

Clause 12 in Report No. 5 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on March 26, 2015.

12

York Region Employment and Industry Report 2014

Committee of the Whole recommends:

Receipt of the presentation by Doug Lindeblom, Director, Economic Strategy & Tourism and Paul Bottomley, Manager, Policy, Research and Forecasting.

Referral of the report dated February 24, 2015 from the Commissioner of Corporate Services and Chief Planner to a future meeting of the Committee to allow for further consultation with local municipalities.

1. Recommendation

It is recommended that:

1. The York Region Employment and Industry Report 2014 (Attachment 1) be circulated to local municipalities, local chambers of commerce, workforce planning board and board of trade.

2. Purpose

The *Employment and Industry Report 2014* provides an analysis of the information gathered in the 2014 York Region Employment Survey. The survey data is used to provide a detailed overview of industry and employment trends as of mid-year 2014 in York Region, including sectoral analysis and employment growth.

3. Background

Annual employment survey assists with understanding trends in business growth and tracks Regional economic vitality

Business and job growth are fundamental to York Region's economic vitality. Attracting and retaining high quality, good paying jobs across a broad range of sectors promotes economic resilience and helps ensure those living in York Region have the opportunity to work and thrive where they live. Every year York Region's employment survey gathers information on the location, type and characteristics of businesses in the Region. It is important to understand and regularly monitor this type of information as well as year over year trends as it informs the development of Regional policies, programs and investments.

York Region Employment and Industry report based on information collected in the 2014 annual employment survey

A Region wide survey of businesses was completed between May and August 2014. Businesses were primarily contacted through door-to-door interviews by a team of university students. York Region's first employment survey occurred in 1998 and was subsequently followed by an annual survey targeting key employment areas up to 2006. With the assistance of local municipalities, York Region has completed a Region-wide annual survey of businesses with a physical location annually since 2007.

Home and farm-based businesses participated in the survey on a voluntary basis

The Region began collecting business and employment information voluntarily from home-based businesses in 2012. Since then the Region has collected information from just over 500 home-based businesses. Nearly 50% of these businesses fall within the business services sector mirroring work-at-home trends in the 2011 Statistics Canada National Household Survey (NHS). It is important to note that the number of home-based businesses captured in the survey represents a small sample of home-based businesses in the Region. According to the 2011 NHS there were approximately 40,000 home-based jobs in York Region in 2011.

In collaboration with the York Region Agricultural Advisory Liaison group and the York Federation of Agriculture, the Region completed its first farm-based business survey in 2014. A letter describing the purpose of the survey and a survey form was distributed in May to just over 700 farm-based businesses. Of the contacted farms, only 9% participated in the survey. The low participation rate can likely be attributed to the timing of the survey, as May is near the start of the peak-season farming months. Regional staff continue to work with the York

Federation of Agriculture to increase awareness on the benefits of collecting this information. In an effort to increase the response rate, the next farm business survey was distributed in February of this year.

Employment survey data is used by many partners including the local municipalities

Data collected from the employment survey is a valuable resource for the Region and local municipalities. The data is used by planning and economic development departments, other municipal departments, non-profit organizations and private sector groups.

Some key uses of the data include:

- Generating employment growth forecasts – employment data helps to establish a new basis for forecasts by providing detailed information for employment by type for the Region and its local municipalities.
- Informing infrastructure requirements in master plans for transportation and water and wastewater. Forecasts by small geographic areas enable other departments and the local municipalities to determine where growth will occur and where service planning will be required.
- Monitoring targets in York Region's Official Plan.
- Monitoring major office growth – employment survey data assists in the development and monitoring of the Region's major office inventory.
- Evidence at Ontario Municipal Board hearings – employment data can be used to support Regional policies such as achieving community area and business park densities as well as profiling the Region's employment parks.
- Identifying economic trends and emerging sectors through the Region's sectoral employment analysis reports.
- Regional and local business directories – the York Region Business Directory website is directly based on survey data and is a valuable resource for business-to-business contact.

Data is collected and classified using industry standards for detailed analysis

Each business is assigned a North American Industrial Classification System (NAICS 2012) code as defined by Statistics Canada based on its primary business activity, service or product offered. Much of the analysis in this report

aggregates business and employment information into five major industry groups for clarity of presentation. The combined industry groups are summarized in Table 1 below:

Table 1
York Region Industry Group Definitions

Industry Groups	Example Business Activity
Manufacturing, Wholesale Trade, Transportation/Warehousing (MWT)	Goods manufacturing, wholesaling merchandise, transporting passengers and goods and warehousing
Construction/Utilities/Primary	Construction, repairing and renovating buildings, electric power generation and distribution
Retail/Personal services	Retail trade, publishing industries, telecommunication services, entertainment and recreational facilities, accommodations and restaurants, religious organizations, repair shops and personal care services
Business Services	Banks, real estate, legal services, accountants, engineering services, computer systems design, research and development, head offices, administrative support services, waste management
Institutional	Educational services, health care services and public administration

4. Analysis and Options

The York Region Employment and Industry Report 2014 (Attachment 1) includes a detailed summary of the 2014 York Region Employment Survey. Some of the major findings of the 2014 survey are highlighted below.

York Region employment growth once again outpaced national, provincial and GTA averages in 2014

York Region employment growth outpaced national, provincial and GTA labour force growth between mid-year 2013 and mid-year 2014, posting a gain of 2.4% (see Table 2).

Table 2
Comparison of annual employment growth rate, Canada, Ontario, GTA and York Region, 2014

	Canada	Ontario	Greater Toronto Area ¹	York Region ²
2013-2014	0.6%	0.6%	-1.6%	2.4%
2009-2014	1.3%	1.5%	1.8%	3.0%

¹Greater Toronto Area labour force employment growth approximated by the Toronto Economic Region

²York Region figures based on 2014 employment survey results and estimates for home-based, farm-based, and no contact businesses

Source: York Region Planning and Economic Development Branch, 2014 and Statistics Canada's Labour Force Survey, 3-month moving average, unadjusted for seasonality, ending in August 2014

According to the Statistics Canada Labour Force Survey, national labour force employment increased by 0.6% , provincial labour force employment also grew by 0.6% and the GTA labour force employment decreased by -1.6% from mid-year 2013 to mid-year 2014. It is important to note that while Statistics Canada's labour force data is useful for trend analysis, there are high levels of variability in the data and the information is not directly comparable to York Region's employment estimate. The labour force survey represents GTA residents of working age who may or may not work in the GTA. The annual York Region employment survey data is representative of the Region's workforce and is comprised of working age individuals who work in York Region and who may or may not be residents of the Region.

York Region employment was estimated at 564,600 jobs as of mid-year 2014

York Region's exhibited positive employment growth in mid- year 2014 with total employment estimated at 564,600 jobs. This is an increase of 13,300 jobs from an estimated 551,300 jobs in mid-year 2013.

York Region's total employment estimate was derived based on the following:

- Net job growth in existing businesses
- Established businesses that have relocated to the Region

- Newly established businesses in the Region
- Businesses that were missed in previous surveys
- An estimate for no-contact businesses¹ based on the average number of employees by sector in surveyed businesses.
- An estimate for home-based businesses since the 2011 NHS
- Farm-based businesses from the 2011 Census of Agriculture

¹ No-Contact businesses are businesses that the Region was unable to contact during the 2014 survey period.

A breakdown of the 2014 total employment estimate by municipality can be seen in Table 3.

Table 3
York Region Total Employment (# of Jobs) by Municipality, 2014

Municipality	Surveyed Businesses	No contact Estimated	Agricultural	Work at Home	Total
Aurora	23,900	600	0	2,500	27,000
East Gwillimbury	7,600	100	800	1,000	9,500
Georgina	7,400	100	200	1,200	8,800
King	6,800	100	1,000	1,100	8,900
Markham	155,500	2,900	300	11,300	170,000
Newmarket	38,900	500	100	3,200	42,700
Richmond Hill	65,100	1,100	0	9,000	75,200
Vaughan	194,900	3,000	300	10,000	208,100
Whitchurch-Stouffville	11,700	400	300	2,000	14,400
York Region	511,600	8,800	2,900	41,200	564,600

Source: York Region Planning and Economic Development Branch, 2014, Statistics Canada 2011 Census of Agriculture and 2011 National Household Survey

Note: Totals may not add up due to rounding.

Employment for businesses where employment numbers were not collected through the employment survey have been estimated based on an employees per business and industry factor

Agricultural employment was based on the 2011 Census of Agriculture

Work at home jobs were based on an estimate of growth since the 2011 NHS.

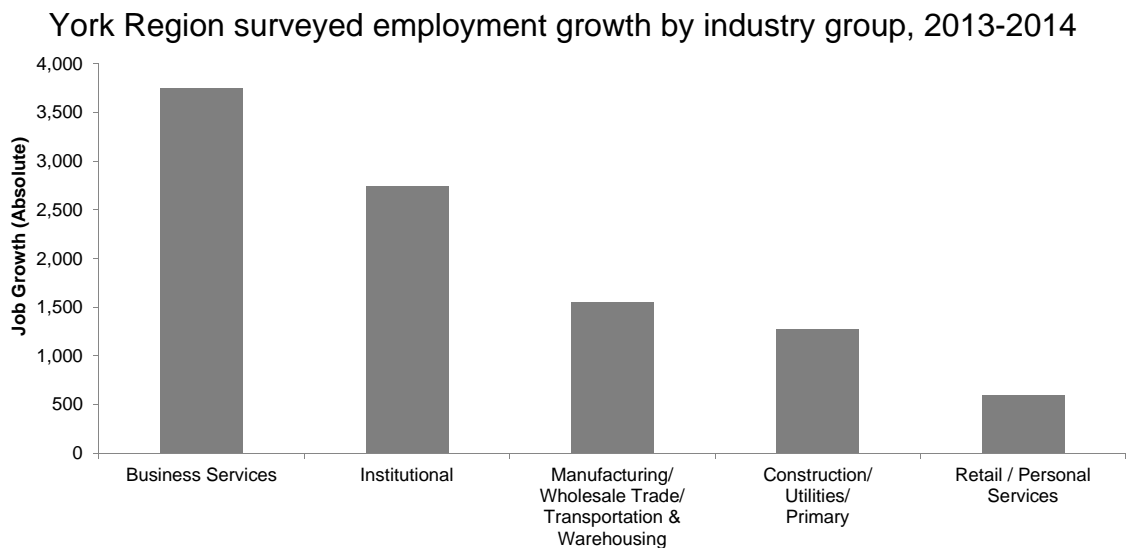
Region (excluding home and farm-based businesses). According to the Canadian Business Patterns (CBP) database from Statistics Canada, there were approximately 46,000 businesses that submitted payroll in June 2014. The CBP database is based on the Canadian Business Register and uses the business registration number as the basis for their business counts therefore making it possible that the CBP database includes businesses that are not identifiable in a physical location survey. The CBP is a common and useful data source used by

Regional staff for benchmarking business trends with other jurisdictions who do not conduct employment surveys. A key objective of continuous improvement efforts is to increase the comprehensiveness of the survey.

The business services industry group posted the largest employment gain in 2014

In terms of absolute growth, the business services industry group posted the largest employment gain between 2013 and 2014 (3,745 jobs) (see Figure 3). The majority of the growth within this industry group was in the professional, scientific & technical services sector which accounted for 45% or 1,732 jobs. Jobs in this sector are dependent on a skillset and expertise that is typically acquired from post-secondary education such as legal services, computer systems and design and research and development. Growth in this sector is an indicator that the Region continues to foster employment in knowledge-based industries and continues to attract highly skilled workers.

Figure 3



Source: York Region Planning and Economic Development Branch, 2014

Notes: York Region figures represent employment at businesses surveyed. Farm and home-based employment as well as estimates for no-contact businesses are excluded. Refer to industry group definitions on page 3

The institutional industry group posted notable growth over the past year increasing by 2,741 jobs. The healthcare and social assistance sector was the main driver of this growth, accounting for a 66% share. As the Region's population continues to age there will likely be a greater need for jobs in this sector.

Employment in the MWT industry group increased by 1,551 jobs between 2013 and 2014. The manufacturing sector accounted for most of this growth increasing by 814 jobs. This sector has experienced significant fluctuation over the past

several years, however, moderate increases have been seen in the transportation equipment, food processing and plastics manufacturing subsectors.

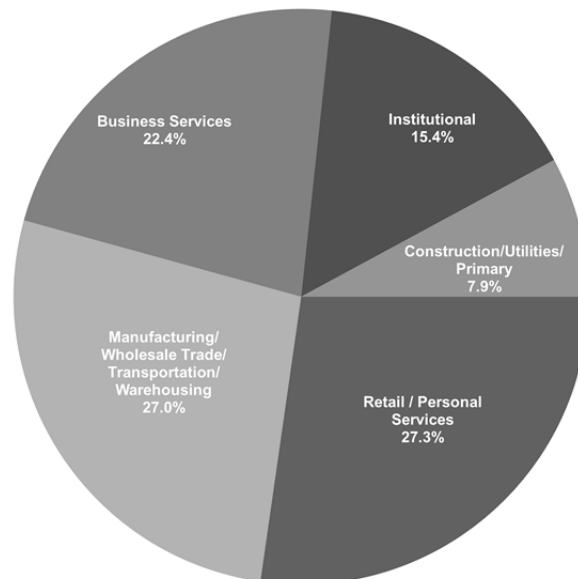
The construction/utilities & primary industry group increased by 1,271 jobs over the past year. Much of the growth was in the specialty trade contractors subsector within the construction sector suggesting that there is a demand for skilled trades employment in the Region.

The retail/personal services industry group grew by 590 jobs between 2013 and 2014. Population growth increases the demand for population-related employment. As York Region is one of the fastest growing municipalities in Canada, growth in this industry is to be expected.

York Region's strong diversity across all sectors helps ensure economic resilience

The distribution of surveyed employment by industry group is graphically illustrated in Figure 4 and highlights the Region's diverse economic base.

Figure 4
York Region surveyed employment by industry group, 2014



Source: York Region Planning and Economic Development Branch, 2014
Notes: York Region figures represent employment at businesses surveyed. Farm and home-based employment as well as estimates for no-contact businesses are excluded. Refer to industry group definitions on page 3

Retail/personal services and MWT account for 27.3% and 27.0% of the Region's employment base followed by business services with 22.4%. Employment available in a broad range of sectors is key to securing the Region's resiliency to any future economic downturn.

A number of major economic clusters contribute to York Region's competitiveness

York Region's employment in the five major industry groups identified earlier in this report highlight the diversity in the Region's economic base. These industry groups play a role in developing a number of the Region's major economic clusters that contribute to Regional competitiveness through job creation and business retention. The Region's major economic clusters include:

- Information and Communications Technology (ICT)
- Life Sciences
- Business and Financial Services
- Clean Technology
- Agri-business/food processing
- Tourism/arts/culture

These clusters provide a number of key economic benefits such as encouraging networking, attracting investment, innovation and facilitating the incubation of new businesses providing high quality employment opportunities and contributing to the Region's knowledge-based economy.

Examining these key clusters in more detail can shed light on specific sectoral trends and can assist in identifying opportunities relating to job growth in the Region as well as providing a better understanding of the Region's live/work ratio. Future reports will examine some of these key industry groups as well as trends in labour force activity.

The Region continues to attract business investment in 2014

In 2014, York Region surveyed 31,123 businesses an increase of 1,140 businesses from the 2013 survey indicating that York Region is a favourable location to do business (see Table 4).

Table 4
York Region businesses by size, 2009, 2013 and 2014

Business Size Category	2009	2013	2014
Small (1-19 Employees)	23,119	25,118	26,126
Medium (20-99 Employees)	3,486	3,987	4,110

Business Size Category	2009	2013	2014
Large (100-499 Employees)	710	828	837
Very Large (500+ Employees)	52	50	50
Total	27,034	29,247	31,123

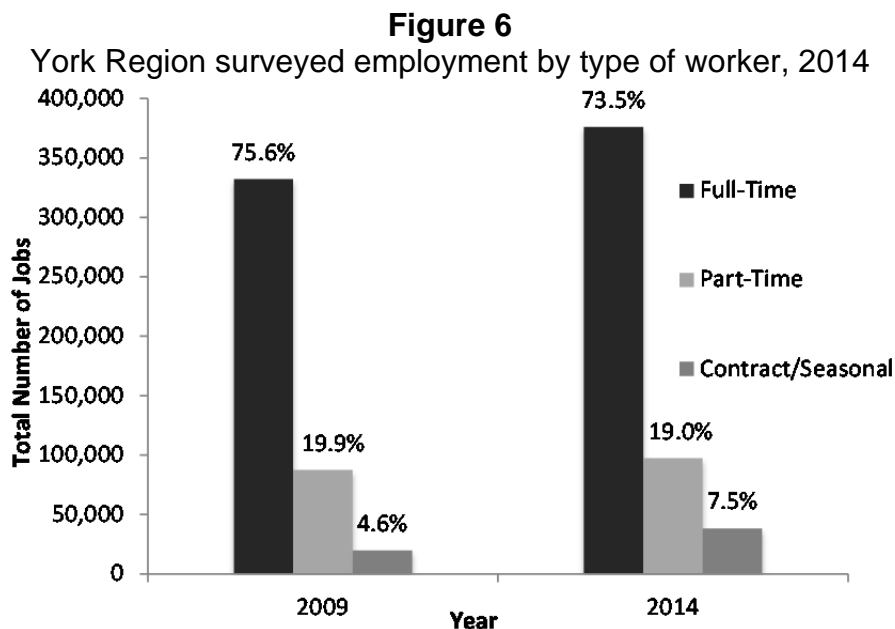
Source: York Region Planning and Economic Development Branch, 2014

Notes: York Region figures represent employment at businesses surveyed. Farm and home-based employment as well as estimates for no-contact businesses are excluded.

Small sized firms (1-19 employees) accounted for the largest share of the Region’s businesses, at 83.9% or 26,126 businesses in 2014. Medium-sized (20-99 employees) firms demonstrated the fastest growth rate, increasing by 17.9% from 2009 to 2014. Large sized firms have also shown a considerable increase since 2009, growing from 710 firms in 2009 to 837 in 2014. The number of businesses with more than 500 employees has remained relatively stable over the past five years, with a slight decline from 52 businesses in 2009 to 50 in 2014. Overall the strong presence of small-sized firms in York Region is indicative of small business entrepreneurship stimulating an innovative and competitive regional economy.

Employment type composition continues to shift away from full-time

According to the 2014 Employment Survey, approximately 73.5% of employment was full-time, while 19.0% consisted of part-time workers, and 7.5% were contract/seasonal (see Figure 6).



Source: York Region Planning and Economic Development Branch, 2014

Notes: York Region figures represent employment at businesses surveyed. Farm and home-based employment as well as estimates for no-contact businesses are excluded. Refer to industry group definitions on page 3

Over the past five years, there has been a shift in the shares of employment types with full-time employment decreasing from 75.6% to 73.5%, part-time employment decreasing from 19.9% to 19.0% and contract/seasonal employment increasing from 4.6% to 7.5%. The decrease in full-time employment can likely be attributed to the increase in retail/personal services jobs which are typically population-based and primarily generate part-time and seasonal/contract positions. Overall, sustained strength in full-time employment continues to bode well for York Region, since these positions normally provide increased stability, income, and opportunities for growth.

Key investments continue to be made to support business growth in the Region

The Region continues to make investments to support business growth and innovation in a number of areas:

- In critical infrastructure such as transit and the transportation network, water and wastewater and the broadband connectivity network
- In the development of “complete communities” that will maintain and improve the Region’s quality of life and help attract skilled labour force talent.
- In attracting a research-focused post-secondary campus to located within the Region leading to increase in knowledge-based investment and job growth
- In expanding and preserving the employment land base that provides businesses who sell goods and services outside the Region with strategic locations close to major highways and major destination points

York Region is in competition with other areas in Ontario, Canada and across the globe, to retain and grow our existing business base and attract new employers, skilled employees and high quality, good paying jobs. York Region’s Economic Action Plan addresses key economic challenges and opportunities facing York Region and translates them into innovative economic growth goals. Along with the initiatives identified in the Action Plan, the Region will continue to implement sound growth management strategies to attract and keep high quality, good paying jobs across a broad range of sectors.

Link to key Council-approved plans

The Employment and Industry Report 2014 supports the *2015 to 2019 Strategic Plan* action area of “Strengthen the Region’s economy” and the *Vision 2051* goal area of fostering “An Innovation Economy”. Annual reporting on detailed employment and sectoral analysis enables the Region to make better decisions and implement initiatives that enhance economic vitality and foster an innovative economy.

5. Financial Implications

The 2014 employment survey was provided for in the 2014 budget and is again included in the 2015 Planning and Economic Development branch’s budget. As the annual survey is conducted in partnership with the nine local municipalities, the survey is shared with the nine local municipalities.

6. Local Municipal Impact

Information from the York Region employment survey was collected with the assistance of all nine local municipalities through financial assistance and survey promotion. As a result of this partnership, the employment survey had the ability to capture 31,123 businesses in 2014.

Table 5 below summarizes total employment growth in each of the nine local municipalities between 2009 and 2014:

**Table 5
York Region Total Employment by Municipality, 2009-2014**

Municipality	2009	2014	2009-2014 Growth	2009-2014 Compounded Average Annual % Change
Aurora	21,300	27,000	5,700	4.85%
East Gwillimbury	6,500	9,500	3,000	7.84%
Georgina	8,500	8,800	300	0.81%

Municipality	2009	2014	2009-2014 Growth	2009-2014 Compounded Average Annual % Change
King	8,300	8,900	600	1.42%
Markham	155,700	170,000	14,300	1.77%
Newmarket	42,600	42,700	100	0.03%
Richmond Hill	62,300	75,200	12,900	3.85%
Vaughan	170,300	208,100	37,800	4.09%
Whitchurch- Stouffville	12,100	14,400	2,300	3.58%
York Region	487,600	564,600	77,000	2.98%

Source: York Region Planning and Economic Development Branch, 2014

Notes: Totals may not add up due to rounding. Employment for businesses where employment numbers were not collected through the employment survey have been estimated based on an employees per business and industry factor

Agricultural employment was based on the 2011 Census of Agriculture

Work at home jobs were based on an estimate of growth since the 2011 NHS.

All local municipalities use the survey data to identify and report economic trends on an annual basis, to assist in developing business retention and expansion strategies, to produce local business directories, identifying economic clusters and informing employment land strategies. As previously mentioned, this initiative received full participation from the local municipalities. This participation is expected to continue for the 2015 survey.

7. Conclusion

The Employment and Industry report (Attachment 1) analyzes the results of the Region's 2014 employment survey and identifies key findings and trends in Regional employment and businesses by industry group.

In 2014, there were an estimated 564,600 jobs in 31,123 surveyed businesses in the Region. Between 2013 and 2014, York Region employment grew by 13,300 jobs. Employment growth in the Region once again outpaced national and provincial averages.

In 2014, there was strong growth across all five major industry groups in York Region. In terms of absolute growth, business services posted the largest employment gain, followed by institutional, manufacturing/wholesale trade/warehousing & transportation (MWT), construction/primary/utilities and retail/personal services. Employment growth across all sectors continues to diversify the Region's economy and promote economic resilience, vitality and liveability.

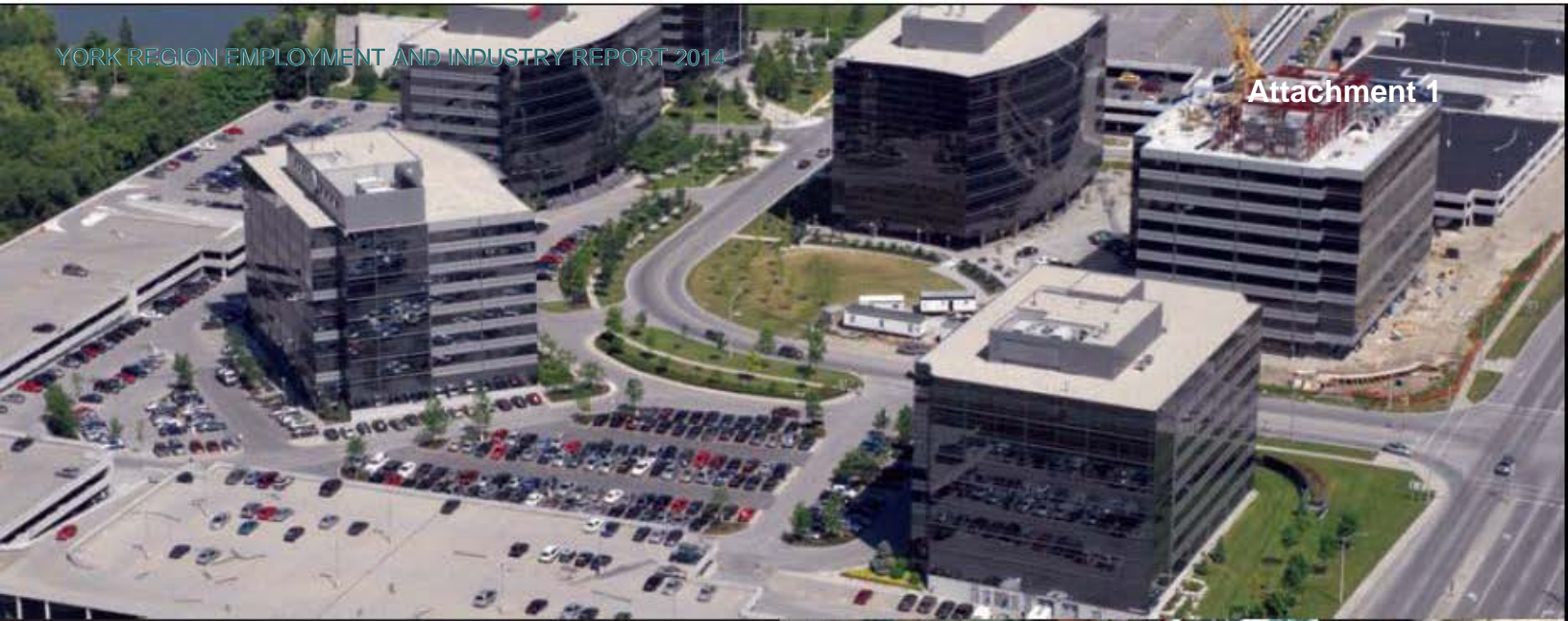
For more information on this report, please contact Paul Bottomley, Manager, Policy, Research and Forecasting ext. 71530.

The Senior Management Group has reviewed this report.

Attachments (1)

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Accessible formats or communication supports are available upon request



Employment and Industry 2014

**2014 YORK REGION
EMPLOYMENT AND INDUSTRY
HIGHLIGHTS**

- There were an estimated 564,600 jobs in York Region as of mid-year 2014.
- 31,123 businesses were surveyed.
- Between 2013 and 2014, York Region employment grew by - 13,300 jobs or 2.4%
- The business services industry group recorded the largest employment gain in terms of absolute growth increasing by 3,745 jobs.
- Retail/Personal services and Manufacturing/Wholesale Trade/Transportation & Warehousing (MWT) each account for 27% of the Region's employment base.
- The majority of businesses in the Region (83.9%) employ less than 20 employees.
- 73.5% of York Region's employment was full-time.

INTRODUCTION

Business and job growth are fundamental to York Region's economic vitality. Attracting and retaining high quality, good paying jobs across a broad range of sectors promotes economic resilience and helps ensure those living in York Region have the opportunity to work and thrive where they live. It is important to understand and regularly monitor this type of information as well as year over year trends as it informs the development of Regional policies, programs and investments.

The York Region employment survey is an annual Region-wide survey of all businesses with a physical location (excluding home and farm based businesses). The 2014 survey was conducted between May and August in partnership with the nine local municipalities. The primary method of data collection was through door-to-door interviews at business locations. The York Region 2014 Employment and Industry Report provides an analysis of the 2014 survey results.

NATIONAL AND PROVINCIAL OVERVIEW

(All time periods referenced are mid-year to mid-year, unless otherwise noted)

York Region employment growth outpaced national, provincial and GTA labour force growth between 2013 and 2014, posting a gain of 2.4%. According to the Statistics Canada Labour Force Survey, national labour force employment increased by 0.6% , provincial labour force employment grew by 0.6% and the GTA labour force employment decreased by -1.6% from mid- year 2013 to mid-year 2014.

Comparison of annual employment growth rate, Canada, Ontario, GTA and York Region, 2014

	Canada	Ontario	Greater Toronto Area ¹	York Region ²
2013-2014	0.6%	0.6%	-1.6%	2.4%
2009-2014	1.3%	1.5%	1.8%	3.0%

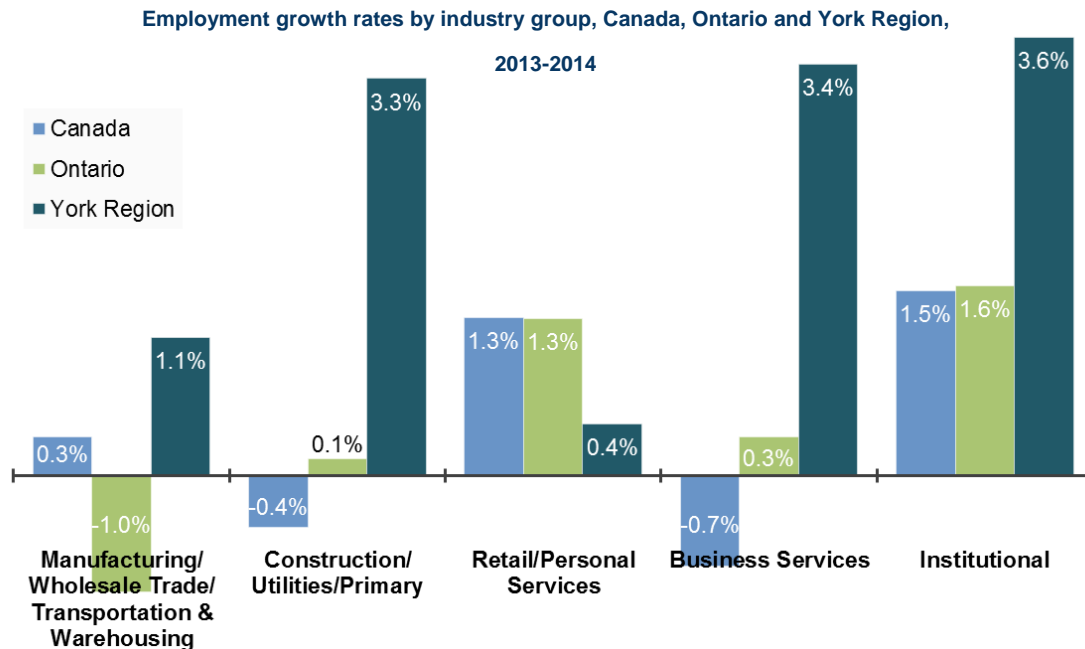
¹Greater Toronto Area labour force employment growth approximated by the Toronto Economic Region
²York Region figures based on 2014 employment survey results and estimates for home-based, farm-based, and no contact businesses
 Source: York Region Planning and Economic Development Branch, 2014 and Statistics Canada's Labour Force Survey, 3-month moving average, unadjusted for seasonality, ending in August 2014

It is important to note that while Statistics Canada's labour force data is useful for trend analysis, there are high levels of variability in the data and the data is not directly comparable to York Region's employment estimate. The labour force survey represents GTA residents of working age who may or may not work in the GTA. The annual York Region employment survey data is representative of the Region's workforce and is comprised of working age individuals who work in York Region and who may or may not be residents of the Region.

NATIONAL AND PROVINCIAL OVERVIEW CONTINUED

In comparison to labour force employment growth rates at the national and provincial levels, York Region demonstrated growth across all five industry groups.

- The MWT (manufacturing, wholesale trade, transportation) industry group increased by 1.1% in York Region, with much of the growth driven by the manufacturing sector. In Canada, the MWT group experienced a modest increase of 0.3% which can be attributed to growth in the transportation/warehousing sector. Conversely, in Ontario this industry group declined by -1.0% with the manufacturing sector accounting for much of the decline.



- York Region's construction/utilities/primary industry group posted a 3.3% increase compared to -0.4% in Canada and 0.1% in Ontario.
- Retail/personal services industry group experienced growth of 1.3% in Canada and Ontario and 0.4% in York Region.
- The Region's business services industry group grew by 3.4% in York Region compared to -0.7% in Canada and 0.3% in Ontario.
- The institutional industry group experienced the largest growth increasing by 3.6%, followed by 1.5% in Canada and 1.6% in Ontario. The health care and social assistance sector was the main driver of growth within this industry group in Canada, Ontario and York Region

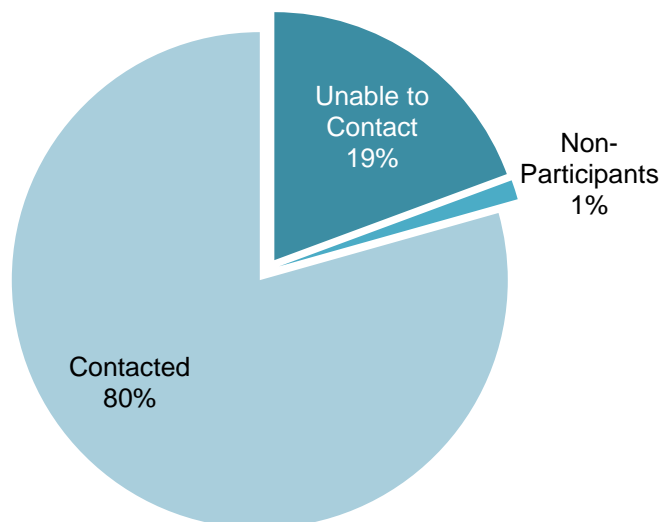
YORK REGION'S TOTAL SURVEYED BUSINESSES

As of mid-year 2014, there were 31,123 surveyed businesses with a physical location in York Region, of which approximately 80% were successfully contacted. The Region was unable to contact and update 19% of businesses and 1% chose not to participate in the survey.

Approximately 500 home-based businesses have voluntarily submitted their business information through the Region's online business directory website since 2012. This represents a small sample of home-based businesses in the Region. According to the Statistics Canada National Household Survey (NHS), there were approximately 40,000 home-based jobs in York Region in 2011.

Farm-based businesses are captured every five years through the Census of Agriculture conducted by Statistics Canada. Based on the 2011 Census of Agriculture, there were 828 farm-based operations in the Region. In 2013, the Region was able to collect information from approximately 70 farm-based businesses through its first farm-business survey.

Employment Survey Participation, 2014



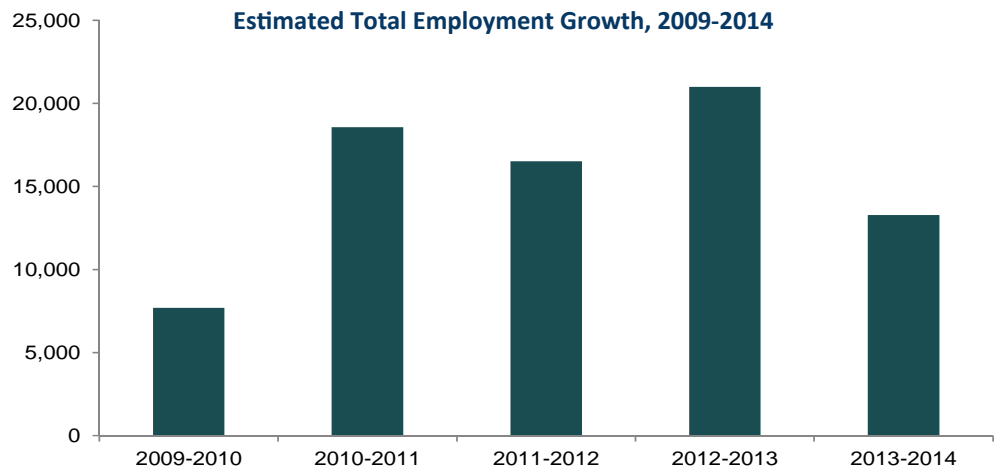
YORK REGION TOTAL EMPLOYMENT ESTIMATE

As of mid-year 2014, the Region's total employment was estimated to be 564,600 jobs. This estimate includes job totals from contacted firms, census of agriculture jobs, estimates for work at home employment and for businesses that the Region was unable to contact.

The following table outlines how the 2014 total employment estimate was derived.

Municipality	Contacted Firms # of Jobs	No Contact Estimated # of Jobs	Agricultural # of Jobs	Work at Home Estimated # of Jobs	Total
Aurora	23,896	573	0	2,540	27,009
East Gwillimbury	7,566	70	821	1,016	9,473
Georgina	7,356	112	195	1,164	8,827
King	6,816	86	953	1,053	8,908
Markham	155,455	2,941	271	11,317	169,984
Newmarket	38,914	508	97	3,164	42,683
Richmond Hill	65,058	1,117	0	9,042	75,217
Vaughan	194,852	3,033	259	9,973	208,117
Whitchurch-Stouffville	11,680	409	340	1,958	14,387
York Region	511,593	8,849	2,936	41,226	564,604

The Region grew by 13,300 jobs between 2013 and 2014 compared to 21,000 jobs in the previous year. The estimated growth of 13,300 jobs includes growth in new and existing surveyed businesses, businesses that were missed in previous surveys and estimates for no-contact businesses, home and farm based businesses.

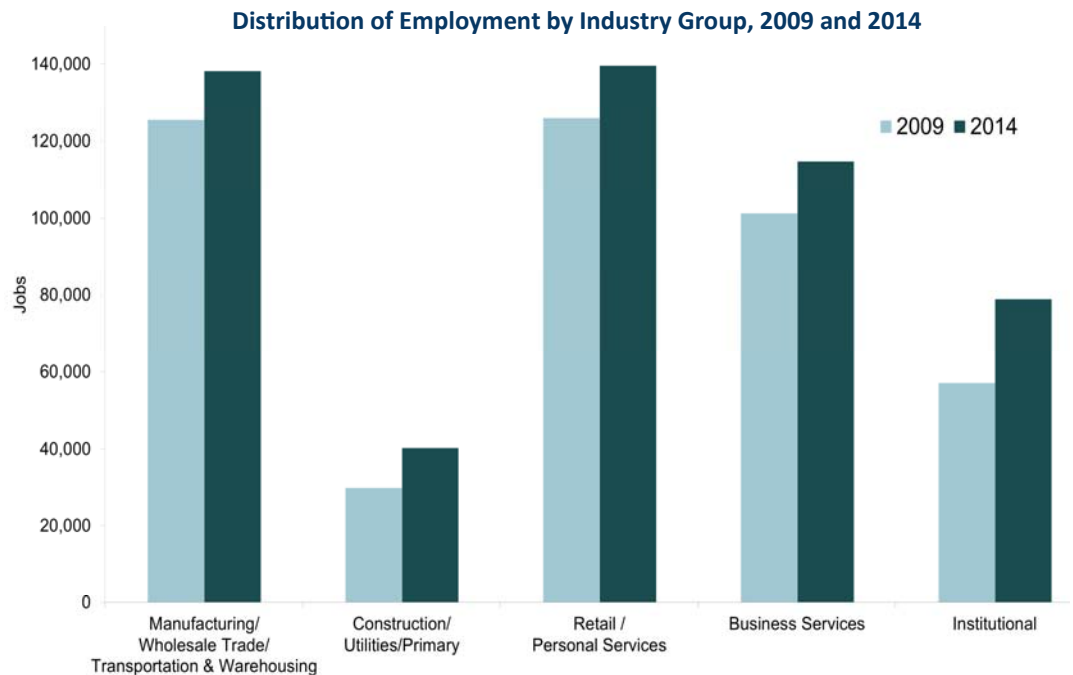


YORK REGION EMPLOYMENT BY INDUSTRY GROUP

(All figures in the following sections represent surveyed employment and exclude employment estimates for no-contact businesses, farm and home-based businesses.)

The institutional industry group posted the largest employment gain over the last five years, increasing by 21,843 jobs, followed by the retail/personal services industry group (13,616 jobs) and business services (13,509 jobs).

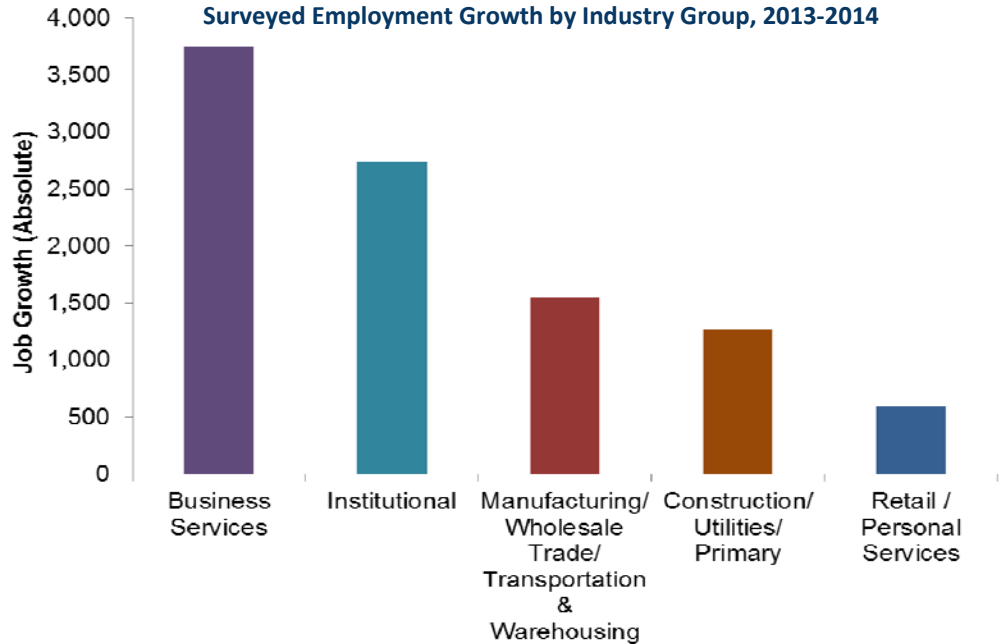
In 2014, the retail/personal services and manufacturing/wholesale trade/transportation & warehousing industry groups held the largest shares of the Region's employment each accounting for a 27% share. Business Services had the third largest share of surveyed employment with 22.4%.



YORK REGION EMPLOYMENT BY INDUSTRY GROUP

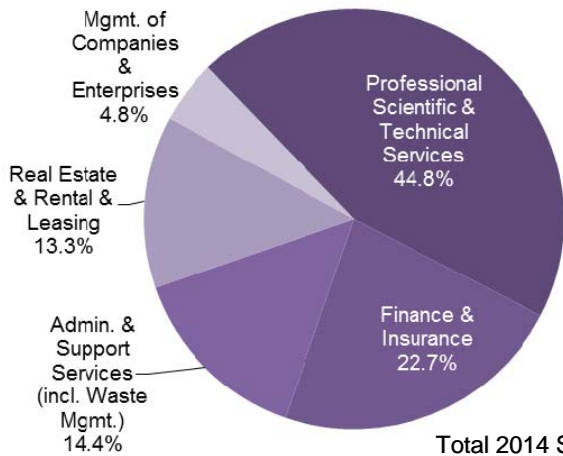
(All figures in the following sections represent surveyed employment and excludes estimates for no-contact businesses, farm and home-based employment.)

The Region exhibited strong employment growth across all five industry groups from 2013 to 2014. In terms of absolute growth, the business services industry group posted the largest employment gain (3,745 jobs), followed by institutional (2,741 jobs), manufacturing/wholesale trade/transportation & warehousing (1,551 jobs), construction/Utilities/Primary (1,271) and retail/personal services (590 jobs).



SECTOR ANALYSIS OF INDUSTRY GROUPS

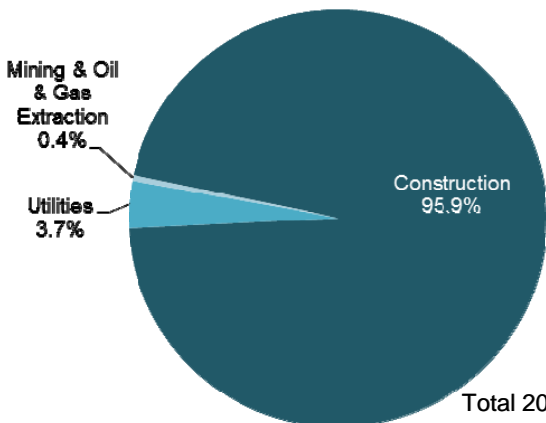
Business Services



Total 2014 Surveyed Employment: 114,733 jobs
 2013-2014 Growth: 3.4% or 3,745 jobs

As of 2014, the professional, scientific and technical services sector within the business services industry group recorded the largest share of employment, with 44.8% or 51,434 jobs. This sector also recorded the largest growth between 2013 and 2014, increasing by 1,732 jobs. Growth in this sector is an indicator that the Region continues to foster employment in knowledge-based industries and continues to attract highly skilled workers.

Construction/Utilities/Primary



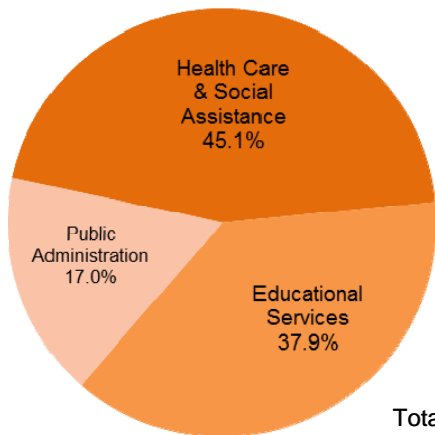
Total 2014 Surveyed Employment: 40,279 jobs
 2013-2014 Growth: 3.3% or 1,271 jobs

The construction sector comprises the largest share of employment within this industry group with 95.9% or 38,620 jobs. The construction sector showed strong growth, increasing by 1,188 jobs between 2013 and 2014. Much of the growth was in the specialty trade contractors subsector within the construction sector suggesting that there is a demand for skilled trades employment in the Region.

SECTOR ANALYSIS OF INDUSTRY GROUPS CONTINUED

(All figures in the following sections represent surveyed employment and excludes estimates for no-contact businesses, farm and home-based employment.)

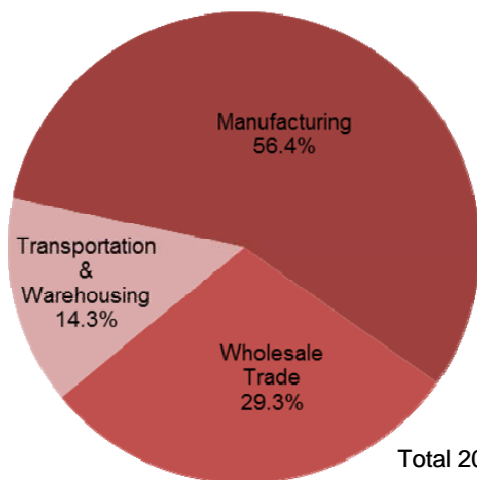
Institutional



In 2014, the health care and social assistance sector within the institutional industry group held the largest share of employment and also accounted for the largest increase between 2013 and 2014 with 1,816 jobs. As the Region's population continues to age there will likely be a greater need for jobs in this sector.

Total 2014 Surveyed Employment: 78,935 jobs
2013-2014 Growth: 3.6% or 2,741 jobs

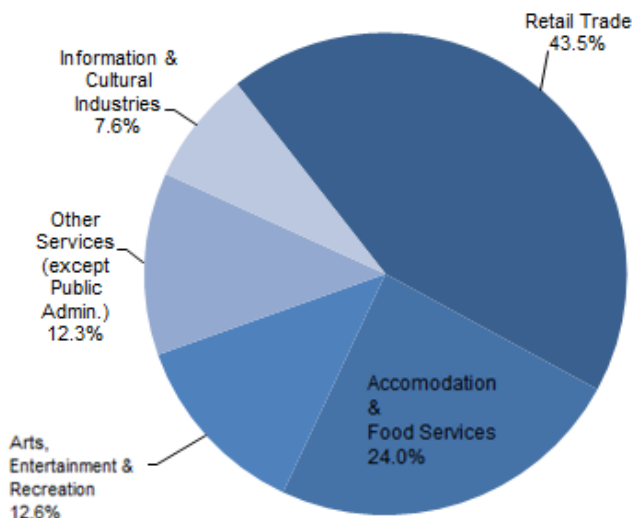
Manufacturing/Wholesale Trade/Transportation & Warehousing (MWT)



The manufacturing sector accounted for 56.4%, or 77,890 jobs in the manufacturing/wholesale trade/transportation & warehousing industry group and also experienced the largest employment increase with 814 jobs. This sector has experienced significant fluctuation over the past several years however moderate increases have been seen in the fabricated metal product, transportation equipment, and plastics manufacturing subsectors.

Total 2014 Surveyed Employment: 138, 149 jobs
2013-2014 Growth: 1.1% or 1,551 jobs

Retail/Personal Services



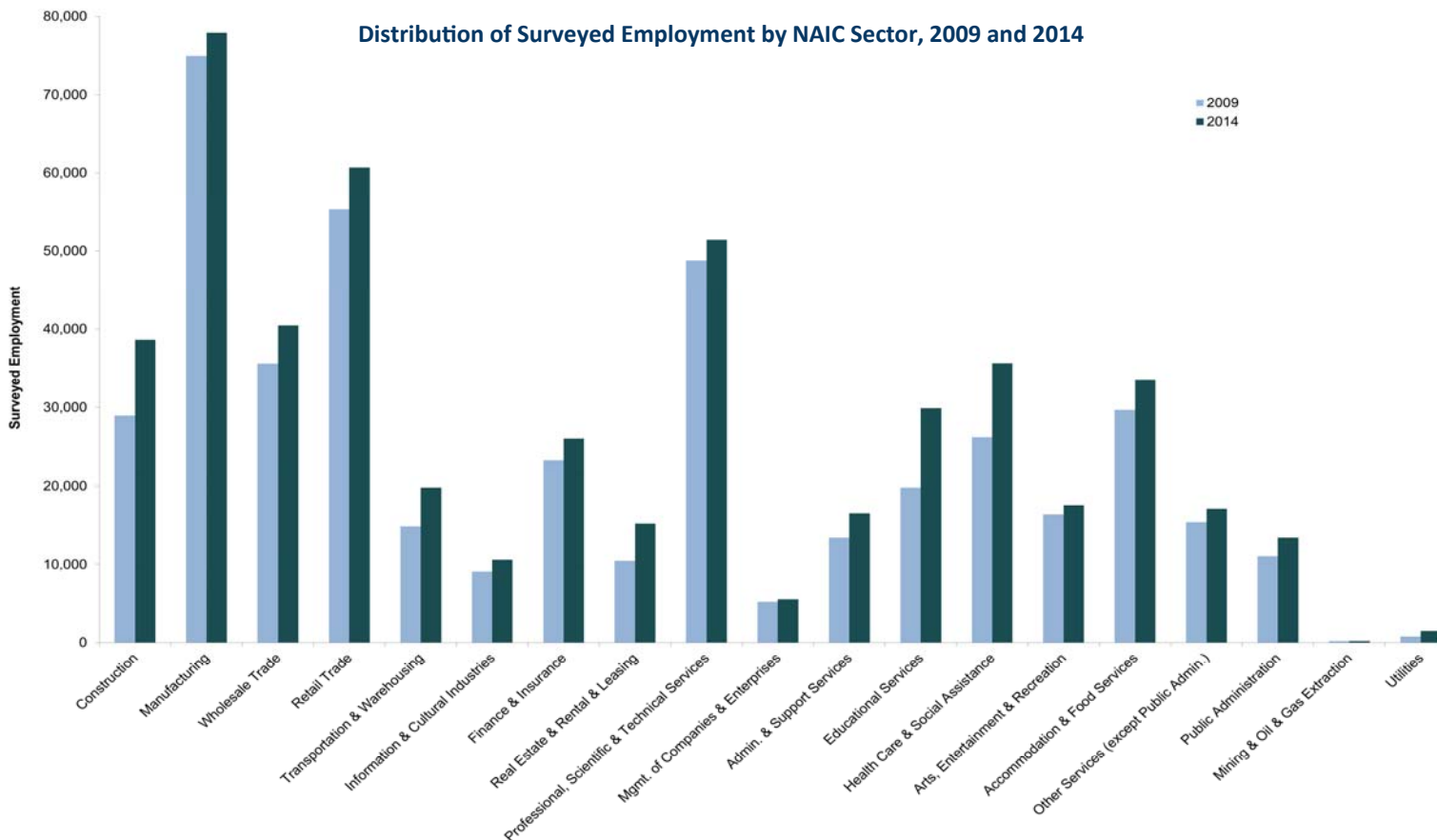
Within the retail/personal services industry group the retail trade accounted for the largest share of employment in 2014, representing 60,674 jobs. The information and cultural industries sector posted the largest employment gain with 500 jobs. Population growth increases the demand for population-related employment. As York Region is one of the fastest growing municipalities in Canada, growth in this industry group is expected to continue.

Total 2014 Surveyed Employment: 139, 476 jobs
2013-2014 Growth: 0.4% or 590 jobs

YORK REGION EMPLOYMENT BY NAIC SECTOR

(All figures in the following sections represent surveyed employment and excludes estimates for no-contact businesses, farm and home-based employment.)

The following figure illustrates the Region's surveyed employment by business activity using Statistics Canada's North American Industrial Classification System (NAICS). Aggregating the data in this way provides more detailed information on how the Region's sectors have grown over the past five years.

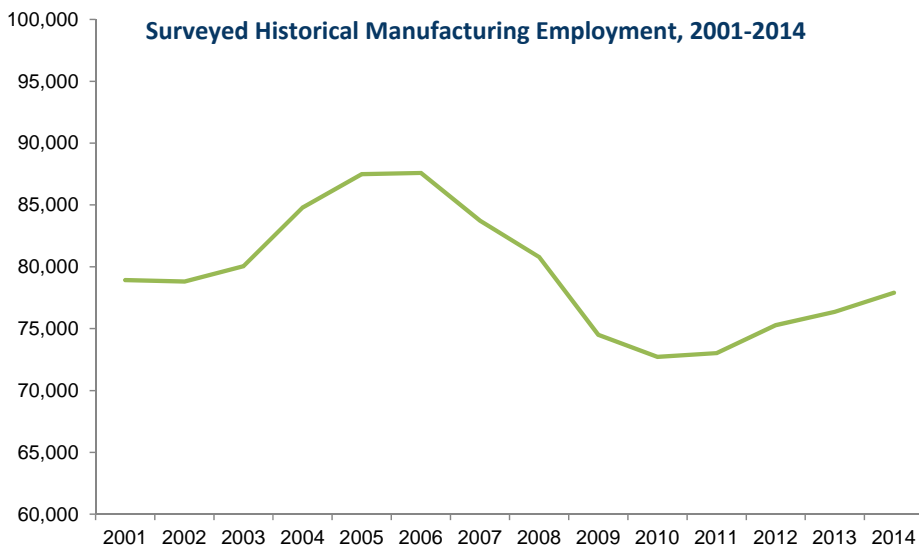


Since the recessionary period in 2009, York Region has experienced diversified growth across all sectors. Overall, the Region has added 71,911 jobs to its employment base since 2009. The educational services, construction and health care and social assistance sectors accounted for approximately 41% of the overall growth between 2009 and 2014.

The manufacturing sector continues to have a strong presence in the Region's economy. In 2014, the manufacturing sector accounted for 15.3% or 77,890 jobs in 2014 compared to 74,949 jobs (or 17.1%) 2009.

YORK REGION MANUFACTURING

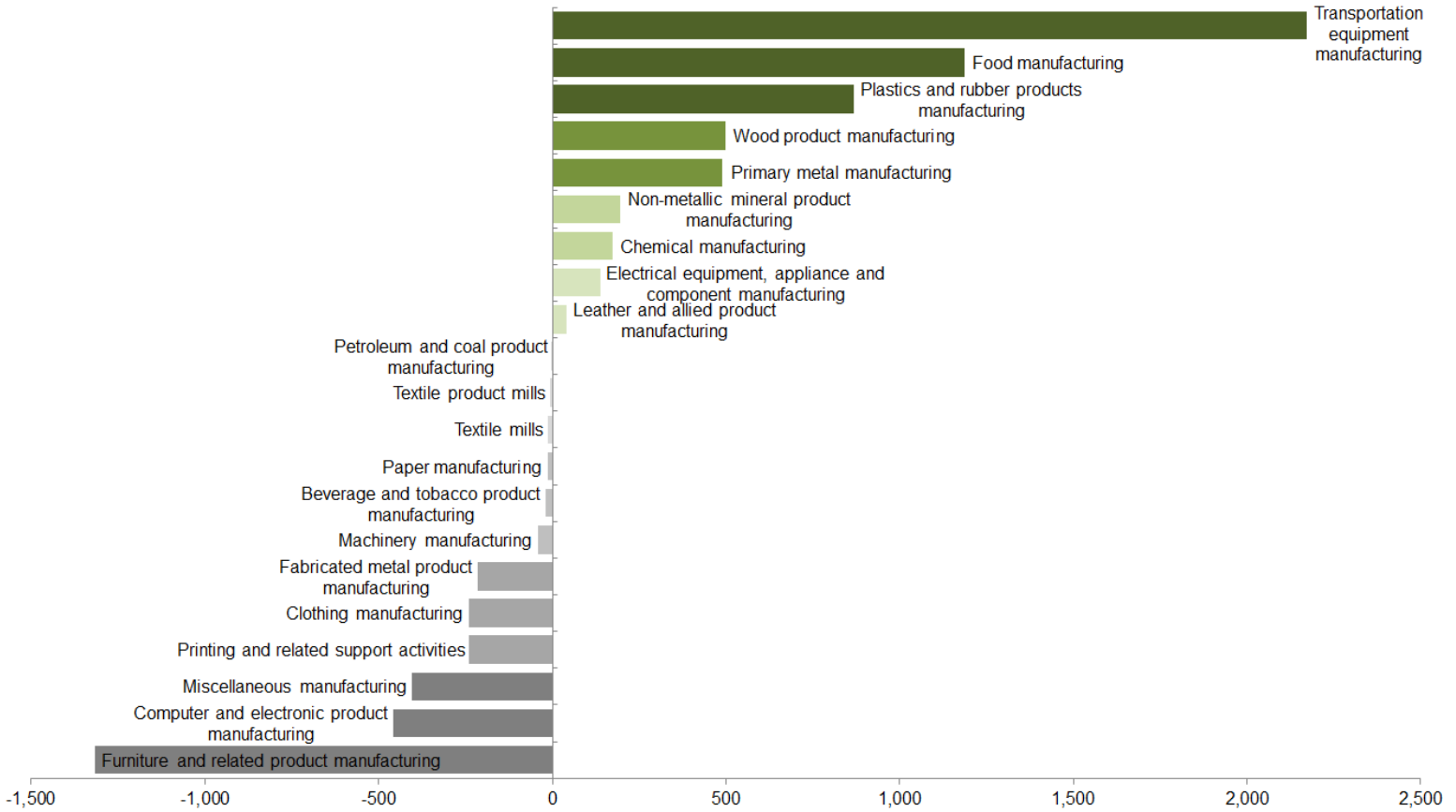
The manufacturing sector in Canada and Ontario has experienced significant decline over the past several years and was hit hardest during the recessionary period in 2008-2009. The Region's manufacturing sector also experienced this trend and has undergone significant fluctuation over the past thirteen years. The sector reached its peak in 2006 with nearly 88,000 jobs before declining during the recessionary period between 2008 and 2009. Since then, the manufacturing sector has begun to show moderate growth within some major established manufacturers in the Region.



YORK REGION MANUFACTURING CONTINUED

Employment in this sector has shown some moderate increases over the past five years. The transportation equipment, food processing and plastics manufacturing subsectors have experienced the largest employment growth since 2009. Most of the job growth in the manufacturing sector has been in well established major manufacturing employers in the Region.

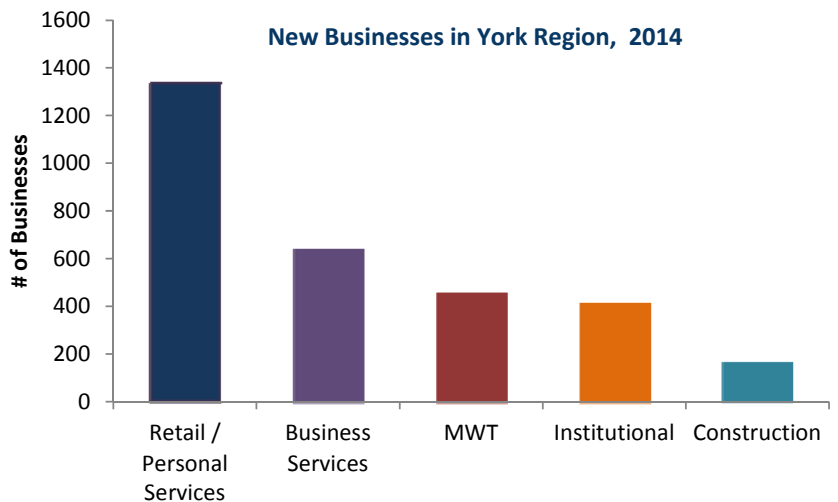
Surveyed Employment Growth by Manufacturing Subsector, 2009—2014



NEW BUSINESSES IN YORK REGION

From 2013 to 2014, 3,028 new businesses, across all five industry groups, were captured in this year's survey. The term "new businesses" refers to businesses that have been recently established or have recently moved into the Region; therefore, figures in this section are not representative of net business growth.

The retail/personal services industry group accounted for the largest share of new businesses, with 44.3% or 1,338 businesses, followed by business services with 21.2% or 639 businesses.

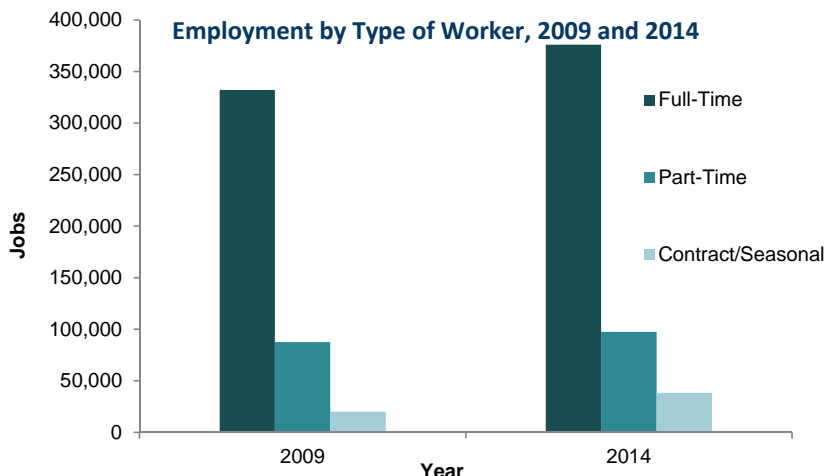


YORK REGION EMPLOYMENT BY TYPE OF WORKER

Full-time workers accounted for 73.5% of the Region's surveyed employment in 2014, while 19.0% consisted of part-time workers, and 7.5% were contract/seasonal.

The Region continues to experience a shift in the shares of employment types with full-time employment decreasing from 75.6% to 73.5%, and contract/seasonal employment increasing from 4.6% to 7.5%.

The decrease in full-time employment may be attributed to the increase in retail/personal services jobs which are typically population-based and primarily generate part-time and seasonal/contract positions. Overall, sustained strength in full-time employment continues to bode well for York Region, since these positions normally provide increased stability, income, and opportunities for growth.



EMPLOYMENT BY BUSINESS SIZE

In 2014, York Region surveyed 31,123 businesses an increase of 1,140 businesses from the 2013 survey indicating that York Region remains a favourable location to do business.

Small sized firms (1-19 employees) accounted for the largest share of the Region's businesses, at 83.9% or 26,126 businesses in 2014.

Overall the strong presence of small-sized firms in York Region is indicative of small business entrepreneurship stimulating an innovative and competitive regional economy.

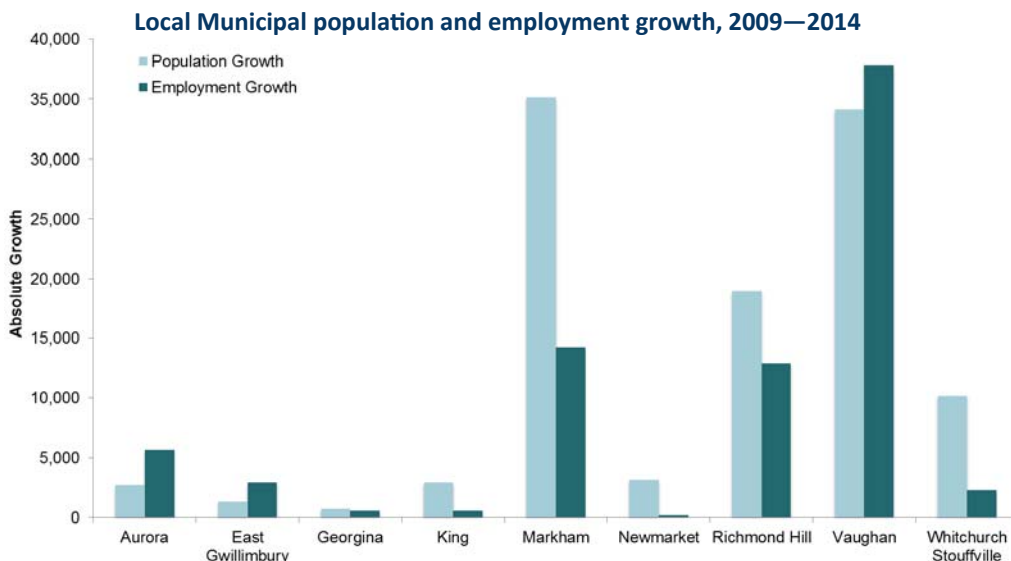
York Region businesses by size, 2009, 2013 and 2014

Business Size Category	2009	2013	2014
Small (1-19 Employees)	23,119	25,118	26,126
Medium (20-99 Employees)	3,486	3,987	4,110
Large (100-499 Employees)	710	828	837
Very Large (500+ Employees)	52	50	50
Total	27,367	29,983	31,123

LOCAL MUNICIPAL EMPLOYMENT

Since 2009, York Region's population increased by approximately 110,000 people and 77,000 jobs were added to its employment base.

Population growth outpaced employment growth in Georgina, King, Markham, Newmarket, Richmond Hill and Whitchurch-Stouffville while employment growth outpaced population in Aurora, East Gwillimbury and Vaughan.



APPENDIX

Background

The 2014 survey was a comprehensive Region-wide survey of all businesses across York Region (excluding farm and home-based businesses). Survey data is aggregated at the traffic zone level of detail, which divides the Region into 519 smaller geographic areas allowing for a detailed examination of local trends and information about local employment areas. York Region's first Region-wide employment survey occurred in 1998, when 21,000 businesses were recorded. Subsequently, the annual survey targeted key employment areas up to 2006, consisting of high-growth areas, designated employment areas and Regional centres. With the assistance of local municipalities, York Region has been able to complete Region-wide surveys of all businesses between 2007 and 2014. It is the Region's intention that all future employment surveys be comprehensive in nature.

Data Collection

Data collection for the 2014 York Region Employment Survey included all traffic zone areas across York Region (excluding home and farm based businesses).

Data was collected from York Region businesses in a variety of forms:

- Through door-to-door interviews with the business community (primary method);
- Via telephone interviews (for businesses unable to contact in person); and
- Electronically through e-mail messages, online entries via our corporate website and facsimile submissions.

Businesses were primarily contacted through door-to-door interviews between May and August of 2014 by York Region Employment Surveyors. Surveyors used a GIS-based application to collect the business information. Within each traffic zone, all businesses were directly contacted and details about business activity, changes in employment levels and contact information were updated for existing businesses, or initiated for businesses new to that area. Where records showed a business that was no longer at the address in 2014, efforts were made to contact the business by phone to establish either a new location, or to record the probable closure of the business. For businesses unable or unwilling to conduct a door-to-door interview, the option was given to either have a surveyor call them at a mutually convenient time or to provide them with a blank survey form and have them complete and return it at their leisure. For businesses that declined to participate or could not be contacted either in person or by telephone during regular office hours, it was assumed that all information relating to that business remained unchanged from the date they were last surveyed.

Home-based businesses were encouraged to submit their business information through the Region's online business directory website.

Farm-based businesses were contacted for the first time in 2014 with the assistance of the York Federation of Agriculture. A letter describing the purpose of the survey and a survey form was distributed in May to just over 700 farm-based businesses.

Employment Survey Data Uses

Data collected from the employment survey is a valuable resource for both the Region and local municipalities. The data is used by planning and economic development departments, other municipal departments, non-profit organizations and private sector groups. Some of the central uses of the data for the Region and local municipalities include: employment growth forecasts; monitoring targets in the Regional Official Plan and Provincial Growth Plan including employment and density targets for the urban growth centres and intensification areas; forecasting infrastructure requirements in master plans for transportation and water and wastewater; monitoring major office growth; and evidence in OMB cases. The data is also used for vacant employment land inventories; development charges studies; a tool for identifying economic trends and emerging sectors; and producing regional and local business directories.

Data Accuracy

A number of factors limit the accuracy of the data collected within this report, including:

Data collected was based on responses received from businesses. In certain instances however, businesses refused to participate, had a language barrier, moved to an unknown location or were temporarily closed. As a result, certain business sectors may be over-represented and others under-represented depending on the particular circumstances of businesses in that sector.

While this study analyzes employment patterns in the Region, it does not examine all possible factors that can influence employment rates in a particular location, such as land prices, property tax rates, development charges, and existing space inventories and vacancies. These factors can impact the level of overall economic health in a given area and can also promote or discourage employment growth in one area over another.

The data collected is time-sensitive, in that the information is only accurate as of the date collected. For certain industries undergoing rapid change, the analysis within this report may no longer reflect current circumstances. Caution should therefore be used before making any conclusions based on this information.

Industry Group Definitions

Each business surveyed was assigned a numeric code based on their primary business activity. These codes are based on the North American Industrial Classification (NAIC) system, a hierarchical coding system used by statistical agencies in Canada, the U.S. and Mexico to classify businesses by type of economic activity.

Much of the analysis in this report aggregates business information based on the NAIC coding at different levels of the hierarchy. The 20 NAIC sectoral categories used by Statistics Canada have been combined to 5 industry groupings in the discussion for clarity of presentation. The combined industry groupings are summarized below:

BUSINESS SERVICES INDUSTRY GROUP

Finance and Insurance (NAIC 52)

This sector comprises establishments primarily engaged in financial transactions including monetary authorities, credit intermediation and related activities (e.g., personal and commercial banking, credit unions, credit card issuing, consumer lending, mortgage brokers, transaction processing), securities and commodities trading, portfolio management and investment advising, insurance carriers and brokers and pension funds.

Real estate and rental and leasing (NAIC 53)

This sector comprises establishments primarily engaged in renting, leasing or otherwise allowing the use of tangible or intangible assets. Establishments are primarily engaged in managing real estate for others; selling, renting and/or buying of real estate for others; and appraising real estate.

Professional, Scientific and Technical Services (NAIC 54)

This sector comprises establishments primarily engaged in activities in which human capital is the major input. These establishments make available the knowledge and skills of their employees, often on an assignment basis. The individual industries of this sector are defined on the basis of the particular expertise and training of the service provider. The main components of this sector are legal services; accounting, tax preparation, bookkeeping and payroll services; architectural, engineering and related services; specialized design services; computer systems design and related services; management, scientific and technical consulting services; scientific research and development services; and advertising, public relations, and related services.

Management of Companies and Enterprises (NAIC 55)

This sector comprises establishments primarily engaged in managing companies and enterprises and/or holding the securities or financial assets of companies and enterprises, for the purpose of owning a controlling interest in them and/or influencing their management decisions (e.g. holding companies, centralized administrative offices, corporate offices, head offices).

BUSINESS SERVICES INDUSTRY GROUP CONTINUED**Administrative and support, waste management and remediation services (NAIC 56)**

This sector comprises establishments of two different types: those primarily engaged in activities that support the day-to-day operations of other organizations; and those primarily engaged in waste management activities. The first type of establishment is engaged in activities such as administration, hiring and placing personnel, preparing documents, taking orders from clients, collecting payments for claims, arranging travel, providing security and surveillance, cleaning buildings, and packaging and labeling products. Waste management establishments are engaged in the collection, treatment and disposal of waste material, the operation of material recovery facilities, the remediation of polluted sites and the cleaning of septic tanks.

CONSTRUCTION/UTILITIES/PRIMARY INDUSTRY GROUP**Construction Sector (NAIC 23)**

This sector comprises establishments primarily engaged in constructing, repairing and renovating buildings and engineering works, and in subdividing land. This sector includes land development, building and engineering construction and project management and all construction trades contracting (e.g., concrete pouring, roofing, drywall and painting, electrical, fencing).

Primary Sector (NAIC 21, 22)

This sector comprises establishments primarily engaged in mining, oil and gas extraction and related support activities and operating electric, gas and water utilities. These establishments generate, transmit, control and distribute electric power; distribute natural gas; treat and distribute water; operate sewer systems and sewage treatment facilities; and provide related services, generally through a permanent infrastructure of lines, pipes and treatment and processing facilities.

INSTITUTIONAL INDUSTRY GROUP**Education (NAIC 61)**

This sector comprises establishments primarily engaged in providing instruction and training in a wide variety of subjects. This instruction and training is provided by specialized establishments, such as schools, colleges, universities and training centers. These establishments may be privately owned and operated, either for profit or not, or they may be publicly owned and operated.

Health and Social Services (NAIC 62)

This sector comprises establishments primarily engaged in providing health care by diagnosis and treatment, providing residential care for medical and social reasons, and providing social assistance, such as counseling, welfare, child protection, community housing and food services, vocational rehabilitation and child care, to those requiring such assistance.

Public Administration (NAIC 91)

This sector comprises establishments primarily engaged in activities of a governmental nature (e.g. federal, provincial, regional and municipal protective services such as fire, police, courts and correctional facilities, regulatory and administrative services).

MWT INDUSTRY GROUP (MANUFACTURING, WHOLESALE TRADE, TRANSPORTATION/WAREHOUSING)**Manufacturing Sector (NAIC 31-33)**

This sector comprises establishments primarily engaged in the chemical, mechanical or physical transformation of materials or substances into new products. This sector includes food and beverage manufacturing, textile and clothing production, wood and paper products manufacturing, printing, petrochemical manufacturing, plastics and rubber manufacturing, non-metallic mineral product manufacturing (e.g., bricks, glass, gypsum board), primary metal manufacturing (e.g., iron and steel mills, metal pipes and wire, foundries), fabricated metal product manufacturing (e.g., stamping, metal doors, boilers, hardware, machine shops, nuts and bolts), machinery manufacturing, computer and electronic equipment, electrical equipment and appliances, transportation equipment manufacturing (e.g., motor vehicles and parts, aerospace and boat building) and furniture manufacturing.

MWT INDUSTRY GROUP CONTINUED**Wholesale Trade Sector (NAIC 41)**

This sector comprises establishments primarily engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. This sector includes all wholesale distributors, product agents and brokers.

Transportation/Warehousing Sector (NAICS 48-49)

This sector comprises establishments primarily engaged in transporting passengers and goods, warehousing and storing goods, and providing services to these establishments. This sector includes passenger and freight transportation and related support activities (e.g., airports, bus stations, vehicle towing, postal and courier services and warehousing and storage establishments).

RETAIL/PERSONAL SERVICES INDUSTRY GROUP**Retail Trade (NAIC 44-45)**

This sector comprises establishments primarily engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. Includes all retail stores, retail auto and building supply dealers, gas stations and non-store retailers (e.g., mail order houses, vending machine operators, direct sales).

Information and Cultural Studies (NAIC 51)

This sector comprises establishments primarily engaged in producing and distributing (except by wholesale and retail methods) information and cultural products. Establishments providing the means to transmit or distribute these products or providing access to equipment and expertise for processing data are also included. The main components of this sector are the publishing industries (e.g. newspaper, book and software publishers), TV and radio broadcasting, telecommunications services, information services (e.g., news syndicates, libraries, and internet providers) and data processing services.

Arts, Entertainment and Recreation (NAIC 71)

This sector comprises establishments primarily engaged in operating facilities or providing services to meet the cultural, entertainment and recreational interests of their patrons. The main components of this sector are performing arts, spectator sports industries, heritage institutions (e.g., art galleries, museums, zoos, conservation areas), amusement parks, gambling industry, golf courses and country clubs, skiing facilities, marinas, fitness and recreation centres, restaurants and bars and caterers.

Accommodation and Food Services (NAIC 72)

This sector comprises establishments primarily engaged in providing short-term lodging and complementary services to travelers, vacationers and others, in facilities such as hotels, motor hotels, resorts, motels, casino hotels, bed and breakfast accommodations, housekeeping cottages and cabins, recreational vehicle parks and campgrounds, hunting and fishing camps, and various types of recreational and adventure camps. This sector also comprises establishments primarily engaged in preparing meals, snacks and beverages, to customer orders, for immediate consumption on and off the premises.

Other Services (except public administration) (NAIC 81)

This sector comprises establishments primarily engaged in repairing, or performing general or routine maintenance (e.g. Automotive repair, machinery repair, reupholstery); providing personal care services (e.g. hair care, funeral homes, laundry services, pet care services, photofinishing); religious organizations and other civic and professional organizations.

For more information on businesses
in York Region please contact:

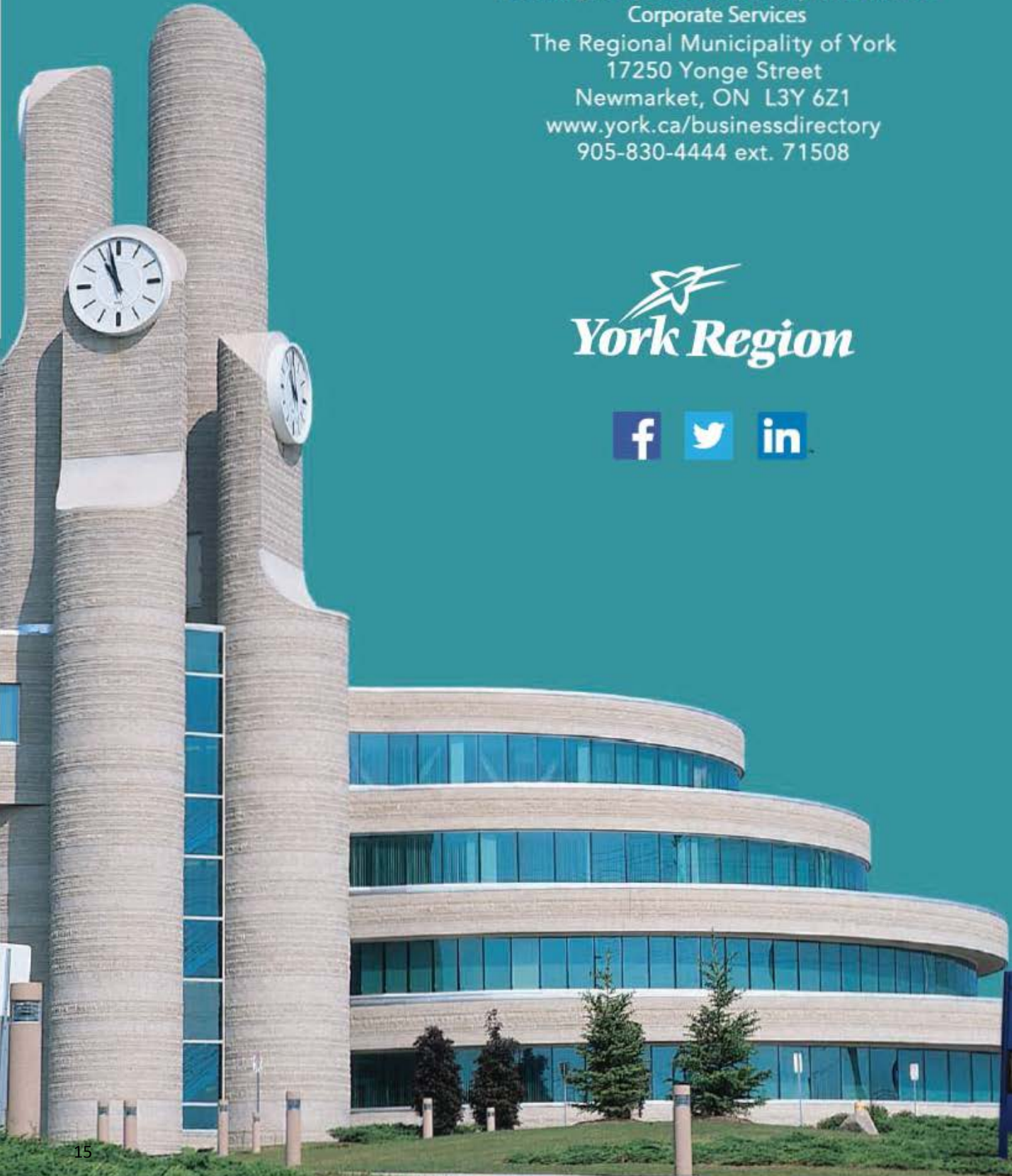
Planning and Economic Development Branch
Corporate Services

The Regional Municipality of York
17250 Yonge Street

Newmarket, ON L3Y 6Z1

www.york.ca/businessdirectory

905-830-4444 ext. 71508





York Region Employment and Industry Report 2014

Presentation to
Committee of the Whole

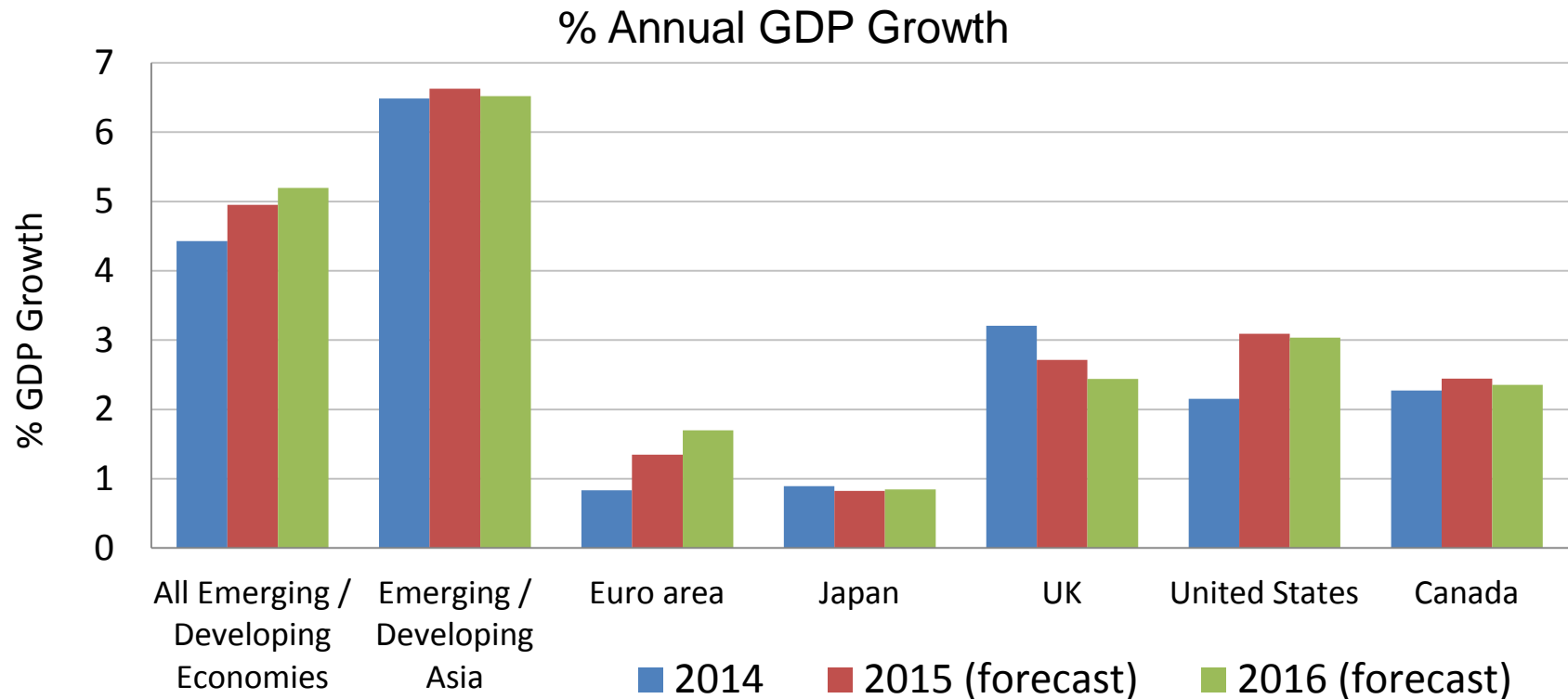
Doug Lindeblom and Paul Bottomley

March 5, 2015

Presentation Outline

- Global economic outlook
- Employment survey overview
- York Region employment growth
- Analysis of regional employment by:
 - Industry group
 - Sector
 - Business size
 - Local municipality

Global Current and Projected Growth in Gross Domestic Product

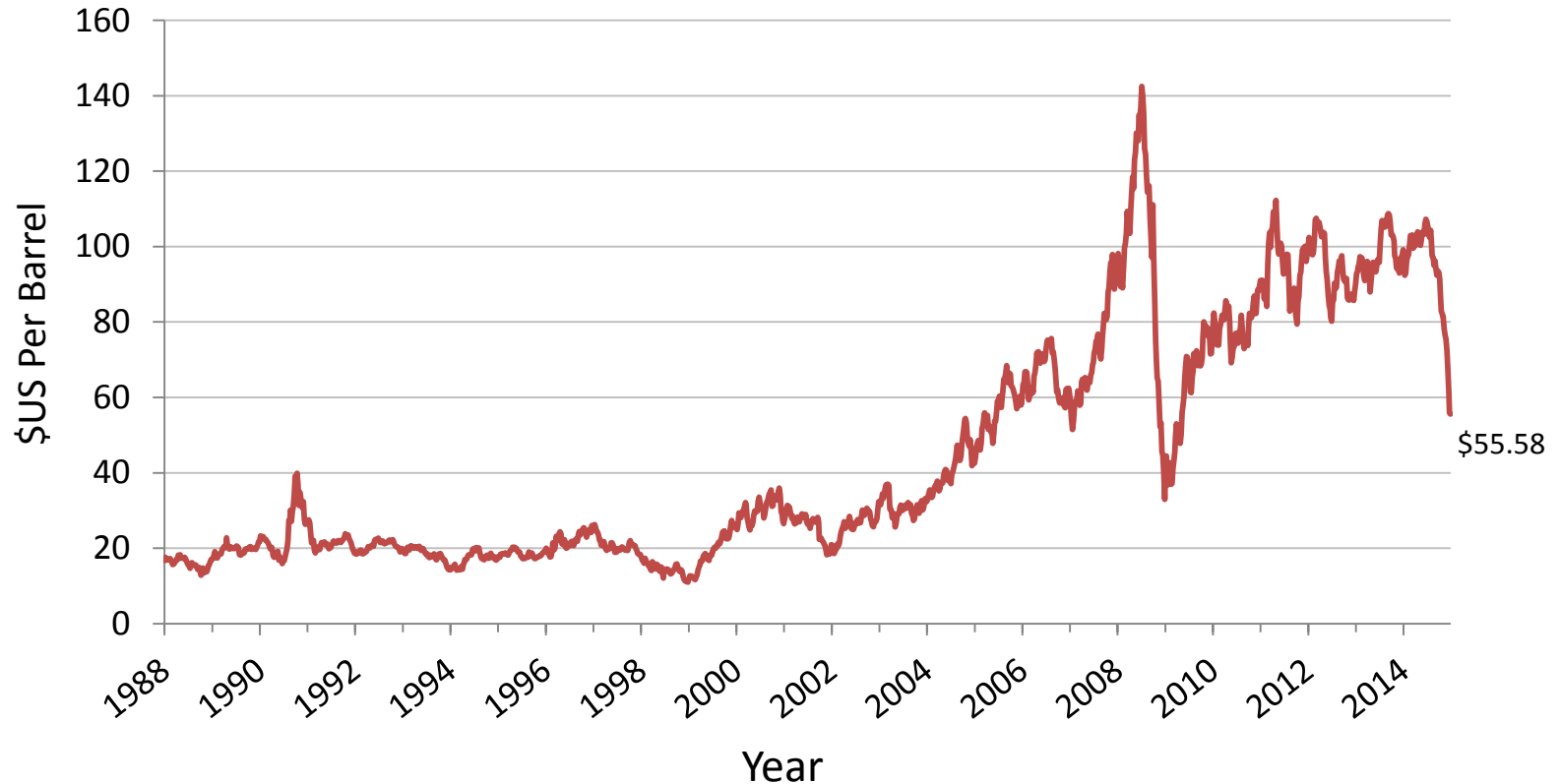


Source: International Monetary Fund, World Economic Outlook Database, October 2014

Continued GDP growth across the globe bodes well for business and job growth

U.S. Oil Prices Impact Regional Economy

Weekly U.S. Oil Prices (\$US per barrel) 1988-2014

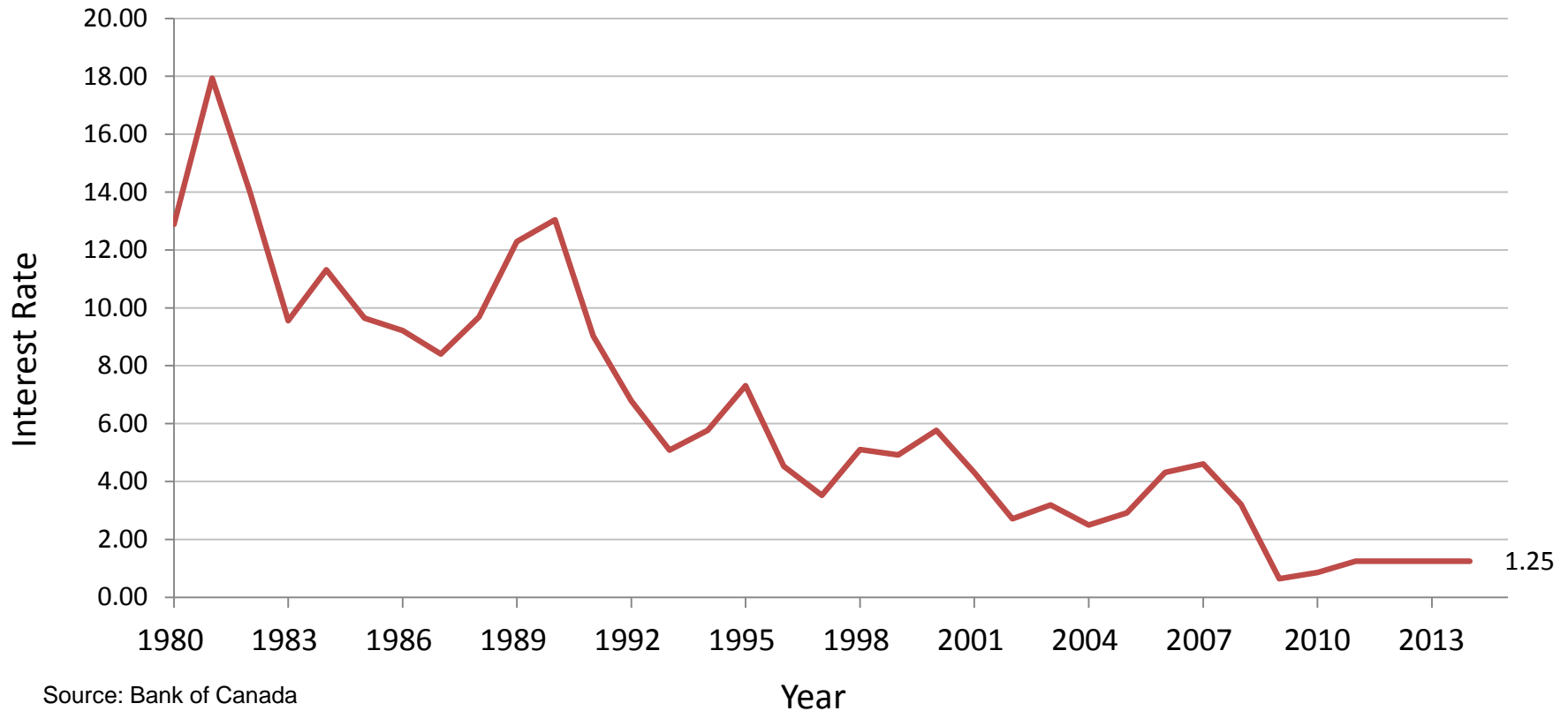


Source: U.S. Energy Administration Information

Decreases in fuel costs affect operational costs for businesses and institutions in the Region

Canadian Interest Rates Remain Near Historic Lows

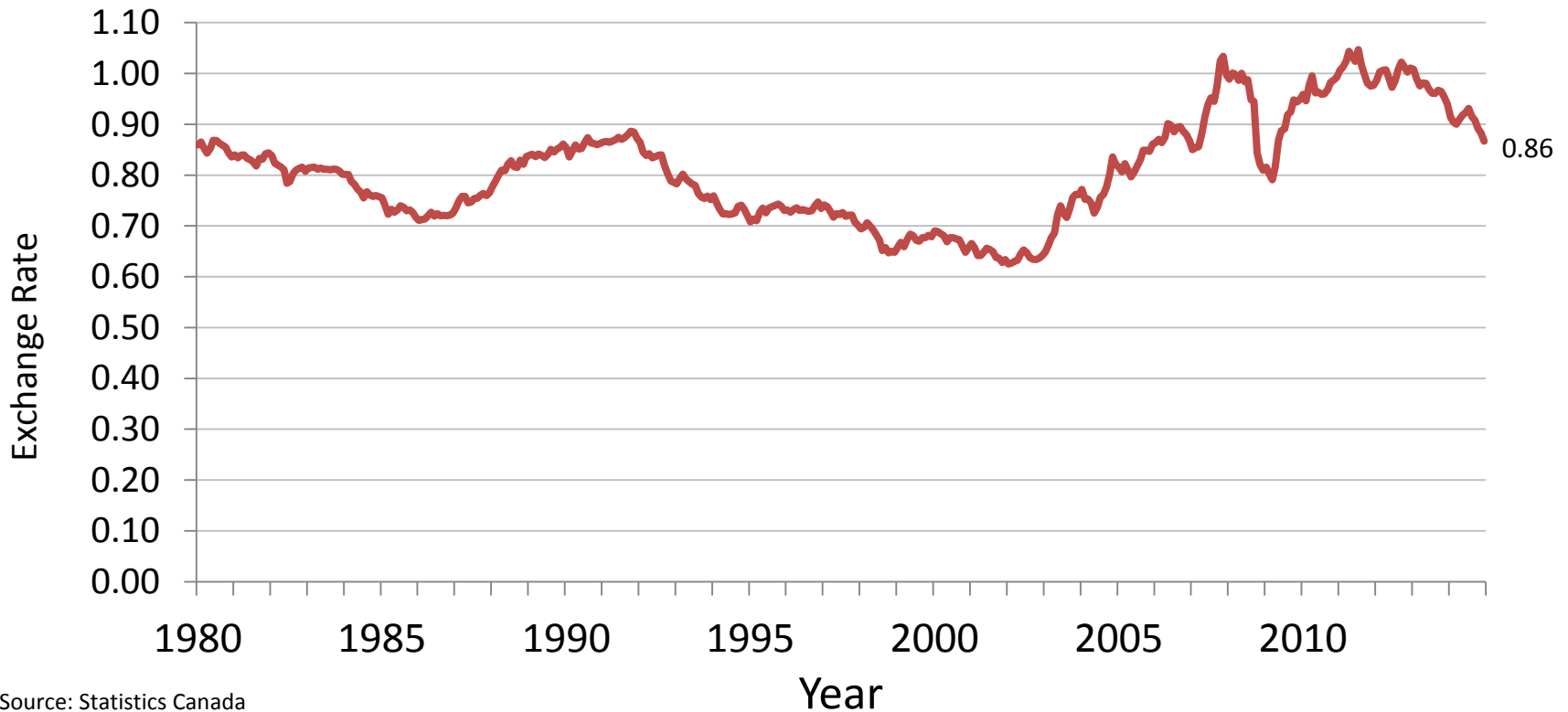
Canadian Interest Rates (Bank of Canada Short Term) 1980-2014



Low interest rates remain in an attempt to stimulate borrowing amongst businesses and consumers

Canada/U.S. Exchange Rates Affect Regional Trade with U.S. Businesses

Monthly Avg. Exchange Rates (CND buys USD) 1980-2014

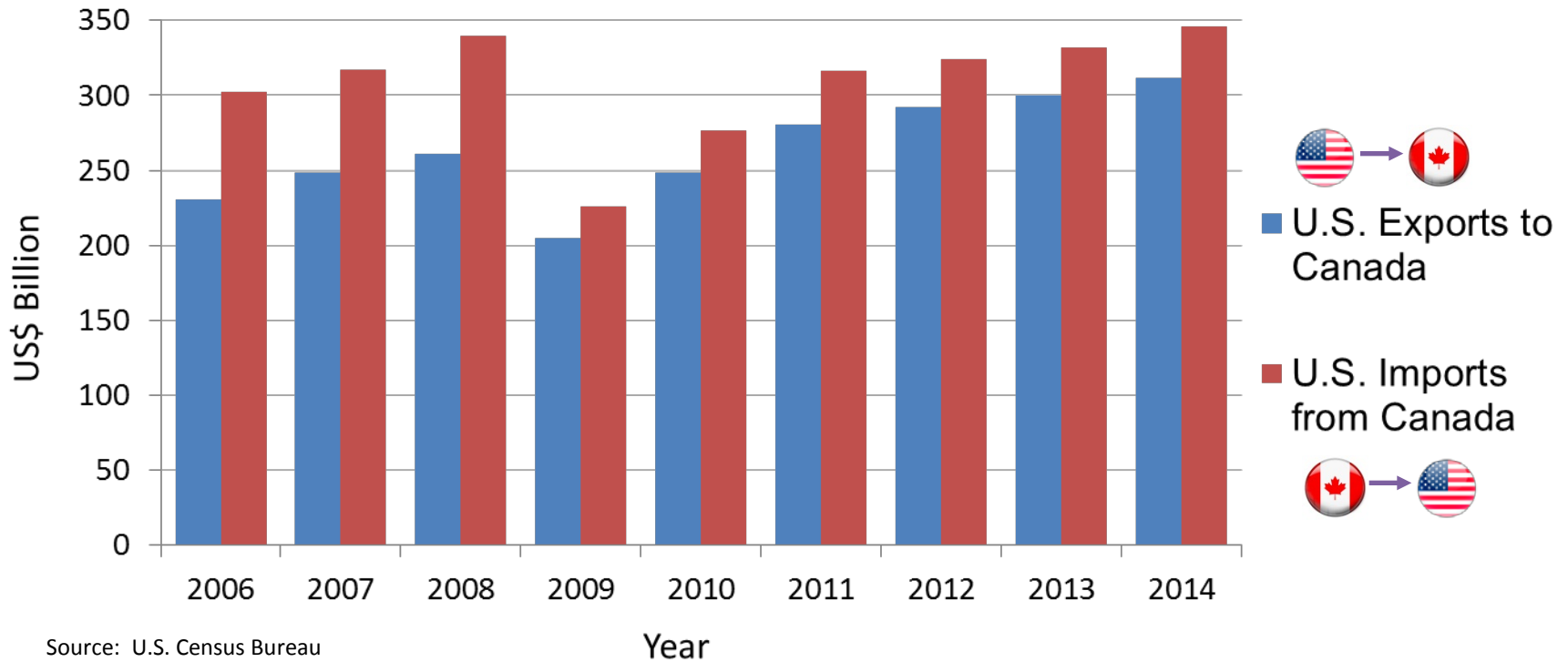


Source: Statistics Canada

A falling Canadian dollar promotes exports with U.S. but impacts the importing of U.S. goods and services; stable exchange rates encourage trade, benefiting Regional businesses

U.S./Canada Trade Impacts Regional Businesses

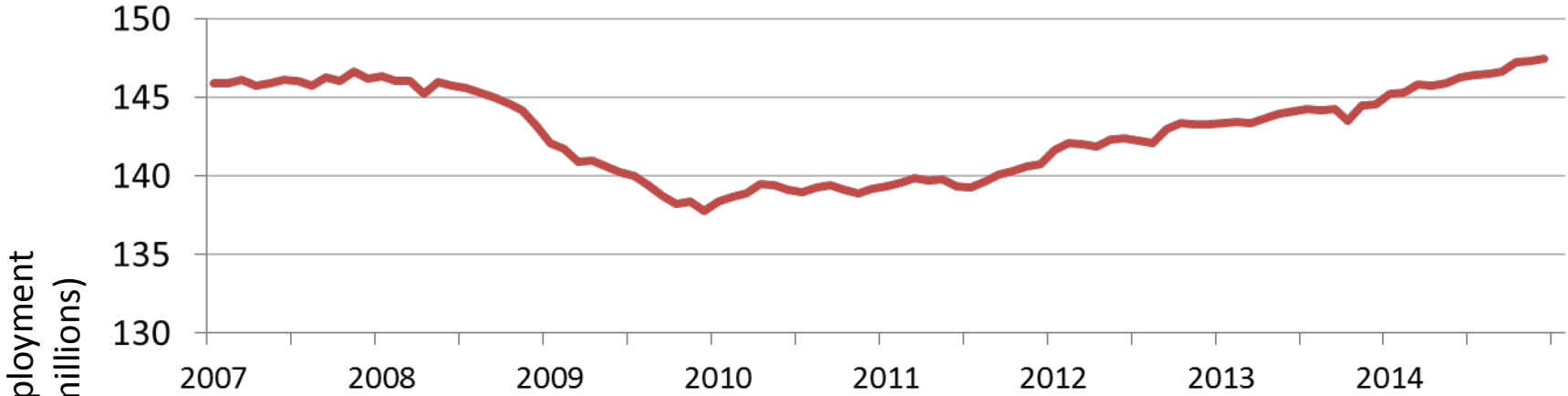
U.S. Exports to and Imports from Canada (\$USD Billions) 2006-2014



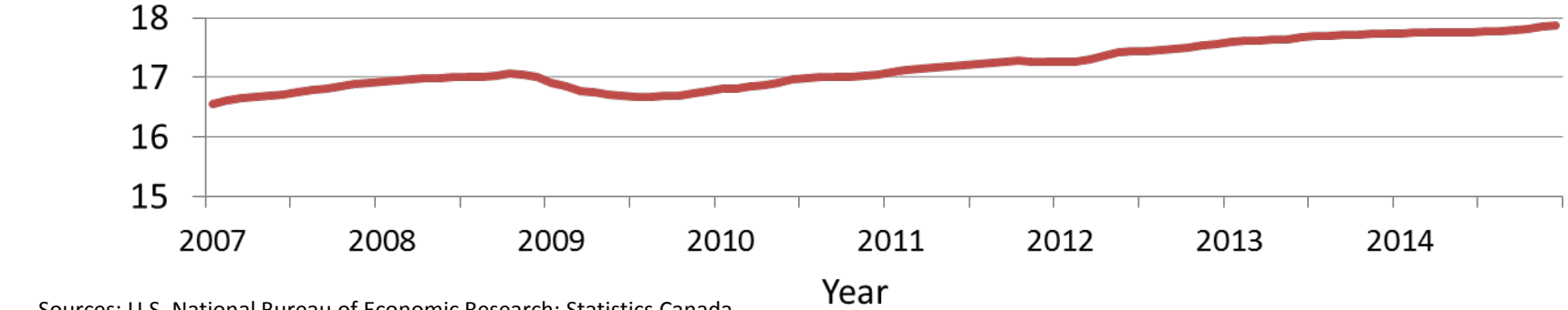
Regional businesses export on average \$4 billion worth of goods and services annually, with the majority going to US customers; Regional businesses directly benefit from increases in trade activity

U.S. and Canadian Employment Trends Continue to Show Positive Job Creation

U.S. Employment 2007-2014 (millions)



Canadian Employment 2007-2014 (millions)



Sources: U.S. National Bureau of Economic Research; Statistics Canada

Strengthening U.S. economy benefits York Region businesses

Presentation Outline

- Global economic outlook
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Employment Survey Overview



Partnership with nine local municipalities



Region wide survey of businesses

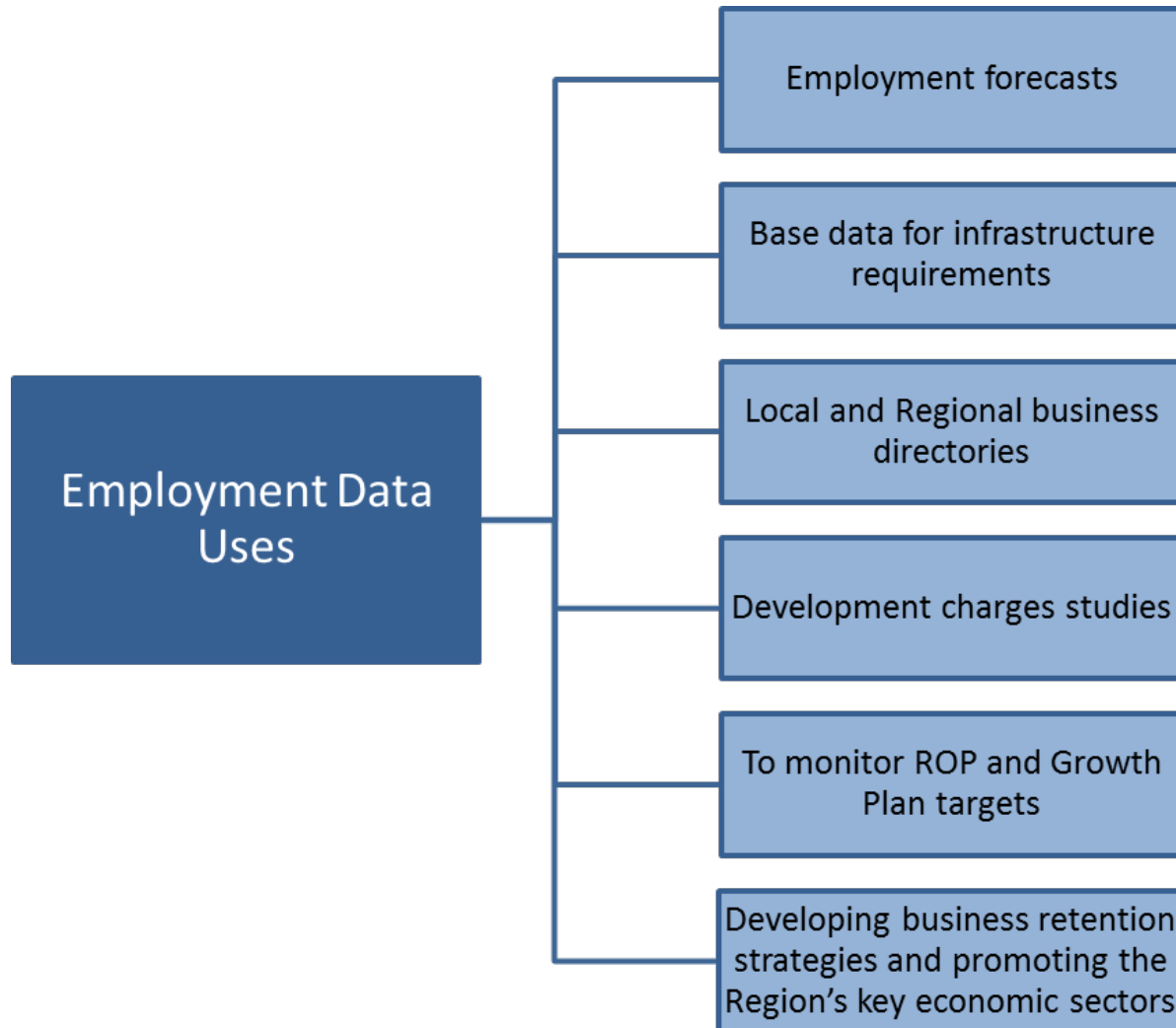


Voluntary survey of home and farm based businesses



Data collected and classified using industry standards
detailed analyses

Employment survey data is a valuable resource



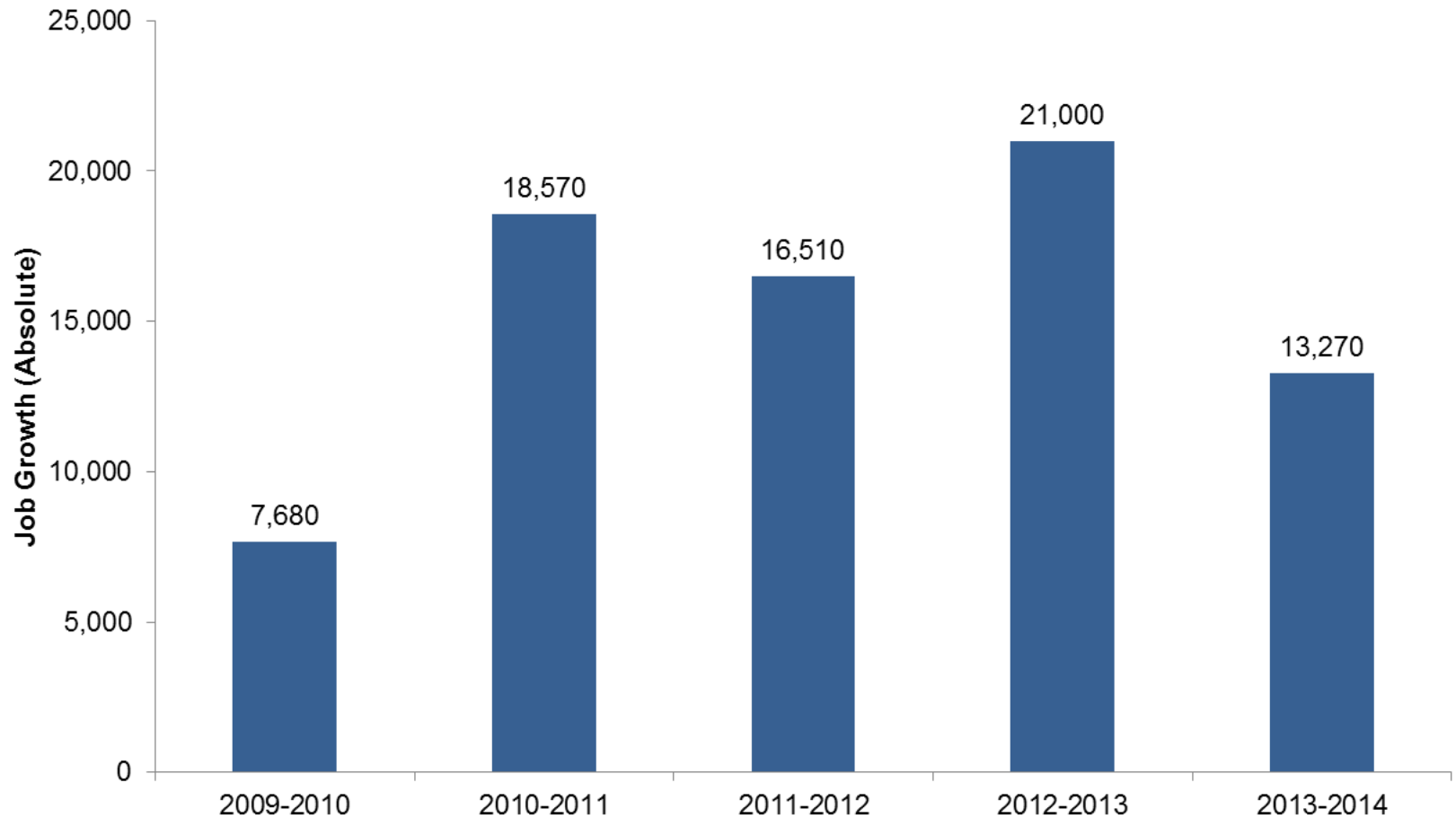
York Region employment growth outpaced national and provincial labour force growth rates

- Regional employment was estimated at 564,600 jobs in mid-year 2014
- York Region employment grew by 13,300 jobs of 2.4% between 2013 and 2014.

	Canada	Ontario	York Region
2013-2014	0.6%	0.6%	2.4%
2009-2014	1.3%	1.5%	3.0%

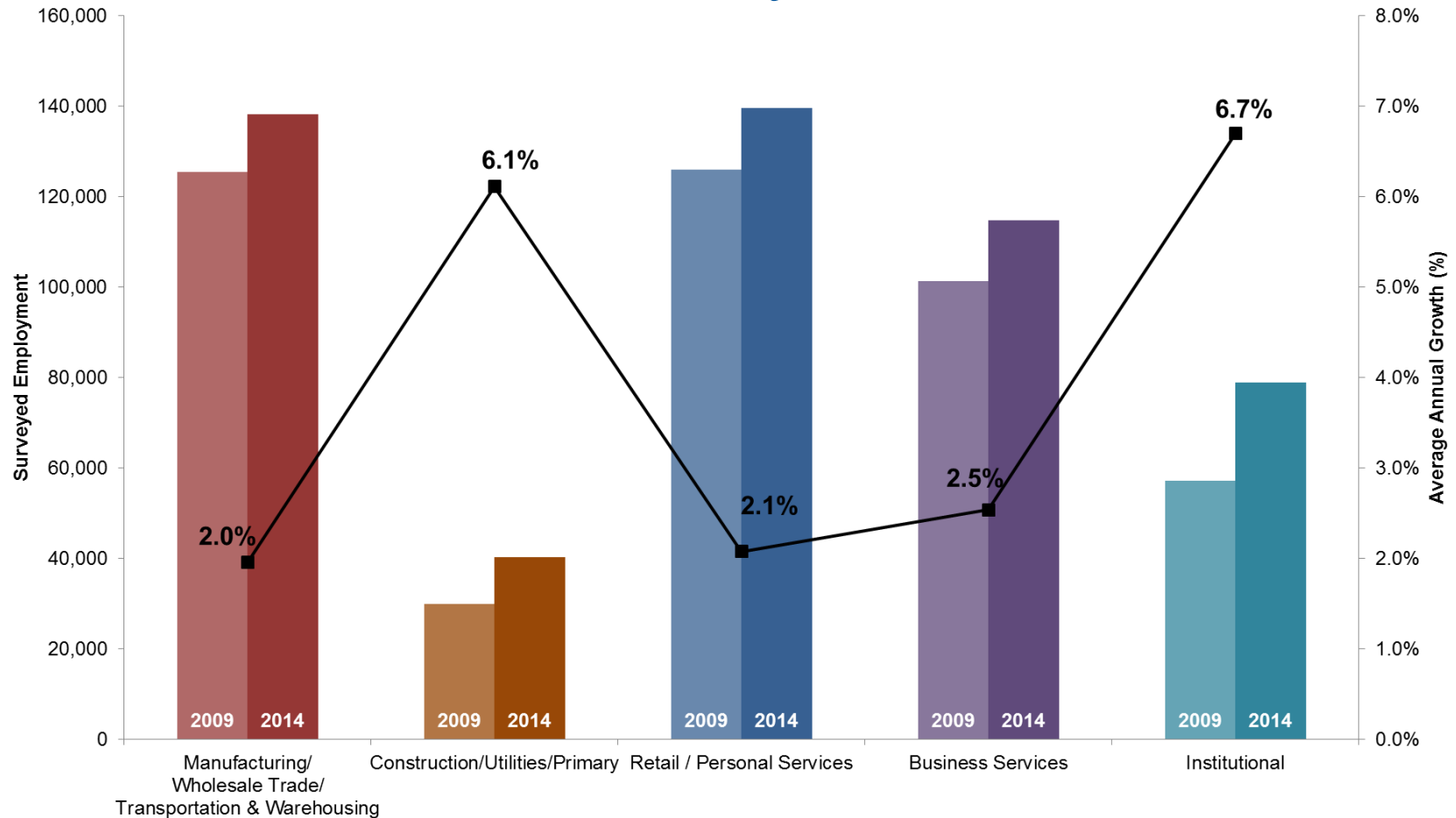
York Region is a significant contributor to Ontario's economic growth

York Region has added 77,000 jobs since 2009



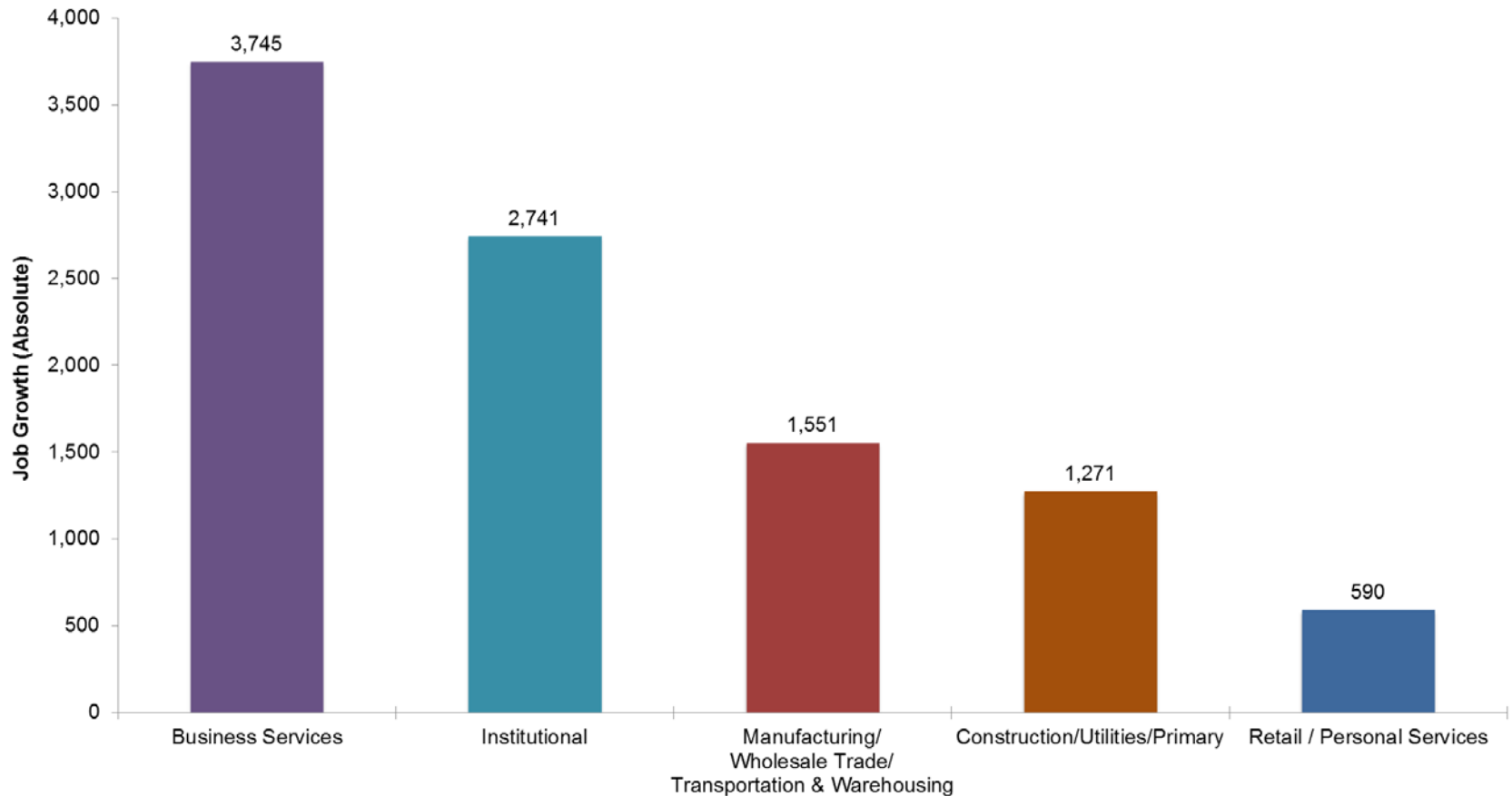
York Region has grown by 15,000 jobs on an average annual basis

All industry groups experienced growth over the last five years



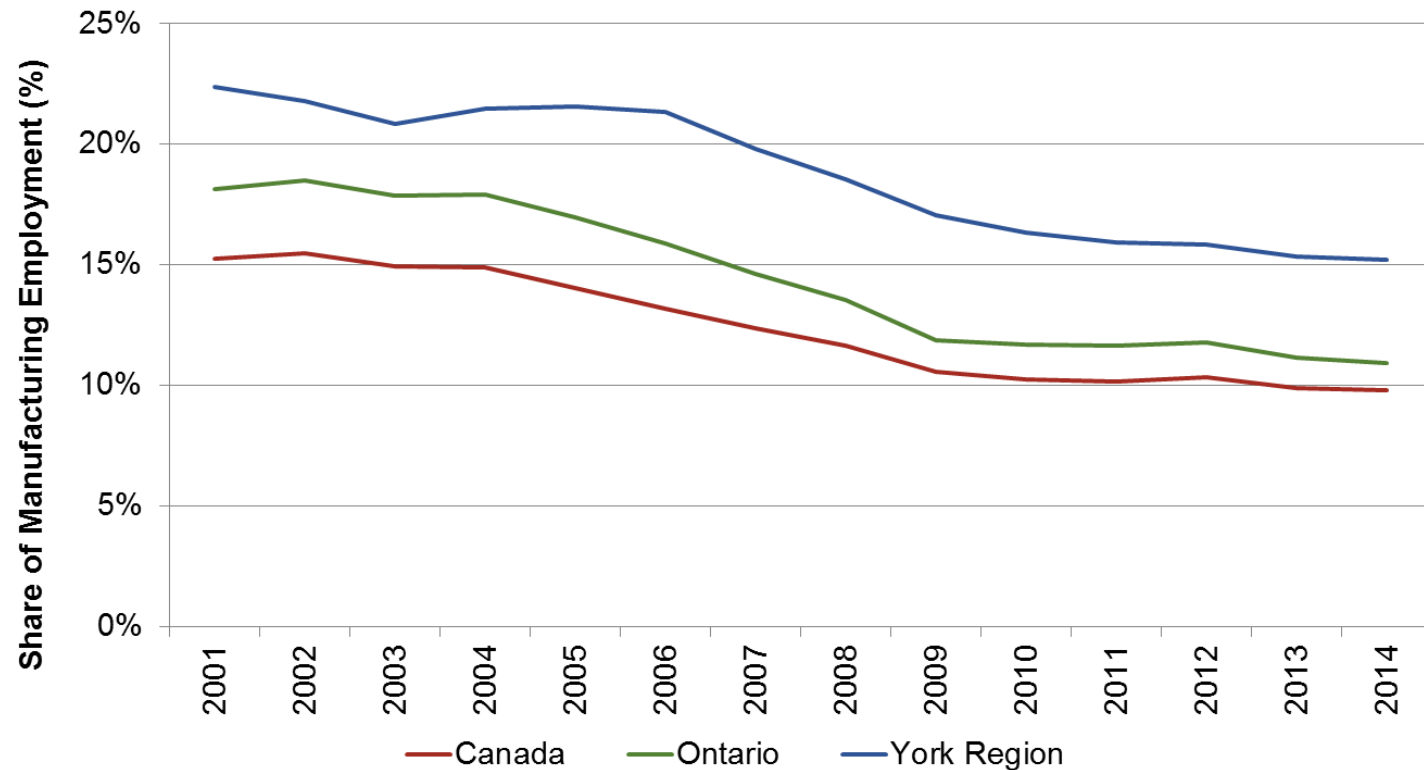
Diversity in York Region's employment base helps ensure economic resilience

Business services industry group posted the largest employment gain in 2014



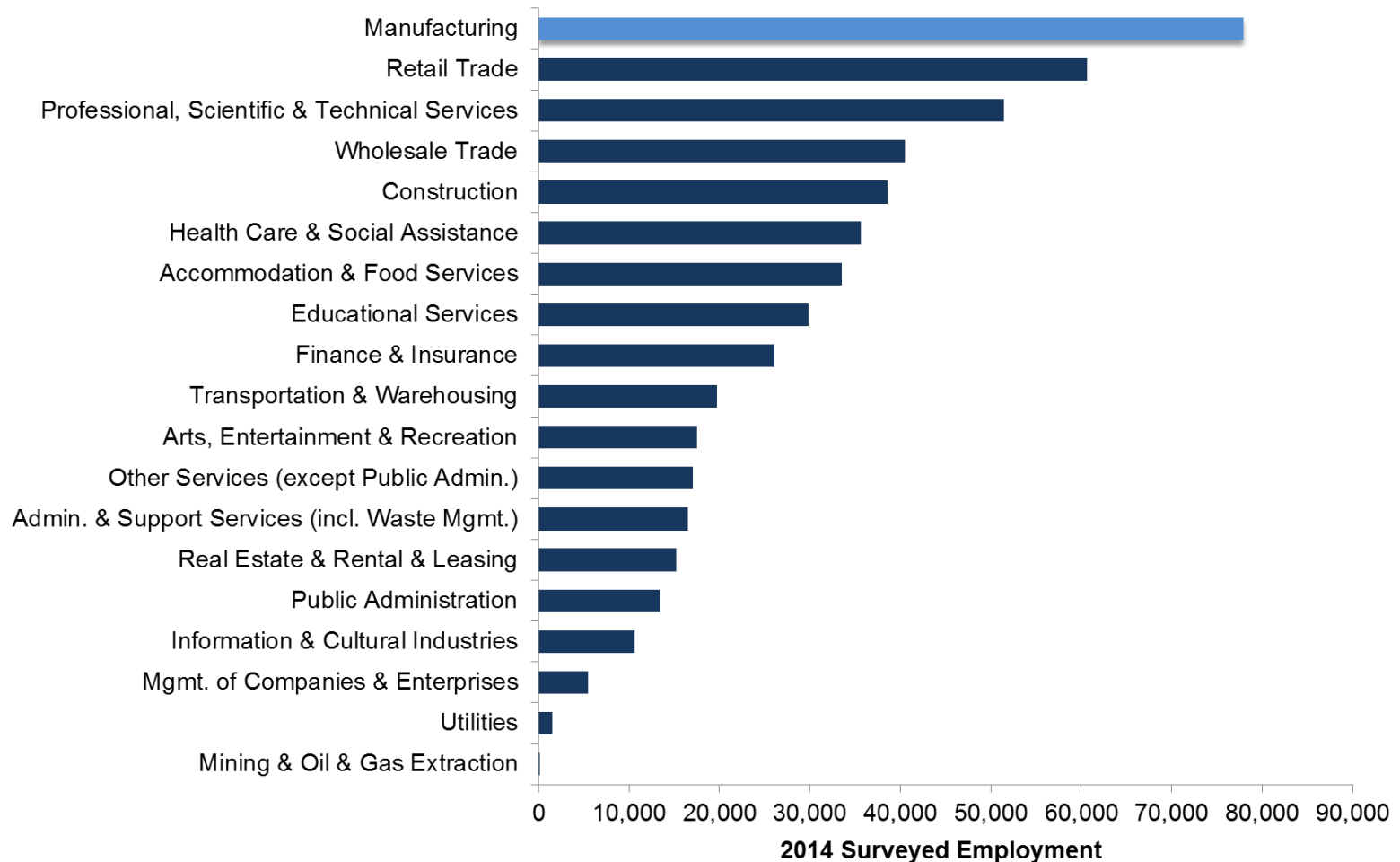
York Region continues is experiencing a shift towards knowledge-based jobs

Canada, Ontario and York Region's manufacturing sector



Canada's manufacturing sector lost 600,000 jobs over the past ten years. Approximately 60% of those job losses were in Ontario

Manufacturing continues to have a strong presence in the Region's economy



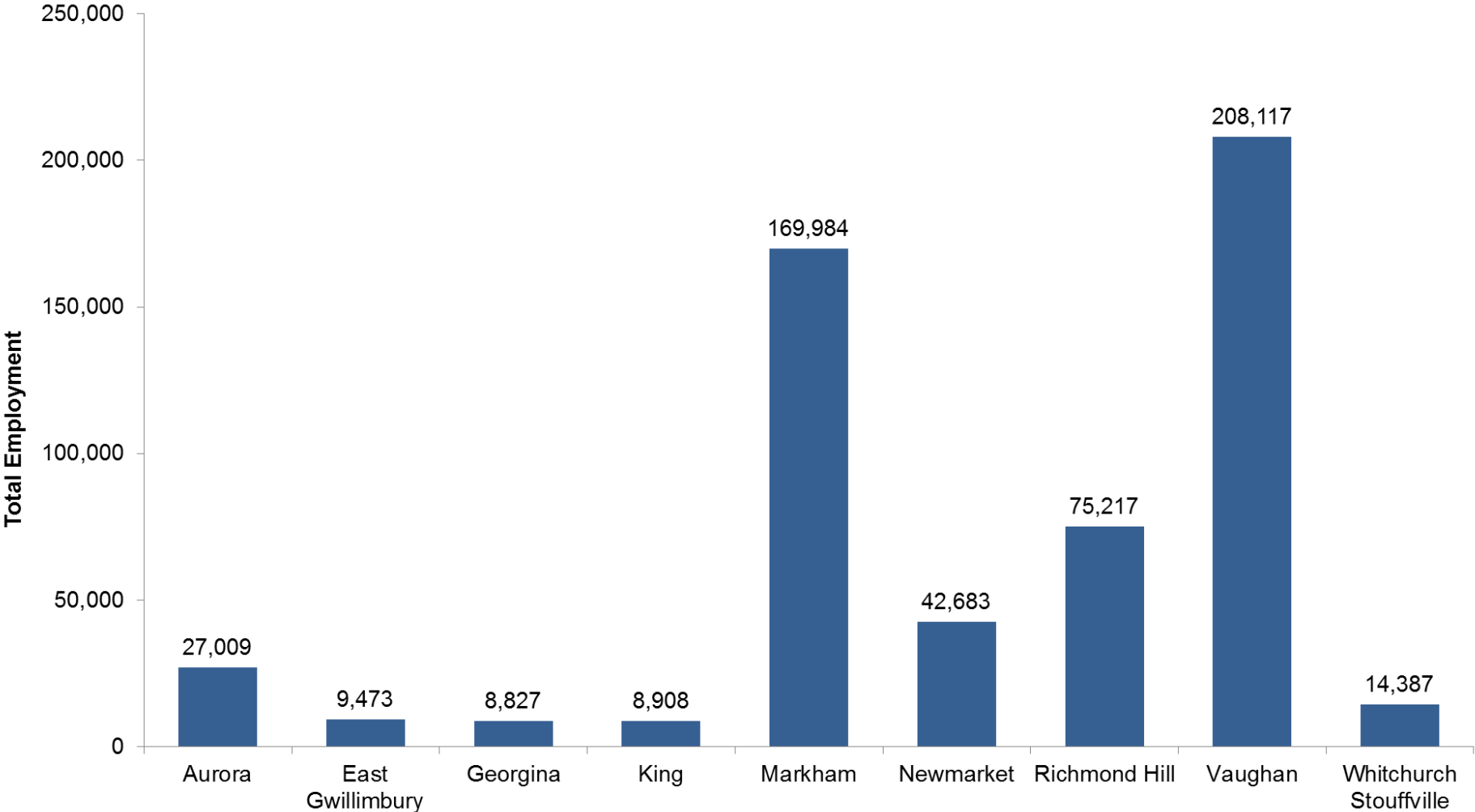
Manufacturing sector accounted for a 15.3% share of the Region's total employment in 2014

Diversity of business sizes reflects York Region's attractiveness as a place to do business

Business Size Category	2009	2013	2014
Small (1-19 Employees)	23,119	25,118	26,126
Medium (20-99 Employees)	3,486	3,987	4,110
Large (100-499 Employees)	710	828	837
Very Large (500+ Employees)	52	50	50
Total	27,367	29,983	31,123

Small sized business firms accounted for 83.9% of the Region's businesses

Distribution of employment by local municipality, 2014



Recommendations and Next Steps

- The York Region Employment and Industry report 2014 be circulated to local municipalities, local chambers of commerce, workforce planning board and board of trade
- Next survey to commence summer 2015
- Continue to work with local municipal partners

Thank you

