

WELCOME TO THE



# ECONOMIC UPDATE



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# **Barrie's Economic Outlook**

**Mayor Alex Nuttall**

**May 2, 2023**

# Regional Labour Hub



## Barrie

**147,829**  
2021 Population

**4.5%**  
Increase from 2016

**99,580**  
Working Age Population  
(15-64 years)

**298,000**  
2051 Population Estimate

## Simcoe County

**533,169**  
2021 Population

**11.2%**  
Increase from 2016

**340,195**  
Working Age Population  
(15-64 years)

**902,000**  
2051 Population Estimate

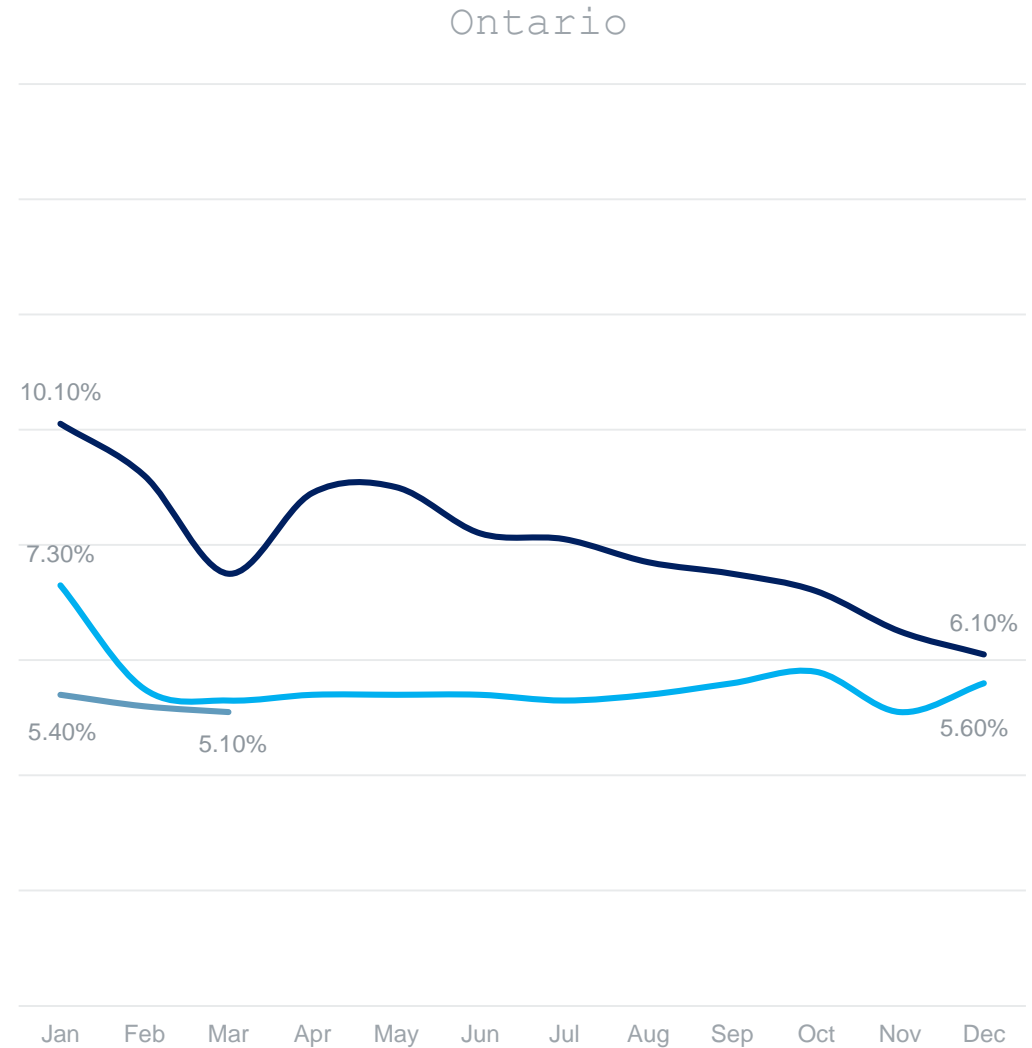
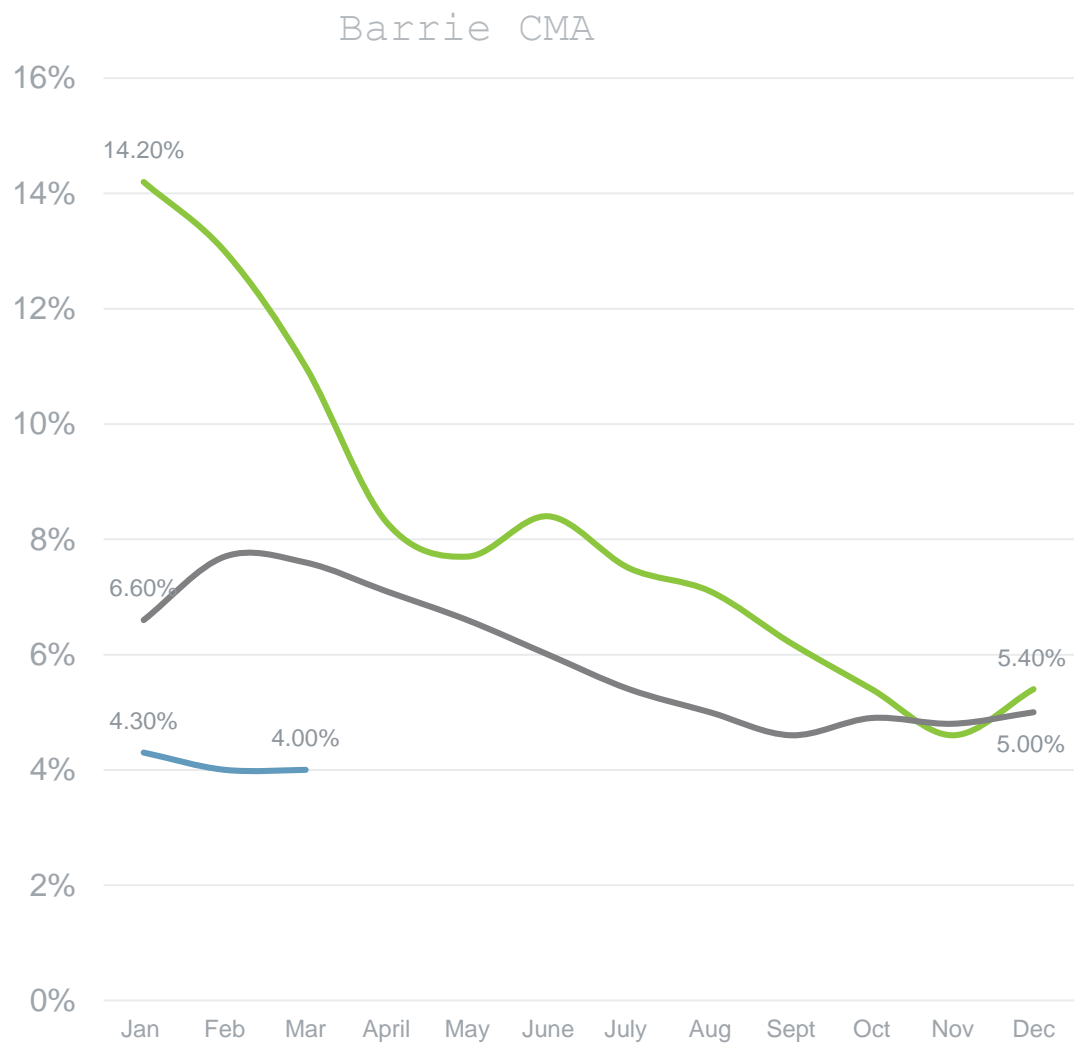
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Ready to Work

Employed Labour Force in Barrie\*  
**73,075**

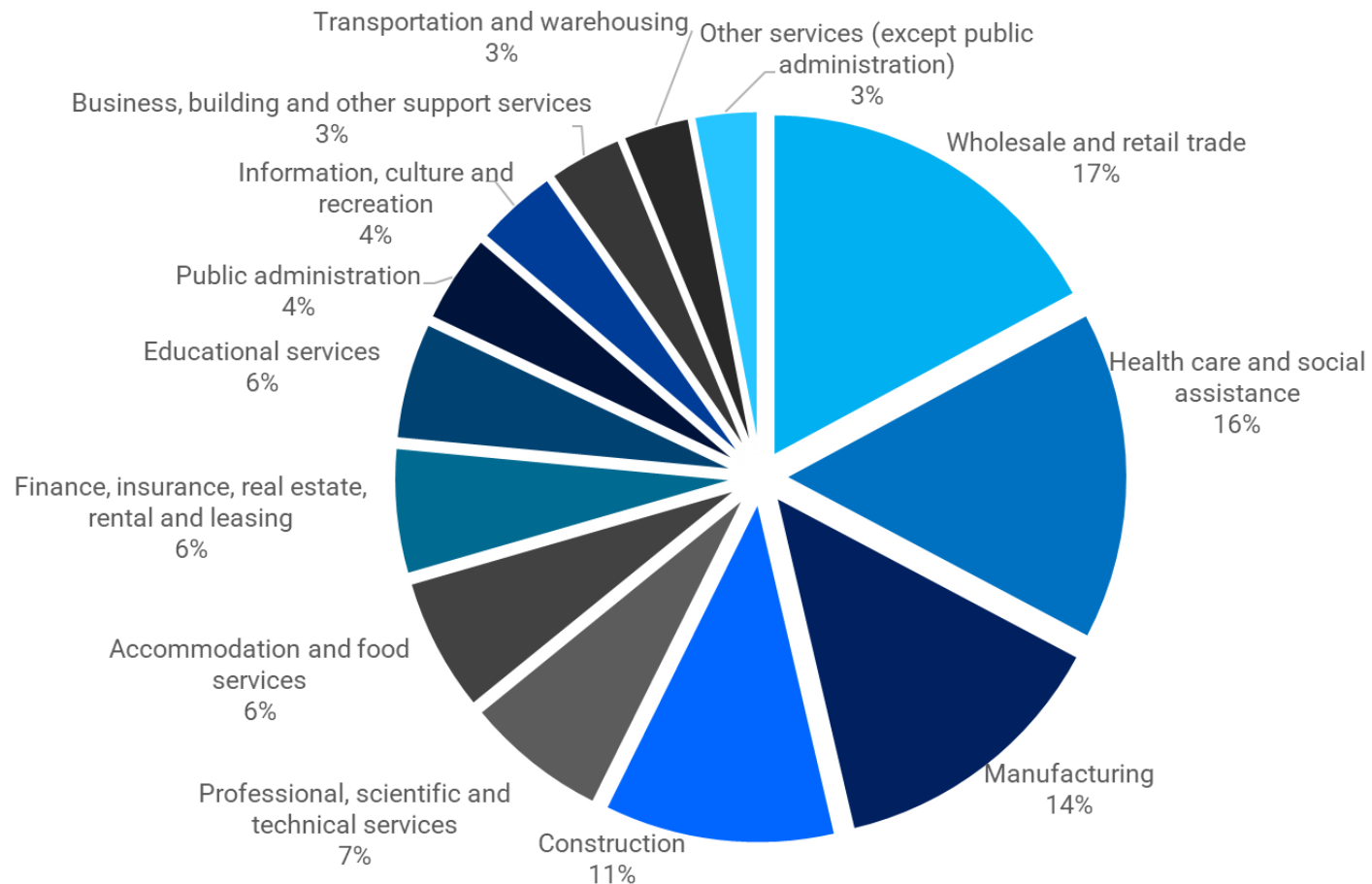
Employed Labour Force in Simcoe County\*  
**238,925**

# Unemployment Rates



# Key Industries by Employment

## Barrie Census Metropolitan Area (CMA) %



# Advanced Manufacturing in Simcoe County

Simcoe County has **23,000** employees in the Manufacturing sector that make up **14%** of the regional labour force and work at businesses that power companies like:

**HONDA OF CANADA MANUFACTURING**

And create the parts and supply for:

**FORD**   **BMW**   **GM**   **TESLA**



# Advanced Manufacturing in Barrie



**BROTECH  
PRECISION CNC**

**INNOVATIVE  
AUTOMATION**

**LINEAR TRANSFER  
AUTOMATION**

**PRODOMAX  
AUTOMATION**

**PYROPHOBIC**

Barrie's advanced manufacturing sector has strengths in **aerospace, automation and precision manufacturing** and is home to numerous **tier 1 and tier 2 auto parts manufacturers** serving global brands in the automotive/EV space.

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# **Barrie is growing.**

**By 2051, Barrie's population is projected to grow to 298,000 with 150,000 jobs.**

**Barrie is shovel-ready with the infrastructure in place to welcome new business investment.**

**With more available land to offer, we can expect continued economic growth within our city.**

**This term of Council has prioritized keeping taxes low for Barrie residents with a 0% increase to the City's operating budget.**





# ECONOMIC UPDATE



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# THE CLIFFHANGER ECONOMY

TD Economics  
TD Bank

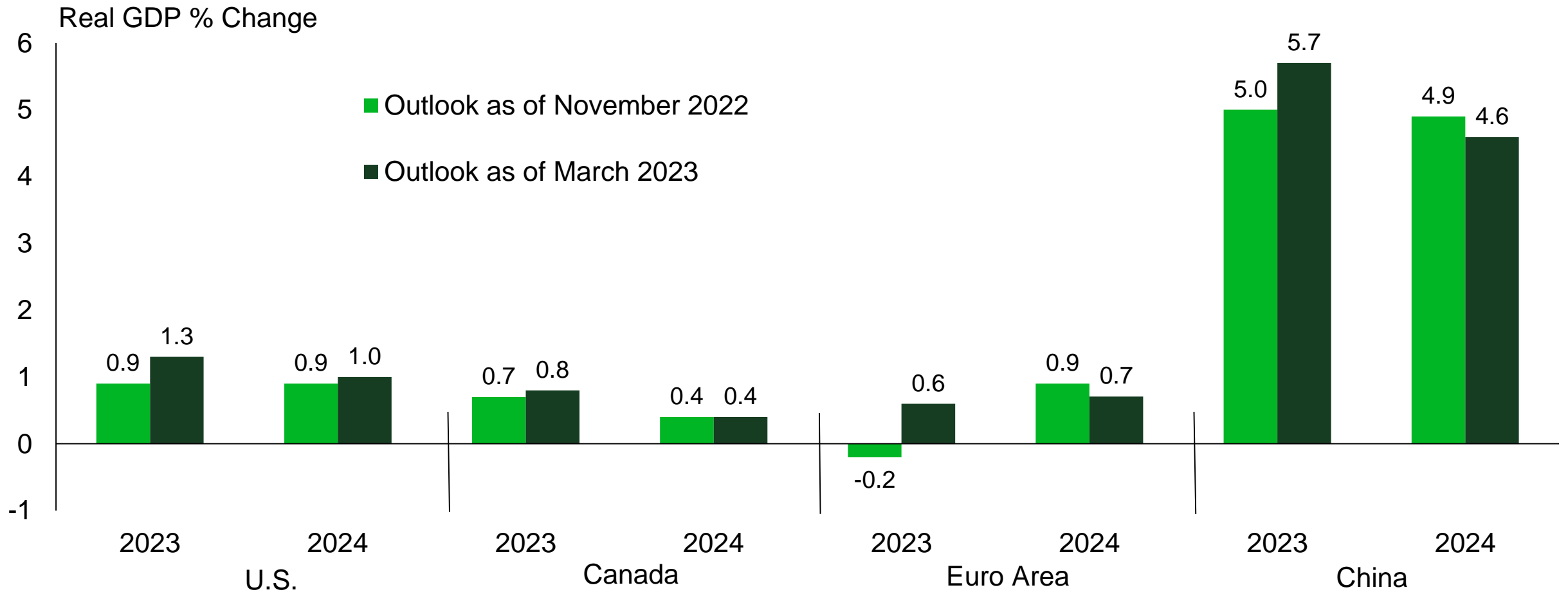
May 2, 2023



## Today's Agenda

- 1 Just As Economic/Geopolitical Risks Slim Down, Financial Risks Fatten Up
- 2 Economic Resilience Too Much Of A Good Thing?
- 3 The Long and Variable Lags of Tighter Monetary Policy

# March Forecast Revisions Generally In the Upward Direction

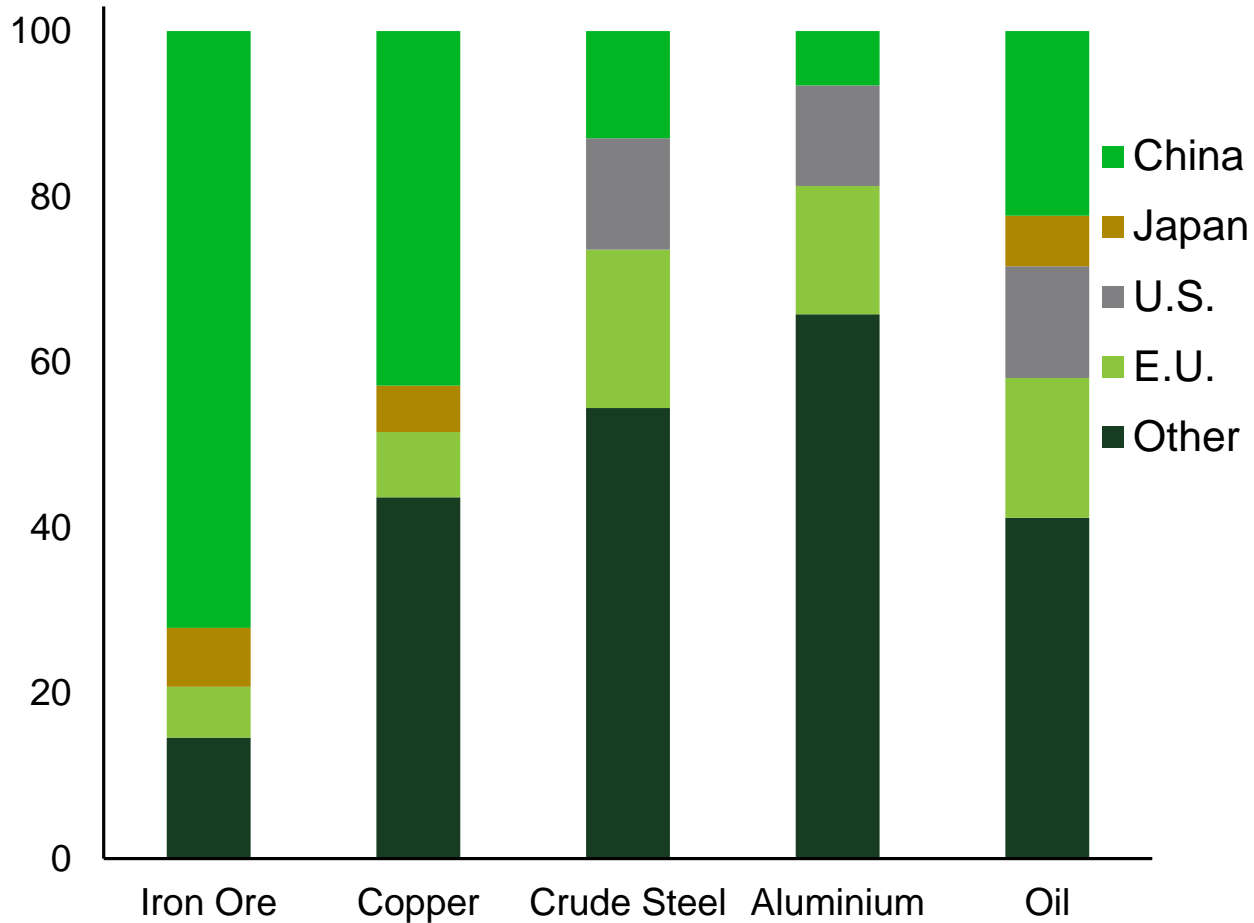


Source: BEA, StatCan, EuroStat, CNBS, TD Economics.

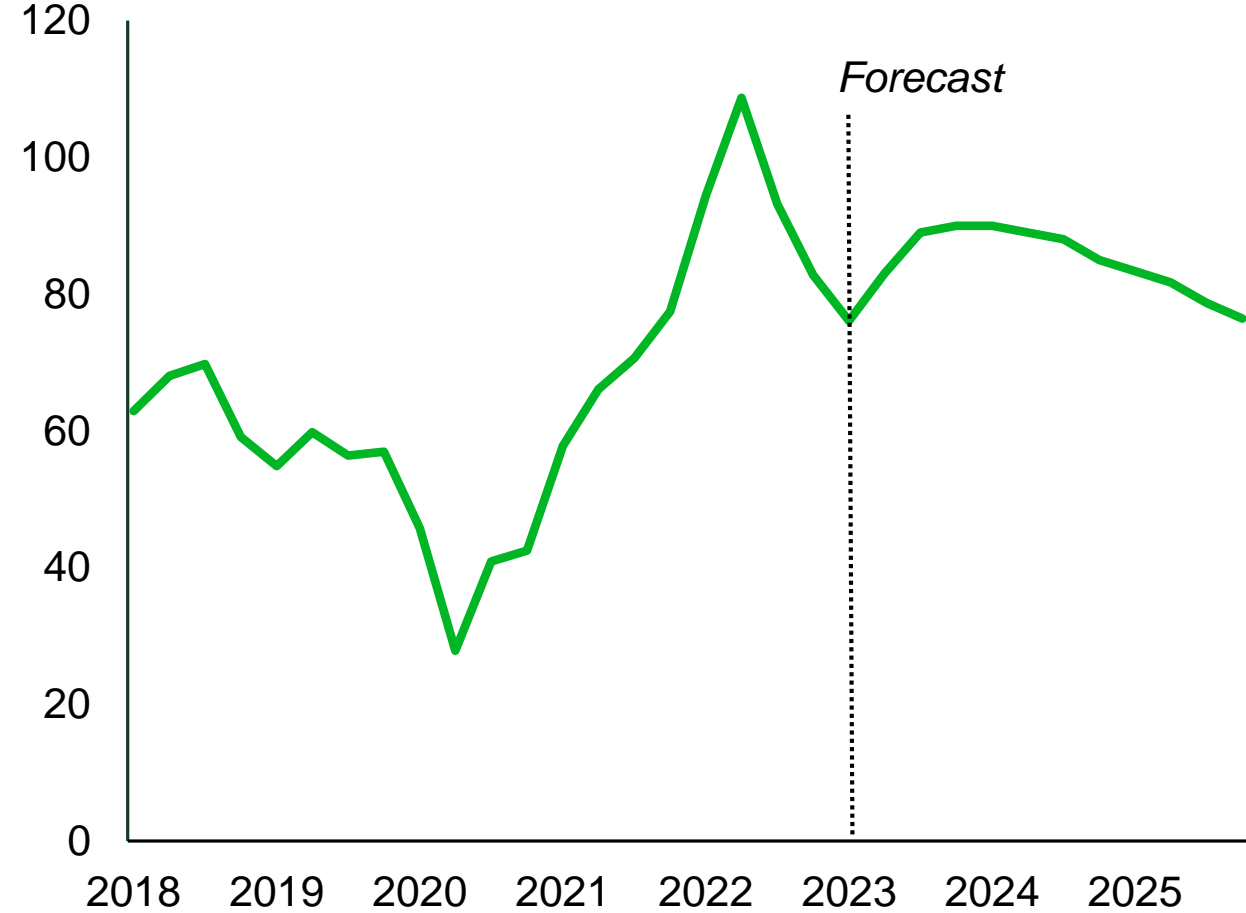
# China's Demand Recovery May Collide With Tight Supply



Share of Global Imports (%)



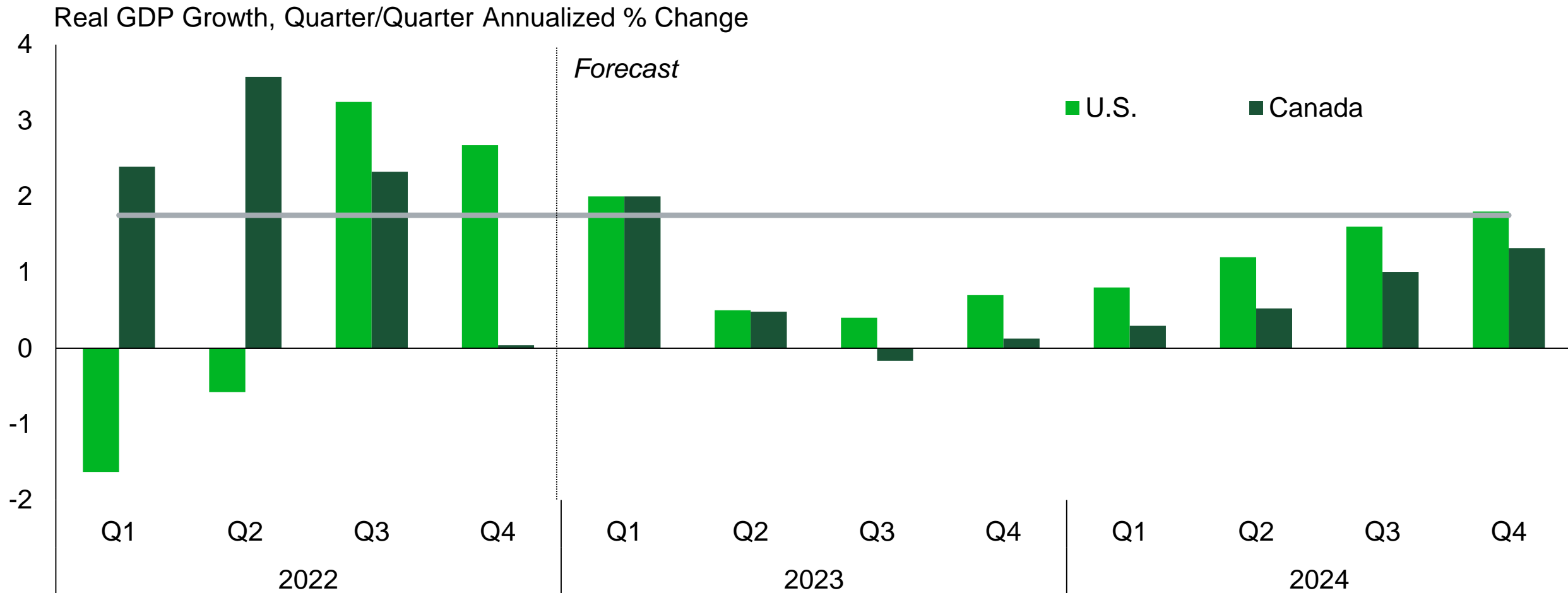
U.S.\$ /bbl



Source: OECD, TD Economics.

West Texas Intermediate, TD Economics.

# Inflation vs. GDP Growth: Requires Depth or Duration on Underperformance

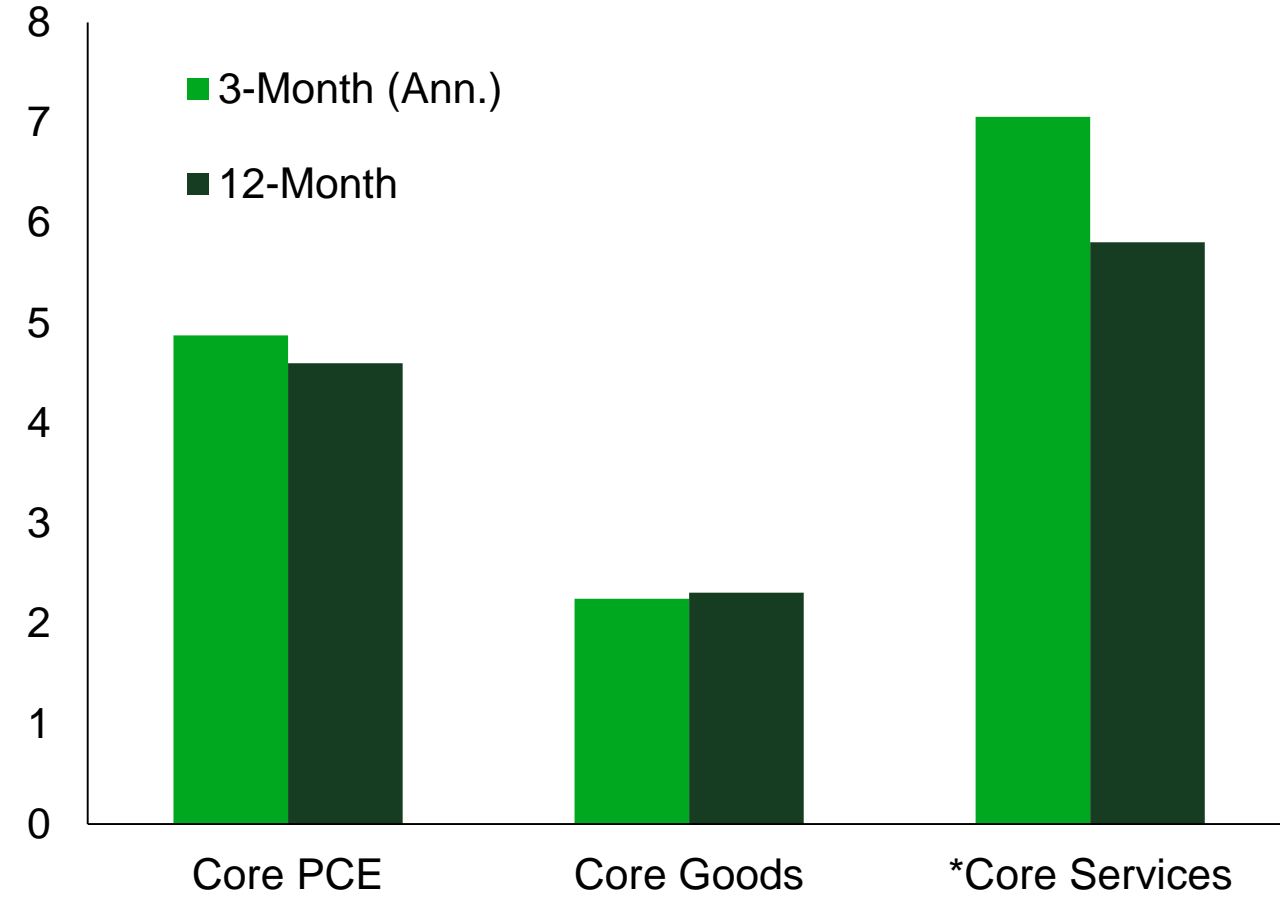


Source: Bureau of Economic Analysis, TD Economics. Forecast as of March 2023.

# Canada Ahead in the Inflation Battle



### U.S. PCE Inflation, % Change



Source: Bureau of Economic Analysis, TD Economics. February 2023 data.

Note: Core services excludes shelter and healthcare services.

### Canadian CPI Inflation, % Change

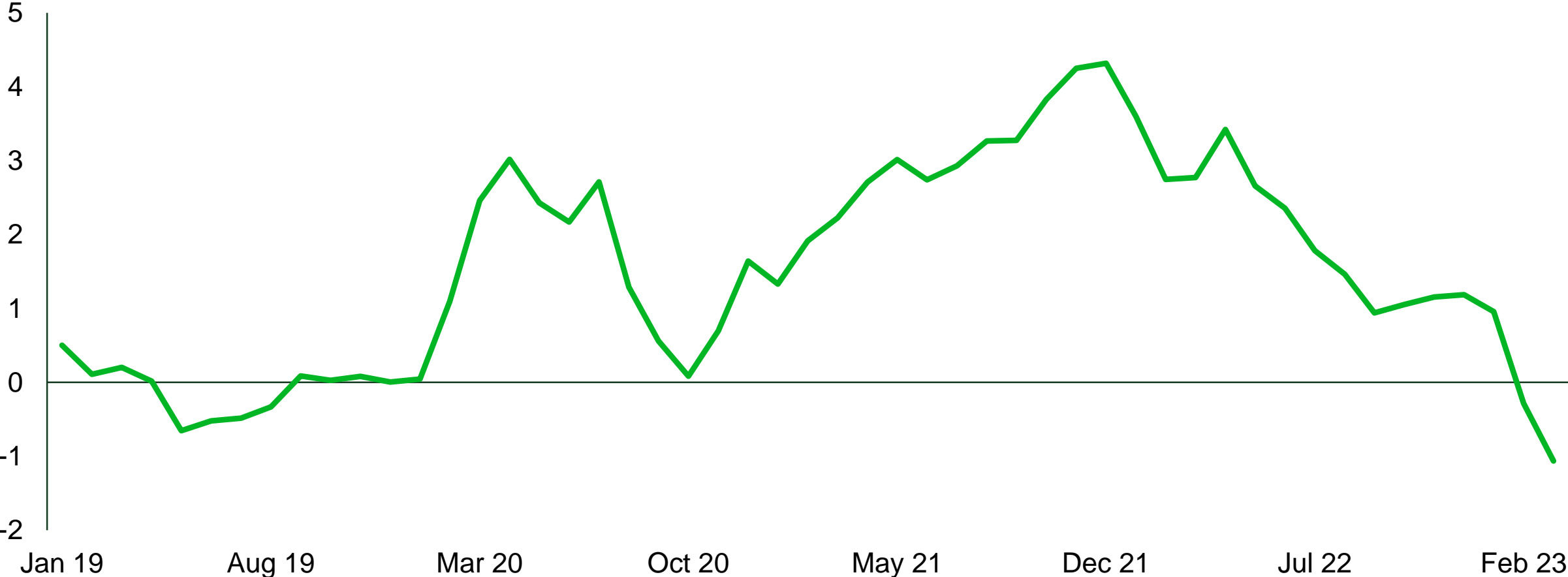


Source: Statistics Canada, TD Economics. March 2023 data.

# Easing Of Supply Chain Snarls Is A Silver Lining of Global Slowdown



Global Supply Chain Pressure Index



Source: NY Fed, TD Economics. Last observation: March 2023.

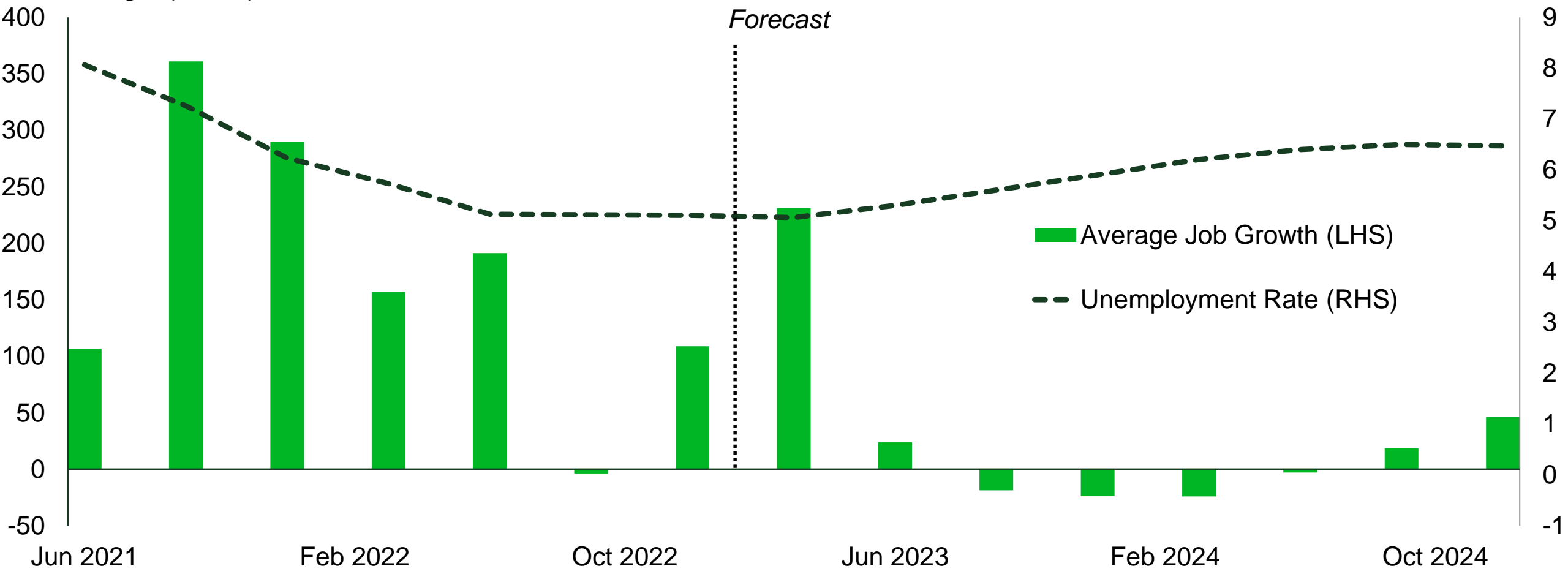


# Canadian Labour Market Resilience – Too Much Of A Good Thing



Change, (Thous)

%

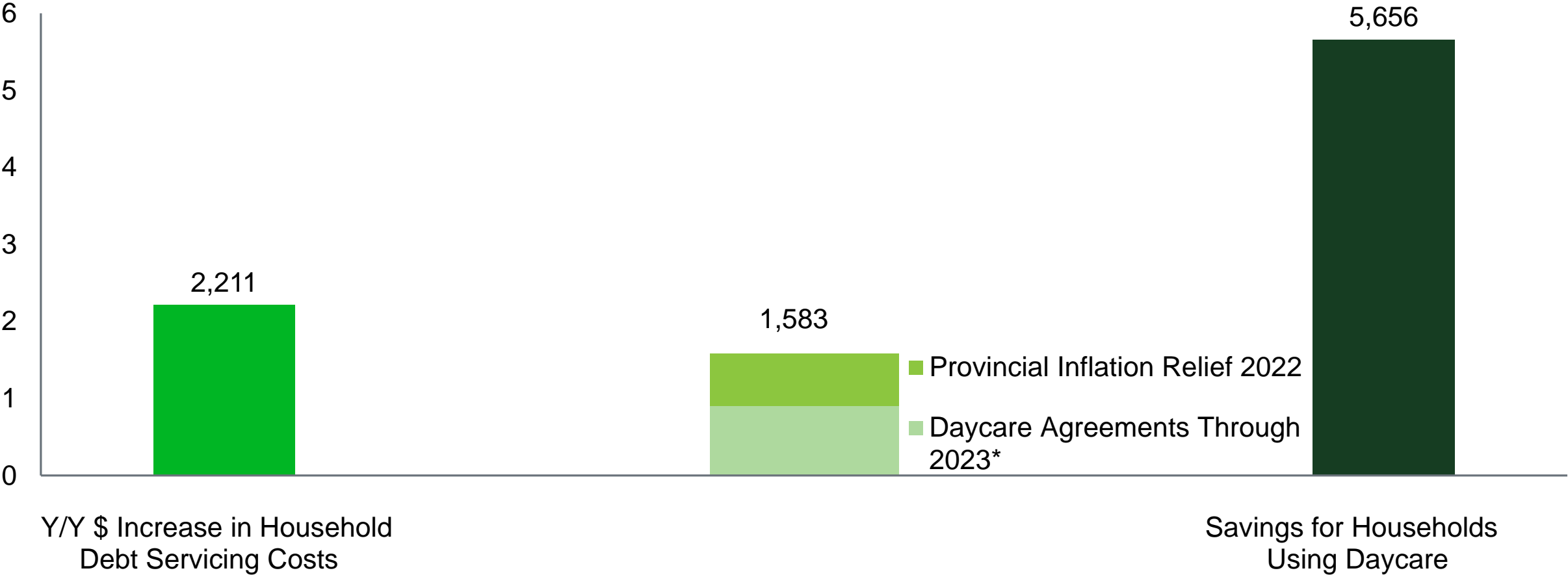


Source: StatCan, TD Economics.

# Are Governments Desensitizing Households To Rate Hikes?



Thousands of Dollars Per Household, Canada

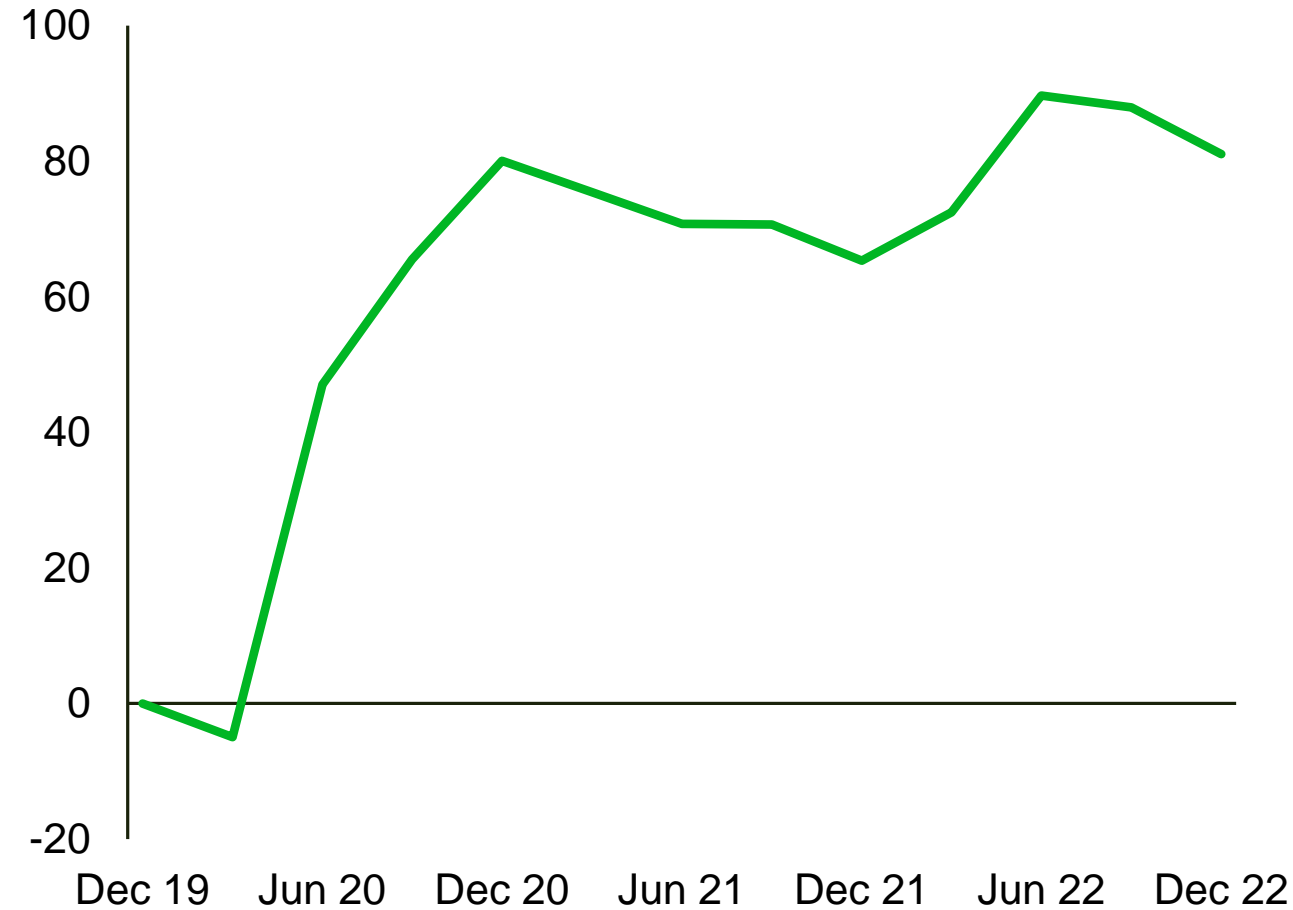


\*Cumulative Savings from Daycare Agreements. Source: Provincial Governments, Federal Government, Statistics Canada, Bank of Canada, TD Economics.

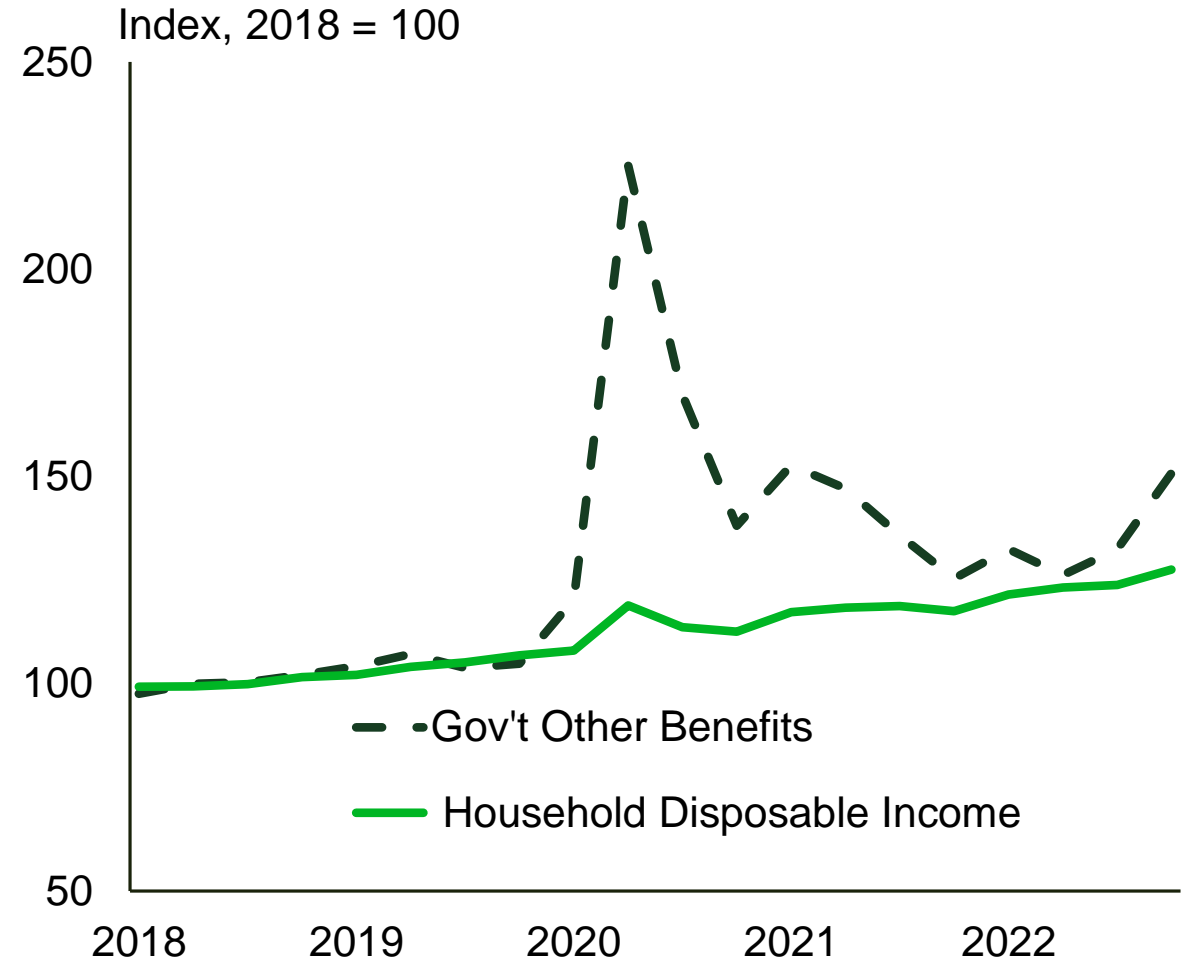
# Canadian Households Still Have Large Income Buffers Still



Excess Deposits, \$ Billions

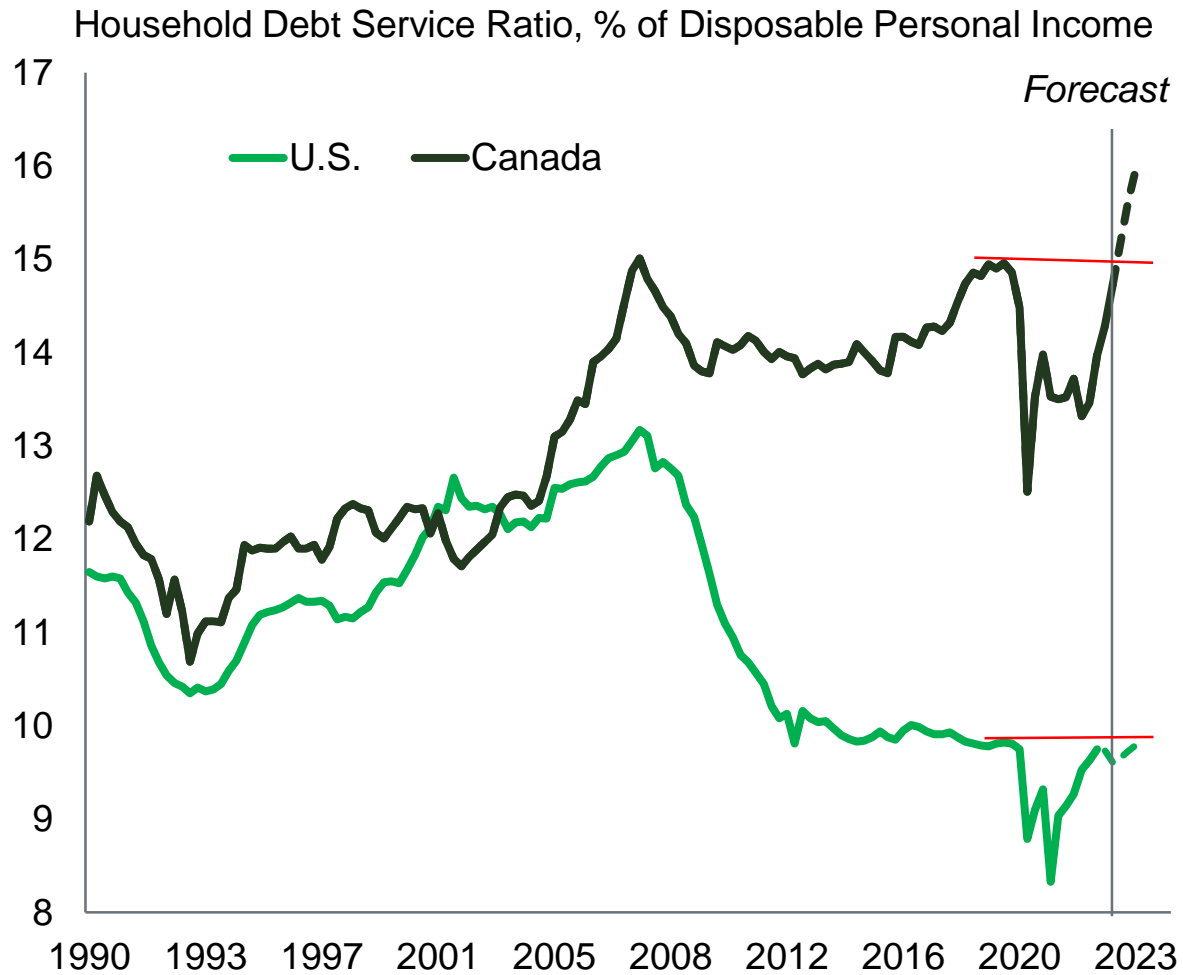


Source: Bank of Canada, TD Economics.

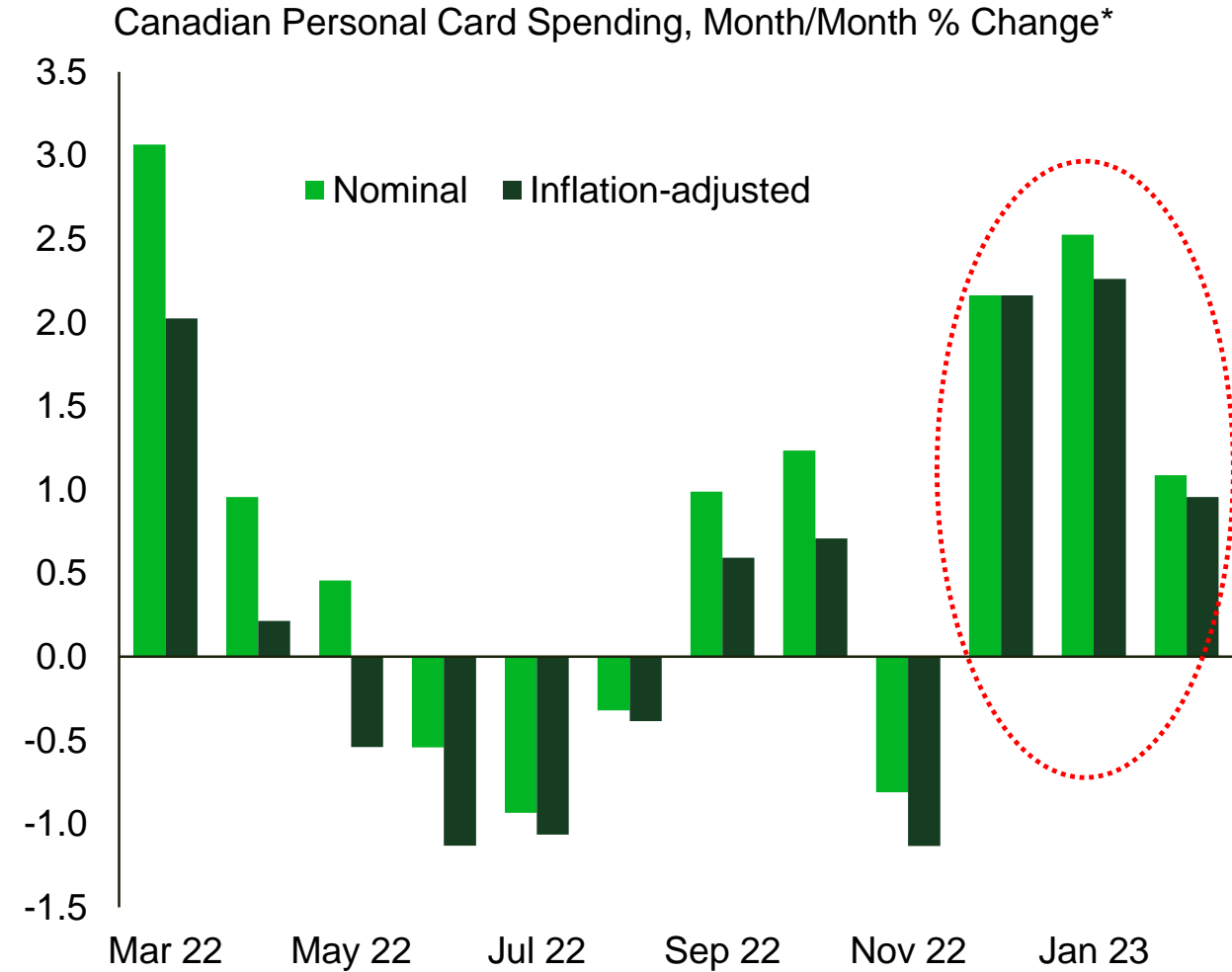


Source: StatCan, TD Economics. Last observation: December 2022.

# Canadian Consumer Debt Loads Have Yet To Weigh On Spending



Last actual observation for US and Canada is 2022Q4.  
Source: Federal Reserve Board, Statistics Canada, TD Economics.

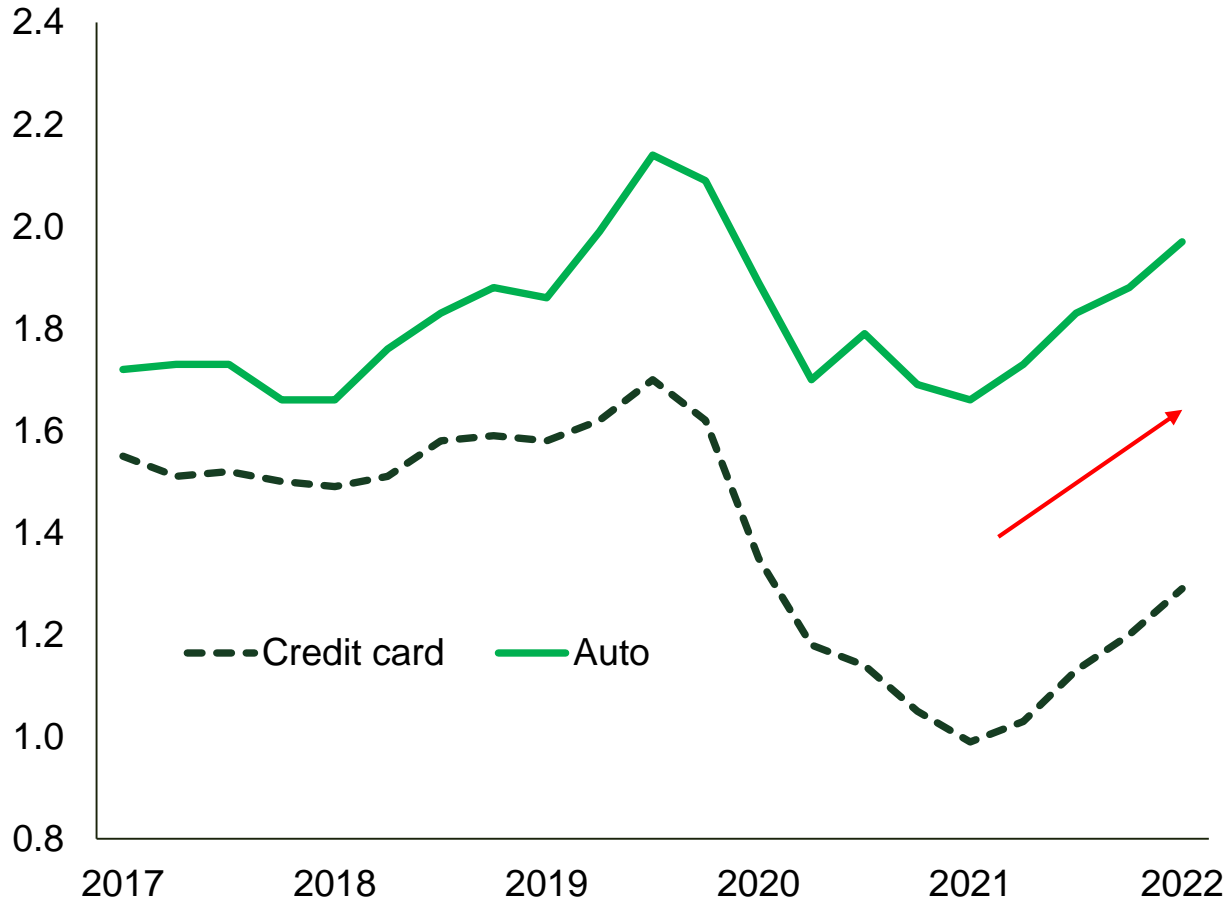


\*Seasonally adjusted. Source: TD Economics.

# Consumer Delinquency Rates – Normalization vs. Recession?

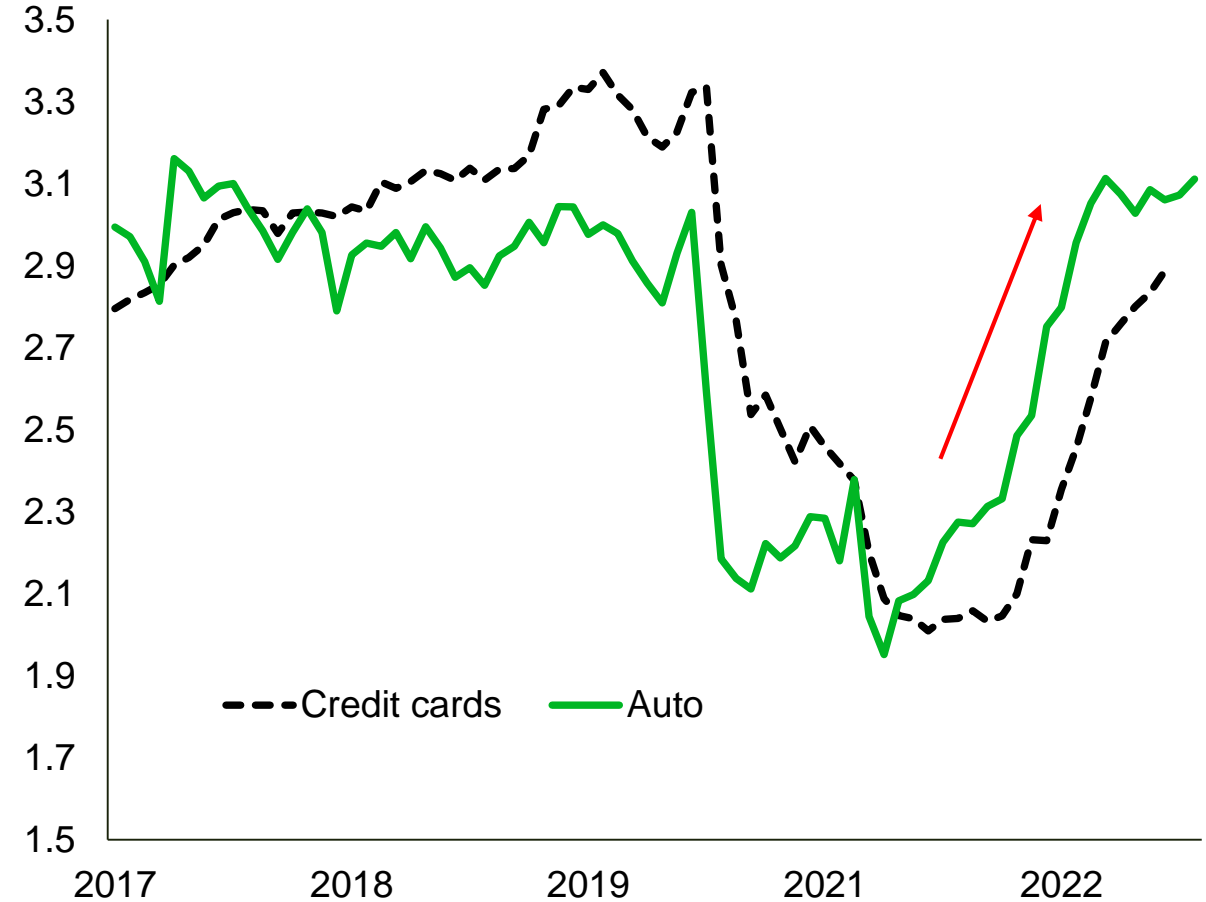


Canada, Delinquency rate (90+ days), %



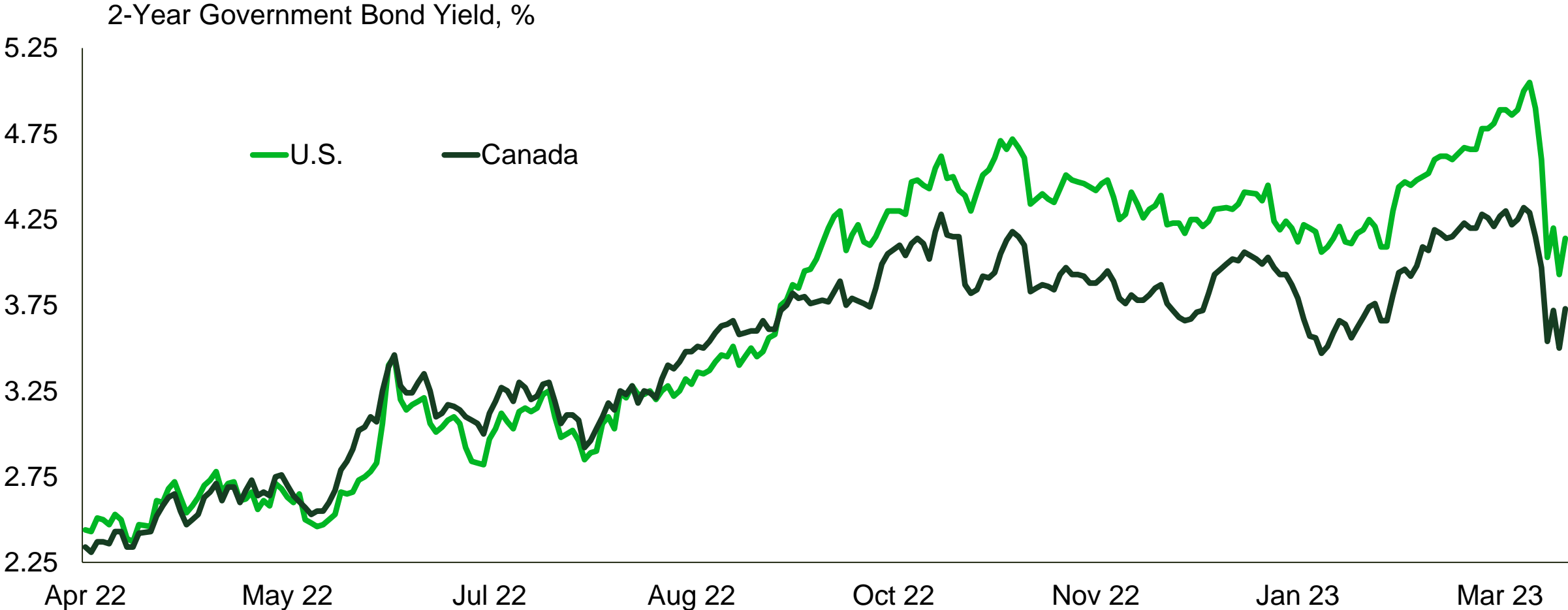
Source: Equifax, CMHC, TD Economics.

U.S. Delinquency rate\* (total), %



Source: Equifax, TD Economics (\*seasonally adjusted, last point February 2023)

# Banking Fears Send Government Bond Yields Down Sharply

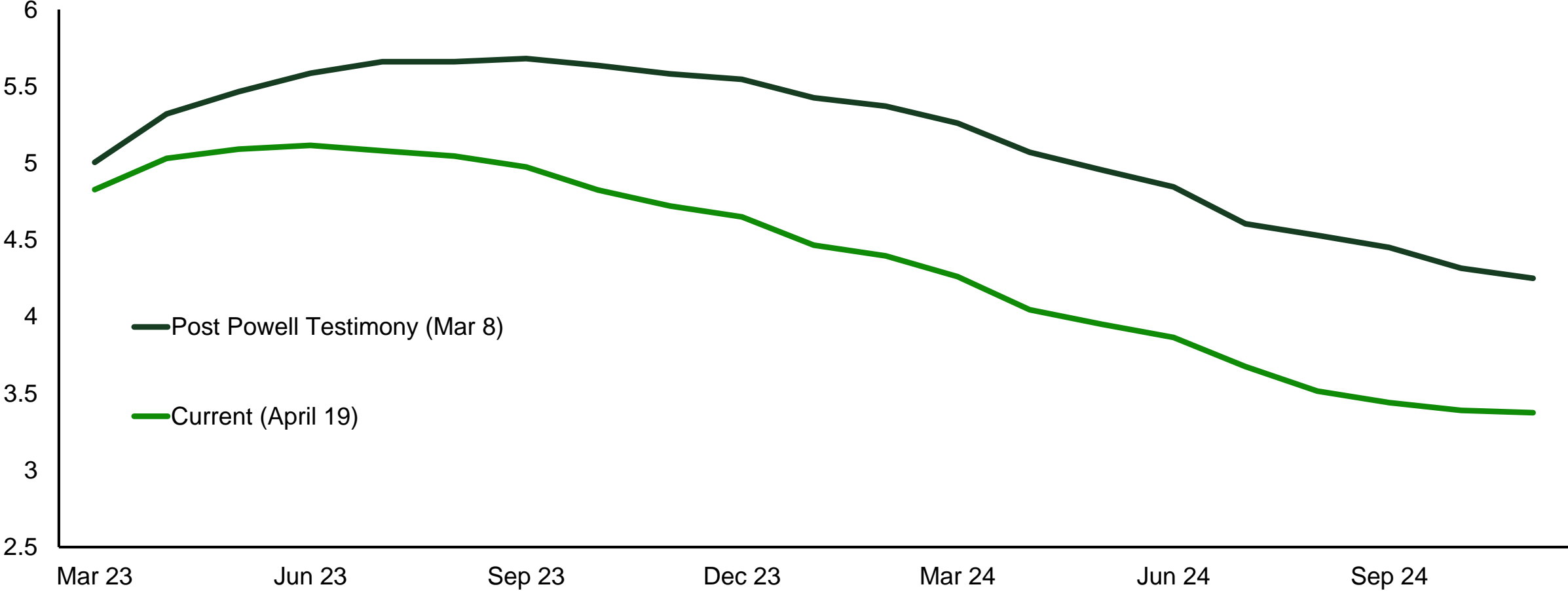


Source: Bank of Canada, Federal Reserve Board, TD Economics.

# Markets Now Anticipating Rate Cuts by Year End

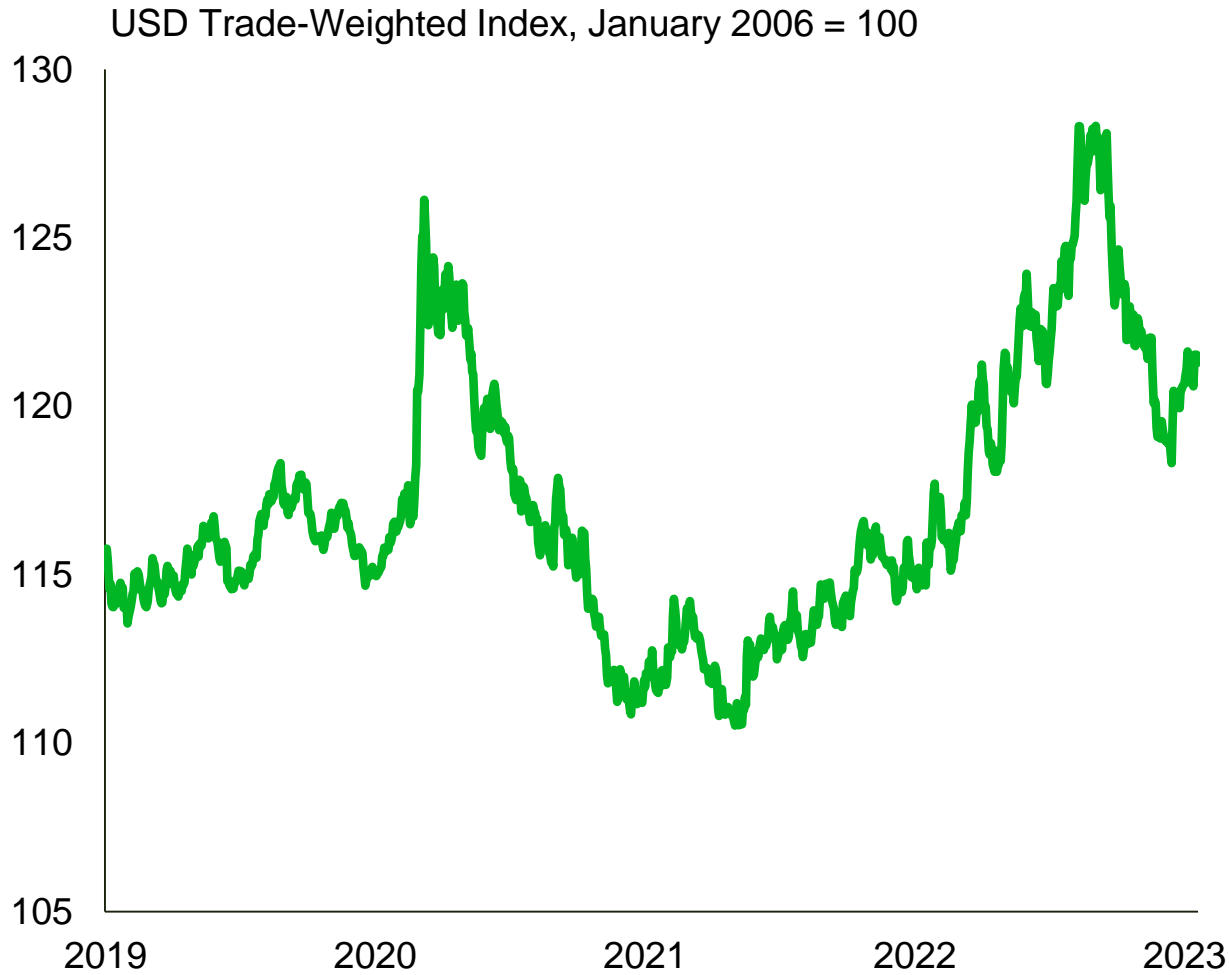


Federal Funds Rate Futures, Yields (%)

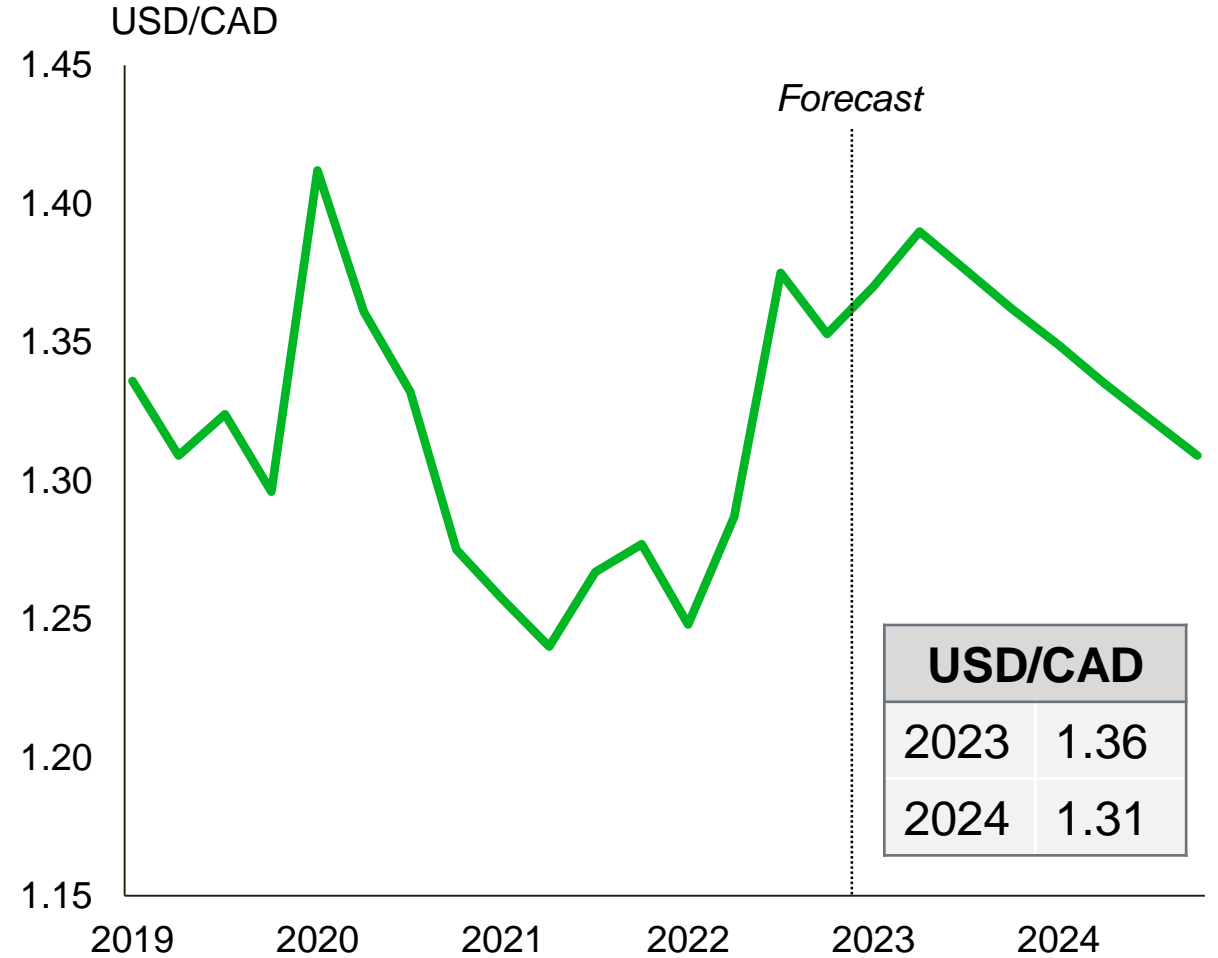


Source: Bloomberg, TD Economics.

# USD Could Benefit From Flight To Safety In Near Term



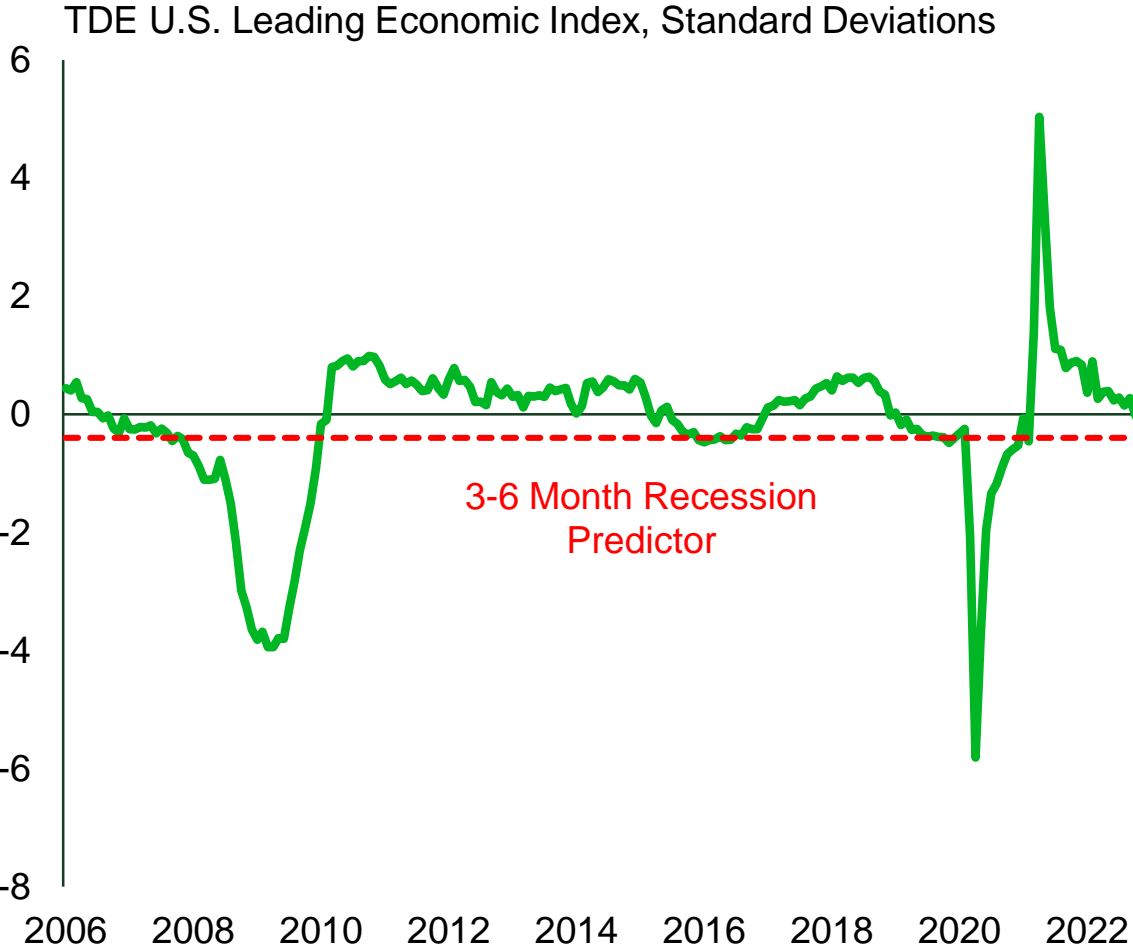
Source: Federal Reserve Board, TD Economics. Last observation: March 10, 2023.



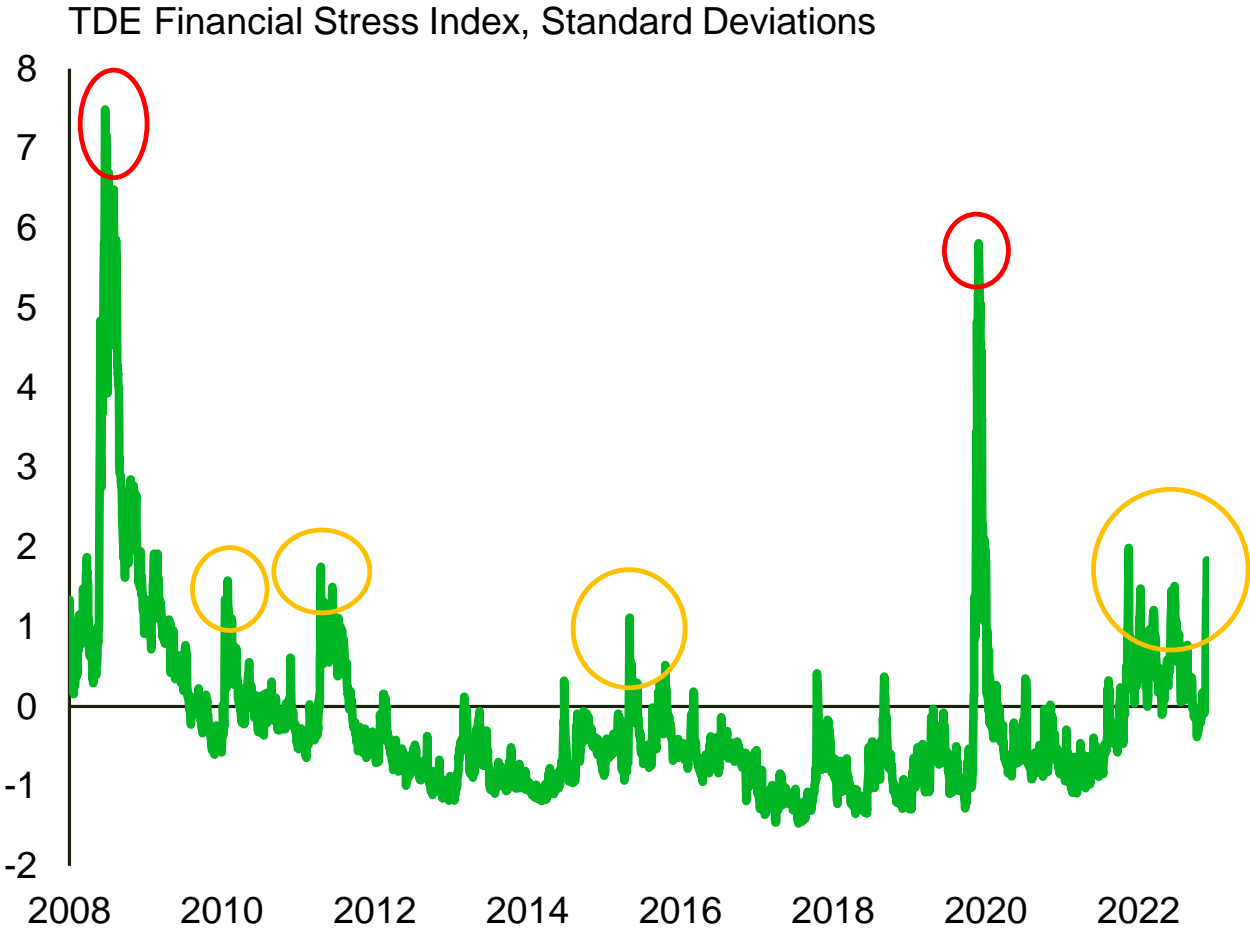
Source: TD Economics.



# Leading U.S. Recession Indicators Trending Unfavorably



Source: TD Economics. Note: Index extends to December 2022.

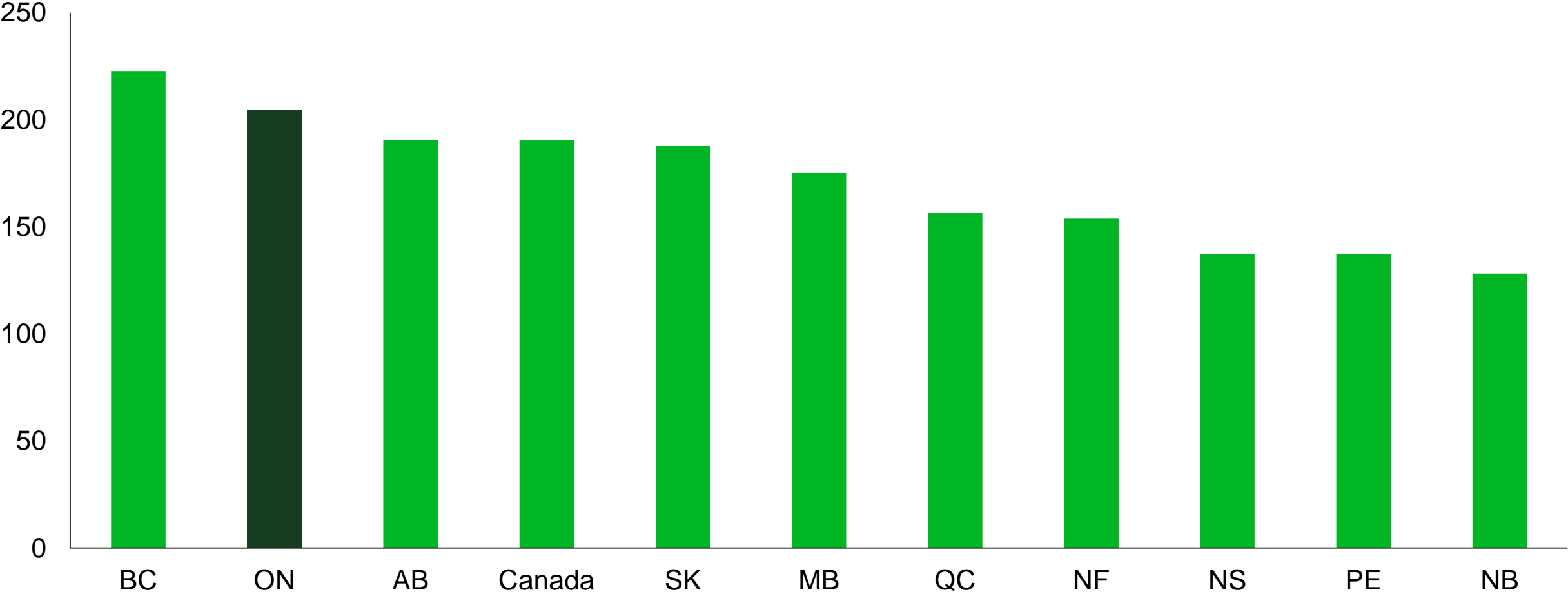


Source: TD Economics. Last observation: March 15, 2023.

# Ontario's Households Particularly Exposed to Higher Rates...



Household Debt to Disposable Income Ratio, %, 2022Q3

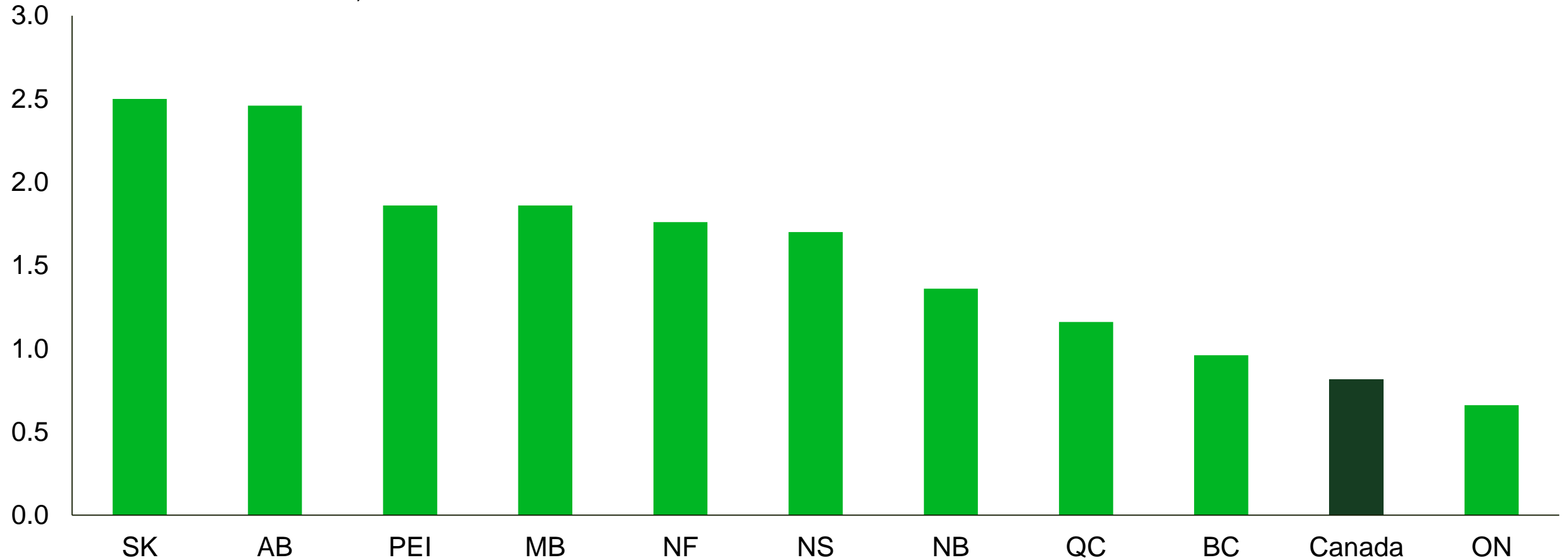


Source: Statistics Canada, TD Economics.

# ... Leaving the Province in Last Spot in the Growth Rankings in 2023



2023 Real GDP Growth, %

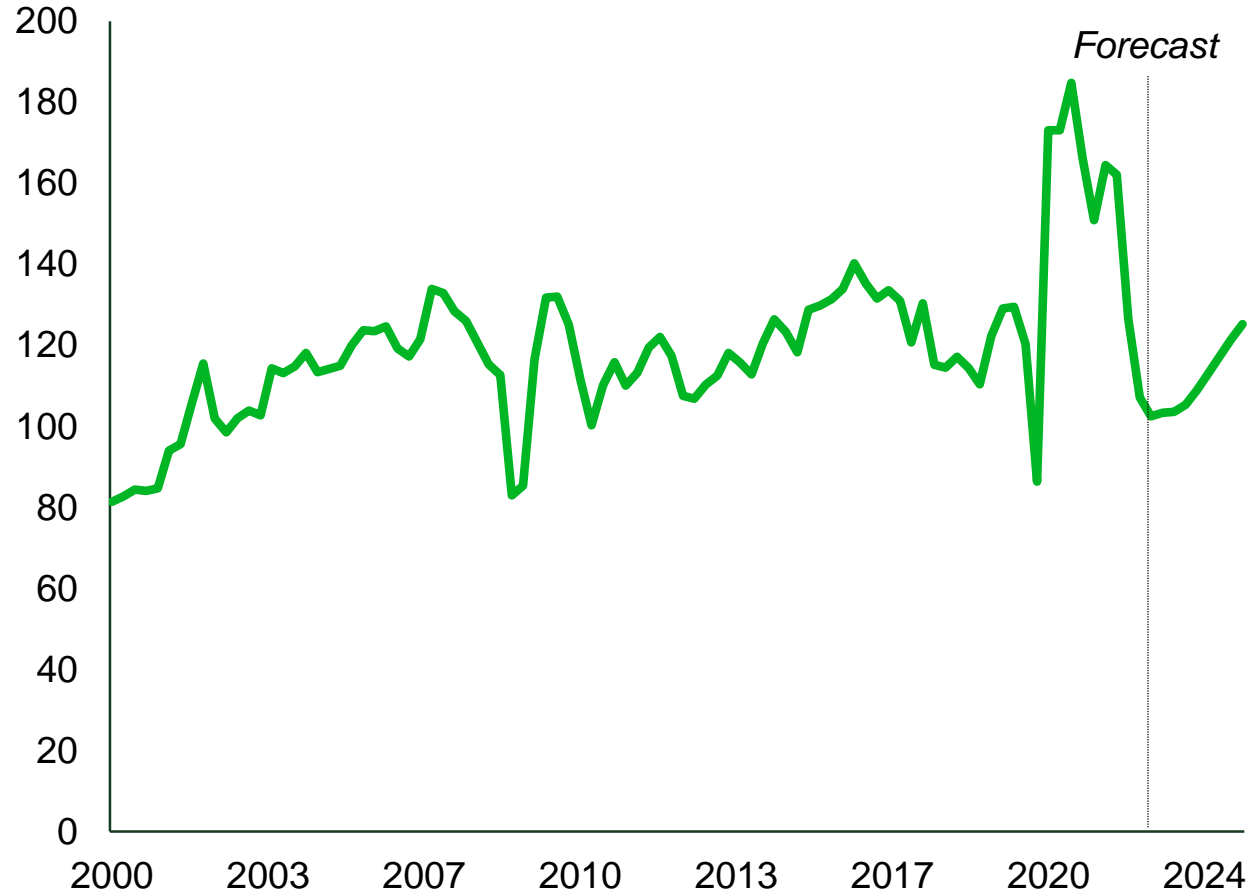


Source: Statistics Canada, Provincial Governments, TD Economics.

# Canadian Housing Likely To Scratch a Bottom in the First Half of this Year

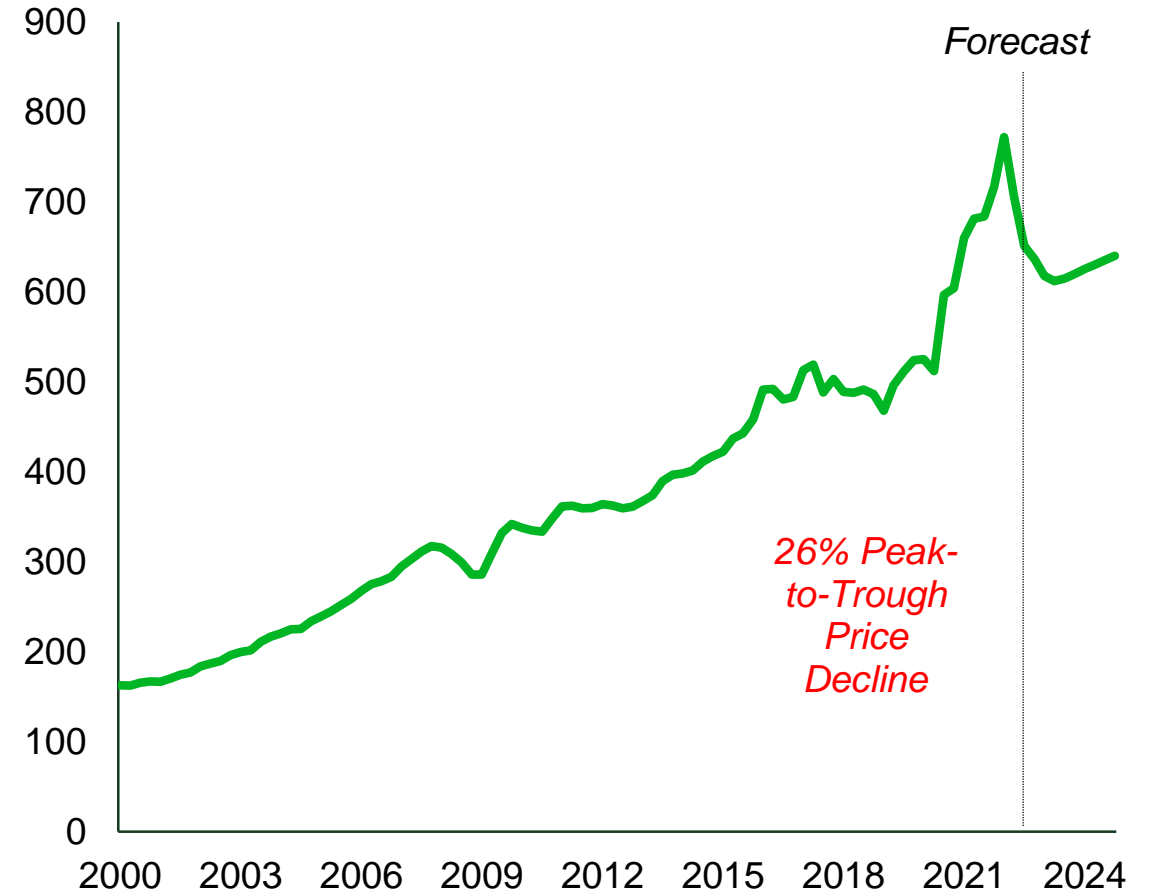


Canadian Home Sales, Thousands of Units



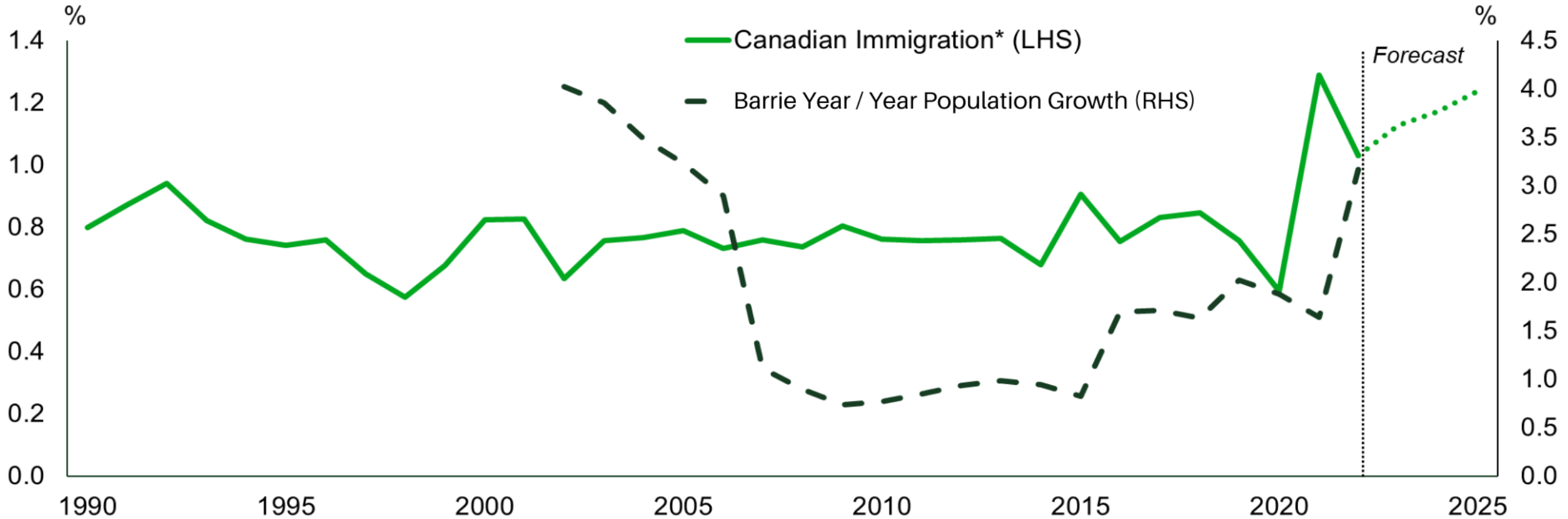
Source: CREA, TD Economics. Forecast as of March 2023.

Canadian Average Home Price, \$ Thousands



Source: CREA, TD Economics.

# Strong Immigration To Drive Housing Recovery



\*Note: Immigration as a % of total population.

Source: StatCan, TD Economics.



Thank you



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