

Core Employment Areas are leading locations citywide for employment in Transportation and Warehousing (88.7%), Manufacturing (76.4%), Construction (62.7%), and Other Services (Except Public Administration) (45.9%) (see Figure 20).

General Employment Area Activity

General Employment Areas provide support activities for *Core Employment Areas* and help buffer heavy industrial uses from surrounding areas. They cover 21.2 km² in Toronto, which represents 3.3% of the city's land area. *General Employment Areas* contained 36.5% of all Employment Area jobs and had an average employment density of 6,741 jobs per km² or 67.4 jobs per hectare.

Sectoral employment in *General Employment Areas* was led by Wholesale and Retail Trade, having 19.6% of *General Employment Area* jobs (27,990 jobs), followed by Professional, Scientific, and Technical Services (11.5% or 16,490 jobs), and Finance and Insurance (9.4% or 13,450 jobs).

General Employment Areas are leading locations citywide for employment in Utilities (59.8%), Wholesale and Retail Trade (40.1%), Finance and Insurance (30.5%), Other Services (Except Public Administration) (29.7%), and Real Estate and Rental and Leasing (18.7%).

Health Care and Social Assistance (14.0%), Manufacturing (12.2%), and Construction (10.8%) also have significant shares of citywide jobs within *General Employment Areas* (see Figure 21).

Figure 20: Core Employment by NAICS 2021

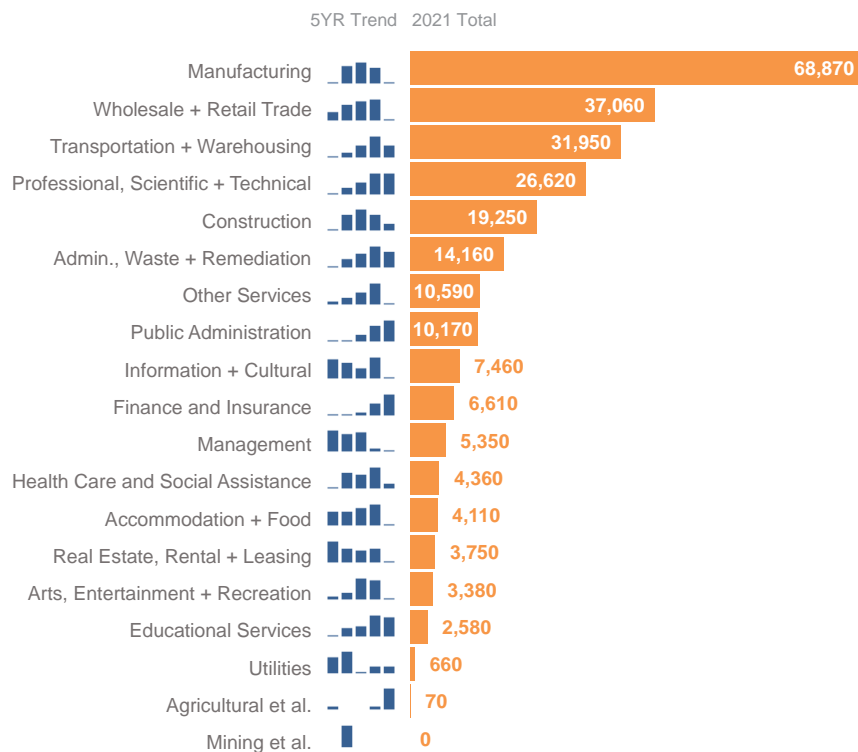
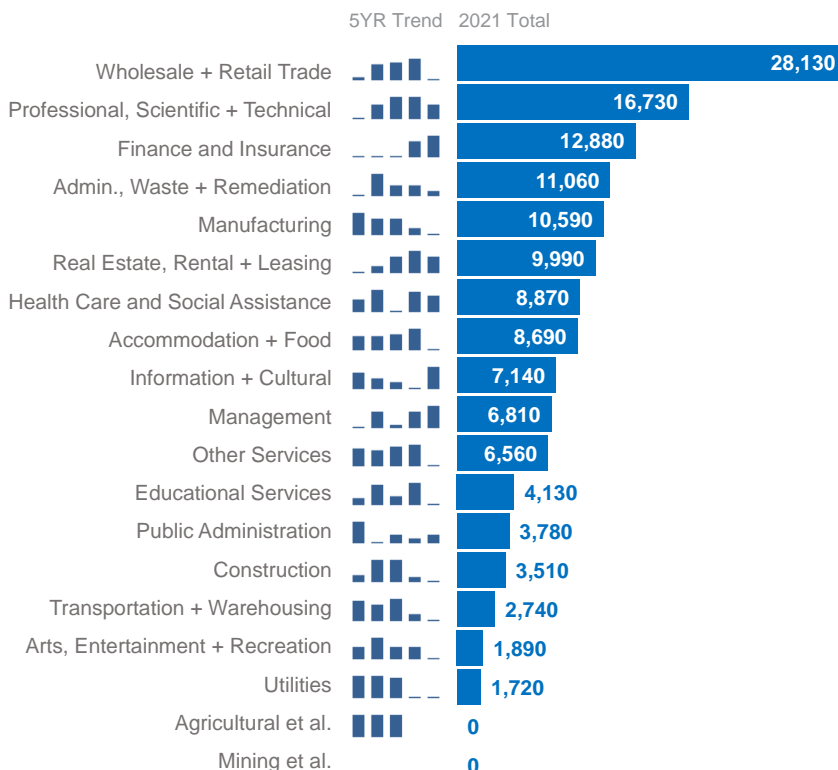


Figure 21: General Employment by NAICS 2021



Provincially Significant Employment Zones

Provincially Significant Employment Zones (PSEZs) are areas defined by the Provincial Government for the purpose of long-term planning for job creation and economic development.¹⁸ The 2019 Growth Plan for the Greater Golden Horseshoe introduced PSEZs, 11 of which are located in Toronto (see Map 3). These Zones capture existing employment areas as well as *Mixed Use Areas* with a high concentration of employment (see Map 3). This is the second year for the Survey to report on employment in PSEZs. It should be noted that some identified PSEZs extend beyond the city's boundaries and into neighbouring municipalities. The Survey only captures the employment for those portions of the PSEZs within the city of Toronto area.

Employment in PSEZs accounts for 226,250 jobs, or 14.4% of all citywide employment. Designated Employment Areas within PSEZs contain 217,520 jobs. In turn, PSEZs contain only about half (55.5%) of the jobs located in designated Employment Areas. All subsequent employment statistics and figures in this section refer to the jobs within the Employment Area portions of PSEZs.

Top PSEZs by Employment

About half of all PSEZs (5 of 11) contain about 30,000 to 40,000 jobs (see Table 5). Two PSEZs contain approximately 15,000 jobs each (see Figure 22). The four smaller PSEZs have between 1,000 to 8,000 jobs. The top five Zones with the most employment represent 79.0% of all PSEZ employment. The highest concentration of employment

(41,230 jobs or 19.0%) is found in Zone 14, located in the city's northwest near Toronto Pearson International Airport. This is followed by Zone 13 in the southwest (36,340 jobs or 16.7%) and Zone 9 in the north (35,890 jobs or 16.5%). The smallest PSEZ is Zone 30, the site of the Ontario Food Terminal, which contains 960 jobs or 0.4% of PSEZs total employment.

PSEZ Activity

The leading employment activity in 2021 for PSEZs is Manufacturing, comprising 23.5% (51,160 jobs) of all jobs located in a PSEZ. The number of jobs has declined by 9.2% from 2020 (see Table 6). This is followed by Transportation and Warehousing with 10.3% or 22,410 jobs, and Wholesale Trade which has 10.0% or 21,810 jobs.

Map 3: Provincially Significant Employment Zones (PSEZs), City of Toronto

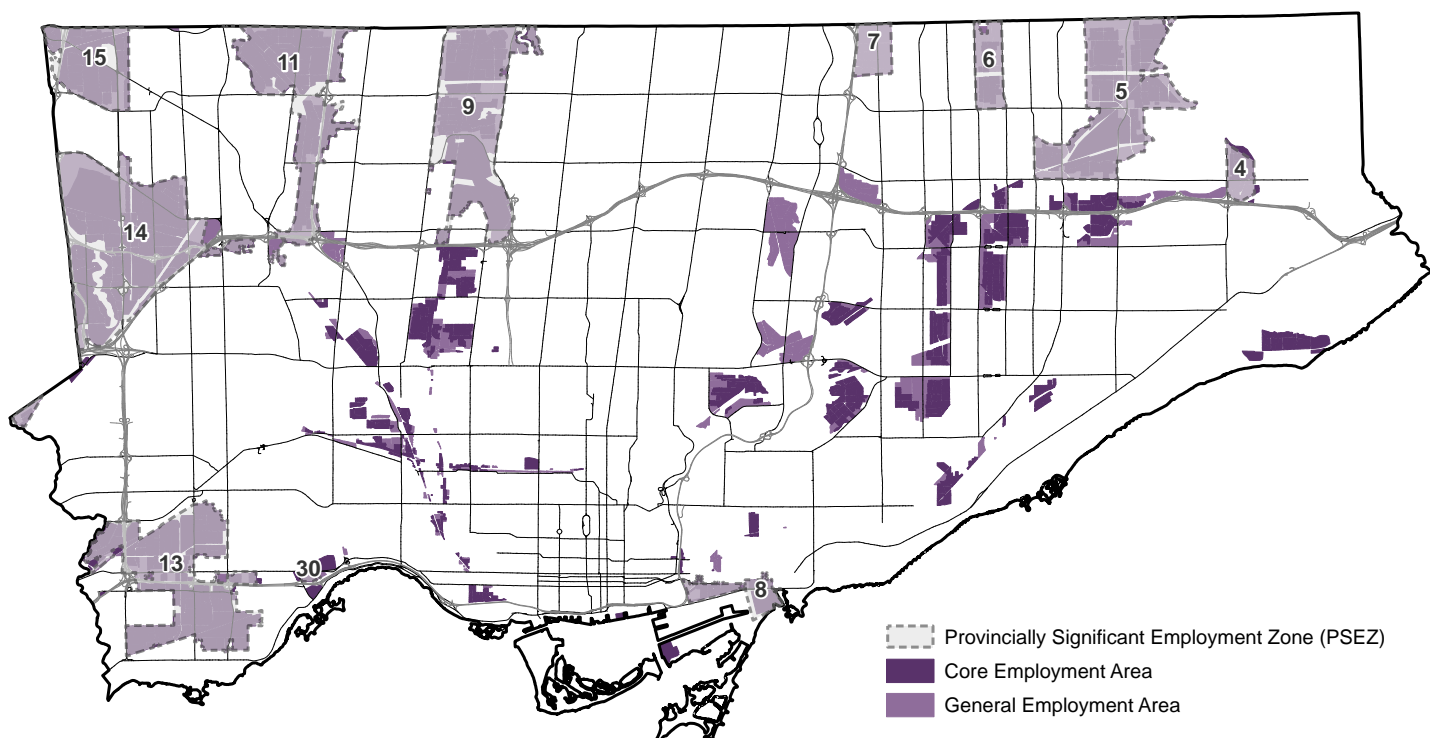
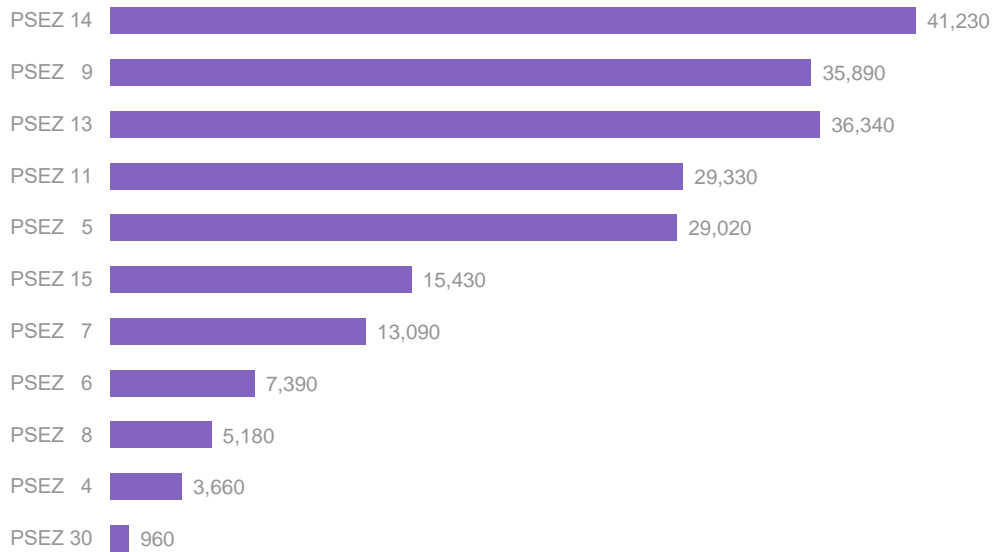
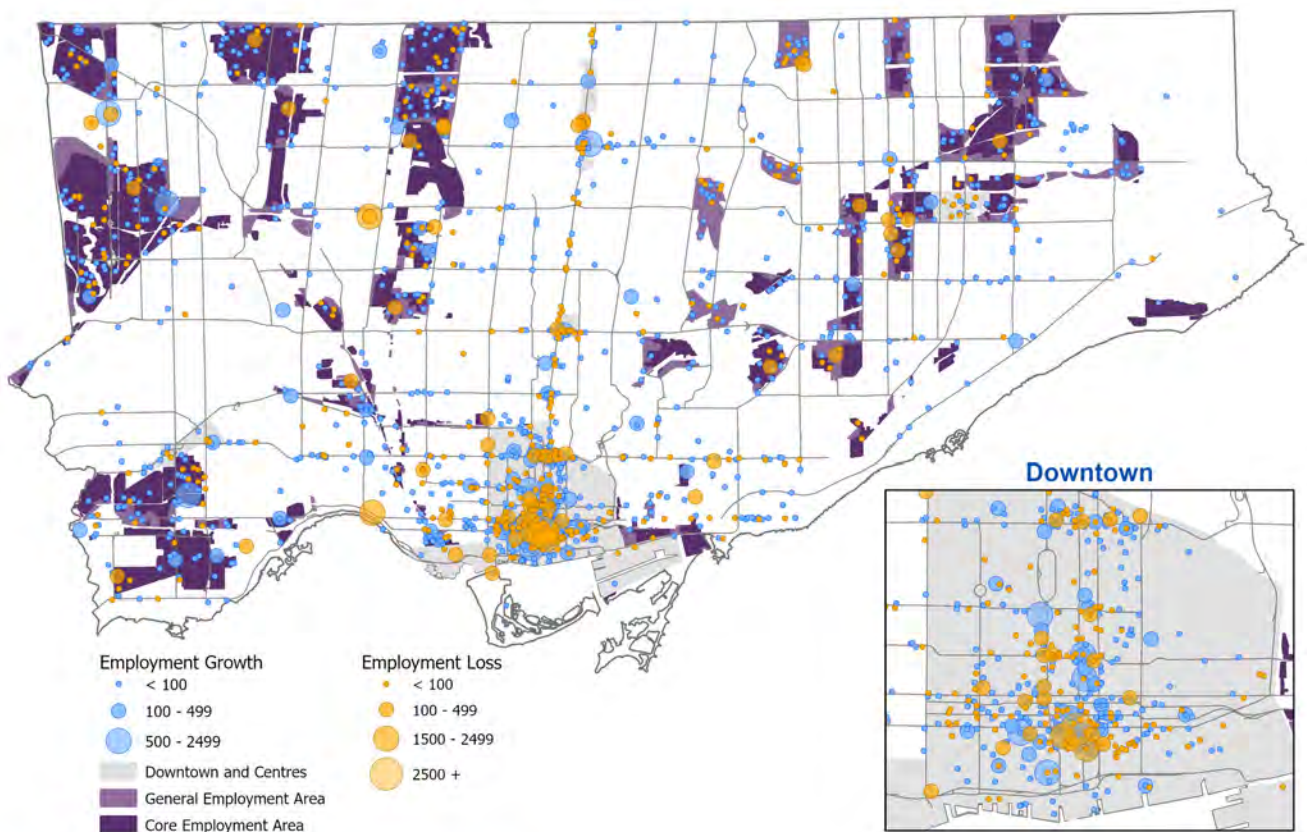


Figure 22: 2021 Employment by PSEZ ID



Map 4: Clusters of Significant Change, 2020-2021



PSEZ Employment Change

PSEZs experienced a net loss of 6,450 jobs in 2021, a decline of 2.9% (see Table 6). This loss is less than the loss experienced in 2020 when employment in PSEZs declined by 6.7% (16,170 jobs).

Employment gains in PSEZs were observed in Transportation and Warehousing (1,250 jobs), Management of Companies and Enterprises (380 jobs), and Administrative and Support,

Waste Management and Remediation Services (330 jobs). Since 2016, Transportation and Warehousing increased by 2,170 jobs resulting in 2.1% annual growth. Manufacturing saw the most significant decrease in employment between 2020 and 2021 of 5,160 jobs or 9.2%. This was followed by Wholesale Trade which saw a net loss of 1,030 jobs or 4.5%.

Table 5: Total Employment Area Employment by PSEZ, 2016-2021

PSEZ ID	2016	2020	2021	2016 - 2021	% Change	2020 - 2021	% Change
4	3,620	3,630	3,660	40	1.1%	30	0.8%
5	29,320	29,650	29,020	-300	-1.0%	-630	-2.1%
6	7,520	6,860	7,390	-130	-1.7%	530	7.7%
7	13,450	13,460	13,090	-360	-2.7%	-370	-2.7%
8	5,390	5,300	5,180	-210	-3.9%	-120	-2.3%
9	39,730	39,330	35,890	-3,840	-9.7%	-3,440	-8.7%
11	31,440	31,310	29,330	-2,110	-6.7%	-1,980	-6.3%
13	37,170	36,440	36,340	-830	-2.2%	-100	-0.3%
14	41,940	41,790	41,230	-710	-1.7%	-560	-1.3%
15	15,840	15,400	15,430	-410	-2.6%	30	0.2%
30	820	800	960	140	17.1%	160	20.0%
Total PSEZ	226,240	223,970	217,520	-8,720	-3.9%	-6,450	-2.9%
Not in PSEZ	172,110	178,290	174,150	2,040	1.2%	-4,140	-2.3%
Grand Total	398,360	402,250	391,670	-6,690	-1.7%	-10,580	-2.6%

Note: PSEZ totals are for Toronto only.

Table 6: Total Employment Area Employment in PSEZs by Major NAICS Sectors, 2016-2021

NAICS Sector	2016	2020	2021	2016 - 2021	% Change	2020 - 2021	% Change
Agriculture, Forestry, Fishing and Hunting	10	10	10	0	0.0%	0	0.0%
Mining, Quarrying, and Oil and Gas Extraction	0	0	0	0	0.0%	0	0.0%
Utilities	830	780	730	-100	-12.0%	-50	-6.4%
Construction	16,700	16,590	16,710	10	0.1%	120	0.7%
Manufacturing	56,590	56,320	51,160	-5,430	-9.6%	-5,160	-9.2%
Wholesale Trade	25,520	22,840	21,810	-3,710	-14.5%	-1,030	-4.5%
Retail Trade	16,740	17,600	16,960	220	1.3%	-640	-3.6%
Transportation and Warehousing	20,240	21,160	22,410	2,170	10.7%	1,250	5.9%
Information and Cultural Industries	5,360	4,700	4,440	-920	-17.2%	-260	-5.5%
Finance and Insurance	6,860	7,900	7,090	230	3.4%	-810	-10.3%
Real Estate and Rental and Leasing	7,130	6,750	6,730	-400	-5.6%	-20	-0.3%
Professional, Scientific and Technical Services	17,120	16,410	16,560	-560	-3.3%	150	0.9%
Management of Companies and Enterprises	1,250	1,160	1,540	290	23.2%	380	32.8%
Administrative and Support, Waste Management and Remediation Services	11,550	12,630	12,960	1,410	12.2%	330	2.6%
Educational Services	3,080	3,510	2,990	-90	-2.9%	-520	-14.8%
Health Care and Social Assistance	7,210	7,820	7,940	730	10.1%	120	1.5%
Arts, Entertainment and Recreation	3,270	3,140	3,180	-90	-2.8%	40	1.3%
Accommodation and Food Services	9,200	7,040	6,930	-2,270	-24.7%	-110	-1.6%
Other Services (Except Public Administration)	10,030	9,890	9,720	-310	-3.1%	-170	-1.7%
Public Administration	7,510	7,720	7,650	140	1.9%	-70	-0.9%
Not Coded	60	10	0	-60	-100.0%	-10	-100.0%
Total	226,250	223,960	217,520	-8,730	-3.9%	-6,440	-2.9%

Regional Employment Policies

The 2019 Growth Plan contained employment growth forecasts for the City of Toronto to 2041, and forecasted employment growth to reach 1,720,000 jobs by 2041. Schedule 3 of the Growth Plan was amended in 2020. *A Place to Grow, the Provincial Growth Plan 2020* contains an employment forecast of 1,980,000 for the city of Toronto in 2051. This forecast was updated in 2020 based on the technical report *The Greater Golden Horseshoe: Growth Forecasts to 2051* by Hemson Consulting Ltd., which was released on August 26, 2020. Under the Reference scenario, employment within the city of Toronto was forecasted to grow to 1,979,000 by 2051. The forecasted rate of job growth is approximately 0.6% per annum.

From 2009 to 2019, the Toronto Employment Survey measured employment growth at a much higher rate of 2.0%, accelerating to 2.6% during the years 2016-2019. These high rates of growth would have led Toronto to reach the 2051 Growth Plan forecast sometime around 2030, at least 21 years before the forecast.

The effects of the pandemic have slowed employment growth considerably however. In 2021, the measured five-year and ten-year growth rates are much lower, at 0.15% and 1.0% respectively. Part of this effect may be due to the reduced response rate of the Survey during 2020 and 2021 due to pandemic conditions. However, this more moderate growth rate would still lead Toronto to reach the 2051 Growth Plan Forecast sometime before 2044.

The resumption of normal Survey operations in 2022 will provide a useful snapshot of employment and establishment trends as Toronto recovers from the pandemic. However, 2021 results indicate that if current growth rates continue, then Toronto's job growth would still be on track to reach the Growth Plan forecast before 2051. This scenario would represent some degree of economic recovery going forward.

As noted in the Technical Report, the long-term economic impacts of the pandemic remain uncertain. While the report's authors assume a recovery period of approximately three years, they emphasize the unpredictability of potential outcomes and that specific industries, firms, and individuals may face prolonged challenges. Within this context, subsequent Toronto Employment Surveys will be essential

for assessing the depth and diversity of the recovery on a sub-sector and geospatial basis.

Our Plan Toronto

Toronto is currently undertaking its provincially required Municipal Comprehensive Review and Growth Plan conformity exercise. This process will review the City's Official Plan with a focus on how Toronto will grow between now and the year 2051 to support its communities, environment, and economy.

With the expectation of adding at least 450,000 new jobs by 2051, the review will answer growth questions including: where Toronto can accommodate this employment, what types of jobs will be added, and how much land will need to be preserved for different types of jobs while balancing the needs of employment and population growth. During the Review, the City evaluates requests to convert employment and industrial lands to other uses, such as residential.

Table 7: Employment Forecast Scenarios, 2016-2051

Scenario	2016	2051	2016-2051	P.A.	PA % (CAGR)	Years
Growth Plan Reference	1,608,000	1,979,000	371,000	10,600	0.6%	35
	2009	2019	2009-2019			
TES 10 Years to 2019	1,293,190	1,569,800	276,610	27,661	2.0%	14
	2011	2021	2011-2021			
TES 10 Years to 2021	1,317,300	1,451,520	134,220	13,422	1.0%	28

Note: P.A. abbreviates per annum. CAGR abbreviates Compound Annual Growth Rate.

Special Topic: Pandemic Impact

The second year of the COVID-19 pandemic has continued to negatively impact Toronto's employment levels, although to a lesser degree than in 2020. In 2021, over 1,500 establishments reported a significant change (establishments with 11 employees or more that experienced at least a change of 20%) in employment as the result of the pandemic, compared to over 5,000 establishments in the previous year. While 82,000 jobs were reported lost due to COVID-19 in 2020, a net total of just under 10,000 jobs were reported lost in 2021 (see Table 8).

Many establishments reported employment losses related to the pandemic in 2021, with 660 establishments reporting a total of 24,000 jobs lost. A further 500 establishments reported temporarily closing due to the pandemic, a net loss of 1,550 jobs, while around 170 establishments with 830 jobs permanently closed.

Meanwhile, around 230 establishments reported employment growth due to COVID-19, adding 18,210 jobs. All employment and establishment statistics that follow are focused on the 1,500 establishments that reported significant employment change attributed directly to the COVID-19 pandemic in 2021.

Table 8: Net Employment Change by Type of COVID-19 Impact Reported by Establishments in 2021

Type of COVID-19 Impact	2020	2021	2020 - 2021	% Change
Significant Employment Decrease	36,870	24,000	-12,870	-34.9%
Significant Employment Increase	12,720	18,210	5,490	43.2%
Temporary Closure	1,550	0	-1,550	0.0%
Permanent Closure	830	0	-830	0.0%
Total Employment Impacted	51,960	42,210	-9,750	-18.8%

COVID-19 Impact by Category

In 2021, the categories that reported the highest percentage employment impact from COVID-19 were the Service sector and Community and Entertainment sector. While these impacts were largely negative in 2020, in 2021 both categories reported both the highest percentage employment decreases due to COVID-19 as well as the highest percentages increases (see Table 9).

Within the context of rapidly changing conditions related to the pandemic over the course of the Survey, this duality represents fluctuating employment conditions at establishments most impacted by capacity and operating restrictions. For example, within the Service category, the largest job losses reported due to the pandemic were at fast food outlets (780 jobs), restaurants (700 jobs), and hotels (230 jobs); meanwhile, the largest increases were

reported at restaurants (780 jobs) and hotels (530 jobs).

Within Community and Entertainment, the largest employment decreases were reported at indoor stadiums and arenas (410 jobs), cinemas (260 jobs), and exercise facilities (250 jobs); the largest increases were at art galleries and museums (380 jobs), exercise facilities (180 jobs), and public community stadiums (170 jobs). These particular establishment types were among those identified as subject to capacity limits and other regulation in provincial laws surrounding the COVID-19 pandemic response.^{19,20} In both categories, net employment losses outweighed employment gains reported due to the pandemic.

Table 9: COVID-19 Reported Employment Change by Category, 2020-2021

Sector	Significant Employment Loss			Significant Employment Growth		
	Establishments	Net Change	% Change	Establishments	Net Change	% Change
Manufacturing & Warehousing	49	-990	-34.6%	13	160	44.9%
Retail	114	-1,470	-35.0%	25	300	33.2%
Service	200	-2,580	-43.2%	68	1,620	94.3%
Office	157	-4,020	-30.2%	62	1,530	24.3%
Institutional	88	-2,320	-33.5%	48	930	34.8%
Community & Entertainment	53	-1,480	-41.7%	18	950	126.9%
Total	661	-12,870	-34.9%	895	5,490	43.2%

COVID-19 Impact by Size of Establishment

Though establishments of all sizes continue to be impacted by the COVID-19 pandemic, the vast majority of temporary and permanent closures in 2021 were experienced by small businesses. Of the 500 businesses that temporarily closed due to the pandemic, approximately 84% of those were in the smallest business size category with 1-4 employees. The same proportion of permanent closures were amongst businesses with 1-4 employees (see Table 10). Given that businesses with 1-4 employees represent just over half of all establishments in Toronto, they experienced disproportionately high rates of both temporary and permanent closures reported due to COVID-19.

Conversely, establishments with over 100 employees represent 3.3% of all establishments in Toronto, yet only represented 0.2% of temporary closures and 0.6% of permanent closures reported due to the pandemic.

Around 60% of temporary and permanent closures at small businesses (1-4 employees) were in the Service and Office categories. This speaks to the ongoing challenges experienced by small businesses in the face of the COVID-19 pandemic. The Canadian Federation of Independent Business estimated that one in six Canadian small business owners were contemplating permanent closure, with one in five businesses at risk of permanent closure by the pandemic's end.²¹

Table 10: COVID-19 Reported Closures by Establishment Size

Number of Employees	Temporary Closures	% of Total	Permanent Closures	% of Total
1-4	422	84.1%	141	83.9%
5-9	34	6.8%	19	11.3%
10-19	26	5.2%	3	1.8%
20-49	18	3.6%	4	2.4%
50-99	1	0.2%	0	0.0%
100-249	1	0.2%	1	0.6%
Total	502	100.0%	168	100.0%

COVID-19 Impact Classification

As part of the Survey's standard methodology, establishments that experience significant employment change from the previous year provide detailed reasons for the change, such as business restructuring, expansion, or seasonal fluctuation. In 2020 and 2021, the Survey further classified employment change attributed to the COVID-19 pandemic to one of the five factors, which were created in alignment with Statistics Canada's Canadian Survey on Business Conditions²²:

- Consumer behaviour (change in demand, public behaviour)
- Business decision (change in business operation)
- Accounts-related (uncertainty in contracts, suppliers, finances)
- Staffing (staff absences, change in productivity)
- Regulatory (public health requirements).

Consumer behaviour was the most commonly reported factor in employment loss due to the COVID-19 pandemic for the second year. Around one third (34%) of establishments reporting employment decreases due to the pandemic attributed it to consumer behaviour, down from 46% in 2020. The next most commonly reported reasons for employment decreases were business decisions (24% of establishments), regulatory (22%), staffing (18%), and accounts-related factors (2%).

Consumer behaviour was the most commonly cited factor for all sectors except Manufacturing and Warehousing, which more frequently cited business decisions, and Community and Entertainment, which reported being most impacted by regulatory factors.

Regulatory factors were the most frequently reported for employment increases due to the COVID-19 pandemic, particularly within the Service and Office sectors.

Amongst establishments that temporarily closed due to COVID-19, 43% reported doing so as a business decision, followed by 34% closing due to regulatory factors, and 21% due to consumer demand. Less than 1% reported temporarily closing due to accounts or staffing factors.

COVID-19 Impact by Geography

Establishments within Downtown and the Centres each reported net employment losses due to the pandemic, with Downtown reporting the smallest net loss of employment compared to 2020 and Scarborough the largest. However, Downtown and the Centres collectively reported employment loss of 2,780 jobs due to the COVID-19 pandemic which represents only 29% of citywide employment losses reported due to the pandemic, in comparison to their overall 43% share of citywide employment. This demonstrates that establishments in Downtown and the Centres reported disproportionately fewer impacts due to the COVID-19 pandemic in 2021 by comparison to businesses in other parts of the city. Map 4 further illustrates the concentration of significant change across the city.

All PSEZs reported net employment losses due to the COVID-19 pandemic except PSEZ 14 (east of Toronto Pearson International Airport), which reported modest employment growth. Collectively, PSEZs reported 1,450 jobs lost due to the pandemic. These jobs represent 15% of citywide employment losses reported due to the pandemic, which is slightly higher than PSEZs' overall employment share in Toronto of 14.4%.

COVID-19 Impact on Work-From-Home

Another significant impact of the COVID-19 pandemic has been the increased shift to work-from-home employment for many sectors. In the second year of tracking work-from-home employment, the Survey expanded on 2020's initial citywide collection of work-from-home data to ask establishments additional questions about the percentage of work-

from-home pre-pandemic, during the pandemic only, as well as the frequency of work-from-home employment for select establishments in a pilot area within Downtown. Data was collected and recorded as percentages again in 2021, rather than the absolute number of remote employees, to allow for a balance between collecting precise employment data for each establishment as compared to the changing configuration of employment undertaken by many businesses.

In 2021, just over 11,500 establishments reported having some degree of work-from-home employment, with approximately 206,000 jobs reported as work-from-home. They represent around 16% of all Toronto establishments, and 14% of employment in the city. When compared to establishments from which the Survey received responses in 2021, establishments reporting work-from-home represent 28% of establishments and 27% of employment.

Among establishments that reported work-from-home employment, the majority were in the Office sector (72%), followed by the Institutional sector (15%). The remaining sectors of Manufacturing and Warehousing, Retail, Service, and

Community and Entertainment each reported less than 5% work-from-home employment – a similar composition to 2020 (see Figure 23).

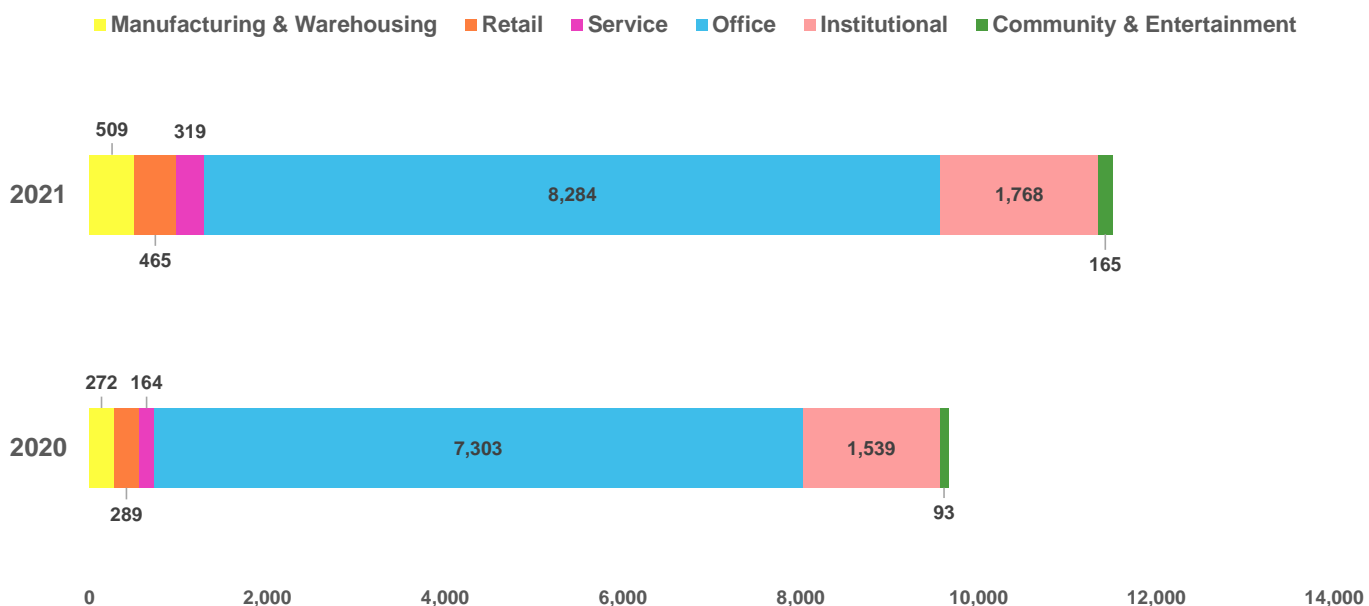
The Institutional and Office sectors also had the highest reported averages of work-from-home employment during the pandemic, with Institutional establishments that had work-from-home employment reporting an average of 78% of jobs being remote, and Office establishments reporting an average of 73%. This represents a slight decrease in the average percentages reported in 2020, when Institutional establishments with work-from-home employment reported an average of 82% of jobs as remote, and Office establishments reported an average of 79%. This trend reflects the changing nature and magnitude of work-from-home employment based on the timing of the COVID-19 pandemic's stages.

In terms of NAICS sectors, average work-from-home percentages amongst all establishments were reported as highest within the Educational Services, Public Administration, and Professional, Scientific, and Technical Services sectors, sectors where either the nature of work more easily allows for work-

from-home, or where work-from-home was required by pandemic restrictions. The lowest reported work-from-home percentages were in Accommodation and Food Services, Utilities, and Retail Trade, sectors where an in-person presence is central to service provision.

The comparison between work-from-home employment reported prior to the pandemic versus during the pandemic demonstrates shifts in the specific employment activities most frequently reporting work-from-home. Prior to the pandemic, the employment activities reporting some work-from-home jobs were Insurance Companies, Computer Services (i.e. the technology sector), Financing, Legal Services, and Civic Associations (non-profits). During the pandemic, work-from-home was still prevalent in Legal Services, Computer Service, and Civic Associations, while notable growth occurred within Bank Administration and at Provincial and Municipal Offices. Research suggests that many establishments will retain at least some degree of work-from-home employment as the economy transitions into the next stage of the COVID-19 pandemic and beyond.^{23,24}

Figure 23: Annual Change in Establishments Reporting Work-From-Home Employment by Sector



Extended Survey Responses for Downtown Establishments

Additional questions were asked of select establishments in a pilot area within Downtown regarding the frequency of work-from-home employment during the COVID-19 pandemic, as well as opinions on the return to work.

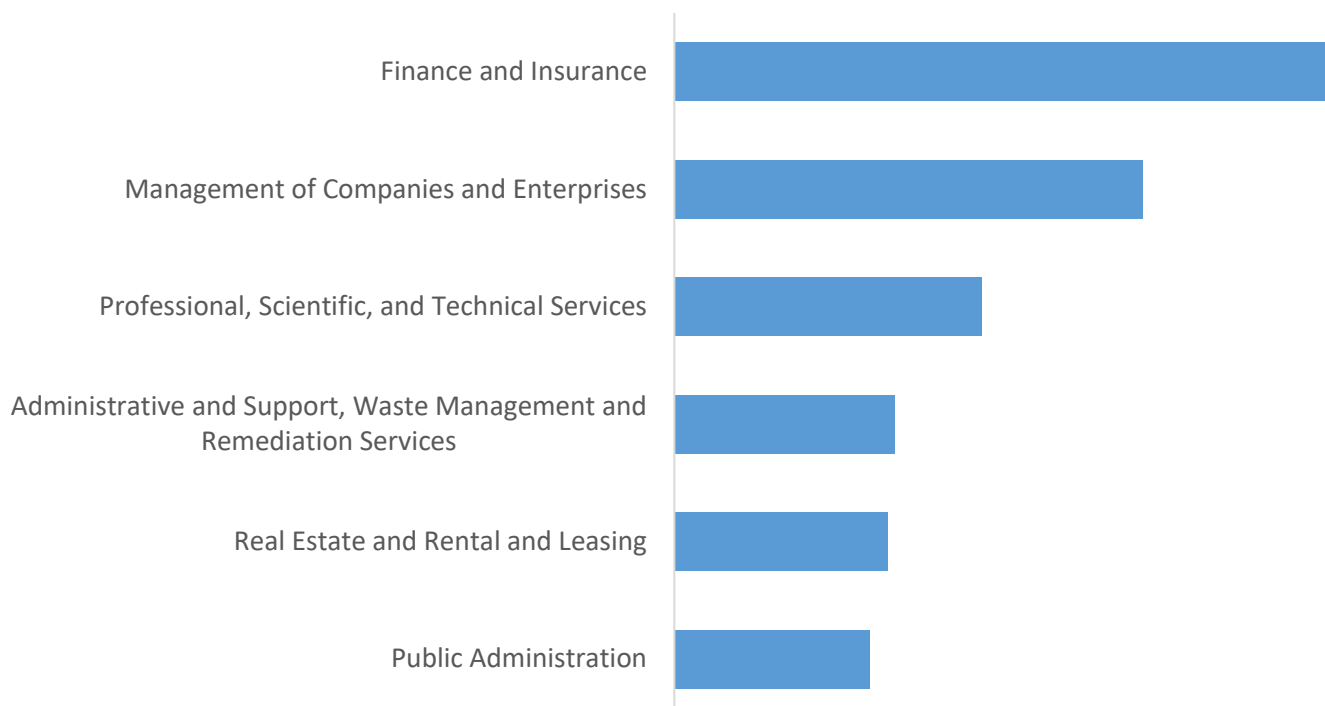
Frequency of Work-from-Home Employment within the Downtown

A total of 267 establishments, representing 17,329 jobs, responded to the extended work-from-home questionnaire, which asked about the frequency of work-from-home during the pandemic. This represents

less than 2% of the establishments in Downtown, and about 3% of Downtown employment. Nearly all of the responses were given by Office establishments (99%); by NAICS sector, three-quarters of the responses came from the Finance and Insurance and Professional, Scientific and Technical Services sectors (see Figure 24). The Finance and Insurance sector also had the highest response rate at 8.4%. Finally, most responses came from small businesses; 49% of responses were given by businesses with 1 to 4 employees, and 91% of responses came from businesses with less than 50 employees.

Most respondents (56%) reported that employees worked from home for five days per week in 2021 (see Figure 25). While some sectors reported a higher percentage of employees

Figure 24: Work-from-Home Employment Extended Survey Response by NAICS Sector 2021



*All other NAICS sectors had a less than 1% response rate

working either 1 to 2 or 3 to 4 days per week, those were sectors which had a very low response rate to the extended questionnaire. As the Survey was conducted over many months, including times at which government regulation strongly encouraged employees to work from home if they were able to do so, this finding from 2021 is not surprising.

Opinions on Return to the Office within Downtown

A total of 234 establishments, representing 26,766 jobs, responded to the return-to-office questions, which asked about opinions on the return to in-office work and business operations post-pandemic. This represents about 1.7% of the establishments in Downtown, and about 5% of

Downtown employment. Similar to the extended work-from-home survey, most responses were given by Office establishments (99%), by the Finance and Insurance and Professional, Scientific and Technical Services NAICS sectors (68%), and by small businesses (94% of responses came from businesses with less than 50 employees).

About two-thirds of respondents expected staffing levels to return to normal after the impact of the pandemic, representing an overall positive outlook for the state of business in Downtown. At the time of the Survey, about 30% of establishments had reported that employees had already returned to work in some capacity. Furthermore, the greatest proportion of respondents (46%) expected to return to the office by the end of 2021,

with 27% of respondents expecting to return between January and April 2022, 15% expecting to return between May and August 2022, and 12% between September and December 2022. The only NAICS industry that expected employees to return at a later date was in the Information and Cultural Industries sector. While the Survey responses were collected prior to the onset of the Omicron wave, which derailed businesses' return-to-office plans towards the end of 2021, the responses do signal that businesses are ready to have their employees return to the office as soon as it is safe to do so.

Figure 25: Reported Work-from-Home Employment Frequency 2021

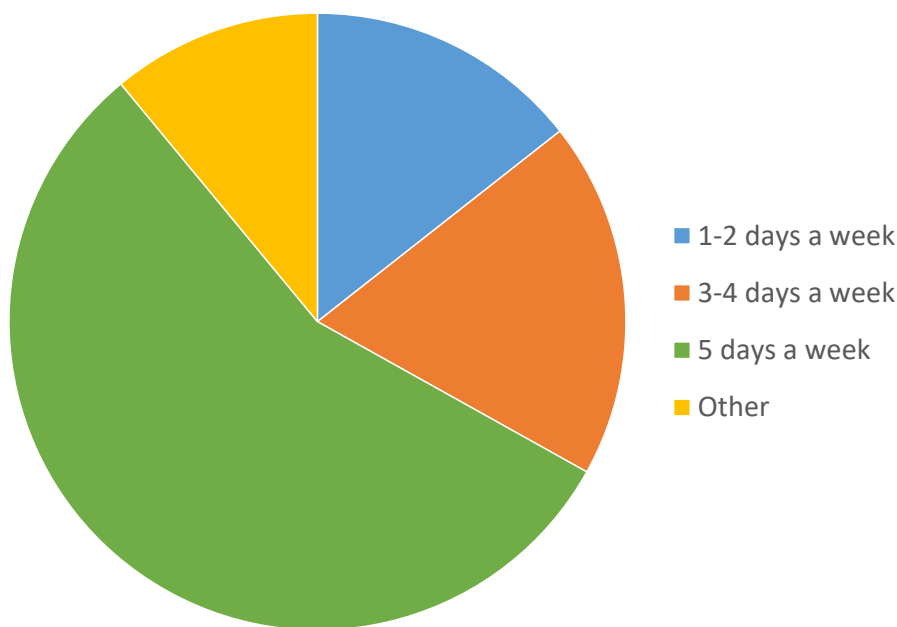


Chart represents number of businesses that reported any percentage of employees working from home

Special Topic: Toronto's Coworking Sector

The emergence of coworking spaces in Toronto has been studied through the Survey in recent years. Coworking can be described as the concept or practice of unaffiliated professionals working alongside each other, in an open plan office space that includes a combination of shared and dedicated desks, private offices, as well as shared amenities such as WI-FI, printers, and kitchen facilities.²⁵ This has been a rising trend in Toronto over several years.

In 2019, staff conducted a series of interviews with coworking operators within Toronto. These conversations illustrated the broad range of demand drivers that attract companies to locate in coworking spaces, which include the desire to cluster with creative workers, access to childcare amenities, growing labour mobility and the need for flexibility, and as a response to a desire for social interaction among independent workers.

Generally, occupants within interviewed coworking spaces were primarily from technology, graphic design, finance, law, marketing, coaching, media, and film companies. In determining locations, operators opted for proximity to clusters of creative sector companies or locations that minimized commute time for employees.

Since this research was conducted, changes have occurred in the coworking industry where the COVID-19 pandemic and resulting government-mandated lockdowns have had a negative impact on these use of coworking spaces. As a result, most coworking spaces in Toronto have operated at minimal occupancy or were temporarily closed.

The spotlight on coworking also stems from efforts to better capture footloose employment. The capture of Footloose employment is employment that does not have a regular location. Footloose employment is challenging to quantify

through the Toronto Employment Survey as it is an establishment-based survey, and such activities are not place-specific. Coworking, with its attraction of independent workers that are not tied to a specific location of work, falls within the realm of footloose employment.²⁶

While documenting the number of permanent staff at coworking spaces is simple, capturing the employment activity of individual tenants who may make use of a location for a varying number of hours per week is complicated.

In 2020, the Toronto Employment Survey devised new methods to address this issue. These are presented in detail below alongside their respective results.

In 2021, the Toronto Employment Survey counted 115 coworking spaces. This is an increase of 25 from 2020, and slight decrease of 5 from 2019. Employment was separated into proprietor staff and tenants. Total proprietor staff employment at coworking spaces represented 160 full-time and 30 part-time jobs.

The number of full-time and part-time jobs of tenants at each location was determined by asking proprietors to estimate the percentage of desk space occupied for more and less than 30 hours a week at each of their establishments, consistent with the Survey's definition of full- and part-time employment. In addition to returning a count of jobs, this approach also serves to enhance an understanding of the measure of space that employment within coworking firms occupies. However, this data collection proved to be challenging, as many proprietors do not keep track of which members use the space on a daily basis. Using this methodology, tenant employment within Toronto's coworking spaces represented 4,070 full-time jobs and 1,905 part-time jobs.

Despite the decline of 21% in coworking jobs since 2019, this niche function has made slight gains in the establishment counts over 2020 by 28%. When the economy in Toronto returns to normalcy post-pandemic, coworking has the potential to be an important alternative office space model.

Based on Survey results and the strength of the knowledge economy in Toronto, the number of coworking establishments as well as its accompanying employment is expected to increase. As the sector gains prominence, the accurate capture of the economic activity generated within these spaces will become increasingly important. Tracking coworking is an important means of identifying footloose employment, in that it increases the visibility of independent knowledge workers by providing a place for work to be conducted outside of the home office.²⁷ This provides the Survey with establishments to contact through which this employment can be quantified.

Although challenges remain, the growth of coworking spaces coupled with the continued refinement of methods by the Toronto Employment Survey will enable the improved capture of footloose knowledge sector employment in Toronto.

Further analysis of Toronto’s coworking sector, as well its economic drivers and locational patterns, is available on the Toronto Employment Survey website: www.toronto.ca/employmentsurvey.

Table 11: Coworking Sector, 2019-2021

Coworking Sector Analysis, 2019-2021	% Change				
	2019	2020	2021	2019-2021	2020-2021
Establishments	120	90	115	-4%	28%
Jobs	7,830	6,270	6,160	-21%	-2%

Note: Totals may differ from sums due to rounding.

Appendix

Data Limitations and Response Rate

In 2021, 41,740 establishments out of 69,990 responded to the Survey, representing a 60% response rate from identified business establishments. Responses represent 764,060 jobs or 53% of all employment in the city (764,060 jobs). This is lower than the Survey's response rate of 75% in 2020 and of 85 to 90% in pre-pandemic years.

The highest average response rate amongst all establishments were reported as highest within the Retail, Service, and Manufacturing, categories that rely heavily on in-person interaction. The lowest response rates were in Office, a category where either the nature of work more easily allows for work-from-home, or where work-from-home was required by pandemic-related restrictions (see Table A2 and A3). As a result, rates of employment change in categories with lower response rates may not represent the full degree of change experienced in those sectors.

Table A1: Secondary Plan Area Employment by 6 Sectors, 2021

Number	Secondary Plan Area	Manufacturing & Warehousing	Retail	Service	Office	Institutional	Community & Entertainment	Total
1	Agincourt	700	630	400	2,320	160	10	4,220
2	Highland Creek	0	80	420	310	2,490	260	3,560
3	Morningside Heights	0	0	0	0	180	100	280
4	Port Union Village Community	0	0	10	0	0	0	10
5	Scarborough Centre	580	2,870	1,100	8,750	740	260	14,280
6	Yonge St. Clair	90	610	860	11,510	1,040	140	14,240
7	Downsview Area	4,100	860	2,000	730	1,530	170	9,380
8	North York Centre	70	1,510	2,610	28,380	1,830	430	34,830
9	Sheppard East Subway Corridor	10	3,660	1,290	4,970	4,630	120	14,690
10	York University	0	40	510	460	7,460	100	8,580
11	Motel Strip	20	30	120	150	80	0	400
12	Etobicoke Centre	30	520	990	7,320	950	310	10,110
13	Fort York Neighbourhood	10	60	80	50	480	80	750
14	Garrison Common North	410	1,570	1,950	14,760	3,340	210	22,250
15	King-Parliament	70	1,270	1,600	10,620	1,750	380	15,690
16	King-Spadina	360	1,850	4,660	27,150	860	1,090	35,970
17	Railway Lands East	140	280	1,440	25,920	280	1,360	29,410
18	Railway Lands Central	0	60	1,500	2,380	20	1,360	5,310
19	Railway Lands West	0	190	240	210	70	50	760

Table A1 continues on next page

Table A1 continued

Number	Secondary Plan Area	Manufacturing & Warehousing	Retail	Service	Office	Institutional	Community & Entertainment	Total
20	University of Toronto	40	160	240	1,540	14,340	580	16,900
21	Yonge Eglinton	60	2,970	3,760	22,010	3,370	1,150	33,320
22	Central Finch	10	20	40	400	70	20	550
23	Sheppard West/Dublin	0	320	330	600	210	10	1,460
24	Central Don Mills	10	730	760	1,470	950	70	3,990
25	Swansea	140	100	70	230	230	40	810
26	Emery Village	30	100	200	320	240	0	890
27	Davenport Village	0	0	10	20	0	0	20
28	Regent Park	10	130	90	370	290	160	1,050
29	Sheppard Avenue Commercial Area	0	30	50	460	30	20	580
30	Warden Woods	320	10	30	20	230	30	640
31	Central Waterfront	1,490	1,530	3,850	26,000	960	1,970	35,790
32	Lawrence-Allen	10	5,890	1,340	4,880	2,840	160	15,110
34	Queen River	20	220	10	30	180	0	450
35	Mimico-Judson	120	30	40	170	0	0	360
37	Sheppard Lansing Area	0	10	20	480	60	10	580
38	ConsumersNext	120	290	630	19,000	980	50	21,060
39	Rail Deck Park	0	0	0	0	0	0	0
40	Don Mills Crossing	0	250	20	1,710	80	10	2,080
41	Downtown Plan*	2,370	22,700	38,590	385,600	81,020	9,960	540,230
42	Unilever Precinct	0	0	10	330	0	0	340

*Totals may not equal sums due to rounding. Sum of employment exceeds total employment in Secondary Plan areas due to overlap of multiple Secondary Plan geographies. Employment totals are accurate for each individual Secondary Plan area.

**Note: 133,370 jobs within Downtown are also captured in other Secondary Plan Areas, including King-Parliament, University of Toronto, Regent Park, Queen River, King-Spadina, Railway Lands East, Railway Lands West, and Railway Lands Central. The overlap by six sectors include 970 Manufacturing & Warehousing jobs, 5,370 Retail jobs, 11,420 Service jobs, 91,550 Office jobs, 18,510 Institutional jobs and 5,560 Community and Entertainment jobs.

Table A2: Average Response Rate by 6 Sector Breakdown, 2021

Sector	Average Response Rate
Manufacturing	56%
Retail	64%
Service	59%
Office	48%
Institutional	54%
Community and Entertainment	52%
Total	53%

Table A3: Average Response Rate by Major NAICS Sector Breakdown, 2021

NAICS Major Sector	Average Response Rate
Not Coded	81%
Agriculture, Forestry, Fishing and Hunting	30%
Utilities	27%
Construction	60%
Manufacturing	57%
Wholesale Trade	66%
Retail Trade	63%
Transportation and Warehousing	62%
Information and Cultural Industries	34%
Finance and Insurance	54%
Real Estate and Rental and Leasing	52%
Professional, Scientific and Technical Services	37%
Management of Companies and Enterprises	27%
Administrative and Support, Waste Management and Remediation Services	40%
Educational Services	53%
Health Care and Social Assistance	56%
Arts, Entertainment and Recreation	50%
Accommodation and Food Services	51%
Other Services (Except Public Administration)	59%
Public Administration	68%
Total	53%

Figure A1: Longevity of City Establishments, 2016-2021

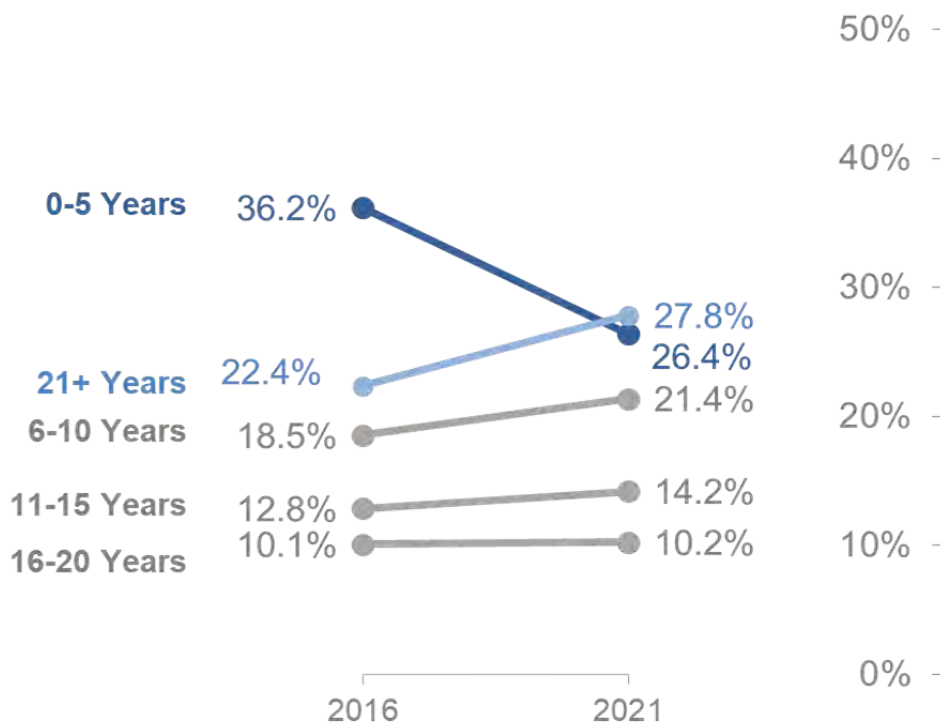
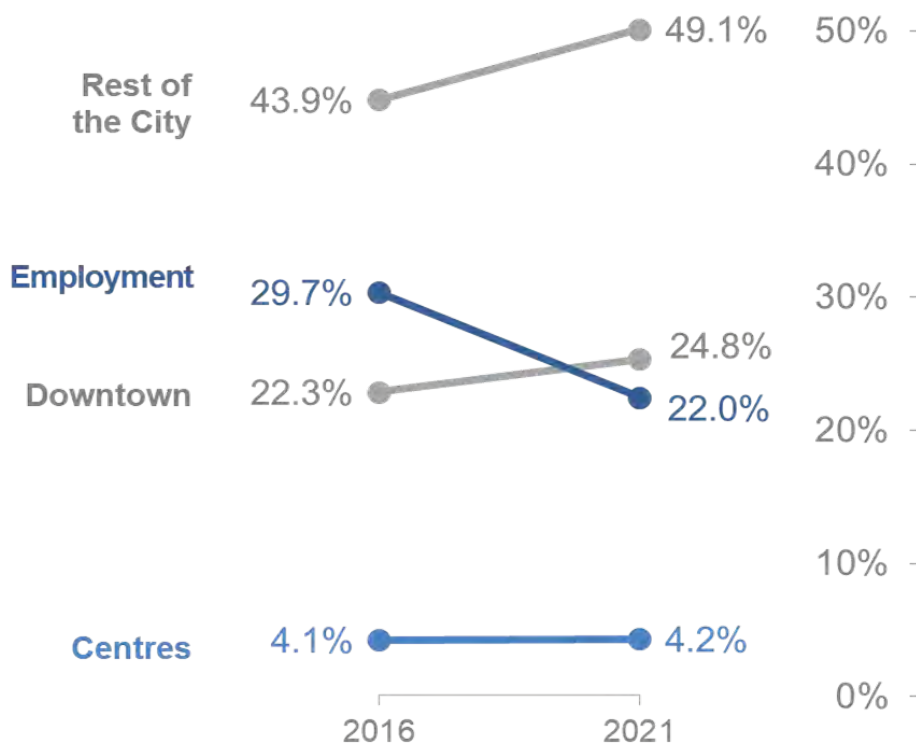
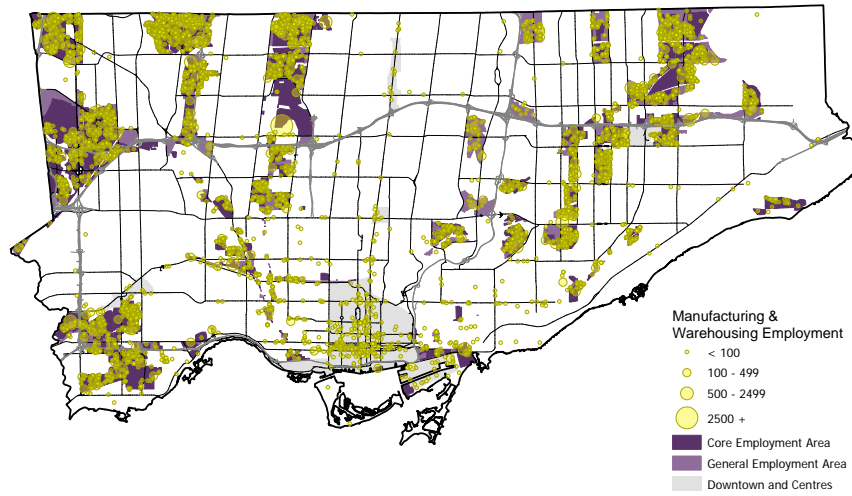


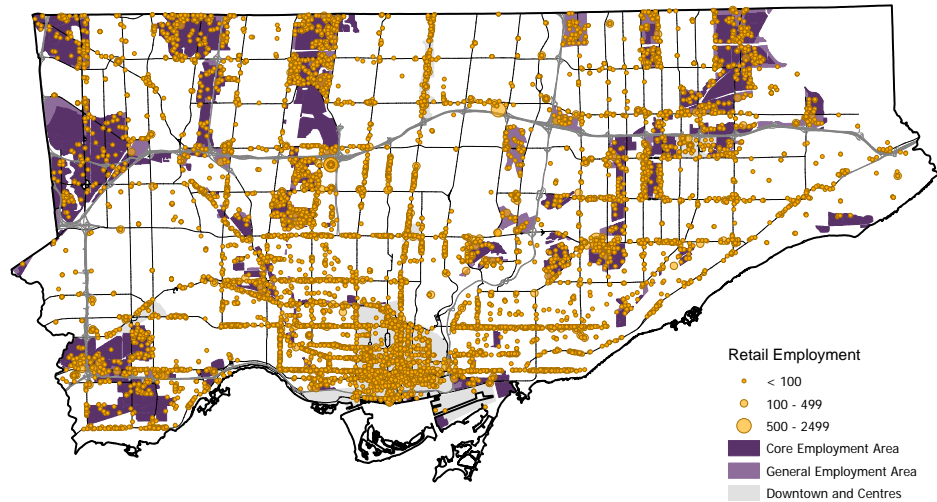
Figure A2: Locations of New City Establishments, 2016 to 2021



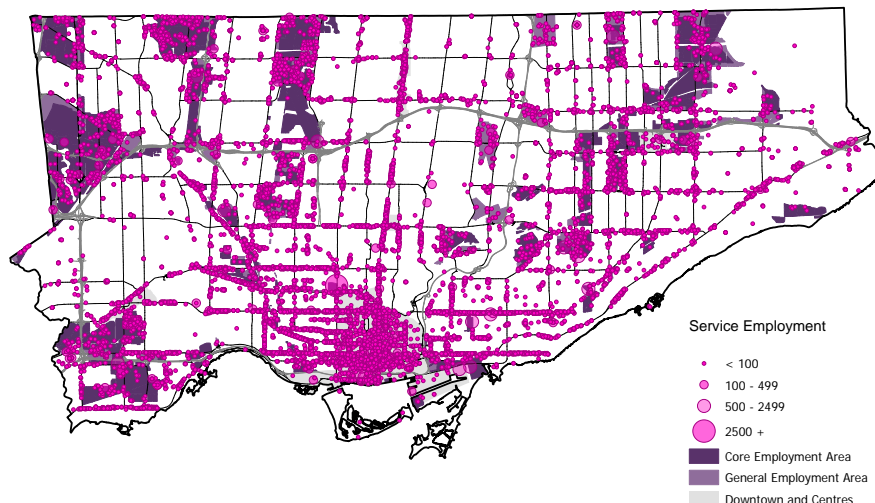
Map A.1: Spatial Distribution of Manufacturing and Warehousing Employment



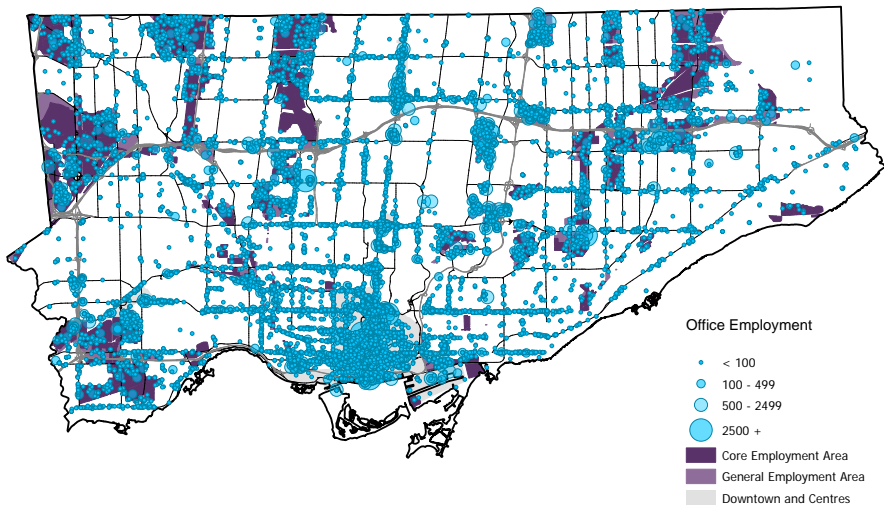
Map A.2: Spatial Distribution of Retail Employment



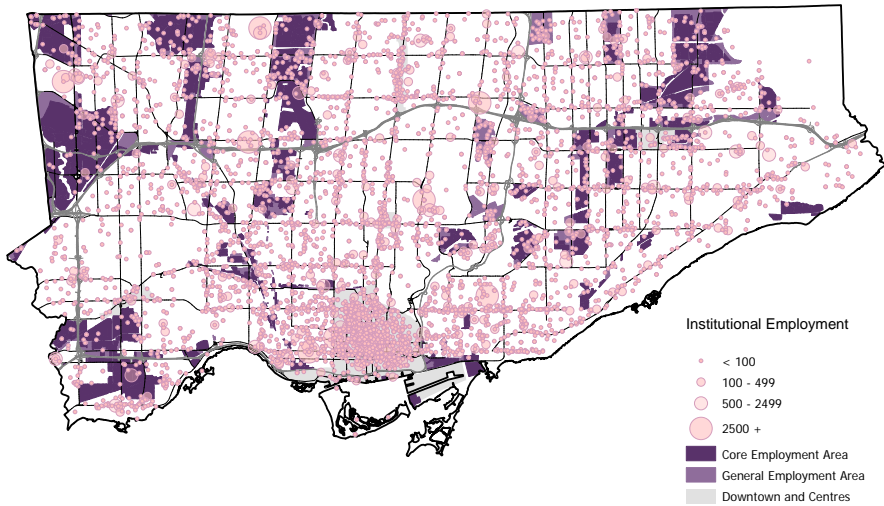
Map A.3: Spatial Distribution of Service Employment



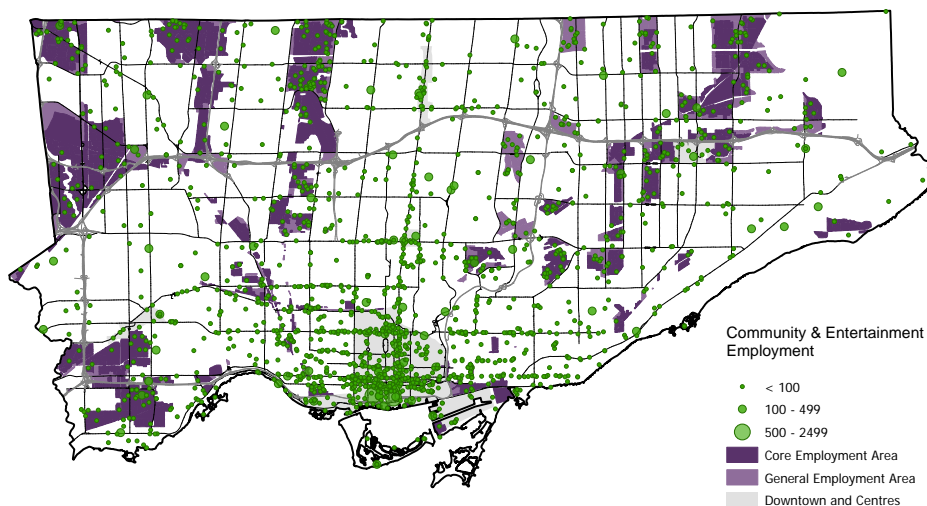
Map A.4: Spatial Distribution of Office Employment



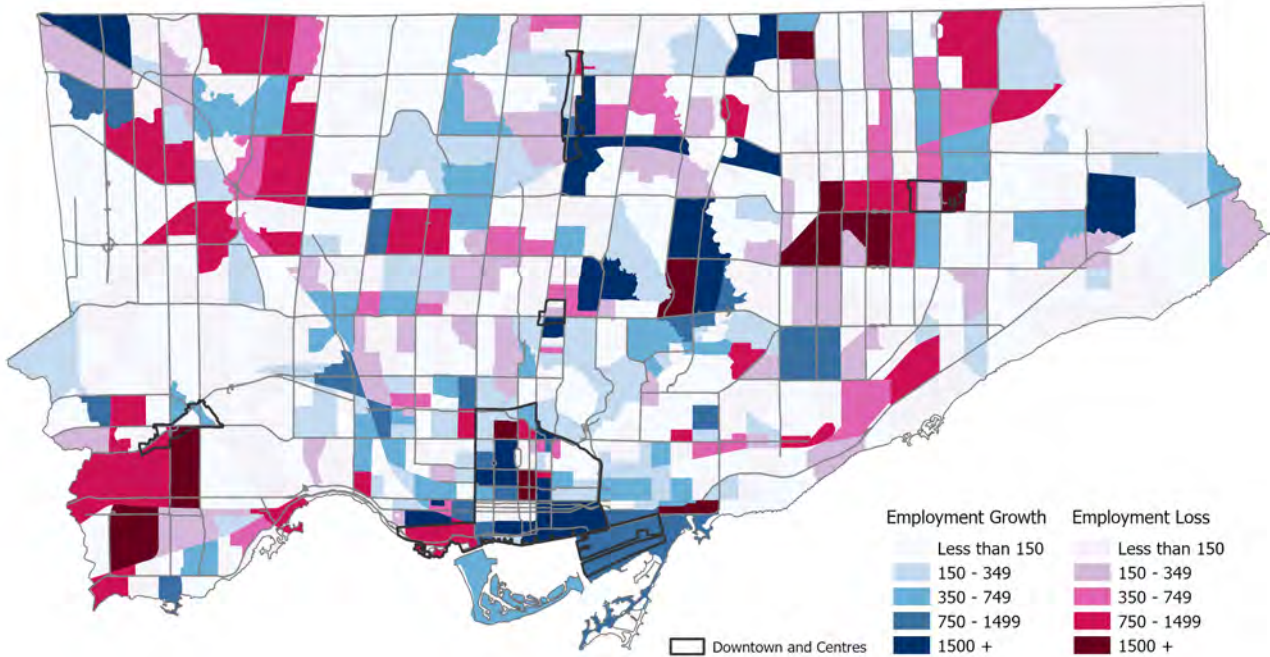
Map A.5: Spatial Distribution of Institutional Employment



Map A.6: Spatial Distribution of Community & Entertainment Employment



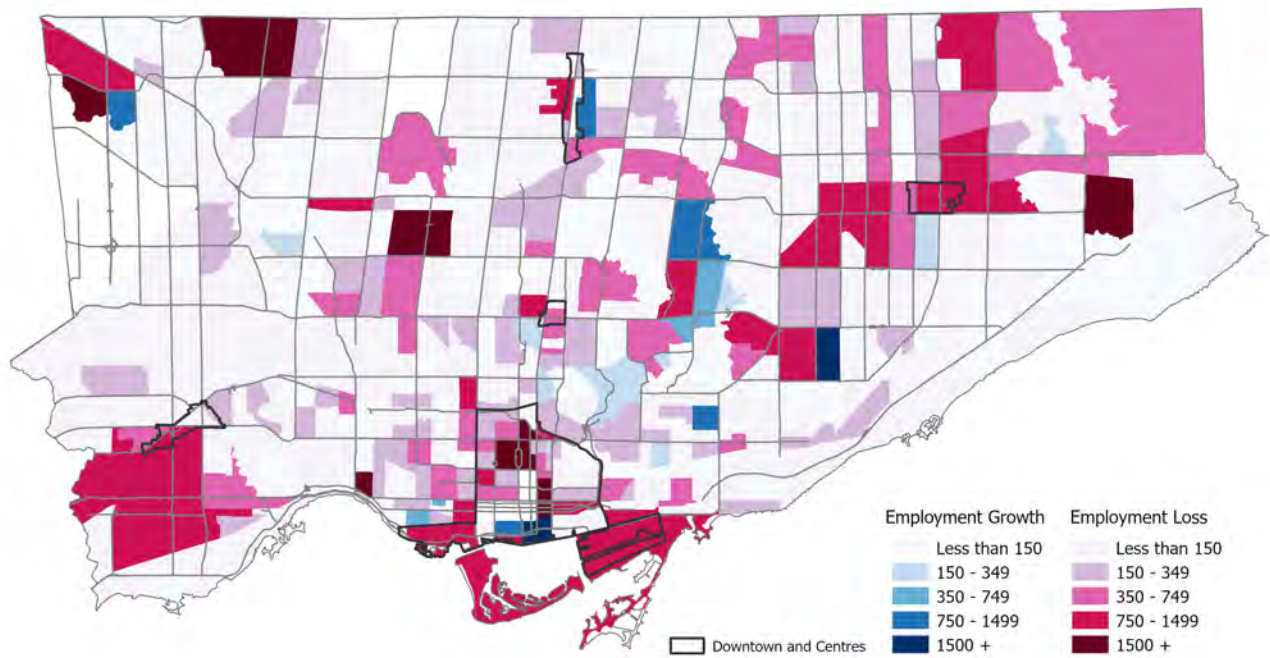
Map A.7: 2001 - 2021 Employment Change by Census Tract



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Map A.8: 2019 - 2021 Employment Change by Census Tract



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