

## Appendix B

# User's Guide

### Census Metropolitan Areas

Statistics Canada defines a census metropolitan area (CMA) as being “formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). A CMA must have a total population of at least 100,000, of which 50,000 or more must live in the urban core.”

## National Overview

### Real GDP Growth

The chart displays the real GDP growth of Canada and provinces associated with the cities in the MCI forecast. The data are shown over four GDP growth periods: the last historical year, the current forecast year, the rest of the forecast period, and finally, a 10-year period comprising both historical and forecast data.

### Credit Quality

The credit rating is a current opinion of the city's overall financial capacity (its creditworthiness) to pay its financial obligations. The rating applies to one of the individual cities within the CMA.

**Table 1**  
Debt Rating Service Scales

<b>Standard &amp; Poor's</b>	
Highest quality	AAA
Very good quality	AA
Good quality	A
Medium quality	BBB
Lower medium quality	BB
Poor quality	B
Speculative quality	C
Default	D
Rating suspended	Suspended

## City Pages

### Real GDP Growth

The chart displays four GDP growth rates: the last historical year, the current forecast year, the rest of the forecast period, and finally, a 10-year period comprising both historical and forecast data. Comparison of others cities in the forecast can be made by making a selection in the list on the left side of the chart.

## Real GDP Ranking

The table shows how the CMA fares against the other census metropolitan areas featured in the current edition of the Major City Insights.

## Credit Quality

See [Credit Quality](#) in National Overview section.

## Relative Cost of Shelter

### Homeownership

This ratio compares the average price of a home in the CMA to the average for Canada as a whole.

### Rental

This ratio compares the average monthly rent of an apartment in the CMA to the average for Canada as a whole.

## Key Economic Indicators

### Real GDP

Gross domestic product at the CMA level is calculated using a weighted share of employment in both the CMA and the province and in provincial GDP. Hence, we are making the hypothesis that productivity is constant within an industry in different parts of a province. Total GDP is estimated by summing all the industrial GDP values. Values are posted in units of millions of 2012 dollars; hence, inflation effects are eliminated.

### Employment

Total employment is the sum of employment in all industries. Data are presented in units of thousands.

### Unemployment rate

The unemployment rate is the ratio of the number of unemployed workers to the total labour force.

### Household Income per Capita

Personal income per capita is the sum of all revenues (wages, dividends, self-employment, etc.) received in a year, divided by total population. Data are in dollars and not corrected for inflation (current dollars).

### Population

The population data include inhabitants of all municipalities that make up the CMA. Data are presented in units of thousands.

### Housing Starts

Total housing starts represent the sum of multiple and single housing construction starts. Multiple housing includes any type of building that can lodge more than one household. Examples: apartment complex, condominium, duplex, and triplex.

### Retail Sales

Retail sales are quoted in units of millions of dollars and are not adjusted for inflation (current dollars).

### Consumer Price Index (CPI)

This index measures the cost of living for a typical urban family. It is composed of several goods priced after taxes. A benchmark year (2002, for example) is given the value 1.0. A value of 1.11 in 2009 is then interpreted as growth of 11 per cent in the CPI between 2002 and 2009.

## Key Economic Indicators— % Change

The chart shows the percentage change from the previous period for six of the key economic indicators.

# Labour and Employment Section

## Employment Outlook

Employment growth percentages for specific sectors are shown for the current year and for an average yearly value over the next four years.

## Sectoral Employment

A detailed list of industries for employment is presented, based on NAICS data. Industrial disaggregation is done at the four-digit level. The number of employees is quoted in units of thousands.

The office sector is defined by these industries: information and cultural services; finance, insurance, and real estate; business services; and public administration. The industrial sector includes the manufacturing, construction, and primary and utilities industries.

## Sectoral Employment—% Change

The chart shows the percentage change from the previous period for the same industries included in the sectoral employment table.

## Dominant Industries

Using the North American Industrial Classification System (NAICS), this table presents the most important industries for the CMA, ranked by employment. Industrial disaggregation is done at the four-digit level. The number of employees is quoted in units of thousands.

## Employment Market Variability

### Fluctuations

Fluctuation linked to Canada is an indication of the degree of correlation between changes in employment in the CMA and changes in employment in Canada between 1987 and the current year.

Fluctuation not linked to Canada is an indication of the degree of correlation between changes in employment in the CMA and changes in factors other than employment changes in Canada.

### Compared to Canada

This bar chart represents the ratio of the standard deviation of total employment growth in the CMA to the standard deviation of total employment growth in Canada. The higher the number on the bar chart, the more volatile the labour market in the CMA relative to Canada.

## Comparative Employment

Employment is disaggregated into six sectors: industrial; office; transportation and warehousing; wholesale and retail trade; non-commercial services, and “other” services. This chart shows the share of each employment component relative to the total.

## Employment In Perspective

Using a base year (2015, for example) as a benchmark, this chart plots total employment growth against time. The forecast years are marked by the letter “f.” The value 1.0 is given to the base year, and each subsequent year is used as a comparison; hence, the growth is clearly schemed. For analytical purposes, employment in perspective is shown with metropolitan and Canadian data.

## Economic Indicators Section

### GDP Outlook

GDP growth percentages for specific sectors are shown for the current year and for an average yearly value over the next four years.

### Household Income per Capita

Household income per capita is presented at the CMA, provincial, and national levels. The information is presented in thousands of current (nominal) dollars.

### Economic Structure

Canada is set as the benchmark for economic diversity. It is proposed that the Canadian economy is well diversified; hence, a comparison can be made between the CMAs and the Canadian economy. The value 1 is given to a metropolitan area that has the same industrial structure as Canada. A value of 0 means that the CMA has a totally different economic structure and thus implicitly lacks diversity.

## Sources of Migration

Statistics Canada collects data for three types of population migration patterns: intercity, interprovincial, and international. Intercity migration is defined as the flow of population moving out of or into the metropolitan area to or from other cities in the province. Interprovincial migration represents population movements between the metropolitan area and other Canadian provinces, excluding the province in which the metropolitan area lies. International migration is the population movement between other countries and the metropolitan area. The chart plots the net values for the three demographic variables.

## Construction and Real Estate Section

### Construction, Commercial Real Estate, and Income Overview

#### Building Permits

Historical data are presented on a disaggregated level. The bar chart shows total building permits split into two main categories: residential and non-residential.

#### Breakdown of Non-residential Building Permits

The non-residential sector, shown in the Building permits bar chart to the left, is further divided into three sub-components: industrial, commercial, and public administration and non-commercial.

### Office Sector

The total CMA office sector is quoted in units of thousands of square feet. The vacancy rate measures the amount of physically vacant space as a percentage of total inventory. The second row of the number of square feet and the and employment categories is the percentage change from the previous period.

### Construction Bankruptcies

Business and consumer bankruptcy figures are available from Industry Canada.

## Real Estate

Depending on the availability of data, real estate information may include:

### Downtown Office Market

The vacancy rate is the percentage of units available to lease in the CMA's downtown core. The average lease rate is quoted per square foot in a downtown Class A location.

### Suburban Office Market

The vacancy rate is the percentage of units available to lease in the CMA's suburban areas. The average lease rate is quoted per square foot in a suburban Class A location.

### Industrial Market

The industrial market consists of building units or assets devoted to production. The vacancy rate is the percentage of units available to lease, while the overall availability rate is the percentage of units available for sale. Average net rents or land values are quoted for the CMA's most active land markets.

### Apartment Market

The apartment market consists of building units devoted to residential dwellings. Average rents are quoted for a two-bedroom apartment.

### New Housing Market

Absorptions refer to the number of newly completed housing units that are sold or rented. Growth in absorptions or prices refers to the percentage change from the previous year.

### Resale Housing Market

Unit sales are the number of existing homes sold on the multiple listings service (MLS). Growth in sales or prices refers to the percentage change from the previous year.

## Housing Starts

The chart demonstrates the growth in housing starts over a period of time. The base year (for example, 2015) is given the value 1.0. Hence, the following yearly data represent the growth value compared with 2015. For example, the value 1.2 means that housing starts have increased by 20 per cent since 2015. Two lines are shown in the chart, one for the metropolitan area and one for Canada.