

**MEMO / NOTE DE SERVICE**

Information previously distributed / Information distribué auparavant

**TO: Chair and members of the Finance and Corporate Services Committee**

**DESTINATAIRE : Président et membres du Comité des finances et des services organisationnels**

**FROM: Sheilagh Doherty, Director  
Economic Development, Strategic  
Initiatives Department (SI)**

**Contact:**  
**Louay Alnaddaf, Planner I**  
**Planning, Development and Building**  
**Services Department (PDBS)**  
**613-580-2424, 830027**  
***Louay.alnaddaf@ottawa.ca***

**EXPÉDITEUR : Sheilagh Doherty,  
Directrice, Développement  
économique  
Direction générale des initiatives  
stratégiques (IS)**

**Personne ressource :**  
**Louay Alnaddaf, Urbaniste I**  
**Direction générale des services de la**  
**planification, de l'aménagement et du**  
**bâtiment**  
**613-580-2424, 830027**  
***louay.alnaddaf@ottawa.ca***

**DATE : April 1, 2025**

**1er avril 2025**

**FILE NUMBER: ACS2025-SI-ED-0007**

**SUBJECT: Economic Development Update – Q4 2024**

**OBJET : Le point sur le développement économique – T4 de 2024**

## **PURPOSE**

The City of Ottawa Economic Development Update provides an overview of quarterly and annual economic indicators of the city's economy.

## **BACKGROUND**

This report will be available on [ottawa.ca](https://ottawa.ca) and via an [email subscription](#). The City of Ottawa Economic Development Update Q4 2024, which covers October, November and December is attached for information purposes.

TO NOTE: Q4 2024 will be the last version of the Economic Development Update as the data in this report will be moving online to an Economic Development Dashboard. This new dashboard will offer a high-level view of Ottawa's economy and include key indicators for the labour force, real estate, livability, and downtown. New data and metrics will be added over time in consultation with the City's economic development partners. Moving to a dashboard will provide residents and the business community with more timely access to data on the health of the local economy in a centralized location. The dashboard, which is currently being finalized, is expected to launch in Q2 2025 with Q1 2025 data. Economic Development Services will provide a link to the dashboard to Mayor and Councillors via a memo in addition to notifying current email subscribers of this change.

## **DISCUSSION**

### **Summary of Q4 2024 Update**

The update below analyzes Ottawa economic data for Q4 2024 against Q3 2024 and year-over-year (Q4 2023). Overall, the city saw improvements when it came to inflation, the number of employed residents, resale units sold, average weekly earnings, office vacancy rates, and construction permit value. On the other hand, labour participation rate, unemployment rate, retail vacancy rate, industrial vacancy rate, average resale price and housing starts have decreased.

### **Economy**

Year-over-year, the overall labour force increased 3.3 percent while employed residents increased 2.0 percent to hit 670,900 employed residents in Q4 2024. The unemployment rate increased 1.3 percentage points since Q4 2023 and decreased by 0.3 percentage points since last quarter to reach 6.1 percent in Q4 2024.

Compared to Q4 2023, the Other Services (except Public Administration), Health Care and Social Assistance, and Transportation and Warehousing sectors saw the largest increases in employment growth. Meanwhile, Wholesale and Retail Trade; Education Services and Information, Culture and Recreation sectors saw the largest decreases in employment growth over the same period. The inflation rate decreased 0.4 percentage points from the previous quarter (Q3 2024) and decreased 0.7 percentage points since Q4 2023. Average weekly earning increased 4.9 percent-year-over-year and decreased 2.1 percent from the previous quarter to reach \$1,475 in Q4 2024.

## Residential

In Q4 2024, there was a 29.8 percent decrease in housing starts from Q4 2023 as starts dropped from 2,521 to 1,770. Single-detached, semi-detached, and row-house dwelling types experienced an increase in starts year-over-year, with single detached starts up 5.5 percent from 345 to 364 starts, semi-detached 23.5 percent from 34 to 42 starts, and row-house increased by 50.8 percent from 445 to 671 starts. However, apartment starts decreased by 59.2 percent from 1,697 to 693 starts.

The average resale price for housing increased year-over-year by 3.8 percent to sit at \$666,523 in Q4 2024. This figure was however, a decrease of 1.3 percent from \$675,167 in Q3 2024. A total of 2,851 units were sold in Q4 2024, which is a decrease of 15.9 percent from the previous quarter, yet an increase of 35.4 percent year-over-year.

## Permits and Vacancies

Total construction permit value increased by 9.8 percent year-over-year, largely due to a 12.8 percent increase in residential permit value and a 2.1 percent increase in non-residential permit value. Compared to Q3 2024, construction permit value in Q4 2024 increased by 26.6 percent, where residential permit value increased 37.3 percent and non-residential permit values increased 3.5 percent.

The office vacancy rate decreased 0.6 percentage points from Q4 2023 to reach 11.6 percent in Q4 2024 and decreased by 0.1 percentage points since Q3 2024. The industrial vacancy rate increased by 2.6 percentage points year-over-year to reach 5.4 percent in Q4 2024, and the retail vacancy rate also increased by 0.2 percentage points year-over-year to reach 2.2 percent in Q4 2024.

## CONCLUSION

A memo will be provided to Mayor and Council in Q2 2025 when the new online Economic Development Dashboard is launched and live.

*Original signed by*

Sheilagh Doherty

Director, Economic Development, Strategic Initiatives Department (SI).

CC: Wendy Stephanson, City Manager

Vivi Chi, Interim General Manager, Planning, Development & Building Services  
Department

## **SUPPORTING DOCUMENTATION**

**Document 1 – Economic Development Update – Q4 2024**