

ECONOMIC BULLETIN | February 2020

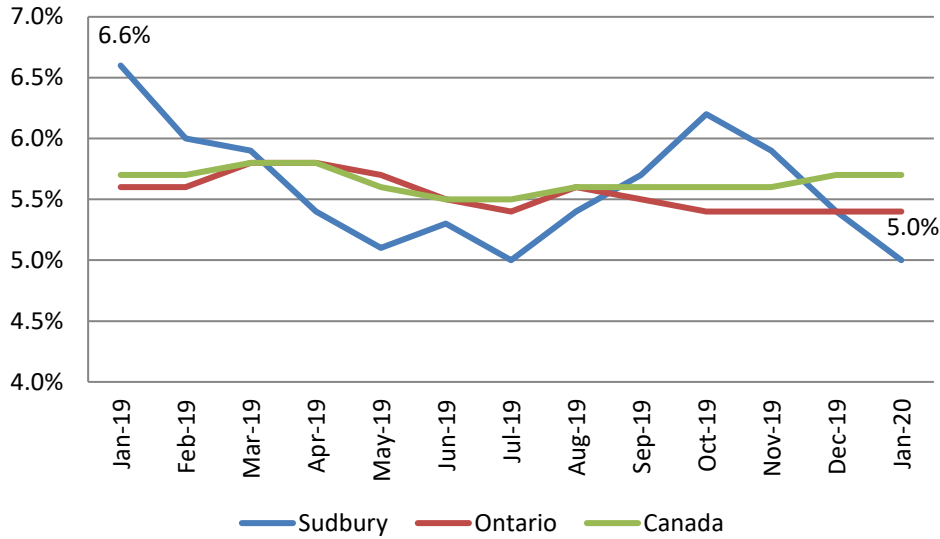


OVERVIEW

	Geography	Most Recent Period	Last period (Reported in December Bulletin)	Same Period Last Year	Status
Unemployment Rate	Greater Sudbury	5.0%	5.9%	6.6%	G
January 2020 (3 Month Avg)	Ontario	5.4%	5.4%	5.6%	G
Total employment	Greater Sudbury	85,000	83,100	84,600	G
January 2020 (3 Month Avg)	Ontario	7,542,000	7,513,500	7,315,700	G
Participation Rate	Greater Sudbury	63.3%	62.5%	64.3%	R
January 2020 (3 Month Avg)	Ontario	65.1%	65.1%	64.6%	G
Employment Insurance Recipients	Greater Sudbury	2,250	2,130	2,140	R
November 2019	Ontario	120,370	119,280	116,910	R
GDP	Greater Sudbury	\$8,923	\$8,833	\$8,833	G
Forecast 2020 (millions \$)					
Average House Price	Greater Sudbury	\$271,605	\$281,026	\$256,938	G
December 2019	Ontario	\$623,549	\$631,475	\$553,087	G
Building Permits Issued	Greater Sudbury	\$15.77	\$12.48	\$29.64	R
January 2020 (millions \$)		\$15.77(YTD)	\$274.97(YTD)	\$29.64(YTD)	R
Retail Sales	Greater Sudbury	\$2,432	\$2,366	\$2,366	G
Forecast 2020 (millions \$)					
Consumer Price Index	Greater Sudbury	1.40	1.37	1.37	G
Forecast 2020 (2002 = 1.000)					
Business Bankruptcies	Greater Sudbury	2	0	3	G
Q4 2019	Ontario	205	212	253	G

LABOUR FORCE

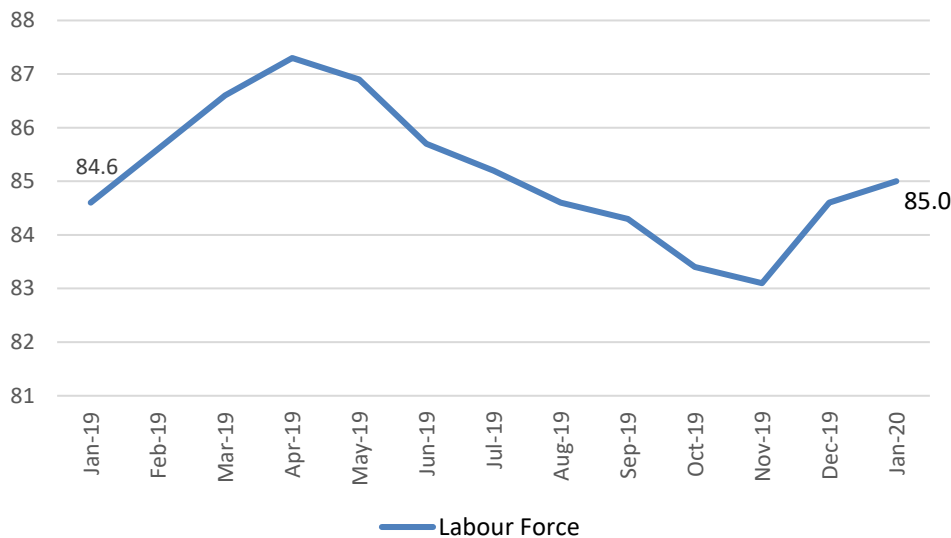
UNEMPLOYMENT RATE



The seasonally adjusted monthly unemployment rate for Greater Sudbury decreased from 6.6% in January 2019 to 5.0% in January 2020. The unemployment rate in Sudbury for January 2020 is lower than the provincial rate.

	January 2020	December 2019	January 2019
Greater Sudbury	5.0%	5.4%	6.6%
Ontario	5.4%	5.4%	5.6%
Canada	5.7%	5.7%	5.7%

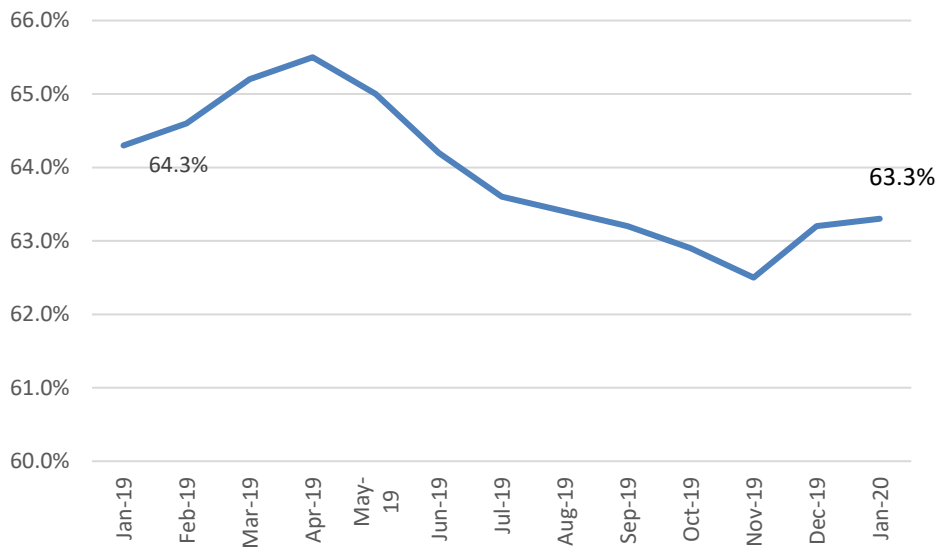
EMPLOYMENT



The total number of people employed in Greater Sudbury is 85,000. The number of people employed increased by 400 compared to January 2019.

	January 2020	December 2019	January 2019
Greater Sudbury	85,000	84,600	84,600

PARTICIPATION RATE



The seasonally adjusted monthly participation rate for Greater Sudbury is 63.3% for January 2020 compared to 64.3% in January 2019.

	January 2020	December 2019	January 2019
Greater Sudbury	63.3%	63.2%	64.3%

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.

EMPLOYMENT BY INDUSTRY

EMPLOYMENT (000s)	2016	2017	2018	2019	2020 (F)
Manufacturing	2.7	3.0	3.2	3.3	3.3
Construction	5.8	6.4	6.8	7.6	7.2
Primary and utilities	8.0	7.7	8.2	8.3	7.5
Wholesale and retail trade	12.0	12.9	11.9	12.0	11.9
Transportation and warehousing	3.3	2.9	3.3	3.6	3.4
Information and cultural industries	1.5	1.5	1.5	1.5	1.5
Finance, insurance, real estate, business, building, and other supporting industries	6.1	5.7	6.9	7.1	6.8
Professional, scientific, and technical services	3.7	3.1	4.6	5.0	4.5
Educational services	6.5	6.2	6.3	7.1	6.8
Health care and social assistance	13.6	14.2	13.5	13.8	14.4
Arts, entertainment, and recreation	2.4	2.6	2.4	2.0	2.2
Accommodation and food services	6.4	5.7	4.5	4.3	4.7
Other services (except public administration)	2.9	3.3	2.5	3.3	2.9
Public Administration	6.7	5.9	5.8	6.2	6.1
Total Employment	81.7	81.1	81.4	85.1	83.2

Source: The Conference Board of Canada, Metropolitan Outlook – Summer 2019. First reported in August 2019.

The Conference Board of Canada issues the Metropolitan Outlook twice a year. Due to this, the numbers of sectoral employment differ from the monthly data issued by Statistics Canada. The Metropolitan Outlook also provides a forecast for several years ahead.

Year-Over-Year Change (000s) (NAICS)	Jan -19	Jan -20	Variance
Goods-producing sector	21.7	18.4	-3.3
Forestry, fishing, mining, quarrying, oil and gas	9.2	7.6	-1.6
Construction	8.2	6.8	-1.4
Manufacturing	3.6	2.6	-1
Services-producing sector	62.2	66.0	3.8
Wholesale and retail trade	10.7	12.9	2.2
Transportation and warehousing	3.5	3.9	0.4
Finance, insurance, real estate, rental and leasing	4.1	2.8	-1.3
Professional, scientific and technical services	5.4	4	-1.4
Business, building and other support services	2.6	2.7	0.1
Educational services	7.1	7.1	0
Health care and social assistance	13	13.5	0.5
Information, culture and recreation	2.3	2.9	0.6
Accommodation and food services	4.7	5.6	0.9
Other services (except public administration)	3.3	3.8	0.5
Public administration	5.6	6.9	1.3
Total employed, all industries	84.3	83.9	0.4

Source: Statistics Canada, Labour Force Survey, Table: 14-10-0097-0. NAICS – North American Industry Classification System

GROWING LABOUR FORCE

The January 2020 Labour Force Survey issued by Statistics Canada indicates that Sudbury has gained 400 jobs compared to January of 2019, with most growth occurring in the following sectors:

- Services producing sector: wholesale and retail trade, public administration

The Conference Board of Canada reports that the labour market began to stage a comeback last year, with the creation of 300 net new jobs, and the momentum has only strengthened this year. Employment is on track to increase by 4.5%, translating into the generation of close to 3,960 net new jobs – the biggest job gain since 2004.

Source: The Conference Board of Canada, Metropolitan Outlook – Summer 2019. First reported in August 2019 Economic Bulletin (unchanged).

GDP

Greater Sudbury	2016	2017	2018	2019	2020 (F)	2021 (F)
Real GDP at basic prices (\$ millions)	8,393	8,511	8,722	8,833	8,923	8,991
%-change	0.1	1.4	2.5	1.3	1.0	0.8

Source: The Conference Board of Canada, Metropolitan Outlook – Summer 2019. First reported in August 2019 Economic Bulletin (unchanged).

HOUSING STARTS

According to the Canada Mortgage and Housing Corporation statement, housing starts for single detached homes have decreased in January 2020 compared to January 2019.

	January 2020	January 2019	YTD 2020
Single	0	1	0
Semi-detached	0	2	0
Row	0	0	0
Apartment	0	0	0
Total	0	3	0

SUDBURY REAL ESTATE MARKET

Residential sales activity recorded through the MLS® System of the Sudbury Real Estate Board numbered **120 units in December 2019**. This was a large **39.5% increase from December 2018** and stood among the better December sales figures on record.

On an annual basis, home sales totaled **2,512 units** over the course of 2019, **up 4.8%** from the same period in 2018 and above all other years as well going back to 2007.

The average price of homes sold in December 2019 was **\$271,605, up 5.4%** from December 2018. There were 110 new residential listings in December 2019, an increase of 12.2% (12 listings) on a year-over-year basis but still low by historical standards.

Overall supply has been continuously falling since early 2015. **Active residential listings numbered just 460 units** at the end of December – **the lowest level ever recorded**. It was down 27.3% from the end of December 2018.

The total dollar value of all home sales in December 2019 was **\$32.6 million, a 47% jump** from the same month in 2018 and a new record for the month of December. Sales of all property types numbered 142 units in December 2019, rising 32.7% from December 2018. **The total value of all properties sold was \$41.5 million, surging 51.4% from December 2018.**

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

RENTAL MARKET

VACANCY RATES (APARTMENT)

Primary Rental Market	October 2017	October 2018	October 2019
Bachelor	5.7%	N/A	3.1%
1 Bedroom	4.6%	2.4%	2.5%
2 Bedroom	4.3%	2.8%	1.9%
3 Bedroom +	6.0%	N/A	0.6%
Total	4.5%	2.6%	2.1%

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

AVERAGE RENT (APARTMENT)

Apartment Type	October 2017	October 2018	October 2019
Bachelor	\$659	\$641	\$676
1 Bedroom	\$848	\$855	\$904
2 Bedroom	\$1,048	\$1,052	\$1,114
3 Bedroom +	\$1,195	\$1,204	\$1,183

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

BUILDING PERMITS

The City of Greater Sudbury issued 70 building permits with a combined value of \$15.77 million in January 2020, compared to 60 permits issued with a combined value of \$29.64 million in January 2019. The total value of issued permits in January 2019 was significantly higher due to a large institutional project that is accountable for more than 75% of the total value of permits issued that month.

Source: Building Services, City of Greater Sudbury

TOTAL VALUE OF BUILDING PERMITS (millions \$)

	January 2020 YTD	January 2019 YTD	YoY
Value	\$15.77	\$29.64	R
Number of Permits	70	60	G

TOTAL VALUE ICI BUILDING PERMITS (millions \$)

Industrial, Commercial and Institutional Building

	January 2020 YTD	January 2019 YTD	YoY
Value	\$13.85	\$27.64	R
Number of Permits	16	19	R

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

	January 2020 YTD	January 2019 YTD	YoY
Residential	\$1.86	\$1.98	R
Commercial	\$8.44	\$3.21	G
Industrial	\$3.37	\$0.60	G
Institutional	\$2.04	\$23.82	R

RETAIL SALES

	2016	2017	2018	2019 (F)	2020 (F)
Retail sales (\$ millions)	2,115	2,250	2,334	2,366	2,432
%-change	6.1	6.3	3.7	1.4	2.8
Consumer Price Index (2002 = 1.000)	1.297	1.319	1.350	1.376	1.406
%-change	1.8	1.7	2.4	2.0	2.2

Source: The Conference Board of Canada, Metropolitan Outlook – Summer 2019
First reported in August 2019 Economic Bulletin (unchanged)

FINANCIAL ACTIVITY

INSOLVENCIES

Greater Sudbury	Q4 2019	Q4 2018	%-change	YoY
Business Bankruptcies	2	3	-33.3%	G
Consumer Bankruptcies	259	231	12.1%	R

Ontario	Q4 2019	Q4 2018	%-change	YoY
Business Bankruptcies	205	253	-19.0%	G
Consumer Bankruptcies	11,588	9,976	16.2%	R

Business bankruptcies decreased in Greater Sudbury, whereas consumer bankruptcies increased by 12.1% in Q4 2019 comparing to Q4 2018.

Source: Office of the Superintendent of Bankruptcy Canada

MAJOR FUNDING AND ANNOUNCEMENTS

- Sudbury business startups can access a new pool of money called the Sudbury Catalyst Fund. Funding for the project comes from FedNor (\$3.3M), the Nickel Basin Development Corporation (\$1M) and the Greater Sudbury Development corporation (\$1M).
- Northern Ontario Exports Program received recognition by Economic Development Council of Ontario. The program is a pan-northern initiative delivered through partnership with five Northern Ontario cities.
- Cambrian College received an investment of \$3.5M from the federal government for several initiatives. In one project, students at Cambrian college are working with FVT Research to convert a scoop used in underground mines from diesel to electric.

Legend

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