



PROVINCIAL OUTLOOK

September 2017

Alberta back in the saddle: to lead all provinces in growth in 2017

Canada’s economic momentum this year is impressive but not equally shared across provinces

After two years of lackluster growth caused by a severe downturn in global energy sector, Canada’s economy came roaring back in the first half of 2017. We now project that growth will be 3.1% for the year in Canada, an upward revision of 0.5 percentage points from the forecast in our June *Provincial Outlook* report. The good news is that most provincial economies have stepped up their pace relative to last year. This includes welcome turnarounds in Alberta and, to a lesser extent, Saskatchewan. Yet, provincial economic performance remains quite uneven. This year’s brisk momentum is concentrated in Alberta, British Columbia, Ontario, Quebec and Prince Edward Island. Growth remains more moderate in the remaining provinces with the exception of Newfoundland and Labrador where activity is expected to decline.

Energy sector rebound propels Alberta’s economy

We’ve made several changes to our provincial 2017 growth forecast—the majority of which were to the upside. The biggest revision was for Alberta. We now expect the rebound in the province’s energy sector to contribute much more to growth this year and boosted our 2017 forecast from 2.9% to 4.2%. This puts Alberta at the top our provincial growth rankings. We lowered our 2018 forecast for Alberta to a still-robust 2.9%, however, to reflect slower projected recovery in global oil prices than we previously anticipated.

Quebec economy takes off

Another notable change to our forecast was a significant upgrade to Quebec’s growth. The provincial economy had a stellar start to the year—with most economic sectors contributing—and is set to grow this year at its strongest rate (2.8%) in 15 years.

Ontario and BC still powerful engines of growth

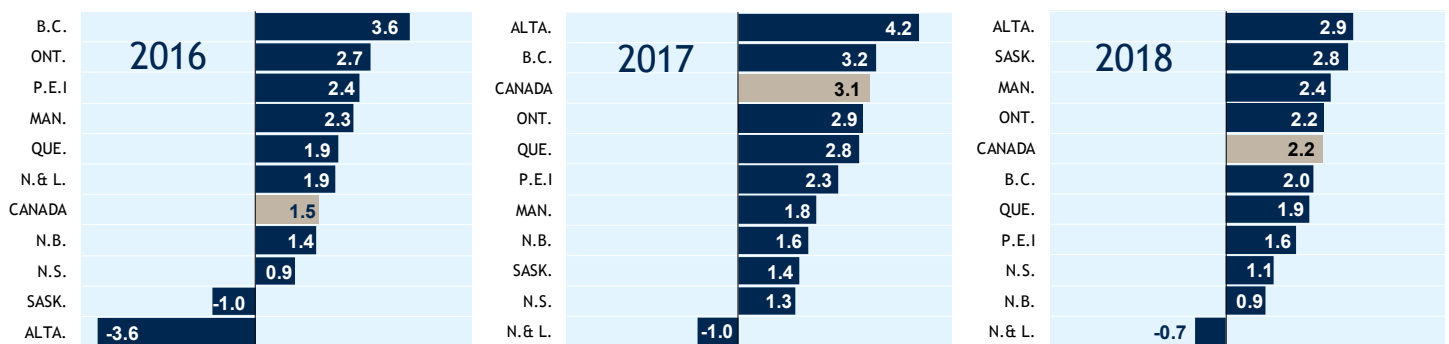
Ontario and British Columbia are still in the midst of vigorous, broad-based economic expansions. Both remain among the faster growing provinces, benefiting from healthy labour markets, strong consumer confidence and heavy infrastructure spending. But both also face challenges posed by housing market corrections, the NAFTA renegotiations and, in the case of BC, the softwood lumber trade dispute.

Dry weather affects the Prairies

Unusually dry weather in the Prairies this summer has been one of the few negative developments since our June *Provincial Outlook*. Poor crop growing conditions prompted us to revise our 2017 forecast for Saskatchewan and Manitoba downwardly. Nonetheless, in the case of Saskatchewan, we don’t expect this snag to impede the return to positive growth. In Atlantic Canada, we see Prince Edward Island leading the region for a second-straight year. We forecast a slight acceleration of growth in both New Brunswick and Nova Scotia.

Real GDP growth

% change



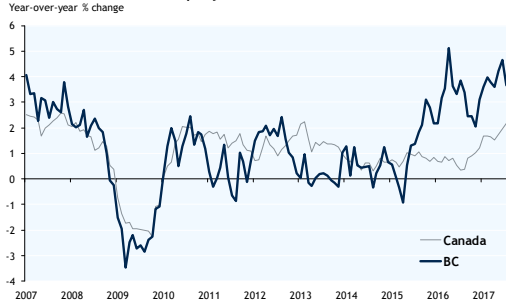
Source: Statistics Canada, RBC Economics Research

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British Columbia: Employment



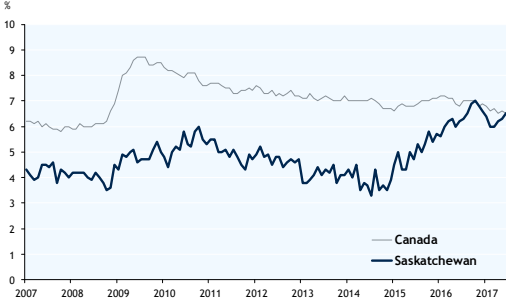
Source: Statistics Canada, RBC Economics Research

Alberta: Energy exports



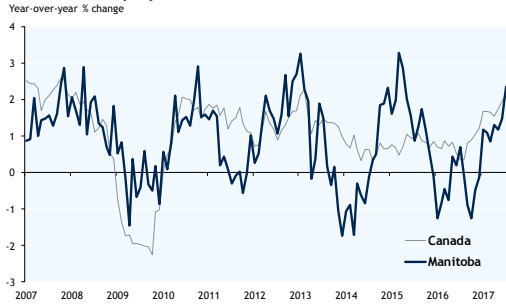
Source: Statistics Canada, RBC Economics Research

Saskatchewan: Unemployment rate



Source: Statistics Canada, RBC Economics Research

Manitoba: Employment



Source: Statistics Canada, RBC Economics Research

British Columbia

This is shaping up to be another solid year for British Columbia’s economy. Most economic sectors continue to be in full expansion mode at this stage with the labour market impressing with strong job gains being sustained. Continued recovery in the Vancouver’s housing market eased downside risks for growth. In fact, slightly stronger-than-expected home price gains recently suggest that the economy might benefit from a slightly more powerful wealth effect this year than we previously believed. Wildfires disrupted activity in several areas of the province this summer but, fortunately, the province’s major infrastructures so far have been spared. We expect overall growth in the province to surpass the 3% mark for the fourth consecutive year in 2017. This assumes that wildfires’ impact will remain localized and the softwood lumber trade conflict with the US won’t escalate further.

Alberta

We now project the rebound in Alberta’s economy this year to be much stronger than we previously forecasted. We boosted 2017 growth from 2.9% to 4.2% to reflect greater-than-expected strength in the energy sector. Production and exports of crude oil increased sharply so far this year, thanks to output capacity expansion and a low comparison base last year caused by Fort McMurray’s wildfires. Drilling activity also resumed in earnest this winter after reaching a near standstill in 2016. Sectors other than energy show signs of recovery as well although conditions remain uneven across many industries at this point. Downward revisions to RBC’s oil price forecast, however, prompted us to moderate our growth projection for in 2018 from 3.4% previously to 2.9%. We believe that a more gradual oil price recovery will hold back capital investment in the province’s energy sector.

Saskatchewan

A modest recovery is taking hold this year in Saskatchewan in large part driven by a sharp improvement in export activity. Energy exports are rebounding strongly but non-energy exports also are solid led by impressive gains in industrial machinery. Renewed strength in industrial machinery also benefits Saskatchewan’s manufacturing activity. The labour market shows signs of stabilizing after employment fell in 2016, although a rise in the unemployment rate in recent months is a disappointment. A negative development has been indications of a significant drop in the agricultural production in the wake of dry growing conditions in many parts of the province. This was a key factor prompting us to revise our 2017 growth forecast for Saskatchewan downwardly to 1.4% from 1.8% previously. We expect this factor to reverse next year under more normal growing conditions.

Manitoba

We lowered our growth outlook for Manitoba marginally this year to reflect reduced prospects for the grain and oilseed harvest this year due to drier than usual growing conditions. Elsewhere in the economy, manufacturing activity is rebounding as expected thanks to a strengthening in both the US economy and Canada’s energy sector. This strengthening in turn contributes to the provincial labour market improving significantly this year. However, some of this improve-



ment also represents recovery from a surprising decline in employment and attendant jump in the unemployment rate last year despite Manitoba showing one of the stronger provincial GDP growth rates. We assume a return to more normal crop conditions in 2018, which would contribute to a rebound in agricultural production and slightly stronger overall GDP growth than we previously expected.

Ontario

A solid, broad-based expansion remains on track in Ontario. We expect a slight acceleration in the pace to 2.9% this year, which would constitute the strongest rate since 2010 in the province. A sharp correction in home resale activity this summer poses downside risks but we have yet to see any negative impact on other sectors. In fact, we haven't even seen much of an adverse effect on housing construction to date. Nonetheless, we believe that some of the housing market chill will make its way to home building and other economic sectors by next year. In the meantime, a healthy job market, strong consumer confidence and heavy infrastructure spending will continue to propel the provincial economy at a rapid clip.

Quebec

The vigour of Quebec's economy has been a welcome surprise this year in Canada. Activity blasted out of the gate at a rate of 4.3% (annualized) in the first quarter. It likely would have sustained an impressive pace again in the second quarter had it not been for a major strike in the construction sector that held activity back in May. With the provincial jobless rate reaching decades-low and households—and, increasingly, businesses—in high spirit, we expect the good times to persist through the remainder of this year. We boosted our 2017 growth forecast for the province materially from 1.9% previously to 2.8%. This would constitute the strongest growth rate in 15 years in Quebec. We continue to expect a moderation in growth in 2018. But our projected rate of 1.9% also represents an upward revision from our previous forecast of 1.6%.

New Brunswick

New Brunswick's economy is getting a jolt of stronger growth this year. From 1.4% in 2016, we forecast the economy to accelerate to 1.6% this year before slowing to 0.9% next year. This newfound strength is supported by an acceleration of job growth and a sharp decline in the unemployment rate. With labour markets tightening, some upward pressure has built on wages, which has been positive for retail sales, the service sector, and residential investment. One cloud on the horizon is the trade dispute with the United States over softwood lumber. New Brunswick was historically exempt from most tariffs under the now-expired Softwood Lumber Agreement, but this year the province was included with the rest of Canada when tariffs were imposed. It remains to be seen if the province can re-establish the exemption previously enjoyed by this key sector to the provincial economy.

Nova Scotia

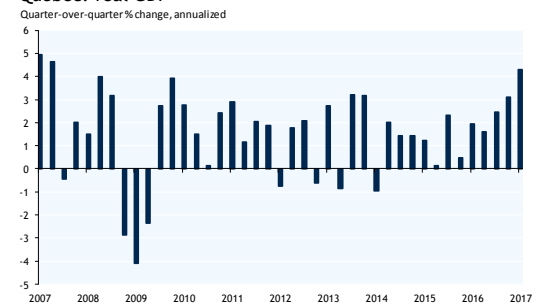
Nova Scotia's economy gathered momentum since our June *Provincial Outlook*, and we now forecast the economy to grow by 1.3% in 2017 and 1.1% in 2018.

Ontario: Housing starts
Thousand units, SAAR, 6-month moving average



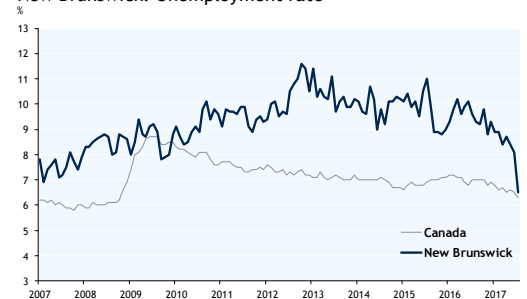
Source: Statistics Canada, RBC Economics Research

Quebec: real GDP



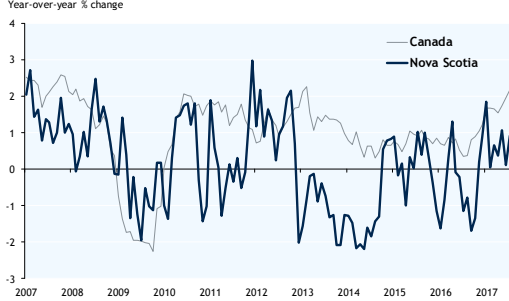
Source: Institut de la statistique du Québec, RBC Economics Research

New Brunswick: Unemployment rate



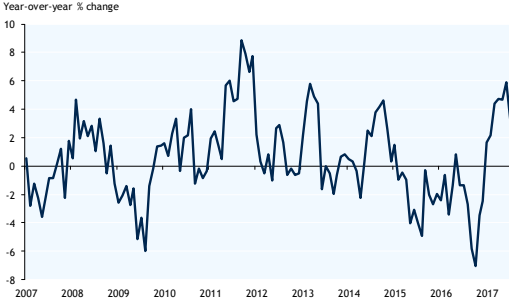
Source: Statistics Canada, RBC Economics Research

Nova Scotia: Employment



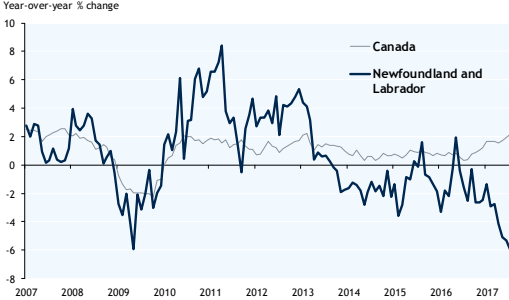
Source: Statistics Canada, RBC Economics Research

PEI: Full-time employment



Source: Statistics Canada, RBC Economics Research

Newfoundland and Labrador: Employment



Source: Statistics Canada, RBC Economics Research

Employment is on track to increase at its fastest pace since 2012 which will cause a large drop in the unemployment rate as the labour force declines for demographic reasons. Yet the impact of job gains on retail sales and wider economic activity will be muted by a rising share of part-time workers and still-sluggish growth in employee compensation. While non-residential investment continues to decline, the construction sector continues to benefit from a high level of residential building. New construction remains centered in Halifax reflecting the city's rapid population growth as it attracts immigrants and people from other parts of the province.

Prince Edward Island

For the second year running, Prince Edward Island will be the star performer in Atlantic Canada in 2017 with the economy growing by an expected 2.3%. In recent years, trade has been the key growth engine and this year is no different with merchandise exports growing by 12% led by a jump in aerospace and machinery products. While growth last year was attenuated by deep provincial government employment cuts, this year economic growth is translating into rapid growth in full-time, private sector jobs. Renewed job growth will put modest downward pressure on the unemployment rate as the economy absorbs a growing labour force. Unlike the rest of the Atlantic Provinces, the number of working-age Islanders is growing after many years of decline.

Newfoundland and Labrador

Newfoundland and Labrador's economic contraction continues to grind onward as the province deals with the end of a long boom in investment activity and the fiscal implications of low oil prices. The economic outlook has brightened somewhat since our June *Provincial Outlook* as a year-to-date rise in oil production contributes to GDP and ultimately provides some fiscal relief to the provincial government. Beyond headline growth, however, most indicators are in the red. Employment is down nearly 4% so far this year and the decline appears to be accelerating as major capital investment projects wrap up and government departments remain squeezed. The provincial unemployment rate has increased steadily and now sits at nearly 16%—a seven-year high. Weakening labour markets are spilling over to the housing market where housing starts and residential investment are down significantly so far this year.



Tables

Forecast detail

Average annual % change unless otherwise indicated

	Real GDP				Nominal GDP				Employment				Unemployment rate %				Housing starts Thousands				Retail sales				CPI			
	15	16F	17F	18F	15	16F	17F	18F	15	16F	17F	18F	15	16F	17F	18F	15	16F	17F	18F	15	16F	17F	18F	15	16F	17F	18F
N.& L.	-2.0	1.9	-1.0	-0.7	-11.5	2.1	3.1	2.1	-1.0	-1.5	-3.8	-3.1	12.8	13.4	15.0	16.3	1.7	1.4	1.2	1.3	0.6	0.2	1.1	-1.5	0.4	2.7	2.2	1.7
P.E.I.	1.3	2.4	2.3	1.6	3.9	3.7	4.1	3.5	-1.2	-2.2	2.6	0.5	10.5	10.8	10.0	9.8	0.6	0.6	0.9	0.8	2.8	7.7	6.3	3.1	-0.6	1.2	1.7	1.9
N.S.	1.0	0.9	1.3	1.1	2.4	2.1	3.3	3.2	0.1	-0.4	0.7	0.3	8.6	8.3	8.2	7.8	3.8	3.8	4.0	3.1	0.2	4.6	4.1	3.0	0.4	1.2	0.9	1.8
N.B.	2.3	1.4	1.6	0.9	2.9	2.6	3.3	2.7	-0.6	-0.1	0.5	0.0	9.8	9.6	8.2	8.0	2.0	1.8	1.9	2.0	2.1	1.8	4.7	3.1	0.5	2.2	2.2	1.8
QUE.	1.2	1.9	2.8	1.9	2.6	3.1	4.4	3.6	0.9	0.9	2.0	0.9	7.6	7.1	6.1	5.9	37.9	38.9	41.9	34.3	1.8	6.2	5.6	4.5	1.1	0.7	1.0	1.6
ONT.	2.5	2.7	2.9	2.2	4.9	4.5	5.2	4.0	0.7	1.1	1.4	1.0	6.8	6.5	6.2	5.8	70.2	75.0	81.2	76.0	5.5	7.1	7.1	5.0	1.2	1.8	1.6	1.7
MAN.	2.2	2.3	1.8	2.4	3.1	2.9	4.0	4.2	1.6	-0.4	1.6	1.1	5.6	6.1	5.4	5.3	5.5	5.3	7.5	6.3	1.6	4.2	4.4	4.4	1.2	1.3	1.3	1.7
SASK.	-1.3	-1.0	1.4	2.8	-5.7	-4.3	5.3	5.2	0.5	-0.9	0.3	0.8	5.0	6.3	6.3	5.9	5.1	4.8	4.8	4.8	-2.9	2.2	5.0	4.2	1.6	1.1	1.3	2.2
ALTA.	-3.6	-3.6	4.2	2.9	-12.5	-5.7	8.3	5.3	1.2	-1.6	1.1	1.2	6.0	8.1	7.8	6.9	37.3	24.5	27.9	27.0	-4.0	-1.2	7.2	4.2	1.2	1.1	1.4	1.5
B.C.	3.3	3.6	3.2	2.0	3.8	5.1	5.6	3.8	1.2	3.2	3.5	0.8	6.2	6.0	5.4	5.6	31.4	41.8	40.1	29.3	6.9	7.4	7.1	4.6	1.1	1.9	2.0	1.7
CANADA	0.9	1.5	3.1	2.2	0.2	2.1	5.5	4.0	0.8	0.7	1.7	0.9	6.9	7.0	6.4	6.2	196	198	211	185	2.6	5.1	6.4	4.5	1.1	1.4	1.5	1.7

Key provincial comparisons

2015 unless otherwise indicated

	N. & L.	P.E.I.	N.S.	N.B.	QUE	ONT	MAN	SASK	ALTA	B.C.	CAN
Population (000s, 2016)	530	149	950	757	8,326	13,983	1,318	1,151	4,253	4,752	36,286
Gross domestic product (\$ billions)	30.1	6.2	40.2	33.1	381.0	763.3	65.9	79.4	326.4	250.0	1,986.2
Real GDP (\$2007 billions)	27.3	5.2	36.2	28.9	337.9	665.0	59.4	62.9	310.6	231.3	1,770.2
Share of provincial GDP of Canadian GDP (%)	1.5	0.3	2.0	1.7	19.2	38.4	3.3	4.0	16.4	12.6	100.0
Real GDP growth (CAGR, 2010-15, %)	0.1	1.6	0.3	0.2	1.4	2.1	2.4	2.8	3.4	2.9	2.2
Real GDP per capita (\$ 2007)	51,595	35,411	38,339	38,368	40,912	48,201	45,830	55,528	74,322	49,286	49,380
Real GDP growth rate per capita (CAGR, 2010-15, %)	-0.2	0.9	0.2	0.2	0.5	1.1	1.2	1.3	1.1	1.9	1.1
Personal disposable income per capita (\$)	32,668	27,280	28,002	28,222	26,857	30,980	28,400	33,142	40,704	33,011	31,314
Employment growth (CAGR, 2011-16, %)	0.1	-0.1	-0.3	-0.2	0.8	1.0	0.7	1.2	1.5	1.3	1.0
Employment rate (July, 2017, %)	49.1	59.3	56.8	56.4	61.1	60.8	64.0	64.7	66.6	62.3	61.6
Discomfort index (inflation + unemp. rate, Jun. 2017)	16.4	11.4	9.3	10.1	6.6	7.7	5.5	7.0	7.8	6.8	7.5
Manufacturing industry output (% of GDP, 2016)	4.4	10.4	8.1	11.0	13.7	11.9	10.1	6.8	6.7	7.2	10.4
Personal expenditures on goods & services (% of GDP)	53.9	68.0	72.0	66.6	59.1	56.7	57.5	45.4	45.3	64.4	56.2
International exports (% of GDP)	34.1	20.9	18.4	48.4	28.4	35.8	25.7	39.3	32.3	22.1	31.6

Tables

British Columbia

		2009	2010	2011	2012	2013	2014	2015	2016F	2017F	2018F
Real GDP	Chained \$2007 millions	194,987	200,324	206,360	211,427	216,716	223,852	231,299	239,510	247,270	252,216
	% change	-2.4	2.7	3.0	2.5	2.5	3.3	3.3	3.6	3.2	2.0
Nominal GDP	\$ millions	196,250	205,117	216,786	221,414	228,973	240,900	249,981	262,794	277,549	288,195
	% change	-4.0	4.5	5.7	2.1	3.4	5.2	3.8	5.1	5.6	3.8
Employment	thousands	2,192	2,223	2,228	2,262	2,266	2,278	2,306	2,380	2,463	2,483
	% change	-2.2	1.4	0.2	1.6	0.1	0.6	1.2	3.2	3.5	0.8
Unemployment rate	%	7.7	7.6	7.5	6.8	6.6	6.1	6.2	6.0	5.4	5.6
Retail sales	\$ millions	55,288	58,251	60,090	61,343	63,053	67,001	71,614	76,885	82,354	86,122
	% change	-4.3	5.4	3.2	2.1	2.8	6.3	6.9	7.4	7.1	4.6
Housing starts	units	16,077	26,479	26,400	27,465	27,054	28,356	31,446	41,843	40,100	29,300
	% change	-53.2	64.7	-0.3	4.0	-1.5	4.8	10.9	33.1	-4.2	-26.9
Consumer price index	2002=100	112.3	113.8	116.5	117.8	117.7	118.9	120.2	122.4	124.8	127.0
	% change	0.0	1.4	2.3	1.1	-0.1	1.0	1.1	1.9	2.0	1.7

Alberta

		2009	2010	2011	2012	2013	2014	2015	2016F	2017F	2018F
Real GDP	Chained \$2007 millions	250,510	262,720	279,655	290,544	306,998	322,237	310,640	299,333	312,024	321,073
	% change	-5.5	4.9	6.4	3.9	5.7	5.0	-3.6	-3.6	4.2	2.9
Nominal GDP	\$ millions	245,690	270,049	299,521	312,485	342,415	372,880	326,433	307,678	333,231	350,782
	% change	-17.0	9.9	10.9	4.3	9.6	8.9	-12.5	-5.7	8.3	5.3
Employment	thousands	2,030	2,024	2,100	2,172	2,226	2,275	2,301	2,264	2,288	2,314
	% change	-1.2	-0.3	3.7	3.5	2.5	2.2	1.2	-1.6	1.1	1.2
Unemployment rate	%	6.5	6.6	5.4	4.6	4.6	4.7	6.0	8.1	7.8	6.9
Retail sales	\$ millions	56,489	59,849	63,945	68,475	73,363	79,147	76,019	75,110	80,497	83,891
	% change	-8.3	5.9	6.8	7.1	7.1	7.9	-4.0	-1.2	7.2	4.2
Housing starts	units	20,298	27,088	25,704	33,396	36,011	40,590	37,282	24,533	27,900	27,000
	% change	-30.4	33.5	-5.1	29.9	7.8	12.7	-8.1	-34.2	13.7	-3.2
Consumer price index	2002=100	121.5	122.7	125.7	127.1	128.9	132.2	133.7	135.2	137.0	139.1
	% change	-0.1	1.0	2.4	1.1	1.4	2.6	1.2	1.1	1.4	1.5

Saskatchewan

		2009	2010	2011	2012	2013	2014	2015	2016F	2017F	2018F
Real GDP	Chained \$2007 millions	52,195	54,647	57,545	58,514	62,191	63,680	62,872	62,243	63,140	64,907
	% change	-5.3	4.7	5.3	1.7	6.3	2.4	-1.3	-1.0	1.4	2.8
Nominal GDP	\$ millions	60,080	63,368	74,821	77,957	83,159	84,201	79,415	76,019	80,044	84,178
	% change	-11.1	5.5	18.1	4.2	6.7	1.3	-5.7	-4.3	5.3	5.2
Employment	thousands	526	531	536	548	565	571	574	568	570	575
	% change	1.6	1.0	0.9	2.4	3.1	1.0	0.5	-0.9	0.3	0.8
Unemployment rate	%	4.9	5.3	4.9	4.7	4.1	3.8	5.0	6.3	6.3	5.9
Retail sales	\$ millions	14,605	15,103	16,199	17,422	18,362	19,274	18,719	19,135	20,099	20,945
	% change	-0.5	3.4	7.3	7.5	5.4	5.0	-2.9	2.2	5.0	4.2
Housing starts	units	3,866	5,907	7,031	9,968	8,290	8,257	5,149	4,775	4,800	4,800
	% change	-43.4	52.8	19.0	41.8	-16.8	-0.4	-37.6	-7.3	0.5	0.0
Consumer price index	2002=100	117.1	118.7	122.0	123.9	125.7	128.7	130.8	132.2	133.9	136.9
	% change	1.1	1.3	2.8	1.6	1.4	2.4	1.6	1.1	1.3	2.2

Tables

Manitoba

		2009	2010	2011	2012	2013	2014	2015	2016F	2017F	2018F
Real GDP	Chained \$2007 millions	51,464	52,736	54,045	55,674	57,248	58,117	59,395	60,731	61,849	63,333
	% change	-0.2	2.5	2.5	3.0	2.8	1.5	2.2	2.3	1.8	2.4
Nominal GDP	\$ millions	50,804	53,308	56,197	59,781	62,314	63,855	65,862	67,755	70,451	73,440
	% change	-2.6	4.9	5.4	6.4	4.2	2.5	3.1	2.9	4.0	4.2
Employment	thousands	601	609	612	622	626	626	636	634	644	651
	% change	-0.2	1.4	0.4	1.6	0.7	0.1	1.6	-0.4	1.6	1.1
Unemployment rate	%	5.2	5.4	5.5	5.3	5.4	5.4	5.6	6.1	5.4	5.3
Retail sales	\$ millions	14,920	15,770	16,443	16,657	17,314	18,071	18,368	19,147	19,996	20,881
	% change	-0.4	5.7	4.3	1.3	3.9	4.4	1.6	4.2	4.4	4.4
Housing starts	units	4,174	5,888	6,083	7,242	7,465	6,220	5,501	5,319	7,500	6,300
	% change	-24.6	41.1	3.3	19.1	3.1	-16.7	-11.6	-3.3	41.0	-16.0
Consumer price index	2002=100	114.1	115.0	118.4	120.3	123.0	125.3	126.8	128.4	130.1	132.3
	% change	0.6	0.8	2.9	1.6	2.3	1.8	1.2	1.3	1.3	1.7

Ontario

		2009	2010	2011	2012	2013	2014	2015	2016F	2017F	2018F
Real GDP	Chained \$2007 millions	582,904	600,131	614,606	622,717	631,871	648,890	665,034	682,657	702,728	718,469
	% change	-3.1	3.0	2.4	1.3	1.5	2.7	2.5	2.7	2.9	2.2
Nominal GDP	\$ millions	597,882	630,989	659,743	680,084	695,349	727,962	763,276	797,797	839,320	872,709
	% change	-1.7	5.5	4.6	3.1	2.2	4.7	4.9	4.5	5.2	4.0
Employment	thousands	6,433	6,538	6,658	6,703	6,823	6,878	6,923	7,000	7,098	7,166
	% change	-2.7	1.6	1.8	0.7	1.8	0.8	0.7	1.1	1.4	1.0
Unemployment rate	%	9.1	8.7	7.9	7.9	7.6	7.3	6.8	6.5	6.2	5.8
Retail sales	\$ millions	148,109	156,276	161,859	164,805	169,341	179,100	188,893	202,235	216,661	227,431
	% change	-2.4	5.5	3.6	1.8	2.8	5.8	5.5	7.1	7.1	5.0
Housing starts	units	50,370	60,433	67,821	76,742	61,085	59,134	70,156	74,952	81,200	76,000
	% change	-32.9	20.0	12.2	13.2	-20.4	-3.2	18.6	6.8	8.3	-6.4
Consumer price index	2002=100	113.7	116.5	120.1	121.8	123.0	125.9	127.4	129.7	131.8	134.0
	% change	0.4	2.4	3.1	1.4	1.1	2.3	1.2	1.8	1.6	1.7

Quebec

		2009	2010	2011	2012	2013	2014	2015	2016F	2017F	2018F
Real GDP	Chained \$2007 millions	309,359	315,708	321,647	324,993	329,433	333,830	337,911	344,331	354,110	360,838
	% change	-0.8	2.1	1.9	1.0	1.4	1.3	1.2	1.9	2.8	1.9
Nominal GDP	\$ millions	314,541	328,138	344,735	354,040	364,531	371,311	380,972	392,718	409,929	424,819
	% change	0.1	4.3	5.1	2.7	3.0	1.9	2.6	3.1	4.4	3.6
Employment	thousands	3,854	3,938	3,976	4,006	4,061	4,060	4,097	4,133	4,216	4,253
	% change	-0.7	2.2	1.0	0.8	1.4	0.0	0.9	0.9	2.0	0.9
Unemployment rate	%	8.6	8.0	7.9	7.7	7.6	7.7	7.6	7.1	6.1	5.9
Retail sales	\$ millions	93,759	99,590	102,556	103,949	107,002	109,622	111,556	118,487	125,128	130,749
	% change	-1.1	6.2	3.0	1.4	2.9	2.4	1.8	6.2	5.6	4.5
Housing starts	units	43,403	51,363	48,387	47,367	37,758	38,810	37,926	38,935	41,900	34,300
	% change	-9.4	18.3	-5.8	-2.1	-20.3	2.8	-2.3	2.7	7.6	-18.1
Consumer price index	2002=100	113.4	114.8	118.3	120.8	121.7	123.4	124.7	125.6	126.8	128.9
	% change	0.6	1.3	3.0	2.1	0.8	1.4	1.1	0.7	1.0	1.6

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New Brunswick

		2009	2010	2011	2012	2013	2014	2015	2016F	2017F	2018F
Real GDP	Chained \$2007 millions	28,080	28,643	28,702	28,417	28,332	28,304	28,941	29,346	29,827	30,096
	% change	-1.5	2.0	0.2	-1.0	-0.3	-0.1	2.3	1.4	1.6	0.9
Nominal GDP	\$ millions	28,857	30,213	31,500	31,723	31,809	32,112	33,052	33,915	35,023	35,975
	% change	0.3	4.7	4.3	0.7	0.3	1.0	2.9	2.6	3.3	2.7
Employment	thousands	360	358	356	353	355	354	352	352	353	353
	% change	-0.2	-0.5	-0.7	-0.7	0.4	-0.2	-0.6	-0.1	0.5	0.0
Unemployment rate	%	8.7	9.2	9.5	10.2	10.3	10.0	9.8	9.6	8.2	8.0
Retail sales	\$ millions	10,094	10,595	11,103	11,022	11,090	11,488	11,728	11,944	12,509	12,894
	% change	0.8	5.0	4.8	-0.7	0.6	3.6	2.1	1.8	4.7	3.1
Housing starts	units	3,521	4,101	3,452	3,299	2,843	2,276	1,995	1,838	1,900	2,000
	% change	-17.6	16.5	-15.8	-4.4	-13.8	-19.9	-12.3	-7.9	3.4	5.3
Consumer price index	2002=100	113.5	115.9	120.0	122.0	123.0	124.8	125.4	128.2	130.9	133.3
	% change	0.3	2.1	3.5	1.7	0.8	1.5	0.5	2.2	2.2	1.8

Nova Scotia

		2009	2010	2011	2012	2013	2014	2015	2016F	2017F	2018F
Real GDP	Chained \$2007 millions	34,721	35,693	35,884	35,567	35,524	35,812	36,168	36,494	36,983	37,389
	% change	0.3	2.8	0.5	-0.9	-0.1	0.8	1.0	0.9	1.3	1.1
Nominal GDP	\$ millions	34,931	36,849	37,652	37,835	38,614	39,271	40,225	41,068	42,409	43,776
	% change	-1.4	5.5	2.2	0.5	2.1	1.7	2.4	2.1	3.3	3.2
Employment	thousands	450	451	453	458	453	448	448	446	449	451
	% change	-0.5	0.4	0.4	1.0	-1.1	-1.1	0.1	-0.4	0.7	0.3
Unemployment rate	%	9.2	9.6	9.0	9.1	9.1	8.9	8.6	8.3	8.2	7.8
Retail sales	\$ millions	12,105	12,651	13,098	13,239	13,663	14,038	14,063	14,703	15,311	15,772
	% change	0.1	4.5	3.5	1.1	3.2	2.7	0.2	4.6	4.1	3.0
Housing starts	units	3,438	4,309	4,644	4,522	3,919	3,056	3,825	3,767	4,000	3,100
	% change	-13.7	25.3	7.8	-2.6	-13.3	-22.0	25.2	-1.5	6.2	-22.5
Consumer price index	2002=100	115.7	118.2	122.7	125.1	126.6	128.8	129.3	130.9	132.1	134.4
	% change	-0.1	2.2	3.8	1.9	1.2	1.7	0.4	1.2	0.9	1.8

Prince Edward Island

		2009	2010	2011	2012	2013	2014	2015	2016F	2017F	2018F
Real GDP	Chained \$2007 millions	4,695	4,800	4,895	4,952	5,050	5,128	5,196	5,321	5,445	5,532
	% change	0.3	2.2	2.0	1.2	2.0	1.5	1.3	2.4	2.3	1.6
Nominal GDP	\$ millions	4,927	5,222	5,424	5,573	5,752	5,955	6,186	6,413	6,675	6,910
	% change	3.6	6.0	3.9	2.7	3.2	3.5	3.9	3.7	4.1	3.5
Employment	thousands	68	70	72	73	74	74	73	72	73	74
	% change	-1.3	2.3	3.1	1.7	1.4	-0.1	-1.2	-2.2	2.6	0.5
Unemployment rate	%	11.9	11.4	11.1	11.1	11.5	10.6	10.5	10.8	10.0	9.8
Retail sales	\$ millions	1,682	1,770	1,866	1,926	1,946	2,016	2,073	2,233	2,374	2,448
	% change	-1.3	5.3	5.4	3.2	1.0	3.6	2.8	7.7	6.3	3.1
Housing starts	units	877	756	940	941	636	511	558	556	920	800
	% change	23.2	-13.8	24.3	0.1	-32.4	-19.7	9.2	-0.4	65.5	-13.0
Consumer price index	2002=100	117.3	119.5	123.0	125.5	128.0	130.1	129.3	130.8	133.0	135.5
	% change	-0.1	1.8	2.9	2.0	2.0	1.6	-0.6	1.2	1.7	1.9

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Newfoundland & Labrador

		2009	2010	2011	2012	2013	2014	2015	2016F	2017F	2018F
Real GDP	Chained \$2007 millions	25,740	27,164	27,946	26,719	28,106	27,838	27,277	27,782	27,518	27,325
	% change	-10.1	5.5	2.9	-4.4	5.2	-1.0	-2.0	1.9	-1.0	-0.7
Nominal GDP	\$ millions	25,001	29,085	33,539	32,032	34,462	34,022	30,100	30,735	31,691	32,351
	% change	-20.8	16.3	15.3	-4.5	7.6	-1.3	-11.5	2.1	3.1	2.1
Employment	thousands	215	223	232	241	243	239	236	233	224	217
	% change	-2.7	3.6	4.1	3.8	0.8	-1.7	-1.0	-1.5	-3.8	-3.1
Unemployment rate	%	15.5	14.7	12.6	12.3	11.6	11.9	12.8	13.4	15.0	16.3
Retail sales	\$ millions	7,121	7,453	7,833	8,187	8,606	8,919	8,972	8,988	9,090	8,957
	% change	1.6	4.7	5.1	4.5	5.1	3.6	0.6	0.2	1.1	-1.5
Housing starts	units	3,057	3,606	3,488	3,885	2,862	2,119	1,697	1,398	1,200	1,300
	% change	-6.3	18.0	-3.3	11.4	-26.3	-26.0	-19.9	-17.6	-14.2	8.3
Consumer price index	2002=100	114.6	117.4	121.4	123.9	126.0	128.4	129.0	132.5	135.4	137.8
	% change	0.3	2.4	3.4	2.1	1.7	1.9	0.4	2.7	2.2	1.7

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