

Economic Update **March 2020**



The **New Housing Price Index** for St. John's Metro was 97.4 in January 2020 down -0.7%*

The **Consumer Price Index** for St. John's Metro was 139.2 in January 2020 up 2.1%*

Retail trade for Newfoundland and Labrador was \$755 million in December 2019 up 0.5%*

* same month in the previous year. Source: Statistics Canada

... as of January 2020

Labour Force	124,400 (up 3.1%)
Unemployment Rate	7.0% (down -0.1 ppts)
Employment	114,700 (up 1.0%)
Participation Rate	66.3% (up 0.3 ppts)

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

Business Briefs



Ocean Supercluster's New Startup Program

The Ocean Supercluster – a private-public partnership formed with the support of the federal government's supercluster program – recently unveiled its first Innovation Ecosystem Project, a \$6.8 million program that will support the creation of more and better oceantech startups in Atlantic Canada. The program will help to steer ocean-focused entrepreneurs into programs and offer financial support to companies and the programs that support them. The project will be delivered in collaboration with six funding and support organizations from around Atlantic Canada: including St. John's-based [Genesis](#). The federal government announced in 2018 that Atlantic Canada's Ocean Supercluster was one of five projects that would split \$950 million over five years to develop innovation "superclusters" across the country. The goal is to foster investment and collaboration to make Atlantic Canada one of the best places to start and grow ocean companies. oceansupercluster.ca

St. John's residential rental market relatively unchanged in 2019

The apartment vacancy rate increased slightly from 6.3% in 2018 to 6.9% in the St. John's metro area, according to a Canada Mortgage and Housing Corporation survey conducted in October 2019. The overall average rent increased marginally to \$896 a month in 2019, up from \$877 in 2018. For apartments constructed after 2005 the average rent was \$1,402 a month and the vacancy rate (10.7%) remains high in these recently built structures. There were 3,927 private apartments in the St. John's metro area in 2019. The rental market survey targets only private structures with at least three rental units and doesn't include basement apartments. www.cmhc.ca

APEC says labour shortages here to stay

A new report from the Atlantic Provinces Economic Council (APEC) found that half the region's businesses are struggling with recruiting and retaining workers. According to [APEC](#), the tight labour market is impacting firms large and small across all industries impacting productivity and constraining growth. Three decades ago, there were 20 workers entering Atlantic Canada's labour market for every ten retiring. Now there are only seven. The prime contributor to these shortages are the region's demographics, with a decline in the working age population and the labour force reflecting a low birth rate, outmigration of young workers, and an aging population, compounded by baby boomers entering retirement. There is no single solution to Atlantic Canada's labour challenge. APEC said immigration, investing in training and technology, and reaching out to underrepresented groups – including females, people with disabilities and Indigenous workers – will be critical to the economy.



City Building Permits (year to date)

As of March 2, 2020 the value of:

- **Commercial** permits were down -64% from \$30,132,175 in 2019 to \$10,967,314 in 2020
- **Industrial** permits were valued at \$0 for 2019 and \$0 for 2020
- **Government/Institutional** permits were valued at \$0 in 2019 and \$5,000 for 2020*
- **Residential** permits up 1% to \$2,829,427 for 2020 over \$2,787,652 for 2019
- **Repair** permits were down -55%, from \$140,250 in 2019 to \$63,500 in 2020
- **Total** value of all permits was down -58% from \$13,865,241 for 2020 over \$33,060,077 for 2019

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



Business Approvals

Commercial garage, 217 Brookfield Rd.
The Honest Cobbler, 10 Pippy Pl.
Uppercut Barbershop, 114 Duckworth St.
SpiceX, 31 Malta St.
Café and yoga studio, 5 Waterford Bridge Rd.
Tommy Hilfiger, Avalon Mall
Spiritleaf, 673 Topsail Rd.
Pub and eatery, 75 Airport Heights
Steam Fog cafe, 183 Duckworth St.
Sandwich shop, 302 Water St.
Dental clinic, 394 Kenmount Rd.

Home-based Businesses

Graphic animation, 43 Warbury St.
Offsite dog training, 119 Ladysmith Dr.
Online (Offsite) Vehicle Sales, 44 Maurice Putt Cres.
Graphic Design, 130 Gower St.

Year-to-Date 25

- Regular 18
- Home-based 7

City Initiatives



Getting more youth voices in City matters

Are you or someone you know under the age of 35? Do you live in the City of St. John's? If so, we need your help and you could win a prize in the process.

We hear a lot of talk these days about demographics. A look around our workplaces and our neighbourhoods tells a compelling story – as a community we are getting older and we are not seeing a significant increase in the number of young people coming up behind us. The City recognizes the need to get more young people actively engaged in discussions about the decisions we make that impact our community. Afterall, what the city looks and feels like to young people often influences their decisions to stay here, move here, raise a family here, start a business here or buy a home here. And let's face it, those choices matter to all of us. We need and want young people to do those things so that we can be a viable, sustainable city long into the future.

The City's Youth Engagement Action Team is helping shape a new way to engage with youth so that we can get more of their voices in City public engagement efforts. If you or someone you know

is between the ages of 15 and 35 and lives in the City of St. John's, please encourage them to complete [the survey](#). There are prizes to be won including six \$50 gift cards for a variety of places including coffee, pizza, gas, groceries and more. Deadline is March 20.

For full details about this initiative and prize rules check out the project page [here](#).

Upcoming Events

- Mar 11 [Opportunity Knocks - How to get your products into Costco](#)
- Mar 12 [Market Diversification: Have you considered the Caribbean?](#)
- Mar 19 [Diversity Summit 2020](#)
- Mar 19 [Business Solutions Pop-Up](#)
- Mar 23 [Mel Woodward Cup](#)
- Mar 27 [Board of Trade Luncheon - Peter Avery, President & CEO St. John's International Airport](#)
- Mar 28 [Creative Leadership Workshop](#)
- Apr 1-2 [NLOWE's 2020 Annual Conference](#)
- Apr 2 [Making Waves IABC Newfoundland & Labrador](#)
- Apr 6 [Mining Industry NL Luncheon and AGM](#)



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