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### JOB HIRING INDEX FIRST HALF 2009 RESULTS

**The Planning and Economic Development Committee recommends the adoption of the recommendations contained in the following report dated August 6, 2009, from the Commissioner of Planning and Development Services.**

#### 1. RECOMMENDATIONS

It is recommended that:

1. The Regional Clerk forward copies of this report to the local Economic Development Offices for their use and analysis in relation to their program.

#### 2. PURPOSE

To update Regional Council on the Job Hiring Index results for the first six months of 2009 which identifies and analyzes employer hiring trends and labour force demand in York Region.

#### 3. BACKGROUND

##### **Identification of labour force supply and demand**

To monitor the hiring demand of businesses, the consulting firm Vicinity Jobs Inc. was retained to develop a Job Hiring Index to collect data on job postings and trends in the demand for the Region's labour market. Data collection commenced in January 2007.

Workforce development was identified as a strategic initiative in the 2005 approved Economic Strategy, and one of the actions proposed was for the Region to facilitate better forecasting of industry requirements, skills shortages and deficiencies within the Region.

Three job hiring trends updates were presented to Council in June 2007, April 2008 and February 2009. This report contains data collected for January 1 to June 30, 2009 and indicates trends in hiring demand versus 2007 and 2008.

##### **Advanced data collection technology is used**

Vicinity Jobs Inc. developed advanced customized data collection technology for York Region which provides job hiring trend analysis and reporting capability including:

- Automated capture all advertised jobs from print and online sources including newspapers, online job boards and company web sites.

- Identification of the employer, occupation category, industry, and municipality.
- Quality control processes enhance the accuracy of the data and eliminates duplication of reported jobs.
- The advertised job postings include new hiring and replacement hiring however this distinction is not identified in a job advertisement.

#### 4. ANALYSIS AND OPTIONS

##### FIRST HALF YEAR SUMMARY OF THE JOB HIRING INDEX FOR 2007, 2008 AND 2009

This report presents job hiring trends for three years of data collection in 2007, 2008 and 2009 and provides year over year comparisons for the first six months of each year.

In the first half of 2009, there were 16,090 job postings across York Region which represents a 42% decline versus the 27,742 jobs posted in the first half of 2008 as shown in *Table 1*.

**Table 1**  
Number of Job Postings in York Region  
First Half (January to June) of 2007, 2008 and 2009

| Month    | 2007   | 2008   | 2009   |
|----------|--------|--------|--------|
| January  | 4,725  | 4,757  | 2,939  |
| February | 4,510  | 4,624  | 2,344  |
| March    | 4,565  | 5,157  | 2,784  |
| April    | 3,545  | 4,972  | 2,947  |
| May      | 3,467  | 4,674  | 2,449  |
| June     | 4,017  | 3,558  | 2,627  |
| June YTD | 24,829 | 27,742 | 16,090 |

#### JOB POSTINGS BY INDUSTRY

##### Top hiring industry sector in the Region continues to be retail trade

York Region remains a very diverse employment region with 24 industry sector codes identified in the job postings. Based on the job postings which identify the industry sector, the five largest hiring sectors declined by 1,358 job postings or 36% for the first six months of 2009 versus 2008.

Manufacturing experienced the strongest decline with 49% followed by professional, scientific and technical services with a 43% reduction in job postings. The number of health care and social assistance job postings has remained stable over the past three years with the least reduction of 8% job postings in 2009 versus 2008. The top five industry sectors for job hiring are provided in *Table 2*.

**Table 2**  
Top Five Industry Sectors for Job Hiring  
First Half (January to June) of 2007, 2008 and 2009

| <b>Industry Sector</b>   | <b>Number<br/>2007</b> | <b>Number<br/>2008</b> | <b>Number<br/>2009</b> |
|--|------------------------|------------------------|------------------------|
| Retail trade   | 988                    | 1,198                  | 726                    |
| Health care and social assistance  | 596                    | 581                    | 535                    |
| Professional, scientific and technical services                          | 1,001                  | 876                    | 496                    |
| Manufacturing  | 668                    | 619                    | 313                    |
| Administrative and support and waste management and remediation services | 434                    | 401                    | 247                    |
| <b>TOTAL TOP 5</b>   | <b>3,687</b>           | <b>3,675</b>           | <b>2,317</b>           |

## **JOB POSTINGS BY IDENTIFIED EMPLOYER**

### **Private sector accounted for six of the top 10 hiring employers in the first half of 2009**

Based on job postings which identify the employer, the top 10 employers advertised 6% fewer jobs in 2009 versus 2008. The private sector has the most job postings followed by health care and government.

- The 2009 top 10 list includes five hiring employers not present on the 2008 top 10, they are: Business Depot, Brookfield LePage Johnson Controls, Canada Law Book, Ceridian Canada Ltd., and the York Region District School Board. The five employers were in the top 25 in 2007 except Brookfield LePage Johnson Controls which can be explained by posting jobs for contract work.
- Of the total 16,090 job postings, 847 employers posted 3,548 jobs. The top 10 employers accounted for 22% of the posted jobs. The remaining 12,542 job postings had no employer identification.
- Southlake Regional Health Centre continues as the number one hiring employer in the first half of all three years although there was a 30% decrease in job postings in 2009 versus 2008.

- Four of the top 10 employers experienced a decline in job postings and the total top 10 decreased slightly by 55 postings or 6%.

**Table 3**

Top 10 Job Postings by Employer  
First Half (January to June) of 2007, 2008 and 2009

| Top 10 Rank<br>2009 | Top 10 Rank<br>2008 | Top 10 Rank<br>2007 | Employer                              | Number<br>Q1 & Q2<br>2007 | Number<br>Q1 & Q2<br>2008 | Number<br>Q1 & Q2<br>2009 |
|---------------------|---------------------|---------------------|---------------------------------------|---------------------------|---------------------------|---------------------------|
| 1                   | 1                   | 1                   | Southlake Regional Health Centre      | 253                       | 213                       | 149                       |
| 2                   | 3                   | 5                   | The Regional Municipality of York     | 106                       | 150                       | 147                       |
| 3                   | 7                   | --                  | York Central Hospital                 | 10                        | 60                        | 119                       |
| 4                   | --                  | --                  | Business Depot                        | 32                        | 52                        | 82                        |
| 5                   | --                  | --                  | Brookfield LePage Johnson<br>Controls | --                        | --                        | 75                        |
| 6                   | 4                   | 10                  | Accountemps                           | 71                        | 104                       | 67                        |
| 7                   | --                  | --                  | Canada Law Book                       | 37                        | 35                        | 47                        |
| 8                   | --                  | 2                   | Ceridian Canada Ltd.                  | 129                       | 37                        | 39                        |
| 9                   | 2                   | 3                   | IBM Canada Ltd.                       | 120                       | 158                       | 37                        |
| 10                  | --                  | --                  | York Region District School Board     | 31                        | 44                        | 36                        |
| TOTAL TOP 10        |                     |                     |                                       | 789                       | 853                       | 798                       |

Four of York Region's top 10 employers, based on number of employees, are also in the top 10 job postings by employer reflecting consistency with size of employer and job postings by employer.

**Interpreting job posting data by employer requires clarification**

- Advertised job postings include new hiring and replacement hiring however this distinction is not identified in a job advertisement.
- Re-posting a job for the same unfilled position will count as two postings.
- Fifty-four percent of the postings in the first half of 2009 were full time, 8.4 percent were part time, and the remaining 37.6% are unknown.
- Thirteen percent of the job postings in the first half of 2009 were temporary positions, 58.3% are unknown, and 28.7% were postings for permanent positions.

## JOB POSTINGS BY OCCUPATION

### Service industry dominates hiring by occupation

Between 2007 and 2008 there was no significant percentage change in the top five postings by occupation, but in 2009 it decreased in half (49%). The top five job postings by occupation category in all three years are in the service industry as shown in *Table 4*.

**Table 4**

Top Five Job Postings by Occupation Category  
First Half (January to June) 2007, 2008 and 2009

| Top 5 Rank  |      |      | Occupation                    | Number<br>Q1 & Q2<br>2007 | Number<br>Q1 & Q2<br>2008 | Number<br>Q1 & Q2<br>2009 |
|-------------|------|------|-------------------------------|---------------------------|---------------------------|---------------------------|
| 2009        | 2008 | 2007 |                               |                           |                           |                           |
| 1           | 5    | 4    | Management of companies       | 2,664                     | 2,811                     | 1,855                     |
| 2           | 1    | 1    | Administrative and legal      | 3,684                     | 3,950                     | 1,846                     |
| 3           | 3    | 3    | Business, finance, accounting | 2,771                     | 3,032                     | 1,544                     |
| 4           | 2    | 2    | Help wanted (inc. warehouse)  | 2,850                     | 3,773                     | 1,384                     |
| 5           | --   |      | Sales                         | 2,095                     | 2,057                     | 1,359                     |
| TOTAL TOP 5 |      |      |                               | 14,064                    | 15,623                    | 7,988                     |

## JOB POSTINGS BY MUNICIPALITY

### Markham employers are the most active recruiters

- All nine municipalities showed decreases in hiring demand (35% to 79%).
- The Southern three municipalities of Markham, Richmond Hill, and Vaughan remained the municipalities with the majority of job postings for the first six months of all three years with 6,174, 2,435 and 2,005 respectively. Newmarket follows closely behind Vaughan with 1,927 job postings.
- In all nine municipalities job postings decreased by 42% from the first six months of 2009 versus the first six months of 2008.

**Table 5**  
Share of Job Posting by Municipality  
First Half (January to June) 2007, 2008 and 2009

| <b>Municipality</b>    | <b>Number<br/>Q1 &amp; Q2<br/>2007</b> | <b>Number<br/>Q1 &amp; Q2<br/>2008</b> | <b>Number<br/>Q1 &amp; Q2<br/>2009</b> |
|------------------------|--|--|--|
| Aurora                 | 1,091                                  | 1,784                                  | 717                                    |
| East Gwillimbury       | 20                                     | 86                                     | 18                                     |
| Georgina               | 15                                     | 145                                    | 95                                     |
| King                   | 188                                    | 324                                    | 130                                    |
| Markham                | 11,099                                 | 9,297                                  | 6,174                                  |
| Newmarket              | 2,497                                  | 3,516                                  | 1,927                                  |
| Richmond Hill          | 2,573                                  | 3,943                                  | 2,435                                  |
| Whitchurch-Stouffville | 143                                    | 387                                    | 126                                    |
| Vaughan                | 3,992                                  | 4,469                                  | 2,005                                  |
| * Multiple             | 3,211                                  | 3,791                                  | 2,463                                  |
| <b>TOTAL</b>           | <b>24,829</b>                          | <b>27,742</b>                          | <b>16,090</b>                          |

\* This category includes job postings that identified multiple locations.

## **SUMMARY OF JOB HIRING INDEX TRENDS**

Job hiring trends in York Region are one of several economic indicators used to determine growth or decline in the business cycle. Employment growth is an indicator of the last stage of economic recovery. Historical economic indicators (job hiring index and unemployment rates) are used to monitor signs of economic recovery.

A summary of job hiring trends for the first half of 2009 versus 2008 is:

- Total hiring demand decreased by 42% in the first half of 2009 versus 2008 indicating a negative hiring trend from York Region employers.
- A negative employment trend is evident across Canada with the unemployment rate reaching the highest national rate in 11 years at 8.6% and 9.3% in Ontario according to the July 2009 Labour Force Survey published by Statistics Canada.
- The service industries and service occupations posted the most jobs in York Region.
- The private sector has the most job postings followed by health care and government.
- While there are signs that the world economy may be improving, a recovery in job hiring will only occur when economic growth has been restored.

## **5. FINANCIAL IMPLICATIONS**

Funding for the Job Hiring Index is approved in the 2009 Planning and Development Services Department budget.

## **6. LOCAL MUNICIPAL IMPACT**

A community's workforce is critical to its economic success and the workforce is central to the municipality's economic future. The job hiring index provides an in depth analytical tool that can be utilized by each local municipality to further understand and address employment trends. The Region works with the local Municipal Economic Development Offices to assess local trends by providing detailed quarterly and annual data information packages that enable each municipality to conduct an in-depth local job hiring analysis.

### **Relationship to Vision 2026**

Vision 2026 identified attracting and supporting businesses, encouraging continual learning, promoting and supporting innovation, and partnering in service delivery as key elements in achieving the Vibrant Economy goal. Implementation of the Economic Strategy supports the Vibrant Economy Goal of Vision 2026.

## **7. CONCLUSION**

Tracking employment and hiring trends is an important indicator of future economic activity. Private sector firms increase hiring as business grows and reduce hiring if revenues are decreasing. Continued collection of job posting data and reporting to municipalities enables year over year comparative quarterly, monthly, and annual trends. The third full year of data indicating annual trends will be presented to Council in winter 2010.

For more information on this report, please contact Sharon Végh, Program Manager, Economic Strategy at (905) 830-4444, Ext. 1509, or Patrick Draper, Director of Economic Strategy & Tourism at Ext. 1503.

The Senior Management Group has reviewed this report.