

# ECONOMIC BULLETIN | FEBRUARY 2019

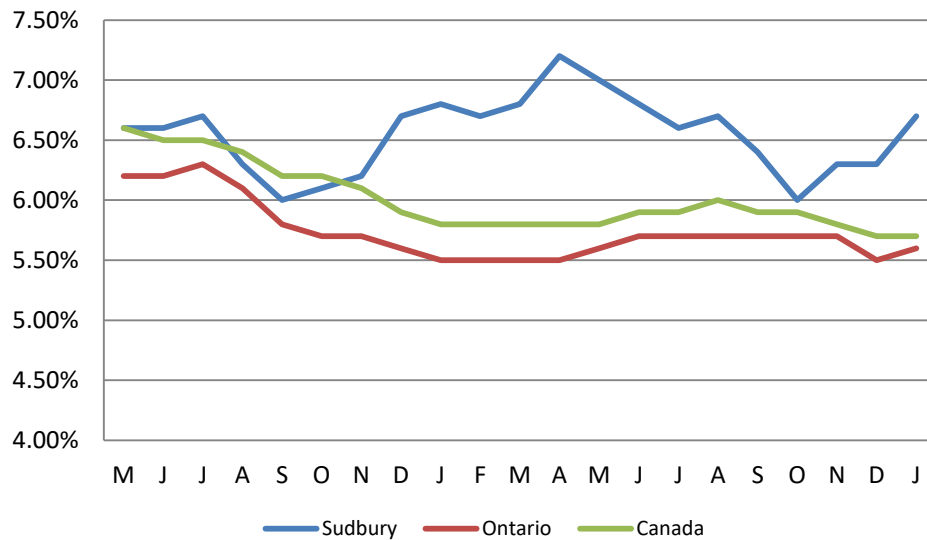


## OVERVIEW

	Geography	Most Recent Period	Last period (DECEMBER BULLETIN)	Same Period Last Year	Status
<b>Unemployment Rate</b>	Greater Sudbury	6.7%	6.3%	6.6%	<b>R</b>
January 2019 (3 Month Average)	Ontario	5.6%	5.7%	5.6%	<b>Y</b>
<b>Total employment</b> (000s)	Greater Sudbury	84,100	82,500	80,200	<b>G</b>
January 2019 (3 Month Average)	Ontario	7,309,000	7,269,400	7,196,200	<b>G</b>
<b>Participation Rate</b>	Greater Sudbury	63.9%	62.3%	61.1%	<b>G</b>
January 2019 (3 Month Average)	Ontario	64.5%	64.4%	64.7%	<b>R</b>
<b>Employment Insurance Recipients</b>	Greater Sudbury	3,010	2,030	3,460	<b>G</b>
November 2018 (3 Month Average)	Ontario	187,980	116,910	202,460	<b>G</b>
<b>GDP</b>	Greater Sudbury	8,010	Annual	8,325	<b>G</b>
<b>Average House Price</b>	Greater Sudbury	\$257,728	\$249,368	\$259,532	<b>G</b>
December 2018	Ontario	\$560,426	\$588,440	\$560,426	<b>Y</b>
<b>Building Permits Issued</b> (millions \$)	Greater Sudbury	\$29.64	\$76.98	\$8.83	<b>G</b>
January 2019		\$29.64 (YTD)	\$276.82 (YTD)	\$8.83 (YTD)	<b>G</b>
<b>Retail Sales</b> (millions \$)	Greater Sudbury	\$2,294	Annual	\$2,294	<b>Y</b>
Forecast 2018					
<b>Consumer Price Index</b>	Greater Sudbury	2.2%	Annual	2.2%	<b>Y</b>
Forecast 2018					
<b>Business Bankruptcies</b>	Greater Sudbury	3	1	0	<b>R</b>
Q4 2018	Ontario	253	208	229	<b>R</b>

# LABOUR FORCE

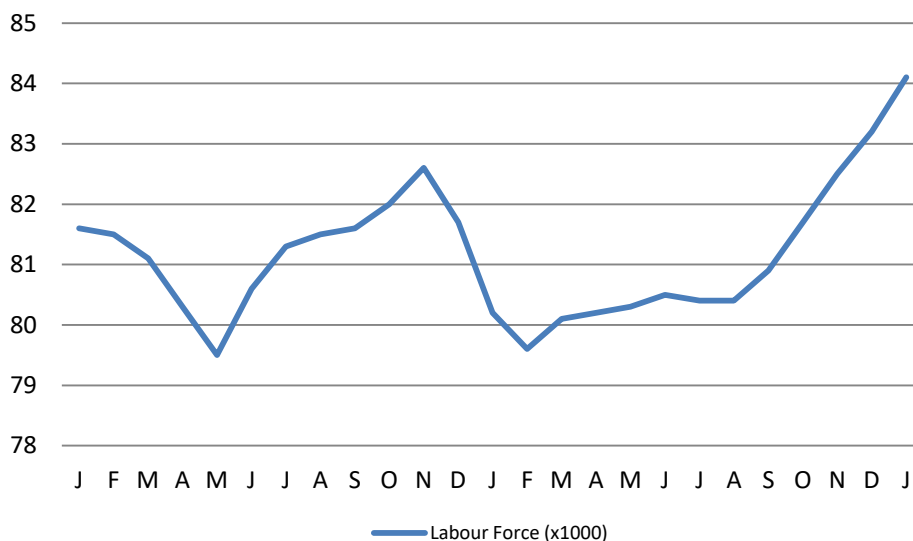
## UNEMPLOYMENT RATE



The seasonally adjusted monthly unemployment rate for Greater Sudbury slightly decreased from 6.6% in January 2018 to 6.7% in January 2019. According to the Conference Board of Canada, the unemployment rate will be falling to 6.6% in 2019.

	January 2019	December 2018	January 2018
Greater Sudbury	6.7%	6.3%	6.6%
Ontario	5.6%	5.5%	5.6%
Canada	5.7%	5.7%	5.9%

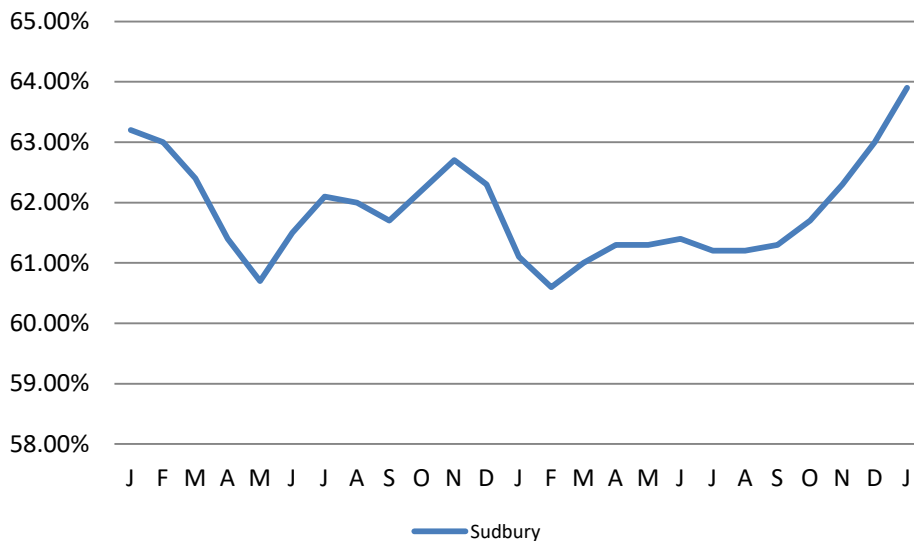
## EMPLOYMENT



The total number of people employed in Greater Sudbury is 84,100. The number of people employed increased by 4,000 compared to January 2018.

	January 2019	December 2018	January 2018
Greater Sudbury	84,100	83,200	80,200

## PARTICIPATION RATE



The seasonally adjusted monthly participation rate for Greater Sudbury increased to 63.9% in January 2019 compared to 61.1% in January 2018.

	January 2019	December 2018	January 2018
Greater Sudbury	63.9%	63.0%	61.1%

### Labour Force Statistics Source: Statistics Canada

The Labour Force Survey (LFS) by Statistics Canada is seasonally adjusted monthly data. The results are presented as three month moving averages, because the single month data is considered volatile. As per Statistics Canada recommendations, data should always be compared to the previous year.

## MEDIAN HOURLY WAGE Source: EMSI Economic Modeling

**Greater Sudbury:** \$25.25      **Canada:** \$25.47

SECTORAL EMPLOYMENT (000s)	2015	2016	2017	2018 (F)	2019 (F)
Total Employment	82.3	81.7	81.1	80.8	81.6
Manufacturing	3.2	2.7	3.0	2.8	2.8
Construction	6.1	5.8	6.4	6.2	6.3
Primary and utilities	8.3	8.0	7.7	8.0	7.8
Wholesale and retail trade	14.2	12.0	12.9	12.9	12.6
Transportation and warehousing	2.9	3.3	2.9	2.5	2.8
Information and cultural industries	1.5	1.5	1.5	1.5	1.5
Finance, insurance, real estate, business, building, and other supporting industries	6.6	6.1	5.7	6.1	5.8
Professional, scientific, and technical services	4.4	3.7	3.1	3.7	3.4
Educational services	6.4	6.5	6.2	6.7	6.5
Health care and Social assistance	12.4	13.6	14.2	14.6	15.0
Arts, entertainment, and recreation	2.7	2.4	2.6	2.5	2.5
Accommodation and food services	5.3	6.4	5.7	4.5	5.4
Other services (except public administration)	3.1	2.8	3.3	2.8	3.1
Public Administration	5.3	6.7	5.9	5.8	6.0

Source: The Conference Board of Canada, Metropolitan Outlook – Summer 2018

## GDP

The Conference Board of Canada has released 2<sup>nd</sup> Metropolitan Outlook for 2018. According to it, Canada's real GDP is forecast to grow by 1.9% in 2018 and 2.0% in 2019, down from 3.0% in 2017. Greater Sudbury's real GDP growth will hit 1.2% in 2018 and a similar 1.1% in 2019.

Greater Sudbury	2015	2016	2017	2018 (F)	2019 (F)	2020 (F)
Real GDP at basic prices (2007 \$ millions)	7,884	7,877	7,915	8,010	8,096	8,186
%-change	-1.1	-0.1	0.5	1.2	1.1	1.1

Source: The Conference Board of Canada

## HOUSING STARTS

The newest report on housing was released by Canada Mortgage and Housing Corporation in Q3 2018. According to the statement, the quarterly housing starts for single detached and multiples have **increased slightly from 54 units in Q2 2017 to 60 units in Q2 2018**. This represents overall **positive change of 11.1%**. Year-to-date data suggests negative change of -1.6% when comparing Q2 2017 with 63 units to Q2 2018 with 62.

### HOUSING STARTS BY DWELLING TYPE

	Q2 2018	Q2 2017	YTD - 2018	YTD - 2017
Single	37	36	39	39
Multiple	23	18	n/a	n/a
<b>Total</b>	<b>60</b>	<b>54</b>	<b>62</b>	<b>63</b>

**Residential sales** activity recorded through the MLS® System of the Sudbury Real Estate Board numbered **86 units in December 2018**. This was down 21.1% from December 2017.

On an annual basis, home **sales totaled 2,397 units in 2018**. This was down 2.7% from 2017 but stood above all other years going back to 2012.

**The average price of homes sold in December 2018 was \$257,728**, edging lower by 0.7% from December 2017. By contrast, the more comprehensive annual average price was \$263,167, up 1.2% from 2017.

There were 98 new residential listings in December 2018. This was down 27.4% on a year-over-year basis and was the lowest level of new supply to hit the market in the month of December since the late 1980s. The lack of new supply could be partially responsible for the lower December sales figure. The total dollar value of all home sales in December 2018 was \$22.2 million, falling 21.6% from the same month in 2017.

Source: The Canadian Real Estate Association <http://creastats.crea.ca/sudb/>

## RENTAL MARKET

### VACANCY RATES (APARTMENT)

Primary Rental Market	October 2017	October 2018
Bachelor	5.7%	N/A
1 Bedroom	4.6%	2.4%
2 Bedroom	4.3 %	2.8%
3 Bedroom +	6.0%	N/A
<b>Total</b>	<b>4.5%</b>	<b>2.6%</b>

Source: Canada Mortgage and Housing Corporation (Rental Market Survey)

Greater Sudbury and Kingston bucked the provincial trend by being the only markets posting a significant drop in rental vacancy rates while Thunder Bay, Kitchener and St. Catharines-Niagara posted the biggest increase in vacancy rates.

### AVERAGE RENT (APARTMENT)

Apartment Type	October 2017	October 2018
Bachelor	\$659	\$641
1 Bedroom	\$848	\$855
2 Bedroom	\$1,048	\$1,052
3 Bedroom +	\$1,195	\$1,204

Source: Canada Mortgage and Housing Corporation (Rental Market Survey)

## BUILDING PERMITS

The City of Greater Sudbury issued 60 building permits with a combined value of \$29.646 million in January 2019. The total value of permits is higher compared to the same period last year. The total number of building permits issued in 2018 is 1863 with a combined value of \$287.914 million.

### TOTAL VALUE OF BUILDING PERMITS (millions \$)

	January 2019 YTD	January 2018 YTD	YoY
Value	\$29.64	\$8.83	<b>G</b>
Number of Permits	60	73	<b>R</b>

## TOTAL VALUE ICI BUILDING PERMITS (millions \$)

Industrial, Commercial and Institutional Building

	January 2019 YTD	January 2018 YTD	YoY
Value	\$29.4	\$8.79	G
Number of Permits	57	67	R

## VALUE OF BUILDING PERMITS – Greater Sudbury (millions \$)

	January 2019 YTD	January 2018 YTD	YoY
Residential	\$1.98	\$1.62	G
Commercial	\$3.59	\$5.58	R
Industrial	\$0	\$0	Y
Institutional	\$23.82	\$1.57	G

Source: Building Services, City of Greater Sudbury

## RETAIL SALES

The combined output of Sudbury's wholesale trade and retail trade industries grew 3.6% in 2017, the most since 2014. The wholesale trade industry has expanded more rapidly, rising an average of 5.7% per year, well above retail trade's 3.2% annual increase. Last year was an exception, as retail trade expanded 4.6%, well above the 2.5% wholesale trade increase.

The Conference Board of Canada expects slower 0.4% combined growth in 2018, as wholesale trade output rises 0.5% and its retail counterpart 0.4%. Higher interest rates and last year's modest decline in Sudbury's household income will weigh on consumer spending.

	2015	2016	2017	2018 (F)	2019 (F)
<b>Retail sales (\$ millions)</b>	2,003	2,141	2,260	2,281	2,312
%-change	3.7	6.9	5.6	0.9	1.3
<b>Consumer Price Index (2002 = 1.000)</b>	1.274	1.297	1.319	1.347	1,373
%-change	1.2	1.8	1.7	2.2	1.9

Source: The Conference Board of Canada

## INSOLVENCIES

<b>Greater Sudbury</b>	<b>Q4 2018</b>	<b>Q4 2017</b>	<b>%-change</b>	<b>YoY</b>
Business Bankruptcies	3	0	n/a	<b>R</b>
Consumer Bankruptcies	231	223	3.6%	<b>R</b>

<b>Ontario</b>	<b>Q4 2018</b>	<b>Q4 2017</b>	<b>%-change</b>	<b>YoY</b>
Business Bankruptcies	253	229	10.5%	<b>R</b>
Consumer Bankruptcies	9,976	9,251	7.8%	<b>R</b>

There has been an increase in business and consumer bankruptcies in Q4 2018 comparing to Q4 2017.

*Source: Office of the Superintendent of Bankruptcy Canada*

### Legend

**R** – Unfavourable      **Y** – No/Small Change      **G** - Favourable