



# ADVANTAGE ST. JOHN'S

## Business Resource Hub + Economic Snapshot

*The Economic Snapshot & Business Resource Hub is a monthly newsletter of the City of St. John's highlighting economic indicators, upcoming business events and recent business news/resources for the St. John's metro area.*

Learn more at [advantagestjohns.ca](http://advantagestjohns.ca)

## City Initiatives and Updates

### Economic Outlook 2021

Most economic indicators are expected to post increases this year in the St. John's Census Metropolitan Area (CMA) as activity has, for the most part, rebounded from COVID-19 shutdowns. Retail trade is expected to increase significantly throughout 2021 due to pent-up demand and increased tourist activity, and household income is expected to grow by 2.2%. The number of housing starts is expected to increase by about 19.5% to just under 500 units, this would be a 4.0% increase compared to pre-COVID levels in 2019. Real Gross Domestic product in the St. John's CMA is forecast to rise slightly to \$17.2 billion; total GDP growth is being held back by declining oil production. The unemployment rate is expected to decrease to 8.1% in 2021 due almost entirely to a decrease in the labour force.

Read the full report at [advantagestjohns.ca](http://advantagestjohns.ca).

**Economic Outlook, 2021**  
St. John's Census Metropolitan Area



In 2020, the economy in the St. John's Census Metropolitan Area (CMA) was affected by measures to contain the spread of COVID-19 which resulted in many businesses suspending or scaling back operations for a period of time. Activity has, for the most part, rebounded in recent months. In addition, the re-opening of the province to vaccinated visitors from the rest of Canada as of August 1, 2021 is expected to generate additional gains in tourism activity in the second half of 2021.

**GDP**   
**\$17.2 billion**

As a result, on an annual basis, most economic indicators are expected to post increases this year. Real gross domestic product (GDP) in the St. John's CMA is forecast to rise by 0.8% to \$17.2 billion (in 2012\$), in comparison to an expected increase of 5.6% for the province as a whole. Total GDP growth in the CMA is being held back by declining oil production, which is expected to total 98.8 million barrels in 2021, a decrease of 5.0% (or 5.2 million barrels) from 2020. Excluding the oil and gas production industry, the CMA's real GDP is expected to rise by approximately 4.8%, as private sector industries such as Accommodation and food services; Transportation and warehousing; Construction (excluding oil & gas construction); Finance, insurance, real estate, rental and leasing; and Information, culture and recreation are expected to show increases in 2021.

 **Labour Market**

Employment in the St. John's CMA is expected to see a small increase in 2021 (up by about 100 persons or 0.1%), as employment data for the first seven months of the year has been weaker than expected. Employment decreases experienced in the winter months due to a second pandemic shutdown in February and March are expected to be offset by growth generated by increased tourist activity in the second half of the year. The labour force is expected to decrease by 1.7% as the participation rate continues to remain well below pre-pandemic levels. The unemployment rate is expected to decrease by 1.6 percentage points to 8.1% in 2021 due almost entirely to the decrease in the labour force.

 **Household Income, Retail Sales, Housing Starts**

In the St. John's CMA, household income is expected to grow by 2.2% to \$11.9 billion as less federal COVID-19 related transfers to persons are anticipated to be offset by higher wages and salaries. Retail trade is also expected to increase by 6.9% due to pent-up demand from 2020 and increased tourist activity in the second half of the year. The number of housing starts is expected to increase by about 19.5% to just under 500 units in 2021, this would be a 4.0% increase compared to pre-COVID levels in 2019.

 **Population**

The population of the St. John's CMA is expected to increase slightly to 214,897 persons in 2021, up 0.4% compared to 2020.

### Interview with St. John's Success Story PanGeo

In this [video interview](#) with President and CEO of PanGeo Moya Cahill, Mayor Danny Breen learns more about this innovative St. John's success story, while highlighting some of the many advantages to living, working, studying and investing in our city. St. John's based **PanGeo** specializes in high resolution acoustic imaging solutions to mitigate risk in offshore installations. With additional offices in Halifax, Aberdeen and Taiwan, PanGeo continues to expand its global footprint. St. John's has become Canada's ocean city powerhouse, as the epicentre of the national ocean innovation ecosystem. Learn about the St. John's advantage in ocean technology [advantagestjohns.ca](http://advantagestjohns.ca)

### St. John's Seeking Feedback on Pedestrian Mall

If businesses have any thoughts on the Downtown Pedestrian Mall in St. John's, public engagement to collect online feedback is open until September 30. The goal of the Pedestrian Mall was to stimulate the downtown economy while providing businesses with expanded operating space. To provide your feedback on the 2021 Pedestrian Mall event:

- Visit [engagestjohns.ca](http://engagestjohns.ca) to share your experience, add ideas, or take a survey
- Send an email to [engage@stjohns.ca](mailto:engage@stjohns.ca)

# News Briefs

## Don't Get Dieppe'd. Get Local.

The St. John's Board of Trade has launched a new marketing campaign *Don't Get Dieppe'd. Get Local*. The campaign references the age-old lament of many people waiting on a parcel package to arrive only to find that it is sitting in a warehouse in Dieppe, New Brunswick. It is intended to get consumers thinking about where they purchase from and why by focusing on the challenges of buying out of province. We know that when we order from away, we can't control things like shipping delays, hidden fees, and damaged or lost parcels. On the other hand, we know that by shopping here at home, we get our items right away, in perfect condition, and from someone who is investing in Newfoundland and Labrador's economy. [www.dontgetdiepped.ca](http://www.dontgetdiepped.ca)

## Suncor Energy Moves Forward with Terra Nova FPSO Extension

Suncor Energy is confident in East Coast Canada's energy future and has announced that it is moving ahead with the asset life extension for the Terra Nova project. Suncor, Cenovus and Murphy Oil, now control 100% of the project. The extension is expected to extend production life by approximately 10 years, providing an additional 70 million barrels of oil. Production is expected to restart by end of 2022. The deal also includes royalties and financial support from the Government of Newfoundland and Labrador, totalling up to \$205 million. Read more here: [www.suncor.com](http://www.suncor.com)

## Ocean Tech Spotlight



### Making Waves Globally: Canada's Ocean Tech Economy

With the world's longest coastline, Canada's ocean technology sector is flourishing, thanks to forward-thinking solutions and initiatives such as the Ocean Supercluster, which supports more than 100 innovative oceans solutions and helps bring new products to the market. This video series sponsored by Invest in Canada profiles locally based Kraken Robotics as one of the case studies. Kraken is a tech and robotics company specializing in ocean data who are seeing tremendous growth opportunities for the future.

Check out the video at: [canada-next-best-place-to-home.ft.com/](http://canada-next-best-place-to-home.ft.com/)

## Virtual Event Listings



### Book your spot!

**Sept 13 – Oct 8** Futurpreneur's [Rock My Business](#) workshop series

**Sept 13** [Atlantic Canada Certified Site Program Webinar](#)

**Sept 14** [Women Under 30 Leading the Way in Entrepreneurship](#)

**Sept 14 -16** [CSC NL hosts CRA GST/HST Presentations for non-profits](#)

**Sept 21-22** [Noia Conference](#)

**Sept 23** [Diversity, Inclusion and You](#)

**Sept 29** [CNA & MUN Virtual Career and Graduate School Fair](#)

**Sept 30** [NLOWE Understanding Financial](#)

# Latest Economic Indicators

## City Building Permits

September 7, 2021

### Commercial permits

were down -18% from \$123,648,813.72 in 2020 to \$101,910,028.79 in 2021

### Industrial permits

were valued at \$3,000.00 for 2020 and \$4,164,500.00 for 2021

### Government/Institutional permits

were up from \$136,500.00 in 2020 to \$1,500,499.00 in 2021\*

### Residential permits

were up 33% to \$38,172,463.62 for 2021 over \$28,664,444.06 for 2020

### Repair permits

up 4% from \$2,186,923.88 in 2020 to \$3,530,826.43 in 2021

### Total value of all permits

was **down 3%** to \$149,278,317.84 for 2021 over \$154,639,681.66 for 2020

*\*Note that this data does not include the full range of permit activity undertaken by the provincial government and Memorial University.*

## Business Approvals

**Alex Foley's Martial Arts Academy**, 585 Torbay Rd.

**Oceanic Relief**, 286 Todbay Rd.

**Spirit Leaf**, 200 Water St.

**Dermatology clinic**, 430 Topsail Rd.

**Starbucks**, 40 Kenmount Rd.

**Burger King**, 40 Kenmount Rd.

**People's Pizza Take-Out**, 55 Kiwanis St.

**Wags to Whiskers**, 48 Kenmount Rd.

**Fuzz Wax Bar**, 2 Danny Dr.

**Hair salon**, 10 Forbes St.

**Summer Bistro**, 148 Duckworth St.

**Family Child Care services**, 81 Edison Pl.

**Barber Shop**, 391-395 Empire Ave.

### Home-Based Businesses

**Home Office**, 10 Hoyles Ave.

**Home Office**, 41 Ballylee Cres.

**Home Office**, 42 Rumboldt Pl.

### Business Approvals to date for 2021

**Total 95**

Regular 77

Home-based 18

## Labour Force Characteristics

...as of August 2021

- **Labour Force** 113,000 (down -4.4%)
- **Unemployment Rate** 6.9% (down -4.1 pts)
- **Employment** 105,100 (down -0.1%)
- **Participation Rate** 62.1% (down -3.2 pts)

*St. John's CMA, seasonally adjusted, three-month moving average. Percentage change reflects the same month previous year. Source: Statistics Canada.*

## Economic Indicators

The **New Housing Price Index** for St. John's Metro was 102.3 in July 2021 up 5.6%\*

The **Consumer Price Index** for St. John's Metro was 143.5 in July 2021 up 4.0%\*

**Retail trade** for Newfoundland and Labrador was \$818 million in June 2021 down -1.6%\*

*\* St. John's CMA, same month in the previous year. Source: Statistics Canada*

*\*\*seasonally adjusted,.*

Department of Community Services | Economic Development, Culture and Partnerships  
City of St. John's | 709-576-8107 | [business@stjohns.ca](mailto:business@stjohns.ca)

