

ATTACHMENT A



2022 State of the Nanaimo Economy



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Executive Summary

The 2022 State of the Nanaimo Economy report provides members of the public and investors with data, analysis and insights on Nanaimo's current economic and business climate. Produced annually by the City's internal economic development section, the report uses data from official government sources, secondary data aggregators, local operators and service providers. This report reviews indicators such as Gross Domestic Product (GDP), demographics, business, development activity, housing and real estate, labour force, income and tourism. Although the COVID-19 pandemic and recent floods in the Fraser Valley continue to disrupt social and economic activity, the 2021 macro economic data shows many signs of recovery and optimism.

BC's GDP contracted by **3.8%** in 2020, far better than Canada's contraction at **5.4%** and the majority of the other provinces. Over the last 18 months, overall economic production has rebounded. BC's diversified export sector is a key contributor to the performance of the overall economy along with strong recovery in the labour market, booming housing market and new construction projects. Similar trends can be seen in the Nanaimo region.

2021 Data Highlights

Population

- The City of Nanaimo's population for 2021 is **99,863** and the Regional District of Nanaimo **170,367** (Statistics Canada, 2021 Census of Population). Nanaimo's population growth rate over the last census was **10.3%**, significantly higher than BC at **7.6%** and Canada at **5.2%**. Population projections up to 2046 indicate strong growth will continue.
- Migration from other provinces to the RDN was significantly up in 2019-20. International migration was down **49%** in 2019-20 due to the pandemic and related travel restrictions.
- There was a large decline in international migrants to British Columbia in 2019-20 due to the pandemic; however, this decline was offset by stronger gains in interprovincial migration.
- Inflow of new residents to smaller urban centres is accelerated by opportunities to work remotely. This is both an opportunity and a challenge. Newcomers increase the demand for retail and personal services, aiding existing business performance, but growth can further strain existing infrastructure (i.e. housing availability and housing affordability). Nanaimo, as well as most communities in BC, experienced record increases in housing prices in 2021.
- The largest population growth over the next decade is projected in the 25-44 age category. This is the first time the largest growth is not projected in the 65+ age category. This demographic shift will lead to structural changes in the economy. A younger population demands different products and services as well as amenities such as night life opportunities.
- Due to projected population growth, infrastructure investments and housing will remain a priority for local governments.

Business

- Strong recovery was well underway in 2021, although performance varied across different sectors of the economy. The hardest hit sectors by the pandemic included recreation, transportation, hospitality and tourism. These sectors started showing some signs of recovery as COVID-19 restrictions relaxed throughout 2021. Tourism and hospitality benefited from increased domestic tourism during the summer months. Economic performance tended to depend on how easily COVID-19 health measures could be adopted across different sectors.
- In 2021, the City of Nanaimo had **6,214** licensed businesses. The number of business licences decreased by **67**, representing a **1.1%** decline over 2020. The sectors affected most by COVID-19 related shutdowns, such as recreation, transportation and personal services, experienced declines in the number of businesses. The healthcare sector, as well as sectors that transitioned to remote working environments like professional services and finance/insurance, experienced growth in the number of businesses.
- Home-based businesses currently account for **41%** of total business licences issued in the City of Nanaimo, an increase of **4%** since the start of the pandemic.
- Business and consumer bankruptcies fell to historic lows on Vancouver Island and across Canada. This is consistent with the widespread government support measures that were available, including the CERB and CEWS, as well as mortgage deferral options. Interest rates also remain low.

- In 2020, the City of Nanaimo had **3,464** businesses with one or more employees. The overall number of businesses with employees is growing over time but the rate of growth is much slower; **3.5%** in the last five years compared to **15.6%** in the five years prior. This is likely due to labour shortages and greater technology adaptation. As well, we're seeing growth in entrepreneurship. Over the past five years sole proprietorships increased by **7.1%**.

Building Activity

- At near **\$272 million**, building permit values increased by **12%** in 2021. This increase was driven by non-residential commercial, industrial and public projects. More capital investment aligns with periods of stronger economic growth. Residential permit values declined in 2021 in comparison to 2020.
- Building permits indicate construction intentions, while housing starts indicate construction activity. The housing market was booming in 2021. Home resales and prices reached record levels, with low inventories driving up prices at an accelerated rate. This led to a strong response from builders with new housing starts increasing by **50%** to **1,036** units in 2021.
- The trend towards denser forms of housing intensified as **75%** of the new housing starts were apartment type dwellings, and all other types combined accounted for **25%** of new builds.

Real Estate

- The benchmark price of an average single-family detached home in Nanaimo increased by **22%** year-over-year in October 2021. The benchmark price of a similar house in Victoria increased by **27%** and in Vancouver by **21%**.
- In 2021 the average price of an absorbed single-family new home increased by **1%** in Nanaimo, **6%** in Vancouver and **6%** in Victoria.
- The average rental apartment vacancy rate in Nanaimo increased from **1%** to **1.6%** in 2021. The return of students and increased migration grew rental demand faster than supply leading to overall average rent increase of **7.7%**.
- The vacancy rate for seniors' independent living spaces in the Nanaimo region increased by **5.8%** to **9.1%** in 2021. Average rental rates remained near similar over the one-year term. Senior's living space vacancy rates were significantly higher in 2021 across most provinces. Majority of the new builds were in the lower mainland. Despite the higher vacancy rate, the average rent for an independent living space in British Columbia increased by **5.3%** from **\$3,364** to **\$3,541**.

Labour Market

- On average Nanaimo's labour force grew by **3.5%** annually between 2017 and 2021. In 2021, **62,200** people were in the labour force. The labour force growth rate shrunk by

1.6% in Nanaimo, and increased by **3.9%** in BC and **1.3%** on Vancouver Island.

- Nanaimo's labour force participation rate tends to be lower than BC and Canada but higher than the Vancouver Island Coast region.
- Unemployment rates improved significantly across all geographies in 2021. Nanaimo's unemployment rate was **6.1%**, slightly higher than the Vancouver Island Coast region, but below BC and Canada.
- The demand for workers has grown faster than the supply. New job postings in the City of Nanaimo were **45.2%** higher in 2021 compared to 2020. During the same time period, BC postings increased by **33%**.
- After the Capital Region, the Regional District of Nanaimo had the highest number of job openings. The majority of the openings were full-time positions (**57%**). There was also significant growth in full-time or part-time (**42%**) job options for employees.
- The highest postings by occupation were in the retail, healthcare and food services sector. At the provincial level, the shortage of workers is also widespread, affecting retail trade, healthcare and social services, advanced technologies, trucking and manufacturing. Labour shortages are being reported in sectors where employment is not yet back to pre-COVID levels such as restaurants and bars, etc. In these industries, some former employees have shifted to other

lines of training and work. The slowdown of immigration and temporary foreign workers is also being felt in these sectors.

- The majority of the job openings in Nanaimo required high school level education or occupation specific training. In 2021, **18%** of the job openings required a university degree, an increase of **51%** compared to 2020.
- BC's labour market outlook estimates **861,000** job openings between **2019** and **2029**. Over three-quarters of these job openings will require some form of post-secondary education and training.

University Enrolment

- Overall student enrollment at Vancouver Island University (VIU) declined by **12.5%** in 2020. International student enrollment dropped by a whopping **55%** due to COVID-19 related travel restrictions. 2021 data was unavailable at the time of this publication; however, the easing of travel restrictions and move to in-person education will result in positive gains for both international and domestic student enrollment.

Income

- Nanaimo's median, average and per capita income is projected to remain below BC over the next five years.

Retail Spending

- The household expenditures in the City of Nanaimo are estimated at **\$3.9 billion** in 2021. In 2021 the average household in Nanaimo spent **4%** more on shelter costs, **4%** more on household furnishings/equipment and **7%** more in gifts of money and contributions compared to the national average.

Tourism

- The Tourism sector performance was much brighter in 2021 in comparison to 2020 as restrictions were more relaxed and the majority of the population gained vaccinated status. Tourism and the hospitality sector also benefited from increased domestic tourism in the summer months.

Economic Outlook

- The City of Nanaimo historically mimics provincial economic performance, hence provincial outlook provides insights into near-term expected trends.
- BC's real GDP is forecast to grow by **5.2%** in 2021, **4.0%** in 2022, and **2.5%** in 2023 (Statistics Canada, CMHC, CREA, Forecast by TD Economics).
- BC was the first province to recover back to pre-pandemic levels of employment, and its year-to-date growth in employment indicators is highest in the country.

The recovery has been broad-based, spanning the professional/scientific, manufacturing, trade, natural resources, and public-sector industries.

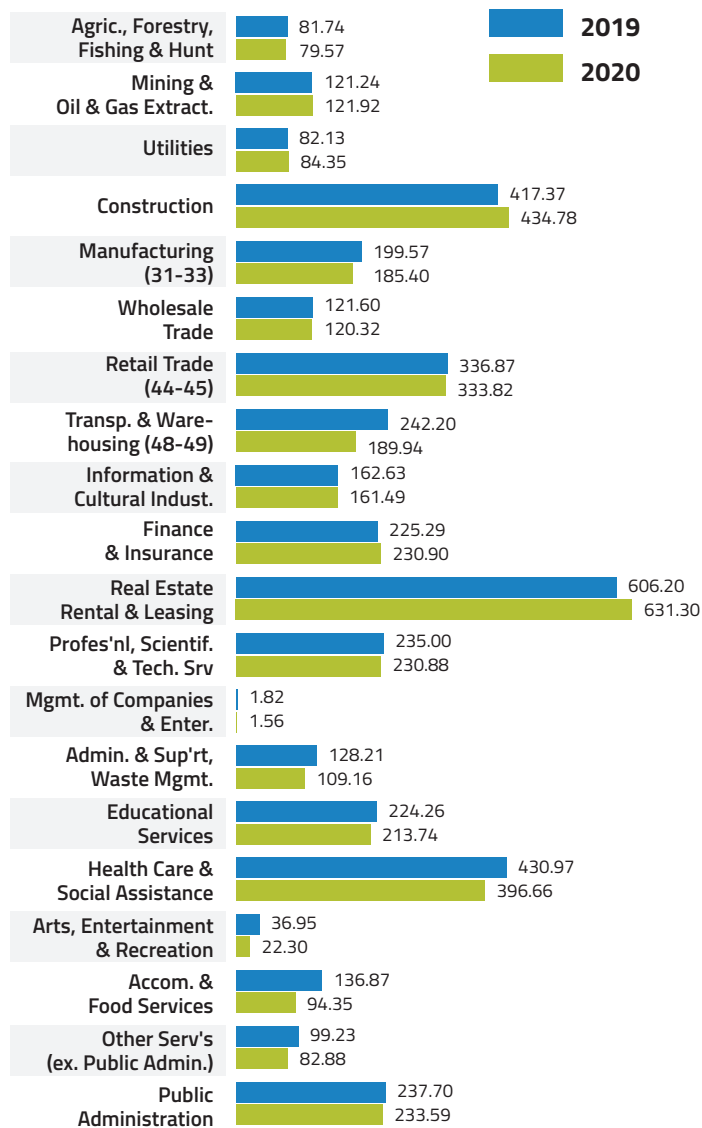
- BC has the highest job vacancy rates; this is expected to put upward pressure on wage rates which will further support the already healthy consumer spending.
- Retail sales in 2021 have remained strong, registering **13%** above pre-pandemic levels, and are forecast to continue growing in 2022.
- BC's housing starts reached a record high in March 2021 and have remained well above historical levels.
- Home sales also remained elevated. Strong demand, low interest rates and low inventory are contributing to increased house prices.
- The goods sector was a key contributor to BC's recovery in 2021, but its outlook is more mixed. The forestry sector is dealing with raw material shortages, and most recently, the newly imposed softwood lumber tariffs in the US. On the upside, non-residential construction remains strong due to ongoing construction of large-scale projects. As well, the rebuilding after the floods disaster should add to overall economic performance in the first half of 2022.

Inflation

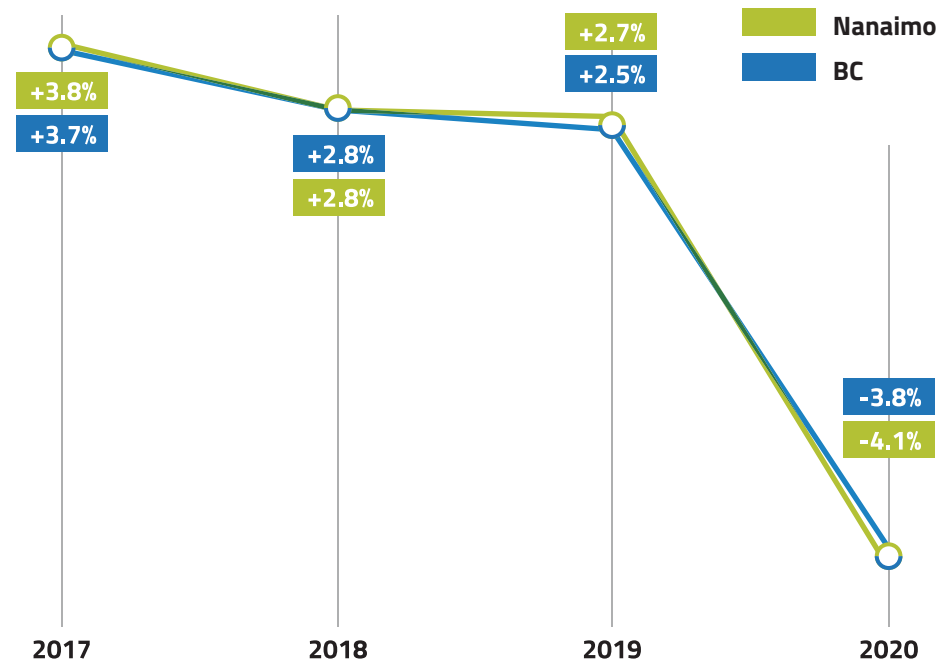
- Inflation has accelerated due to disrupted supply chains, leading to a global shortage of shipping containers and Semi-conductor chips. This created a scarcity of items like cars and electronics, pushing prices higher. On the demand side, travel and social restrictions led to increased demand for items like lumber for home renovations and recreational vehicles. As impacts of COVID-19 dissipate, inflation levels are expected to return to the long-range targets set by the Bank of Canada. Recent floods and land slides in BC have likely pushed relief from inflation further into the horizon of 2022.
- The Canadian dollar is expected to remain strong based on increases in commodity prices like lumber, copper, oil and gas. A strong Canadian dollar means more people will travel abroad. The changing nature of the pandemic and related travel restrictions will impact that.

Index of GDP Growth (2016=100) Year-over-Year

(MILLIONS OF DOLLARS)



GDP Growth Rates Index of GDP Growth Year-over-Year



	2017	2018	2019	2020	Average
Growth Rate BC GDP	↑ 3.7%	↑ 2.8%	↑ 2.5%	↓ 3.8%	↑ 1.3%
Growth Rate Nanaimo GDP	↑ 3.8%	↑ 2.8%	↑ 2.7%	↓ 4.1%	↑ 1.3%
Nanaimo GDP (millions chained 2012\$)	\$3,911	\$4,021	\$4,128	\$3,959	\$4,005
Nanaimo GDP (as Share of BC)	1.6%	1.6%	1.6%	1.6%	1.6%

Gross Domestic Product

The Gross Domestic Product (GDP)¹ measures the value of final goods and services produced in the economy. Changes in GDP are the standard measure of economic growth. Nanaimo estimates are derived from provincial measures of GDP using the share of employment by industry. GDP is useful in providing overall economic trends in conjunction with other indicators.

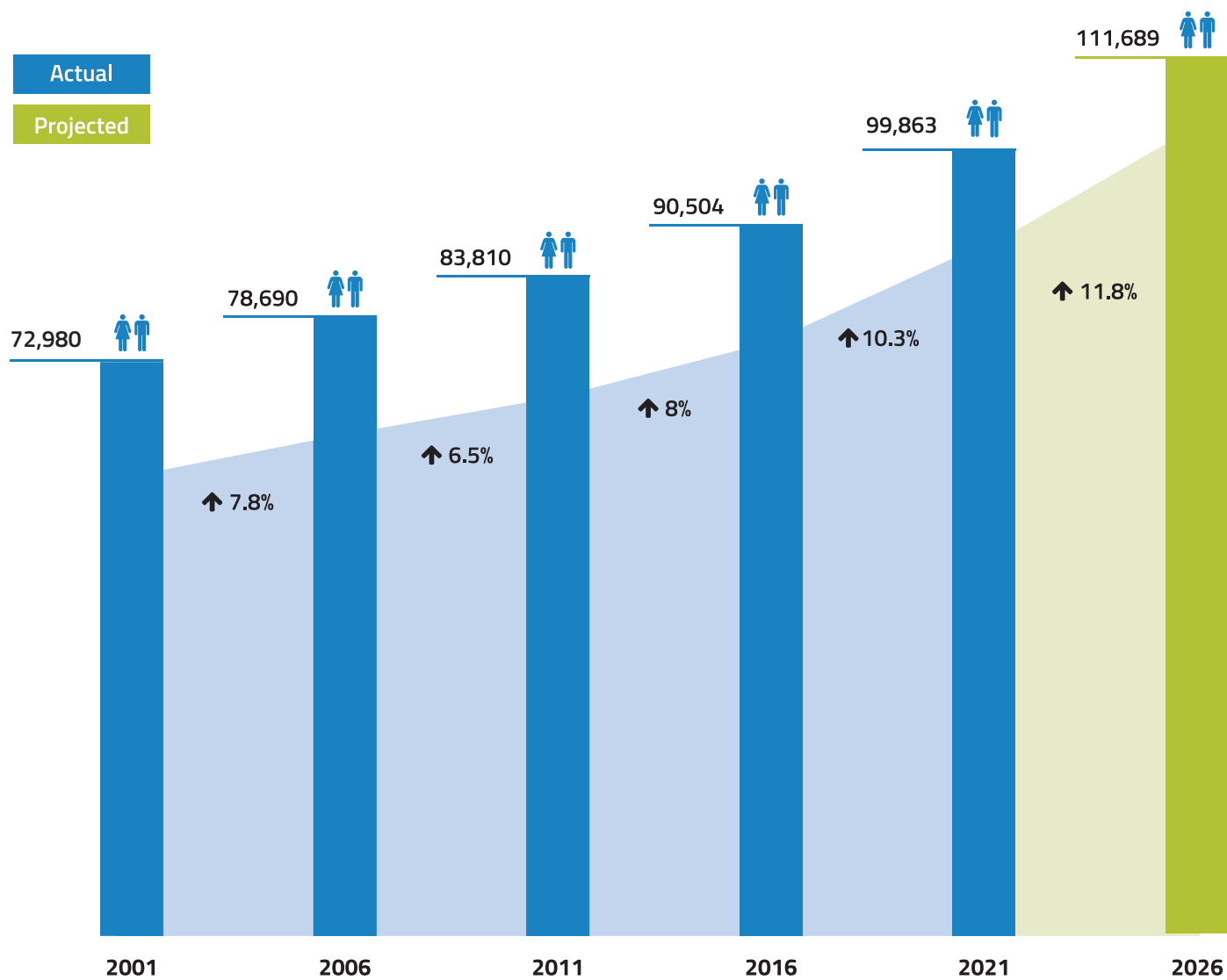
The Canadian Economy contracted by **5.3%** in 2020, the largest year-over-year decline. BC finished far stronger than most other provinces at **3.8%** GDP contraction, exceeding late 2019 forecasts around **5.3%**. The ongoing COVID-19 restrictions and resulting adjustments by various sectors of the economy landed the City of Nanaimo at **4.1%** GDP decline in 2020. The City of Nanaimo accounts for approximately **1.6%** of BC's GDP. Economic performance across different sectors was impacted by the ease and cost of adopting COVID-19 health measures and restrictions. In the primary industries, utilities and construction performed better in 2020 in comparison to 2019, while the agriculture and forestry/fisheries sectors underperformed. In the service sector, the largest declines were in the arts, entertainment and recreation services; this sector's GDP declined by **39.6%**. The next highest loss was suffered by accommodation and food services at **31%**, followed by transportation & warehousing at **22%**. Professional services sectors such as real estate/rental/leasing and finance and insurance performed better in 2020 compared to 2019 by quickly adjusting to remote working.

SOURCE: BC STATS, NANAIMO ECONOMIC DEVELOPMENT CALCULATIONS

*The City of Nanaimo accounts for approximately **1.6%** of BC's GDP.*

¹GDP is a measure of the value-added associated with market-based production. It does not capture non-market production or any activity that takes place in the underground economy. GDP estimates have a number of weaknesses as a measure of economic welfare and are best used in conjunction with other indicators such as income and employment. Chained dollars is a method of adjusting real dollar amounts for inflation over time, to allow the comparison of figures from different years.

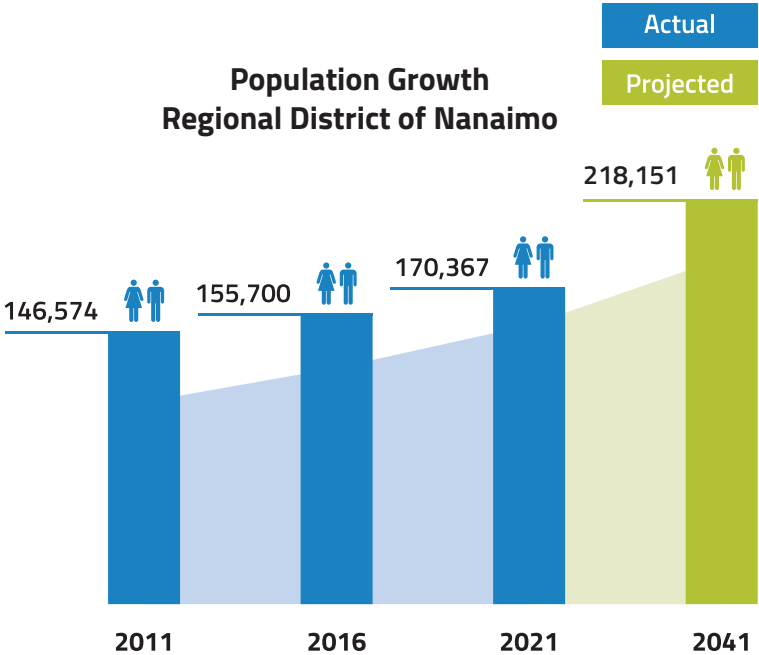
City of Nanaimo Population



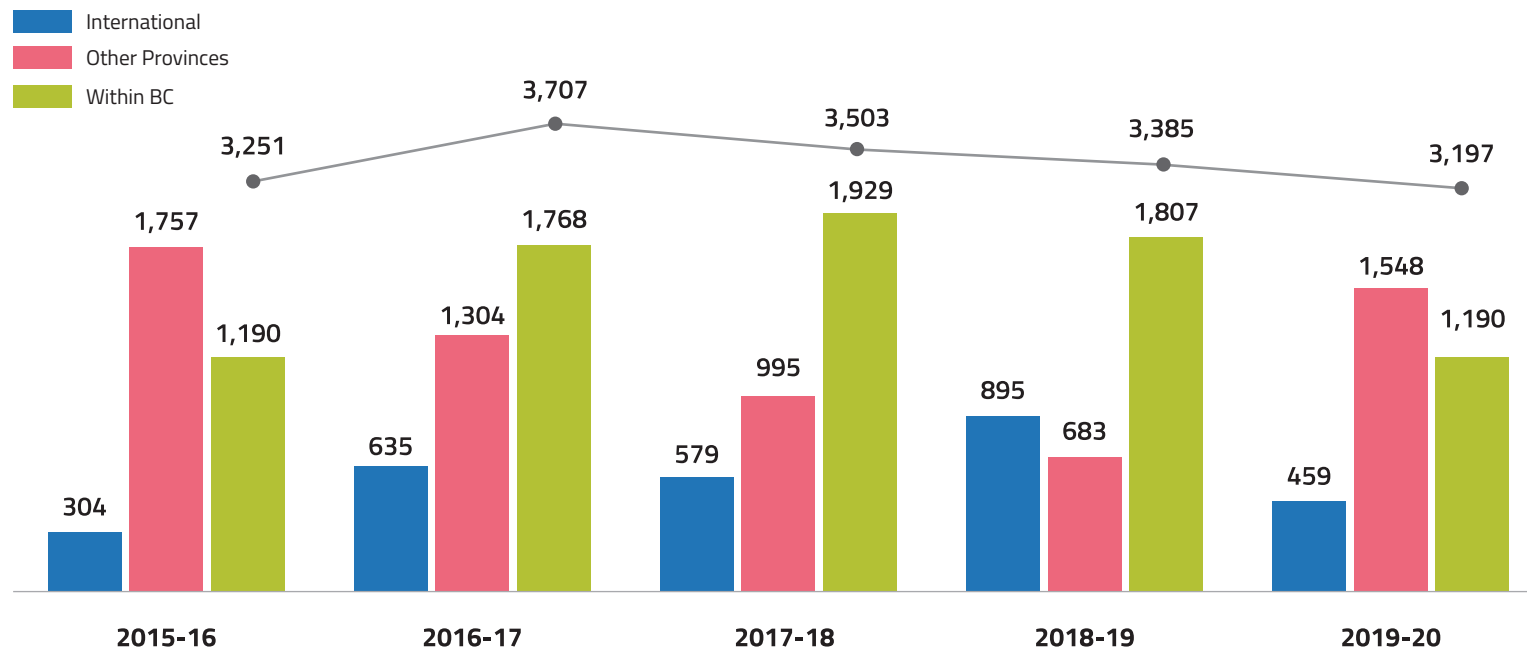
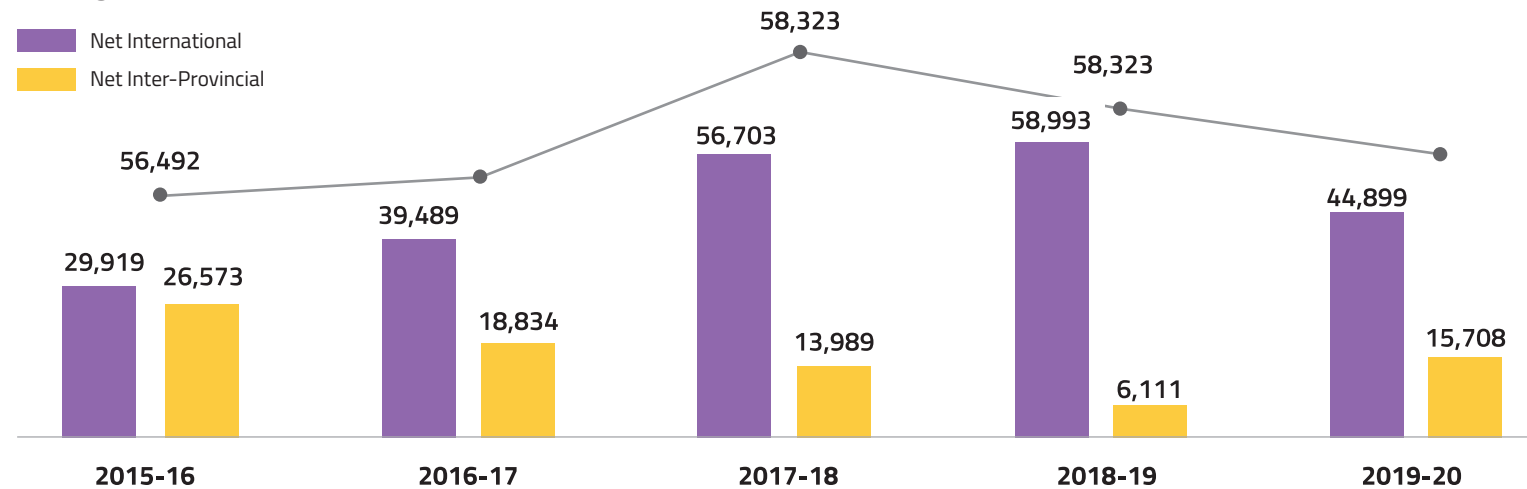
Population

The City of Nanaimo’s population for 2021 is **99,863** (Statistics Canada, 2021 Census of Population). Nanaimo’s population growth rate over the last Census was **10.3%**, significantly higher than BC at **7.6%** and Canada at **5.2%**. Population projections up to 2046 indicate strong growth will continue.

The Regional District of Nanaimo’s (RDN) population for 2021 is **170,367** (2021 Census). The RDN’s population is expected to increase by **12,025** persons by 2026, equating to an annual average growth rate of **1.8%**. The Vancouver Island Coast region (VIC) and BC is projected to grow at **1.4%** annually over the next five years. Over the next five years, the City of Nanaimo’s population growth rate is projected to be higher than the VIC region and the province as a whole.



SOURCE: BC STATS (PEOPLE MODEL 2021), CENSUS CANADA

Origin of New Residents (RDN)**BC Migration**

Migration

Population growth rate is driven by two factors: natural increase and migration. In 2019-20 there were **1,124** births in Nanaimo and **1,827** deaths. Nanaimo's population growth has mainly resulted from migration. People move to new areas for a variety of reasons, including employment opportunities and quality of life factors. There are three types of migrants: intraprovincial (within BC), interprovincial (other provinces) and international immigrants (outside of Canada).

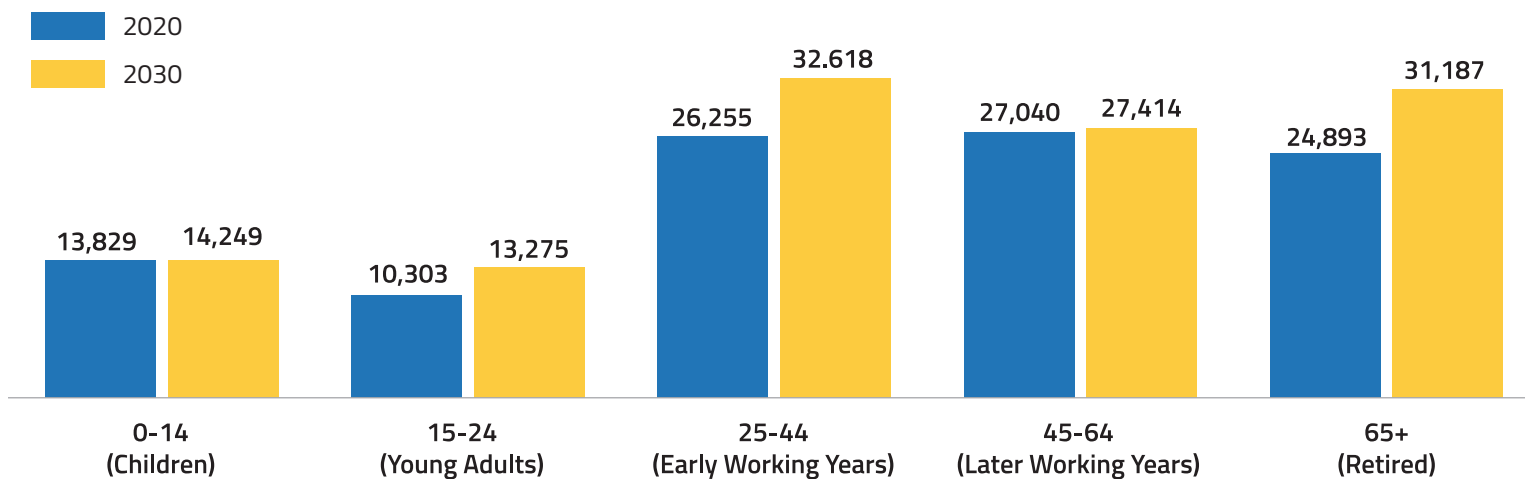
In the past five years, on average over **3,400** net new residents have relocated to the RDN annually. Net migration to the Nanaimo region has been trending downwards after peaking in 2016-17 which is consistent with slower projected population growth over the next five years. Migration from within BC to the RDN declined in the last few years. Migration from other provinces was significantly up in 2019-20. International migration was down **49%** in 2019-20 due to the pandemic and related travel restrictions.

Net migration to BC has been declining in the last few years. Most of the growth in the past five years has occurred due to international migration. There was a large decline in international migrants in 2019-20 due to the pandemic, however this decline was offset by stronger gains in interprovincial migration. Nanaimo captured **5.3%** of total migrants to BC in 2019-20, and the five-year average is **5.5%**.

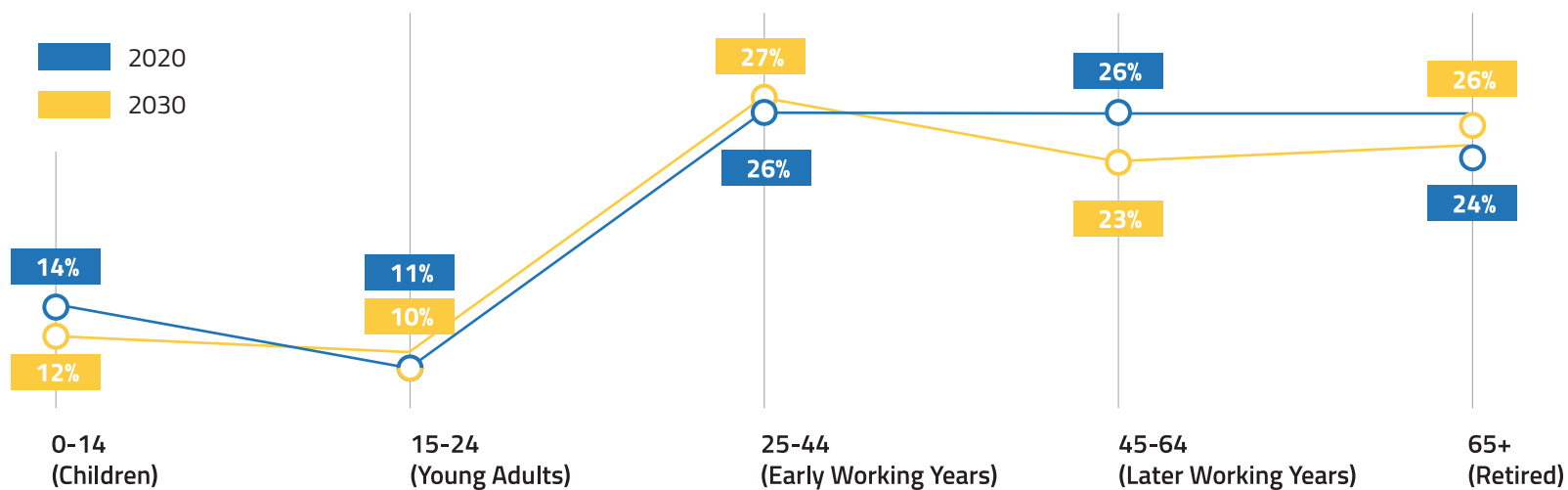
*In the past five years, on average over **3,400** net new residents have relocated to the RDN annually.*

SOURCE: BC STATS PRELIMINARY STATS CANADA DATA. MIGRATION YEAR JULY 1-JUNE 30TH.

Population by Age Breakdown (City of Nanaimo)



Age Breakdown by Percentage of Total Population (City of Nanaimo)



Age Breakdown

Children (0-14) represented **14%** of Nanaimo's total population in 2021. This segment of population will increase by **420** children by 2031, but decline by **2%** as a proportion of total population.

In 2021, **62% (63,598)** of Nanaimo's population was working age (15-64). Working age population is projected to increase by **9,709** persons by 2031 representing **62%** of total population.

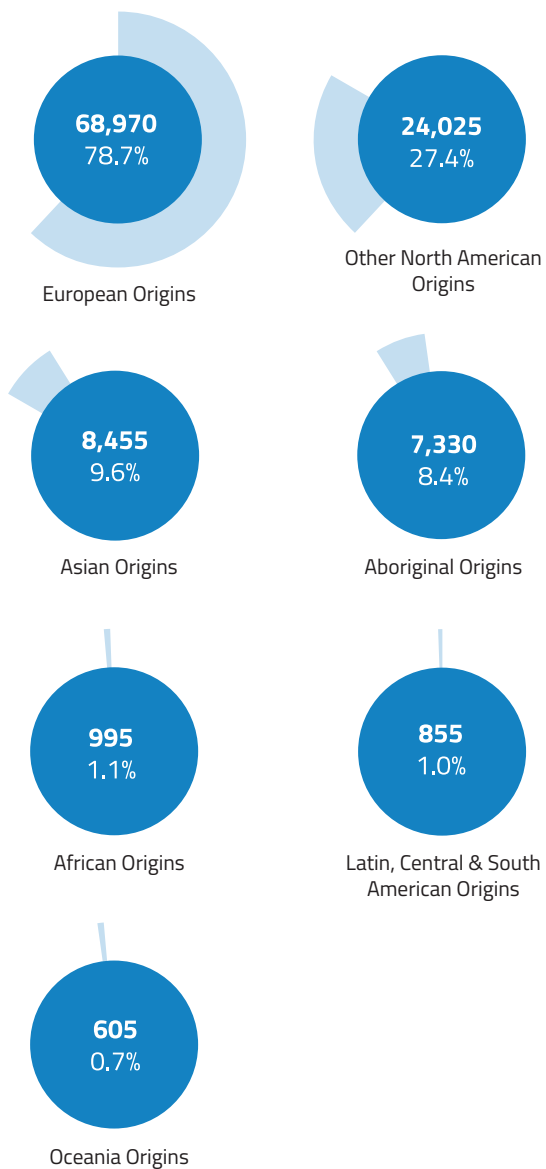
The 65+ category represented **24%** of total population in 2021 and is expected to grow by another 6,294 persons and represent **26%** of total population by 2031.

The largest growth over the next decade is projected in the 25-44 (early working years) age category at **28.8%**, followed by 65+ age category at **25.3%**. This is the first time that the largest growth is not projected in the 65+ (retirement) age category. This demographic shift will lead to structural changes in the economy. A younger population demands different products and services as well as amenities such as nightlife opportunities.

The largest growth over the next decade is projected in the 25-44 (early working years) age category

SOURCE: BC STATS

City of Nanaimo Ethnic Origins (2016)



City of Nanaimo Visible Minorities

	2021	2026	% Change
Chinese	3,011	3,384	↑ 12%
South Asian	2,271	2,222	↓ -2%
Black	800	825	↑ 3%
Filipino	978	1,025	↑ 5%
Latin American	572	592	↑ 3%
Arab	283	281	↓ -1%
Southeast Asian	853	861	↑ 1%
West Asian	194	181	↓ -7%
Korean	396	372	↓ -6%
Japanese	489	498	↑ 2%
Visible Minority (not inc. elsewhere)	79	72	↓ -9%
Multiple	249	226	↓ -7%
Total	10,175	10,539	↑ 4%

PROJECTED

Ethnic Diversity

The largest segment of residents in Nanaimo are of European origins, representing **79%** of the total population. At **27%**, the second highest group is Other North American Origins (excluding Indigenous), and the third largest is Asian origins at **10%**. Indigenous origins represent **8.4%** of the population. The largest population gains in the 2016 census were in the Asian (**2,790**) and European origins (**2,670**).

Visible minorities represent **10%** of Nanaimo's total population. As the overall population grows, Nanaimo is seeing greater diversity in its population. In 2021, Nanaimo's visible minority population is estimated at **10,175**. The three largest minorities in Nanaimo are Chinese, South Asian, and Filipino, representing **3.0%**, **2.2%** and **1.0%** of total population respectively. The total visible minority population is expected to increase by **4%** by 2026. The largest growth is expected to come from Chinese migrants (**373**), followed by Filipino (**47**) and Black (**25**).

BC's visible minority population is at **31.1%**. The three largest minorities in BC are Chinese (**11.7%**), South Asian (**7.8%**), and Filipino (**3.6%**). Vancouver has the most diverse population in BC with visible minorities representing **48.9%** of the total population, with Chinese at **19.6%**, South Asian **12%** and Filipino at **5.1%**.

*Visible minorities represent **10%** of Nanaimo's total population*

SOURCE: 2016 CENSUS, ESRI

Business Licenses by Industry Sector (City of Nanaimo 2021)

 Professional, Scientific, Technical	786	 Finance and Insurance	126
 Retail Trade	777	 Wholesale Trade	120
 Other Services (except Public Admin.)	638	 Education and Training	87
 Health Care and Social Assistance	661	 Information and Cultural	38
 Admin. + Support, Waste Mgmt. + Remed.	507	 Mgmt. of Companies/Enterprises	3
 Real Estate, Rental and Leasing	430	 Construction	1,219
 Accommodation and Food Services	308	 Manufacturing	138
 Arts, Entertainment and Recreation	189	 Agriculture, Forestry, Fishing and Hunting	11
 Transportation and Warehousing	173	 Utilities	3

 **Goods Producing Sector**

 **Service Producing Sector**

Business Licenses

In 2021, the City of Nanaimo had **6,214** licensed businesses. The largest number of business licences are held by the Construction Sector, followed by the Professional, Scientific and Technical Services and Retail Sectors. The number of total business licences increased by **3%** compared to 2011.

In 2021, the number of business licences decreased by **67**, representing a **1.1%** decline over the year. The largest growth in business licences was in the retail (**+28**) and Healthcare & Social Services (**+22**) sectors, and the largest decline was in other service (**-19**), Manufacturing (**-19**) and Arts & Entertainment (**-18**). These fluctuations reflect the impacts of pandemic-related restrictions on some of the hardest hit sectors of the economy.

Home-based businesses account for **41%** of total business licences issued in the City of Nanaimo, an increase of **4%** since the start of the pandemic. **67%** of Nanaimo's businesses are locally owned and operated. **3.0%** of Nanaimo businesses are franchise operations and **9.49%** are branch offices of larger companies headquartered elsewhere.

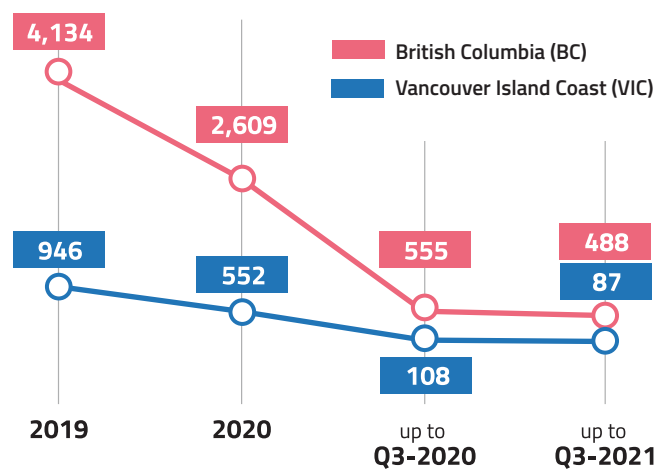
Note: business licenses represent all types of private businesses, sole proprietorships, partnerships and incorporated businesses.

SOURCE: CITY OF NANAIMO ECONOMIC DEVELOPMENT

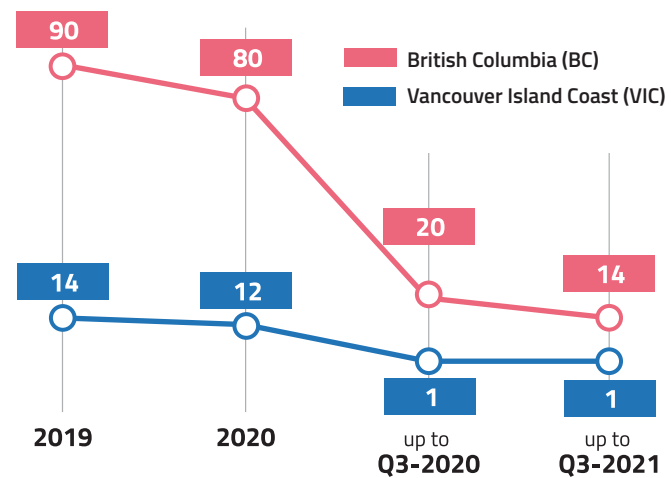
Business Incorporations

	2016	2017	2018	2019	2020	Average 2018-20
City of Nanaimo	567	576	566	606	615	596
Reg. District of Nanaimo (RDN)	788	800	785	817	823	808
Vancouver Island Coast (VIC)	4,210	4,410	4,313	4,330	4,372	4,338
Nanaimo as Share of VIC	13%	13%	13%	14%	14%	14%
Nanaimo as Share of RDN	72%	72%	72%	74%	75%	74%

Consumer Bankruptcies



Business Bankruptcies



Business Incorporations

Incorporations are the number of new limited companies registered under the Business Corporations Act. Sole proprietorships or partnerships are not included. In 2020, the City of Nanaimo had **615** new business incorporations, an increase of **1.5%** from 2019. During the same time period, Vancouver Island growth was **1%**. Nanaimo accounted for **75%** of new incorporations in the RDN and **14%** of the Vancouver Island Coast region. In 2020, the City of Nanaimo, the Regional District of Nanaimo and Vancouver Island Coast all surpassed their three year average for business incorporations.

In 2020, business and consumer bankruptcies on Vancouver Island declined by **41%** and **14%** respectively. In the first three quarters of 2021, consumer bankruptcies declined by **19.4%** in year-to-date comparisons with 2020. Only one business declared bankruptcy during the first three quarters of 2021. This is consistent with trends observed across Canada and is likely due in part to government support measures like the Canadian Emergency Response Benefit (CERB) and the Canadian Emergency Wage Subsidy (CEWS), as well as mortgage deferral options. Not all business closures are reflected in the business bankruptcy numbers as many businesses may close, but not declare bankruptcy.

SOURCE: BC STATS, OFFICE OF THE SUPERINTENDENT OF BANKRUPTCY OF CANADA

Businesses by Employee Size (City of Nanaimo)

	2010	2015	2020	10 Year Growth Rate (2010-20)
1-4	1,530	1,707	1,827	↑ 19.4%
5-9	659	706	683	↑ 3.6%
10-19	374	503	518	↑ 38.5%
20-49	233	293	282	↑ 21.0%
50-99	55	89	98	↑ 78.2%
100-199	31	32	34	↑ 9.7%
200-499	11	13	18	↑ 63.6%
500+	4	5	4	↑ 0%
Total:	2,897	3,348	3,464	Average: ↑ 19.6%

Size of Business

In 2020, the City of Nanaimo had **3,464** businesses with one or more employees. The overall number of businesses with employees is growing over time, but the rate of growth is slowing, i.e. **3.5%** in the last five years compared to **15.6%** in the five years prior. Over the past five years, sole proprietorships increased by **7.1%**.

Increasing real estate costs and advances in technology are curving some the long-term demand for labour. More and more switchboard operators are being replaced by phone and interactive voice response menus, while many grocery stores now have self-checkout machines. On the supply side, the labour market is getting even tighter due to the aging demographics.

In the City of Nanaimo, a majority (**87%**) of the businesses with employees have between 1 and 19 employees, and **12%** have between 20 and 199 employees. Less than **1% (0.6)** of the businesses have over 200 employees.

SOURCE: BC STATS

Applications to the Provincial Nominee Program (City of Nanaimo)

	2016	2017	2018	2019	2020	2021	2016-21
Skills Immigration Application	70	71	55	65	58	48	367
Entrep. Immigration Application	<5	5	5	9	<5	<5	27

Nominations to the Provincial Nominee Program (City of Nanaimo)

	2016	2017	2018	2019	2020	2021	2016-21
Skills Immigration Nomination	50	56	43	48	46	33	276
Entrep. Immigration Nomination	6	<5	<5	<5	<5	0	16

Entrepreneur Immigration

	2016	2017	2018	2019	2020	2021	2016-21
Work Permits	5	<5	<5	<5	<5	<5	20
Jobs Created (if nominated)	7.5	7.0	4.0	5.0	4.0	–	27.5
Investment (if nominated)	\$ 2,130,195	\$824,134	\$ 2,075,500	\$ 1,579,517	\$823,150	–	\$7,432,496

The BC Provincial Nominee Program (BC PNP)

The BC Provincial Nominee Program (PNP) enables the province to directly select a limited number of skilled and semi-skilled foreign workers, international students, and entrepreneurs who can contribute to BC's economy. Candidates apply through either the Skills Immigration stream or the Entrepreneur Immigration stream. If nominated, they can apply to Immigration, Refugees and Citizenship Canada for permanent residence for themselves and their families.

Skills Immigration applicants must meet specific category criteria, which include wage, location, education, experience and language skills and their intent to live in BC, with most categories requiring a job offer. There were **297** applicants for Nanaimo under this stream in the last five years, and about **75%** of them received nominations for permanent residency.

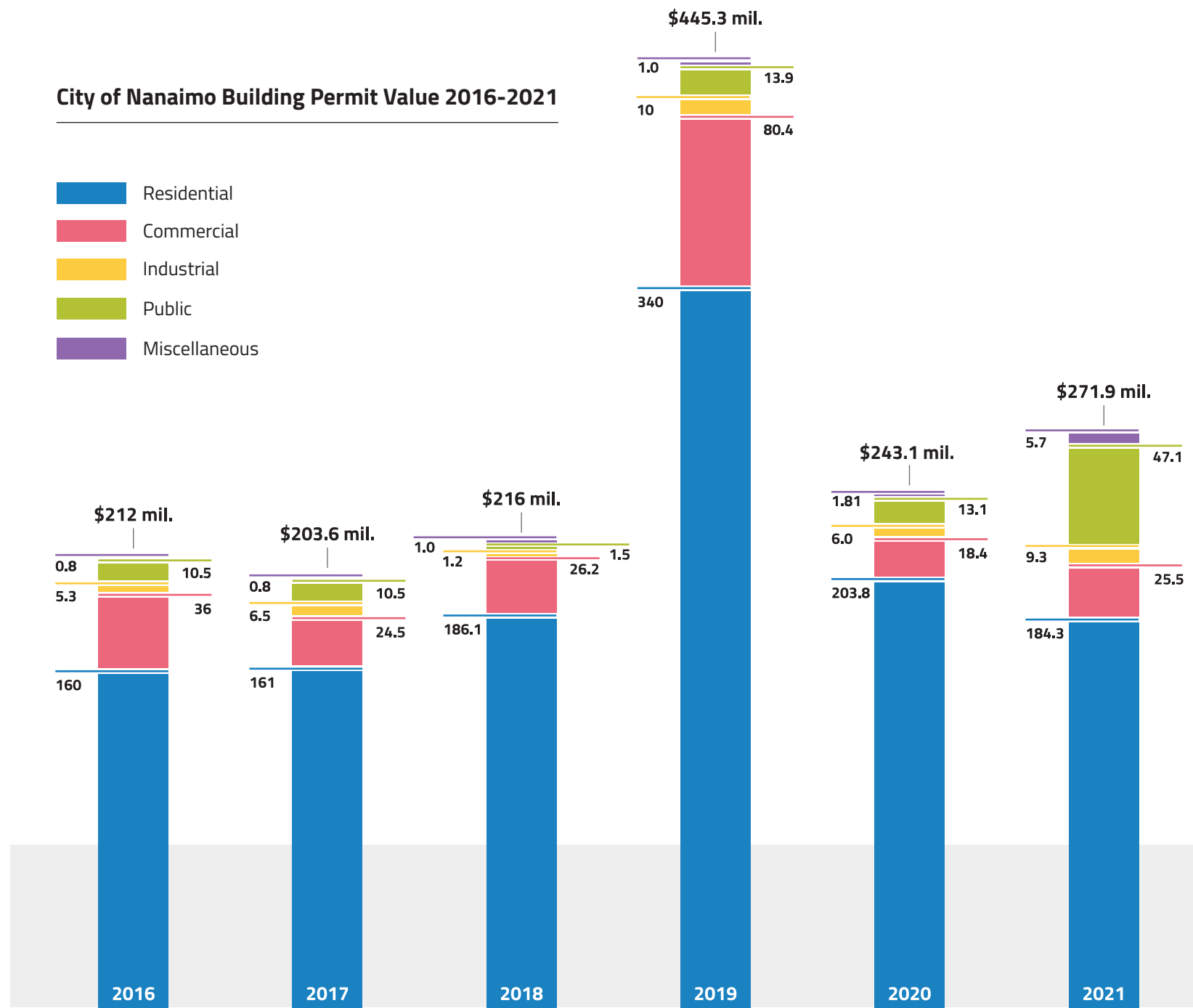
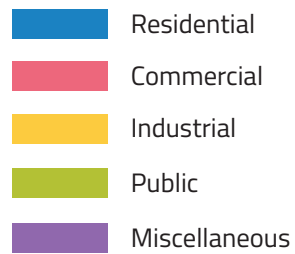
Nominees under the Entrepreneur Immigration Base stream are required to meet a minimum financial investment amount (\$200,000 investment) and create at least one new job for British Columbians. To be nominated, entrepreneurs must demonstrate their intent and ability to reside in BC and actively manage the business. Since 2011, **49** immigrant entrepreneurs who came to Nanaimo to run businesses have been nominated for permanent residency through the BC PNP. These entrepreneurs brought **\$19.2 million** in investment dollars and created **78** new jobs in

Nanaimo. The BC PNP paused the Entrepreneur Immigration Base category in July 2021 and will provide an update on when it will reopen in early 2022.

Skills Immigration nominations for Nanaimo declined from **46** in 2020 to **33** in 2021, and the city has received fewer than **five** entrepreneur nominees over the past two years, likely due to impact of COVID-19 on businesses. Travel restrictions due to COVID-19 are expected to continue to have some impact on the arrival of immigrants in British Columbia.

SOURCE: BC MINISTRY OF JOBS, TRADE AND TECHNOLOGY

City of Nanaimo Building Permit Value 2016-2021



Building Permits

At **\$271.9 million**, building permit values increased by **12%** in 2021 compared to 2020. Non-residential (Commercial, Industrial, Public) building permits accounted for **30.1%** of the total in 2021, compared to **15.4%** in 2020. Residential permits accounted for **67.8%** of the total value of building permits in 2021 compared with **84%** in 2020.

Commercial building permit values increased by **39%**, industrial by **55%**, and public by **260%**, year over year. Residential permit values decreased by **10%** year over year.

*At **\$271.9 million**, building permit values increased by **12%** in 2021 compared to 2020*

SOURCE: CITY OF NANAIMO ECONOMIC DEVELOPMENT

2021 Major Projects over \$2 Million

Address	Description	Value
1200 Dufferin Crescent	Acute Care ICU, 2-storey addition to NRGH, 1021.3m ²	\$21,354,638
135 Haliburton Street	New Apartment Building, 79 strata units, 5 storeys with underground parking	\$13,255,910
1025 Morningside Drive	Hammond Bay Elementary, new 2 storey building, 1703.6m ²	\$12,311,100
702 Nicol Street	Provincial Rental Housing, 59 units, 4 storeys	\$12,000,000
4157 Verte Place	New Apartment Building, 27 units, 3 storeys	\$6,979,298
25 Cilaire Drive	Cilaire Elementary, seismic/mechanical retrofit	\$6,900,000
4474 Wellington Road	New Mixed-Use Building, 16 residential units, 823.13m ² commercial space	\$5,669,822
981 Maughan Road	Convertus Canada, 1-storey addition with mezzanine	\$4,341,000
151 Royal Pacific Way	5 New Duplexes, 10 units, 3 storeys each	\$4,050,000
2348 Kenworth Road	Mitsubishi Dealership, 2 storeys over underground parkade, 3369.58m ²	\$4,002,423
6201 Dunbar Road	Nanaimo Search and Rescue, Phase 1 of retrofit, including seismic upgrading and	\$3,000,000
2220 Dorman Road 2211 McGarrigle Road	Fortis BC, office renovations plus addition to existing warehouse, 324.6m ²	\$2,500,000
195 Fourth Street	Nanaimo Search and Rescue, Phase 1 of retrofit, including seismic upgrading and alterations	\$2,400,000
111 Wall Street	Building envelope renewal for townhouse development	\$2,300,000
2700 Norwell Drive	2-storey shell office building	\$2,237,821
1225 Manzanita Place	New rowhouse, 5 units, 3 storeys, with parkade	\$2,200,000

Major Projects

In 2020 and 2021, there were **35** projects with a minimum value of **\$2 million** or more. In 2021, many of the larger projects included public sector developments such as the addition of an Acute Care ICU at NRGH, elementary school additions and upgrades, new provincial rental housing and Fortis BC office upgrades. In 2020, many of the larger projects were apartment buildings, and some mixed-use projects, including Fire Station #1.

Nanaimo Hospital ICU Replacement

In February 2021, construction began on a new intensive care unit (ICU) at the Nanaimo Regional General Hospital. The new ICU will be three times the size of the current unit and include 12 single-patient rooms, service booms, overhead lifts, a medication room, family consult room and staff room. The project is estimated to create 200 direct jobs and will open in early 2023.

SOURCE: CITY OF NANAIMO



1200 Dufferin Crescent

ACUTE CARE ICU, 2-STOREY ADDITION TO NRGH - \$21.35 MILLION



702 Nicol Street

PROVINCIAL RENTAL HOUSING, 59 UNITS, 4 STOREYS - \$12 MILLION



135 Haliburton Street

APARTMENT BUILDING, 79 STRATA UNITS, 5 STOREYS - \$13.25 MILLION



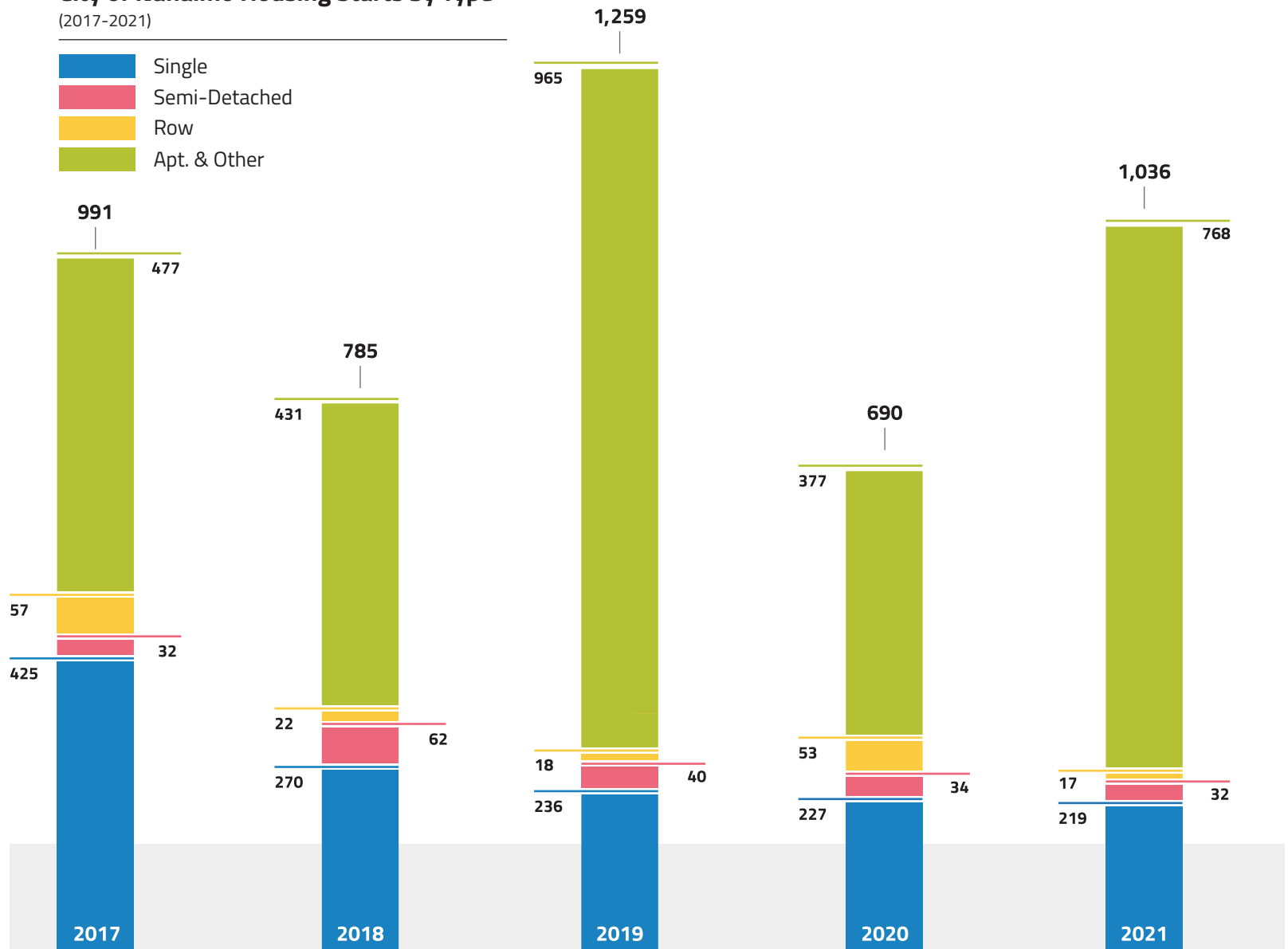
4474 Wellington Road

MIXED-USE BUILDING, 16 RES. UNITS, & COMM. SPACE - \$5.66 MILLION

City of Nanaimo Housing Starts by Type

(2017-2021)

- Single
- Semi-Detached
- Row
- Apt. & Other



New Housing and Housing Stock

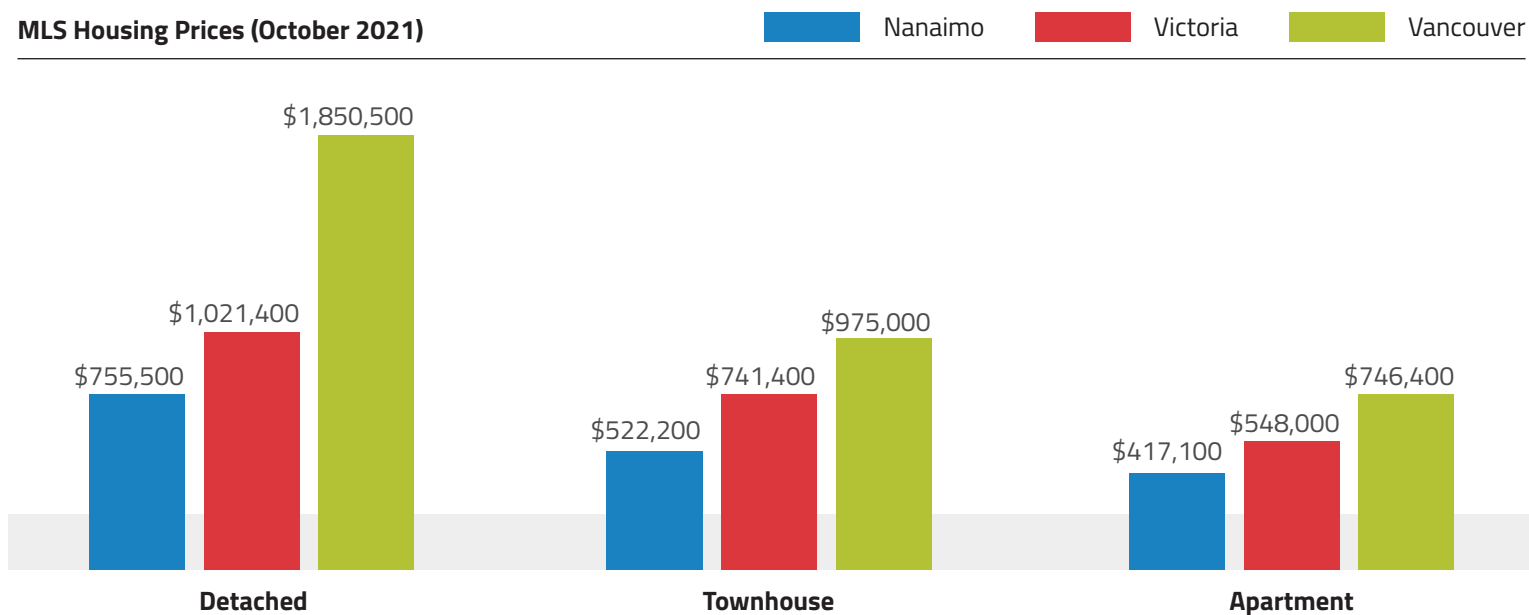
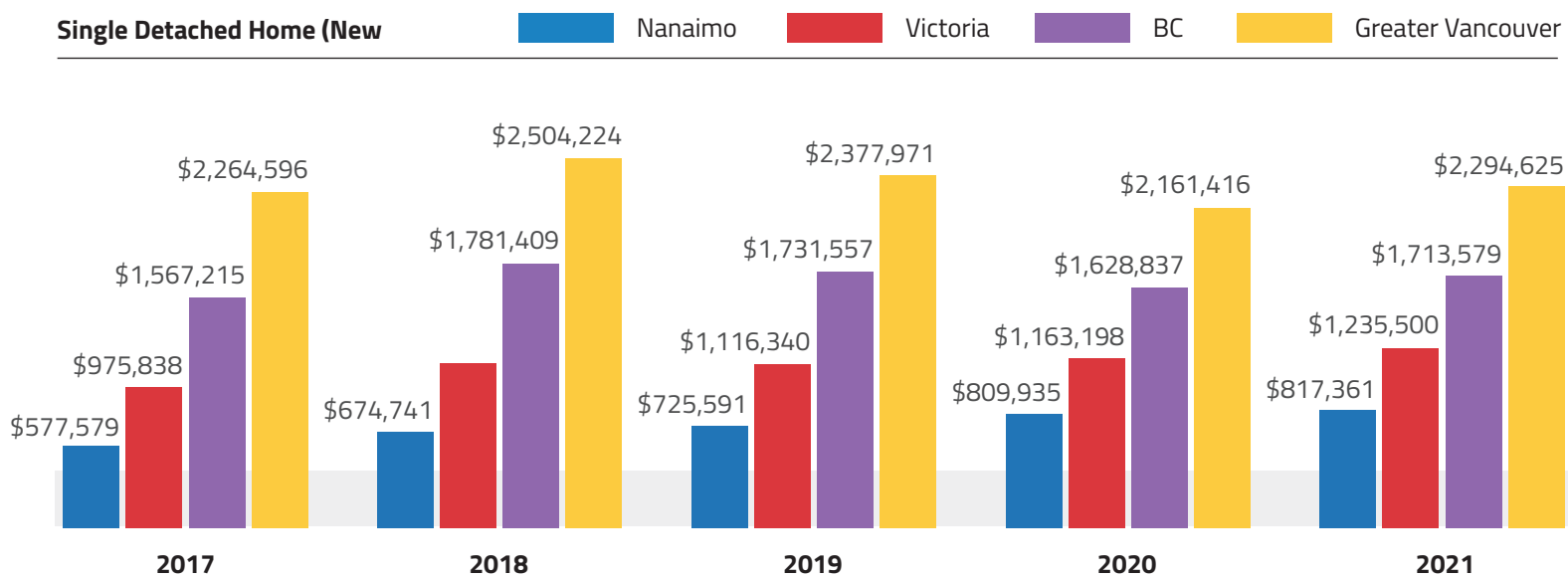
Housing starts, like building permits, are a leading indicator of economic activity. In 2021, new housing starts increased by **50%** to **1,036**, compared with **690** starts in 2020. The trend towards denser forms of housing intensified as **75%** of new housing starts were apartment-type dwellings, and all other types combined accounted for **25%** of new builds.

Single or semi-detached homes still make up the majority of the housing stock, representing **62%** of all built housing. As the city grows, the mix of housing has been changing, with apartments and low/high rise buildings making up **36%** of all housing and other dwelling types making up **2%**.

In 2021, new housing starts increased by 50%

SOURCE: CMHC, CITY OF NANAIMO, ESRI CANADA

Housing Stock 2021	
Houses	26,167
Single-Detached House	21,988
Semi-Detached House	2,071
Row House	2,108
Apt. Building Low/High Rise	15,142
Apt. Building, 5+ Storeys	1,347
Apt. Building, < 5 Storeys	7,764
Detached Duplex	6,031
Other Dwelling Types	919
Other Single-Att, House	88
Moveable Dwelling	831
Total Households	42,228

MLS Housing Prices (October 2021)

Single Detached Home (New)


Housing Prices

The benchmark price of an average single-family detached home in Nanaimo increased by **22%** year-over-year in October 2021. The benchmark price of a similar house in Victoria increased by **27%** and in Vancouver by **21%**. Benchmark prices for townhouses increased by **22%** in Nanaimo, **24%** in Victoria and **20%** in Vancouver. Apartment prices increased by **23%** in Nanaimo, **15%** in Victoria and **9%** in Vancouver.

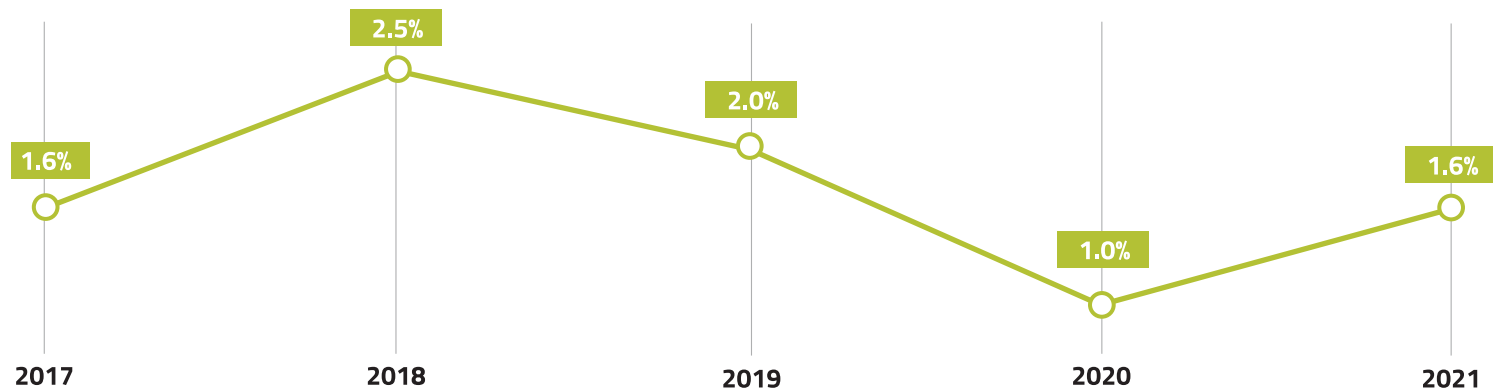
The average price of a single-family **new** house increased by **1%** in Nanaimo in 2021. The price increase in Vancouver and Victoria for a similar home was **6%**. A new single-family detached home in Nanaimo costs roughly one-third the price of Vancouver and less than three-quarters the price of Victoria.

SOURCE: CMHC, VIREB, REBGV, VREB (NOTE: THE HOUSING PRICE INDEX DETERMINES THE BENCHMARK PRICE AND IT IS GIVEN BASED ON CRITERIA THAT IS COMMONLY FOUND IN OTHER PROPERTIES IN THE SAME AREA. BENCHMARK PRICE IS CONSIDERED A TYPICAL SALE PRICE)

Nanaimo Average Rents, Vacancy & Units (October 2020)

	Rent		Vacancy Rate		Total Units	
Private Apartments	2020	2021	2020	2021	2020	2021
Bachelor/Studio	\$914	\$976	0.0%	1.3%	345	373
1 Bedroom	\$1,010	\$1,092	1.4%	1.2%	2,006	2,140
2 Bedroom	\$1,271	\$1,360	0.8%	2.0%	1,651	1,704
3+ Bedroom	\$1,360	\$1,542	0.0%	3.0%	130	127
Average/Total	\$1,112	\$1,198	1.0%	1.6%	4,132	4,344

Rental Market Vacancy Rate (City of Nanaimo)



Rental Market

In 2021, **67%** of Nanaimo residents lived in owned housing, while **33%** occupied rental accommodations (ESRI CANADA). The rental apartment average vacancy rate in Nanaimo increased from **1%** to **1.6%**. The return of students and increased migration grew rental demand faster than supply leading to overall average rent increase of **7.7%**. The number of units in supply increased by **212**, representing a **5.1%** year-over-year increase.

The vacancy rate in Vancouver CMA decreased from **2.6%** to **1.2%** year-over-year. Vacancy rate in Victoria CMA dropped from **2.2%** to **1%**. In these markets record migration, along with a recovering job market, led to greater demand for rental housing, particularly for newer units, despite the rising premium compared to older rentals. Rental supply growth slowed compared to 2020, in both Vancouver CMA and Victoria CMA.

Overall average rent for a two-bedroom apartment in Nanaimo increased by **7%**, in Greater Victoria by **4%**, and Greater Vancouver by **2%**.

Comparison of Average Monthly Rent (2 Bedroom Apt.)

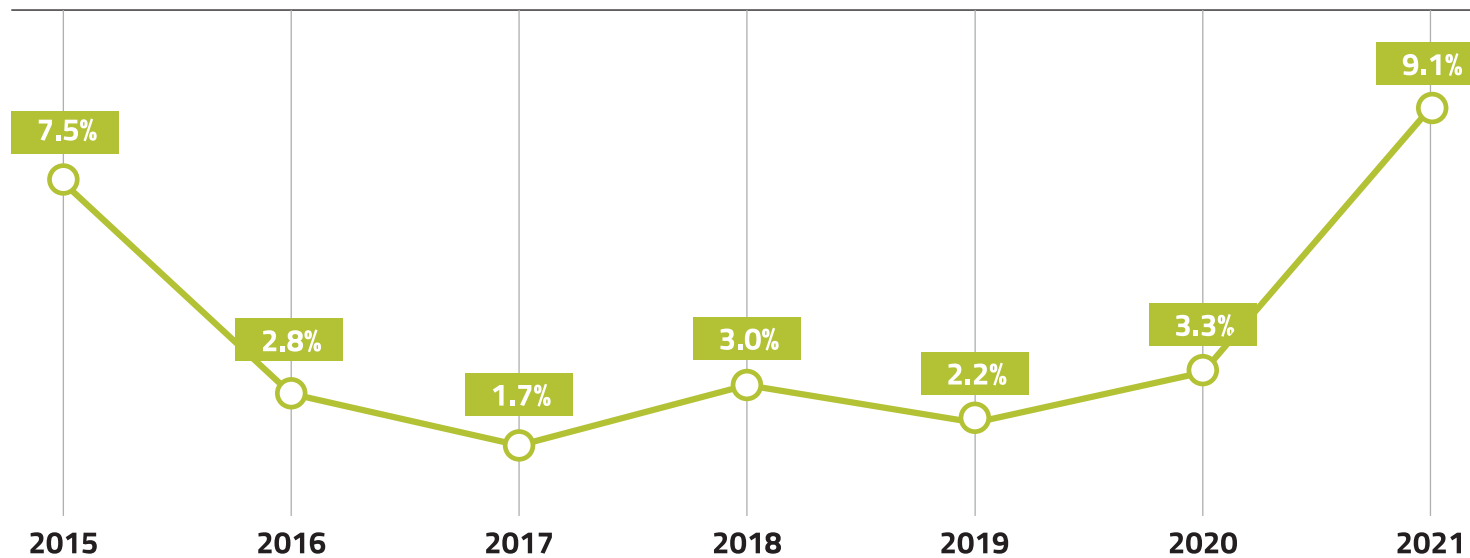
	Vancouver	Victoria	Nanaimo
2020	\$1,792	\$1,507	\$1,271
2021	\$1,824	\$1,571	\$1,360
	↑ 1.8%	↑ 4.2%	↑ 7.0%

SOURCE: CMHC

Seniors' Housing Average Rents & Vacancy Rates

Type	Average Rent		Vacancy Rate	
	2020	2021	2020	2021
Bachelor/Studio	\$1,621	\$1,716	0.0%	1.3%
1 Bedroom	\$3,092	\$3,054	3.3%	10.9%
2 Bedroom	\$4,132	\$3,960	8.1%	7.8%
Average/Total	\$2,963	\$2,937	3.3%	9.1%

Vacancy Rate



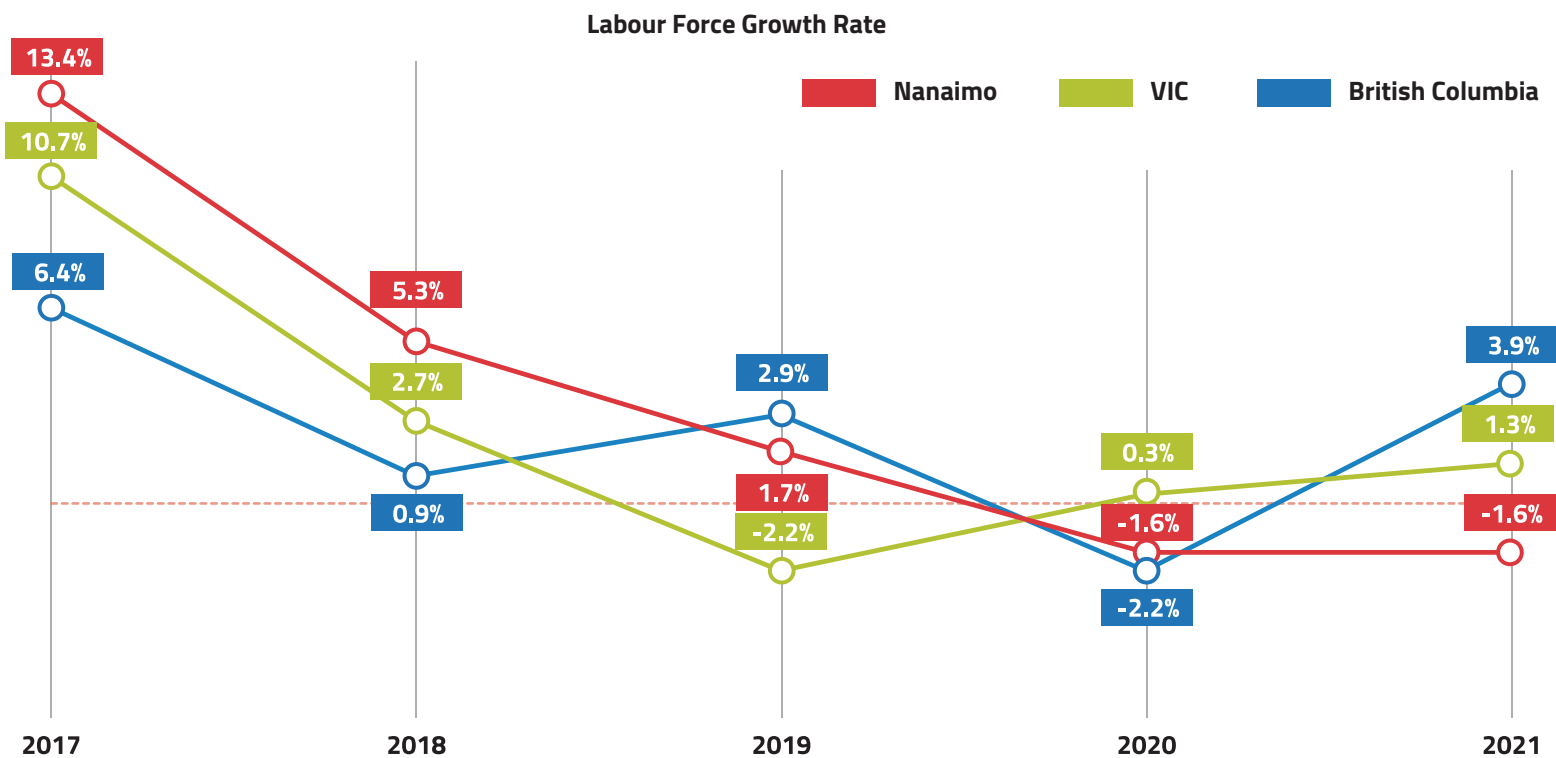
Seniors Housing

The vacancy rate for seniors independent living spaces increased by **5.8%** to **9.1%** in 2021. Overall, average rent decreased by **0.9%** between 2020 and 2021. Due to stronger demand in the lower rent categories, bachelor/studio type spaces had a much lower vacancy rate (**1.3%**). Vacancy rates were significantly higher in the more expensive living spaces. In the Central Vancouver Island area, which includes Nanaimo and Parksville, there were **2,857** units in supply in 2021, an increase of **26** units from the previous year.

British Columbia's vacancy rate for independent living spaces increased from **5.1%** to **12.5%** in 2021. The largest year-over-year increase was in the Lower Mainland, from **4.7%** in 2020 to **14.7%** in 2021. The Victoria region saw an increase from **2.1%** to **13.9%** in vacancy. Vancouver Island Coast recorded a vacancy rate of **10.7%** for 2021. Despite the higher vacancy rate, the average rent for an independent living space in British Columbia increased by **5.3%** from **\$3,364** to **\$3,541**.

There were an additional **877** spaces of mainly one-bedroom units added in BC in 2021. This represents a **2.7%** increase in total units. The majority of the new additions were in the Lower Mainland. While there was an increase in overall supply in 2021, the number of residents decreased or only moderately increased. This led to higher vacancy rates across most regions. The weak demand is likely the reluctance of households to move into seniors residences during the COVID-19 pandemic. Vacancy rates in seniors residences increased in all provinces across Canada except Newfoundland and Labrador.

SOURCE: CMHC



	2017	2018	2019	2020	2021	Average
Nanaimo	13.4%	5.3%	1.7%	-1.6%	-1.6%	3.5%
Vancouver Island Coast (VIC)	10.7%	2.7%	-2.2%	0.3%	1.3%	2.6%
British Columbia (BC)	6.4%	0.9%	2.9%	-2.2%	3.9%	2.4%
Nanaimo Labour Force	59,900	63,100	64,200	63,200	62,200	62,250

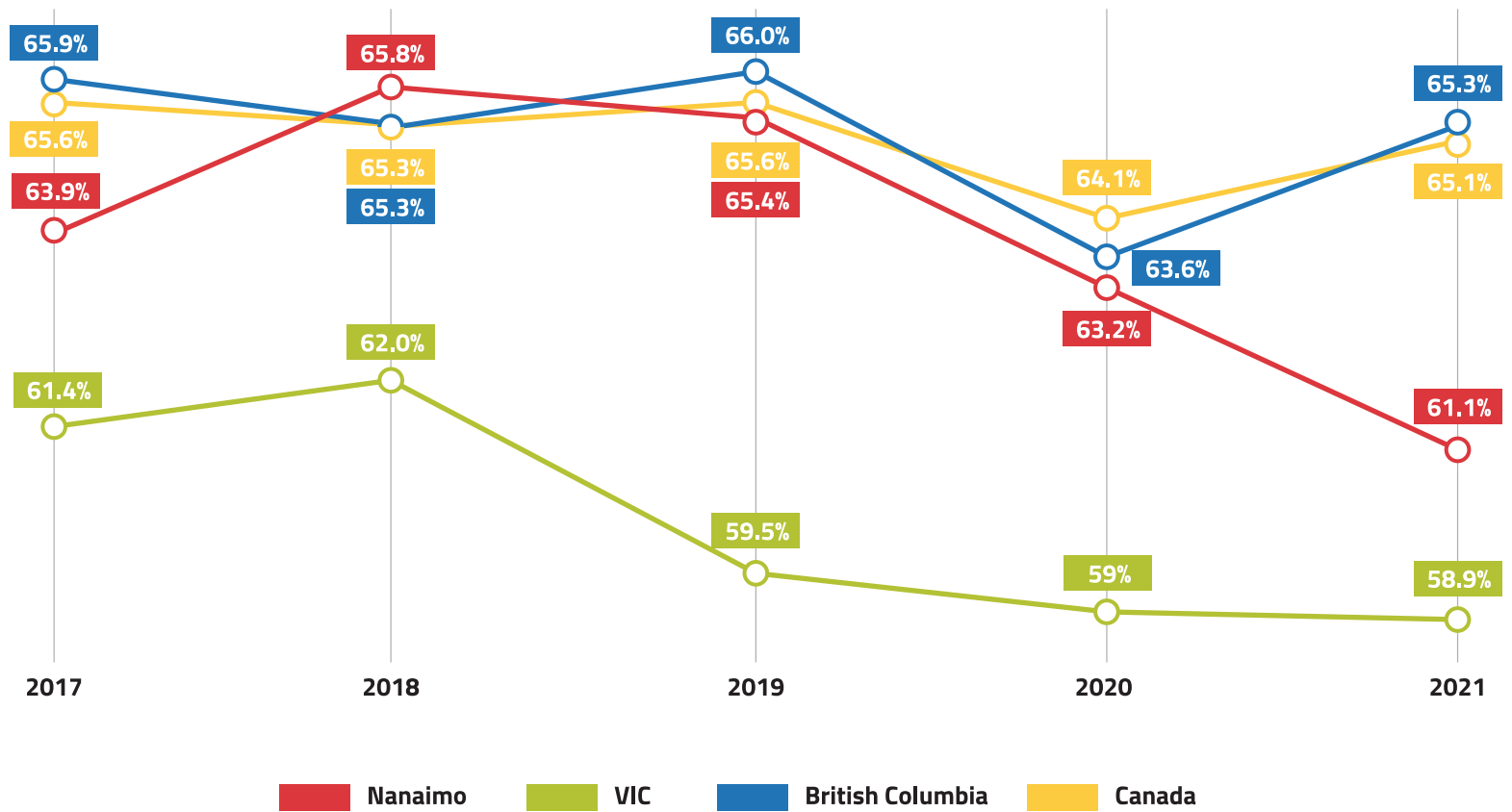
Labour Force

The labour force is composed of those 15 years of age and older who are either employed or actively seeking work. Changes in the labour force are the result of changes in population and economic opportunities. A growing economy attracts workers from other areas and induces people to enter the labour force. When the economy slows, people leave in search of opportunities elsewhere or withdraw from the labour force.

On average, Nanaimo's labour force grew by **3.5%** annually between 2017 and 2021, while the province grew by **2.4%** and Vancouver Island Coast region by **2.6%**. Labour force growth rates in Nanaimo generally follow a similar pattern to that in the province as a whole; however, they tend to have greater variance. This variability likely stems in part from measurement error in the labour force survey due to small sample sizes. Generally, the five-year average growth rate is a more accurate measure of labour force activity in Nanaimo due to the variability in the labour force survey. In 2021, **62,200** people were in the labour force. The labour force growth rate shrunk by **1.6%** in Nanaimo, and grew by **3.9%** in BC, and **1.3%** on Vancouver Island in 2021.

SOURCE: STATS CANADA

Labour Force Participation Rate



Labour Force Participation Rate

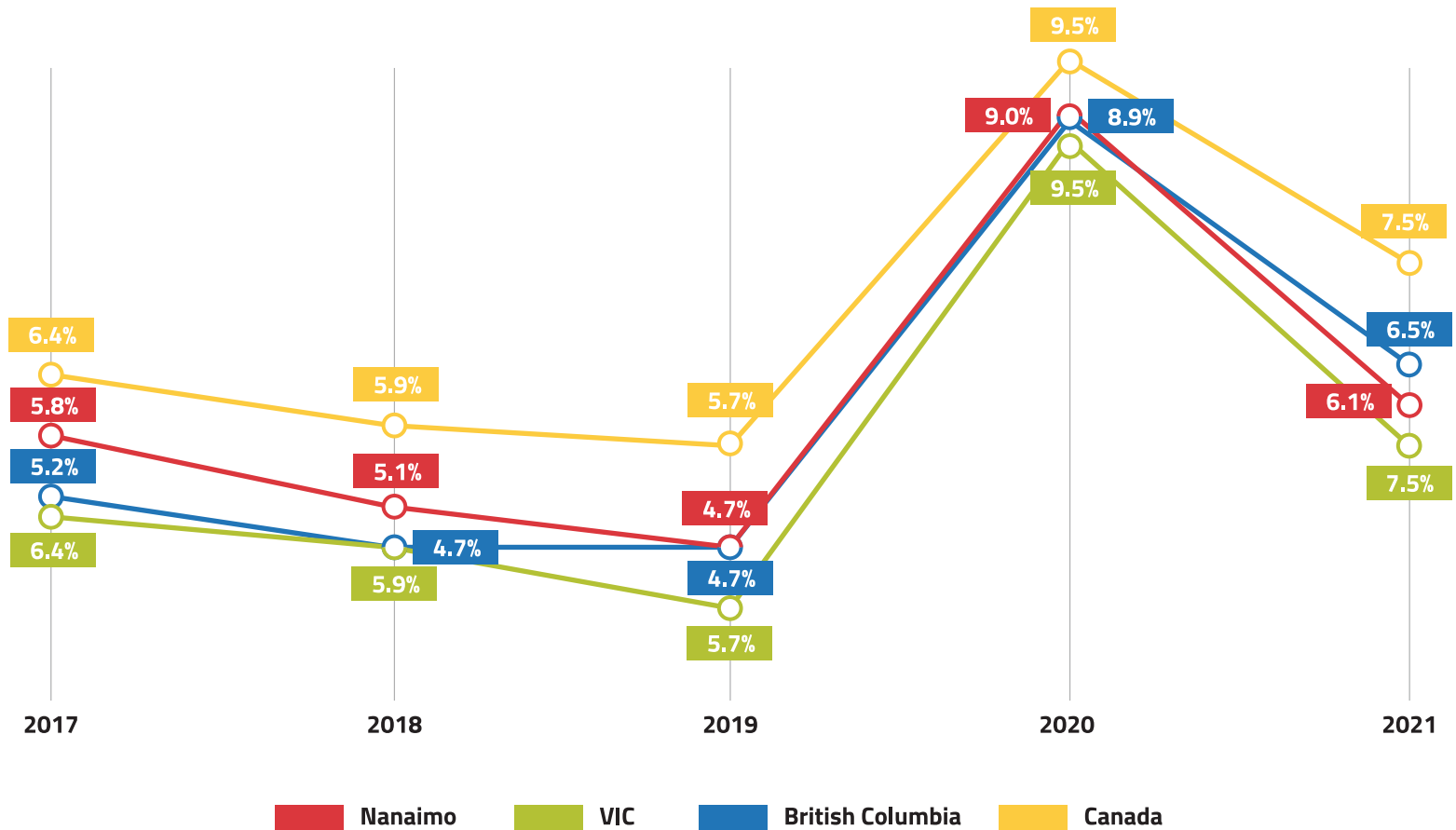
In 2021, labour force participation rates dipped in Nanaimo, but increased in BC and Canada.

Nanaimo's labour force participation rate tends to be lower than BC and Canada, but higher than Vancouver Island Coast Region. This is a reflection of the older age structure of Nanaimo and the Island's population in relation to BC and Canada.

The labour force participation rate measures the labour force (employed & unemployed) relative to the size of the working age population. In other words, it is the share of the working age population that is working or looking for work. Regions with younger populations tend to have higher labour force participation rates, while those with older populations have lower rates. Participation rates also tend to fall during recessions due to discouraged workers, and rise during expansions. The greater variability in Nanaimo's participation rate is likely due to the smaller sample size of the labour force survey.

SOURCE: STATS CANADA

Unemployment Rate Comparisons (Annual Averages)



Unemployment Rate

Unemployment rates improved significantly across all geographies in 2021. Nanaimo's unemployment rate was **6.1%**, slightly higher than Vancouver Island Coast (VIC) region, but below BC and Canada. Over the last five years, Nanaimo's unemployment rate has been trending higher than VIC, although historically it has been lower. An ideal unemployment rate for a healthy economy is between **4.5 to 5%**.

Pandemic-related restrictions and health impacts led to unusually high unemployment rates throughout 2019 and 2020. As many restrictions were lifted throughout 2021, many sectors of the economy were reporting labour shortages.

SOURCE: STATS CANADA

Percentage of Labour Force by Industry Sector (City of Nanaimo 2021)

 Health Care and Social Assistance	7,224 (14.9%)	 Information and Cultural	1,386 (2.9%)
 Retail Trade	7,147 (14.7%)	 Wholesale Trade	1,200 (2.5%)
 Accommodation and Food Services	4,258 (8.8%)	 Arts, Entertainment and Recreation	898 (1.8%)
 Educational Services	3,380 (7.0%)	 Real Estate, Rental and Leasing	801 (1.6%)
 Professional, Scientific, Technical	3,189 (6.6%)	 Mgmt. of Companies/Enterprises	14 (0.0%)
 Admin. + Support, Waste Mgmt. + Remed.	2,516 (5.2%)	 Construction	4,106 (8.7%)
 Public Administration	2,298 (4.7%)	 Manufacturing	2,136 (4.4%)
 Other Services (except Public Admin.)	2,275 (4.7%)	 Agr., Forestry, Fishing and Hunting	1,068 (2.2%)
 Transportation and Warehousing	2,274 (4.7%)	 Mining, Oil, and Gas	414 (0.9%)
 Finance and Insurance	1,612 (3.3%)	 Utilities	279 (0.6%)

Goods Producing Sector
 Service Producing Sector

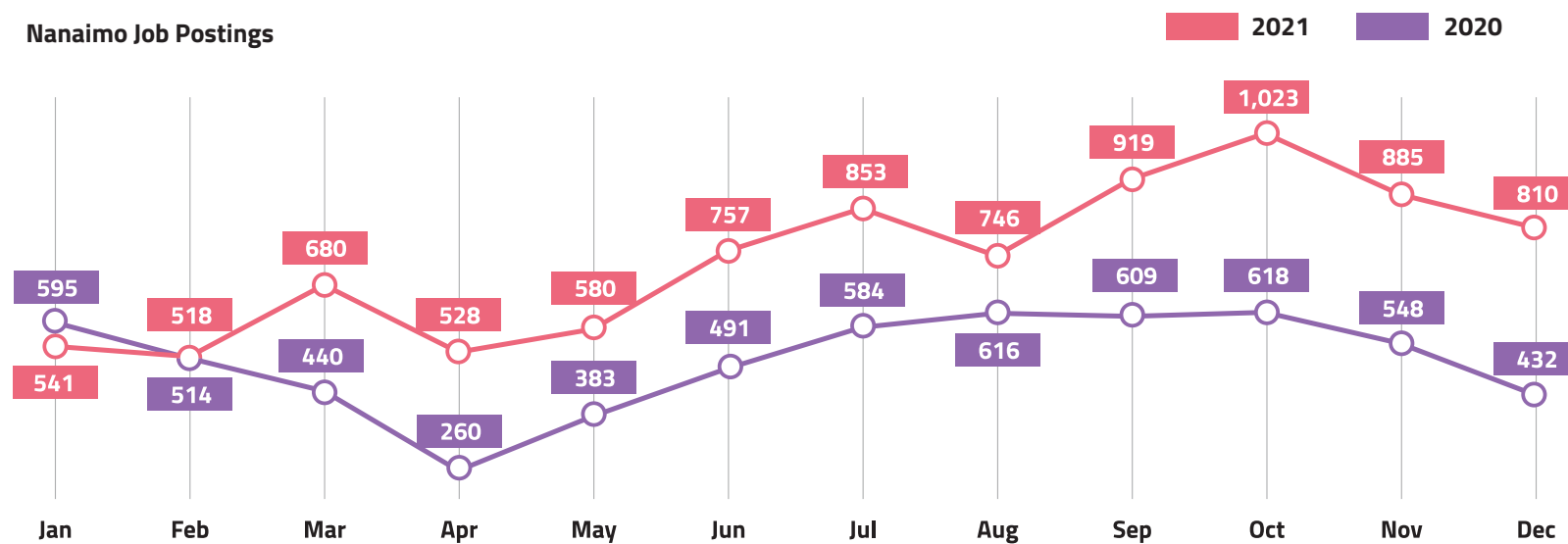
Employment by Industry Sector

The number of jobs in Nanaimo grew by **3.2%** between the 2011 and 2016 Census. During this period, shifts in the economy led to the goods producing sector representing **17%** (10% previously) and service sector representing **83%** (90% previously) of total jobs. All industries in the goods producing sector represented positive growth, with manufacturing leading the charge at **45%**, followed by agriculture/forestry/fishing/hunting at **14%**, and mining/oil/gas representing **8%** growth and so on. Growth in the service sector was driven by growth in healthcare, professional/scientific/technical, and the administration support/waste management/remediation sectors. This growth was offset by significant losses in wholesale trade, real estate/rental/leasing and public administration.

In 2021, the greatest number of jobs are provided by healthcare/social assistance, followed by retail, accommodation and food services, construction, and educational services.

SOURCE: STATS CANADA, ESRI CANADA

Nanaimo Job Postings



Nanaimo Job Postings

	2021 Postings	Percent of Subtotal	Percent of Grand Total	Change vs 2020 Postings
Full-Time	3,599	57%		↑ 23.6%
Full-Time or Part-Time	1,274	20%		↑ 41.9%
Part-Time	1,392	22%		↑ 12.0%
Full-Time/Part-Time Subtotal	6,265	100%	71%	
Unknown/Not Identified	2,575		29%	↑ 148.1%
Grand Total	8,840		100%	↑ 45.2%

Note: Full-time or part/time refers to all postings mentioning both a full-time and a part-time option, including jobs that are part-time leading to full-time

Top 5 Employers by Job Postings

	2021 Postings
Vancouver Island Health Authority	780
McDonald's	153
Lowe's	148
Vancouver Island University	119
BC Public Service	98
Walmart Canada	92

*Includes postings from identified known employers only

Job Postings

New job postings in Nanaimo were **45.2%** higher in 2021 compared to 2020. During the same time period, BC postings increased by **33%**. Job openings were lower in January and February of 2021, but started to pick up in March and April and continued the strong growth until slowdown in August. BC shows a similar trend. Job openings again picked up in September and continued the strong growth until the end of the year.

Over the course of the pandemic, the job vacancy rate on Vancouver Island has been rising. This indicates that the number of job openings is growing faster than employers are able to fill them. Increases in vacancy rates can arise due to either a labour shortage or a skills shortage. Factors contributing to labour shortages include slowdowns in immigration and reluctance to return to work in the hospitality sector due to risks of exposure and potential job insecurity. In many cases, former workers have opted for career changes amidst great government supports for up-training.

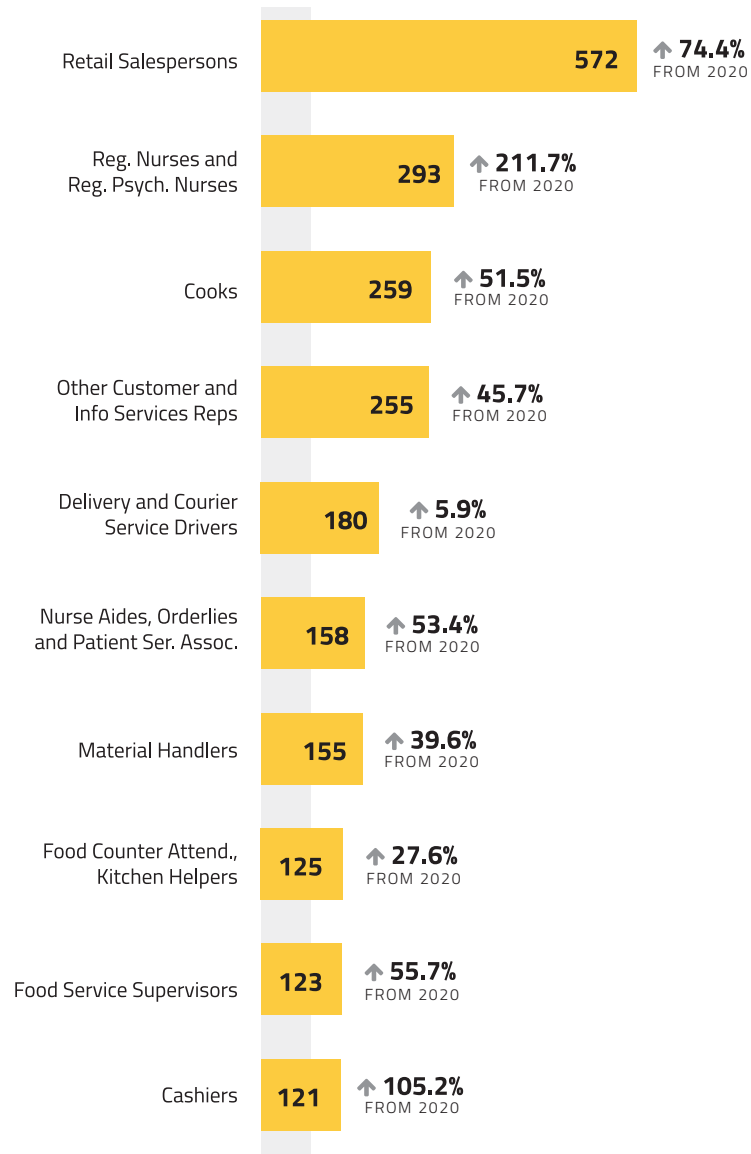
After the Capital Region, Nanaimo Regional District had the highest number of job openings. Nanaimo's growth rate was **42.3%** compared to Victoria at **31.3%** over one year.

Postings by Vancouver Island Regional District

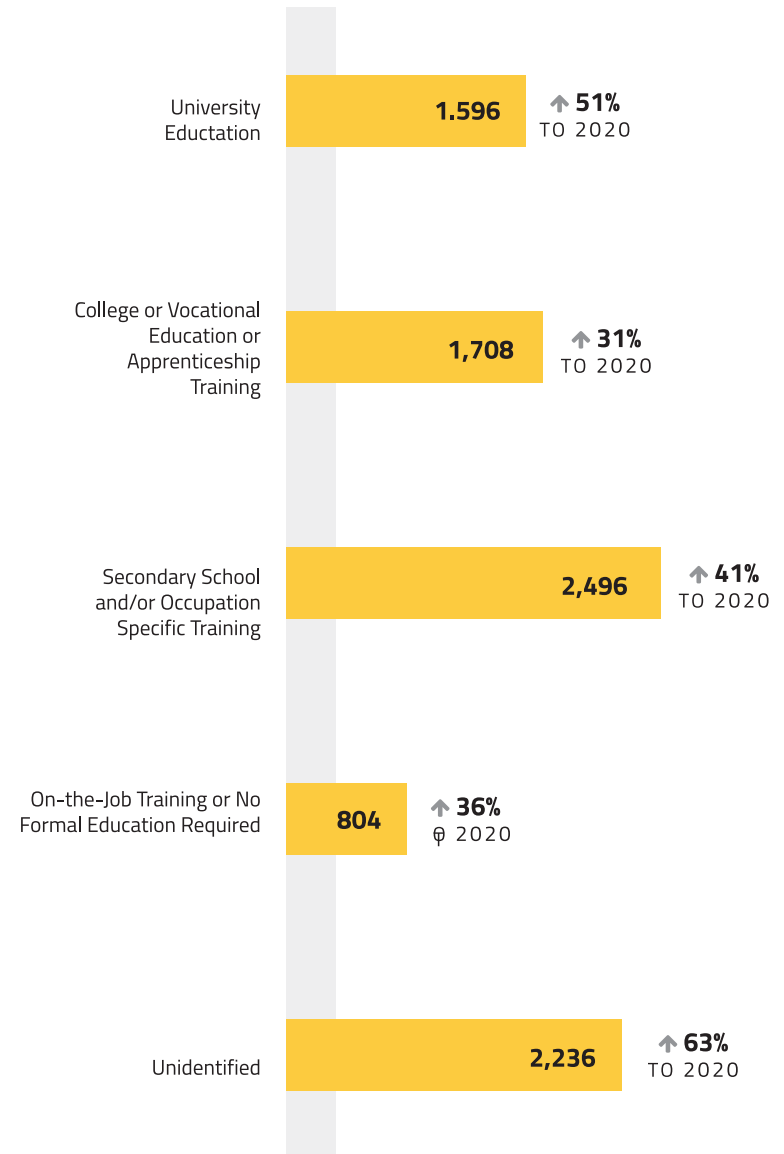
	2021 Postings	Change vs 2020 Postings
Mt. Waddington	519	↑ 122.7%
Strathcona	3,371	↑ 50.4%
Comox Valley	3,819	↑ 50.5%
Alberni Clayoquot	1,900	↑ 45.3%
Nanaimo	10,719	↑ 42.3%
Cowichan Valley	5,125	↑ 50.6%
Capital	31,348	↑ 31.3%
Subtotal	56,801	

SOURCE: VICINITY JOBS DATABASE

Top 10 Occupations by Number of Job Postings (2021)



Job Postings by Skill Level (2021)

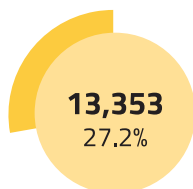


Job Postings

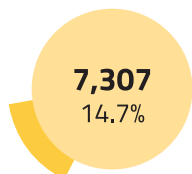
The majority of the openings were full-time positions (**57%**). There was also significant growth (**42%**) in full-time or part-time job options for employees. The highest postings by occupation were in the retail, healthcare and food services sector.

By skill level, 2021 had the highest number of job openings that required a high school or occupation specific training, followed by college or apprenticeship training. **18%** of the job openings required a university education in 2021, a growth of **51%** compared to 2020. Of the unidentified category, the majority of the job openings are likely to be lower skilled jobs.

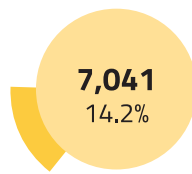
SOURCE: VICINITY JOBS DATABASE



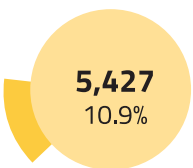
Sales and Service



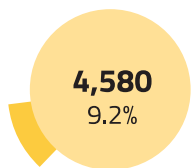
Trades, Transport,
Equipment Operators



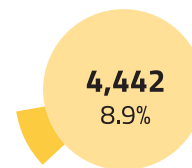
Business, Finance,
Administration



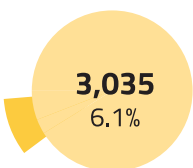
Education, Law and
Social, Community and
Government Service



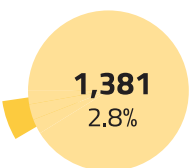
Management
Occupations



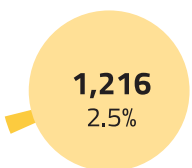
Health



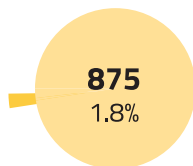
Natural and Applied
Science



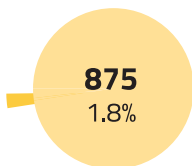
Arts, Culture,
Recreation and Sport



Manufacturing and
Utilities



Natural Resources,
Agriculture and
Related Production



Not Applicable

Workplace		
	Fixed Workplace	65.9%
	No Fixed Workplace	15.2%
	Work at Home	18.5%
	Work Outside of Canada	0.4%

Mode of Transportation		
	Drive to Work	78.8%
	Car Passenger	6.2%
	Public Transit	4.72
	Walk	6.7%
	Cycle	1.8%
	Other Method	2.3%

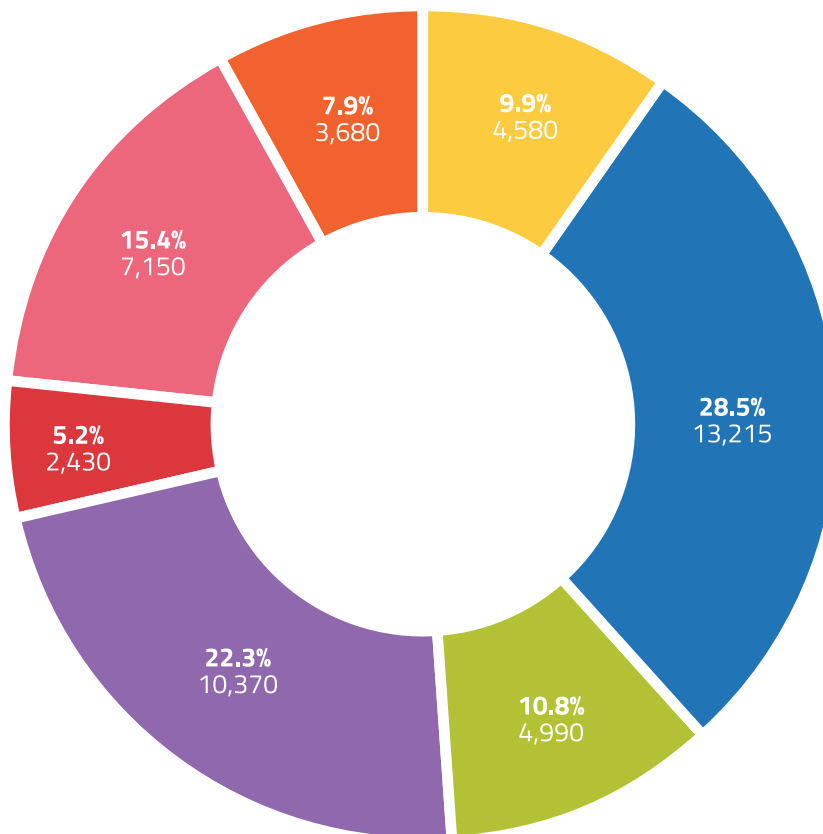
Labour Force: Occupation, Workplace, Transportation

Sales and service occupations made up **27%** of all jobs in Nanaimo in 2021. Trades/transport/equipment operators is the next largest occupational category followed by business, finance, and administration. Labour force breakdown by occupation is useful in looking at the skills and talent of the labour pool and can be a beneficial indicator of employability in other sectors of the economy.

Due to COVID-19, the number of people working from home more than doubled from **7.5%** in 2020 to **18.5%** in 2021. **66%** of the workforce have a fixed place of work, and **15.2%** travel to different worksites. Nearly half a percent of the work force works outside of Canada. The vast majority (**78.8%**) of the workforce drive to work. Nearly **7%** of the workforce walks to work, **4.2%** use public transit and **1.8%** cycle to work.

SOURCE: ESRI CANADA

Educational Attainment (City of Nanaimo, Ages 25-64)



No Certificate, Diploma or Degree

High School Diploma or Equivalent

Apprenticeship/Trade Certificate/Diploma

College or Non-University Cert. or Diploma

University Cert./Diploma below Bachelor

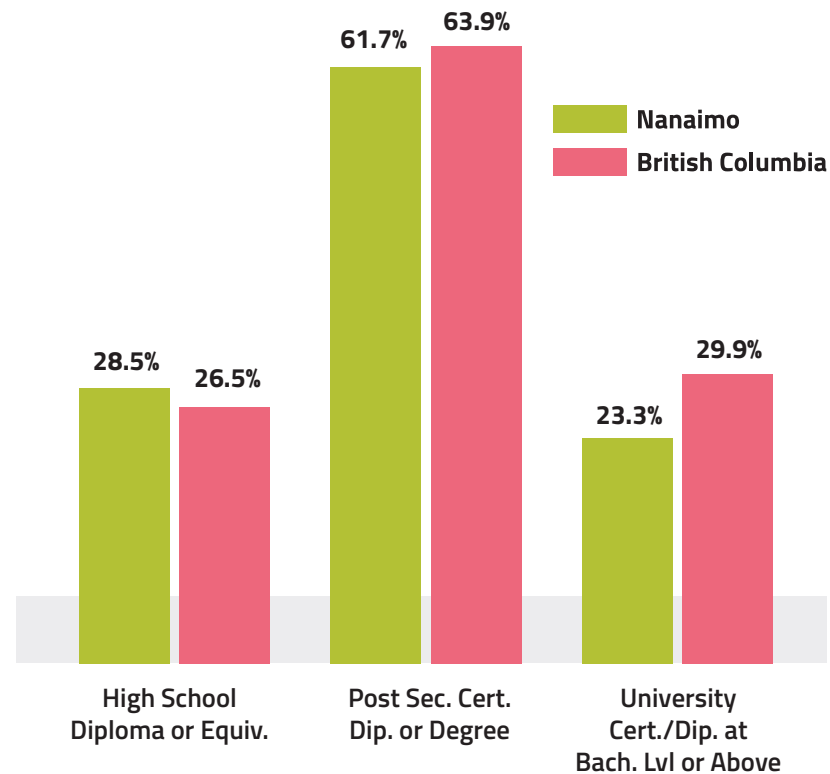
Bachelor's Degree

University Cert./Diploma above Bachelor Level

Labour Force by Education

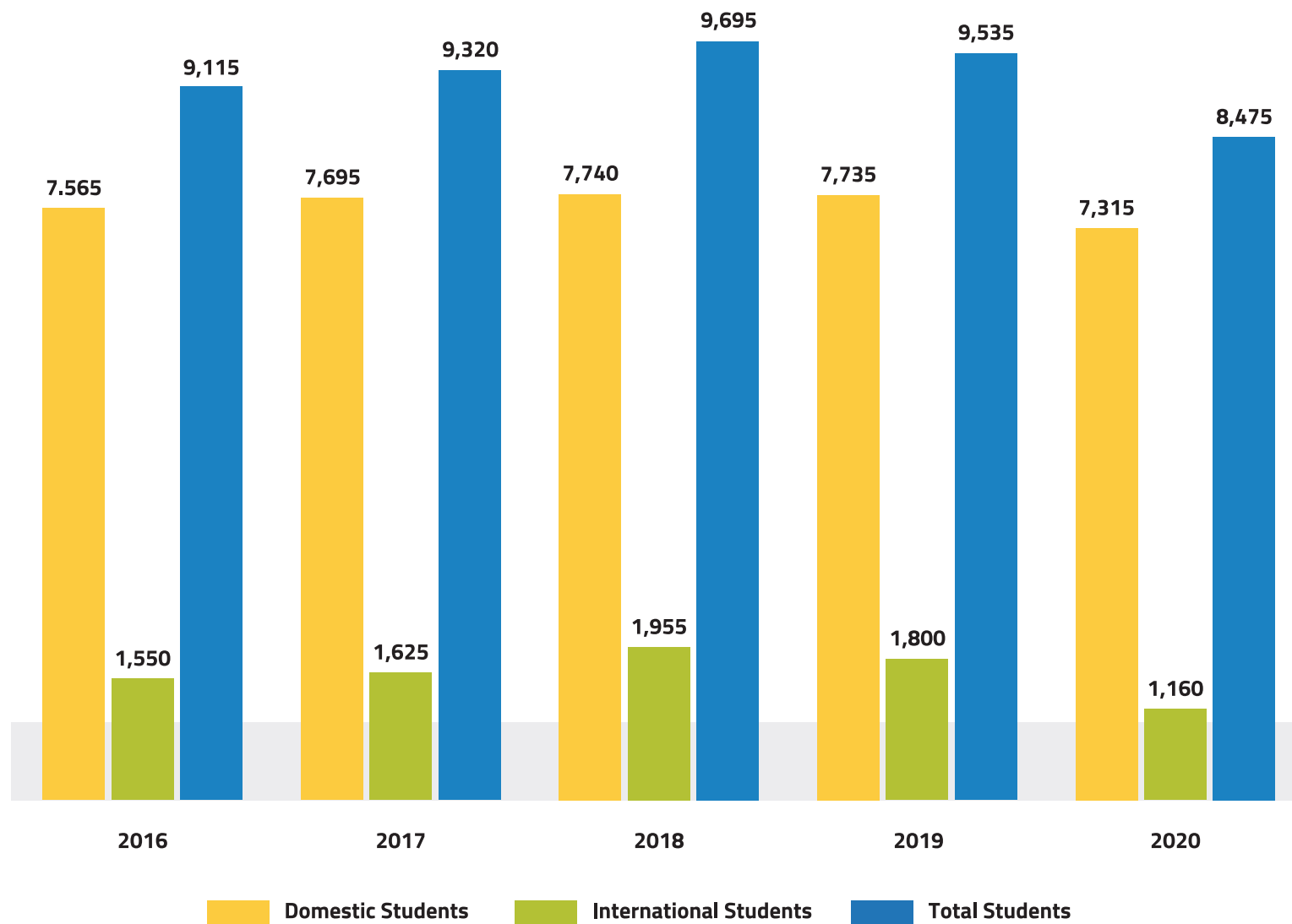
When considering perhaps the most productive portion of the labour force (those between the ages of 25-64) Nanaimo has a higher proportion of high school graduates (**28.5%**) compared to BC (**26.5%**), but lower proportion of population holding post-secondary credentials. Nanaimo's portion of population with a bachelor's level of education or above is **23.3%** compared with BC's average of **29.9%**.

Educational Attainment Age 25-64



SOURCE: 2016 CENSUS

VIU Student Enrollment by Academic Year



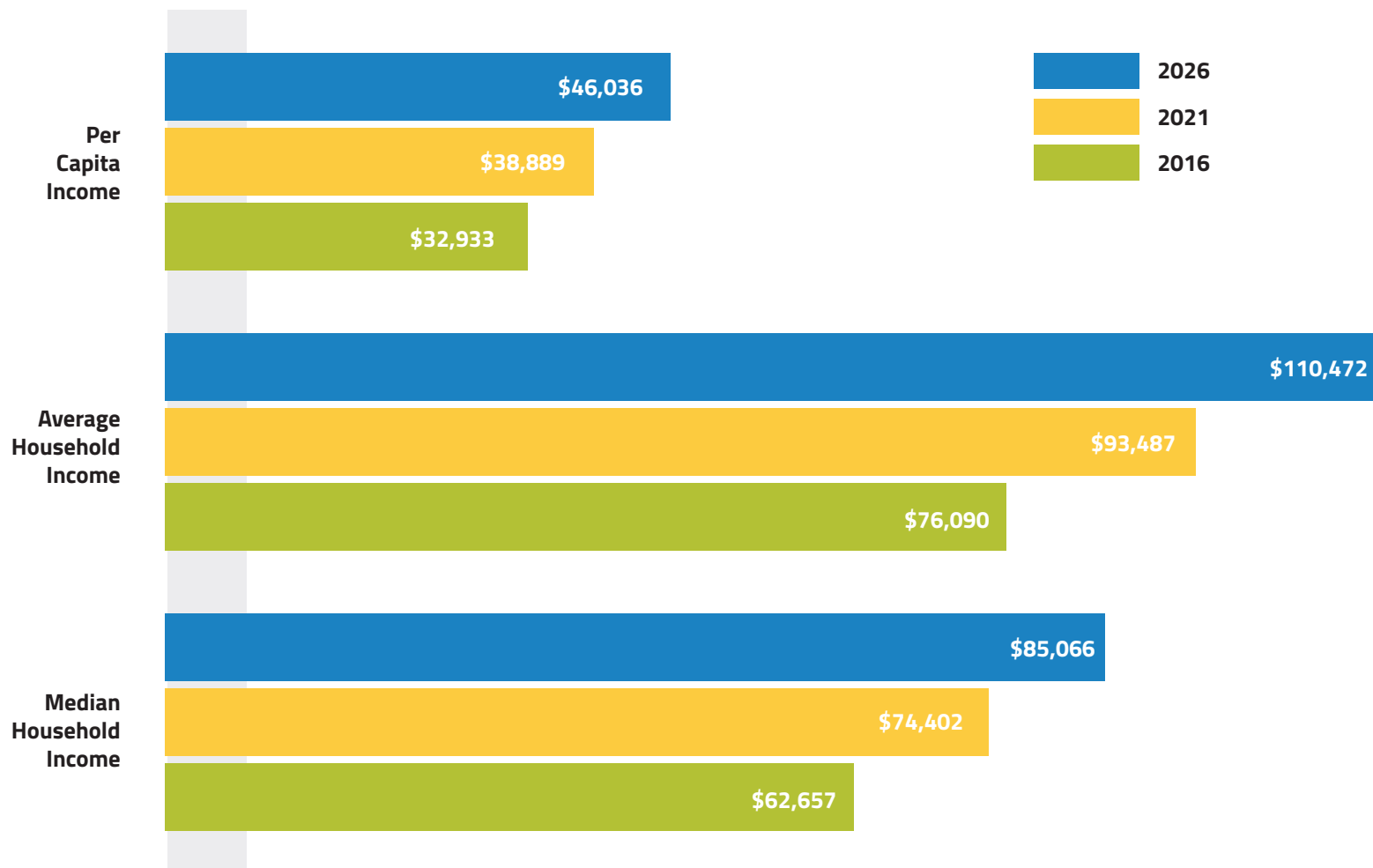
Vancouver Island University Enrollment

Overall student enrollment at Vancouver Island University (VIU) declined by **12.5%** in 2020. International student enrollment dropped by a whopping **55%** due to COVID-19 related travel restrictions. Domestic student enrollment decreased by **5.7%** in 2020 likely impacted by the move to virtual delivery of all classes.

2021 data was unavailable at the time of this publication, however, the easing of travel restrictions and move to in-person education will result in positive gains for both international and domestic student enrollment. More students in the community results in greater demand for rental accommodation, tutoring services, an increase in the workforce and spending. International students pay considerably higher fees compared to domestic students, which leads to positive impacts on post-secondary budgets.

SOURCE: MINISTRY OF ADVANCED EDUCATION AND TRAINING, ACADEMIC YEAR SEP 1-AUG 31ST. DATA RELEASE: JULY 2021

City of Nanaimo Median, Average, and Per Capita Income



Median, Average and Per Capita Income

In 2021, **the median household income** in the City of Nanaimo was **\$74,402**. This is an **18.7%** increase in the last five years. By 2026, Nanaimo's median household income is projected at **\$85,066**, growth of **14.3%**. BC's median household income was **\$86,325** in 2021 and is projected to grow by **12.0%** over the next five years.

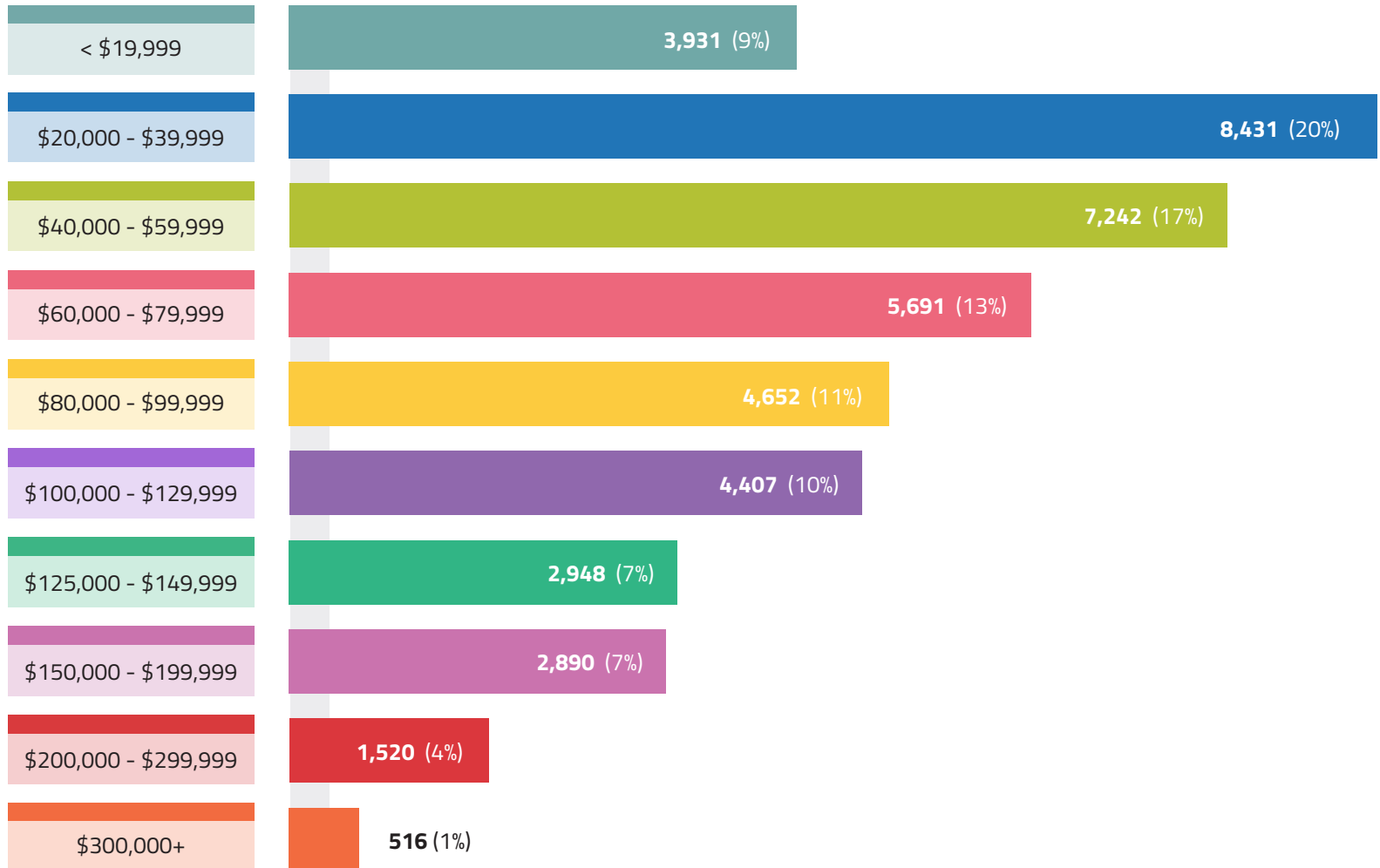
In 2021, **the average household income** in the City of Nanaimo was **\$93,487**, an increase of **22.9%** in the past five years. The average household income is projected to reach **\$110,472** by 2026, growth of **18.2%**. BC's average income for 2021 was **\$113,575** and is projected to grow another **15.5%** to **\$131,146** by 2026.

Nanaimo's **per capita income** in 2021 was **\$38,889**; this is an increase of **18.1%** in the past five years. Projected per capita income for 2026 is **\$46,036**, an increase of **18.4%**. BC's per capita income was **\$44,525** in 2021 and will grow by another **15.3%** to reach **\$51,350** by 2026.

Nanaimo's projected annual rate of growth in median (**2.9%**), average (**3.6%**) and per capita income (**3.7%**) over the next five years is slightly higher than BC, however, Nanaimo will still be below BC in all three income categories.

SOURCE: ESRI CANADA

City of Nanaimo Household Income Distribution (2021)



NOTE: INCOME AXIS VALUES INTERVALS CHANGE AFTER \$100K

Income Distribution

The largest number of households in Nanaimo (**8,431** or **20%**) report household income between **\$20,000** and **\$40,000** per annum.

The second largest number of households (**7,242** or **17%**) report household income of **\$40,000** to **\$60,000** per annum.

12,281 households (**29.1%**) report annual income over **\$100,000** per annum. **2,036** households (**4.8%**) earned over **\$200,000** and **516** households (**1.2%**) earned over **\$300,000** per annum.

SOURCE: ESRI CANADA

2021 Nanaimo Consumer Expenditures

	Average Household Spend	Total Spend	Spending Potential Index
Food	\$12,746	\$538,232,594	103
Shelter	\$20,046	\$846,498,865	104
Household Operation	\$4,770	\$201,444,557	91
Household Furnishings and Equipment	\$4,000	\$168,915,616	104
Clothing	\$2,728	\$115,230,101	85
Transportation	\$9,052	\$382,250,410	77
Healthcare	\$4,794	\$202,424,360	95
Personal Care	\$1,759	\$74,264,985	90
Recreation	\$4,446	\$187,761,868	98

	Average Household Spend	Total Spend	Spending Potential Index
Reading and other Printed Materials	\$182	\$7,686,744	90
Education	\$1,579	\$66,671,638	98
Tobacco/Alcohol	\$3,861	\$163,023,297	103
Games of Chance	\$917	\$38,729,402	102
Misc. Expenses	\$1,894	\$79,964,653	102
Personal Taxes	\$12,655	\$534,400,364	66
Personal Insurance Payments and Pension	\$4,545	\$191,907,902	81
Gifts of Money and Contributions	\$2,845	\$120,156,211	107
Total	\$92,819	\$3,919,563,567	90

Household Spending

The household expenditures in the City of Nanaimo are estimated at **\$3.9 billion** in 2021. Average household and total spending by category are detailed in the table below. The spending potential index represents the amount spent in the area relative to the national average of 100. An index of 117 means that the area spends **17%** more than the national average on that good or service.

In 2021 the average household in Nanaimo spent **4%** more on shelter costs, **4%** more on household furnishings/equipment and **7%** more in gifts of money and contributions compared to the national average. Nanaimo households spent **23%** less in transportation costs, **19%** less on personal insurance payments/pensions and **15%** less on clothing compared to the national average.

SOURCE: ESRI CANADA

Tourism Statistics	2021	2020	Variance
Hotels/Motels			
Average Occupancy	56.8%	44.1%	↑ 29%
Average Daily Room Rate	\$154.28	\$131.62	↑ 17%
Revenue Per Available Room (RevPAR)	\$87.61	\$58.10	↑ 51%
Airbnb/VRBO*			
Average Occupancy	67%	62%	↑ 8%
Average Daily Room Rate	\$129.49	\$100.52	↑ 29%
Revenue Per Available Room (RevPAR)	\$86.53	\$62.50	↑ 38%
BC Ferries**			
Passengers (November YTD)	2,992,572	2,249,422	↑ 33%
Vehicles (November YTD)	1,331,032	1,051,547	↑ 27%
Nanaimo Airport			
Passengers	193,425	174,287	↑ 11%
Vancouver Island Conference Centre			
Delegate Days	6,571	4,729	↑ 39%

*Data for entire place: Excludes private room rental or shared room rental

**Duke Point–Tswassen and Departure Bay–Horseshoe Bay

Tourism

The Tourism sector performance was much brighter in 2021 in comparison to 2020, as restrictions were more relaxed and a majority of the population gained vaccinated status.

The average occupancy rate in Nanaimo for hotel/motels was **56.8%** in 2021, up **29%** from 2020. Average daily room rates also lifted by **17%** leading to **51%** growth in revenue per available room. Airbnb and VRBO occupancy rate increased by **8%**. Average daily room rates for Airbnb increased by **29%** leading to **38%** growth in Average daily room rates.

Vehicle volumes on BC Ferries' two routes to the lower mainland (Duke Point to Tsawwassen and Departure Bay to Horseshoe Bay) increased by **27%** and passenger volumes increased by **33%**.

In 2021, Nanaimo Airport passenger volumes were 11% above 2020. The Vancouver Island Conference Centre (VICC) delegate days increased by **39%** in 2021 compared to 2020.

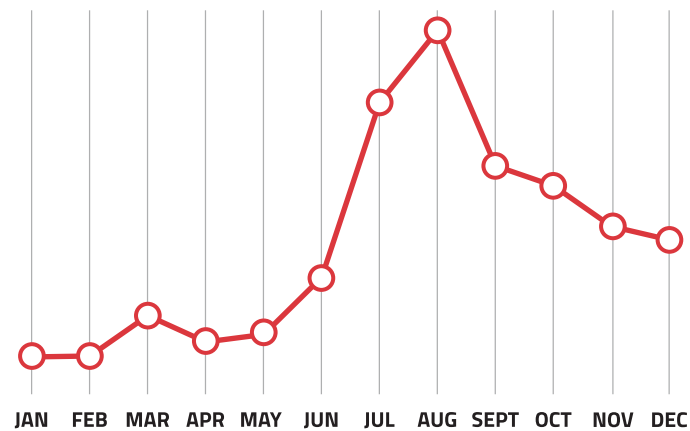
Although the tourism sector is showing a marked improvement partially due to increased domestic tourism, the overall performance of the sector is well below pre-pandemic levels.

SOURCE: NANAIMO AIRPORT, BC FERRIES, VICC, NANAIMO HOTEL ASSOCIATION

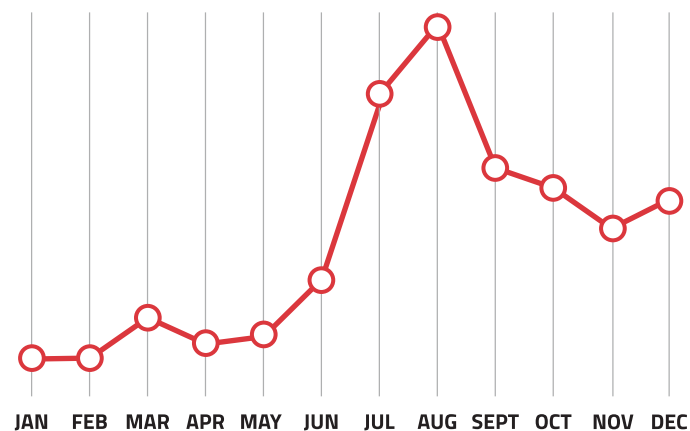
Monthly Unique Visitor Count (2021)

Month	Unique Visitors	Total Trips	Unique Residents
Jan	70,950	108,070	101,490
Feb	71,420	108,540	101,500
Mar	92,760	140,180	102,000
Apr	79,850	122,460	101,960
May	82,820	127,740	101,670
Jun	113,010	169,560	101,000
Jul	205,360	303,560	99,990
Aug	243,450	355,440	100,070
Sep	171,840	250,840	100,550
Oct	161,310	235,880	101,910
Nov	139,890	207,100	103,140
Dec	132,750	226,100	106,750

Unique Visitors (2021)



Total Trips (2021)



Tourism Visitor Report

In 2021, the City of Nanaimo commissioned a visitor and resident population report through Telus. Using mobility analytics, Telus data provides insights into unique visitors, total trips and unique residents for each month. A visitor is defined as anyone who has an assumed home outside the city of Nanaimo and stays at least three hours in the city. This count excludes people taking trips for work, daycare or school drop offs, running regular errands, etc. Total trips data reveals the number of trips taken by all visitors to the city of Nanaimo. A unique resident is someone who spends the majority of their time in a small neighborhood within the city of Nanaimo.

This data strongly supports Nanaimo's position as a regional service centre and tourism destination. In months such as August, the city's population is not just the usual 100,000 plus resident population, but an additional over 243,000 unique visitors. This population swell has huge implications for the amount of money spent in the community, and the impact on the physical infrastructure of the community (i.e. transportation). The busiest visitor months in the city of Nanaimo are August, July, and September, in that order. Summer and fall are the busiest seasons, followed by spring and then winter.

SOURCE: TELUS

Prepared for City of Nanaimo Economic Development

Amrit Manhas, Economic Development Officer

411 Dunsmuir Street, Nanaimo, BC V9R 5J6

250-755-4465 | www.investnanaimo.com

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