



HALIFAX PARTNERSHIP

QUARTERLY ECONOMIC SNAPSHOT

WINTER 2020

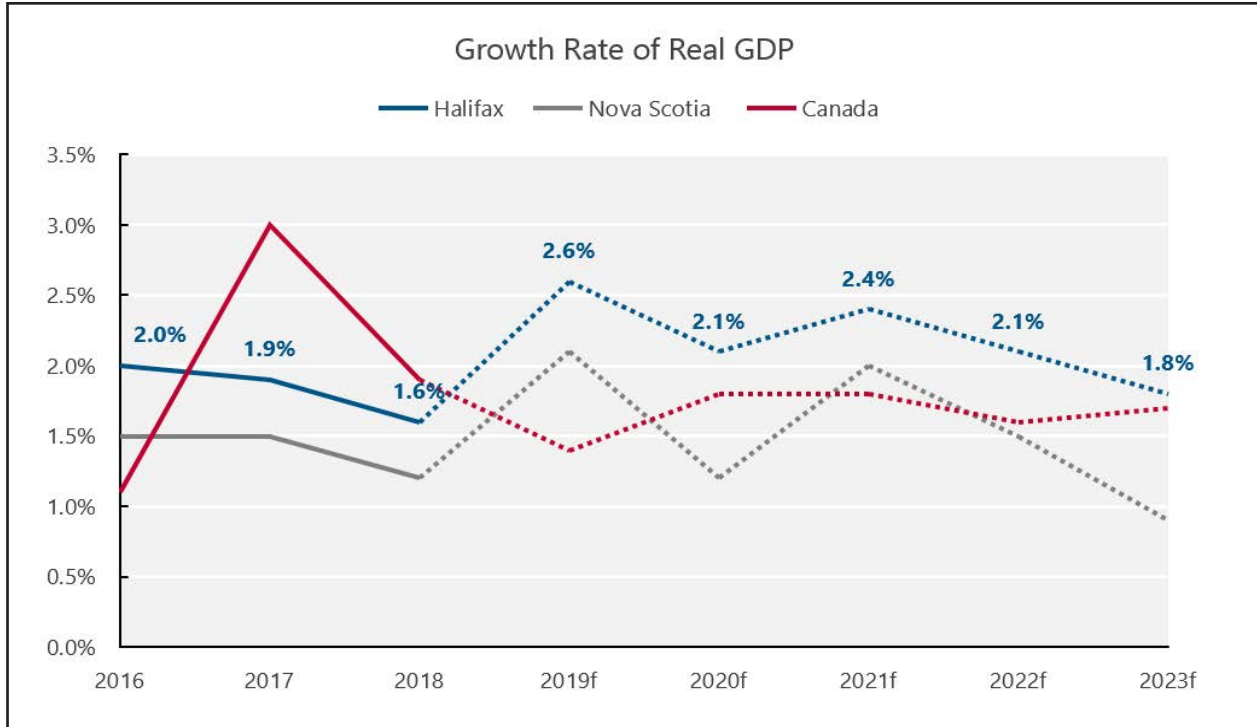
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HIGHLIGHTS

- Halifax GDP growth is expected to surpass both national and provincial forecasts, with the 2.6% growth rate forecasted for 2019 being the highest projected rate in a decade.
- For the fourth consecutive year Halifax experienced record population growth in both absolute and percentage terms. Nearly half (46%) of the 9,747 people added to Halifax in 2019 were between the ages of 25 and 39.
- International migration continues to lead population growth in Halifax by a wide margin. Nearly three quarters (72%) of the migrants welcomed to the city were from outside of Canada (6,509 people).
- The number of cruise passengers visiting Halifax reached another record high in 2019, marking three consecutive years of record-breaking growth in cruise passenger volume.
- Construction began on 2,058 apartment units in 2019 – the largest number of apartments started in a single year in over forty years.
- Q4 2019 posted the third consecutive quarter of positive net absorption and strong leasing activity in Halifax's office real estate market. Leasing activity was largely driven by the suburban market, which accounted for 95% of the 46,693 square feet of newly absorbed office space in Q4 2019.

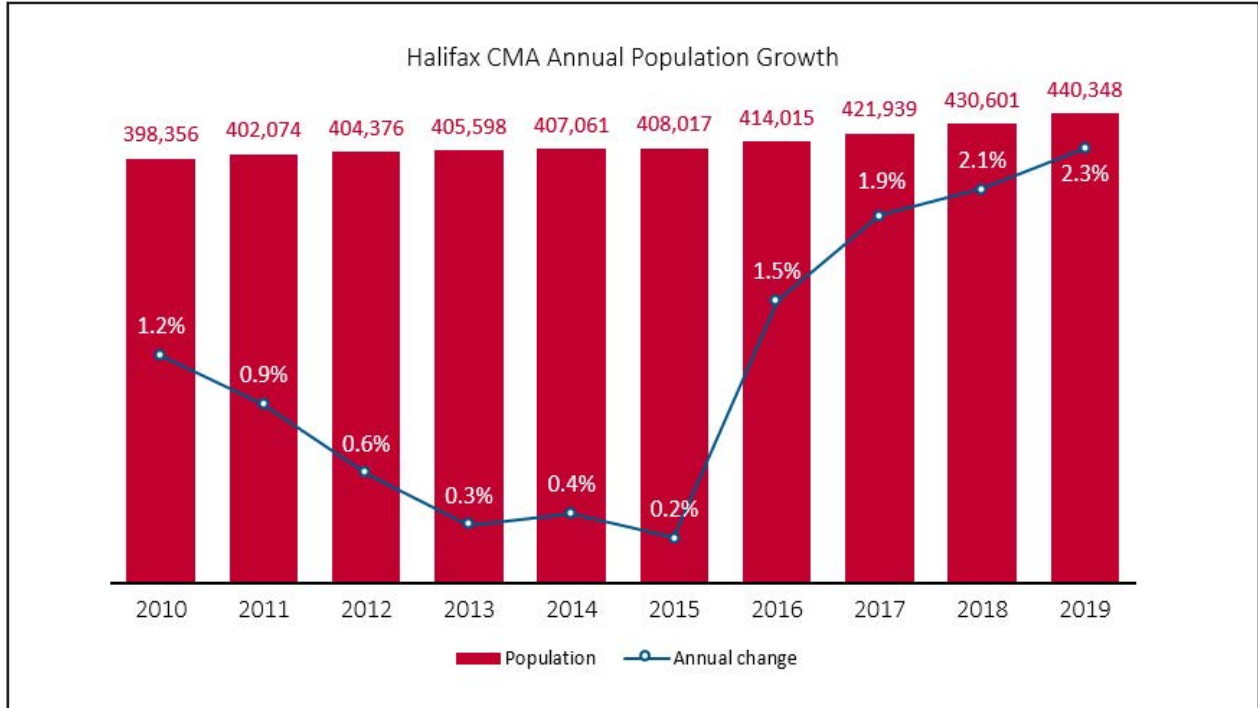
INCOME



Source: Conference Board of Canada Metropolitan Outlook, Autumn 2019

- Halifax GDP growth is expected to surpass both national and provincial forecasts, averaging 2.2% annual growth between 2019 and 2023. The 2.6% growth rate forecasted for 2019 is the highest projected rate in a decade.
- All industrial sectors are expected to show positive growth in Halifax through 2023, led by transportation and warehousing (2.6% growth), wholesale and retail trade (2.6% growth), professional, scientific and technical services (2.5% growth), and finance, insurance, and real estate (2.5% growth).

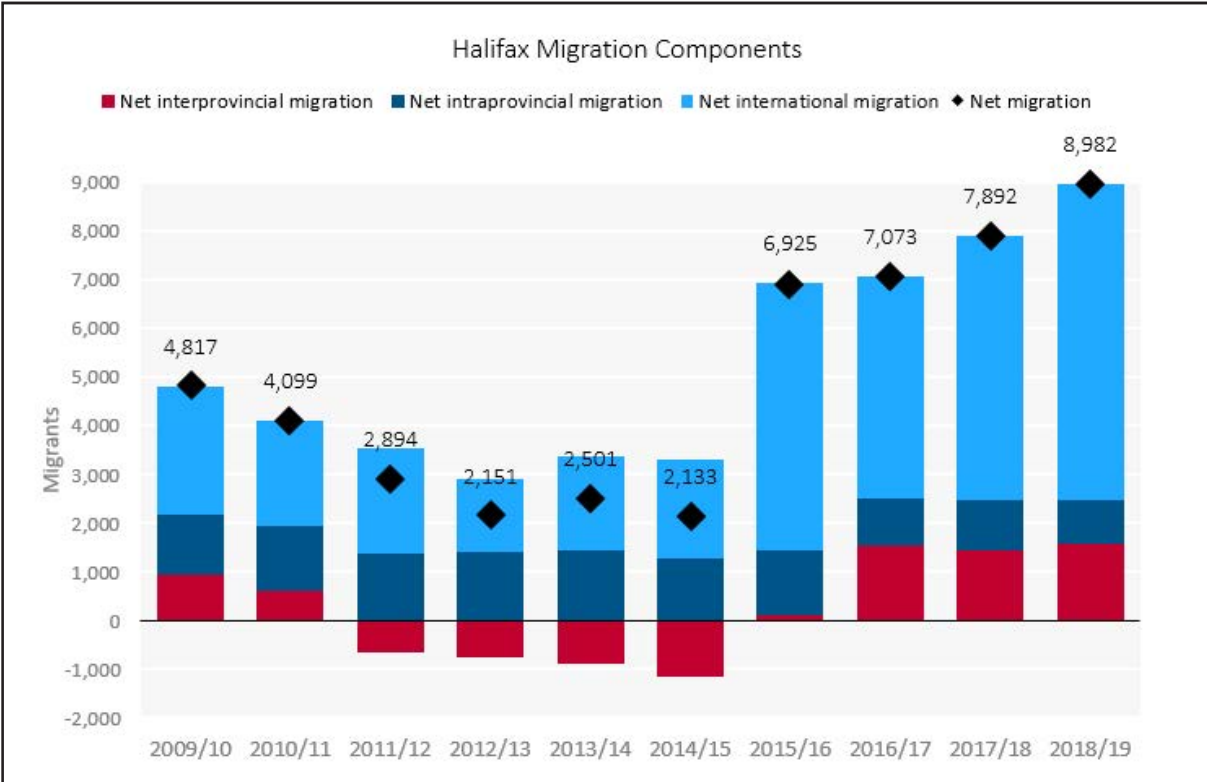
POPULATION



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

- For the fourth consecutive year Halifax experienced record population growth in both absolute and percentage terms.
- Nearly half (46%) of the 9,747 people added to Halifax in 2019 were between the ages of 25 and 39. Only 8% of population growth came from natural growth (births minus deaths).

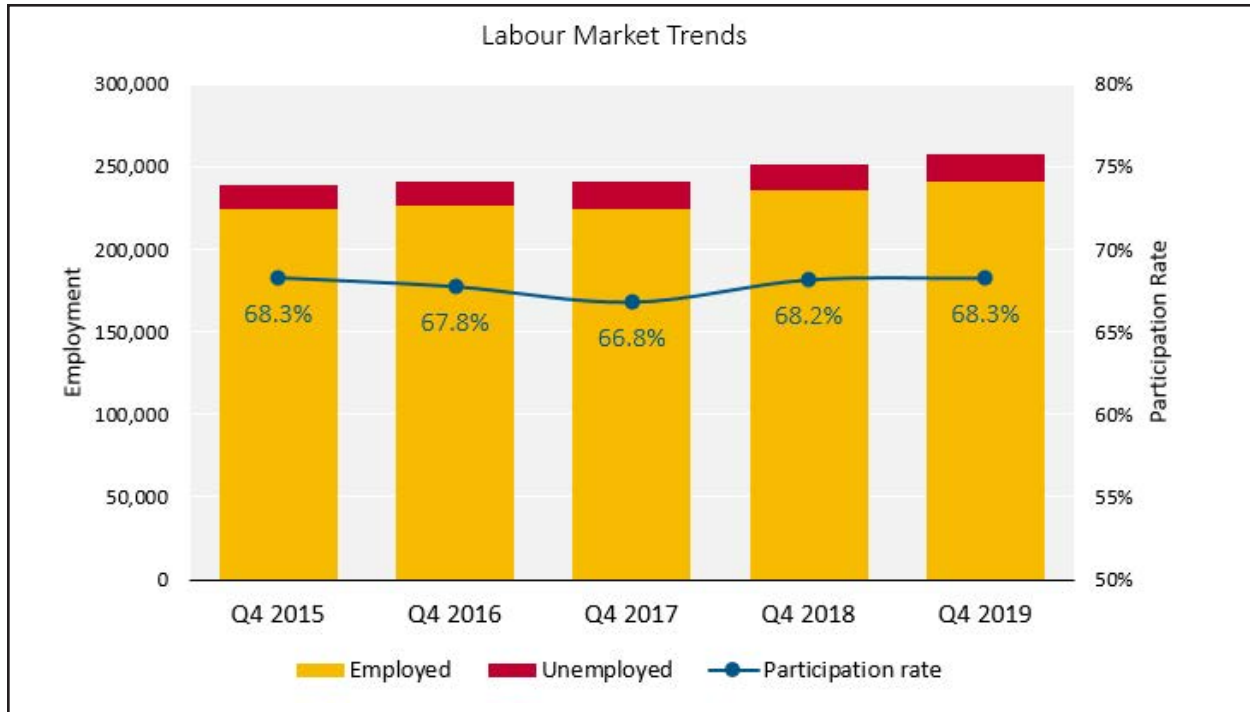
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Source: Statistics Canada Table 17-10-0136-01

- International migration continues to lead population growth in Halifax by a wide margin. Nearly three quarters (72%) of the migrants welcomed to the city were from outside of Canada (6,509 people).
- Going back to 2006/07, these 2018/19 growth component figures represent record highs for international and interprovincial growth and record lows for intraprovincial and natural growth.

LABOUR



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

- Halifax's labour force grew by 6,133 workers (2.4%) between Q4 2018 and Q4 2019.
- The number of unemployed workers in Halifax increased by 1,300 people (8.8%) over the previous year. The unemployment rate correspondingly rose to 6.3%, a 0.4 percentage point increase over last year's figure.

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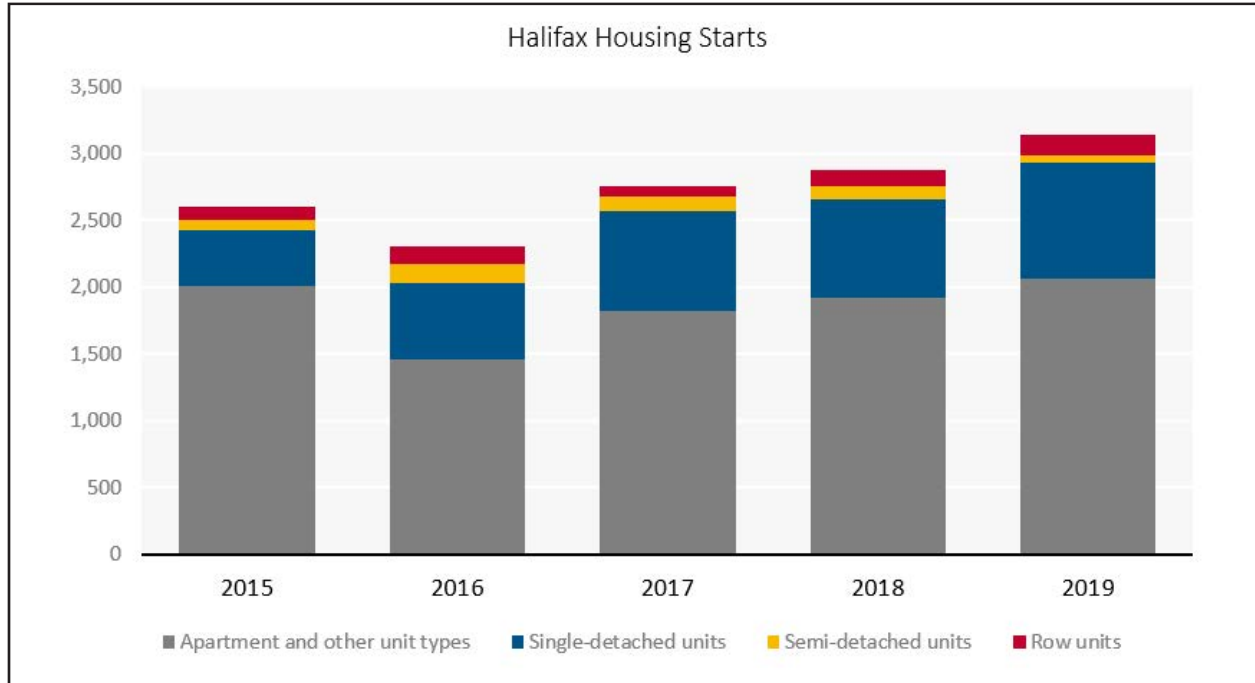
HALIFAX GATEWAY

Haliax Gateway			
	YTD 2019	YTD 2018	Change
Aircraft Passengers	4,188,443	4,316,079	-3.0%
Port of Halifax Total Cargo Throughput (TEU)	546,691	547,445	-0.1%
Cargo Throughput – Imports (TEU)	273,174	280,695	-2.7%
Cargo Throughput – Exports (TEU)	273,511	266,750	2.5%
Cruise Passengers	323,709	316,869	+2.2%

Sources: Halifax Stanfield International Airport, Port of Halifax

- Aircraft passengers travelling through the Halifax Stanfield International Airport declined by 3.0% (127,636 passengers) in 2019. The grounding of Boeing 737 Max 8 aircraft contributed to this decrease as airlines resultingly suspended several frequent flight routes from Halifax.
- Cargo throughput at the Port of Halifax was essentially unchanged between 2018 and 2019.
- The number of cruise passengers visiting Halifax reached another record high in 2019, marking three consecutive years of record-breaking growth in cruise passenger volume.

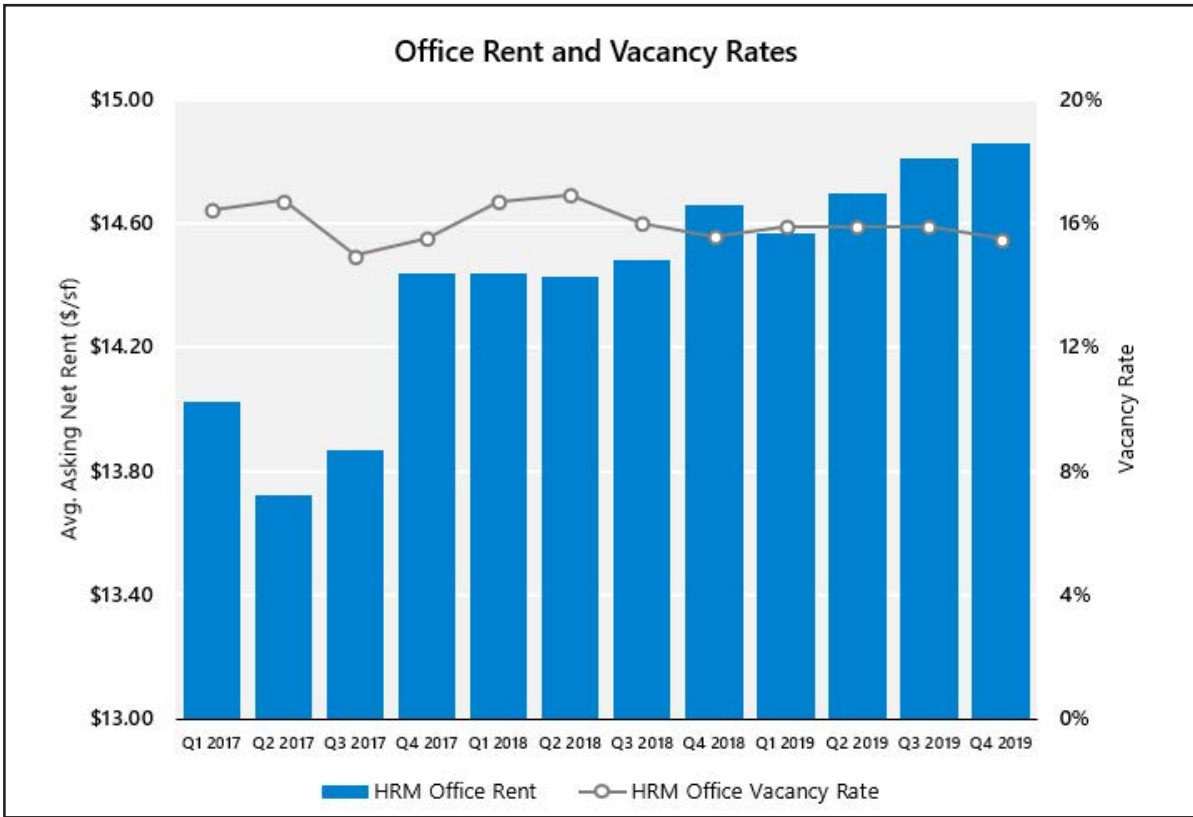
REAL ESTATE



Source: Statistics Canada Table 34-10-0175-01

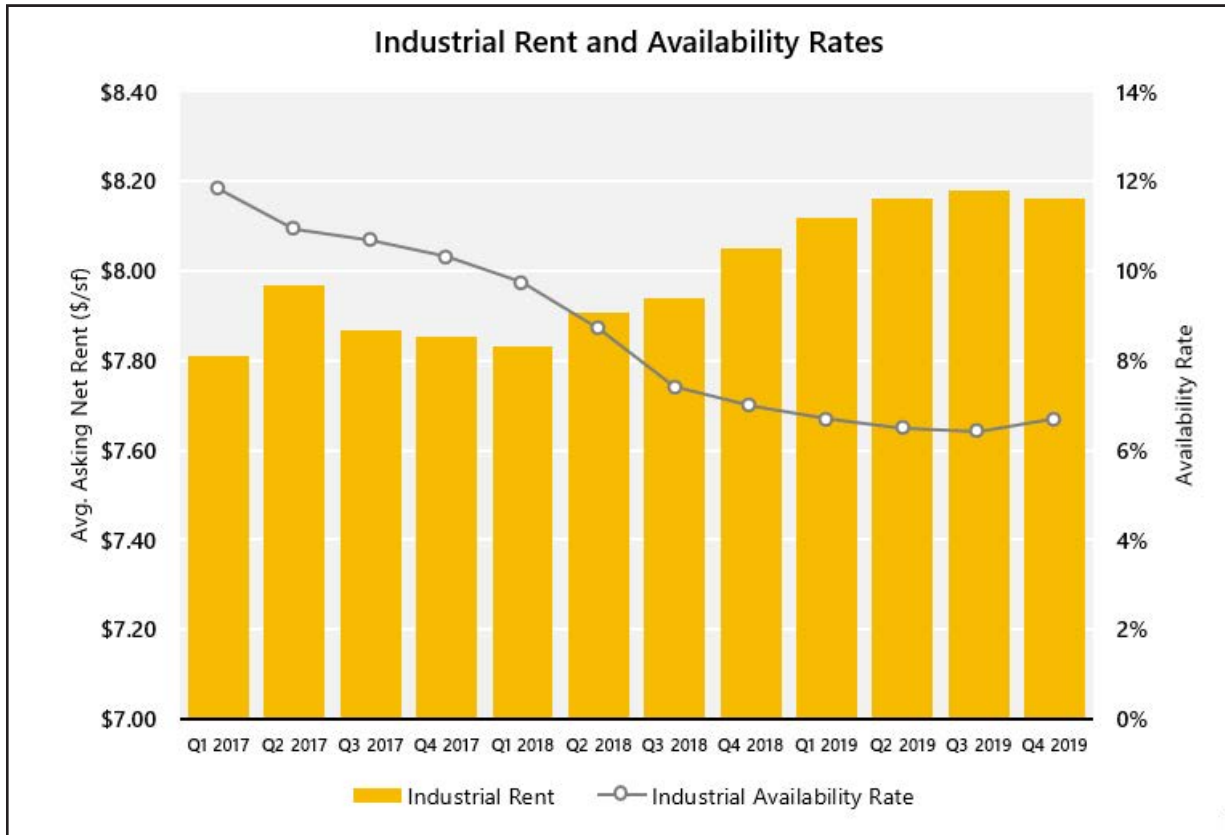
- Construction began on 3,143 housing units in 2019, a 9.5% increase over 2018.
- Construction began on 2,058 apartment units in 2019 – the largest number of apartments started in a single year in over forty years.

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Source: CBRE MarketView Report

- Q4 2019 posted the third consecutive quarter of positive net absorption and strong leasing activity in Halifax's office real estate market. Leasing activity was largely driven by the suburban market, which accounted for 95% of the 46,693 square feet of newly absorbed office space in Q4 2019.
- Average asking net rents increased by five cents over Q3 2019, reaching \$14.86 per square foot.



Source: CBRE MarketView Report

- The availability rate for industrial space in Halifax increased to 6.7% (+0.3 percentage points) in Q4 2019, while the average asking net rent Halifax decreased by \$0.02 to reach \$8.16 per square foot.
- According to CBRE, more industrial space was added to Halifax’s market in 2019 than any single year since 2013. However, after three straight years of over 200,000 square feet of positive absorption of industrial space, demand continues to outpace additions to supply and CBRE expects shortages of industrial space throughout 2020.

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.

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