



REPORT FOR ACTION

2016 Toronto Employment Survey

Date: December 7, 2016

To: Planning and Growth Management Committee

From: Chief Planner and Executive Director, City Planning Division

Wards: All

SUMMARY

The attached bulletin summarizes the results of the 2016 Toronto Employment Survey. The bulletin highlights the Survey's key findings and counts of employment and business establishments in the City of Toronto for 2016, as well as the type and longevity of establishments and employment activity in the Downtown, Centres, Secondary Plan Areas and Employment Areas.

Toronto's economy has performed well over the past year. The recovery from the impacts of the global recession continues, with employment in the City reaching 1,461,020 jobs, a net increase of 38,740 jobs (2.7%) from 2015, exceeding both the national and provincial growth rates. The Survey counted 75,290 business establishments in 2016, a net loss of 420 (0.6%) from 2015. In 2016, 3,670 establishments were new to the City.

RECOMMENDATIONS

The Chief Planner and Executive Director, City Planning Division recommends that:

1. Planning and Growth Management Committee receive this report for information.

FINANCIAL IMPACT

There are no financial impacts arising from this report.

DECISION HISTORY

Since 1983, the City has conducted an annual survey of Toronto establishments to monitor economic activity, provide information for policy and decision-making and offer

additional context for the planning of municipal infrastructure and services. Using a consistent coding system of land parcel uses and occupant activities, the Survey provides thirty-four years of time-series data for the longitudinal analysis of employment activity in the City.

The results of the Survey are used by City Planning and other City divisions to monitor the City's economic and investment health and review the progress of Official Plan policies. Survey data are also used in proactive policy development for decision-making, as an aid in labour force development efforts and to help develop forecasts and plan City infrastructure and services. This report summarizes the Toronto Employment Survey results collected between May and August of 2016.

COMMENTS

Total Employment

- The Survey counted 1,461,020 jobs.
- Toronto's overall employment increased by 38,740 jobs (2.7%) from 2015.
- Full-time employment increased by 10,050 jobs (0.9%) from 2015. At 1,087,980 jobs, full-time employment has surpassed the 1 million mark for the eleventh consecutive year.
- Part-time employment increased by 28,760 jobs (8.4%) to 373,110 jobs from 2015.

Employment by Category

- From 2015, four of six of the City's employment categories grew (only the Manufacturing and Community & Entertainment categories lost jobs).
- The Office category continues to be Toronto's largest employment category, with nearly half of all jobs (48.9%), followed by the Institutional (16.8%), Service (12.4%), Retail (10.1%), Manufacturing (8.5%), and Community & Entertainment (3.4%) categories.
- Office employment increased by 20,050 jobs (2.9%) to 713,930 jobs from 2015, and continues to rebound from its 2006 low of 584,150 jobs.

Number of Establishments

- In 2016, the Survey counted 75,290 establishments, a net loss of 420 (0.6%).
- 3,670 establishments were new to the City in 2016. Of these, 56.3% are located within the Downtown (820), Centres (150) and Employment Areas (1,090), and the rest are located elsewhere in the City.

Downtown and Centres

- In 2016, there were approximately 600,560 jobs in Toronto's Downtown and Centres (41.1% of all jobs in the City).
- From 2015, Etobicoke Centre was the only Centre to lose employment, shrinking by 310 jobs (3.2%).

- From 2011 to 2016, employment in the Downtown and the Centres grew by 81,430 jobs (15.7%).

Secondary Plan Areas

- In 2016, there were approximately 296,070 jobs in Toronto's thirty-two in-force Secondary Plan Areas (20.7% of all jobs in the City).
- More than half (52.8%) of employment within Secondary Plan areas is concentrated in five areas: King-Spadina (42,440 jobs), North York Centre (40,860 jobs), Yonge Eglinton (32,480 jobs), Scarborough Centre (22,070 jobs), and Garrison Common North (18,330 jobs).
- The Office category is the predominant employment category in Secondary Plan areas, representing approximately 174,610 jobs and 59% of employment.

Employment Areas

- In 2016, 398,350 jobs were in Toronto's Employment Areas (27.3% of the City's jobs). This is an increase of 4,250 jobs (1.1%) from 2015.
- Since 2013, overall employment in Employment Areas has grown by 4.9%, adding 18,700 jobs.
- Core Employment Areas contained 63.0% of all jobs in employment areas (250,860 jobs), while General Employment Areas contained 37.0% (147,490 jobs).
- Nearly 20.9% or 83,320 of all Employment Area jobs are in the Manufacturing sector. The sector has decreased by 600 jobs since 2015.
- After Manufacturing, the four sectors with the next largest amount of jobs in Employment Areas in 2016 were the Wholesale and Retail Trade sector (66,310 jobs), the Professional, Scientific and Technical Services sector (39,480 jobs), the Transportation and Warehousing sector (32,240 jobs), and the Administration and Support, Waste Management and Remediation Services sector (22,590 jobs).

Data Collection

- In 2016, employment data was acquired from 88.5% of identified business establishments. This is a decrease from the 2015 response rate of 89.3%.
- This is the sixth year of assigning complete North American Industry Classification System (NAICS) codes to each business establishment in the City. The exercise was highly successful with an average of 98% of businesses being assigned a full 6-digit NAICS code from 2012 to 2016.

Establishment Count Comparison

- In 2016, approximately 74,690 NAICS-classified establishments were counted by the Toronto Employment Survey, compared to 91,820 establishments (18.7% more) counted in Statistics Canada's Business Register and 84,030 (11.1% more) establishments in Environics Analytics' Business Locations data set.
- The Toronto Employment Survey counted at least 1,000 fewer establishments than the other data sets in six sectors: Construction; Real Estate and Rental and Leasing; Professional, Scientific and Technical Services; Administrative and Support, Waste

Management and Remediation Services; Health Care and Social Assistance; and Other Services (Except Public Administration).

- When excluding establishments within areas designated for residential land use from the Business Locations data set, which are difficult to identify from the street, the total number of establishments was 75,200, only 510 or 0.7% more establishments than counted by the Toronto Employment Survey. This suggests that home-based businesses account for the difference in establishments between the Toronto Employment Survey and Business Locations data sets.
- The voluntary Toronto Employment Survey captures a very high proportion (99.3%) of business establishments visible from the street.

Study of the New Economy

As directed by Planning and Growth Management Committee on February 24, 2016, City staff consulted with the academic and research community to explore methodologies for tracking the employment trends of independent contractors, home-based jobs and social enterprises within the City of Toronto. Research findings are that the task of identifying home-based workers or those with no regular place of work is complex and ambiguous and no established set of methods have yet been developed nor tested to identify, locate and measure the broad range of activities within these emerging types of employment. City staff will continue to consult with universities, research institutions and other City Divisions to further explore new research methodologies.

As research on the "new economy" progresses, staff will explore enhancing the Toronto Employment Survey to capture a greater share of footloose and home-based employment by expanding its geographic coverage and the categories of work that it includes.

Currently, the Survey focuses on collecting employment and land use data from business establishments visible from the street and which are located primarily in commercial, industrial, institutional and mixed use areas throughout Toronto. In order to identify employment activity missed by the Survey, additional datasets have been acquired, including Statistics Canada's Business Register. The City's employment survey depends on the goodwill of businesses to respond and is highly successful, capturing 74,690 establishments with a 99.3% response rate from the businesses contacted. Participation in the federal Business Register is mandatory and it includes 91,820 businesses in the city. It is a national information source on all active businesses that are an employer or have a corporate income tax account or a GST account. However, it does not capture land use information necessary to relate employment to land use for planning purposes. To the extent that current resources permit, the 2017 Toronto Employment Survey will be expanded to include additional "visible" establishments in residential areas revealed through a comparison between the Toronto Employment Survey and these other data sources.

City staff will investigate expanding the Survey to add supplementary categories of work in order to more clearly define the relationship between workers and their place of employment. Currently, the Survey identifies the number of full and part-time jobs that are associated with a business establishment. Staff will explore the feasibility of

expanding the categories of work captured at each establishment to include: footloose workers, home-based workers and other types of unpaid staff such as volunteers and interns.

A key benchmark for assessing the coverage of the Toronto Employment Survey is the long-form Census. The long-form Census was discontinued in 2011 and replaced by the voluntary National Household Survey. Analysis showed that the City's Survey captured more employment than did the national instrument, suggesting that the latter had missed a significant amount of employment. The release of 2016 data from the renewed long-form Census in 2017 will enable a more fulsome assessment of the coverage of the Toronto Employment Survey. A comparison will be undertaken in late 2017 and reported through the next Bulletin, scheduled for release in early 2018.

2017 Toronto Employment Survey

The continuation of the annual Toronto Employment Survey is important for planning and economic development purposes, as it provides an annual and longitudinal dataset for time-series analysis of employment and land use change in the City. Now in its fourth decade, the 2017 field Survey programme will commence in May and will be completed by September 2017.

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SIGNATURE

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ATTACHMENTS

Attachment 1: 2016 Toronto Employment Survey