



## Economic Development Update Q1 2019

The City of Ottawa Economic Development Update provides an overview of quarterly and annual economic indicators to the city's economy. The Q1 2019 update covers the months of January, February, and March 2019. This report will be available on a quarterly basis on Ottawa.ca and via an [email subscription](#).

### New and Noteworthy in Q2 2019: April, May, and June 2019

- **Invest Ottawa receives federal funding:** In April 2019, the federal government released the plans for the "Scale-up Platform" for tech companies. With this, Invest Ottawa received approximately \$17 million to develop and grow eastern Ontario tech firms over the next five years, with the goal of helping at least 10 of them achieve revenues of \$100 million or more. For more information, please visit [Invest Ottawa's website](#).
- **Ottawa Tourism, Shaw Centre, and Invest Ottawa launched *ThinkOttawa*:** In April 2019, Ottawa Tourism, Shaw Centre, and Invest Ottawa launched a new program called *ThinkOttawa*. This program will provide support to local industry, academic, government, and non-profit leaders in their international conference bids. In 2018, Ottawa hosted 16 international events, which in turn created a positive economic impact for Ottawa. It is the hope that through *ThinkOttawa*, this number will increase. More information can be found at [ThinkOttawa's website](#).
- **City of Ottawa celebrates one million residents:** In June 2019, the City of Ottawa celebrated surpassing the one million population mark. This milestone puts Ottawa in a different league of big North American cities. This growth is good for the strength of Ottawa's local economy – one million is a critical mass in population that will allow Ottawa to generate more opportunities, both from a larger domestic market and increased investment from global stakeholders. For more information on this important milestone, please visit the [City of Ottawa's website](#).

## What Happened in Q1 2019: January, February, and March 2019

- **City of Ottawa named one of the top and best employers:** In January 2019, the City of Ottawa was named one of the [National Capital Region's Top Employers](#) by Canada's Top 100 Employers and [Forbes](#) identified the City of Ottawa as one of the best employers in Canada. The National Capital Region's Top Employers uses criteria such as performance management, training and skills development, and community development while Forbes identifies top employers as those doing the most for its employees.
- **Blackberry QNX adding jobs to Ottawa:** In February 2019, the federal government announced it is adding \$40 million to a \$310.5 million pledge from Blackberry aimed at supporting the development of self-driving car technologies in Kanata. The spending will come over the next 10 years and is expected to create a total of 800 new jobs and nearly 1,000 co-op placements.
- **City of Ottawa named one of Canada's Best Diversity Employers:** In March 2019, for the seventh year, the City of Ottawa was named one of Canada's Best Diversity Employers in a competition that recognizes organizations for their exceptional workplace diversity and inclusion programs. The winners were selected by editors at Mediacorp Canada. For more information on the reasons why Ottawa was selected and on other winners, visit [Canada's Best Diversity Employers competition website](#).

## Snapshot

	Q1-2018	Q4-2018	Q1-2019	Status Compared to Q1-2018
Employed Labour Force	552,600	555,400	561,200	Positive ✓
Unemployment Rate	5.2%	4.8%	5.1%	Neutral ○
Participation Rate	67.7%	66.6%	67.1%	Neutral ○
Housing Starts	857	2,302	1,106	Positive ✓
Average Resale Price	\$438,256	\$442,554	\$464,485	Positive ✓
Resale Units Sold	2,570	2,400	2,503	Neutral ○
Population	N/A	991,429	N/A	Neutral ○
Inflation	2.2%	2.4%	1.7%	Neutral ○
Average Weekly Earning	\$1,123	\$1,146	\$1,188	Positive ✓
Construction Permit Value	\$660,721	\$728,004	\$711,882	Positive ✓
Office Vacancy Rate	6.5%	5.6%	5.1%	Positive ✓
Retail Vacancy Rate	3.2%	3.9%	3.6%	Negative ✗
Industrial Vacancy Rate	3.0%	2.6%	1.8%	Positive ✓

Please refer to individual tables below for more details.

# Labour Force

## Labour Force, Seasonally Adjusted, 3-Month Moving Average

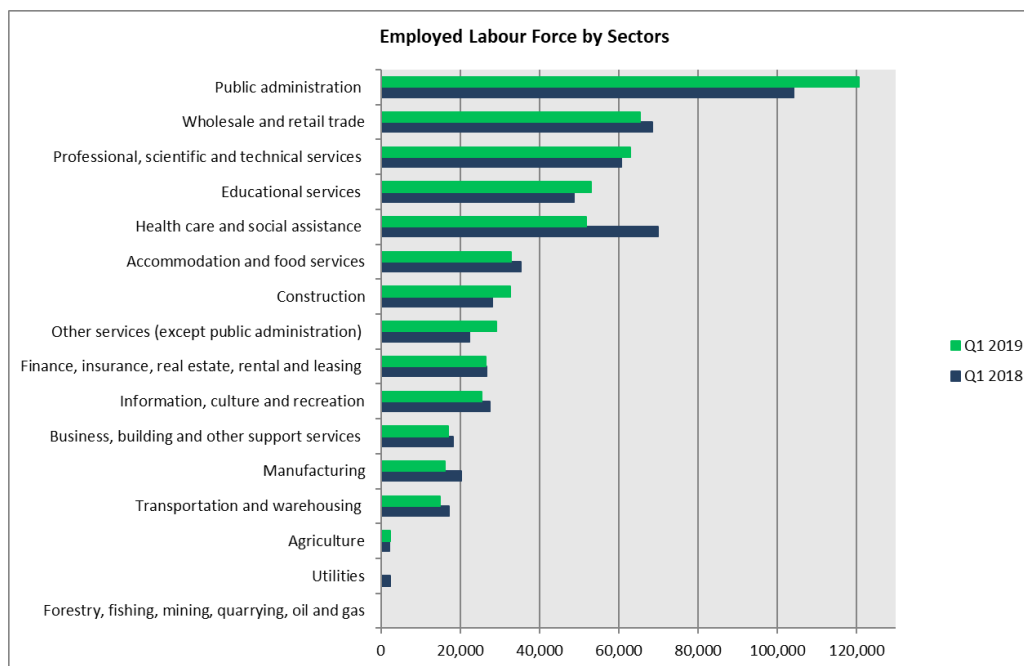
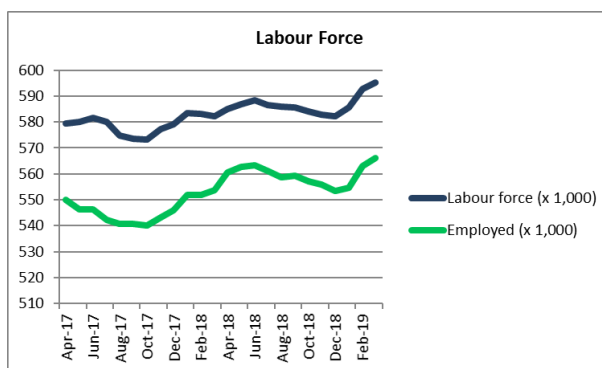
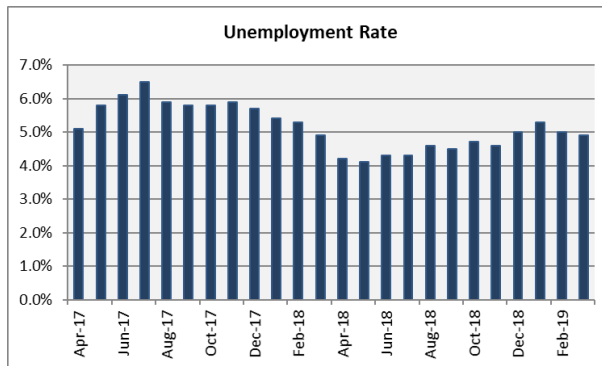
Source: Statistics Canada, Table 14-10-0294-01

Ottawa, CMA (ON pt.)	Q1-18	Q4-18	Q1-19
Labour Force*	<b>582.8</b>	<b>583.0</b>	<b>591.2</b>
Employed*	<b>552.6</b>	<b>555.4</b>	<b>561.2</b>
Unemployed*	<b>30.3</b>	<b>27.6</b>	<b>30.0</b>
Unemployment Rate	<b>5.2%</b>	<b>4.8%</b>	<b>5.1%</b>
Participation Rate	<b>67.7%</b>	<b>66.6%</b>	<b>67.1%</b>

\*(x 1,000)

Employed residents (1.6%) and labour force (1.4%) both increased over the past year. The unemployment rate decreased 0.1 percentage point in Q1 2019 from Q1 2018. The Other Services (except Public Administration), Construction, and the Public Administration sectors all saw the largest increase in Q1 2019 from Q1 2018, with Utilities and Health Care and Social Assistance sectors experiencing the largest decreases.

Ottawa, CMA (ON pt.)	YTD-18	YTD-19
Unemployment Rate	<b>5.2%</b>	<b>5.1%</b>
Participation Rate	<b>67.7%</b>	<b>67.1%</b>



# Housing

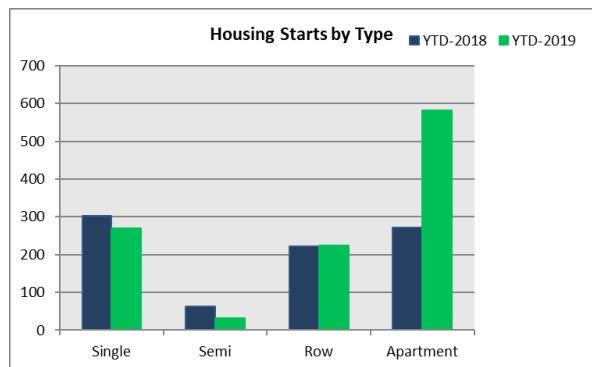
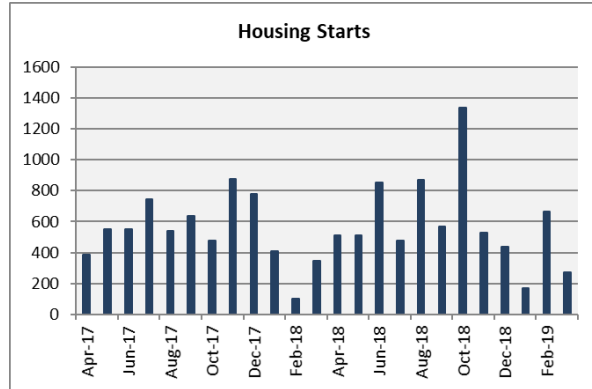
## Housing Starts

Source: CMHC Housing Market Information Portal

Ottawa, City	Q1-18	Q4-18	Q1-19
Housing Starts	857	2,302	1,106
Single	302	608	269
Semi	62	66	32
Row	222	394	224
Apartment	271	1,234	581

Housing starts saw an increase (29.1%) in Q1 2019 from Q1 2018. Apartments (114.4%) increased year-over-year, while rows remained steady and singles and semis saw a decrease.

Ottawa, City	YTD-18	YTD-19
Housing Starts	857	1,106
Single	302	269
Semi	62	32
Row	222	224
Apartment	271	581



## Housing Sales

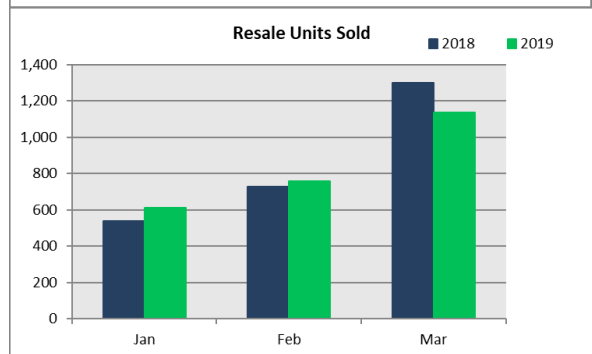
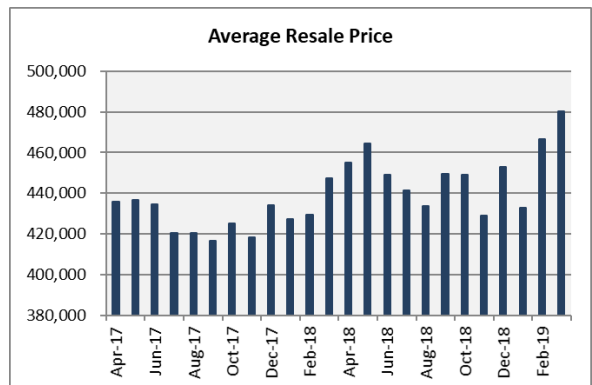
Source: Ottawa Real Estate Board

Ottawa, City*	Q1-18	Q4-18	Q1-19
Average Resale Price	\$438,256	\$442,554	\$464,485
Resale Units Sold	2,570	2,400	2,503

A total of 2,503 units were sold through the MLS system in Q1 2019, a 2.6% decrease from Q1 2018. The average resale price increased 6.0% to reach \$464,485 in Q1 2019 from the previous year.

Ottawa, City*	YTD-18	YTD-19
Average Resale Price	\$438,256	\$464,485
Resale Units Sold	2,570	2,503

\* Includes City of Ottawa and surrounding areas where OREB members sold properties (i.e. Carleton Place, Kemptville, Clarence-Rockland, etc.)



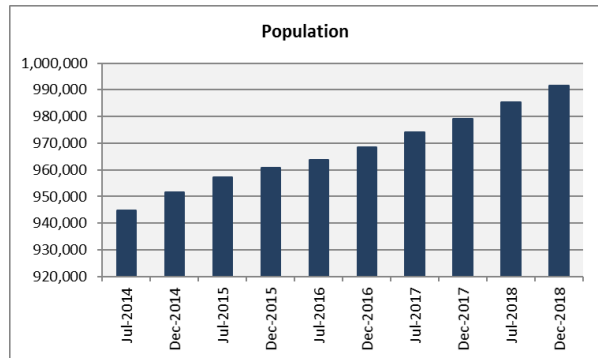
## Population

Source: City of Ottawa estimate\*

Ottawa, City	Q4-17	Q2-18	Q4-18
Population	<b>979,173</b>	<b>985,469</b>	<b>991,429</b>

\*Population estimate reported twice a year

The City of Ottawa population increased by 1.3% over the past year to reach 991,429 at year end 2018. Over the long term, the City's population is projected to reach the one million mark in 2019.

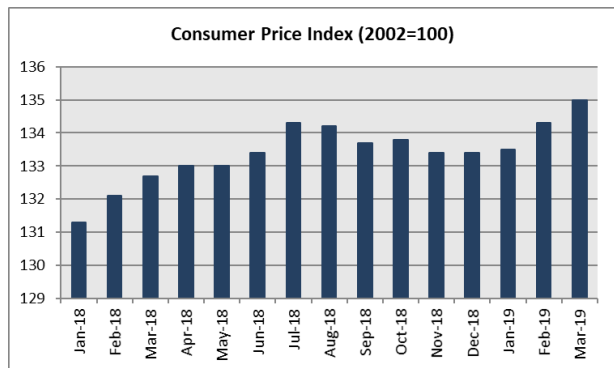


## Consumer Price Index (2002=100)

Source: Statistics Canada, Table 18-10-0004-01

Ottawa, CMA (ON pt.)	Q1-18	Q4-18	Q1-19
Consumer Price Index	<b>132.0</b>	<b>133.5</b>	<b>134.3</b>
Inflation	<b>2.2%</b>	<b>2.4%</b>	<b>1.7%</b>

The Consumer Price Index saw a slight increase at 134.3 in Q1 2019, up 1.7% from Q1 2018. Inflation decreased 0.7 percentage points from the previous quarter and increased 0.5 percentage points from Q1 2018.

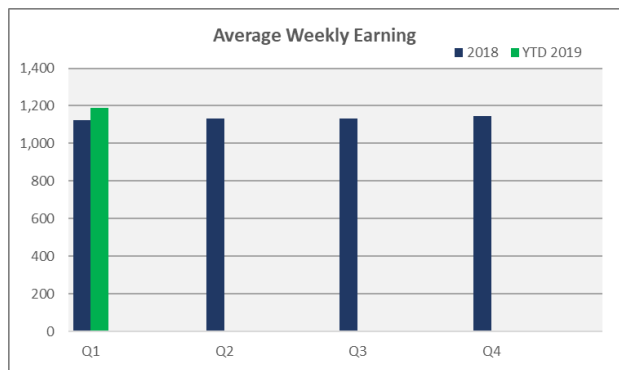


## Average Weekly Earning

Source: CMHC Housing Now Report & Statistics Canada Custom Tabulation

Ottawa, CMA (ON pt.)	Q1-18	Q4-18	Q1-19
Avg. Weekly Earning	<b>\$1,123</b>	<b>\$1,146</b>	<b>\$1,188</b>

The average weekly earning Increased 5.8% in Q1 2019 from Q1 2018. In comparison to the previous quarter, Q1 2019 had an increase of 3.7%.



# Economy

## Construction Permits, Seasonally Adjusted

Source: Statistics Canada, Table 34-10-0066-01

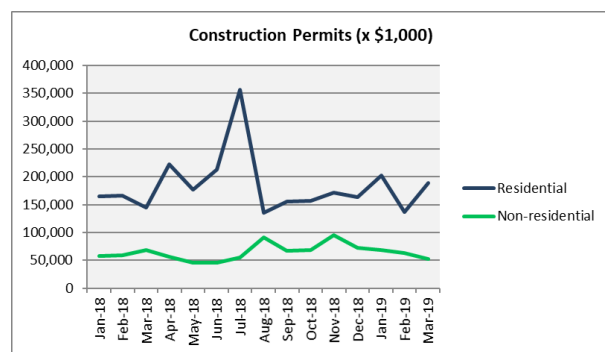
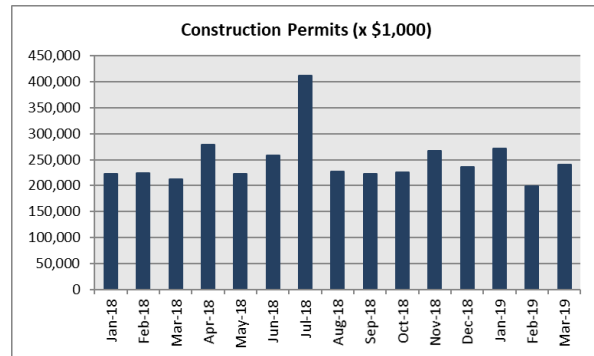
Ottawa, CMA (ON pt.)	Q1-18	Q4-18	Q1-19
Total Permits	\$660,721	\$728,004	\$711,882
Residential	\$474,674	\$491,059	\$527,709
Non-residential	\$186,047	\$236,946	\$184,174

(x \$1,000)

Total construction permits increased by 7.7% in Q1 2019 from Q1 2018. Residential permits increased 11.2% and non-residential permits decreased 1.0%. Compared to the previous quarter, construction permits decreased 2.2%, led by a decrease of 22.3% in non-residential permits while residential permits increased 7.5%.

Ottawa, CMA (ON pt.)	YTD-18	YTD-19
Total Permits	\$660,721	\$711,882
Residential	\$474,674	\$527,709
Non-residential	\$186,047	\$184,174

(x \$1,000)

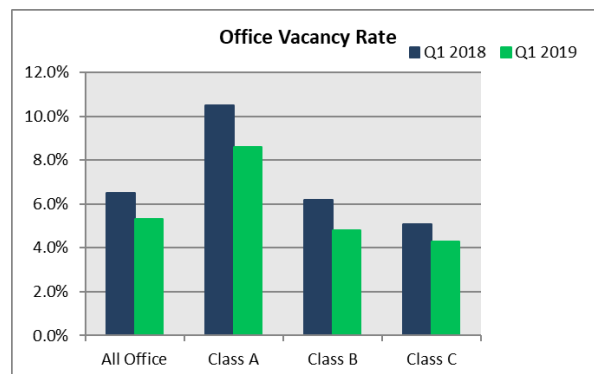


## Office Vacancy Rate

Source: CoStar Realty Information Inc.

Ottawa, City	Q1-18	Q4-18	Q1-19
All Office	6.5%	5.6%	5.3%
Class A	10.5%	9.0%	8.6%
Class B	6.2%	4.8%	4.8%
Class C	5.1%	4.9%	4.3%

The City's office vacancy rate decreased 1.2 percentage points in Q1 2019 from Q1 2018. All buildings classes experienced a decrease in vacancy year-over-year, with Class A experiencing the largest decrease of 1.9 percentage points.



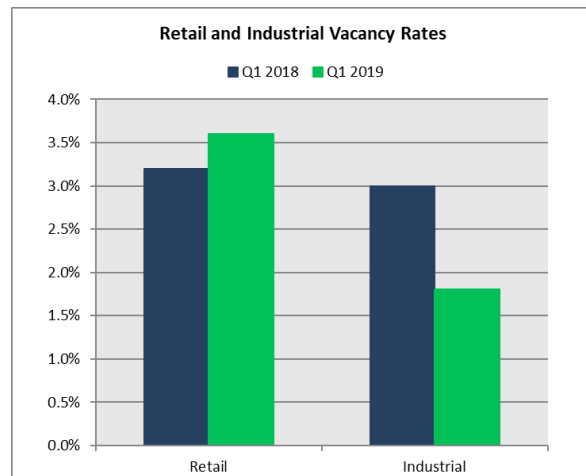
# Economy

## Retail and Industrial Vacancy Rates

Source: CoStar Realty Information Inc.

Ottawa, City	Q1-18	Q4-18	Q1-19
Retail Vacancy Rate	3.2%	3.9%	3.6%
Ind. Vacancy Rate	3.0%	2.6%	1.8%

Retail vacancy rate increased 0.4 percentage points year-over-year, to sit at 3.6% in Q1 2019. From the previous quarter, the vacancy rate decreased 0.3 percentage points. The industrial vacancy rate decreased 1.2 percentage points year-over-year, to sit at 3.0% in Q1 2019, which is a 0.8 percentage point decrease from the previous quarter.

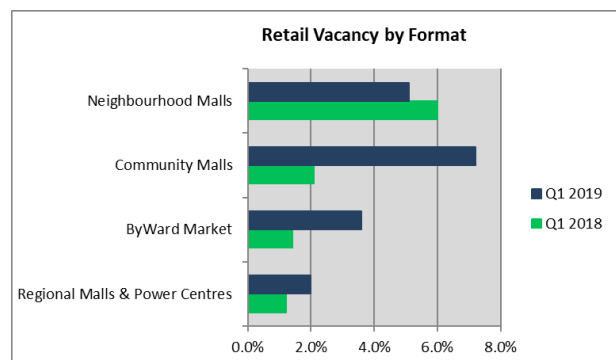
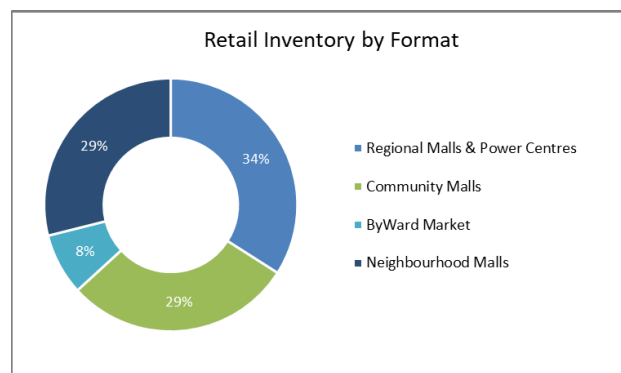


## Retail Vacancy by Format

Source: CoStar Realty Information Inc.

Ottawa, City	Q1-18	Q4-18	Q1-19
Regional Malls & Power Centres	1.2%	1.8%	2.0%
Community Malls	2.1%	6.7%	7.2%
ByWard Market	1.4%	2.1%	3.6%
Neighbourhood Malls	6.0%	6.1%	5.1%

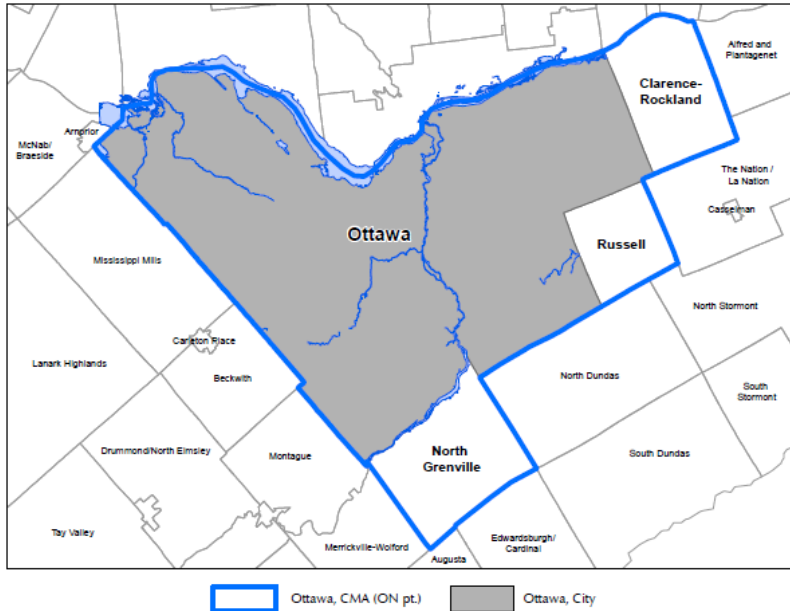
All retail formats, except Neighbourhood Malls, experienced an increase in vacancy from Q1 2019 to Q1 2018. Community Malls experienced an increase of 5.1 percentage points year-over-year; the largest increase in vacancy. Neighbourhood Malls decreased 0.9 percentage points in vacancy year-over-year.





Note:

Most of the indicators are based on two geographic boundaries depending on the source data. The applicable geography for each dataset is indicated on the top left corner of each table.



“Ottawa, City” represents the City of Ottawa;

“Ottawa CMA (ON pt.)” represents the Ontario portion of the Ottawa-Gatineau Census Metropolitan Area, which includes City of Ottawa, Township of Russell, City of Clarence-Rockland and the Municipality of North Grenville.