Appendix C

Summary

As part of its endorsement of the Collaborating for Competitiveness economic growth and job creation strategy, City Council has directed the preparation of an annual report on the state of manufacturing in Toronto to keep a special focus on this high value sector.

The Appendix for this report highlights key trends in manufacturing in Toronto and in the broader context, speaks to the significance of manufacturing in Toronto's economic and employment landscape.

While manufacturing in Toronto, as elsewhere, has experienced significant decreases both in the number of firms and the number of jobs, reflecting a variety of economic forces, it remains a crucial part of Toronto's economic landscape. Toronto's manufacturing and warehousing firms employ over 126,000 people representing 9.2% of Toronto's total employment which compares with the national average. Manufacturing creates quality jobs, has high economic multipliers, and needs to be recognized and supported as a component of a strong and balanced economy with good growth prospects.

In an increasingly competitive global economy, Toronto manufacturers face challenges and pressures that require them to have a stable yet flexible, cost-competitive and supportive operating environment, so they can survive, innovate and expand. With focussed and collaborative efforts, Toronto is well positioned to capitalize on its unique advantages and on the strengths of its diverse manufacturing sector, to build on emerging trends, to position the sector for growth and to continue to enhance the health and vitality of this important sector.

Decision History

At its meeting of February 20 and 21, 2013, City Council endorsed Collaborating for Competitiveness: A Strategic Plan to Accelerate Economic Growth and Job Creation in Toronto:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.ED19.4
The Collaborating for Competitiveness report recommended an annual report on the state of manufacturing in Toronto to keep a special focus on this group of high value sectors. The State of Manufacturing in Toronto report was considered by City Council on December 16, 2013. At its meeting of December 16, 2013, City Council endorsed State of Manufacturing in Toronto (Collaborating for Competitiveness – Implementation Action 5):
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.ED27.1

Recommendation 5 from the State of Manufacturing in Toronto report:
City Council request the General Manager, Economic Development and Culture to report back to Economic Development Committee in the first quarter of 2015 with the next annual report on the state of manufacturing in Toronto, in the form of a 'dashboard' report providing an update.
on key indicators related to manufacturing activity in Toronto and to report on the impacts of supportive measures taken in 2013 and 2014.

This Appendix responds to Council direction and forms the basis from which the manufacturing dashboard report was developed.

**Employment**

**Manufacturing and Warehousing Employment**

Manufacturing and warehousing employment in the City of Toronto was 126,136 in 2013. This was a decrease of 2,030 or 1.6% from 2012 (figure 1). Between 1998 and 2013, total manufacturing employment in Toronto declined by 51,668 jobs or 29.1%, where overall employment in the city increased by 166,827 jobs or 13.9% during the same time period (figures 1, 2 & 3).

![Figure 1](image_url)  

<table>
<thead>
<tr>
<th>Sector</th>
<th>1998 #</th>
<th>2003 #</th>
<th>2008 #</th>
<th>2013</th>
<th>% of Total</th>
<th># Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>560,613</td>
<td>573,468</td>
<td>614,657</td>
<td>656,874</td>
<td>48.2</td>
<td>96,261</td>
<td>17.2</td>
</tr>
<tr>
<td>Manufacturing &amp; Warehousing**</td>
<td>177,804</td>
<td>172,114</td>
<td>143,783</td>
<td>126,136</td>
<td>9.2</td>
<td>-51,668</td>
<td>-29.1</td>
</tr>
<tr>
<td>Institutional</td>
<td>159,814</td>
<td>189,709</td>
<td>214,358</td>
<td>222,755</td>
<td>16.3</td>
<td>62,941</td>
<td>39.4</td>
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<tr>
<td>Retail</td>
<td>134,604</td>
<td>142,600</td>
<td>147,770</td>
<td>146,838</td>
<td>10.8</td>
<td>12,234</td>
<td>9.1</td>
</tr>
<tr>
<td>Service</td>
<td>136,356</td>
<td>142,650</td>
<td>149,580</td>
<td>164,534</td>
<td>12.1</td>
<td>28,178</td>
<td>20.7</td>
</tr>
<tr>
<td>Other</td>
<td>27,832</td>
<td>33,149</td>
<td>40,701</td>
<td>46,713</td>
<td>3.4</td>
<td>18,881</td>
<td>67.8</td>
</tr>
<tr>
<td>Total</td>
<td>1,197,023</td>
<td>1,253,690</td>
<td>1,310,849</td>
<td>1,363,850</td>
<td>100.0</td>
<td>166,827</td>
<td>13.9</td>
</tr>
</tbody>
</table>

*Full time and part time employment  
**Manufacturing & Warehousing includes all businesses with and activity codes 411 to 476 (Manufacturing) and 521 to 539 (Storage & Warehousing) in the City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey. The sub-sectors of Manufacturing include energy production, raw material processing, processed goods processing, product assembly, waste treatment, research and development (laboratories), printing, reproduction, data processing & sorting, and construction. Head offices for manufacturers are not included if the employment of the office component is greater than the employment of the manufacturing component. Warehouse and storage employment is included in this report to be consistent with the information reported in the Profile Toronto, Toronto Employment Survey 2013 report. For the purposes of this report, manufacturing is defined as engaging in the transformation of materials into new or modified products through fabrication, processing, assembly, packaging, producing, making, repairing, finishing or blending.

*Full time and part time

*Full time and part time
Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 1998-2013

Manufacturing and Warehousing Sector Employment by Sub-Sector

The manufacturing and warehousing sector is dominated by the food processing, pharmaceuticals & chemicals and warehousing sub-sectors (figure 4). The manufacturing and warehousing sub-sectors experiencing employment growth from 1998 to 2013 were food processing, waste treatment, postal sorting station and storage.

**Figure 4**

Employment* by Manufacturing and Warehousing Sub-Sectors
City of Toronto
1998 & 2013

<table>
<thead>
<tr>
<th>Manufacturing and Warehousing Sub-Sectors</th>
<th>1998 #</th>
<th>2013</th>
<th>% of Total</th>
<th># Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Processing</td>
<td>19,929</td>
<td>20,345</td>
<td>16.1</td>
<td>416</td>
<td>2.1</td>
</tr>
<tr>
<td>Clothing</td>
<td>13,953</td>
<td>4,662</td>
<td>3.7</td>
<td>-9,291</td>
<td>-66.6</td>
</tr>
<tr>
<td>Textiles, Leather</td>
<td>5,421</td>
<td>3,112</td>
<td>2.5</td>
<td>-2,309</td>
<td>-42.6</td>
</tr>
<tr>
<td>Paper &amp; Wood Products</td>
<td>7,014</td>
<td>5,154</td>
<td>4.1</td>
<td>-1,860</td>
<td>-26.5</td>
</tr>
<tr>
<td>Component Parts</td>
<td>6,389</td>
<td>3,687</td>
<td>2.9</td>
<td>-2,702</td>
<td>-42.3</td>
</tr>
<tr>
<td>Metal Products</td>
<td>11,452</td>
<td>7,577</td>
<td>6.0</td>
<td>-3,875</td>
<td>-33.8</td>
</tr>
<tr>
<td>Pharmaceuticals &amp; Chemicals</td>
<td>14,825</td>
<td>11,702</td>
<td>9.3</td>
<td>-3,123</td>
<td>-21.1</td>
</tr>
<tr>
<td>Cabinet Making</td>
<td>9,437</td>
<td>5,926</td>
<td>4.7</td>
<td>-3,511</td>
<td>-37.2</td>
</tr>
<tr>
<td>Building Components</td>
<td>6,512</td>
<td>5,204</td>
<td>4.1</td>
<td>-1,308</td>
<td>-20.1</td>
</tr>
<tr>
<td>Scientific Equipment</td>
<td>7,745</td>
<td>3,850</td>
<td>3.1</td>
<td>-3,895</td>
<td>-50.3</td>
</tr>
<tr>
<td>Machinery &amp; Equipment</td>
<td>7,642</td>
<td>5,330</td>
<td>4.2</td>
<td>-2,312</td>
<td>-30.3</td>
</tr>
<tr>
<td>Electrical Equipment</td>
<td>9,020</td>
<td>5,505</td>
<td>4.4</td>
<td>-3,515</td>
<td>-39.0</td>
</tr>
<tr>
<td>Vehicles &amp; Parts</td>
<td>7,924</td>
<td>4,097</td>
<td>3.2</td>
<td>-3,827</td>
<td>-48.3</td>
</tr>
<tr>
<td>Other Product Assembly</td>
<td>4,336</td>
<td>3,116</td>
<td>2.5</td>
<td>-1,220</td>
<td>-28.1</td>
</tr>
<tr>
<td>Waste Treatment</td>
<td>2,496</td>
<td>3,107</td>
<td>2.5</td>
<td>611</td>
<td>24.5</td>
</tr>
<tr>
<td>R&amp;D Laboratories</td>
<td>5,696</td>
<td>4,871</td>
<td>3.9</td>
<td>-825</td>
<td>-14.5</td>
</tr>
<tr>
<td>Printing</td>
<td>8,963</td>
<td>4,877</td>
<td>3.9</td>
<td>-4,086</td>
<td>-45.6</td>
</tr>
<tr>
<td>Postal Sorting Station</td>
<td>2,722</td>
<td>4,327</td>
<td>3.4</td>
<td>1,605</td>
<td>59.0</td>
</tr>
<tr>
<td>Other Manufacturing</td>
<td>11,436</td>
<td>6,232</td>
<td>4.9</td>
<td>-5,204</td>
<td>-45.5</td>
</tr>
<tr>
<td>Warehousing</td>
<td>13,607</td>
<td>11,989</td>
<td>9.5</td>
<td>-618</td>
<td>-4.5</td>
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<tr>
<td>Storage</td>
<td>1,285</td>
<td>1,466</td>
<td>1.2</td>
<td>181</td>
<td>14.1</td>
</tr>
</tbody>
</table>

**Total Manufacturing** 177,804 126,136 100.0 -51,668 -29.1

*Full time and part time
Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 1998 & 2013

Location of Manufacturing and Warehousing Employment

The majority of manufacturing and warehousing employment is located in the 22 recognized employment districts in the City of Toronto (figure 5). Manufacturing and warehousing employment is also located in other employment related lands (figure 6). Manufacturing and warehousing employment in the employment districts was 116,640 or 92.3% of the City's total. Manufacturing and warehousing employment in the employment districts decreased by 2,420 or
2.0% from 2010 to 2013 and total employment in the employment districts increased by 8,080 or 2.1% during the same time period (figure 7). Manufacturing and warehousing employment in the employment districts increased in 11 of the 22 employment districts between 2012 and 2013 (figure 8).

*Figure 5
Map of Employment Districts*
City of Toronto, 2013

*On December 18, 2013, Council enacted Amendment 231 of the Official Plan regarding Economic Health and Employment Lands Policies and Recommendations on Conversion Requests. Among other items, 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 a different geography of land use designations. Pending Provincial approval of OPA 231, Employment Districts, as they are described in this report will change. In the interest of providing a profile of employment and Employment Districts in Toronto, this report includes a final summary of each Employment District. To reflect the change of geographies in this bulletin, all other designated employment lands not included in Employment Districts are reported as Other Employment-Related Lands.

Source: Toronto City Planning, Research and Information - March 2014
Figure 6
Employment* in Employment Districts and Rest of City
City of Toronto
2010 and 2013

<table>
<thead>
<tr>
<th>Sector</th>
<th>Employment District</th>
<th>Rest of City</th>
<th>% of Employment District</th>
<th>Rest of City</th>
<th># Change Employment District</th>
<th>% Change Employment District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>158,240</td>
<td>465,060</td>
<td>160,040</td>
<td>496,660</td>
<td>1,800</td>
<td>1.1</td>
</tr>
<tr>
<td>Manufacturing &amp; Warehousing</td>
<td>118,880</td>
<td>10,620</td>
<td>116,460</td>
<td>9,740</td>
<td>-2,420</td>
<td>-2.0</td>
</tr>
<tr>
<td>Institutional</td>
<td>13,970</td>
<td>199,530</td>
<td>15,880</td>
<td>206,820</td>
<td>1,910</td>
<td>13.7</td>
</tr>
<tr>
<td>Retail</td>
<td>39,440</td>
<td>101,060</td>
<td>42,070</td>
<td>122,730</td>
<td>2,630</td>
<td>6.7</td>
</tr>
<tr>
<td>Service</td>
<td>47,560</td>
<td>103,340</td>
<td>48,370</td>
<td>115,370</td>
<td>810</td>
<td>1.7</td>
</tr>
<tr>
<td>Other</td>
<td>7,460</td>
<td>33,040</td>
<td>10,050</td>
<td>36,550</td>
<td>2,590</td>
<td>34.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>385,550</strong></td>
<td><strong>912,750</strong></td>
<td><strong>393,630</strong></td>
<td><strong>969,920</strong></td>
<td><strong>8,080</strong></td>
<td><strong>2.1</strong></td>
</tr>
</tbody>
</table>

*Full time and part time employment

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2010 & 2013
## Figure 7

**Employment* in Employment Districts**

**City of Toronto**

**2008, 2012 and 2013**

<table>
<thead>
<tr>
<th>Employment District</th>
<th>2008</th>
<th>2012</th>
<th>2013</th>
<th>2008 to 2013</th>
<th>% Change</th>
<th>2012 to 2013</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Etobicoke</td>
<td>44,000</td>
<td>40,390</td>
<td>41,080</td>
<td>-2,920</td>
<td>-6.6</td>
<td>690</td>
<td>1.7</td>
</tr>
<tr>
<td>Rexdale</td>
<td>47,090</td>
<td>39,150</td>
<td>40,790</td>
<td>-6,300</td>
<td>-13.4</td>
<td>1,640</td>
<td>4.2</td>
</tr>
<tr>
<td>Highway 400 Corridor</td>
<td>34,170</td>
<td>33,540</td>
<td>32,490</td>
<td>-1,680</td>
<td>-4.9</td>
<td>-1,050</td>
<td>-3.1</td>
</tr>
<tr>
<td>Tapscott/Marshalling Yard</td>
<td>31,340</td>
<td>30,960</td>
<td>31,440</td>
<td>100</td>
<td>0.3</td>
<td>480</td>
<td>1.6</td>
</tr>
<tr>
<td>Dufferin Keele North</td>
<td>30,780</td>
<td>31,080</td>
<td>30,350</td>
<td>-430</td>
<td>-1.4</td>
<td>-730</td>
<td>-2.3</td>
</tr>
<tr>
<td>Dufferin Keele South</td>
<td>26,130</td>
<td>25,100</td>
<td>26,400</td>
<td>700</td>
<td>2.7</td>
<td>1,300</td>
<td>5.2</td>
</tr>
<tr>
<td>Duncan Mills</td>
<td>17,750</td>
<td>18,580</td>
<td>19,090</td>
<td>1,340</td>
<td>7.5</td>
<td>510</td>
<td>2.7</td>
</tr>
<tr>
<td>South West Scarborough</td>
<td>19,170</td>
<td>18,670</td>
<td>19,030</td>
<td>-140</td>
<td>-0.7</td>
<td>360</td>
<td>1.9</td>
</tr>
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<td>Consumers Road</td>
<td>17,770</td>
<td>17,490</td>
<td>17,660</td>
<td>-110</td>
<td>-0.6</td>
<td>170</td>
<td>1.0</td>
</tr>
<tr>
<td>Scarborough Highway 401 Corridor</td>
<td>18,080</td>
<td>16,820</td>
<td>16,990</td>
<td>-1,090</td>
<td>-6.0</td>
<td>170</td>
<td>1.0</td>
</tr>
<tr>
<td>West Central Scarborough</td>
<td>16,610</td>
<td>14,730</td>
<td>14,270</td>
<td>-2,340</td>
<td>-14.1</td>
<td>-460</td>
<td>-3.1</td>
</tr>
<tr>
<td>North West Etobicoke</td>
<td>13,630</td>
<td>13,010</td>
<td>13,450</td>
<td>-180</td>
<td>-1.3</td>
<td>440</td>
<td>3.4</td>
</tr>
<tr>
<td>Steeles &amp; Victoria Park</td>
<td>14,140</td>
<td>13,270</td>
<td>13,020</td>
<td>-1,120</td>
<td>-8.4</td>
<td>-250</td>
<td>-1.9</td>
</tr>
<tr>
<td>Don Mills</td>
<td>11,940</td>
<td>11,990</td>
<td>11,550</td>
<td>-390</td>
<td>-3.3</td>
<td>-440</td>
<td>-3.7</td>
</tr>
<tr>
<td>Liberty</td>
<td>7,260</td>
<td>8,300</td>
<td>9,450</td>
<td>2,190</td>
<td>30.2</td>
<td>1,150</td>
<td>13.9</td>
</tr>
<tr>
<td>Milliken</td>
<td>7,050</td>
<td>7,300</td>
<td>7,550</td>
<td>500</td>
<td>7.1</td>
<td>250</td>
<td>3.4</td>
</tr>
<tr>
<td>Overlea</td>
<td>6,620</td>
<td>6,220</td>
<td>6,150</td>
<td>-470</td>
<td>-7.1</td>
<td>-70</td>
<td>-1.1</td>
</tr>
<tr>
<td>Laird</td>
<td>5,160</td>
<td>4,390</td>
<td>4,960</td>
<td>570</td>
<td>13.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>South of Eastern</td>
<td>5,520</td>
<td>3,970</td>
<td>4,280</td>
<td>-1,240</td>
<td>-22.5</td>
<td>310</td>
<td>7.8</td>
</tr>
<tr>
<td>Weston Road/Mount Dennis</td>
<td>990</td>
<td>1,850</td>
<td>1,940</td>
<td>950</td>
<td>96.0</td>
<td>90</td>
<td>4.9</td>
</tr>
<tr>
<td>South East Scarborough</td>
<td>1,020</td>
<td>980</td>
<td>980</td>
<td>-40</td>
<td>-3.9</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Airport Corporate Centre</td>
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<td>1,230</td>
<td>890</td>
<td>-190</td>
<td>-17.6</td>
<td>-340</td>
<td>-27.6</td>
</tr>
<tr>
<td>Other Employment Related Lands</td>
<td>27,220</td>
<td>29,480</td>
<td>29,720</td>
<td>2,500</td>
<td>9.2</td>
<td>240</td>
<td>0.8</td>
</tr>
<tr>
<td>All Employment Districts/Lands</td>
<td>404,520</td>
<td>388,860</td>
<td>393,530</td>
<td>-10,990</td>
<td>-2.7</td>
<td>4,670</td>
<td>1.2</td>
</tr>
<tr>
<td>Rest of City</td>
<td>906,330</td>
<td>942,620</td>
<td>970,920</td>
<td>64,590</td>
<td>-7.1</td>
<td>28,300</td>
<td>3.0</td>
</tr>
<tr>
<td>City Total</td>
<td>1,310,850</td>
<td>1,331,480</td>
<td>1,363,550</td>
<td>52,700</td>
<td>4.0</td>
<td>32,070</td>
<td>2.4</td>
</tr>
</tbody>
</table>

*Full time and part time employment

Figure 8
Manufacturing and Warehousing
Employment* in Employment Districts
City of Toronto
2010, 2012 and 2013

<table>
<thead>
<tr>
<th>Employment District</th>
<th>2010</th>
<th>2012</th>
<th>2013</th>
<th>2008 to 2013 # Change</th>
<th>% Change</th>
<th>2012 to 2013 # Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Etobicoke</td>
<td>16,000</td>
<td>15,980</td>
<td>15,470</td>
<td>-530</td>
<td>-3.3</td>
<td>-510</td>
<td>-3.2</td>
</tr>
<tr>
<td>Rexdale</td>
<td>13,430</td>
<td>12,560</td>
<td>12,030</td>
<td>-1,400</td>
<td>-10.4</td>
<td>-530</td>
<td>-4.2</td>
</tr>
<tr>
<td>Highway 400 Corridor</td>
<td>15,180</td>
<td>16,840</td>
<td>16,440</td>
<td>1,260</td>
<td>8.3</td>
<td>-400</td>
<td>-2.4</td>
</tr>
<tr>
<td>Tapscott/Marshalling Yard</td>
<td>12,890</td>
<td>12,710</td>
<td>12,940</td>
<td>50</td>
<td>0.4</td>
<td>230</td>
<td>1.8</td>
</tr>
<tr>
<td>Dufferin Keele North</td>
<td>8,630</td>
<td>8,600</td>
<td>9,100</td>
<td>470</td>
<td>5.4</td>
<td>500</td>
<td>5.8</td>
</tr>
<tr>
<td>Dufferin Keele South</td>
<td>4,920</td>
<td>5,250</td>
<td>5,640</td>
<td>720</td>
<td>14.6</td>
<td>390</td>
<td>7.4</td>
</tr>
<tr>
<td>Duncan Mills</td>
<td>940</td>
<td>1,070</td>
<td>1,180</td>
<td>240</td>
<td>25.5</td>
<td>110</td>
<td>10.3</td>
</tr>
<tr>
<td>South West Scarborough</td>
<td>5,650</td>
<td>5,770</td>
<td>5,820</td>
<td>170</td>
<td>3.0</td>
<td>50</td>
<td>0.9</td>
</tr>
<tr>
<td>Consumers Road</td>
<td>110</td>
<td>40</td>
<td>80</td>
<td>-30</td>
<td>-27.3</td>
<td>40</td>
<td>100.0</td>
</tr>
<tr>
<td>Scarborough Highway 401 Corridor</td>
<td>3,250</td>
<td>4,610</td>
<td>4,490</td>
<td>1,240</td>
<td>38.2</td>
<td>-120</td>
<td>-2.6</td>
</tr>
<tr>
<td>West Central Scarborough</td>
<td>6,880</td>
<td>6,640</td>
<td>6,020</td>
<td>-860</td>
<td>-12.5</td>
<td>-620</td>
<td>-9.3</td>
</tr>
<tr>
<td>North West Etobicoke</td>
<td>7,420</td>
<td>5,530</td>
<td>6,750</td>
<td>-670</td>
<td>-9.0</td>
<td>1,220</td>
<td>22.1</td>
</tr>
<tr>
<td>Steeles &amp; Victoria Park</td>
<td>1,520</td>
<td>1,270</td>
<td>1,290</td>
<td>-230</td>
<td>-15.1</td>
<td>20</td>
<td>1.6</td>
</tr>
<tr>
<td>Don Mills</td>
<td>2,590</td>
<td>2,070</td>
<td>1,830</td>
<td>-760</td>
<td>-29.3</td>
<td>-240</td>
<td>-11.6</td>
</tr>
<tr>
<td>Liberty</td>
<td>1,070</td>
<td>950</td>
<td>890</td>
<td>-80</td>
<td>-16.8</td>
<td>-60</td>
<td>-6.3</td>
</tr>
<tr>
<td>Milliken</td>
<td>1,010</td>
<td>920</td>
<td>860</td>
<td>-150</td>
<td>-14.9</td>
<td>-60</td>
<td>-6.5</td>
</tr>
<tr>
<td>Overlea</td>
<td>2,650</td>
<td>2,490</td>
<td>2,400</td>
<td>-250</td>
<td>-9.4</td>
<td>-90</td>
<td>-3.6</td>
</tr>
<tr>
<td>Laird</td>
<td>1,470</td>
<td>1,360</td>
<td>1,340</td>
<td>-130</td>
<td>-8.8</td>
<td>-20</td>
<td>-1.5</td>
</tr>
<tr>
<td>South of Eastern</td>
<td>2,120</td>
<td>1,860</td>
<td>1,870</td>
<td>-250</td>
<td>-11.8</td>
<td>10</td>
<td>0.5</td>
</tr>
<tr>
<td>Weston Road/Mount Dennis</td>
<td>400</td>
<td>410</td>
<td>520</td>
<td>120</td>
<td>30.0</td>
<td>110</td>
<td>26.8</td>
</tr>
<tr>
<td>South East Scarborough</td>
<td>700</td>
<td>600</td>
<td>620</td>
<td>-80</td>
<td>-11.4</td>
<td>20</td>
<td>3.3</td>
</tr>
<tr>
<td>Airport Corporate Centre</td>
<td>470</td>
<td>450</td>
<td>220</td>
<td>-250</td>
<td>-53.2</td>
<td>-230</td>
<td>-51.1</td>
</tr>
<tr>
<td>Other Employment Related Lands</td>
<td>9,570</td>
<td>8,690</td>
<td>8,660</td>
<td>-910</td>
<td>-9.5</td>
<td>-30</td>
<td>-0.3</td>
</tr>
<tr>
<td>All Employment Districts/Lands</td>
<td>118,880</td>
<td>117,670</td>
<td>116,460</td>
<td>-2,420</td>
<td>-2.0</td>
<td>-1,210</td>
<td>-1.0</td>
</tr>
<tr>
<td>Rest of City</td>
<td>10,620</td>
<td>10,530</td>
<td>9,740</td>
<td>-880</td>
<td>-8.3</td>
<td>-790</td>
<td>-7.5</td>
</tr>
<tr>
<td>City Total</td>
<td>129,500</td>
<td>128,200</td>
<td>126,200</td>
<td>-3,300</td>
<td>-2.5</td>
<td>-2,000</td>
<td>-1.6</td>
</tr>
</tbody>
</table>

*Full time and part time employment

Establishments

Manufacturing and Warehousing Establishments

There were 5,018 manufacturing and warehousing establishments in the City of Toronto in 2013 representing 6.7% of the total number of establishments (figure 9 & 10). Manufacturing and warehousing establishments have decreased by over 1,091 or 17.9% since 1998. The total number of establishments in the City increased by 1,128 or 1.5% between 1998 and 2013.

Figure 9
Establishments by Sector
City of Toronto

<table>
<thead>
<tr>
<th>Sector</th>
<th>1998 #</th>
<th>2003 #</th>
<th>2008 #</th>
<th>2013</th>
<th>% of Total</th>
<th># Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>28,539</td>
<td>27,012</td>
<td>28,469</td>
<td>28,641</td>
<td>38.3</td>
<td>102</td>
<td>0.4</td>
</tr>
<tr>
<td>Manufacturing &amp;</td>
<td>6,109</td>
<td>5,414</td>
<td>5,157</td>
<td>5,018</td>
<td>6.7</td>
<td>-1,091</td>
<td>-17.9</td>
</tr>
<tr>
<td>Warehousing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institutional</td>
<td>4,029</td>
<td>4,512</td>
<td>5,209</td>
<td>5,632</td>
<td>7.5</td>
<td>1,603</td>
<td>39.8</td>
</tr>
<tr>
<td>Retail</td>
<td>17,577</td>
<td>17,059</td>
<td>16,711</td>
<td>15,682</td>
<td>21.0</td>
<td>-1,895</td>
<td>-10.8</td>
</tr>
<tr>
<td>Service</td>
<td>16,406</td>
<td>16,722</td>
<td>17,390</td>
<td>18,168</td>
<td>24.3</td>
<td>1,762</td>
<td>10.7</td>
</tr>
<tr>
<td>Other</td>
<td>1,065</td>
<td>1,094</td>
<td>1,853</td>
<td>1,712</td>
<td>2.3</td>
<td>647</td>
<td>60.8</td>
</tr>
<tr>
<td>Total</td>
<td>73,725</td>
<td>71,813</td>
<td>74,789</td>
<td>74,853</td>
<td>100.0</td>
<td>1,128</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Establishments by Manufacturing and Warehousing Sub-Sector

In the manufacturing and warehousing sub-sectors, several have shown an increase between 1998 and 2013 including food processing with an increase of 21 or 5.8%, paper wood products with an increase of 36 or 21.8%, building components with an increase of 3 or 1.0%, vehicles & parts with an increase of 10 or 15.9%, waste treatment with an increase of 37 or 59.7% and warehousing with an increase of 127 or 28.1% (figure 11).
## Figure 11
Establishments by Manufacturing and Warehousing Sub-Sector
City of Toronto
1998 and 2013

<table>
<thead>
<tr>
<th>Manufacturing and Warehousing Sub-Sectors</th>
<th>1998 #</th>
<th>2013 #</th>
<th>% of Total</th>
<th># Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food Processing</td>
<td>360</td>
<td>381</td>
<td>7.6</td>
<td>21</td>
<td>5.8</td>
</tr>
<tr>
<td>Clothing</td>
<td>595</td>
<td>240</td>
<td>4.8</td>
<td>-355</td>
<td>-59.7</td>
</tr>
<tr>
<td>Textiles, Leather</td>
<td>197</td>
<td>160</td>
<td>3.2</td>
<td>-37</td>
<td>-18.8</td>
</tr>
<tr>
<td>Paper &amp; Wood Products</td>
<td>165</td>
<td>201</td>
<td>4.0</td>
<td>36</td>
<td>21.8</td>
</tr>
<tr>
<td>Component Parts</td>
<td>245</td>
<td>190</td>
<td>3.8</td>
<td>-55</td>
<td>-22.4</td>
</tr>
<tr>
<td>Metal Products</td>
<td>466</td>
<td>391</td>
<td>7.8</td>
<td>-75</td>
<td>-16.1</td>
</tr>
<tr>
<td>Pharmaceuticals &amp; Chemicals</td>
<td>286</td>
<td>211</td>
<td>4.2</td>
<td>-75</td>
<td>-26.2</td>
</tr>
<tr>
<td>Cabinet Making</td>
<td>465</td>
<td>363</td>
<td>7.2</td>
<td>-102</td>
<td>-21.9</td>
</tr>
<tr>
<td>Building Components</td>
<td>308</td>
<td>311</td>
<td>6.2</td>
<td>3</td>
<td>1.0</td>
</tr>
<tr>
<td>Scientific Equipment</td>
<td>93</td>
<td>60</td>
<td>1.2</td>
<td>-33</td>
<td>-35.5</td>
</tr>
<tr>
<td>Machinery &amp; Equipment</td>
<td>360</td>
<td>241</td>
<td>4.8</td>
<td>-119</td>
<td>-33.1</td>
</tr>
<tr>
<td>Electrical Equipment</td>
<td>215</td>
<td>166</td>
<td>3.3</td>
<td>-49</td>
<td>-22.8</td>
</tr>
<tr>
<td>Vehicles &amp; Parts</td>
<td>63</td>
<td>73</td>
<td>1.5</td>
<td>10</td>
<td>15.9</td>
</tr>
<tr>
<td>Other Product Assembly</td>
<td>307</td>
<td>240</td>
<td>4.8</td>
<td>-67</td>
<td>-21.8</td>
</tr>
<tr>
<td>Waste Treatment</td>
<td>62</td>
<td>99</td>
<td>2.0</td>
<td>37</td>
<td>59.7</td>
</tr>
<tr>
<td>R&amp;D Laboratories</td>
<td>76</td>
<td>58</td>
<td>1.2</td>
<td>-18</td>
<td>-23.7</td>
</tr>
<tr>
<td>Printing</td>
<td>753</td>
<td>554</td>
<td>11.0</td>
<td>-199</td>
<td>-26.4</td>
</tr>
<tr>
<td>Postal Sorting Station</td>
<td>18</td>
<td>16</td>
<td>0.3</td>
<td>-2</td>
<td>-11.1</td>
</tr>
<tr>
<td>Other Manufacturing</td>
<td>376</td>
<td>281</td>
<td>5.6</td>
<td>-95</td>
<td>-25.3</td>
</tr>
<tr>
<td>Warehousing</td>
<td>452</td>
<td>579</td>
<td>11.5</td>
<td>127</td>
<td>28.1</td>
</tr>
<tr>
<td>Storage</td>
<td>247</td>
<td>203</td>
<td>4.0</td>
<td>-44</td>
<td>-17.8</td>
</tr>
<tr>
<td><strong>Total Manufacturing</strong></td>
<td><strong>6,109</strong></td>
<td><strong>5,018</strong></td>
<td><strong>100.0</strong></td>
<td><strong>-1,091</strong></td>
<td><strong>-17.9</strong></td>
</tr>
</tbody>
</table>

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 1998 & 2013

### Manufacturing andWarehousing Establishments by Number of Employees

The number of manufacturing and warehousing establishments by the number of employees is dominated by the 1 to 4 employee category with 2,302 or 44.8% of the total establishments in the City of Toronto (figure 12 & 13). The 1 to 4 employee category saw an increase of 205 establishments or 9.8% from 2008 to 2013.
### Figure 12
**Manufacturing and Warehousing Establishments by Number of Employees***

*City of Toronto*


<table>
<thead>
<tr>
<th>Establishment Size by Number of Employees</th>
<th>1998 #</th>
<th>2003 #</th>
<th>2008 #</th>
<th>2013</th>
<th>1998 to 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 to 4</td>
<td>2,410</td>
<td>2,070</td>
<td>2,097</td>
<td>2,302</td>
<td>-108 -4.5</td>
</tr>
<tr>
<td>5 to 9</td>
<td>1,150</td>
<td>958</td>
<td>939</td>
<td>925</td>
<td>-225 -19.6</td>
</tr>
<tr>
<td>10 to 19</td>
<td>849</td>
<td>802</td>
<td>730</td>
<td>713</td>
<td>-136 -16.0</td>
</tr>
<tr>
<td>20 to 49</td>
<td>893</td>
<td>817</td>
<td>670</td>
<td>601</td>
<td>-292 -32.7</td>
</tr>
<tr>
<td>50 to 99</td>
<td>400</td>
<td>359</td>
<td>330</td>
<td>309</td>
<td>-91 -22.8</td>
</tr>
<tr>
<td>100+</td>
<td>407</td>
<td>408</td>
<td>332</td>
<td>287</td>
<td>-120 -29.5</td>
</tr>
<tr>
<td><strong>Total Establishments</strong></td>
<td><strong>6,109</strong></td>
<td><strong>5,414</strong></td>
<td><strong>5,157</strong></td>
<td><strong>5,137</strong></td>
<td><strong>-972 -15.9</strong></td>
</tr>
</tbody>
</table>

*Full time and part time employment


---

### Figure 13
**Manufacturing and Warehousing Establishments by Number of Employees**

*City of Toronto*


New Establishments

There were 200 new manufacturing and warehousing establishments in the City of Toronto in 2013. This represented 4.6% of the new establishments in all sectors (figure 14). 1,310 new establishments located in employment districts in 2013 representing 30.2% of the total (figure 15).

Figure 14
New Establishments* by Sector
City of Toronto

<table>
<thead>
<tr>
<th>Sector</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2012</th>
<th>2013</th>
<th>2013 % of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>1,525</td>
<td>1,267</td>
<td>1,393</td>
<td>1,380</td>
<td>1,690</td>
<td>38.9</td>
</tr>
<tr>
<td>Manufacturing &amp; Warehousing</td>
<td>172</td>
<td>150</td>
<td>170</td>
<td>180</td>
<td>200</td>
<td>4.6</td>
</tr>
<tr>
<td>Institutional</td>
<td>208</td>
<td>151</td>
<td>223</td>
<td>180</td>
<td>330</td>
<td>7.6</td>
</tr>
<tr>
<td>Retail</td>
<td>867</td>
<td>769</td>
<td>770</td>
<td>630</td>
<td>820</td>
<td>18.9</td>
</tr>
<tr>
<td>Service</td>
<td>954</td>
<td>999</td>
<td>930</td>
<td>910</td>
<td>1,070</td>
<td>24.7</td>
</tr>
<tr>
<td>Other</td>
<td>124</td>
<td>620</td>
<td>338</td>
<td>120</td>
<td>230</td>
<td>5.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,850</strong></td>
<td><strong>3,956</strong></td>
<td><strong>3,824</strong></td>
<td><strong>3,400</strong></td>
<td><strong>4,340</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

*New establishments include new business start-ups as well as existing firms relocating from outside the City of Toronto and new locations of multi-location firms.

Figure 15
New Establishments by Location
City of Toronto

<table>
<thead>
<tr>
<th>Location</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2012</th>
<th>2013</th>
<th>2013 % of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centres</td>
<td>220</td>
<td>260</td>
<td>270</td>
<td>170</td>
<td>190</td>
<td>4.4</td>
</tr>
<tr>
<td>Downtown</td>
<td>980</td>
<td>830</td>
<td>820</td>
<td>760</td>
<td>970</td>
<td>22.4</td>
</tr>
<tr>
<td>Employment District</td>
<td>970</td>
<td>1,120</td>
<td>960</td>
<td>1,100</td>
<td>1,310</td>
<td>30.2</td>
</tr>
<tr>
<td>Rest of City</td>
<td>1,680</td>
<td>1,750</td>
<td>1,770</td>
<td>1,380</td>
<td>1,870</td>
<td>43.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,850</strong></td>
<td><strong>3,960</strong></td>
<td><strong>3,820</strong></td>
<td><strong>3,410</strong></td>
<td><strong>4,340</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Business Establishment Longevity

Longevity of establishments in the manufacturing and warehousing sector is one of the highest of the six identified sectors in the City of Toronto. Manufacturing and warehousing establishments 21 years and older accounted for 1,190 establishments or 23.7% of the total in 2013 (figure 16 & 17). Office, retail and service sector establishments 21 years and older accounted for 16.9%, 22.4% and 19.9% respectively. The change in number of establishment from 5 or less years to 6 to 10 years for the manufacturing and warehousing sector was 391 or 27.7%. By comparison, the change from 5 or less years to 6 to 10 years for the office, retail and service sectors in 2013 was 40.6%, 39.0% and 44.9% respectively (figure 16 & 17).

Figure 16

Longevity of Establishments by Sector by Year Started

City of Toronto

2013

<table>
<thead>
<tr>
<th>Sector</th>
<th>5 or Less Years (2008-2013)</th>
<th>6 to 10 Years (2003-2007)</th>
<th>11 to 20 Years (1993-2002)</th>
<th>21 to 50 Years (1963 to 1992)</th>
<th>Greater than 50 Years (&lt;1963)</th>
<th>No Reported Start Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>10,188</td>
<td>6,056</td>
<td>6,475</td>
<td>4,438</td>
<td>416</td>
<td>1,068</td>
<td>28,641</td>
</tr>
<tr>
<td>Manufacturing &amp; Warehousing</td>
<td>1,412</td>
<td>1,021</td>
<td>1,274</td>
<td>1,028</td>
<td>162</td>
<td>121</td>
<td>5,018</td>
</tr>
<tr>
<td>Institutional</td>
<td>1,009</td>
<td>791</td>
<td>970</td>
<td>1,487</td>
<td>954</td>
<td>421</td>
<td>5,632</td>
</tr>
<tr>
<td>Retail</td>
<td>5,039</td>
<td>3,071</td>
<td>3,769</td>
<td>3,218</td>
<td>294</td>
<td>291</td>
<td>15,682</td>
</tr>
<tr>
<td>Service</td>
<td>6,338</td>
<td>3,490</td>
<td>4,260</td>
<td>3,298</td>
<td>320</td>
<td>462</td>
<td>18,168</td>
</tr>
<tr>
<td>Other</td>
<td>602</td>
<td>243</td>
<td>271</td>
<td>298</td>
<td>115</td>
<td>183</td>
<td>1,712</td>
</tr>
<tr>
<td>Total</td>
<td>24,588</td>
<td>14,672</td>
<td>17,019</td>
<td>13,767</td>
<td>2,261</td>
<td>2,546</td>
<td>74,853</td>
</tr>
</tbody>
</table>

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2013
Employees per Establishment

The average number of employees per establishment in the manufacturing and warehousing sector has decreased slightly from 29 to 25 employees per establishment or 13.7% from 1998 to 2013. The only other sector to show a decrease in employees per establishment during this time period was the institutional sector. All sectors showed an increase of two employees per establishment or 12.3% from 1998 to 2013 (figure 18 & 19).
Figure 18
Employees* per Establishment by Sector
City of Toronto

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td></td>
<td></td>
<td></td>
<td># Change</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td></td>
<td></td>
<td></td>
<td>Change</td>
</tr>
<tr>
<td>Office</td>
<td>19.6</td>
<td>21.2</td>
<td>21.6</td>
<td>22.9</td>
<td>3.3</td>
</tr>
<tr>
<td>Manufacturing &amp;</td>
<td>29.1</td>
<td>31.8</td>
<td>27.9</td>
<td>25.1</td>
<td>-4.0</td>
</tr>
<tr>
<td>Warehousing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-13.7</td>
</tr>
<tr>
<td>Institutional</td>
<td>39.7</td>
<td>42.0</td>
<td>41.2</td>
<td>39.6</td>
<td>-0.1</td>
</tr>
<tr>
<td>Retail</td>
<td>7.7</td>
<td>8.4</td>
<td>8.8</td>
<td>9.4</td>
<td>1.7</td>
</tr>
<tr>
<td>Service</td>
<td>8.3</td>
<td>8.5</td>
<td>8.6</td>
<td>9.1</td>
<td>0.7</td>
</tr>
<tr>
<td>Other</td>
<td>26.1</td>
<td>30.3</td>
<td>22.0</td>
<td>27.3</td>
<td>1.2</td>
</tr>
<tr>
<td>Total</td>
<td>16.2</td>
<td>17.5</td>
<td>17.5</td>
<td>18.2</td>
<td>2.0</td>
</tr>
</tbody>
</table>

*Full time and part time employees

Figure 19
Employees* per Establishment by Sector
City of Toronto

*Full time and part time employees
Productivity

Gross Domestic Product in Manufacturing Sub-Sectors

Gross Domestic Product (GDP), or output per job, is a measure of productivity, the efficiency with which the economy uses labour to produce goods and services. Productivity will be higher in sectors that are more capital-intensive, and where firms exploit economies of scale, employ more skilled workers, or use advanced technologies. Productivity growth in manufacturing may occur for a number of reasons. For example, labour productivity may rise if output increases while employment levels decrease or stay the same. This phenomenon may also occur as a result of firms increasing their use of technology and capital inputs in order to become more productive.

In 2013, manufacturing industries produced an estimated $13.9 billion of output (in constant 2002 dollars), which accounted for 11% of the total output of goods and services produced in the city of Toronto (figure 20 & 21). Over the period of 1998-2013, estimated manufacturing GDP decreased by over 16.8%. Among the major manufacturing sub-sectors, the pharmaceutical sub-sector had the largest GDP percent growth between 1998 and 2013 in an increase of 68.8% (from $481 million to $813 million). GDP for all industries in the city increased from $96.3 billion to $126.9 billion or 31.8% during the same time period.

In terms of GDP per job, manufacturing increased from $78,400 to $97,000 or 23.7% over the period of 1998-2013 (figure 22). During the same time period, the GDP per job for all industries increased from $69,300 to $79,000 or 14.0%. The pharmaceutical sub-sector had the largest absolute and percent increase in GDP per job from 1998 to 2013 with an increase of $67,947 per job or 106.3%.
## Figure 20
Gross Domestic Product* (GDP) in Manufacturing Sub-Sectors
City of Toronto

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and Beverage</td>
<td>2,929</td>
<td>2,916</td>
<td>2,576</td>
<td>2,832</td>
<td>-97</td>
<td>-3.3</td>
</tr>
<tr>
<td>Printing</td>
<td>808</td>
<td>646</td>
<td>555</td>
<td>518</td>
<td>-290</td>
<td>-35.9</td>
</tr>
<tr>
<td>Pharmaceutical</td>
<td>481</td>
<td>825</td>
<td>728</td>
<td>813</td>
<td>331</td>
<td>68.8</td>
</tr>
<tr>
<td>Primary and Fabricated Metal</td>
<td>1,250</td>
<td>1,517</td>
<td>1,315</td>
<td>1,258</td>
<td>8</td>
<td>0.6</td>
</tr>
<tr>
<td>Machinery and Equipment</td>
<td>783</td>
<td>636</td>
<td>569</td>
<td>502</td>
<td>-281</td>
<td>-35.8</td>
</tr>
<tr>
<td>Computer and Electronic Products</td>
<td>889</td>
<td>1,058</td>
<td>656</td>
<td>727</td>
<td>-163</td>
<td>-18.3</td>
</tr>
<tr>
<td>Motor Vehicle</td>
<td>1,574</td>
<td>1,358</td>
<td>860</td>
<td>638</td>
<td>-936</td>
<td>-59.5</td>
</tr>
<tr>
<td>Furniture</td>
<td>1,048</td>
<td>780</td>
<td>680</td>
<td>620</td>
<td>-428</td>
<td>-40.8</td>
</tr>
<tr>
<td>Other Manufacturing</td>
<td>6,904</td>
<td>6,465</td>
<td>6,030</td>
<td>5,955</td>
<td>-949</td>
<td>-13.7</td>
</tr>
<tr>
<td>Manufacturing Total</td>
<td>16,666</td>
<td>16,201</td>
<td>13,968</td>
<td>13,862</td>
<td>-2,804</td>
<td>-16.8</td>
</tr>
<tr>
<td>All Industries</td>
<td>96,289</td>
<td>111,320</td>
<td>121,513</td>
<td>126,863</td>
<td>30,574</td>
<td>31.8</td>
</tr>
</tbody>
</table>

*Note: Gross Domestic Product (GDP) in constant 2002 dollars
Source: City of Toronto, Toronto Econometric Model (Version 8)
### Figure 21
Gross Domestic Product* (GDP) in All Industries
City of Toronto

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods</td>
<td>22,177</td>
<td>21,526</td>
<td>19,289</td>
<td>19,847</td>
<td>-2,329</td>
<td>-10.5</td>
</tr>
<tr>
<td>Primary</td>
<td>238</td>
<td>217</td>
<td>246</td>
<td>252</td>
<td>13</td>
<td>5.6</td>
</tr>
<tr>
<td>Construction</td>
<td>3,127</td>
<td>3,735</td>
<td>4,057</td>
<td>4,429</td>
<td>1,303</td>
<td>41.7</td>
</tr>
<tr>
<td>Utilities</td>
<td>2,145</td>
<td>1,374</td>
<td>1,018</td>
<td>1,305</td>
<td>-841</td>
<td>-39.2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>16,666</td>
<td>16,201</td>
<td>13,968</td>
<td>13,862</td>
<td>-2,804</td>
<td>-16.8</td>
</tr>
<tr>
<td>Services</td>
<td>74,112</td>
<td>89,794</td>
<td>102,224</td>
<td>107,016</td>
<td>32,904</td>
<td>44.4</td>
</tr>
<tr>
<td>Wholesale &amp; Retail Trade</td>
<td>8,872</td>
<td>10,403</td>
<td>11,343</td>
<td>11,040</td>
<td>2,168</td>
<td>24.4</td>
</tr>
<tr>
<td>Transportation, Storage &amp; Communication</td>
<td>8,437</td>
<td>12,130</td>
<td>13,015</td>
<td>13,780</td>
<td>5,343</td>
<td>63.3</td>
</tr>
<tr>
<td>Finance, Insurance &amp; Real Estate</td>
<td>27,892</td>
<td>34,401</td>
<td>40,263</td>
<td>42,797</td>
<td>14,905</td>
<td>53.4</td>
</tr>
<tr>
<td>Commercial Services</td>
<td>14,116</td>
<td>17,261</td>
<td>19,692</td>
<td>19,511</td>
<td>5,395</td>
<td>38.2</td>
</tr>
<tr>
<td>Public Administration &amp; Defence</td>
<td>4,522</td>
<td>4,448</td>
<td>5,135</td>
<td>6,202</td>
<td>1,680</td>
<td>37.2</td>
</tr>
<tr>
<td><strong>All Industries</strong></td>
<td><strong>96,289</strong></td>
<td><strong>111,320</strong></td>
<td><strong>121,513</strong></td>
<td><strong>126,863</strong></td>
<td><strong>30,574</strong></td>
<td><strong>31.8</strong></td>
</tr>
</tbody>
</table>

*Note: Gross Domestic Product (GDP) in constant 2002 dollars

Source: City of Toronto, Toronto Econometric Model (Version 8)
Figure 22
Gross Domestic Product* (GDP) per Job in Manufacturing Sub-Sectors
City of Toronto

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and Beverage</td>
<td>91,425</td>
<td>92,438</td>
<td>85,883</td>
<td>98,755</td>
<td>7,330</td>
<td>8.0</td>
</tr>
<tr>
<td>Printing</td>
<td>58,501</td>
<td>56,484</td>
<td>56,157</td>
<td>56,927</td>
<td>-1,574</td>
<td>-2.7</td>
</tr>
<tr>
<td>Pharmaceutical</td>
<td>63,942</td>
<td>92,939</td>
<td>109,933</td>
<td>131,888</td>
<td>67,947</td>
<td>106.3</td>
</tr>
<tr>
<td>Primary and Fabricated Metal</td>
<td>78,617</td>
<td>100,275</td>
<td>97,513</td>
<td>98,175</td>
<td>19,559</td>
<td>24.9</td>
</tr>
<tr>
<td>Machinery and Equipment</td>
<td>123,868</td>
<td>98,068</td>
<td>112,753</td>
<td>119,169</td>
<td>-4,700</td>
<td>-3.8</td>
</tr>
<tr>
<td>Computer and Electronic Products</td>
<td>46,938</td>
<td>54,389</td>
<td>59,803</td>
<td>71,041</td>
<td>24,103</td>
<td>51.4</td>
</tr>
<tr>
<td>Motor Vehicle</td>
<td>120,158</td>
<td>111,442</td>
<td>113,702</td>
<td>123,523</td>
<td>3,365</td>
<td>2.8</td>
</tr>
<tr>
<td>Furniture</td>
<td>76,811</td>
<td>54,236</td>
<td>48,745</td>
<td>54,977</td>
<td>-21,834</td>
<td>-28.4</td>
</tr>
<tr>
<td>Other Manufacturing</td>
<td>75,733</td>
<td>78,801</td>
<td>96,502</td>
<td>107,872</td>
<td>32,140</td>
<td>42.4</td>
</tr>
<tr>
<td>Manufacturing Total</td>
<td>78,448</td>
<td>80,389</td>
<td>87,305</td>
<td>97,047</td>
<td>18,600</td>
<td>23.7</td>
</tr>
<tr>
<td>All Industries</td>
<td>69,330</td>
<td>75,060</td>
<td>77,326</td>
<td>79,051</td>
<td>9,720</td>
<td>14.0</td>
</tr>
</tbody>
</table>

*Note: Gross Domestic Product (GDP) in constant 2002 dollars
Source: City of Toronto, Toronto Econometric Model (Version 8)

Employee Profile

Wages

Average annual wages for City of Toronto manufacturing increased by $10,124 or 29.2% from 2001 to 2014 (figure 23, 24 & 25). By comparison, the average annual wages for all industries increased by $11,874 or 33.3% during the same time period. In 2014, the average annual wage for manufacturing was $44,810 and for all industries was $47,556.
### Figure 23
**Average Annual Wages**
**City of Toronto**

<table>
<thead>
<tr>
<th>Year</th>
<th>Manufacturing</th>
<th>All Industries</th>
<th>Change 2001 to 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>$34,686</td>
<td>$35,682</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>$39,087</td>
<td>$40,528</td>
<td>$10,124 29.2</td>
</tr>
<tr>
<td>2011</td>
<td>$43,821</td>
<td>$45,828</td>
<td>$11,874 33.3</td>
</tr>
<tr>
<td>2013</td>
<td>$44,123</td>
<td>$46,695</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>$44,810</td>
<td>$47,556</td>
<td>$1,750 4.1</td>
</tr>
</tbody>
</table>

Note: *Employees only, does not include self-employed.*


### Figure 24
**Average Annual Wages**
**City of Toronto**
**2001-2014**

Note: *Employees only, does not include self-employed.*

Education

An increasing proportion of City of Toronto residents working in the manufacturing sector possess a post secondary diploma/certificate or a university degree (figure 26-28). The percentage of residents working in the manufacturing sector holding a university degree increased from 12.9% to 18.2% from 2001 to 2014. Likewise, those holding a post secondary diploma/certificate increased from 32.8% to 37.8%. All other education categories showed a decrease during the same time period.
Figure 26
Educational Attainment of City of Toronto Residents
Working in the Manufacturing Sector

<table>
<thead>
<tr>
<th>Education Attainment</th>
<th>2001 #</th>
<th>2006 #</th>
<th>2011 #</th>
<th>2014</th>
<th>2001 to 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td>% of Total</td>
<td># Change</td>
<td>% Change</td>
<td></td>
</tr>
<tr>
<td>0-8 Years</td>
<td>16,420</td>
<td>6,020</td>
<td>4.1</td>
<td>-10,400</td>
<td>-63.3</td>
</tr>
<tr>
<td>Some High School</td>
<td>30,430</td>
<td>12,850</td>
<td>8.9</td>
<td>-17,580</td>
<td>-57.8</td>
</tr>
<tr>
<td>High School Graduate</td>
<td>62,100</td>
<td>43,600</td>
<td>30.0</td>
<td>-18,500</td>
<td>-29.8</td>
</tr>
<tr>
<td>Some Post Secondary</td>
<td>12,930</td>
<td>6,370</td>
<td>4.4</td>
<td>-6,560</td>
<td>-50.7</td>
</tr>
<tr>
<td>Post Secondary Diploma/Certificate</td>
<td>47,760</td>
<td>34,630</td>
<td>23.9</td>
<td>-13,130</td>
<td>-27.5</td>
</tr>
<tr>
<td>University Degree</td>
<td>47,490</td>
<td>41,640</td>
<td>28.7</td>
<td>-5,850</td>
<td>-12.3</td>
</tr>
<tr>
<td>Total</td>
<td>217,130</td>
<td>145,110</td>
<td>100.0</td>
<td>-72,020</td>
<td>-33.2</td>
</tr>
</tbody>
</table>


Figure 27
Educational Attainment of City of Toronto Residents
Number Working in the Manufacturing Sector

Wages and Education

As with all industries, wages in manufacturing tend to increase with the level of education attained. Wages for both manufacturing and all industries tend to be lower in the City of Toronto than in the Toronto CMA, Ontario and Canada (figure 29). This may be a factor in the cost competitiveness of manufacturing in Toronto compared to other regions (figure 38). Adjusting for education levels, manufacturing wages exceed all industries wages for most education attainments levels of City of Toronto residents. For example, City of Toronto residents in manufacturing with some post-secondary education earn $2.00 more per hour on average than residents in all industries (figure 29).
## Figure 29

**Median Hourly Wages and Education Attainment in Manufacturing and All Industries**

**City of Toronto, Toronto CMA, Ontario & Canada**

2014

<table>
<thead>
<tr>
<th>Education Attainment</th>
<th>City of Toronto</th>
<th>Toronto CMA</th>
<th>Ontario</th>
<th>Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Manuf.</td>
<td>All Ind.</td>
<td>Manuf.</td>
<td>All Ind.</td>
</tr>
<tr>
<td>0-8 years of school</td>
<td>$18.00</td>
<td>$16.60</td>
<td>$17.26</td>
<td>$17.00</td>
</tr>
<tr>
<td>Some secondary</td>
<td>$16.00</td>
<td>$13.75</td>
<td>$17.00</td>
<td>$13.46</td>
</tr>
<tr>
<td>Graduate from high school</td>
<td>$18.75</td>
<td>$16.30</td>
<td>$18.84</td>
<td>$17.00</td>
</tr>
<tr>
<td>Some post-secondary</td>
<td>$16.00</td>
<td>$14.00</td>
<td>$18.00</td>
<td>$14.00</td>
</tr>
<tr>
<td>Post-secondary certificate or diploma</td>
<td>$18.00</td>
<td>$20.00</td>
<td>$23.00</td>
<td>$22.00</td>
</tr>
<tr>
<td>University degree</td>
<td>$22.00</td>
<td>$27.50</td>
<td>$25.00</td>
<td>$28.21</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$19.00</strong></td>
<td><strong>$20.84</strong></td>
<td><strong>$20.00</strong></td>
<td><strong>$21.33</strong></td>
</tr>
</tbody>
</table>

Source: Statistics Canada - Labour Force Survey

### Employment in All Sectors by Full-Time Employment

The manufacturing and warehousing sector remains the sector with the highest percentage of full time workers with 92.7% in 2013 (figure 30). This is the same percentage of full time workers in the manufacturing and warehousing sector in 1998. The percentage of full time workers for all sectors was 76.9% in 2013 which was a decrease of 2.4% from 1998 to 2013.
Figure 30
Full-Time Employment by Sector City of Toronto
1998 and 2013

<table>
<thead>
<tr>
<th>Sector</th>
<th>1998</th>
<th>2013</th>
<th>% Change 1998 to 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Full Time Employment</td>
<td>Full Time Employment %</td>
<td>Full-Time Employment</td>
</tr>
<tr>
<td>Office</td>
<td>486,110</td>
<td>86.7</td>
<td>575,410</td>
</tr>
<tr>
<td>Manufacturing &amp; Warehousing</td>
<td>164,777</td>
<td>92.7</td>
<td>116,867</td>
</tr>
<tr>
<td>Institutional</td>
<td>113,098</td>
<td>70.8</td>
<td>151,728</td>
</tr>
<tr>
<td>Retail</td>
<td>78,779</td>
<td>58.5</td>
<td>77,363</td>
</tr>
<tr>
<td>Service</td>
<td>92,309</td>
<td>67.7</td>
<td>104,969</td>
</tr>
<tr>
<td>Other</td>
<td>13,806</td>
<td>49.6</td>
<td>21,958</td>
</tr>
<tr>
<td>Total</td>
<td>948,879</td>
<td>79.3</td>
<td>1,048,295</td>
</tr>
</tbody>
</table>

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 1998 & 2013

Manufacturing Employment by Age Group

The average age of City of Toronto residents working in the manufacturing sector is increasing. From 2001 to 2014, the number of workers aged 65+ increased by 3,500 or over 250%. At the same time, the number of workers aged 25-44 decreased by 63,190 or 51.6% and the number of workers aged 15-24 decreased by 9,810 or 57.4% (figure 31 & 32). What is occurring in the manufacturing sector in terms of an aging workforce is mirrored across all sectors which showed an increase of 169,260 or 41.3% in the number of workers aged 45-64 and 41,470 or 178.2% in the number of workers aged 65+ from 2001 to 2014 (figure 33 & 34).
Figure 31  
City of Toronto Residents Working in the Manufacturing Sector by Age Group  

<table>
<thead>
<tr>
<th>Age Group</th>
<th>2001</th>
<th>2006</th>
<th>2011</th>
<th>2014</th>
<th>2001 % of Total</th>
<th>2014 % of Total</th>
<th># Change 2001 to 2014</th>
<th>% Change 2001 to 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>17,100</td>
<td>11,820</td>
<td>6,370</td>
<td>7,290</td>
<td>7.9</td>
<td>5.0</td>
<td>-9,810</td>
<td>-57.4</td>
</tr>
<tr>
<td>25-44</td>
<td>122,530</td>
<td>90,900</td>
<td>62,920</td>
<td>59,340</td>
<td>56.4</td>
<td>40.9</td>
<td>-63,190</td>
<td>-51.6</td>
</tr>
<tr>
<td>45-64</td>
<td>76,110</td>
<td>85,310</td>
<td>67,490</td>
<td>73,590</td>
<td>35.1</td>
<td>50.7</td>
<td>-2,520</td>
<td>-3.3</td>
</tr>
<tr>
<td>65+</td>
<td>1,390</td>
<td>550</td>
<td>3,070</td>
<td>4,890</td>
<td>0.6</td>
<td>3.4</td>
<td>3,500</td>
<td>251.8</td>
</tr>
<tr>
<td>Total</td>
<td>217,130</td>
<td>188,580</td>
<td>139,850</td>
<td>145,110</td>
<td>100.0</td>
<td>100.0</td>
<td>-72,020</td>
<td>-33.2</td>
</tr>
</tbody>
</table>


Figure 32  
City of Toronto Residents Working in Manufacturing by Age Group  

Figure 33
City of Toronto Residents Working in the Manufacturing Sector and All Industries by Age Group
2001 & 2014

<table>
<thead>
<tr>
<th>Age Group</th>
<th>2001 All Ind.</th>
<th>2014 All Ind.</th>
<th>2001 All Ind. % of Total</th>
<th>2001 All Ind. % of Total</th>
<th>Manuf. # Change 2001 to 2014</th>
<th>Manuf. % Change 2001 to 2014</th>
<th>All Ind. # Change 2001 to 2014</th>
<th>All Ind. % Change 2001 to 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>174,160</td>
<td>182,510</td>
<td>7.9</td>
<td>13.4</td>
<td>-9,810</td>
<td>-57.4</td>
<td>8,350</td>
<td>4.8</td>
</tr>
<tr>
<td>25-44</td>
<td>693,870</td>
<td>719,040</td>
<td>56.4</td>
<td>53.3</td>
<td>-63,190</td>
<td>-51.6</td>
<td>25,170</td>
<td>3.6</td>
</tr>
<tr>
<td>45-64</td>
<td>409,970</td>
<td>579,230</td>
<td>35.1</td>
<td>31.5</td>
<td>-2,520</td>
<td>-3.3</td>
<td>169,260</td>
<td>41.3</td>
</tr>
<tr>
<td>65+</td>
<td>23,270</td>
<td>64,740</td>
<td>0.6</td>
<td>1.8</td>
<td>3,500</td>
<td>251.8</td>
<td>41,470</td>
<td>178.2</td>
</tr>
<tr>
<td>Total</td>
<td>1,301,270</td>
<td>1,545,520</td>
<td>100.0</td>
<td>100.0</td>
<td>-72,020</td>
<td>-33.2</td>
<td>244,250</td>
<td>18.8</td>
</tr>
</tbody>
</table>


Figure 34
Percent Change of Residents Working in Manufacturing and All Industries by Age Group
City of Toronto 2001 & 2014

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Percentage Change 2001 to 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-24</td>
<td>-25.0</td>
</tr>
<tr>
<td>25-44</td>
<td>-25.0</td>
</tr>
<tr>
<td>45-64</td>
<td>-25.0</td>
</tr>
<tr>
<td>65+</td>
<td>225.0</td>
</tr>
</tbody>
</table>

Unemployment Rate

The unemployment rate of City of Toronto residents for manufacturing increased slightly from 4.36% in 2013 to 4.79% in 2014. The unemployment rate of City of Toronto residents for all industries experienced labour force stood at 5.12% in 2014. The unemployment rate for manufacturing experienced labour force has been lower than the unemployment rate for all industries experienced labour force for most the past two years (figure 35 & 36).

**Figure 35**
Unemployment Rate of Residents
City of Toronto
2001 to 2014

<table>
<thead>
<tr>
<th>Year</th>
<th>Manufacturing Experienced Labour Force Unemployment Rate*</th>
<th>All Industries Experienced Labour Force Unemployment Rate*</th>
<th>All Industries Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>5.36%</td>
<td>4.48%</td>
<td>7.30%</td>
</tr>
<tr>
<td>2002</td>
<td>5.36%</td>
<td>5.37%</td>
<td>8.46%</td>
</tr>
<tr>
<td>2003</td>
<td>5.91%</td>
<td>5.47%</td>
<td>8.66%</td>
</tr>
<tr>
<td>2004</td>
<td>5.71%</td>
<td>5.01%</td>
<td>8.44%</td>
</tr>
<tr>
<td>2005</td>
<td>6.55%</td>
<td>4.90%</td>
<td>8.02%</td>
</tr>
<tr>
<td>2006</td>
<td>7.16%</td>
<td>4.50%</td>
<td>7.57%</td>
</tr>
<tr>
<td>2007</td>
<td>8.35%</td>
<td>4.80%</td>
<td>7.90%</td>
</tr>
<tr>
<td>2008</td>
<td>5.93%</td>
<td>4.65%</td>
<td>7.53%</td>
</tr>
<tr>
<td>2009</td>
<td>12.08%</td>
<td>6.53%</td>
<td>9.97%</td>
</tr>
<tr>
<td>2010</td>
<td>9.66%</td>
<td>5.67%</td>
<td>9.94%</td>
</tr>
<tr>
<td>2011</td>
<td>6.27%</td>
<td>4.89%</td>
<td>9.21%</td>
</tr>
<tr>
<td>2012</td>
<td>5.30%</td>
<td>5.19%</td>
<td>9.64%</td>
</tr>
<tr>
<td>2013</td>
<td>4.36%</td>
<td>4.76%</td>
<td>8.79%</td>
</tr>
<tr>
<td>2014</td>
<td>4.79%</td>
<td>5.12%</td>
<td>9.52%</td>
</tr>
</tbody>
</table>

*Note: Based on experienced labour force and does not include new entrants into the labour force. Total unemployment rate is significantly higher.
Cost Competitiveness

Toronto’s Competitive Advantages for Manufacturing Activity

Internationally and in relation to other large cities in North America, the Toronto region ranks very well in terms of its competitiveness for manufacturing activity.

The Toronto region offers a number of competitive advantages from a business attraction, retention and expansion perspective, including its relative cost competitiveness, the existing scale and diversity of industry, strong labour force, proximity and access to large North American markets and supply chains, good transportation networks and high quality of life. Further, the industrial land inventory of the Toronto area is the third largest in North America, making the Toronto region a draw for manufacturers taking advantage of existing concentrations and infrastructure.

In its Competitive Alternatives – 2014 Edition report, KPMG conducted an analysis of the relative costs of manufacturers doing business in 91 cities in Canada, United States and Mexico. The study measured the combined impact of 26 significant cost components that vary by location, over a 10-year horizon. The KPMG study considered international as well as regional cost advantages, including cost advantages for manufacturing industry specifically, and also

Figure 36
Unemployment Rate* of Residents by Industry
City of Toronto, 2001 to 2014

*Note: Based on experienced labour force and does not include new entrants into the labour force. Total unemployment rate is significantly higher.
provided information on important non-cost factors that influence the business attractiveness of different locations. Aspects addressed by the study included labour availability and skills, economic conditions, innovation, infrastructure, regulatory environment, cost of living and personal quality of life factors.

Figure 37 shows the Toronto region’s manufacturing cost competitiveness relative to selected other North American cities. The Toronto region fared well in cost advantage relative to the 91 international cities reviewed, ranking tied for 13th overall. It should also be noted that for the manufacturing sub-sectors reported as part of the study, the Toronto region ranked within the top 15 of 91 cities for aerospace, agri-food, automotive, chemicals, electronics, green energy, medical devices, pharmaceuticals, precision manufacturing and telecommunications (figure 37 & 38).

**Figure 37**
*Average Cost Index of All Manufacturing Industries*
*Selected North American Regions, 2014*

<table>
<thead>
<tr>
<th>Region</th>
<th>Average Manufacturing Cost Index*</th>
<th>Rank**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Montreal PQ</td>
<td>92.0</td>
<td>9th – tied</td>
</tr>
<tr>
<td>Winnipeg MB</td>
<td>92.0</td>
<td>9th – tied</td>
</tr>
<tr>
<td>Toronto ON</td>
<td>93.6</td>
<td>13th – tied</td>
</tr>
<tr>
<td>Edmonton AB</td>
<td>94.0</td>
<td>16th – tied</td>
</tr>
<tr>
<td>Vancouver BC</td>
<td>94.6</td>
<td>21st – tied</td>
</tr>
<tr>
<td>Cleveland OH</td>
<td>96.3</td>
<td>34</td>
</tr>
<tr>
<td>Pittsburgh PA</td>
<td>96.4</td>
<td>35</td>
</tr>
<tr>
<td>Chicago IL</td>
<td>99.1</td>
<td>48</td>
</tr>
<tr>
<td>Detroit MI</td>
<td>98.2</td>
<td>44th – tied</td>
</tr>
<tr>
<td>Los Angeles CA</td>
<td>100.5</td>
<td>53</td>
</tr>
<tr>
<td>Boston MA</td>
<td>101.1</td>
<td>54</td>
</tr>
<tr>
<td>New York City</td>
<td>103.6</td>
<td>56</td>
</tr>
</tbody>
</table>

Note: * Business costs are expressed as an index, with the US being assigned a baseline index of 100.0. An index below 100 indicates lower costs than the US. An index over 100 indicates higher costs than the US. (e.g., an index of 95.0 represents a 5.0% cost advantage relative to the US.

**Rank among 91 cities in mature and high growth markets in Canada, United States and Mexico

Source: KPMG Competitive Alternatives – 2014 Edition
### Figure 38
Cost Advantage by Manufacturing Industry
Toronto
2014

<table>
<thead>
<tr>
<th>Industry</th>
<th>Toronto Region's Cost Index*</th>
<th>Toronto Region's Rank**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace (aircraft parts)</td>
<td>96.4</td>
<td>10th - tied</td>
</tr>
<tr>
<td>Agri-Food (food processing)</td>
<td>96.6</td>
<td>10th - tied</td>
</tr>
<tr>
<td>Automotive (auto parts)</td>
<td>97.1</td>
<td>12th</td>
</tr>
<tr>
<td>Chemicals (specialty chemicals)</td>
<td>96.7</td>
<td>11th tied</td>
</tr>
<tr>
<td>Electronics (electronics assembly)</td>
<td>95.8</td>
<td>11th</td>
</tr>
<tr>
<td>Green Energy (advanced battery/fuel cells)</td>
<td>96.4</td>
<td>9th - tied</td>
</tr>
<tr>
<td>Medical Devices (medical devices manufacturing)</td>
<td>95.0</td>
<td>13th</td>
</tr>
<tr>
<td>Metal Components (metal machining)</td>
<td>96.5</td>
<td>19th</td>
</tr>
<tr>
<td>Pharmaceuticals (pharmaceutical products)</td>
<td>97.5</td>
<td>11th</td>
</tr>
<tr>
<td>Plastics (plastic products)</td>
<td>97.5</td>
<td>22nd - tied</td>
</tr>
<tr>
<td>Precision Manufacturing (precision components)</td>
<td>97.2</td>
<td>8th - tied</td>
</tr>
<tr>
<td>Telecommunications (telecom equipment)</td>
<td>95.8</td>
<td>14th</td>
</tr>
<tr>
<td><strong>Manufacturing Average</strong></td>
<td><strong>93.6</strong></td>
<td><strong>13th - tied</strong></td>
</tr>
</tbody>
</table>

Note: * Business costs are expressed as an index, with the US being assigned a baseline index of 100.0. An index below 100 indicates lower costs than the US. An index over 100 indicates higher costs than the US. (e.g., an index of 95.0 represents a 5.0% cost advantage relative to the US. ) **Rank among 91 cities in mature and high growth markets in Canada, United States and Mexico

Source: KPMG Competitive Alternatives – 2014 Edition

Drilling down a little further, while a number of additional advantages are also regional in nature, manufacturers and the firms in their supply, customer and business support networks operating and expanding in the city of Toronto can take advantage of: the clustering of firms and activities in a range of sectors; a large, diverse and skilled labour force; access to public transit; and a concentration of academic, government, institutional networks and alliances to facilitate research and innovation.

Manufacturers wishing to locate or expand in Toronto also benefit from a supportive business environment, increasingly competitive property tax rates for business, various cost savings including reduced development charges for industrial development, the Imagination, Manufacturing, Innovation, Technology (IMIT/TIEG) tax incentive for eligible projects, and a variety of additional business development and assistance programs offered by the City of Toronto and other agencies and orders of government, including support for key industry sectors.
Property

Industrial Vacancy Rate

The City of Toronto industrial vacancy rate remains one of the lowest in the Greater Toronto Area (GTA). In the 4th quarter of 2014, the industrial vacancy rate was 4.4%, 1.0% lower than the GTA average of 5.4% (figure 39 & 40). The City of Toronto industrial vacancy rate has remained steady in the 4% to 5% range since 1998.

Figure 39
Industrial Vacancy Rate
Greater Toronto Area (GTA)

<table>
<thead>
<tr>
<th>Region</th>
<th>1998 (%)</th>
<th>2003 (%)</th>
<th>2008 (%)</th>
<th>2013 (%)</th>
<th>2014 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central (City of Toronto)</td>
<td>4.9</td>
<td>4.3</td>
<td>5.2</td>
<td>4.9</td>
<td>4.4</td>
</tr>
<tr>
<td>East</td>
<td>2.0</td>
<td>7.0</td>
<td>7.4</td>
<td>11.3</td>
<td>10.0</td>
</tr>
<tr>
<td>North</td>
<td>4.2</td>
<td>4.2</td>
<td>7.2</td>
<td>4.9</td>
<td>4.3</td>
</tr>
<tr>
<td>West</td>
<td>5.3</td>
<td>5.3</td>
<td>7.0</td>
<td>6.1</td>
<td>6.3</td>
</tr>
<tr>
<td>Greater Toronto Area</td>
<td><strong>4.9</strong></td>
<td><strong>4.8</strong></td>
<td><strong>6.4</strong></td>
<td><strong>5.7</strong></td>
<td><strong>5.4</strong></td>
</tr>
</tbody>
</table>

Industrial Property Taxes

Due to a combination of a reduction in the property taxes per sq.ft. for industrial space in the City of Toronto (figure 44) and the conversion of industrial sites to non-industrial uses, the industrial property taxes paid in Toronto declined by over $5 million from 2012 to 2013 (figure 41 & 42).

Industrial Vacancy Rate

Source: Ontario Ministry of Municipal Affairs and Housing, Municipal Finance Policy Branch, 2000-2013

Industrial Property Taxes Paid

<table>
<thead>
<tr>
<th>City of Toronto</th>
<th>2000 ($)</th>
<th>2003 ($)</th>
<th>2008 ($)</th>
<th>2012 ($)</th>
<th>2013 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Toronto</td>
<td>323,352,666</td>
<td>256,183,705</td>
<td>251,994,776</td>
<td>239,727,697</td>
<td>234,022,690</td>
</tr>
</tbody>
</table>

Source: Ontario Ministry of Municipal Affairs and Housing, Municipal Finance Policy Branch, 2000-2013
Industrial Property Tax Rate

The City of Toronto industrial property tax rate has decreased from 10.66% in 1998 to 2.94% in 2014 (figure 43). The decrease in the industrial tax rate is in part a response from Toronto City Council to reduce the industrial property tax rate to a ratio 2.5 times that of residential. Only one-third of a residential property tax increase can be applied to the industrial side to reach the 2.5 times ratio target. Figure 44 shows the decrease in industrial property taxes per square foot in the City of Toronto from 1998 to 2014. Industrial property taxes have decreased from an average of $3.78/sq.ft. in 1998 to $2.93/sq.ft. in 2014, a decrease of $0.85/sq.ft. or 22.5%. Industrial property taxes/sq.ft. in Vaughan, Mississauga and Brampton, are trending upward and may surpass Toronto as Pickering did in 2013 (figure 44).
Figure 43
Industrial Property Tax Rate
City of Toronto
2001 to 2014

Figure 44
Industrial Property Taxes / sq.ft.
Selected GTA Municipalities
1998-2014

Source: City of Toronto, Revenue Services, 2001-2014

Source: City of Toronto Revenue Services, City of Toronto Economic Development and Culture, Municipal Property Assessment Corporation (MPAC), 1998-2014
Building

Value of Building Permits

The City of Toronto industrial value of building permits issued increased from 1998 to 2014 by $85.2 million or 33.2%. The industrial value of building permits issued in 2014 was $341.8 million representing 4.3% of the total value of building permits (figure 45).

<table>
<thead>
<tr>
<th>Building Type</th>
<th>1998 ($ ,000)</th>
<th>2003 ($ ,000)</th>
<th>2008 ($ ,000)</th>
<th>2014 ($ ,000)</th>
<th>% of Total</th>
<th>1998 to 2014 ($ ,000)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial</td>
<td>256,560</td>
<td>227,368</td>
<td>295,753</td>
<td>341,756</td>
<td>4.3</td>
<td>85,196</td>
<td>33.2</td>
</tr>
<tr>
<td>Residential</td>
<td>1,068,267</td>
<td>1,933,094</td>
<td>2,941,572</td>
<td>4368127</td>
<td>56.6</td>
<td>3,299,860</td>
<td>308.9</td>
</tr>
<tr>
<td>Commercial</td>
<td>713,284</td>
<td>872,323</td>
<td>1,845,628</td>
<td>1963987</td>
<td>32.9</td>
<td>1,250,703</td>
<td>175.3</td>
</tr>
<tr>
<td>Institutional</td>
<td>263,576</td>
<td>693,194</td>
<td>634,305</td>
<td>400237</td>
<td>6.2</td>
<td>136,661</td>
<td>51.8</td>
</tr>
<tr>
<td>Total</td>
<td>2,301,687</td>
<td>3,725,979</td>
<td>5,717,258</td>
<td>7,074,107</td>
<td>100.0</td>
<td>4,772,420</td>
<td>207.3</td>
</tr>
</tbody>
</table>

City of Toronto, Toronto Building, 1998-2014
Building Permits New Gross Floor Area (GFA)

The number of permits issued where new industrial gross floor area was added in 2014 was 42 representing 452,250 sq.ft (42,014 m²) (figure 46).

**Figure 46**

*Industrial Building Permits Issued, New Gross Floor Area (GFA)*

*City of Toronto*

*2001 to 2014*

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Permits Issued</th>
<th>Gross Floor Area (sq.ft.)</th>
<th>Gross Floor Area (m²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>87</td>
<td>1,682,185</td>
<td>156,275</td>
</tr>
<tr>
<td>2002</td>
<td>58</td>
<td>501,130</td>
<td>46,555</td>
</tr>
<tr>
<td>2003</td>
<td>52</td>
<td>1,185,382</td>
<td>110,122</td>
</tr>
<tr>
<td>2004</td>
<td>71</td>
<td>1,672,788</td>
<td>155,402</td>
</tr>
<tr>
<td>2005</td>
<td>47</td>
<td>858,934</td>
<td>79,795</td>
</tr>
<tr>
<td>2006</td>
<td>57</td>
<td>1,611,098</td>
<td>149,671</td>
</tr>
<tr>
<td>2007</td>
<td>38</td>
<td>1,028,719</td>
<td>95,568</td>
</tr>
<tr>
<td>2008</td>
<td>52</td>
<td>1,527,190</td>
<td>141,876</td>
</tr>
<tr>
<td>2009</td>
<td>21</td>
<td>372,217</td>
<td>34,579</td>
</tr>
<tr>
<td>2010</td>
<td>34</td>
<td>275,953</td>
<td>25,636</td>
</tr>
<tr>
<td>2011</td>
<td>26</td>
<td>953,132</td>
<td>88,546</td>
</tr>
<tr>
<td>2012</td>
<td>41</td>
<td>726,766</td>
<td>70,861</td>
</tr>
<tr>
<td>2013</td>
<td>41</td>
<td>758,472</td>
<td>70,462</td>
</tr>
<tr>
<td>2014</td>
<td>42</td>
<td>452,250</td>
<td>42,014</td>
</tr>
</tbody>
</table>

Source: City of Toronto, Toronto Building, 2001-2014