SECTION 2

HOW MANY PEOPLE WILL THERE BE IN THE GTA?

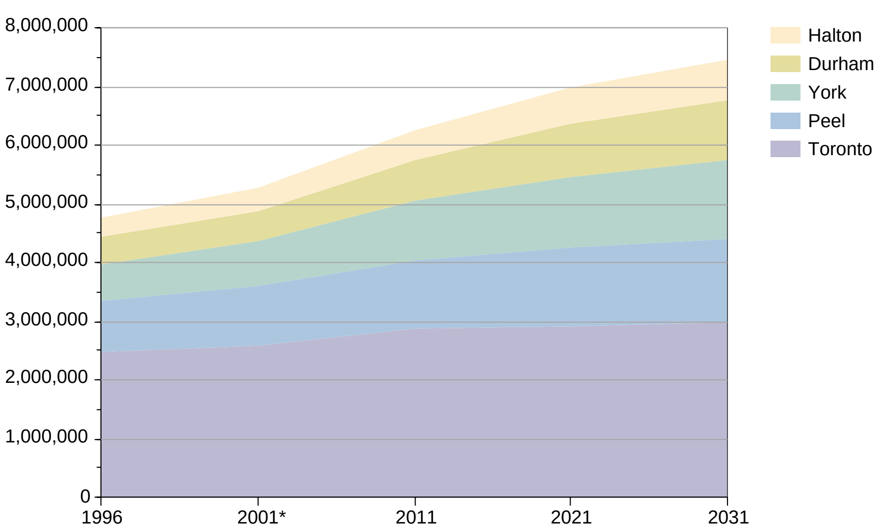
A. REGIONAL POPULATION PROJECTIONS TO 2031

It has been nearly fifty years since the creation of Metropolitan Toronto, a political, administrative and financial structure designed to manage and direct urban change and suburban growth. As a whole, the Greater Toronto Area now experiences some of the same issues that the old City of Toronto did then. The scale and scope of the task at hand have changed but the objective remains the same: To balance the pressure for growth against environmental and social priorities, while growth continues near the urban frontier as it did on the fringes of urban Toronto fifty years before. When Metropolitan Toronto was created, it had a population of 1,117,470. Fifty years later, it has more than doubled to 2,481,494, an average annual growth rate of 4.4% (or 1.61% compounded).

The GTA and Toronto are still growing. The population of the GTA is projected to grow by over 2.6 million to 7.45 million people by 2031. This means that a population equivalent to that of today's City of Toronto is expected to be added to the GTA between 1996 and 2031. The City itself is forecasted to grow by 537,000 people, from 2.463 million to 3 million over this time period.

The Regions are anticipated to grow more quickly than the City. By 2021, York will have nearly doubled in size, and Durham and Halton will have reached the same mark about 10 years later. GTA population growth is expected to be strongest until 2011, and to gradually decline over the following two decades.

Figure 13: Forecasted GTA Population



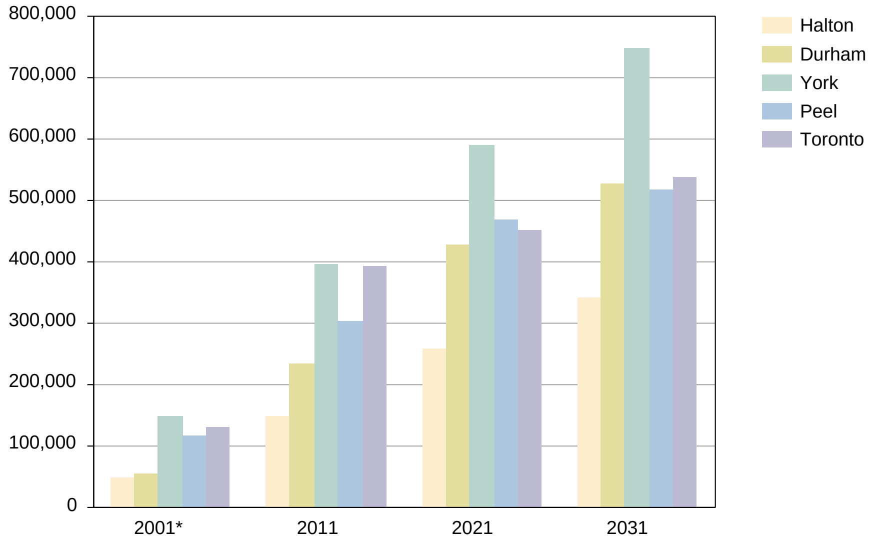
Note: Figures for 1996 are from Statistics Canada. *Figures for 2001 are unofficial.
All figures include the Census undercount.
Source: Statistics Canada; Toronto City Planning Division, Policy and Research.

Table 9: GTA Forecasted Population

	Population					Average 5-Year Percent Change			
	1996	2001*	2011	2021	2031	2001*	2011	2021	2031
GTA	4,781,000	5,284,000	6,260,000	6,975,000	7,450,000	10.5%	9.2%	5.7%	3.4%
Toronto	2,463,000	2,594,000	2,855,000	2,915,000	3,000,000	5.3%	5.0%	1.1%	1.5%
Durham	474,000	530,000	710,000	900,000	1,000,000	11.8%	17.0%	13.4%	5.6%
Halton	350,000	400,000	500,000	610,000	690,000	14.3%	12.5%	11.0%	6.6%
Peel	882,000	1,000,000	1,185,000	1,350,000	1,400,000	13.4%	9.3%	7.0%	1.9%
York	612,000	760,000	1,010,000	1,200,000	1,360,000	24.2%	16.4%	9.4%	6.7%

Note: Figures for 1996 are from Statistics Canada. *Figures for 2001 are unofficial.
Source: GTA Population and Employment Projections Steering Committee; Toronto City Planning Division, Policy and Research.

Figure 14: Forecasted GTA Population Growth versus 1996



*Note: Figures for 2001 are unofficial.
Source: Toronto City Planning Division, Policy and Research.

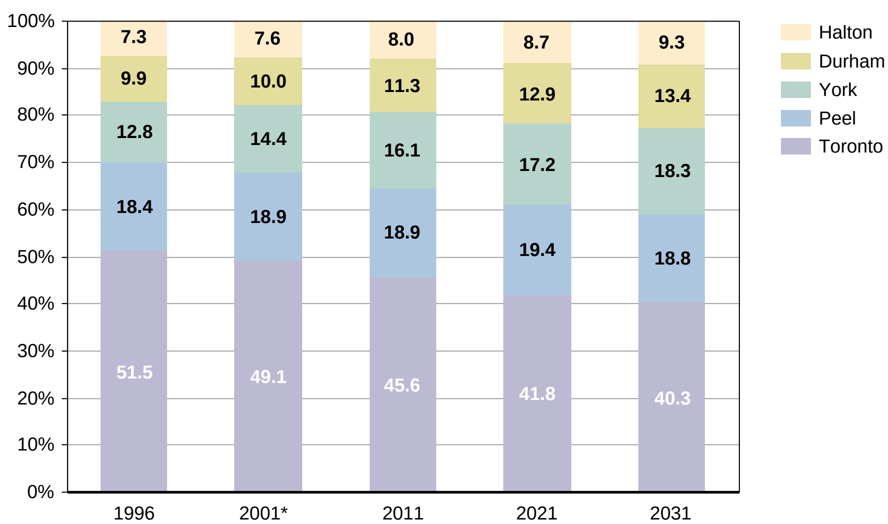
While Toronto's forecasted rate of growth is much lower than the other municipalities, its growth is occurring on a population base that is one half of the GTA. Consequently, Toronto will continue to grow strongly, capturing over one-fifth of the GTA's population increase. This growth is equivalent to adding the current population of Durham to Toronto. At the same time, the neighbouring regions will grow rapidly, adding more than 2 million people over the 35-year timeframe. (See Figure 14 and Table 10.) Toronto, the "inner half" of the GTA in 1996, will be home to 4 in 10 GTA residents by 2031 (see Figure 15).

Table 10: GTA Forecasted Population Change versus 1996

	Population 1996	Population Change versus 1996 2001*	2011	2021	2031	Percent of Total	Change vs 1996
GTA	4,781,000	503,000	1,479,000	2,194,000	2,669,000	100.0%	55.8%
Toronto	2,463,000	131,000	392,000	452,000	537,000	20.1%	21.8%
Durham	474,000	56,000	236,000	426,000	526,000	19.7%	111.0%
Halton	350,000	50,000	150,000	260,000	340,000	12.7%	97.1%
Peel	882,000	118,000	303,000	468,000	518,000	19.4%	58.7%
York	612,000	148,000	398,000	588,000	748,000	28.0%	122.2%

Note: Figures for 1996 are from Statistics Canada. *Figures for 2001 are unofficial.
Source: GTA Population and Employment Projections Steering Committee; Toronto City Planning Division, Policy and Research.

Figure 15: Forecasted GTA Population Shares by Municipality



Note: Figures for 1996 are from Statistics Canada. *Figures for 2001 are unofficial.
All figures include the Census undercount.
Source: Statistics Canada; Toronto City Planning Division, Policy and Research.

B. CONTEXT

The GTA is anticipated to increase more than half (55.8%) in just 35 years. Even so, this remarkable level of growth is within the range of other forecasts of the GTA. The key factors in the various forecasts are:

- national in-migration levels and the strength of the GTA's economy;
- growth management and the future of the GTA's urban structure;
- the efficient use of resources and the timing of infrastructure investments; and
- quality of life aspects that make this an attractive urban region for mobile populations and businesses.

The following summarizes some of the recent activity in GTA population and employment forecasting efforts, leading up to the current set of forecasts.

1989-1992: The Urban Structure Concepts Study and The GTA "Vision"

In 1989, in response to the dramatic growth and change occurring in the GTA, the Greater Toronto Coordinating Committee (GTCC) engaged consultants (Clayton Research Associates Ltd. and Hemson Consulting Ltd.) to prepare "base case" population and employment forecasts. Developed with participation from the regional municipalities, these forecasts used the 1986 Census as a starting point and extended existing population, employment and land use trends into the future.[1]

The following year, the Office of the GTA (OGTA)*, the GTCC and a consortium of consultants released the *Urban Structure Concepts Study*, an analysis of the greater region's urban structure. Three generic urban structure "concepts" were considered in terms of requirements for infrastructure and human resources, impacts on quality of life, land consumption and the environment.

- The "spread" concept represented the continuation of historical patterns of development, lengthening work trips and was based on the earlier "base case" forecasts.
- The "central" concept involved directing all new growth inside the existing urban envelope, intensifying population within (Metro) Toronto and adjacent urban areas. It was based on estimating the population that could be accommodated if all large under-utilized parcels were redeveloped for residential and mixed uses at appropriate densities.
- The "nodal" concept involved an intermediate overall urban density in which development was to be focussed in existing communities with some expansion of these areas, based on transportation accessibility.

Among its many conclusions, the study observed that the "nodal" concept was generally considered "superior" with respect to urban structure, "having less growth impact on existing community character, providing a wider range of community sizes, and providing a broader range of community diversity in housing types/ownership, densities and mix of residential and job activity".[2]

The OGTA followed this up with consultation on the issues facing the GTA with regional and local municipalities, various ministries and the public. A series of reports were produced in 1992, including *GTA 2021: The Challenge of our Future, A Working Document*, which presented a "vision" of what the GTA might look like by 2021 and how that vision might be achieved. This document described an emerging consensus on the development of the GTA[3], which included:

- the need for sustainable urban and natural environments;

* The mandate of the OGTA was: "Coordinating the government's policies, programs and projects designed to ensure that the GTA remains socially, environmentally and economically viable as it manages significant growth. All of its activities involve close cooperation and collaboration among Provincial ministries and the local and regional municipalities in the GTA." – Ontario Ministry of Municipal Affairs and Housing website, May 2002.

- a desire to reflect the quality of life and equity goals in our communities;
- widespread acceptance that continued urban sprawl is untenable for environmental, equity, and economic reasons;
- support for some form of concentrated, nodal development within the urban envelope;
- a better balance between housing and employment; and
- an increased use of public transit.

As part of this consultation and the Metropolitan Toronto Plan Review, the Metropolitan Toronto Planning Department released *The GTA: Concepts for the Future*.[4] The report considered five structural options for accommodating growth within the GTA: "sprawl", "deconcentrated centres", "concentration", "re-investment centres" and "fingers", within a regional policy framework. It noted that the Re-investment Centres scenario emphasized re-investment in the existing urban area, reduced land consumption and impacts on the environment while making more effective use of existing infrastructure.

1993-1995: Scenario 1

The Office of the GTA engaged Hemson Consulting Ltd. and The Coopers & Lybrand Consulting Group to create population and employment forecasts for the GTA based on the 1991 Census, to replace the "base case" forecasts. *The Outlook for Population and Employment in the GTA* reviewed the earlier forecasts and presented a number of growth scenarios.[5] Three sets of population and employment forecasts were developed (Reference, Low and High) by varying migration, unemployment and labour force participation rates. Two policy-driven forecasts were also developed, involving different geographic distributions of growth. Scenario 1 maintained the GTA population and employment totals but involved a higher level of intensification in (Metro) Toronto than the Reference Scenario, including increased population and jobs and a reduced requirement for land for development in the surrounding Regions. Scenario 2 was based on a continuation of existing trends in population, employment, land use and planning policy intervention. The Scenario 1 forecast (and the Reference Scenario forecast for Durham) was subsequently adopted by the City, the Regions and the OGTA as the basis for land use planning to 2021.[6] Scenario 1 anticipated a population of 6.67 million for the GTA and 2.7 million for (Metro) Toronto by 2021.[7]

A subsequent update of the projections was provided by Hemson Consulting Ltd. in 1995 and concluded that none of the underlying assumptions used in the projections had changed and thus there was no need to change the long-term projections.

1996-1999: A Recession, a Reality Check and a New Projection

With the availability of the 1996 Census, the OGTA, the City and the Regions undertook a new round of forecasting to review the 1993 forecasts in light of the recession of the early 1990's and consider the impact of the ongoing economic restructuring.* A population and employment projections steering committee was created, coordinated by the OGTA and including staff representatives of the newly amalgamated City of Toronto, the Regions of Durham, Halton, Peel and York. The GTA steering committee (GTAC) reported to the GTCC and coordinated with the Regional Planning Commissioners. Ministry of Finance staff attended meetings to provide a linkage to their projection effort, running concurrently. The Ministry of Transportation also participated in an advisory role. The work was divided into three phases:

1: Review the earlier forecasts to determine if they were still valid;

* Referred to as "jobless growth", this was a trend toward investment in labour-saving capital instead of rehiring workers previously laid off. The restructuring of manufacturing was anticipated to result in a permanent loss of jobs of this type. Growth of the services sectors of the economy required workers with a different set of skills.

2: If required, develop new updated population, household and employment projections; and

3: If required, to update the regional growth distribution scenarios (Scenario 1 and Scenario 2 of the 1993 projections).[8]

In the first phase of the update, a "reality check"[9] was carried out by Greg Lampert, comparing the earlier projections against the 1996 Census results. The first phase report indicated that while the natural increase rates and results were in line with expectations, net immigration to the GTA was below forecast, and thus so was population and household growth. Toronto and Peel outperformed the forecast, while Durham, Halton and York had grown significantly less than expected. GTA employment was well below forecast levels but expected to recover. Overall, the results corresponded to the Reference Scenario.

The objective of anticipating the impact of future economic restructuring led to a different forecast methodology. In the second phase of the update, the OGTA engaged a team of consultants coordinated by Strategic Projections Inc., and GTAC requested these consultants to:

- analyse the assumptions of past projections as well as any other relevant social, economic and demographic factors;

- develop a long-range projection methodology, primarily based on demographic factors; and

- develop a short-range methodology which incorporated explicitly the impact of economic factors.[10]

The consultants developed a set of scenarios that accounted for international, domestic and local economic conditions as a basis for creating jobs, stimulating in-migration and thereby, population growth. Two factors were considered to be critical:

- the GTA's competitiveness versus the rest of Canada and foreign urban centres for a share of world economic demand, and

- whether or not the GTA "vision" as described in the *Urban Structure Concepts Study* was in fact implemented, through investments in public infrastructure.

"....[T]he four population, household and employment scenarios developed for the GTA are driven solely by the extent to which the GTA economy is assumed to sustain, improve or erode its market share within the world economy".[11] The 1999 final report observed that births and deaths accounted for less than thirty percent of forecasted population growth, and that the GTA economy needed to maintain an average annual growth rate of 2.6 percent in real terms to produce the jobs required to achieve the forecasted growth. To fill these jobs, significant levels of in-migration would be required, to compensate for the aging of the population. This would also require that the GTA compete successfully against other economic regions in Canada and Canada's major trading partners to maintain its share of the world market, since 70 percent of its economy was dependent on exports. Significant investments would be needed in public infrastructure and quality of life to maintain the GTA's competitive position. In general, this method tended to understate the influence of domestic factors, both positive and negative, such as planning policy interventions, changes in household headship rates and in housing supply.

In the scenario in which the GTA competed successfully and implemented the GTA vision, the forecasted population for 2021 reached 7.1 million. In other scenarios where the GTA lost market share or where the GTA vision was implemented but world growth faltered, the population was anticipated to grow to 6.35 million by 2021.

1999: Concurrent Projections

At the same time, the Ministry of Finance was performing a periodic updating of its projections for regional municipalities, counties and districts. Three forecast scenarios (high, low, and medium) were developed by applying a plausible range of assumptions regarding key demographic factors such as fertility, mortality and natural increase to the 1999 base-year population. The medium or "reference" scenario is considered to represent the most likely outcome.

These updated projections, released in July 2000, indicated that the GTA will be the fastest-growing region of the Province; its population projected to grow from 5.1 million in 1999 to 7.5 million by 2028. The GTA's share of the province's population is anticipated to rise from 44% to almost 49% by 2028.[12] Toronto is projected to rise from 2,576,470 in 2001 to 2,904,240 in 2021.

Also running concurrently was the development of projections for the City's Development Charges Bylaw. C.N. Watson and Associates produced a citywide population and dwelling unit forecast with the input of City staff. The *Development Charge Bylaw Background Study* projects a 2011 population of 2,550,000, which is consistent with Scenario 1 of the 1993 Hemson/Coopers & Lybrand forecasts and is consistent with the target set in the Metro Toronto Official Plan (1994).[13]

In 1999, Statistics Canada created a custom projection for the City of Toronto based exclusively on general demographic trends. The projection addressed the GTA and its regional municipalities to 2026. The Demography Division projected that by 2021, the GTA population would be 6.7 million, and Toronto would reach 2.831 million.

1999-2000: The GTAC Projections

GTAC undertook the regional allocation of population and employment. It considered demographic and economic factors and the timing and impacts of planning and transportation initiatives. The Committee reviewed the previous forecasts, the observations of Strategic Projections Inc. on economic trends, and planning policy regarding urban structure in the respective Official Plans. The resulting key assumptions were:

- The GTA will remain very attractive in Ontario, Canada and the world;
- Real gross domestic product (GDP) for the GTA will continue to grow across the projection horizon;
- The GDP growth rate will decline slowly over the next 30 years from 4.9 percent in the period from 1996 to 2001 to under 2 percent for the latter period of the forecast. This translates into an average of 2.6 percent per year;
- The economic growth drives an average annual population growth of just under 100,000 to 2011 with a gradual decline to approximately 50,000 per year in the last decade of the forecast timeframe;
- Economic cycles will occur that are not entirely predictable;
- Net migration to the GTA rather than natural increase will continue to be the driving force for population growth;
- The GTA "vision" and related policies as expressed through the respective Official Plans will be implemented; and
- The Federal, Provincial and local levels of government are assumed to provide the necessary investment in public infrastructure that is required to implement the GTA "vision".[14]

This generated a GTA population of 6.26 million by 2011 and 7.45 million by 2031.

The distribution of this growth is based upon expectations about existing and future patterns of growth and the execution of regional Official Plan policies:

- The City of Toronto will continue to experience strong economic and population growth;
- Pearson International Airport and the 400-series highway infrastructure will continue to draw growth into the north and west;
- Highway 407 will continue to act as a stimulus for the growth of the regions;

- Plans for the Pickering Airport will be implemented; and
- The Seaton community will be developed.

GTAC expected that, in general, the choice of location of people and businesses will continue to be influenced by cost and availability of land, affordable housing, quality of life and availability of infrastructure and services, that is, by the interplay of the market and public policy interventions. GTAC observed that there needs to be a continuing emphasis on the efficient use of lands already designated for development. The forecast makes plain that to attain this growth and remain competitive with other North American centres, the GTA will need to invest in infrastructure and quality of life to ensure its long-term success and desirability. The ability of the GTA to create jobs and attract migrants will be directly affected by its economic competitiveness, founded on transportation infrastructure and transit, and the availability of social services and affordable housing.

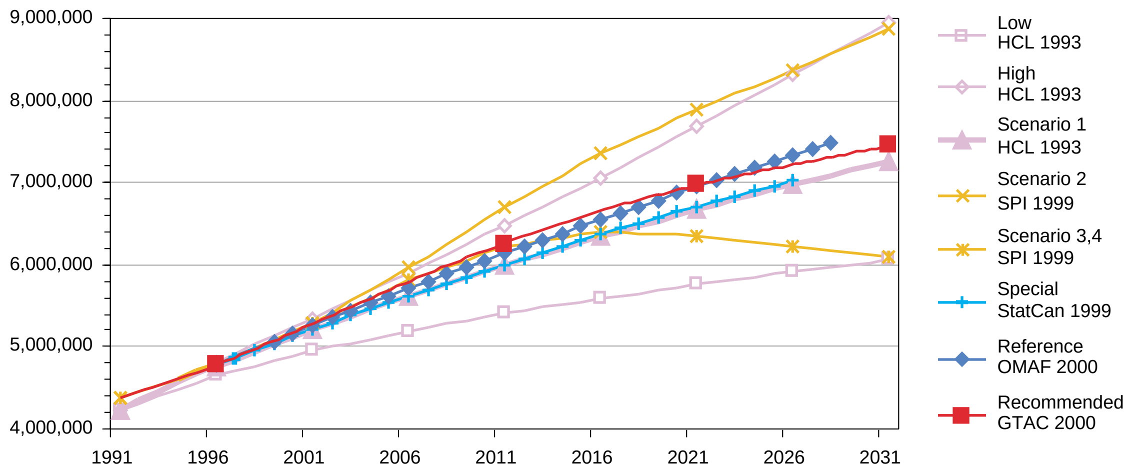
The resulting regional allocation of this GTA forecast yields a population of 3 million for the City of Toronto by 2031. Senior staff of the City and the Regions of the GTA agreed to adopt this allocation. The Final Report of GTAC was presented to GTCC March 21, 2000.

Population Forecasts Past and Present

Over the course of the decade, various population and employment projection methodologies have been employed in the GTA with greater and lesser degrees of success and acceptance. Inspite of the different methodologies used and the varying economic conditions in which the forecasts and projections were devised, the results display a remarkable degree of similarity. (See also the tables in "GTA and Toronto Forecasts Past and Present" in the Appendix.)

The GTAC Recommended Forecast fits comfortably within the range of past and current forecasts. It acknowledges the economic recovery of the late 1990s but also notes the deferral of growth in Durham Region until later in the forecast timeframe due to the timing of transportation infrastructure. The Ministry of Finance and GTAC forecasts track quite closely

Figure 16: GTA Population Forecasts Past and Present



"HCL 1993" - Hemson Consulting Ltd./Coopers and Lybrand Consulting Group, 1993
"SPI 1999" - Strategic Projections Inc. 1999 forecasts, Scenarios 2, 3 and 4
"StatCan 1999" - Statistics Canada custom trend projection for the City of Toronto
"OMAF 2000" - Ontario Ministry of Finance updated projections for 2000
"GTAC 2000" - GTAC Recommended Forecast

Source: Toronto City Planning Division, Policy and Research.

to each other, despite being based on very distinct methodologies. The GTAC forecast is somewhat "front-end loaded", anticipating stronger economic growth earlier in the forecast period. The forecasted growth is consistent with the growth experienced during the late 1980s. The general congruence of the recent projections provides an additional degree of confidence in the overall trend and magnitude of the GTAC Recommended Scenario.

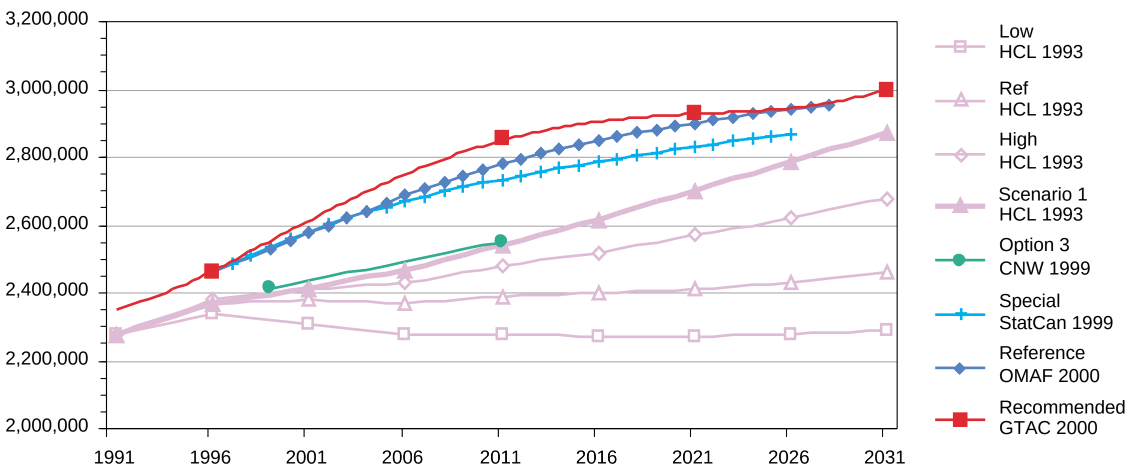
Despite the differences in methodology, most of the recent forecasts and projections allocate a higher level of growth to Toronto than the earlier forecasts. The GTAC Recommended Scenario is higher in 2011 than the others due to the anticipated strong growth of the GTA economy. By 2021, the Ministry of Finance projection and the GTAC Recommended Scenario are within 14,000 of each other.

2001 and Beyond: A New Reality Check

All of the recent projections anticipate strong population growth in the short term. Information currently available suggests that this growth is in fact occurring. The first results from the 2001 Census indicate the following:

- The GTA grew by over 450,000 people between 1996 and 2001 to over 5 million people.
- The GTA is growing most rapidly in the Regional municipalities. While Toronto grew by 4.0%, the Regions grew by between 10% and 24%.
- Toronto is growing strongly. Its population grew by 96,073 people between 1996 and 2001 to 2,481,494 people, capturing one-fifth of the GTA's growth or 21.2%.
- Toronto grew more slowly between 1996 and 2001 at 4.0% than it did between 1991 and 1996 at 4.8%.
- Toronto's share of the GTA population has declined from 51.5% in 1996 to 48.8% in 2001.

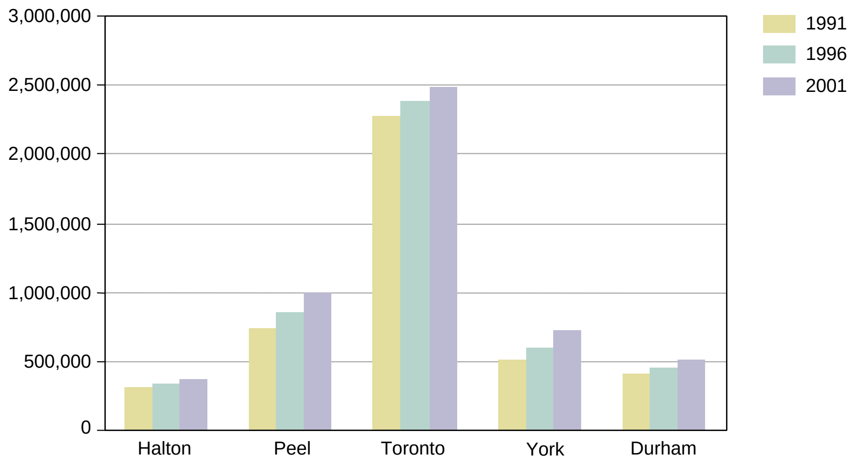
Figure 17: Toronto Population Forecasts Past and Present



"CNW 1999" - C. N. Watson and Associates, Development Charges Bylaw Background Study
"HCL 1993" - Hemson Consulting Ltd./Coopers and Lybrand Consulting Group, 1993
"StatCan 1999" - Statistics Canada custom trend projection for the City of Toronto
"OMAF 2000" - Ontario Ministry of Finance updated projections for 2000
"GTAC 2000" - GTAC Recommended Forecast

Source: Toronto City Planning Division, Policy and Research.

Figure 18: GTA Population 1991-2001



Source: Statistics Canada.

Table 11: GTA and Toronto Population 1991-2001

Municipality	Census 1991	Census 1996	Census 2001	Change 1991-1996	Change 1996-2001
Halton	313,136	339,875	375,229	26,739	35,354
Peel	732,798	852,526	988,948	119,728	136,422
Toronto	2,275,771	2,385,421	2,481,494	109,650	96,073
York	504,981	592,445	729,254	87,464	136,809
Durham	409,070	458,616	506,901	49,546	48,285
GTA	4,235,756	4,628,883	5,081,826	393,127	452,943
Toronto/GTA	53.7%	51.5%	48.8%	27.9%	21.2%

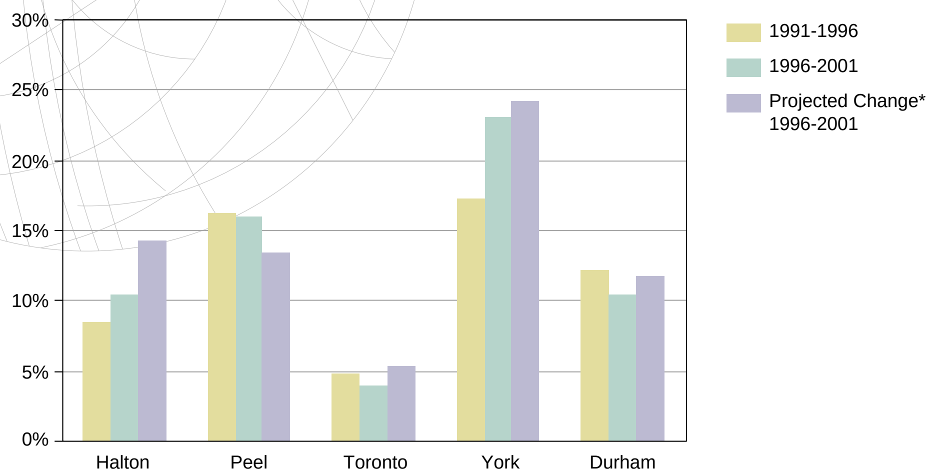
Source: Statistics Canada.

Toronto's strong growth is expected to continue over the next decade. Based on building starts and completions data[15], 29.3% of the units built in the GTA in the last five years were built in Toronto. In the next five years, Toronto's growth is expected to accelerate. Housing starts for 2001 were 15,289, exceeding the records set during the late 1980's, and represent one-third of all GTA housing units started that year. There are 141,262 housing units in Toronto's residential development "pipeline", which have been completed just recently or which are anticipated to be built over the next ten years. While these new units are expected throughout the City, many of them are planned for the Downtown, the Central Waterfront, the designated civic centres, and along Yonge Street, Eglinton and Sheppard Avenues.

GTAC did not recommend a 2001 target for the GTA. Unofficial figures suggest that the GTA would grow by 10.5% in the last five years. According to the Census, the GTA grew by 9.8%.

SECTION 2

Figure 19: GTA Population Change 1991-2001



*Note: Figures for 2001 are unofficial.
Source: Statistics Canada; Toronto City Planning Division, Policy and Research

Table 12: GTA Population Change 1991-2001

Municipality	Census Percent Change		Projected*
	1991-1996	1996-2001	1996-2001
Halton	8.5	10.4	14.3
Peel	16.3	16.0	13.4
Toronto	4.8	4.0	5.3
York	17.3	23.1	24.2
Durham	12.1	10.5	11.8
GTA	9.3	9.8	10.5

*Note: Figures for 2001 are unofficial.
Source: Toronto City Planning Division, Policy and Research; Statistics Canada.

Therefore, the GTA grew slightly slower than expected, by 0.7%. The 2001 Census reported Toronto's population at just 1.2% below the expected figure for 2001. Consequently, the GTA is "on track" with these forecasts and the forecasts have proven to be good indicators of the growth trends of Toronto and the GTA as a whole. Since the growth in the forecasts is "front-end loaded" into the early part of the 35-year timeframe, any near-term shortfall is expected to be met and possibly exceeded by the end of the decade.

Toronto is continuing to grow. Peel Region grew more quickly than anticipated, and growth in York Region is speeding up. The regional forecasts will be reviewed by representatives the City and the GTA Regions as more results from 2001 Census become available.