TORONTO’S GROWTH ECONOMY

ECONOMIC AND COMMUNITY DEVELOPMENT COMMITTEE
MAY 27, 2019
MAYBE MORE MODERATE, BUT STILL SOLID GROWTH FORECAST

Annual Real GDP Growth – Toronto CMA

Sources: Conference Board of Canada (May 07, 2019), Moody’s Analytics (May 10, 2019), Oxford Economics (March 29, 2019)
TORONTO REMAINS THE ECONOMIC POWERHOUSE OF CANADA

Source: Statistics Canada Table 36-10-0402-01, Labour Force Survey 2018, 2011 NHS,
Conference Board of Canada. 2018
TORONTO RATED A VERY SAFE ECONOMY

% GDP Risk North American Cities
(Region = 0.86%)

Source: Lloyd’s City Risk Index (March 5, 2019)
STRENGTHENING IMMIGRATION
FUELLING STRONGER GROWTH

City of Toronto Population Change by Component

Natural Increase  Intra-provincial  Inter-provincial  International  Net Change

Source: Statistics Canada
JOBS IN THE CITY KEEP GROWING RAPIDLY

City of Toronto Establishment Survey

Source: Toronto Employment Survey
AND THE UNEMPLOYMENT RATE KEEPS DROPPING AS WELL

Annual Unemployment Rates

Unemployment Rate (%)

08 09 10 11 12 13 14 15 16 17 18


*City of Toronto population rebased and seasonal adjustments by City staff
DROPPING PARTICIPATION RATES LATELY ARE TROUBLING

Participation Rates


*City of Toronto population rebased and seasonal adjustments by City staff
RELATIVE HOUSING GROWTH BETWEEN ‘416’ AND ‘905’ FLUCTUATES

Housing Starts

- City - single/semi/row
- City - apartments
- 905 - single/semi/row
- City Share of CMA

Source: CMHC
SLIGHTLY MORE COMMERCIAL AND INDUSTRIAL BUILDING IN THE CITY

Value of C&I Building Permits, City and 905

City of Toronto  905 Municipalities  City Share of CMA

Source: Statistics Canada
STRONG ECONOMY DRIVES DOWN INDUSTRIAL VACANCY RATES

Industrial Vacancy Rate & Occupied Space

Source: Cushman & Wakefield Ltd.
OFFICE VACANCY RATES LOWERING TOO

Office Vacancy Rate & Occupied Space

Change in Occupied Space (Million Sqft - Bars)

Vacancy Rate (Lines)

-1.50 4.0%
-1.00 5.0%
-0.50 6.0%
0.00 7.0%
0.50 8.0%
1.00 9.0%
1.50 10.0%
2.00 11.0%
2.50 12.0%
3.00 13.0%

City of Toronto 905

Source: Cushman & Wakefield Ltd.
NEW OFFICE TOWERS WILL ADD ABOUT 9 MILLION SQUARE FEET

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Address</th>
<th>GFA (Square Feet)</th>
<th>ETA</th>
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</thead>
<tbody>
<tr>
<td>CIBC Square Phase 1 &amp; 2</td>
<td>45 &amp; 141 Bay St</td>
<td>3,000,000</td>
<td>2020/2023</td>
</tr>
<tr>
<td>16 York</td>
<td>16 York St</td>
<td>870,000</td>
<td>2020</td>
</tr>
<tr>
<td>LCBO Tower at Sugar Wharf</td>
<td>100 Queens Quay E</td>
<td>675,000</td>
<td>2021</td>
</tr>
<tr>
<td>160 Front Street West</td>
<td>160 Front St W</td>
<td>1,200,000</td>
<td>2022</td>
</tr>
<tr>
<td>The Well - office</td>
<td>440 Front St W</td>
<td>1,000,000</td>
<td>2022</td>
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Source: Cushman & Wakefield Ltd.
QUESTIONS