

# 2014 Highlights

- Following a period of substantial growth, economic conditions softened in 2014. Real Gross Domestic Product (GDP) declined by 1.9% primarily due to lower real exports.
- Real exports are estimated to have decreased by 7.5% in 2014, mainly reflecting lower oil and iron ore output.
- Capital investment in the province is estimated to have remained at very high levels in 2014. Nominal investment is estimated to have totalled \$12.2 billion, slightly lower than the record level of investment recorded in 2013.
- Consumer spending growth was moderate. The value of retail sales increased by 3.4% compared to 2013.
- The number of new vehicles sold in the province was 35,440, on par with the record level sold in 2013.
- Consumer prices rose 1.9%.
- Employment fell by 1.7% to 238,600. Lower development activity at Vale's nickel processing site in Long Harbour and the closure of Wabush Mines were contributing factors to the drop in employment.
- The unemployment rate averaged 11.9%, up 0.3 percentage points from the previous year, yet one of the lowest unemployment rates in recent history.
- Average weekly earnings remained strong. Earnings increased by 4.1% to \$991. Average weekly earnings remained the second highest among provinces after Alberta.
- Household income rose 4.9% (2.9% in real terms) to over \$23 billion.
- The population as of July 1, 2014 was 526,977, a decrease of 0.2% from one year earlier.
- Oil production declined 5.7% to 78.9 million barrels, mainly the result of reduced production at Hibernia.
- The price of Brent crude oil averaged US\$98.97/barrel in 2014 down 8.8% from US\$108.56/barrel in 2013.
- An increase in reserves for the Hibernia development to 1,644 million barrels (from 1,395 million barrels) was announced in December.
- A successful offshore land sale resulted in the highest bid ever (\$559 million) on a land parcel in the Newfoundland and Labrador offshore area.
- Development of the Hebron oil project proceeded with employment of almost 7,000 in the province by year end.

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- The value of provincial manufacturing shipments decreased 0.5% to about \$6.2 billion, mainly due to a drop in the value of refined petroleum products manufactured at the North Atlantic refinery.
- The North Atlantic oil refinery was sold to SilverRange Financial Partners LLC ensuring the continued operation of the refinery.
- Successful production of nickel at Vale's processing facility was achieved in July.
- The value of fish landings was up 8.0% to approximately \$645 million because of higher raw material prices for key species. Fish landings were down 8.7% to just over 243,500 tonnes, due in part to lower shrimp landings.
- Aquaculture production fell by 65.2% to 9,240 tonnes, due to lower Atlantic salmon production. The corresponding market value was \$59 million in 2014, down 69.9% from 2013.
- The estimated value of newsprint shipments increased by over 6% due to the depreciation in the Canadian dollar. Newsprint shipments were down slightly (0.3%) to approximately 241,400 tonnes.
- Market conditions for the mining industry were challenging in 2014, particularly for iron ore producers. The value of mineral shipments declined by about 20% to approximately \$2.9 billion in 2014.
- Mining exploration expenditures were \$76.7 million in 2014, down from the \$104.0 million recorded in 2013.
- Construction investment spending is estimated to have totalled \$10.1 billion, just below record high spending in 2013.
- Employment on the Muskrat Falls Project peaked at just over 4,000 people, 81% of these were residents of the province.
- Housing starts in the province totalled 2,119 units in 2014, a decrease of 26% compared to 2013.
- The number of residential properties sold in the province through the Canadian Real Estate Association's Multiple Listing Service (MLS®) fell 4.7% while the average MLS® residential price increased slightly.
- The number of travel and tourism visitors to the province increased by 2.0% to an estimated 507,900, as more visitors arriving by air offset a decline in those arriving by automobile and cruise.

