

Selected Economic Indicators, Newfoundland and Labrador

2014 - 2028f

Indicator	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024f	2025f	2026f	2027f	2028f
GDP at Market Prices (\$M)	34,301	31,161	31,519	33,690	34,589	35,819	32,176	38,131	40,720	38,192	40,396	41,872	44,489	47,124	49,232
% change	-0.6	-9.2	1.1	6.9	2.7	3.6	-10.2	18.5	6.8	-6.2	5.8	3.7	6.2	5.9	4.5
Real GDP at Market Prices (Chained \$2017M)	33,096	32,709	33,201	33,689	32,836	34,157	32,512	32,847	32,293	31,619	33,235	35,521	38,116	39,969	41,632
% change	-1.2	-1.2	1.5	1.5	-2.5	4.0	-4.8	1.0	-1.7	-2.1	5.1	6.9	7.3	4.9	4.2
Household Income (\$M)	24,400	25,282	25,360	25,569	25,820	26,142	26,914	28,510	29,168	30,441	31,942	33,004	34,513	35,862	36,927
% change	3.6	3.6	0.3	0.8	1.0	1.2	3.0	5.9	2.3	4.4	4.9	3.3	4.6	3.9	3.0
% change, real	1.6	3.1	-2.3	-1.6	-0.6	0.2	2.7	2.2	-3.8	1.0	2.2	1.0	2.2	1.5	0.6
Household Disposable Income (\$M)	16,568	16,985	16,701	16,863	17,142	17,448	18,654	19,831	19,598	20,373	21,385	22,090	23,088	23,995	24,727
% change	3.2	2.5	-1.7	1.0	1.7	1.8	6.9	6.3	-1.2	4.0	5.0	3.3	4.5	3.9	3.1
% change, real	1.3	2.0	-4.3	-1.4	0.0	0.8	6.7	2.6	-7.1	0.6	2.3	0.9	2.1	1.5	0.7
Retail Sales (\$M)	8,919	8,972	9,011	9,384	9,202	9,215	9,379	10,422	11,221	11,423	11,743	12,064	12,479	12,910	13,271
% change	3.6	0.6	0.4	4.1	-1.9	0.1	1.8	11.1	7.7	1.8	2.8	2.7	3.4	3.4	2.8
% change, real	1.5	0.9	-1.3	2.2	-2.7	0.2	1.2	6.3	0.6	-0.7	0.8	1.1	1.6	1.5	0.9
CPI (2002=100)	128.4	129.0	132.5	135.7	137.9	139.3	139.6	144.7	153.9	159.0	163.2	167.0	170.9	175.0	179.1
% change	1.9	0.5	2.7	2.4	1.6	1.0	0.2	3.7	6.4	3.3	2.6	2.3	2.3	2.4	2.3
Investment, Gross Fixed Capital Formation (\$M)	12,035	12,087	13,805	10,258	8,909	9,513	8,520	8,460	9,424	9,283	9,563	13,959	22,699	24,432	23,943
% change	4.1	0.4	14.2	-25.7	-13.2	6.8	-10.4	-0.7	11.4	-1.5	3.0	46.0	62.6	7.6	-2.0
% change, real	2.0	-1.8	8.9	-23.1	-14.6	5.0	-10.8	-4.9	2.4	-3.4	1.5	48.4	65.5	6.5	-3.8
Housing Starts	2,119	1,697	1,398	1,400	1,096	945	763	1,021	1,379	978	1,300	1,554	1,615	1,526	1,447
% change	-26.0	-19.9	-17.6	0.1	-21.7	-13.8	-19.3	33.8	35.1	-29.1	33.0	19.5	3.9	-5.5	-5.2
Employment (000s)	239.6	239.6	234.5	225.7	226.7	229.9	215.5	222.8	232.5	236.7	238.8	242.3	247.3	249.7	249.0
% change	-1.0	0.0	-2.1	-3.8	0.4	1.4	-6.3	3.4	4.4	1.8	0.9	1.5	2.1	1.0	-0.3
Labour Force (000s)	273.7	275.9	272.0	266.2	263.8	261.8	251.5	256.3	262.0	262.9	265.2	267.5	270.8	272.3	272.3
% change	-0.2	0.8	-1.4	-2.1	-0.9	-0.8	-3.9	1.9	2.2	0.3	0.9	0.9	1.2	0.6	0.0
Unemployment Rate (%)	12.5	13.2	13.8	15.2	14.1	12.2	14.4	13.1	11.3	10.0	10.0	9.4	8.7	8.3	8.6
Participation Rate (%)	61.4	61.8	60.7	59.5	59.1	58.7	56.4	57.6	58.4	57.8	57.7	57.7	58.1	58.1	57.9
Population (000s)	528.0	528.3	529.6	529.7	528.4	527.6	526.9	527.1	531.6	538.6	543.1	546.0	548.4	550.9	552.8
% change	0.2	0.1	0.2	0.0	-0.3	-0.1	-0.1	0.0	0.9	1.3	0.8	0.5	0.4	0.4	0.3

GDP: Gross Domestic Product; CPI: Consumer Price Index; \$M: \$Millions.

f: forecast, Department of Finance (March 2024)

Source: Statistics Canada; CMHC; Economics Division, Department of Finance

Major Forecast Assumptions, March 2024

These assumptions indicate the expectations for major factors that could affect the provincial economy in the short term. They were prepared for Budget 2024, which was released on March 20, 2024.

Offshore Oil

- Oil production in the province is expected to increase 12.4% to 82.2 million barrels in 2024, as the Terra Nova oil project ramps up to full production levels.
- Brent crude oil price is predicted to average US\$81.80/barrel in calendar year 2024, down from US\$82.49/barrel in 2023.

Mining

- The value of mineral exports is expected to increase by 17.2% to \$5.6 billion in 2024, due to higher nickel production at Voisey's Bay along with higher iron ore prices and production increases at the Iron Ore Company of Canada.
- Nickel production volumes are expected to increase significantly with the completion of ramp-up activities at the Voisey's Bay Mine Expansion Project.

Investment Spending and Construction

- Capital investment is expected to increase by 3.0% to \$9.6 billion in 2024, as construction activity associated with the West White Rose project continues and residential construction rebounds from the declines seen in 2023.
- Total employment associated with major projects is expected to be slightly lower in 2024, as construction wraps up on the Voisey's Bay Mine Expansion Project.
- In the medium term, capital investment is expected to rise sharply due to construction activity associated with wind-hydrogen projects.

Other Assumptions

- The Canadian dollar is expected to average approximately US\$0.74 in calendar year 2024.
- The population is expected to grow by 0.8% in 2024, as net international in-migration remains high.
- The rate of inflation is expected to average 2.6% in 2024. Inflation is expected to remain elevated in the first half of 2024 but returns to near target levels in the second half of the year.