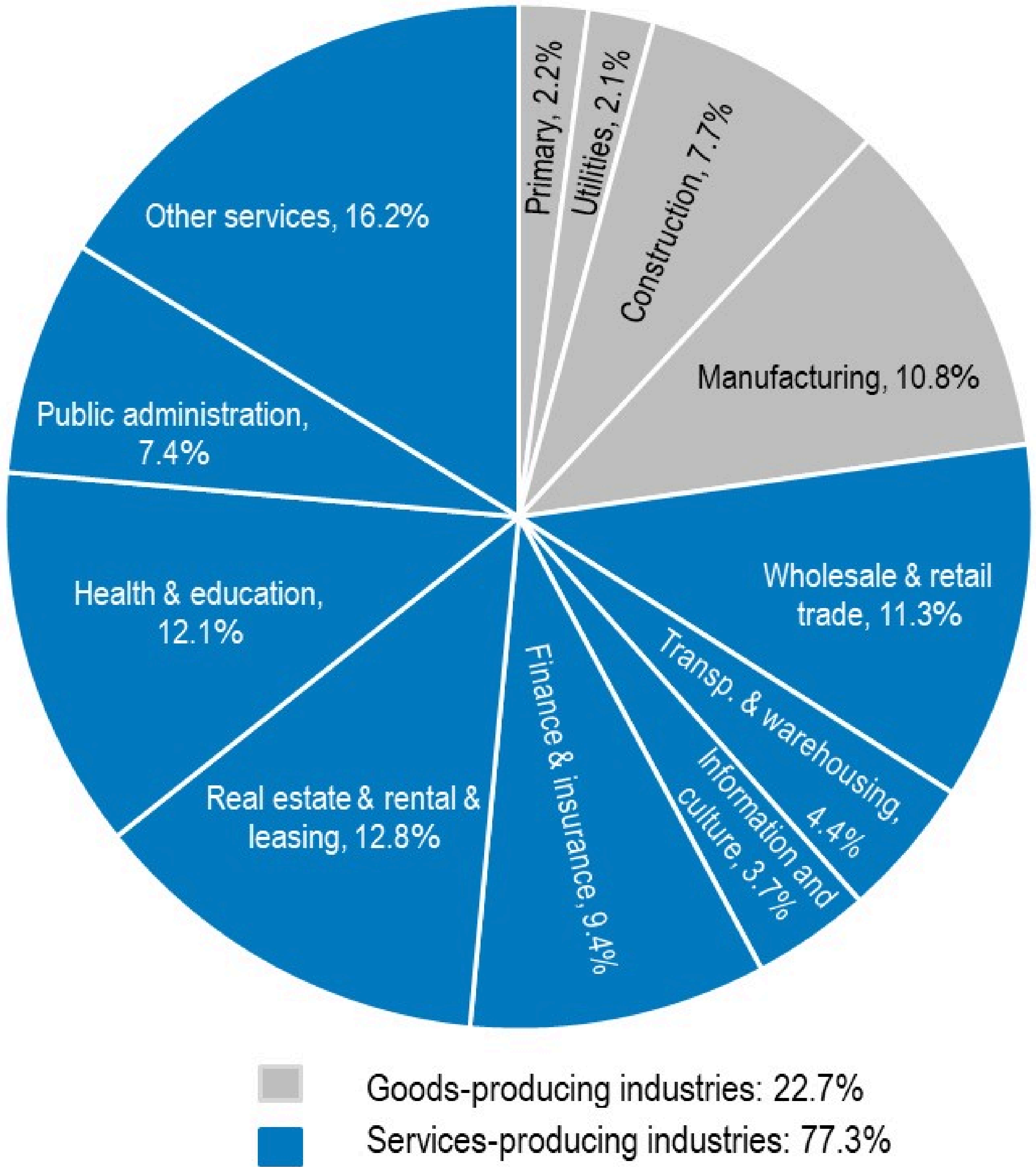
The *Fiscal Sustainability, Transparency and Accountability Act, 2019* states that the quarterly Ontario Economic Accounts should be released within 45 days of the Statistics Canada release of the National Income and Expenditure Accounts.

In compliance with the legislation, the OEA will be released according to the following schedule:

Reference Period	Expected Statistics Canada release of National Income and Expenditure Accounts	Corresponding deadline for the release of Ontario Economic Accounts
First quarter (January-March) 2025	May 30, 2025	By July 14, 2025
Second quarter (April-June) 2025	August 29, 2025	By October 14, 2025
Third quarter (July-September) 2025	November 28, 2025	By January 12, 2026
Fourth quarter (October-December) 2025	February 27, 2026	By April 13, 2026

Appendix B: Structure of the Ontario economy

Per cent share of nominal GDP, 2023



Accessible description of Chart: Appendix B, Per cent share of nominal GDP, 2023

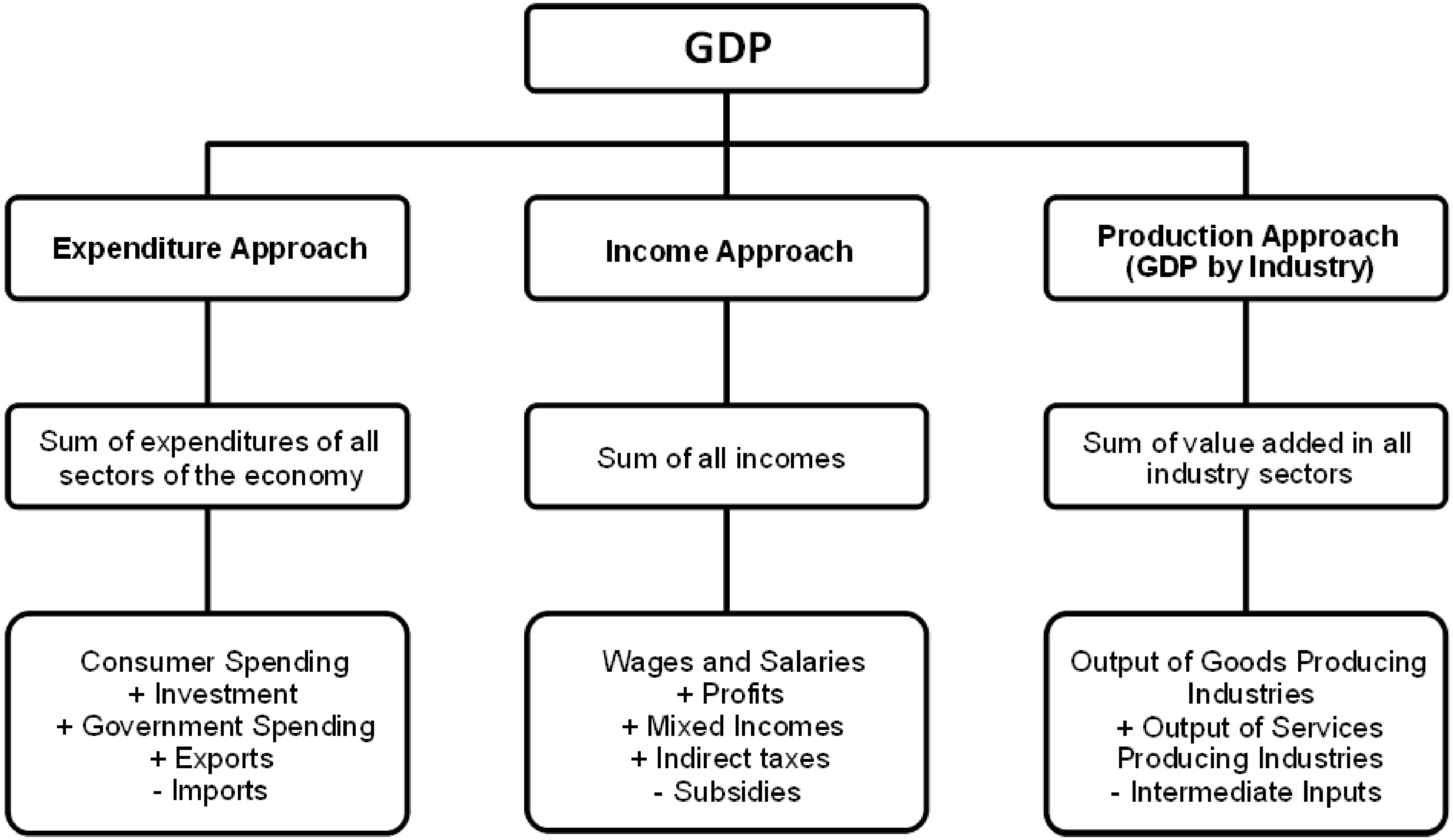
Appendix C: How GDP is measured

The Ontario Economic Accounts provide measurements of GDP using three different methodologies, by expenditure, income and industry.

The **GDP by expenditure** approach defines GDP as the aggregate of all expenditures on final consumption, gross capital formation and net trade by consumers, governments and businesses that occur within Ontario's economy over a given time period. This measurement of GDP can also be defined as the sum of consumer spending, gross investment, government spending and net trade.

The **GDP by income** approach equates GDP to the total income earned through contributions to production within Ontario's economy by labour and capital over a given time period. That is, GDP is the sum of all wages and salaries paid to employees, the gross operating surplus of businesses, gross mixed income and indirect taxes less subsidies.

The **GDP by industry** approach measures GDP by calculating the total output of the goods and services producing industries within Ontario's economy and subtracting the cost of intermediate inputs used in final production. This approach can also be referred to as the value-added approach as it quantifies the additional value generated by industries through the production of final products within the economy.



Accessible description of Chart: Appendix C, GDP measurement methods

For a full list of definitions used in the Ontario Economic Accounts, please see Statistics Canada's System of Macroeconomic Accounts Glossary at https://www150.statcan.gc.ca/n1/pub/13-605-x/gloss/gloss-a-eng.htm (https://www150.statcan.gc.ca/n1/pub/13-605-x/gloss/gloss-a-eng.htm) .

Accessible chart descriptions

Chart 1.1: Real GDP growth

The bar chart illustrates Ontario's quarterly per cent real GDP growth from the first quarter of 2021 to the fourth quarter of 2024. In the four quarters of 2021, real GDP growth was 1.6%, -0.5%, 1.8% and 2.0%, respectively. In the four quarters of 2022, real GDP growth was 1.1%, 0.9%, 0.3% and -0.2%, respectively. In the four quarters of 2023, real GDP growth was 1.0%, 0.4%, 0.3% and 0.2%, respectively. In the four quarters of 2024, real GDP growth was 0.5%, 0.4%, 0.4% and 0.6%, respectively.

Source: Ontario Ministry of Finance.

Return to chart 1.1

Chart 1.2: Nominal GDP growth

The bar chart illustrates Ontario's quarterly per cent nominal GDP growth from the first quarter of 2021 to the fourth quarter of 2024. In the four quarters of 2021, GDP growth was 2.5%, 0.1%, 2.1% and 3.0%, respectively. In the four quarters of 2022, GDP growth was 2.8%, 3.8%, 0.3% and 0.2%, respectively. In the four quarters of 2023, GDP growth was 1.2%, 2.2%, 1.7% and 1.6%, respectively. In the four quarters of 2024, GDP growth was 0.4%, 1.6%, 1.1% and 1.7%, respectively.

Source: Ontario Ministry of Finance.

Return to chart 1.2

Chart 1.3: Real GDP Change by Industry, 2024 Q4

The horizontal bar chart illustrates the per cent change in real GDP by industry for the fourth quarter of 2024. The output of all industries rose 0.5% in the quarter. Output increased in goods-producing industries (+0.3%), with industry changes as follows: construction (+1.9%); primary (+0.3%); manufacturing (−0.5%); and utilities (−0.7%). Output in the service industries increased 0.5%, including industry changes as follows: wholesale trade (+2.5%); retail trade (+2.2%); real estate, rental and leasing (+1.0%); finance and insurance (+0.8%); health, education and public administration (−0.1%); professional and administrative services (−0.1%); and other services* (−0.4%).

*Other services include transportation and warehousing; information and cultural; arts, entertainment, and recreation; accommodation and food services; management of companies and enterprises; and other services.

Source: Ontario Ministry of Finance.

Return to chart 1.3

Chart 1.4: Real GDP growth across jurisdictions

This bar chart shows quarterly percentage changes in real GDP for Ontario, Canada, Quebec and the U.S. for the third and fourth quarter of 2024. Ontario real GDP increased 0.4% in the third quarter and 0.6% in the fourth quarter. Canadian real GDP increased 0.5% in the third quarter and 0.6% in the fourth quarter. Quebec real GDP increased 0.4% in both the third and fourth quarter. U.S. real GDP increased 0.8% in third quarter and 0.6% in the fourth quarter.

Sources: Ontario Ministry of Finance, Statistics Canada, U.S. Bureau of Economic Analysis and Institut de la statistique du Québec.

Return to chart 1.4

Chart 1.5: Real GDP growth

This bar chart shows quarterly percentage changes in real GDP for the U.S., the euro area, the United Kingdom, Japan and China for the third and fourth quarter of 2024. U.S. real GDP increased 0.8% in third quarter and 0.6% in the fourth quarter. Euro area real GDP increased 0.4% in the third quarter and 0.2% in the fourth quarter. Real GDP in the United Kingdom was unchanged in the third quarter and increased 0.1% in the fourth quarter. Japan's real GDP increased 0.4% in the third quarter and 0.6% in the fourth quarter. China's real GDP increased 1.3% in the third quarter and 1.6% in the fourth quarter.

Sources: U.S. Bureau of Economic Analysis, Eurostat, U.K. Office for National Statistics, Cabinet Office of Japan, and National Bureau of Statistics of China.

Return to chart 1.5

Chart: Appendix B, Per Cent Share of Nominal GDP, 2023

This pie chart shows the percent share of nominal GDP by industry for 2023. Goods-producing industries accounted for 22.7% of Ontario's nominal GDP with industry shares as follows: manufacturing (10.8%); construction (7.7%); utilities (2.1%) and primary industries (2.2%). Services-producing industries accounted for 77.3% of Ontario's nominal GDP with industry shares as follows: wholesale and retail trade (11.3%); transportation and warehousing (4.4%); information and culture (3.7%); finance and insurance (9.4%); real estate, rental and leasing (12.8%); health and education (12.1%); public administration (7.4%); and other services (16.2%).

Note: Numbers may not add due to rounding.

Source: Statistics Canada.

Return to chart

Chart : Appendix C, GDP measurement methods

- Expenditure Approach
    - Sum of expenditures of all sectors of the economy
    - Consumer Spending + Investment + Government Spending + Exports – Imports
- Income Approach
    - Sum of all incomes
    - Wage and Salaries + Profits + Mixed Incomes + Indirect taxes – Subsidies
- Production Approach (GDP by Industry)
    - Sum of value added in all industry sectors
    - Output of Goods Producing Industries + Output of Services Producing Industries – Intermediate Inputs

Return to chart

Updated: April 11, 2025
Published: October 15, 2021