

**Selected Economic Indicators, Newfoundland and Labrador
2007 - 2019f**

Indicator	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017e	2018f	2019f
GDP (\$m)	29,065	31,572	25,001	29,085	33,539	32,033	34,459	34,277	30,332	31,112	32,977	34,181	35,081
% change	18.3	8.6	-20.8	16.3	15.3	-4.5	7.6	-0.5	-11.5	2.6	6.0	3.6	2.6
% change, real	11.2	-1.5	-10.1	5.5	2.7	-4.4	5.2	-0.9	-1.7	1.9	-3.1	-2.8	2.1
Final Domestic Demand* (\$m)	22,075	23,660	24,872	26,990	29,629	32,170	34,628	35,711	36,513	38,901	36,010	35,153	36,159
% change	6.3	7.2	5.1	8.5	9.8	8.6	7.6	3.1	2.2	6.5	-7.4	-2.4	2.9
% change, real	4.6	4.2	2.9	6.6	7.1	6.6	6.0	1.1	0.5	3.6	-8.6	-3.8	0.9
Household Income (\$m)	16,620	17,861	18,604	19,424	20,905	22,403	23,530	24,375	25,290	25,883	26,423	26,669	27,089
% change	8.4	7.5	4.2	4.4	7.6	7.2	5.0	3.6	3.8	2.3	2.1	0.9	1.6
% change, real	6.9	4.5	3.9	1.9	4.1	5.0	3.3	1.7	3.3	-0.4	-0.3	-1.2	-0.6
Household Disposable Income (\$m)	10,905	11,824	12,712	13,402	14,319	15,287	16,025	16,543	17,017	17,267	17,628	17,797	18,087
% change	9.0	8.4	7.5	5.4	6.8	6.8	4.8	3.2	2.9	1.5	2.1	1.0	1.6
% change, real	7.4	5.4	7.2	2.9	3.3	4.6	3.1	1.3	2.4	-1.2	-0.3	-1.2	-0.5
Retail Sales (\$m)	6,528	7,009	7,121	7,453	7,833	8,187	8,606	8,919	8,972	9,011	9,227	9,147	9,223
% change	8.6	7.4	1.6	4.7	5.1	4.5	5.1	3.6	0.6	0.4	2.4	-0.9	0.8
% change, real	7.6	7.2	2.5	3.0	3.2	3.6	4.4	1.7	0.8	-1.7	0.7	-2.1	-0.7
CPI (2002=100)	111.1	114.3	114.6	117.4	121.4	123.9	126.0	128.4	129.0	132.5	135.7	138.6	141.6
% change	1.5	2.9	0.3	2.4	3.4	2.1	1.7	1.9	0.5	2.7	2.4	2.1	2.2
Investment, Gross Fixed Capital Formation (\$m)	4,425	5,306	5,293	6,341	7,952	9,825	11,566	12,035	12,325	14,200	10,954	10,051	10,941
% change	-4.0	19.9	-0.2	19.8	25.4	23.6	17.7	4.1	2.4	15.2	-22.9	-8.2	8.9
% change, real	-4.4	13.8	-3.2	19.1	24.8	20.6	16.4	1.8	-0.9	9.6	-23.8	-9.4	6.9
Housing Starts	2,649	3,261	3,057	3,606	3,488	3,885	2,862	2,119	1,697	1,398	1,400	1,401	1,292
% change	18.6	23.1	-6.3	18.0	-3.3	11.4	-26.3	-26.0	-19.9	-17.6	0.1	0.1	-7.8
Employment (000s)	217.0	221.1	215.1	222.8	231.9	240.8	242.7	238.6	236.2	232.6	224.1	224.1	224.0
% change	1.2	1.9	-2.7	3.6	4.1	3.8	0.8	-1.7	-1.0	-1.5	-3.7	0.0	0.0
Labour Force (000s)	251.0	255.2	254.6	261.2	265.3	274.5	274.5	270.9	270.8	268.7	262.9	262.1	260.5
% change	-0.2	1.7	-0.2	2.6	1.6	3.5	0.0	-1.3	0.0	-0.8	-2.2	-0.3	-0.6
Unemployment Rate (%)	13.5	13.4	15.5	14.7	12.6	12.3	11.6	11.9	12.8	13.4	14.8	14.5	14.0
Participation Rate (%)	59.0	59.6	58.9	59.7	60.2	62.0	61.7	61.0	61.1	60.5	59.0	59.0	58.6
Population (000s)	509.1	511.6	516.8	522.0	525.0	526.3	527.1	528.2	528.1	529.4	528.6	525.4	524.2
% change	-0.3	0.5	1.0	1.0	0.6	0.3	0.1	0.2	0.0	0.2	-0.2	-0.6	-0.2

* Final domestic demand measures demand in the local economy by summing consumption, investment and government expenditures. It excludes net exports.

GDP: Gross Domestic Product at market prices; CPI: Consumer Price Index

Source: Statistics Canada; CMHC; Economic and Project Analysis Division, Department of Finance
e: estimate; f: forecast, Department of Finance (October 2018)

Major Forecast Assumptions, 2018-2019

These assumptions indicate the expectations for major factors that will affect the provincial economy in the short term. They were prepared in October for the Fall Update 2018, which was released on November 6, 2018.

Offshore Oil Production

- Oil production is expected to total 84.7 million barrels in 2018 and roughly 92 million barrels in 2019.
- Production from the Hebron oil project is expected to ramp up over the next several years.

Mining

- The value of mineral shipments is expected to decline in 2018 primarily due to lower iron ore shipments resulting from a two-month strike at the Iron Ore Company of Canada.
- The value of mineral shipments is expected to rebound in 2019 as the Iron Ore Company of Canada returns to normal production levels following the 2018 strike.

Investment Spending and Construction

- Capital investment is expected to decline in 2018, reflecting the completion of Hebron in the fall of 2017 and lower activity on Muskrat Falls.
- Capital investment is expected to rebound in 2019 as activity on the West White Rose project and the Voisey's Bay Underground Mine ramp up.

Other Assumptions

- Brent crude oil is expected to average US\$72.30/barrel in calendar year 2018 and US\$72.19 in 2019.
- The Canadian dollar is expected to average approximately US\$0.78 in calendar year 2018, up slightly from US\$0.77 in 2017.