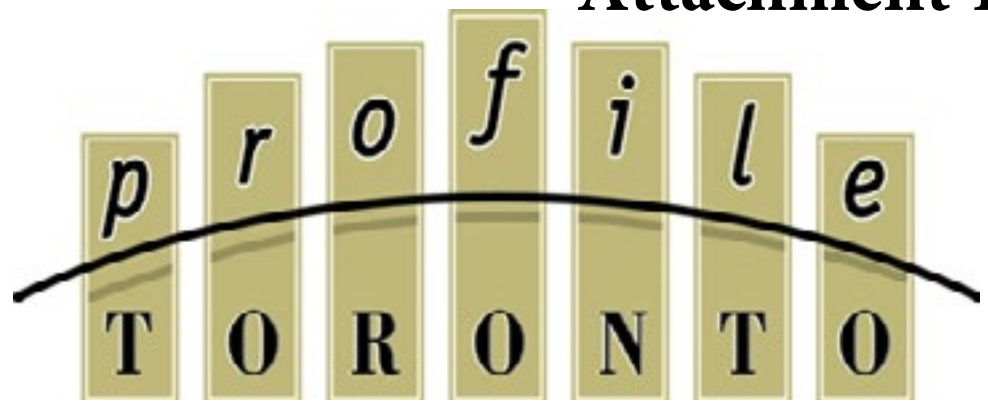


This bulletin summarizes the highlights of the 2016 City of Toronto annual Employment Survey, marking its 34th year.

This information resource presents a picture of change in Toronto's economy throughout the past three decades.

For more information, please visit us at www.toronto.ca/demographics/surveys



Highlights

- The 2016 survey counted 1,461,020 jobs, an increase of 38,740 jobs or 2.7% from Toronto's employment base in 2015.
- Full-time employment has surpassed the 1 million mark for the 11th consecutive year.
- Part-time jobs increased by 8.4% from 2015, an addition of 28,760 jobs.
- The Office category remains the largest sector in Toronto, accounting for almost 1 out of every 2 jobs.
- In 2016, approximately 600,560 jobs were located in Toronto's Downtown and Centres, 41.1% of all jobs.
- North York Centre, with 40,320 jobs, remains Toronto's largest employment Centre after Downtown.
- Yonge-Eglinton Centre has Toronto's highest employment density with over 30,000 jobs per km².
- In 2016, 398,350 jobs were located in Employment Areas, 27.3% of jobs in Toronto.
- The survey counted 75,290 establishments in 2016, a net loss of 420 establishments.
- 79.5% of all Manufacturing establishments and 92.8% of all Manufacturing jobs are in Employment Areas.
- The Community and Entertainment category added the most establishments in 2016, increasing by 550 or 27.6% since 2015.

Toronto Employment Survey 2016



1,461,020
total jobs

↑ 38,740
more jobs since 2015

35% 

of jobs are located in the Downtown

 **398,350**
jobs are concentrated in Employment Areas

75,290
total establishments

79.5% 

of Manufacturing establishments are in Employment Areas

↑ 550

more Community and Entertainment establishments

Introduction

The City of Toronto, at 634.5 km², is home to 2.8 million people, making it Canada's largest city and the fourth largest urban area in North America.¹ Toronto has 8.1% of Canada's workforce and is a major national economic driver.² The city's gross domestic product (GDP) is 162.0 billion dollars annually, and accounted for 26.3% of Ontario's GDP and 9.9% of Canada's output in 2015.³ In the past year, the Toronto region's GDP is estimated to have grown by 2.6%, outpacing both Ontario's rate of growth of 2.1% and Canada's rate of growth of 1.2%.⁴

In 2016, the Toronto Employment Survey counted 1,461,020 jobs in the City of Toronto, adding 38,740 jobs or 2.7% to Toronto's employment base (see Figure 1).⁵ This is tied with 2015 for Toronto's highest growth rate over the last ten years. The city's total employment has increased significantly during the past decade, growing by 14.3% or 183,010 jobs (see Table 1).

This bulletin summarizes the results of the 2016 Toronto Employment Survey. It highlights key citywide trends, findings by category and emerging patterns in Downtown, the Centres, Secondary Plan Areas and *Employment Areas*. The results from the Employment Survey are used to gauge the city's economic and investment health and to monitor the progress of *Official Plan* policies. The survey results are also used for the forecasting and planning of infrastructure and services, to provide key insights into Toronto's business climate and economic growth.

Map 1 shows the distribution of employment across the city, with distinct concentrations in Downtown, the Centres, and *Employment Areas* demonstrating their continued vitality.

How Employment Information is Collected by the City of Toronto

The Toronto Employment Survey has successfully marked its thirty-fourth year. Since 1983, it has provided a rich resource of time-series data for the longitudinal analysis of employment activity in the city, based on the use of a consistent coding system of parcel uses and occupant activities.

Beginning in 2011, employment activity has been classified by NAICS (North American Industry Classification System) codes to enable comparison of employment activity across municipalities, provinces, and other countries. This is in addition to the occupant activity code standard of the Regional Information Systems Working Group of the Regional Planning Commissioners of Ontario, which has been used and updated over the past three decades.

Between May and August, a team of surveyors visit all business establishments located in commercial, industrial, institutional and mixed use areas throughout the City of Toronto. In 2016, employment data was acquired from 88.5% of business establishments that were identified. This marks a slight decrease over 2015's response rate of 89.3%. Data collected include the number of full-time and part-time employees, the primary type of employment activity taking place, and the length of time the business has been at that location. In the case of major, multi-branch employers, the information is collected through a questionnaire mailed to the primary contact at the head office.

The result is a rich dataset which provides a valuable profile of the economic activity across the City of Toronto. This survey does not currently capture all those people who work from home or employment activities that are "footloose" or not place-specific on a daily basis.

The return of the long-form Census in 2016 will enable the comparison of employment data once it is released by Statistics Canada. A detailed comparison of 2016 data will be forthcoming in the 2017 Bulletin.

Table 1: Total Employment - 2006, 2015, 2016

Employment	Total Number of Employees			Net Change	Growth Rate %	Net Change	Annual Growth Rate %
	2006	2015	2016	2006-2016		2015-2016	
Full-time	1,001,060	1,077,930	1,087,930	86,870	8.7%	10,000	0.9%
Part-time	276,950	344,350	373,090	96,140	34.7%	28,740	8.3%
Total	1,278,010	1,422,280	1,461,020	183,010	14.3%	38,740	2.7%

Note: Numbers have been rounded to the nearest ten.

Key Citywide Trends

Economic Climate

The Canadian economy was relatively healthy in 2016: economic output grew by 0.3% over the first seven months of 2016, growing by 1.3% from July 2015 to July 2016. The economy contracted to its lowest point of the year in May, due largely to the impact of the wildfires in Alberta, but has since rebounded to grow 0.5% from June to July of this year.⁶ National economic growth since 2015 has largely been driven by consumer spending, external trade, and government spending, and will likely continue to be supported into 2017 by low interest rates, rising energy prices and federal fiscal stimuli.⁷

At a national level, there has been sectoral growth across the board. Similarly to 2015, goods-producing industries and the service sector are both expanding. The goods-production sector grew by 1.0% as a whole from June to July of this year, with oil and gas extraction industries growing by 8.1% and manufacturing by 0.4%. The service sector grew by 0.3% in the same period, led by accommodation and food services with 1.4%

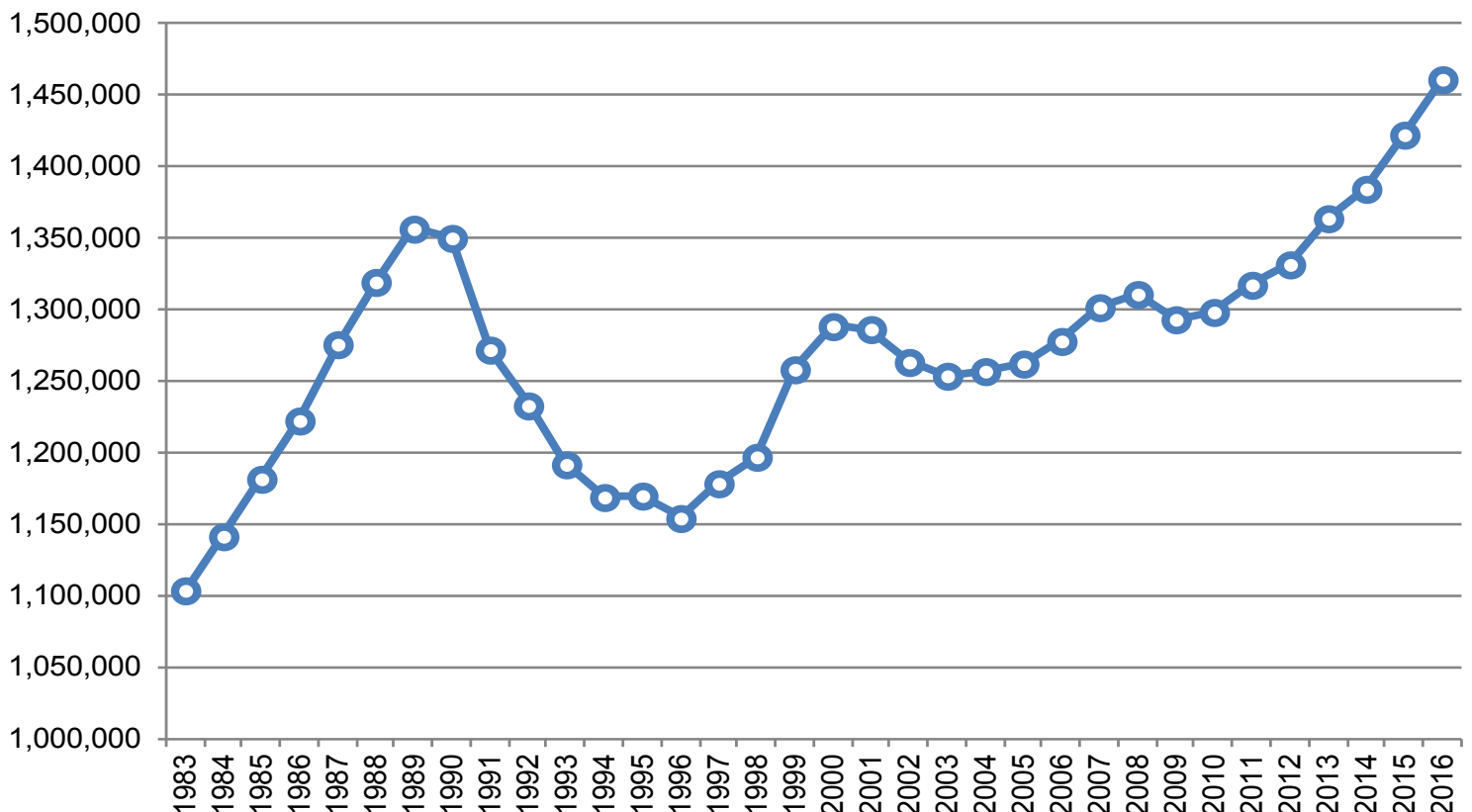
growth, transportation with 1.1%, and finance and insurance with 0.9%.⁸

Office Trends

The 2016 office market flourished in Toronto. This year, the Office category remained the largest of the six sectors, representing 28,360 establishments or 37.7% of all establishments in the city. The city's strong non-residential market has added almost one million square metres of pre-dominantly office space in the last five years in projects over 50,000 square metres alone.⁹ Meanwhile, vacancy rates are decreasing both downtown and in the GTA, with Downtown's vacancy rate of 4.8% being the lowest vacancy rate of all major office markets in North America. Another 195,000 square metres of office space currently under construction is expected to be completed this year and is already 92.4% pre-leased, pointing to the likelihood of continuing growth in 2017.¹⁰

Though this category saw the largest net employment gain in 2016, it also experienced the largest net loss of establishments, decreasing by 510 establishments or 1.8%. As a result, the average number of employees working at Office

Figure 1: Total Employment in City of Toronto, 1983-2016



sector establishments rose to 25.2 in 2016 from 24.0 in 2015 and 23.1 in 2011. Of the 20 major sectors of the economy, the three sectors with the highest growth in average number of employees per establishment since 2011 all typically occur in the office market. These are Real Estate and Rental and Leasing, which had 27.3% growth in average number of employees per establishment over the last five years, Information and Cultural Industries (18.7%), and Finance and Real Estate (16.9%).

Toronto has experienced decreasing vacancy rates despite increasing and sustained office space supply, indicating strong demand for office space. The concurrent employment growth paired with establishment shrinkage suggests a concentration of Office sector employees at each establishment. One recent example is the consolidation of professional services firm Deloitte Canada. In 2016, the firm moved 4,000 employees from multiple offices in the Toronto area to a newly constructed, 19-floor office in the Bay Adelaide Centre East building in downtown Toronto with room for employment expansion.¹¹

Retail Trends

Since 2006, the Retail category has lost 2,010 establishments, a drop of 11.8%. This was the

Table 2: New Establishments, 2015-2016

Location	2015	2016	Category	2015	2016
Centres	200	150	Manufacturing	220	150
Downtown	1,070	820	Retail	800	560
Employment Areas	1,390	1,090	Service	1,080	830
Rest of the City	1,800	1,610	Office	1,780	1,280
			Institutional	230	170
			Community & Entertainment	340	680
City Total	4,460	3,670	City Total	4,460	3,670

Note: Numbers have been rounded to the nearest ten.

Figure 2: Change in Number of Establishments, 2006-2016

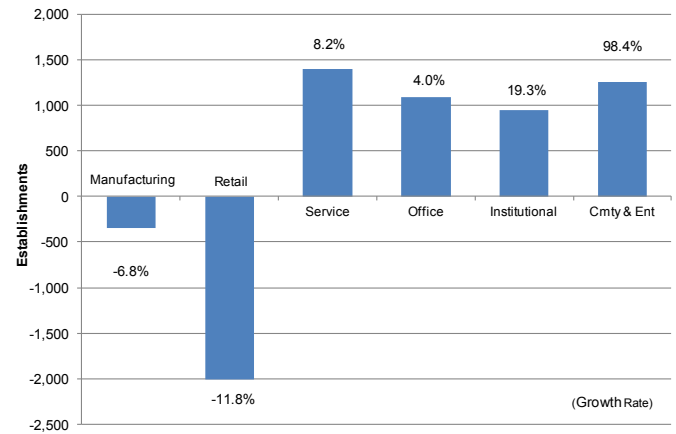
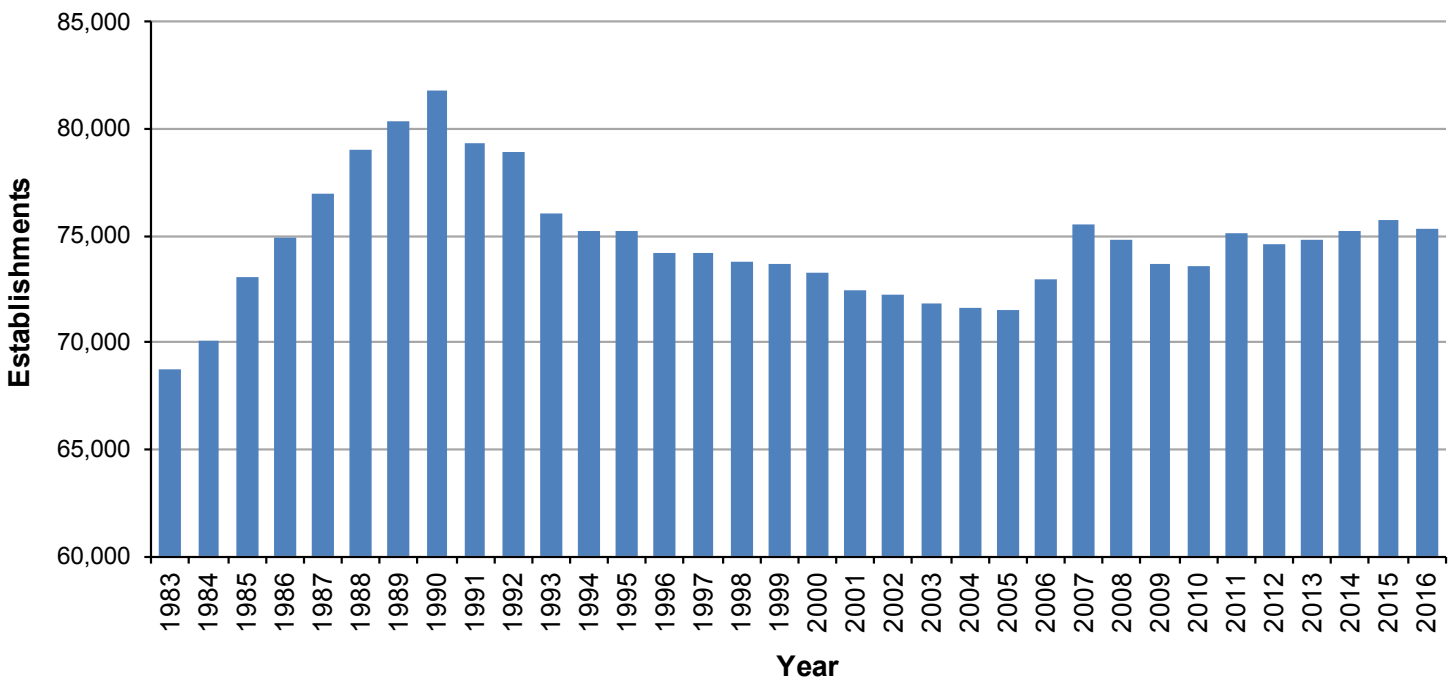


Figure 3: Total Number of Establishments, 1983-2016



largest net establishment loss of any category during this period, outpacing the Manufacturing category's loss of 350 establishments or 6.6% (see Figure 2). However, in 2016, the number of Retail establishments decreased by only 290 establishments or 1.9%. The Retail category has also lost fewer establishments in 2016 than over the past five years, during which 920 establishments or 5.8% of the total were lost.

Despite the decline in establishments, retail employment has grown, increasing by 2,260 jobs or 1.6% since 2015 and 6,000 jobs or 4.2% since 2011. Additionally, retail sales increased 2.2% from July 2015 to July 2016 to top \$6.8 billion.¹² As in the Office sector, the reduction of establishments along with the growth of employment has resulted in an increase in the average number of employees per Retail establishment: from 2011 to 2016, the average number of employees per Retail establishment increased from 8.9 to 9.8. This trend suggests the continued growth of larger retail formats, as demonstrated by the introduction of large retailers such as Nordstrom and Saks Fifth Avenue and related investment in flagship retail centres in Toronto such as the Eaton Centre and Yorkdale Mall.¹³

Manufacturing Trends

Toronto's Manufacturing category employment has declined over the last decade, reflecting a similar decline internationally as the North American economy continues to shift from a goods-producing economy to a service-based economy. Toronto's categorical composition reflects an evolving urban economy which continues to be competitive in a changing national and global market.

The decline of Manufacturing establishments in Toronto has slowed since the economic downturn of 2008. This decline halted briefly in 2015, but resumed in 2016 with the loss of 110 establishments or 2.2%. At present, there are 4,920 Manufacturing establishments, representing 6.5% of the city's total.

However, the industrial market in the city has been strengthening: the industrial vacancy rate fell to 1.0% in the second quarter of this year, at the same time as the city saw the largest amount of industrial space under construction since 2008

(over 40,000 square metres). Toronto's vacancy rate is the lowest of all markets in the Greater Toronto Area, with demand in the North York and Etobicoke areas contributing the most to low vacancy rates.¹⁴

Number of Establishments

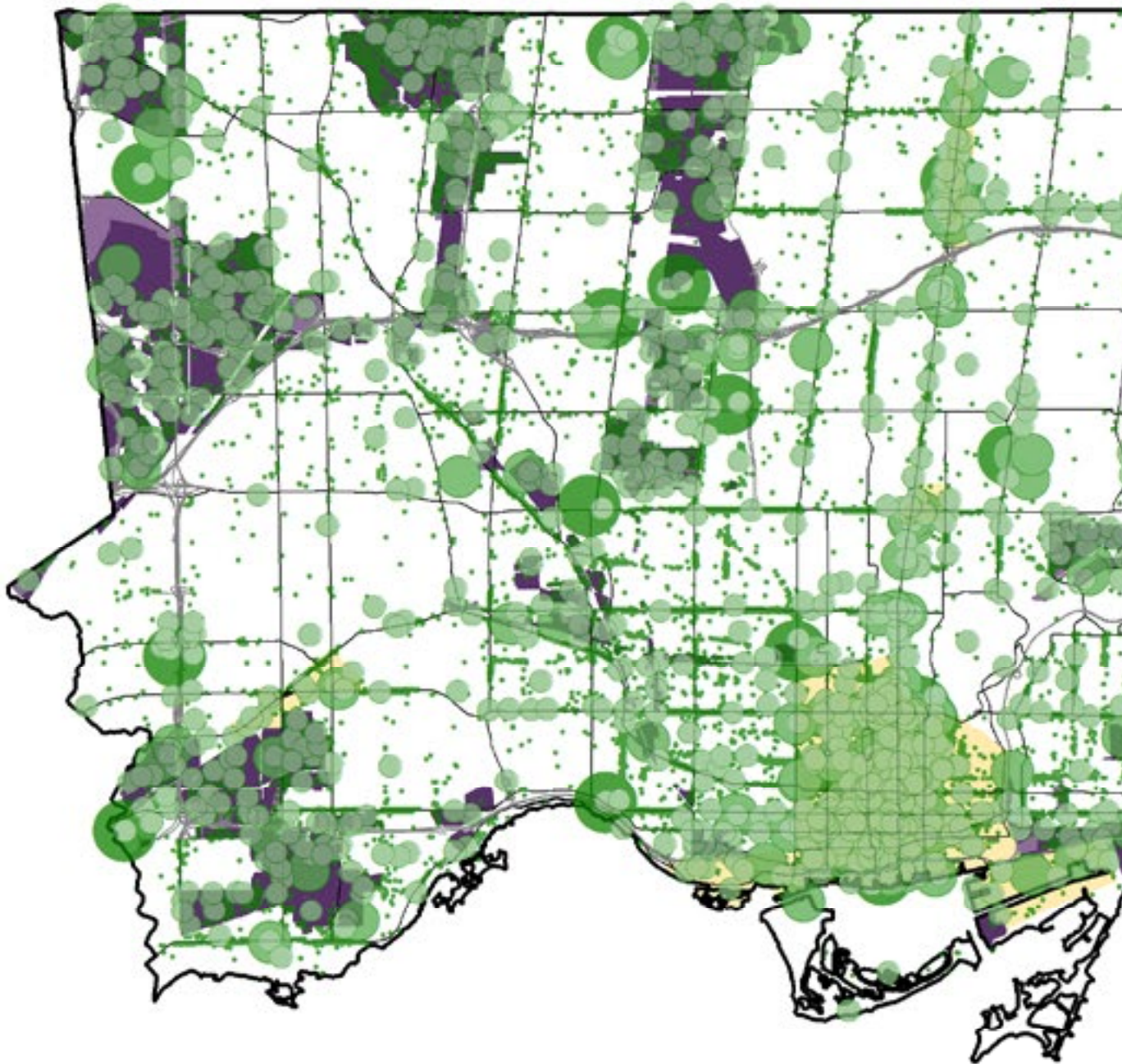
In 2016, the Employment Survey identified 75,290 business establishments in the City of Toronto (see Figure 3). After steadily declining during the 2008-2009 global recession, the number of businesses in Toronto began to grow again after 2012, and continued to grow until this year. Since 2015, the city's number of establishments decreased slightly by 420 businesses or 0.6%. The number of establishments has stayed relatively stable over a five-year period, increasing by 190 or 0.3% since 2011.

Toronto's employment has grown more quickly over this time period, adding 143,720 jobs or 10.9% since 2011 and 38,740 jobs or 2.7% since 2015. As a result, the average number of people employed per establishment in Toronto increased to 19.4 in 2016 from 18.8 in 2015 and 17.5 in 2011 (see Figure 4). The number of "large" establishments, those with more than 100 employees, has grown by 43 or 2.0% this year. Currently, 3.0% of employers in Toronto have more than 100 employees.

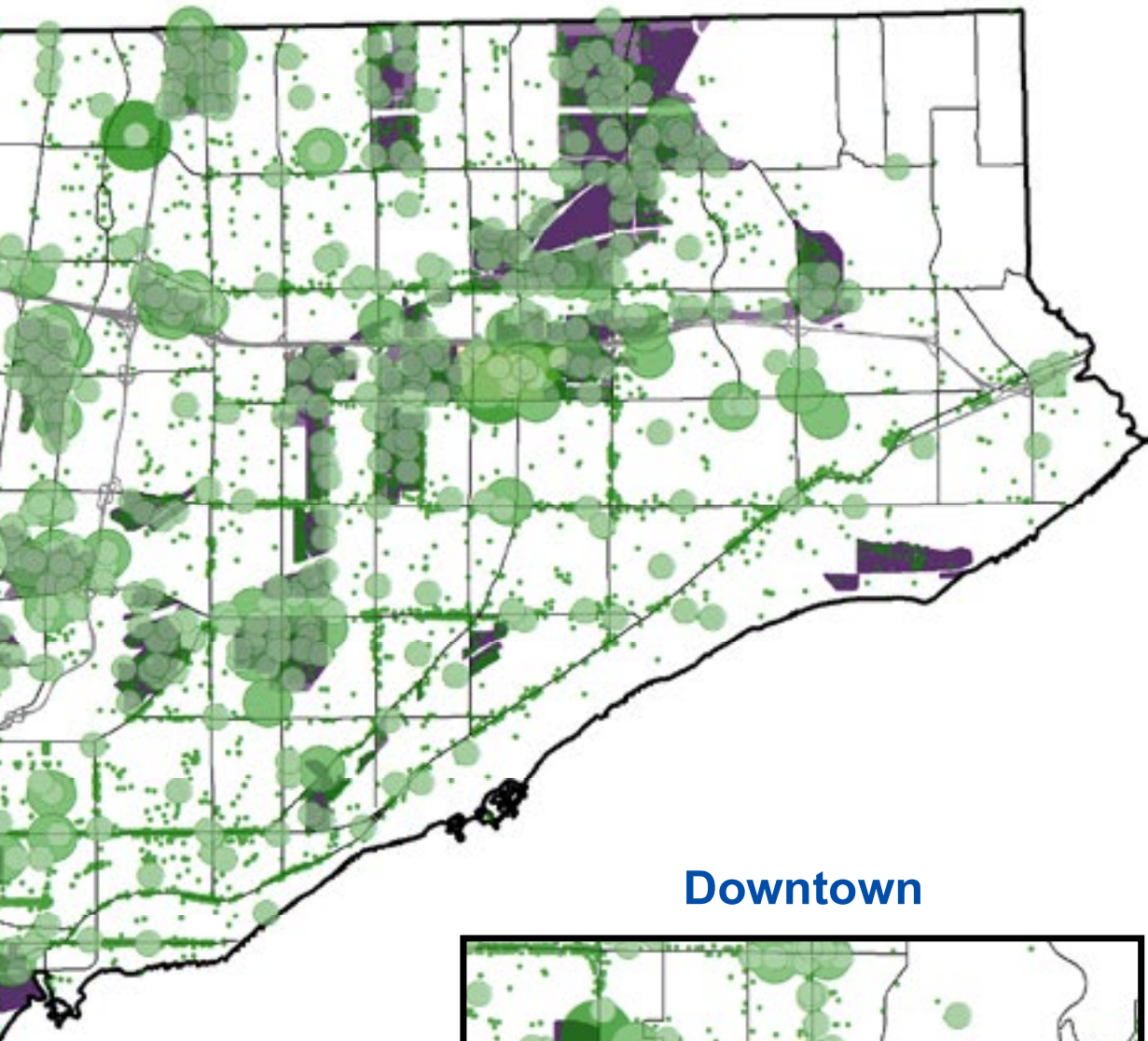
New Establishments in the City



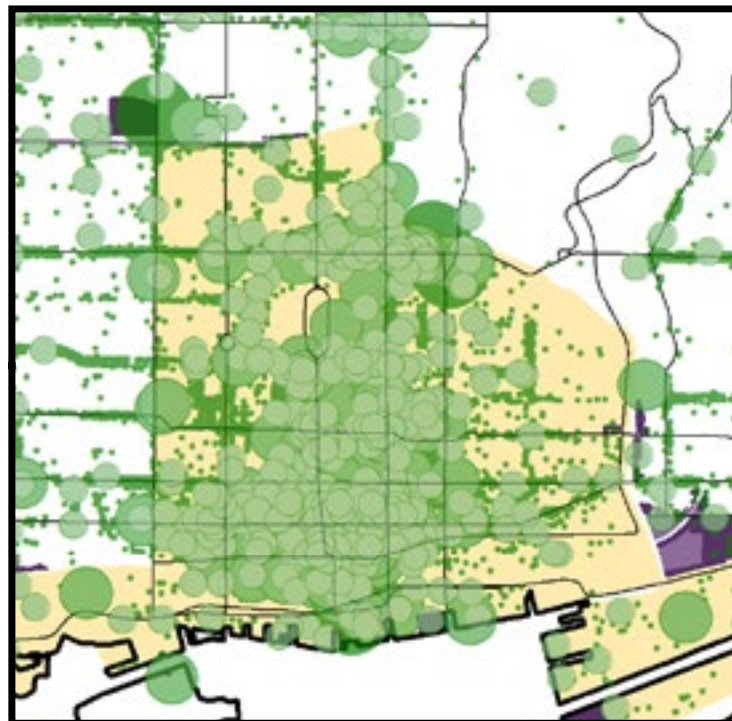
In 2016, the Toronto Employment Survey counted 3,670 new establishments or 4.9% of the city total over the past year (see Table 2). The number of new establishments decreased by 790 or 17.7% from 2015's total of 4,460 new establishments. These new establishments include not only newly started businesses, but also relocations and new locations of existing firms. Of the 3,670 new establishments, more than half (52.1%) were



Map 1: 2016 Employment Concentration



Downtown



Total Employment

- < 100
- 100 - 499
- 500 - 2,499
- 2,500 +

- Core Employment Area
- General Employment Area
- Downtown and Centres



located in Downtown and in *Employment Areas*, with 820 and 1,090 establishments respectively. Another 150 new establishments are located in the Centres, while the balance of 1,600 establishments are located elsewhere in the city (see Figure 5).

The greatest proportion of new establishments belongs to the Office category, which represented 34.9% of all new establishments in 2016. This is a slightly lower share than in 2015, when the Office category accounted for 39.9% of new establishments, reinforcing the previously discussed trend of employee centralization within Office establishments. The Service category accounted for 22.5% of new establishments, while the Community and Entertainment category more than doubled its share of new establishments to 18.4% in 2016 from 7.7% in 2015 (see Figure 6).

The Retail and Institutional sectors contributed 15.3% and 4.7% of new establishments respectively. From 2013 to 2016, the number of new Institutional establishments dropped by almost half (47.7%). The Retail sector had the second largest decline in new establishments in this period, with 31.5% fewer new establishments in 2016 compared to 2013.

The remaining 4.1% of new establishments belong to the Manufacturing sector. Despite broader declines in North American manufacturing, Toronto remains an attractive location for industrial establishments with 150 new Manufacturing establishments choosing to locate in Toronto in 2016, representing 930 new Manufacturing jobs.

Longevity

Toronto remains an attractive place for new start-ups and for business relocations. In 2016, 36.2% of Toronto's business establishments were less than 5 years old (in the same location, see Figure

Figure 4: Average Number of Employees Per Establishment, 1983-2016

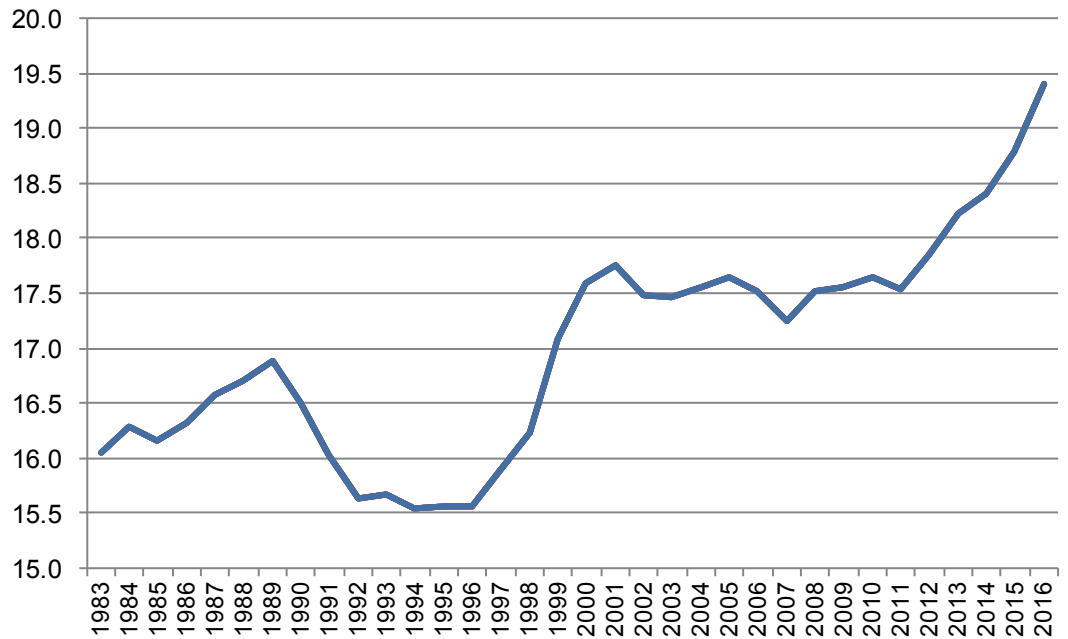


Figure 5: New Establishments by Location, 2016

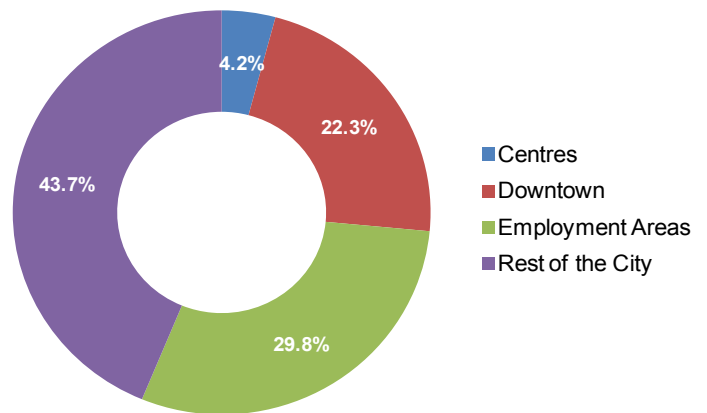
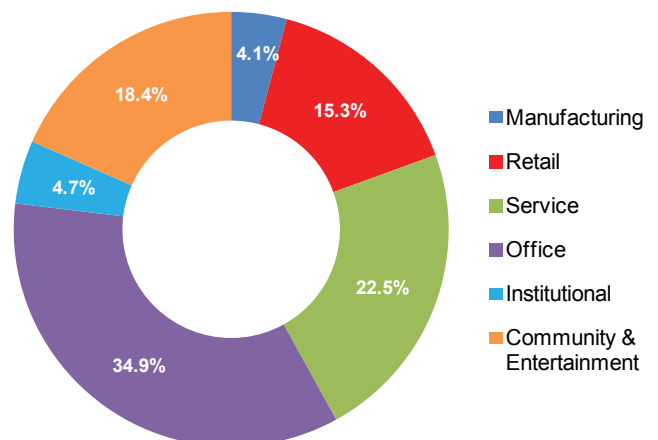


Figure 6: New Establishments by Category, 2016



7). Over one-fifth of the city’s establishments (22.4%) have remained in the same location for more than twenty years, while nearly one-third (32.5%) of establishments have been located in Toronto for more than fifteen years. This demonstrates a strong degree of stability in the local economy despite economic cycles and recessions.

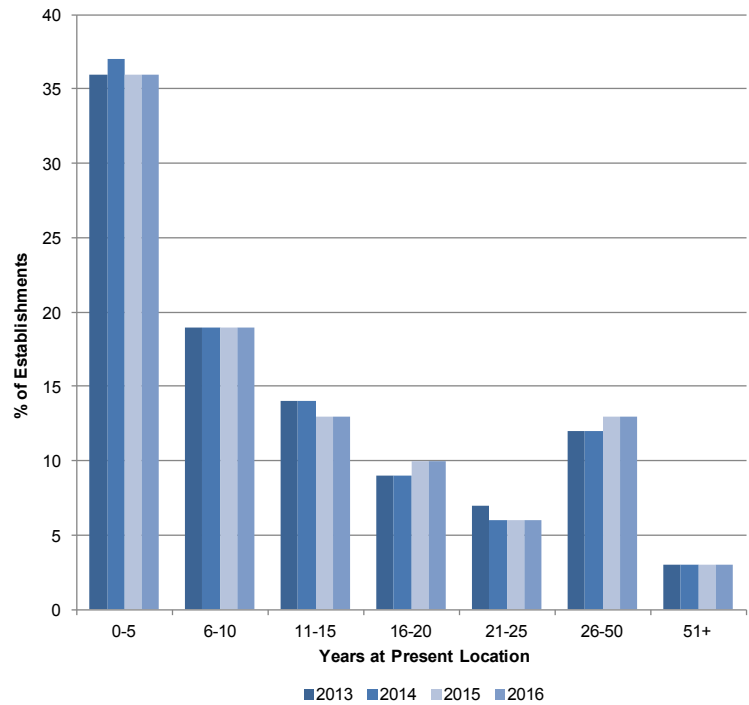
Full-Time and Part-Time Employment

Of the 1.46 million jobs in the city, 74.5% are classified as full-time jobs. Full-time employment increased 0.9% in 2016. In comparison, 25.5% of jobs in Toronto are classified as part-time (less than 30 hours per week). Part-time employment increased 8.4% in 2016. The proportion of part-time jobs has increased steadily over thirty years to almost double its 13.3% share in 1986, which translates to an increase of 210,550 part-time jobs. Since 2011, part-time employment has increased by 80,010 jobs or 27.3%.

Toronto Employment by Category

Over the last year, the number of jobs in Toronto has increased by 2.7%, representing 38,740 jobs. It should be noted that a significant component of this growth in 2016 is due to the new inclusion of 25,000 part-time Toronto District School Board (TDSB) employees, which accounts for approximately 1.8% out of the 2.7% total growth rate. Without this addition, net growth is approximately 1.0% or 13,740 jobs.

Figure 7: Longevity of Existing Establishments



As an establishment-based survey, the Toronto Employment Survey does not fully capture employment that does not have a regular location. The 25,000 TDSB employees were not previously counted in the Toronto Employment Survey because of their status as footloose employment, or employment without a regular place of work, such as substitute teachers and other travelling staff who could not be spatially located. The new inclusion of the TDSB employees at several district offices around the city is a significant step towards reducing the footloose employment undercount and represents the success of our ongoing relationship-building efforts with major, multi-location employers such as the TDSB. This relationship-building process has increased the accuracy of data collected over time, as organizations become more familiar with the Survey’s methodology and purpose.

The Office category remains Toronto’s largest, accounting for nearly half (48.9%) of all jobs found in Toronto (see Table 3), growing 2.9% and adding 20,050 jobs from 2015 (see Figure 8). The Institutional category is Toronto’s second largest employment category, with 16.8% of the city’s jobs. The Institutional category gained more jobs than any other category in 2016, an increase of 14,000 jobs or 6.0%, which is particularly less noteworthy given the slower growth in new establishments.

Figure 8: Change in Total Employment by Category, 2015-2016

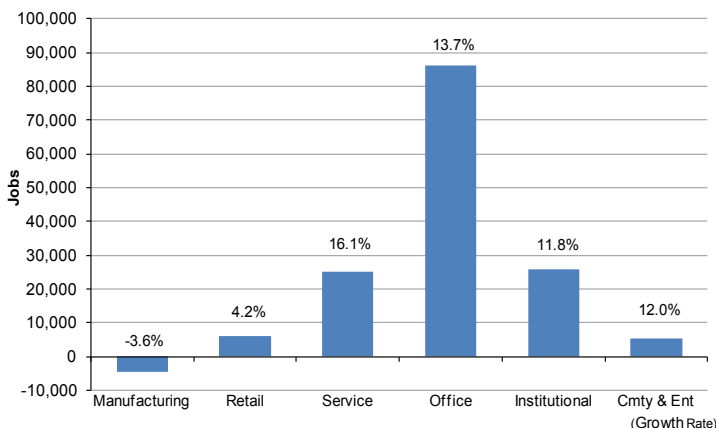


Table 3: Employment by Category, 2006, 2011, 2015, 2016

Category	Total Number of Employees				Net Change	Growth Rate %	Net Change	Growth Rate %	Net Change	Growth Rate %
	2006	2011	2015	2016	2006-2016	2011-2016	2015-2016	2015-2016	2015-2016	
Manufacturing	155,160	128,600	124,000	123,990	-31,170	-20.1%	-4,610	-3.6%	-10	0.0%
Retail	149,780	141,600	145,340	147,600	-2,180	-1.5%	6,000	4.2%	2,260	1.6%
Service	145,460	155,500	176,850	180,590	35,130	24.2%	25,090	16.1%	3,740	2.1%
Office	584,150	627,900	693,880	713,930	129,780	22.2%	86,030	13.7%	20,050	2.9%
Institutional	205,510	219,800	231,740	245,740	40,230	19.6%	25,940	11.8%	14,000	6.0%
Community & Entertainment	37,960	43,900	50,470	49,170	11,210	29.5%	5,270	12.0%	-1,300	-2.6%
Total	1,278,020	1,317,300	1,422,280	1,461,020	183,000	14.3%	143,720	10.9%	38,740	2.7%

Note: Numbers have been rounded to the nearest ten. Totals may differ from sum of full-time and part-time employment.

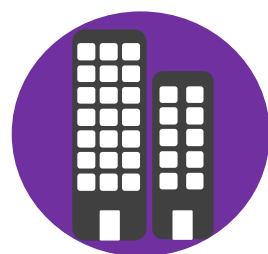
The Service category represents 12.4% of the city’s jobs and grew by 3,740 jobs or 2.1%. Employment in the Retail category also grew over the past year, increasing by 2,260 jobs or 1.6%. The Manufacturing category contains 8.5% of jobs in Toronto and is stable, down just 10 jobs from 2015.

The smallest category in Toronto is the Community and Entertainment category, which includes entertainment venues, community and recreational uses and was called the ‘Other’ category in previous editions of the Employment Bulletin. It represents 3.4% of jobs in the city and lost the highest percentage of employment in Toronto over 2016, decreasing by 2.6% and 1,300 jobs.

The Past Decade

Over the decade, the number of jobs in Toronto has grown from 1.28 million to 1.46 million jobs, an increase of 14.3%. All categories except Manufacturing and Retail have grown over the last ten years.

The Office Category



Nearly half of all jobs in Toronto reside in the Office category, representing 48.9% of Toronto’s jobs. The Office category has been Toronto’s predominant category for over thirty

years. Over the last ten years, Toronto employment has continued to concentrate in the Office category, adding 129,780 jobs and growing by 22.6%. Over the last five years, the Office category has grown steadily

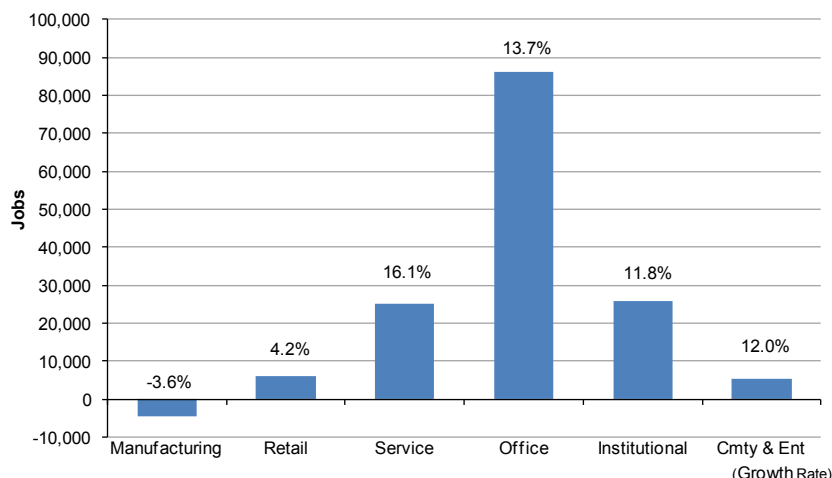
from 627,900 jobs in 2011 to 713,930 jobs in 2016, adding 86,030 jobs and growing by 13.7% (see Figure 9).

The Institutional Category

The Institutional category has been Toronto’s second largest employment category for over twenty years, overtaking the Retail category in 1984 and the Manufacturing category in 1992. Currently, the Institutional category represents 16.8% of Toronto’s employment. Over the last decade it has added 40,230 jobs, growing by 19.6%. Since 2011, the Institutional category has grown by 25,940 jobs or 11.8%. After a dip in employment in 2015 when the category lost 1,990 jobs, employment recovered by 6.0% in 2016 to show the highest percentage of growth of all categories.



Figure 9: Change in Total Employment by Category, 2011-2016



The Service Category



The Service category continues to represent 12.4% of Toronto's employment, as it did in 2015. Over the last five years, the category has grown by 25,090 jobs or 16.1%. Most of this growth has occurred

over the last ten years, as the Service category has added 35,130 jobs or 24.2% since 2006. From 2015, the category added 3,740 jobs.

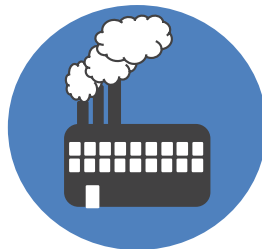
The Retail Category

Toronto's Retail category has changed significantly since 2006. At that time, the Retail category was growing, but during the global recession, Retail employment declined sharply, by more than 10,990 jobs between 2007 and 2010. As a result, the Toronto Employment Survey recorded a net decline of 2,180 Retail jobs or 1.5% between the years of 2006 and 2016. However, by 2011, the category began to recover and has grown steadily since. From 2015, the category gained 2,260 jobs, growing by 1.6%. In 2016, the Retail category accounted for 10.1% of all employment in Toronto.



The Manufacturing Category

Once Toronto's second largest employment category, Manufacturing is now Toronto's second smallest category. Manufacturing employment has continued to decline, reflecting the evolution of the North American economy from goods production to services. Toronto's employment in the Manufacturing category includes warehousing employment and is primarily concentrated in the Processed Goods Processing and the Product Assembly subcategories, together accounting for 65.5% of Manufacturing employment in Toronto.



Manufacturing employment declined by 31,170 or 20.1% from 2006 to 2016. Over the last five years, this decline slowed, totaling 4,610 jobs lost or 3.6%. In 2016 the Manufacturing category lost just 10 jobs.

The Community and Entertainment Category



The Community and Entertainment category is Toronto's smallest employment category. This category includes entertainment venues, community and recreation uses, and other activities

such as construction. This category has grown as a whole over the last ten years, adding 11,210 jobs or 29.5%. Since 2011, the category has added 5,270 jobs or 12.0%. However, in 2016 the category decreased by 2.6% or 1,300 jobs.

Despite the decline in employment, the Community and Entertainment category grew by 550 establishments or 27.6% since 2015, suggesting a decentralization of employees across establishments. Community and Entertainment also added the highest percentage of new businesses of any category, with new businesses accounting for 26.6% of all establishments in the category in 2016. Almost three quarters (71.9%) of new businesses in this sector that have been classified by NAICS belong to one of two major economic sectors: Construction or Arts, Entertainment and Recreation.

Employment by Economic Sector

In 2011, City Planning incorporated the North American Industry Classification System (NAICS) into the data collection processes of the Toronto Employment Survey. NAICS was established by Statistics Canada and the statistical agencies of Mexico and the United States to provide a coding standard that allows for data analysis and comparison across municipal, provincial and national boundaries. NAICS coding is extremely detailed and highly specific, articulating the industrial structure of the economy, while the Regional Information Systems Working Group's Land Use Activity Codes profile the city's use and occupancy of land.

Coding the data to the lowest, most detailed level enables it to be aggregated to higher levels during analysis and for comparative purposes. The NAICS coding for establishments is now quite stable, enabling comparisons over time as well as comparisons to other municipalities in Canada

and elsewhere, which is discussed further in the Insights section of this Bulletin. In 2016, the Employment Survey was extremely successful in coding Toronto's establishments with 98.8% of businesses assigned a full 6-digit code.

The Urban Economy

At the broadest level the urban economy can be grouped into three major industries: Goods Producing; Service-Based; and Government and Institutional (see Figure 10). More than three quarters (77.5%) of all jobs in the city are in Service-Based industries while 13.9% of employment is in Government and Institutional-Based industries. The remaining 8.6% of jobs in the city are in the Goods Producing industries.

Both the Service-Based and the Government and Institutional industries experienced growth in 2016. Service-Based Industries grew by 1.8%, adding 19,930 jobs, while Government and Institutional industries grew by 20,780 jobs or 11.4%. Goods Producing Industries showed a small decrease in employment over 2016, declining by 1.5% or 1,900 jobs.

These trends remain unchanged since 2011, when the Employment Survey began recording NAICS codes. Service-Based industries have gained the highest number of jobs, increasing by 150,540 jobs and 15.3%. Government and Institutional industries have grown by the largest percentage since 2011, adding 34,160 jobs or 20.2%. Goods Producing industries shrank slightly over the last five years, losing 3,750 jobs or 2.9%.

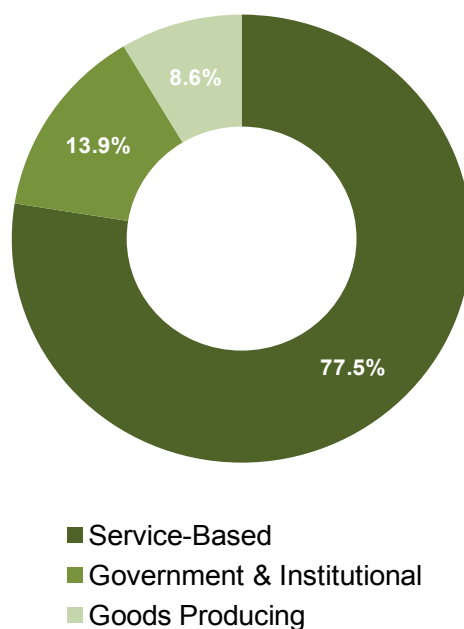
Major Economic Sectors

NAICS classifies the economy into 20 major sectors. In 2016, over half (50.1%) of all jobs in Toronto fell into the top five NAICS sectors, indicating that while Toronto's economy is varied, there is a large concentration in certain fields (see Figure 11).

The top five categories are: Health Care and Social Assistance; Professional, Scientific and Technical Services; Finance and Insurance; Retail Trade; and Educational Services.

From 2015, the Educational Services sector saw the greatest net gains in employment, adding

Figure 10: 2016 Employment by NAICS Sector



10,980 jobs or 10.7%. As a result, it has overtaken the Accommodation and Food Services sector to become the fifth largest sector in Toronto by a margin of 580 jobs. The Health Care and Social Assistance sector also grew since 2015, adding 10,560 jobs or 6.1%. It remains Toronto's largest NAICS sector, accounting for 12.5% of jobs citywide.

The Professional, Scientific and Technical Services and Finance and Insurance sectors are currently the second and third largest sectors in Toronto, representing 10.6% and 9.8% of all jobs respectively. Both sectors have remained relatively stable over the last year, with Professional, Scientific and Technical Services declining by 1,310 jobs or 0.8%, and Finance and Insurance increasing slightly by 570 or 0.4%. Also stable is the Retail Trade sector, which grew by 0.6% or 800 jobs to remain Toronto's fourth largest sector.

Since NAICS data began to be recorded in 2011, a number of sectors have experienced significant growth in employment. The Management of Companies and Enterprises sector has the highest percentage of growth in this period, increasing by 12,790 jobs or 33.5%. Also showing strong growth rates of over 20% since 2011 are the Real Estate and Rental and Leasing, Educational Services, Accommodation and Food Services,

and Information and Cultural Industries sectors. The Real Estate and Rental and Leasing sector grew by 8,740 jobs or 26.6%, Educational Services by 21,970 jobs and 24.0%, Accommodation and Food Services by 21,420 jobs and 23.4%, and the Information and Cultural Industries sector by 8,590 jobs or 20.2%.

Urban Economic Structure

Toronto’s *Official Plan* directs growth and development towards specific areas of the city, including Downtown, the Centres, and *Employment Areas*. Together, these areas form the backbone of the city’s urban economic structure,

connected by transit and transportation arteries, maximizing existing infrastructure and services in order to best accommodate growth.

As areas with a range of uses, Downtown and the Centres encourage both residential and employment growth, while *Employment Areas* are designated for employment-related land uses and activities.

Additionally, Secondary Plan areas adapt *Official Plan* policies to the local contexts of defined areas. This bulletin will review employment change in the growth management areas of the *Official Plan*.

Figure 11: Total Employment by Economic Sector

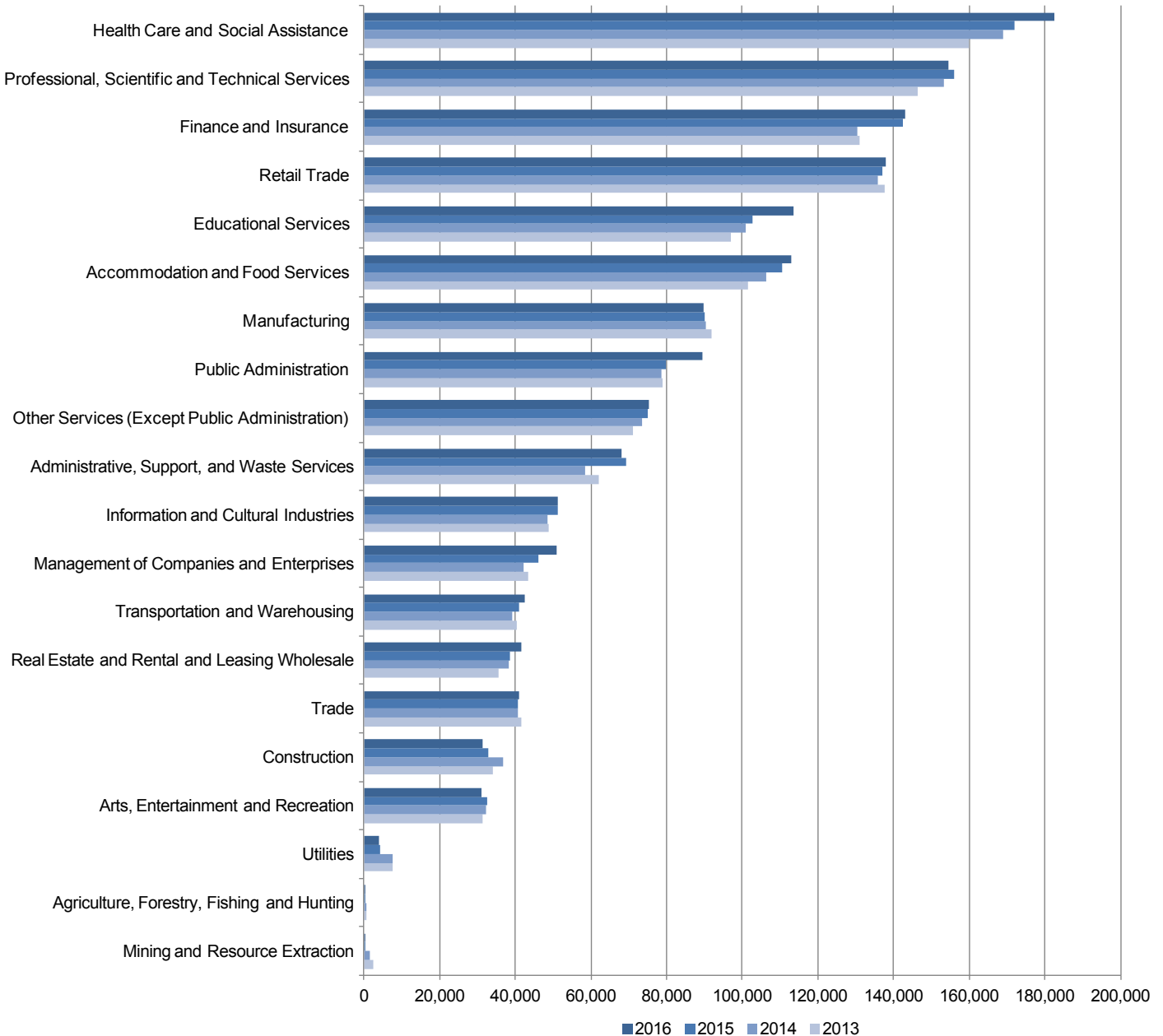
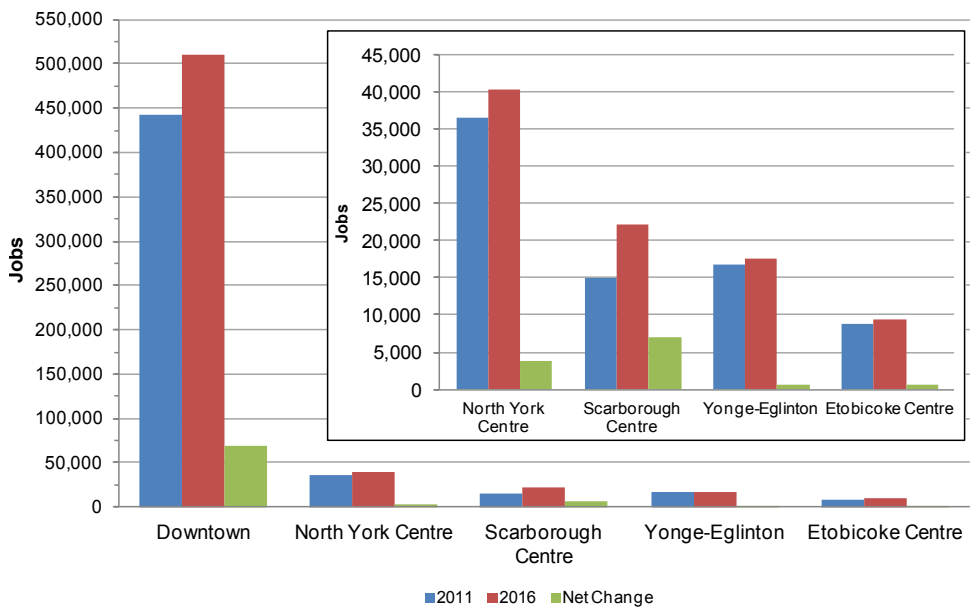


Figure 12: Employment & Net Change in Downtown & Centres, 2011 - 2016



establishments new to the city chose to locate in Toronto's Downtown.

The Office category is Downtown's largest, accounting for two of every three jobs (65.4%). Though the category shrank in 2016, losing 4,510 jobs or 1.3%, these losses were balanced by gains in the Institutional category. Institutional jobs account for 14.2% of employment, the second largest share in Downtown, and grew by 9.2% over the last year from 66,650 to 72,810 jobs. The smallest category is Manufacturing, representing just 0.9% of employment in Downtown. While the category lost 140 jobs or 3.1% since 2015, Manufacturing

Employment in Downtown and the Centres

Downtown



Toronto's Downtown is a local and national economic hub. It contains 511,200 jobs within 21.4km². The Downtown accounts for 35.0% of Toronto's jobs with 23,888 jobs per km². Employment in the Downtown increased by

2,560 jobs or 0.5% in 2016, growing by 69,280 jobs or 15.7% from 2011 to 2016 (see Figure 12 and Table 4). Downtown continues to attract new establishments: in 2016, 22.3% of business

employment has grown slightly in Downtown since 2011, adding 50 jobs or 1.1%.

Since 2011, all six categories have experienced employment growth in Downtown. The Institutional sector showed the highest percentage of growth between 2011 and 2016, gaining 24.7% or 14,400 jobs Downtown. The Service category also grew significantly, adding 9,070 jobs or 19.7%. Office employment experienced the largest net gain with 41,650 new jobs or 14.3%, while the Retail sector grew by 10.0% or 2,500 jobs, and the Community and Entertainment sector grew by 9.7% or 1,600 jobs.

Table 4: Total Employment in the Centres and Downtown, 2011-2016

	2011	2012	2013	2014	2015	2016	2011-2016		2015-2016	
							Net Change	% Change	Net Change	% Change
Downtown	441,920	446,840	467,820	482,710	508,640	511,200	69,280	15.7%	2,560	0.5%
North York Centre	36,520	36,060	35,350	34,830	35,000	40,320	3,800	10.4%	5,320	15.2%
Scarborough Centre	15,030	15,400	16,870	16,440	16,690	22,070	7,040	46.8%	5,380	32.2%
Yonge-Eglinton	16,820	17,740	19,760	19,010	17,390	17,510	690	4.1%	120	0.7%
Etobicoke Centre	8,840	8,660	8,690	9,380	9,770	9,460	620	7.0%	-310	-3.2%
Downtown and the Centres	519,130	524,700	548,490	562,370	587,490	600,560	81,430	15.7%	13,070	2.2%
Rest of City	798,170	806,870	815,360	822,020	834,790	860,460	62,290	7.8%	25,670	3.1%
City Total	1,317,300	1,331,570	1,363,850	1,384,390	1,422,280	1,461,020	143,720	10.9%	38,740	2.7%

Note: Numbers have been rounded to the nearest ten. Centres are in descending order by size of employment base.

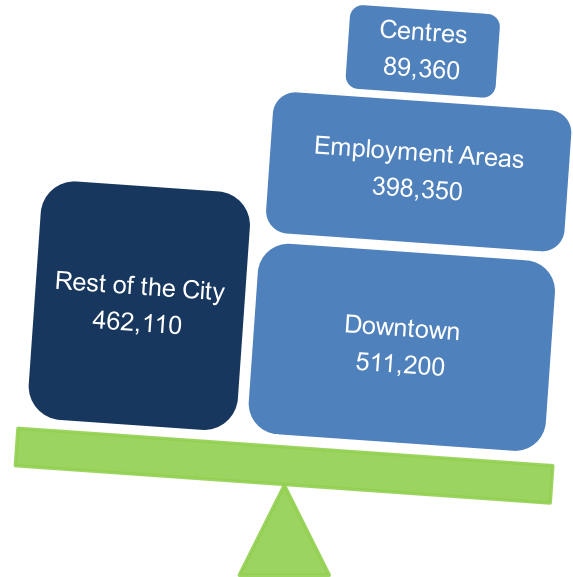
The Centres

Overall, the Centres are home to 89,360 jobs or 6.1% of employment in the city. Since 2015, employment in the Centres experienced a net gain of 10,510 jobs or 13.3%. Over the last five years, the Centres gained 12,150 jobs or 15.7%. Employment growth has mostly been located in Scarborough and North York Centres, with each adding over 5,000 jobs since 2015 and Scarborough adding more than 7,000 jobs since 2011 (see Figure 13).

Some 12,500 of the new jobs counted within Scarborough and North York Centres (6,250 jobs each) can be attributed to the inclusion of Toronto District School Board (TDSB) employees not previously counted, as both Centres contain TDSB district offices where those employees without a regular place of work are generally based. Employment in the Centres excluding the footloose TDSB jobs amounts to 76,860 jobs in 2016, which is 1,990 jobs or 2.5% less than in 2015, and 350 jobs or 0.5% less than in 2011. Employment in the Centres is predominantly office-related, with Office category jobs accounting for more than three quarters (78.6%) of all employment (see Figure 14).

North York Centre

North York Centre is Toronto's largest Centre with 40,320 jobs, accounting for 2.8% of jobs in the city. From 2011 to 2014, employment in the Centre was on the decline, but has since exceeded 2011 levels. Employment grew by 15.2% or

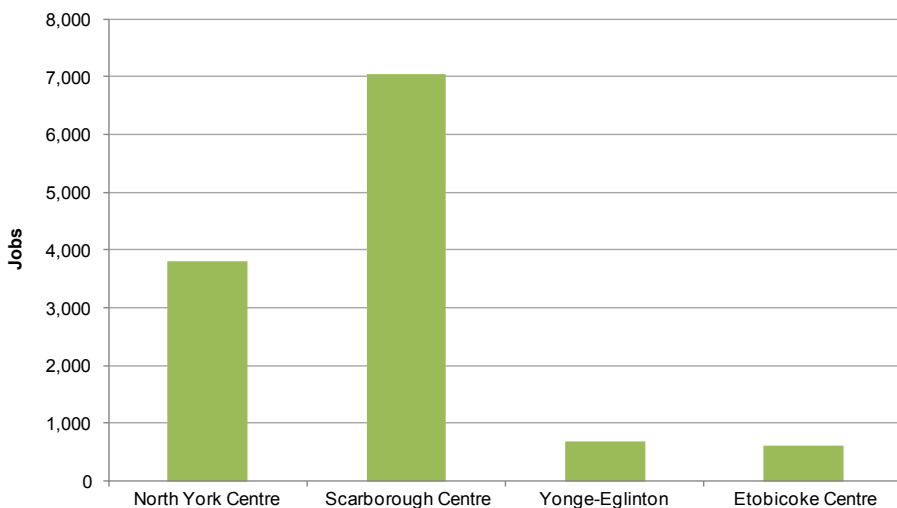


5,320 jobs over the past year (including the TDSB footloose employees), and by 10.4% or 3,800 jobs since 2011.

The Office category is the largest category in North York Centre, representing 84.7% of employment or 34,170 jobs. A gain of 5,580 jobs or 19.5% in the Office category, due largely to the addition of the 6,250 Office-identified TDSB footloose jobs described earlier, accounted for more than the total of North York Centre's net employment gains over the past year. This increase off-set employment losses in the Retail, Service, and Community and Entertainment categories. The Institutional sector remained stable, and the small pre-existing Manufacturing sector grew by 50 jobs to reach 70 jobs.

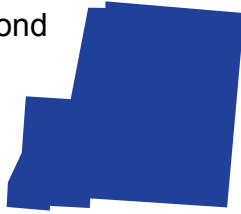
Since 2011, all categories except Retail and Community and Entertainment have grown in North York Centre. While the Community and Entertainment sector lost 340 jobs or 41.5%, the Retail sector remained stable. Over the past five years, Manufacturing had a modest gain of 10 jobs or 16.7%, while the Institutional and Service sectors grew by 10.3% and 11.1% respectively to 1,710 and 2,310 jobs. The strongest growth was experienced in the Office category, which grew by 12.3% since 2011 or by 3,750 jobs.

Figure 13: Net Employment Change in Centres, 2011 - 2016



Yonge-Eglinton

Yonge-Eglinton Centre is the second largest Centre in Toronto and contains the highest density of employment in the city with over 30,000 jobs per square kilometre. The Centre contains



17,510 jobs or 1.2% of employment in the city. Since 2015, employment in this Centre increased slightly by 120 jobs or 0.7%. Over the last five years, employment in Yonge-Eglinton has grown by 4.1% to add 690 jobs.

Employment in Yonge-Eglinton Centre is mainly Office-related, accounting for nearly 8 out of every 10 jobs (77.7%). The Office category has grown 4.9% over five years and 1.3% in the last year. The Retail and Institutional sectors also grew, by 14.4% and 7.4% respectively, while Manufacturing, Service and Community and Entertainment sectors experienced net losses of 100 or fewer employees.

Some of the employment change in Yonge-Eglinton Centre can be attributed to the renovation and expansion of 2300 Yonge Street, a project that is expected to add an additional 19,700 m² of office space and an additional 3,960 m² of retail

space to the Centre.¹⁵ While construction work coincided with a decline in jobs in Yonge-Eglinton Centre in 2015 as establishments were closed for renovations, the project is nearing completion and employment at this location increased from 3,930 to 4,150 or by 5.6% over the past year.

Scarborough Centre

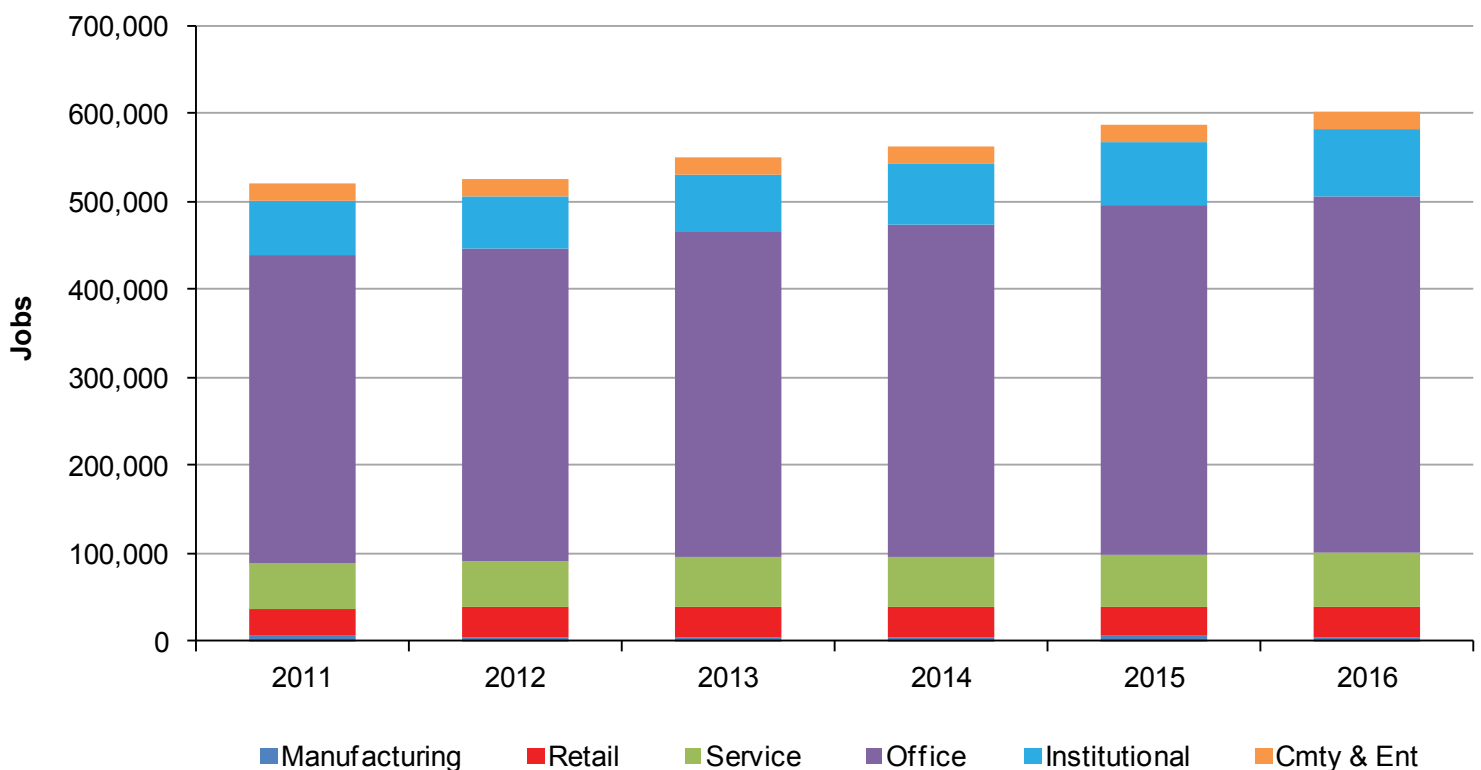


Scarborough Centre contains 22,070 jobs, or 1.5% of employment found in Toronto. In 2016, the Centre experienced the highest rate of employment growth of all the

Centres since both 2015 and 2011, growing by 5,380 jobs or 32.2% over the past year and 7,040 jobs or 46.8% over the past five years.

As seen in North York Centre, a significant gain in the Office category of 7,170 jobs or 82.8% resulted largely from the addition of 6,250 Office-identified TDSB jobs. This gain accounted for more than the total of Scarborough Centre's net employment gains over the past year and offset employment losses in the Manufacturing and Retail categories. As a result, the Office sector has increased its share of employment in Scarborough Centre

Figure 14: Total Employment in Downtown & Centres by Category, 2011-2016



from under 6 in 10 jobs (59.6%) in 2015 to over 7 in 10 jobs (71.8%) in 2016. The Retail sector has the second highest share of employment in Scarborough Centre with 14.8% of jobs, due to the presence of the Scarborough Town Centre.

Etobicoke Centre



Etobicoke Centre is the smallest Centre in Toronto. It is home to 9,460 jobs, representing just 0.6% of employment in Toronto. It was the only Centre to experience a decline in employment since 2015, losing 310 jobs or 3.2%.

However, over the last five years, the Centre has gained 620 jobs to grow by 7.0% since 2011. Similarly to Toronto's other Centres, the majority of jobs are Office-related, with almost 7 out of every 10 jobs (69.7%) in the Office category in Etobicoke Centre.

Employment in Secondary Plan Areas

Secondary Plans guide growth and development in specific areas of the city, adapting the policies and objectives of the *Official Plan* to the local contexts of the defined areas. There are currently thirty-two Secondary Plans in force (see Map 2). Secondary Plan areas contain a range of land use designations and cover diverse geographic areas across Toronto. They also necessarily overlap the geographic areas of Downtown, the Centres and *Employment Areas*. As a result, the employment and establishment data in Secondary Plan areas should be understood in relation to the City as a whole, rather than compared to data for Downtown, the Centres, or *Employment Areas*.¹⁶

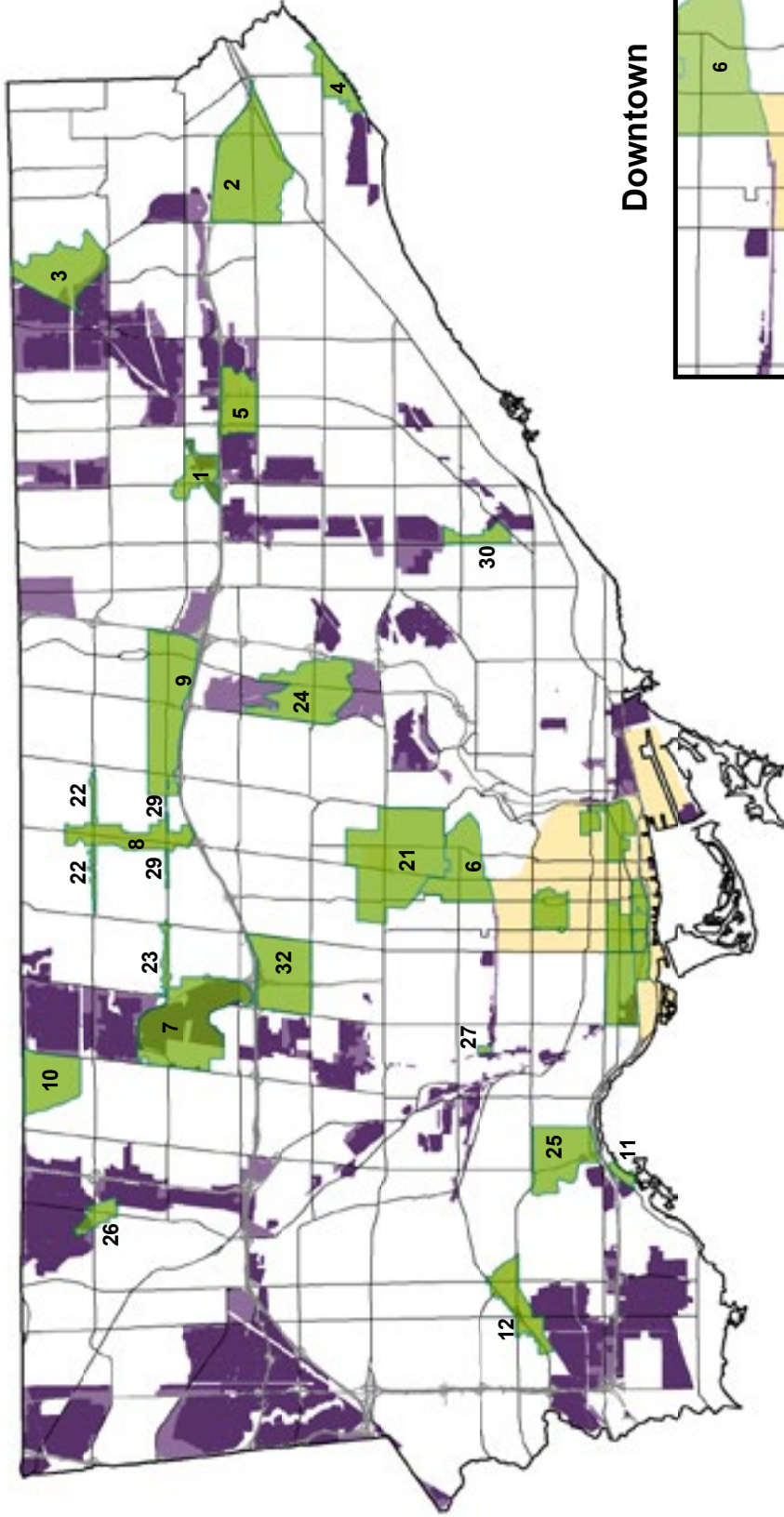
In combination, Secondary Plan areas contribute roughly one-fifth (20.7%) of all employment in Toronto, or 296,070 jobs. This includes 24.5% of all Office employment in the city, as well as 25.7% of all Community and Entertainment employment in the city (see Figure 15). More than half (52.8%) of employment within Secondary Plan areas is concentrated in the five largest areas by employment: 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).

Three of these five areas are Centres while the remaining two, King-Spadina and Garrison Common North, are respectively within or adjacent to the Downtown. This distribution of employment reflects the success of the *Official Plan's* growth management policies in directing growth to appropriate areas.

The thirty-two Secondary Plan areas can be classified into three groups according to their total employment (see Table 5). Those with 10,000 or more employees include King-Spadina, North York Centre, Yonge Eglinton, Scarborough Centre, Garrison Common North, Railway Lands East, Lawrence-Allen, Sheppard East Subway Corridor, Yonge St. Clair, King-Parliament, York University, and University of Toronto. These areas are generally situated in or near the Downtown, the Centres, along the rapid transit network, or contain major post-secondary institutions. Office employment is the predominant employment category in these areas, with three exceptions: Lawrence-Allen has mostly Retail employment due to the presence of the Yorkdale and Lawrence Square shopping centres, and both York University and University of Toronto have predominantly Institutional employment.

A second group of Secondary Plan Areas with between 1,000 and 9,999 employees includes Etobicoke Centre, Downsview Area, Railway Lands Central, Agincourt, Central Don Mills, Highland Creek, Sheppard West/Dublin, Sheppard Avenue Commercial Area, and Fort York Neighbourhood. These Secondary Plan areas are generally either smaller in geographic area or further from the Downtown, but still contain significant concentrations of employment. As with the larger Secondary Plan areas, most areas in this group have predominantly Office employment. Highland Creek and Fort York Neighbourhood are the only exceptions, with each containing a majority of Institutional employment due to the presence of large institutional employers in each area.

Secondary Plan areas with less than 1,000 employees include Emery Village, Regent Park, Swansea, Central Finch, Motel Strip, Railway Lands West, Warden Woods, Queen River, Morningside Heights, Davenport Village, and Port Union Village Community.



Geographies

- Secondary Plan Areas:
 - Core Employment Area
 - General Employment Area
 - Downtown and Centres
- 1 Agincourt
 - 2 Highland Creek
 - 3 Morningside Heights
 - 4 Port Union Village Community
 - 5 Scarborough Centre
 - 6 Yonge St. Clair

- 7 Downview Area
 - 8 North York Centre
 - 9 Sheppard East Subway Corridor
 - 10 York University
 - 11 Motel Strip
 - 12 Etobicoke Centre
 - 13 Fort York Neighbourhood
 - 14 Garrison Common North
 - 15 King-Parliament
 - 16 King-Spadina
 - 17 Railway Lands East
 - 18 Railway Lands Central
 - 19 Railway Lands West
- 20 University of Toronto
 - 21 Yonge Eglinton
 - 22 Central Finch
 - 23 Sheppard West/Dublin
 - 24 Central Don Mills
 - 25 Swansea
 - 26 Emery Village
 - 27 Davenport Village
 - 28 Regent Park
 - 29 Sheppard Avenue Commercial Area
 - 30 Warden Woods
 - 32 Lawrence-Allen
 - 34 Queen River

Downtown

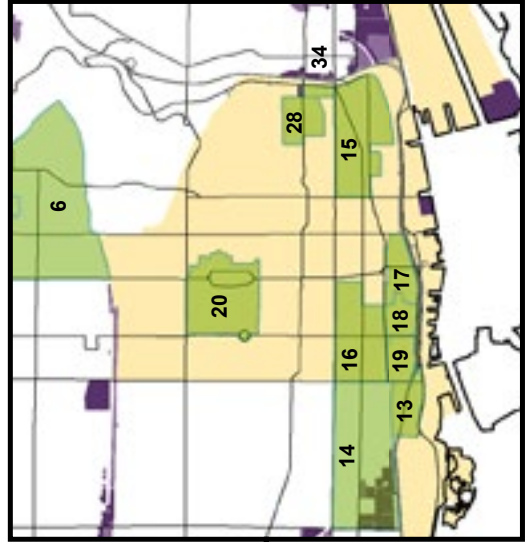
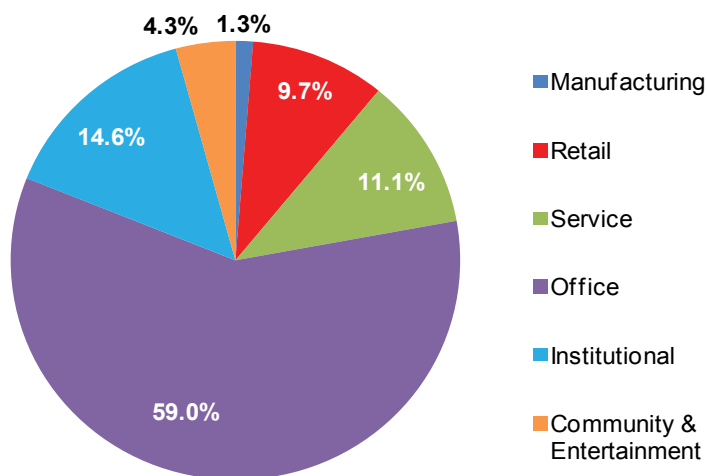


Figure 15: Secondary Plan Area Employment by Category, 2016



These areas tend to be smaller in size, are located outside of Downtown and are more sectorally diverse than Secondary Plan areas with more employment. While Office employment is predominant in Emery Village, Regent Park, Swansea, Central Finch and Davenport Village, Service employment is predominant in Motel Strip, Railway Lands West, Queen River and Port Union Village Community have mostly Service employment. Employment in Warden Woods is primarily in the Manufacturing category. This diversity reflects the more local economic roles of these Secondary Plan areas.

Table 5: Secondary Plan Area Employment by 6 Sectors, 2016

Number	Secondary Plan Area	Manufacturing	Retail	Service	Office	Institutional	Community & Entertainment	Total
1	Agincourt	620	730	560	2,420	220	10	4,560
24	Central Don Mills	0	90	350	300	1,660	380	2,780
22	Central Finch	0	0	0	0	160	90	250
27	Davenport Village	0	0	10	0	0	0	10
7	Downsview Area	570	3,270	1,340	15,830	700	360	22,070
26	Emery Village	100	730	930	10,960	990	340	14,050
12	Etobicoke Centre	200	810	1,520	4,670	1,460	150	8,820
13	Fort York Neighbourhood	70	1,590	2,310	34,650	1,770	480	40,860
14	Garrison Common North	10	4,230	1,470	5,490	3,560	320	15,070
2	Highland Creek	0	30	480	250	10,350	100	11,210
15	King-Parliament	90	40	140	130	50	200	650
16	King-Spadina	100	620	1,360	6,660	930	200	9,870
32	Lawrence-Allen	0	10	50	60	930	60	1,100
3	Morningside Heights	510	1,180	2,500	11,660	2,130	360	18,330
11	Motel Strip	90	1,070	1,740	6,360	2,450	670	12,390
8	North York Centre	430	3,040	6,470	30,070	830	1,620	42,440
4	Port Union Village Community	250	480	1,670	11,590	130	3,710	17,830
34	Queen River	0	90	1,650	1,970	20	890	4,620
18	Railway Lands Central	0	170	290	110	10	30	620
17	Railway Lands East	20	210	450	1,460	7,540	550	10,220
19	Railway Lands West	150	3,150	3,980	20,980	3,170	1,060	32,480
28	Regent Park	0	30	30	480	90	30	650
5	Scarborough Centre	0	360	360	610	200	10	1,550
29	Sheppard Avenue Commercial Area	0	810	920	1,210	580	200	3,710
9	Sheppard East Subway Corridor	140	70	30	210	170	60	670
23	Sheppard West/Dublin	50	70	230	290	250	0	880
25	Swansea	0	0	0	20	0	0	20
20	University of Toronto	0	110	60	360	150	100	780
30	Warden Woods	0	40	60	1,000	140	20	1,240
21	Yonge Eglinton	290	20	50	30	160	60	600
6	Yonge St. Clair	20	5,520	1,850	4,750	2,560	580	15,270
10	York University	40	190	140	70	0	10	450
All Secondary Plan Areas		3,740	28,750	32,990	174,610	43,340	12,640	296,070

Note: Secondary Plan area numbers correspond to numbering in the Official Plan. Employment has been rounded to the nearest ten.

Employment Areas

Employment Areas are specialized components of the City's land use framework designated for employment use and growth. Among the permitted uses, the *Employment Areas* tend to be characterized by manufacturing, warehousing and product assembly activities as well as commercial business parks. These areas are regionally and globally competitive locations for national and international business as well as areas for business formation. As a result, *Employment Areas* provide a broad range of job opportunities for Toronto residents and the regional labour force.

Map 3 shows the location and boundaries of the *Employment Areas* identified in the City's Official Plan at the time of the 2016 Toronto Employment Survey. The lands represented by the *Employment Areas* are important elements of Toronto's economic future, helping to ensure a stable environment for investment and to maintain and grow the city's revenue base.

The Importance of Employment Lands



The *Places to Grow Act* is the provincial government legislation that governs planning for growth and development in a way that supports economic prosperity, protects the environment and helps communities achieve a high quality of life in Ontario. The *Places to Grow Act* also enables the development of regional growth plans that guide government investments and policies, such as the *Growth Plan for the Greater Golden Horseshoe, 2006*.¹⁷

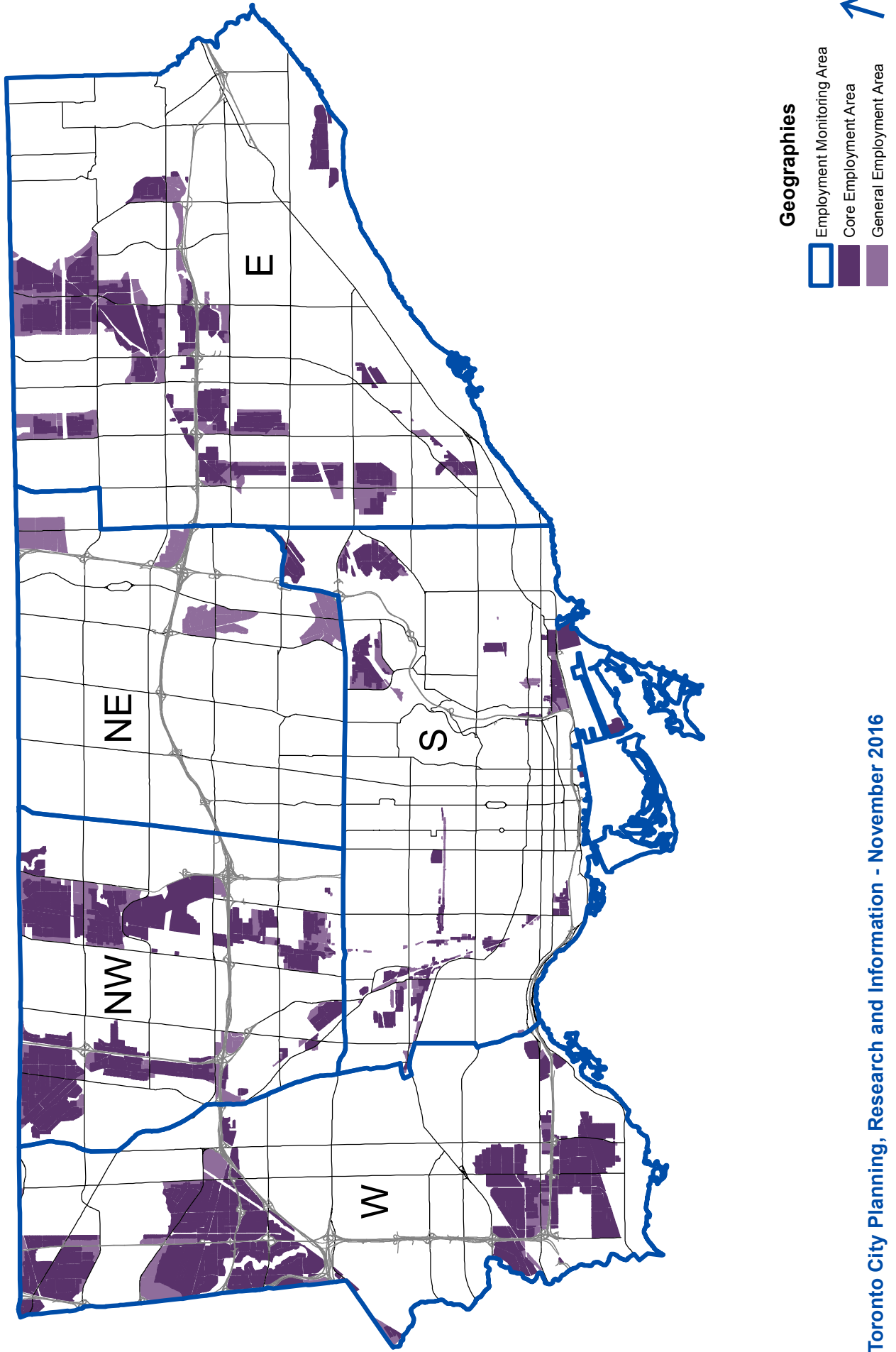
The *Growth Plan for the Greater Golden Horseshoe* was amended in 2013 with revised forecasts, with more extensive updates currently pending approval. Currently, the City of Toronto is forecasted to reach employment levels of 1,640,000 jobs by 2031 and 1,720,000 jobs by 2041. This anticipates that the city will add approximately 7,000 jobs per year over 40 years (2001-2041), increasing the employment base by 19.4%.¹⁸ *Employment Areas* are central to maintaining Toronto's economic health and achieving the forecasted growth.

Currently, 21,570 establishments are located in Toronto's *Employment Areas*. This accounts for more than a quarter (28.7%) of all business establishments in the city and accounts for 398,350 jobs, or 27.3% of all jobs in Toronto. Further, 79.5% of all establishments in the Manufacturing sector as classified by NAICS are in *Employment Areas*, accounting for 92.8% of all Manufacturing jobs in Toronto.

Employment in the Manufacturing sector and other major sectors such as Transportation and Warehousing or Utilities is concentrated within lands designated as *Employment Areas*. These sectors have limited alternative locations given the potential negative impacts to residential and other sensitive land uses, highlighting the need to protect employment lands for employment uses. The conversion of land to residential or other sensitive uses in an *Employment Area* can destabilize the entire area, resulting in losses of establishments and employment and a decline in the diversity of the city's economy and tax base. The diversity of Toronto's economy has enabled the city to weather the recent recession reasonably well, making the protection of *Employment Areas* imperative.

Official Plan Amendment 231

On December 18, 2013, Council enacted Amendment 231 of the Official Plan (OPA 231) regarding *Economic Health and Employment Lands Policies and Recommendations on Conversion Requests*. OPA 231 amends Policy 2.1.2 of the *Official Plan* by deleting the term Employment Districts and replacing it with *Employment Areas*. Map 2 of the Official Plan, which depicts the Employment Districts, was



replaced by a new Map 2 showing *Employment Areas*, and the *Official Plan* was amended with new land use designations. As a result, beginning in 2016 this bulletin no longer identifies Employment Districts but rather *Employment Areas*, with analysis dating back to their approval in 2013.

Employment Area Activity Overview

Toronto's *Employment Areas* contain 398,350 jobs, or 27.3% of all jobs found in the city. *Employment Areas* continue to attract new businesses, with 1,090 or 29.8% of new establishments in the city locating in *Employment Areas* in 2016. As an employment-focused land use designation, *Employment Areas* contain a variety of employment activity that can be broken down into NAICS' major economic sectors (see Table 6).

Employment Areas are particularly important to the Manufacturing sector as classified by NAICS, with 79.5% of all Manufacturing establishments and 92.8% of all Manufacturing jobs in the city residing in *Employment Areas*. More than one fifth (20.9%) of all *Employment Area* jobs are in the Manufacturing sector, a total of 83,320 jobs (see Figure 16). Other sectors that have a majority of their employment located within *Employment Areas* are Transportation and Warehousing, Construction, and Utilities. The Transportation and Warehousing sector contributes 8.1% of employment in *Employment Areas* or 32,240 jobs, which is over three quarters (75.8%) of the sector's employment in Toronto. Construction sector jobs number 22,270 and represent 5.6% of employment in *Employment Areas*, with 71.1% of all Construction sector employment occurring in *Employment Areas*. In the Utility sector, 90.1% of all employment city-wide is located in *Employment Areas*, a total of 3,670 jobs or 0.9% of total employment in *Employment Areas*.

The Wholesale and Retail Trade sector has the second largest absolute share of employment in *Employment Areas* after the Manufacturing sector, accounting for 16.6% of all employment, 66,310 jobs, and about 4 out of every 10 (37.1%) jobs in the sector citywide. The Professional, Scientific, and Technical Services sector has the next largest share of jobs in *Employment Areas*, representing 9.9% or 39,580 jobs. Roughly one quarter (25.5%)

of the sector's jobs are within *Employment Areas*. Finally, the Administrative and Support, Waste Management and Remediation Services sector contributes 22,590 jobs or 5.7% of employment to *Employment Areas*, which represent 33.2% of the sector's jobs in Toronto.

Core and General Employment Areas

Section 4.6 of OPA 231 categorizes *Employment Areas* into two different designations: *Core Employment Areas* and *General Employment Areas*. These designations will come into force by a pending order of the Ontario Municipal Board. *Core Employment Areas* are typically geographically located within the interior of *Employment Areas*. Uses that would attract the general public into the interior of employment related lands and possibly disrupt existing operations are not generally permitted in the *Core Employment Areas*. *General Employment Areas* are usually located on the periphery of *Employment Areas* on major roads where retail stores, service shops and restaurants can serve workers in the *Employment Areas* and would also benefit from visibility and transit access to draw the broader public.¹⁹

Core Employment Areas

In 2016, 63.0% of *Employment Area* jobs were located in *Core Employment Areas*. Manufacturing is the most prominent sector in *Core Employment Areas*, representing 27.6% of employment, 69,240 jobs, and 77.1% of all Manufacturing jobs in the city (see Figure 17). Both the Transportation and Warehousing and Construction sectors also have a majority of their employment city-wide in *Core Employment Areas*: 29,300 or 68.8% of all Transportation and Warehousing jobs and 18,520 or 59.2% of all Construction jobs are in *Core Employment Areas*. Respectively, these sectors represent 11.7% and 7.4% of employment within *Core Employment Areas*.

General Employment Areas

Employment activities in *General Employment Areas* support *Core Employment Area* industry functions and serve as a buffer between sensitive land uses and the heavy industrial land uses located in the *Core Employment Areas*. The top three sectors in *General Employment Areas* are

Wholesale and Retail Trade, accounting for 19.2% of employment or 28,350 jobs; Professional, Scientific, and Technical Services, contributing 10.5% or 15,550 jobs; and Manufacturing, representing 9.5% and 14,070 jobs. Both the Administrative and Support, Waste Management and Remediation Services sector and the Finance and Insurance sector contribute a 7.2% share of employment in *General Employment Areas*. The only sector with a majority of its total employment within *General Employment Areas* is the Utilities sector, where 72.8% of all employment totaling 2,960 jobs is within *General Employment Areas*.

Employment Monitoring Areas

Employment Monitoring Areas (EMAs) are a new geography created to enable a nuanced geographic description of employment activity occurring in *Employment Areas* across the

city. Map 3 shows the five EMAs that together represent the entirety of the city of Toronto: West, South, North-West, North-East, and East. Their boundaries were selected to follow major streets and group similar *Employment Areas* by general composition, such as the four predominantly office *General Employment Areas* within the North-East EMA. When referring to employment within EMAs, all references are to the employment located within *Employment Areas* unless noted otherwise. Figure 18 shows employment change in EMAs over the past five years.

West

The West EMA spans a similar area to that of the former municipality of Etobicoke and contains the largest amount of employment within *Employment Areas* of all the EMAs: 99,250 jobs or 24.9% of all employment within *Employment Areas*. The vast majority (89.1%) of these jobs are within *Core*

Figure 16: Employment in Employment Areas by Major Sector



Employment Areas. Since 2015, employment within the West EMA has grown by 1.9% or 1,860 jobs, growing by 4.3% or 4,090 jobs since 2013.

The West EMA also includes a small portion of the larger employment node surrounding Pearson International Airport, which is primarily located in Mississauga. This employment node, which has been referred to as the Airport Corporate Centre and the Airport Megazone, is the second largest employment concentration in Canada after Toronto's downtown according to the 2011 Census.²⁰

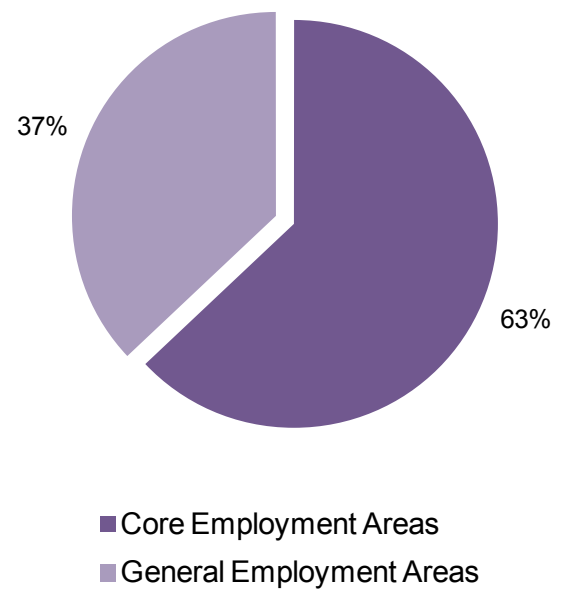
Top sectors within the West EMA include Manufacturing, with 22.5% of employment; Wholesale and Retail Trade, with 17.3% of employment; and Transportation and Warehousing, with 10.6% of employment (see Figure 19). However, Manufacturing jobs are decreasing, losing 1.5% or 340 jobs over the last year and 2.7% or 610 jobs over the last three years. The Management of Companies and Enterprises sector added the most employment in the West EMA over the last year, growing by 26.1% or 680 jobs, while the Professional, Scientific and Technical Services sector added the most employment over the past three years, growing by 17.6% or 1,300 jobs.

North-West

Covering the western portion of the former municipality of North York, the North-West EMA contributes 93,390 jobs 23.4% of all employment within *Employment Areas*. Roughly three quarters (75.4%) of this employment is within *Core Employment Areas*. Employment has increased in the North-West EMA over both the past year and the past three years, growing by 1.3% or 930 jobs since 2015 and 3.8% or 2,580 jobs since 2013.

The most prominent sector within the North-West EMA is Manufacturing, with 28.6% of employment (see Figure 20). Wholesale and Retail Trade follows with 22.6% of employment, as well as Professional, Scientific and Technical Services, with 7.4% of employment. Manufacturing experienced the largest absolute growth of any sector since 2015, up 1.9% or 500 jobs, though it has declined since 2013 by 160 jobs or 0.6%. Information and Cultural Industries lost the most employment since both 2015 and 2013, declining

Figure 17: Core and General Employment, 2016

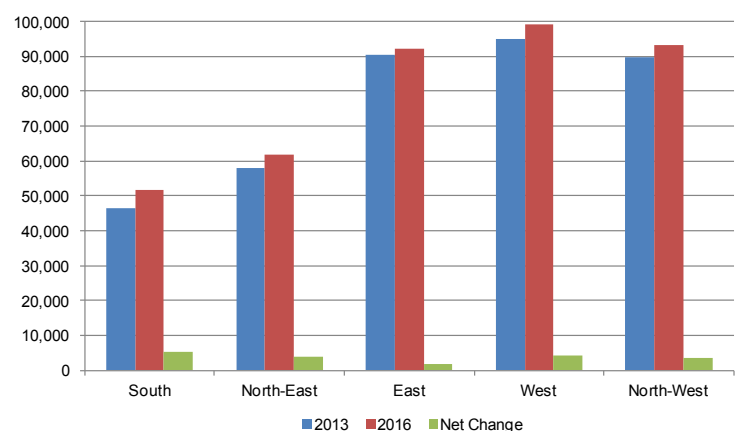


by 110 jobs or 13.4% over the past year and 300 jobs or 29.7% over the past three years. Similarly to the West EMA, the Professional, Scientific and Technical Services sector added the most employment over the past three years, growing by 15.0% or 900 jobs.

North-East

The North-East EMA spans the eastern portion of the former municipality of North York and represents 61,820 jobs or 15.5% of employment with *Employment Areas* across Toronto. Though employment shrunk by 2.2% or 1,370 jobs since 2015, it has increased by 6.6% or 3,850 jobs since 2013. The North-East EMA is the only EMA to contain purely *General Employment Areas*, and has a wider sectoral diversity than the other EMAs.

Figure 18: Employment Change in Employment Monitoring Areas, 2013-2016



Professional, Scientific and Technical Services account for 16.5% of jobs, while Finance and Insurance accounts for 13.4% and Information and Cultural Industries account for 8.3% (see Figure 21). Several sectors in the North-East experienced employment fluctuations over the last year with the relocation of large establishments, leading Real Estate and Rental and Leasing to

Figure 19: West EMA by NAICS Sector

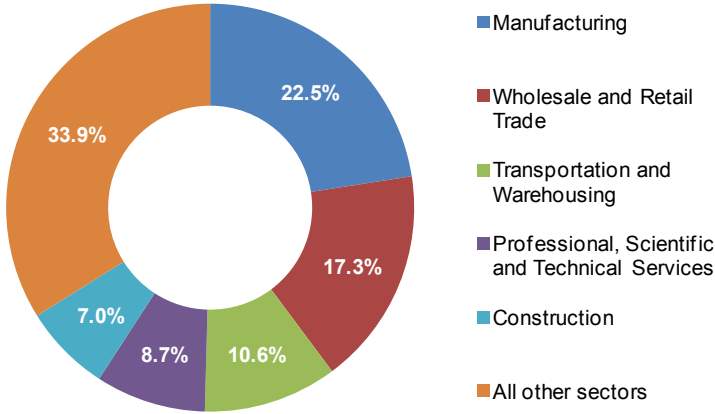


Figure 20: North-West EMA by NAICS Sector

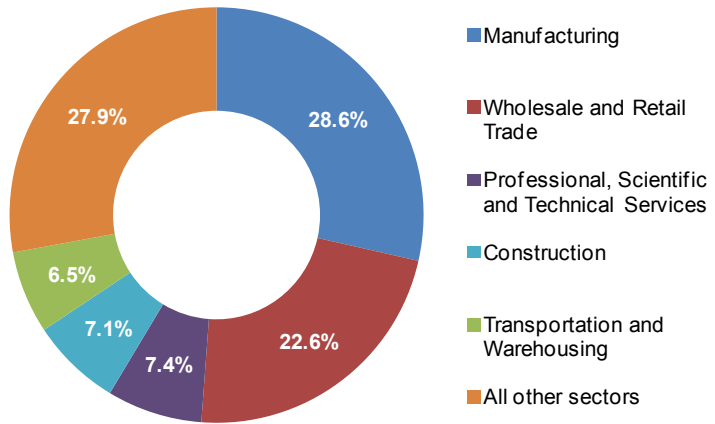
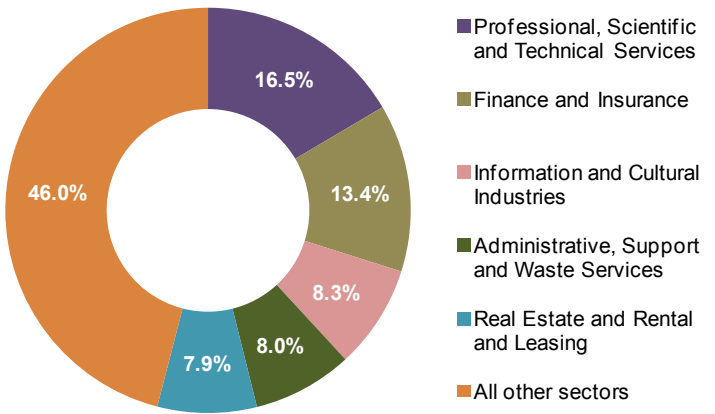


Figure 21: North-East EMA by NAICS Sector



grow by 60.8% or 1,850 jobs, while Finance and Insurance lost 12.2% or 1,150 jobs. Since 2013, both the Manufacturing and Information and Cultural Industries sectors have lost over 1,300 jobs (22.1% and 21.1% respectively). During the same time period, Real Estate and Rental and Leasing gained 1,970 jobs or 67.1%, Finance and Insurance gained 1,490 jobs or 21.9%, and Management of Companies and Enterprises gained 1,220 jobs or 39.0%.

East

The East EMA covers almost the same geography as the former municipality of Scarborough and contributes 92,200 jobs or 23.1% of all employment within *Employment Areas*. While it has the lowest proportion of jobs in *Core Employment Areas* compared to *General Employment Areas*, jobs in *Core Employment Areas* still represent a majority (60.4%). Employment has increased in the East EMA over both the past year and the past three years, growing by 1.5% or 1,350 jobs since 2015 and 2.1% or 1,870 jobs since 2013.

The East EMA has the same top three sectors as the West EMA: Manufacturing, with 24.3% of employment; Wholesale and Retail Trade, with 18.5% of employment; and Transportation and Warehousing, with 8.5% of employment (see Figure 22). In fact, Manufacturing employment is the largest component of each of the three largest EMAs (West, North-West, and East). Transportation and Warehousing has gained employment since both 2015 and 2013, growing by 550 jobs or 7.5% over the past year and by 700 jobs or 9.9% over the past three years. Manufacturing jobs have declined during the same time periods, by 100 jobs or 0.4% since 2015, and by 610 jobs or 2.7% since 2013. The Real Estate and Rental and Leasing sector added the most jobs since 2013 with 52.8% or 830 new jobs in the sector.

South

The South EMA encompasses approximately the same area as the former municipalities of the City of Toronto, York, and East York combined. At 13.0% and 51,680 jobs, it has the smallest share of employment within *Employment Areas* in the city. About 7 out of 10 of these jobs (70.4%) are within

Table 6: Total Employment in Employment Monitoring Areas by Type of Employment Area and NAICS, 2013-2016

NAICS	EA Type	East					North-East					North-West					West					
		2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	
Agriculture, Forestry, Fishing and Hunting	Core	10	10	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10
General		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mining and Resource Extraction	Core	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General		0	0	0	0	200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities	Core	120	120	70	70	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	590
General		390	470	400	570	2,690	2,690	2,570	2,720	2,720	2,230	100	190	150	160	0	0	0	0	0	0	0
Construction	Core	4,380	4,440	4,500	4,560	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,620
General		1,300	1,430	980	1,000	820	1,070	1,070	1,040	1,160	1,160	1,150	1,300	1,260	1,030	200	220	280	280	280	280	280
Manufacturing	Core	18,290	18,340	18,050	17,620	0	0	0	0	0	0	25,320	24,690	24,620	25,050	21,700	20,870	20,950	20,690	20,690	20,690	20,690
General		4,760	4,360	4,480	4,810	5,900	5,700	5,700	5,300	4,600	4,600	1,510	1,540	1,550	1,610	1,280	1,200	1,760	1,680	1,680	1,680	1,680
Transportation and Warehousing	Core	6,310	6,330	6,350	6,530	0	0	0	0	0	0	4,990	5,630	5,700	5,650	9,550	9,380	10,080	10,020	10,020	10,020	10,020
General		830	810	950	1,310	590	550	550	590	620	620	280	360	390	380	740	550	460	460	460	460	460
Information and Cultural Industries	Core	3,080	2,820	2,950	2,800	0	0	0	0	0	0	840	630	620	530	1,860	2,150	2,650	2,110	2,110	2,110	2,110
General		860	860	860	930	6,480	5,420	5,420	5,710	5,120	5,120	140	170	180	160	210	280	270	320	320	320	320
Finance and Insurance	Core	370	460	400	410	0	0	0	0	0	0	460	490	560	650	1,220	1,570	1,000	1,140	1,140	1,140	1,140
General		1,220	1,420	1,400	1,580	6,780	6,370	6,370	9,420	8,270	8,270	480	460	470	390	240	250	220	240	240	240	240
Real Estate and Rental and Leasing	Core	590	610	770	760	0	0	0	0	0	0	860	900	970	1,050	2,070	2,210	2,010	2,010	2,010	2,010	2,010
General		990	1,280	1,450	1,650	2,930	2,650	2,650	3,040	4,890	4,890	760	760	760	920	720	840	1,040	1,120	1,120	1,120	
Professional, Scientific and Technical Services	Core	3,640	3,390	3,270	2,940	0	0	0	0	0	0	4,220	4,750	4,950	5,170	7,210	7,790	8,130	8,560	8,560	8,560	
General		1,480	1,630	1,840	2,020	9,640	10,390	10,390	11,050	10,200	10,200	1,800	1,700	1,600	1,760	170	160	130	120	120	120	120
Management of Companies and Enterprises	Core	2,910	2,860	2,930	2,940	0	0	0	0	0	0	1,030	940	890	1,120	3,240	2,550	2,550	3,230	3,230	3,230	3,230
General		70	70	80	70	3,120	2,930	2,930	4,530	4,340	4,340	870	650	680	830	30	30	30	30	30	30	30
Administrative, Support and Waste Services	Core	3,250	3,170	3,050	2,820	0	0	0	0	0	0	3,010	3,310	3,290	3,130	4,300	4,390	4,180	4,890	4,890	4,890	4,890
General		1,630	2,050	1,740	2,070	4,520	4,460	4,460	4,670	4,930	4,930	920	1,010	1,010	1,240	160	140	180	140	140	140	140
Educational Services	Core	320	340	390	450	0	0	0	0	0	0	570	700	700	760	330	410	440	480	480	480	480
General		1,110	1,190	1,230	1,400	1,420	1,690	1,690	1,790	1,950	1,950	440	470	480	550	120	130	130	140	140	140	140
Health Care and Social Assistance	Core	930	540	540	530	0	0	0	0	0	0	790	1,080	900	900	1,580	1,690	1,860	2,240	2,240	2,240	2,240
General		3,110	2,920	2,760	3,010	2,520	3,380	3,380	3,530	3,420	3,420	1,630	1,350	1,440	1,430	240	250	270	280	280	280	280
Arts, Entertainment and Recreation	Core	160	150	200	210	0	0	0	0	0	0	1,080	1,520	800	780	2,110	2,000	1,940	1,920	1,920	1,920	1,920
General		570	530	570	620	830	750	750	760	840	840	310	280	360	370	80	80	70	100	100	100	100
Accommodation and Food Services	Core	530	520	540	490	0	0	0	0	0	0	380	440	490	520	3,690	3,800	3,880	3,840	3,840	3,840	3,840
General		3,010	2,860	3,010	3,040	1,990	2,060	2,060	2,170	2,020	2,020	1,930	2,040	2,090	2,170	1,630	1,560	1,580	1,600	1,600	1,600	1,600
Other Services (Except Public Administration)	Core	2,340	2,710	2,650	2,740	0	0	0	0	0	0	3,110	3,350	3,330	3,160	3,850	3,850	3,750	3,680	3,680	3,680	3,680
General		2,100	2,280	2,370	2,410	1,870	1,840	1,840	1,980	2,040	2,040	1,170	1,240	1,400	1,440	280	310	320	340	340	340	340
Public Administration	Core	1,750	2,030	1,980	1,950	0	0	0	0	0	0	2,330	2,750	2,480	2,510	2,950	3,460	2,900	2,970	2,970	2,970	2,970
General		1,120	1,060	910	870	1,640	1,430	1,430	1,460	1,650	1,650	1,390	1,260	1,240	1,230	140	210	210	200	200	200	200
Wholesale and Retail Trade	Core	7,400	7,640	7,770	7,910	0	0	0	0	0	0	13,690	13,510	13,700	13,800	13,170	12,630	13,360	13,370	13,370	13,370	13,370
General		9,380	9,160	9,370	9,120	4,030	3,900	3,900	3,450	3,560	3,560	7,010	6,720	6,900	7,320	3,820	3,760	3,580	3,760	3,760	3,760	3,760
Not Coded	Core	30	30	30	10	0	0	0	0	0	0	10	10	10	30	10	10	30	30	30	30	30
General		10	0	10	10	10	0	0	0	0	0	0	0	0	30	0	0	0	0	0	0	0
Total	Core	56,410	56,500	56,450	55,710	0	0	0	0	0	0	67,790	70,040	69,440	70,370	85,120	86,090	86,870	88,400	88,400	88,400	88,400
General	General	33,930	34,370	34,410	36,490	57,970	57,160	57,160	63,190	61,820	61,820	21,910	21,500	21,950	23,020	10,050	9,980	10,520	10,860	10,860	10,860	10,860
Grand Total		90,330	90,870	90,860	92,200	57,970	57,970	57,970	63,190	61,820	61,820	89,700	91,540	91,400	93,390	95,160	96,070	97,390	99,250	99,250	99,250	99,250

NAICS	EA Type	South			All EMAs			Non Employment Areas					Total					
		2013	2014	2015	2016	2013	2014	2015	2016	2013	2014	2015	2016	2013	2014	2015	2016	
Agriculture, Forestry, Fishing and Hunting	Core	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mining and Resource Extraction	Core	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	General	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities	Core	50	50	40	50	40	50	280	390	420	710	390	400	430	430	430	430	430
	General	1,520	2,140	2,240	1,780	1,780	1,780	18,830	18,830	8,320	8,320	9,980	9,040	29,060	32,040	32,760	31,310	31,310
Manufacturing	Core	5,580	5,580	5,820	5,880	70,880	69,430	69,240	7,080	7,280	6,160	6,500	6,500	93,390	90,940	90,070	89,810	89,810
	General	1,990	1,380	1,390	1,380	15,440	14,180	14,070	9,430	8,810	9,390	10,320	39,850	39,450	40,900	42,560	42,560	42,560
Transportation and Warehousing	Core	7,080	6,970	6,900	7,100	27,940	28,310	29,030	2,950	2,480	2,480	34,300	35,670	49,770	49,190	51,310	51,120	51,120
	General	40	60	80	120	2,480	2,330	2,950	33,760	33,840	119,980	128,700	130,070	130,910	130,420	142,380	142,950	142,950
Information and Cultural Industries	Core	2,200	2,570	3,290	3,070	7,980	8,180	9,510	8,510	6,940	6,940	117,010	115,130	146,240	153,200	155,910	154,600	154,600
	General	340	430	480	420	8,030	7,170	7,510	2,260	2,050	2,260	33,560	36,990	47,380	45,430	46,160	50,940	50,940
Finance and Insurance	Core	50	60	90	60	2,100	2,590	2,050	15,820	15,820	25,300	27,580	28,120	35,110	37,550	38,710	41,540	41,540
	General	100	120	130	140	8,830	8,620	11,640	4,600	4,580	25,300	27,280	28,120	35,110	37,550	38,710	41,540	41,540
Real Estate and Rental and Leasing	Core	750	800	850	770	4,260	4,510	4,600	4,580	8,840	25,300	27,280	28,120	35,110	37,550	38,710	41,540	41,540
	General	160	220	240	250	5,550	5,750	6,530	8,840	8,840	25,300	27,280	28,120	35,110	37,550	38,710	41,540	41,540
Professional, Scientific and Technical Services	Core	5,880	6,800	6,730	7,250	20,950	22,730	23,080	23,920	111,220	111,220	117,010	115,130	146,240	153,200	155,910	154,600	154,600
	General	990	1,190	1,210	1,450	14,080	15,070	15,820	15,550	35,090	34,400	33,560	36,990	47,380	45,430	46,160	50,940	50,940
Management of Companies and Enterprises	Core	810	830	760	830	7,990	7,180	7,130	8,120	5,840	35,090	34,400	36,990	47,380	45,430	46,160	50,940	50,940
	General	210	170	160	570	4,300	3,850	5,470	5,840	5,840	35,090	34,400	36,990	47,380	45,430	46,160	50,940	50,940
Administrative, Support and Waste Services	Core	1,010	1,090	1,400	1,080	11,570	11,970	11,920	11,920	41,080	38,110	48,220	45,410	61,520	59,400	69,400	68,000	68,000
	General	1,630	1,660	1,680	2,290	8,870	9,320	9,270	10,670	91,740	95,020	96,860	107,290	96,540	100,430	102,640	113,620	113,620
Educational Services	Core	220	240	360	310	1,440	1,680	1,880	2,000	4,330	4,330	4,330	4,330	4,330	4,330	4,330	4,330	4,330
	General	280	250	280	290	3,360	3,740	3,910	4,330	4,330	4,330	4,330	4,330	4,330	4,330	4,330	4,330	4,330
Health Care and Social Assistance	Core	400	410	440	560	3,690	3,730	3,740	4,220	153,530	161,760	159,480	169,400	165,090	173,830	171,830	182,390	182,390
	General	370	440	620	630	7,870	8,350	8,610	8,760	25,790	26,400	26,860	25,120	31,710	32,600	32,440	30,950	30,950
Arts, Entertainment and Recreation	Core	500	550	530	550	3,840	4,230	3,480	3,470	2,370	26,400	26,860	25,120	31,710	32,600	32,440	30,950	30,950
	General	290	340	360	440	2,090	1,970	2,110	2,370	2,370	26,400	26,860	25,120	31,710	32,600	32,440	30,950	30,950
Accommodation and Food Services	Core	670	700	790	850	5,270	5,450	5,700	5,700	86,600	91,080	94,550	97,070	101,660	106,390	110,490	113,050	113,050
	General	1,240	1,340	1,400	1,440	9,790	9,860	10,250	10,270	54,970	55,950	56,960	57,170	71,860	73,790	74,960	75,330	75,330
Other Services (Except Public Administration)	Core	1,190	1,230	1,220	1,370	10,490	11,140	10,960	10,950	7,220	6,700	7,040	7,220	79,060	78,570	79,800	89,600	89,600
	General	980	1,040	980	990	6,400	6,700	7,040	7,220	65,820	64,480	66,550	76,230	79,060	78,570	79,800	89,600	89,600
Public Administration	Core	1,920	1,890	2,060	1,980	8,960	10,130	9,420	9,410	3,960	3,820	3,820	3,960	111,340	111,340	111,340	111,340	111,340
	General	0	0	0	10	4,280	3,950	3,820	3,960	3,960	3,960	3,960	3,960	111,340	111,340	111,340	111,340	111,340
Wholesale and Retail Trade	Core	3,140	2,950	2,880	2,890	37,400	36,730	37,700	37,970	113,020	111,480	111,340	112,520	179,280	176,640	177,820	178,830	178,830
	General	4,610	4,890	5,480	4,580	28,860	28,430	28,790	28,350	40	20	230	150	100	70	330	260	260
Not Coded	Core	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	General	0	10	0	0	20	10	10	40	40	20	230	150	100	70	330	260	260
Total	Core	32,960	34,880	36,390	36,380	242,280	247,500	249,140	250,860	999,900	999,900	1,028,180	1,062,670	1,363,850	1,384,390	1,422,280	1,461,020	1,461,020
	General	13,510	13,990	14,880	15,300	137,370	136,990	144,960	147,490	984,210	984,210	999,900	1,028,180	1,363,850	1,384,390	1,422,280	1,461,020	1,461,020
Grand Total		46,470	48,860	51,270	51,680	379,650	384,500	394,100	398,350	1,984,110	1,984,110	2,028,080	2,090,850	2,727,700	2,768,780	2,844,560	3,022,040	3,022,040

Note: Numbers have been rounded to the nearest ten. Totals may differ from sums.

Core Employment Areas. Employment stayed fairly stable in the South EMA over the past year, adding 0.8% or 410 jobs, but saw a significant 11.2% increase of 5,210 jobs since 2013. Most of this increase resulted from job growth in *Core Employment Areas*, which increased by 10.4% or 3,420 jobs since 2013.

Similarly to the North-East EMA, the Professional, Scientific and Technical Services sector has the largest share of employment at 16.8% (see Figure 23). The Wholesale and Retail Trade sector follows with 14.4% of employment, while Manufacturing and Transportation and Warehousing are tied with 14.0% each. Professional, Scientific and Technical Services have experienced the most absolute employment growth in the South EMA over both the past year and the past three years, growing by 770 jobs or 9.6% since 2015 and by 1,840 jobs or 26.8% since 2013. Despite losing 290 jobs or 7.5% over the last year, Information and Cultural Industries have grown by 950 jobs or 37.2% since 2013. The growth of both of these office-based, skilled employment sectors in the South EMA reflects the tendency of this type of employment to locate in the Downtown area. Meanwhile, the Wholesale and Retail Trade sector has lost 900 jobs or 10.7% over the past year and 290 jobs or 3.7% over the past three years.

Insights

Each year, the Toronto Employment Survey explores selected features of employment in Toronto. This year, we examined on-going efforts to improve the quality of NAICS data and assessed the distribution of establishments across the city by comparing the Survey’s establishment counts to similar data from Statistics Canada’s Business Patterns and Environics Analytics’ Business Locations data sets.

NAICS

As described earlier in this bulletin, City Planning incorporated the North American Industry Classification System (NAICS) into the data collection processes of the Toronto Employment Survey in 2011. NAICS is designed to capture supply-side “production processes” such that

Figure 22: East EMA by NAICS Sector

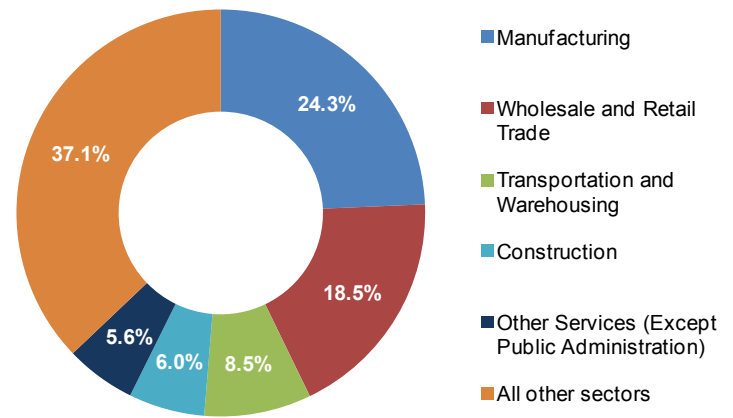
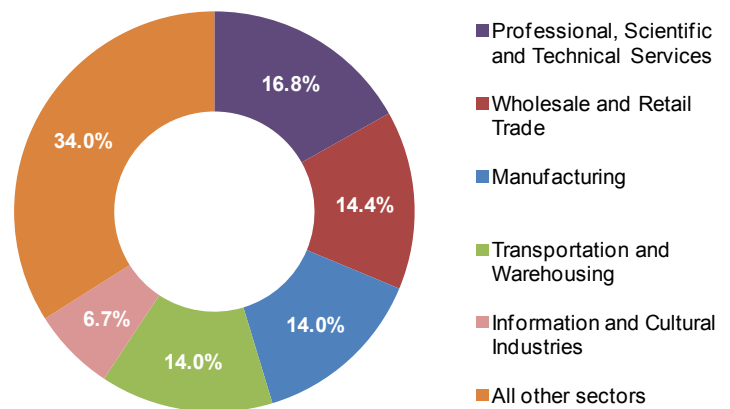


Figure 23: South EMA by NAICS Sector



processes based on similar technologies are grouped together. According to Statistics Canada, it is a “supply-based, or production-oriented, economic concept [to be used for] measuring productivity, unit labour costs, and capital intensity of production, estimating employment-output relationships, constructing input-output tables, and other uses that imply the analysis of production relationships in the economy”²¹.

How Are Establishments Coded?

NAICS coding is extremely detailed and highly specific. Coding the data to the lowest, most detailed level enables it to be aggregated to higher levels for analytic and comparative purposes. Surveyors classify the establishments starting from the major industry sectors, then progress through the hierarchy to the most detailed 6-digit code. Each surveyor is equipped with tools to assist with coding, including a reference document listing all NAICS codes and the Industry Classification Coding System (ICCS) search tool available from Statistics Canada. The ICCS is an application

that allows surveyors to enter a description of an establishment's principal activity, and to get a list of potential 2007 NAICS codes, which match this description.²² However, the ICCS was discontinued once the 2012 NAICS was introduced. To bridge the gap between the 2007 and 2012 NAICS, surveyors used a concordance list that shows the relationship between the sets of codes for those areas of the classification which have changed in terms of structure and content.²³

To collect NAICS codes, surveyors collect data on the establishments' economic activities through conducting interviews and observing activities on-site. Coding is performed immediately after an establishment is surveyed. If surveyors are uncertain of an establishment's code, they record detailed notes for further research and follow up with the establishment by telephone or email at a later time.

Coding Challenges

NAICS is revised every five years to keep the classification system current with changes in economic activities. However, despite frequent revision and more than 2,000 NAICS codes to choose from, surveyors often encounter difficulties finding appropriate codes for new and unique businesses. To maintain pace with market demands and consumer preferences, the nature of businesses change frequently, and many new types of businesses offering unique products and services are introduced in Toronto every year. Surveyors rely on their training and ensure

consistent coding across both the survey team and the city to classify these businesses to the most appropriate categories available.

Data Quality Assurance Measures

All surveyors receive intensive NAICS coding training before field surveying begins. A large array of common and complex examples is presented during training to help surveyors build a solid understanding of NAICS coding.

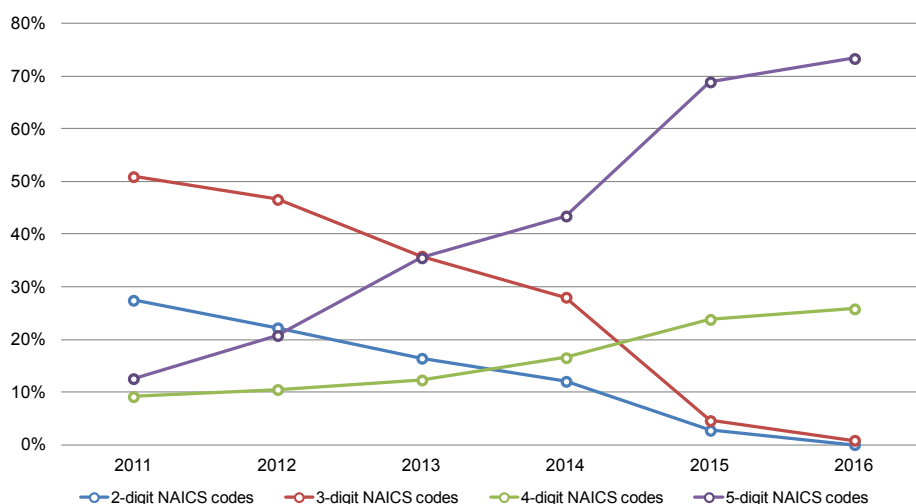
Since NAICS coding was introduced to the Toronto Employment Survey, an increasing number of vigorous data verification and validation tools were implemented to improve data quality. Throughout the surveying period, the Employment Survey co-ordination team performs spot checks and field evaluations to ensure surveyors are coding establishments correctly. A validation tool is also programmed into the survey data collection software to identify invalid NAICS codes.

Once all field data is collected, thorough data validation measures are conducted. One of the measures identifies invalid codes, which include "unknown" codes that are meant to be used temporarily in the field when surveyors are unsure of how to code certain establishments or typographical errors resulting in invalid codes. Each case is subsequently investigated.

The comprehensiveness of these validation tools has produced fruitful results in improving data quality. The percentage of invalid NAICS codes

dropped from 3.3% in 2011 to 0.8% in 2016. The recoding exercises also yielded favourable results as well, as the use of 2 and 3-digit NAICS codes decreased to almost 0% from 2011 to 2016 while the use of 4 and 5-digit NAICS codes increased 15% and 60% respectively from the last six years (see Figure 24). In 2011, 92% of the establishments were coded with the most detailed 6-digit NAICS codes. In the subsequent five years, the average is 98%. City Planning continues to strive to improve the quality of the NAICS data.

Figure 24: NAICS Coding in the Toronto Employment Survey, 2011-2016



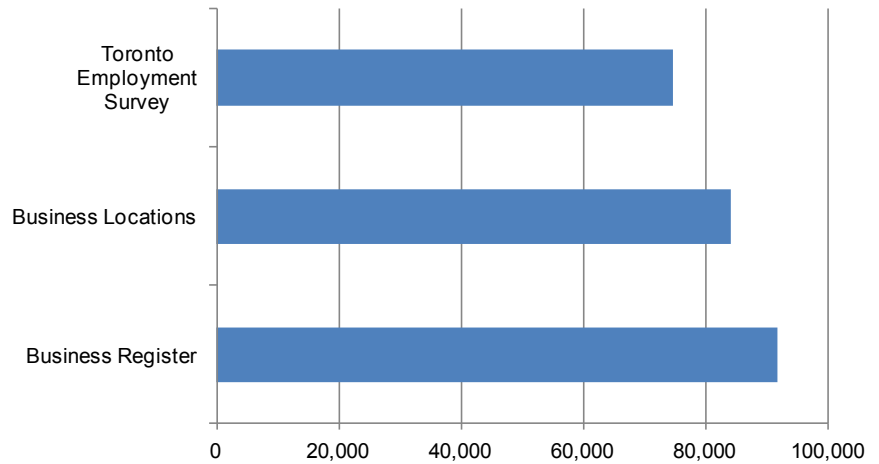
Establishment Count Comparison

In an additional effort to improve the quality and breadth of coverage of the Toronto Employment Survey, establishment data from the 2016 survey was compared to 2016 data from the Statistics Canada Business Register as well as the Environics Analytics' Business Locations database.

As an establishment-based survey, the Toronto Employment Survey collects employment data through field visits to business establishments located in commercial, industrial, institutional and mixed use areas throughout the City of Toronto. The Survey is not currently designed to capture all those people who work from home, or employment activities that are "footloose" or not place-specific on a daily basis. A strategy for counting these workers is being studied by the City Planning Division. In the meantime, comparing the number and sectoral nature of establishments counted by the Toronto Employment Survey to those counted in the Business Register and Business Locations data sets can provide direction for improving the Survey's fieldwork coverage. This evaluation will also serve to preface the 2017 Employment Bulletin's sectoral comparison of Toronto Employment Survey data with the results of the 2016 long-form Census.

Statistics Canada's Business Register is composed of "all active businesses in Canada that have a corporate income tax (T2) account, are an employer or have a GST account".²⁴ Data sources include tax filings from the Canada Revenue Agency, interviews with representatives of medium and large businesses, as well as internet and media review. Importantly, participation in the Business Register is mandatory – Statistics Canada has the authority to compel respondents to provide information. This results in a greater degree of data coverage than is possible by the voluntary Toronto Employment Survey, which depends on the goodwill of businesses to participate.

Figure 25: Total Establishments Counted by Data Source, 2016



Environics Analytics' Business Locations dataset is supplied by infoCanada, a data provision company that compiles information from sources including telephone directories, new business filings, utility connections, press releases, annual reports, and other internet and media research. In contrast to the Toronto Employment Survey's field-based methodology, the Business Locations dataset is updated and verified via telephone interviews.²³

Both the Business Register and Business Locations datasets counted more establishments than the Toronto Employment Survey. For the purposes of this comparison, establishment counts exclude establishments that are unclassified by NAICS sector and those without employment. The June 2016 release of the Business Register counted 91,820 establishments or 18.7% more than the Survey, which counted 74,690 establishments, while the 2016 release of Business Locations counted 84,030 establishments or 11.1% more than the Survey (see Figure 25). The Survey's lower establishment count is to be expected since Statistics Canada can compel participation in the Business Register, and because of the complexity of capturing home-based and footloose employment through the Survey's field and establishment-based format.

Establishment Counts by Major NAICS Sector

The differences between the numbers of establishments counted are particularly evident in certain major NAICS sectors, most notably 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; Accommodation and Food Services; and Other Services (Except Public Administration). In each of these sectors, the number of establishments counted by the Toronto Employment Survey differed from the number counted by both the Business Register and Business Locations by more than 1,000 establishments. In most sectors, the Survey counted fewer establishments, though in the Accommodation and Food Services and Other Services (Except Public Administration) sectors, the Survey counted more establishments.

Potential explanations for the differences in establishment counts amongst the three data sources when broken down by major NAICS sector include the ability to compel participation and challenges in capturing home-based and footloose employment, as well as differences in how establishments are classified. It is possible that what is classified as Other Services (Except Public Administration) by the Employment Survey, for example, is classified as Administrative and Support, Waste Management and Remediation Services by the Business Register or Business Locations.

Establishment Counts by Geography

In order to further examine differences in establishment coverage, establishment locations from the Toronto Employment Survey and Business Locations data sets were geocoded and mapped as shown in Map 4. Business Register data were only available at the Census Tract level and are therefore not included. Though a rough comparison at a city-wide scale, there are areas with visibly more Business Locations than Survey establishments. Map 1, on page 6 and 7, demonstrates that Survey establishments tend to be clustered along main streets and in areas designated for growth in the *Official Plan*, such as the Downtown, Centres, and *Employment Areas*. However, Business Locations are spread across the city, and are present even in areas with residential land use designations such as *Neighbourhoods* and *Apartment Neighbourhoods*. This suggests that some of the establishments being captured in the Business Locations dataset

but not in the Toronto Employment Survey are home-based.

Case Study Area: Lawrence Avenue West and Bathurst Street

A case study area was chosen to test the assumption that some of the difference in establishment counts between the Toronto Employment Survey and Business Locations data sets stems from the latter's greater capture of home-based businesses. The area surrounding the intersection of Lawrence Avenue West and Bathurst Street was selected as an example of an area with noticeably more Business Locations establishments than Employment Survey establishments, as shown in the inset map of Map 4 on page 34.

Several Business Locations establishments were selected at random and identified based on their business or organization name and address. Online research was conducted to test whether these establishments were valid businesses and operating out of the correct locations, with 24 out of 28 establishments confirmed as correct and the remainder lacking sufficient data to confirm the precise location. Google Street View was used as a proxy for visual surveying to determine in what type of structure the establishments with confirmed addresses were located in and whether they could be reasonably identified as businesses by a surveyor in the field.

All of the establishments with confirmed locations were located in residential structures, with no signage or any other visible markers of employment activity. These types of establishments would not be captured by field surveyors, who visit visible places of work in commercial, industrial and institutional and mixed use areas. As a result, these findings reflect the assumption that part of the difference in the number of establishments counted between the Business Locations dataset and the Toronto Employment Survey results from the former's wider coverage of home-based establishments.

Adjusted Non-Residential Area Establishment Counts

To study the potential impact of the inclusion of home-based establishments within the Business

Locations data set citywide, all Business Locations establishments were overlaid with Toronto's *Official Plan* land use designations. Any establishments falling within purely residential land use designations (*Neighbourhoods* and *Apartment Neighbourhoods*) were identified and then excluded from the original number of Business Locations establishments in each major NAICS sector. The result is an adjusted Business Locations breakdown of establishment counts by residential and all other land use designations, as shown in Table 7.

When comparing the adjusted Business Locations establishment counts to the original Toronto Employment Survey establishment counts, the results are fairly similar – the difference in total establishments counted is 510 or 0.7%, compared to the 9,340 or 11.1% difference between the Survey and the original Business Locations data. The Toronto Employment Survey captures 99.3% of businesses outside of residential areas, which indicates that it is highly effective in capturing visible business establishments compared to alternatives sources.

There are a few sectors which have notable differences of more than 1,000 establishments between the data sources. The Construction sector has 1,480 more establishments counted in the adjusted Business Locations data than in the Survey, and the Real Estate and Rental and Leasing sector has 1,070 more. This is likely due to the footloose nature of construction and real estate work, where construction workers and real estate agents may have either no singular or multiple regular places of work. There are 1,560 fewer Professional, Scientific and Technical Services establishments in the Toronto Employment Survey than in the adjusted Business Locations data, but 2,470 more Other Services (Except Public Administration) establishments in the Survey than in adjusted Business Locations. This offset may result from the same establishment being classified differently in each of the two data sets. The Survey also counted a higher number of establishments than the adjusted Business Locations data set in two other sectors: Retail Trade and Accommodation and Food Services, by 1,590 and 2,280 establishments respectively. These sectors include establishments such as

convenience stores, cafés, and bed and breakfasts which may be found within residential land use designations and thus have been excluded from the adjusted Business Locations counts, resulting in a larger difference between the two data sets.

In order to further examine the impact of capturing or excluding establishments within residential land use designations, the approximate amount of employment contained at these establishments was estimated. Unlike the Toronto Employment Survey, the Business Locations data set does not provide precise employment counts but rather employment ranges such as one to four employees, five to nine employees, and so on. A conservative approach was taken, using the minimum value of the Business Locations' employment range to provide an estimated employment count for each establishment in residential land use designations. The result is an estimated 65,280 jobs located at establishments within residential land use designations according to the Business Locations data set, which amounts to 4.5% of the total employment counted in 2016 by the Toronto Employment Survey. Clearly, there are establishments to be counted in residential areas of the city, but their share of total employment in Toronto is limited.

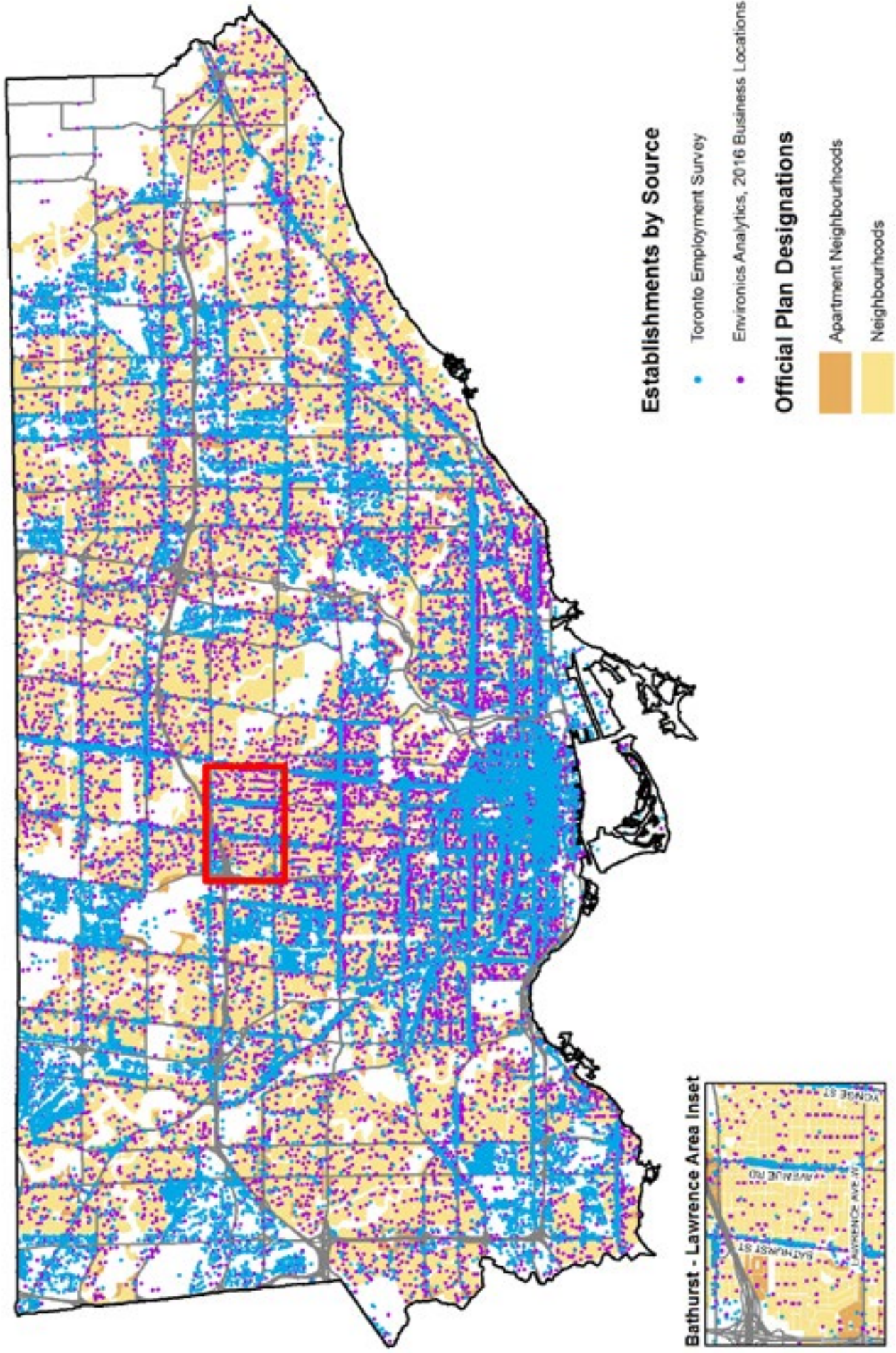
Future Work

The comparison of Toronto Employment Survey establishment counts with Statistics Canada's Business Register and Environics Analytics' Business Locations data sets demonstrates that the Survey is highly effective in capturing visible business establishments across the city. There may be opportunities to expand coverage of non-traditional establishments, and by extension, employment. These include establishments where employment activity is either not visible from the perspective of a field surveyor or does not regularly occur in one location. While the detailed analysis of establishment counts by major NAICS sector and geography undertaken here can help guide future directions for expanded coverage, further research will be required to develop a strategy for expanding the scope of the Toronto Employment Survey programme.

Table 7: Business Locations and TES Establishments by Sector and Land Use Designation

NAICS Sector	Business Locations Establishments	Business Locations Establishments in Residential Areas	Business Locations Establishments in All Other Areas	TES Establishments	TES - Business Locations in All Other Areas	Difference
1 Agriculture, Forestry, Fishing and Hunting	30	0	30	10	-20	-66.7%
2 Mining and Resource Extraction	450	20	430	0	-430	-100.0%
3 Utilities	30	0	30	50	20	66.7%
4 Construction	4,100	810	3,290	1,810	-1,480	-45.0%
5 Manufacturing	4,340	240	4,100	3,420	-680	-16.6%
6 Wholesale Trade	3,880	350	3,530	3,080	-450	-12.7%
7 Retail Trade	13,540	1,090	12,450	14,040	1,590	12.8%
8 Transportation and Warehousing	1,120	180	940	970	30	3.2%
9 Information and Cultural Industries	2,020	200	1,820	1,270	-550	-30.2%
10 Finance and Insurance	3,920	300	3,620	3,070	-550	-15.2%
11 Real Estate and Rental and Leasing	3,660	490	3,170	2,100	-1,070	-33.8%
12 Professional, Scientific and Technical Services	11,250	1,300	9,950	8,390	-1,560	-15.7%
13 Management of Companies and Enterprises	110	10	100	570	470	470.0%
14 Administrative, Support, and Waste Services	3,370	420	2,950	2,310	-640	-21.7%
15 Educational Services	2,430	450	1,980	2,900	920	46.5%
16 Health Care and Social Assistance	10,420	1,210	9,210	8,370	-840	-9.1%
17 Arts, Entertainment and Recreation	1,500	240	1,260	1,420	160	12.7%
18 Accommodation and Food Services	6,900	390	6,510	8,790	2,280	35.0%
19 Other Services (Except Public Administration)	9,850	1,040	8,810	11,280	2,470	28.0%
20 Public Administration	1,110	90	1,020	850	-170	-16.7%
Total	84,030	8,830	75,200	74,690	-510	-0.7%

Note: Numbers have been rounded to the nearest ten. Uncoded establishments have been excluded for this comparison.



End Notes

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- 3 City of Toronto, Economic Development & Culture.
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- 16 As the boundaries of the Sheppard Avenue Commercial Area Secondary Plan and the Sheppard East Subway Corridor Secondary Plan overlap, the same employment and establishments may appear in more than one Secondary Plan area.
- 17 Ontario Ministry of Infrastructure. *Places to Grow*. Web page at <https://www.placestogrow.ca/index.php>, last updated February 14, 2013.
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- 23 Statistics Canada. *Concordance: North American Industry Classification System (NAICS) Canada 2007 to North American Industry Classification System (NAICS) Canada 2012*. Web page at <http://www.statcan.gc.ca/eng/subjects/standard/naics/2012/concordances-2007-2012-2>, last updated April 8, 2015.
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- 25 infoCanada. *Sales Leads and Marketing Lists*. Web page at <https://infogroup.infocanada.ca/sales-leads-and-mailing-lists/business-lists/>, last accessed November 8, 2016.

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