



# GROWTH AND ECONOMIC DEVELOPMENT UPDATE

Presented to  
**COMMITTEE OF THE WHOLE**

Presented by  
**Paul Bottomley**

April 13, 2023



**York Region**

# OUTLINE

- Global and National Economic Outlook
- Economic Growth in York Region
- Population
- Housing
- Construction Values

# GLOBAL AND NATIONAL ECONOMIC OUTLOOK

# ECONOMIC UNCERTAINTY



Brennan Doherty · Bank of Canada · February 9, 2023

## Bank of Canada unclear how higher interest rates may impact Canada's housing market

## Russia's war of aggression against Ukraine continues to create serious headwinds for global economy, OECD says

## Higher interest rates are working

ECONOMY

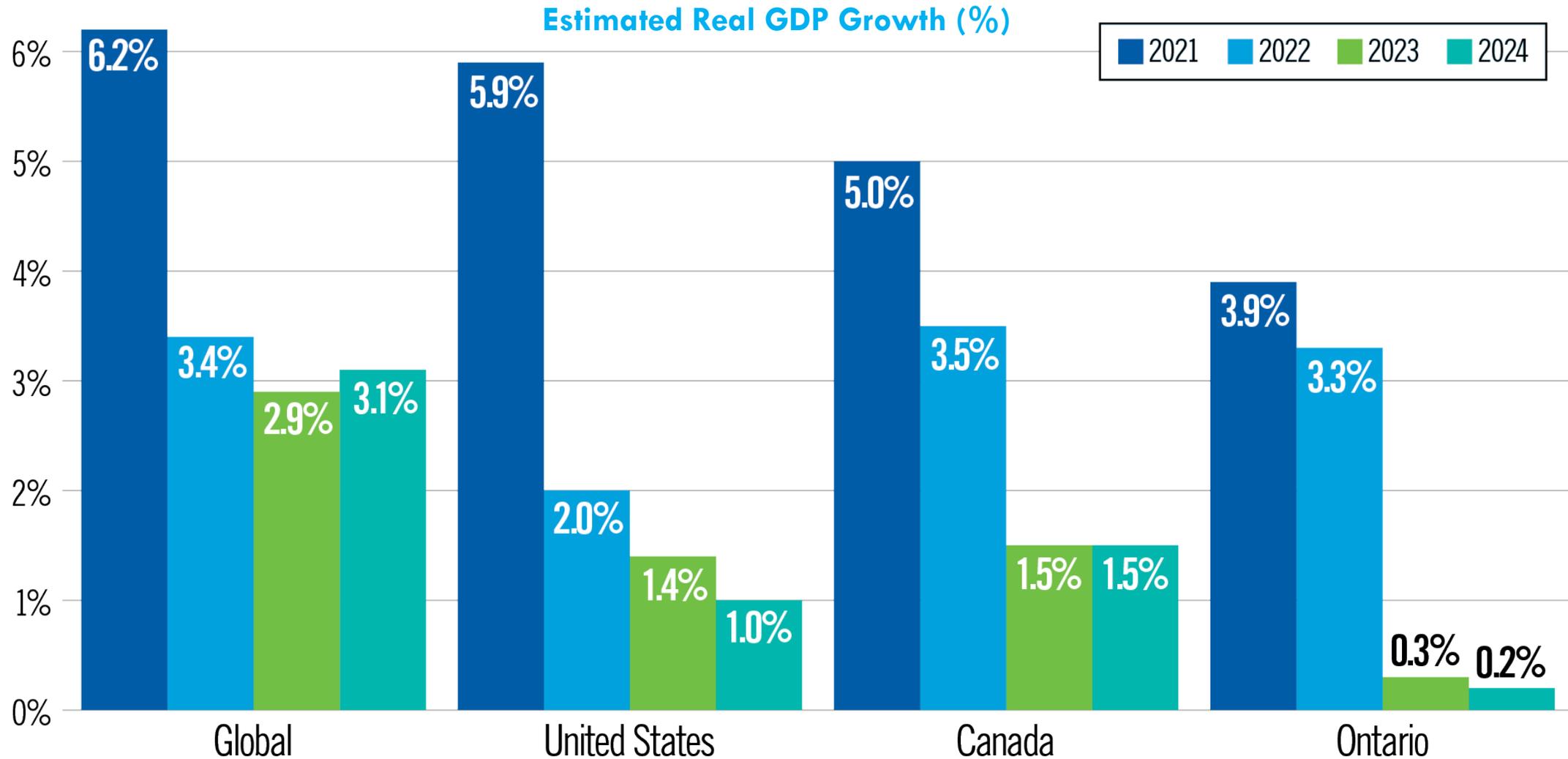
## Canada's economy ended 2022 with a 'thud.' What does that mean for a recession?



By **Craig Lord** · Global News

Posted February 28, 2023 8:52 am · Updated February 28, 2023 5:03 pm

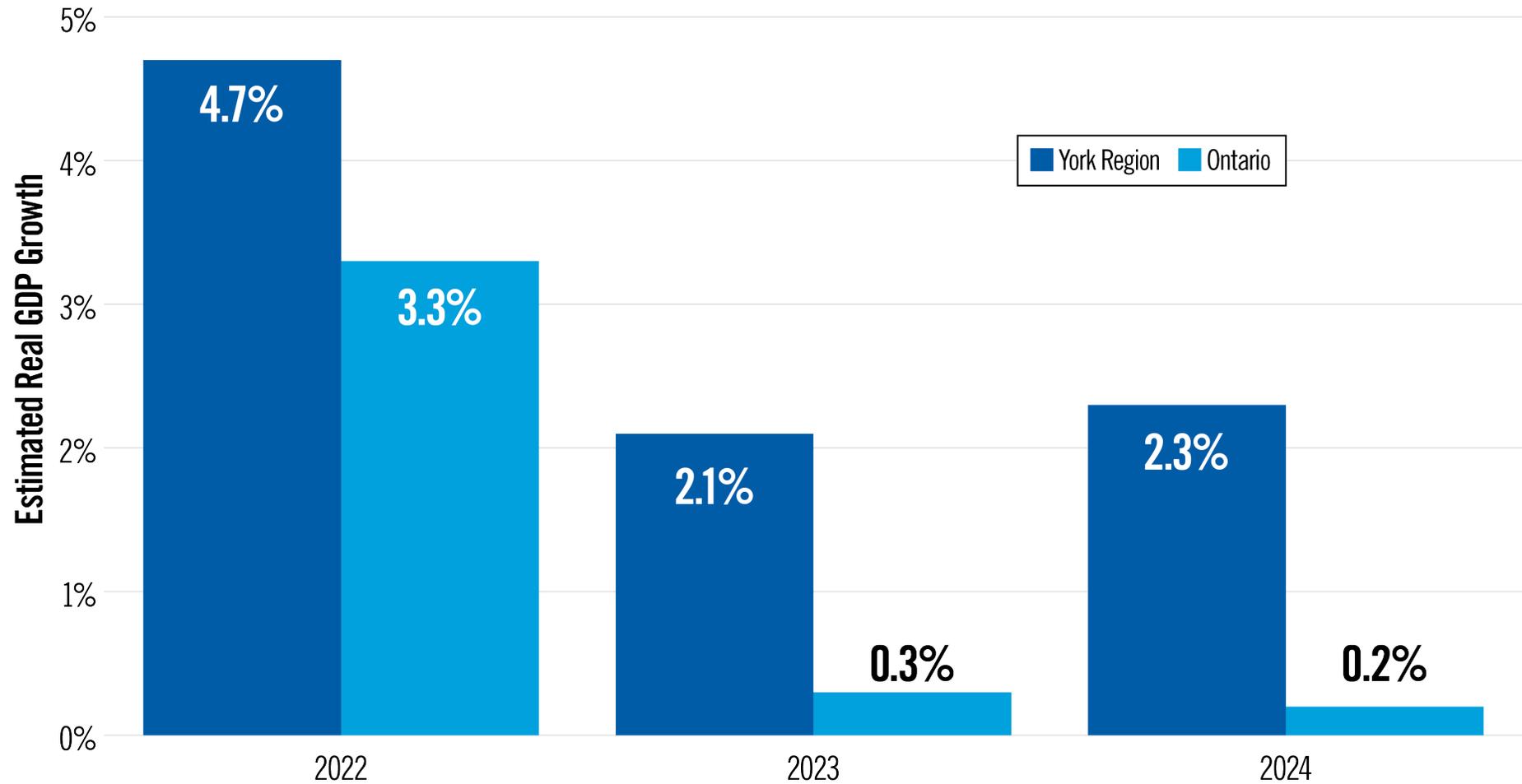
# CAUTIOUS OPTIMISM FOR CANADIAN AND ONTARIO ECONOMIES BEYOND 2022



# ECONOMIC GROWTH IN YORK REGION

# YORK REGION GDP GROWTH HIGHER THAN ONTARIO

Estimated Real GDP Growth (%) for York Region and Ontario



# YORK REGION HAS A STRONG AND DIVERSE BUSINESS COMMUNITY

**1.2** MILLION+  
RESIDENTS

**616,000**  
LOCAL JOBS  
[Estimated]

**1,300**  
NEW BUSINESSES  
10-YEAR ANNUAL AVERAGE

**73%**  
OF YORK REGION RESIDENTS HAVE  
POST-SECONDARY EDUCATION

**3** RD LARGEST  
BUSINESS HUB IN  
ONTARIO  
55,660 EMPLOYER ESTABLISHMENTS

**2** ND LARGEST  
ICT SECTOR IN CANADA  
WITH 4,600+ COMPANIES  
AND HIGHEST DENSITY OVERALL

**3** RD LARGEST  
MANUFACTURING SECTOR IN  
ONTARIO WITH OVER 2,500  
LOCAL MANUFACTURERS

**2** ND LARGEST  
FINANCE, INSURANCE & REAL  
ESTATE (FIRE) SECTOR IN  
ONTARIO WITH 4,900+ FIRMS

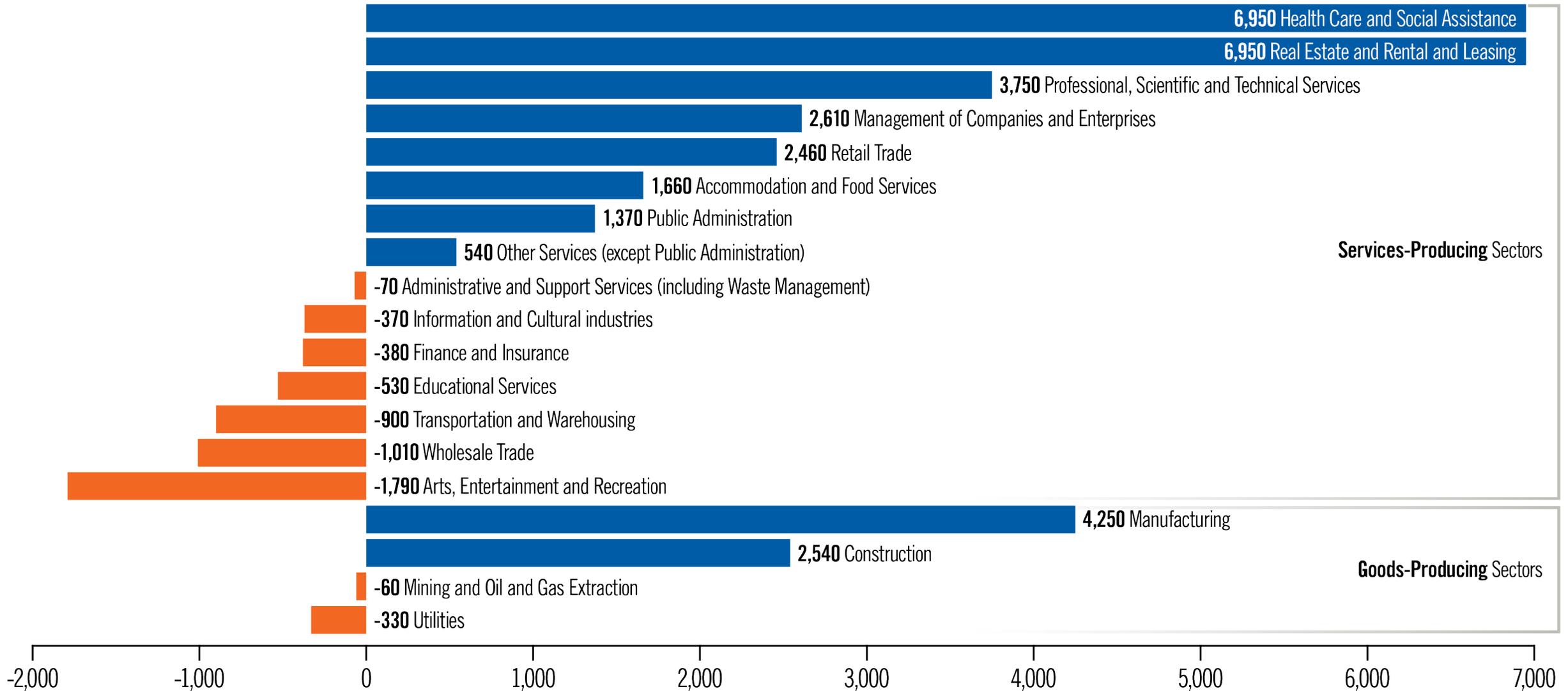
OF GREATER TORONTO AREA'S  
**5** TOP 10  
CORPORATE R&D SPENDERS

**#1** CANADA'S  
LARGEST  
AUTO PARTS & ELECTRONICS  
MANUFACTURING CLUSTER

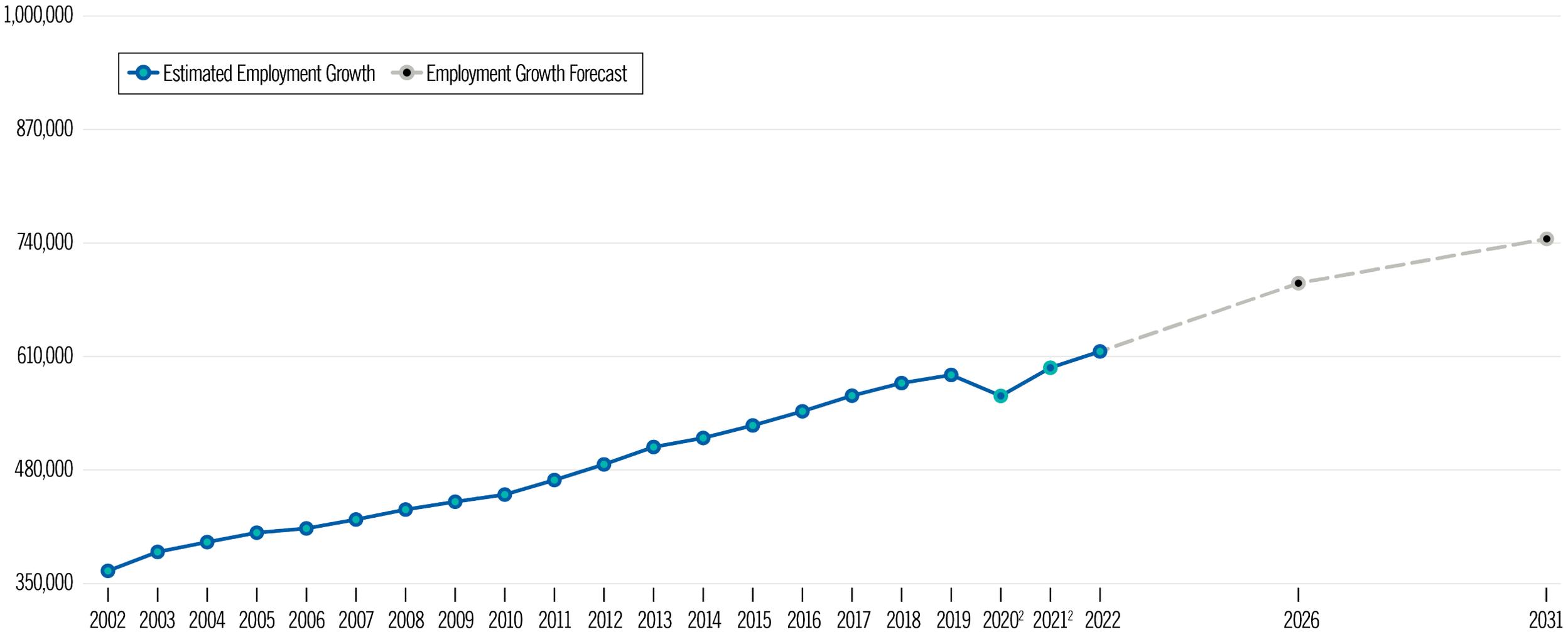
YORK REGION GDP  
**\$81.4** BILLION  
[est. 2022]

**4** TH LARGEST  
FOOD and BEVERAGE  
PROCESSING HUB IN CANADA

# YORK REGION'S DIVERSIFIED ECONOMY HAS RECOVERED WELL BETWEEN 2019 AND 2022

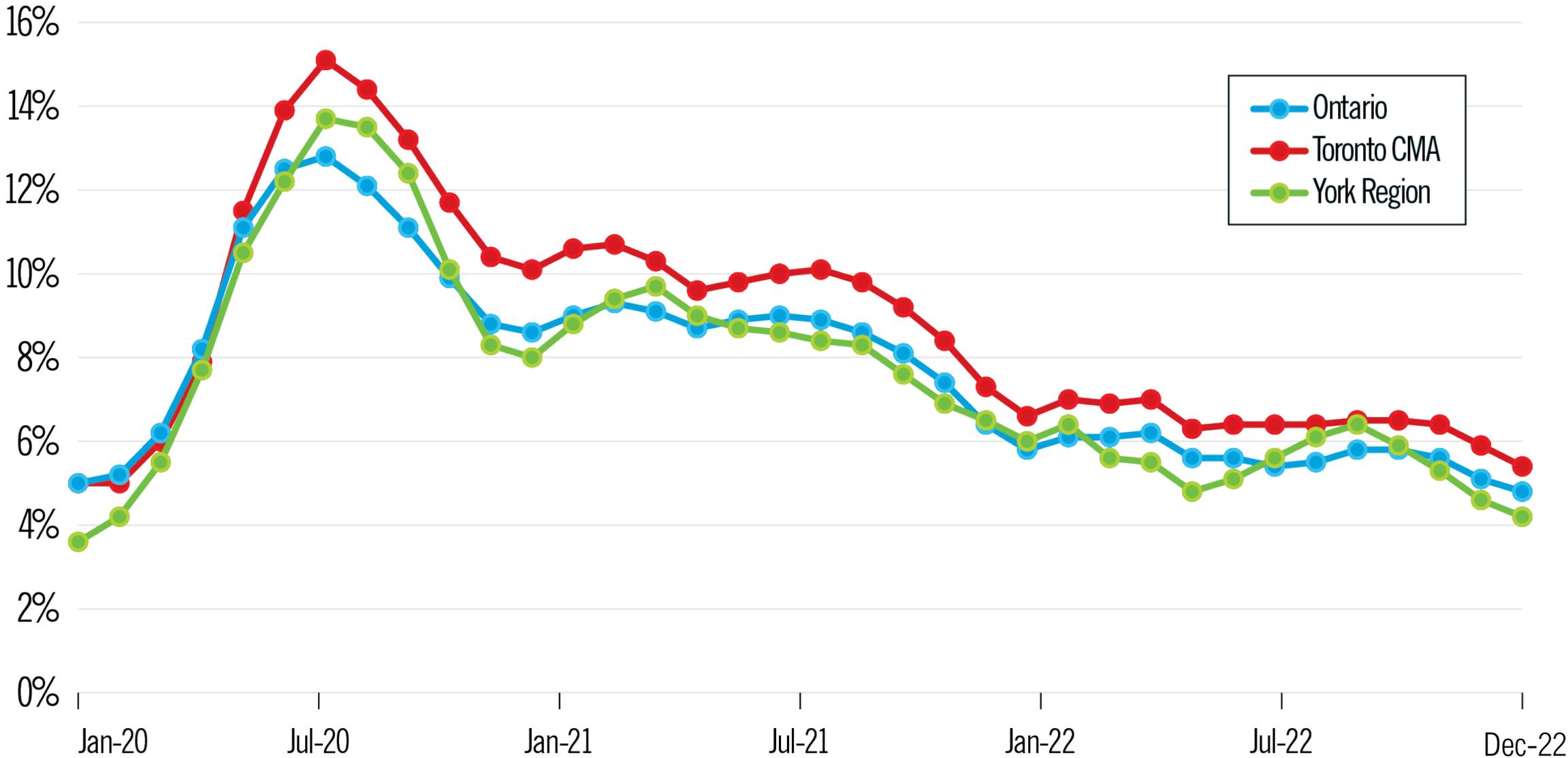


# EMPLOYMENT GREW BY 27,600 JOBS BETWEEN 2019 AND 2022



Source: York Region Planning and Economic Development Branch, 2002-2019, 2022 and the <sup>1</sup> Conference Board of Canada, 2020, 2021.

# UNEMPLOYMENT RATES APPROACHING PRE-PANDEMIC LEVELS



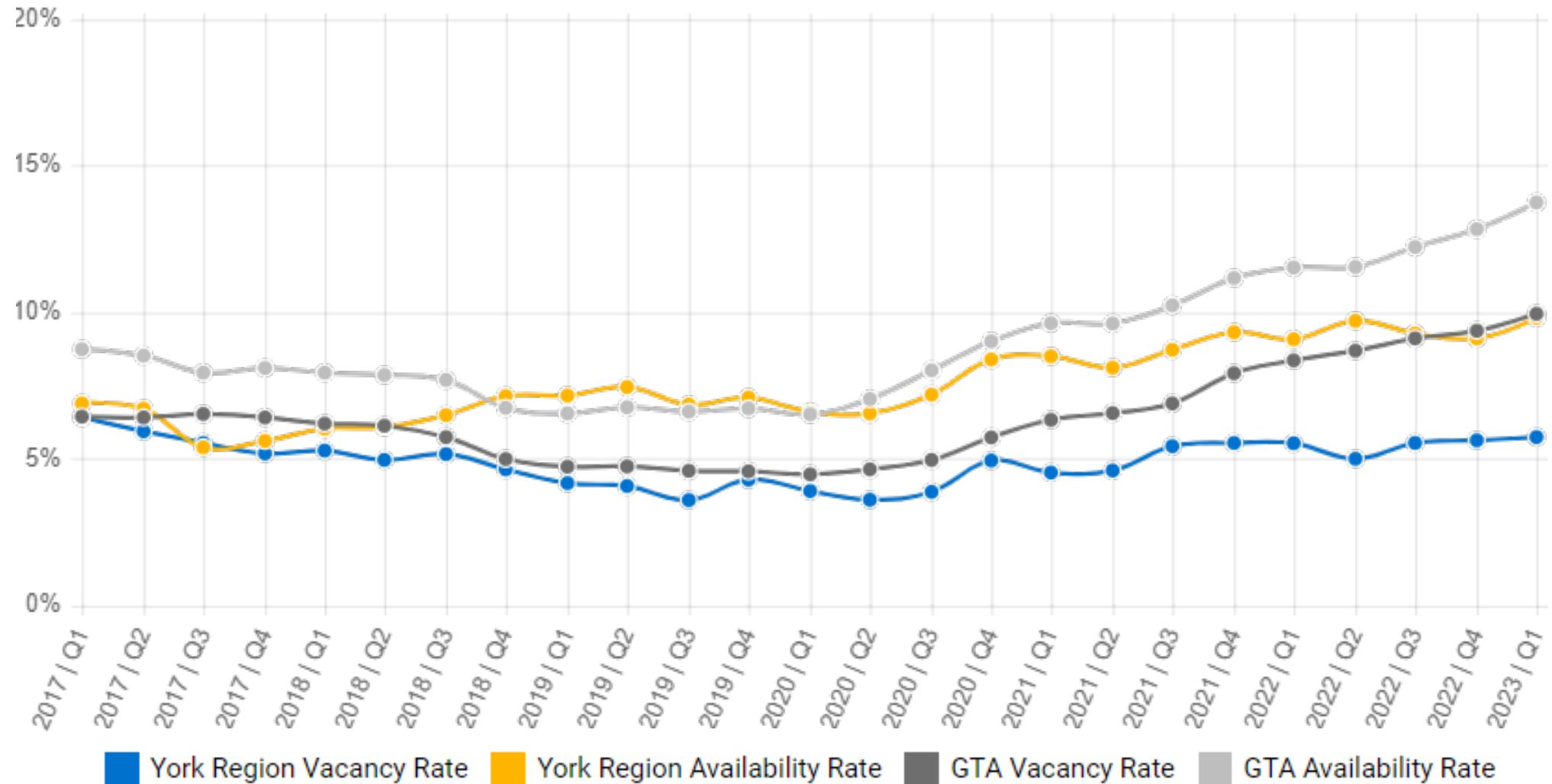
Source: Statistics Canada, Labour Force Characteristics, 3-month moving average, unadjusted for seasonality \*CMA – Census Metropolitan Area

# SUPPLY OF 2,367 HECTARES OF VACANT EMPLOYMENT LANDS PROVIDES JOB OPPORTUNITIES FOR FUTURE ECONOMIC GROWTH

Municipality	Vacant Employment Land (Ha)
Aurora	113 Ha
East Gwillimbury	420 Ha
Georgina	215 Ha
King	48 Ha
Markham	476 Ha
Newmarket	19 Ha
Richmond Hill	64 Ha
Vaughan	935 Ha
Whitchurch-Stouffville	77 ha
<b>York Region Total</b>	<b>2,367 Ha</b>

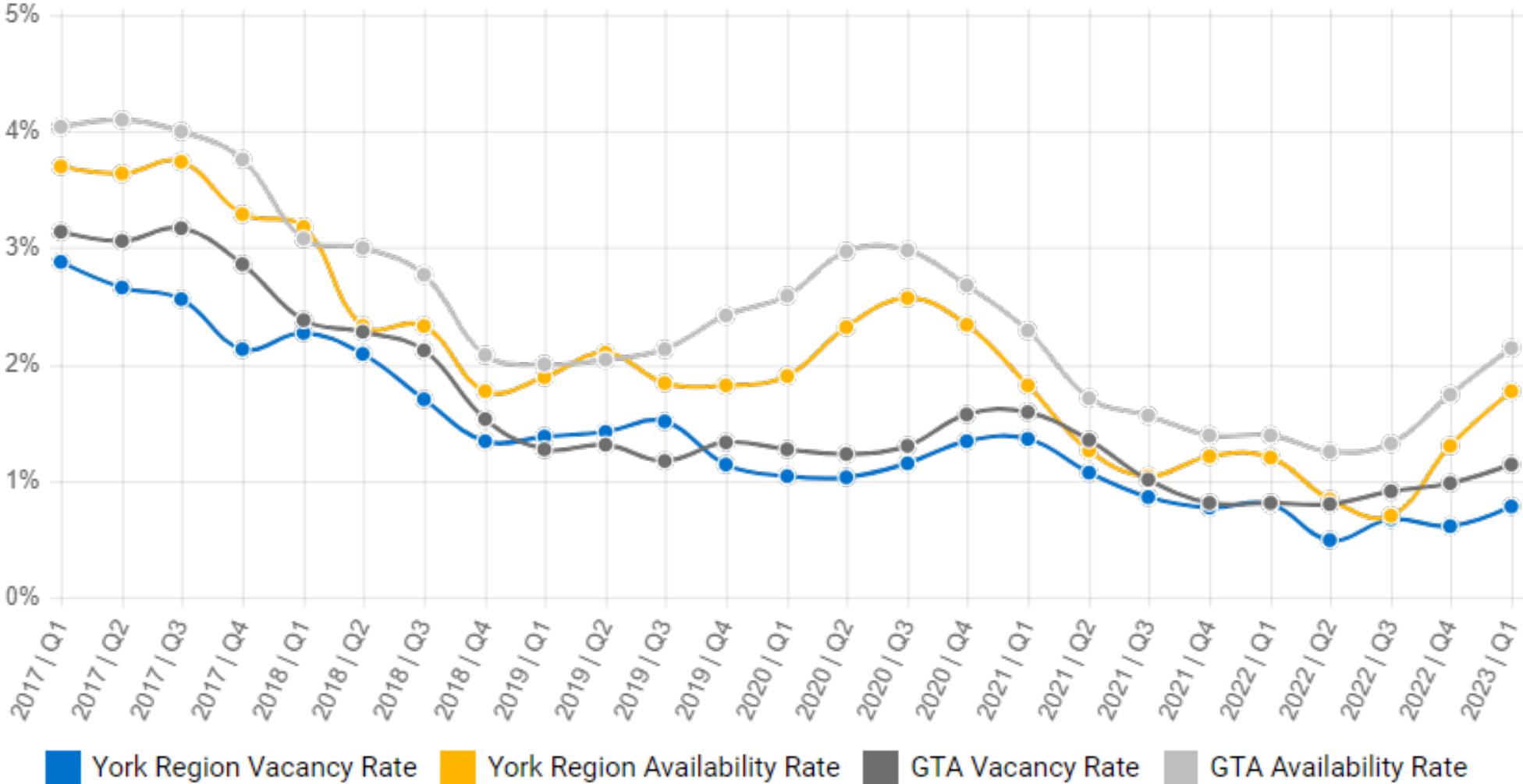
# AN AVERAGE OF 9% OFFICE SPACE IS FOR LEASE OR SUB-LEASE

York Region and GTA Office Availability and Vacancy Rates



# INDUSTRIAL SPACE EXPERIENCING OPPOSITE TREND

York Region and GTA Industrial Availability and Vacancy Rates



# YORK REGION'S LABOUR FORCE REPLACEMENT RATIO IS DECREASING



# YORK REGION'S MEDIAN HOUSEHOLD INCOME RANKS SECOND AMONG MUNICIPALITIES IN ONTARIO



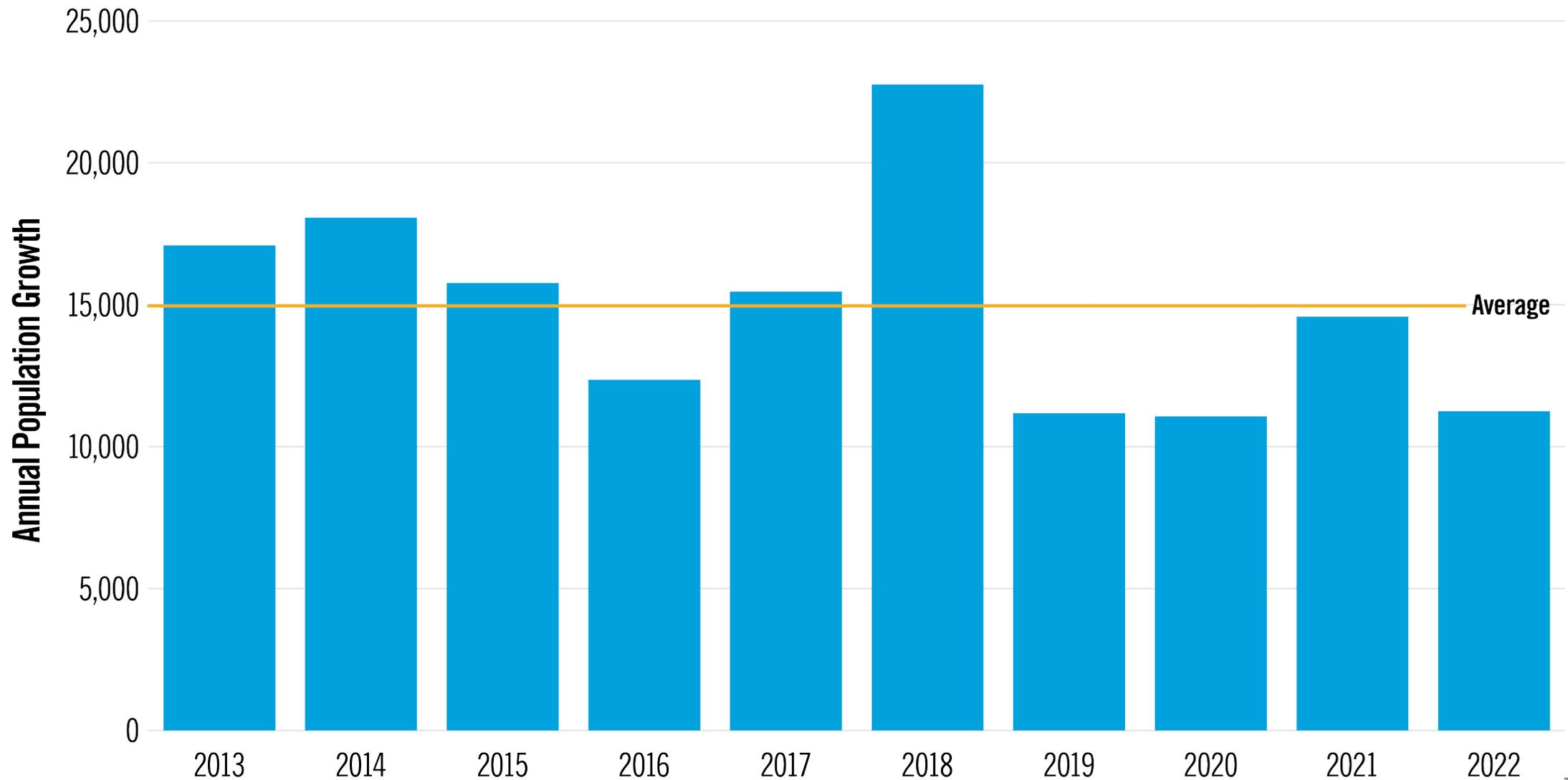
# THE ECONOMIC DEVELOPMENT ACTION PLAN IS PROGRESSING WELL

- Collective work to support the business community is delivering results (multiple programs and services)
- York Link marketing platform

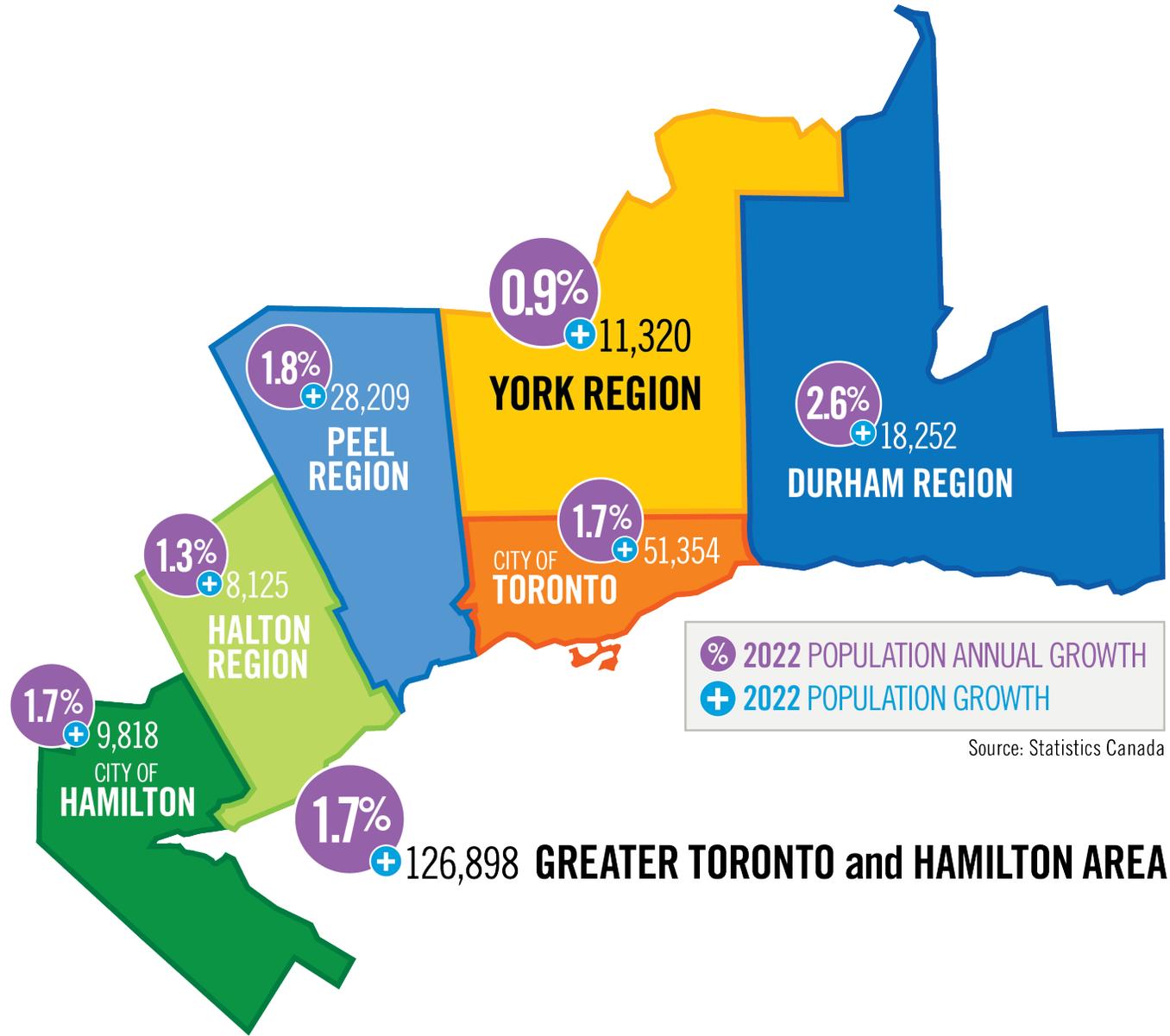


# POPULATION

# ANNUAL POPULATION GROWTH REMAINS MODERATE



# 0.9% POPULATION GROWTH RATE IN YORK REGION IN 2022



# AFFORDABILITY CHALLENGES LIKELY IMPACTING GROWTH IN SOME GTA MUNICIPALITIES

## Top 3 Municipalities with People Moving Out, 2016-2022

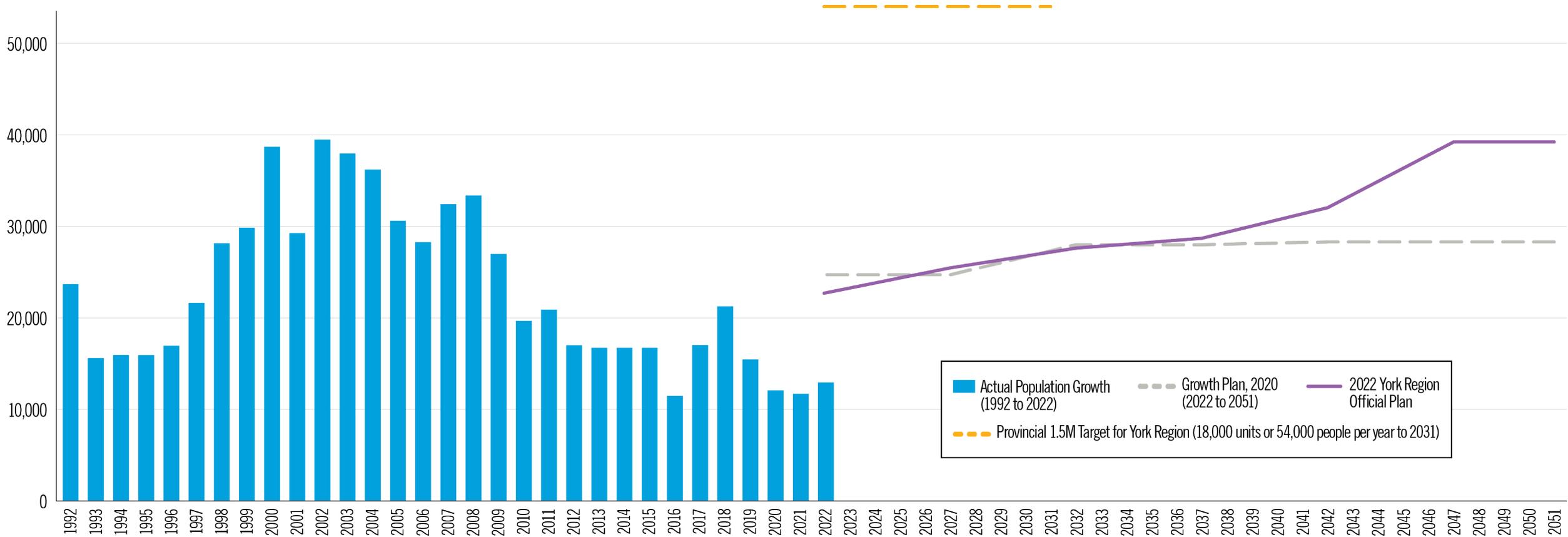
City of Toronto	-228,169
Peel Region	-151,282
York Region	-18,355

## Top 3 Municipalities with People Moving In, 2016-2022

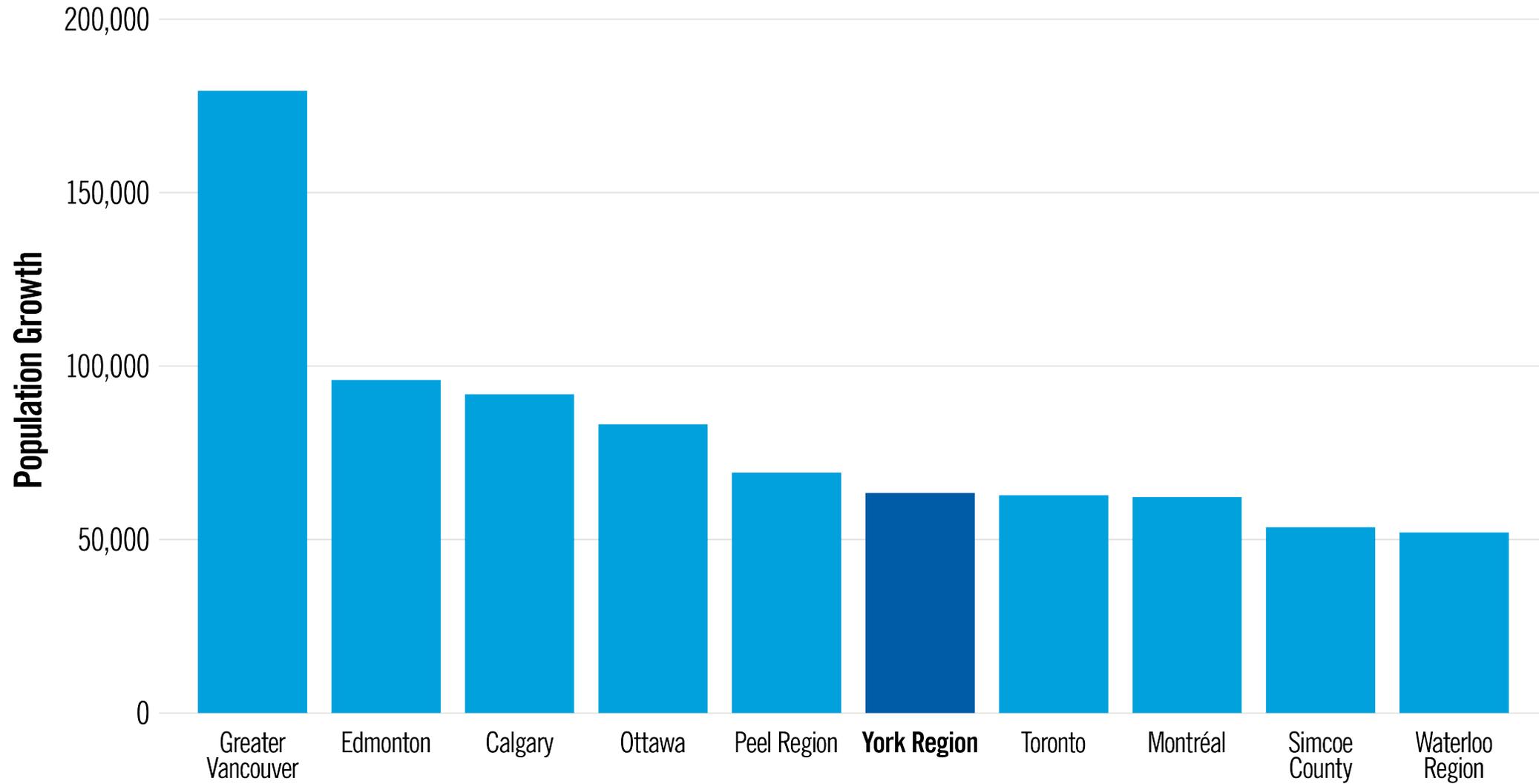
Simcoe County	60,576
Durham Region	45,560
Niagara Region	28,394

Source: Statistics Canada, Toronto Metropolitan University

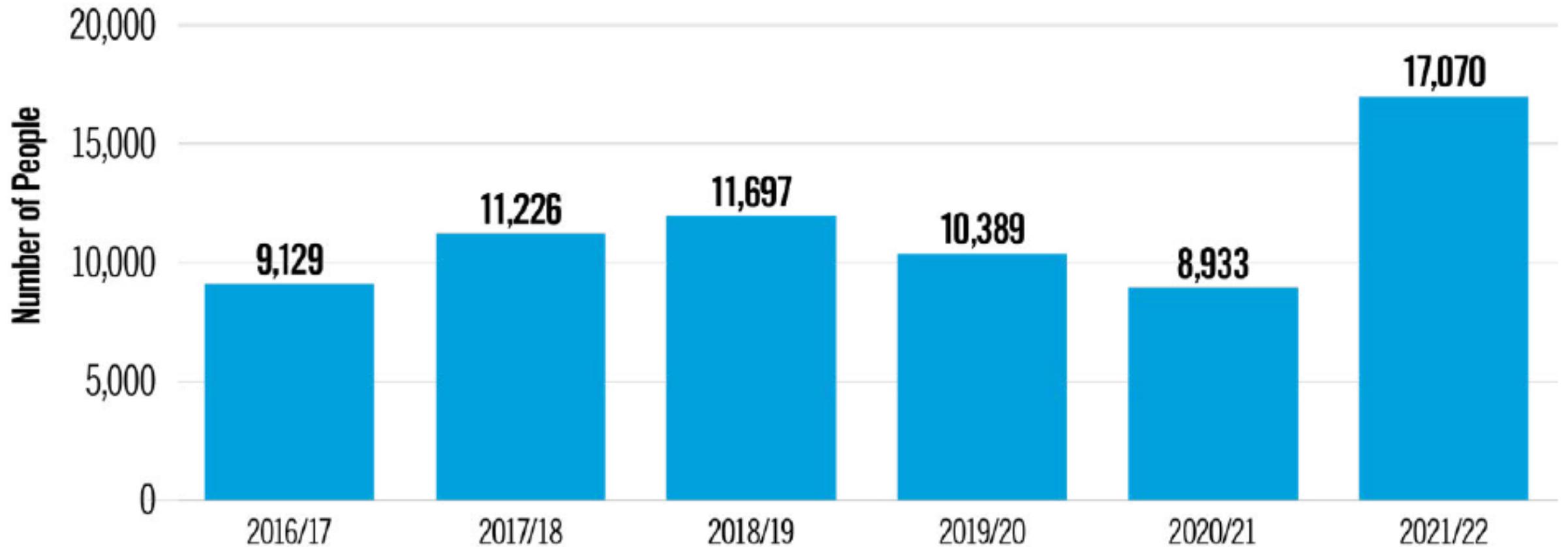
# YORK REGION ACTUAL AND FORECASTED POPULATION GROWTH



# YORK REGION WAS 6th HIGHEST GROWING MUNICIPALITY IN CANADA FROM 2016 to 2021



# IMMIGRATION IS A KEY DRIVER OF YORK REGION'S POPULATION GROWTH

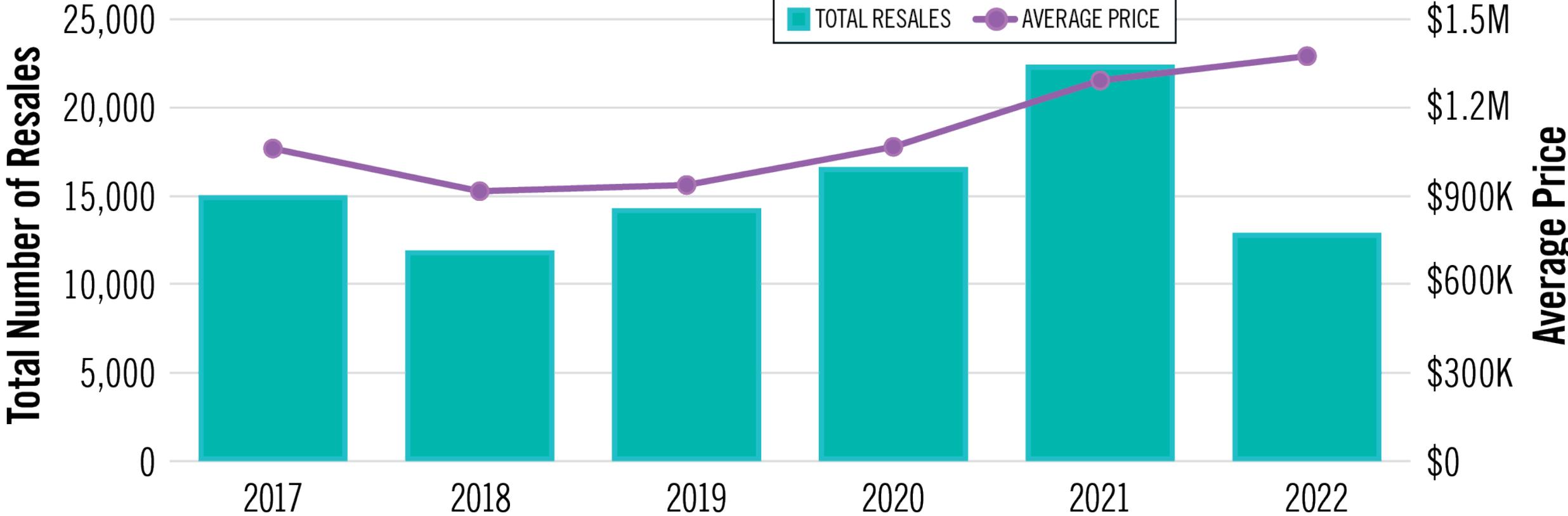


# HOUSING

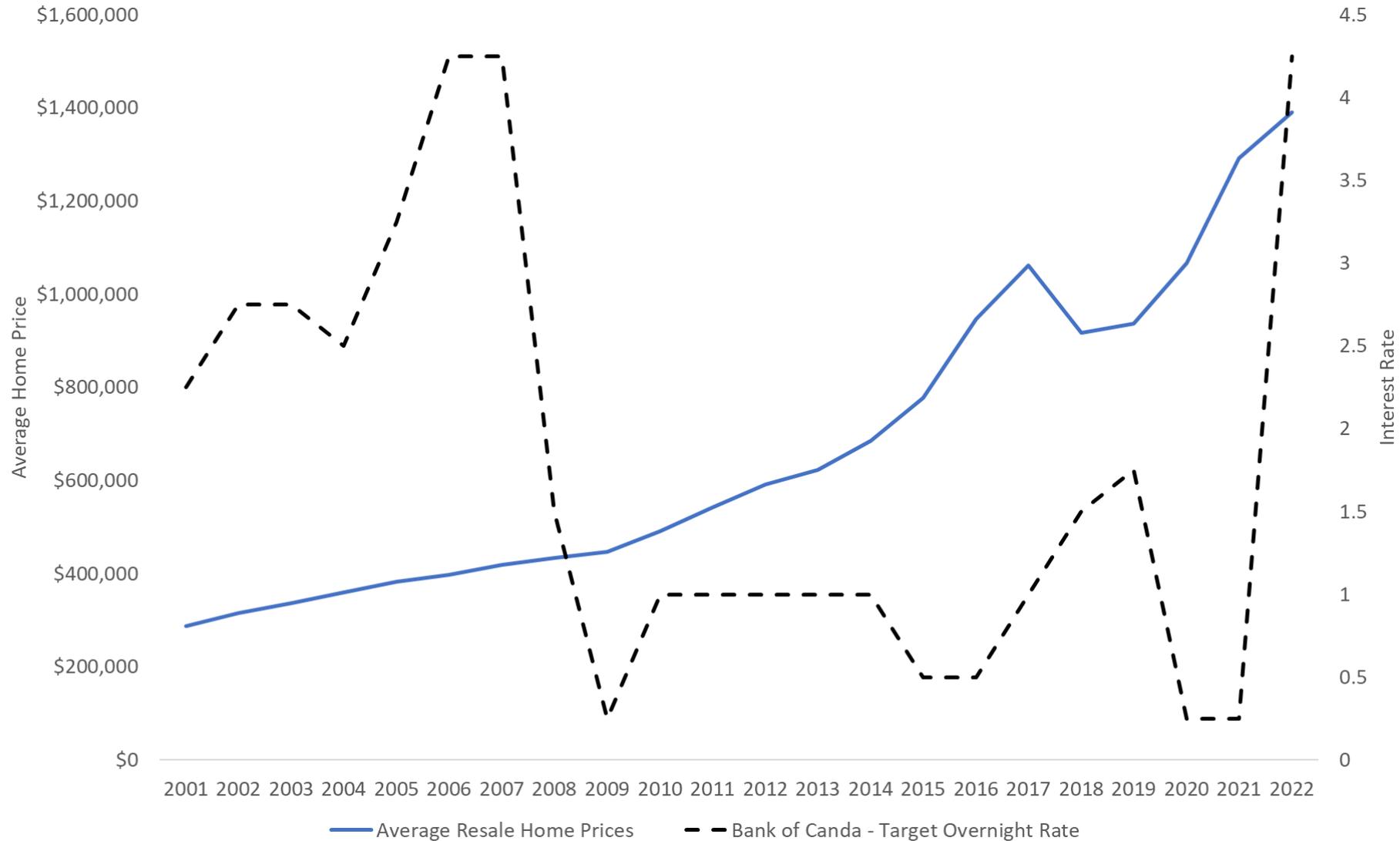
# YORK REGION WAS 9<sup>th</sup> ACROSS CANADA WITH 7,120 RESIDENTIAL BUILDING PERMITS

RANK	Municipality	Number of Permits	Percent Change from 2021
1	Greater Vancouver	32,927	30.0%
2	City of Calgary	15,202	-8.5%
3	Peel Region	14,718	-0.8%
4	City of Toronto	13,964	-45.3%
5	City of Edmonton	12,247	-9.9%
6	City of Ottawa	9,175	-4.1%
7	City of Montréal	9,087	-23.7%
8	Québec City	7,813	34.0%
<b>9</b>	<b>York Region</b>	<b>7,120</b>	<b>-34.0%</b>
10	Durham Region	6,837	4.0%

# DECREASE IN REALES BY 42% FROM 2021 TO 2022

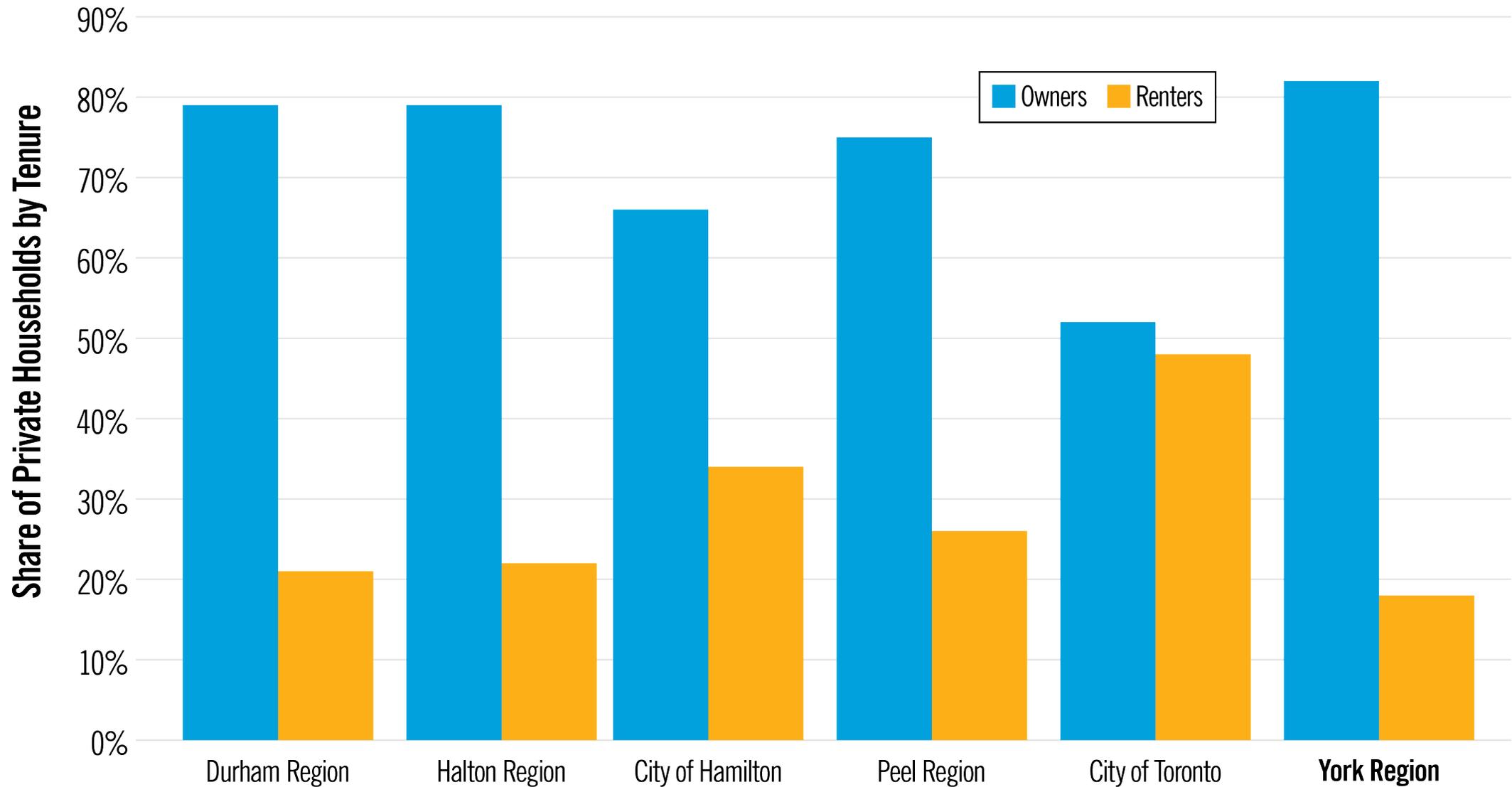


# HOUSE PRICES ARE RELATED TO INTEREST RATES



Source: TRREB Market Watch Reports, 2001-2021 and Bank of Canada Target Overnight Rate as of December of each year, 2001 - 2022

# YORK REGION HAS THE HIGHEST RATE OF HOME OWNERSHIP IN THE GTHA



# A HEALTHY SUPPLY OF HOUSING IS REGISTERED

## Registered Plans of Subdivision and Condominium Units, 2018 to 2022

	2018	2019	2020	2021	2022
Registered Plans of Subdivision	6,344	1,290	2,462	2,259	2,909
Registered Plans of Condominium*	3,068	890	5,770	1,992	2,529
Total	9,412	2,180	8,232	4,251	5,438

\* Includes apartment units

York Region has an approved housing supply of 65,900 units of registered unbuilt, draft approved and units under construction

# TOTAL OF 21,700 PROPOSED HOUSING UNITS RECEIVED IN 2022

## Proposed Residential Units Received from 2018 to 2022

	2018	2019	2020	2021	2022
Proposed Subdivision Units (Single/Semi/Townhouse)	9,843	1,776	5,781	1,692	3,168
Proposed Site Plan Units	14,402	7,428	13,637	12,353	18,547
<b>Total proposed units</b>	<b>24,245</b>	<b>9,204</b>	<b>19,418</b>	<b>14,045</b>	<b>21,715</b>

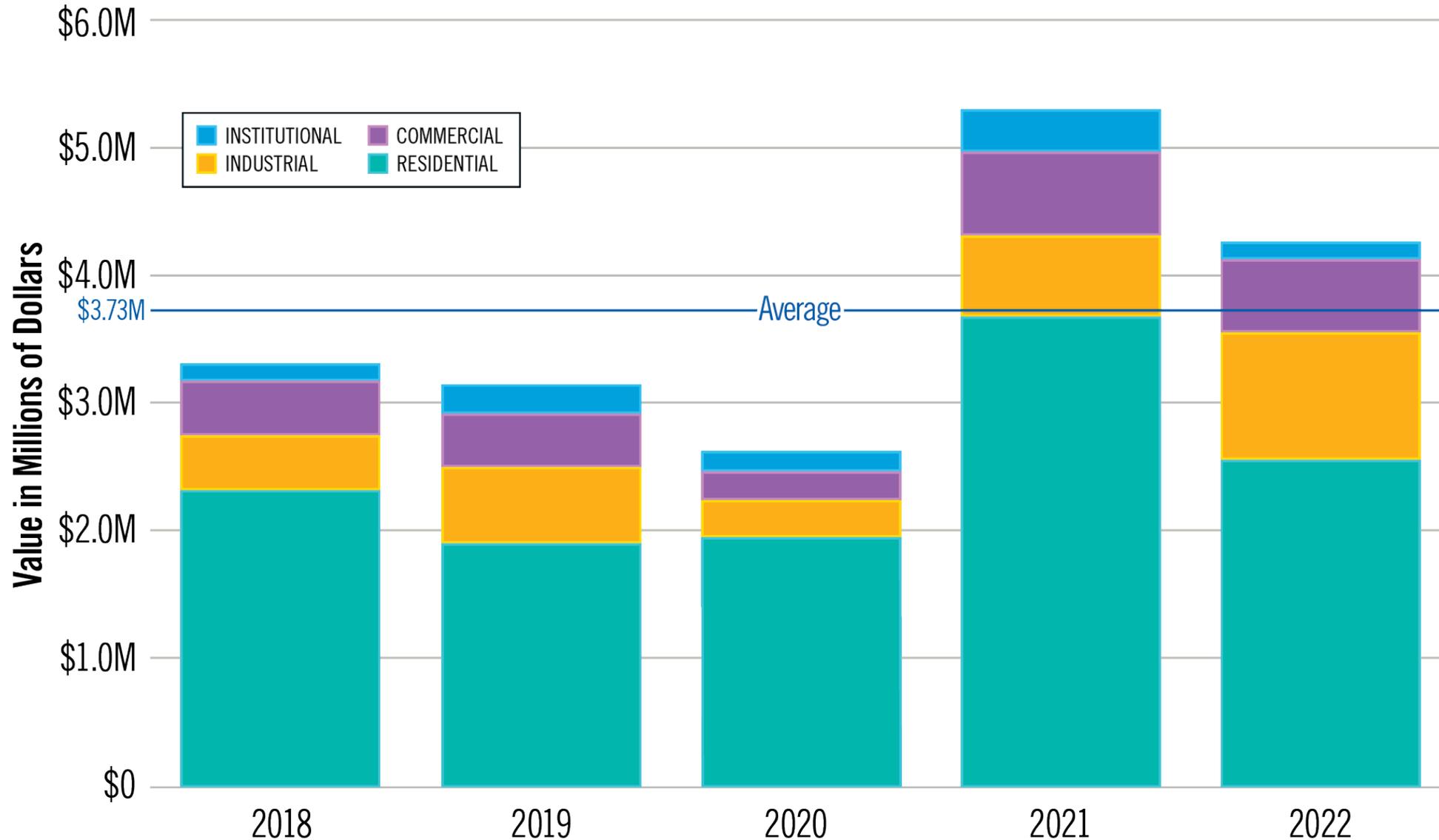
Note: Includes site plan applications with no regional requirements.

# CONSTRUCTION VALUES

# YORK REGION RANKED 7th IN TOTAL CONSTRUCTION VALUES ACROSS CANADA

RANK	Municipality	Total Value (\$000s)	Percent Change from 2021
1	Greater Vancouver	\$15,843,356	53.9%
2	City of Toronto	\$11,477,745	-2.4%
3	City of Calgary	\$7,557,971	28.2%
4	City of Montréal	\$5,313,990	7.1%
5	City of Edmonton	\$5,227,675	73.3%
6	Peel Region	\$4,993,340	18.6%
<b>7</b>	<b>York Region</b>	<b>\$4,269,418</b>	<b>-19.6%</b>
8	Québec City	\$3,331,704	84.9%
9	City of Ottawa	\$3,321,007	-10.3%
10	Durham Region	\$2,965,328	24.2%

# TOTAL CONSTRUCTION VALUE OF \$4.3 BILLION IN 2022



Source: Local Municipal Building Reports, 2018-2022. Note: Agricultural permits are included under the industrial category.

# SUMMARY

- Cautious optimism for Canadian and Ontario economies beyond 2022
- Substantial serviced employment land available to build
- Population growth remains moderate
- Increased immigration important for maintaining labour force and will require housing
- Economic activity is strong

**THANK YOU**



# VACANT EMPLOYMENT LAND MAP

## YORK REGION 2022 VACANT EMPLOYMENT LAND INVENTORY

