

4

ECONOMIC AND DEVELOPMENT REVIEW 2005

The Planning and Economic Development Committee recommends the following:

- 1. The presentation by Diane Pomeroy, Senior Planner, Long Range and Strategic Planning, be received; and**
- 2. The recommendation contained in the following report, April 5, 2006, from the Commissioner of Planning and Development Services, be adopted:**

1. RECOMMENDATION

It is recommended that this report and the attached Economic and Development Review 2005 be widely distributed to stakeholders including area municipalities, Chambers of Commerce, Boards of Trade and libraries, as well as made available on the Region's web site.

2. PURPOSE

The purpose of the Economic and Development Review 2005 is to report on and analyze key economic and demographic indicators for York Region. The report is also intended to give Council a broader regional and national perspective of economic indicators used to measure the growth and competitiveness of the Region's economy. This information may be used by Regional Council as well as public and private sectors as baseline information to prepare such things as economic investment strategies.

3. BACKGROUND

The Economic and Development Review has been published on a semi-annual basis since 1995. This year's report highlights a number of year-end economic indicators which show that York Region's economy has continued to grow throughout 2005.

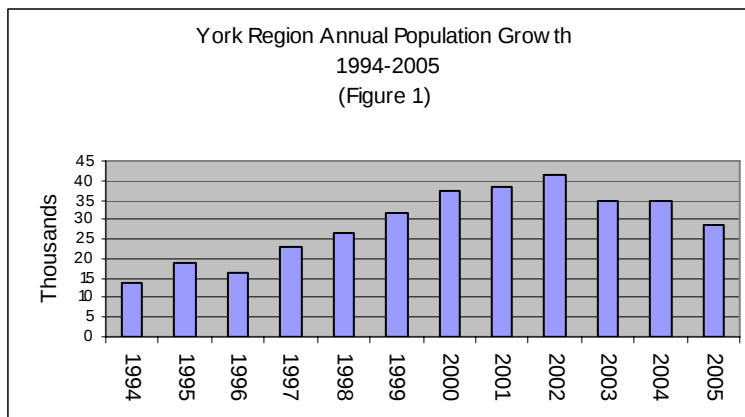
3.1 Highlights

- York Region's total population was estimated to be 918,400 on December 31, 2005, an increase of approximately 28,800 from December 2004.
- York Region contains 16% (2005) of the GTA's population and 14% (2001) of its employment population.
- Building permits for 10,391 new residential units were issued in 2005. York Region issued the fifth largest number of new residential permits in the country.
- Housing completions reached 8,992 units in 2005.

- The Region's total estimated construction value for 2005 was \$2.92 billion.
- Industrial, commercial, institutional (ICI) construction made up 32% of the total construction value in York Region during 2005.
- The total estimated value of industrial construction remained strong at \$277 million.
- The value of commercial construction also remained strong at \$381 million.
- The value of institutional construction was \$263 million, a 29% increase over 2004.
- The estimated number of jobs as of December 2005 in York Region was approximately 450,000.
- The unemployment rate as of December 2005 was estimated to be 4.7% in York Region.

4. ANALYSIS AND OPTIONS

York Region continued to grow at a rapid pace throughout 2005. The total population of the Region was estimated to be 918,400 by December 31, an increase of 28,800 persons since the end of 2004.



Source: York Region Planning and Development Services Department, 2005.

York Region's strong population growth rate in 2005 (3.2%) has increased the Region's proportion of the GTA total population. In 1997, York Region's share of the GTA population was 13.1%; in December 2005 it was 15.8%.

In 2005, housing starts and completions were down from 2004 with 9,497 starts and 8,992 completions. Building permits however were 12% higher in 2005 with 10,391 permits issued.

The number of resales for single family detached homes in York Region in 2005 (10,036) was up 2.5% from the number sold during the same period in 2004 (9,792). The total resales of multi-family dwellings in the Region (5,431 multi family units in 2005) were also up by 5.6% (5,143 multi-family units 2004). The value of all resales totalled \$5.9

billion in this period. The average value for the resale of a single family detached unit increased, by 6.8%, to \$435,707 up from \$407,896 one year ago.

Total construction in York Region for 2005 was valued at \$2.92 billion, an increase of \$364 million from 2004. The value of residential construction was 18.2% higher across the Region compared to 2004. Institutional construction was up 29.4% while industrial and commercial construction remained strong at 2004 levels.

In 2005, draft approval was given to 997 dwelling units in 7 Plans of Subdivision and 672 units in 7 Condominium Plans. The draft approval numbers are down again this year reflecting the short term shortages of servicing infrastructure. With a total of 48,151 draft approved and registered unbuilt units, the Region has a 5.8 year supply of draft approved and registered units based on the forecasted average production of the 8,265 units per year (2006 – 2016). This is within the three to seven year supply target range of the Regional Official Plan.

The number of jobs in York Region is estimated to have grown by approximately 10,000 – 15,000 in 2005. With about 450,000 jobs in York Region as of December 2005, the number of jobs has increased by approximately 120,000 jobs since 1998. Due to an increased labour force participation rate, the Region's unemployment rate is approximately 4.7%, which is lower than the GTA unemployment rate as a whole. These factors are indicators of a strong and diversified economy better able to withstand economic downturns.

The Economic and Development Review 2005 also includes some national comparisons. These comparisons include cities, Regions and Regional Districts as defined locally. York Region's population ranks sixth compared to all urban areas across the country (Table 1).

Canada's Largest Municipalities 2005

(Table 1)

Rank	Municipality	Population
1	City of Toronto	2,610,000
2	Greater Vancouver Regional District	2,155,800
3	City of Montreal	1,634,500
4	Peel Region	1,205,300
5	City of Calgary	956,100
6	York Region	918,400
7	City of Ottawa	859,000
8	City of Edmonton	712,400
9	City of Winnipeg	650,100
10	Durham Region	596,200

Source: York Region Planning and Development Services Department, 2005.

The number of residential building permits issued for new dwelling units in York Region in 2005 ranks York Region fifth in Canada (*Table 2*).

**Comparative Residential Building
Permit Figures Across Canada 2005
(Table 2)**

Rank	Municipality	# of Permits
1	Greater Vancouver Regional District	19,994
2	City of Toronto	19,870
3	City of Calgary	13,782
4	City of Edmonton	10,481
5	York Region	10,391
6	City of Montreal	9,520
7	Peel Region	6,388
8	Durham Region	5,486
9	Halton Region	5,293
10	City of Ottawa	4,857

Note: List includes cities, Regions and Regional Districts as defined locally.
Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2005.

Value of Construction Activity

The total value of all these residential permits places York Region third in the country (*Table 3*).

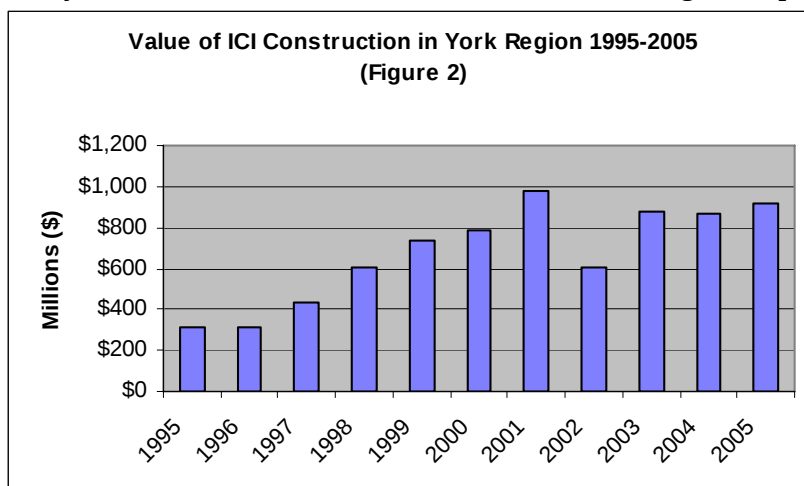
**Cross Canada Comparisons 2005:
Values of Residential Construction (\$000's)
(Table 3)**

Rank	Municipality	Residential Value
1	Greater Vancouver Regional District	3,961,849
2	City of Toronto	2,917,053
3	York Region	2,002,210
4	City of Calgary	1,916,615
5	Peel Region	1,224,581
6	City of Edmonton	1,189,765
7	City of Montreal	1,170,425
8	Durham Region	1,065,645
9	Halton Region	1,054,680
10	City of Ottawa	824,787

Source: Area Municipal Bldg Permit Reports, Statistics Canada Bldg Permit Reports & Table 32.2 (unpublished), 2005.

The value of ICI construction, which tends to be cyclical over time, has increased relatively steadily in York Region from 1995-2005. Since 1995, the annual value of non-residential construction has increased from \$271 million to \$921 million in 2005 (*Figure*

2). The non-residential construction was so strong in 2001 (a record year) that it had a dampening effect on the ICI construction values for 2002. The ICI construction held steady in 2004 and continued to follow the historical growth pattern in 2005.



Source: York Region Planning and Development Services Department, 2005.

The total of all industrial, commercial and institutional construction (ICI) values in York Region in 2005 places the Region seventh in the country (*Table 4*).

Cross Canada Comparisons 2005: Values of ICI Construction (\$000's)

(Table 4)

Rank	Municipality	Industrial	Commercial	Institutional	Total
1	Greater Vancouver Regional District	148,198	1,098,964	434,577	1,681,739
2	City of Toronto	81,384	962,149	449,163	1,492,696
3	City of Calgary	122,348	978,068	367,393	1,467,809
4	Peel Region	308,235	467,462	355,228	1,130,925
5	City of Montreal	194,964	479,839	277,811	952,614
6	City of Ottawa	29,376	374,549	538,617	942,542
7	York Region	202,541	491,690	204,549	921,909
8	City of Edmonton	97,898	352,315	303,730	753,943
9	Halton Region	80,106	299,931	59,610	439,647
10	Durham Region	85,118	234,244	80,472	399,834

Source: Area Municipal Building Permit Reports, 2005, Statistics Canada Building Permit Reports, 2005 and Table 32.2 (unpublished), 2005.

The total of all construction values (residential, industrial, commercial and institutional) in York Region in 2005 places the Region fourth in the country (*Table 5*).

Cross Canada Comparisons 2005:
Values of Total Construction (\$000's)
(Table 5)

Rank	Municipality	Total Value
1	Greater Vancouver Regional District	5,643,588
2	City of Toronto	4,409,749
3	City of Calgary	3,384,424
4	York Region	2,924,120
5	Peel Region	2,355,506
6	City of Montreal	2,123,039
7	City of Edmonton	1,943,708
8	City of Ottawa	1,767,329
9	Halton Region	1,494,327
10	Durham Region	1,465,479

Source: Area Municipal Building Permit Reports, 2005, Statistics Canada Building Permit Reports, 2005 and Table 32.2 (unpublished), 2005.

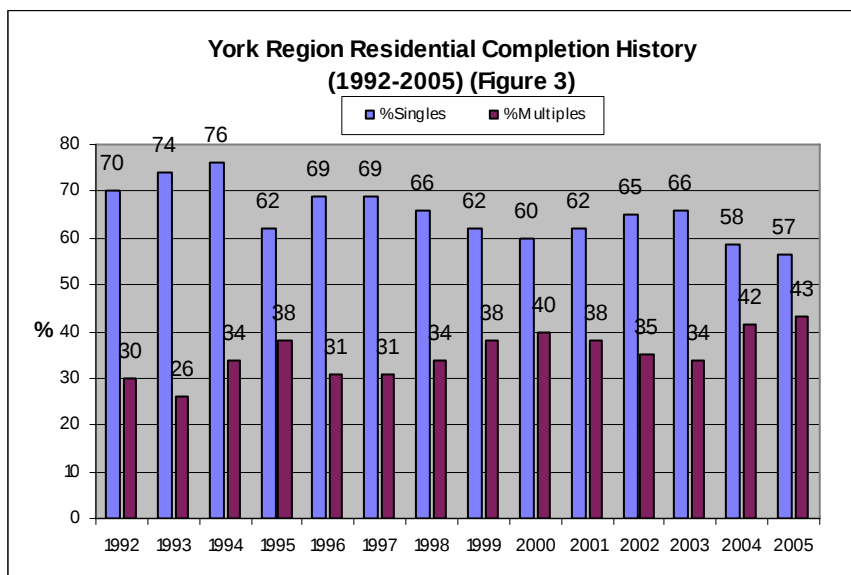
The Region's Housing Strategy recommends regular Council updates on the mix of housing units being approved and constructed. Table 6 presents the mix of units in Plans of Subdivisions and Condominiums approved in 2005.

**Unit Breakdown in New Subdivision and
Condominiums
York Region, 2005**
(Table 6)

	Percentage of Dwelling Units			
	Single	Semi	Row	Apartment
Applications	29%	13%	20%	38%
Draft Approved	18%	5%	11%	66%
Registered	61%	14%	22%	2%

Source: York Region Planning and Development Services, 2005.

A majority of the residential units completed in 2005 were for single detached units (*Figure 3*). These made up 57% of the total (consistent with 2004), while 14% were for semi-detached units, 19% were for row house units and 10% were for apartments. Single detached units accounted for as much as 94% and 90% in King and East Gwillimbury, and as little as 66% and 63% of the completions in Richmond Hill and Newmarket respectively. In examining the residential unit completion mix over the last twelve years, the percentage of single family homes completed has decreased while the number of all other unit types continues to increase. The Region's Housing Directions Report and Regional Official Plan calls for more of a balance in new housing construction. This trend continues to be monitored.



Source: Canada Mortgage and Housing Corporation, 2005.

4.1 Relationship to Vision 2026

The Economic and Development Review 2005 supports the economic vitality section of Vision 2026. Through the continued monitoring of economic trends, the Region can gauge the competitiveness of its economy and evaluate and respond to changes. Furthermore, the Economic and Development Review highlights and showcases the Region's strengths as a destination to live, work and play.

5. FINANCIAL IMPLICATIONS

The economic indicators presented in this report will allow Regional staff and Council to continue to monitor, evaluate and to respond quickly to changes in the Region's economy. Printing and distributing the Economic and Development Review 2005 is provided for in the approved budget.

6. LOCAL MUNICIPAL IMPACT

Regional economic indicators, as presented in this document, are important in evaluating economic trends across the Region. The adoption of the Economic and Development Review's recommendations will provide all those using this document, including local municipal economic development and planning officials, with a summary of York Region's economy, which can be used as a basis for making decisions, devising strategies and attracting new businesses to the Region.

7. CONCLUSION

Regional economic indicators, as presented in this document, are important in evaluating economic trends across the Region. The adoption of the Economic and Development Review's recommendations will provide all those using this document, including local municipal economic development and planning officials, with a summary of York Region's economy, which can be used as a basis for making decisions, devising strategies and attracting new businesses to the Region.

It is recommended that the attached Economic and Development Review 2005 report be received for information. It is proposed that the report be printed and distributed widely to area municipalities, Chambers of Commerce, Boards of Trade, other business groups, libraries and other stakeholders. This report will be posted on the Region's web site. The Region's Economic Development Department will also use this report to provide vital data on the Region to employers in York Region, as well as businesses considering locating in York Region.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is included with this report.)