

Economic Review 2024

St. John's Census Metropolitan Area

ST. JOHN'S

The St. John's Census Metropolitan Area (CMA) economy grew by 5.2% in 2024 due to a rebound in oil production. A large share of the provincial oil and gas industry is allocated to the St. John's CMA, meaning that fluctuations in oil production have a significant effect on the CMA's real GDP. Oil production in the province's offshore totaled 76.5 million barrels in 2024, up 4.6% from 2023. Oil production was boosted by the first full year of production from the Terra Nova FPSO since the completion of its Asset Life Extension project. However, this was partially offset by the loss of production from the White Rose field as the SeaRose FPSO sailed to Belfast, Northern Ireland to undergo a refit.

GDP 
\$13.6 Billion
(excluding oil & gas)

Real gross domestic product (GDP) in the CMA, excluding oil and gas extraction, increased by 5.6%. The construction industry experienced strong growth given the ongoing West White Rose project and increased housing starts due to population growth and lower interest rates. Spinoff effects from strong growth in the CMA's goods sector boosted many service sector industries in 2024.

Population and Labour Market

The total population of the St. John's CMA was estimated to equal 239,316 persons in 2024, up 2.8% from 2023 as high levels of immigration offset losses from natural change.

Employment in the St. John's CMA totaled 122,700 persons in 2024, up 3.5% from 2023. Employment in the 'Construction' industry increased by 1,000 persons mainly due to increased residential construction. 'Educational services' (+2,100 persons), 'Health Care and Social Assistance' (+1,300 persons), and 'Professional, scientific, and technical services' (+800 persons) also experienced strong employment growth in 2024. Notable employment losses were recorded in 'Information, culture and recreation' (-1,100 persons), 'Accommodation and food services' (-1,000 persons), and 'Public Administration' (-500 persons). The participation rate in the St. John's CMA increased by 0.9 percentage points to 65.4% in 2024. The labour force increased by 4.7% to 131,900 persons due to a higher participation rate coupled with a higher working-age population. The unemployment rate increased by 0.9 percentage points to 6.9% as strong labour force growth more than offset the employment gains experienced throughout the year.

Household Income, Retail Sales, Housing Starts

Household income in the St. John's CMA totaled \$12,583 million in 2024, up 8.0% from 2023 as increased employment levels and higher wage rates increased labour compensation in the St. John's CMA. Higher federal government transfers supplemented income growth as 2024 was the first full year where residents of the St. John's CMA received the federal carbon rebate. Retail sales totaled \$6,000 million in 2024, up 6.7%, due to both higher prices and a larger volume of sales. Housing starts in the St. John's CMA equaled 871 units in 2024, up 78.5% as lower interest rates increased the demand for new residential construction. Sales of single detached homes in St. John's increased 0.5% to 806 units while sales of multi-family units totaled 438 units, up 7.9%. The MLS® HPI composite benchmark price for homes in St. John's averaged \$348,658 in 2024, up 7.1% compared with 2023.



Consumer Price Index

The Consumer Price Index in the St. John's CMA increased by 2.2% in 2024, down from 3.7% in 2023 and a 32-year high of 5.9% in 2022. 'Food' inflation decelerated from 7.8% in 2023 to 3.3% in 2024. 'Shelter' inflation remained elevated at 4.6% in 2024 as population growth applied upwards pressure on the cost of housing. However, 'Shelter' inflation fell from 4.9% in 2023 and 6.4% in 2022. Inflation in 'Gasoline' accelerated from -6.8% in 2023 to 0.3% in 2024.



Outlook for 2025

The St. John's CMA's economy is expected to experience growth in 2025, led by the oil and gas industry. Oil production is expected to increase as production resumes at the White Rose field following the completion of the vessel's refit. However, there remains a significant risk to this outlook. A potential Canada-US trade war may result in significant job losses, particularly in industries most exposed to the US market. For example, approximately 50% of the oil produced in NL in 2024 was shipped to the United States. Lower incomes through job losses and higher prices due to retaliatory tariffs could have significant and negative impacts on other sectors of the CMA economy through spinoff effects, particularly consumer discretionary industries in the CMA's service sector.

Economic Indicators, St. John's Census Metropolitan Area, 2023-2024

	2023	2024e
Real GDP (\$2017, \$M)	16,017	16,858
% Change	-1.2%	5.2%
Real GDP (\$2017, \$M) excluding oil and gas	12,916	13,636
% Change	1.4%	5.6%
Employment (000s)	118.5	122.7
% Change	-0.3%	3.5%
Labour Force (000s)	126.0	131.9
% Change	-0.9%	4.7%
Unemployment Rate (%)	6.0	6.9
Change (ppt)	-0.7	0.9
Participation Rate (%)	64.5	65.4
Change (ppt)	-2.8	0.9
Household Income (\$M)	11,655	12,583
% Change	5.4%	8.0%
Retail Trade (\$M)	5,625	6,000
% Change	1.7%	6.7%
Housing Starts (#)	488	871
% Change	-33.4%	78.5%
CPI (2002=100)	157.9	161.3
% Change	3.7%	2.2%
Population (000s)	232.7	239.3
% Change	3.6%	2.8%

Source: Statistics Canada; Economics Division, Dept. of Finance
e: estimate, ppt: percentage point

