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ECONOMIC AND DEVELOPMENT REVIEW 2004

The Planning and Economic Development Committee recommends the following:

- 1. The presentation by Diane Pomeroy, Senior Planner, Long Range & Strategic Planning, be received; and**
- 2. The recommendation contained in the following report, April 21, 2005, from the Commissioner of Planning and Development Services, be adopted:**

1. RECOMMENDATION

It is recommended that:

1. This report and the attached Economic and Development Review 2004 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 2004 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 is 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 2004.

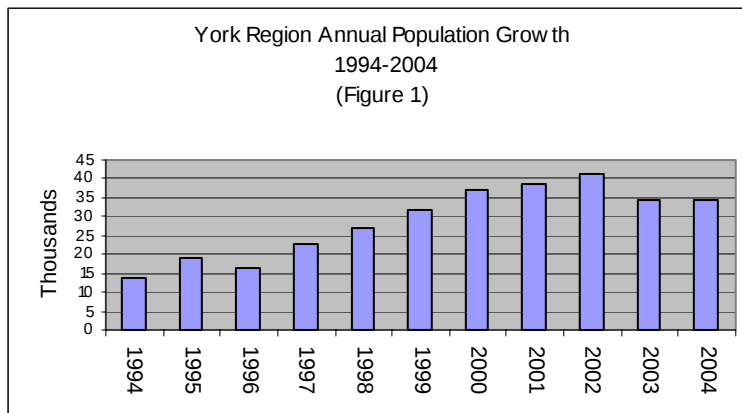
3.1 Highlights

- York Region was home to 889,600 people as of December 31, 2004. Compared to December 31, 2003, this represents an increase of approximately 34,600 persons.
- York Region contains 16% of the GTA's population and 14% of its employment population.
- Building permits for 9,306 new residential units were issued in 2004. York Region issued the sixth largest number of new residential permits in the country.

- There were 10,679 homes completed and 10,221 new residential units started within York Region in 2004.
- The Region's total estimated construction value for 2004 was \$2.56 billion.
- Industrial, commercial, institutional (ICI) construction made up 34% of the total construction value in York Region during 2004.
- The total estimated value of industrial construction was \$277 million.
- The value of commercial construction was \$385 million a 16% increase over 2003.
- The value of institutional construction \$203 million.
- The estimated number of jobs as of Dec. 2004 in York Region was approximately 440,000, a 20,000 job increase for 2004.
- The unemployment rate as of Dec. 2004 was estimated to be 6.1% in York Region.

4. ANALYSIS AND OPTIONS

York Region continued to grow at a rapid pace throughout 2004. The total population of the Region was estimated to be 889,600 by December 31, an increase of 34,600 persons since the end of 2003.



Source: York Region Planning and Development Services Department, 2004.

York Region's strong population growth rate in 2004 (4.0%) 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 2004 it was 16%. In 2004, York Region accounted for 31.6% of population growth in the GTA, the second largest single share of the GTA total.

In 2004, housing starts were down from 2003 with 10,221 starts. Housing completions however were 2.6% higher in 2004 with the completion of 10,679 homes.

The number of resales for single family detached homes in York Region in 2004 (9,792) was up 7% from the number sold during the same period in 2003 (9,121). The total resales of multi-family dwellings in the Region were also up, by 15.5% (5,143 multi-

family units 2004). The total value of all resales amounted to \$5.4 billion in this period. The average value for the resale of a single family detached unit increased, by 7.9%, to \$407,896 up from \$378,037 one year ago.

Total construction in York Region for 2004 was valued at \$2.56 billion, a slight decrease of \$167 million from 2003. The value of residential construction was 8.6% lower across the Region compared to 2003. However, commercial construction increased by 16.3%, industrial construction decreased slightly while institutional construction decreased by 22.2%.

In 2004, draft approval was given to 1,736 dwelling units in 9 Plans of Subdivision and 87 units in 7 Condominium Plans. With a total of 53,045 draft approved and registered unbuilt units, the Region has a 6 year supply of draft approved and registered units, which is within the three to seven year supply target range of 8,750 housing units per year as outlined in the Regional Official Plan.

The number of jobs in York Region is estimated to have grown by approximately 20,000 in 2004. With about 440,000 jobs in York Region as of December 2004, the number of jobs has increased by approximately 110,000 jobs since 1998. Due to an increased labour force participation rate, the Region's unemployment rate is approximately 6.1%, 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 2004 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 2004
(Table 1)

Rank	Municipality	Population
1	City of Toronto	2,610,000
2	Greater Vancouver Regional District	2,132,800
3	City of Montréal	1,877,200
4	Peel Region	1,176,900
5	City of Calgary	933,500
6	York Region	889,600
7	City of Ottawa	846,000
8	City of Edmonton	707,300
9	City of Winnipeg	648,300
10	City of Québec	528,700

Source: York Region Planning and Development Services Department 2004.

The number of residential building permits issued for new dwelling units in York Region in 2004 ranks York Region sixth in Canada (*Table 2*). The value of these residential permits places York Region fourth in the country (*Table 3*).

**Comparative Residential Building
Permit Figures Across Canada 2004**

(Table 2)

Rank	Municipality	# of Permits
1	Greater Vancouver Regional District	20,973
2	Peel Region	14,390
3	City of Calgary	13,200
4	City of Toronto	12,487
5	City of Montréal	12,313
6	York Region	9,306
7	City of Edmonton	9,142
8	City of Ottawa	7,180
9	Halton Region	5,652
10	Durham Region	4,903

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

Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2004.

**Cross Canada Comparisons 2004:
Values of Residential Construction (\$000's)**

(Table 3)

Rank	Municipality	Residential Value
1	Greater Vancouver Regional District	3,613,017
2	Peel Region	2,850,427
3	City of Toronto	1,887,608
4	York Region	1,693,913
5	City of Calgary	1,591,059
6	City of Montreal	1,442,226
7	City of Ottawa	1,094,097
8	Halton Region	1,030,480
9	Durham Region	855,637
10	Simcoe County	790,307

Source: Area Municipal Bldg Permit Reports, Statistics Canada Bldg Permit Reports & Table 32.2 (unpublished), 2004.

Industrial, Commercial and Institutional (ICI) Construction Activity

The total of all industrial, commercial and institutional construction (ICI) values in York Region in 2004 places the Region fifth in the country (*Table 4*).

Report No. 5 of the Planning and Economic Development Committee
Regional Council Meeting of May 19, 2005

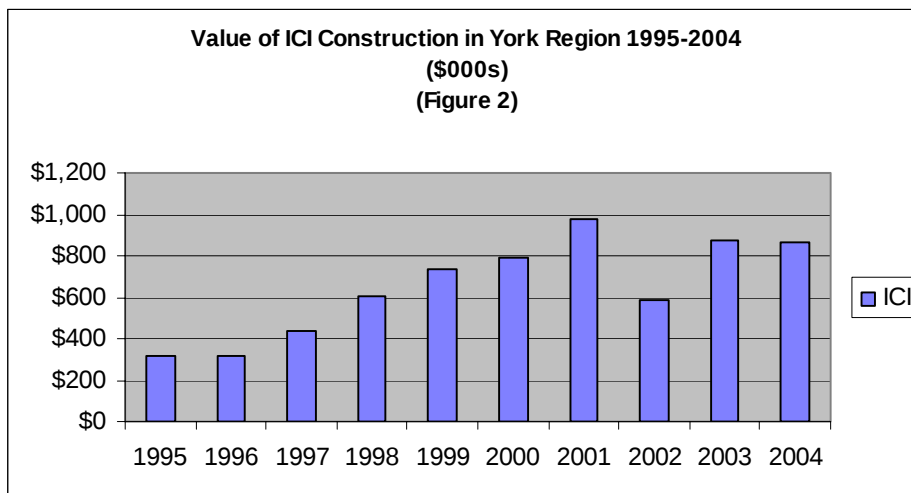
Cross Canada Comparisons 2004: Values of ICI Construction (\$000's)

(Table 4)

Rank	Municipality	Industrial	Commercial	Institutional	Total
1	City of Toronto	181,167	947,455	733,096	1,861,718
2	Peel Region	448,645	486,148	425,386	1,360,179
3	Greater Vancouver Regional District	140,419	812,400	276,945	1,229,764
4	City of Montreal	150,476	523,962	374,058	1,048,496
5	York Region	277,350	385,161	203,347	865,857
6	City of Calgary	620,883	53,220	182,568	856,671
7	City of Ottawa	14,504	403,503	119,514	537,521
8	City of Edmonton	334,581	67,736	79,619	481,936
9	Durham Region	43,985	228,188	104,223	376,396
10	Halton Region	71,997	242,944	33,768	348,709

Source: Area Municipal Building Permit Reports, Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2004.

The value of ICI construction, which tends to be cyclical over time, has increased relatively steadily in York Region from 1995-2004. Since 1995, the annual value of non-residential construction has increased from \$271 million to \$866 million in 2004 (*Figure 3*). 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.



Source: York Region Planning and Development Services Department, 2004.

The total of all construction values in York Region in 2004 places the Region fourth in the country (*Table 5*).

Cross Canada Comparisons 2004:
Values of Total Construction (\$000's)

(Table 5)

Rank	Municipality	Total Value
1	Greater Vancouver Regional District	4,842,781
2	Peel Region	4,210,606
3	City of Toronto	3,749,326
4	York Region	2,559,770
5	City of Montreal	2,490,722
6	City of Calgary	2,447,730
7	City of Ottawa	1,631,618
8	Halton Region	1,379,189
9	City of Edmonton	1,265,521
10	Durham Region	1,232,033

Source: Area Municipal Building Permit Reports, Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2004.

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 2004.

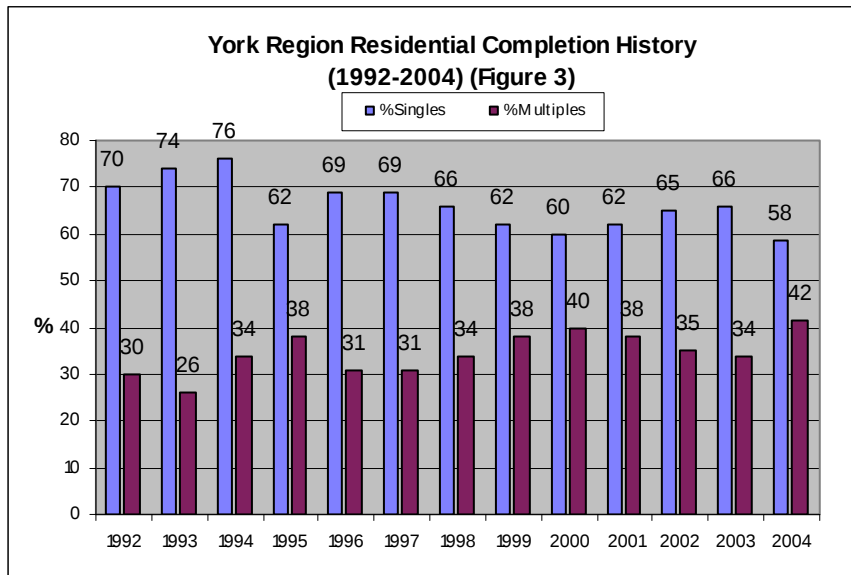
Table 6

Unit Breakdown in New Subdivisions & Condominiums 2004

	Percentage of Dwelling Units (%)			
	Single Detached	Semi-detached	Row House	Apartment
Draft Approved	48%	9%	19%	24%
Registered	60%	19%	21%	0%

Source: York Region Planning and Development Services, 2004.

A majority of the residential units completed in 2004 were for single detached units (*Figure 3*). These made up 58% of the total, while 13% were for semi-detached units, 20% were for row house units and 9% were for apartments. Single detached units accounted for as much as 100% of the completions in Whitchurch-Stouffville and as little as 38% and 48% of the completions in Newmarket and Markham respectively. In examining the residential unit completion mix over the last twelve years, the percentage of single family homes completed is below the 60%-66% range for the first time. 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, 2004.

4.1 Relationship to Vision 2026

The Economic and Development Review 2004 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 2004 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

The Region's population and employment growth remain strong. The Region's total estimated construction value for 2004 was \$2.56 billion and total estimated value of industrial construction was \$277 million while commercial construction was \$385 million up 16% from 2003. The Region's population is estimated to be 889,600 in 2004, an increase of 4.0% over the December 2003 population figure.

It is recommended that the attached Economic and Development Review 2004 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 also 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 attached to this report.)