

Appendix B

State of Manufacturing in Toronto Report Update - 2016

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 124,000 people representing 9.0% 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 124,609 in 2014. This was a decrease of 5,520 or 4.2% from 2009 (figure 1). Between 2004 and 2014, total manufacturing employment in Toronto declined by 44,600 jobs or 26.4%, where overall employment in the city increased by 127,456 jobs or 10.1% during the same time period (figure 1 & 2).

Figure 1
Employment* by Sector City of Toronto
2004, 2009, & 2014

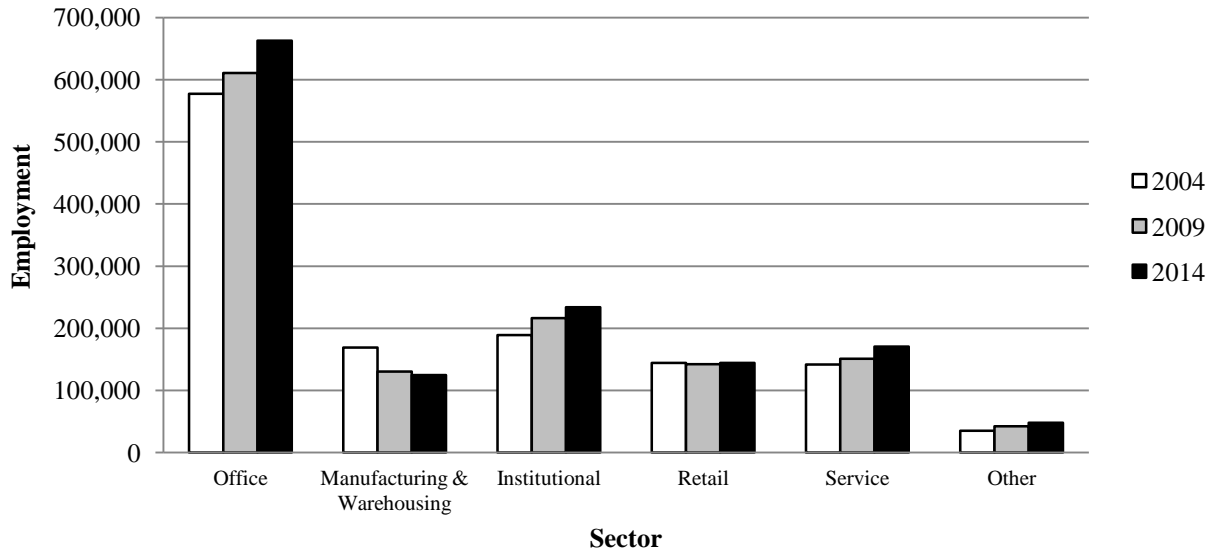
Sector	2004 #	2009 #	2014		2004 to 2014	
			#	% of Total	# Change	% Change
Office	577,500	610,868	662,974	47.9	85,474	14.8
Manufacturing & Warehousing**	169,209	130,129	124,609	9.0	-44,600	-26.4
Institutional	189,111	216,497	233,725	16.9	44,614	23.6
Retail	144,113	142,277	144,536	10.4	423	0.3
Service	141,908	150,962	170,628	12.3	28,720	20.2
Other	35,112	42,460	47,937	3.5	12,825	36.5
Total	1,256,953	1,293,193	1,384,409	100.0	127,456	10.1

*Full time and part time employment

**Manufacturing & Warehousing includes all businesses with 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 2014* 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.

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2004, 2009 & 2014

**Figure 2
Employment* by Sector
City of Toronto
2004, 2009 & 2014**



*Full time and part time

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2004, 2009 & 2014

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 3). The manufacturing and warehousing sub-sectors experiencing employment growth from 2004 to 2014 were building components, postal sorting station, warehousing and storage.

Figure 3
Employment* by Manufacturing and Warehousing Sub-Sectors
City of Toronto
2004 & 2014

Manufacturing and Warehousing Sub-Sectors	2004 #	2014		2004 to 2014	
		#	% of Total	# Change	% Change
Food Processing	22,181	20,823	16.7	-1,358	-6.1
Clothing	11,381	4,465	3.6	-6,916	-60.8
Textiles, Leather	4,631	2,958	2.4	-1,673	-36.1
Paper & Wood Products	7,846	4,787	3.8	-3,059	-39.0
Component Parts	4,933	3,429	2.8	-1,504	-30.5
Metal Products	10,855	7,390	5.9	-3,465	-31.9
Pharmaceuticals & Chemicals	17,914	11,687	9.4	-6,227	-34.8
Cabinet Making	7,763	5,809	4.7	-1,954	-25.2
Building Components	4,562	5,532	4.4	970	21.3
Scientific Equipment	7,756	3,789	3.0	-3,967	-51.1
Machinery & Equipment	7,980	5,297	4.3	-2,683	-33.6
Electrical Equipment	9,067	5,036	4.0	-4,031	-44.5
Vehicles & Parts	4,924	4,274	3.4	-650	-13.2
Other Product Assembly	3,750	2,922	2.3	-828	-22.1
Waste Treatment	3,027	2,787	2.2	-240	-7.9
R&D Laboratories	7,544	4,890	3.9	-2,654	-35.2
Printing	7,769	4,768	3.8	-3,001	-38.6
Postal Sorting Station	3,400	4,365	3.5	965	28.4
Other Manufacturing	9,512	6,120	4.9	-3,392	-35.7
Warehousing	11,313	12,025	9.7	712	6.3
Storage	1,101	1,456	1.2	355	32.2
Manufacturing & Warehousing Total	169,209	124,609	100.0	-44,600	-26.4

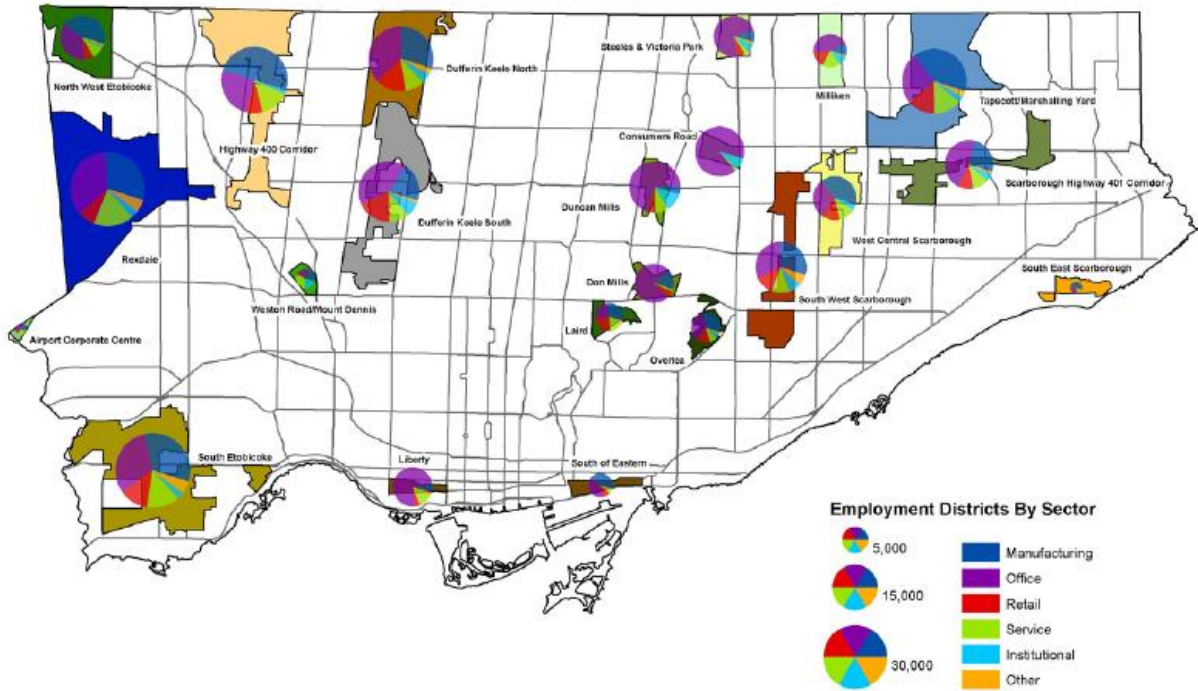
*Full time and part time

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2004 & 2014

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 4). Manufacturing and warehousing employment is also located in other employment related lands (figure 5). Manufacturing and warehousing employment in the employment districts was 114,760 or 92.1% of the City's total. Manufacturing and warehousing employment in the employment districts decreased by 4,120 or 3.5% from 2010 to 2014 and total employment in the employment districts increased by 13,200 or 3.4% during the same time period (figure 5). Manufacturing and warehousing employment in the employment districts increased in 11 of the 22 employment districts between 2013 and 2014 (figure 6).

**Figure 4
Map of Employment Districts*
City of Toronto, 2014**



*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 - August 2015

Figure 5
Employment* in Employment Districts and Rest of City
City of Toronto
2010 and 2014

Sector	2010		2014			2010 to 2014	
	Employment District	Rest of City	Employment District	% of Employment District	Rest of City	# Change Employment District	% Change Employment District
Office	158,240	465,060	163,720	41.1	499,250	5,480	3.5
Manufacturing & Warehousing	118,880	10,620	114,760	28.8	9,850	-4,120	-3.5
Institutional	13,970	199,530	17,430	4.4	216,300	3,460	24.8
Retail	39,440	101,060	41,900	10.5	102,640	2,460	6.2
Service	47,560	103,340	50,210	12.6	120,420	2,650	5.6
Other	7,460	33,040	10,710	2.7	37,210	3,250	43.6
Total	385,550	912,750	398,750	100.0	985,640	13,200	3.4

*Full time and part time employment

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2010 & 2014

Figure 6
Manufacturing and Warehousing Employment* in Employment Districts
City of Toronto
2009, 2013 and 2014

Employment District	2009	2013	2014	2009 to 2014		2013 to 2014	
				# Change	% Change	# Change	% Change
South Etobicoke	16,510	15,470	13,740	-2,770	-16.8	-1,730	-11.2
Rexdale	12,880	12,030	12,680	-200	-1.6	650	5.4
Highway 400 Corridor	15,710	16,440	16,230	520	3.3	-210	-1.3
Tapscott/Marshalling Yard	13,200	12,940	12,530	-670	-5.1	-410	-3.2
Dufferin Keele North	7,960	9,100	9,180	1,220	15.3	80	0.9
Dufferin Keele South	5,460	5,640	5,710	250	4.6	70	1.2
South West Scarborough	5,540	5,820	5,840	300	5.4	20	0.3
Duncan Mills	950	1,180	1,170	220	23.2	-10	-0.8
Consumers Road	120	80	100	-20	-16.7	20	25.0
Scarborough Highway 401 Corridor	3,350	4,490	4,520	1,170	34.9	30	0.7
North West Etobicoke	7,590	6,750	6,440	-1,150	-15.2	-310	-4.6
West Central Scarborough	6,810	6,020	5,690	-1,120	-16.4	-330	-5.5
Steeles & Victoria Park	1,640	1,290	1,220	-420	-25.6	-70	-5.4
Liberty	1,070	890	900	-170	-15.9	10	1.1
Don Mills	2,580	1,830	1,820	-760	-29.5	-10	-0.5
Milliken	1,150	860	960	-190	-16.5	100	11.6
Overlea	2,580	2,400	2,120	-460	-17.8	-280	-11.7
Laird	1,670	1,340	1,810	140	8.4	470	35.1
South of Eastern	2,410	1,870	1,870	-540	-22.4	0	0.0
Weston Road/Mount Dennis	300	520	540	240	80.0	20	3.8
South East Scarborough	670	620	590	-80	-11.9	-30	-4.8
Airport Corporate Centre	470	220	250	-220	-46.8	30	13.6
Other Employment Related Lands	8,500**	8,660	8,850	350	4.1	190	2.2
All Employment Districts/Lands	119,120**	116,460	114,760	-4,360	-3.7	-1,700	-1.5
Rest of City	10,980**	9,740	9,850	-1,130	-10.3	110	1.1
City Total	130,100	126,200	124,610	-5,490	-4.2	-1,590	-1.3

*Full time and part time employment

**Estimation

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2009, 2013 & 2014

Establishments

Manufacturing and Warehousing Establishments

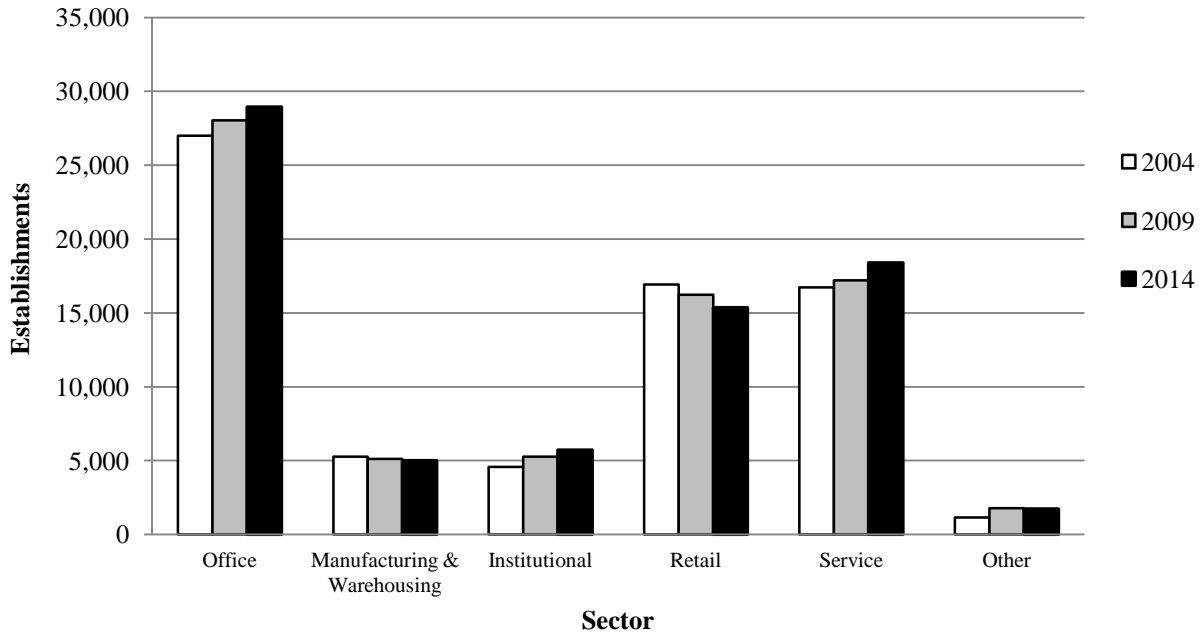
There were 5,006 manufacturing and warehousing establishments in the City of Toronto in 2014 representing 6.7% of the total number of establishments (figure 7 & 8). Manufacturing and warehousing establishments have decreased by 1,939 or 7.2% since 2004. The total number of establishments in the City increased by 3,564 or 5.0% between 2004 and 2014.

Figure 7
Establishments by Sector
City of Toronto
2004, 2009, and 2014

Sector	2004 #	2009 #	2014		2004 to 2014	
			#	% of Total	# Change	% Change
Office	27,001	28,043	28,940	38.5	1,939	7.2
Manufacturing & Warehousing	5,257	5,113	5,006	6.7	-251	-4.8
Institutional	4,583	5,256	5,726	7.6	1,143	24.9
Retail	16,918	16,236	15,361	20.4	-1,557	-9.2
Service	16,719	17,214	18,404	24.5	1,685	10.1
Other	1,139	1,776	1,744	2.3	605	53.1
Total	71,617	73,638	75,181	100.0	3,564	5.0

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2004, 2009 & 2014

**Figure 8
Establishments by Sector
City of Toronto
2004, 2009 & 2014**



Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2004, 2009 & 2014

Establishments by Manufacturing and Warehousing Sub-Sector

In the manufacturing and warehousing sub-sectors, several have shown an increase in the number of establishments between 2004 and 2014 including food processing with an increase of 58 or 17.7%, paper wood products with an increase of 26 or 16.0%, building components with an increase of 48 or 17.5%, electrical equipment with an increase of 17 or 11.2%, vehicles & parts with an increase of 18 or 29.0%, waste treatment with an increase of 33 or 49.3% and warehousing with an increase of 225 or 60.0% (figure 9).

Figure 9
Establishments by Manufacturing and Warehousing Sub-Sector
City of Toronto
2004 and 2014

Manufacturing and Warehousing Sub-Sectors	2004 #	2014		2004 to 2014	
		#	% of Total	# Change	% Change
Food Processing	328	386	7.7	58	17.7
Clothing	417	235	4.7	-182	-43.6
Textiles, Leather	182	155	3.1	-27	-14.8
Paper & Wood Products	162	188	3.8	26	16.0
Component Parts	217	175	3.5	-42	-19.4
Metal Products	397	385	7.7	-12	-3.0
Pharmaceuticals & Chemicals	249	210	4.2	-39	-15.7
Cabinet Making	377	371	7.4	-6	-1.6
Building Components	274	322	6.4	48	17.5
Scientific Equipment	76	65	1.3	-11	-14.5
Machinery & Equipment	311	244	4.9	-67	-21.5
Electrical Equipment	152	169	3.4	17	11.2
Vehicles & Parts	62	80	1.6	18	29.0
Other Product Assembly	252	219	4.4	-33	-13.1
Waste Treatment	67	100	2.0	33	49.3
R&D Laboratories	71	61	1.2	-10	-14.1
Printing	710	534	10.7	-176	-24.8
Postal Sorting Station	13	12	0.2	-1	-7.7
Other Manufacturing	338	294	5.9	-44	-13.0
Warehousing	375	600	12.0	225	60.0
Storage	227	201	4.0	-26	-11.5
Total Manufacturing	5,257	5,006	100.0	-251	-4.8

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2004 & 2014

Manufacturing and Warehousing 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 2,172 or 43.5% of the total establishments in the City of Toronto (figure 10 & 11). The 1 to 4 employee category saw an increase of 192 establishments or 9.7% from 2004 to 2014.

Larger businesses dominate employment in manufacturing and warehousing with the 279 establishments employing 100 or more employing a total of 66,351 or 53.2% of the total. The 279 establishments represent only 5.6% of the manufacturing and warehousing firms in Toronto (figure 10).

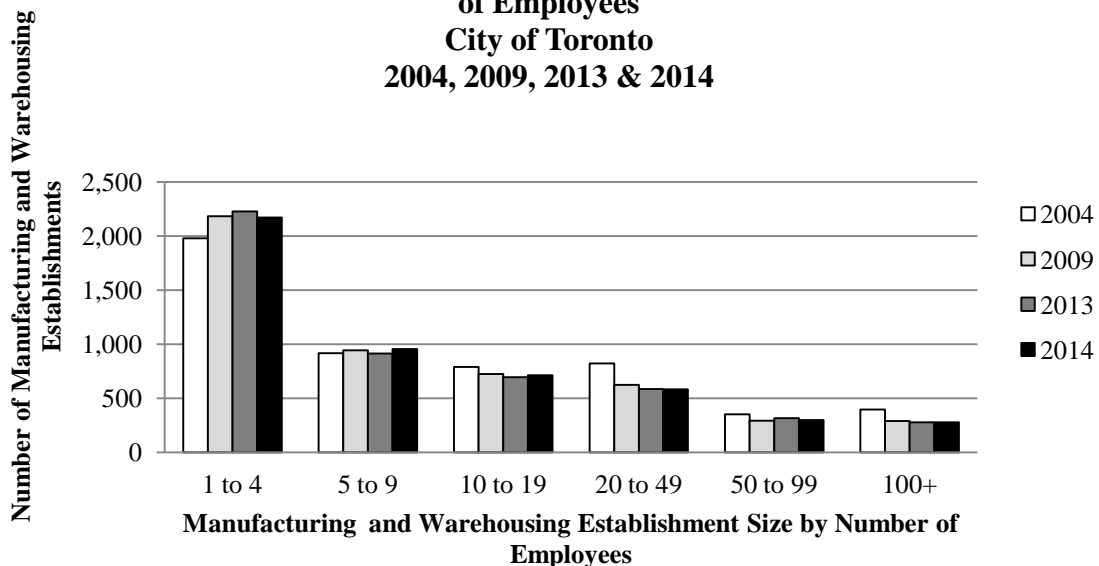
Figure 10
Manufacturing and Warehousing Establishments by Number of Employees*
City of Toronto
2004, 2009, 2013 & 2014

Establishment Size by Number of Employees	2004 #	2014			2004 to 2014	
		#	% of Total	# of Employees	# Change	% Change
1 to 4	1,980	2,172	43.5	4,809	192	9.7
5 to 9	916	956	19.1	6,185	40	4.4
10 to 19	791	712	14.2	9,428	-79	-10.0
20 to 49	822	582	11.6	17,757	-240	-29.2
50 to 99	353	297	5.9	20,079	-56	-15.9
100+	395	279	5.6	66,351	-116	-29.4
Totals	5,257	4,998	100.0	124,609	-259	-4.9

*Full time and part time employment

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2004, 2009, 2013 & 2014

Figure 11
Manufacturing and Warehousing Establishment Size by Number of Employees
City of Toronto
2004, 2009, 2013 & 2014



Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2004, 2009, 2013 & 2014

New Establishments

There were 230 new manufacturing and warehousing establishments in the City of Toronto in 2014. This represented 4.6% of the new establishments in all sectors (figure 12).

Figure 12
New Establishments* by Sector
City of Toronto
2009, 2013 & 2014

Sector	2009	2013	2014	2014 % of Total
Office	1,393	1,690	2,150	42.7
Manufacturing & Warehousing	170	200	230	4.6
Institutional	223	330	350	7.0
Retail	770	820	830	16.5
Service	930	1,070	1,220	24.2
Other	338	230	250	5.0
Total	3,824	4,340	5,030	100.0

*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.

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2009, 2013 & 2014

Business Establishment Longevity

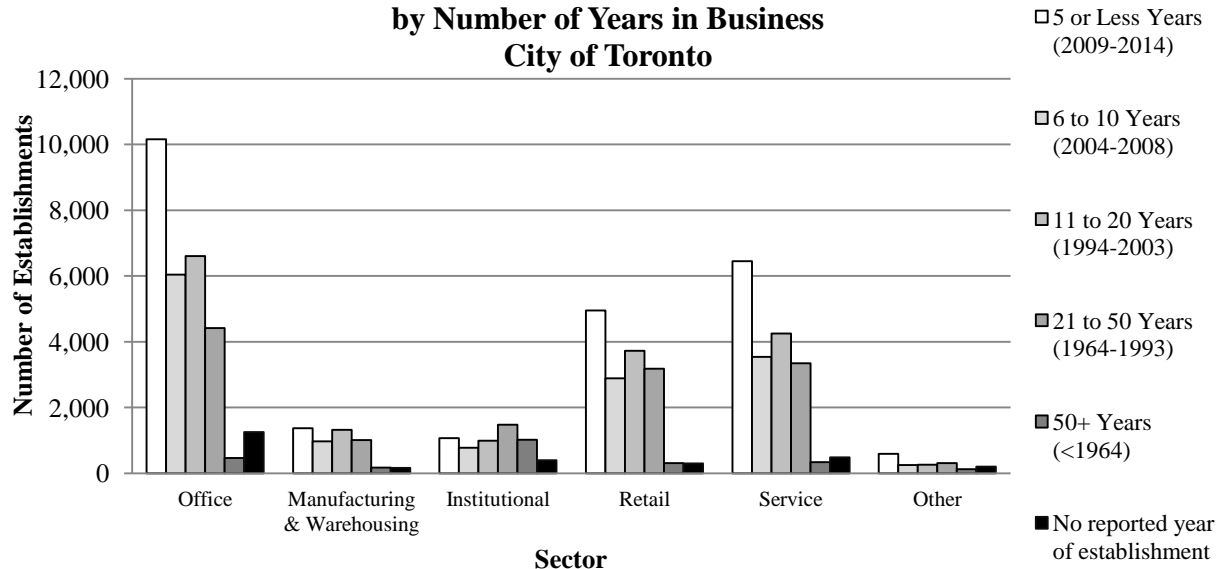
Longevity of establishments in the manufacturing and warehousing sector is one of the highest of the six identified sectors in the City of Toronto. Manufacturing and warehousing establishments 21 years and older accounted for 1,187 establishments or 24.5% of the total in 2014 (figure 13 & 14). Office, retail and service sector establishments 21 years and older accounted for 17.6%, 23.2% and 20.6% respectively. The change in number of establishment from 5 or less years to 6 to 10 years for the manufacturing and warehousing sector was 403 or 17.2%. By comparison, the change from 5 or less years to 6 to 10 years for the office, retail and service sectors in 2013 was 25.4%, 26.2% and 29.1% respectively (figure 13 & 14).

Figure 13
Longevity of Establishments by Sector by Year Started
City of Toronto

Sector	5 or Less Years (2009-2014)	6 to 10 Years (2004-2008)	11 to 20 Years (1994-2003)	21 to 50 years (1964 to 1993)	Greater than 50 Years (<1964)	No Reported Start Year	Total
Office	10,158	6,043	6,604	4,421	464	1,250	28,940
Manufacturing & Warehousing	1,371	968	1,319	1,011	176	161	5,006
Institutional	1,071	775	987	1,474	1024	395	5,726
Retail	4,947	2,890	3,727	3,184	313	300	15,361
Service	6,448	3,539	4,249	3,350	337	481	18,404
Other	589	255	262	307	126	205	1,744
Total	24,584	14,470	17,148	13,747	2,440	2,792	75,181

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2014

Figure 14
Establishment Longevity by Sector
by Number of Years in Business
City of Toronto



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

Employees per Establishment

The average number of employees per establishment in the manufacturing and warehousing sector has decreased from 32.2 to 24.9 employees per establishment or 22.7% from 2004 to 2014. The sectors that showed a decrease in employees per establishment during this time period were the institutional sector and the other sector. Total sectors showed an increase of 0.9 employees per establishment or 4.9% from 2004 to 2014 (figure 15 & 16).

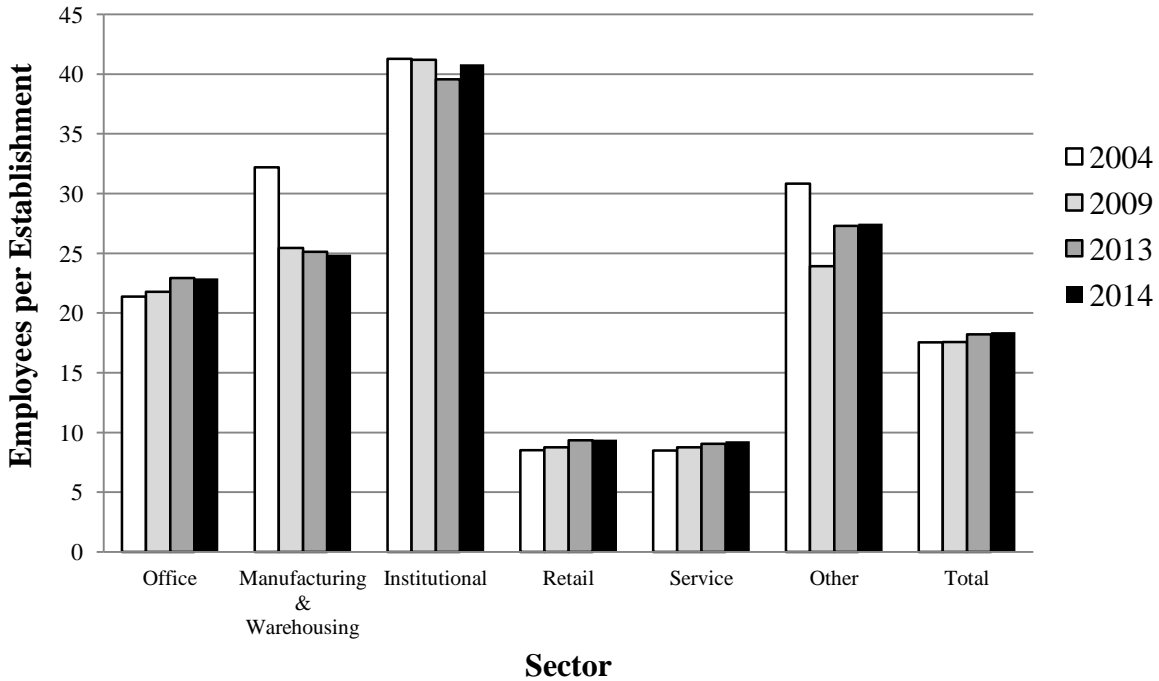
Figure 15
Employees* per Establishment by Sector
City of Toronto
2004, 2009, 2013 & 2014

Sector	2004	2009	2013	2014	2004 to 2014	
					# Change	% Change
Office	21.4	21.8	22.9	22.9	1.5	7.1
Manufacturing & Warehousing	32.2	25.5	25.1	24.9	-7.3	-22.7
Institutional	41.3	41.2	39.6	40.8	-0.4	-1.1
Retail	8.5	8.8	9.4	9.4	0.9	10.5
Service	8.5	8.8	9.1	9.3	0.8	9.2
Other	30.8	23.9	27.3	27.5	-3.3	-10.8
Total	17.6	17.6	18.2	18.4	0.9	4.9

*Full time and part time employees

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2004, 2009, 2013 & 2014

Figure 16
Employees* per Establishment by Sector
City of Toronto
2004, 2009, 2013 & 2014



*Full time and part time employees

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 2004, 2009, 2013 & 2014

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 2014, manufacturing industries produced an estimated \$12.6 billion of output (in constant 2007 dollars), which accounted for 8.1% of the total output of goods and services produced in the City of Toronto (figure 17 & 18). Over the period of 2011-2014, estimated manufacturing GDP increased by 6.9%. Among the major manufacturing sub-sectors, the primary metal, miscellaneous (which includes medical devices) and food sub-sectors had the largest GDP percent growth between 2011 and 2014 with increases of 52.7%, 25.5% and 24.5% respectively. GDP for all industries in the city increased from \$145.4 billion to \$155.9 billion or 7.2% between 2011 and 2014.

In terms of GDP per job, manufacturing increased from \$89,290 to \$97,792 or 9.5% over the period of 2011-2014 (figure 19). During the same time period, the GDP per job for all industries increased from \$89,669 to \$91,010 or 1.5%. The manufacturing sub-sectors with the largest \$ change and percent increase in GDP per job between 2011 and 2014 are Beverage & Tobacco product (\$41,160 / 28.7%), Printing & Related Support Activities (\$30,920 / 45.5%) and Transportation Equipment (\$19,493 / 16.8%).

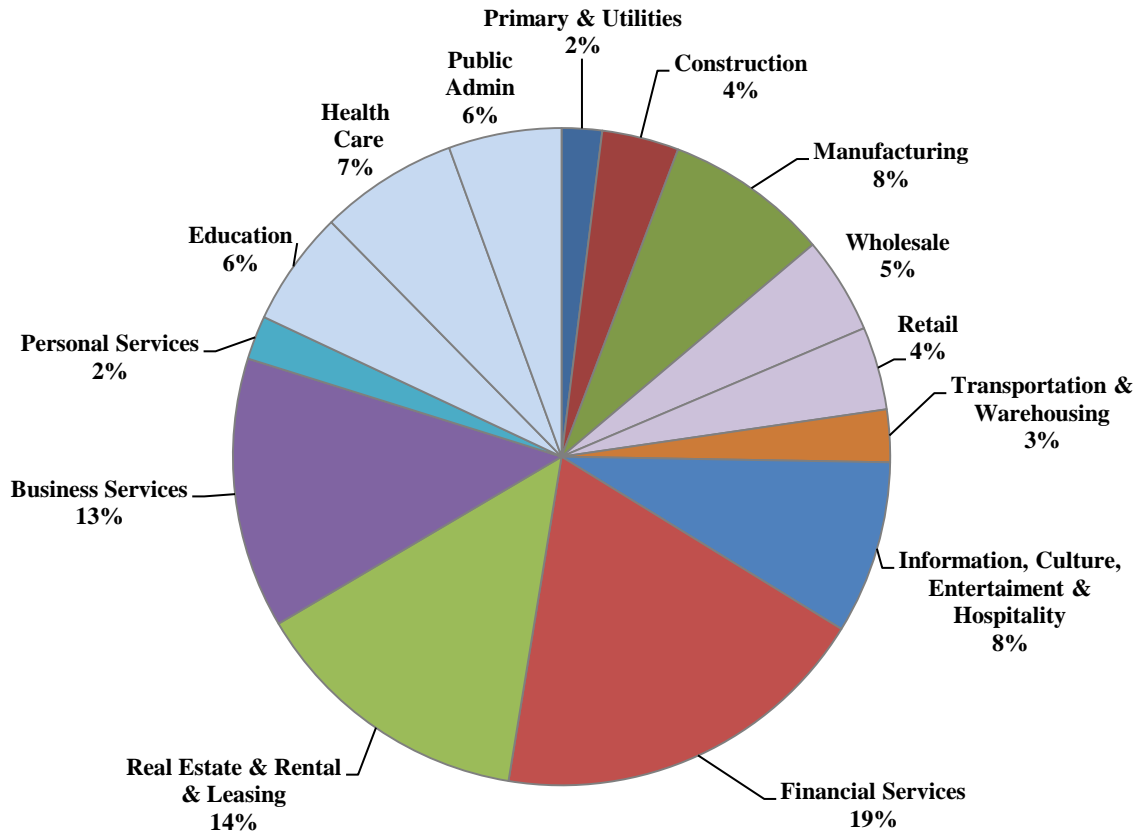
Figure 17
Gross Domestic Product* (GDP) in Manufacturing Sub-Sectors
City of Toronto
2011 - 2014

Manufacturing Sub-Sector	2011 (\$ millions)	2012 (\$ millions)	2013 (\$ millions)	2014 (\$ millions)	\$ Change (millions) 2011 to 2014	% Change 2011-2014
Food	2,169.8	2,357.0	2,240.2	2,701.3	531.50	24.5
Beverage and Tobacco Product	662.2	543.3	653.7	645.8	-16.40	-2.5
Clothing and leather and allied product	213.5	213.4	225.6	222.2	8.70	4.1
Paper	520.0	455.0	261.9	411.0	-109.00	-21.0
Printing and Related Support Activities	632.7	582.2	636.0	642.2	9.50	1.5
Chemical	1,380.1	1,169.6	1,527.0	1,473.8	93.70	6.8
Plastics and Rubber	712.5	755.7	821.3	809.6	97.10	13.6
Non-Metallic Mineral Product	314.1	217.4	259.0	327.3	13.20	4.2
Primary Metal	210.7	235.0	226.7	321.8	111.10	52.7
Fabricated Metal Product	791.5	614.6	735.8	779.2	-12.30	-1.6
Machinery	439.7	399.1	426.4	426.7	-13.00	-3.0
Computer and Electronic Product	750.3	726.5	523.2	590.2	-160.10	-21.3
Electrical Equipment, Appliance and Component	414.4	458.3	335.9	475.2	60.80	14.7
Transportation Equipment	1,391.6	1,387.7	1,457.2	1,470.3	78.70	5.7
Furniture and Related Product	479.9	524.0	526.1	505.4	25.50	5.3
Miscellaneous	353.6	426.9	553.8	443.9	90.30	25.5
Manufacturing Total	11,778.8	11,502.4	11,788.7	12,587.0	808.20	6.9
All Industries	145,434.5	146,067.8	150,774.2	155,886.8	10,452.30	7.2

*Note: Gross Domestic Product (GDP) in constant 2007 dollars

Source: Economic Development & Culture staff estimates based on Statistics Canada CANSIM 379-0030, 2013 LFS and 2011 NHS

Figure 18
Gross Domestic Product* (GDP) by Industry
City of Toronto
2014



Source: Economic Development & Culture staff estimates based on Statistics Canada CANSIM 379-0030, 2013 LFS and 2011 NHS

Figure 19
Gross Domestic Product* (GDP) per Job in Manufacturing Sub-Sectors
City of Toronto
2011 – 2014

Manufacturing Sub-Sector	2011 (\$GDP/Job)	2012 (\$GDP/Job)	2013 (\$GDP/Job)	2014 (\$GDP/Job)	\$ Change (\$GDP/Job) 2011 to 2014	% Change (\$GDP/Job) 2011 to 2014
Food	91,295	83,404	93,439	91,792	497	0.5
Beverage and Tobacco Product	143,378	186,130	175,171	184,538	41,160	28.7
Clothing and leather and allied product	34,321	29,803	29,361	46,020	11,699	34.1
Paper	101,931	106,800	120,044	101,109	-822	-0.8
Printing and Related Support Activities	67,947	73,648	78,725	98,889	30,942	45.5
Chemical	113,477	156,707	113,906	126,681	13,204	11.6
Plastics and Rubber	92,208	107,321	114,907	110,861	18,653	20.2
Non-Metallic Mineral Product	117,501	107,048	115,056	113,360	-4,141	-3.5
Primary Metal	195,299	181,259	159,479	169,509	-25,790	-13.2
Fabricated Metal Product	76,765	100,396	89,767	93,585	16,820	21.9
Machinery	111,168	104,453	100,395	92,679	-18,489	-16.6
Computer and Electronic Product	86,840	80,512	87,215	88,498	1,658	1.9
Electrical Equipment, Appliance and Component	105,307	84,273	93,550	105,030	-277	-0.3
Transportation Equipment	115,687	107,060	107,929	135,180	19,493	16.8
Furniture and Related Product	59,350	61,093	58,710	68,107	8,757	14.8
Miscellaneous	47,139	29,505	40,364	42,219	-4,920	-10.4
Manufacturing Total	89,296	86,590	88,801	97,792	8,496	9.5
All Industries	89,669	88,928	87,889	91,010	1,341	1.5

*Note: Gross Domestic Product (GDP) in constant 2007 dollars

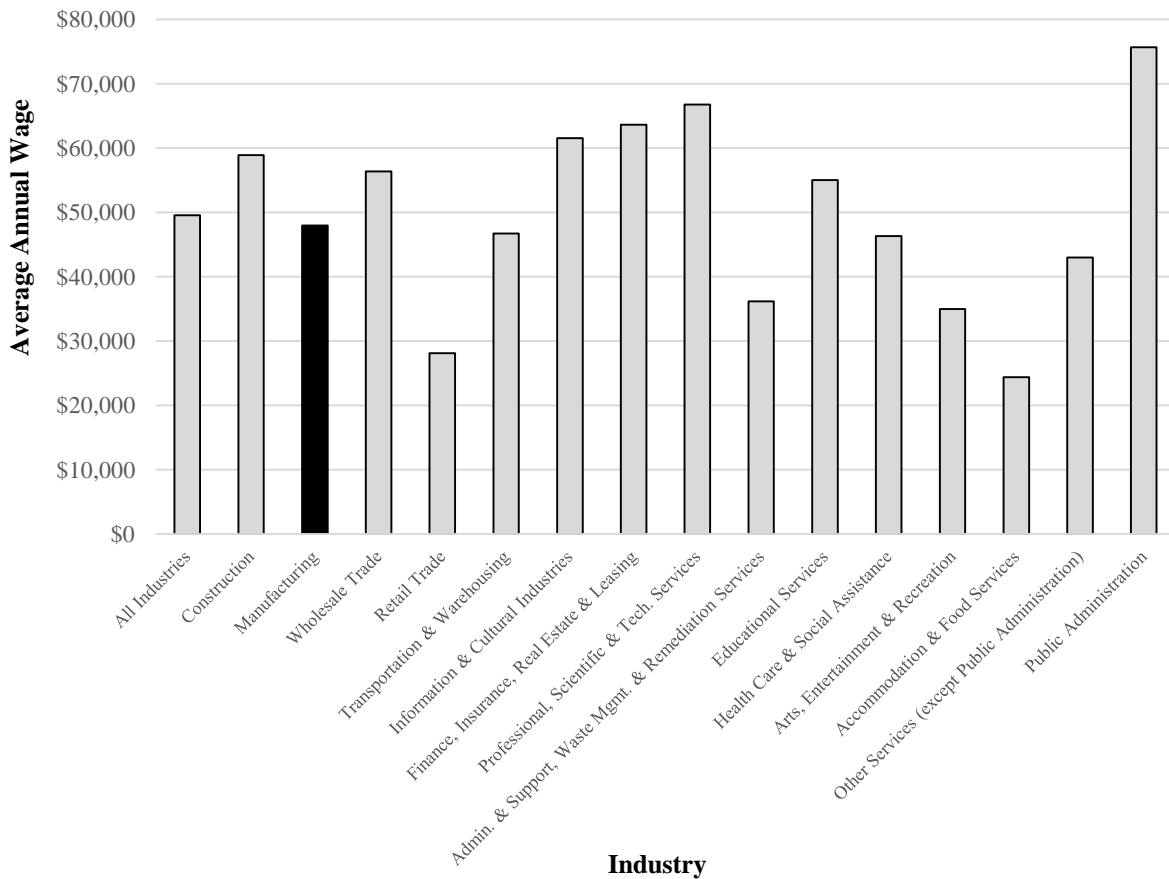
Source: Economic Development & Culture staff estimates based on Statistics Canada CANSIM 379-0030, 2013 LFS and 2011 NHS

Employee Profile

Wages

In 2015, the average annual wage for manufacturing was \$47,943 and for all industries was \$49,542, a difference of \$1,599 (figure 20).

Figure 20
Industry Average Annual Wage
City of Toronto, 2015



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

Source: Statistics Canada, Labour Force Survey, 2015

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 21).

Figure 21
Education Attainment of City of Toronto Residents
Working in the Manufacturing Sector
2015

Education Attainment	Manufacturing		All Industries % of Total
	#	% of Total	
0-8 Years	4,920	3.7	1.7
Some High School	11,040	8.4	4.6
High School Graduate	33,650	25.6	15.0
Some Post-Secondary	7,240	5.5	6.3
Post-Secondary Diploma/Certificate	37,130	28.2	26.3
University Degree	37,730	28.6	46.1
Total	131,710	100.0	100.0

Source: Statistics Canada's Labour Force Survey, 2015. Includes total employees and self-employed individuals.

Employment in All Sectors by Full-Time Employment

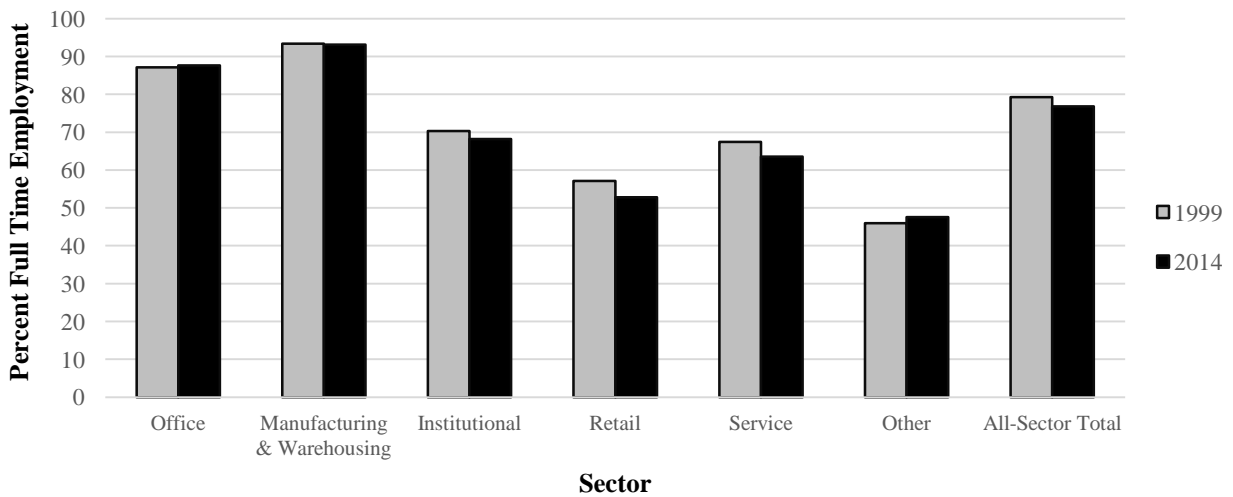
The manufacturing and warehousing sector remains the sector with the highest percentage of full-time workers with 93.1% in 2014 (figure 22 & 23). This is a slightly lower percentage of full-time workers in the manufacturing and warehousing sector in 1999. The percentage of full-time workers for all sectors was 76.8% in 2014 which was a decrease of 2.4% from 1999.

Figure 22
Full-Time Employment by Sector City of Toronto
1999 and 2014

Sector	1999		2014		% Change 1999 to 2014
	Full Time Employment	Full Time Employment %	Full-Time Employment	Full Time Employment %	
Office	518,031	87.1	580,720	87.6	0.5
Manufacturing & Warehousing	173,914	93.4	116,028	93.1	-0.3
Institutional	116,512	70.3	159,308	68.2	-2.2
Retail	79,952	57.1	76,270	52.8	-4.3
Service	94,675	67.4	108,421	63.5	-3.9
Other	14,207	45.9	22,802	47.6	1.6
Total	997,291	79.3	1,063,549	76.8	-2.4

Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 1999 & 2014

Figure 23
Percent Full-Time Employment by Sector City of Toronto
1999 and 2014



Source: City of Toronto, City Planning Division, Strategic Initiatives, Policy & Analysis, Toronto Employment Survey, 1999 & 2014

Manufacturing Employment by Age Group

The average age of City of Toronto residents working in the manufacturing sector is quite a bit older than the average age of City of Toronto residents working in all industries (figure 24). In 2015, 53.2% of City of Toronto residents working in the manufacturing sector were between the ages of 45 and 64, whereas 37.9% of City of Toronto residents working in the all industries were between the ages of 45 and 64. Those working in manufacturing between the ages of 15 and 24 represent 5.7% of the total and in all industries this age group is 12.4% of the total.

Figure 24
City of Toronto Residents Working in the Manufacturing Sector
And All Industries by Age Group
2015

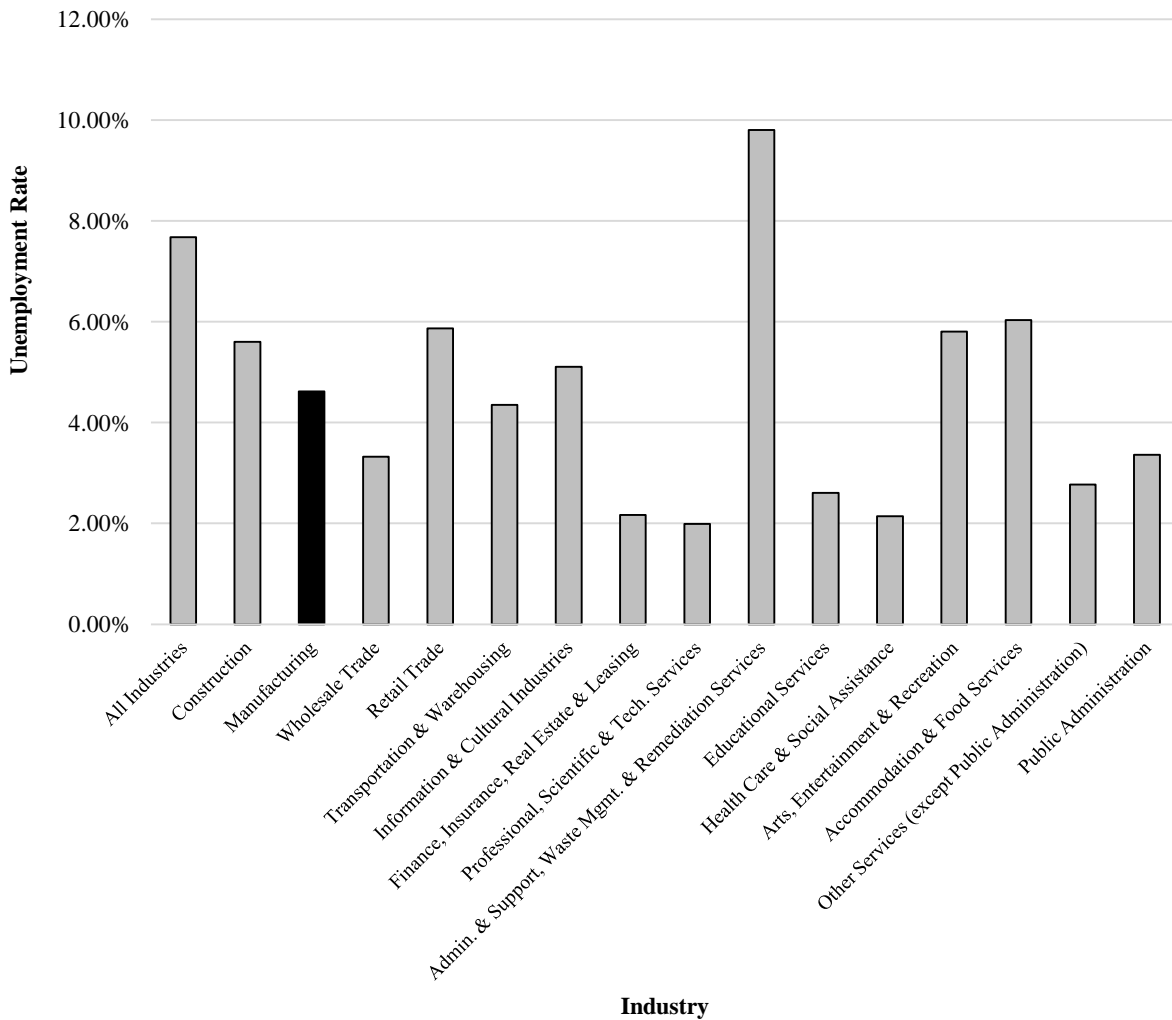
Age Group	Manufacturing		All Industries	
	#	% of Total	#	% of Total
15-24	7,480	5.7	179,450	12.4
25-44	49,900	37.9	661,750	45.6
45-64	70,070	53.2	549,440	37.9
65+	4,260	3.2	59,070	4.1
Total	131,710	100.0	1,449,710	100.0

Source: Statistics Canada's Labour Force Survey, 2015.

Unemployment Rate

The unemployment rate of City of Toronto residents for manufacturing was 4.61% in 2015 (figure 25). By comparison, the unemployment rate of Toronto Census Metropolitan Area (CMA) residents for manufacturing was 4.18%, the Ontario unemployment rate for manufacturing was 4.32% and the Canadian unemployment rate was 4.76% in 2015. The unemployment rate for City of Toronto residents for all industries was 7.67%

Figure 25
Unemployment Rates by Industry
City of Toronto Residents, 2015



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

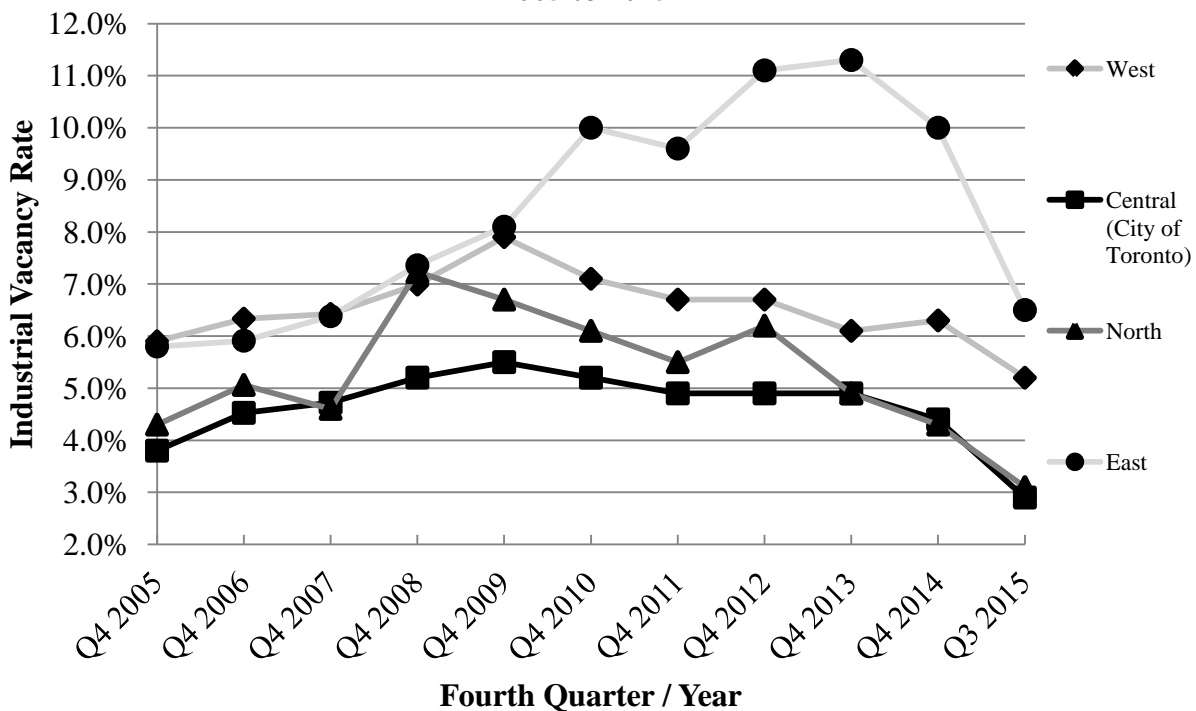
Source: Statistics Canada Labour Force Survey, 2015

Property

Industrial Vacancy Rate

The City of Toronto industrial vacancy rate remains one of the lowest in the Greater Toronto Area (GTA). In the 3rd quarter of 2015, the industrial vacancy rate was 2.9%, 1.2% lower than the GTA average of 4.1% (figure 26). The industrial vacancy rate has remained below 6% in the City of Toronto since 2005.

Figure 26
Industrial Vacancy Rate
Greater Toronto Area (GTA)
2005 to 2015*



*Third Quarter 2015

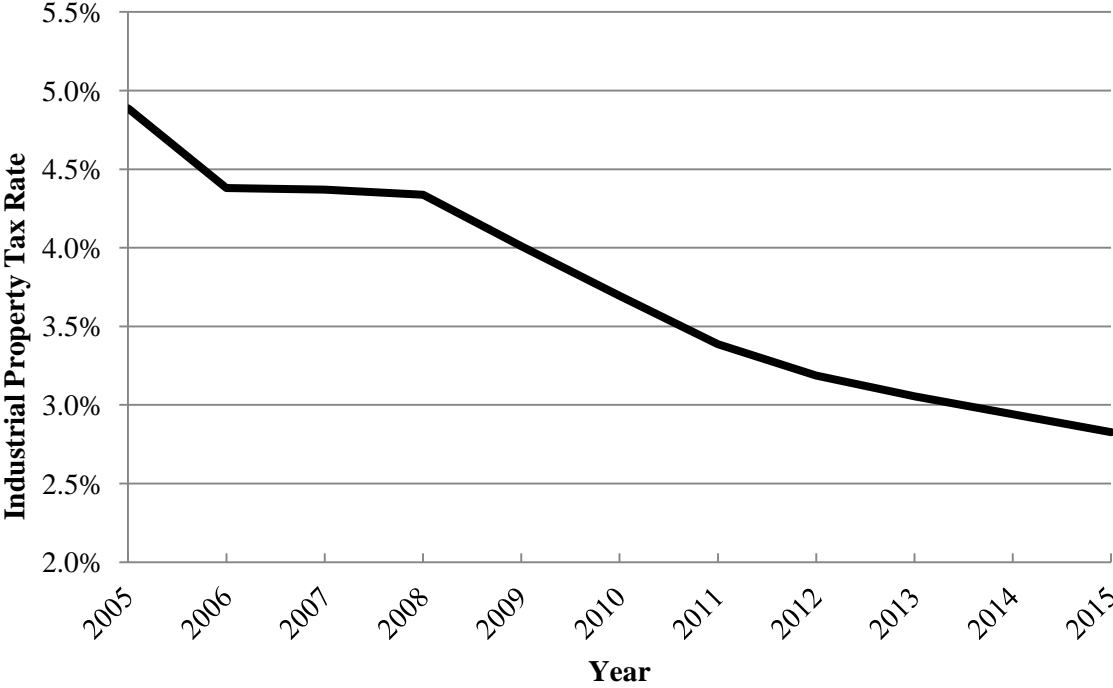
Source: Cushman & Wakefield Ltd, 2005-2015

Industrial Property Tax Rate

The City of Toronto industrial property tax rate has decreased from 4.89% in 2005 to 2.83% in 2015 (figure 27). 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 28 shows the decrease in industrial property taxes per square foot in the City of Toronto from 2005 to 2015. Industrial property taxes have decreased from an average of \$2.98/sq.ft. in 2005 to \$2.86/sq.ft. in 2015, a decrease of \$0.12/sq.ft. or 4.0%.

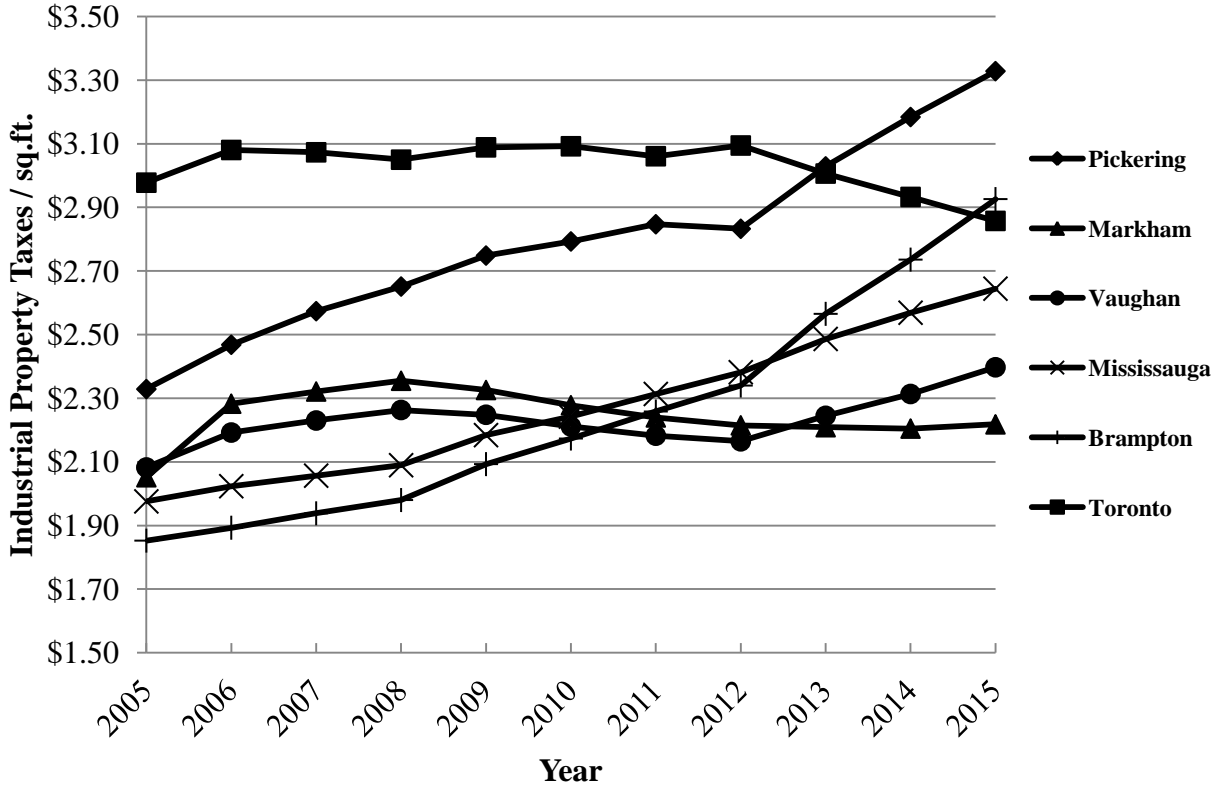
Industrial property taxes/sq.ft. in Pickering, Markham, Vaughan, Mississauga Brampton and Pickering have all increased since 2005 (figure 28).

Figure 27
Industrial Property Tax Rate
City of Toronto
2005 to 2015



Source: City of Toronto, Revenue Services, 2005-2015

Figure 28
Industrial Property Taxes / sq.ft.
Selected GTA Municipalities
2005-2015



Source: City of Toronto Revenue Services, City of Toronto Economic Development and Culture, Municipal Property Assessment Corporation (MPAC), 2005-2015

Building

Value of Building Permits

The City of Toronto industrial value of building permits issued decreased from 2014 to 2015 by \$120.6 million or 35.3%. The industrial value of building permits issued in 2015 was \$221.2 million representing 2.8% of the total value of building permits (figure 29).

Figure 29
Value of Building Permits Issued
City of Toronto
2014 & 2015

Building Type	2014 (\$ Millions)	2015		2014 to 2015	
		(\$ Millions)	% of Total	Change (\$ Millions)	% Change
Industrial	341.8	221.2	2.8	-120.6	-35.3
Residential	4,368.1	4,376.5	55.7	8.4	2.5
Commercial	1,964.0	2,367.3	30.1	403.3	20.5
Institutional	400.2	893.4	11.4	493.2	123.2
Total	7,074.1	7,858.5	100.0	784.4	11.1

City of Toronto, Toronto Building, 2014-2015

Building Permits New Gross Floor Area (GFA)

The number of permits issued where new industrial gross floor area was added in 2015 was 51 representing 227,772 sq.ft (21,160 m²) (figure 30).

Figure 30
Industrial Building Permits Issued, New Gross Floor Area (GFA)
City of Toronto
2005 to 2015

Year	Number of Permits Issued	Gross Floor Area (sq.ft.)	Gross Floor Area (m2)
2005	47	858,934	79,795
2006	57	1,611,098	149,671
2007	38	1,028,719	95,568
2008	52	1,527,190	141,876
2009	21	372,217	34,579
2010	34	275,953	25,636
2011	26	953,132	88,546
2012	41	726,766	70,861
2013	41	758,472	70,462
2014	42	452,250	42,014
2015	51	227,772	21,160

Source: City of Toronto, Toronto Building, 2005-2015

Conclusion

Manufacturing in Toronto continues to represent a diverse range of activities, cuts across all industry sectors and is essential to a strong and balanced economy. As an export-based sector with high economic multipliers and strong linkages to other firms, supporting manufacturing is a very high leverage opportunity to ensure sustained economic growth in Toronto.

While there have been large reductions in manufacturing employment in Toronto and elsewhere, reflecting broad economic trends and structural changes, the manufacturing sector remains a significant economic activity in the city and provides over 124,00 jobs in Toronto. As manufacturing becomes more competitive globally and more technology driven, Toronto's manufacturing firms will continue to benefit from the city and region's many competitive advantages including a skilled and diverse labour force, the clustering of activity and various program supports for business.

In an increasingly competitive global economy, Toronto manufacturers face issues 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 in recognizing challenges and building on opportunities, Toronto is well positioned to capitalize on its unique advantages and on the strengths of its diverse manufacturing sector, to build on emerging trends, and to continue to enhance the health and vitality of this important sector.