

# Toronto Employment and Housing Outlook

## Fourth Quarter 2009

**Synopsis: Recent events in the housing market are totally contrary to what we expect during a recession. The current wave of buying is due to reactions to record low interest rates – yet another “last chance” to buy (we’ve seen that before, and we haven’t yet seen the end of the home ownership dream). The surge since March in the stock market and housing values is a knife edge – the economy could flip to a strong growth path, or to a double-dip. I expect something in the middle. To me there is much more risk on the downside than the upside.**

### Some Improvements

This one is easier to write - during the past three months economic events have been more or less as I had been expecting. Therefore, while I'm changing the numbers in this issue of TEHO, the overall tone isn't much different: the recession has turned out to be less bad than had been feared and there are good prospects for recovery, but the rate of recovery will probably be less robust than we would hope for.

- The US has suffered a huge economic trauma, and its convalescence will be prolonged, with reversals along the way.
- Prospects for Canada are better, but regional economies that are highly related to the US – i.e. the GTA - will be slower to recover.

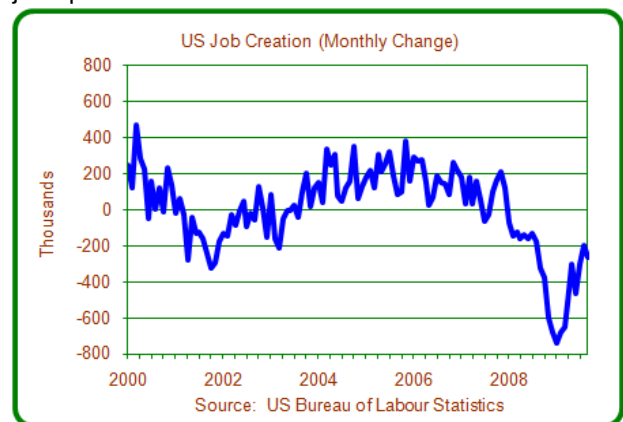
Employment has stabilized in Canada. In fact, the last two months show increases, but these are at least partly due to temporary factors – recalls in the auto sector and the end of a very weak student employment season (this means that in September employment of young people fell by less than normal and when the data was seasonally-adjusted, an increase was calculated).



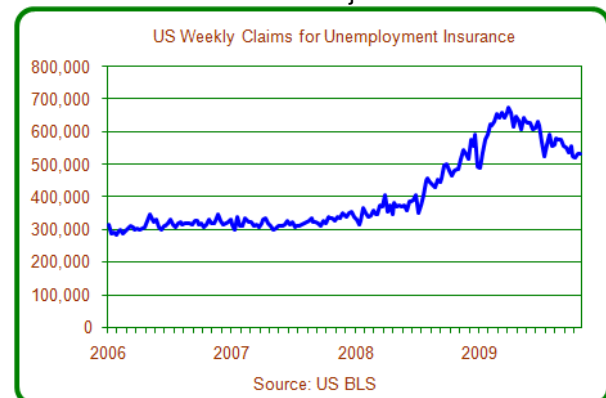
For Canada, employment is likely to keep rising: my forecasting system suggests that during the next 2-3 years employment will grow at the same rate as the population, resulting in a flat employment-to-population ratio, but unfortunately

meaning that the unemployment rate will not improve by much.

About the US, I remain pessimistic. The rate of job loss has moderated, but still exceeds 200,000 jobs per month.



As shown in the next chart, weekly job losses in the US have fallen, but the rate is still more than 500,000 per week - far above the 350,000-400,000 rate that I think is the breakeven level. The US will continue to lose jobs for a while.



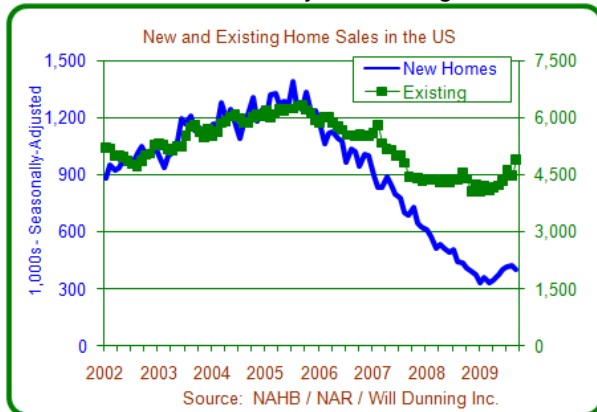
Moreover, the US statistical agency has pre-announced that it will be publishing revised data next spring, which will show that in the year to March 2009 employment fell by about 800,000 more than had been estimated. What hasn't been discussed is that there will probably be downward revisions to the data released after last March. The official data already shows that 7.2 million US

jobs have been lost – when the revisions are added, and with some more losses this fall and winter, by next spring the official total losses might be close to 10 million!

During the spring and summer, excitement was building about improvements in US consumer confidence. In the last issue of TEHO I expressed some skepticism – the rises in the confidence indexes were based on improving expectations about the future at the same time as “current conditions” readings remained dismal. Well, reality is catching up, and the US confidence indexes have weakened again, meaning that consumers are unlikely to resume reckless spending.

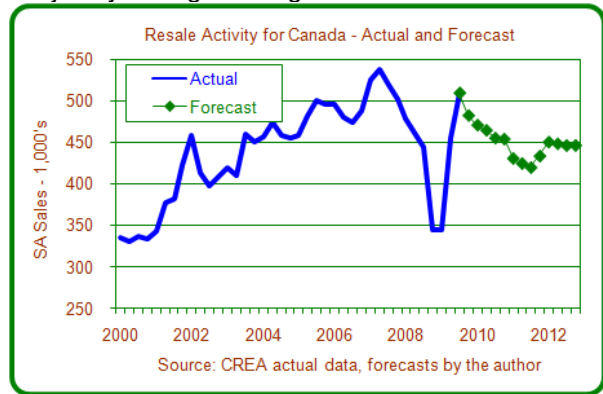
“Cash for clunkers” stimulated US auto sales during July and August, and contributed to the positive US growth for the 3<sup>rd</sup> quarter (reported on October 29<sup>th</sup>). However, there seems to be consensus that only about ¼ of the sales were new demand and the remainder was just pulled forward in time. Consequently, there was a setback in auto sales in September which will probably continue for a few more months.

Another of the “green shoots” was rising US sales of resale and new homes. Considering that there has been an \$8,000 tax credit for first-time home buyers, and that mortgage rates have fallen, the improvement was anemic. For resales, there was a jump in September, but this is probably last minute buying to take advantage of the tax credit. I suspect that, as for autos, most of the recent improvements are changes in timing due to the tax credit, moreso than new demand and therefore home sales in the US may weaken again.



In Canada there has been a solid rebound of home sales, especially for resales but also for new homes. There are temporary factors here: changes in interest rates and catch-up for sales that didn't happen during the winter. Across much of Canada home sales are likely to fade during the coming year, as the temporary factors end and

because a weakened employment situation does not justify strong housing demand.



Repeating a previous conclusion: the under-lying long-term issue is that the US has been consuming more than it produces, to an unsustainable degree, for a long time. Long-term, consumption by the US will have to be less than it was in the past decade. Since we (Canada and the GTA) are major producers of the goods and services that have been over-consumed by the US, we can't avoid being involved in the US's prolonged and painful process of adjustment.

### Economic Drivers

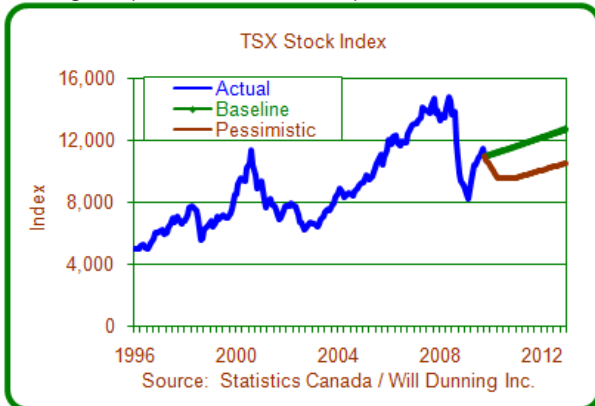
“Wealth effects” are, in my mind, the key drivers of the GTA economic outlook, and therefore of the housing outlook. The crash in the stock market that occurred during last September to March, and the drop in house values that followed, caused me to generate very negative forecasts earlier this year. Since then, the huge recoveries of stock markets and housing values have resulted in much improved (much less negative) forecasts.

Thus, the outlook depends a great deal on future movements for the TSX index (and even more so on housing values). I won't try to forecast where the TSX is going, but I'm not convinced that the surge in the stock market is fully justified, based on prospects for profits (which are in turn based on prospects for the broader economy). For a while I have been arguing that expectations for the stock market should be based on a normal share of profits in the economy (the 10% share that prevailed prior to 1999 – see the first chart on the next page). This would imply a TSX index somewhere in the range of 8,500 to 9,500. Recent levels of 11,000 to 11,500 imply a profit share of 12-13% of GDP. While that share (and even higher) was seen during 2004 to 2008, I have trouble imaging high profits on a sustainable base in this evolving economic environment. As the chart shows, the most recent share (as of the 2<sup>nd</sup> quarter) was 8.7%.

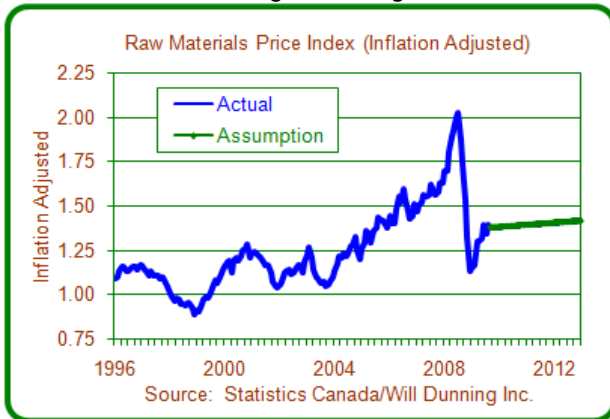




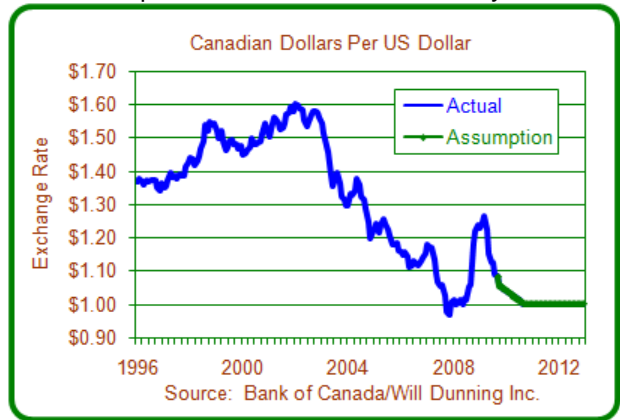
Therefore, while I am developing a baseline scenario in which the TSX index continues to rise (but at a moderate rate), there is also a "pessimistic" scenario in which the index corrects during the next six months, stabilizes (at 9,500 points) until the end of 2010, and then begins to rise again (at a moderate rate).



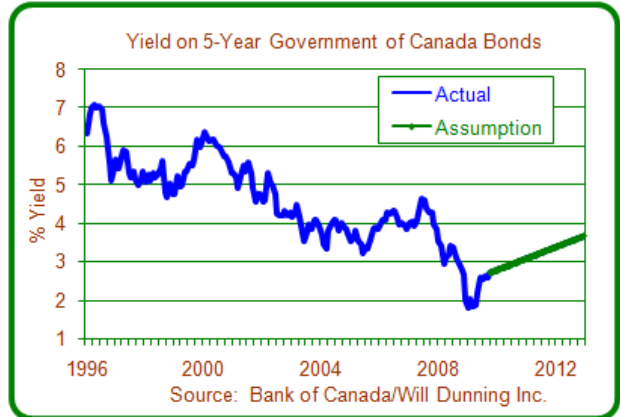
Commodity prices bottomed early this year, increased during the spring, and have moved sideways for the past four months. I accept the argument that commodity prices will move up due to growing demand in the developing countries, but I expect the increases to be quite modest. While commodity prices are lower than a year ago, they are above average in historic terms. Adding the US recession and the strong Canadian dollar, manufacturers face huge challenge.



Increasing concern about the US economy and the huge government deficit has caused the Canadian dollar (and most other currencies) to strengthen. I assume that the exchange rate will move to parity in the next few months. A further move is not out of the question, which would put even more pressure on the GTA economy.



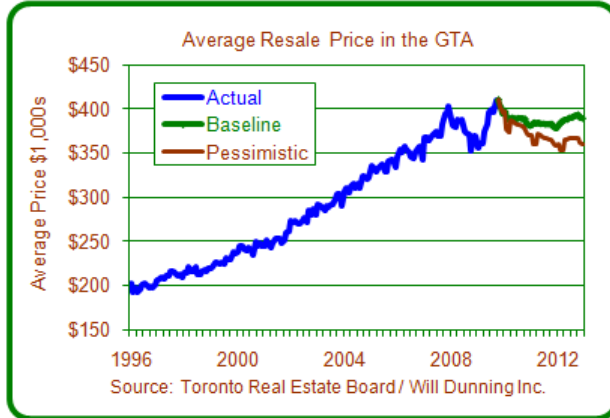
I assume that bond yields will creep up, mainly because of the huge amounts of debt being issued by governments. So far, the new bonds are being absorbed, because of a lack of other low-risk options. Increasingly, there will be indigestion.



For mortgages: the spread between bonds and typical discounted rates (5-year terms) has been reduced, to a recent range of 140-160 basis points. This is still above the pre-crunch norm of 110-120, but I don't see it closing by much more.



The final factor that I include in the economic model is house prices. Prices fell sharply last fall and winter but have recovered in the past few months. Both scenarios start with a partial reversal of those recent gains, and then either flat prices, or further erosion. In turn, the lack of growth of housing values would constrain the growth of employment.



### Employment

Employment in the Toronto CMA fell quite sharply in the second quarter, especially in May and June. About 63,000 jobs were lost in the 2<sup>nd</sup> quarter, a very large drop of 2.2% (or more than 8% at an annualized rate). In retrospect, the drop was partly due to temporary factors: widespread shutdowns in the auto sector while GM and Chrysler were in the bankruptcy process and, secondly, because student employment was weak this year – the reduced hiring of students this year meant that once seasonal adjustment was applied the estimates showed reductions. Reversal of those temporary factors has reversed some of the job reductions, but as of September the level of employment in the Toronto CMA is still about 2% (56,000 jobs) lower than a year ago.

The recession has been tightly focused on manufacturing and construction; employment in the service sector has been relatively unscathed (a chart in the previous issue of TEHO illustrated this). Stability in the service sector has allowed a rebound of confidence for the majority of the population that work in the service sector.

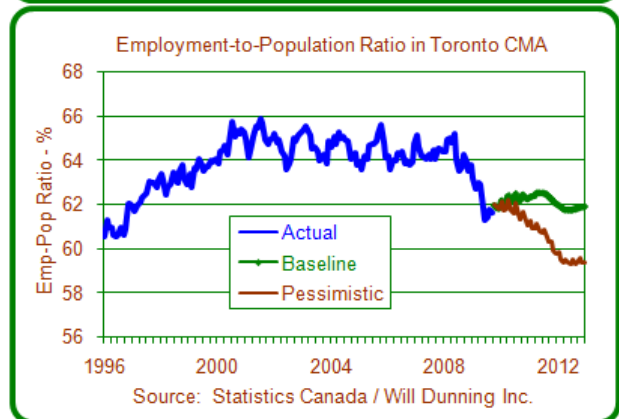
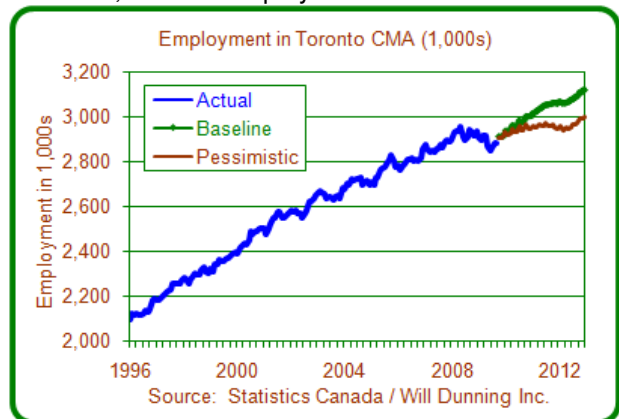
The recession in the Toronto CMA is essentially done – I said as much last issue.

The recession was shorter and much less severe than I had been expecting last winter. The key to this is “wealth effects” – the sharp upturn since March in stock markets and housing values means that the reduction in personal spending has been

mild. On the other hand, investment by businesses will be weak for some time. As projects that are now underway are completed, there will be fewer new projects to take their place. There will be further job losses in construction and related industries, and some negative spin-offs throughout the GTA economy.

Another source of drag will be people who have lost jobs and haven’t been able to find similar employment. As they deplete their resources, they will further reduce their spending and make other adjustments that will affect the economy and the housing market.

Both scenarios suggest that there will be further job creation. For a brief time, job growth would be a bit more rapid than population growth, resulting in a small increase in the employment-to-population ratio. My forecasting system indicates that for the next two years the employment rate would be basically flat, meaning that employment grows at the same rate as the population. Farther out, it predicts slower growth, which would be the consequence of a strong dollar and high commodity prices. By the end of 2012, the employment-to-population ratio would be about the same as it is today, but still well below the levels seen earlier in the decade. The pessimistic scenario shows some job creation, but a quite slow rate, and the employment rate falls.



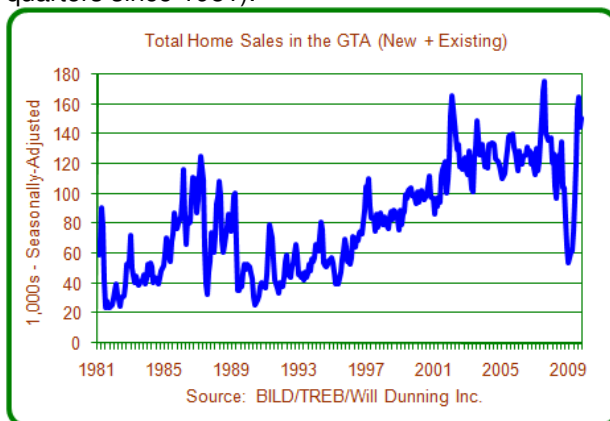
The pessimistic scenario is sharply weaker than the baseline partly because of the change in the stock market but more importantly because there would be a feedback process in the housing market. Initially employment would weaken a bit but then as housing sales slow and house values weaken there would be further weakness in employment, etc.

<b>Forecasts for Toronto CMA Employment (Annual Averages)</b>			
Year	Employment Rate	Level of Employment (1,000s)	Growth of Employment (1,000s)
<b>Actual</b>			
2005	64.5	2,763	59
2006	64.0	2,801	94
2007	64.3	2,861	64
2008	64.2	2,923	58
<b>Baseline Forecast</b>			
2009	61.9	2,890	-33
2010	62.2	2,970	80
2011	62.3	3,046	75
2012	61.8	3,086	40
<b>Pessimistic Scenario</b>			
2009	61.9	2,890	-33
2010	61.4	2,935	45
2011	60.4	2,955	20
2012	59.3	2,968	13

Source: Will Dunning Inc.

### Housing Market Overview

Total housing activity (resales plus new home sales) was at an annual rate of 153,000 in 2009-Q3, the second highest ever, which is hardly what we expect during an economic recession. Activity was also strong in 2009-Q2 (an annual rate of 125,000, which was the 16<sup>th</sup> best out of 115 quarters since 1981).



Reasons for the recent surge include:

- Recovery of sales that didn't happen during the winter, when consumers were in shock.
- Mortgage interest rates are exceptionally low. Most first-time buyers choose 5-year fixed rate mortgages. The average rate (after typical

lender discounts was 4.14% in Q2 and Q3, versus an average of 5.59% during 2007 and 2008).

- A belief that rates won't stay low has created urgency, and encouraged buyers to get into highly-competitive bidding situations and spend more than they know properties are worth.

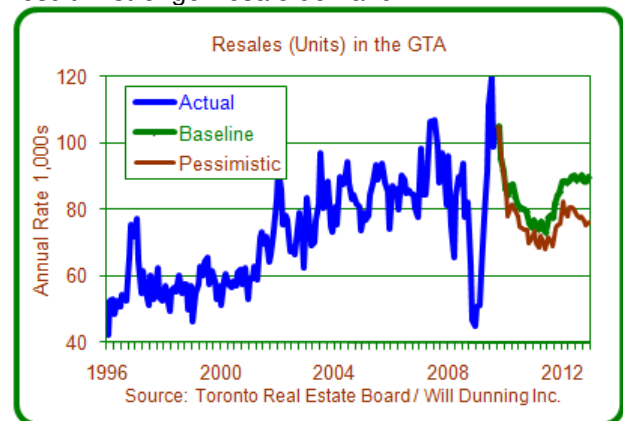
As I said last issues, these factors are temporary, and their effects can last only a few months. Sustained, strong housing demand will require a substantial amount of job creation, and it is by no means obvious that this is coming, and even when it does it will take time for the new jobs to generate new housing demand.

### Resale Market

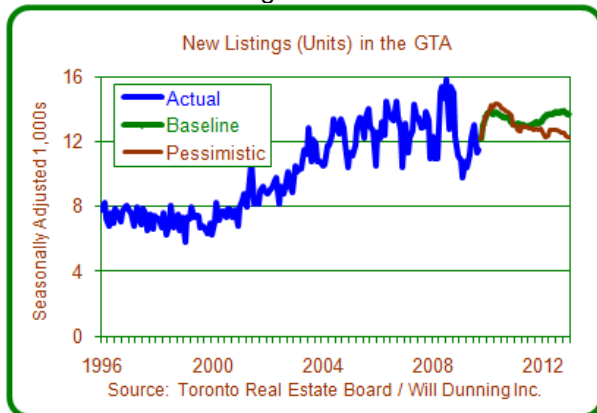
Resale activity remains stunning. 2009-Q2 was the third best quarter of all-time and then Q3 set an all-time record (an annualized rate of 108,000).

As discussed above, I see the GTA resale market at a temporary high point. Record low interest rates are an important driver, but the effects from changing affordability tend not to last very long. I suspect that before long the sales rate will start to fade, and activity will be influenced more by the economic fundamental of the weakened job market.

The scenarios I'm presenting here suggest that once sales start to fall, the drop will be rapid. But since the starting point is so high, the result will be a relatively high annual total in 2010 (77,000 in the baseline and 71,000 in the pessimistic scenario). Since sales respond gradually to job growth, the job creation that is expected won't have meaningful positive impacts on housing demand until about mid-2011. The scenarios for 2012 – admittedly very far out – suggest that the improved economy (in the baseline scenario) and interest rates that are still below long-term averages will result in stronger resale demand.

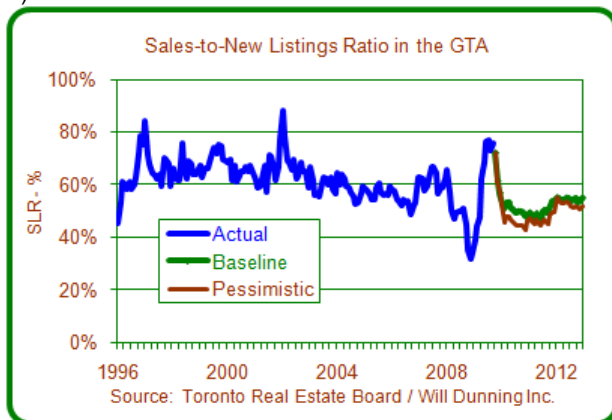


The flow of new listings into the resale market remains relatively low, especially in relation to current sales levels. The modeling suggests that the recent wave of sales will promote further listings during the next few months. However, if sales slow as expected, then there will also be reduced flows of listings.



Due to strong sales and limited inventory, during the spring and summer the resale market shifted from a “buyers’ market” to a “sellers’ market”, and price drops during the winter have given way to rapid price gains. The average resale price is now 10% higher than a year ago, which, again, is not an outcome we would expect in a recession.

The forecast of weaker sales would bring a drop in the sales-to-listings ratio into territory where prices would be flat (in the baseline scenario) or fall slightly (pessimistic scenario). In either scenario, in the near-term, the recent panic-driven price gains would be partially reversed (the price forecast was illustrated in the first chart on page 4).



The resale market forecasts have been revised upwards compared to three months ago, reflecting less-negative expectations for the economy. But, the general picture is unchanged – that the current wave of buying and price increases is very unlikely to be sustained.

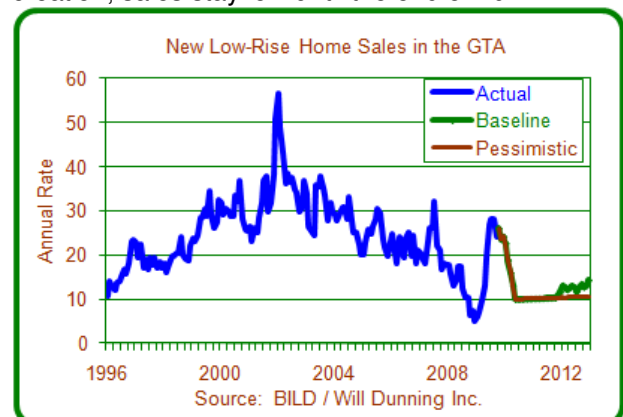
<b>Forecasts for GTA Resale Market Activity</b>			
Year	Sales (Units)	Average Price	Price Change
<b>Actual</b>			
2005	85,710	\$336,190	6.6%
2006	84,859	\$352,416	4.8%
2007	95,223	\$377,066	7.0%
2008	76,414	\$379,903	0.8%
<b>Baseline Forecast</b>			
2009	89,100	\$392,000	-3.2%
2010	82,100	\$389,900	-0.5%
2011	77,400	\$383,400	-1.7%
2012	89,200	\$389,700	1.7%
<b>Pessimistic Scenario</b>			
2009	89,100	\$392,000	3.2%
2010	77,000	\$381,900	-2.6%
2011	71,200	\$366,400	-4.1%
2012	78,700	\$363,900	-0.7%

Source: Will Dunning Inc.

### New Homes Market

Recent trends and the forecast for the new homes market follow a path similar to the resale market.

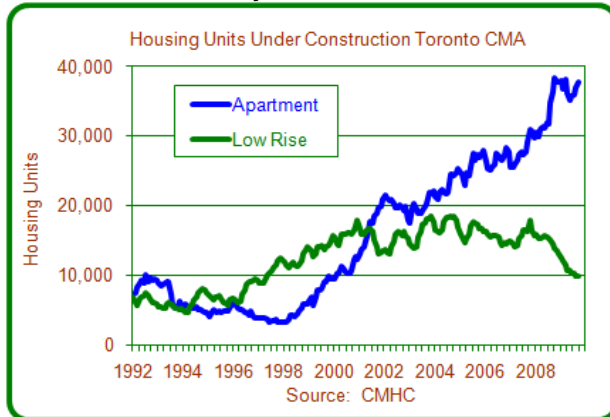
Low-rise sales have recovered strongly from the very low levels seen last fall and winter. The past four months have been comparable to levels seen during 2005 to 2007. Shortages of resale inventory and robust consumer reactions to low interest rates contributed to the recent sales wave for new low-rise homes. Similar to the resale market, I expect that buying will soon start to fade, due to the weakened employment situation and also because the positive impacts of reduced interest rates are temporary. In the two scenarios, sales fall to the “institutional minimum” (a guess about how low sales might be) for a prolonged period. In the baseline forecast, a recovery starts during late 2011 and into 2021, but in this scenario, with a modest rate of job creation, the recovery is minor. In the pessimistic scenario, with negligible job creation, sales stay low until the end of 2012.



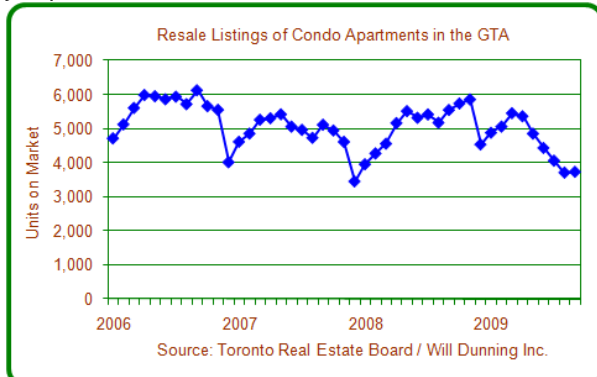
For high-rises, the outlook is coloured not just by employment and affordability, but also by the huge



inventory that is under construction and will be completed during the coming two years. Slow construction continues to result in delays of completions and a huge expansion of the under construction inventory.

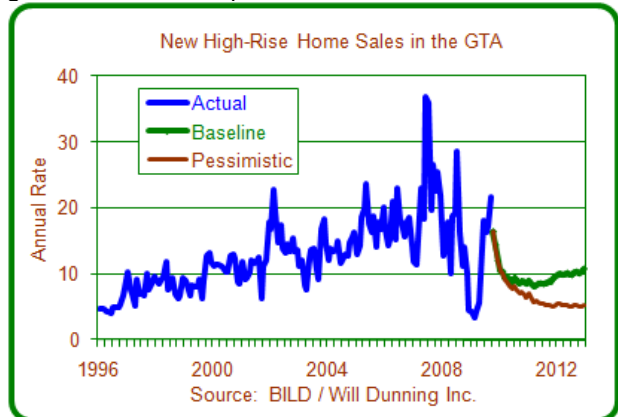


The slow completions contributed to a shortage of resale listings in the high-rise sector at the same time as record low interest rates have stimulated strong buying. This has allowed for a recent sharp jump in condo values and sales in the new sector.



I still contend that as projects are completed it will be found that there was way too much investment-buying. This will lead to falling rents, more resale listings, and a price correction. With many large projects now getting close to completion, that process should occur next year. It will mean not just a sharp drop in investment buying, but for owner-occupants, there will be more opportunities to buy newly-completed resales at reduced prices.

The extent of the sales fall will also depend on trends for employment. In the baseline scenario, with a moderate rate of employment growth, the demand for owner-occupied condos will be much greater than in the pessimistic scenario.



The next table summarizes sales forecasts for new low-rise, high-rise and total new home sales.

<b>Forecasts for GTA New Homes Activity</b>			
Year	Low-Rise	High-Rise	Total
<b>Actual</b>			
2004	27,689	13,600	41,289
2005	24,504	17,704	42,208
2006	21,772	17,541	39,313
2007	21,554	23,254	44,808
2008	12,600	15,400	28,000
<b>Baseline Forecast</b>			
2009	18,900	11,900	30,800
2010	12,700	9,200	21,900
2011	10,400	8,600	19,000
2012	12,800	10,100	22,900
<b>Pessimistic Scenario</b>			
2009	18,900	11,900	30,800
2010	12,000	8,100	20,100
2011	10,300	5,600	15,900
2012	10,500	5,200	15,700

Source: Will Dunning Inc.

### Housing Starts

Reflecting slower new homes sales late last year and this spring, housing starts in Toronto CMA have dropped. During the first nine months, low-rise starts were about 11,500 (seasonally-adjusted), one-half of the rates for 2006 and 2007. High-rise starts (averaging 12,500 in the first nine months) are down just slightly, as there is a longer lag between sales and starts for high-rises.

Low-rise starts will increase in 2010, due to sales that occurred in the second half of this year, in both scenarios. For 2011 and 2012, starts are forecast to fall, based on the expectation that sales will soon slow again. For 2011, there is little difference between the two scenarios for low-rise

starts. But, the baseline scenario projects improved starts in 2012 based on the expectation that sales will start to recover.

For high-rises, starts are projected to fall each year. There are large differences across the two scenarios, since the high-rise sector is quite sensitive to changes in employment.

<b>Housing Starts Forecasts, Toronto CMA</b>				
Year	Low-Rise Ownership	High-Rise Ownership	Rentals	Total
<b>Actual</b>				
2005	25,569	14,184	1,843	41,596
2006	22,181	13,338	1,561	37,080
2007	22,904	9,396	993	33,293
2008	18,262	22,244	1,706	42,212
<b>Baseline Forecast</b>				
2009	13,900	12,300	1,400	27,600
2010	17,500	10,400	1,000	28,900
2011	10,600	8,800	1,100	20,500
2012	12,100	8,000	1,000	21,100
<b>Pessimistic Scenario</b>				
2009	13,900	12,300	1,400	27,600
2010	16,900	10,400	1,000	28,300
2011	10,500	7,900	1,100	19,500
2012	10,500	5,300	1,000	16,800

Source: Will Dunning Inc.

Concerning employment in construction: in the low-rise sector, the level has adjusted to reduced sales and starts. There could actually be some increases – for a while – next year due to higher starts. In the high rise sector, the large volume of pending completions should mean falling employment into 2012.

### **Conclusion**

Forecasts are based on relationships we find in the past. In the case of the housing market the critical historic relationship is between employment and housing demand: home sales (new and resale) depend on how many jobs were created in the prior few years. For the new homes market in particular, history tells us that job creation generates a need to expand the housing stock, resulting in sales and construction of new dwellings. Lack of employment growth on the other hand, means weak housing demand.

The past year has been at odds with this history. Last fall and winter, housing demand was vastly lower than it should have been, based on prior job creation. This spring and summer, demand has been much stronger than it should have been.

The past few months might make us feel quite confident about the future housing market. But, the

messages from history suggest that the recent strength is catch-up for sales that didn't occur earlier. If that is right, and if employment is still the key factor, then the recession will have lingering consequences for the housing market.

As the economy evolves, changes in the employment situation will give us clues about future housing demand. It will not predict the short-term waves that ride through the housing market, but should give us warning of the broad directions that will unfold over prolonged periods of time.

I have developed two scenarios here. The second one is the much-feared double-dip. There has been less talk of that recently, but the events of last week – a 5% drop in the stock market – should tell us that a strong economic recovery is far from a certainty. If the correction continues, there will be negative shifts in consumer confidence. The pessimistic scenario shows a relatively smooth adjustment in the economy and the housing market. But as we saw last winter, changes in psychology can produce massive and sudden shifts for employment and in the housing market. If a correction scenario does get established, the downturn will could be a lot more abrupt than the forecasts indicate.

Admittedly, there is uncertainty about the outlook. The forecaster's first goal is to get the directions right. If the directions here are correct, there is still uncertainty about magnitudes of change, and the rapidity with which it will happen.

The message is that prudence should trump exuberance - risk management remains essential.

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<b>Baseline Forecast – 2009-Q4</b>											
	<i>Employment</i>		<i>Resale Market</i>		<i>New Homes Market</i>			<i>Housing Starts</i>			
Annual	(1,000s)	Emp:Pop Ratio	Sales	Average Price	Low-Rise	High-Rise	Total New Home Sales	Low-Rise Home Ownership	High-Rise Home Ownership	Rentals	Total Housing Starts
1996	2,128	61.0	55,779	\$198,150	15,525	4,986	15,923	15,768	2,302	146	18,216
1997	2,224	62.5	58,014	\$211,306	18,985	7,811	27,534	22,382	2,940	252	25,574
1998	2,290	63.1	55,344	\$216,814	19,525	8,495	38,822	21,272	4,463	175	25,910
1999	2,355	63.7	58,957	\$228,372	27,848	9,149	27,400	26,181	8,270	453	34,904
2000	2,455	64.9	58,349	\$243,255	30,040	11,052	33,983	28,726	9,981	275	38,982
2001	2,538	65.1	67,612	\$251,508	31,233	11,025	15,395	27,323	12,738	879	40,940
2002	2,591	64.6	74,759	\$275,371	38,534	15,791	8,180	33,212	9,081	1,368	43,661
2003	2,649	64.7	78,898	\$293,067	30,931	12,234	12,576	30,005	13,487	1,983	45,475
2004	2,707	64.7	84,887	\$315,278	27,689	13,600	10,091	28,424	12,450	1,241	42,115
2005	2,763	64.5	85,710	\$336,190	24,504	17,704	11,297	25,569	14,184	1,843	41,596
2006	2,802	64.1	84,859	\$352,416	21,772	17,541	16,920	22,181	13,338	1,561	37,080
2007	2,866	64.4	95,223	\$377,066	21,554	23,254	44,808	22,904	9,396	993	33,293
2008	2,923	64.2	76,414	\$379,903	12,499	15,209	27,708	18,262	22,244	1,706	42,212
2009	2,890	61.9	89,100	\$392,000	18,900	11,900	30,800	13,900	12,300	1,400	27,600
2010	2,970	62.2	82,100	\$389,900	12,700	9,200	21,900	17,500	10,400	1,000	28,900
2011	3,046	62.3	77,400	\$383,400	10,400	8,600	19,000	10,600	8,800	1,100	20,500
2012	3,086	61.8	89,200	\$389,700	12,800	10,100	22,900	12,100	8,000	1,000	21,100
<b>% Change (1)</b>											
2008	57	-0.2%	-19.8%	0.8%	-42.0%	-34.6%	-38.2%	-20.3%	136.7%	71.8%	26.8%
2009	-33	-3.6%	16.5%	3.2%	50.9%	-21.7%	11.0%	-23.7%	-44.9%	-20.0%	-34.7%
2010	80	0.4%	-7.8%	-0.5%	-32.7%	-22.7%	-28.8%	25.3%	-14.9%	-25.5%	4.9%
2011	75	0.2%	-5.7%	-1.7%	-18.3%	-6.3%	-13.3%	-39.3%	-15.7%	8.7%	-29.1%
2012	40	-0.8%	15.2%	1.7%	23.7%	16.7%	20.5%	13.7%	-9.3%	-13.1%	2.4%
Source: Will Dunning Inc. Percentage changes may not add due to rounding Note: (1) for employment the change is in 1,000s											

<b>Pessimistic Scenario – 2009-Q4</b>											
	<i>Employment</i>		<i>Resale Market</i>		<i>New Homes Market</i>			<i>Housing Starts</i>			
Annual	(1,000s)	Emp:Pop Ratio	Sales	Average Price	Low-Rise	High-Rise	Total New Home Sales	Low-Rise Home Ownership	High-Rise Home Ownership	Rentals	Total Housing Starts
1996	2,128	61.0	55,779	\$198,150	15,525	4,986	15,923	15,768	2,302	146	18,216
1997	2,224	62.5	58,014	\$211,306	18,985	7,811	27,534	22,382	2,940	252	25,574
1998	2,290	63.1	55,344	\$216,814	19,525	8,495	38,822	21,272	4,463	175	25,910
1999	2,355	63.7	58,957	\$228,372	27,848	9,149	27,400	26,181	8,270	453	34,904
2000	2,455	64.9	58,349	\$243,255	30,040	11,052	33,983	28,726	9,981	275	38,982
2001	2,538	65.1	67,612	\$251,508	31,233	11,025	15,395	27,323	12,738	879	40,940
2002	2,591	64.6	74,759	\$275,371	38,534	15,791	8,180	33,212	9,081	1,368	43,661
2003	2,649	64.7	78,898	\$293,067	30,931	12,234	12,576	30,005	13,487	1,983	45,475
2004	2,707	64.7	84,887	\$315,278	27,689	13,600	10,091	28,424	12,450	1,241	42,115
2005	2,763	64.5	85,710	\$336,190	24,504	17,704	11,297	25,569	14,184	1,843	41,596
2006	2,802	64.1	84,859	\$352,416	21,772	17,541	16,920	22,181	13,338	1,561	37,080
2007	2,866	64.4	95,223	\$377,066	21,554	23,254	44,808	22,904	9,396	993	33,293
2008	2,923	64.2	76,414	\$379,903	12,499	15,209	27,708	18,262	22,244	1,706	42,212
2009	2,890	61.9	89,100	\$392,000	18,900	11,900	30,800	13,900	12,300	1,400	27,600
2010	2,935	61.4	77,000	\$381,900	12,000	8,100	20,100	16,900	10,400	1,000	28,300
2011	2,955	60.4	71,200	\$366,400	10,300	5,600	15,900	10,500	7,900	1,100	19,500
2012	2,968	59.3	78,700	\$363,900	10,500	5,200	15,700	10,500	5,300	1,000	16,800
<b>% Change (1)</b>											
2008	57	-0.2%	-19.8%	0.8%	-42.0%	-34.6%	-38.2%	-20.3%	136.7%	71.8%	26.8%
2009	-33	-3.6%	16.6%	3.2%	50.9%	-21.7%	11.0%	-23.7%	-44.9%	-20.0%	-34.7%
2010	45	-0.8%	-13.5%	-2.6%	-36.4%	-31.9%	-34.7%	21.4%	-14.6%	-21.9%	3.3%
2011	20	-1.7%	-7.6%	-4.1%	-14.5%	-30.8%	-21.1%	-37.8%	-24.4%	14.3%	-30.9%
2012	13	-1.8%	10.5%	-0.7%	2.3%	-7.8%	-1.3%	-0.4%	-33.1%	-10.2%	-14.2%
Source: Will Dunning Inc. Percentage changes may not add due to rounding Note: (1) for employment the change is in 1,000s											