

# Economic Review, 2018

## St. John's Census Metropolitan Area



### Economy

**GDP**   
**\$17.1 billion**

Real gross domestic product (GDP) is estimated to have increased by 1.0% to \$17.1 billion (in \$2012) in 2018. The increase in GDP is primarily due to an increase in oil production as most activity in the province's oil and gas industry is allocated to the St. John's Census Metropolitan Area (CMA). Offshore oil production increased by 5.1% to 84.7 million barrels in 2018 as a full year of Hebron production offset declines at Hibernia and White Rose. Excluding the oil and gas industry, the CMA's real GDP is estimated to have declined by 2.2%.



### Labour Market

Employment in the St. John's CMA increased by 0.7% to 110,700 in 2018 in line with the overall increase experienced by the province as a whole. Goods sector employment increased by 2.8% while services sector employment increased by 0.3%. The labour force increased by 0.8% to 121,000, while the unemployment rate remained unchanged at 8.4%. This was the highest unemployment rate among all the 33 CMAs in Canada in 2018.



### 2019 Economic Outlook

Economic growth in the CMA, as measured by real GDP, is expected to increase in 2019 due to further increases in oil production. However, other indicators such as employment, household income and housing starts may be more subdued as the economy continues to adjust to lower Muskrat Falls activity and government restraint.

#### Economic Indicators, St. John's CMA, 2017-18

	2017	2018
Real GDP (2012\$M)	16,927	17,103e
% Change	2.1	1.0
Employment (000s)	109.9	110.7
% Change	-5.6	0.7
Labour Force (000s)	120.0	121.0
% Change	-5.0	0.8
Unemployment Rate (%)	8.4	8.4
Change	0.6 ppts	0.0 ppts
Participation Rate (%)	65.1	65.2
Change	-4.5 ppts	0.1 ppts
Household Income (\$M)	10,988	11,047e
% Change	1.2	0.5
Retail Trade (\$M)	4,038	4,005
% Change	1.8	-0.8
Housing Starts	763	632
% Change	-8.4	-17.2
CPI (2002=100)	135.3	137.4
% Change	2.3	1.6
Population (000s)	219.2	220.5e
% Change	0.7	0.6



### Household Income, Retail Sales, Housing Starts

Household income increased by a modest 0.5% in 2018 to \$11.0 billion. The slow growth in household income was reflected in retail sales which decreased by 0.8% to \$4.0 billion. Housing starts fell by 17.2% to 632 units as both single and multiple starts declined significantly.

Canadian Real Estate Association MLS® data indicates that housing sales and average sales prices in the CMA fell by 5.0% and 2.7% respectively in 2018.



### Population

The population of the St. John's CMA was estimated to be 220,500 as of July 1, 2018, a 0.6% increase from the previous year.

Gains resulted from modest natural population growth (more births than deaths) and net in-migration to the region.

