



HALIFAX PARTNERSHIP

QUARTERLY ECONOMIC SNAPSHOT

SPRING 2019

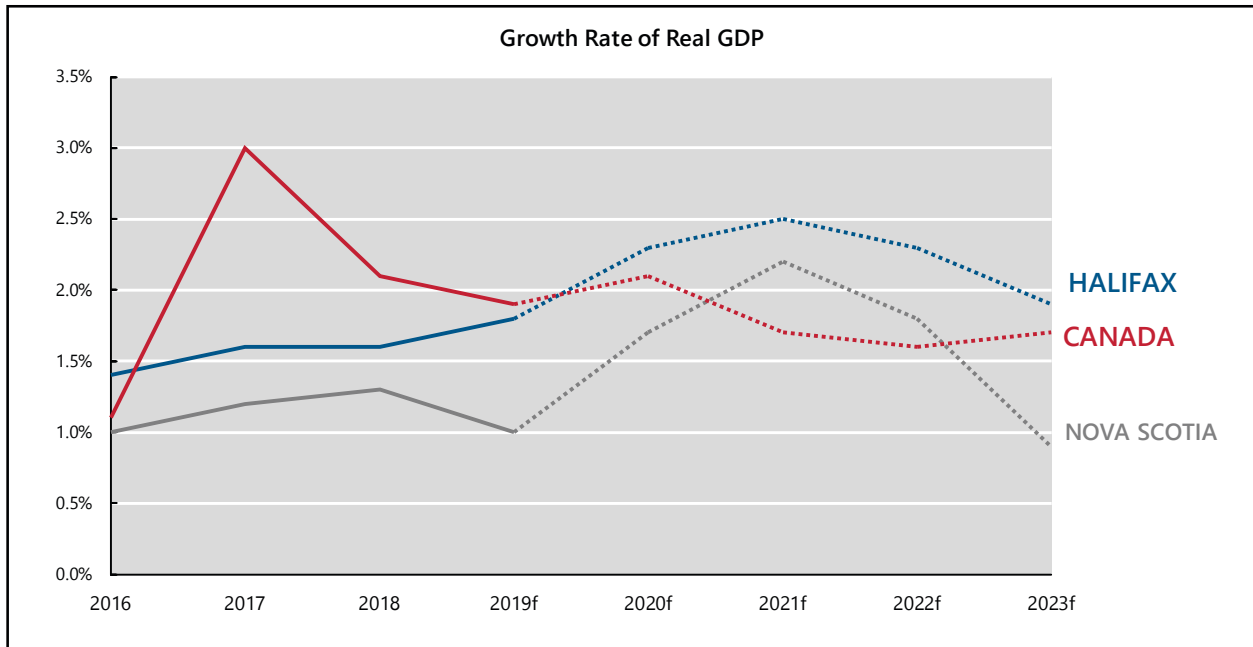
HALIFAX
PARTNERSHIP
CONNECT. COLLABORATE. PROSPER.



HIGHLIGHTS

- GDP growth in Halifax is forecasted to average 2.2% from 2019 to 2023, outpacing the Canadian average of 1.8% during the same time period.
- 2018 was a record year for population growth in Halifax, with the population growing at a 2.0% clip. Halifax saw significant gains in the 20 to 29 and 30 to 39 age cohorts, with the majority being international migrants.
- In addition to population growth, both the labour force and the number of people employed in Halifax increased over Q1 2018.
- Q1 2019 Port of Halifax cargo traffic fell by 3.1% from Q1 2018.
- The total value of building permits came in at \$554,116,000 in Q1 2019, up 34.1% from Q1 2018.
- The vacancy rate for Downtown Class A office space remained unchanged in Q1 2019 at 22.7%; rent has been slowly but steadily falling, coming in at \$19.22/square foot.
- The industrial real estate market continues to tighten in Halifax, as the availability rate remains on a downward trend while rental rates rise.

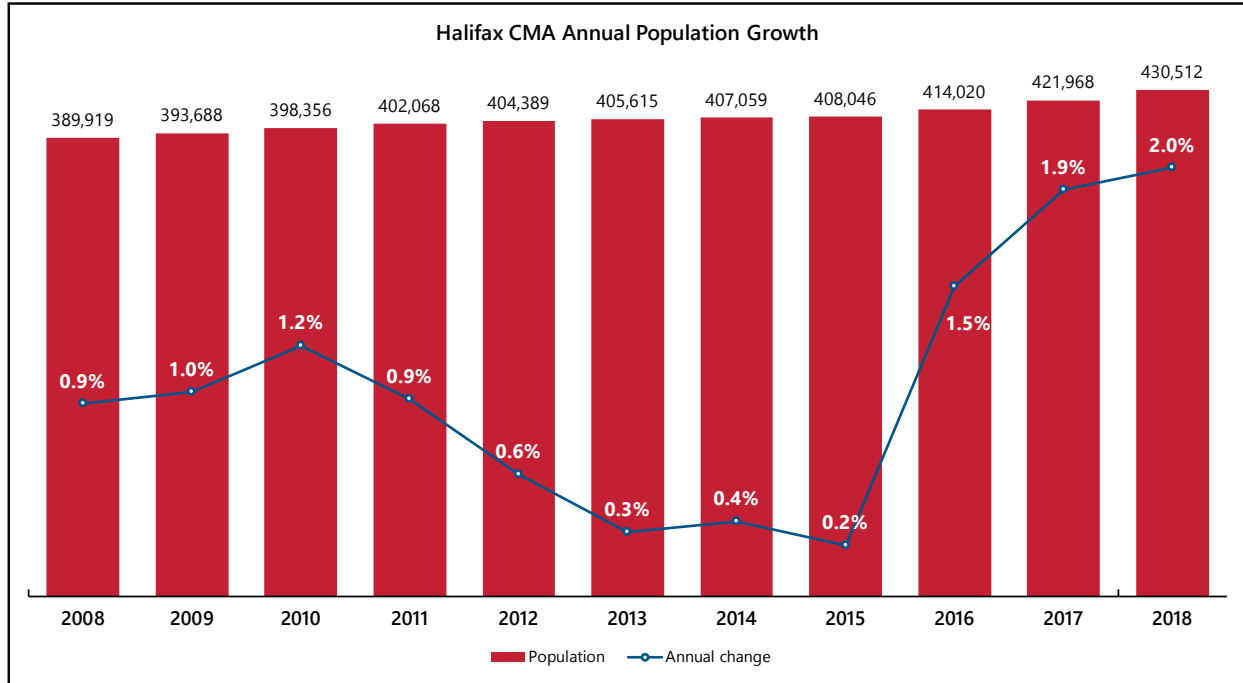
INCOME



Source: Conference Board of Canada Metropolitan Outlook

- Halifax's GDP growth is forecasted to be 1.8% in 2019, up from the 1.6% figure posted in both 2017 and 2018. GDP growth is forecasted to average 2.2% from 2019 to 2023, outpacing the Canadian average of 1.8% over the same timeframe.
- Growth was led mainly by the manufacturing and construction industries in 2018. Manufacturing growth is forecasted to slow in 2019, but growth is forecasted to remain vigorous for the residential and non-residential construction industry in the near-term.

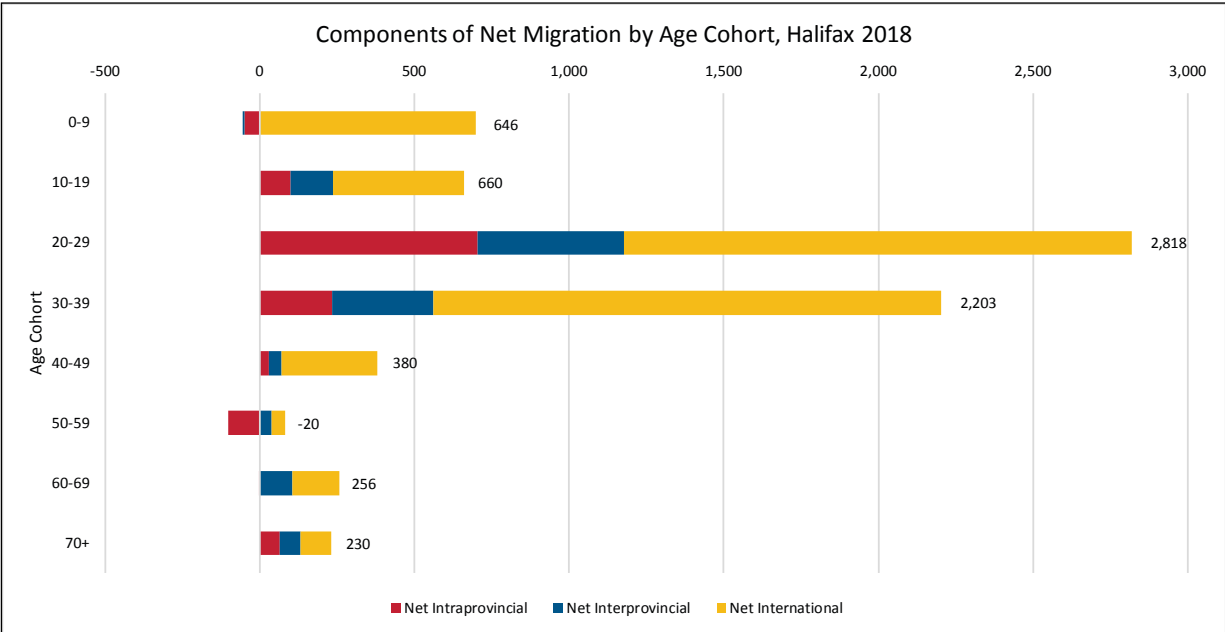
POPULATION, LABOUR & EDUCATION



Source: Statistics Canada Table: 17-10-0135-01

- 2018 was yet another exciting year for population growth in Halifax, with Statistics Canada estimating the population to be 430,512. Population growth over 2017 was 2.0%, the fastest growth on record for the city.
- Nearly two-thirds of the population growth in 2018 was accounted for by immigration with 5,405 newcomers to the city.

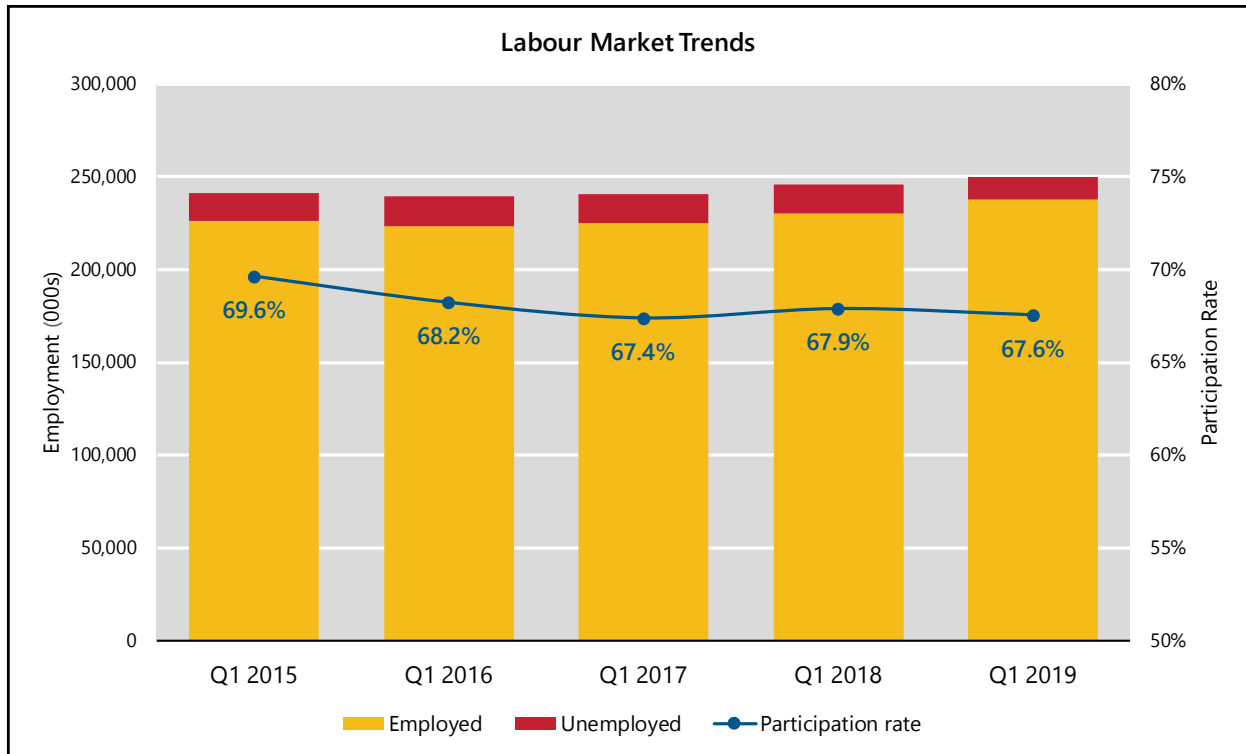
HALIFAX PARTNERSHIP
QUARTERLY ECONOMIC SNAPSHOT



Source: Statistics Canada Table: 17-10-0136-01

- The flow of net migrants into Halifax was dominated (70%) by those in the 20-29- and 30-39-year-old cohorts – the ages at which people are most likely to establish careers, homes, and families.
- Of these more than 5,000 newcomers to Halifax between the ages of 20 and 39, almost two-thirds were international migrants.

HALIFAX PARTNERSHIP
QUARTERLY ECONOMIC SNAPSHOT



Source: Statistics Canada Table 14-10-0294-01, Labour force characteristics by census metropolitan area, seasonally adjusted

- The labour force and the number of people employed in Halifax increased over Q1 2018 numbers by 3,867 and 7,433 people, respectively.
- The labour force participation rate remained relatively steady in Q1 2019, coming in at 67.6%.
- The unemployment rate was 5.0% in Q1 2019, down from 6.5% in Q1 2018.

HALIFAX PARTNERSHIP
QUARTERLY ECONOMIC SNAPSHOT

HALIFAX GATEWAY

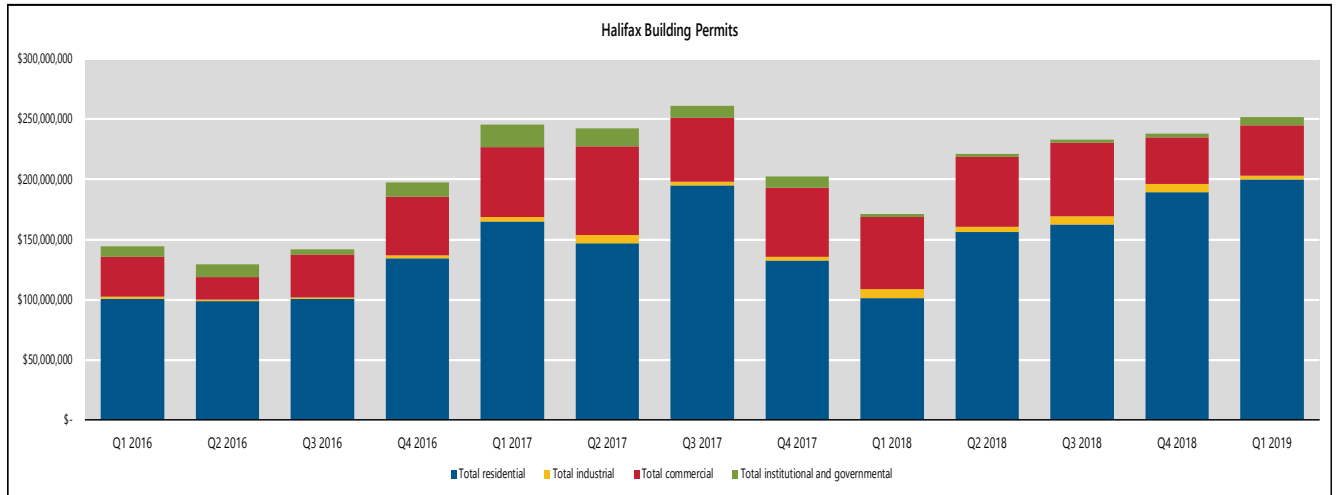
Halifax Gateway			
	Q1 2018	Q1 2019	Change
Aircraft Passengers	836,150	702,806	-15.9%
Port of Halifax Total Cargo Throughput (TEU)	134,672	130,551	-3.1%
Cargo Throughput – Imports (TEU)	70,960	68,404	-3.6%
Cargo Throughput – Exports (TEU)	63,712	62,147	-2.5%

Sources: Halifax Stanfield International Airport, Port of Halifax

- Aircraft passenger volume in Q1 2019 fell by 15.9% compared to Q1 2018.
- Q1 2019 cargo traffic fell by 3.1% (4,121 TEUs) from Q4 2018. Cargo imports and exports were down by 3.6% and 2.5%, which translates to 2,556 TEUs and 1,565 TEUs, respectively.
- The Halifax International Airport Authority will begin construction on a \$36 million cargo logistics park this year with an opening date in late 2020 or early 2021.

HALIFAX PARTNERSHIP
 QUARTERLY ECONOMIC SNAPSHOT

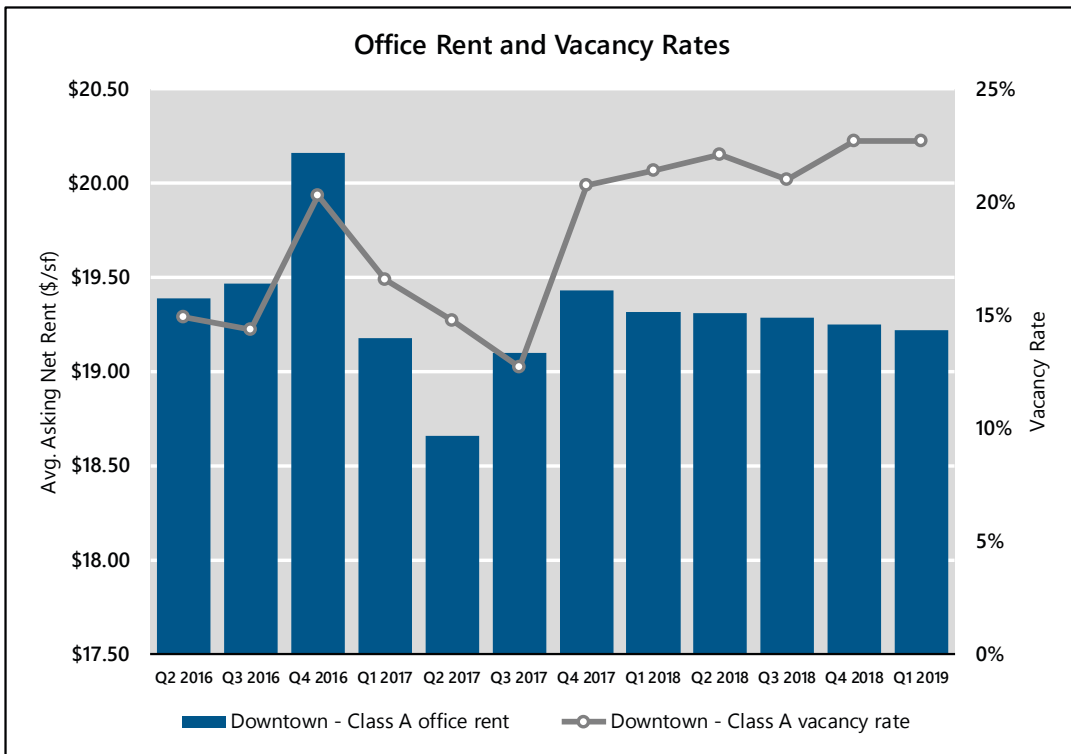
REAL ESTATE & CONSTRUCTION



Source: Statistics Canada Table 34-10-0066-01 Building permits, by type of structure and type of work, seasonally adjusted

- The total value of building permits continues to increase and came in at \$554,116,000 in Q1 2019, up 34.1% from Q1 2018.
- The largest percentage increase was in institutional and governmental, which more than doubled (123.3%) its Q1 2018 value. The second highest gain was in residential (97.8%), which is forecasted to continue trending upward by the Conference Board of Canada.

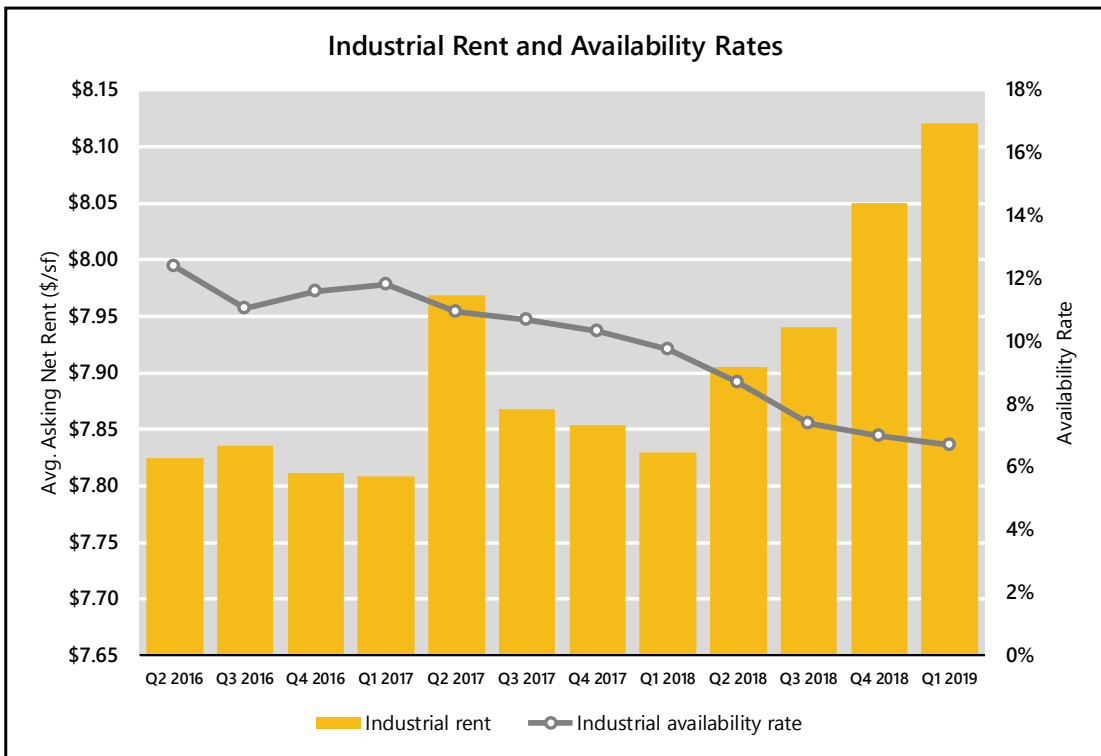
HALIFAX PARTNERSHIP
QUARTERLY ECONOMIC SNAPSHOT



Source: CBRE Quarterly Office MarketView

- The vacancy rate for Downtown Class A office space remained unchanged in Q1 2019 at 22.7%.
- Rent for Downtown Class A space has been slowly but steadily falling, coming in at \$19.22/square foot in Q1 2019.
- The overall office vacancy rate for Halifax in Q1 2019 was virtually unchanged, coming in at 15.9%, with Q1 rent averaging \$14.57/square foot.

HALIFAX PARTNERSHIP
QUARTERLY ECONOMIC SNAPSHOT



Source: CBRE Quarterly Industrial MarketView

- The industrial real estate market continues to tighten in Halifax.
- The availability rate has been steadily trending downward since Q2 2017, dropping 0.3 percentage points from last quarter to reach 6.7%.
- Average rent for industrial space increased for the fourth quarter in a row, rising from \$8.05/square foot last quarter to \$8.12/square foot in Q1 2019.

The Halifax Partnership is Halifax's economic development organization. We help keep, grow and get business, talent and investment. We do this through leadership on economic issues, our core programs, our partnerships across all sectors, and by marketing Halifax to the world.

If you have any questions or concerns about this document, its methodology, or how its indices are measured, please contact the Partnership at info@halifaxpartnership.com for further details.

**HALIFAX
PARTNERSHIP**

CONNECT. COLLABORATE. PROSPER.

www.halifaxpartnership.com