



REPORT FOR ACTION

2019 Toronto Employment Survey

Date: December 30, 2019

To: Planning and Housing Committee

From: Chief Planner and Executive Director, City Planning

Wards: All

SUMMARY

The attached bulletin summarizes the results of the 2019 Toronto Employment Survey. The bulletin highlights the Survey's key findings and counts of employment and business establishments in the City of Toronto for 2019, as well as the type and longevity of establishments and employment activity in Downtown, the Centres, Secondary Plan Areas and designated Employment Areas.

Toronto's economy has performed strongly over the past year, as total employment in the City reached 1,569,800 jobs. Employment grew by 3.1% from 2018, an increase of 46,920 jobs. The Survey counted 76,560 business establishments in 2019, an increase of 920 (1.2%) from 2018. In 2019, 3,810 establishments were new to the City.

RECOMMENDATIONS

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

1. Planning and Housing Committee receive this report for information.

FINANCIAL IMPACT

There are no financial impacts arising from this report.

DECISION HISTORY

Since 1983, the City has conducted an annual survey of Toronto business establishments to monitor economic activity, provide information for policy and decision-making and offer additional context for the planning of municipal infrastructure and services. Using a consistent coding system of land parcel uses and occupant activities,

the Survey provides thirty-seven years of time-series data for the longitudinal analysis of employment activity in the City.

The results of the Survey are used by City Planning and other City divisions to monitor the City's economic and investment health and to review the progress of Official Plan policies. Survey results are also used in proactive policy development, for decision-making, as an aid in labour force development efforts, to develop projections and to plan City infrastructure and services. This report summarizes the Toronto Employment Survey results collected between May and August of 2019.

COMMENTS

Total Employment

- The Toronto Employment Survey counted 1,569,800 jobs.
- Toronto's overall employment increased by 46,920 jobs (3.1%) from 2018.
- Full-time employment increased by 31,930 jobs (2.8%) from 2018. At 1,178,940 jobs, full-time employment has surpassed the 1 million mark for the fourteenth consecutive year.
- Part-time employment increased by 14,980 jobs or 4.0% of the net increase in employment from 2018 to 390,850 jobs.

Employment by Category

- From 2018, four out of the City's six employment categories grew. Institutional employment grew by the highest rate, at 6.6%.
- The Office category continues to be Toronto's largest employment category, with nearly half of all jobs (48.0%), followed by the Institutional (17.4%), Service (12.6%), Retail (9.8%), Manufacturing (8.7%), and Community & Entertainment (3.6%) categories.
- Office employment increased by 23,470 net jobs (3.2%) to 753,420 jobs from 2018, the largest absolute increase of any category. A large majority of the increase was in the Business Services and Technical Services sub-categories with a combined 17,120 jobs added (8.2% and 6.4% growth respectively), particularly in computer services and tenants of co-working offices.
- Institutional employment growth was robust, adding 16,770 jobs or 6.6% from 2018, more than double the five-year average growth rate of 3.2%. Growth was driven by post-secondary education and health care, with the Public Universities and Colleges and Health Services sub-sectors adding a combined 13,780 jobs (respectively 13.5% and 7.0% growth from 2018).

Number of Establishments

- In 2018, the Survey counted 76,560 establishments, an increase of 920 (1.2%) over 2018.
- A total of 3,810 establishments were new to the city in 2019. Of these, 56.8% are located within Downtown (980), the Centres (150) and within Employment Areas (1,030), and the rest are located elsewhere in the city.

Downtown and Centres

- In 2019, there were approximately 666,980 jobs in Toronto's Downtown and Centres, representing 42.5% of all jobs in the city.
- From 2014 to 2019, Downtown and the Centres added 104,610 jobs, up 18.6%.

Secondary Plan Areas

- In 2019, there were approximately 329,560 jobs in Toronto's thirty-two Secondary Plan areas or just over one fifth of all jobs in the City (21.0%).
- Almost half of the employment within Secondary Plan areas (49.3%) is concentrated in five areas: King-Spadina (45,080 jobs), North York Centre (35,920 jobs), Yonge Eglinton (35,620 jobs), Railway Lands East (22,990 jobs), and Garrison Common North (22,740 jobs).
- The Office category is the predominant employment category in Secondary Plan areas, representing approximately 177,330 jobs and 53.8% of their employment.

Employment Areas

- In 2019, 423,920 jobs were in Toronto's designated Employment Areas, which is 27.0% of the city's jobs. This is an increase of 6,560 jobs (1.6%) from 2018.
- Since 2014, overall employment in the Employment Areas has grown by 10.3%, an additional 39,430 jobs.
- Core Employment Areas contained 64.1% of all jobs in Employment Areas (271,570 jobs), while General Employment Areas contained 35.9% (152,360 jobs).
- Nearly one-fifth (19.8%) or 83,730 of all Employment Area jobs are in the Manufacturing sector. Over nine in ten Manufacturing jobs (92.3%) are located in Employment Areas.
- After Manufacturing, the next largest sectors in Employment Areas in 2019 were the Wholesale and Retail Trade sector (68,750 jobs), the Professional, Scientific and Technical Services sector (44,040 jobs), the Transportation and Warehousing sector (36,760 jobs), and the Administration and Support, Waste Management and Remediation Services sector (26,540 jobs).

Data Collection

- In 2019, employment data was acquired from 89% of business establishments contacted through the Survey programme, an increase from the 2018 response rate of 86%. Excluding home-based employment, the Survey reports on over 99% of Toronto's addressable business establishments.

- This is the ninth year of assigning complete North American Industry Classification System (NAICS) codes to each business establishment in the city. The exercise was highly successful with an average of 98.7% of businesses being assigned a NAICS code in 2019.
- As an establishment survey, the Survey focuses on collecting employment and land use data from business establishments visible from the street and which are located primarily in commercial, industrial, institutional and mixed use areas throughout Toronto.

Toronto's Technology Sector

- In 2019, the Toronto Employment Survey conducted research on Toronto's technology ("tech") sector, which has experienced significant employment growth to almost double in size over the past five years (from 32,728 jobs in 2014 to 60,408 jobs in 2019, an increase of 84.6%). Research included defining and analyzing Survey data for tech firms using NAICS classification to track spatial clustering and sectoral trends, and conducting interviews with tech firms to understand their locational preferences.
- Spatial clustering of tech firms was observed in the Official Plan geographies of Downtown, the Centres, and the Employment Areas. The most significant clusters appeared in Downtown and in the Liberty Village area. Combined, these Official Plan geographies contain 54,799 jobs or 90.7% of all tech sector employment.
- During research interviews, firms ranked attributes that influenced their locational preferences. Top attributes included access to skilled workers, access to public transit at a regional and local level, and neighbourhood amenities including urbanity, building character, and diversity of other establishments.

Regional Employment Policies

- The Province's *A Place to Grow: the Growth Plan for the Greater Golden Horseshoe, 2019* ("the Growth Plan") includes an employment forecast for the City of Toronto of 1,720,000 jobs by 2041. Based on the employment growth rate over the past five years as indicated by the Toronto Employment Survey (2.5% per annum), Toronto is likely to achieve the Growth Plan forecasts between 2023 and 2025, at least sixteen years before its horizon year. The Province has initiated a review of the Growth Plan forecasts, and the employment forecast for Toronto is likely to be revised upward.
- In January 2019, the Province circulated *Proposed Amendment 1 to the Growth Plan for the Greater Golden Horseshoe, 2017*. This proposed amendment includes a framework for Provincially Significant Employment Zones (PSEZs) that would apply to Employment Areas. Under this proposal, PSEZs would be protected from conversion to non-employment uses. Eleven PSEZs have been identified in Toronto by the Province, but the boundaries are not yet finalized.

2020 Toronto Employment Survey

- The continuation of the annual Toronto Employment Survey is important for planning and economic development purposes, as it provides an annual and longitudinal dataset for time-series analysis of employment and land use change in the City. Now in its fourth decade, the 2020 field Survey programme will commence in May and will be completed by September 2020.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment 1: Toronto Employment Survey 2019 Bulletin