



Economic Development Update Q4 2019

The City of Ottawa Economic Development Update provides an overview of quarterly and annual economic indicators to the city's economy. The Q4 2019 update covers the months of October, November, and December 2019. This report will be available on a quarterly basis on Ottawa.ca and via an [email subscription](#).

New and Noteworthy in Q1 2020: January, February, and March 2020

- **City of Ottawa recognized as a top employer:** In January 2020, MediaCorp Canada named the City of Ottawa as one of the National Capital Region's Top Employers. This is the eighth time that the city of Ottawa was named a top employer in the region. In choosing the City as a top employer, MediaCorp Canada cites the City's learning and development opportunities for employees, the workplace wellness and productivity network that provides employees with access to physical and mental health resources and the City's employee recognition month where the employees are celebrate.
- **New Rural Economic Development Strategy and Action Plan:** In March 2020, the Agricultural and Rural Affairs Committee approved a new Rural Economic Development Strategy and Action Plan to stimulate economic growth in the City's fourth rural wards. The rural economy contributes more than \$1 billion to Ottawa's gross domestic product (GDP). The new strategy includes a series of actions aimed at strengthening this important part of Ottawa's local economy. For more information on the strategy, please visit the City's website at Ottawa.ca.
- **City of Ottawa recognized as one of Canada's Best Diversity Employers:** In March 2020, MediaCorp Canada named the City of Ottawa as one of Canada's Best Diversity Employers in a competition that recognizes organizations for their exceptional workplace diversity and inclusion programs. The City has been recognized for their continued commitment to creating an inclusive work environment and ensuring their workforce reflect diversity of the community they serve.

What Happened 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.
- **University of Ottawa partners with IBM:** In December 2019, the University of Ottawa partnered with IBM Canada on a new cybersecurity hub. The partnership will see the University of Ottawa collaborate with the global enterprise on research and skills development in cybersecurity and cyber safety. The hub will deliver critical security innovation, training, and expertise to help grow Canada’s skilled cybersecurity workforce and to develop and apply new and improved approaches in cybersecurity. For more information on the partnership, please visit uOttawa.ca.

Snapshot

	Q4-2018	Q3-2019	Q4-2019	Status Compared to Q4-2018
Employed Labour Force	555,400	592,600	613,300	Positive ✓
Unemployment Rate	4.8%	4.8%	4.2%	Positive ✓
Participation Rate	66.6%	69.8%	71.4%	Positive ✓
Housing Starts	2,302	2,245	1,995	Negative ✗
Average Resale Price	\$442,554	\$486,528	\$493,051	Positive ✓
Resale Units Sold	2,400	3,795	2,703	Positive ✓
Population	991,429	N/A	1,006,210	Positive ✓
Inflation	2.5%	1.9%	2.7%	Neutral ○
Average Weekly Earning	\$1,146	\$1,221	\$1,176	Positive ✓
Construction Permit Value	\$729,004	\$1,085,945	\$715,074	Negative ✗
Office Vacancy Rate	5.6%	4.9%	4.6%	Positive ✓
Retail Vacancy Rate	3.9%	3.0%	2.7%	Positive ✓
Industrial Vacancy Rate	2.6%	2.2%	2.4%	Positive ✓

Please refer to individual tables below for more details.

Labour Force

Labour Force, Seasonally Adjusted, 3-Month Moving Average

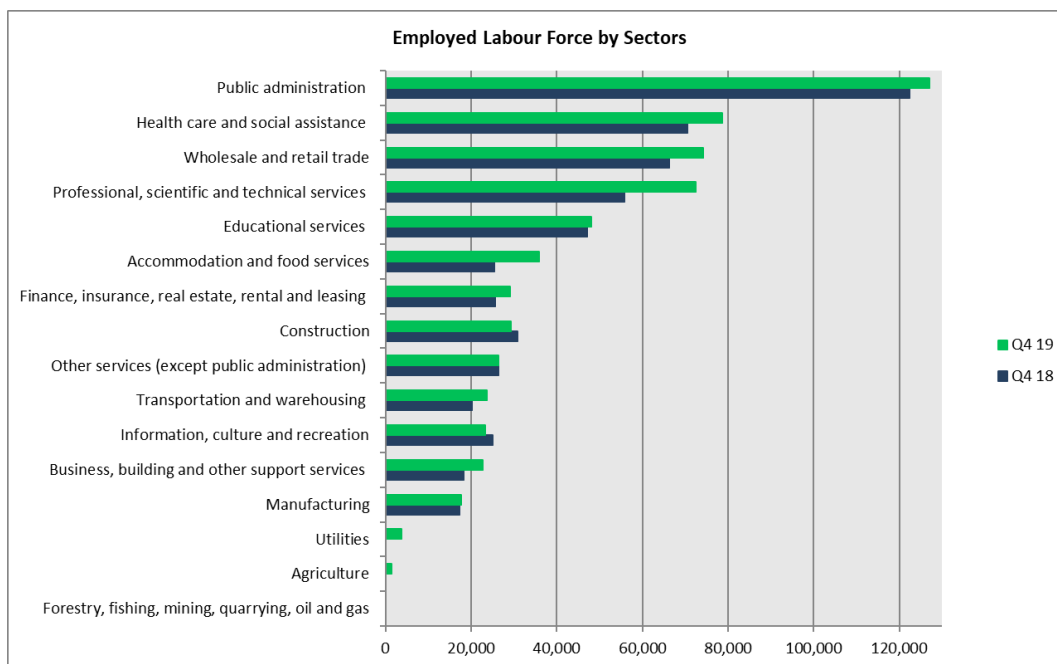
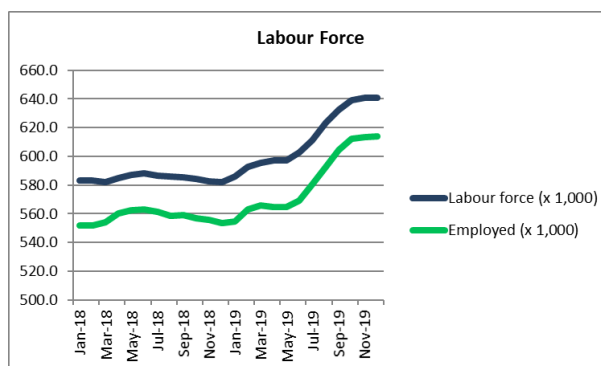
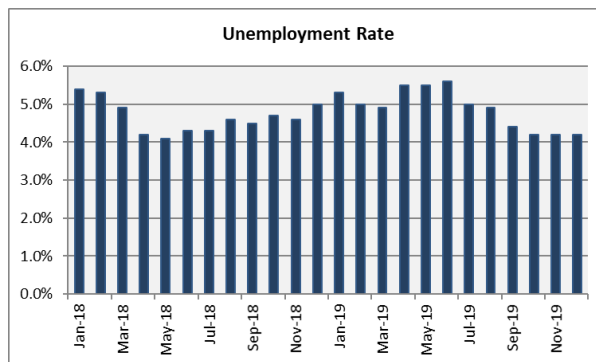
Source: Statistics Canada, Table 14-10-0294-01

Ottawa, CMA (ON pt.)	Q4-18	Q3-19	Q4-19
Labour Force*	583.0	612.4	640.2
Employed*	555.4	592.6	613.3
Unemployed*	27.6	29.7	26.9
Unemployment Rate	4.8%	4.8%	4.2%
Participation Rate	66.6%	69.8%	71.4%

*(x 1,000)

Labour force (9.8%) and employed residents (10.4%) both increased over the past year. The unemployment rate increased 0.6 percentage points in Q4 2019 from Q4 2018. The Utilities, Agricultural, and the Accommodation and Food Services sectors all saw the largest increase in Q4 2019 from Q4 2018, with Information, Cultural and Recreation, and Construction sectors experiencing the only decreases.

Ottawa, CMA (ON pt.)	YTD-18	YTD-19
Unemployment Rate	4.7%	4.9%
Participation Rate	67.4%	69.0%



Housing

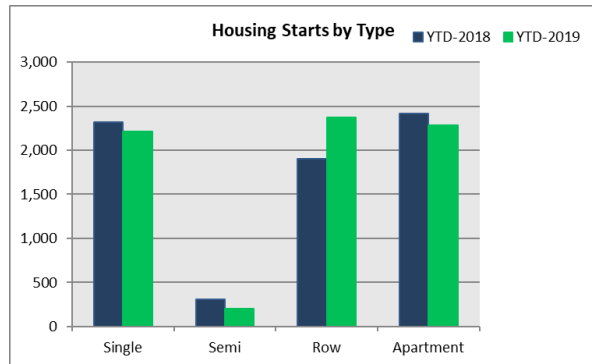
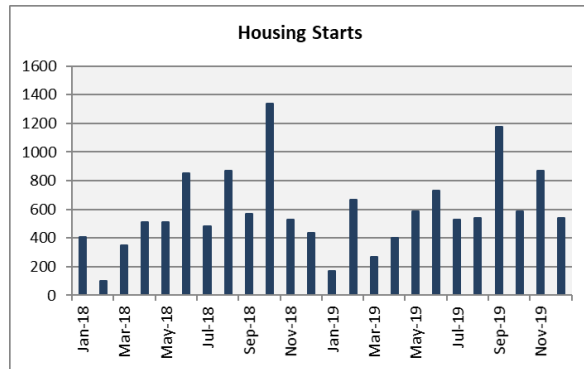
Housing Starts

Source: CMHC Housing Market Information Portal

Ottawa, City	Q4-18	Q3-19	Q4-19
Housing Starts	2,302	2,245	1,995
Single	608	679	681
Semi	66	54	66
Row	394	776	712
Apartment	1,234	736	536

Housing starts saw a decrease (-13.3%) in Q4 2019 from Q4 2018. Apartments had the largest decrease (56.6%) in starts while row units (80.7%) and singles (12.0%) increased and semis remained steady.

Ottawa, City	YTD-18	YTD-19
Housing Starts	6,950	7,069
Single	2,320	2,211
Semi	310	200
Row	1,906	2,376
Apartment	2,414	2,282



Housing Sales

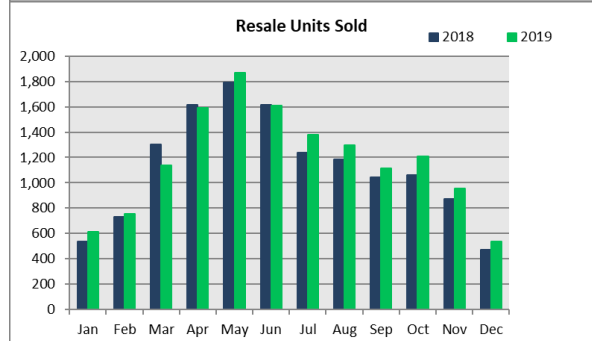
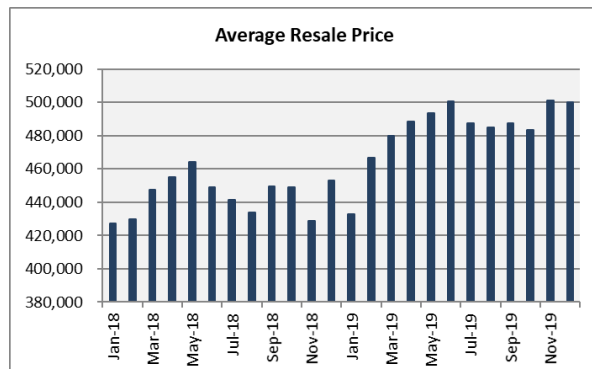
Source: Ottawa Real Estate Board

Ottawa Area*	Q4-18	Q3-19	Q4-19
Average Resale Price	\$442,554	\$486,528	\$493,051
Resale Units Sold	2,400	3,795	2,703

A total of 2,703 units were sold through the MLS system in Q4 2019, a 12.6% increase from Q4 2018. The average resale price increased 11.4% to reach \$493,051 in Q4 2019 from the previous year.

Ottawa Area*	YTD-18	YTD-19
Average Resale Price	\$446,602	\$486,686
Resale Units Sold	13,467	14,076

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



Living

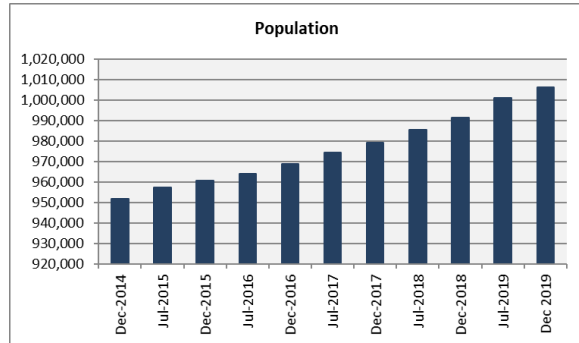
Population

Source: City of Ottawa estimate*

Ottawa, City	Q4-18	Q2-19	Q4-19
Population	991,429	1,001,077	1,006,210

*Population estimate reported twice a year

The City of Ottawa population increased by 1.5% over the past year to reach 1,006,210 at year end 2019.

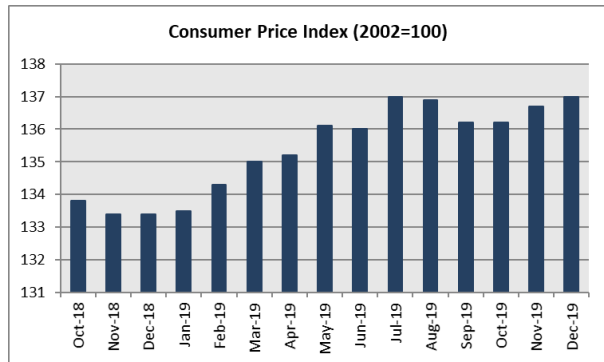


Consumer Price Index (2002=100)

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

Ottawa, CMA (ON pt.)	Q4-18	Q3-19	Q4-19
Consumer Price Index	133.5	136.7	136.6
Inflation	2.5%	1.9%	2.7%

The Consumer Price Index saw an increase at 136.6 in Q4 2019, up 2.3% from Q4 2018. Inflation increased 0.8 percentage points from the previous quarter and increased 0.2 percentage points from Q4 2018.



Average Weekly Earning

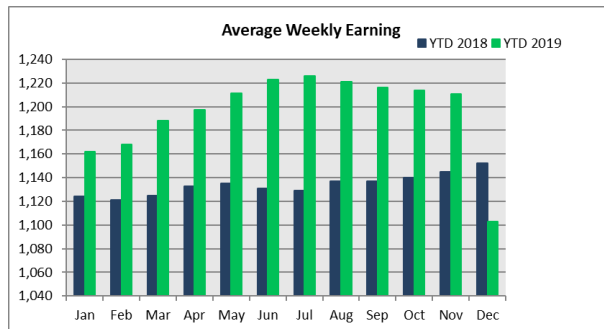
Source: CMHC Housing Now Report

Ottawa, CMA (ON pt.)	Q4-18	Q3-19	Q4-19
Avg. Weekly Earning	\$1,146	\$1,221	\$1,176

The average weekly earning increased 2.6% in Q4 2019 from Q4 2018. In comparison to the previous quarter, Q4 2019 had a decrease of 3.7%. The decline in December 2019 was seen mostly in the retail and trade industry leading to an overall decline in average weekly earning. In Ontario, a decrease was also experienced in the overall average weekly earnings in Q4 2019.

Ottawa's Q4 2019 average weekly earning remains

11.7% more than Ontario's.



Economy

Construction Permits, Seasonally Adjusted

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

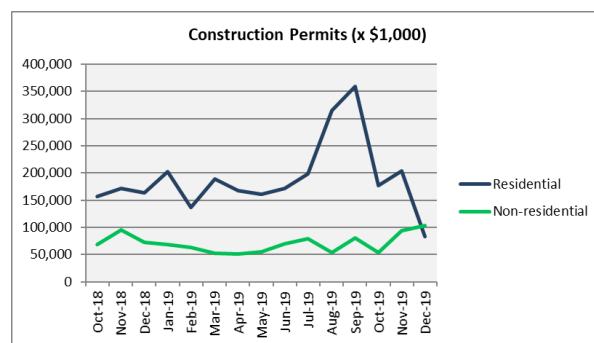
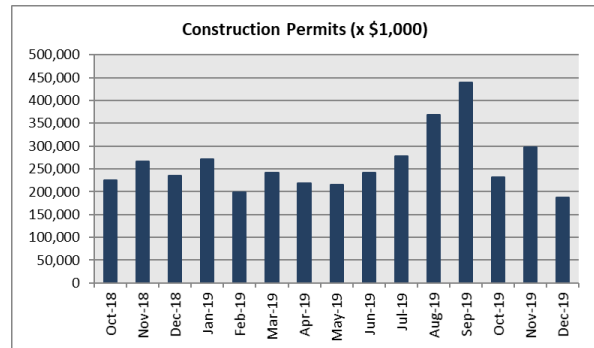
Ottawa, CMA (ON pt.)	Q4-18	Q3-19	Q4-19
Total Permits	\$728,004	\$1,085,945	\$715,074
Residential	\$491,059	\$872,676	\$464,084
Non-residential	\$236,946	\$213,269	\$250,990

(x \$1,000)

Total construction permits decreased by 1.8% in Q4 2019 from Q4 2018. Residential permits decreased 5.5% while non-residential permits increased 5.9%. Compared to the previous quarter, construction permits decreased 34.2%, led by a decrease of 46.8% in residential permits.

Ottawa, CMA (ON pt.)	YTD-18	YTD-19
Total Permits	\$3,010,221	\$3,189,267
Residential	\$2,226,096	\$2,364,442
Non-residential	\$784,126	\$824,827

(x \$1,000)

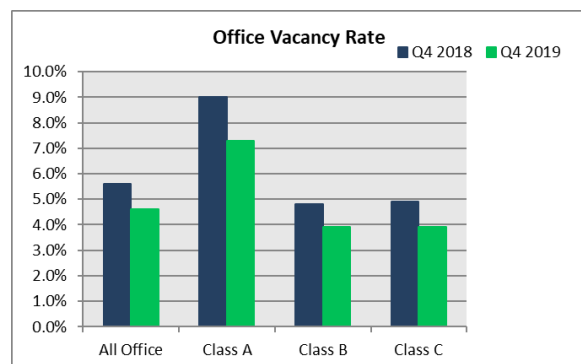


Office Vacancy Rate

Source: Colliers Canada

Ottawa, City	Q4-18	Q3-19	Q4-19
All Office	5.6%	4.9%	4.6%
Class A	9.0%	7.6%	7.3%
Class B	4.8%	4.3%	3.9%
Class C	4.9%	4.2%	3.9%

The City's office vacancy rate decreased 1.0 percentage points in Q4 2019 from Q4 2018. All buildings classes experienced a decrease in vacancy year-over-year, with Class A experiencing the largest decrease of 1.7 percentage points.



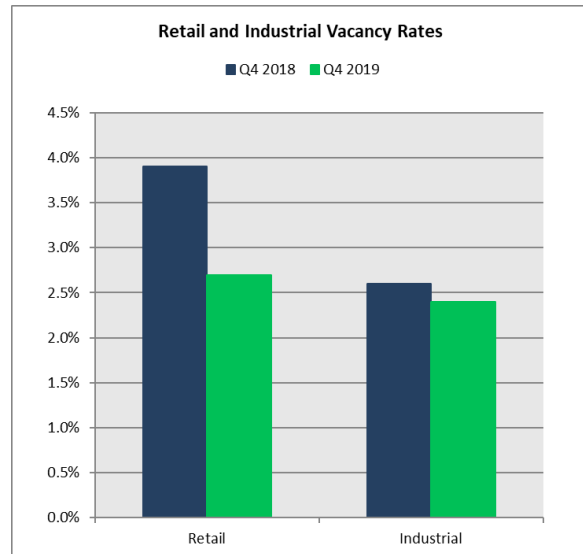
Economy

Retail and Industrial Vacancy Rates

Source: CoStar Realty Information Inc.

Ottawa, City	Q4-18	Q3-19	Q4-19
Retail Vacancy Rate	3.9%	3.0%	2.7%
Ind. Vacancy Rate	2.6%	2.2%	2.4%

Retail vacancy rate decreased 1.2 percentage points year-over-year, to sit at 2.7% in Q4 2019. From the previous quarter, the vacancy rate decreased 0.3 percentage points. The industrial vacancy rate decreased 0.2 percentage point year-over-year, to sit at 2.4% in Q4 2019, which is a 0.2 percentage point increase from the previous quarter.

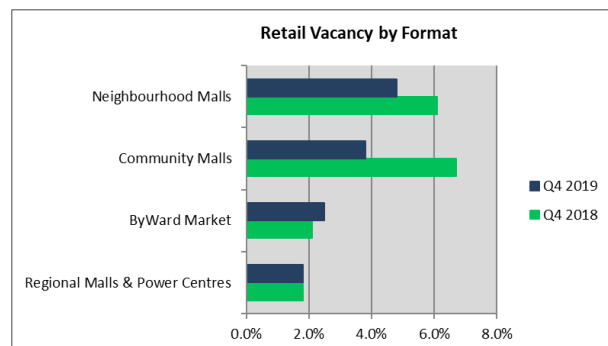
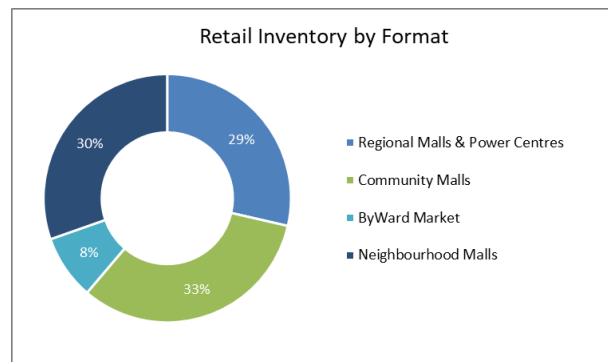


Retail Vacancy by Format

Source: CoStar Realty Information Inc.

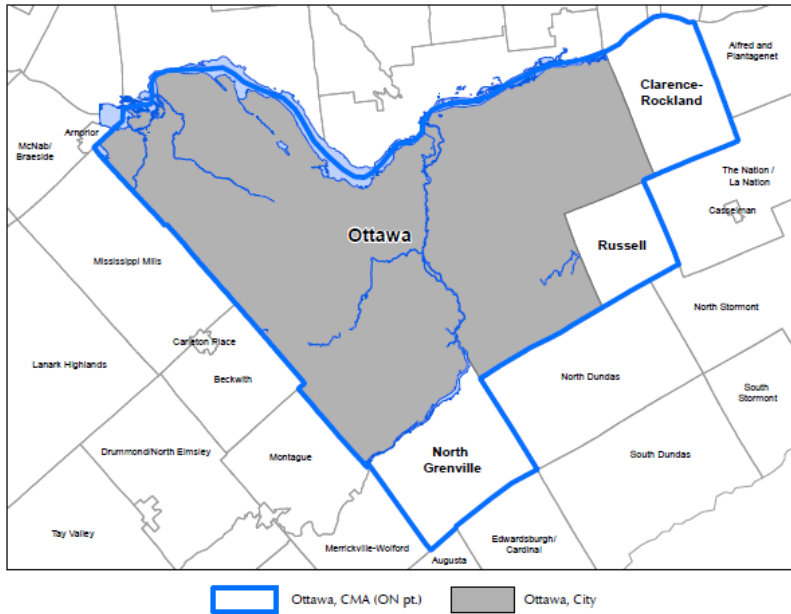
Ottawa, City	Q4-18	Q3-19	Q4-19
Regional Malls & Power Centres	1.8%	2.0%	1.8%
Community Malls	6.7%	6.8%	3.8%
ByWard Market	2.1%	2.8%	2.5%
Neighbourhood Malls	6.1%	4.6%	4.8%

Community Malls (2.9 percentage points) and Neighbourhood Malls (1.3 percentage points) experienced a decrease in vacancy from Q4 2019 to Q4 2018. The ByWard Market increased by 0.4 percentage points while Regional Malls and Power Centres remained steady at 1.8% 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.