

Annual Labour Force Survey Data

Methodological Note:

At the beginning of 2015, Statistics Canada substantially changed the methodology used to produce the Labour Force Survey (LFS) population estimates for the city of Toronto. These changes have resulted in large and inexplicable swings in population and related counts, which are not real.

All of the LFS counts for the city of Toronto residents have been adjusted to make the population estimates embedded in the LFS data conform to benchmark population totals. This does not affect rates (including, for example, the unemployment rate and the percentage of workers that are self-employed). It also does not affect other levels of geography, except the "905", which is calculated as the residual (Toronto Census Metropolitan Area (CMA) minus city of Toronto).

Please see our [March 31, 2016 Economic Dashboard](#) report (pages 7-9) to the Economic Development Committee for further details on the rebased labour force data.

Statistics Canada publishes monthly labour force statistics for all Canadian CMA's and provinces. In addition, the City of Toronto purchases a special run from Statistics Canada of Labour Force Survey (LFS) data for city of Toronto residents only, i.e. separate from the rest of the Toronto CMA. LFS data are collected by place of residence, and therefore represent "employed residents" and not "jobs" by place of work.

Annual Labour Force Survey Trends

This annual report highlights several key developments in the labour market in the city of Toronto and the rest of Canada since 2008.

Overall, the number of employed residents increased in the city and the rest of Canada from 2008-2016. In the city and across Canada, the largest employment gains were among people aged 55 and older; however, this was largely the result of the baby boomers entering that age group. City residents aged 55 and older accounted for all full-time employment growth from 2008-2016.

Employment trends in the city and across Canada

From 1993 to 2008, the number of employed Canadians steadily increased each year by an average of 267,000 annually. The total number of employed Canadian residents then decreased by 283,000 in 2009. This 2009 decline in employment was linked to the 2008-2009 global financial crisis, which is considered the worst financial crisis since the Great Depression in the 1930s. Since 2009, Canadian employment has consistently increased every year. From 2010-2013 employment grew by 241,000 annually, and for the last 3 years employment has been growing at 130,000 annually.

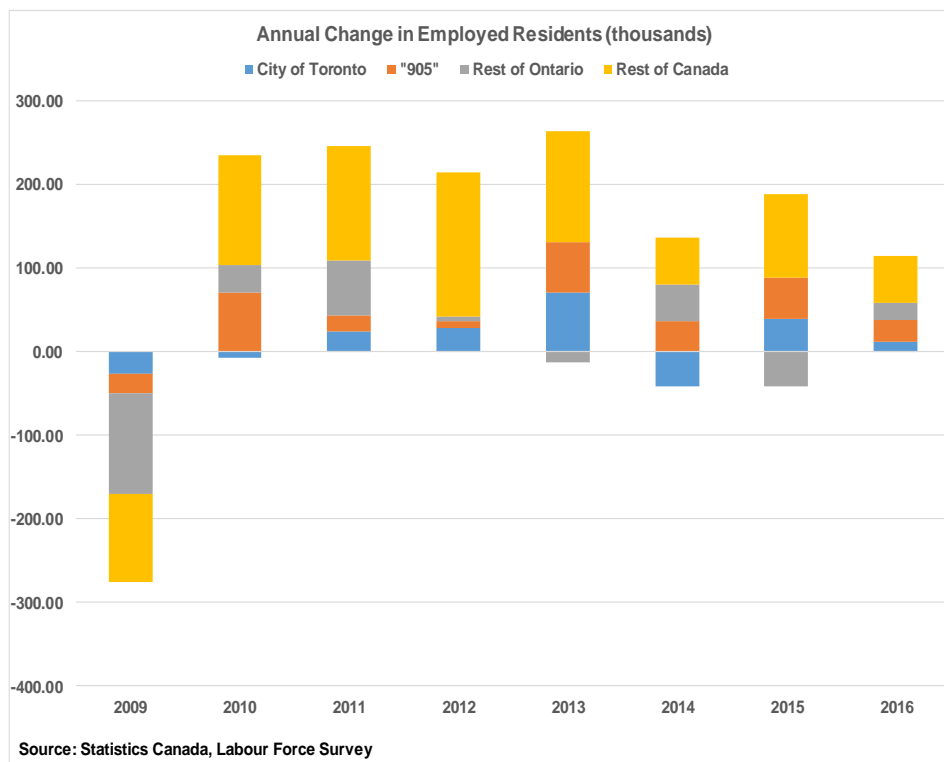
Employment changes in Ontario and the Toronto CMA are similar to the Canadian pattern over the last 20+ years. The early 1990's recession was more severe in the Toronto region than in the

rest of Canada and it dragged on a little bit longer. For the 12 years from 1997 to 2008, the number of employed city of Toronto residents increased every year.

Chart 1 below shows the annual change in the number of employed residents from 2008 to 2016. Since 2008, the number of employed Canadians has increased by 1,069,690 (6.3%). Over the same period, employment growth in Ontario (5.9%) was not far behind the rest of Canada; however, growth in Ontario has not been evenly distributed across the province.

From 2008-2016, the number of employed city of Toronto residents increased by 7.5%, and the rest of Toronto CMA by 16.3%; however, the number of employed residents in the rest of Ontario (outside the Toronto CMA) increased by only 1.1%.

Chart 1



Self-employed city residents

Overall, there are 100,150 more city residents employed today than were employed in 2008. The number that are self-employed increased by 24,070, and the number of employees increased by 76,100. Self-employed residents continue to account for almost one-fifth of total employed residents. The proportion of city residents who are currently self-employed is 16.6%, which is slightly higher than it was in 2008 (16.1%).

All of the increase (2008-2016) in self-employed city of Toronto residents was accounted for by self-employed persons without employees. The number of self-employed city residents with paid help declined from 2008 to 2016.

Employment gains in services-producing sector

Table 1 below shows the change of full and part-time employment in the city since 2008 by industry. Most of the employment losses were in the goods-producing sector (-26,020) which was largely offset by the employment gains in the services-producing sector (+126,170).

Table 1. Full and part-time employed city residents by industry, 2008-2016

	Total		Full time		Part time	
	Change	Change	Change	Change	Change	Change
	(x1,000)	%	(x1,000)	%	(x1,000)	%
All Industries	100.15	7.5%	71.19	6.4%	28.97	12.8%
Goods-Producing Sector	-26.02	-10.7%	-28.14	-12.1%	2.12	23.3%
Agriculture, Forestry, Fishing and Hunting	-1.91					
Mining and Oil and Gas Extraction	0.59	33.9%	0.52	29.8%		
Utilities	-3.49	-40.4%	-3.49	-40.4%		
Construction	13.03	18.2%	11.63	17.0%	1.40	46.0%
Manufacturing	-35.57	-22.5%	-36.44	-23.8%	0.89	16.0%
Services-Producing Sector	126.17	11.5%	99.33	11.2%	26.85	12.4%
Wholesale Trade	7.19	14.7%	8.78	19.6%	-1.61	-38.7%
Retail Trade	6.37	5.0%	5.93	7.1%	0.43	1.0%
Transportation and Warehousing	-6.37	-11.6%	-5.83	-12.4%	-0.53	-6.9%
Information and Cultural Industries	-7.12	-13.1%	-6.91	-14.3%	-0.21	-3.5%
Finance and Insurance	17.47	15.0%	18.30	16.5%	-0.84	-14.6%
Real Estate and Rental and Leasing	10.34	32.3%	9.94	38.3%	0.41	6.8%
Professional, Scientific and Technical Services	26.39	17.8%	25.56	19.5%	0.83	4.7%
Management of Companies and Enterprises	-1.59					
Administrative and Support, Waste						
Management and Remediation Services	2.88	4.0%	5.59	10.2%	-2.71	-16.4%
Educational Services	11.05	12.2%	6.94	10.6%	4.11	16.4%
Health Care and Social Assistance	36.96	29.1%	23.35	23.0%	13.61	53.0%
Arts, Entertainment and Recreation	13.04	43.7%	3.92	20.9%	9.12	82.1%
Accommodation and Food Services	11.41	12.9%	6.18	10.5%	5.22	17.7%
Other Services (except Public Administration)	1.74	2.7%	1.61	3.2%	0.12	1.0%
Public Administration	-3.90	-8.3%	-3.07	-7.2%	-0.82	-19.5%

Part-time employment growth in the city of Toronto

From 2008-2016, part-time jobs increased (12.8%), which is twice as fast as full-time jobs, and half of all net new part-time jobs were involuntary part-time. Part-time employment consists of persons who usually work less than 30 hours per week at their main or only job. Part-time employed city residents continue to account for almost one-fifth (17.6% in 2016) of total employed residents.

Part-time gains were spread across both services (+12.4%) and goods (+23.3%) producing sectors over the period of 2008-2016, with the largest increase in arts, entertainment and recreation (+82.1%) and health care and social assistance (+53.0%), see table 1 above.

City residents aged 55 and older accounted for most of the part-time employment increase (+17,080 or +39.2%) from 2008-2016. At the same time, few residents aged 15-24 were working part-time (-1.8%) and part-time employed city residents aged 25-54 increased by 13.2%.

Full-time employment by industry in the city

The full-time employment in the city has increased by 6.4% (+71,200) since 2008; this growth rate is slower than for part-time employment. As shown in table 1, the slow growth in full-time

employment was mostly due to declines in the goods-producing sector (-12.1% or -28,100), which largely offset full-time growth in the services-producing sector (+11.2% or +99,300). The largest full-time employment increases were in professional, scientific and technical services (+25,600 or +19.5%), health care and social assistance (+23,300 or 23%), and finance and insurance (+18,300 or +16.5%).

At the same time, city residents aged 55 and older accounted for all full-time employment growth (+49.7% or +80,770). Full-time employment for the core-aged 25-54 experienced little change and full-time employment for residents aged 15-24 saw a large decline of 11.3% (or -9,430)

Temporary employment gains exceed permanent employment

City of Toronto residents with temporary jobs (+33.4%) increased ten times faster than residents with permanent jobs (+3.2%) over the period of 2008-2016. Even in absolute terms the number of city residents with temporary jobs increased by more than residents with permanent jobs. Temporary employment has a predetermined end date, or will end as soon as a specified project is completed.

Almost all new unionized jobs were part-time

The number of city of Toronto residents with unionized jobs (+12,770) grew less quickly than those with non-union jobs (+63,320). Of the net new unionized jobs that were created, almost all (+11,060) were part-time positions.

Increase in employees occurred in smaller establishments

Since 2008, almost all of the increase in city residents that are employees (+76,100) occurred in smaller establishments. Establishments with less than 20 employees (+10.6%) and 20-99 employees (+10.7%) accounted for almost all of the growth in employees. Employees in establishments with 100-500 employees declined slightly and jobs in establishments with more than 500 employees increased by only 3.0% from 2008 to 2016.

Wages are becoming less equal in Toronto

Wages paid to city residents are less equal than for other Canadians, and they became even less equal between 2008 and 2016. The mean (average) hourly wage increased by 19.2%, while the median wage increased by only 15.8%, which was exactly the same as the change in the Consumer Price Index in this period. Mean and median wages are usual wages or salary of employees at their main job.

Improvement in unemployment rates across Ontario

Unemployment rates in the city of Toronto and across Ontario had fully recovered from the 2008/2009 recession by 2016. The unemployment rate for city residents is now at 7.6%, compared to 10.1% in both 2009 and 2010. Canadian unemployment rates did not increase as much in 2009 as in the city of Toronto, but they have also not fully recovered yet.

Falling labour force participation rates across Canada

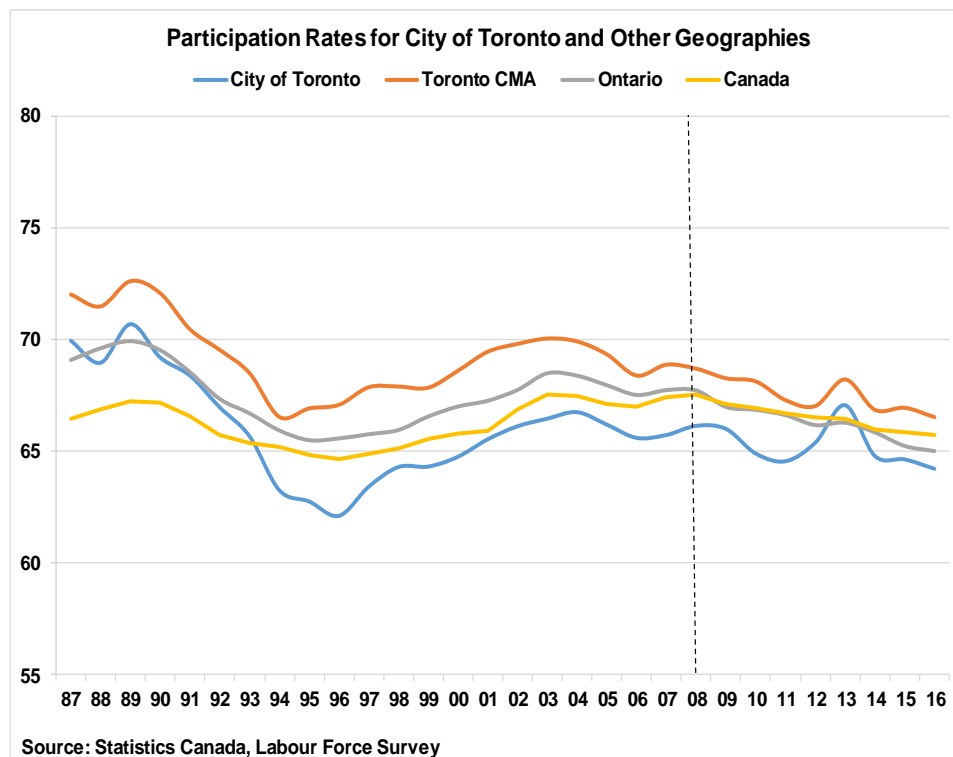
Labour force participation rates across Canada, including the city of Toronto, have continued to decline. Chart 2 below shows long-term trends in participation rates in the city and across Canada. In 2016, the participation rate for city of Toronto residents had fallen by 1.9% since 2008.

The decrease in labour force participation rates is partly due to the aging population; however, there is also evidence that some residents with lower levels of educational attainment have decided to leave the labour force altogether.

More residents aged 55 plus are participating in the labour force

In the city of Toronto and across Canada, participation rates have fallen for all ages of workers except for residents age 55-64 and 65+, which have increased substantially since 2008. The largest declines in labour force participation rates since 2008 has been for residents age 20-24. In 2016, 65.5% of city of Toronto residents age 20-24 were either working or looking for work. Eight years before 73.5% were in the labour force.

Chart 2



Employment rates tied to educational attainment

Employment rates also vary by educational attainment. The more education one has, the more likely one is to be employed. However, since older cohorts have less education on average than younger cohorts, as cohorts of older workers retire, the participation rates of less educated residents will fall.

Even after adjusting for age, city of Toronto residents with a university degree, unlike residents with less education, are more likely to be employed in 2016 than they were in 2008. The largest declines in participation rates are for residents with "high school and some post-secondary education". City of Toronto residents aged 25-44 with some post-secondary education experienced a decline of 6.0 percentage points in their participation rates from 2008 to 2016. City residents aged 45-64 with some post-secondary fared even worse (-6.9 percentage points).

The national pattern is similar, except that the largest declines in participation rates were for residents that had not finished high school.

Newly landed immigrants typically have lower employment rates

Employment rates also vary by period of immigration. After adjusting for age, newly landed immigrants typically have lower employment rates than Canadian born residents and better established immigrants. Over the last eight years, Canadian-born city of Toronto residents experienced declines in their participation rates and increases in their unemployment rates, both for residents age 25-44 and residents age 45-64, landed immigrants experienced the opposite pattern of change.