Council Attachment 1

Economic & Development Review 2008

Message from York Regional Council

York Regional Council believes that a strong economy and quality communities are integral to York Region's success. Regular monitoring of economic and development trends is necessary to evaluate and guide Regional policies that promote economic vitality and develop strong, sustainable communities.

The *Economic & Development Review 2008* provides timely information on recent economic and development activities in York Region. The document reviews demographic trends as well as the Region's economic growth and construction activity, capturing highlights from 2008, such as:

- York Region's population grew by 28,300 people to 1,011,360, retaining its position as Canada's sixth largest municipality in terms of population
- York Region's highly-skilled, educated and "younger" workforce continues to attract new and innovative enterprises, which contributes to the Region's low unemployment rate of 5.7 per cent
- The estimated number of jobs in York Region as of year end 2008 was approximately 490,000, in 29,000 businesses
- The total estimated construction value for residential, industrial, commercial and institutional construction was $2.8 billion
- Although many indicators show relatively strong performance in 2008, figures for the 4th quarter were down considerably, perhaps indicative of a considerably slower 2009

As one of Ontario's major urban growth areas, York Region continues to strive for a high quality of life for residents.

The last quarter of 2008 was difficult and 2009 will be economically challenging. York Regional Council however is committed to working with residents, stakeholders and staff to maintain and build upon the strong economy and high-quality lifestyle York Region already achieves.

Economic & Development Review

2008

The Economic and Development Review is a semi-annual report on economic and development activity in York Region. The information in this document has been compiled from a variety of sources and includes the most current data available at the time of printing. Sources are listed at the end of the report.

The Economic and Development Review 2008 is one of a family of documents available from York Region's Planning and Development Services Department that deals with the Region's economy and its residents. Other publications in the series include: the Economic and Development Review 2007 and mid year 2008 (reports on the economic and development activity in York Region for 2007 and the first half of 2008); Economic Strategy 2005 (long term planning blueprint for our economy); Employment & Industry 2008 (published Spring 2009 – highlighting Regional employment trends by municipality and industry sector); and York Region's 2008 Business Directory (providing industry sector, business name, size, address and contact information on thousands of businesses in York Region).

Inquiries about this, and other reports, should be directed to the Planning and Development Services Department at 905-830-4444 (or 1-877-464-9675) ext. 1550.

This report is also available on the York Region web site: www.york.ca.

*Please note that numerical data in this report has been rounded and, therefore, some totals may be affected.

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Highlights

- York Region's total population was estimated to be 1,011,360 on December 31, 2008, an increase of approximately 28,300 people from December 2007.
- York Region contains 16.7% (2008) of the GTA's population and 15% (2006) of its employment.
- Census 2006 numbers show that relative to the GTA and Canada, York Region appears to have a "younger" population. The proportion of the Region's population above the age of 60 is lower than that of both the GTA and Canada. Conversely, the proportion of baby boomers in the Region is greater, relative to both the GTA and Canada.
- The Region's economic performance is being monitored to detect the impacts that a dynamically changing economy and shifting global geopolitical events will have on the Regional economy.
- The estimated number of jobs in York Region as of year end 2008 was approximately 490,000.
- As of mid-year 2008, there were approximately 45 private sector companies in York Region with 500 or more employees. These companies come from a broad diversity of sectors including manufacturing, computer technology, transportation, communications and commerce.
- The unemployment rate in York Region as of December 2008 was estimated to be 5.7%.
- Over the last three years, the average resale price for single detached dwellings has risen steadily from $435,707 in 2005, to $458,636 in 2006, to $484,741 in 2007 and $508,892 in 2008.
- Building permits were issued for 8,305 new residential units in 2008. York Region issued the third largest number of new residential permits in the country.
- Housing completions reached 9,021 units in 2008, versus 10,502 in 2007.
- Total construction for 2008 was valued at approximately $2.80 billion – a decrease of $705 million from 2007.
- Industrial, commercial, and institutional (ICI) construction made up 27.5% of the total value of construction in York Region during 2008; a decrease from 2007, where ICI construction accounted for 32%.
- The total estimated value of industrial construction in 2008 reached $231.5 million. This represents a decrease of 40.8% from 2007 values.
- Commercial construction values were estimated at $314.2 million, showing a 34.2% decrease from the previous year.
- Institutional construction values were estimated at $224.7 million, an 8.6% decrease from the total value of institutional construction in 2007.

Overview

York Region continued to grow into 2008, albeit at a slower pace than in previous years. Many indicators show relatively slower performance in 2008. Figures for the 4^{th} quarter were down considerably which may be indicative of a considerably slower 2009.

By December 2008, the total population of York Region was estimated to be 1,011,360. This represents an increase of 28,300 persons, and a growth rate of 2.9%, in 2008. The growth rate in 2007 was higher, at 3.4%. York Region is a major growth area in the Greater Toronto Area (GTA), accounting for 16.7% of the GTA's total population.

There were approximately 490,000 jobs in York Region as of year end 2008. Within the last 10 years, approximately 185,000 new jobs have been created within the Region. The year-end unemployment rate in York Region was reported at 5.7%.

Housing resales slowed considerably during the second half of 2008, but values still remained healthy in the Region. In 2008, the Toronto Real Estate Board recorded resales of nearly 13,100 dwelling units in York Region. This represents a decrease of 22.2% (nearly 3,735 units) below the number of home resales in 2007. The value of all residential resales in 2008 was approximately $5.7 billion.

The value of residential construction reached $2.03 billion in 2008 – a decrease of 15.1% from 2007. Compared with other cities, Regions and Regional Districts in Canada, York Region had the seventh highest total residential construction value for 2008 and issued the fourth highest number of new residential permits. Between January and December 2008, 8,305 building permits were issued for new residential units in York Region – a 20.3% decrease from 2007. The Region had 9,184 new housing starts and 9,021 housing completions in 2008, a decrease of 17.6% and 14.1% respectively.

Approximately 36,848 building permits were issued for new residential units within the GTA during 2008. York Region accounted for 23% of the GTA's activity, second to the City of Toronto's 38% of new residential permits. Peel Region issued 16%, Halton Region issued 15% and Durham Region issued 8%.

Total construction for 2008 was valued at $2.80 billion, a 21.1% decrease from 2007. Between January and December of 2008, ICI (industrial, commercial, and institutional) construction finished the year at $770.5 million. This represents a 31% decrease from the value of ICI construction in 2007. The majority of this decrease occurred in the second half of 2008.

1. Population Growth

York Region's Population Growth

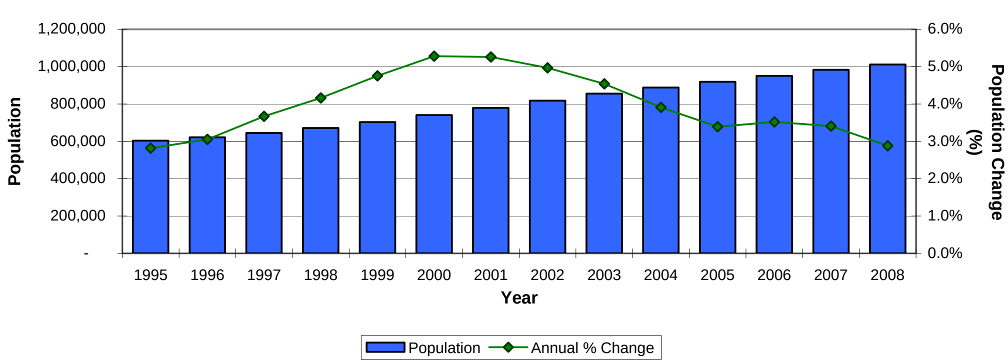
Since York Region's creation in 1971, its population has risen dramatically. In approximately 35 years, the Region's population has increased nearly sixfold, from 169,000 to 1,011,360 by December 2008 (Table 1.1). This year-end population estimate represents an increase of approximately 28,300 persons from year-end 2007. This increase is lower than experienced in previous years, with the Region adding approximately 32,400 persons in 2007 (Figure 1.1).

York Region Population 2007-2008
(Table 1.1)

	2007	2008	Increase in Persons (2007-2008)	Change (%)
Aurora	50,500	51,900	1,400	2.8%
East Gwillimbury	23,000	23,200	200	0.9%
Georgina	46,300	46,850	550	1.2%
King	20,450	20,500	50	0.2%
Markham	288,500	297,950	9,450	3.3%
Newmarket	80,400	82,150	1,750	2.2%
Richmond Hill	182,500	185,200	2,700	1.5%
Vaughan	260,850	270,400	9,550	3.7%
Whitchurch-Stouffville	30,600	33,250	2,650	8.7%
York Region Totals	983,100	1,011,400	28,300	2.9%

Source: York Region Planning and Development Services, 2007 & 2008.

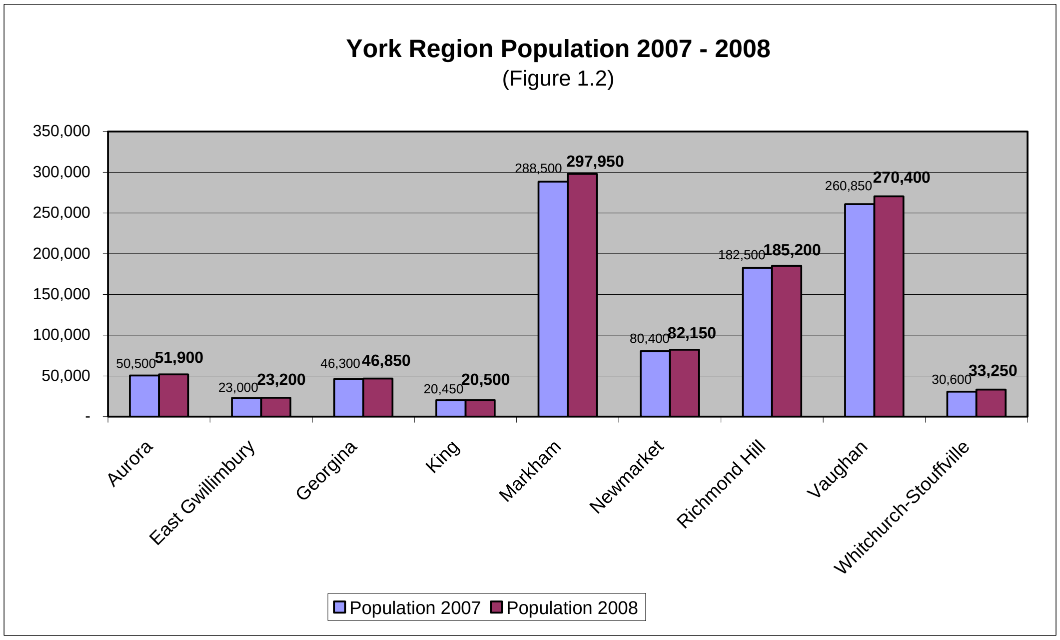
York Region - Annual Population Growth
1995-2008
(Figure 1.1)



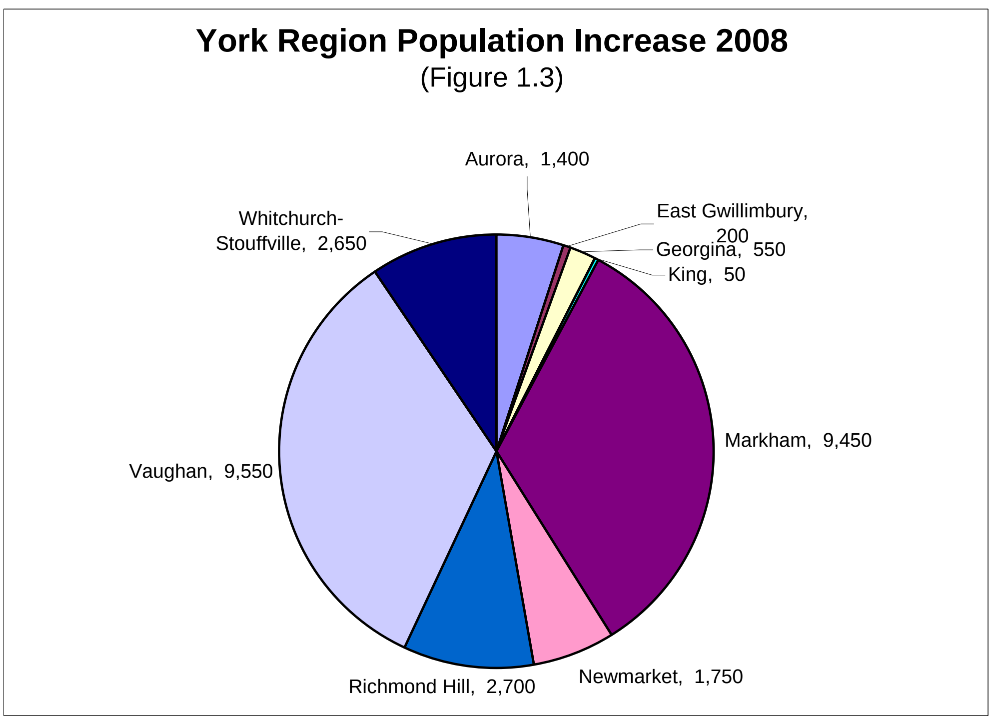
Source: York Region Planning and Development Services Department, 1995 - 2008.

Based on historic trends, the annual growth rate (AGR) experienced in 2008 is lower than recent years at 2.9%. York Region experienced its highest AGR between 1986 and 1991, when population growth averaged over 7% per year. However, the recession of the early 1990s triggered a sharp decline in the Region's AGR, where it reached a low of 2.8% in the mid-1990s. Spurred by improving economic conditions, the AGR gradually increased, and peaked in the early 2000s at 5.3%. Since this time, the Region's AGR has been fairly consistent – staying within the 3-4% range, which equates to an increase of around 30,000 per year. The Region's AGR for 2005, 2006 and 2007 was 3.4%, 3.5%, and 3.4% respectively.

While all municipalities in York Region are growing, the largest population increases are concentrated in the Region's urban southern half (Figure 1.2). The largest population growth occurred in the City of Vaughan with the addition of approximately 9,550 people, followed by the Town of Markham (approximately 9,450 people) and the Town of Richmond Hill (approximately 2,700 people) (Figure 1.3).



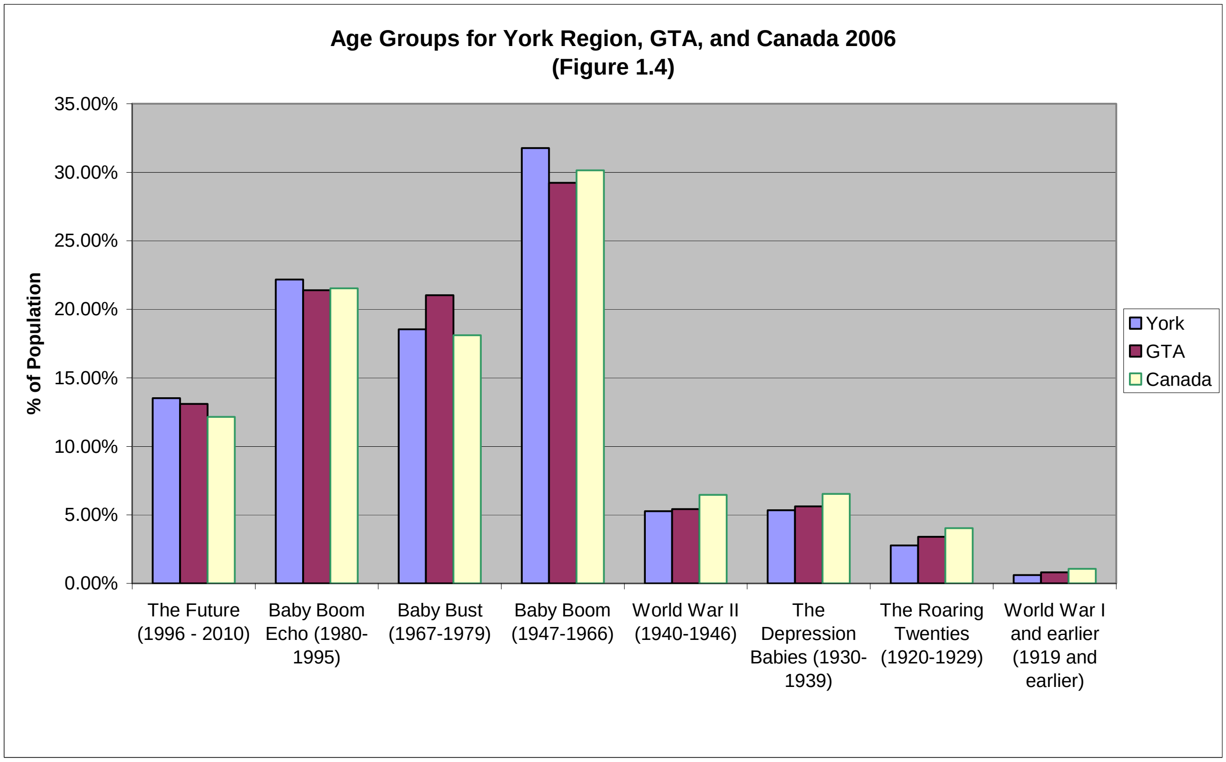
Source: York Region Planning and Development Services Department, 2008.



Source: York Region Planning and Development Services Department, 2008.

Demographics of York Region's Population

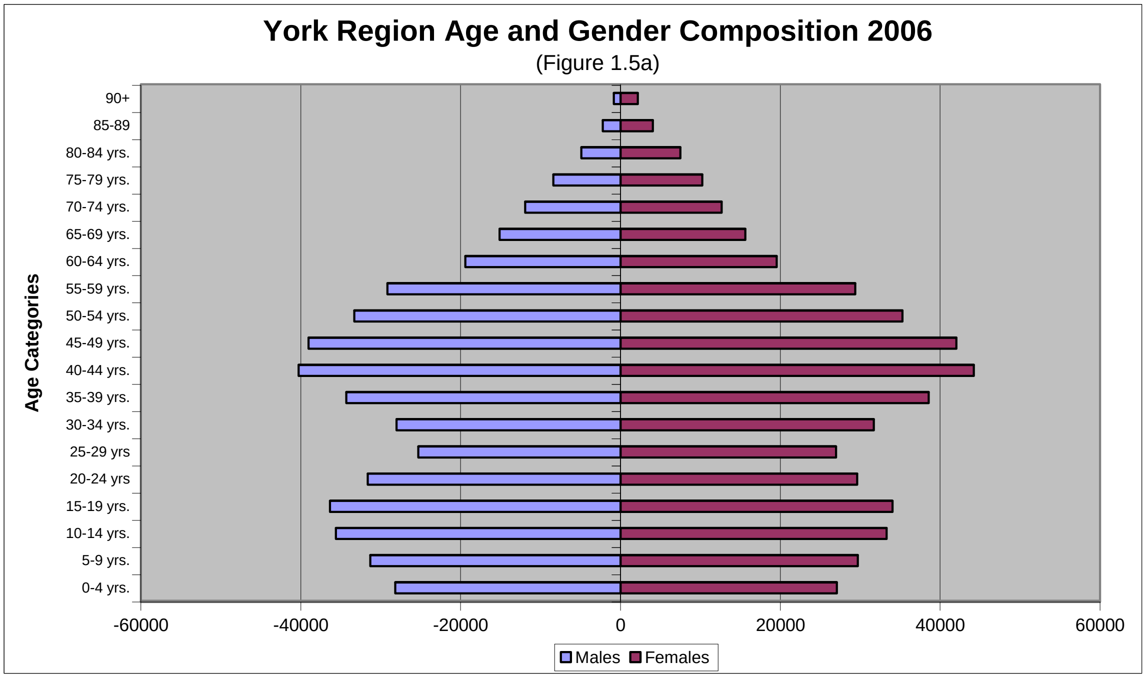
As the Region's population continues to grow, the age, social, economic and ethnic composition in York Region will continue to diversify. Census 2006 population numbers show that relative to the GTA and Canada, York Region has a "younger" population (Figure 1.4). In particular, only 14.0% of York Region's population is either at or above the age of 60 – compared to 15.3% of the GTA and 18.1% of Canada's population. York Region's proportion of "baby boomers" is also slightly higher than in the GTA and Canada, with 31.8%, 29.2%, and 30.1%, respectively.



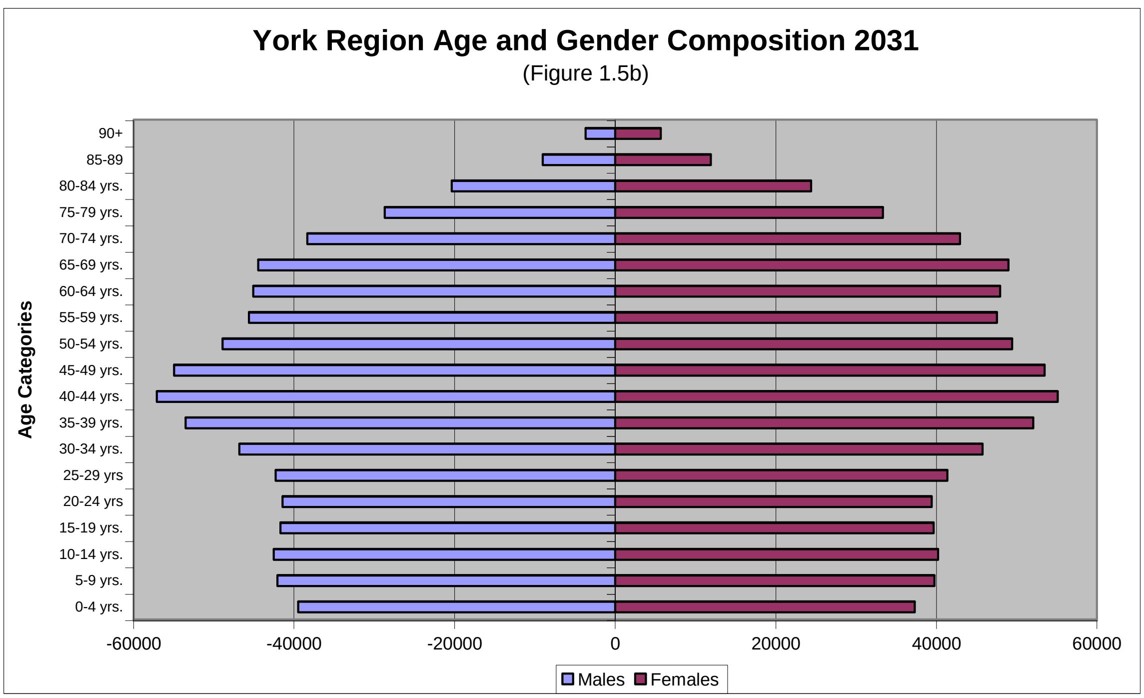
Source: York Region Planning and Development Services, 2007.

It is predicted that York Region's ageing baby boomer population will contribute to a substantial increase in the senior's population. In fact, the senior's population (65+ age group) in York Region is expected to triple by 2031, encompassing 20.8% of the entire population – compared to approximately 10.0% in 2006.

The Canada Mortgage and Housing Corporation (CMHC) has identified several factors that will contribute to an increase in the diversity of built housing types. Among these factors include increases to the number of seniors, single-person households, and childless couples. By 2031, all of the baby boomers will be seniors (65+ years old), and the demographic makeup of York Region will look very different (Figures 1.5a and 1.5b). All of these demographic changes will likely increase the need for smaller, more compact housing types. As well, they will have critical, long-term effects on the demand for all services – including health, community, and social services.



Source: York Region Planning and Development Services, 2007.



Source: York Region Planning and Development Services, 2007.

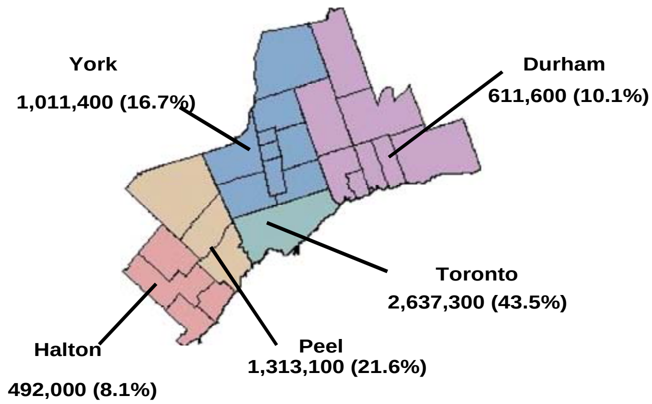
York Region in the GTA

York Region's rapid population growth is due, in part, to its proximity to the City of Toronto. Benefiting from a strong transportation network, high quality of life, vibrant diversified economy and available serviced land, York Region has become a major growth area in the GTA.

As of December 31, 2008, the GTA's population was estimated at 6.06 million people. This is an increase of approximately 97,850 people (1.6% increase) from year-end 2007. As Figure 1.6 illustrates, York Region's proportion of the total GTA population was 16.7% in December 2008, maintaining the Region's position as the third most populated municipality in the GTA.

GTA POPULATION 2008

(Figure 1.6)



Source: York Region Planning and Development Services Department, 2008.

York Region in Canada

A national comparison of the population for Canadian cities, Regions, and Regional Districts indicates that, as of December 2008, York Region was the sixth largest municipality in Canada (Table 1.2).

Canada's Largest Municipalities 2008

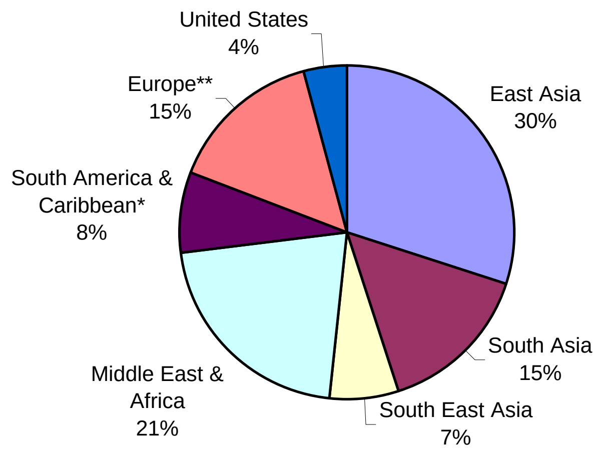
Rank	Municipality	Est. Population (2008)
1	City of Toronto	2,637,300
2	Greater Vancouver Regional District	2,271,200
3	City of Montréal	1,871,800
4	Peel Region	1,313,100
5	City of Calgary	1,042,900
6	**York Region**	**1,011,400**
7	City of Ottawa	898,150
8	City of Edmonton	752,400
9	City of Québec	728,900
10	City of Winnipeg	653,400

Source: York Region Planning and Development Services Department, 2009; Various Municipalities, 2009.
Note: List includes cities, Regions, and Regional Districts as defined locally.

Immigration

According to Citizenship and Immigration Canada, over the five year period of 1997-2001, over half of York Region's primary migration came from Asian countries (52%), with East Asia accounting for 30% (Figure 1.7a). It should be noted that primary migration only refers to new Canadians who move directly to York Region from their country of origin and does not include those who originally reside in other Canadian cities before moving to the Region (secondary migration).

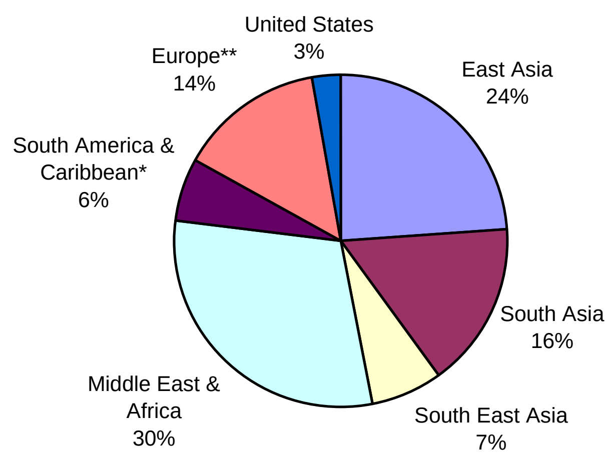
York Region Immigrant Arrivals 1997-2001
(Figure 1.7a)



Source: Citizenship and Immigration Canada, 2008.
Note: *includes Central America
**includes Russia, Australia & Oceania

Within the most recent five year period, 2002-2006, almost half of all primary migration to York Region still came from Asia (47%). However, the proportion of East Asian arrivals has dropped, and the proportion of individuals coming from the Middle East and Africa has increased (Figure 1.7b).

York Region Immigrant Arrivals 2002-2006
(Figure 1.7b)



Source: Citizenship and Immigration Canada, 2008.
Note: *includes Central America
**includes Russia, Australia & Oceania

2. Economic Activities

Provincial, National & North American Context

Canada's economic well-being is tied to many factors including: the wealth of natural resources; the strength of manufacturing and construction industries; the health of the financial and service sector; the ability to span distances using communication and transportation technologies; dynamic trade relationships with other nations; and, the ability to compete in a global market.

During the first three quarters of 2008, the Canadian economy faired surprisingly well amidst a challenging global economic climate. However, the fourth quarter of 2008 saw a significant downturn. TD Economics forecasts much weaker times ahead, due to "tumbling commodity prices, a historically rare synchronzied global recession, a deepening U.S. recession and a downturn in consumer confidence."

In 2008, Canada's Real Gross Domestic Product (GDP) grew by a meager 0.7%, and is forecasted to contract even further by -1.4% for 2009 before beginning a recovery in 2010 (Table 2.1). Throughout 2008, an estimated 98,000 new jobs were created in Canada, representing the sixteenth consecutive year of employment growth. Toronto's Economic Indicators Report cited Canada's year-end unemployment rate to be 6.6%.

GDP Growth
(Table 2.1)

	2007	2008e	2009f	2010f
Ontario	2.3	-0.2	-2.4 to -1.4	1.9 to 2.5
Canada	2.7	0.6	-1.5 to 0.0	1.8 to 2.8
United States	2.0	1.1	-2.3 to -1.5	1.8 to 2.7

Source: TD Economics, RBC Economics, BMO, 2009.
Note: e = estimate
f = forecast

While Canada has not been immune to what's happening around the globe, the nation entered into this correction on a much more solid footing that many other markets around the globe, reports DTZ Barnicke. Canada's banks have exhibited far more conservative lending practices on both the residential and commercial side, lessons learned from the last major downturn of the early 1990's.

DTZ Barnicke predicts that overall employment growth will be flat in 2009 with the manufacturing sector continuing to struggle, and the other sectors feeling the squeeze of soft global economic conditions. A softening housing market will put a dent in the creation of construction jobs, which have underpinned a large part of overall employment growth over the past couple of years. The unemployment rate remains near historic lows at 6.6% and even with softening employment activity in 2009 it is forecast to remain below the historical average.

Fears of a global recession sent Canadian consumer confidence downward in the last quarter of 2008. With consumers cutting back, the outlook for positive sales and manufacturing growth comes into question. Less spending by consumers leads to less consumer goods being manufactured, which leads to more job cuts, which continues the vicious downward cycle. According to the Conference Board of Canada, consumers are showing serious signs of concern, as confidence has dropped to its lowest level in nearly two decades.

CMHC reports that housing starts in Canada began to cool towards the end of 2008, a trend that they say is likely to continue throughout 2009, as the market re-aligns with demographic demand. Canadian housing starts are forecast to dip below the 200,000 unit mark in 2009 for the first time in eight years.

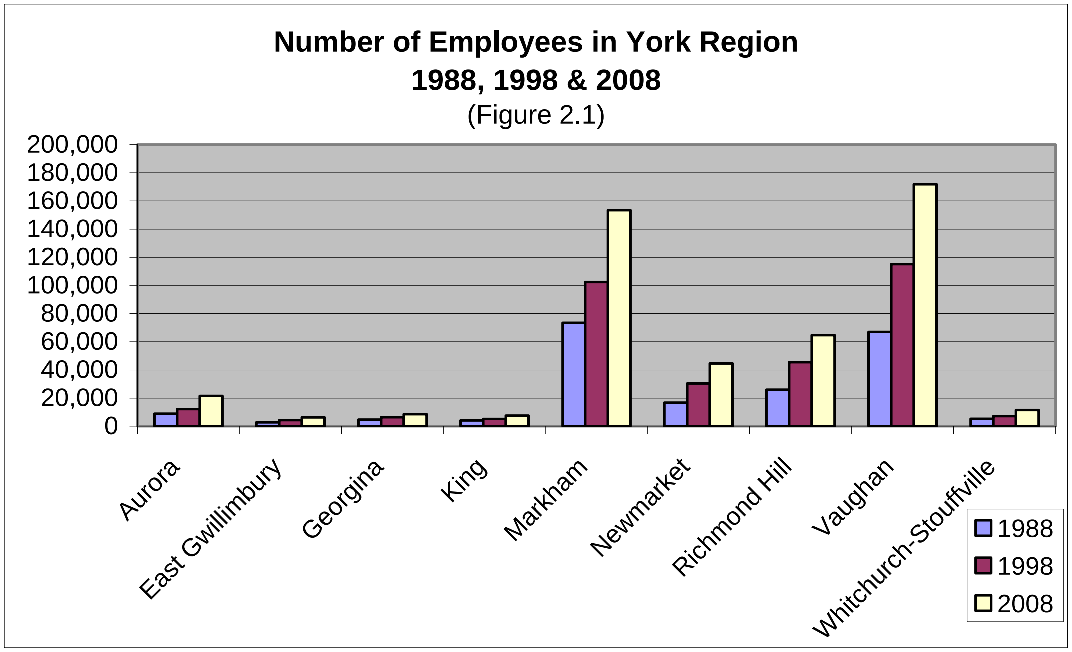
Canadian housing resale activity also trended downwards, roughly 16% lower than 2007 with prices down 9.9% according to the Canadian Real Estate Association (CREA). A strong seller's market is starting to give way to a buyer's market and this is expected to persist throughout 2009.

Overall, the economic indicators for York Region, the GTA, Ontario and Canada as a whole do not appear positive for 2009. RBC Economics anticipates that Canada's economy will experience zero to negative growth in 2009 and only witness improved economic performance starting in 2010. Ontario's economy is forecasted to perform worse than Canada's in 2009, as it is more heavily weighted with manufacturing and very closely tied to the United States.

Employment Growth

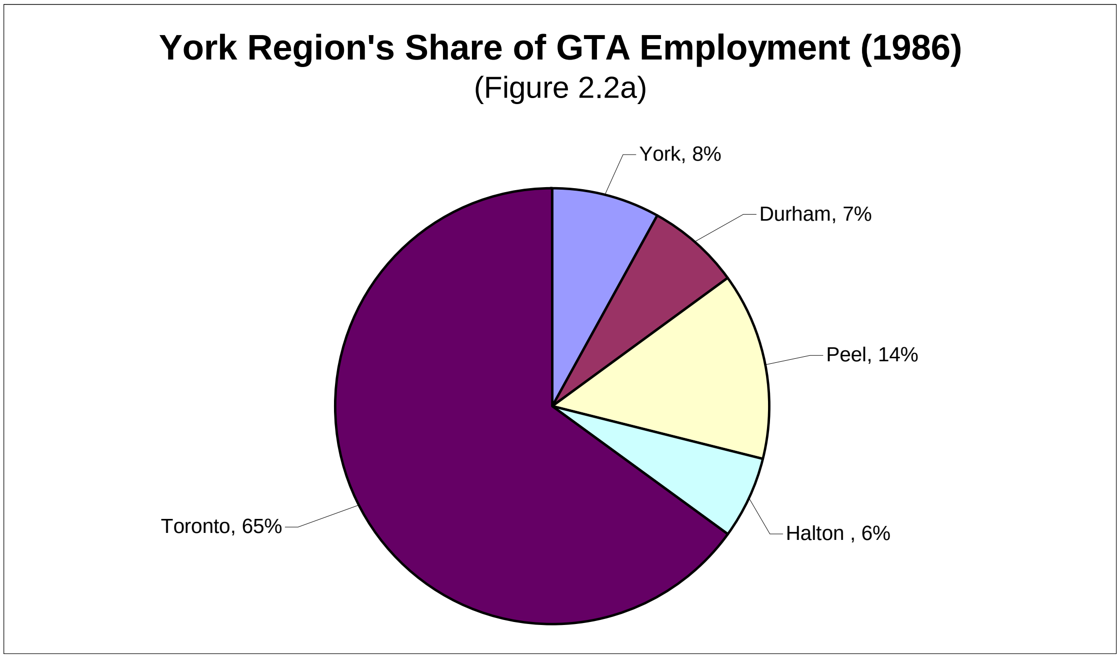
With approximately 490,000 jobs in York Region (year end 2008), the number of jobs has increased by approximately 185,000 in the last 10 years (Figure 2.1). In the past few years, growth has been particularly strong in the business service sector. There are now an estimated 29,000 businesses in York Region.

While York Region employment continues to grow, there are signs that the Region is beginning to feel the global economic downturn. In the end of the last 2 years, York Region has lost approximately 5,000 manufacturing jobs.

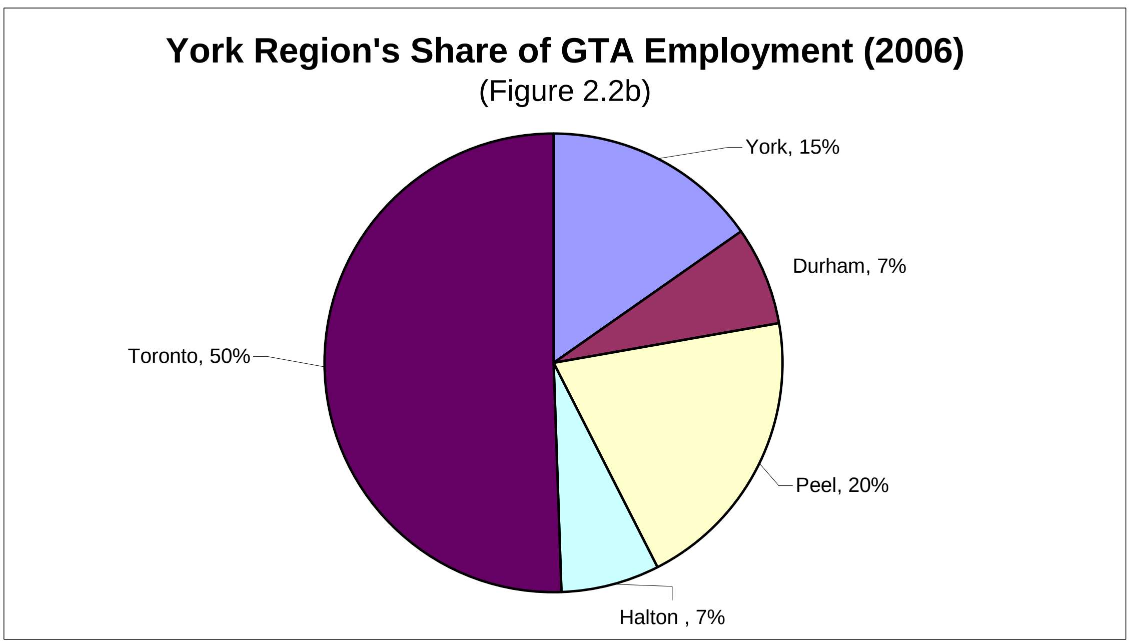


Source: York Region Planning and Development Services Department, 2008.

The Region is forecasted to have just under 800,000 jobs in 2031. In the 35-year span between 1971 – 2006, York Region's employment growth has on average, increased at a higher rate than its population growth. This is an indication of the strength of the Region's rapidly expanding economy. In the most recent five year Census period, between 2001 – 2006, the Region's average annual employment growth (3.8%) was slightly lower than its population growth (4.6%). However, this is not an indication that the Region's economy has declined. However, in absolute terms, the Region's employment growth from 2001 to 2006 is consistent with the average of 15,000 new jobs created annually since 1981. As the Region's employment increased, its share of the GTA's employment also increased. In 1986, York Region accounted for 8% of all jobs within the GTA (Figure 2.2a). In 2006, that percentage grew to 15% (Figure 2.2b).



Source: Statistics Canada, 1986 Census Data.



Source: Statistics Canada, 2006 Census Data.

Small Business in York Region

Small businesses are the predominant form of enterprise in York Region. While the Region is host to a number of large international firms, over 93% of the firms in June of 2005 employed less than 20 people. Enterprises without payroll employees accounted for over 62% of the total. This large proportion of small firms and enterprises without payroll employees reflect the entrepreneurial nature of the Region's growing population. These small firms contribute to a diversified and innovative economy, which helps to stabilize the Region from cyclical shifts in the national and global economies. For this reason, one of the Strategic Directions of the

Regional Economic Strategy is to continue to strengthen entrepreneurship and support small business development.

Top Private Sector Employers

As of mid-year 2008, there were approximately 45 private sector companies in York Region with 500 or more employees. This is more than twice the number that existed 10 years ago, as only 18 private sector employers with 500 or more employees were reported in 1997. Table 2.1 is a summary of the largest private sector employers in the Region. The list is comprised of a broad diversity of sectors including manufacturing, computer technology, transportation, communications and commerce. In addition, there are a number of public sector employers with more than 500 employees in the Region that are not included in the table. These include Southlake Regional Health Care, York Central Hospital, the Town of Markham, the City of Vaughan, Markham-Stouffville Hospital, York Region, and the Joint Operations Centre.

Top Employers in York Region 2008

(Table 2.2)

Rank	Name	Location	# of Employees	Industry Description
1	Magna International Inc.	York Region	9,600*	Manufacturer of Automotive Components and Systems
2	IBM Canada Ltd.	Markham	7,050	Computer Systems Design and Related Services
3	Amex Canada Inc.	Markham	4,100	Management Consulting Services
4	Canada's Wonderland	Vaughan	3,650**	Amusement and Theme Parks
5	AMD Technologies Inc.	Markham	2,200	Computer and Peripheral Equipment Manufacturing
6	CGI Information Systems & Management Consultants Inc.	Markham	2,050	Independent Adjusters for Insurance Claims
7	United Parcel Service Ltd.	Vaughan	1,900	Courier Services
8	The Miller Group	Markham	1,700**	Road Construction Engineering Services, Paving & Manufacture Asphalt
9	Royal Group Inc.	Vaughan	1,600	Manufactures Polymer-based Home Improvement, Consumer & Construction Products
10	Con Drain Co. (1983) Ltd.	Vaughan	1,350	Water and Sewer Line and Related Structures Construction
11	TD Waterhouse Inc.	Markham	1,350	Banking
12	Quebecor World	Aurora, Richmond Hill, Vaughan	1,050	Printing
13	State Farm Insurance	Aurora	1,050	Insurance Agencies and Brokerages
14	Allied International Credit	Newmarket	1,050	Collection Agencies
15	Ganz	Vaughan	1,000	Distribution Centre for Giftware and Accessories
16	Canadian National Railways	Vaughan	950	Rail Transportation
17	Adastra Corporation	Markham	900	Computer Systems Design and Related Services
18	Compugen Inc.	Richmond Hill	850	Computer Systems Design and Related Services
19	Showbiz Marketing	Vaughan	800	Advertising Agencies
20	Sears Canada National Service Centre	Vaughan	750	Warehouse Distribution and Transportation Maintenance
21	Allstate Insurance	Markham	750	Insurance Agencies and Brokerages
22	Apotex	Richmond Hill	750	Pharmaceutical and Medicine Manufacturing
23	Nova Services Group Inc	Vaughan	700	Janitorial Services
24	Grand & Toy	Vaughan	700	Distribution Centre for Office Supplies
25	The Linkage Group Inc.	Markham	700	Advertising Material Distribution Services
26	AC Nielsen Canada	Markham	700	Marketing Research and Diagnostic Services
27	Bondfield Construction	Vaughan	700	Commercial and Institutional Building Construction
28	Manpower Services	Markham	650	Employment Placement Agencies
29	Wal-Mart	Vaughan	600	Retail Department Stores
30	Homelife Bayview Realty Inc.	Markham	600	Real Estate Services
31	Toromont Industries Ltd.	Vaughan	600	Construction and Forestry Machinery, Equipment and Supplies Wholesaler-Distributors
32	MDS Sciex	Vaughan	600	Navigational, Measuring, Medical and Control Instruments Manufacturing
33	TS Tech Canada Inc.	Newmarket	550	Motor Vehicle Interior Manufacturing
34	Kohl & Frisch Ltd.	Vaughan	550	Pharmaceuticals and Pharmacy Supplies Wholesaler-Distributors
35	Anton Manufacturing	Vaughan	550	Manufacturer of Automotive Components and Systems
36	Acklands - Grainger	Richmond Hill	550	Distributor of Industrial, Fleet and Safety Products
37	Sun Microsystems	Markham	550	Computer and Peripheral Equipment Manufacturing
38	The Toronto Star Press Centre	Vaughan	550	Printing
39	Steelcase	Markham	550	Office and Institutional Furniture Manufacturing
40	CAA South Central Ontario	Markham	500	Other Support Activities for Transportation
41	407 ETR	Vaughan	500	Office Administrative Services
42	Guild Electric Ltd.	Markham	500	Electrical Contractors
43	Rogers Cable	Richmond Hill	500	Wired Telecommunications Carriers
44	Ceridian	Markham	500	Accounting, Tax Preparation, Bookkeeping and Payroll Services
45	Mobile Climate Control Industries Inc.	Vaughan	500	Plumbing, Heating and Air-Conditioning Contractors

Source: York Region Planning and Development Services Department, 2008 and 2009.

Note: This table represents rounded numerical data for private sector employers with 500 or more employees working in York Region.

*Includes employees of subsidiary companies located in York Region.

**This includes seasonal employees.

Labour Market Conditions

Unemployment Rate

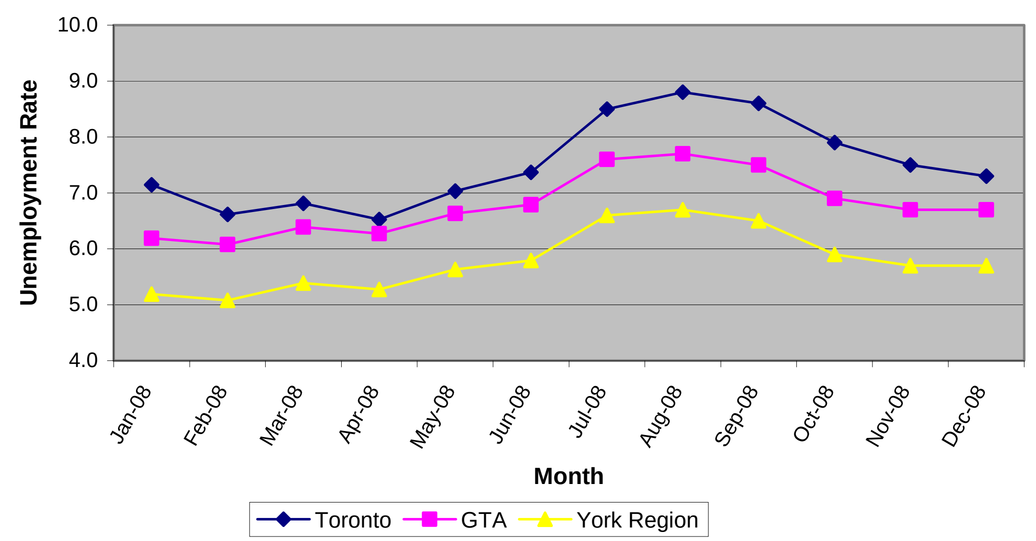
Canada's annual employment growth ending December 2008 was 0.6% (+98,000), much slower than the increase of 2.2% (+358,000) in 2007. Despite the significant downturn, this marks the sixteenth consecutive year of national employment growth. Canada's unemployment rate climbed 0.8 percentage points from the record low of 5.8% in early 2008, with most of the increase occurring in the last quarter. Canada's unemployment rate for year-end 2008 was 6.6%, significantly higher than the 5.8% experienced at year-end 2007.

Ontario's unemployment rate at year-end 2008 was 6.4%. This is the first time in the last three years where the year end unemployment rate has increased. During the 2005 to 2007 period, the year end unemployment rate was consistant at 5.7%. Both Toronto and the GTA's unemployment rates were higher than the previous year-end – increasing from 7.2% and 6.1% in 2007 to 7.3% and 6.7%, respectively, at year-end 2008.

Human Resources and Social Development Canada (HRSDC) estimates put York Region's unemployment rate at 1.0 – 2.0% lower than the GTA's unemployment rate (Figure 2.3). Thus, York Region's unemployment rate in December 2008 was approximately 5.7% – higher than the 5.1% recorded at year-end 2007. It should be noted that York Region figures are general estimates based on HRSDC and Statistics Canada figures and are not seasonally adjusted.

York Region's low unemployment rate, in contrast to the other unemployment rates cited above, may be viewed as an indication of a strong and diverse economy.

Unemployment Rates 2008
(Figure 2.3)

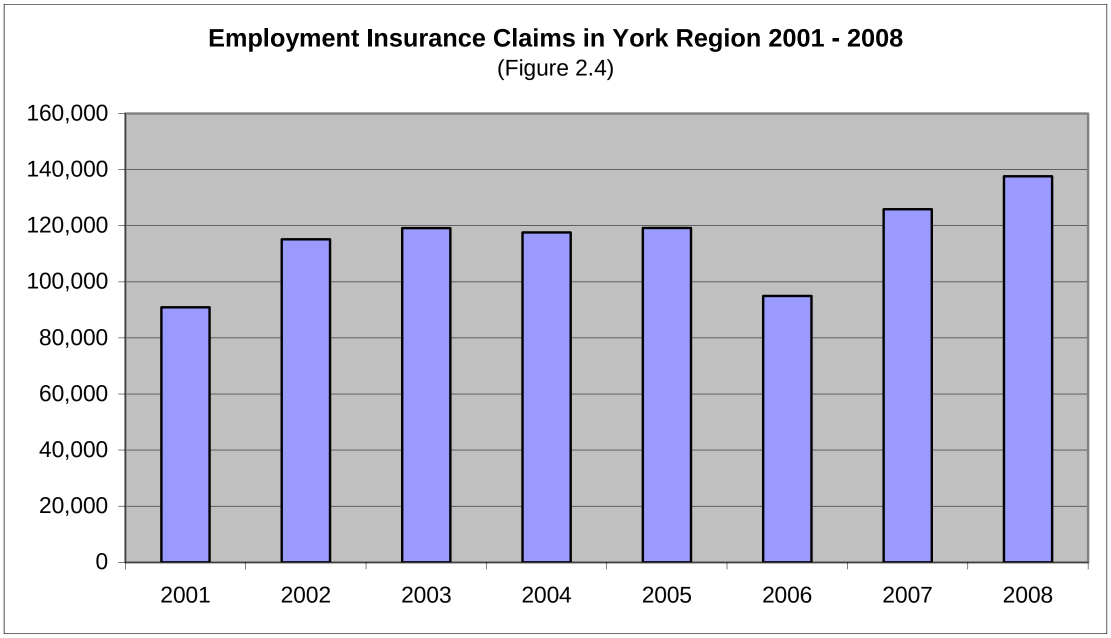


Source: Toronto Economic Development Division, Toronto Economic Indicators, 2008.

Note: Based on unadjusted 3-month moving averages; York Region unemployment figures are estimates.

Employment Insurance

In 2008, York Region's Services Canada Centres received 137,621 Employment Insurance claims. This represents a significant increase from the number of claims received in 2007 (125,900), however, it is consistent with the overall trend from previous years (Figure 2.4). Over 2008, the number of workers on Employment Insurance ranged from a high of 13,691 in December, to a low of 9,650 in June. The average number of workers on Employment Insurance during 2008 was 11,468 per month. By comparison, the monthly average for claims in 2007 was 10,492.



Source: Human Resources and Social Development Canada, Service Canada, 2001 - 2008.

Ontario Works

(Awaiting Information)

3. Property Market

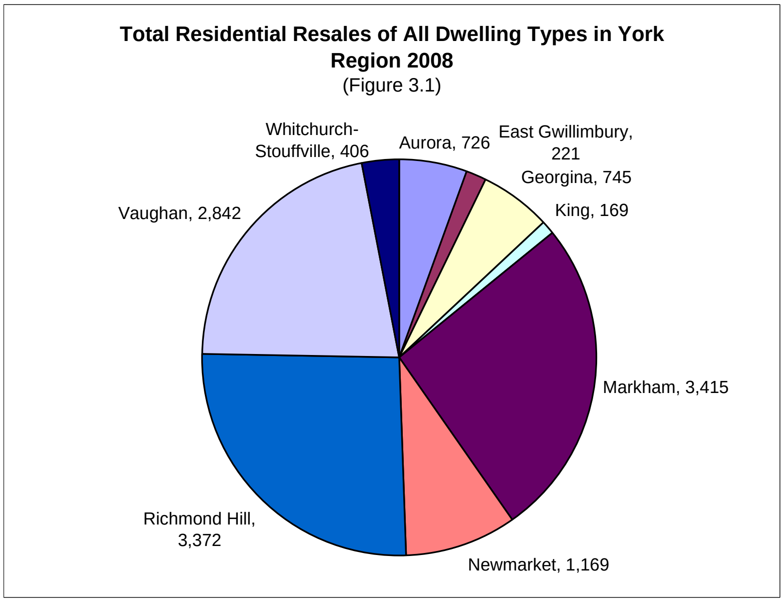
Residential Property Market

Real estate markets in Ontario appear to have peaked during the first half of 2008 and are likely to sustain a weakening tone until the economy recovers. According to the latest RBC Economics Housing Affordability Index, this market correction is unlikely to be as devastating as the early 1990s downturn. RBC Economics states “Ontario markets are entering this downturn with much less threatening imbalances compared to those during the late 1980s. In particular, the erosion in affordability in the province during the past few years has been much more restrained, so that current measures are not as far off long-run averages as they were at the onset of the early 1990s meltdown.”

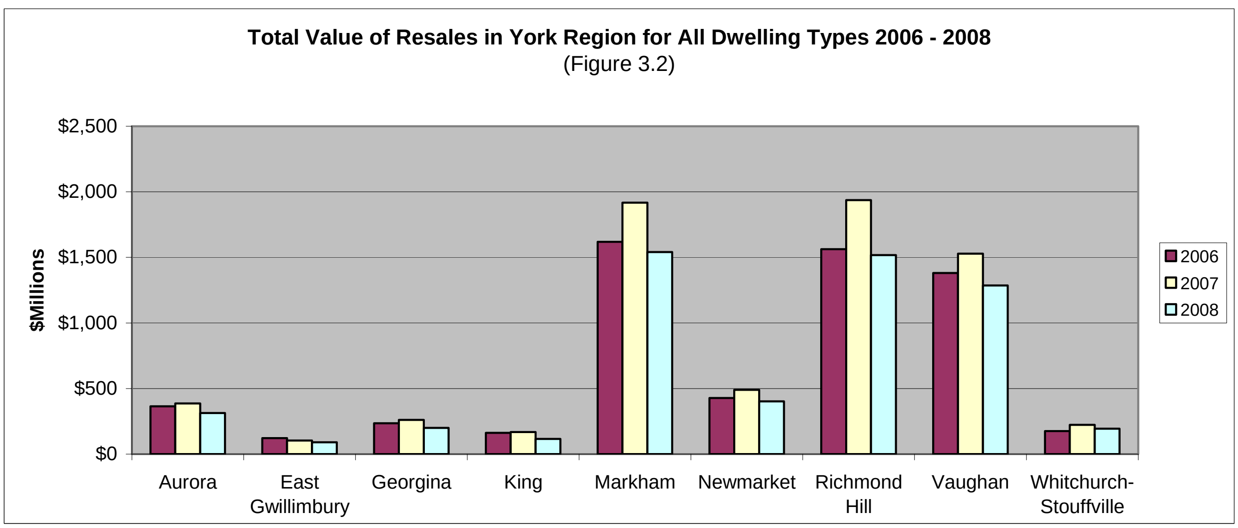
The GTA's resale market softened considerably in 2008 while the average price of residential dwellings rose slightly to reach a year-end total of $379,347 (all dwelling types for the entire GTA). The Toronto Real Estate Board (TREB) reported 74,552 sales for the GTA in 2008. This figure shows a decrease of approximately 20.0% from the 2007 total of 93,193 resales.

During the last quarter of 2008, housing market confidence decreased substantially in the GTA, reports RBC Economics. Until the end of the summer, the feeling was that the GTA was successfully negotiating a landing to a slower, more sustainable pace of activity since home resales had been slowly trending lower since peaking in the middle of 2007. However, reports of notable declines in prices and activity in many Toronto communities during the 4th quarter 2008 changed that view. The GTA housing market has undoubtedly entered a slowdown. Earlier tightness has eased and buyers now hold more power. The GTA’s economy is facing serious challenges, which will lower household confidence. Housing affordability remains an obstacle to homebuyers, although it has improved slightly in the past year.

According to the Toronto Real Estate Board’s Market Watch Report, the number of residential resales in York Region during 2008 totalled 13,065 dwelling units (Figure 3.1). This represents a decrease of 22.2% (3,735 units) from 2007 resales. The total value of all residential resales in 2008 was approximately $5.7 billion – a decrease from 2007’s $7.0 billion. This decrease in total value is most pronounced in the southern three municipalities – Markham, Richmond Hill, and Vaughan (Figure 3.2).



Source: Toronto Real Estate Board, Market Watch, 2008.



Source: Toronto Real Estate Board, Market Watch, 2006 - 2008.

The average resale price of single detached dwellings has steadily increased in recent years (Table 3.1). Average resale price is calculated by using the actual price that homes were sold for during this time period – not the assessed value of housing in each community. In 2008, the average resale price rose to $508,892 – an increase of 4.9% from 2007. The number of resales for single detached dwellings decreased across all municipalities (Figure 3.3).

Total Number of Resales and Average Price of Single Detached Dwellings by Local Municipality 2006 - 2008 (Table 3.1)						
	Sales			Average Price		
	2006	2007	2008	2006	2007	2008
Aurora	548	555	440	$485,136	$485,660	$508,790
East Gwillimbury	292	247	200	$387,268	$393,867	$421,084
Georgina	853	889	649	$251,663	$267,813	$276,505
King	252	247	161	$638,694	$676,712	$703,008
Markham	2,650	2,955	2,220	$459,534	$488,131	$517,765
Newmarket	786	869	685	$375,197	$389,153	$395,397
Richmond Hill	2,142	2,478	1,754	$518,862	$547,570	$582,302
Vaughan	1,808	2,003	1,601	$493,212	$523,616	$549,195
Whitchurch-Stouffville	345	413	336	$485,239	$501,359	$514,654
York Region Total	**9,676**	**10,656**	**8,046**	**$458,636**	**$484,741**	**$508,892**

Source: Toronto Real Estate Board, Market Watch, 2006 - 2008.

Table 3.2 outlines the number of resales and the average price of each residential type in York Region's municipalities. Multiple unit dwellings include semi-detached, town/row/attached houses, and condominiums and apartments. In 2008, there were a total of 5,019 multiple unit dwelling resales in York Region. This is a decrease of 17.9% from 2007, which had 6,111 resales. Although the average resale price of multiple unit dwellings varied between municipalities, there was an overall increase in their average resale prices.

York Region Resales & Average Prices All Dwelling Types 2008 (Table 3.2)								
	Detached		Semi		Town/Row/Attach		Condo/Apt	
	Sales	Avg Price	Sales	Avg Price	Sales	Avg Price	Sales	Avg Price
Aurora	440	$508,790	67	$308,375	197	$324,743	22	$244,468
East Gwillimbury	200	$421,084	0	$0	18	$261,472	3	$167,000
Georgina	649	$276,505	24	$233,179	66	$222,943	6	$152,583
King	161	$703,008	1	$320,000	3	$413,333	4	$231,725
Markham	2,220	$517,765	310	$352,931	619	$330,141	266	$290,860
Newmarket	685	$395,397	176	$285,761	236	$275,924	72	$217,811
Richmond Hill	1,754	$582,302	200	$373,521	715	$359,764	703	$233,635
Vaughan	1,601	$549,195	325	$373,252	447	$342,162	469	$281,927
Whitchurch-Stouffville	336	$514,654	34	$319,727	36	$263,491	0	$0
York Region Total	**8,046**	**$508,892**	**1,137**	**$345,789**	**2,337**	**$331,097**	**1,545**	**$257,115**

Source: Toronto Real Estate Board, Market Watch, 2008.

From January to December of 2008, York Region accounted for 17.5% of the total number of residential resales within the GTA. When examining the total value of residential resales within the GTA, the Region accounted for 20.0%. The Region's proportion of the GTA's total value is larger than it's proportion of the number of units sold because of the higher housing prices within the Region. The average resale price for all residential dwelling types in York Region ($433,121) was 19.8% higher than in the GTA ($361,415).

As indicated by the Toronto Real Estate Board, the average number of days that a residential dwelling in York Region was on the market in 2008 was 40 days. On average, properties in York Region sold at 97% of their listed price.

Industrial & Commercial Property Market

Industrial Land

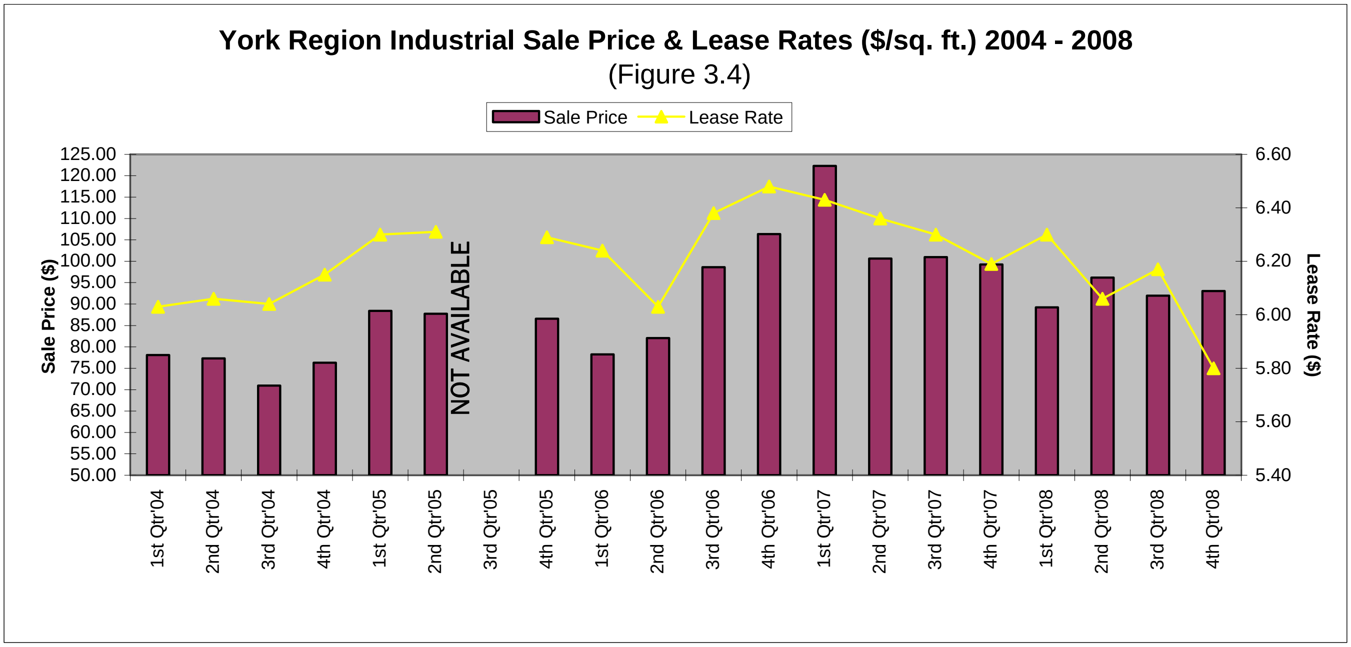
The GTA industrial market, with approximately 825 million square feet of inventory, is favourably located to serve both Canadian and U.S. markets. However, according to CB Richard Ellis Ltd., the uncertainty of the U.S. economy has had, and will continue to have, a significant impact on the GTA.

Ontario was hit extrememly hard during the last quarter of 2008 and early 2009, with job losses of 71,000 in January 2009 alone, approximately two thirds of which were in the manufacturing industry. Ontario's unemployment rate jumped to 7.2% from 6.6% in December 2008, and CIBC World Markets predicts that unemployment could rise to as high as 8.0% in 2009. One of the impacts, as reported by Cushman & Wakefield LePage, has been a significant jump in vacancy rates during 2008 for York Region, going from 4.9% during the 1st quarter to 7.2% in the 4th quarter (Table 3.4).

Colliers International follows the industrial market for six of the nine municipalities in York Region: Aurora, Markham, Newmarket, Richmond Hill, Vaughan, and Whitchurch-Stouffville. Combined, these six municipalities account for 17.9% of the GTA's industrial inventory and have the third largest supply of new industrial lands in the GTA, following the GTA West and GTA East.

Industrial Buildings

Cushman & Wakefield LePage track the industrial market in five of the nine municipalities in York Region: Aurora, Markham, Newmarket, Richmond Hill and Vaughan. In the last quarter of 2008, the average lease rate for industrial buildings in these municipalities was $5.80 per sq. ft. By comparison, the average lease rate was $6.19 per sq. ft. in the last quarter of 2007 (Figure 3.4). Industrial sale prices per sq. ft. ranged from $89.23 in the first quarter of 2008 to $93.03 by year-end. In York Region, the fourth quarter industrial vacancy rate was 7.2% in 2008 (Table 3.4).



Source: Cushman & Wakefield LePage, Marketbeat: Greater Toronto Industrial Report, 2004 - 2008.
Note: North area includes Aurora, Markham, Newmarket, Richmond Hill and Vaughan.

Vacancy Rates and Total Inventory of Industrial Buildings in York Region 2008
(Table 3.4)

	1st Qtr. 2008		2nd Qtr. 2008		3rd Qtr. 2008		4th Qtr. 2008	
	Inventory (sq.ft.)	Vacancy Rate	Inventory (sq.ft.)	Vacancy Rate	Inventory (sq.ft.)	Vacancy Rate	Inventory (sq.ft.)	Vacancy Rate
Aurora	6,154,384	8.4%	6,264,904	2.7%	6,388,787	7.8%	6,384,109	8.1%
Markham	35,996,491	6.2%	35,965,684	6.8%	36,139,560	6.8%	36,155,436	6.6%
Newmarket	6,546,367	3.4%	6,628,400	4.8%	6,675,879	4.3%	6,701,859	3.8%
Richmond Hill	13,314,372	4.6%	13,563,236	6.4%	13,878,583	5.8%	13,900,578	5.6%
Vaughan	86,681,920	4.2%	87,971,977	5.6%	88,574,734	6.7%	88,715,735	7.9%
Total	**148,693,534**	**4.9%**	**150,394,201**	**5.8%**	**151,657,543**	**6.6%**	**151,857,717**	**7.2%**

Source: Cushman & Wakefield LePage, Marketbeat: Greater Toronto Industrial Report, 2008.

According to Cushman & Wakefield LePage, Vaughan reported the highest market share for lease and sale transactions in York Region for 2008. Within the GTA industrial property market, Vaughan had the second highest market share for lease transactions, and third highest market share for sale transactions.

Commercial/Office Properties

CB Richard Ellis Ltd. tracks office market activity within three York Region nodes: Markham North & Richmond Hill, Steeles Woodbine, and Vaughan. Throughout 2008, the vacancy rates in these three nodes ranged from 7.8 – 9.2% in Markham North & Richmond Hill, 5.4 – 8.2% in Steeles Woodbine and 4.5 – 8.4% in Vaughan. In comparison, the vacancy rate for the GTA ranged from 6.6 – 6.8% during the year (Table 3.5). Between the three tracked office nodes, the highest average lease per sq. ft. occurred in Vaughan during the second quarter, at $17.56. The lowest average lease rate per sq. ft. occurred in the Steeles Woodbine node during the second quarter, at $13.29. All three nodes finished 2008 with lease rates between $14.41 and $16.58 per sq. ft. Comparatively, the GTA finished 2008 with a lease rate of $16.77 per sq. ft. (Table 3.6).

Selected Office Market Vacancy Rates 2005 - 2008

(Table 3.5)

Office Nodes	2005				2006				2007				2008			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Markham North & Richmond Hill	15.5%	11.8%	12.0%	9.9%	8.4%	8.4%	9.1%	11.0%	10.8%	10.2%	9.3%	8.4%	9.2%	8.7%	7.8%	8.8%
Steeles Woodbine	8.2%	7.3%	9.1%	9.1%	7.8%	7.2%	7.2%	6.6%	7.3%	9.5%	8.9%	7.8%	7.6%	5.4%	7.7%	8.2%
Vaughan	11.1%	6.4%	7.2%	6.5%	4.6%	4.5%	3.9%	5.3%	6.0%	5.5%	5.9%	5.1%	8.4%	6.5%	6.7%	4.5%
GTA Total/Average	**13.8%**	**12.5%**	**11.9%**	**10.1%**	**9.2%**	**9.2%**	**9.7%**	**8.9%**	**8.2%**	**8.2%**	**7.6%**	**7.2%**	**6.8%**	**6.7%**	**6.6%**	**6.8%**

Source: CB Richard Ellis, Office Market Review, 2005 - 2008.

Selected Office Market Lease Rates ($/sq.ft.) 2005 - 2008

(Table 3.6)

Office Nodes	2005				2006				2007				2008			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Markham North & Richmond Hill	14.12	14.68	14.34	15.26	10.32	13.71	14.60	13.75	14.09	14.02	15.53	14.51	15.63	15.41	15.19	14.81
Steeles Woodbine	12.03	12.30	12.40	12.93	14.38	13.64	10.65	11.58	12.31	13.24	12.81	13.32	13.47	13.29	14.25	14.41
Vaughan	13.45	14.31	14.77	14.21	13.60	13.38	12.59	13.79	13.86	13.81	14.64	14.58	16.42	17.56	17.46	16.58
GTA Total/Average	**14.41**	**14.46**	**14.76**	**15.03**	**15.05**	**15.02**	**15.05**	**14.81**	**14.91**	**15.00**	**15.92**	**16.46**	**16.62**	**16.75**	**16.62**	**16.77**

Source: CB Richard Ellis, Office Market Review, 2005 - 2008.

Taxable Assessment

2008 Taxable Assessment for 2009 Taxation

Taxable Assessment is a barometer of economic health that helps to determine the Region's fiscal capacity to sustain the services and infrastructure that the people of York Region require. In determining the Taxable Assessment, Municipal Property Assessment Corporation (MPAC) provides municipalities with a Current Value Assessment (CVA) that represents the fair market value of a property as of a certain date. In 2008, the CVA for taxable properties in York Region for the 2009 taxation year totalled $142 billion, representing growth and reassessment of 8.1% over 2007 ($ 131.3 billion).

Reassessment Cycle

There have been a number of changes affecting Ontario's property value reassessment cycle in the past few years. Starting in 2006, province-wide reassessments were scheduled to occur annually as of January 1 of the preceding year. However, in June 2006, the Minister of Finance announced that property tax reassessments would be cancelled for the 2007 and 2008 taxation years to allow for the implementation of the Ontario Ombudsman's recommendations with respect to MPAC. As a result, the assessment values used for the 2008 taxation year continue to be based on the reassessment values as of January 1, 2005.

Further changes to the reassessment cycle were made as a result of the 2007 Provincial Budget. Commencing with the 2009 taxation year, properties in Ontario will be reassessed on a four year cycle, with the property valuation date set for January 1 of the year preceding every fourth taxation year (Table 3.7a).

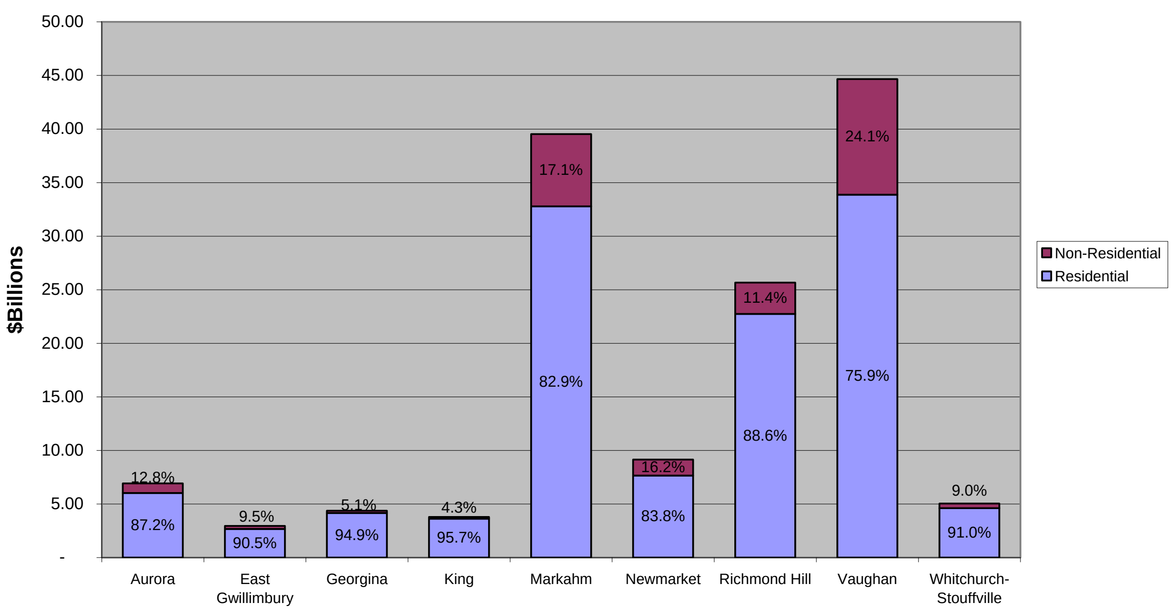
Reassessment Cycle 2006 - 2013 (Table 3.7a)	
Taxation Year	**Assessed Value**
2006, 2007 and 2008	January 1, 2005
2009	January 1, 2008
2013 and every four years thereafter	January 1 of preceeding year

Source: York Region Finance Department, 2008.

Residential to Non-Residential Assessment Ratio

The overall ratio of residential to non-residential assessment in York Region was 83.2% to 16.8% in 2008. All the York Region local municipalities had at least 80% assessment values in the residential category, except for the City of Vaughan which had 75.9% (Figure 3.5).

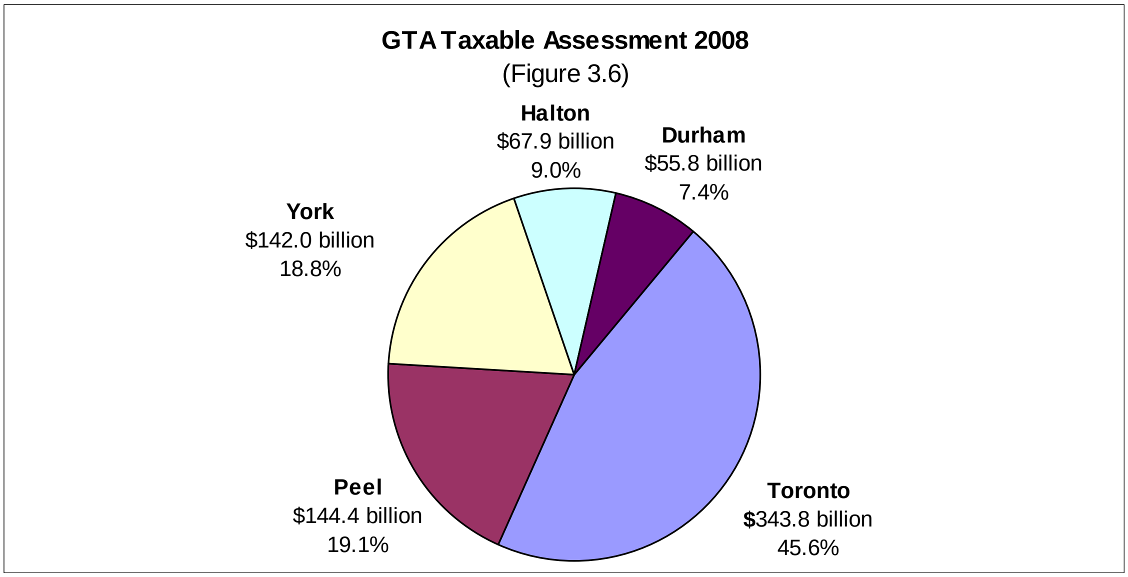
Ratio (%) of Residential/Non-Residential Taxable Assessment 2008
(Figure 3.5)



Source: York Region Finance Department, 2008.

York Region Share of GTA Taxable Assessment

York Region's assessment growth was 2.7% in 2008 (Table 3.7b). A comparison of taxable assessment for York Region with the rest of the GTA is illustrated in Figure 3.6. As shown, York Region shared 18.8% of the GTA's total assessment of $754 billion in 2008.



York Region Assessment Growth 1998 - 2008
(Table 3.7b)

Year	Growth %
1998	3.8
1999	4.4
2000	4.1
2001	5.1
2002	3.8
2003	3.8
2004	4.9
2005	3.7
2006	3.2
2007	2.7
2008	2.7

Source: York Region Finance Department, 2008.

Development Charges

Development charges are used to fund needed infrastructure improvements and to recover costs incurred to service new development. The total development charges collected by the Region since 1998 are illustrated in Table 3.8. Collections in 2008 were 20% lower than in 2007, but 33.2% higher than 2006. The spike in development charges collected in 2007 was due to the enactment of the 2007 Development Charge By-Law update as developers preferred to pay the lower rates charged prior to June 2007. Rates were fully phased in for single detached dwellings, semis and multiple unit dwellings in September and apartments in December of 2007; retail rates were fully phased in on June 18, 2008. Industrial/office/institutional rates are to be fully phased in on June 18, 2010.

Total Development Charges for New Development in York Region 1998-2008
(Table 3.8)

Year	$ Millions
1998	108.2
1999	92.5
2000	90.1
2001	89.5
2002	108.4
2003	153.1
2004	74.6
2005	142.3
2006	114.3
2007	189.8
2008	152.2

Source: York Region Finance Department, 2008.

4. Building Activities

Building Permits

Building permit activity is an essential yardstick that is used to measure local investments and economic performance. A total of 8,305 new residential building permits were issued in 2008 (Table 4.1). This represents a decrease of 20.3% from the 2007 numbers.

Number of Permits Issued for New Residential Units in York Region 2007 & 2008
(Table 4.1)

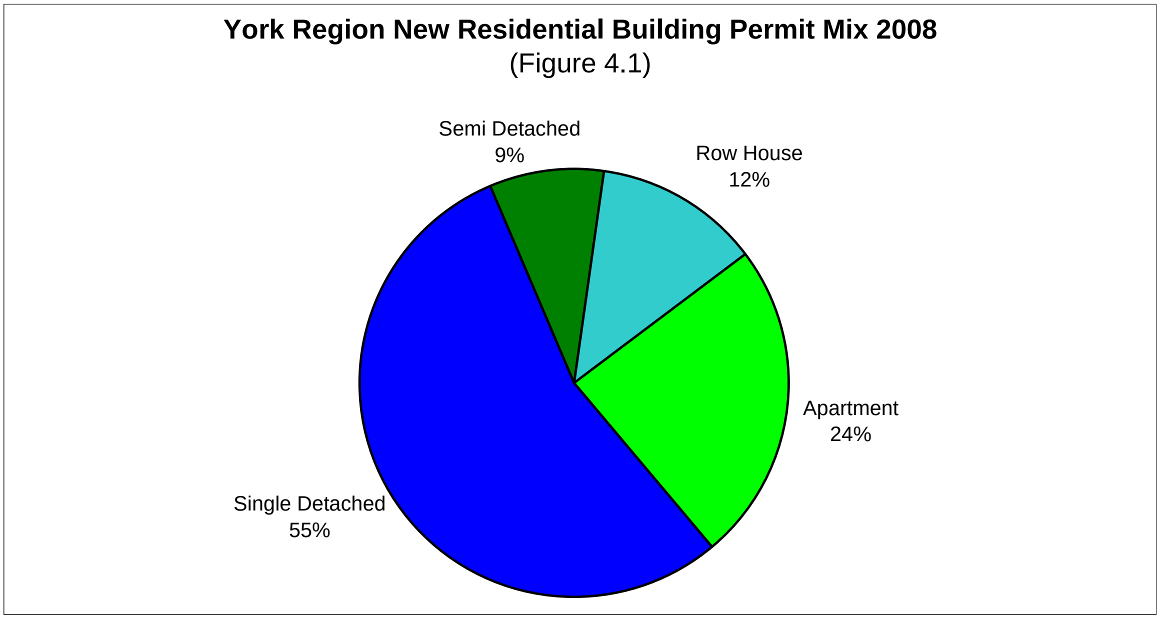
Municipality	2007	2008	% Change
Aurora	337	531	58%
East Gwillimbury	167	103	-38%
Georgina	159	127	-20%
King	32	23	-28%
Markham	3,565	2,473	-31%
Newmarket	508	582	15%
Richmond Hill	1,058	981	-7%
Vaughan	3,743	2,639	-29%
Whitchurch-Stouffville	852	846	-1%
York Region Total	**10,421**	**8,305**	**-20.3%**

Source: Local Municipal Building Permit Reports, 2007 and 2008; York Region Planning and Develo

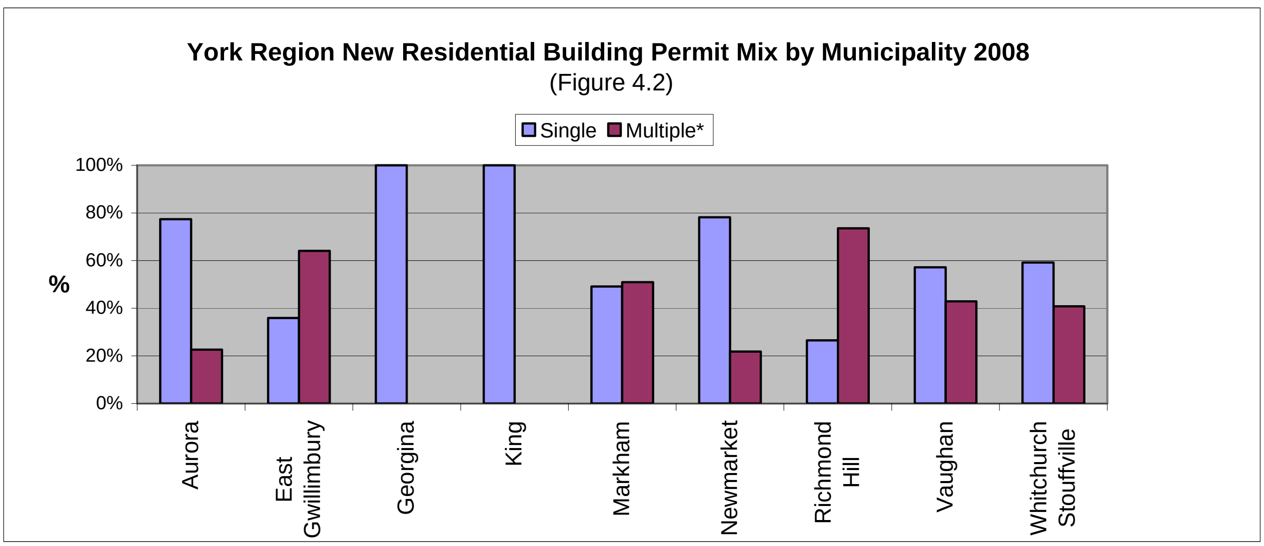
In 2006, the Province released its Growth Plan for the Greater Golden Horseshoe, "*Places to Grow*". Within this document, the Province forecasted that by 2031, York Region will have a population of 1.5 million persons – an increase of approximately 489,000 from year-end 2008 figures. It is important that York Region continue to broaden the array of housing choice available in the Region. The Region's Official Plan calls for the production of an average of 8,000 new housing units annually. Since 1998, local municipalities in the Region have issued building permits at an average of 10,800 units annually – 2,800 units above the Official Plan target.

The three southern municipalities of Vaughan, Markham and Richmond Hill accounted for approximately 73.5% of the total residential building permit activity in 2008. This growth was primarily driven by building activity in the cities of Vaughan and Markham, whose totals accounted for approximately 32% and 30% each respectively.

With regards to building type, single detached dwellings accounted for approximately 55% of all new residential permits issued. Six years ago, in 2002, the proportion of new residential permits for single detached dwellings was 68%. The subsequent reduction in 2008 is an indication of the progress the Region is making towards creating more multiple unit dwellings. In particular, the Region has experienced strong growth in apartment dwellings, which increased from 9% in 2005 to 24% of 2007 and 2008's new residential permits (Figure 4.1). In 2008, the Town of Markham issued the greatest number of building permits for multiple unit dwellings, with 1,259 units (Figure 4.2).



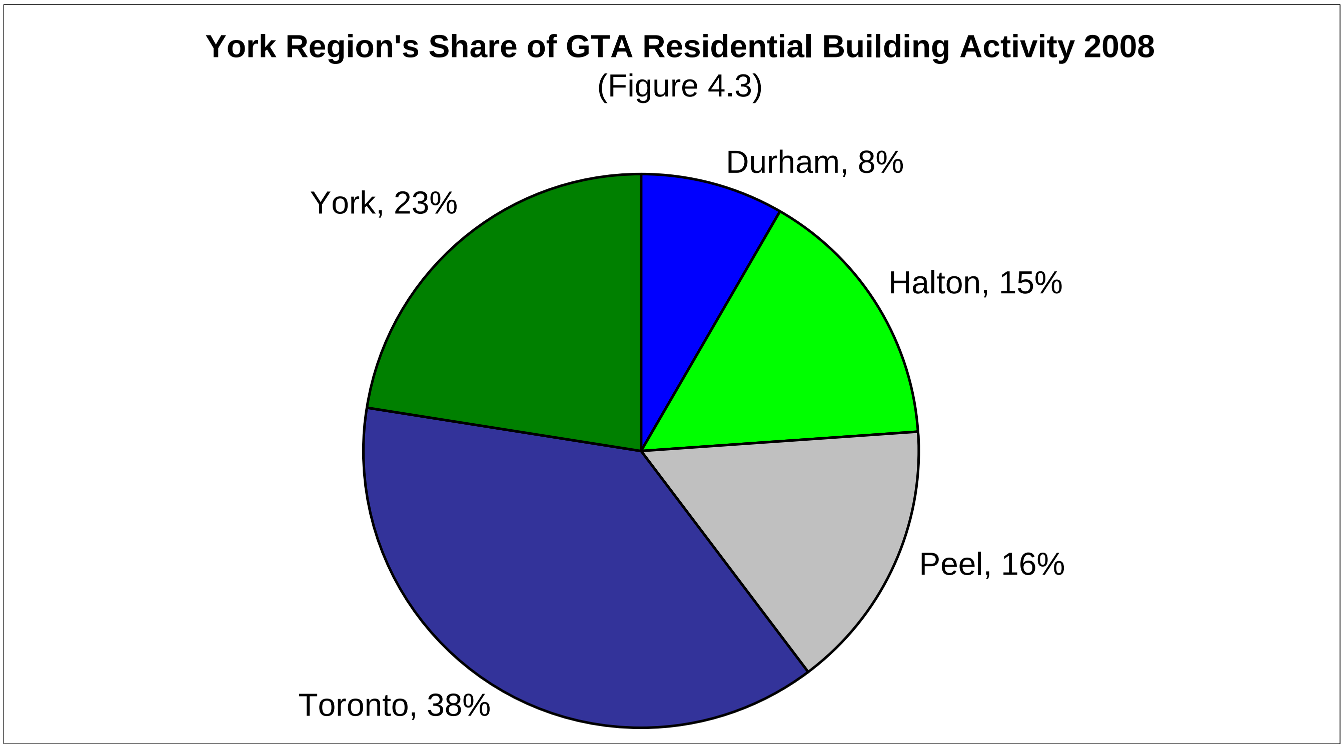
Source: Local Municipal Building Permits Reports, 2008; York Region Planning and Development Services Department, 2008.



Source: York Region Planning and Development Services Department, 2008.

Building Permit Activity in the GTA

Approximately 36,848 building permits were issued for new residential units across the GTA in 2008. During this period, York Region accounted for approximately 23% of the GTA's building permit activity – second to the City of Toronto's 38% share. This number represents a 4% drop for York Region from the 2007 proportions. The Region of Peel had the third largest share of building permits in the GTA at 16%, followed by Halton Region (15%) and Durham Region (8%) (Figure 4.3).



Source: Local Municipal Building Permit Reports, 2008; Statistics Canada Table 32.2 (unpublished), 2008.

York Region's strong building activity ranks the Region as the third largest issuer of residential building permits across Canada (Table 4.2). This placement is consistent with last year, and up from 2005 when it ranked fifth overall. It must be noted that this ranking is in comparison to cities, Regions, and Regional Districts as defined locally.

Cross Canada Comparison 2008:
Residential Building Permits
(Table 4.2)

Rank	Municipality	# of Permits
1	Greater Vancouver Regional District	14,838
2	City of Toronto	13,873
3	**York Region**	**8,305**
4	City of Ottawa	6,744
5	City of Calgary	6,593
6	City of Montréal	6,054
7	Peel Region	5,896
8	City of Québec	5,878
9	Halton Region	5,660
10	City of Edmonton	4,541

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2008;
York Region Planning and Development Services Department, 2009.

Note: List includes cities, Regions, and Regional Districts as defined locally.

Construction Value

The total estimated value of construction for York Region in 2008 was $2.80 billion. This value represents a 20.1% decrease from the values recorded in 2007 ($3.5 billion). Table 4.3 displays the total construction value for all of the nine local municipalities in both 2007 and 2008. The municipalities that experienced the largest decreases in absolute value were Vaughan, Richmond Hill and Markham. Overall, the Region's decrease in value of construction can be attributed to both residential and ICI sectors, as both experienced significant decreases.

Estimated Value of Total Construction in York Region 2007 - 2008

(Table 4.3)

Municipality	2007 ($000's)	2008 ($000's)	% Change
Aurora	$154,000	$239,137	55%
East Gwillimbury	$49,528	$21,840	-56%
Georgina	$44,352	$45,201	2%
King	$59,320	$34,642	-42%
Markham	$912,831	$852,848	-7%
Newmarket	$166,078	$129,417	-22%
Richmond Hill	$333,544	$258,637	-22%
Vaughan	$1,599,492	$1,026,305	-36%
Whitchurch-Stouffville	$187,429	$193,343	3%
York Region Total	**$3,506,574**	**$2,801,370**	**-20%**

Source: Local Municipal Building Permit Reports, 2007 and 2008;.
York Region Planning and Development Services Department, 2008

As noted earlier in this chapter, York Region experienced a decrease in the number of new residential building permits issued in 2008. Despite this decrease, the Region's overall average value of residential unit construction increased by 6.5%, from $229,534 in 2007 to $244,540 in 2008. This increase is due to higher average permit costs for residential units in some municipailites. The average cost per unit has consistently increased over the years, from approximately $194,000 in 2006 to $244,540 in 2008.

York Region Estimated Value ($000's) of Construction* 2007 - 2008

(Table 4.4)

	Residential		Industrial**		Commercial		Institutional		Total	
Municipality	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**	**2008**
Aurora	$97,726	$153,338	$21,841	$7,573	$28,873	$25,626	$5,560	$52,601	$154,000	$239,137
East Gwillimbury	$29,975	$19,967	$4,541	$914	$13,269	$739	$1,743	$221	$49,528	$21,840
Georgina	$38,931	$30,592	$1,348	$100	$2,833	$6,479	$1,240	$8,030	$44,352	$45,201
King	$34,428	$20,885	$19,540	$1,941	$337	$4,262	$5,016	$7,555	$59,320	$34,642
Markham	$763,062	$656,300	$22,812	$68,919	$98,464	$79,938	$28,493	$47,691	$912,831	$852,848
Newmarket	$91,845	$109,695	$6,502	$2,956	$24,766	$14,974	$42,965	$1,792	$166,078	$129,417
Richmond Hill	$202,915	$157,518	$28,350	$20,212	$90,586	$35,393	$11,694	$45,513	$333,544	$258,637
Vaughan	$966,450	$725,005	$283,978	$119,487	$213,318	$143,383	$135,746	$38,430	$1,599,492	$1,026,305
Whitchurch-Stouffville	$166,650	$157,604	$2,247	$9,364	$5,160	$3,447	$13,372	$22,927	$187,429	$193,343
York Region Total	**$2,391,983**	**$2,030,903**	**$391,158**	**$231,466**	**$477,605**	**$314,241**	**$245,828**	**$224,760**	**$3,506,574**	**$2,801,370**

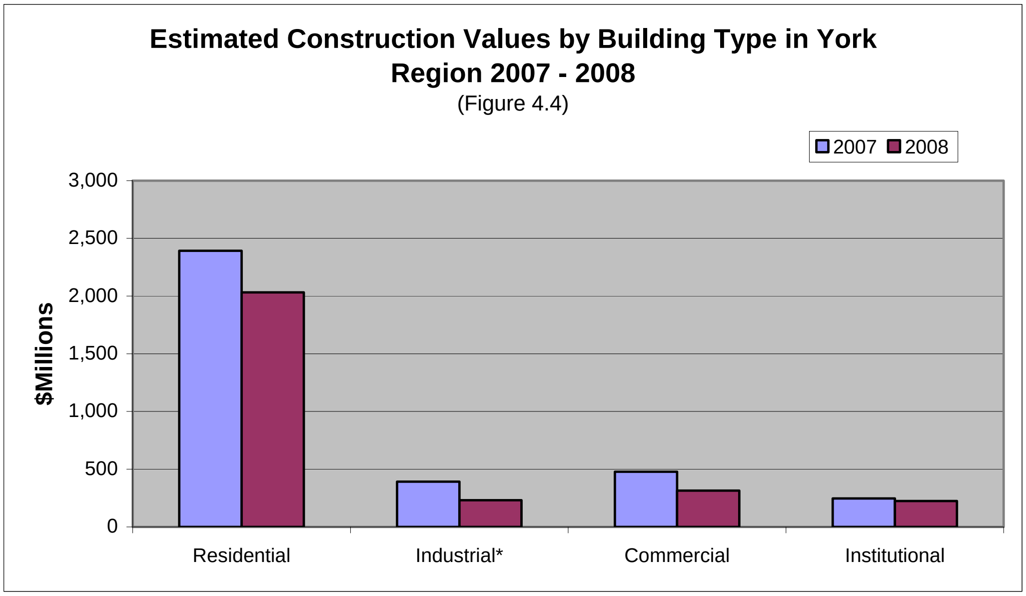
Source: Local Municipal Building Permits Reports, 2007 & 2008; Statistics Canada Building Permits Reports, 2007 & 2008; York Region Planning and Development Services Department, 2007 &

Note: *Estimated values of construction include additions, renovations, temporary structures and new construction

**Agricultural permits are included under the industrial category

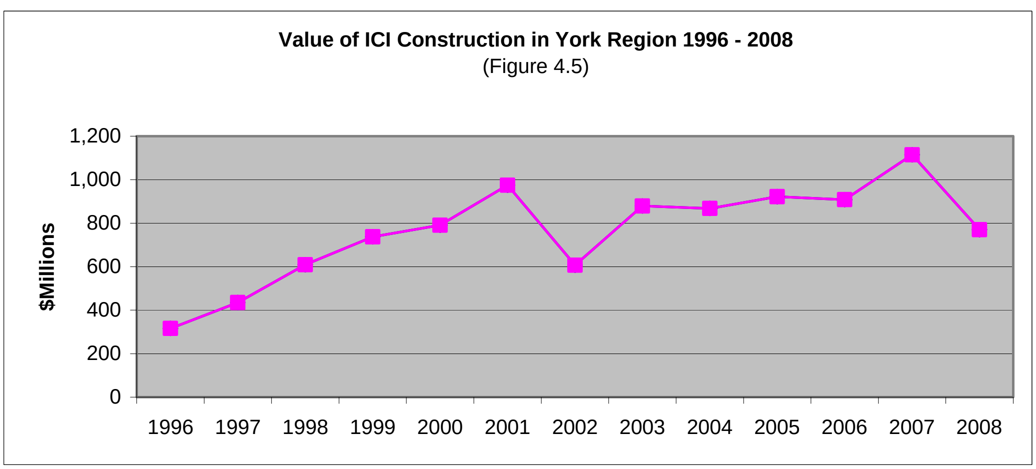
Residential building activity continues to be the dominant construction type in the market, accounting for 72.5% of the Region's total value of construction (Figure 4.4). Six years ago, in 2002, a very strong residential market in combination with a noticeable decline in ICI construction resulted in residential construction accounting for 78% of the Region's total value of construction. Since that time, the value of residential construction has remained between 66%

and 72.5%. This trend reaffirms the overall strength of all types of construction within the Region.



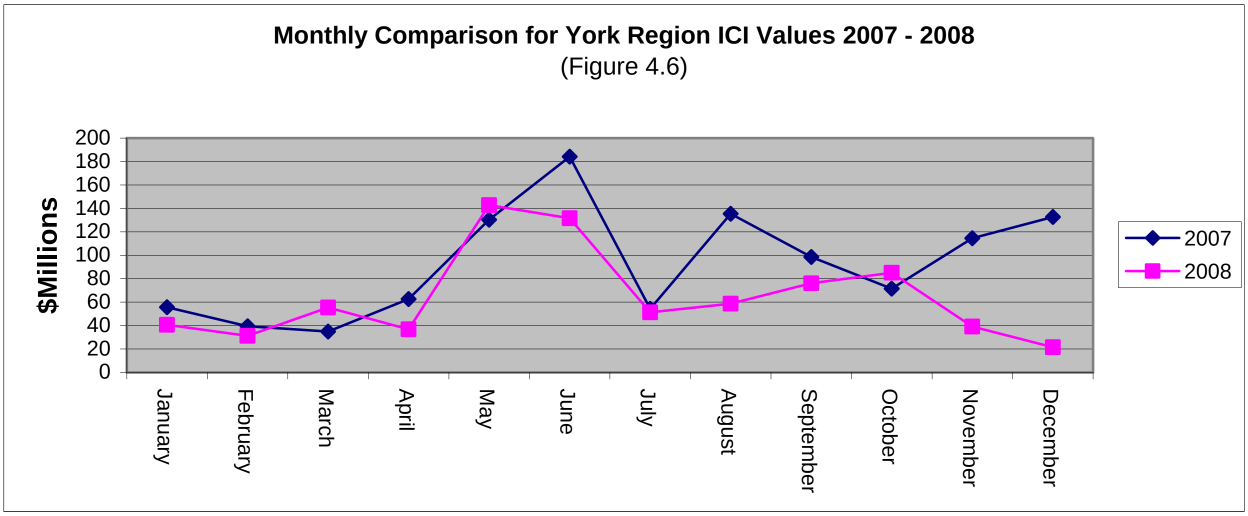
Source: Local Municipal Building Permit Reports, 2007 and 2008.

York Region experienced a decline in ICI construction in 2008, with a combined construction value of $770.5 million in 2008 – a decrease of 31% from 2007's $1.12 billion. Historically, trends in ICI values have remained fairly consistent. Notable exceptions occur in 2002 and 2008, where an economic slowdown has caused ICI values to decrease (Figure 4.5). Historically, the annual value of total ICI construction has more than doubled – from $316 million in 1996 to $770 million in 2008. This increase reaffirms York Region's strong industrial, commercial, and institutional performance, and indicates that construction in York Region is becoming more diversified. In the long run, this will stimulate increased job creation and ultimately, employment growth in York Region.



Source: York Region Planning and Development Services Department, 2008.

Figure 4.6 represents the monthly values of ICI construction in York Region over 2007 and 2008. Monthly variations are likely due to the Region's weather patterns, as that often defines the duration of the building season, as well as trends in the economy.



Source: York Region Planning and Development Services Department, 2008.

All ICI sectors experienced decreases in their value of construction in 2008 (Previous Table 4.4). The value of industrial construction experienced a large decrease of 40.8% in 2008, resulting in a value of $231.5 million. This sector in particular has experienced a large amount of fluctuation throughout the years. The value of commercial construction declined to $314.2 million, a 34.2% decrease from 2007's $478 million. Institutional construction decreased by 8.6% to $225 million in 2008.

Table 4.5 represents the 25 largest construction projects that occurred in York Region during 2007. The table indicates that large projects existed in all sectors. In particular, some of the projects included apartment and condominium buildings, government buildings including recreation centers and administrative buildings, and various others. There has been a notable increase in the number of large apartment building projects in the past few years. The median construction value for the Region's 25 largest projects was $17.8 million in 2008, compared to $21.5 million in 2007.

Building Permits with the 25 Highest Construction Values in York Region 2008 (Table 4.5)			
Project	**Value $000s**	**Use**	**Municipality**
Multi-Use Industrial Facility (Honda Canada)	$47,918	Manf-Industrial	Markham
Condominium Apartment Building (Astrella Building Group Corp.)	$38,570	Residential	Richmond Hill
Secondary School (York Region Catholic District School Board)	$34,000	Institutional	Aurora
Condominium Apartment Building (Liberty Development Corp.)	$26,931	Residential	Vaughan
Secondary School (York Region District School Board)	$25,957	Institutional	Markham
Condominium Apartment Building (Liberty Development Corp.)	$24,448	Residential	Vaughan
Secondary School (York Region Catholic District School Board)	$23,650	Institutional	Richmond Hill
Underground Parking Structure (Ruland Properties Inc.)	$23,000	Residential	Markham
Condominium Apartment Building (Empire Communities)	$21,175	Residential	Richmond Hill
Condominium Apartment Building (Tridel)	$20,832	Residential	Richmond Hill
Office Building (Le Parc Office Tower 2 Inc.)	$20,808	Commercial	Markham
Nursing/Retirement Home (Aurora Developments Hodings Limited)	$18,070	Institutional	Aurora
New Commercial, Wal-Mart (RioCan P.S. Inc.)	$17,836	Commercial	Vaughan
Rental Apartment Building (Ruland Properties Inc.)	$16,803	Residential	Markham
Recreational Facility - Arena	$15,500	Institutional	Whitchurch-Stouffville
Rental Apartment Building (Ruland Properties Inc.)	$14,153	Residential	Markham
Rental Apartment Building (Ruland Properties Inc.)	$13,897	Residential	Markham
Condominium Apartment Building (Baycliffe Homes)	$13,730	Residential	Vaughan
Single Use Industrial Facility (Vaughan West II Limited)	$13,198	Manf-Industrial	Vaughan
Multi-Use Industrial Facility (Condor Properties Limited)	$12,812	Manf-Industrial	Vaughan
Condominium Apartment Building (Life Construction)	$11,991	Residential	Markham
Office Building (Della Shore Investments)	$10,548	Commercial	Vaughan
Elementary School Addition (York Region District School Board)	$9,240	Institutional	Markham
Condominium Apartment Building (Aurora Heights Development Inc.)	$8,500	Residential	Aurora
Elementary School (York Region District School Board)	$8,229	Institutional	Vaughan

Source: Local Municipal Building Permit Reports, 2008.

Construction Activity - National Comparisons

To help gauge the level of York Region's construction activity against the rest of Canada, a comparison was conducted to determine the ten Canadian municipalities with the highest value of construction for 2008. When considering the total value of construction, York Region ranked fourth among Canadian municipalities with a value of $2.8 billion (Table 4.6).

Cross Canada Comparison 2008: Values of Total Construction ($000's) (Table 4.6)		
Rank	**Municipality**	**Total Value**
1	City of Toronto	5,720,398
2	Greater Vancouver Regional District	5,578,940
3	City of Calgary	3,955,194
4	**York Region**	**2,801,370**
5	City of Edmonton	2,159,666
6	Peel Region	2,071,465
7	City of Montréal	1,769,189
8	Halton Region	1,700,200
9	City of Ottawa	1,698,831
10	City of Québec	1,559,504

Source: Local Municipal Building Permit Reports, 2008; Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2008

Note: List includes cities, Regions, and Regional Districts as defined locally

York Region was ranked third in Canada for its value of residential construction in 2008 (Table 4.7). In 2007, the Region was ranked fourth. It should be noted that the shift in ranking was not due to an increase in residential activity – the value decreased from $2.4 billion to $2.0 billion.

Cross Canada Comparison 2008:
Values of Residential Construction ($000's)
(Table 4.7)

Rank	Municipality	Residential Value
1	Greater Vancouver Regional District	3,385,938
2	City of Toronto	2,941,922
3	**York Region**	**2,030,903**
4	City of Calgary	1,491,110
5	Halton Region	1,124,800
6	City of Ottawa	1,031,568
7	Peel Region	1,011,539
8	City of Edmonton	914,295
9	City of Québec	902,035
10	City of Montréal	888,006

Source: Local Municipal Building Permit Reports, 2008; Statistics Canada Building

Note: List includes cities, Regions, and Regional Districts as defined locally.

York Region ranked seventh across Canada for the value of its ICI construction in 2007 (Table 4.8). This is a drop from being ranked fifth in 2007 and sixth in 2006. Within the GTA itself, York Region accounted for 13.8% of the GTA's total ICI construction value.

Cross Canada Comparison 2008: Values of ICI Construction ($000's)
(Table 4.8)

Rank	Municipality	Industrial	Commercial	Institutional	Total
1	City of Toronto	304,953	1,843,098	630,425	2,778,476
2	City of Calgary	154,343	1,591,325	718,416	2,464,084
3	Greater Vancouver Regional District	123,727	1,710,326	358,949	2,193,002
4	City of Edmonton	139,524	828,550	277,297	1,245,371
5	Peel Region	250,202	536,855	272,869	1,059,926
6	City of Montréal	76,380	580,013	224,790	881,183
7	**York Region**	**231,466**	**314,241**	**224,760**	**770,467**
8	City of Ottawa	23,940	426,396	216,927	667,263
9	City of Québec	125,633	391,058	140,778	657,469
10	Waterloo Region	85,089	271,081	230,825	586,995

Source: Local Municipal Building Permit Reports, 2008; Statistics Canada Building Permit Reports and Table 32.2 (unpu

Note: List includes cities, Regions, and Regional Districts as defined locally.

Housing Starts and Completions

Residential units can be tracked throughout their construction cycle (Table 4.9). York Region experienced a decrease in the number of housing starts during 2008 – 17.6% below 2007 numbers. A total of 9,184 units were started in 2008, compared with 11,142 units in 2007 (Table 4.10).

York Region Residential Building Permit Activity 2007 - 2008
(Table 4.9)

	2007	2008
New Residential Permits	10,421	8,305
Housing Starts	11,142	9,184
Housing Completions	10,502	9,021

Source: York Region Planning and Development Services, 2008.

Housing Starts by Municipality in York Region 2007 - 2008
(Table 4.10)

Municipality	2007	2008		2007	2008		2007	2008
Aurora	**2007**	**2008**	**Markham**	**2007**	**2008**	**Vaughan**	**2007**	**2008**
Singles	263	355	Singles	1,038	1,554	Singles	2,180	1,621
Semis	0	14	Semis	206	366	Semis	564	206
Rows	55	17	Rows	364	324	Rows	787	271
Apts.	0	0	Apts.	2,267	893	Apts.	225	858
Total	**318**	**386**	**Total**	**3,875**	**3,137**	**Total**	**3,756**	**2,956**
East Gwillimbury	**2007**	**2008**	**Newmarket**	**2007**	**2008**	**Whitchurch-Stouffville**	**2007**	**2008**
Singles	36	37	Singles	280	363	Singles	888	494
Semis	4	68	Semis	30	30	Semis	194	88
Rows	118	48	Rows	123	59	Rows	77	367
Apts.	0	0	Apts.	71	0	Apts.	0	0
Total	**158**	**153**	**Total**	**504**	**452**	**Total**	**1,159**	**949**
Georgina	**2007**	**2008**	**Richmond Hill**	**2007**	**2008**	**York Region**	**2007**	**2008**
Singles	168	119	Singles	683	263	Singles	5,557	4,827
Semis	0	0	Semis	44	14	Semis	1,042	786
Rows	0	0	Rows	251	55	Rows	1,775	1,141
Apts.	0	0	Apts.	205	679	Apts.	2,768	2,430
Total	**168**	**119**	**Total**	**1,183**	**1,011**	**Total**	**11,142**	**9,184**
King	**2007**	**2008**						
Singles	21	21						
Semis	0	0						
Rows	0	0						
Apts.	0	0						
Total	**21**	**21**						

Source: Canada Mortgage and Housing Corporation, Local Housing Market Report, 2007 and 2008.

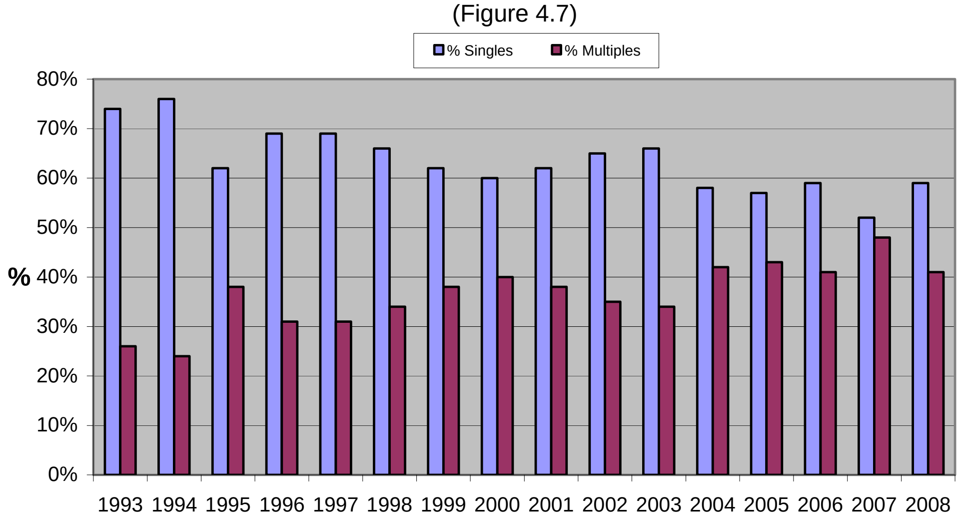
Housing completions in the Region declined by 14.1%. A total of 9,021 houses were completed by the end of 2008 (Table 4.11). Of these housing completions, 5,311 (59%) were single detached dwellings, 726 (8%) were semi-detached units, 1,346 (15%) were row houses, and 1,638 (18%) were apartments. As seen in Figure 4.7, the yearly proportion of completed single detached to multiple unit dwellings has fluctuated over the past sixteen years. The overall trend shows that the number of multiple unit dwellings created each year is approaching the number of single detached units.

Housing Completions by Municipality in York Region 2007 - 2008
(Table 4.11)

Municipality								
Aurora	**2007**	**2008**	**Markham**	**2007**	**2008**	**Vaughan**	**2007**	**2008**
Singles	148	357	Singles	958	1481	Singles	2,314	1,723
Semis	0	0	Semis	284	296	Semis	484	292
Rows	213	80	Rows	494	365	Rows	593	456
Apts.	0	0	Apts.	892	889	Apts.	785	473
Total	**361**	**437**	**Total**	**2,628**	**3,031**	**Total**	**4,176**	**2,944**
East Gwillimbury	**2007**	**2008**	**Newmarket**	**2007**	**2008**	**Whitchurch-Stouffville**	**2007**	**2008**
Singles	69	17	Singles	171	323	Singles	875	687
Semis	0	0	Semis	82	22	Semis	210	90
Rows	85	53	Rows	89	144	Rows	0	100
Apts.	0	0	Apts.	0	71	Apts.	0	0
Total	**154**	**70**	**Total**	**342**	**560**	**Total**	**1,085**	**877**
Georgina	**2007**	**2008**	**Richmond Hill**	**2007**	**2008**	**York Region**	**2007**	**2008**
Singles	116	189	Singles	789	514	Singles	5,458	5,311
Semis	0	0	Semis	92	26	Semis	1,152	726
Rows	0	0	Rows	333	148	Rows	1,807	1,346
Apts.	0	0	Apts.	408	205	Apts.	2,085	1,638
Total	**116**	**189**	**Total**	**1,622**	**893**	**Total**	**10,502**	**9,021**
King	**2007**	**2008**						
Singles	18	20						
Semis	0	0						
Rows	0	0						
Apts.	0	0						
Total	**18**	**20**						

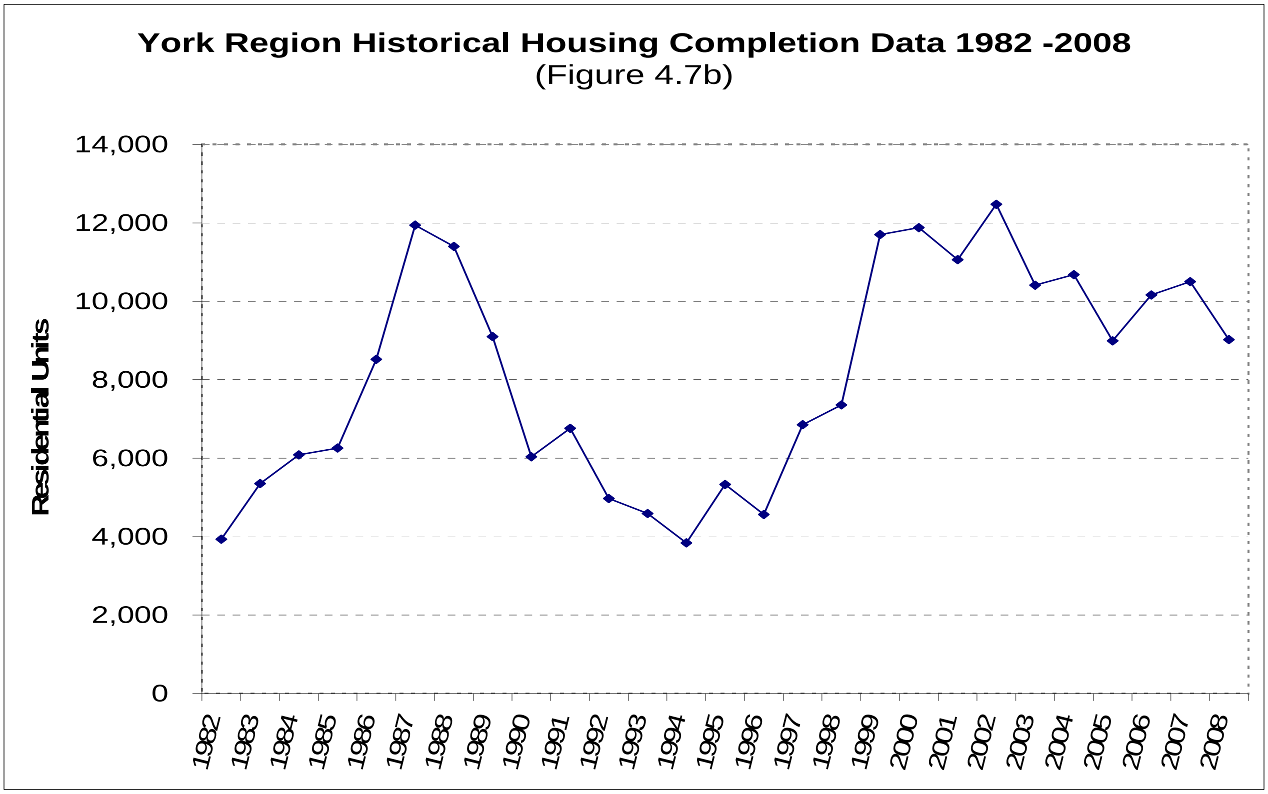
Source: Canada Mortgage and Housing Corporation, Local Housing Market Report, 2007 and 2008.

York Region Residential Completion History 1993 - 2008
(Figure 4.7)



Source: Canada Mortgage and Housing Corporation, Local Housing Market Report 1993 - 2008.

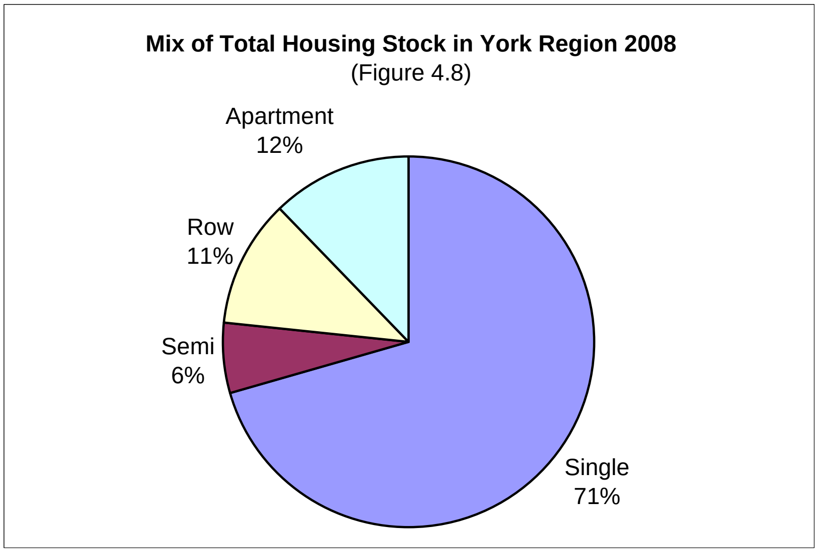
Total housing completions for York Region in 2008 were 9,021, representing a 14.1% decline from 2007. As depicted by the historical completion data chart below (Figure 4.7b) housing completions are still at a healthy level when compared to the past recessionary periods of the early eighties and early nineties.



Source: York Region Planning and Development Services Department and Canada Mortgage Housing Corporation, 2008.

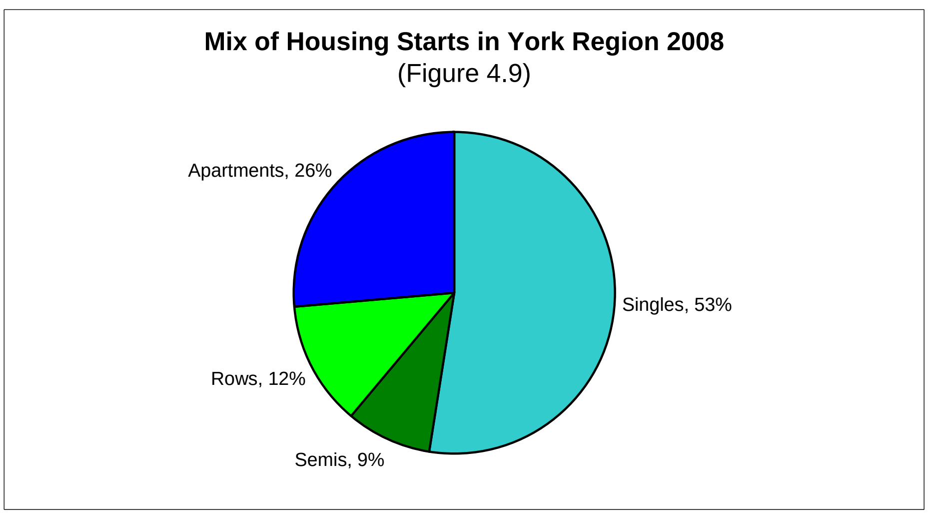
Diversity of Housing Supply

As outlined in York Region's Housing Supply Strategy, one of the Region's key goals is to encourage the further diversification of its housing stock to ensure that the needs of the Region's workers and residents are met. Although the Region's housing stock is comprised primarily of single detached dwellings, the stock has become increasingly diversified over time. In 1991, the proportion of single detached dwellings in York Region's housing stock was approximately 80%. By 1998, that number had declined to 76%. In 2008, this has been reduced to 71%. The remaining housing stock in 2008 was comprised of 6% semi-detached units, 11% row house units, and 12% apartment units (Figure 4.8).



Source: York Region Planning and Development Services Department, 2008.

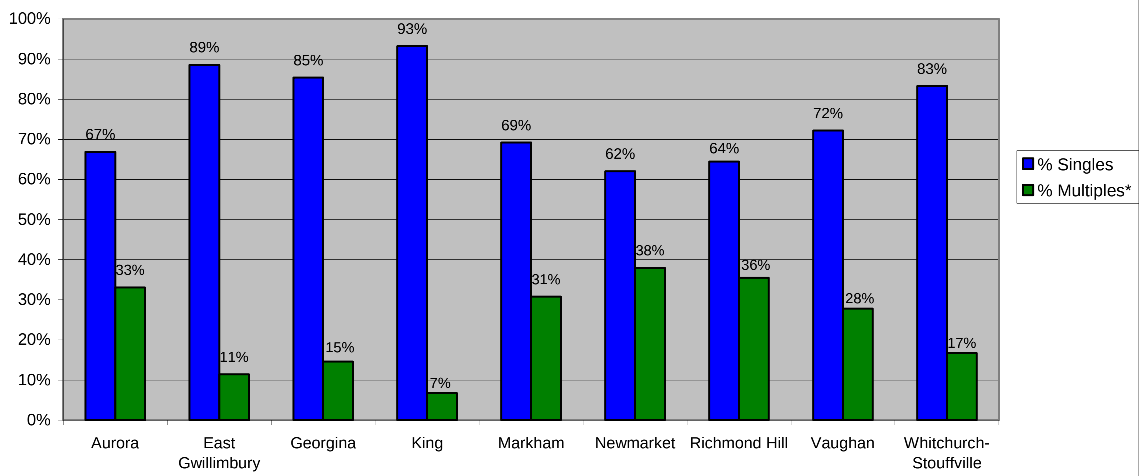
The composition of the housing types started each year provides a glimpse into the future of York Region's housing stock. Figure 4.9 represents the mix of housing types started in 2008. At 53%, the proportion of single detached units started in 2008 is lower than the proportion that exists within the total current housing stock. This trend is expected to continue into the future, causing the proportion of multiple unit dwellings in the Region's total housing stock to increase. This is seen as a positive change, as a balanced ratio between single detached and multiple unit dwellings helps increase housing diversity.



Source: Canada Mortgage and Housing Corporation, 2008.

The overall proportion of single detached units in York Region's housing stock is 71%, however there is still variation between the nine local municipalities. In 2008, King had the largest proportion of single detached dwellings, with 93% of its total housing stock. Newmarket, on the other hand, had the lowest proportion of single detached dwellings, with only 62% of its total housing stock (Figure 4.10).

Percentage of Dwellings by Structural Type in York Region 2008
(Figure 4.10)



Source: York Region Planning and Development Services Department, 2008.
Note: *Multiples include semi-detached, row, and apartment units.

Persons Per Unit

In the 35-year period from 1971 to 2006, Statistics Canada's Census figures indicate that the overall number of persons per dwelling unit (PPU) has decreased for residential dwellings in York Region. This is in accordance with national trends of declining PPU. The socio-demographic phenomenon of an ageing population is said to be a major factor in shaping national household composition.

In 1971, the Region had an average of 3.65 persons per unit. Figures from the 2006 Census indicate that York Region's new PPU sits at 3.22 – down only 0.9% from 2001, but 11.8% lower than 1971 numbers (Table 4.12). Locally, the 2006 Census revealed variations between the nine local municipalities with regard to the PPU. Markham and Vaughan held the highest PPU figures with approximately 3.4 persons per household, while Georgina had the lowest with approximately 2.7 persons per household.

York Region Persons Per Dwelling Unit 1971 - 2006
(Table 4.12)

Municipality	1971	1991	1996	2001	2006
Aurora	3.68	3.08	3.09	3.05	3.00
East Gwillimbury	3.41	3.22	3.16	3.09	2.99
Georgina	3.41	2.8	2.86	2.81	2.74
King	3.76	3.14	3.06	3.05	3.03
Markham	3.81	3.5	3.5	3.43	3.38
Newmarket	3.53	3.14	3.1	3.05	2.92
Richmond Hill	3.71	3.12	3.23	3.18	3.17
Vaughan	3.66	3.71	3.58	3.43	3.42
Whitchurch-Stouffville	3.56	2.98	2.96	2.92	2.82
York Region Total	**3.65**	**3.32**	**3.31**	**3.25**	**3.22**

Source: Statistics Canada, 1971, 1991, 1996, 2001, and 2006 Census Data.

5. Planning Activities

When reviewing development plans and preparing strategic policies, the Regional Planning and Development Services Department works co-operatively with area municipalities and other stakeholders. The interactive relationships between the Region and area municipalities produce innovative planning policies and initiatives. A number of significant planning activities and approvals occurred in 2008.

York Region
Launching of the Sustainable Development through LEED™ Program

In March 2008, Regional Council adopted the ‘Sustainable Development through LEED™’ program. The purpose of the program is to provide an allocation incentive to developers of “green” high density residential developments. The ‘Sustainable Development Through LEED™’ program is an innovative initiative that represents the first of its kind in Ontario. With no template to follow, careful effort was taken to ensure that the program is easily implementable, practical and flexible, and works across all nine of York Region’s distinct municipalities. The success of the program is based upon a co-operative partnership between the Region, local municipalities, and the development industry.

Since the launch of this program, York Region has received two development applications (one in the Town of Markham and one in the Town of Georgina) requesting allocation incentives for building to LEED™ standards. Other municipalities, including the City of Vaughan, have brought forward reports to local Council recommending participation in the program. Regional staff will continue to evaluate the Program and its implementation details to ensure the Program is successful and creates a true incentive to build more sustainable development.

York Region
Regional Allocation Reserve to Encourage Assisted Housing Projects

In September 2008, Regional Council endorsed the use of the Regional reserve of servicing allocation for multi-unit non-profit housing projects. The purpose of this program was to remove lack of servicing allocation as a barrier to the development of non-profit housing development opportunities. Since September 2008, the Community Planning Branch has received one application for allocation from the Regional reserve to facilitate an assisted housing development within the Township of King.

York Region
Regional Official Plan Amendment No. 61 – Complete Applications

In December 2008, Regional Council adopted Regional Official Plan Amendment No. 61 (ROPA 61). The impetus for this amendment came from Provincial planning reforms that were made to the Planning Act through Bill 51. Municipalities can now refuse to deal with a development application and the appeal period does not commence until the approval authority receives all the prescribed information and has deemed the application “complete”. Accordingly, ROPA 61 lists a number of studies that may be required to support an application to amend the Regional Official Plan and all the necessary information required to deem an application as being “complete” under the Planning Act.

Complete applications, with all supporting studies and reports, will permit the Region, commenting agencies, and the general public to better evaluate an application earlier in the review process. It also provides guidance to the industry respecting what studies are required for specific types of Official Plan Amendment applications.

Town of Newmarket
Adoption of a "New" Official Plan

In April 2008, Regional Council adopted the recommendation to approve the Town of Newmarket's "new" Official Plan (OP). The Newmarket OP establishes a 20 year planning horizon to 2026 for the Town. The document recognizes that within the next five to ten years the remaining lands that are suitable for greenfield development in Newmarket will become developed for residential and employment uses.

The Province of Ontario has designated a portion of Newmarket as an Urban Growth Centre, with minimum densities of 200 jobs and persons per hectare. Accordingly, the new OP acknowledges Newmarket's role in protecting and enhancing significant natural corridors and existing communities, while acknowledging its evolving role as a mature urban centre. The Plan is the first OP in York Region to be adopted under the new Provincial Places to Grow legislation and is a significant step forward in implementing the Growth Plan in Newmarket.

In May 2008, the entire Newmarket OP came into full force and effect, save and except for a minor site specific appeal by a landowner. As of February 2009, a motion to dismiss this appeal is being brought to the OMB by the Town and the Region.

York Region
Regional Official Plan Amendment No. 53 – Aurora 2C Lands

In February 2008, Regional Council recommended approval of Regional Official Plan Amendment No. 53 (ROPA 53). The purpose of ROPA 53 was to expand the Town of Aurora's urban boundary by redesignating approximately 445 ha (1,100 ac) of land from "Rural Policy Area" to "Urban Area" (see Figure 1).

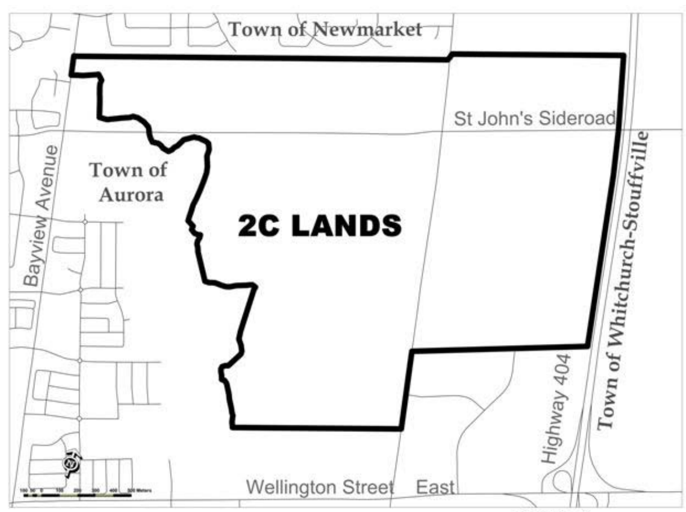


Figure 1

Adoption of ROPA 53 provides for the appropriate Regional Official Plan designation to enable the Town and landowners to move forward with the related secondary plan. ROPA 53 facilitates subsequent approvals that allow for approximately 94 developable hectares of strategically located employment land and 114 net hectares of residential and related uses. Development of the 2C lands will likely generate approximately 4,000 jobs and a population increase of approximately 8,000 persons.

6. Processing of Development Applications

Plans of Subdivision and Condominium

In 2008, the Region received 17 subdivision applications and a further 9 condominium plans. A total of 12 subdivision applications with 1,304.5 dwelling units and 4 condominium plans with 390 units received draft plan approval by the area municipalities in 2008. In the same period, 52 registered plans with 5,985 dwelling units were registered (Table 6.1).

York Region Subdivision and Condo Activity 2008
(Table 6.1)

	Subdivision Applications	Dwelling Units	Condo Applications	Dwelling Units
Applications	17	1,615	9	1,052
Draft Approved	12	1,305	4	390
Registered	52	5,985	0	0

Source: York Region Planning and Development Services Department, 2008.

Among the new applications received, 37% of the total dwelling units proposed were single-detached, 3% were semi-detached, 25% were row houses and 35% were apartments (Table 6.2).

York Region Dwelling Unit Breakdown in New Subdivisions and Condos 2008
(Table 6.2)

	Single	Semi	Row	Apartment
Applications	37%	3%	25%	35%
Draft Approved	41%	4%	32%	23%
Registered	45%	13%	16%	26%

Source: York Region Planning and Development Services Department, 2008.

As of December 31, 2008 there were 255 subdivision applications comprising 28,411 dwelling units and 96 condominium plans comprising 5,575 units draft approved and/or awaiting registration by the Region and the area municipalities.

Among the draft approved applications 15,584 of the total dwelling units were single-detached, 2,419 were semi-detached, 7,498 were row houses and 8,485 were apartments.

The Regional Official Plan recommends a 3-7 year supply of draft approved and registered lots and blocks for housing. The total of 39,971 draft approved and registered units represents a 4.3 year supply of draft approved and registered lots/units based on the forecasted average production of the 9,400 units per year.

In 2008, draft approval was given to plans of subdivision containing 13.63 hectares of industrial and commercial lands. Industrial and commercial lands totalling 78.3 hectares were registered.