

STATE OF THE ECONOMY

An aerial photograph of St. John's, Newfoundland, taken at dusk. The harbor is filled with water, reflecting the city lights and the twilight sky. The city is spread across a peninsula and into the hills, with numerous lights visible. In the background, a prominent mountain with a tall tower on its peak is visible against the darkening sky. The overall scene is a mix of natural beauty and urban development.

**ST. JOHN'S METRO
AUGUST 2023**

ST. JOHN'S

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NOTE:

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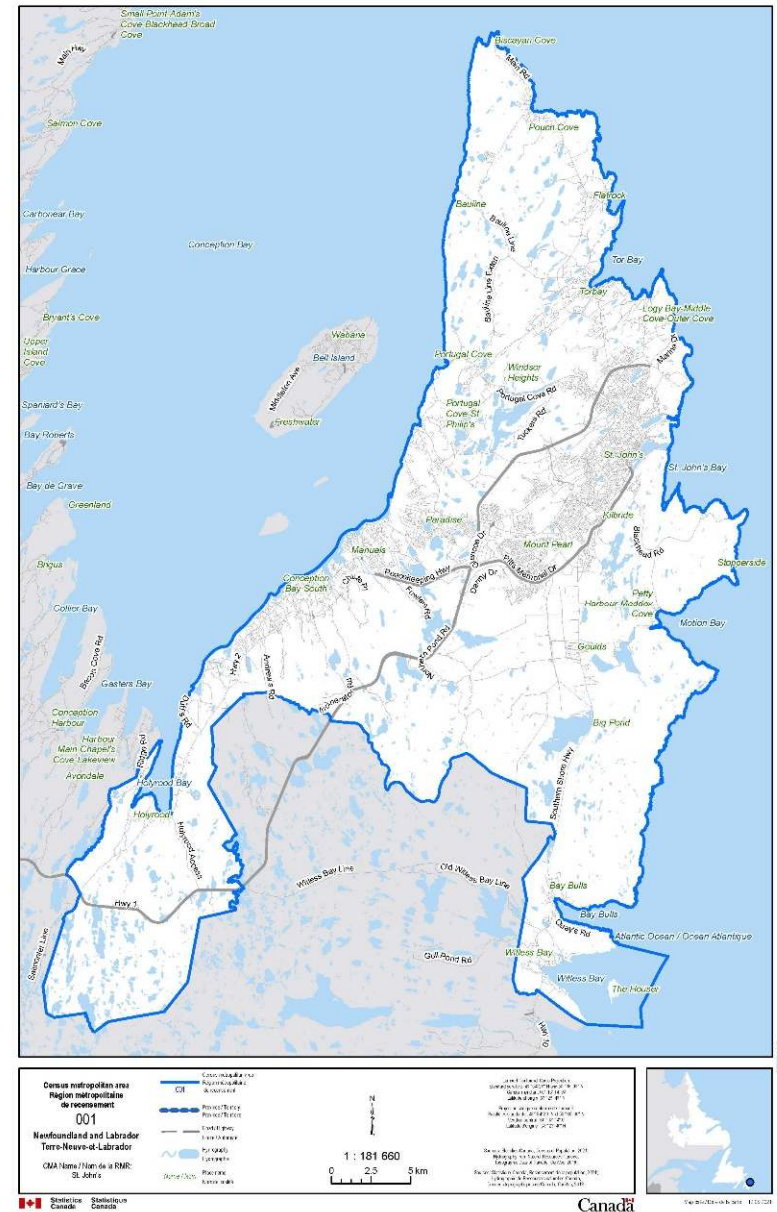
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St. John's Census Metropolitan Area (CMA)

St. John's Census Metropolitan Area (CMA) is a geographic area defined by Statistics Canada that includes St. John's and several neighbouring communities.

St. John's CMA may also be referred to as St. John's metro throughout this document.



Source: Statistics Canada

St. John's CMA¹ Economic Indicators

	2022	2023f
Real GDP (2012\$M)	16,841	16,978
% Change	-2.1	0.8
Retail Trade (\$M)	4,568	4,797
% Change	12.4	5.0
Household Income (\$M)	12,223	12,959
% Change	12.2	6.0
Consumer Price Index (2002=100)	152.3	157.9
% Change	5.9	3.7

Source: Statistics Canada; Economics Division, Department of Finance, Government of Newfoundland and Labrador.
Table shows change from previous year. f: forecast.

Labour Force Characteristics

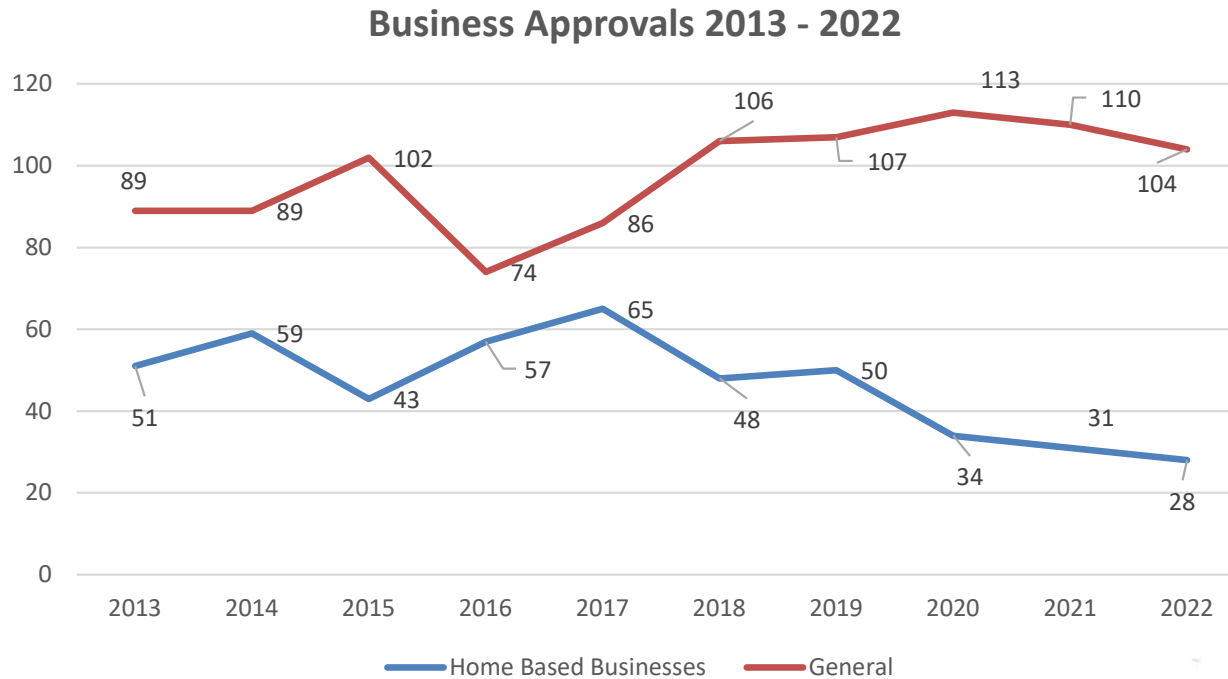
The number of persons employed in St. John's CMA is expected to increase in 2023 (+1.5%) and the unemployment rate is forecast to decrease 0.8 percentage points to 5.9%.

	2022	2022f
Labour Force (000s)	124.7	125.6
% Change	7.3	0.7
Employment (000s)	116.4	118.1
% Change	9.0	1.5
Unemployment Rate	6.7%	5.9%
Change	-1.4 ppts	-0.8 ppts
Participation Rate	67.5%	66.6%
Change	3.7 ppts	-0.9 ppts

Source: Statistics Canada; Economics Division, Department of Finance, Government of Newfoundland and Labrador.
Table shows change from previous year. f: forecast.

Business Approvals

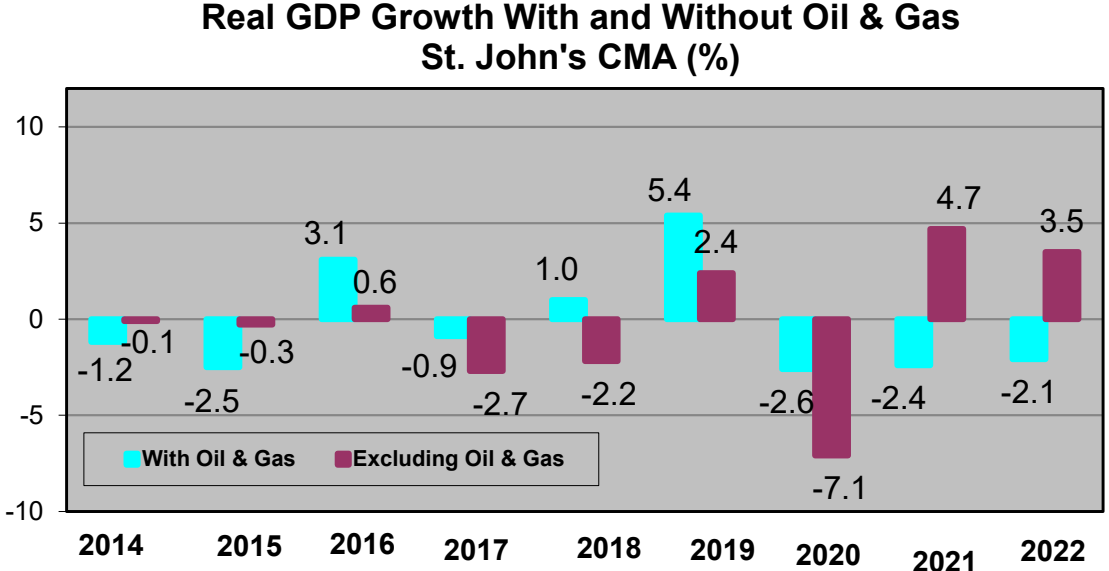
There were 132 businesses approved by St. John's City Council in 2022; 21.2% of those were for small home-based businesses.



Source: City of St. John's

Economic Growth and Oil Production

Overall real GDP growth in the St. John's CMA fell primarily due to lower offshore oil production. The provincial oil industry is allocated to the CMA, meaning the CMA's real GDP is influenced by fluctuations in oil production levels.



Source: Economic Outlook 2023 St. John's CMA, Economics Division, Department of Finance, Government of Newfoundland and Labrador

Offshore Oil Production

Despite lower production, the value of oil production rose by 33.6% to \$10.8 billion due to higher crude oil prices. Oil production 2022 = 84.3 MMbbls.



f) forecast

Source: Canada-Newfoundland and Labrador Offshore Petroleum Board; Department of Finance

Major projects in Newfoundland & Labrador

These major projects make significant investments and contribute to the local economy.

Project	Value
Cenovus West White Rose Project (2022-2026)	\$3.4-\$3.8 B
Exploration work commitments in the NL offshore area (Feb 2023)	\$2.0 B
Vale Voisey's Bay Underground Mine (2018-2023)	US\$2.7 B
West White Rose Project (2022-2026)	\$3,400-\$3,800
Terra Nova FPSO Asset Life Extension Project (2022-?)	US\$500 M
Retrofit of Come By Chance refinery (2021-2023)	US\$300 M
Offshore Marine Base, Fermeuse (2023/TBD*)	\$100 M

Note : This is not a complete list of Major Projects.

TBD: To be determined.

Source: Economics Division, Department of Finance, Government of Newfoundland and Labrador; Project Proponent

Private Sector Major Projects (St. John's)

Millions of dollars in ongoing and future private sector developments.

Project	≥\$10Million
Galway Living (residential), Phase 1 (2016-2027)	\$200.0
The Shoppes at Galway, 2017-2027	\$150.0
Apartment development – 196 units, KMK Capital, Shortall Street (2023-2026)	\$80.0
Jag Hotel expansion, 115 George St. West	\$67.0
Hotel, commercial, and retail development, Manga Hotels, 150 New Gower Street	\$50.0
One Churchill Park residences and retail space	\$40.0
Field Power Centre office building, 25 Sea Rose Dr.	\$28.0
St. John's International Airport asphalt rehabilitation	\$28.0
WerkLiv student accommodations (pending)	\$14.0

Note: Table is not a complete list of all projects.

Source: City of St. John's, Government of NL, Department of Finance, Economic, Fiscal and Statistics Branch; Project Proponent

City of St. John's Projects

City of St. John's continues to make capital investments.

Project	≥\$7Million
Canada Games Sporting Facility 2023-2025	\$40.0
Mews Recreation Centre replacement (2019-2023)	\$33.6
2023 Capital Budget	\$17.3
Gould's Servicing – Sewer Force Main – Phase 3	\$15.6
Galway Village Green Park, 35 Claddagh Road	\$15.0
Gould's Servicing – Sanitary Trunk Sewer – Phase 2	\$11.3
Windsor Lake Water Treatment Plant extension (2021-2023)	\$7.5

Note: Table is not a complete list of all projects.

Source: City of St. John's

Public Sector Projects

Millions of dollars in public sector investments are ongoing in St. John's.

Project	≥\$10 Million
Adult Mental Health and Addictions Facility 2018-2024	\$250.0
Her Majesty's Penitentiary Correctional Facility replacement	\$206.6
Redevelopment of Emergency Department at Health Sciences Centre (2022-2026)	\$45.0
Replacement of two animal research care facilities, Memorial University	\$39.1
Galway interchange on Trans-Canada Highway	\$10.3

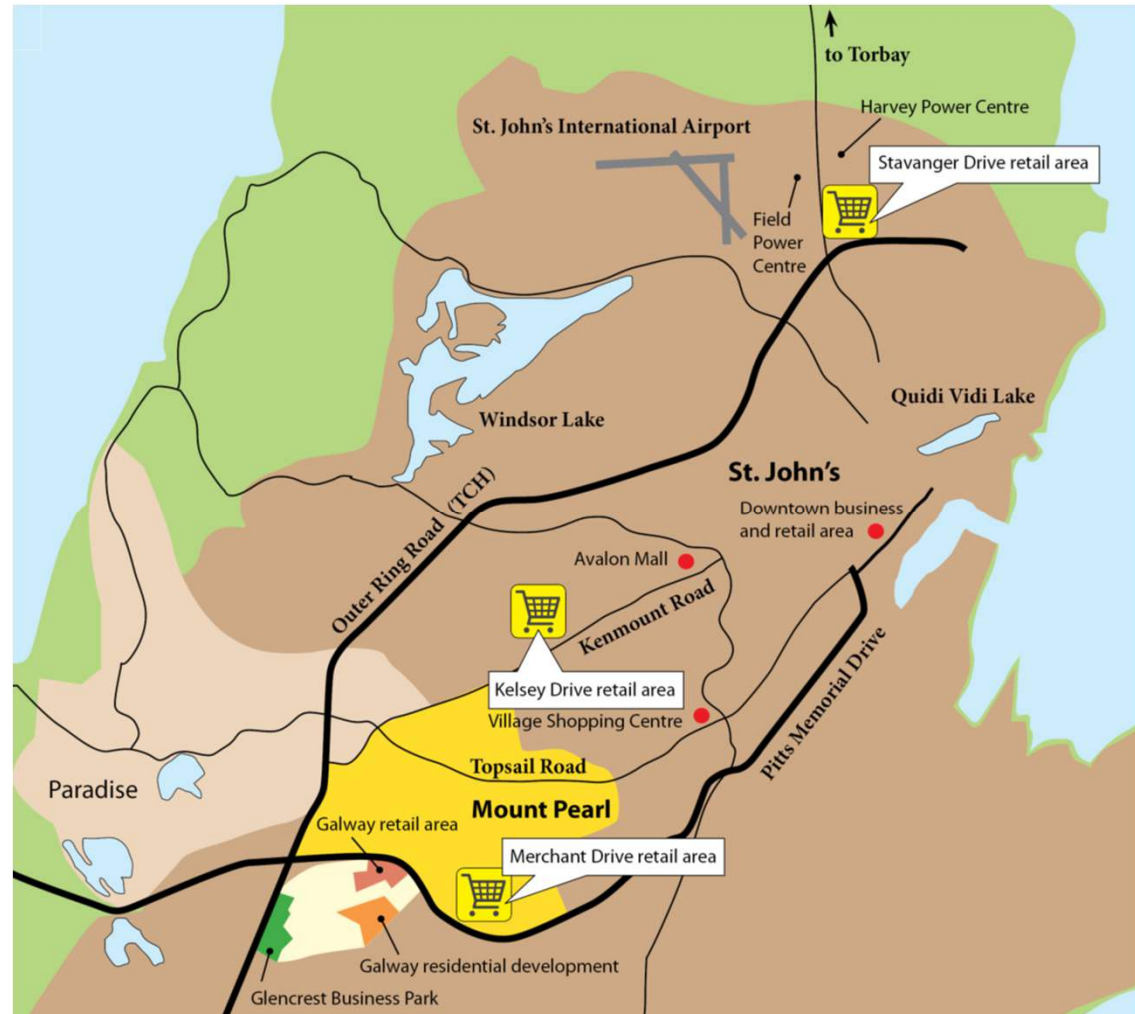
Note: Table is not a complete list of all projects.

Source: City of St. John's, Government of NL, Department of Finance, Economic, Fiscal and Statistics Branch; Project Proponent

Development Areas

Growth areas offer significant residential and commercial development.

- Harvey's Power Centre, east side of Torbay Road
- Field Power Centre, west side of Torbay Road
- Galway Business Centre, west entrance to St. John's off TCH - industrial, residential and retail
- Kenmount Crossing, a 109 acre commercial, retail, and industrial site, north side of Kenmount Road



For location and further information:

<https://kmccapital.ca/projects/field-power-centre/>

www.galwaybusinesscentre.ca

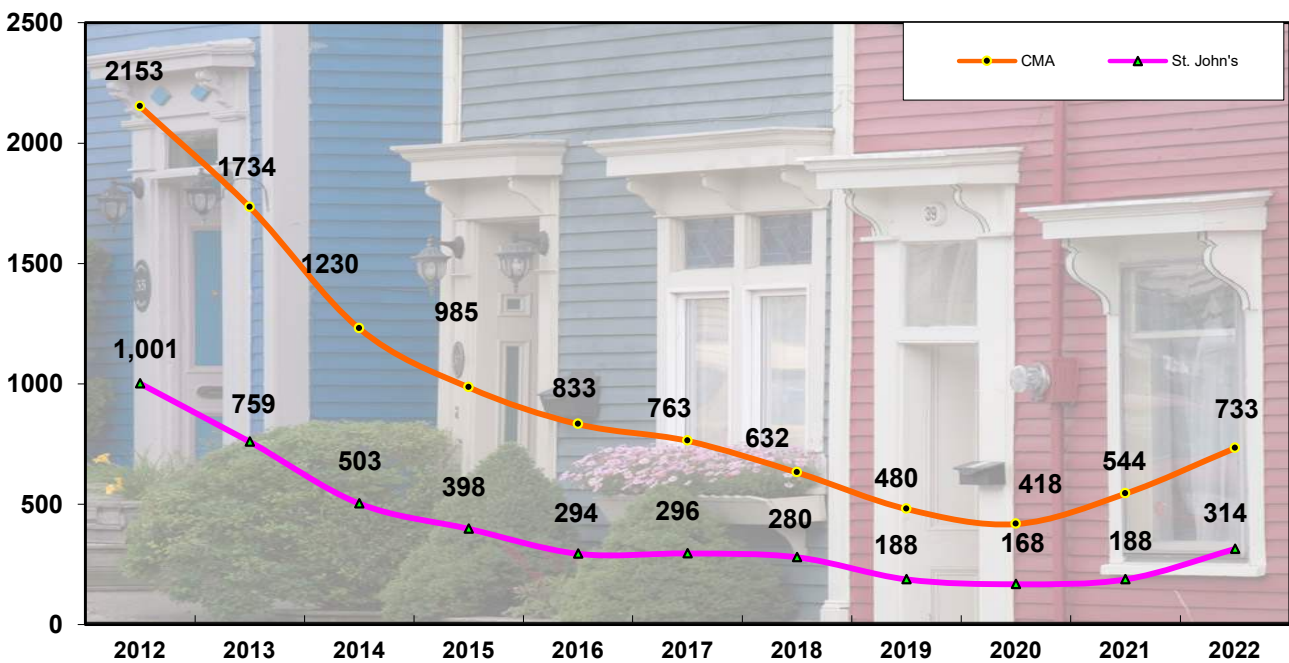
www.mooredeckerdunn.co/property_type/commercial/

Map: City of St. John's

Housing Starts

Housing starts increased by 34.7% to 733 units in the metro region. In the City of St. John's housing starts increased 67% to 314 units.

Housing Starts - City of St. John's and St. John's CMA
2012 - 2022



Note: CMA (census metropolitan area) housing starts include City of St. John's housing starts.

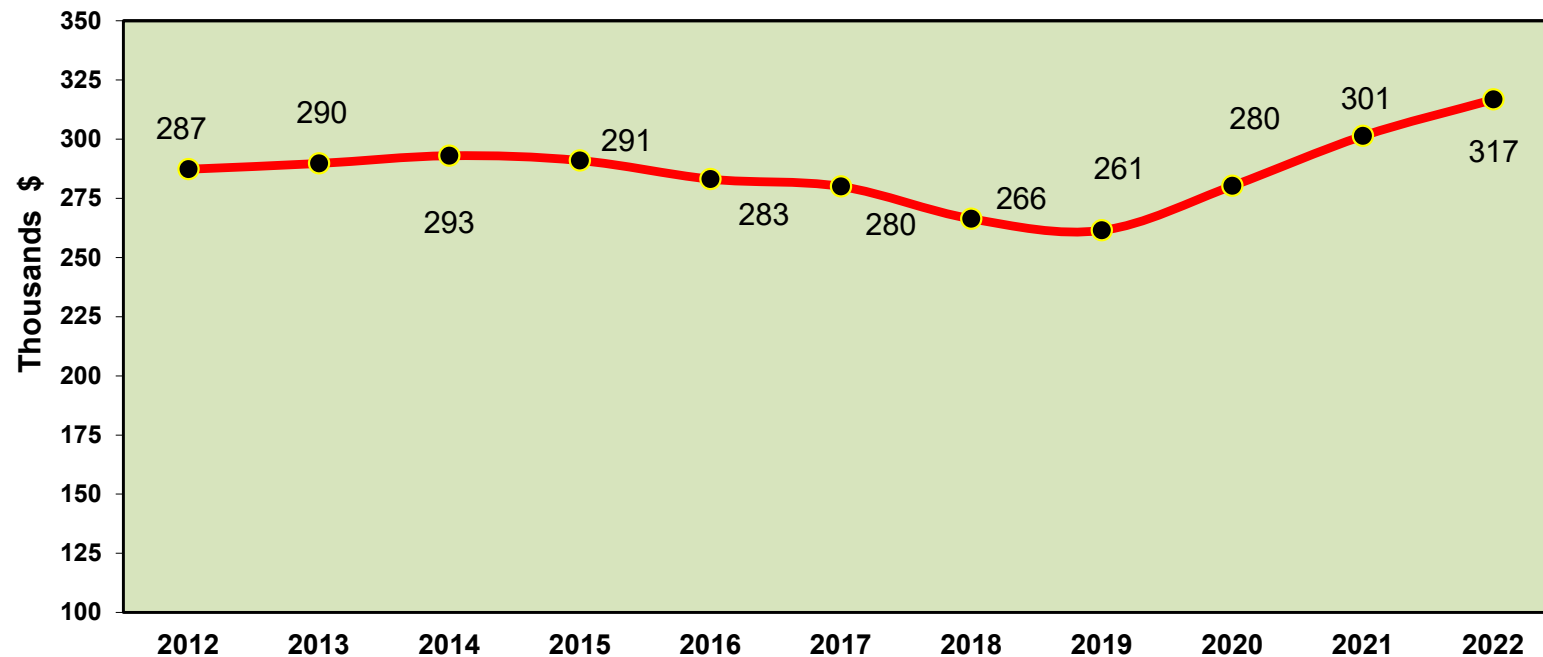
Source: Canada Mortgage and Housing Corporation (CMHC)



Average MLS^{®1} Housing Prices

Benchmark MLS[®] housing price increased 5.3% in 2022.

**Benchmark Composite Actual MLS Housing Price in St. John's
2012 - 2022**



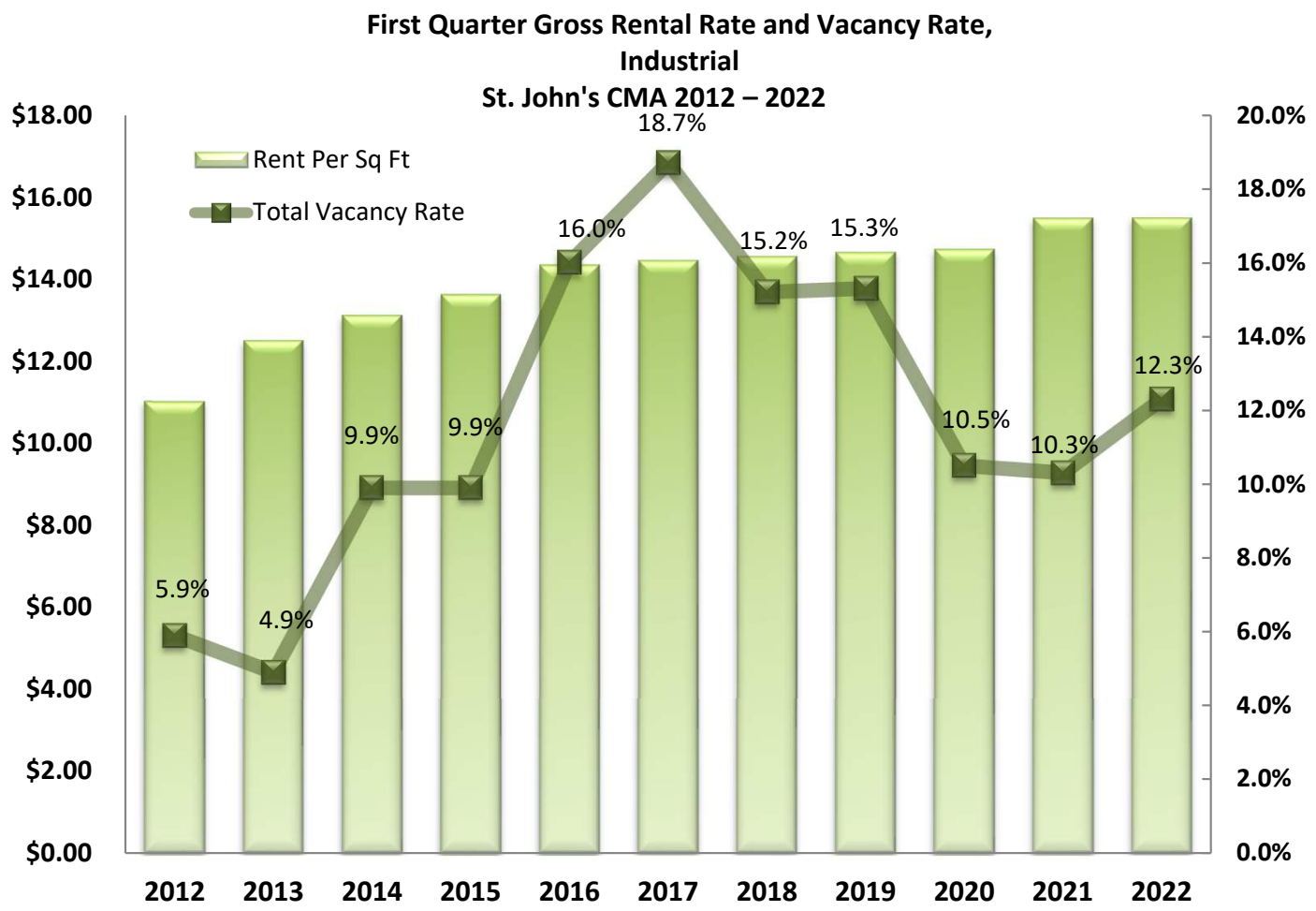
¹ MLS[®] (Multiple Listing Service) is a registered trademark of the Canadian Real Estate Association (CREA).

² CREA has made changes to the way the historical series is aggregated so prices are different from previous editions of the *State of the Economy*.

Source: Adapted from [MLS[®] data](#).

Industrial Market Rental Rates

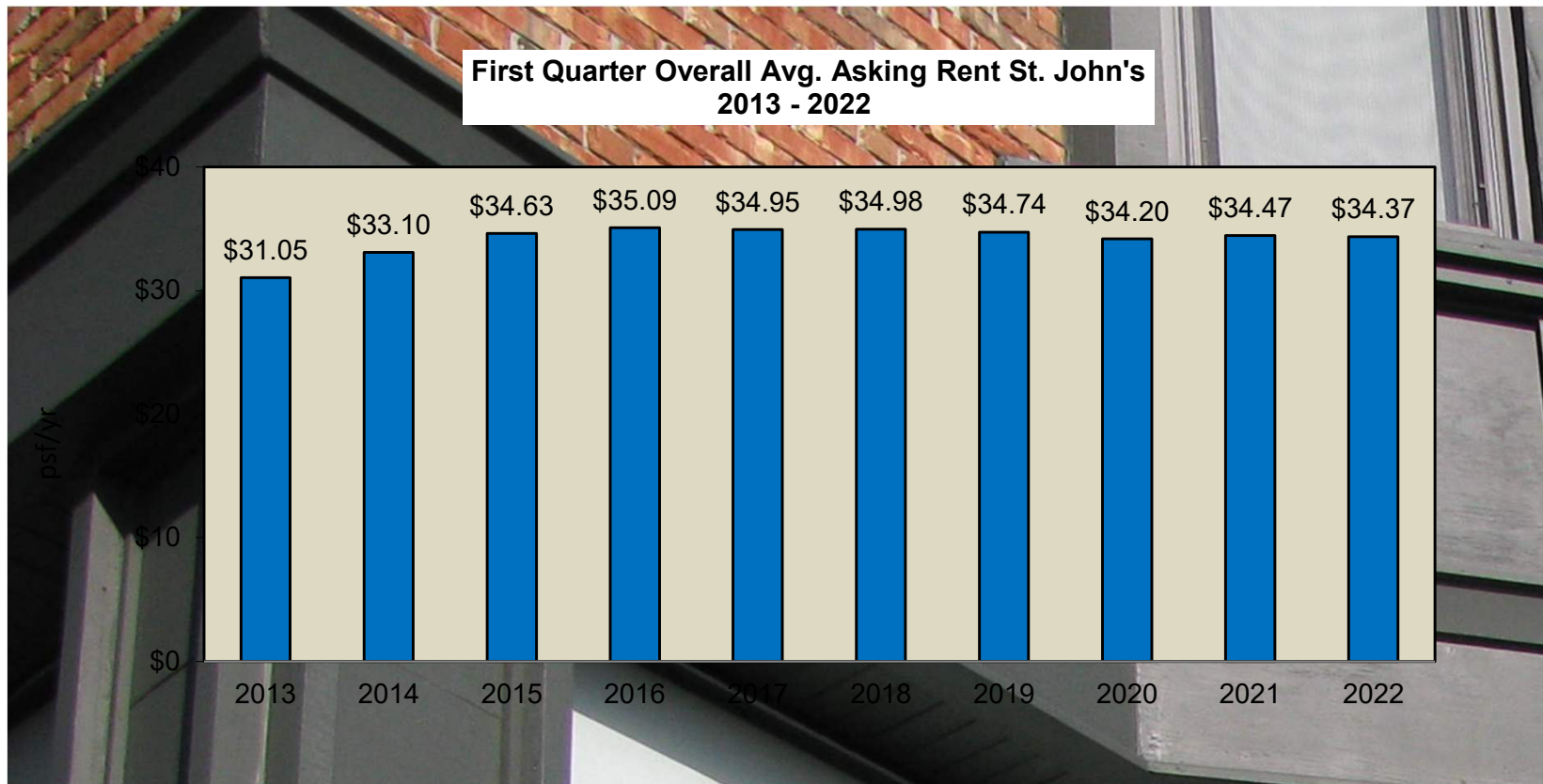
Industrial market rental rates remained unchanged at \$15.50 per sq. ft in the first quarter of 2022. The vacancy rate increased 2% in 2022 to 12.3%.



Source: Rental rates reflect overall weighted avg gross rent, Cushman & Wakefield Atlantic

Office Market Rental Rates

Office market rental rates remained on par in the first quarter of 2022 at \$34.47 per sq. ft.

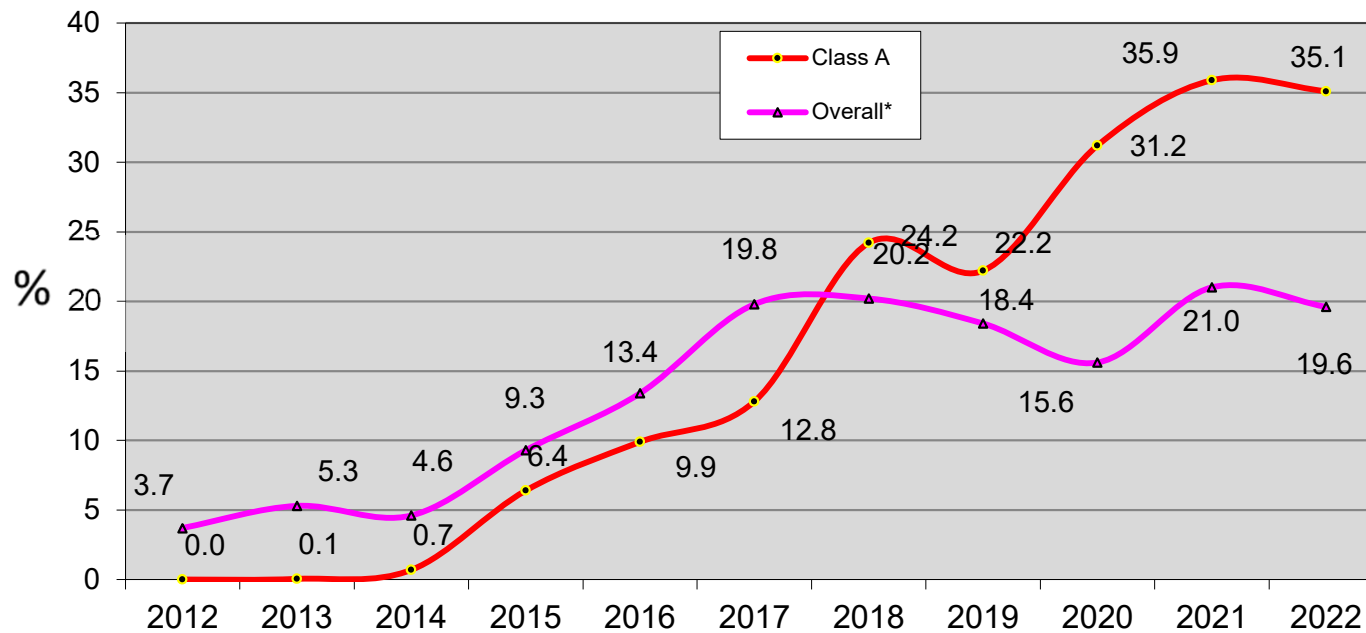


Source: Overall Average Asking rent, all classes. Cushman & Wakefield Atlantic.

Office Vacancy Rates

Office vacancy rates decreased slightly in 2022 compared to a year ago.

**1st Quarter Office Market Overall Vacancy
St. John's CMA (%)
2012 - 2022**



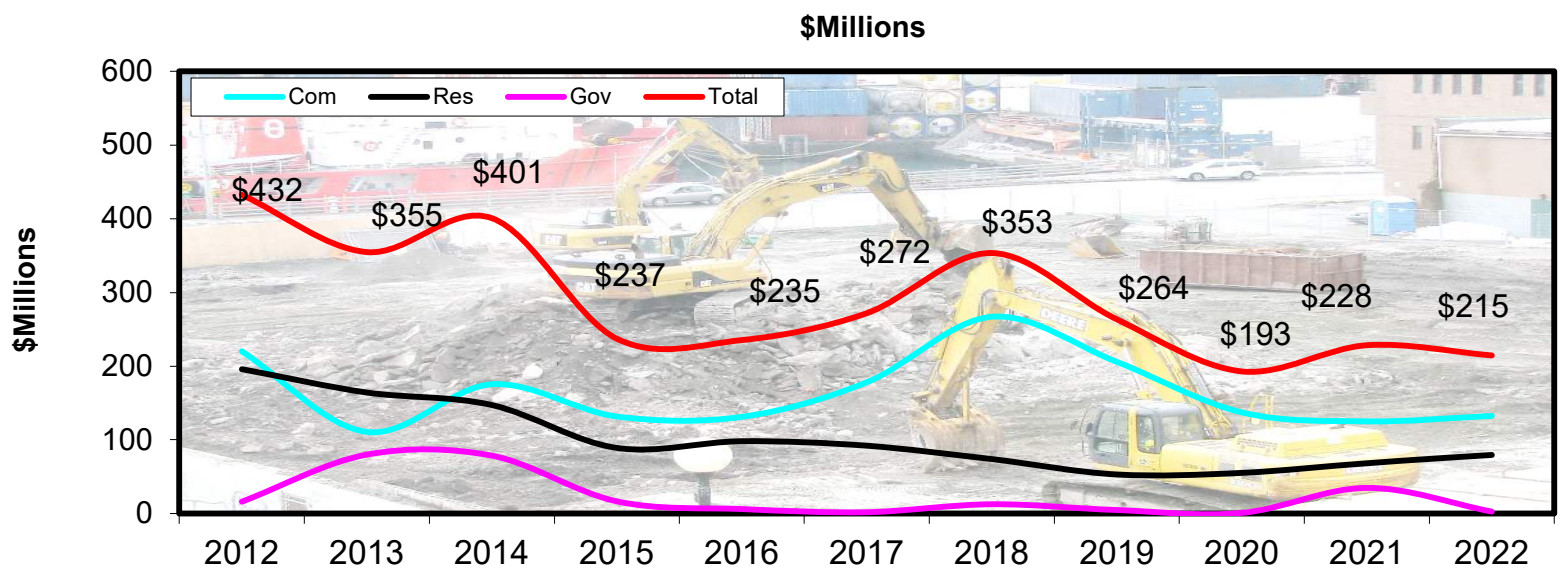
* Class A buildings in St. John's are: Baine Johnson Building, Fort William Building, Cabot Place, Ill Fifty One Water Street, Fortis Place, Scotia Centre and KMK Place.

Source: Cushman & Wakefield Atlantic

Building Permits

The total value of building permits in the City of St. John's decreased -6% to \$214.6 million in 2022. The value of commercial permits increased by 9.0% to \$132.3 million in 2022.

Value of Construction from Building Permits City of St. John's, 2012 - 2022



Com = Commercial Permits; Res = Residential and Repair Permits; Gov = Government/Institutional

Source: City of St. John's

Value of building permits St. John's CMA

Investment in residential and non-residential building construction in the St. John's CMA was \$20.9 million in December 2022, up 6.6% from December 2021.

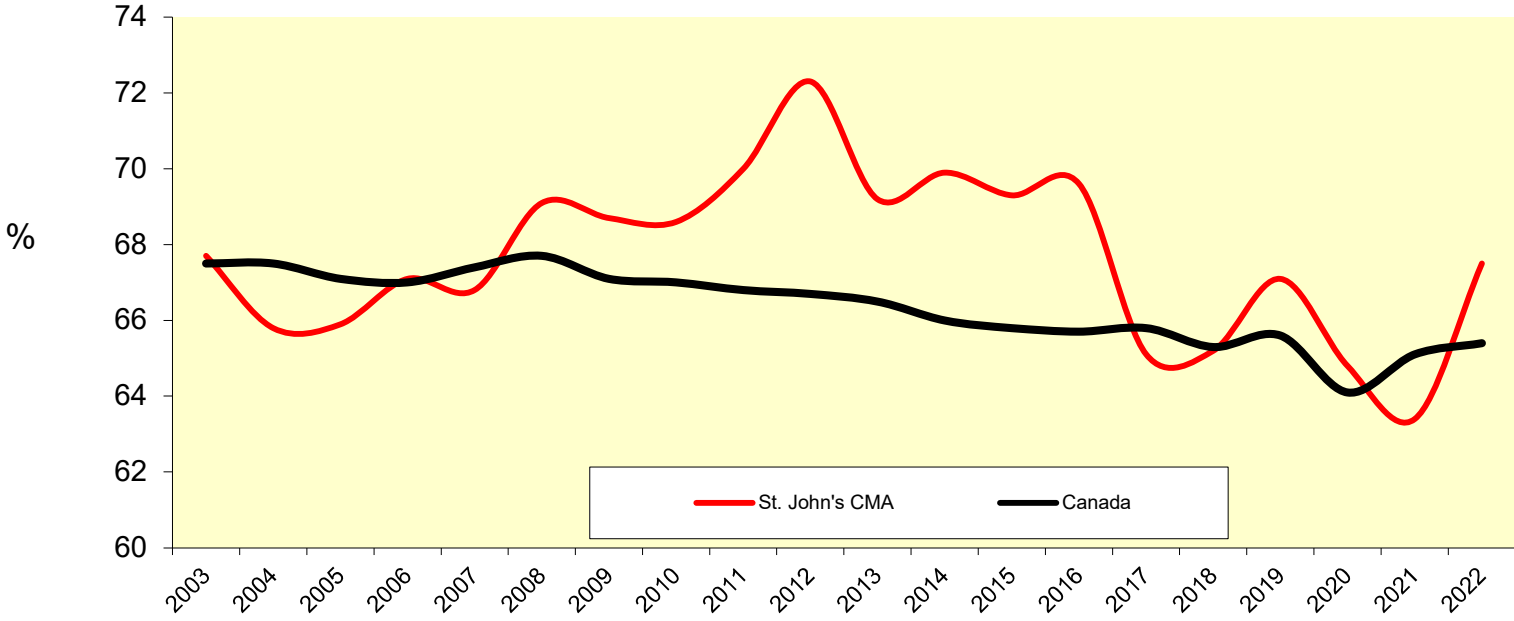
<u>Value of building permits, selected CMA's</u> <i>seasonally adjusted</i>			
	December 2021	December 2022	
	\$ Millions	\$ Millions	% Change
St. Johns	19.6	20.9	6.6
Halifax	150.9	114.3	-24.2
Moncton	32.9	34.9	6.3
Montreal	1,039.6	794.7	-23.6
Toronto	1,833.6	2,172.8	18.5
Winnipeg	234.8	238.7	1.47
Calgary	393.9	457.6	16.2
Saskatoon	65.8	63.1	-4.1
Victoria	119.0	130.1	9.3
Vancouver	1,111.5	1,262.8	9.3

Source: Statistics Canada. Table 34-10-0066-02

Labour Force Participation Rate

St. John's CMA labour force participation rate increased 3.7 percentage points to 67.5% in 2022 higher than the national rate (65.4%).

Labour Force Participation Rates (%)
St. John's CMA vs Canada



Source: Statistics Canada; Economics Division, Department of Finance, Government of Newfoundland and Labrador.

Annual Unemployment Rate

The annual unemployment rate for the St. John's CMA was 6.7% in 2022. The rate for Canada was **5.3%**.

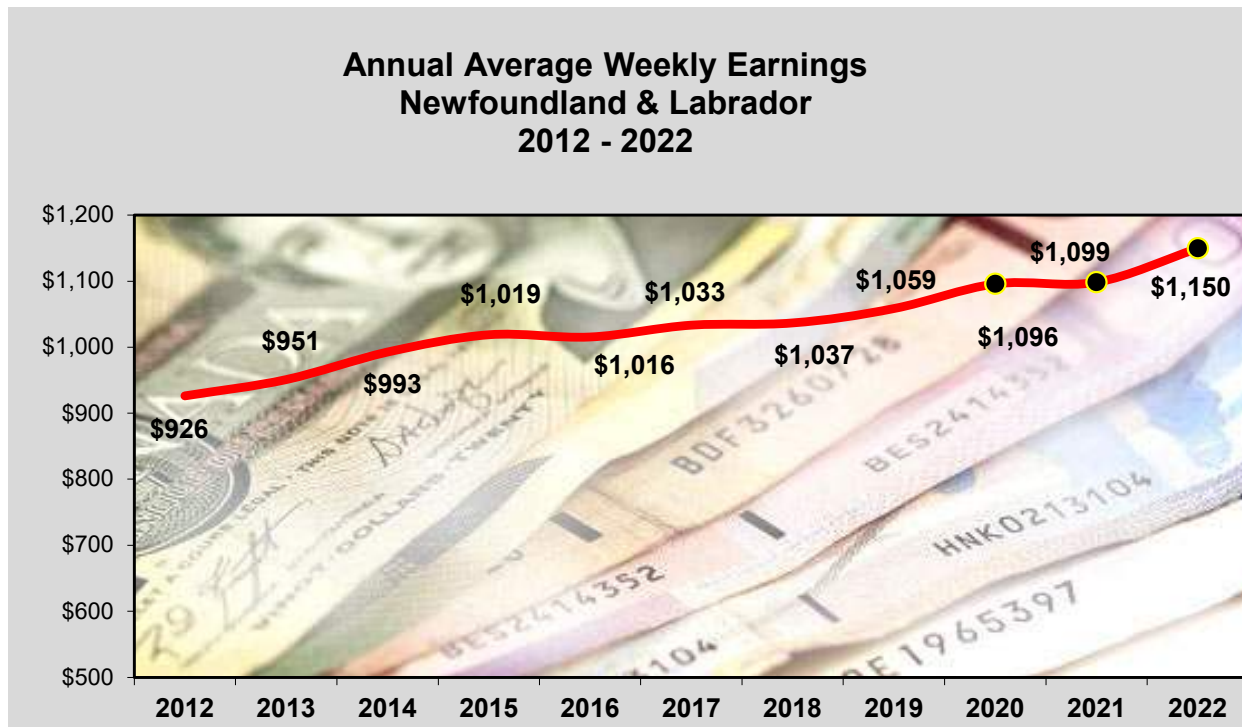
Annual Unemployment Rate (%)
St. John's CMA 2009 - 2022



Source: Statistics Canada; Government of NL, Department of Finance.

Average Weekly Earnings

Average weekly earnings increased 4.7% in 2022 to \$1,150 in Newfoundland and Labrador. The consumer price index, an indicator of changes in consumer prices, increased 6.4% in 2022 compared to 2021 in the province.



Source: [Economics Division](#), Department of Finance adapted from Statistics Canada, Survey of Employment, Payrolls and Hours.

Median Household Income – Census 2021

(2020 Constant Dollars)

From 2015 to 2020, the median after-tax household income remained the same in the City of St. John's and decreased slightly in the CMA.

	2015	2020	% Change
St. John's CMA	\$74,000	\$72,500	-2.0%
City of St. John's	\$65,000	\$65,000	0.0%

Source: Census of Population, 2016 and 2021, Statistics Canada

Number of Persons in Low Income* – Census 2021

From 2015 to 2020, the incidence of low income decreased in the City of St. John's and the CMA.

	2015	2020	% Change
St. John's CMA	24,390	23,495	-3.7%
City of St. John's	17,100	15,885	-7.0%

Population in Private Households for Income Status

	2016	2021
St. John's CMA	203,305	208,820
City of St. John's	107,080	107,660

Source: Census 2021, [Statistics Canada](#).

Low-income status is determined based on low-income measure, after-tax (LIM-AT). For a one-person household, the after-tax low-income measure (LIM-AT) was \$25,505 in 2020. For larger households, this amount was adjusted upward by multiplying it by the square root of household size. Persons in a private household with after-tax income below this threshold were considered to be in low income.

Employment Status – Census 2021

Employment Status	St. John's CMA	City of St. John's
Retired or do not work	25.7%	28.1%
Employed (Full time, part time, casual/seasonal, etc.)	63.4%	60.6%

Of those employed...

Type of Employment	St. John's CMA	City of St. John's
Employed full time	92.9%	92.7%
Self-employed	7.1%	7.3%

Source: Census 2021, Statistics Canada.

Population – Census

City of St. John's

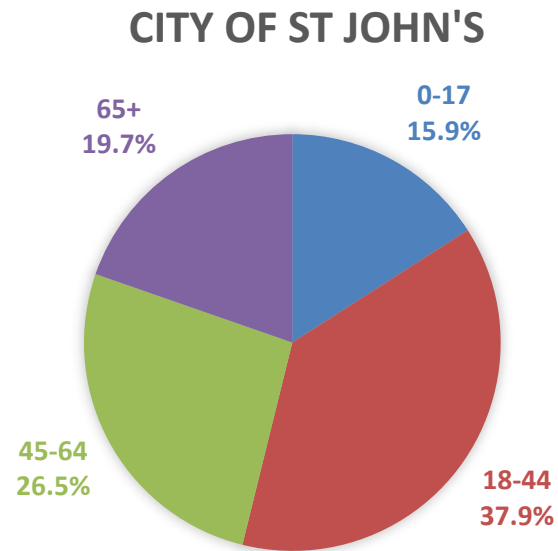
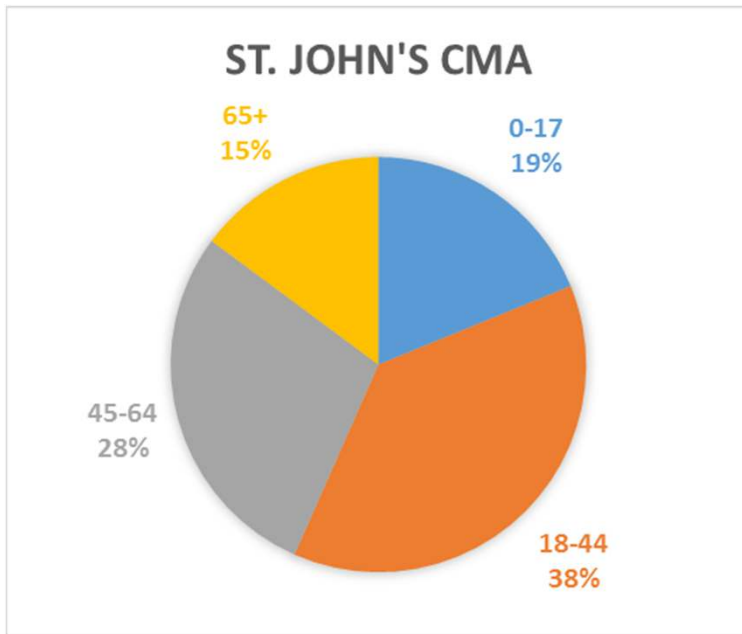
	2011 Census	2016 Census	2021 Census
Total Population	106,172	108,860	110,525
Ages 0-14	14, 705	15,080	14,546
Ages 15-64	75, 875	75,815	74,260
Ages 65+	15,595	17,965	21,720
Occupied Private Dwellings	45,026	47,627	49,298

St. John's CMA

	2011 Census	2016 Census	2021 Census
Total Population	196,965	205,955	212,579
Ages 0-14	31,250	32,465	31,565
Ages 15-64	140,660	142,940	142,395
Ages 65+	25,055	30,555	38,615
Occupied Private Dwellings	78,960	85,015	89,999

Source: Statistics Canada, 2011, 2016 and 2021 Census of Population.

Age Distribution – Census 2021



Source: Statistics Canada, 2021 Census

Families, Households & Marital Status – Census 2021

Composition	Percentage of Adults City of St. John's	Percentage of Adults St. John's CMA
Live Alone	15.4%	12.2%
Live as a Couple	50.6%	56.5%
Live as a Lone Parent	5.5%	5.0%

Composition of Couples living together in 2021

Composition	Percentage of Persons Living as a Couple City of St. John's	Percentage of Persons Living as a Couple St. John's CMA
Married	39.5%	44.9%
Common Law	11.1%	11.6%

Source: Statistics Canada, 2021 Census of Population.

Family Composition – Census 2021

Composition of Couple Census Families in 2021

Composition	City of St. John's	St. John's CMA
Families Without Children	43.9%	51.1%
Families with Children	46.1%	48.9%

The proportion of young adults aged 20 to 34 living with at least one parent

	2016	2021
City of St. John's	25.7%	25.4%
St. John's CMA	29.4%	30.3%

Source: Statistics Canada, 2011 and 2016 Census of Population.

Home Ownership – Census 2021

St. John's CMA



69.4% Own



30.6% Rent

City of St. John's








60.7% Own



39.3% rent

Source: Statistics Canada, 2011 and 2016 Census of Population.

Household Size – Census 2021

Number of Persons in Household	St. John's CMA	City of St. John's
	25.6%	30.9%
	36.4%	36.3%
	18.1%	16.2%
	14.8%	12.0%
	5.1%	4.6%

62.0% of households in St. John's CMA and **67.2%** of households in City of St. John's have two or fewer people.

Source: Statistics Canada, 2021 Census

Mother tongue*, St. John's CMA – Census 2021

Language	2021		2016	
	Number	%	Number	%
Total	209,890	100%	204,390	100%
English	200,555	95.6%	196,385	96.1%
French	1,655	0.8%	1,335	0.7%
Other languages	9,690	4.6%	7,725	3.8%
Indigenous languages	55	0.0%	60	0.0%

* Mother tongue refers to the first language learned at home in childhood and still understood by the person at the time the data was collected.

Source: Focus on Geography, Statistics Canada, [2021 Census](#)

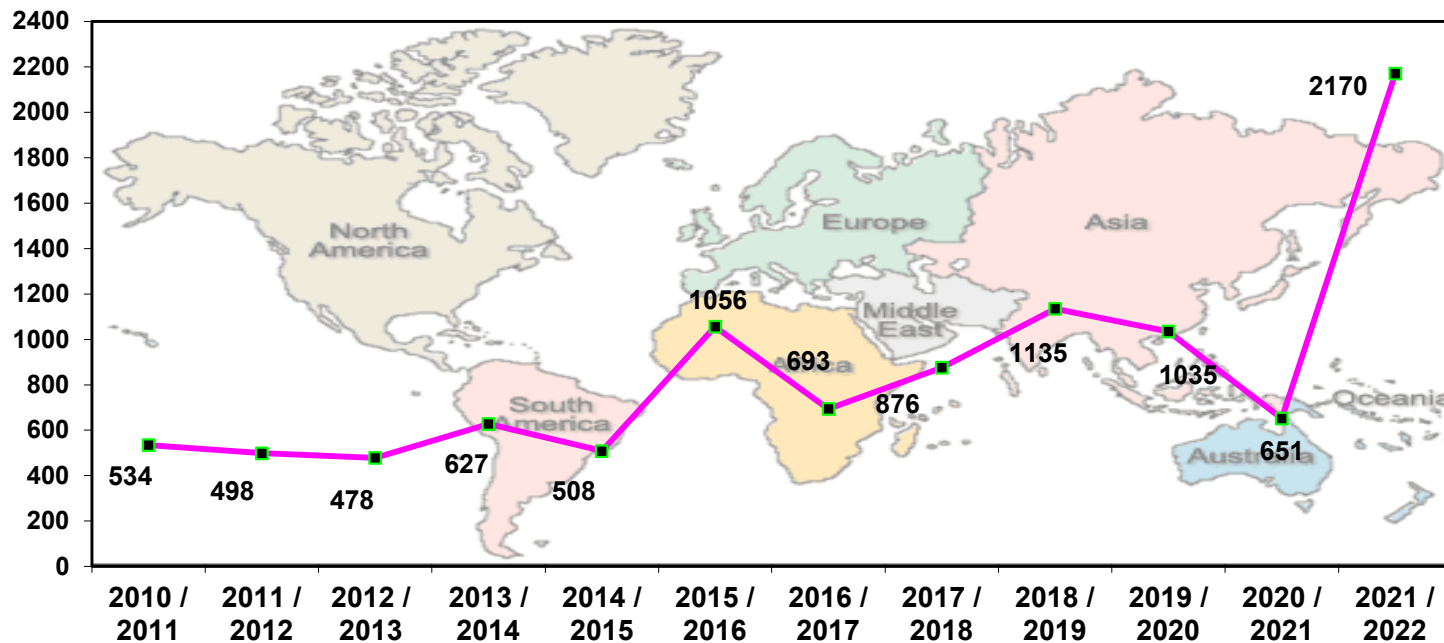
Population by immigrant status and period of immigration*, St. John's CMA – Census 2021

	City of St. John's		St. John's CMA	
	Number	%	Number	%
Total population in private households	107,655	100.0%	208,820	100.0%
Non-immigrants	96,020	89.2%	194,935	93.5%
Immigrants	7,510	7.0%	8,135	4.0%
Before 2001	2,145	2.0%	3,080	1.5%
From 2001 to 2010	1,360	1.3%	1,780	0.9%
From 2011 to 2015	1,330	1.2%	1,565	0.7%
From 2016 to 2021	2,680	2.5%	3,085	1.5%
Non-permanent residents	4,125	3.8%	4,375	2.1%

Source: *25% sample data. Table [98-10-0300-01](#), Statistics Canada, 2021 Census

Number of immigrants settling in the St. John's CMA

Components of population change
Number of Immigrants
settling in St. John's CMA

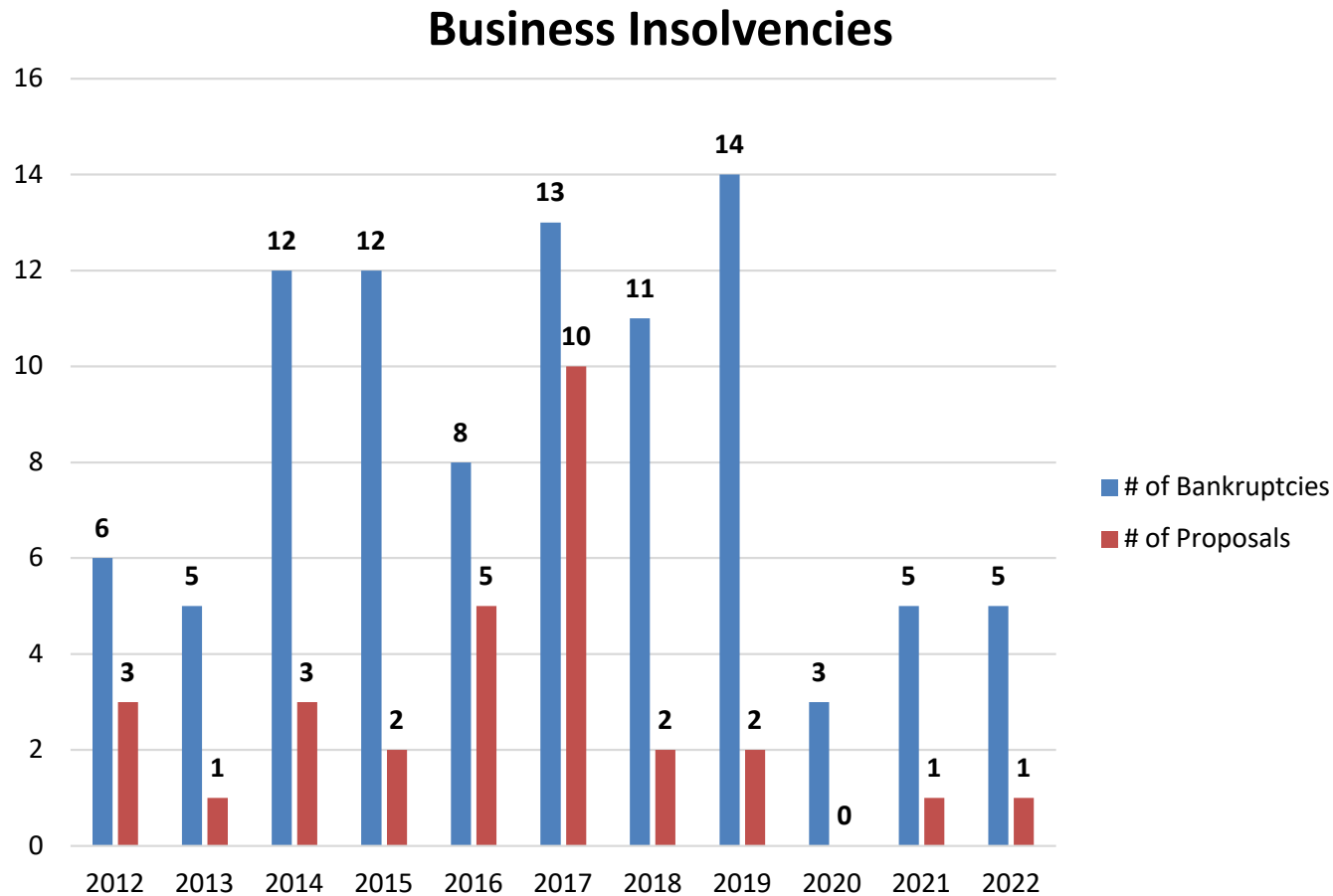


For the period from July 1 to June 30, annual.

Source: Statistics Canada www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1710013601

Business Insolvencies

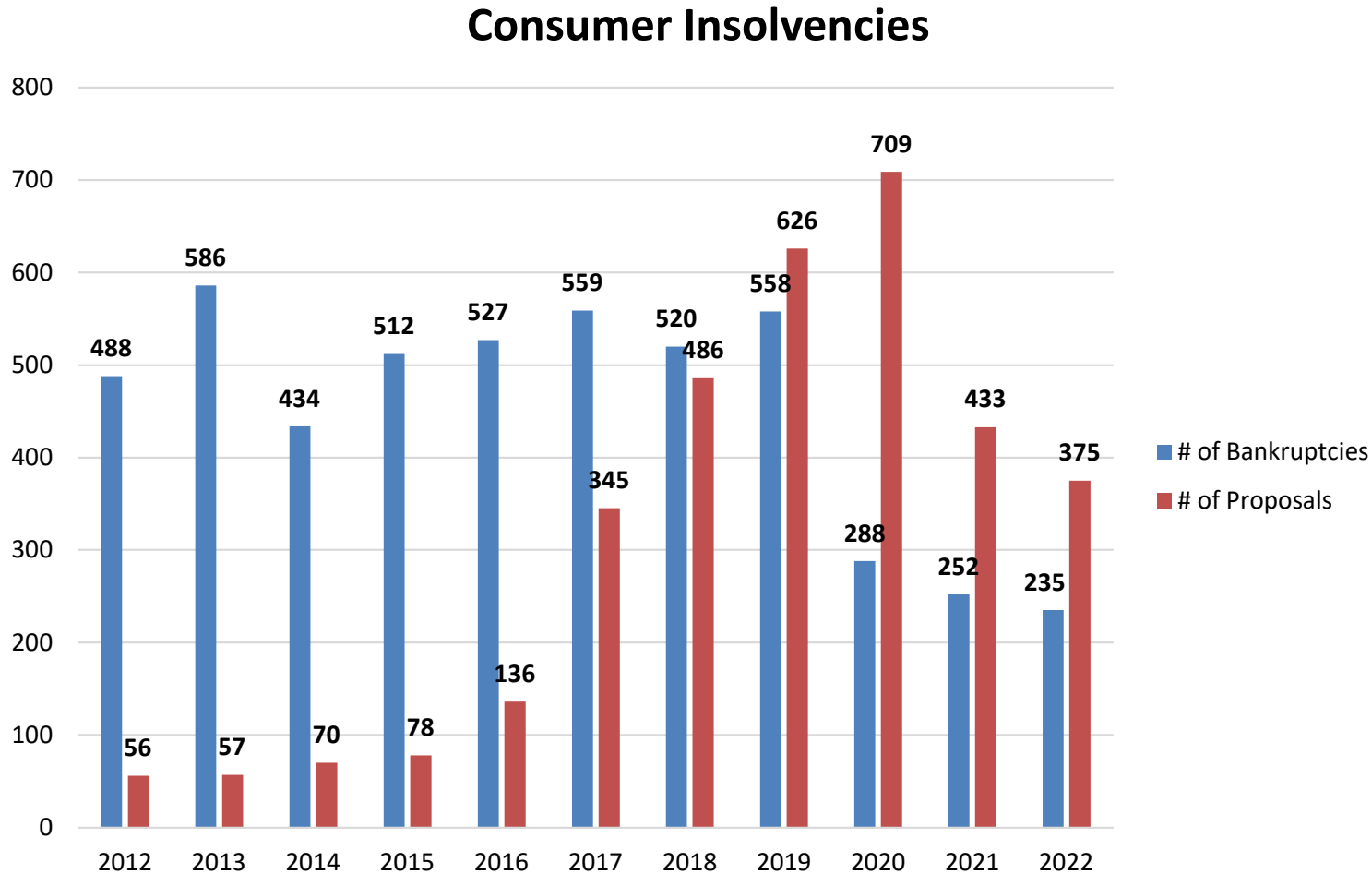
The number of proposals and bankruptcies filed by businesses stayed the same in St. John's CMA in 2022.



Source: [Office of the Superintendent of Bankruptcy Canada](#)

Consumer Insolvencies

The number of proposals and bankruptcies filed by consumers increased 13.4% in 2022 in the St. John's CMA.



Source: [Office of the Superintendent of Bankruptcy Canada](#)

Businesses by Employment Size and NAICS* 2022

Number of Businesses by North American Industrial Classification System (NAICS) Code and Employment Size
St. John's Census Metropolitan Area (CMA)
December 2022

NAICS Industry Code	Number of Employees					St. John's Census Metropolitan Area (CMA)
	1 to 4	5 to 19	20 to 99	100 to 499	500 +	
Agriculture, Forestry, Fishing and Hunting	35	23	11	69
Mining and Oil and Gas Extraction	18	16	13	6	..	53
Utilities	2	..	2	1	3	8
Construction	515	294	78	14	..	901
Manufacturing	38	73	35	5	1	152
Wholesale Trade	131	155	60	2	..	348
Retail Trade	228	400	123	31	2	784
Transportation and Warehousing	83	73	41	14	1	212
Information and Cultural Industries	45	32	10	..	1	88
Finance and Insurance	109	67	27	4	..	207
Real Estate and Rental Leasing	226	69	13	1	..	309
Professional, Scientific and Technical Services	527	182	63	10	2	784
Management of Companies and Enterprises	16	15	6	3	..	40
Administrative and Support, Waste Man. and Remediation Serv.	129	101	39	11	..	280
Educational Services	41	38	18	2	3	102
Health Care and Social Assistance	570	220	64	17	7	878
Arts, Entertainment and Recreation	43	50	30	4	..	127
Accommodation and Food Services	69	179	156	12	..	416
Other Services (Except Public Admin.)	510	235	52	5	..	802
Public Administration	108	11	6	9	2	136
Unknown Industry
Total	3,443	2,233	847	151	22	6,696

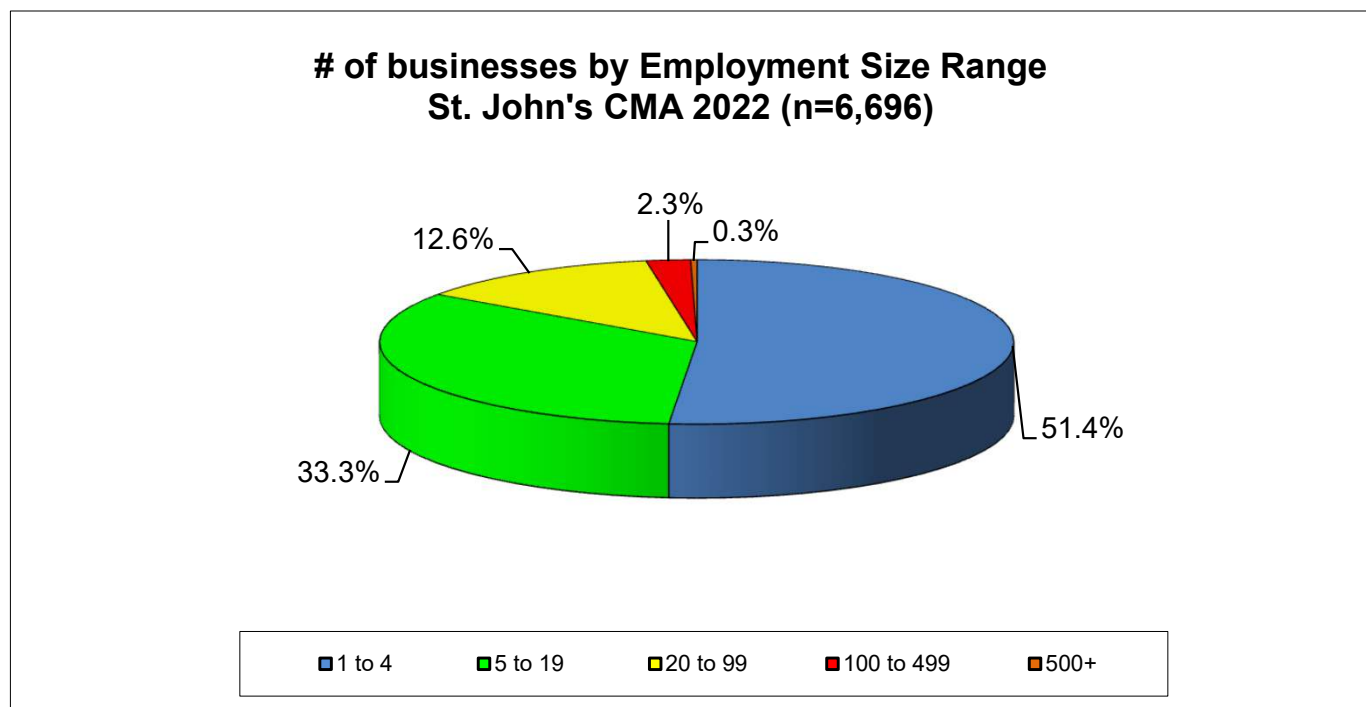
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Source: Statistics Canada, Business Register

Number of Businesses by Employee Size

85% of businesses in St. John's CMA have fewer than 20 employees.

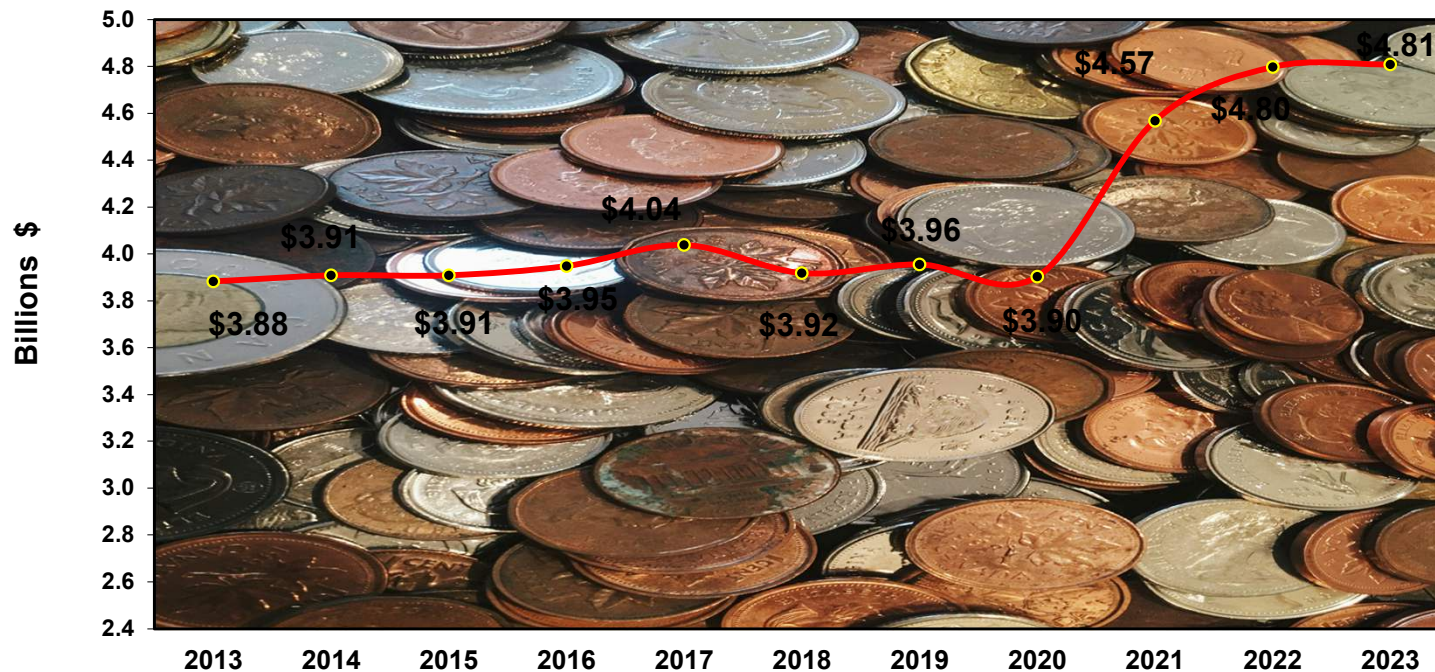


Source: Statistics Canada. Business Register.

RETAIL SALES

Retail trade increased 4.1% to \$4.8 billion in 2023 mainly due to higher consumer prices.

Retail Sales (\$B) - St. John's CMA
2013 - 2023

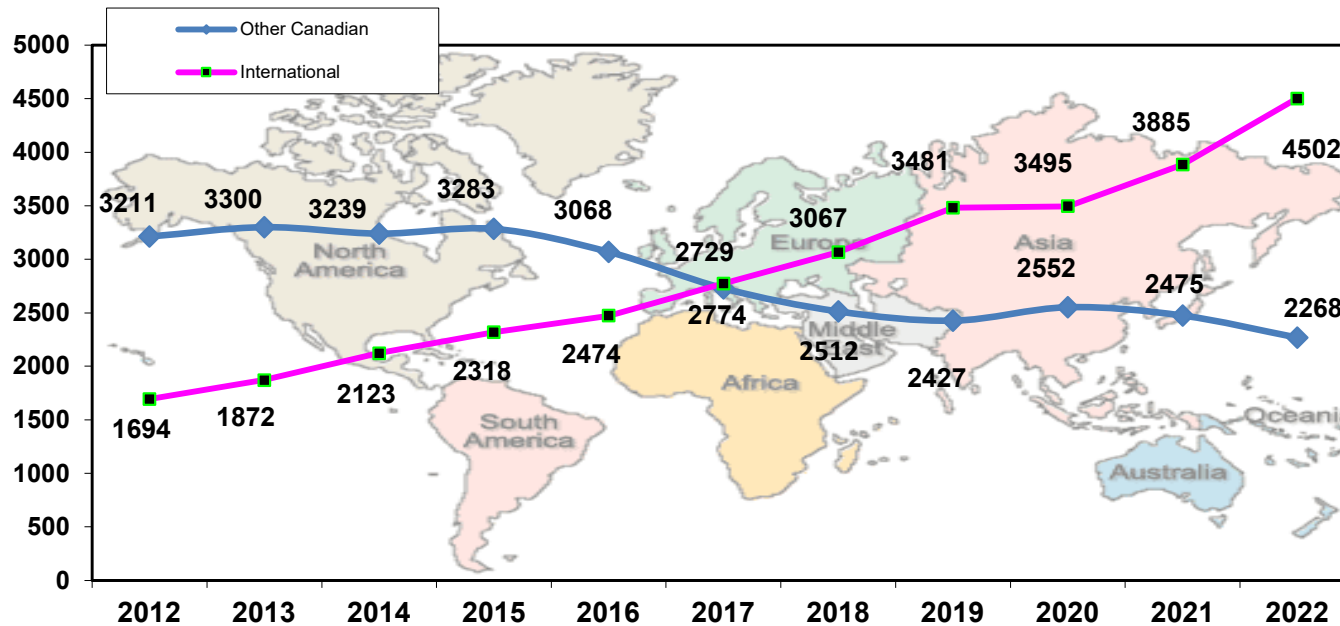


Source: Statistics Canada; Government of NL, Department of Finance, Economics Division.

Out of Province Student Data

Approximately 37.1% of the 18,264 students enrolled at Memorial University in 2022 were from out of province. International student enrolment increased 16% over 2021 and is almost double other Canadian student enrolment.

Number of International Students and Other Canadian Students Enrolled at MUN 2012 - 2022



Source: [Fact Book 2022](#), Center for Institutional Analysis and Planning, Memorial University.

Accommodation Statistics



	2016	2017	2018	2019	2020	2021	2022
Average hotel occupancy rate	60.4%	60.6%	54.1%	56.7%	26.0%	35.9%	59.0%
Room nights available	939,909	984,072	1,118,702	1,092,487	1,024,853	1,009,124	1,031,345
Total room nights sold	567,348	596,028	605,071	619,585	266,635	362,701	608,698
Average nightly rate	\$148.84	\$144.75	\$139.09	\$132.25	\$107.09	\$110.34	\$143.47

Note: These numbers reflect all room nights including major hotels, boutique hotels, and B&Bs.

Source: Accommodation Component of NL Tourism Operator Portal

Convention and Cruise Data



	2015	2016	2017	2018	2019	2020*	2021*	2022
Convention Delegates*	21,215	24,098	23,316	23,745	19,752	0	2,959	19,703
Number of ship visits	17	20	30	28	28	0	0	26
Number of Passengers	16,756	15,439	26,907	20,065	29,503	0	0	23,914

*Meetings and conventions of greater than 50 people

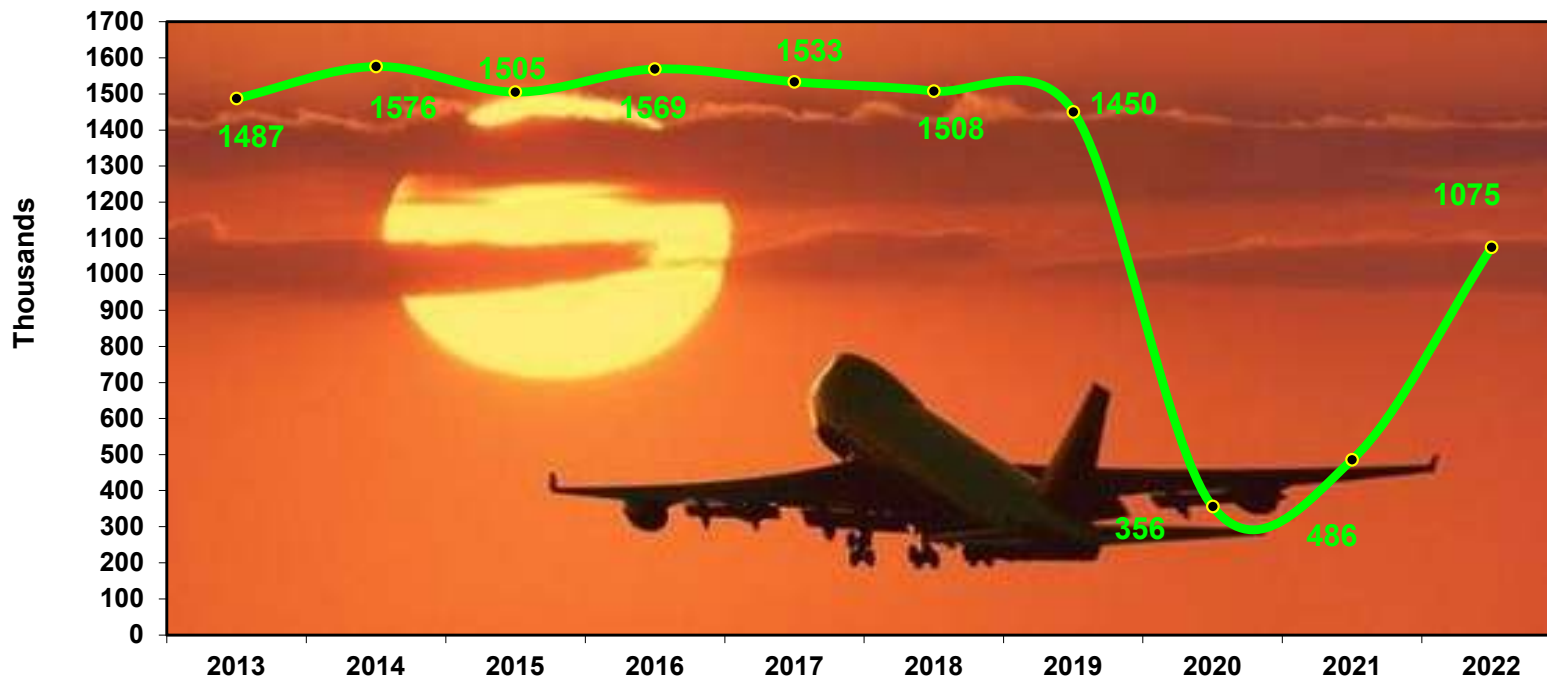
** Travel and in-person restrictions due to global pandemic.

Source: City of St. John's

Airport Passenger Movements

Passenger traffic increased 130% in 2022 compared to 2021, but still 26% below pre-pandemic 2019 levels.

Airline Passenger Movements at
St. John's International Airport 2013 - 2022 (000's)

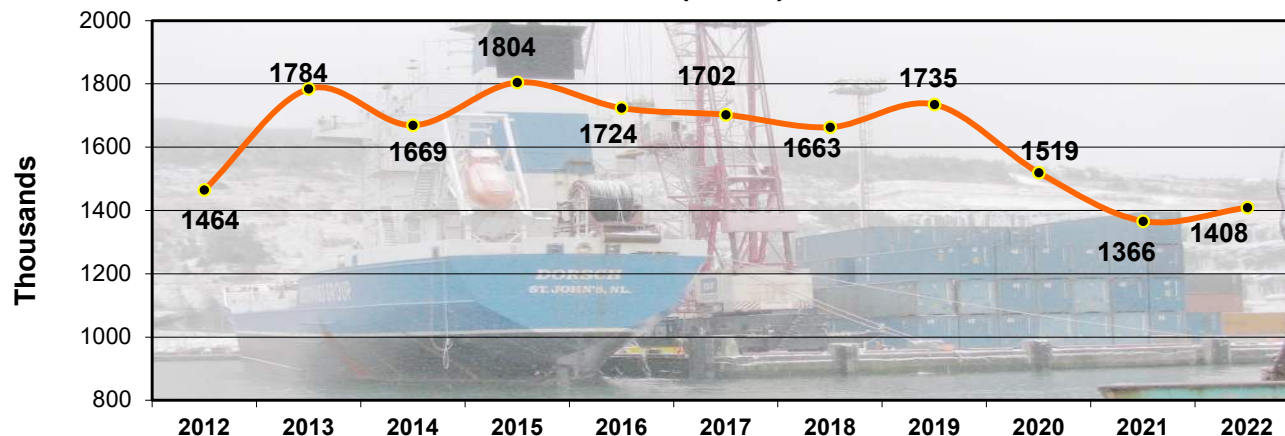


Source: Department of Tourism, Culture, Arts & Recreation, Government of Newfoundland & Labrador

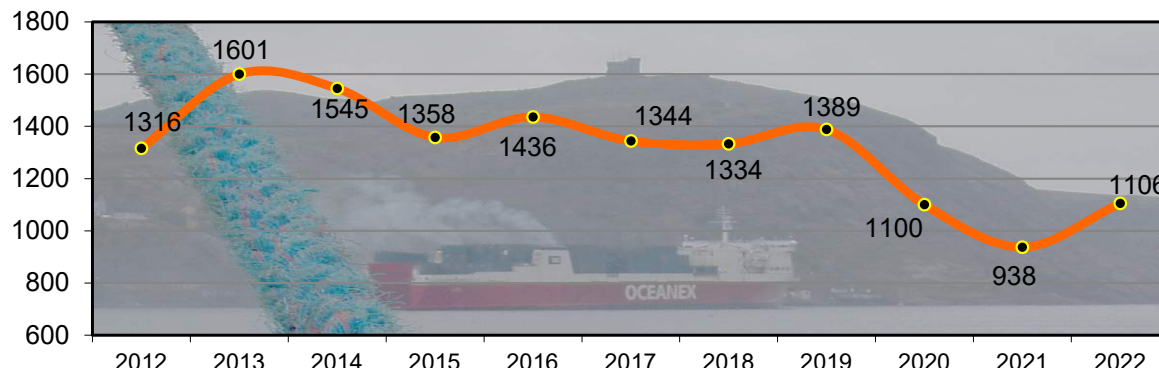
Port Data

Total port cargo increased by 3.1% and the number of vessel arrivals increased by 18.0% in 2022 compared to 2021.

**St. John's Total Port Cargo (metric tonnes)
2012 - 2022 (000's)**



**St. John's Port Vessel Arrivals
2012 - 2022**



Note: Vessel arrivals exclude non-commercial, e.g., Department of National Defence and small commercial vessels entering the Port of St. John's.

Source: St. John's Port Authority

Outlook for 2023*



- **Real GDP is expected to grow by 0.8% as service sector gains are partly offset by lower oil production.**
- **The CMA population is projected to increase 2.2% to 224,000 persons.**
- **Employment is forecast to increase by 1.5% (+1,700 persons).**
- **Retail sales growth (at 5.0%) is projected to continue, but at a lower rate than in 2022 as inflationary pressures ease.**
- **The number of housing starts is expected to decrease slightly in 2023.**

Source: Statistics Canada and Government of NL, Department of Finance, Economics Division.

Other Links

For more information, visit the following links to access other economic reports.



ST. JOHN'S

Economic Review, 2022
St. John's Census Metropolitan Area



[Economic Review 2022](#)

[Economic Snapshot December 2022](#)



<https://www.stjohns.ca/en/business-investment/resources/Documents/Economic-Reports/Economic-Outlook-2023.pdf>