York Region

Planning and Development Services
Economic Strategy and Tourism

MEMORANDUM

TO: Members of Planning and Economic Development Committee

FROM: Bryan Tuckey, Commissioner, Planning and Development Services

DATE: December 2nd, 2009

RE: **Economic Indicators Update**

I am pleased to present the December 2009 York Region Economic Indicators prepared by the Economic Strategy Branch. This update provides insight into the changing global economy and its effect on national, provincial and Regional economic indicators.

A few key highlights from York Region:

- In September, the total value of building permits reached $320.42 Million; this is a *17% increase* from last month and a 32*% increase* from the same month last year
- In October, the total number of job postings was 3,241; this is a 2*% increase* from last month and a *20% decrease* from the same month last year
- In October, home re-sales reached 1,554 units; this is a 3*% increase* from last month and a *94% increase* from the same month last year

If you require additional information, please contact Patrick Draper, Director Economic Strategy and Tourism at 905-830-4444 x 1503 or via e-mail at patrick.draper@york.ca.

Bryan Tuckey

Attachment: Economic Indicators – December 2nd, 2009

Economic Indicators

Presentation

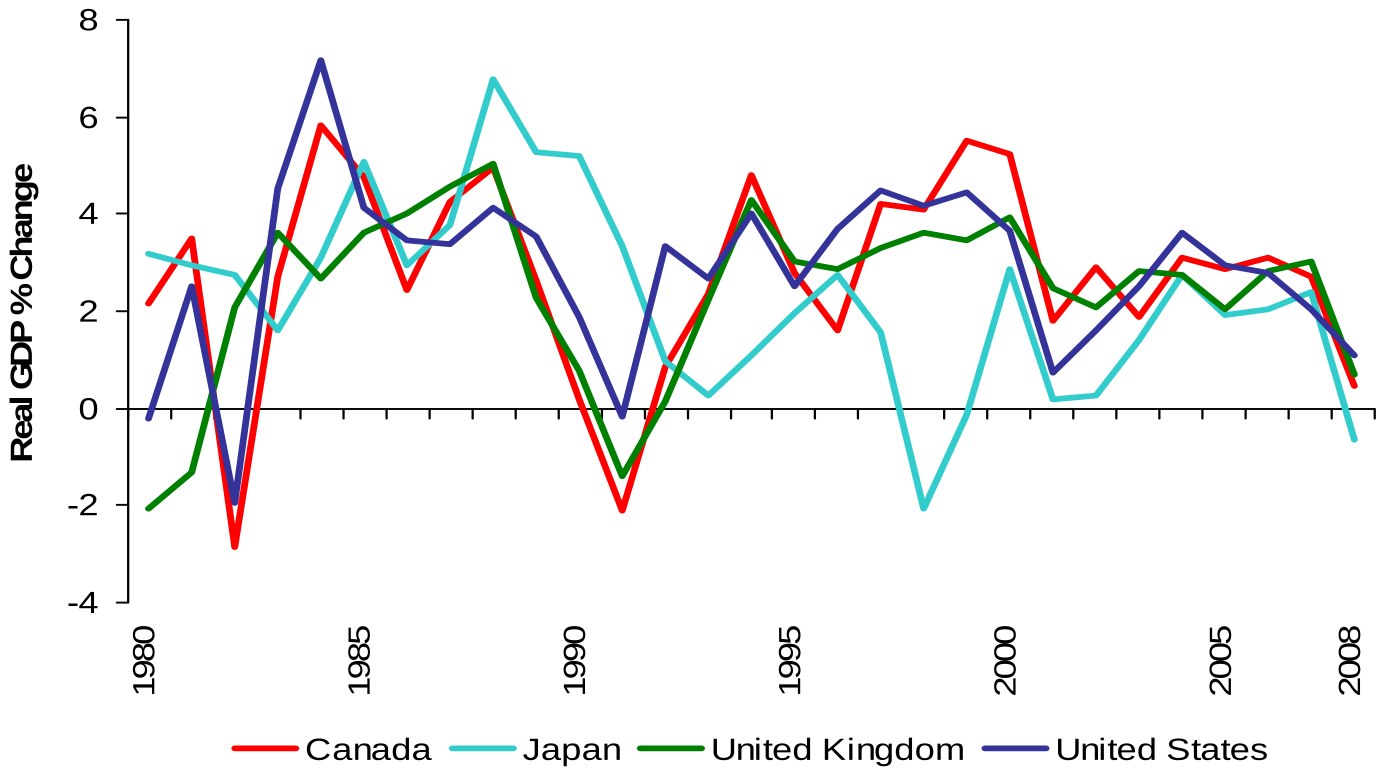
at

Planning & Economic Development Committee

Patrick Draper – December 2nd, 2009

Global GDP Economic Trends

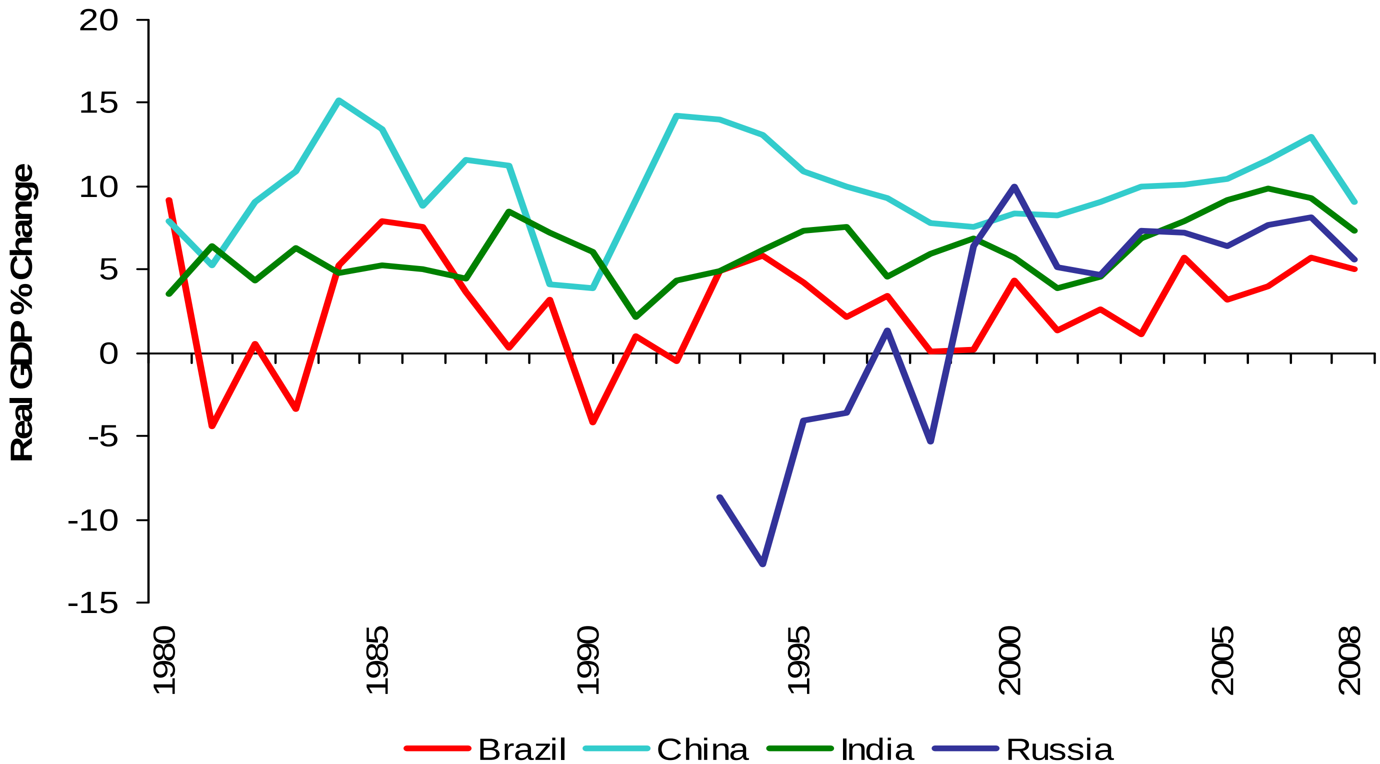
Real Gross Domestic Product (annual % change)
1980 – 2008 *Canada, Japan, UK, US*



Source: International Monetary Fund, World Economic Outlook Database

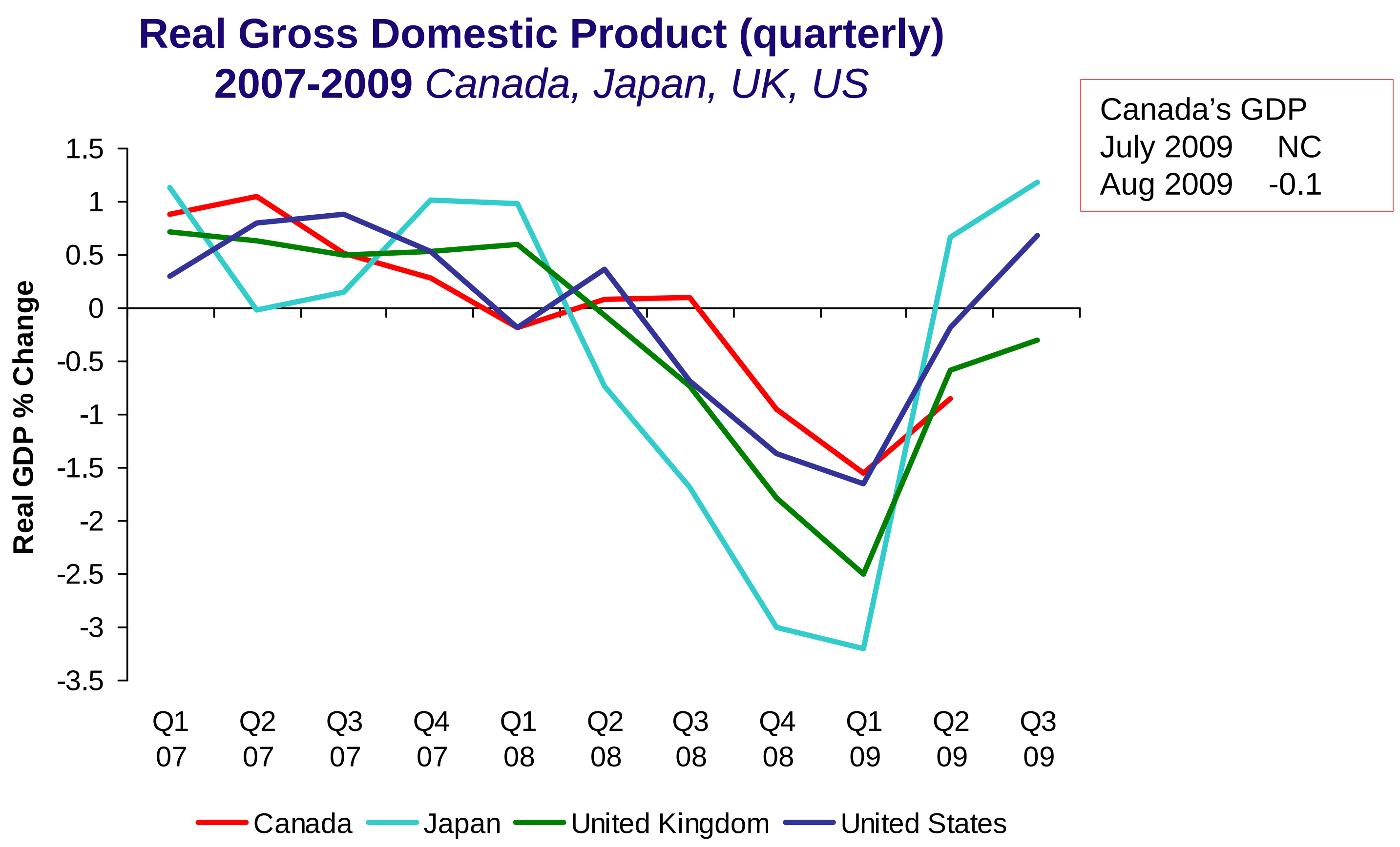
Global GDP Economic Trends

Real Gross Domestic Product (annual % change)
1980 – 2008 *Brazil, Russia, India, China*



Source: International Monetary Fund, World Economic Outlook Database

Global GDP Economic Trends



Source: Organisation for Economic Co-Operative Development

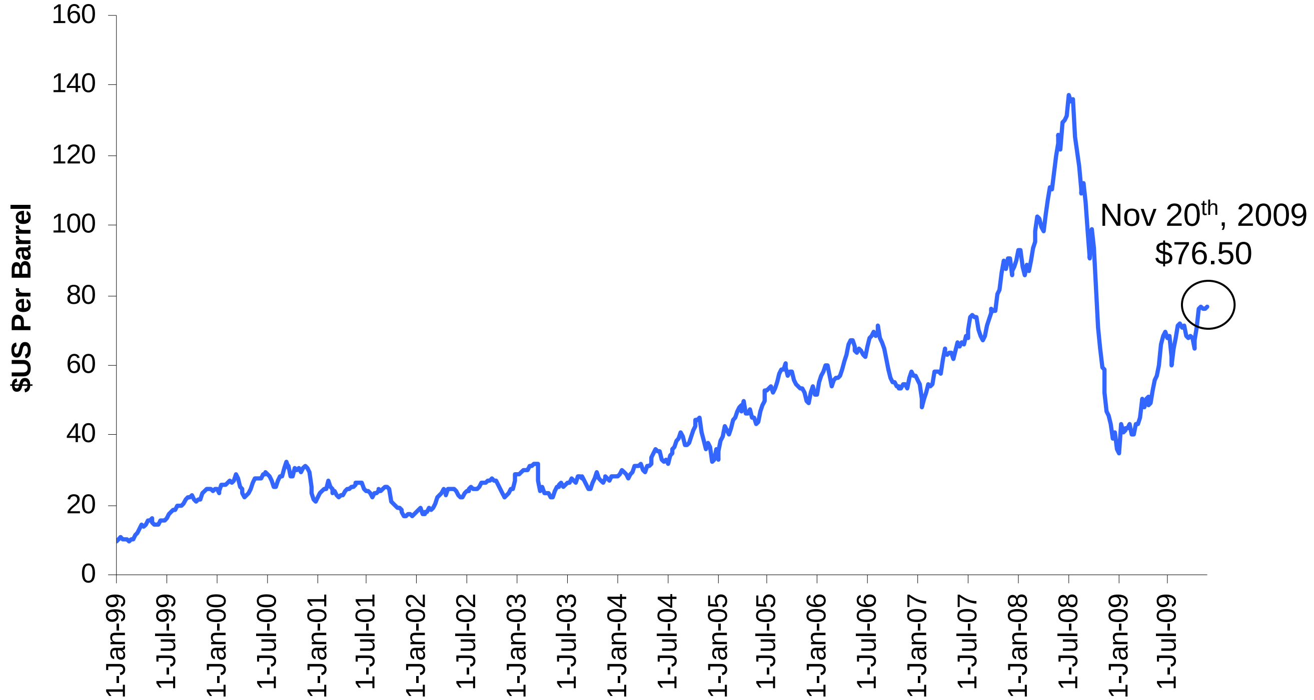
Understanding GDP Reporting

GDP is sometimes reported in different ways, making it difficult to accurately understand news reports. Here is a summary of the differences, and what we use here:

Type	**Meaning**	**What we Use**	**Example:** Canada's Real GDP Q4 2008
Change	Change in growth rate from one period to the next *Seasonally adjusted at annual rates, chained (2002) dollars*	This is what most news reports refer to. We use these values to look at Global GDP Economic Trends (Slides 2-4)	-0.8
Annualized Change	Growth rate compounded annually *Annual rates, chained (2002) dollars*	This is how the Bank of Canada reports their projections. They give Q/Q and Y/Y at annualized rates	-3.4
Year-over-year Change	Growth rate of a given quarter compared with the same quarter in a previous year	This is how some of the BRIC / less developed countries will do their reporting	-0.7

Key Economic Indicators

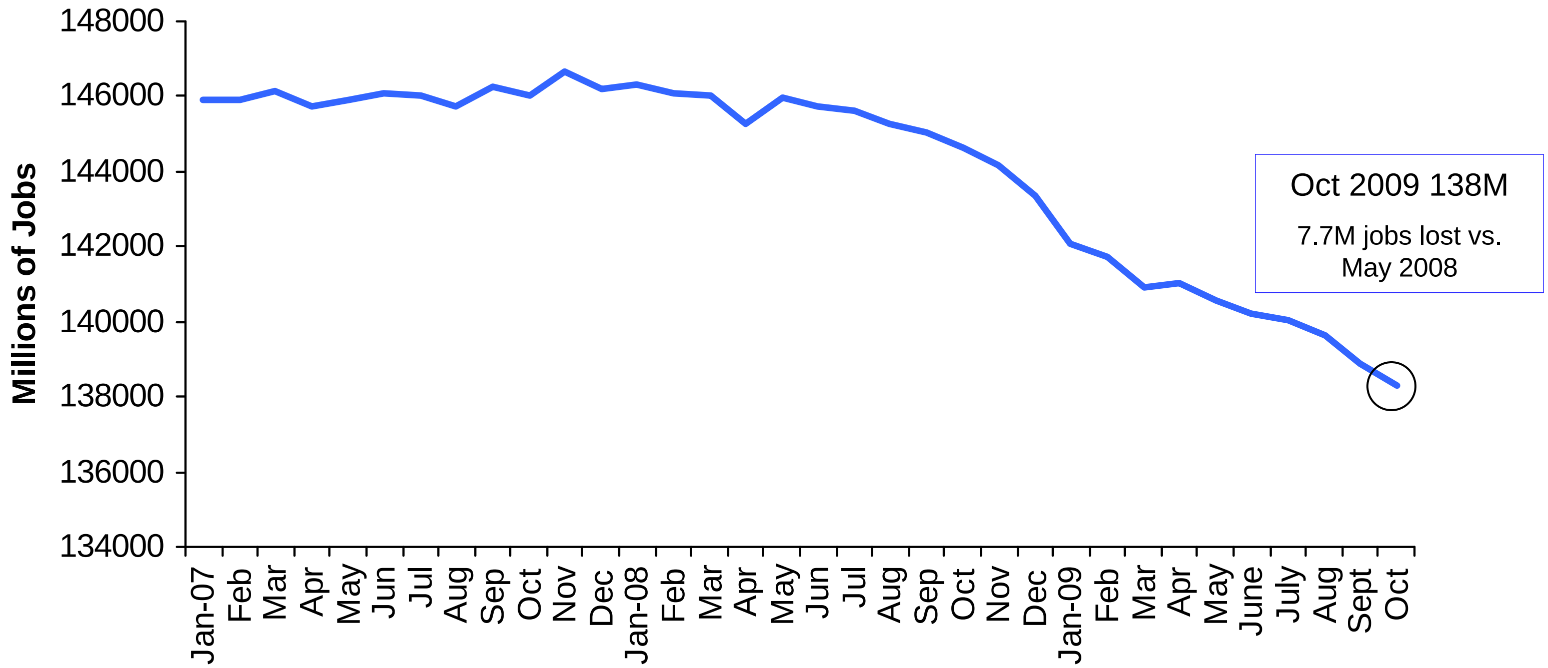
Weekly World Oil Prices ($US per barrel)
1999 – 2009



Source: Energy Administration Information

Key Economic Indicators

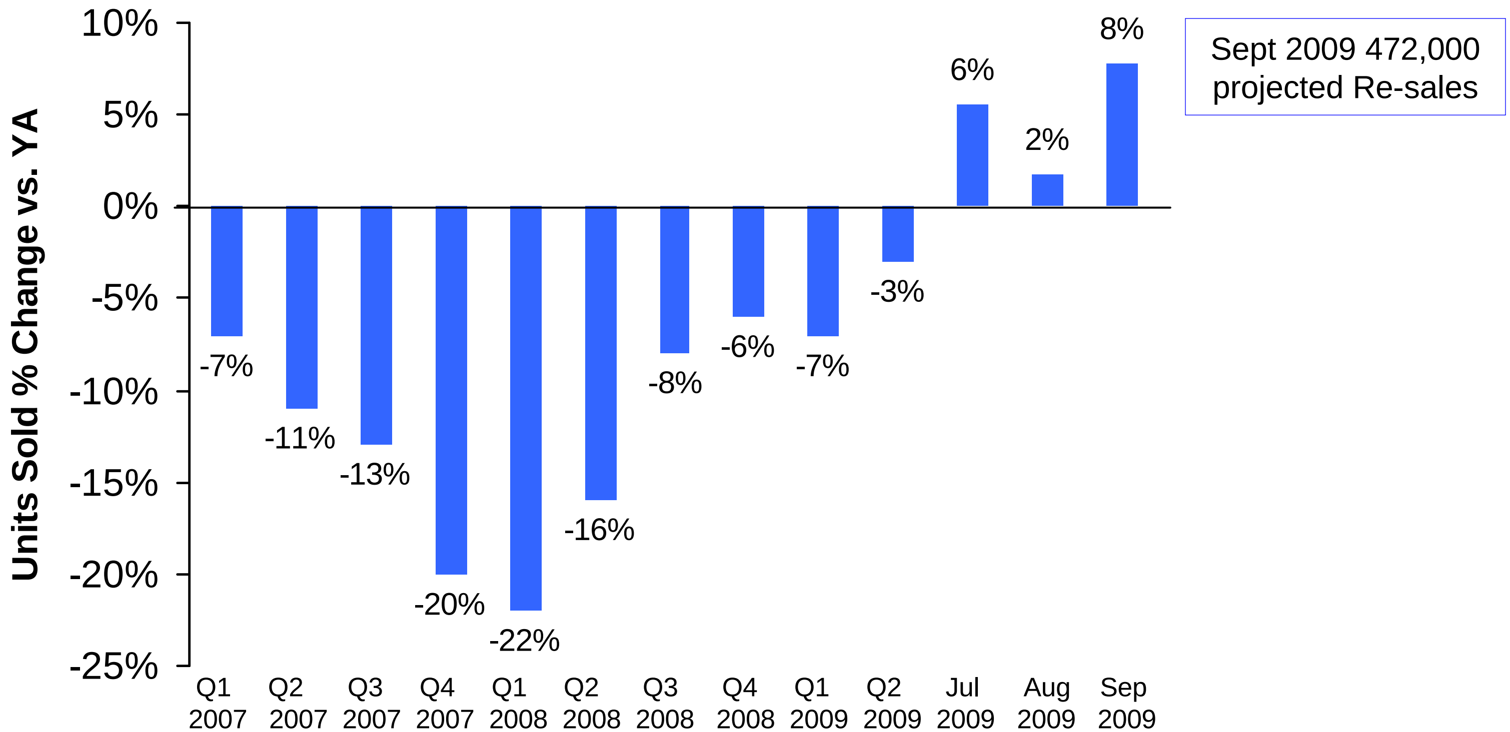
US Employment Trends (millions of jobs)
2007 – 2009



Source: US Bureau of Economic Research

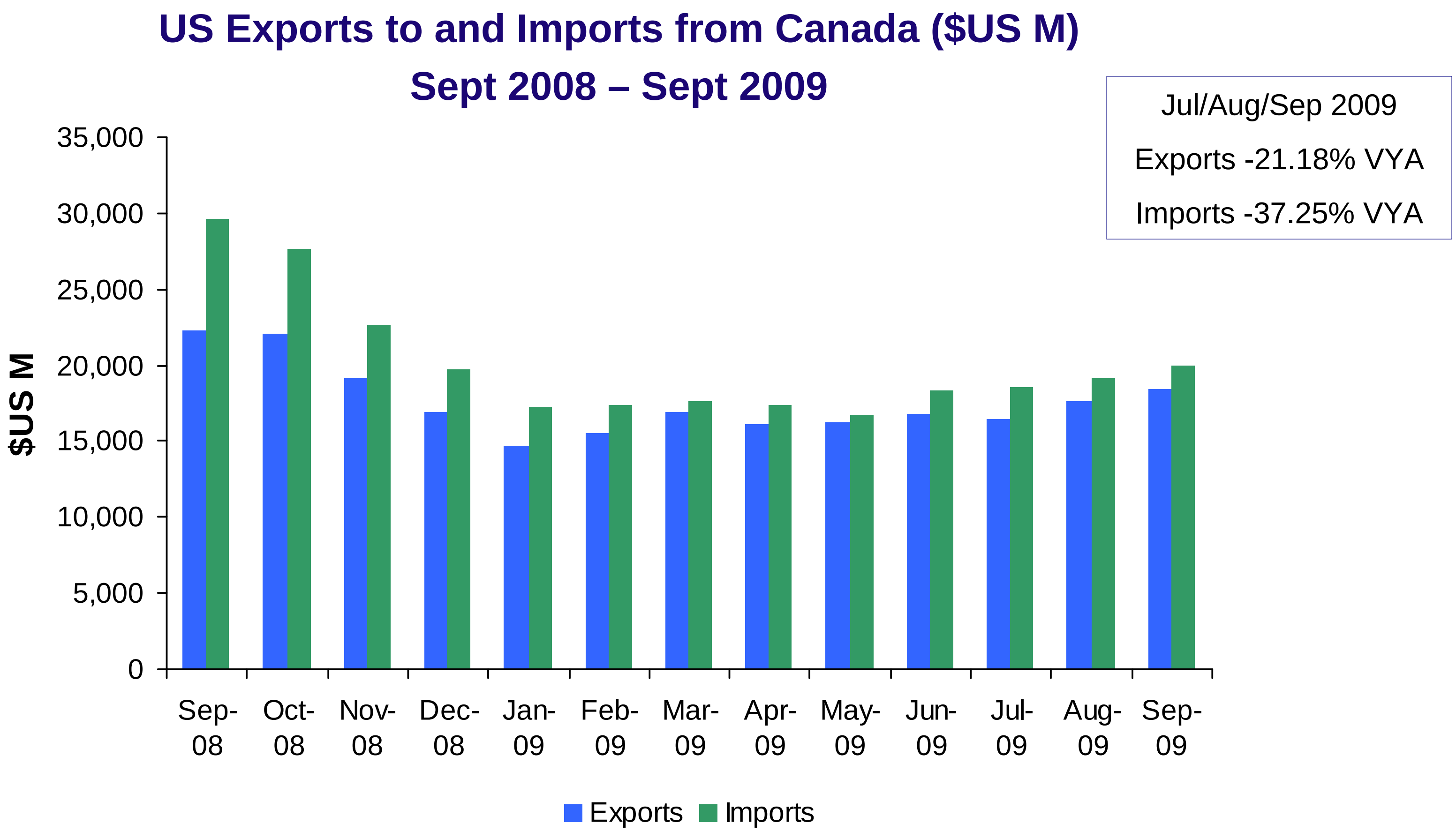
Key Economic Indicators

US Quarterly Home Re-sales (quarterly % change vs. YA)
2007 – 2009



Source: US Real Estate Association

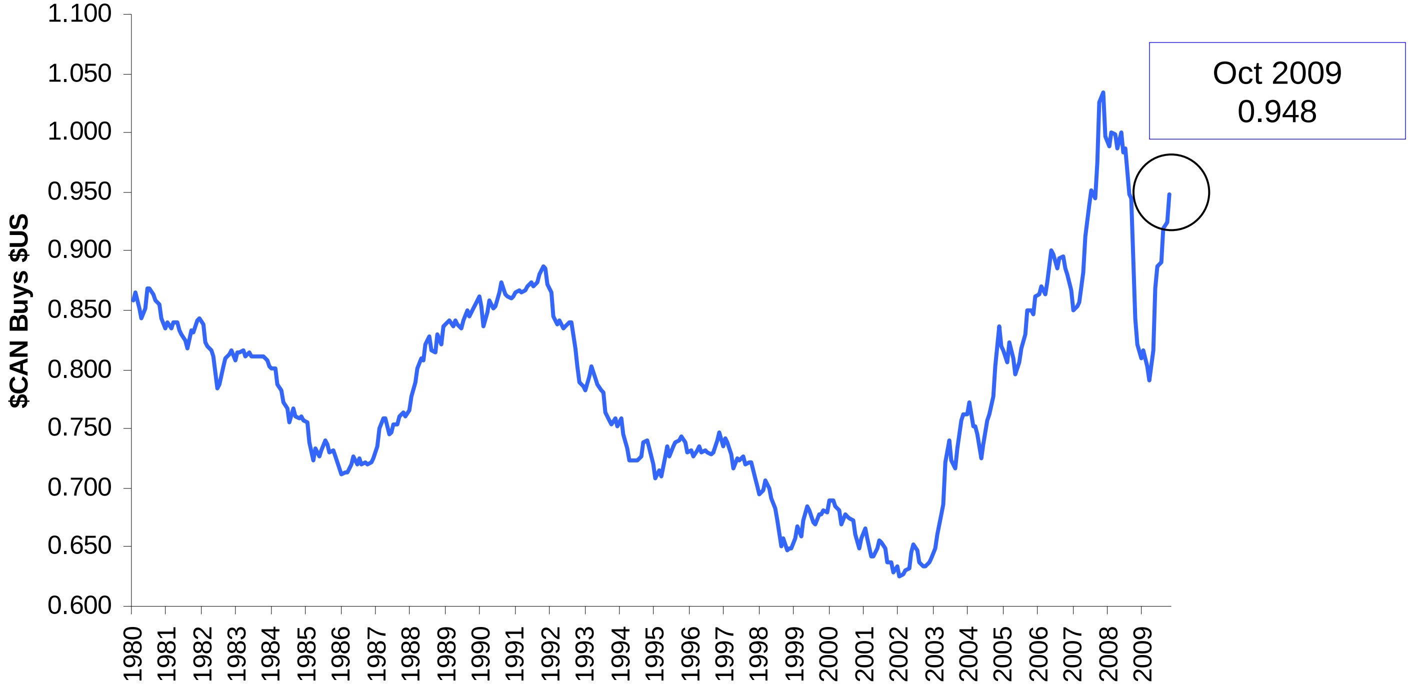
US Canada Trade Indicators



Source: US Bureau of Economic Research

Key Economic Indicators

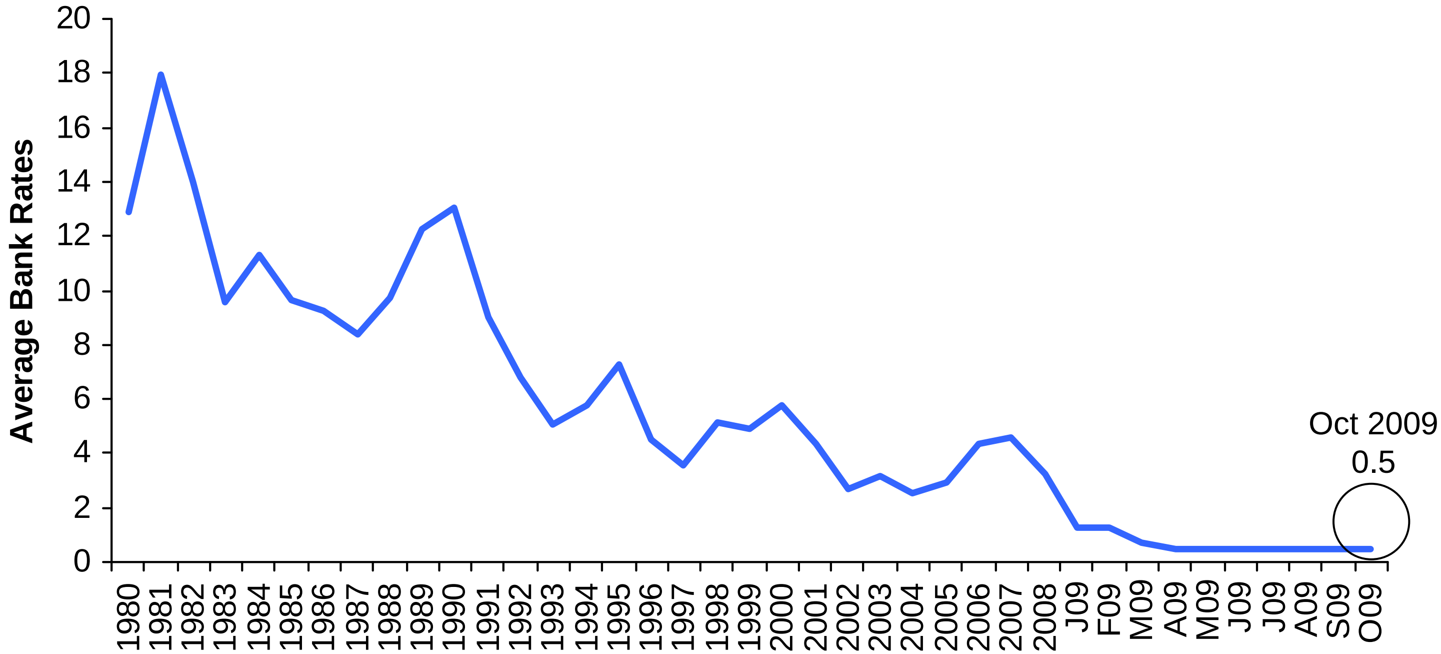
Monthly Exchange Rates ($CAN buys $US)
1980 – 2009



Source: Statistics Canada

Key Economic Indicators

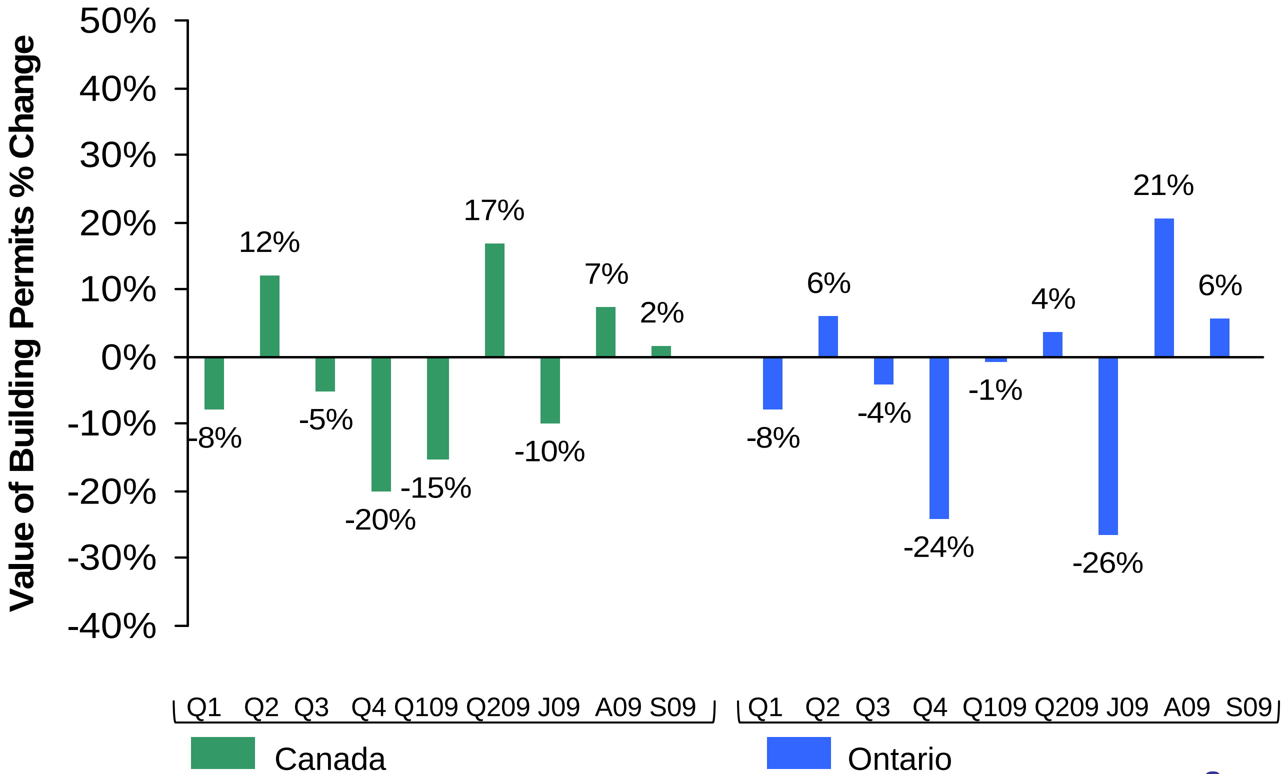
Average Canadian Interest Rates (bank rates)
1980 – 2009



Source: Bank of Canada

National & Ontario Building Permits

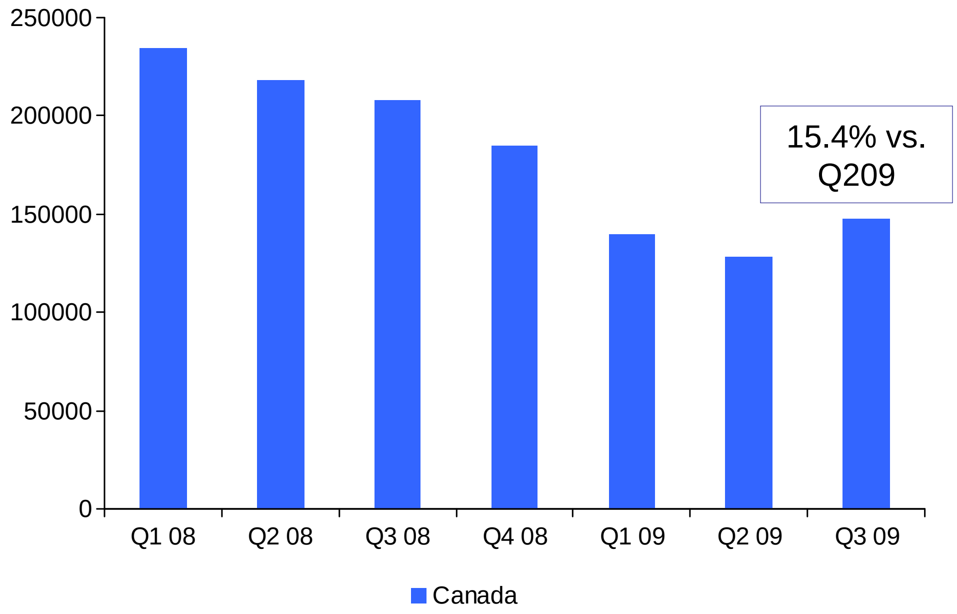
Value of Building Permits (seasonally adjusted % change vs. previous period) 2008 – 2009

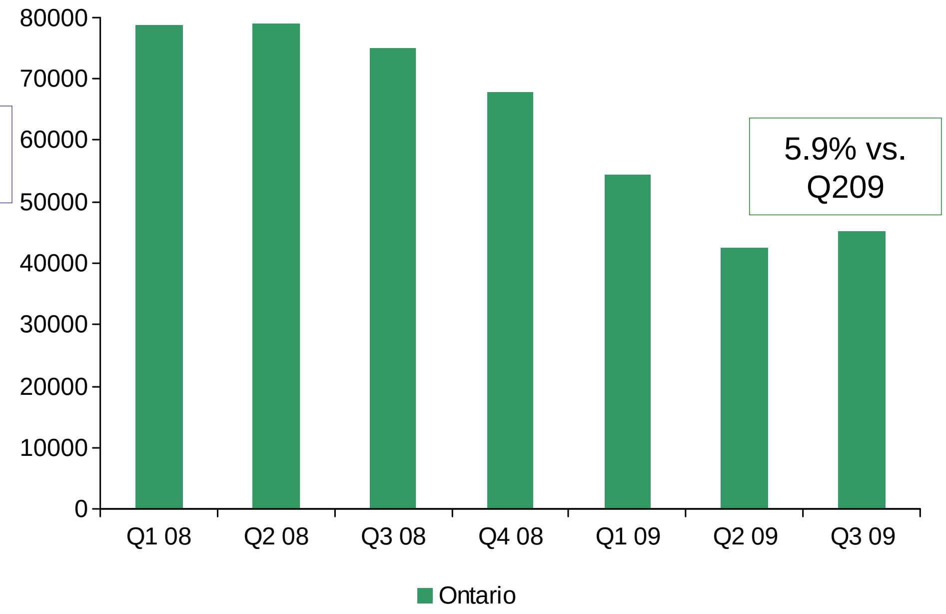


Source: Statistics Canada

National & Ontario New Housing

Quarterly New Home Starts (units, 000s)
2008 - 2009

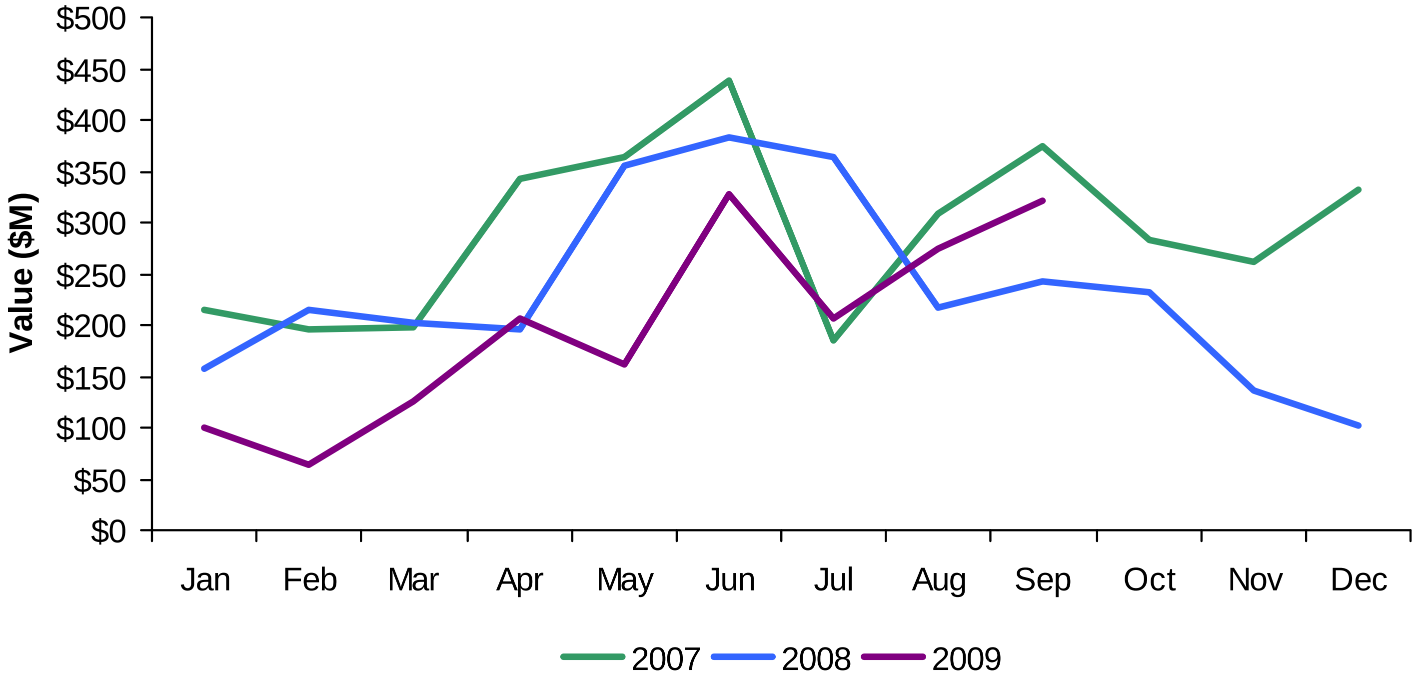




Source: CMHC
Note: Data is seasonally adjusted and annualized.

York Region Building Permits

Total Value of Building Permits ($M)
2007 – 2009



Source: York Region

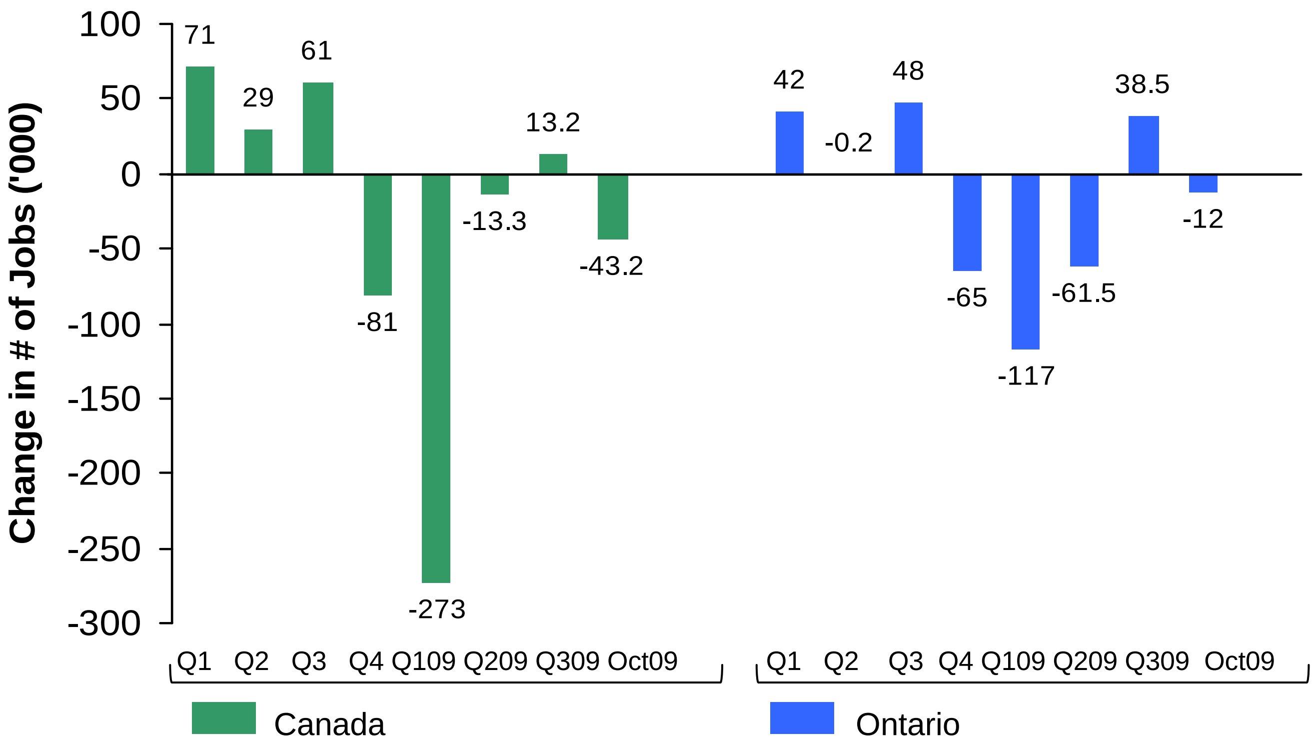
Building Permits by Municipality

Q3 2009 % VYA	Residential ($M)	ICI ($M)	Total ($M)	%VYA
Aurora	$31.8	$30.4	$62.2	-29%
East Gwillimbury	$12.5	$5.0	$17.5	33%
Georgina	$7.9	$0.6	$8.5	-21%
King	$8.0	$6.3	$14.3	-19%
Markham	$89.4	$46.0	$135.4	-43%
Newmarket	$30.9	$5.8	$36.7	38%
Richmond Hill	$56.1	$26.0	$82.1	-47%
Vaughan	$331.9	$57.9	$389.8	58%
Whitchurch Stouffville	$51.8	$2.0	$53.8	67%
Total York Region	$620.2	$180.1	$800.3	-3%

Source: York Region and Local Municipalities

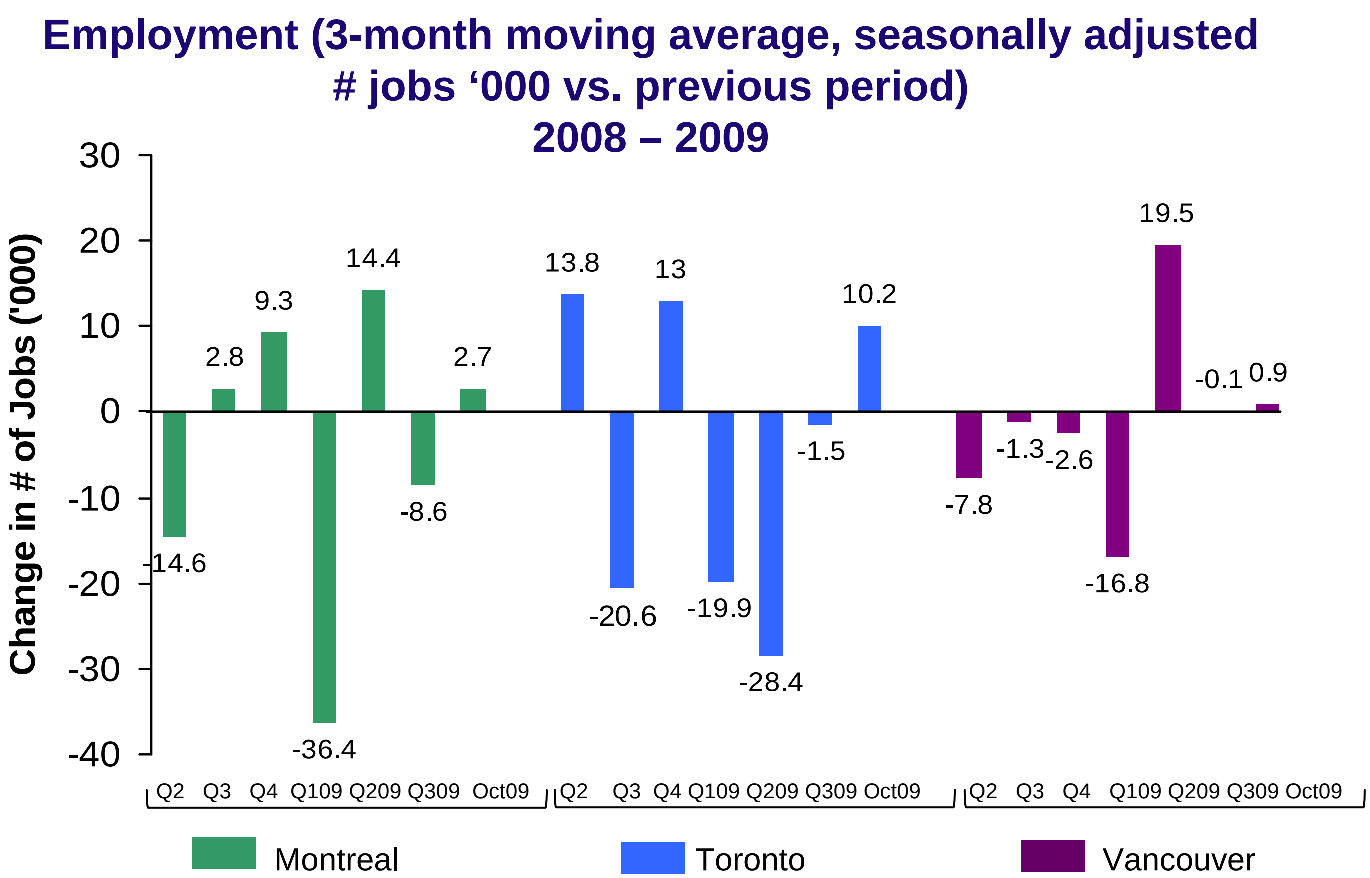
National & Ontario Employment

Employment (seasonally adjusted # jobs '000 vs. previous period)
2008 – 2009



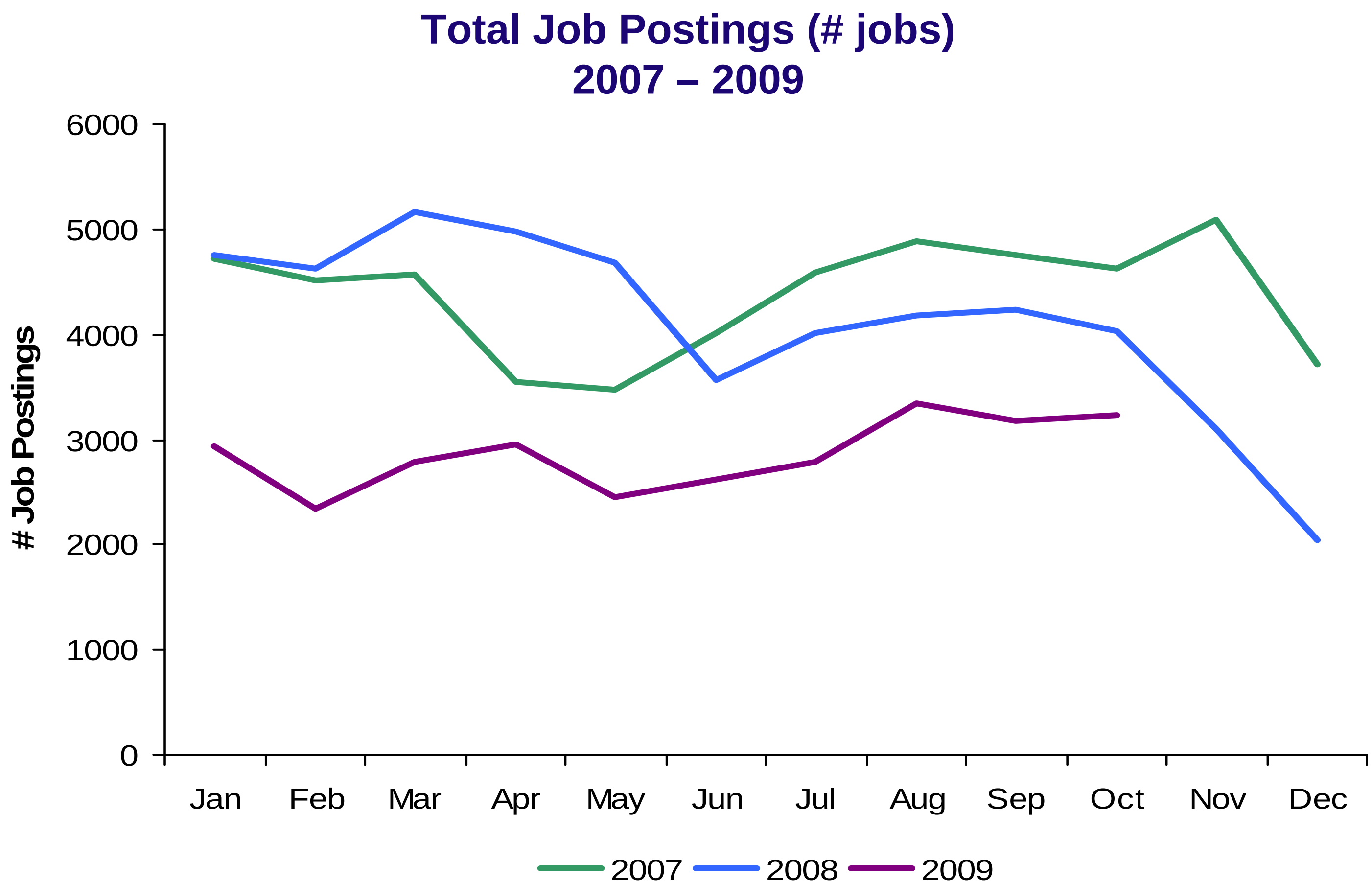
Source: Statistics Canada

Montreal, Toronto, Vancouver Employment



Source: Statistics Canada, Labour Force Survey

York Region Advertised Job Postings



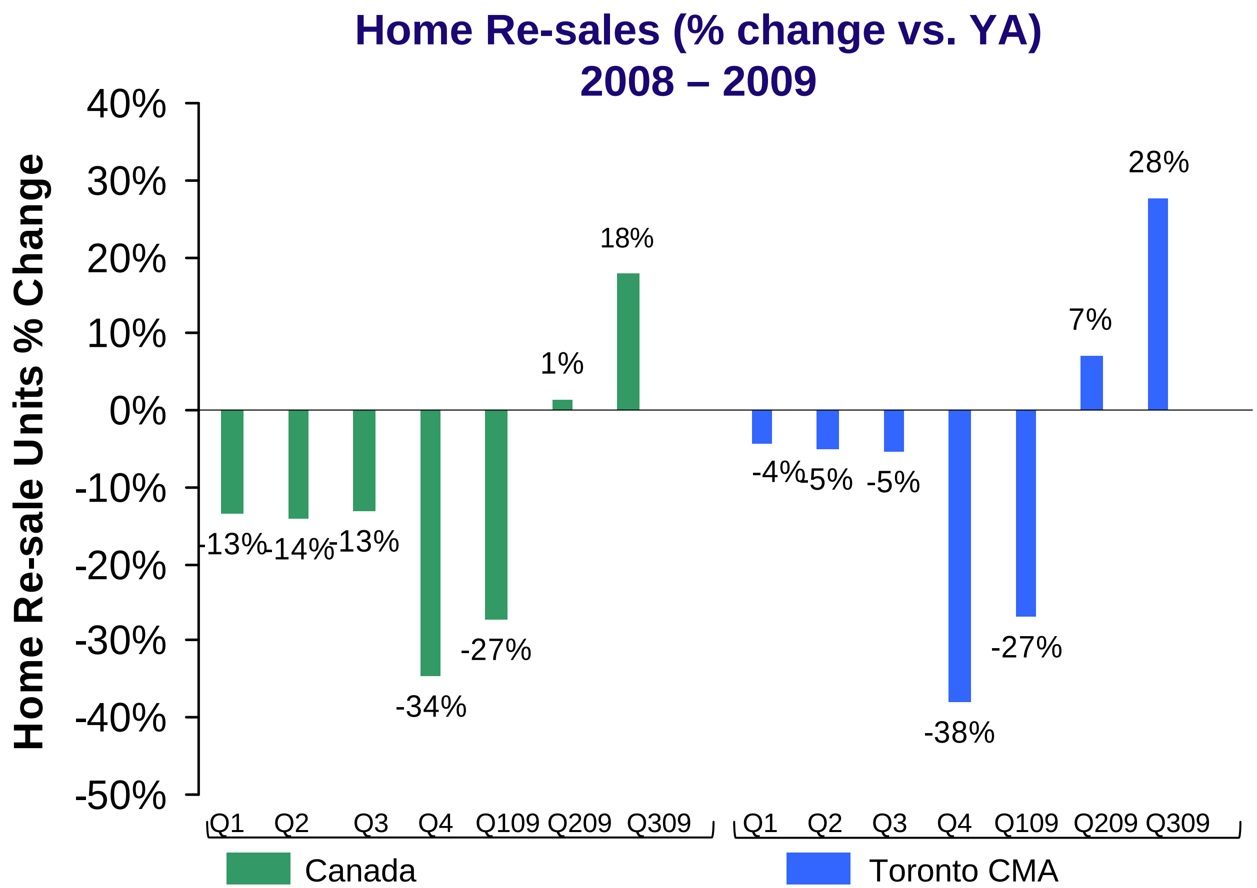
Source: York Region

Advertised Job Postings by Municipality

Q3 2009	# Jobs Posted	% VYA
Aurora	490	-16%
East Gwillimbury	12	50%
Georgina	63	34%
King	73	-30%
Markham	3550	-19%
Newmarket	991	-33%
Richmond Hill	1451	-11%
Vaughan	1259	-25%
Whitchurch Stouffville	72	-35%
Total York Region	9299	-25%

Source: York Region

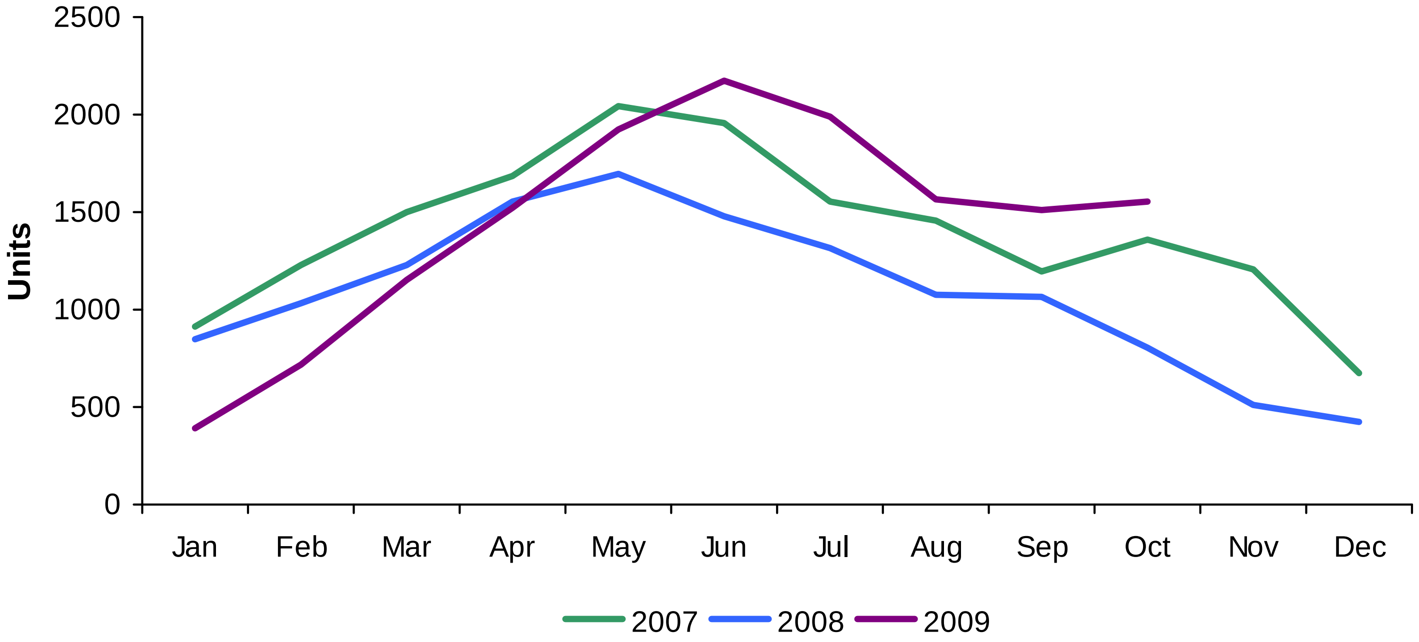
National & Toronto CMA Home Re-sales



Sources: CMHC, CREA and TREB MLS

York Region Home Re-sales

Total Home Re-sales (units)
2007 – 2009



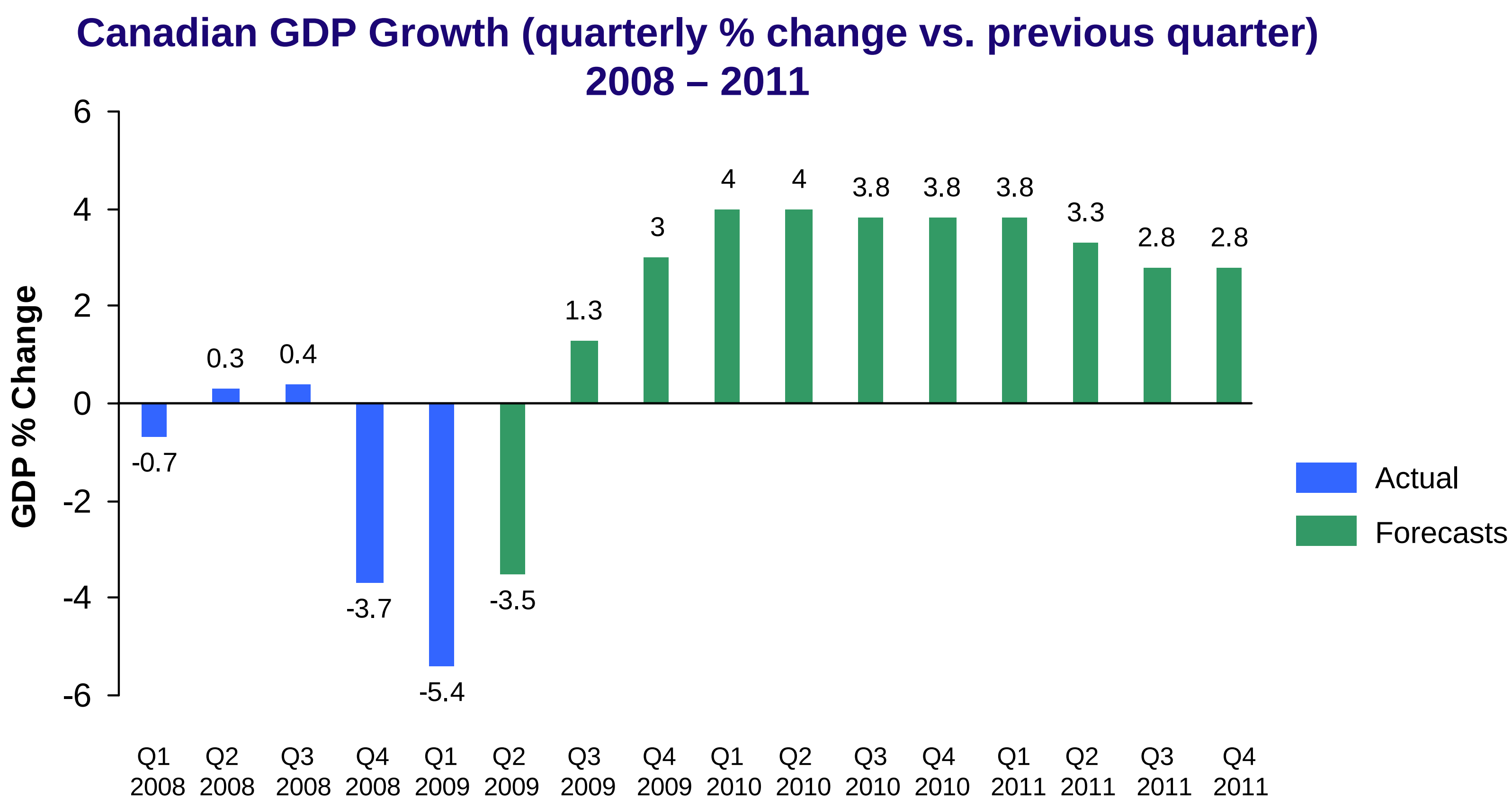
Source: TREB MLS

Home Re-sales by Municipality

Q3 2009	# Home Re-sales	% VYA
Aurora	294	51%
East Gwillimbury	92	44%
Georgina	219	1%
King	56	47%
Markham	1,431	55%
Newmarket	393	29%
Richmond Hill	1,391	67%
Vaughan	1,020	33%
Whitchurch Stouffville	175	58%
Total York Region	5,071	47%

Source: TREB MLS

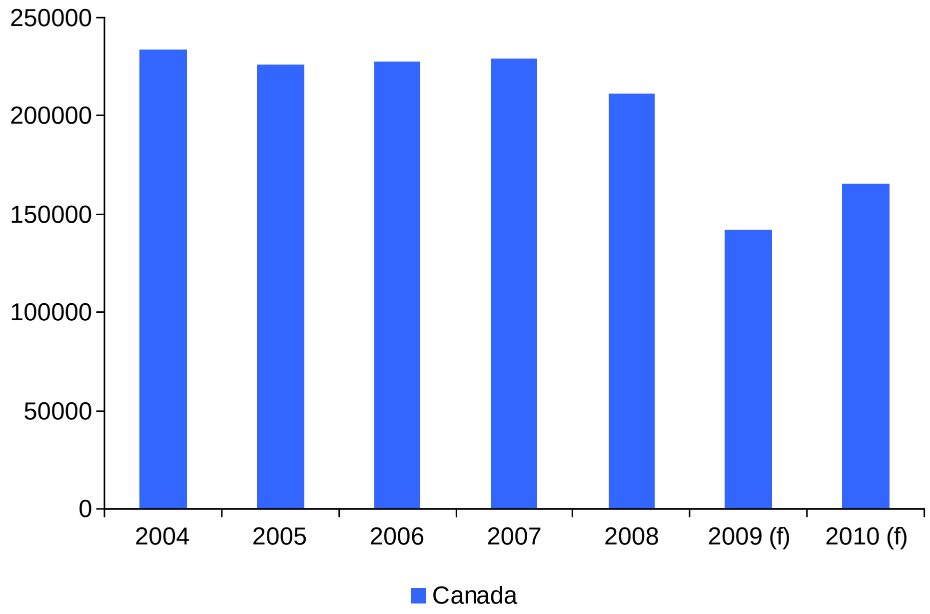
Bank of Canada GDP Forecasts

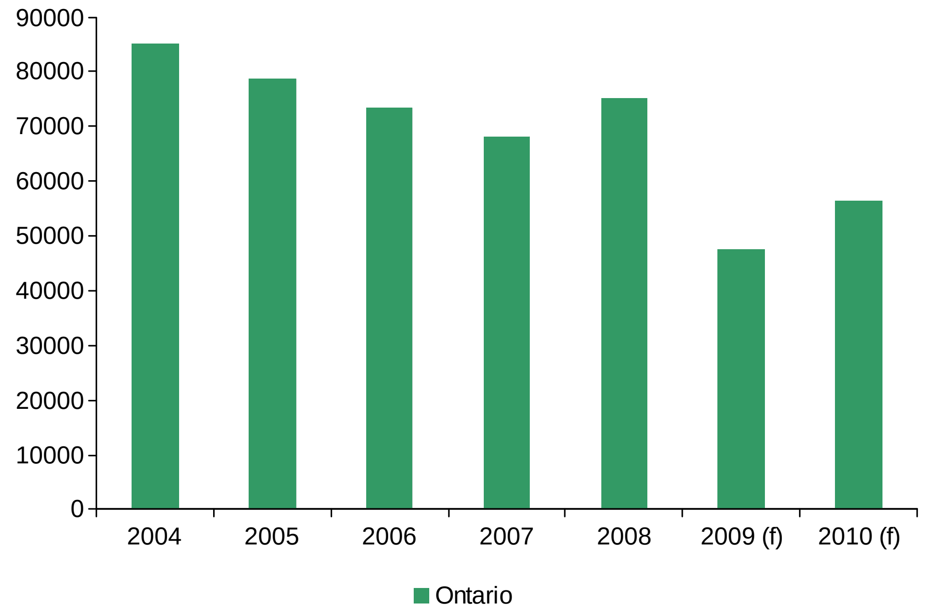


Source: Bank of Canada July 2009
Note: Bank of Canada reports quarter-to-quarter percentage growth at annual rates

National & Ontario New Housing Forecast

New Home Starts (units)
2004 - 2010





Source: CMHC, Housing Market Outlook – Canada Edition – Date Released: Fourth Quarter 2009

Summary

- Early indications that declines in the world economy are moderating
- International markets for manufacturing goods remain weak while exchange rates and commodity pricing are volatile
- Private sector job losses are being offset by gains in self-employment and public sector hiring
- York Region recovery still not evident although the housing resale market grew substantially over the past 4 months