



2017 Toronto Employment Survey

Date: February 26, 2018

To: Planning and Growth Management Committee

From: Acting Chief Planner and Executive Director, City Planning Division

Wards: All

SUMMARY

The attached bulletin summarizes the results of the 2017 Toronto Employment Survey. The bulletin highlights the Survey's key findings and counts of employment and business establishments in the City of Toronto for 2017, as well as the type and longevity of establishments and employment activity in Downtown, the Centres, Secondary Plan Areas and designated Employment Areas.

Toronto's economy has performed strongly over the past year, as total employment in the City reached 1,518,560 jobs. The net increase of 57,550 jobs (3.9%) from 2016 exceeded both the national and provincial growth rates and is the highest year-over-year growth rate since 1999 (5.1%). The Survey counted 75,620 business establishments in 2017, an increase of 340 (0.5%) from 2016. In 2017, 4,540 establishments were new to the City.

RECOMMENDATIONS

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

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

FINANCIAL IMPACT

There are no financial impacts arising from this report.

DECISION HISTORY

Since 1983, the City has conducted an annual survey of Toronto business establishments to monitor economic activity, provide information for policy and decision-making and offer additional context for the planning of municipal infrastructure and services. Using a consistent coding system of land parcel uses and occupant activities, the Survey provides thirty-five years of time-series data for the longitudinal analysis of employment activity in the City.

The results of the Survey are used by City Planning and other City divisions to monitor the City's economic and investment health and to review the progress of Official Plan policies. Survey data are also used in proactive policy development, for decision-making, as an aid in labour force development efforts, to develop projections and to plan City infrastructure and services. This report summarizes the Toronto Employment Survey results collected between May and August of 2017.

COMMENTS

Total Employment

- The Toronto Employment Survey counted 1,518,560 jobs.
- Toronto's overall employment increased by 57,550 jobs (3.9%) from 2016.
- Full-time employment increased by 41,180 jobs (3.8%) from 2016. At 1,129,110 jobs, full-time employment has surpassed the 1 million mark for the twelfth consecutive year.
- Part-time employment increased by 16,370 jobs (4.4%) to 389,460 jobs from 2016.

Employment by Category

- From 2016, all six of the City's employment categories grew. Community and Entertainment grew by the highest rate (12.9%) and Institutional employment by the lowest rate (at 1.4%).
- The Office category continues to be Toronto's largest employment category, with nearly half of all jobs (48.7%), followed by the Institutional (16.4%), Service (12.5%), Retail (10.0%), Manufacturing (8.7%), and Community & Entertainment (3.7%) categories.
- Office employment increased by 26,250 jobs (3.7%) to 740,180 jobs from 2016, the largest absolute increase of any category. The largest components of Office employment growth included Business Services (11,450 net jobs added) and Finance, Insurance and Real Estate (8,090 net jobs added), comprising 74.5% of Office employment growth.
- Manufacturing reversed a long-term trend of job loss to add 8,260 jobs in 2017, up 6.7%. Growth was led by the Processed Goods Processing sub-category, particularly at food and chemical products processing establishments.

Number of Establishments

- In 2017, the Survey counted 75,620 establishments, an increase of 340 (0.5%) over 2016.
- A total of 4,540 establishments were new to the city in 2017. Of these, 59.7% are located within Downtown (990), the Centres (250) and within Employment Areas (1,470), and the rest are located elsewhere in the city.

Downtown and Centres

- In 2017, there were approximately 637,650 jobs in Toronto's Downtown and Centres, representing 42.0% of all jobs in the city.
- From 2012 to 2017, Downtown and the Centres added 112,970 jobs, up 21.5%.

Secondary Plan Areas

- In 2017, there were approximately 317,130 jobs in Toronto's thirty-two Secondary Plan areas or one fifth of all jobs in the City (20.9%).
- More than half of the employment within Secondary Plan areas (51.3%) is concentrated in five areas: King-Spadina (44,460 jobs), North York Centre (40,050 jobs), Yonge Eglinton (34,480 jobs), Scarborough Centre (23,450 jobs) and Railway Lands East (20,130 jobs).
- The Office category is the predominant employment category in Secondary Plan areas, representing approximately 178,110 jobs and 56.2% of their employment.

Employment Areas

- In 2017, 411,970 jobs were in Toronto's designated Employment Areas or 27.1% of the city's jobs. This is an increase of 13,620 jobs (3.4%) from 2016.
- Since 2013, overall employment in the Employment Areas has grown by 8.5%, an added 32,320 jobs.
- Core Employment Areas contained 63.0% of all jobs in Employment Areas (259,580 jobs), while General Employment Areas contained 37.0% (152,390 jobs).
- Nearly 20.7% or 85,310 of all Employment Area jobs are in the Manufacturing sector. The sector has increased by 2,000 jobs since 2016.
- After Manufacturing, the next largest sectors in Employment Areas in 2016 were the Wholesale and Retail Trade sector (67,780 jobs), the Professional, Scientific and Technical Services sector (41,640 jobs), the Transportation and Warehousing sector (33,380 jobs), and the Administration and Support, Waste Management and Remediation Services sector (25,600 jobs).

Data Collection

- In 2017, employment data was acquired from 88.8% of business establishments contacted through the Survey programme. This is a slight increase from the 2016 response rate of 88.5%. Excluding home-based employment, the Survey reports on over 99% of Toronto's business establishments.
- This is the seventh year of assigning complete North American Industry Classification System (NAICS) codes to each business establishment in the city.

The exercise was highly successful with an average of 99.7% of businesses being assigned a NAICS code in 2017.

- As an establishment survey, the Survey focuses on collecting employment and land use data from business establishments visible from the street and which are located primarily in commercial, industrial, institutional and mixed use areas throughout Toronto.
- Collaboration with the University of Toronto identified about 4,000 previously unreported jobs primarily in Downtown, approximately 7% of the citywide increase in jobs. Without this adjustment, the net citywide increase was 53,550 jobs.

Business Directory Participation

- In 2016, the Toronto Employment Survey conducted a pilot study to determine the willingness of individual establishments to participate in a business directory listing their business name, address and employee count.
- Almost 69% of establishments surveyed (870 of 1268) indicated that they would refuse to participate in a business directory.
- In 2017, the Survey conducted a study to determine the willingness of major employers (those with multiple locations throughout Toronto) to participate in a business directory listing their business name, address and employee count.
- Over 58% of major employer respondents (21 of 36) indicated that they would refuse to participate in a business directory. About 39% responded that they would refuse to participate in a business directory even if their employment count was released in ranges rather than an exact count.
- The magnitude of negative responses from both individual establishments and major employers underlines the importance of maintaining the confidentiality of employment information to maintain the goodwill of the business community to participate in this voluntary survey.
- Releasing the information of individual establishments through a business directory could be expected to significantly reduce coverage and prevent the Survey from achieving the nearly 100% of establishment coverage necessary to support the planning studies and infrastructure planning for which it is carried out.

Home-Based and Volunteer Employment

- In 2017, the Toronto Employment Survey conducted two pilot studies to study the nature of home-based and volunteer employment in the city, as part of exploring opportunities for expanding Survey coverage.
- The overall response rate was 86.0%, with 920 of 1,070 establishments responding. Respondents were asked whether they had home-based employees and/or volunteers and the number of each if any.
- About 14% of responding establishments indicated having home-based employment. The highest rate for home-based employment was in a Downtown area (31.9%). Office establishments were the most likely category to have home-based employment (21.7%).
- Some 6.5% of the establishments reported having volunteers. The highest rate for volunteers was in a suburban Scarborough area (12.0%). Institutional establishments were the most likely category to have volunteers (21.2%).

2016 Census Comparison

- On November 29, 2017, Statistics Canada released Place of Work data from the 2016 long-form Census. This data was compared to the 2016 Toronto Employment Survey data in order to better understand Survey results and coverage.
- The 2016 Census counted 1,443,680 employed people by Place of Work in the city of Toronto, whereas the 2016 Toronto Employment Survey counted 1,461,020 jobs, or 1% higher than the employment captured by the Census.
- While the Census counts only the primary employment of each employed person, the Survey captures a fuller spectrum of work by counting all full and part-time jobs by work location.
- Higher counts from the Survey may reflect the growing share of part-time employment. From 2006 to 2016, the share of Toronto's part-time employment increased from 21.7% to 25.5% of total employment.

Regional Employment Policies

The Provincial Growth Plan for the Greater Golden Horseshoe includes an employment forecast for the City of Toronto of 1,720,000 jobs by 2041. Based on the employment growth rate over the past five years as indicated by the Toronto Employment Survey (2.7% per annum), Toronto is likely to achieve the Growth Plan forecasts between 2021 and 2026. The Provincial forecast would be achieved at least fifteen years before its horizon year. The Places to Grow Act requires that the Growth Plan forecasts be reviewed every five years. The next Provincial review, due to be launched in 2018, is likely to include a review of Toronto's forecasted employment.

2018 Toronto Employment Survey

The continuation of the annual Toronto Employment Survey is important for planning and economic development purposes, as it provides an annual and longitudinal dataset for time-series analysis of employment and land use change in the City. Now in its fourth decade, the 2018 field Survey programme will commence in May and will be completed by September 2018.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment 1: Toronto Employment Survey 2017 Bulletin