



## Economic Development Update Q3 2019

The City of Ottawa Economic Development Update provides an overview of quarterly and annual economic indicators to the city's economy. The Q3 2019 update covers the months of July, August, and September 2019. This report will be available on a quarterly basis on Ottawa.ca and via an [email subscription](#).

### New and Noteworthy in Q4 2019: October, November and December 2019

- **City of Ottawa ranks in the top 3 for Most Open Cities in Canada:** In December 2019, the Public Sector Digest released its annual ranking of most open cities in Canada, placing the City of Ottawa third place amongst the 55 cities evaluated. The Open Cities Index was developed by Public Sector Digest in partnership with Canada's Open Data Exchange as an appraisal framework to gauge the level of openness in cities across Canada.
- **City of Ottawa partners with "Waze":** In December 2019, the city of Ottawa announced it will be sharing its traffic data with Google's Waze traffic app, providing better and real-time traffic updates to help Ottawa commuters better plan their routes. This partnership is another initiative under the City of Ottawa's Smart City plan – using innovation, technology and leading practices to enhance the resident experience in acquiring information and services.
- **Ottawa Community Housing to build Passive House:** In November 2019, Ottawa Community Housing (OCH) announced it plans to build Canada's largest residential Passive House structure. Located on Gladstone Avenue, the project features 140 affordable homes and of those, 108 will be located in a six-storey apartment building that will be designed as a Passive House, which will be 85% more energy efficient than conventional new builds. For more information on the OCH project, please visit [och-loc.ca](http://och-loc.ca).

## What Happened in Q3 2019: July, August, and September 2019

- **City of Ottawa named one of the best communities in Canada:** In August 2019, the city of Ottawa was named the third best community in Canada according to Maclean's. Maclean's gathered data on 415 communities across the country and compared them to find the best communities in Canada. Each place was ranked in 9 categories: wealth and economy, affordability, demographics, commute, crime, weather, health, amenities, and culture and community. Ottawa came third in the rankings following Burlington, On and Grimsby, On. For a full list of the rankings and the scores, visit [Maclean's website](#).
- **GoMedia Canada 2019 held in Ottawa:** In August 2019, Ottawa Tourism hosted a successful GoMedia Canada 2019, a travel media conference, which welcomes more than 300 Canadian travel industry professionals and international travel media to Ottawa. Hosted for the first time in Ottawa, GoMedia Canada 2019, provided the opportunity to show off the best of Ottawa to top travel media from around the world and across Canada. For more information on the event, please visit [Ottawa Tourism's website](#).
- **Ottawa's economic mission to the Netherlands:** Ottawa's economic mission to the Netherlands (September 15 – 20, 2019), led by Mayor Jim Watson and a delegation of 20 business and tourism leaders, forged partnerships and generated opportunities in tourism, technology, security and education. The resulting partnership agreements and strategic relationships developed between Ottawa organizations and their Dutch counterparts will generate long-term benefits in investment attraction, business development and trade.

The delegates from Ottawa included representatives from Invest Ottawa, Ottawa Tourism and local technology companies. During stops in The Hague, Eindhoven, Rotterdam and Amsterdam, the delegation met with Dutch counterparts and stakeholders, signed partnership agreements advancing Ottawa's business and tourism interests, and built on the strong bonds of cooperation and friendship that Ottawa has shared with the Netherlands since the Second World War. The delegation focused on promoting Ottawa as a destination, facilitating business development and investment, and exchanging best practices with municipal and industry leaders. For more information about the economic mission, please visit the [City of Ottawa's website](#).

## Snapshot

	Q2-2018	Q2-2019	Q3-2019	Status Compared to Q3-2018
Employed Labour Force	559,700	566,200	592,600	Positive ✓
Unemployment Rate	4.5%	5.5%	4.8%	Negative ✗
Participation Rate	67.3%	67.7%	69.8%	Positive ✓
Housing Starts	1,920	1,723	2,245	Positive ✓
Average Resale Price	\$441,165	\$494,364	\$486,528	Positive ✓
Resale Units Sold	3,472	5,075	3,795	Positive ✓
Population	N/A	1,001,077	N/A	Neutral ○
Inflation	2.6%	2.0%	1.9%	Negative ✗
Average Weekly Earning	\$1,134	\$1,210	\$1,221	Positive ✓
Construction Permit Value	\$861,812	\$676,366	\$1,085,945	Positive ✓
Office Vacancy Rate	6.1%	5.1%	4.9%	Positive ✓
Retail Vacancy Rate	4.2%	3.2%	3.0%	Positive ✓
Industrial Vacancy Rate	2.1%	1.7%	2.2%	Neutral ○

Please refer to individual tables below for more details.

# Labour Force

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

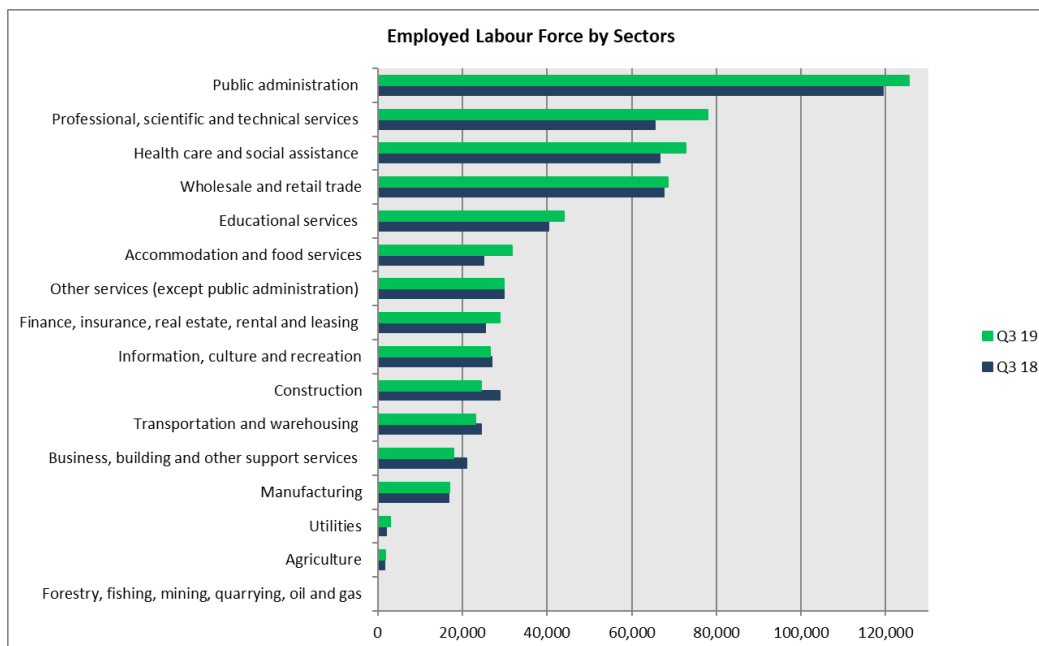
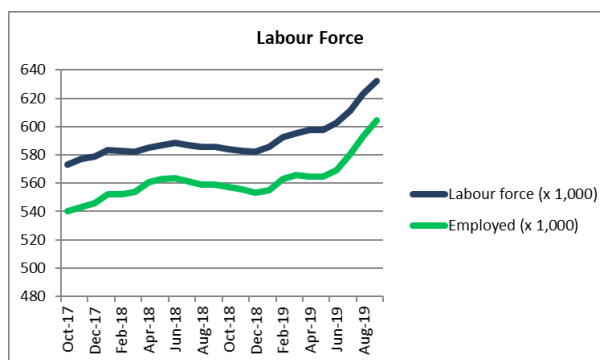
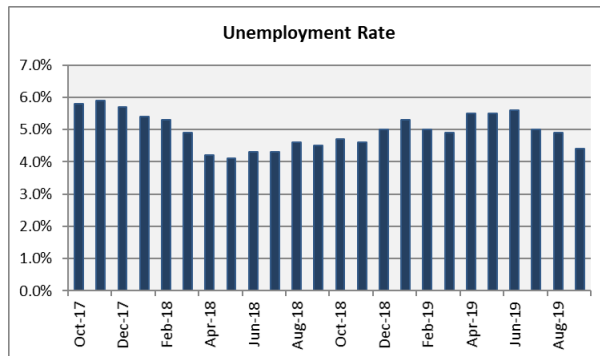
Source: Statistics Canada, Table 14-10-0294-01

Ottawa, CMA (ON pt.)	Q3-18	Q2-19	Q3-19
Labour Force*	<b>586.0</b>	<b>599.2</b>	<b>612.4</b>
Employed*	<b>559.7</b>	<b>566.2</b>	<b>592.6</b>
Unemployed*	<b>26.3</b>	<b>33.0</b>	<b>29.7</b>
Unemployment Rate	<b>4.5%</b>	<b>5.5%</b>	<b>4.8%</b>
Participation Rate	<b>67.3%</b>	<b>67.7%</b>	<b>69.8%</b>

\*(x 1,000)

Labour force (4.5%) and employed residents (5.9%) both increased over the past year. The unemployment rate increased 0.3 percentage points in Q3 2019 from Q3 2018. The Utilities, Accommodation and Food Services, and Agricultural sectors all saw the largest increase in Q3 2019 from Q3 2018, with Construction, Business, Building and Other Support Services, and the Transportation and Warehousing sectors experiencing the largest decreases.

Ottawa, CMA (ON pt.)	YTD-18	YTD-19
Unemployment Rate	<b>4.6%</b>	<b>5.1%</b>
Participation Rate	<b>67.6%</b>	<b>68.2%</b>



# Housing

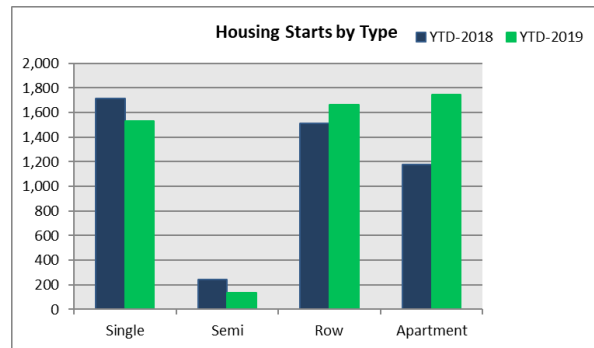
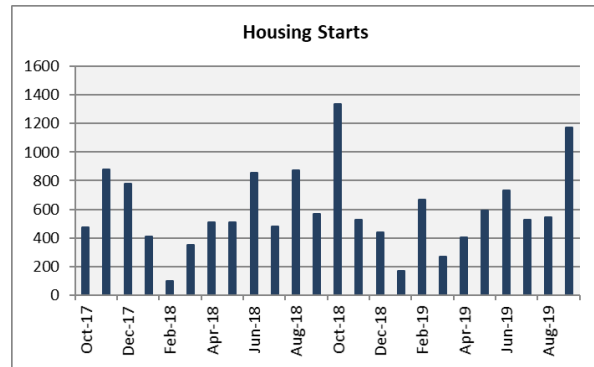
## Housing Starts

Source: CMHC Housing Market Information Portal

Ottawa, City	Q3-18	Q2-19	Q3-19
Housing Starts	1,920	1,723	2,245
Single	764	582	679
Semi	116	48	54
Row	571	664	776
Apartment	469	429	736

Housing starts saw an increase (16.9%) in Q3 2019 from Q3 2018. Apartments had the largest increase (56.9%) in starts followed by row units (35.9%) while singles (11.1%) and semi's (53.4%) decreased.

Ottawa, City	YTD-18	YTD-19
Housing Starts	4,648	5,074
Single	1,712	1,530
Semi	244	134
Row	1,512	1,664
Apartment	1,180	1,746



## Housing Sales

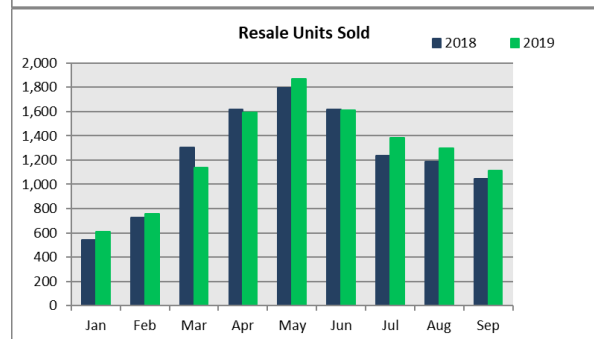
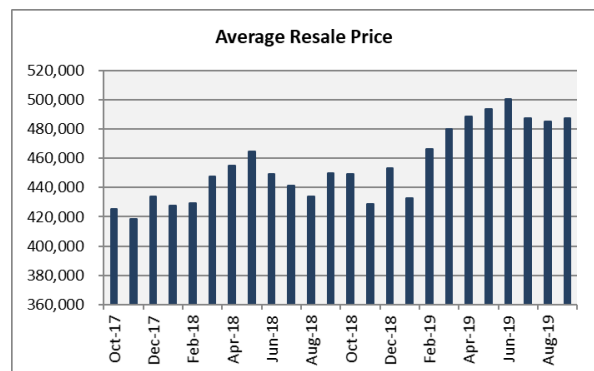
Source: Ottawa Real Estate Board

Ottawa Area*	Q3-18	Q2-19	Q3-19
Average Resale Price	\$441,165	\$494,364	\$486,528
Resale Units Sold	3,472	5,075	3,795

A total of 3,795 units were sold through the MLS system in Q3 2019, a 9.3% increase from Q3 2018. The average resale price increased 10.3% to reach \$486,528 in Q3 2019 from the previous year.

Ottawa Area*	YTD-18	YTD-19
Average Resale Price	\$447,480	\$485,173
Resale Units Sold	11,067	11,373

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



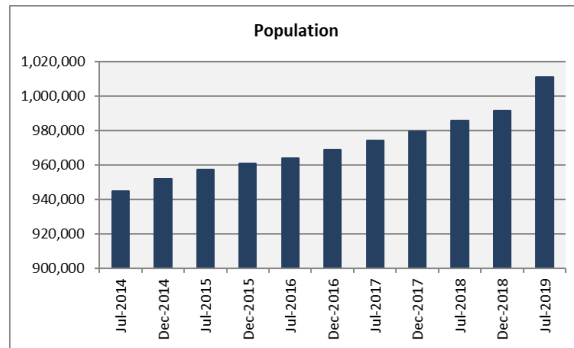
## Population

Source: City of Ottawa estimate\*

Ottawa, City	Q2-18	Q4-18	Q2-19
Population	985,469	991,429	1,011,077

\*Population estimate reported twice a year

The City of Ottawa population increased by 2.6% over the past year to reach 1,011,077 at mid year 2019.

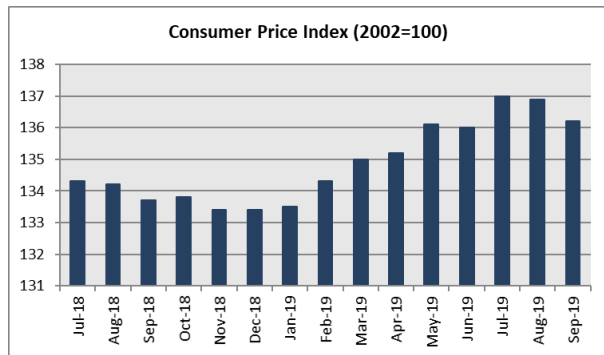


## Consumer Price Index (2002=100)

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

Ottawa, CMA (ON pt.)	Q3-18	Q2-19	Q3-19
Consumer Price Index	134.1	135.8	136.7
Inflation	2.6%	2.0%	1.9%

The Consumer Price Index saw a slight increase at 136.7 in Q3 2019, up 1.9% from Q3 2018. Inflation decreased 0.1 percentage points from the previous quarter and decreased 0.7 percentage points from Q3 2018.

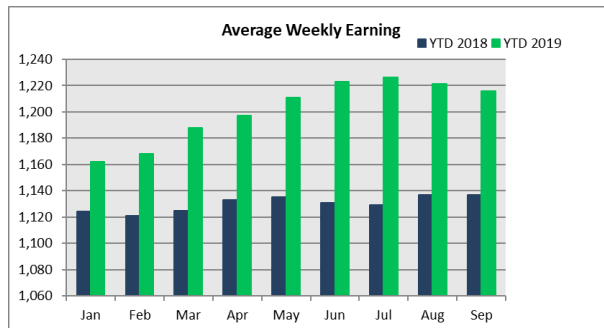


## Average Weekly Earning

Source: CMHC Housing Now Report

Ottawa, CMA (ON pt.)	Q3-18	Q2-19	Q3-19
Avg. Weekly Earning	\$1,134	\$1,210	\$1,221

The average weekly earning increased 7.7% in Q3 2019 from Q3 2018. In comparison to the previous quarter, Q3 2019 had an increase of 0.9%.



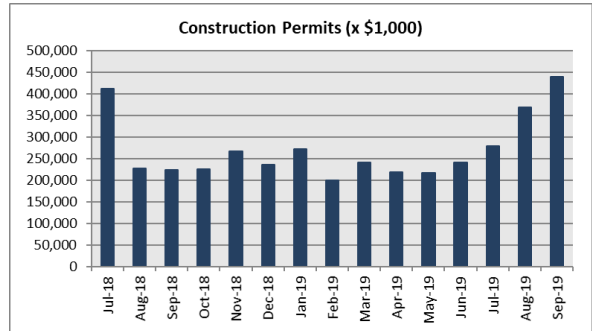
# Economy

## Construction Permits, Seasonally Adjusted

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

Ottawa, CMA (ON pt.)	Q3-18	Q2-19	Q3-19
Total Permits	<b>\$861,812</b>	<b>\$676,366</b>	<b>\$1,085,945</b>
Residential	<b>\$648,037</b>	<b>\$499,973</b>	<b>\$872,676</b>
Non-residential	<b>\$213,775</b>	<b>\$176,394</b>	<b>\$213,269</b>

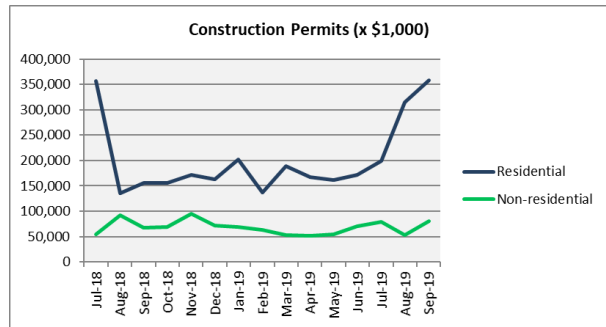
(x \$1,000)



Total construction permits increased by 26.0% in Q3 2019 from Q3 2018. Residential permits increased 34.7% while non-residential permits decreased 0.2%. Compared to the previous quarter, construction permits increased 60.6%, led by an increase of 74.5% in residential permits and 20.9% in non-residential permits.

Ottawa, CMA (ON pt.)	YTD-18	YTD-19
Total Permits	<b>\$2,282,217</b>	<b>\$2,474,193</b>
Residential	<b>\$1,735,037</b>	<b>\$1,900,358</b>
Non-residential	<b>\$547,180</b>	<b>\$573,837</b>

(x \$1,000)

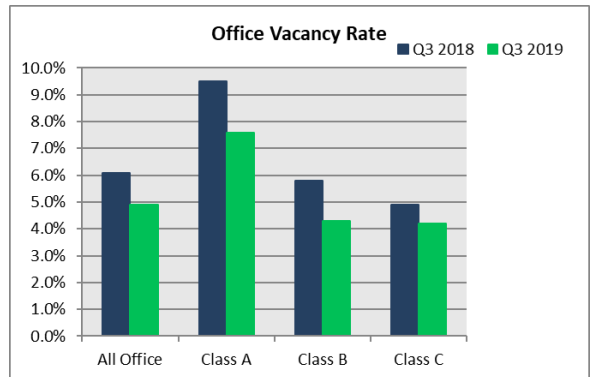


## Office Vacancy Rate

Source: Colliers Canada

Ottawa, City	Q3-18	Q2-19	Q3-19
All Office	<b>6.1%</b>	<b>5.1%</b>	<b>4.9%</b>
Class A	<b>9.5%</b>	<b>8.3%</b>	<b>7.6%</b>
Class B	<b>5.8%</b>	<b>4.6%</b>	<b>4.3%</b>
Class C	<b>4.9%</b>	<b>4.3%</b>	<b>4.2%</b>

The City's office vacancy rate decreased 1.2 percentage points in Q3 2019 from Q3 2018. All building classes experienced a decrease in vacancy year-over-year, with Class A experiencing the largest decrease of 1.9 percentage points.



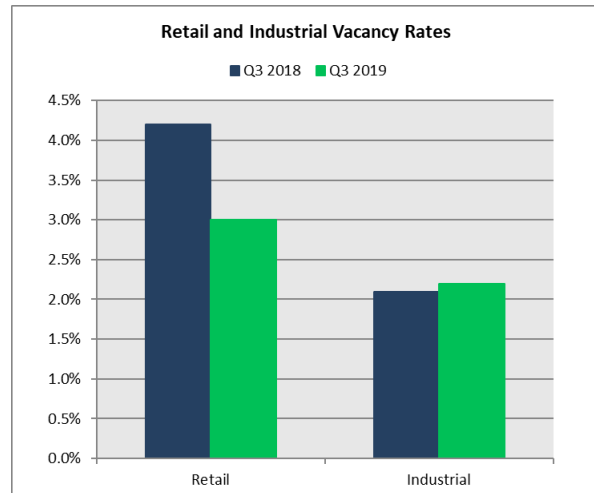
# Economy

## Retail and Industrial Vacancy Rates

Source: CoStar Realty Information Inc.

Ottawa, City	Q3-18	Q2-19	Q3-19
Retail Vacancy Rate	<b>4.2%</b>	<b>3.2%</b>	<b>3.0%</b>
Ind. Vacancy Rate	<b>2.1%</b>	<b>1.7%</b>	<b>2.2%</b>

Retail vacancy rate decreased 1.2 percentage points year-over-year, to sit at 3.0% in Q3 2019. From the previous quarter, the vacancy rate decreased 0.2 percentage points. The industrial vacancy rate increased 0.1 percentage point year-over-year, to sit at 2.2% in Q3 2019, which is a 0.5 percentage point increase from the previous quarter.

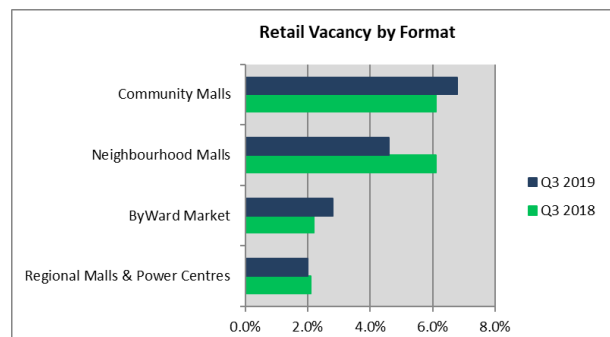
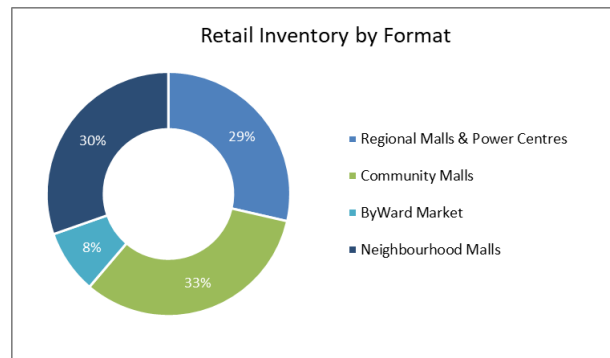


## Retail Vacancy by Format

Source: CoStar Realty Information Inc.

Ottawa, City	Q3-18	Q2-19	Q3-19
Regional Malls & Power Centres	<b>2.1%</b>	<b>1.6%</b>	<b>2.0%</b>
Community Malls	<b>6.1%</b>	<b>7.4%</b>	<b>6.8%</b>
ByWard Market	<b>2.2%</b>	<b>3.1%</b>	<b>2.8%</b>
Neighbourhood Malls	<b>6.1%</b>	<b>5.6%</b>	<b>4.6%</b>

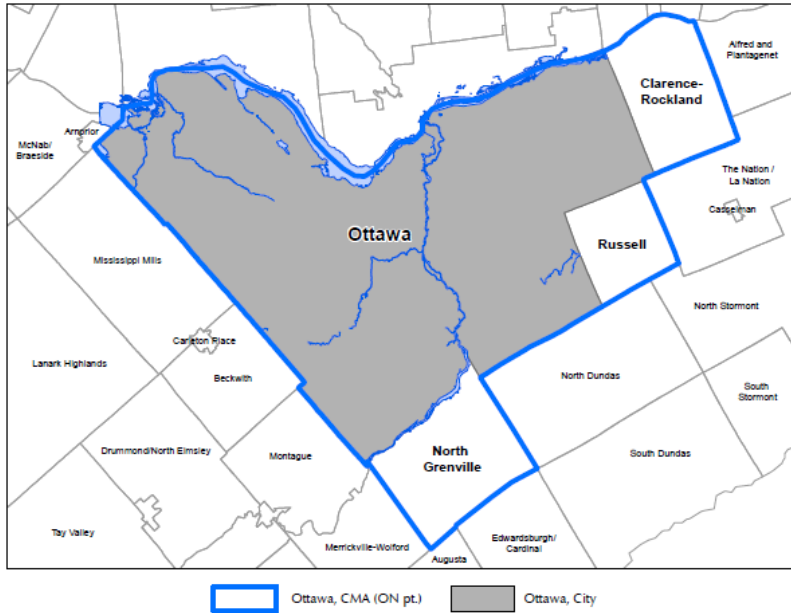
Community Malls (0.7 percentage points) and the ByWard Market (0.6 percentage points) experienced an increase in vacancy from Q3 2018 to Q3 2019. Neighbourhood Malls (-1.5 percentage points) and Regional Malls and Power Centres (-0.1 percentage points) decreased vacancy year-over-year.





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.