

MARKHAM ECONOMIC PROFILE

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“ Thriving Markham is strategically located in the Greater Toronto Area, Canada’s economic heartland. ”

Markham Mayor



Frank Scarpitti



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ECONOMIC OVERVIEW

Markham and the North American Market

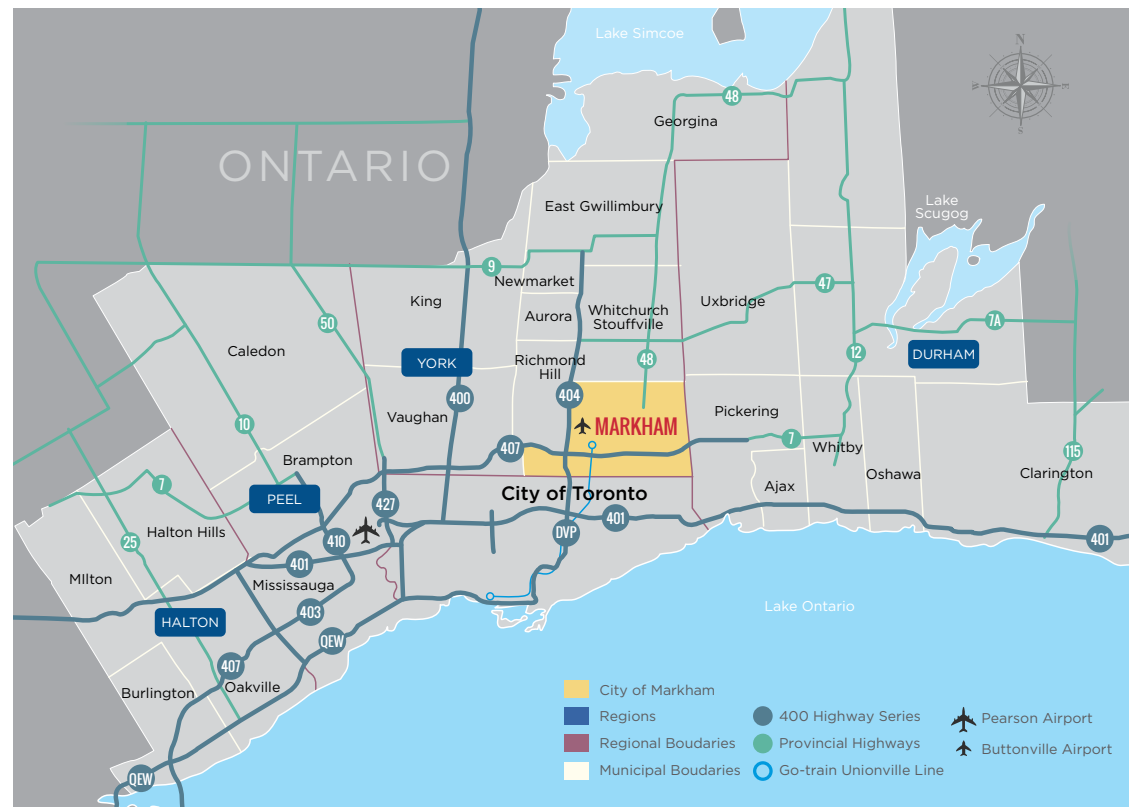


LEGEND

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Produced by the City of Markham, Economic Growth, Culture & Entrepreneurship Department
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Markham and the Greater Toronto Area



Expanding business base. Motivated, highly educated workforce. Affluent, diverse population. By every measure, Canada's high-tech capital – and 16th largest municipality – is thriving.

The award-winning City of Markham is the largest of nine communities in York Region, with a population of over **355,000** and a land area of **212 square kilometres**.



10,680



210+

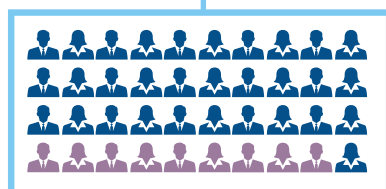


1,000+



Markham is a leader in attracting foreign direct investment. Of the **10,680 companies in Markham**, there are more than 210 foreign companies located here, employing more than **28,000 people**. Leading innovators in Markham include: IBM, Aviva Insurance, AMD, GM Canada Technical Centre, Bank of China, GE Digital Energy, Honeywell, Huawei Technologies, Lenovo, Johnson & Johnson, Toshiba, Honda and Hyundai.

172,400



38,000

Markham has the highest concentration of ICT employers per capita in Canada. Over **1,000 technology and life sciences companies** are based in Markham. These two sectors alone **employ 38,000 people** – over one-fifth of the total workforce **of 172,400**.

Strategies for Growth

Markham is maintaining its economic momentum by following its 10-year economic strategy, Markham 2020. In targeting specific growth sectors, the City continues to attract companies specializing in ICT, life sciences, financial services, design and engineering, professional scientific services, and information and cultural industries. Here, businesses find skilled workers from around the world who are drawn to Markham for its exceptional quality of life (see page 8).

Internationally, the City's profile has benefited from several economic alliances and a frequent exchange of business missions to and from Asia, the USA and Europe – reaching out to global markets to bring investment into Markham as well as opening doors for Markham-based businesses to expand.

Markham's TOP 20 EMPLOYERS

IBM CANADA LTD.
TD FINANCIAL GROUP
CITY OF MARKHAM
MARKHAM STOUFFVILLE HOSPITAL
THE MILLER GROUP
AMD TECHNOLOGIES INC.
CGI INFORMATION SYSTEMS
HOMELIFE LANDMARK REALTY INC
TD INSURANCE
AVIVA CANADA
ALLSTATE INSURANCE
JOHNSON AND JOHNSON INC.
CAA SOUTH CENTRAL ONTARIO
ENERCARE HOME SERVICES
WSP CANADA GROUP LTD.
AUTOLIV ELECTRONICS CANADA INC.
HONDA CANADA
FIRST STUDENT CANADA
COSTCO WHOLESALE CANADA LTD.
GE DIGITAL ENERGY
GM CANADA TECHNICAL CENTRE

Data source: 2017 York Region Employment Survey

TECHNOLOGY CLUSTER

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| INDUSTRIAL CATEGORY | NUMBER OF COMPANIES |
|---|---------------------|
| Computer Systems Design and Related Services | 301 |
| Engineering Services | 116 |
| Computer, Computer Peripheral and Pre-Packaged Software Wholesaler-Distributors | 72 |
| Electronic and Precision Equipment Repair and Maintenance | 57 |
| Graphic Design Services | 34 |
| Electronic Components, Navigational and Communications Equipment and Supplies Wholesaler-Distributors | 33 |
| Management Consulting Services | 32 |
| Wireless Telecommunications Carriers (except Satellite) | 27 |
| Software Publishers | 26 |
| Research and Development in the Physical, Engineering and Life Sciences | 24 |
| Data Processing, Hosting, and Related Services | 22 |
| Navigational, Measuring, Medical and Control Instruments Manufacturing | 19 |
| Semiconductor and Other Electronic Component Manufacturing | 18 |
| Other Scientific and Technical Consulting Services | 16 |
| Wired Telecommunications Carriers | 14 |
| Other Telecommunications | 14 |
| Environmental Consulting Services | 12 |
| Computer and Peripheral Equipment Manufacturing | 11 |
| Management of Companies and Enterprises | 8 |
| Internet Publishing and Broadcasting, and Web Search Portals | 5 |
| Industrial Design Services | 5 |
| Electrical Equipment Manufacturing | 4 |
| All Other Electrical Equipment and Component Manufacturing | 4 |
| All Other Professional, Scientific and Technical Services | 4 |
| Radio and Television Broadcasting and Wireless Communications Equipment Manufacturing | 3 |
| Other Communications Equipment Manufacturing | 3 |
| Geophysical Surveying and Mapping Services | 3 |
| Surveying and Mapping (except Geophysical) Services | 3 |
| Telephone Apparatus Manufacturing | 2 |
| Audio and Video Equipment Manufacturing | 2 |
| Communication and Energy Wire and Cable Manufacturing | 2 |
| Electric Power Generation | 1 |
| Manufacturing and Reproducing Magnetic and Optical Media | 1 |
| Research and Development in the Social Sciences and Humanities | 1 |
| TOTAL NO. OF TECHNOLOGY COMPANIES | 899 |

Note: Data was obtained from the 2017 York Region Business and Employment Survey. While every effort has been made to ensure the accuracy of this information, the Regional Municipality of York and the City of Markham can accept no responsibility for any inaccuracies, errors or omissions. Some industry categories can be found under both the high-tech and life sciences clusters because the functions of the companies support both sectors.

LIFE SCIENCES CLUSTER

| INDUSTRIAL CATEGORY | NUMBER OF COMPANIES |
|---|---------------------|
| Professional Machinery, Equipment and Supplies Wholesaler-Distributors | 57 |
| Medical Equipment and Supplies Manufacturing | 37 |
| Medical and Diagnostic Laboratories | 19 |
| Research and Development in the Physical, Engineering and Life Sciences | 18 |
| Computer Systems Design and Related Services | 17 |
| Pharmaceuticals and Pharmacy Supplies Wholesaler-Distributors | 16 |
| Management of Companies and Enterprises | 10 |
| Home Health Care Services | 8 |
| Navigational, Measuring, Medical and Control Instruments Manufacturing | 7 |
| Testing Laboratories | 6 |
| Other Scientific and Technical Consulting Services | 3 |
| Pharmaceutical and Medicine Manufacturing | 3 |
| Office Administrative Services | 3 |
| Toiletries Preparation Manufacturing | 2 |
| Management Consulting Services | 2 |
| Computer, Computer Peripheral and Pre-Packaged Software Wholesaler-Distributors | 1 |
| Research and Development in the Social Sciences and Humanities | 1 |
| TOTAL NO. OF LIFE SCIENCES COMPANIES | 210 |

IBM Innovation Space - Markham Convergence Centre

The IBM Innovation Space - Markham Convergence Centre serves as a one-stop innovation hub for entrepreneurs and businesses looking to commercialize their technologies or business ideas. This dynamic space and its many tenants work together to create a business eco-system dedicated to propelling ideas from concept to market.

The facility gives emerging innovators access to advisory organizations offering a range of services:

- Commercialization support to take small and medium enterprises to the next level of growth, especially in health technologies
- Strategic partnership development and funding options
- Access to research and development opportunities, contracts and assistance in the industrial and academic sectors

RESIDENT ORGANIZATIONS

ventureLAB, York University, Markham Small Business Centre, Markham Board of Trade, National Research Council's Industrial Research Assistance Program, Ontario Centres of Excellence, York Angel Investors, TechConnex, numerous exciting start-ups and SMEs.

Bring your ideas. Share your dreams. Create new ventures with the capacity to go global.
Come visit the new Markham Convergence Centre at 3600 Steeles Avenue East.



**MARKHAM SMALL
BUSINESS CENTRE**
HELPING SMALL BUSINESS GROW



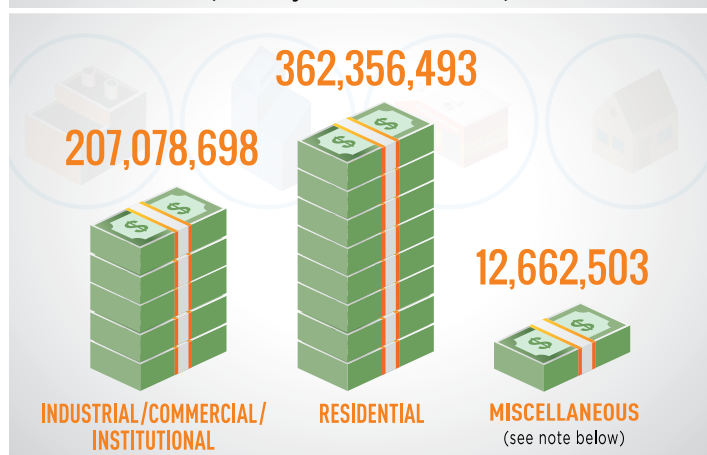
Development Activity

6

From premium corporate, commercial and industrial developments to outstanding mixed-used communities, Markham is creating the infrastructure needed to sustain a vibrant environment for all. This includes working to maintain the lowest tax rates in the GTA.

Value of Construction

(January – December 2017)



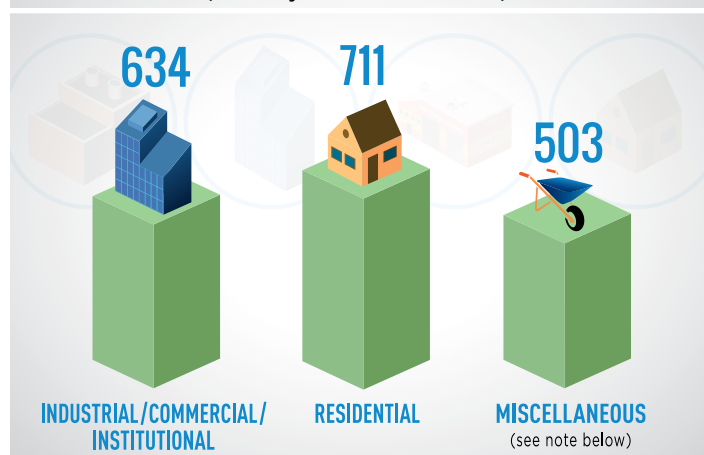
Miscellaneous includes Agricultural, Swimming Pools, Demolitions, Septic, Signs, Tents, Decks, Designated Structures, Heating & Plumbing Only and Partial Permits.

2017 Tax Rates (%)

| | COMMERCIAL | INDUSTRIAL |
|----------------|--------------|--------------|
| Toronto | 2.52% | 2.59% |
| Mississauga | 2.02% | 2.30% |
| Vaughan | 1.68% | 1.98% |
| Markham | 1.65% | 1.93% |

Number of Building Permits Issued

(January – December 2017)



Industrial Commercial Development

Vacant Employment Land Inventory 2017

| Land Use Designation Categories | Serviced and Market Ready (acres) | Unserviced (acres) |
|---------------------------------|-----------------------------------|--------------------|
| Commercial Office | 95.78 | 14.13 |
| Commercial Retail | 34.80 | 39.99 |
| Commercial Mixed | 51.72 | 53.00 |
| Total Commercial | 182.29 | 107.12 |
| Total Industrial | 432.56 | 1161.98 |

Average Price Per Acre (Industrial) \$1,100,000-1,300,000

Average Price Per Acre (Commercial) \$1,600,000 - \$1,800,000

Industrial Inventory, 2017 (Q3)

Total inventory (sq.ft.)

Vacancy rate – class A

Average net rent (sq.ft.)

34,391,126

0.8%

\$7.67

Commercial Office Inventory, 2017 (Q3)

Total inventory (sq.ft.)

Vacancy rate – class A

Average net rent (sq.ft.)

8,524,471

6.67%

\$17.56

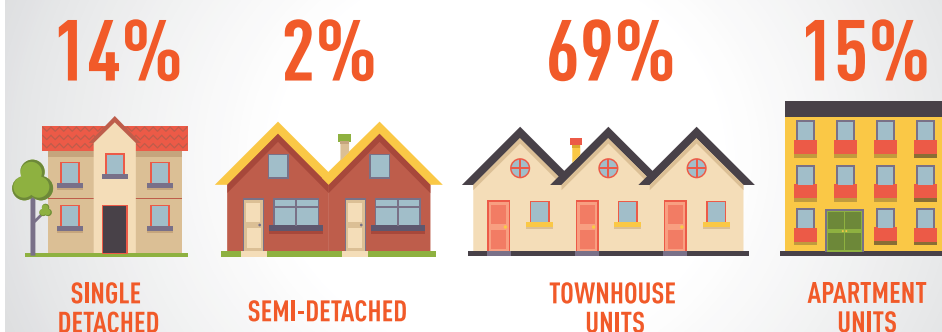
All values are in Canadian Dollars. Source: Colliers International

RESIDENTIAL ACTIVITY & UTILITIES

Residential Development

New Residential Unit Profile

(January–December 2017)



Number of New Residential Units Per Year



Average Home Prices

(Toronto Real Estate Board, Market Watch, December 2017)



*Link houses are commonly two or more buildings or dwellings joined underground or by garage (Ontario Real Estate Association).

Municipal Utilities

Water & Sewer Infrastructure, 2017 Rate

Water & wastewater rate per cubic metre
Sanitary sewers
Water mains

\$3.8555/m³
918.7 km
1078.1 km

Electricity Costs and Charges, Business Rates

50KW OR LESS

Distribution rate
Monthly fixed charge

\$0.0189/kWh
\$28.95/month

GREATER THAN 50KW DEMAND

Distribution rate
Monthly fixed charge

\$4.8510/kW
\$140.97/month

A key part of Markham's competitiveness strategy is to build and maintain a community that appeals to educated, culturally diverse knowledge workers.

Throughout Markham, residents, students and workers have the opportunity to enjoy an emerging downtown with urban amenities and cultural attractions such as award-winning community centres and libraries, top-performing schools, prestigious neighbourhoods, festive celebration events, and charming heritage villages. The City supports a Group of Seven-inspired art gallery, a museum, a 500-seat theatre and extensive parklands.

Recreation & Culture

Number of Parks
Trails/Pathway System
Public Libraries
Community and Cultural Centres & Facilities
Golf Courses
Ice Arenas
Flato Markham Theatre, Markham Museum, Varley Art Gallery, McKay Art Centre
Heritage Areas - Thornhill Village, Unionville Village, Markham Village, Buttonville Village

Public Health & Education

Markham Stouffville Hospital (beds)
Shouldice Hernia Centre (beds)
Elementary Schools
High Schools
Community Colleges (within 1 hr drive)
Universities (within 1 hr drive)

Transportation Infrastructure & Service Providers

Roads (excludes private roads)
Highways (404 and 407)
Sidewalks
Multi Use Path
Cycle Track
York Region Transit (YRT)/Viva
Toronto Transit Commission (TTC)
GO Transit
CN Rail
407 ETR
Toronto Buttonville Municipal Airport

www.yorkregiontransit.com
www.ttc.ca
www.gotransit.com
www.cn.ca
www.407etr.com
www.torontoairways.com

Markham's Greenprint strategy drives many initiatives to create a healthier, more sustainable community for all. Among many successes, the City boasts the highest waste diversion rate in the Greater Toronto Area.

Markham is home to high-quality healthcare services through the expanded Markham Stouffville Hospital and other facilities, and to Seneca College, a premier post-secondary educational research and training facility. For details on available programs, visit www.senecacollege.ca/markhamlocation.

Seneca

203
151 km
8
36
9
10 pads

284
89
74
15
8
7

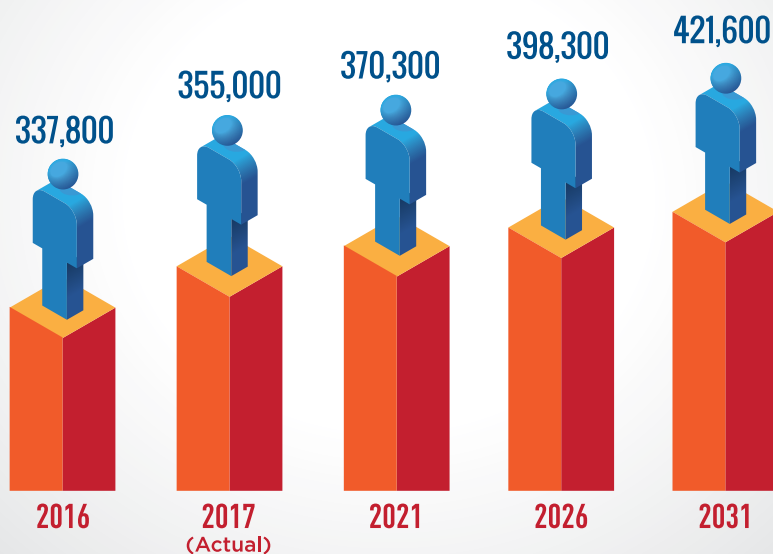
1233 km
32 km
1061.5 km
27.7 km
2.8km



DEMOGRAPHIC PROFILE

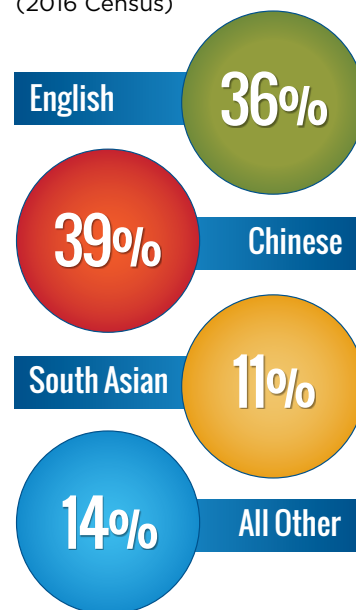
Population Projections

(York Region Official Plan Office Consolidation April 2016)



Mother Tongue Breakdown

(2016 Census)



Educational Attainment

(2016 Census)



36%

University Degree/Diploma/
Certificate

21%

Trade, College or Non-University
Diploma/Certificate

26%

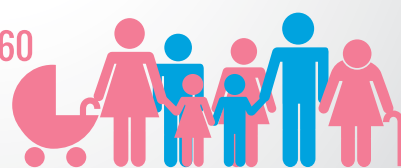
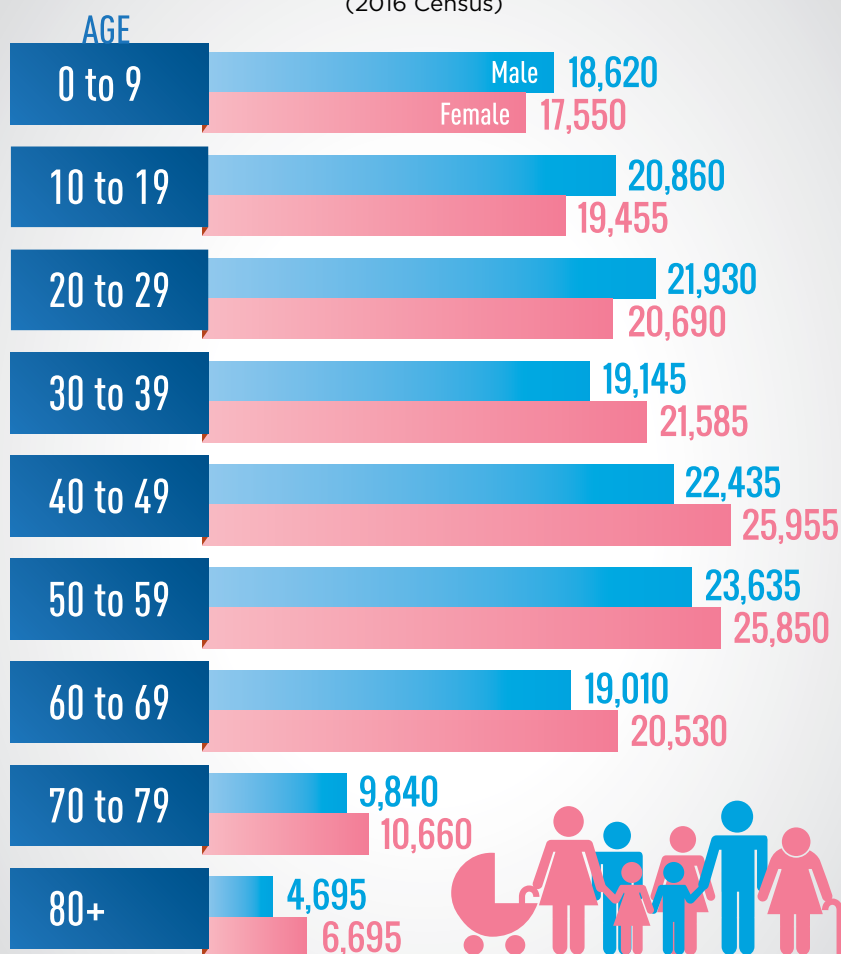
High School Certificate

17%

Less than High School

Population Age Characteristics

(2016 Census)



LABOUR FORCE PROFILE

Basic Indicators

(2016 Census)

| | |
|---------------------------------|---------|
| Number of Persons Employed | 159,640 |
| Unemployment Rate | 7.3% |
| Labour Force Participation Rate | 63.3% |

Average Total Income

(2016 Census, for the population aged 15 years and over in private households)



Ontario Average
\$47,915



Canadian Average
\$47,487



Markham Average
\$45,184

Labour Force by Industry

(2016 Census)

| | |
|---|------|
| Finance, Insurance, and Real Estate | 13.8 |
| Professional, Scientific and Technical | 12.3 |
| Retail Trade | 11.3 |
| Manufacturing | 9.1 |
| Health Care and Social Assistance | 8.4 |
| Accommodation and Food Services | 7.2 |
| Educational Services | 7.0 |
| Wholesale Trade | 5.8 |
| Information, Cultural, Arts, Entertainment and Recreation | 4.8 |
| Construction | 4.3 |
| Public Administration | 3.4 |
| Other | 12.6 |

Wage Rates

(Ministry of Labour)

| Minimum Wage Rate | Rates from Jan 1, 2018 to Dec 31, 2018 | Rates from Jan 1, 2019 to Oct 1, 2019 |
|----------------------|--|---------------------------------------|
| General Minimum Wage | \$14.00 per hour | \$15.00 per hour |
| Student Minimum Wage | \$13.15 per hour | \$14.10 per hour |

Average Earnings, by Selected Occupation, in Markham

(Statistics Canada 2016 Census)

| | |
|---|-----------|
| Management | \$ 83,438 |
| Natural and applied sciences and related | \$ 75,796 |
| Health | \$ 62,873 |
| Business, finance and administrative | \$ 52,358 |
| Education, law and social, community and government services | \$ 49,434 |
| Trades, transport and equipment operators and related | \$ 37,588 |
| Manufacturing and utilities | \$ 34,381 |
| Sales and service | \$ 29,493 |
| Art, culture, recreation and sport | \$ 24,602 |
| Natural resources, agriculture and related production occupations | \$ 22,505 |

Note: For other Census topics, please visit www.statcan.gc.ca

Data for Average Earnings by Selected Occupation, is based on the Markham Census Subdivision Area (CSD) from Statistics Canada 2016 Census.

ADDITIONAL VITAL RESOURCES

HELP GROW YOUR BUSINESS!



ventureLAB

ventureLAB is where talented entrepreneurs can access proven tools, expert mentors and business support to grow their innovative, scalable and growth-oriented businesses. We are a member of ONE (the Ontario Network of Entrepreneurs), a collaborative network of organizations across Ontario, designed to help entrepreneurs commercialize, scale and grow their businesses.

ventureLAB is located at the IBM Innovation Space - Markham Convergence Centre at 3600 Steeles Avenue East in Markham Ontario.

www.venturelab.ca

info@venturelab.ca

905-248-2727

Markham Small Business Centre

Markham Small Business Centre (MSBC) is an innovative public and private sector alliance providing a complete source of services and programs for Markham entrepreneurs and small businesses. Funded by the City of Markham and the Ontario Ministry of Economic Development and Growth, Ministry of Research, Innovation and Science, MSBC provides Markham's aspiring entrepreneurs and existing small businesses with high-quality, one-on-one management consulting, educational training, and the business resources needed to sustain their growth in today's competitive marketplace. MSBC also works to encourage entrepreneurship as a career option for Markham's youth.

The Markham Small Business Centre is located at IBM Innovation Space - Markham Convergence Centre at 3600 Steeles Avenue East in Markham Ontario.

www.msbc.markham.ca

msbc@markham.ca

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Niamh O'Laoghaire, Manager, Varley Art Gallery
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Business Associations

Association of Chinese Canadian Entrepreneurs (ACCE) www.acce.ca 905-479-2802

Canada-Pakistan Business Council (CPBC) www.cpbconline.org 905-752-4480

Canadian Tamil Business Council (CTCC) www.ctcc.ca 416-335-9791

Federation of Chinese Canadians in Markham (FCCM) www.fccm.ca 905-946-1137

Indian Institute of Technology Alumni Canada (IITAC) www.iitalumnicanada.com 905-637-3428

Indo Canada Chamber of Commerce (ICCC) www.iccconline.org 416-224-0090

Markham Board of Trade www.markhamboard.com 905-474-0730

Philippine Chamber of Commerce Toronto www.torontopcct.com 416-850-4966

Markham, Richmond Hill & Vaughan Chinese Business Association (MRVCBA) www.mrvcba.ca 905-731-8806

TechConnex www.techconnex.ca 905-415-4558

The most up to date electronic copy is available online.

