



 **Watson
& Associates**
ECONOMISTS LTD.

Frontenac County Council Presentation

February 2020

What Drives Population Growth?



Economics

Local and Regional
Economic Outlook



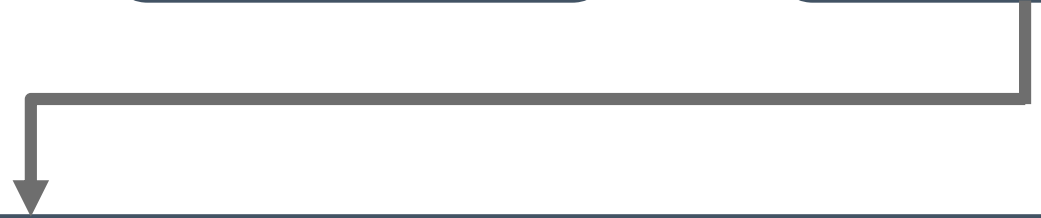
Economic Drivers of
Population and
Employment Growth by
Area



Labour Force Growth
within the Commuter
Shed



Forecast Employment
Growth by Sector



Demographics

Net Migration and
Natural Increase



Population and Housing
forecast 2016 to 2046



Allocation of County-
wide Growth Forecast
by Local Municipality



Allocation of Local
Municipal Forecast by
Settlement Area and
Remaining Rural

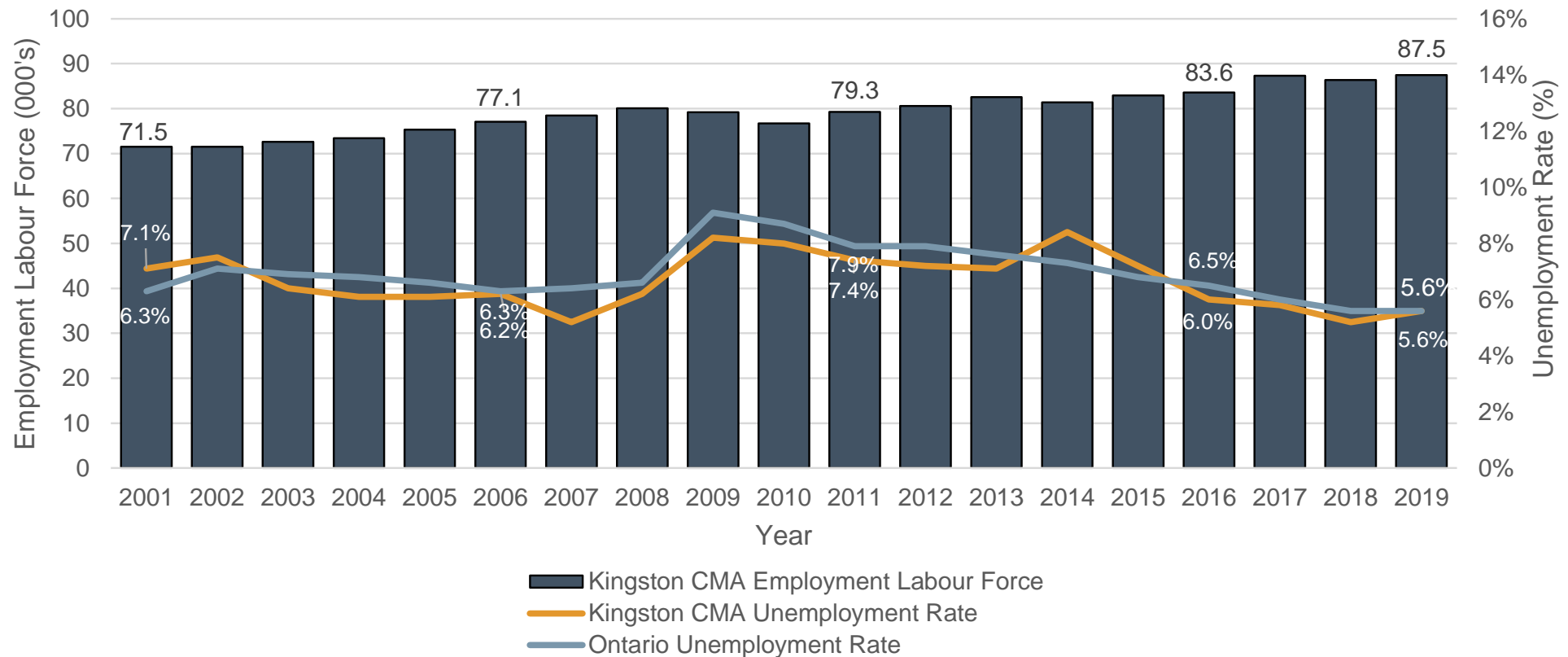
Frontenac County Growth Drivers and Disruptors

Frontenac County Growth Drivers and Disruptors

Kingston C.M.A., Labour Force Trends, 2001 to 2018



- The Kingston C.M.A. Economy has Recently Exhibited Increasing Strength in Both Goods Producing and Service Providing Sectors



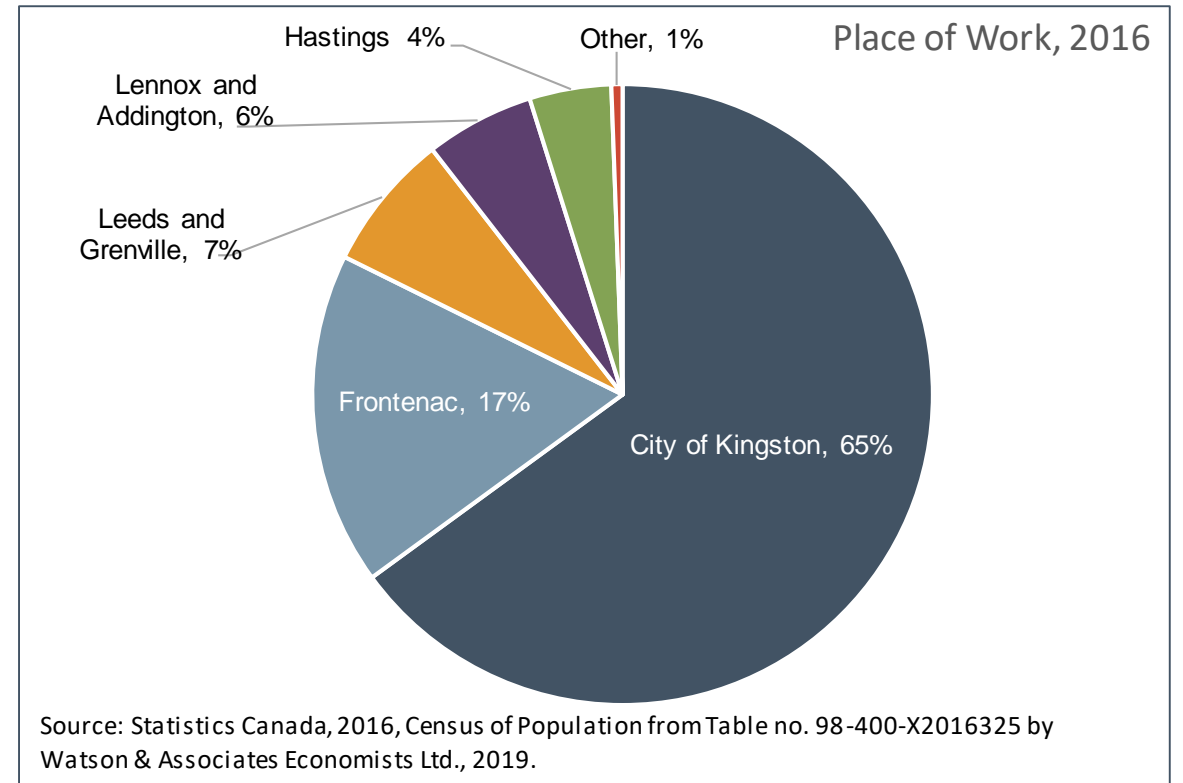
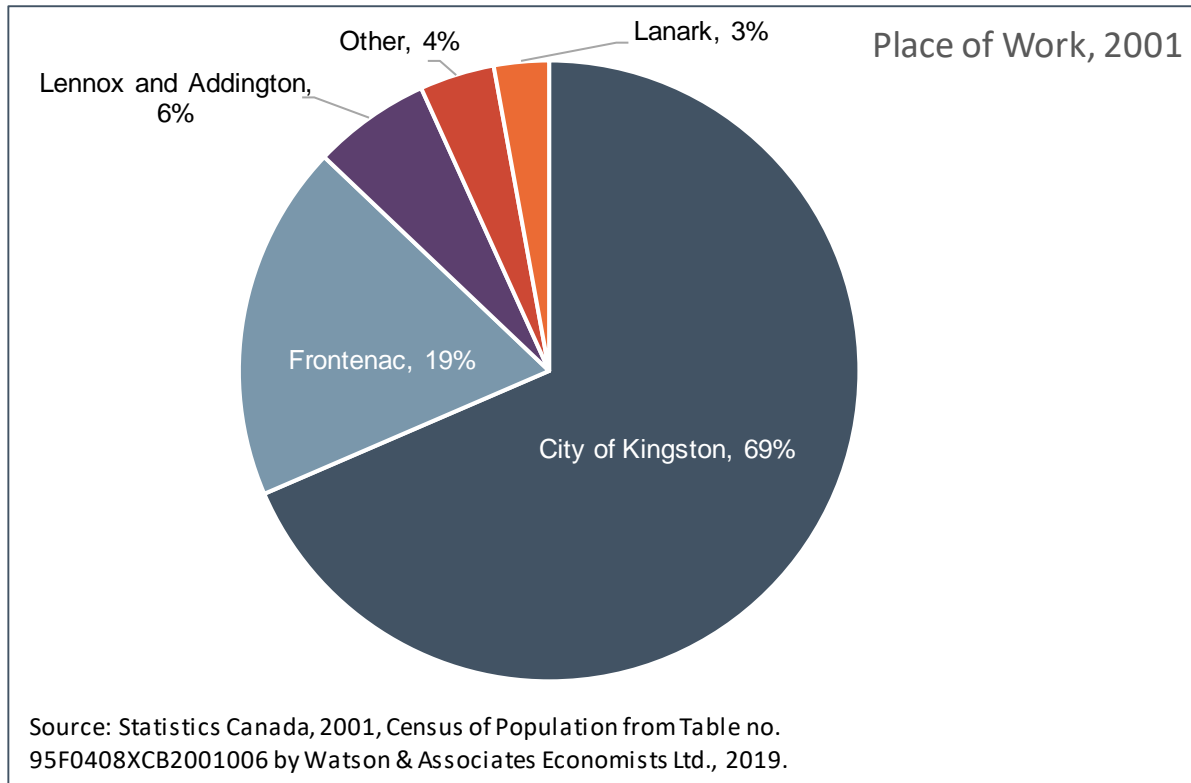
Note: Statistics Canada Labour Force Survey and Census labour force statistics may differ.
 Source: Kingston CMA employed labour force from Statistics Canada Table 14-10-0098-01 and unemployment rate from Table 14-10-0096-01. Province of Ontario unemployment rate from Statistics Canada Table 14-10-0090-01. By Watson & Associates Economists Ltd., 2019.

Frontenac County Commuting Patterns, 2001 and 2016

Regional and Local Employment Opportunities



Where Frontenac County Residents Work

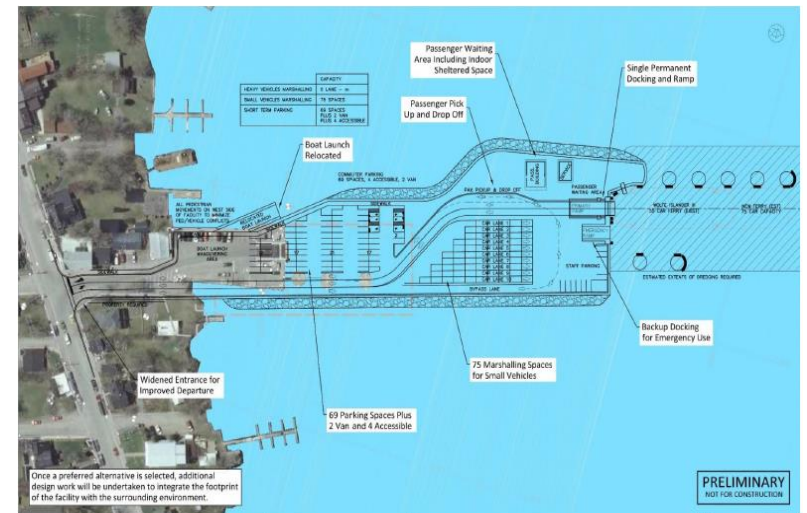


Frontenac County Growth Drivers and Disruptors

Increased Ferry Capacity to Wolf Island



- Ministry of Transportation (M.O.T.) proposal to operate a dual ferry service with a new more efficient vessel with a 75-vehicle capacity ferry by 2021 in addition to the existing Wolfe Islander III (55 vehicle capacity);
- Anticipated to generate increased housing demand to Wolf Island (Marysville).



Frontenac County Growth Drivers and Disruptors



Population Growth of the 55+ Age Group

- Future housing demand across Frontenac County generated by the 55+ age group is anticipated to remain strong over the next decade driven by the aging of the Baby Boom population.
- The source of net migration to Frontenac County in the 55+ age category will largely be from the G.G.H. region and Greater Ottawa Region.

Quality of Life

- A key factor influencing the location decisions of businesses and residents. Encompasses several sub-factors such as employment opportunities, cost of living, housing affordability, crime levels, quality of schools, transportation, recreational opportunities, climate, arts and culture, entertainment, amenities, and population diversity.

Frontenac County Growth Drivers and Disruptors

Seasonal Growth Opportunities



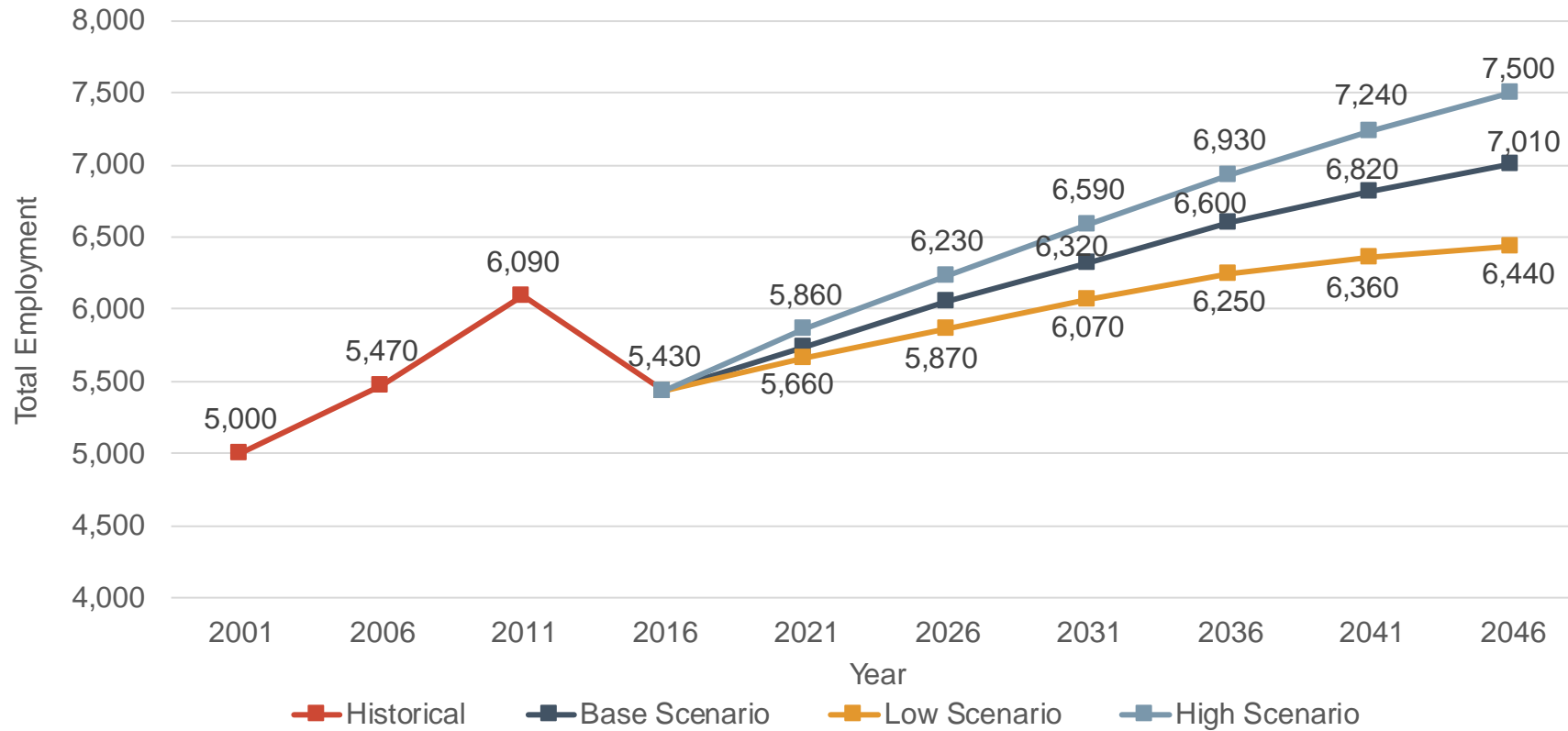
- The seasonal component of Frontenac County's population places significant demand on:
 - Housing;
 - Infrastructure;
 - Economic development; and
 - Municipal services
- Market demand for seasonal housing largely driven from G.G.H. and Greater Ottawa Region residents across all of the County's local municipalities ;
- Permanent population growth is expected to increase at a faster rate than the seasonal population base over the next several decades; and
- Conversion of seasonal housing to permanent occupancy will potentially add to the rate of permanent population growth.



Frontenac County

Population, Housing, and Employment Forecast, 2016 to 2046

Frontenac County Forecast Employment Scenarios, 2016 to 2046



2016 Employment Activity Rate: 20%

2031 Employment Activity Rate: 21%

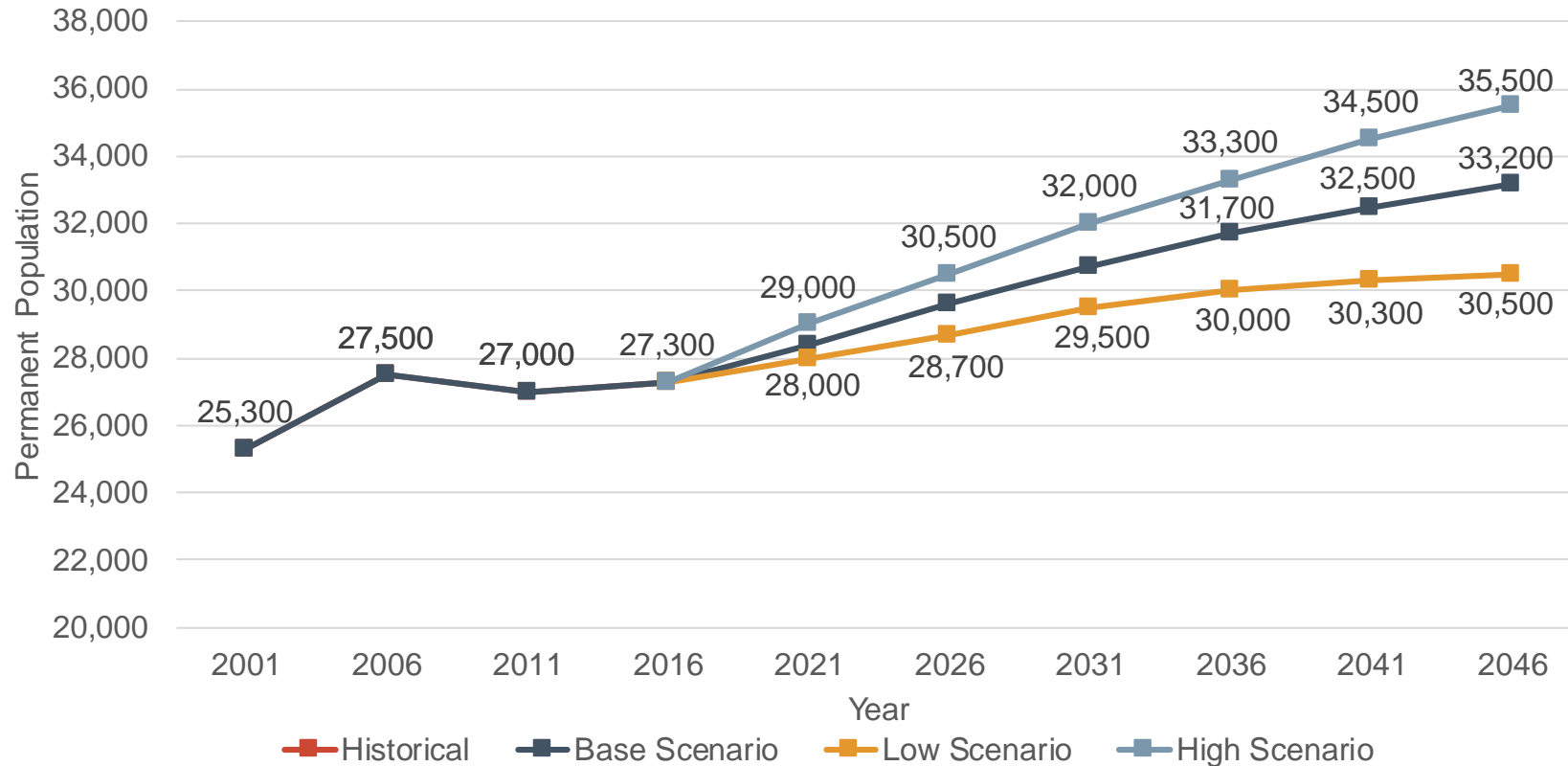
2046 Employment Activity Rate: 22%

Source: 2001 to 2016 from Statistics Canada Census. Forecast by Watson & Associates Economists Ltd., 2019.

Note: Employment figures include work at home and no fixed place of work.

Frontenac County Total Employment Growth					
	2016	2046	2016 to 2046	Annual Growth	Annual Growth Rate
High Scenario		7,500	2,070	69	1.08%
Base Case Scenario	5,430	7,010	1,580	53	0.85%
Low Scenario		6,440	1,010	34	0.57%

Frontenac County Forecast Population Scenarios, 2016 to 2046



Source: 2001 to 2016 from Statistics Canada Census. Forecast by Watson & Associates Economists Ltd., 2019.

Note: Population figures include the net Census undercount estimated at 2.3%.

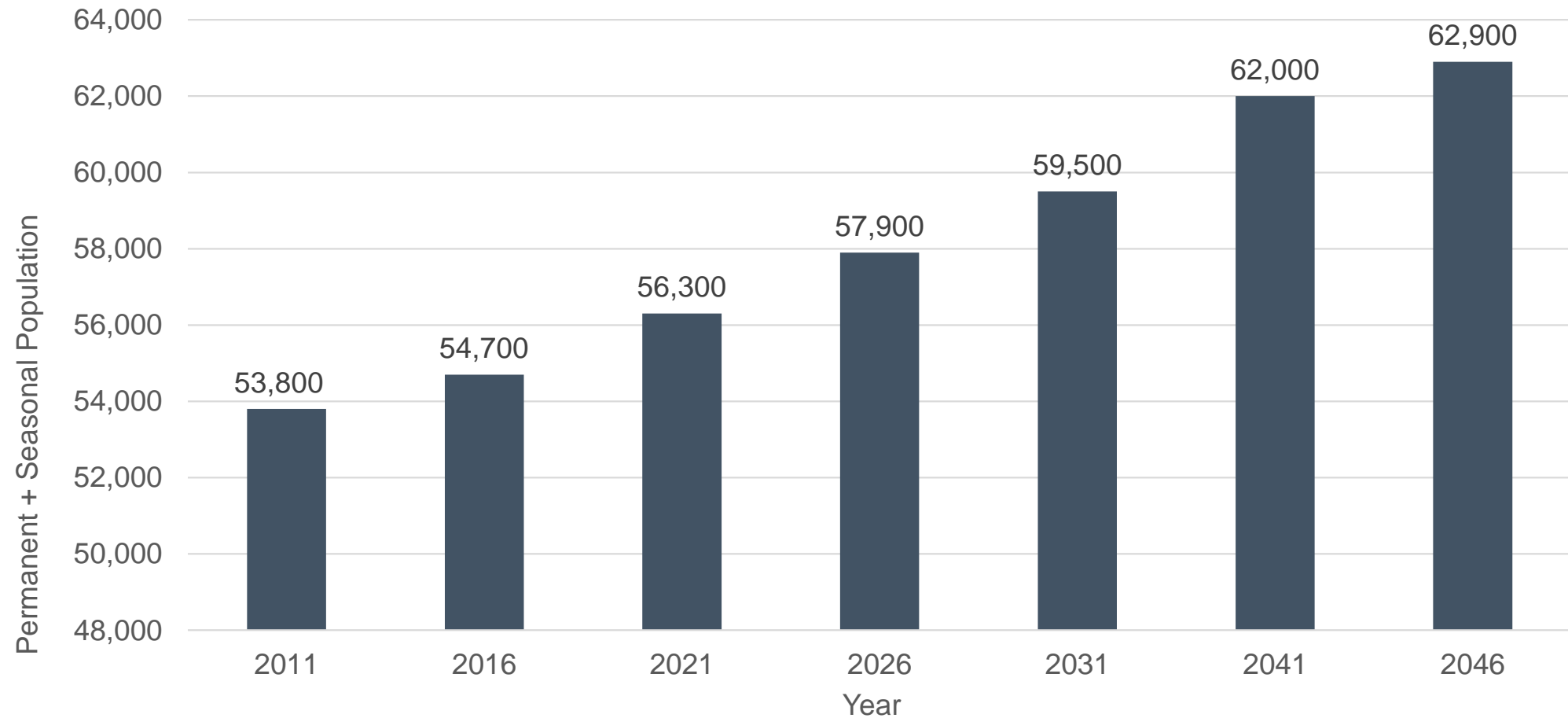
Frontenac County Total Permanent Population Growth					
	2016	2046	2016 to 2046	Annual Growth	Annual Growth Rate
High Scenario		35,500	8,200	273	0.88%
Base Case Scenario	27,300	33,200	5,900	197	0.65%
Low Scenario		30,500	3,200	107	0.37%

Frontenac County Permanent Population Forecast by Age, 2016 to 2046



- Frontenac County's permanent population base is aging.
- As of 2016, **21%** of the County's population base was 65 years of age or older.
- By 2046, **35%** of the County's population base is forecast to be 65 years of age or older.
- Looking forward, this is anticipated to place increasing demand on the need for seniors' housing, affordable housing, as well as community and social services to support Frontenac County's growing seniors' population.

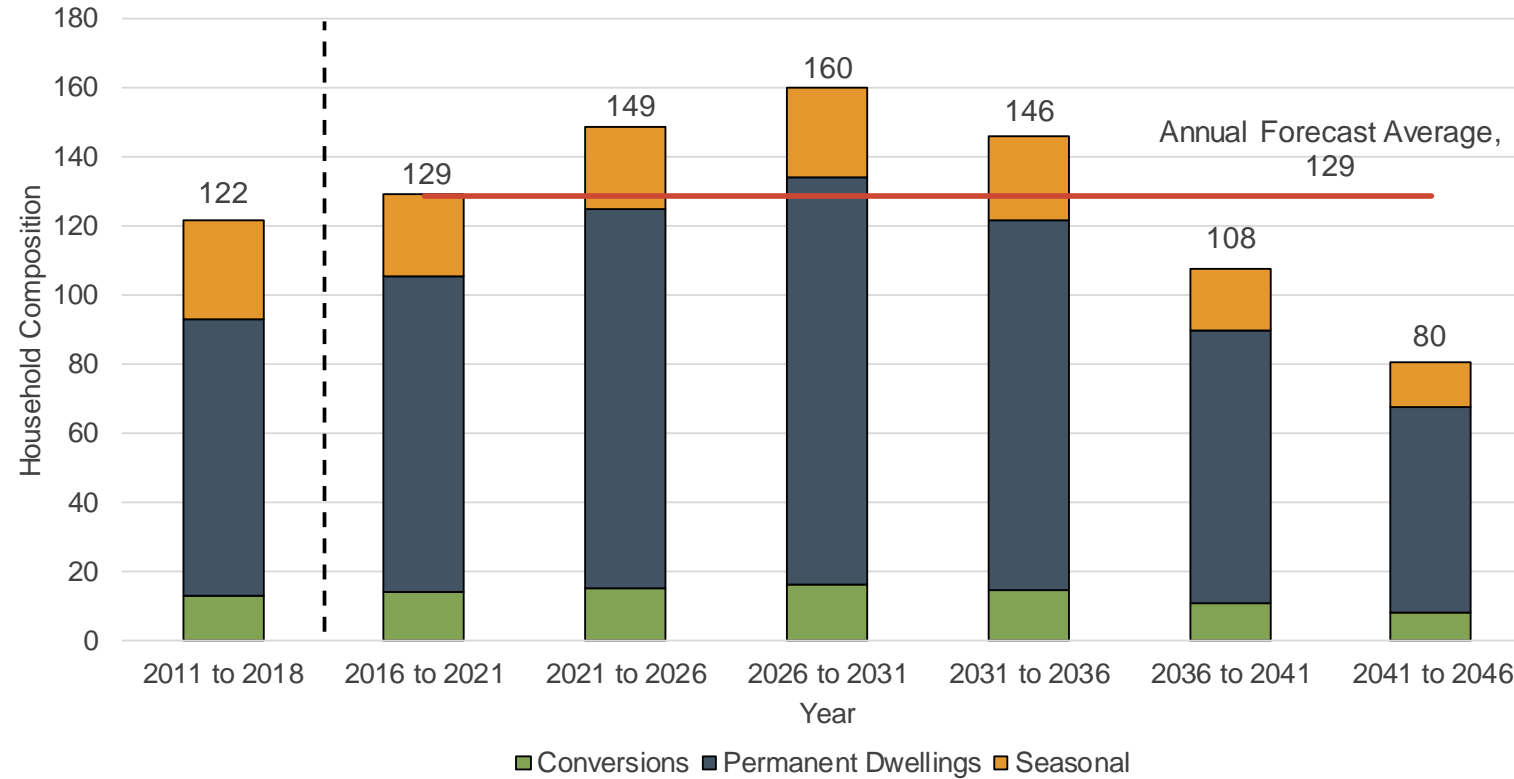
Frontenac County Total Population Forecast (Permanent + Seasonal), 2016 to 2046



Source: 2001 to 2016 from Statistics Canada Census and MPAC, derived by Watson & Associates Economists Ltd., 2019. 2016 to 2046 forecast by Watson & Associates Economists Ltd., 2019.

Note: Population figures are rounded and include the net Census undercount estimated at 2.3%.

Frontenac County Incremental Housing Growth Including Seasonal, 2016 to 2046



Low density is comprised of singles and semi-detached.

Medium density is comprised of townhouses.

High density is comprised of apartments.

Source: Source: Data from Municipal Property Assessment Corporation (MPAC), derived by Watson & Associates Economists Lt., 2019. Forecast (2021 to 2046) estimated by Watson & Associates Economists Ltd., 2019.

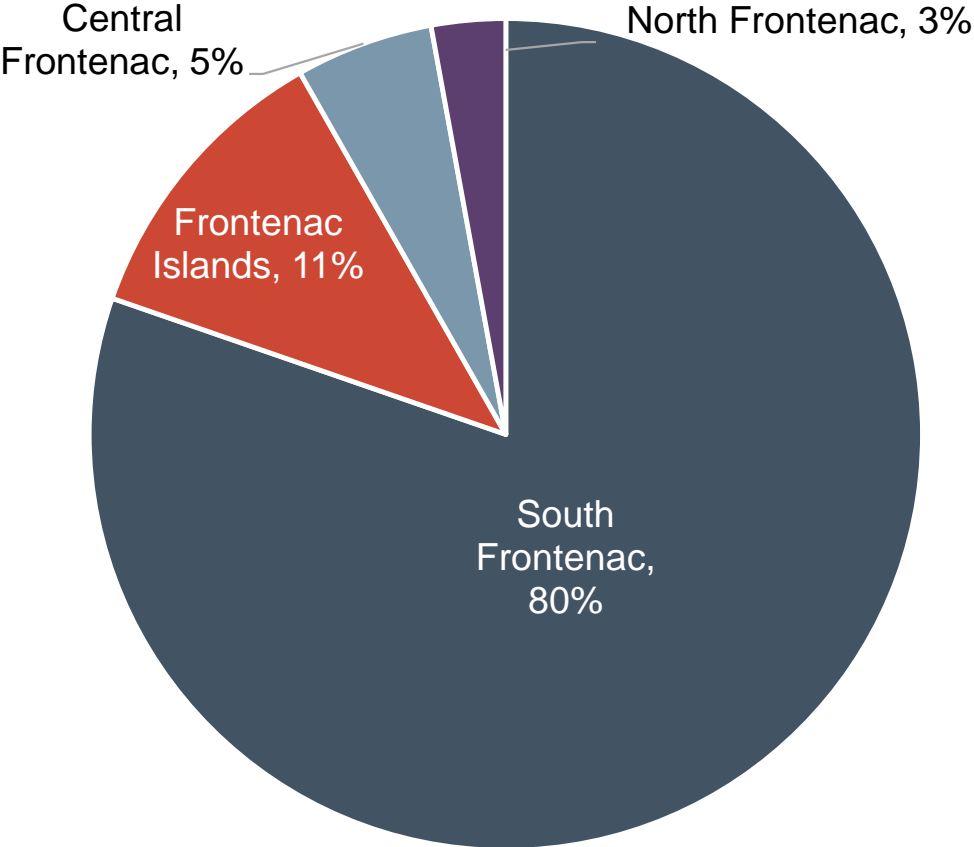
- Historically, housing has been dominated by low-density housing forms (predominantly single-detached); and
- Over the forecast period the housing mix by structure type is 98% low-density, 1% medium density, and 2% high-density.

Frontenac County Population Growth by Local Municipality

Comparison of Frontenac County Forecast Permanent + Seasonal Population Growth by Local Municipality

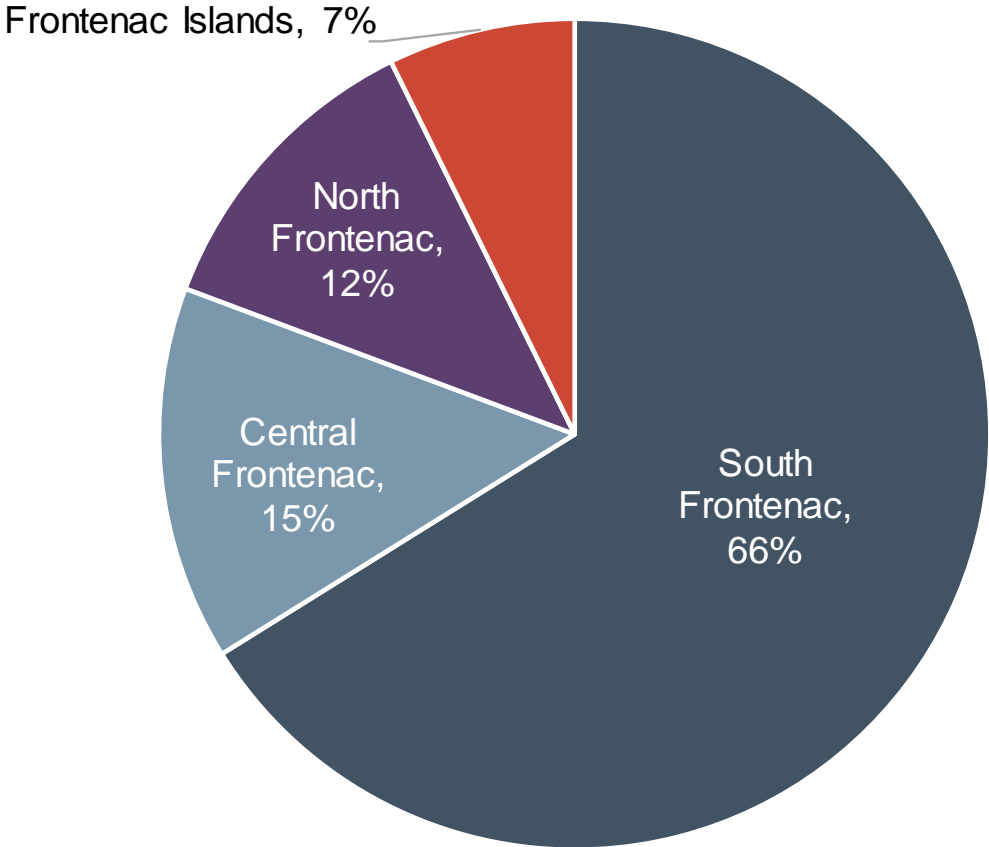


Frontenac County Permanent Population Growth, 2016 to 2046



Source: Watson & Associates Economists Ltd., 2019.

Frontenac County Permanent + Seasonal Population Growth, 2016 to 2046



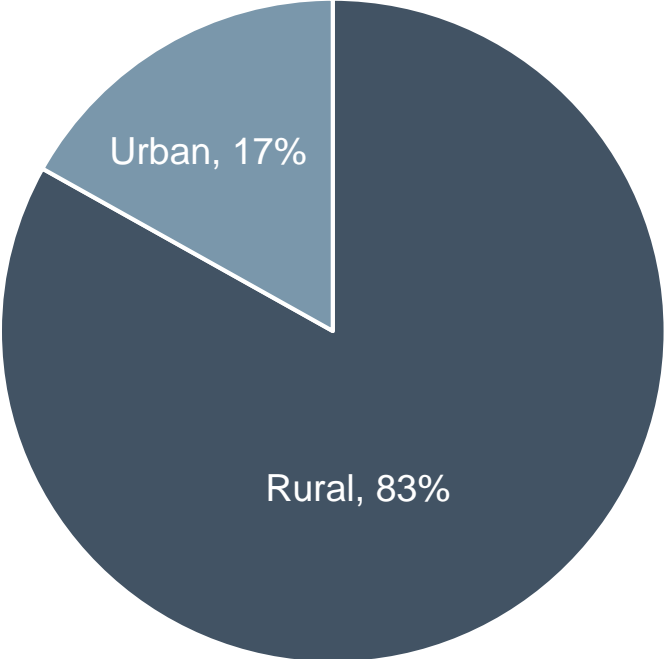
Source: Watson & Associates Economists Ltd., 2019.

Permanent Housing Growth Allocations by Settlement Area and Rural

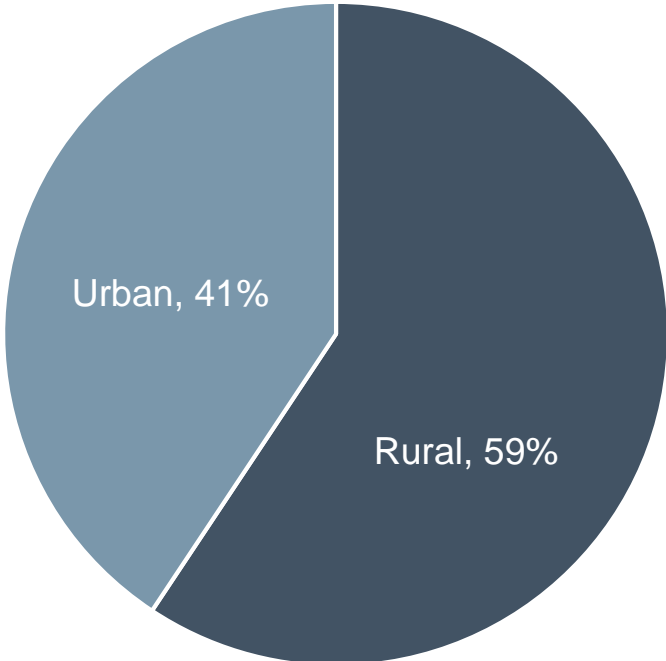
Permanent Housing Growth Allocation Comparison by Settlement Area and Rural, 2016 to 2046



Frontenac County Total Housing Growth, 2011 to 2036



Frontenac County Total Housing Growth, 2016 to 2046



Settlement Area Growth Drivers

- Long-term housing market demand largely driven by an aging population;
- Provincial planning policy; and
- Potential for communal servicing.

Source: Frontenac County Population, Housing and Employment Projections (2014), derived by Watson & Associates Economists Ltd., 2019

Source: Forecast by Watson & Associates Economists Ltd., 2019

Conclusions

Conclusions

Frontenac County Population and Housing Forecast, 2016 to 2046



- Frontenac County's total population base (permanent + seasonal) is forecast to steadily increase over the next 30 years just over 8,000 people;
- Seasonal housing is anticipated to continue accounts for a significant component of the County's total housing long-term housing development, accounting for approximately 27% of total County-wide housing growth between 2016 and 2046;
- An increasing share of permanent population and housing growth is anticipated to be accommodated in the County's settlement areas driven by long-term housing market demand, provincial and local planning policy, and wastewater servicing opportunities.

Conclusions

Frontenac County Employment Forecast, 2016 to 2046

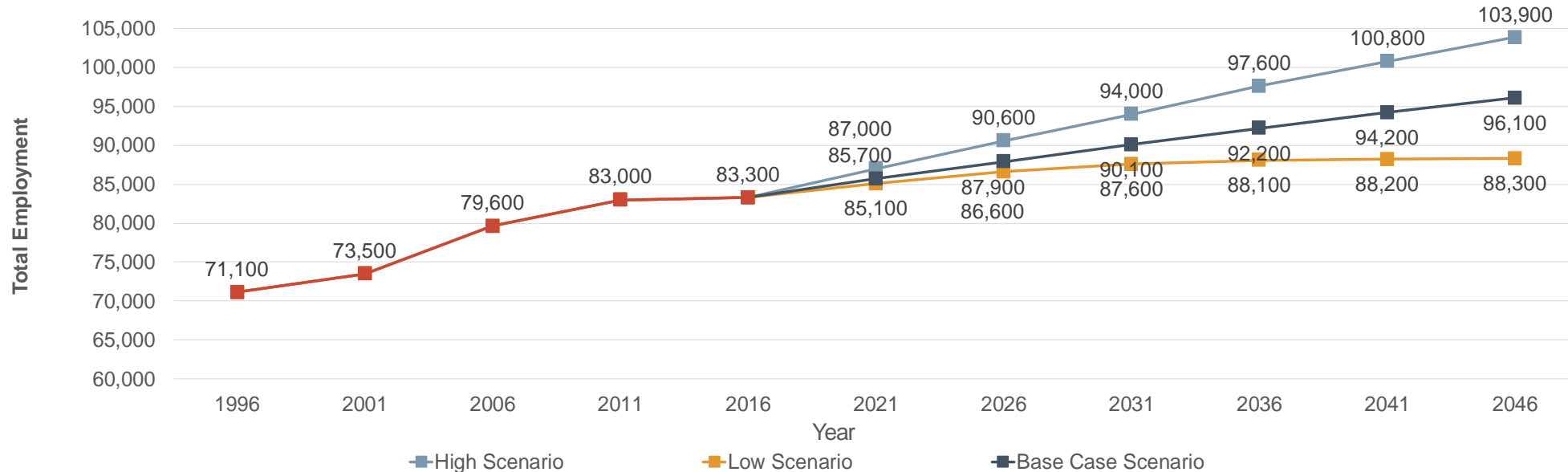


- Over the 2016-2046 period, the County's employment base is forecast to increase by approximately 1,600 jobs;
- It is expected that job growth within Frontenac County will be largely concentrated in the retail and tourism services sector to serve the growing permanent and seasonal population base;
- Modest employment growth is also forecast in the industrial sector related to small/medium-scale manufacturing, construction, wholesale trade and transportation and warehousing; and
- A large percentage of forecast job growth is anticipated to be accommodated through home occupations, home-based businesses and off-site employment.

Additional Slides

Historical & Forecast Employment, 1996 to 2046

Kingston C.M.A. Employment Scenarios



Source: 1996 to 2016 data from a custom order Place of Work data by Statistics Canada. 2016 to 2046 forecast prepared by Watson & Associates Economists Ltd., 2019.
 Note: Employment figures include work at home and no fixed place of work. Forecast employment numbers have been rounded.

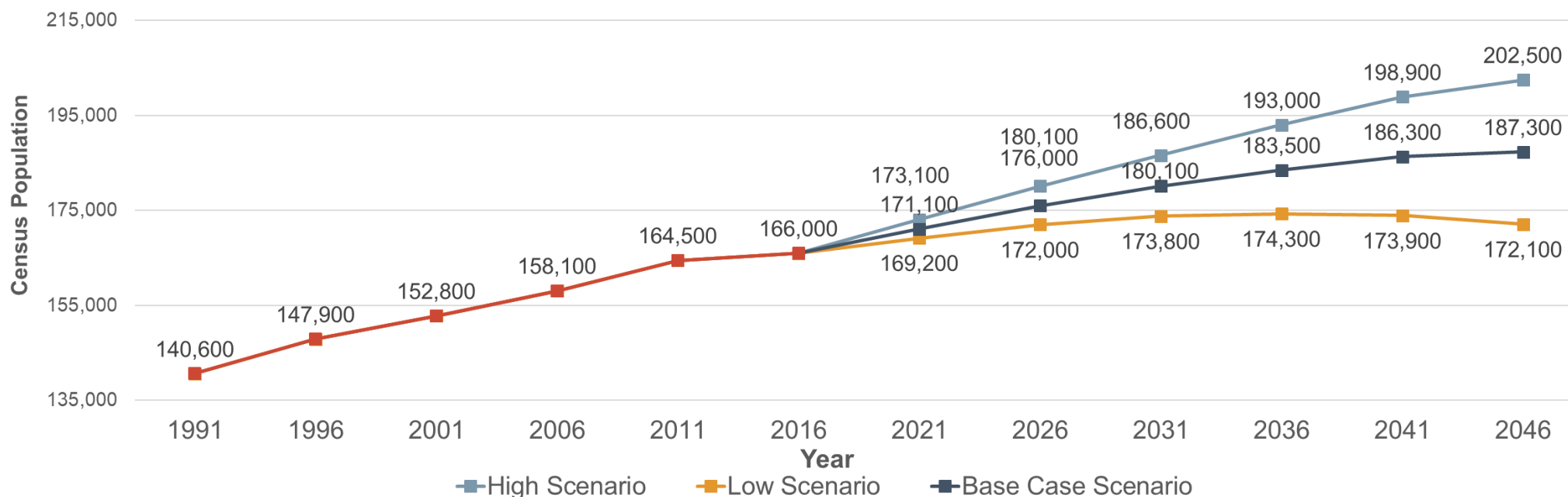
Kingston C.M.A. Total Employment Growth					
	2016	2046	2016-2046	Annual Growth	Annual Growth Rate
High Scenario		103,900	20,585	686	0.7%
Base Case Scenario	83,315	96,100	12,785	426	0.5%
Low Scenario		88,300	4,985	166	0.2%

Source: 2016 data from a custom order for Place of Work data by Statistics Canada. 2046 estimated by Watson & Associates Economists Ltd., 2019.

Note: Total employment reflects the total number of jobs within the Kingston C.M.A., including employment by usual place of work, work at home, and no fixed place of work (N.F.P.O.W.). Figures have been rounded.

Historical & Forecast Population, 1991 to 2046

Kingston C.M.A. Population Scenarios



Source: Data derived from a custom order from Statistics Canada Demography Division (Catalogue no. 91C0005). 2016 to 2046 forecast prepared by Watson & Associates Economists Ltd., 2019.

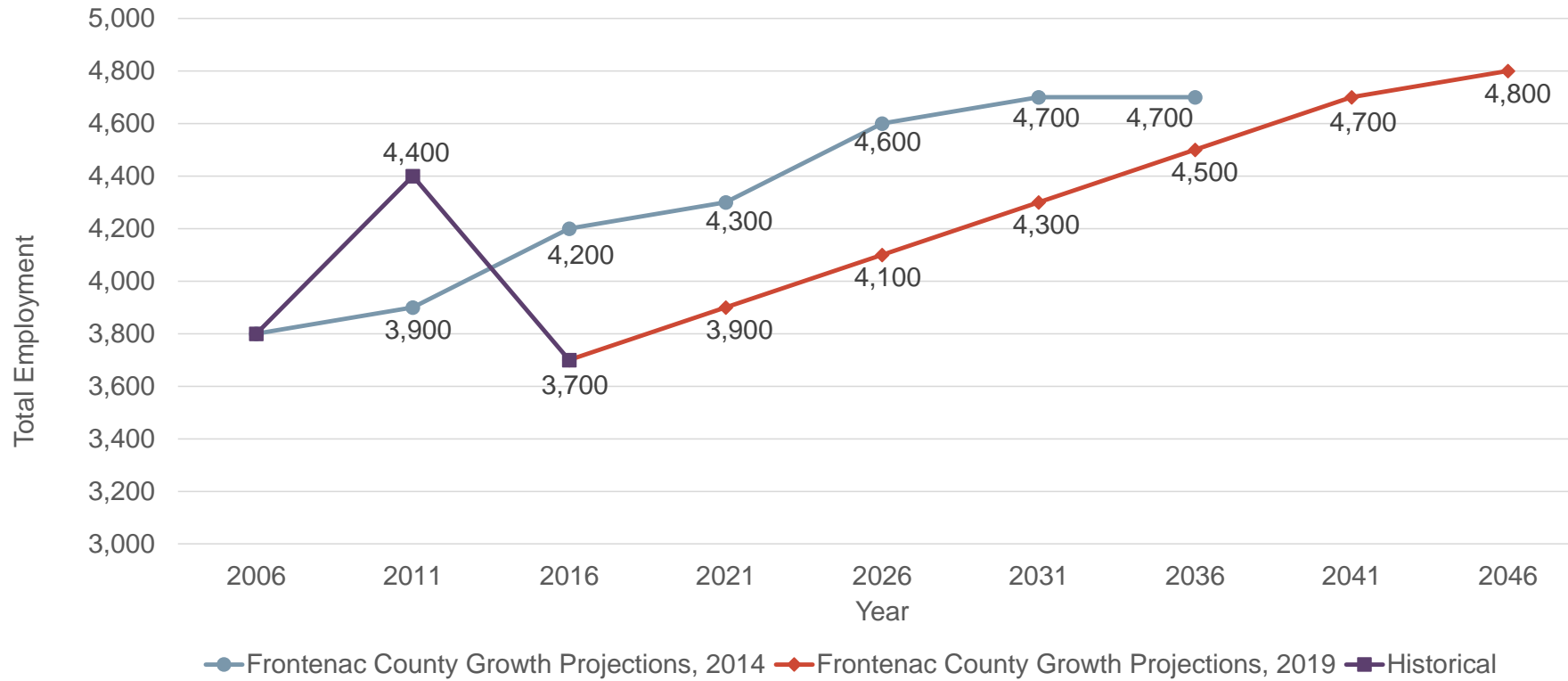
Note: Population includes a net Census undercount estimated at approximately 3.1%. Population figures have been rounded.

Kingston C.M.A. Population Growth					
	2016	2046	2016-2046	Annual Growth	Annual Growth Rate
High Scenario		202,500	36,493	1,216	0.7%
Base Case Scenario	166,007	187,300	21,293	710	0.4%
Low Scenario		172,100	6,093	203	0.1%

Source: 2016 data from Statistics Canada Demography Division (Catalogue no. 91C0005). 2046 estimated by Watson & Associates Economists Ltd., 2019.

Note: Net population undercount estimated at approximately 3.1%. Forecast population figure has been rounded.

Frontenac County Employment Forecast Comparisons

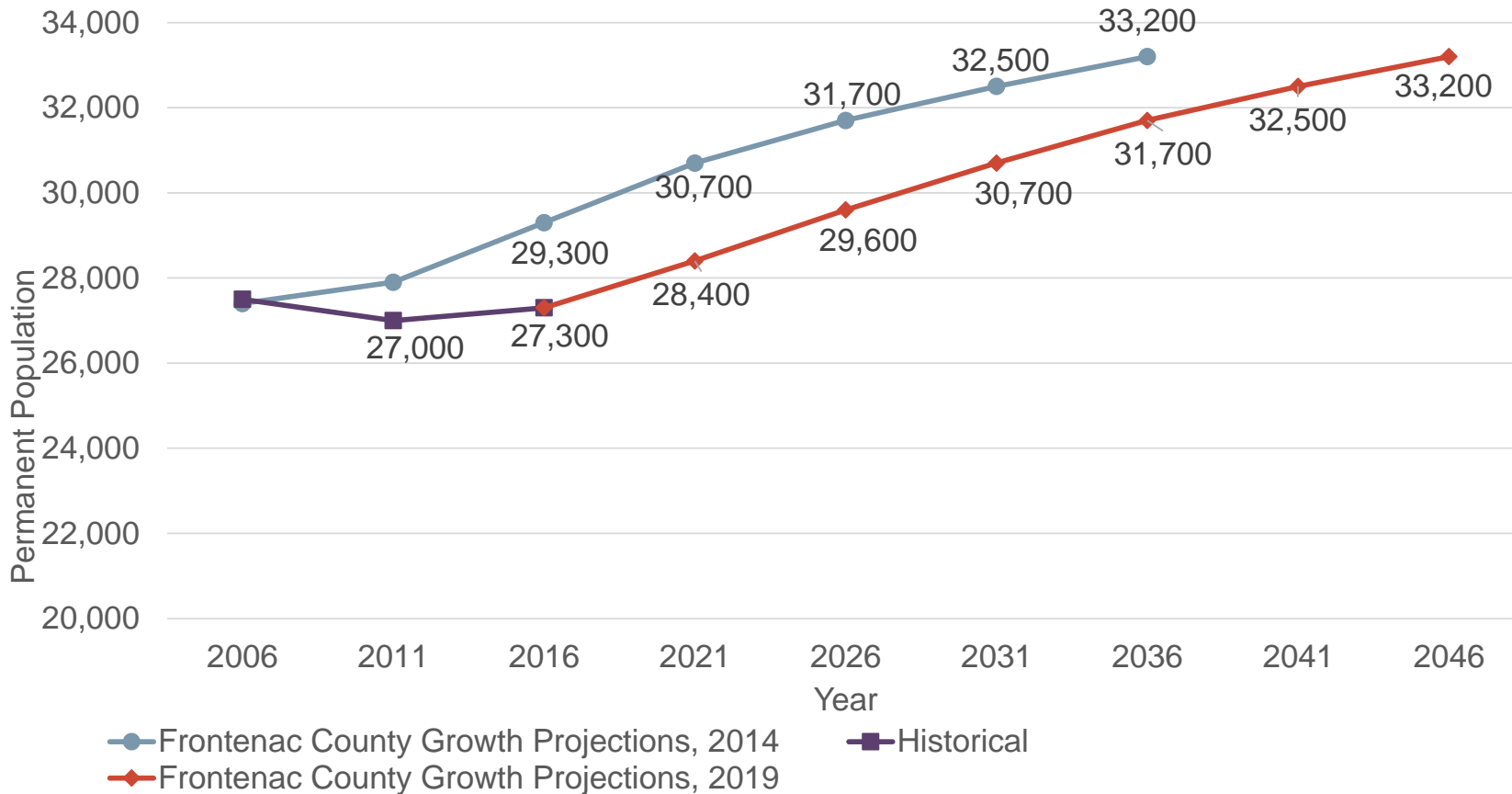


Growth Rate Comparison		
Study	Period	Annual Growth Rate
Frontenac County Growth Projections, 2014	2011 to 2036	0.75%
Frontenac County Growth Projections, 2019	2016 to 2046	0.80%

Source: 2001 to 2016 employment derived from Statistics Canada Census, by Watson & Associates Economists Ltd., 2019. 2016 to 2046 forecast prepared by Watson & Associates Economists Ltd., 2019.

Note: Employment figures include work at home, but exclude no fixed place of work (N.F.P.O.W.)

Frontenac County Population Forecast Comparisons



Growth Rate Comparison		
Study	Period	Annual Growth Rate
Frontenac County Growth Projections, 2014	2011 to 2036	0.70%
Frontenac County Growth Projections, 2019	2016 to 2046	0.65%

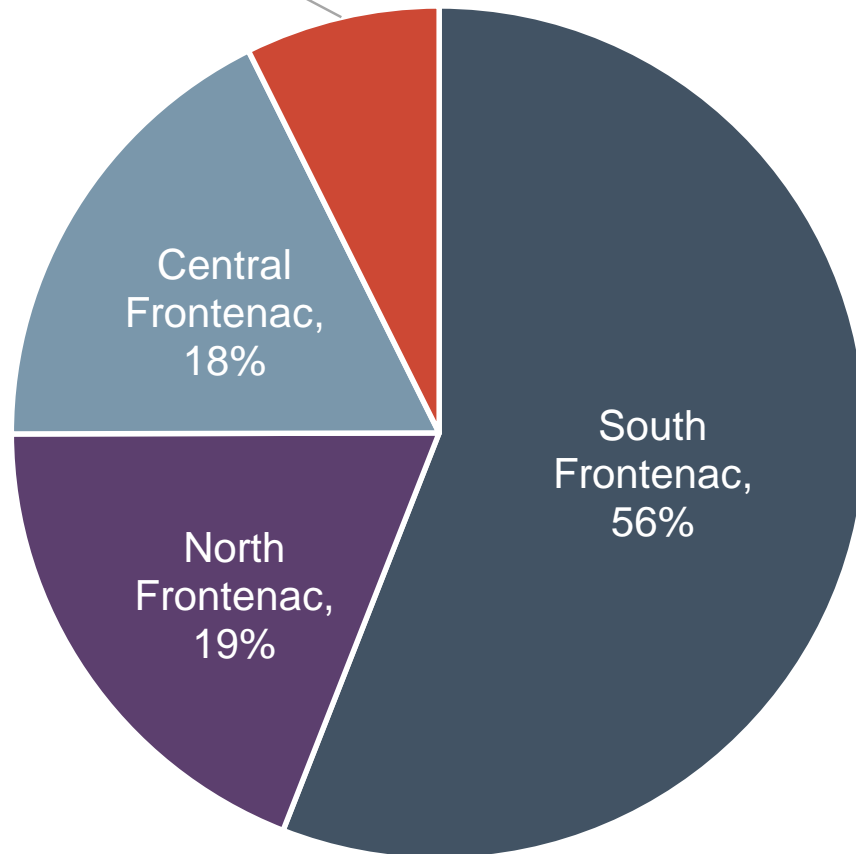
Source: 2001 to 2016 population derived from Statistics Canada Census, by Watson & Associates Economists Ltd., 2019. 2016 to 2046 forecast prepared by Watson & Associates Economists Ltd., 2019.
 Note: Population includes the net Census undercount estimated at 2.3%.

Comparison of Frontenac County Forecast Permanent + Seasonal Population Growth by Local Municipality



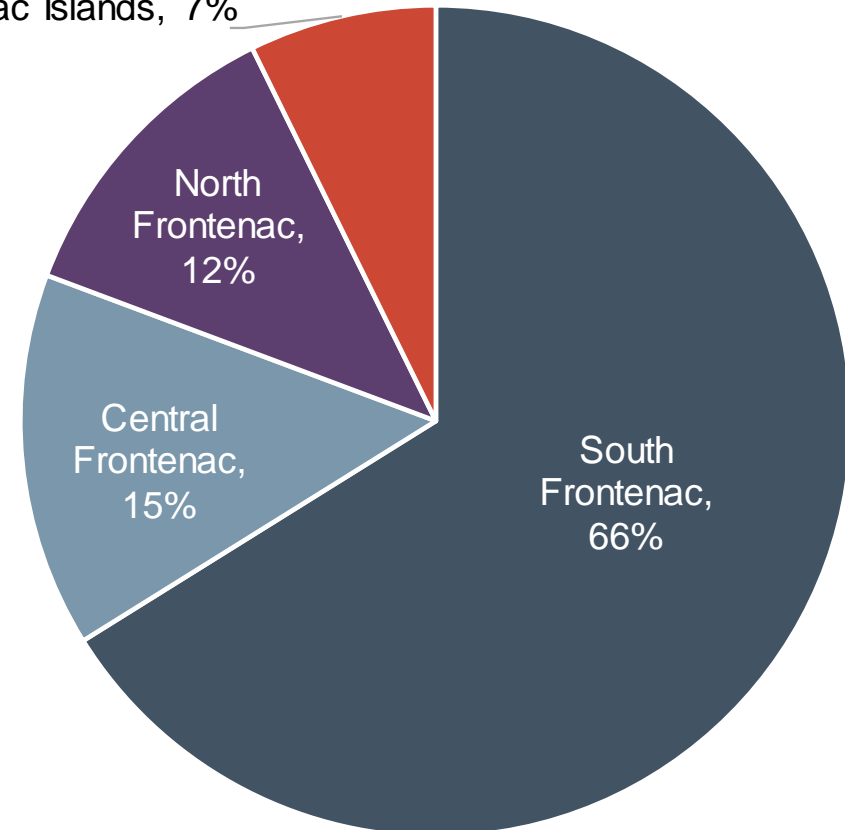
Frontenac County Permanent + Seasonal Population Growth (2014), 2011 to 2036

Frontenac Islands, 7%



Frontenac County Permanent + Seasonal Population Growth (2019), 2016 to 2046

Frontenac Islands, 7%



Source: Frontenac County Population, Housing and Employment Projections 2014, Watson & Associates Economists Ltd., 2019.

Source: Watson & Associates Economists Ltd., 2019.