



Q1 2011 Report

Economic Development

January - March 2011

HalTech - Halton's Regional Innovation Centre Launches



HalTech - Halton's Regional Innovation Centre officially launched on March 11, 2011 with an announcement at Sheridan College Institute of Technology and Advanced Learning in Oakville. Minister of Research and Innovation, Hon. Glen Murray, and Oakville MPP, Kevin Flynn made the official announcement of the new organization.

With the launch, HalTech officially became part of the Ontario Network of Excellence (ONE), a provincially funded network of fourteen regional innovation centres and sector-focused not-for-profit organizations.

The new Regional Innovation Centre in Halton will support the growth and success of innovative business in the Region - providing business coaching, entrepreneurial education, access to capital and strengthening connections for Halton companies. HalTech will soon become an important and active participant in Halton's business community.

Visit www.halton.ca/HalTech for more information.

Burlington Ikea Plans \$60 Million Expansion

Siemens Canada is continuing its commitment to manufacturing in Canada through an additional significant investment and will be creating 50 new skilled positions by entering into the solar market as a local manufacturer of inverters for Photovoltaic (PV) power generation. With delivery dates as early as November 2010, the company will begin ramping up production immediately at its Burlington facility.

Burlington Manufacturer Adds 40 Clean Energy Jobs



Ontario's clean energy economy and the growing global demand for clean energy projects has helped Satcon Power Systems Canada, Ltd. create 40 jobs, growing their Burlington workforce by a third in less than a year.

Satcon has expanded their workforce to 158 people to help meet the demand for solar equipment in Ontario, across North America and in countries like China, France, Germany, Italy, Greece and the Czech Republic.

Satcon is one of more than 20 companies that have announced they are setting up or expanding plants to manufacture parts for the solar and wind industry, creating new jobs in Ontario.

Small Business Centre Quick Facts

Category	Q1 2010	Q1 2011	% Change
Total Inquiries (telephone/email/walk-in visitors)	2,539	2,126	-16%
Client Consultations	355	284	-20%
Seminars & Workshops	21	8	-62%
Seminar & Workshop attendance	351	106	-70%

Source: Enterprise Centre Reporting System

Online Data Centre Coming Soon!

Halton Economic Development will be launching an online Data Centre with statistics and data on Halton's economy, real estate and development activity, labour force and household characteristics. Stay tuned...

Questions?

If you have any comments or questions about the Q1 2011 Economic Development Report, contact Halton Economic Development at 905-825-6000, toll free at 1-866-4HALTON (1-866-442-5866), or by e-mail to busdev@halton.ca

www.halton.ca/business

Construction Activity

Halton's total value of new construction and expansions was up by 38% during the 1st quarter from the same period in 2010, rising to just over \$439 million. Much of the increase in construction values was attributable to residential developments in Burlington and Milton, where permits were issued for a total of 6 apartment buildings with a combined value of \$62 million. Commercial construction values were also 74% higher than the same period last year, as several retail developments got underway in Burlington including the Uptown Shopping Centre on Appleby Line valued at \$10 million.

Industrial and institutional construction values in Halton, meanwhile, fell 70% and 75% during the 4th quarter, respectively. Within the institutional category, the decline represented more of a return from the higher than average activity that occurred during the latter half of 2009 and early 2010 as a result of government stimulus funding rather than a lack of significant investments. Indeed, an institutional permit was issued during the 1st quarter for Milton's Sport Centre addition valued at \$30 million.

Overall, there were 1,900 building permits issued in Halton during the 1st quarter, which represents a 46% increase from the same period in 2010. Residential permits accounted for 74% of all building permits issued and 12% were Industrial, Commercial or Institutional (ICI) permits.

Type of Construction	Burlington		Oakville		Milton		Halton Hills		Halton Region	
	Q1 2010	Q1 2011	Q1 2010	Q1 2011	Q1 2010	Q1 2011	Q1 2010	Q1 2011	Q1 2010	Q1 2011
Residential	36,398.8	64,906.8	32,122.0	167,125.7	40,438.1	88,732.7	10,298.2	12,136.4	119,257.1	332,901.6
Industrial	6,689.5	2,965.0	5,375.0	3,570.1	15,280.0	560.0	1,537.2	1,500.0	28,881.6	8,595.1
Commercial	9,757.8	40,846.0	13,991.3	7,279.4	4,357.5	6,372.0	3,413.9	393.0	31,520.6	54,890.4
Institutional	3,325.5	846.7	101,625.8	130.0	25,000.0	30,980.0	30.0	122.0	129,981.3	32,078.7
Other	4,484.6	5,697.5	1,401.7	454.6	2,636.2	2,636.2	812.7	830.5	9,335.2	10,668.4
Total Value	60,656.2	115,262.0	154,515.9	178,559.8	87,711.8	87,711.8	16,092.0	14,981.9	318,975.9	439,134.2

* Figures may not add due to rounding
Source: Local Municipal building departments and Halton Economic Development

	Residential*		Non-Residential**		Miscellaneous***		Total	
	Q1 2010	Q1 2011	Q1 2010	Q1 2011	Q1 2010	Q1 2011	Q1 2010	Q1 2011
Burlington	190	89	84	108	96	106	370	303
Halton Hills	51	57	15	10	28	14	94	81
Milton	275	680	44	37	106	48	425	765
Oakville	180	588	72	68	158	95	410	751
HALTON REGION	696	1,414	215	223	338	263	1,299	1,900

* includes apartment registrations, renovations and additions
** includes industrial, commercial, institutional (ICI)
*** excluding signs
Source: Local Municipal building departments

	Industrial		Commercial		Institutional		Total ICI	
	Q1 2010	Q1 2011	Q1 2010	Q1 2011	Q1 2010	Q1 2011	Q1 2010	Q1 2011
Burlington	108,798	73,404	205,021	563,067	115,951	71,324	429,770	707,795
Halton Hills	52,045	39,191	38,398	9,806	0	1,055	90,443	50,052
Milton	292,929	9,117	56,252	87,392	3,778	191,178	352,959	287,687
Oakville	45,481	30,503	307,748	140,798	300,972	1,496	654,201	172,797
HALTON REGION	499,253	152,215	607,419	801,063	420,701	365,053	1,527,373	1,218,331

* Excludes site servicing, heating and plumbing. Both new construction, additions and internal alterations are included.
Source: Local Municipal building departments

Economic Conditions

Halton's economic conditions during the 1st quarter improved from the same period in 2010. Construction activity rebounded with significant increases in the residential sector where construction values rose 179%. Halton's resale housing market was also stable as sales declined marginally, but average home prices climbed 24%.

The labour market had also performed well during the 1st quarter with the unemployment rate in Halton dropping 1.0 percentage points from 2009. The participation rate decreased slightly to 73.9%. There were also fewer Halton residents receiving regular employment insurance benefits.

Halton's industrial vacancy rates during the quarter dropped to 5.6%, while vacancy rates in the office market held relatively stable at 12.6%. At the same time, there was negative absorption in Halton's industrial market (-10,200 sq. ft.) and just over 26,000 sq.ft. was absorbed in the office market. Net rental rates fell slightly in both industrial and office sectors.

Economic Indicator	Q1 2010	Q1 2011	Percentage (%) or Percentage Point (pp) Change
Total Population ¹	492,100	503,600	+2.3%
Population Density (per sq km) ²	509	521	+2.4%
Labour Force ³	291,200	302,321	+3.8%
Unemployment Rate ⁴	6.6%	5.6%	-1.0pp
Participation Rate ⁴	75.8%	73.9%	-1.9pp
Employment Rate ⁴	70.8%	69.8%	-1.0pp
Employment Insurance Beneficiaries ⁵	6,750	5,450	-19.3%
Number of Businesses ⁶	37,501	38,307	+2.1%
Employment ¹	262,073	269,000	+2.6%
Business Bankruptcies ⁷	21	17	-19.0%
Total Construction Value ⁸	\$318,975,871	\$439,134,150	+37.7%
Industrial	\$28,881,642	\$8,595,100	-70.2%
Commercial	\$31,520,565	\$54,890,353	+74.1%
Institutional	\$129,981,300	\$32,078,700	-75.3%
Residential	\$119,257,122	\$332,901,578	+179.1%
Industrial Vacancy Rate ⁹	8.8%	5.6%	-3.2pp
Office Vacancy Rate ¹⁰	11.2%	12.6%	+1.4pp
Average Household Income ³	\$122,400	\$122,700	+0.2%
Occupied Dwelling Units ¹	176,222	180,987	+2.7%
Housing Sales ¹¹	1,243	1,192	-4.1%
Average Housing Price ¹¹	\$477,075	\$589,139	+23.5%
Average Days on the Market ¹¹	32	33	+3.1%

Sources:
1 Halton Region Best Planning Estimates, April 2007 (forecasted)
2 Based on Halton's land area of 967 square kilometres
3 Financial Post Markets, Canadian Demographics
4 Statistics Canada, Labour Force Survey Estimates (Custom Tabulation, 3 month moving average, unadjusted)
5 Statistics Canada, Employment Insurance Statistics (Table 276-0006, average number of beneficiaries receiving regular benefits)
6 Statistics Canada, Canadian Business Patterns. As of December 2009 and December 2010.
7 Office of the Superintendent of Bankruptcy Canada
8 Local Municipal building departments and Halton Economic Development
9 CBRE, Q1 2010 and Q1 2011. Based on rates in Burlington, Milton and Oakville
10 CBRE, Q1 2010 and Q1 2011. Based on rates in Burlington and Oakville
11 Toronto Real Estate Board, Market Watch, March 2010 and March 2011