



The Conference Board
of Canada

Toronto's Economy in 2015

Brighter Growth Outlook, but Risks Persist

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Ontario Near Term Outlook

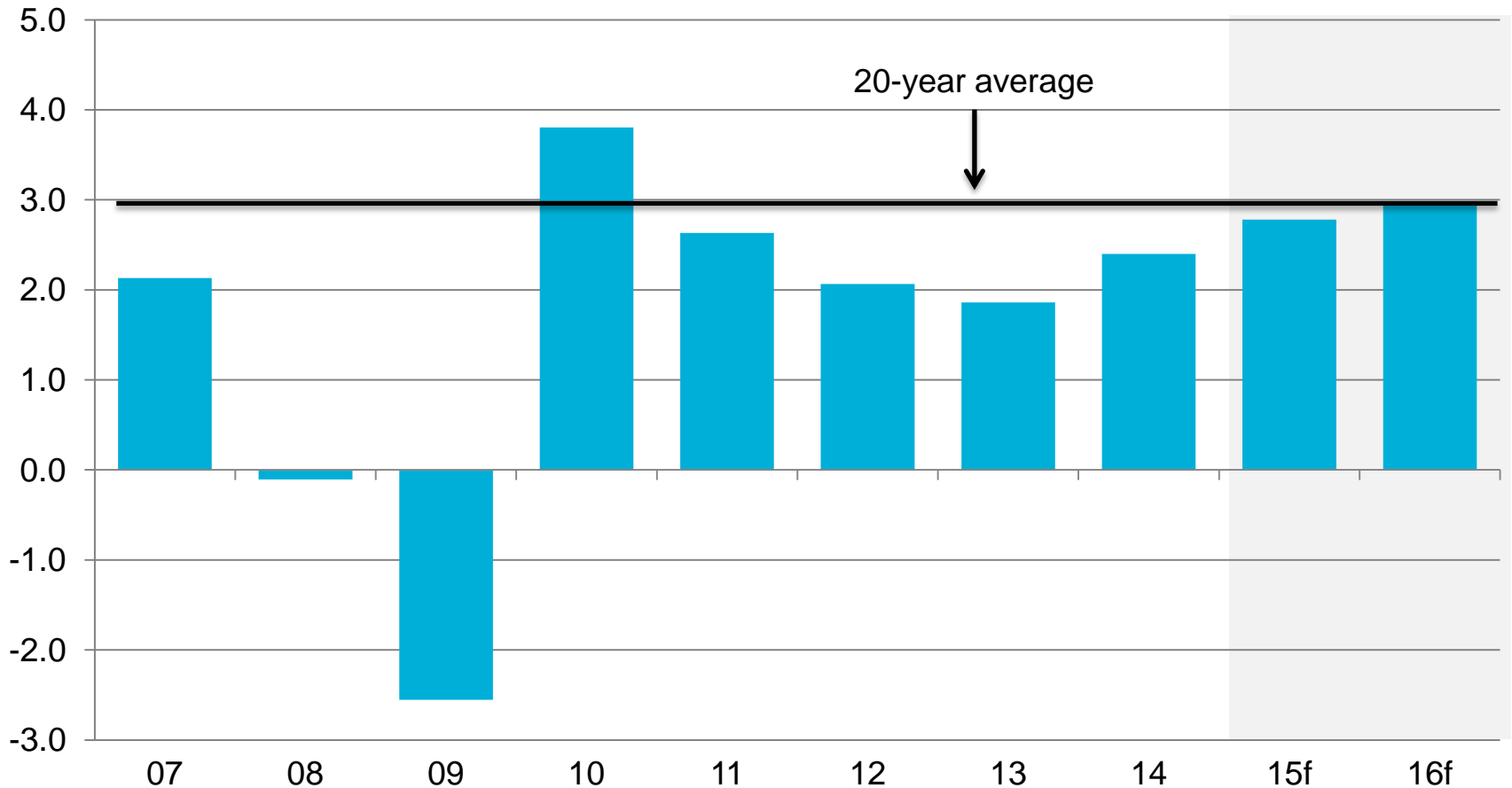
- The economy is finally improving in Ontario
- Job creation has picked up and consumers are more confident
- The government is expected to breathe new life into the economy with additional infrastructure spending
- Exports should be a source of strength
- A balanced budget is years away and most of the harsh fiscal measures have yet to kick in

Toronto Outlook: Highlights

- Manufacturing will benefit from strengthening U.S. economy and weaker dollar....
-but a long period of weak investment means the capacity to boost production is limited
- Tourism outlook is bright, thanks to weaker dollar, lower gas prices, and upcoming Pan Am Games
- We expect a soft landing for housing
- The contribution to growth from the federal and provincial governments will be moderate

Real GDP Growth.

Toronto.



Source: The Conference Board of Canada.

Toronto vs. its Peers

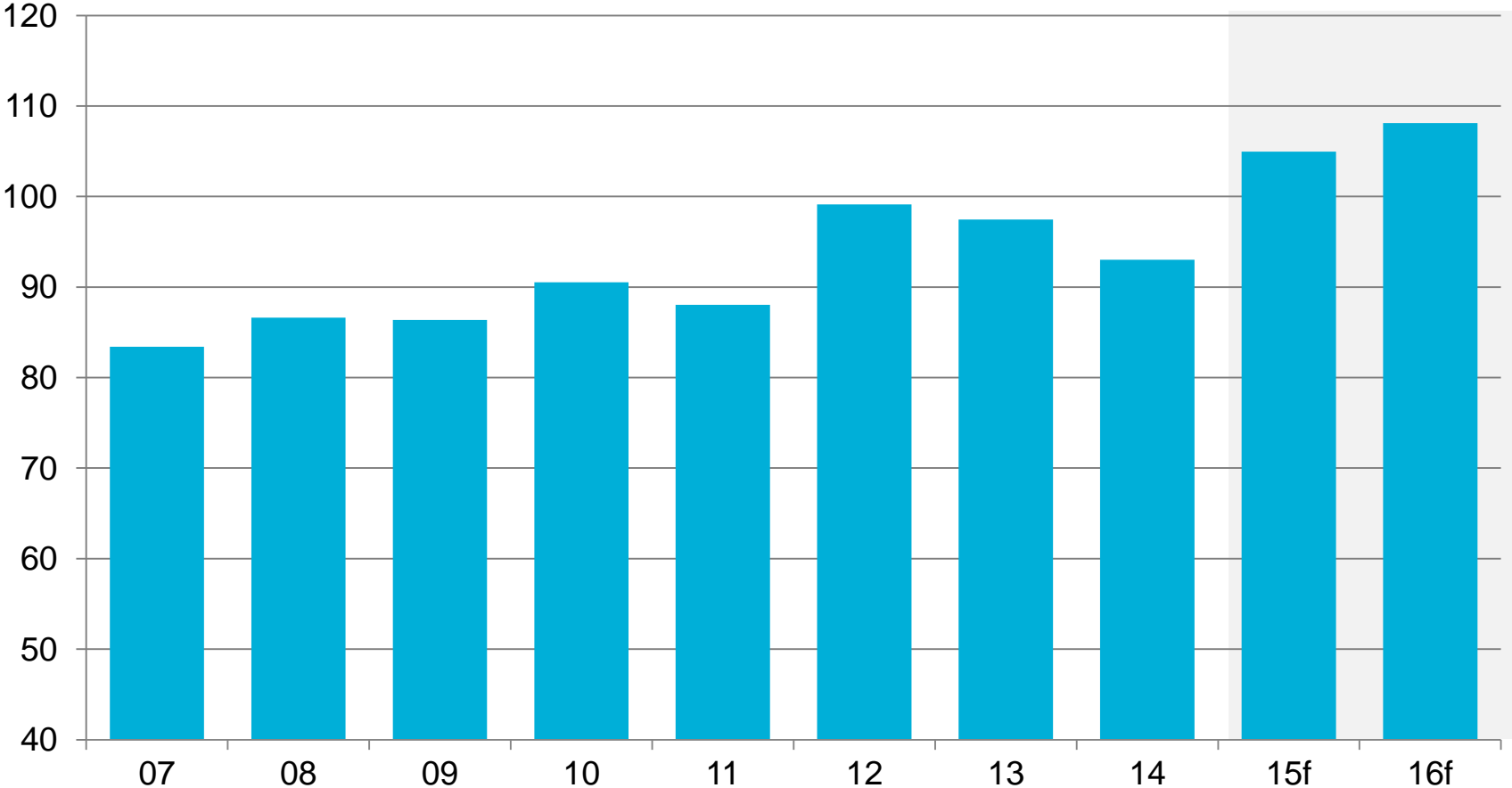
- In CBoC's recent third *City Magnets* report, City of Toronto ranks 13th out of 50 Canadian cities on attractiveness to migrants.
- In TRBoT's sixth annual *Toronto as a Global City* report, the Toronto region ranks 3rd out of 24 global metro areas on liveability and economic performance.
- Toronto offers a high-quality of life...
- ... but struggles in innovation-related areas such as productivity, patents, venture capital investment and IPOs.

Toronto as a Financial Services Hub

- 37 financial services headquarters (HQs) in Toronto in 2012, employing nearly 12,000 people.
- About 30 per cent of all Canadian financial services HQs are located in Toronto.
- Only New York, London, and Hong Kong perceived to be more attractive than Toronto.
- Improving transportation infrastructure critical for Toronto to improve its competitiveness.

Toronto Remains a Magnet for People...

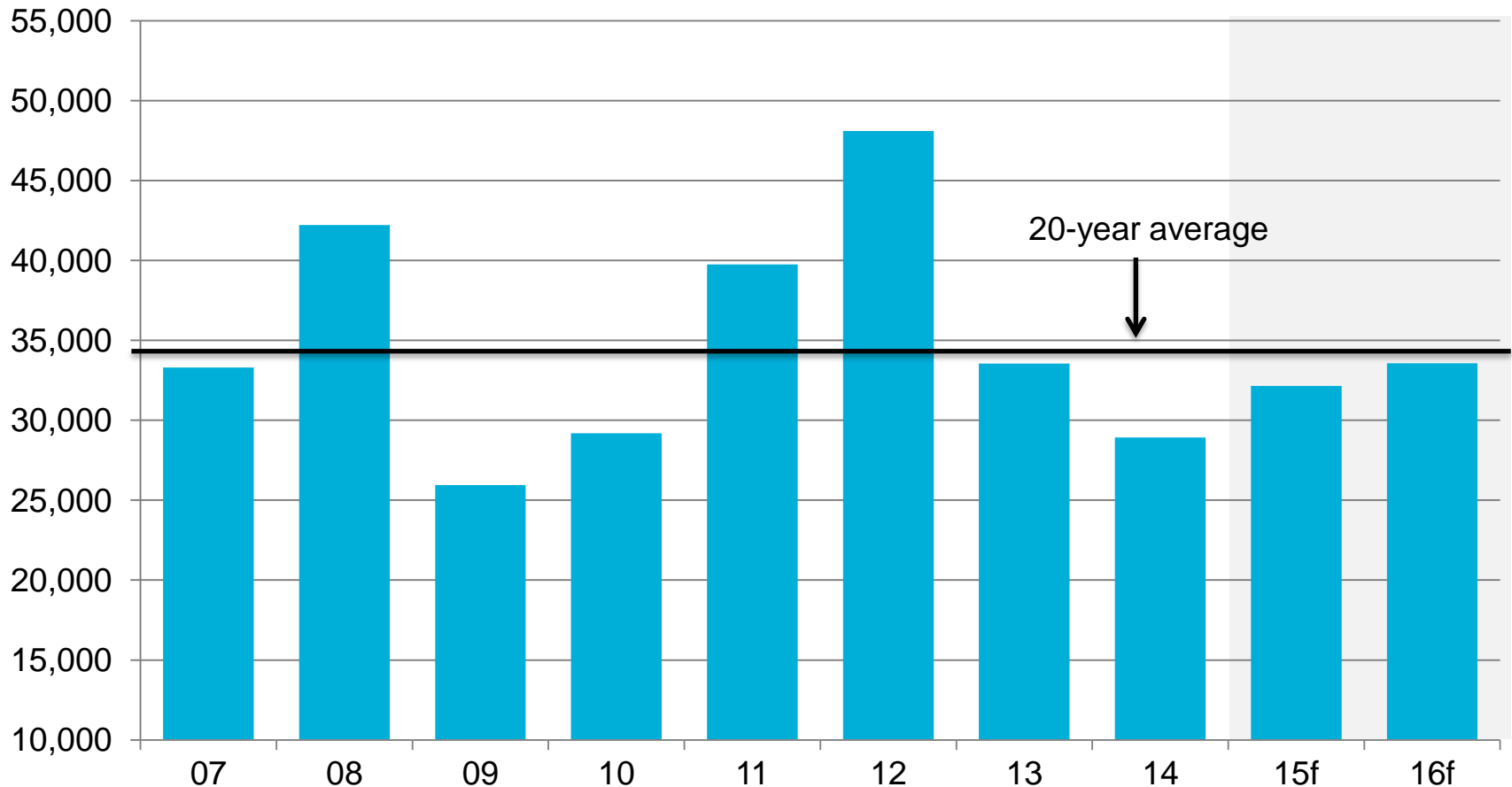
Annual Population Increases, Toronto (thousands).



Sources: Statistics Canada; The Conference Board of Canada.

..and this Supports the Housing Market.

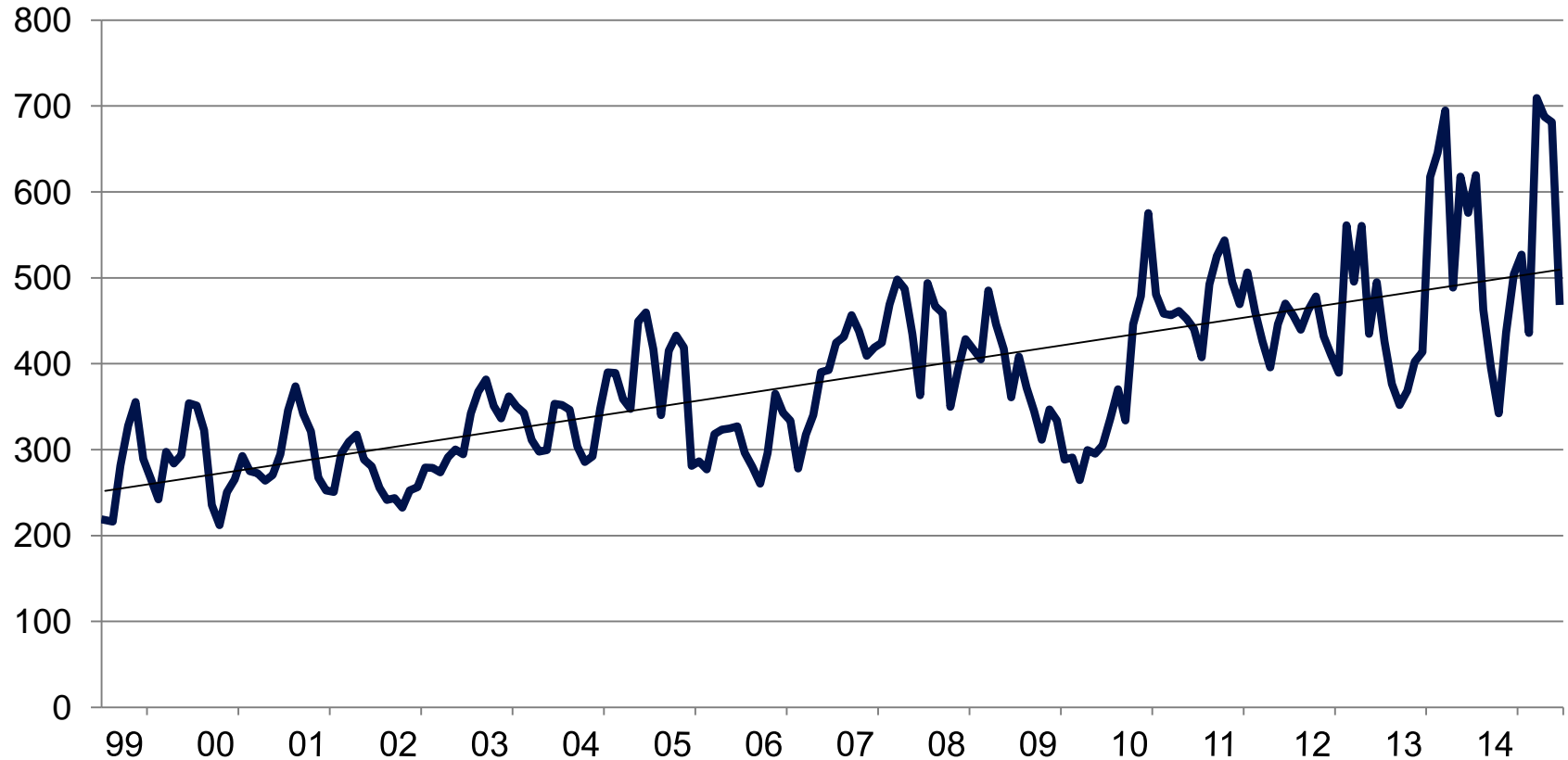
Housing Starts, Toronto.



Sources: CMHC Housing Time Series Database; The Conference Board of Canada.

Non-Residential Building Permits.

Toronto (millions \$, seasonally adjusted, 3MMA).



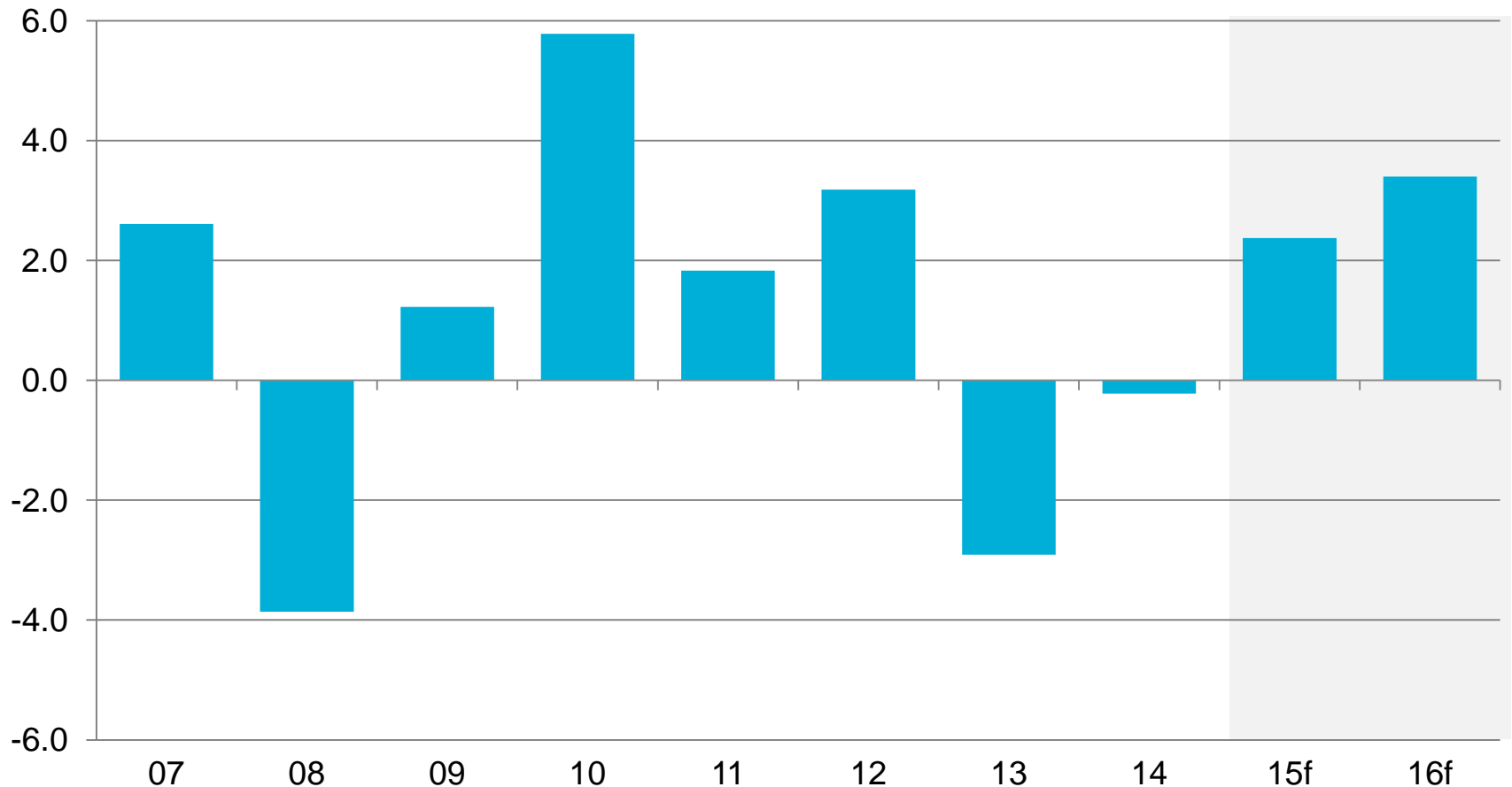
Source: Statistics Canada.



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Real Construction Output Growth.

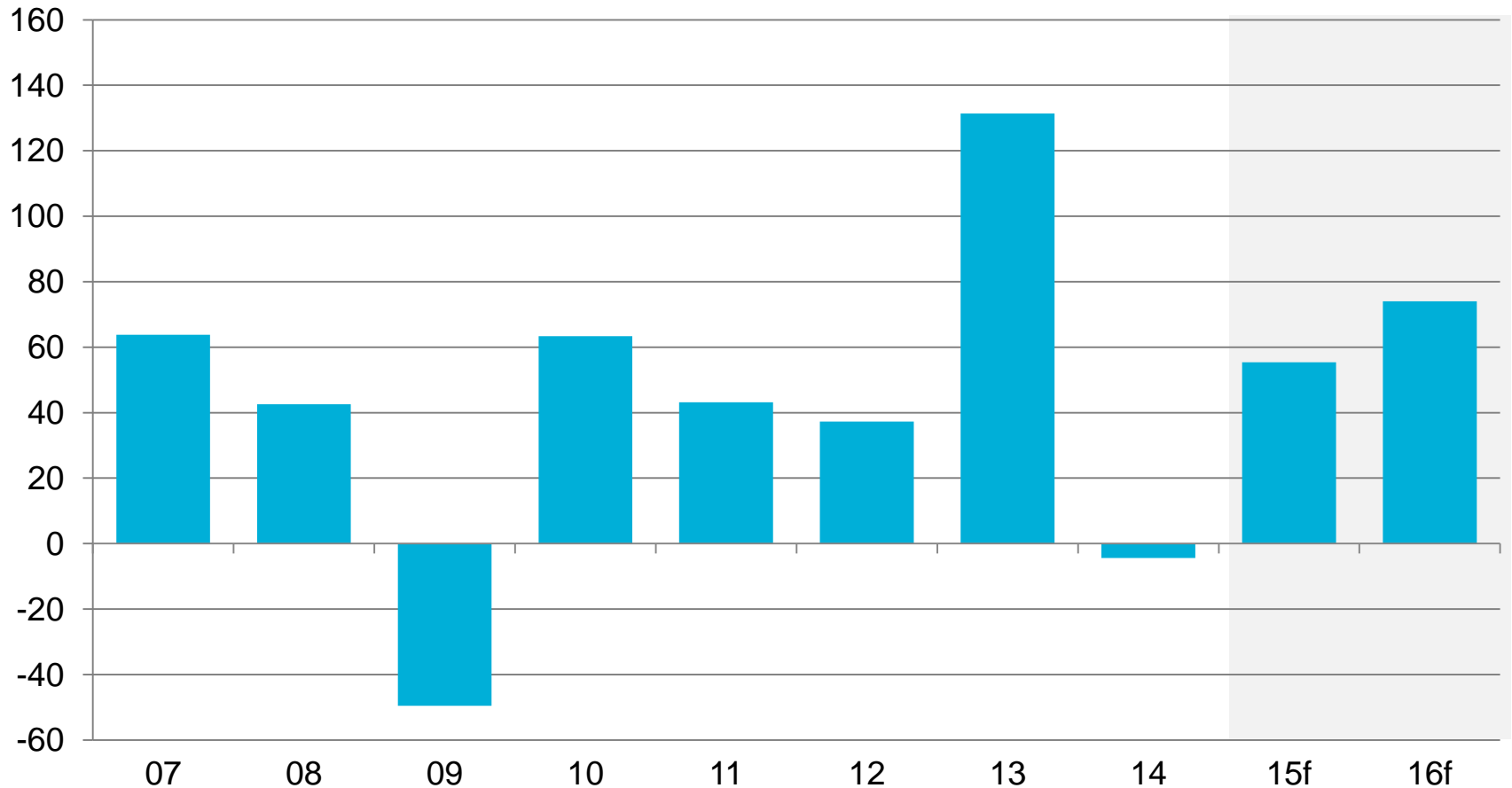
Toronto.



Source: The Conference Board of Canada.

Annual Job Gains.

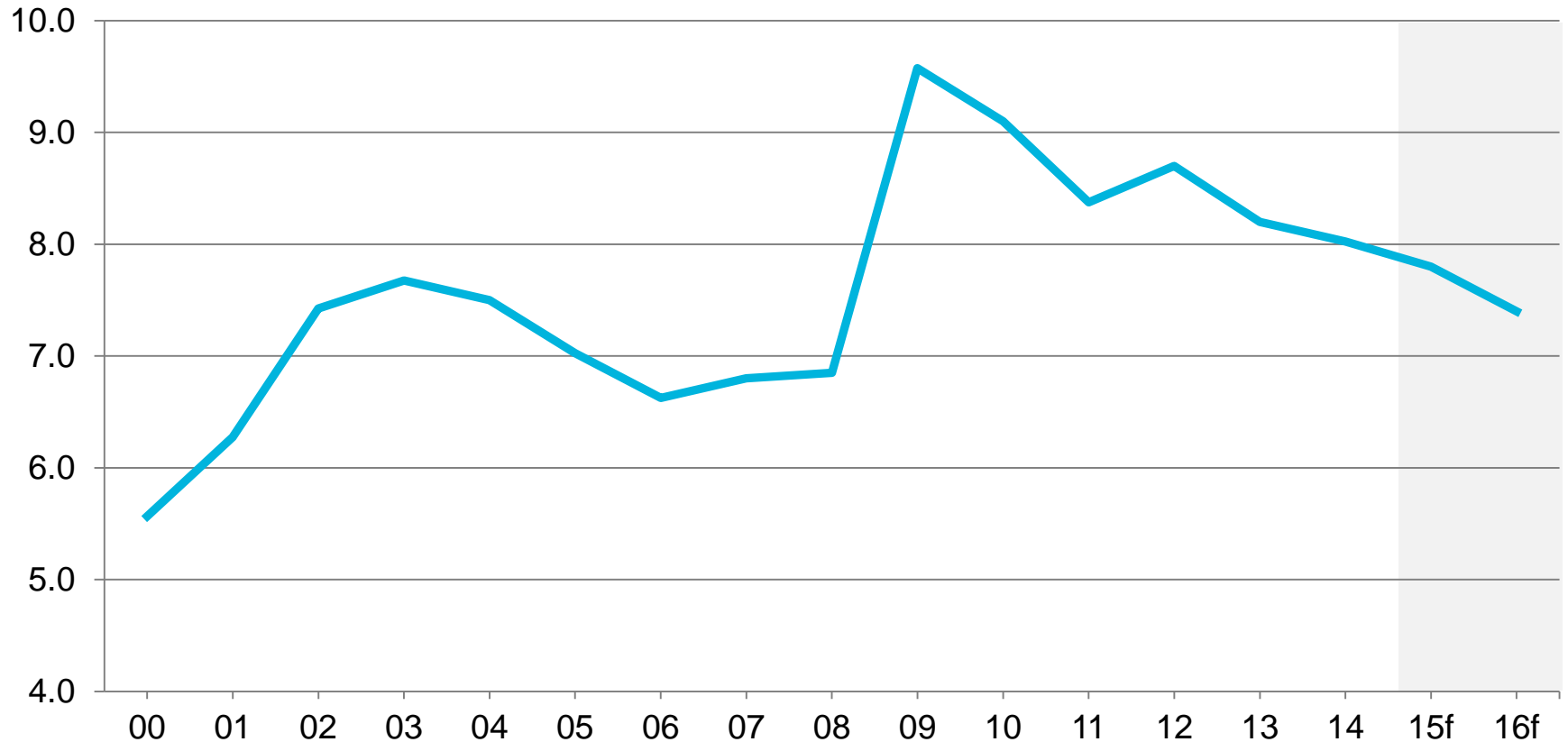
Toronto (thousands).



Sources: Statistics Canada; The Conference Board of Canada.

Unemployment Rate Trending Lower.

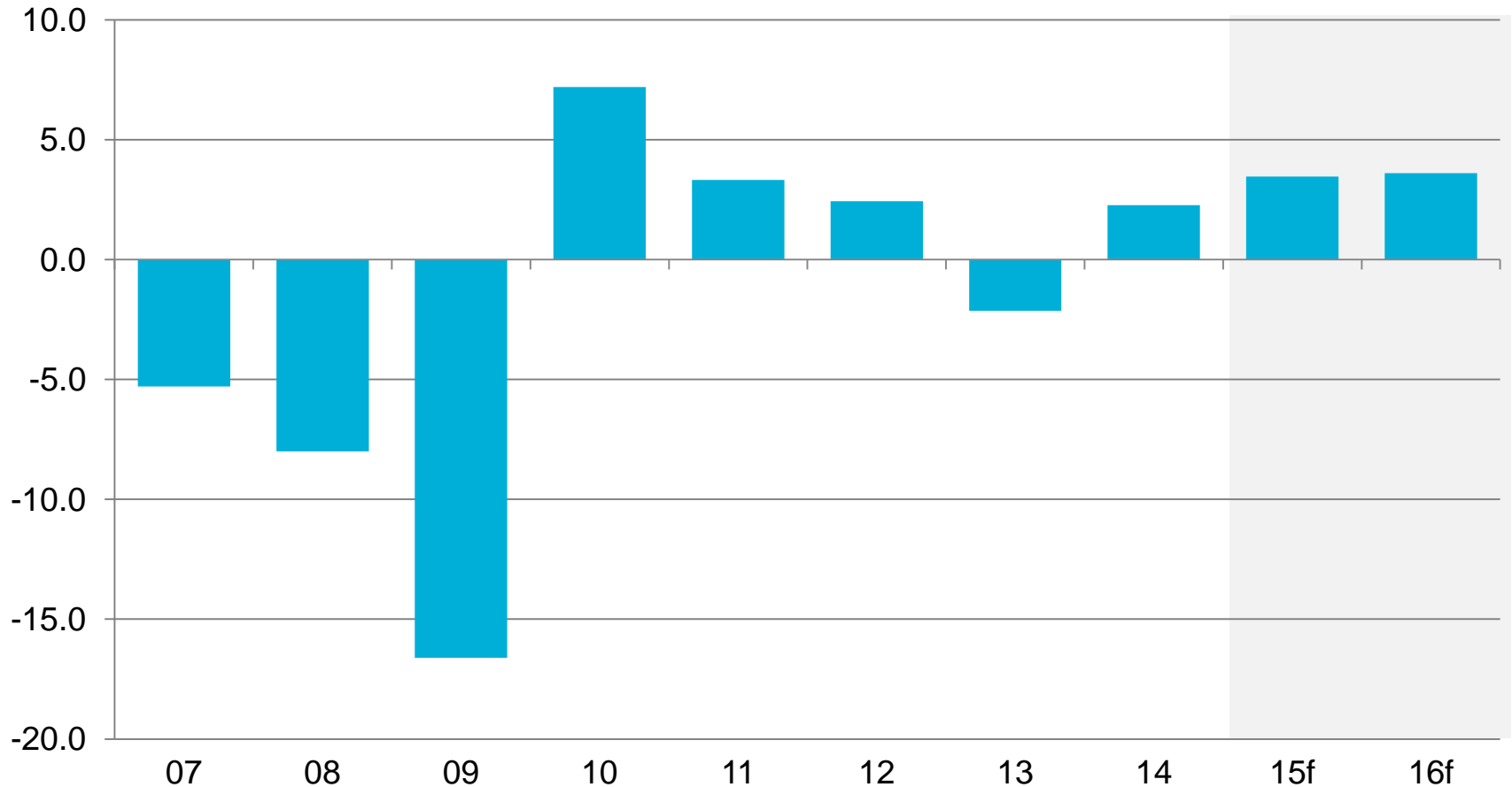
Toronto (2000-16).



Source: The Conference Board of Canada.

Manufacturing Sector Growing Again...

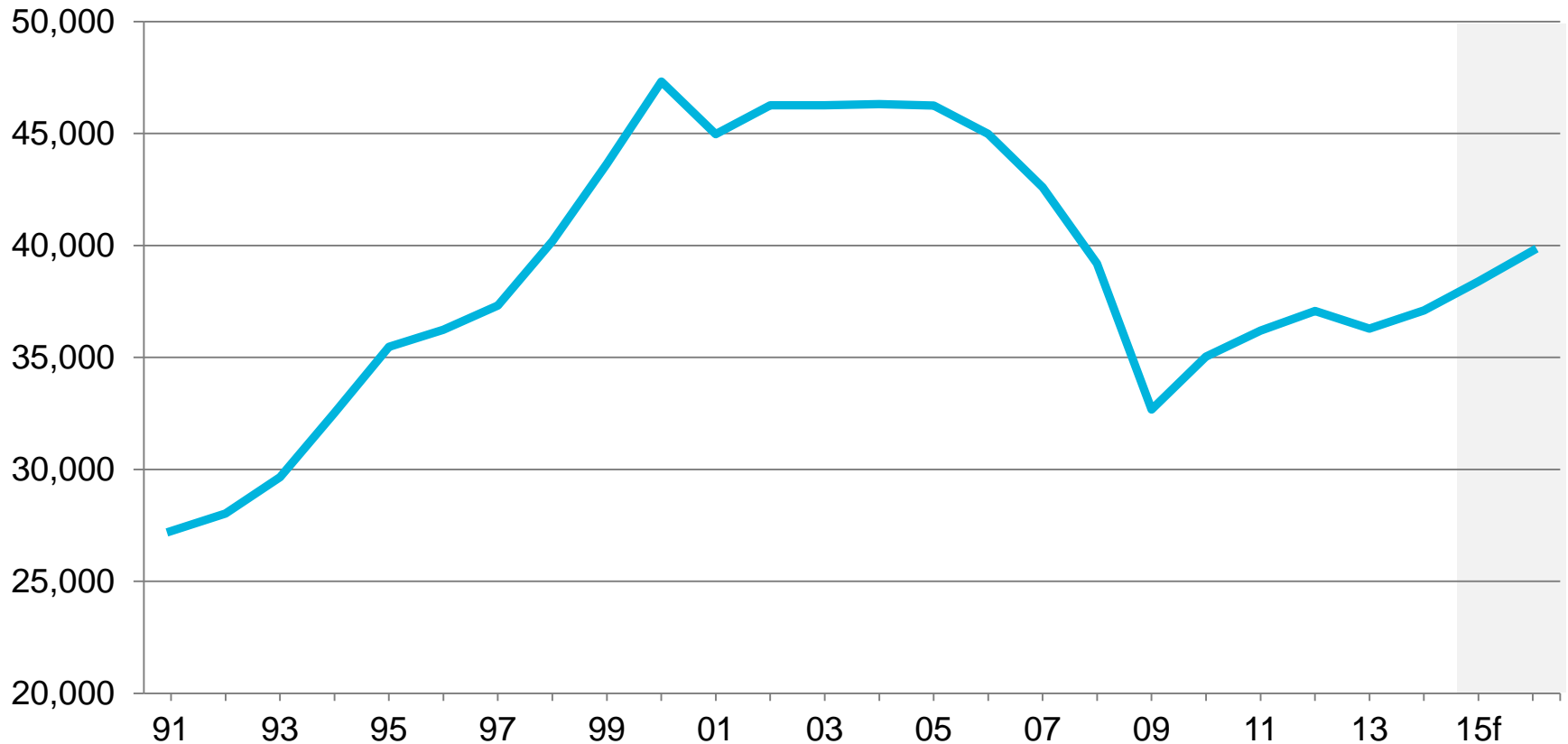
Toronto (Millions \$ 2007, per cent change).



Source: The Conference Board of Canada.

... But Output is Well Below the 2000 Peak.

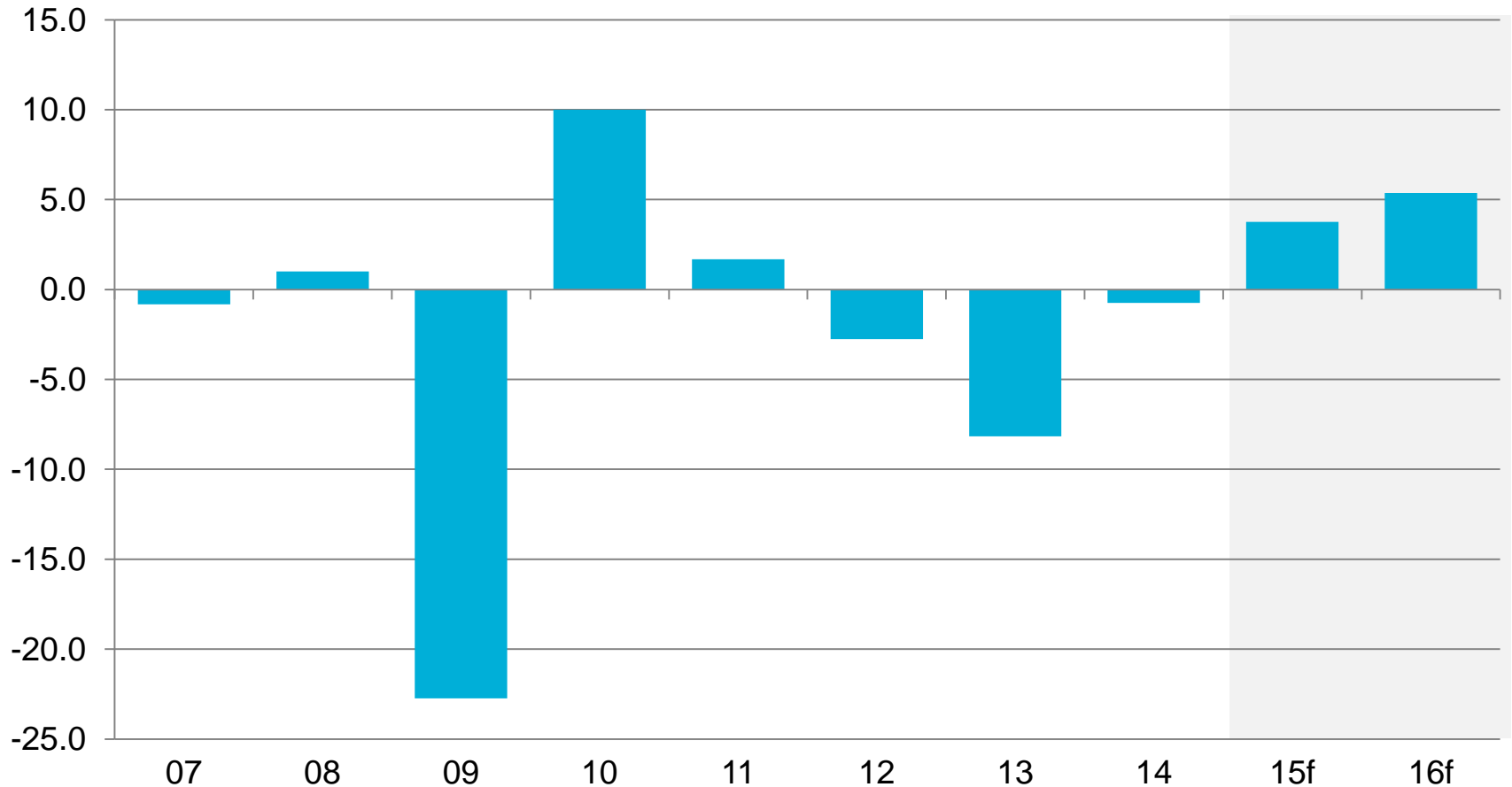
Toronto (Manufacturing output, Millions \$ 2007).



Source: The Conference Board of Canada.

Real M&E Investment Growth.

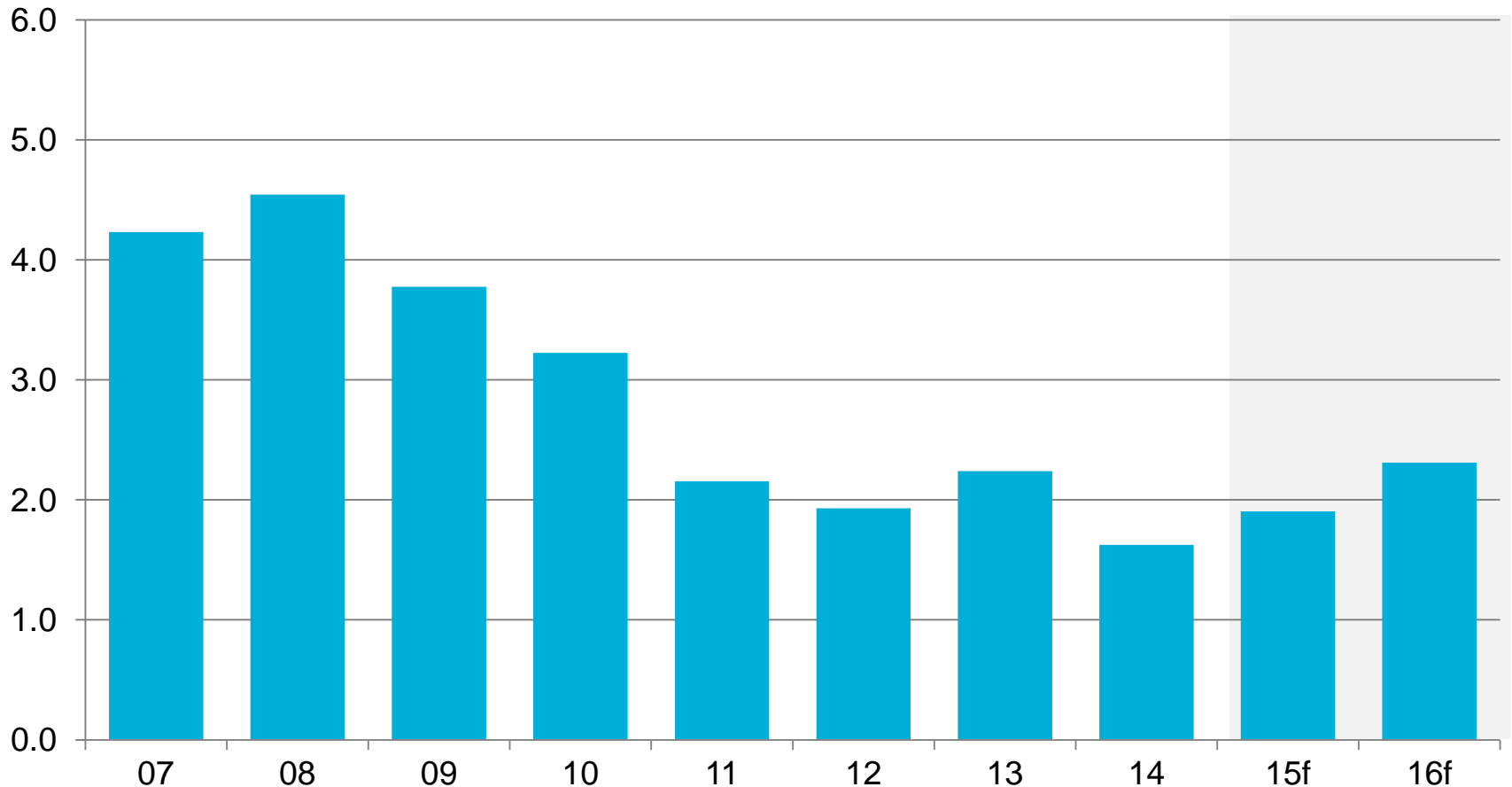
Ontario (2007-16).



Sources: Statistics Canada; The Conference Board of Canada.

Health, Education, and Public Admin. Output.

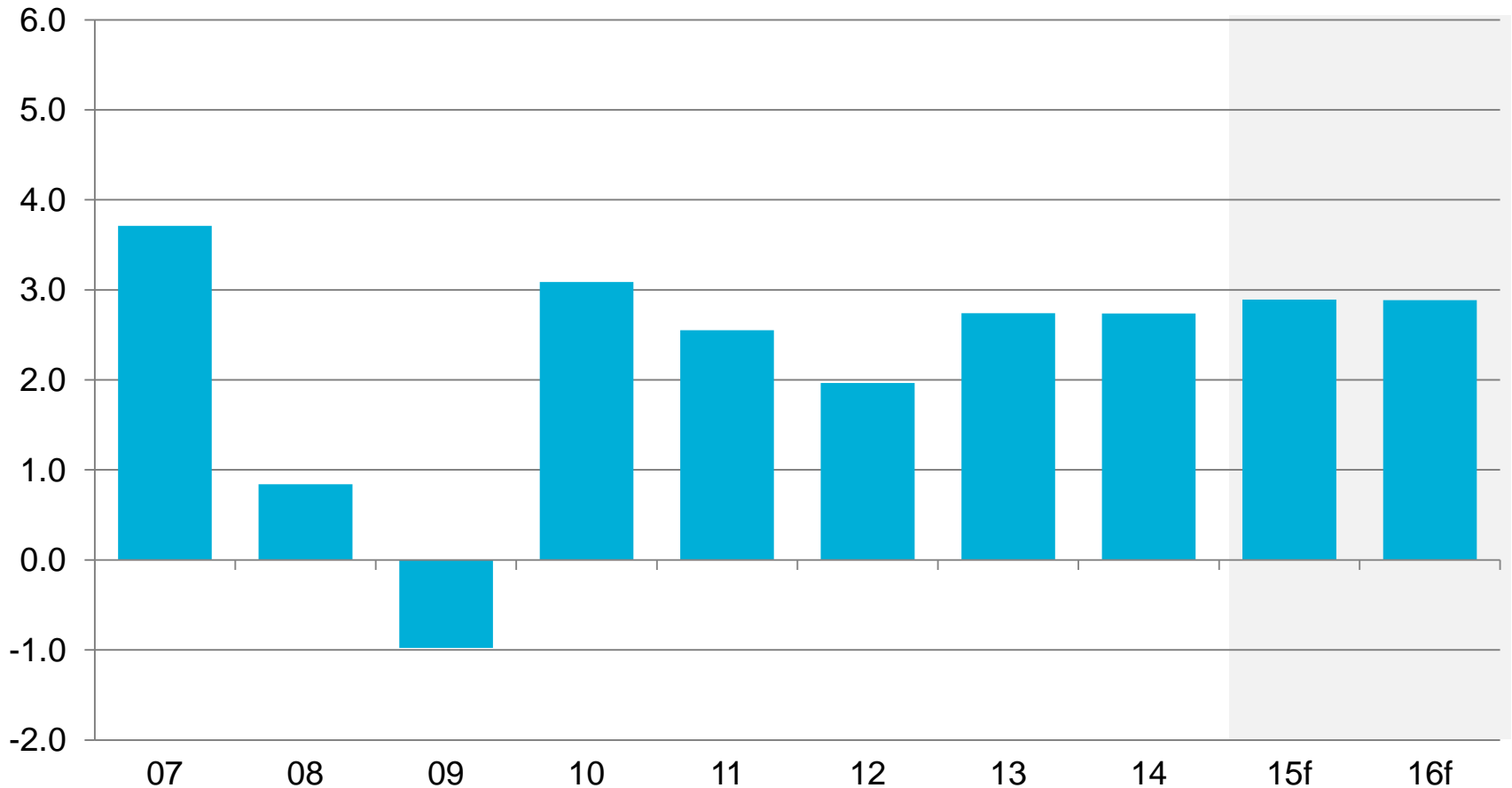
Toronto (millions \$ 2007, per cent change).



Source: The Conference Board of Canada.

Other Services.

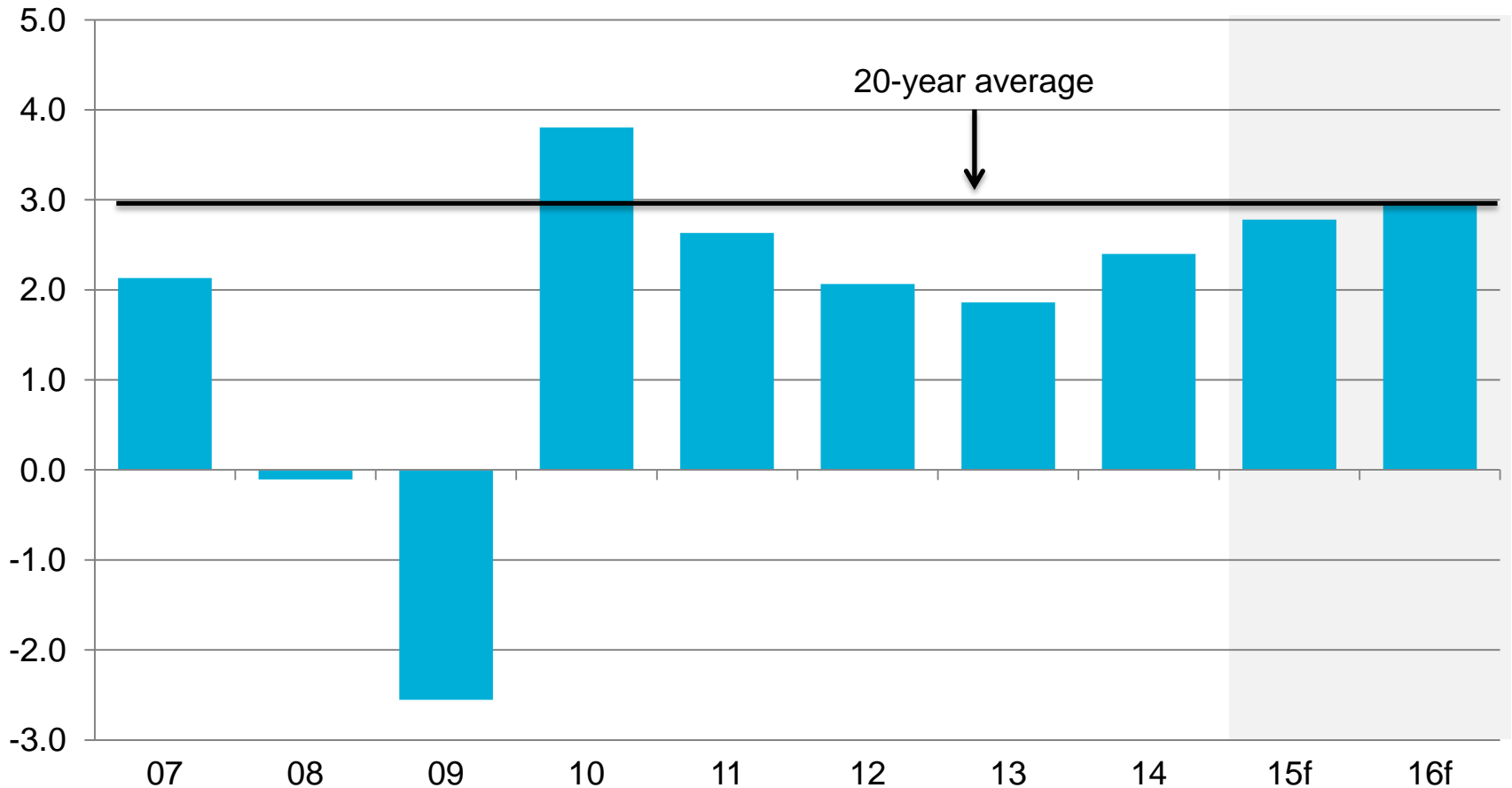
Toronto (millions \$ 2007, per cent change).



Source: The Conference Board of Canada.

Real GDP Growth.

Toronto.



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