

January 24, 2014

Regional Councillor John Taylor, Co-Chair
Susan LaRosa, Co-Chair
Human Services Planning Board
The Regional Municipality of York
17250 Yonge Street
Newmarket, ON L3Y 6Z1

Dear Co-Chairs:

Re: 2011 National Household Survey: Labour Force, Employment, and Income

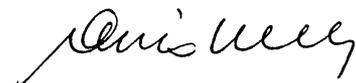
Regional Council, at its meeting held on January 23, 2014, adopted the following recommendation of Committee of the Whole regarding the report entitled '2011 National Household Survey: Labour Force, Employment and Income':

1. The Regional Clerk circulate this report to local municipalities, the Human Services Planning Board of York Region, the Community Partnership Council, York Region Data Consortium and the Workforce Planning Board of York Region and Bradford West Gwillimbury for information.

A copy of Clause No. 15 of Committee of the Whole Report No. 1 is enclosed for your information.

Please contact Paul Bottomley, Manager, Growth Management at 905-830-4444, Ext. 71530, or Valerie Shuttleworth, Director, Long Range Planning at 905-830-4444, Ext. 71525 if you have any questions with respect to this matter.

Sincerely,



Denis Kelly
Regional Clerk

/C. Martin
Attachments - 2

Clause No. 15 in Report No. 1 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on January 23, 2014.

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2011 NATIONAL HOUSEHOLD SURVEY: LABOUR FORCE, EMPLOYMENT, AND INCOME

Committee of the Whole recommends:

- 1. Receipt of the presentation by Monica Bryce, Manager, Analysis and Data Services and Community Investments and Paul Bottomley, Manager, Growth Management, Economy and Information Research.**
- 2. Adoption of the following recommendation, as amended, in the report dated December 13, 2013 from the Executive Director, Corporate and Strategic Planning:**
 - 1. The Regional Clerk circulate this report to local municipalities, the Human Services Planning Board of York Region, the Community Partnership Council, York Region Data Consortium and the *Workforce Planning Board of York Region and Bradford West Gwillimbury* for information.**

1. RECOMMENDATION

It is recommended that:

- 1. The Regional Clerk circulate this report to local municipalities, the Human Services Planning Board of York Region, the Community Partnership Council and York Region Data Consortium for information.**

2. PURPOSE

This report provides Council with an overview and analysis of labour force, employment, and income data from the 2011 National Household Survey (NHS) and discusses implications for the Regional economy and labour force.

3. BACKGROUND

The NHS was conducted for the first time between May and August 2011

The NHS was conducted by Statistics Canada for the first time between May and August 2011. The voluntary survey accompanies the 2011 Census of Population, which reported on population and dwelling counts. A staff report on the Census of Population was received by Council on December 13, 2012.

Given the voluntary nature of the NHS survey, issues have been raised by various stakeholders such as municipalities, researchers, and consultants regarding the accuracy and reliability of the data collected. Of a sample 4.5 million Canadian households selected to participate in the NHS, 68.6% responded, corresponding to 21% of the Canadian population. York Region's response rates were slightly higher than the Canadian average, with each local municipality (excluding King Township and Georgina) averaging a response rate of over 70%. The administration of the NHS to a random sample of households likely increased the incidence of bias in the data, as certain groups of Canadians (e.g., recent immigrants and those in lower socio-economic groups) may be less likely to respond. As such, there are concerns that respondents to the NHS may not be representative of the Canadian population as a whole. In light of these concerns, this report uses NHS data only to provide a mid-year 2011 snapshot of York Region and its local municipalities. Comparisons are made with other regions in the GTA, Hamilton, Ontario, and Canada for 2011. No historical trend analyses are undertaken for this report.

A companion report to this report is being brought forward to the Community and Health Services section of this Committee of the Whole, which highlights income, immigration, household types, ethnocultural diversity, education, as well as other basic socio-demographic variables for the Region using NHS data. That report also provides a more detailed discussion on the change in methodology relating to the NHS as well as the response rates and issues stemming from it. Both reports reflect a similar approach in using National Household Survey data and do not include historical trend analysis.

NHS analysis provides insights to promote economic vitality in York Region

Economic Vitality is a stated goal in the *York Region's Official Plan, 2010 (YROP-2010)*, which seeks “to create a competitive and flexible economic environment that encourages investment and a diversity of employment opportunities.” Analysis of NHS data in the areas of labour force, employment, and income provides insight into the state of York Region's economy and identifies competitive pressures facing York Region's labour market and the employment base.

Despite some issues being raised in regards to the data being collected, the NHS provides important information on households and individuals in York Region, which enables better decision making by local municipalities, researchers, consultants, and various stakeholders. Examples of stakeholder groups within York Region include:

- the Human Services Planning Board of York Region
- the Community Partnership Council (CPC), which is a multi-sectoral collaborative planning organization that is working in partnership with the Region to implement the *York Region Immigration Settlement Strategy*.
- the York Region Data Consortium, which purchases and facilitates access to social data, analyzes community data and uses it for better decision making, and shares socio-economic data as broadly as possible with community agencies that could not otherwise afford this type of data.

4. ANALYSIS AND OPTIONS

This section of the report summarizes 2011 NHS data in York Region with respect to the labour force, employment, and income.

LABOUR FORCE

York Region's resident employed labour force was approximately 528,400 in 2011

According to the NHS, there were 569,895 York Region residents aged 15 years and over in the total labour force in 2011. The total labour force figure includes persons who were either employed or unemployed (yet were actively looking for work). *Figure 1* shows how the total labour force figure is broken down as well as how the labour force participation rate is derived.

Figure 1
Total Labour Force Breakdown, York Region, 2011

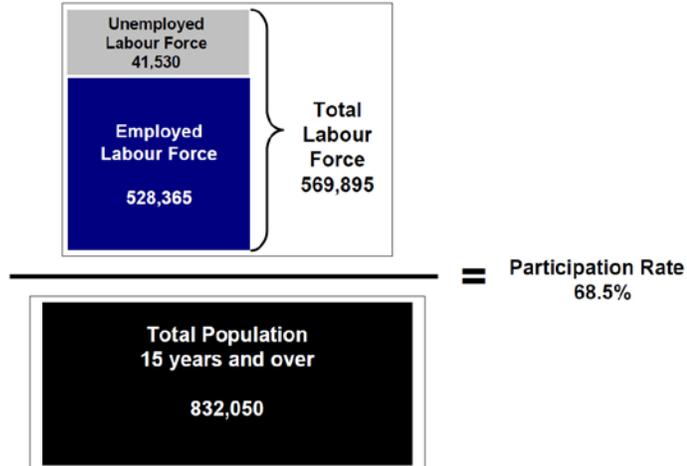
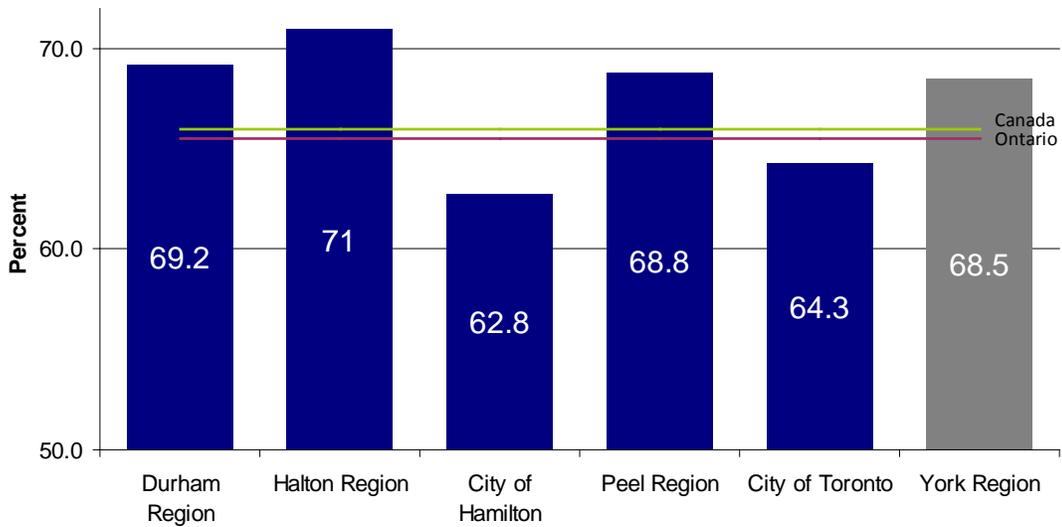


Figure 2 shows the participation rate of each upper-tier and single-tier municipality in the Greater Toronto and Hamilton Area (GTHA). The participation rate in York Region was 68.5% in 2011, which is higher than Ontario and Canada, but ranks third lowest in among GTHA municipalities.

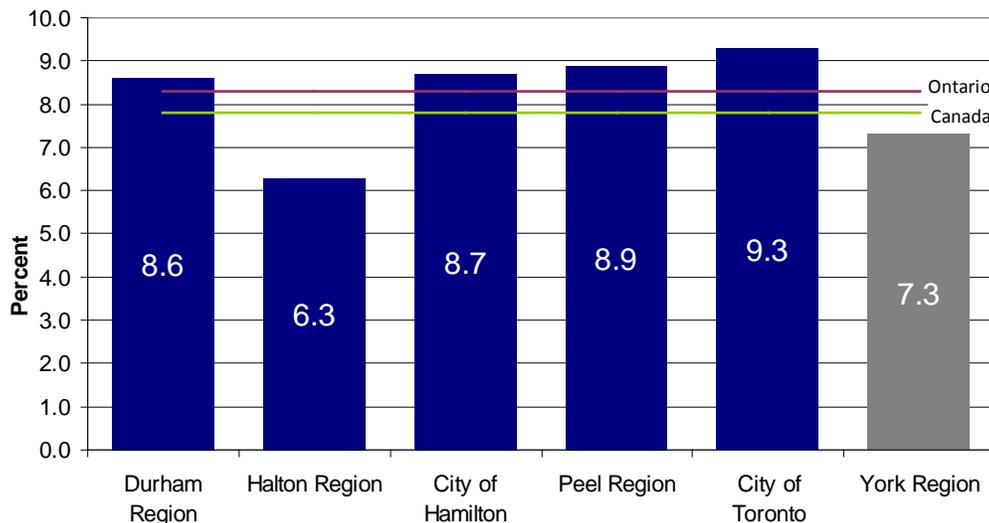
Figure 2
Participation Rates,
GTHA, Ontario, and Canada, 2011



York Region unemployment rate is lower than both Ontario and Canada

York Region's unemployment rate of 7.3% in 2011 was among the lowest in Ontario, and higher only to Halton Region when comparing to other upper- and single-tier municipalities in the GTHA (see *Figure 3*). As of 2011, 528,365 York Region residents aged 15 years and over were employed.

Figure 3
Unemployment Rates,
GTHA, Ontario, and Canada, 2011



More recent data, provided through Statistics Canada's Labour Force Survey, indicates a decline in the Region's unemployment rate to 7.0% in 2012. It should be noted, however, that Labour Force Survey and NHS are two different data sources and the unemployment rate is recorded at different times. As stated earlier, the 2011 NHS was conducted mid-year 2011, while the Labour Force Survey unemployment rate is an annual average calculated in December of each year.

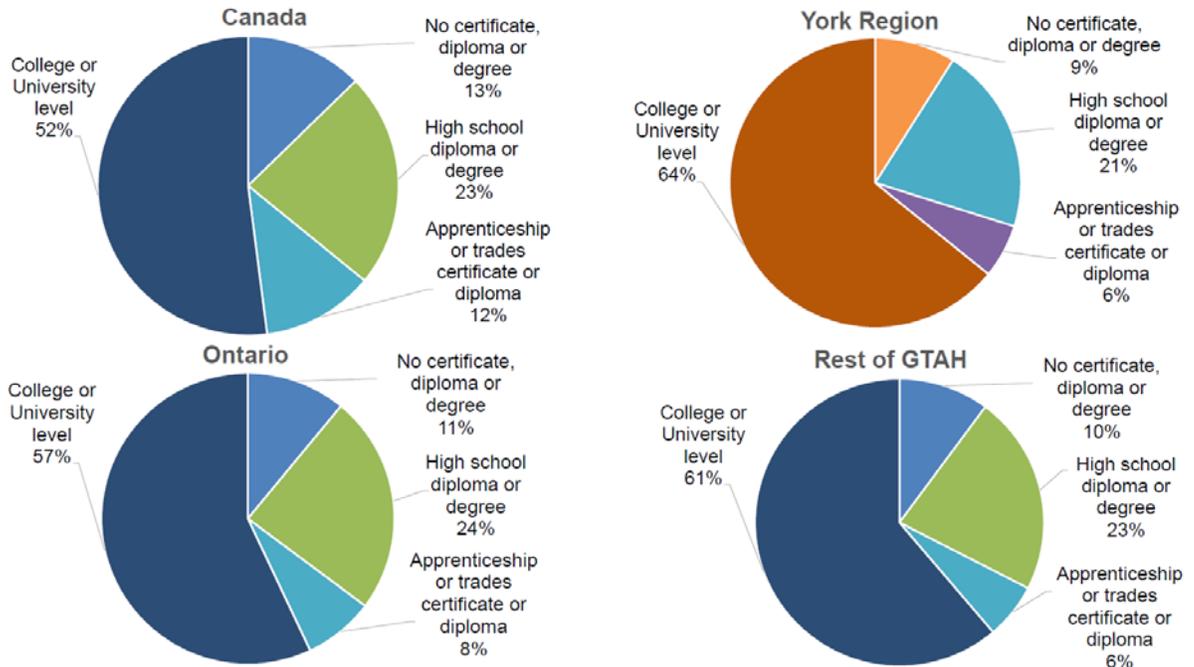
York Region's aging population is a factor that may lower the participation rate of its resident labour force in the years to come. York Region will be competing with other municipalities in the GTHA and Ontario for migrants and it is important that the Region remains an attractive destination for residents, workers, and businesses.

Over 70% of York Region's working age population have a post-secondary education, highest rate among Canada's largest census divisions

Among census divisions with populations of 1 million and more in Canada, York Region along with the City of Montreal recorded the highest share of its working age population possessing a post-secondary education (which includes apprenticeship or trades

certificate or diploma), at 70.2% in 2011. 64% of York Region's labour force is college and/or university educated, which is 12% higher than the Canadian average and 7% higher than the Ontario average (see *Figure 4*).

Figure 4
Population Aged 25-64 by Highest Level of Education, York Region, rest of GTHA, Ontario, and Canada, 2011



Education levels are tied directly to types of occupations being filled by York Region's labour force

Attachment 1- Figure 1 shows the breakdown of York Region's resident employed labour force aged 25-64 by occupation. Compared to the GTHA, Ontario, and Canada occupation distributions, a higher share of York Region's resident employed labour force aged 25 to 64 are employed in the natural and applied sciences, business and finance, management, and institutional sectors (59.3%, cumulatively), while a smaller share of the resident employed labour force are employed in the trades, manufacturing, and customer service occupations. The creation and retention of jobs in occupations that match the skills and education attained by York Region's resident labour force is key to ensuring that there are opportunities for York Region's residents to both live and work in the Region.

EMPLOYMENT

NHS employment estimate of 485,400 is approximately 30,000 lower than York Region's 2011 employment survey job estimate of 515,800

Using data from the NHS, it is estimated that there were 485,438 jobs in York Region in 2011. The employment estimate comprises those who work at a specific address throughout the week (usual place of work), as well as those working from home and a redistribution of those with no fixed workplace. Of those jobs in York Region, over 65% are filled by people who live in the Region, while 19.0% commute from the City of Toronto, 5.7% from Peel Region, and nearly 10% from other destinations.

The NHS employment estimate is lower than the 2011 employment estimate derived from York Region's annual employment survey of 515,800. As mentioned earlier in this report, the NHS is a voluntary survey for which a random sample of households was selected to complete the survey at their place of residence. York Region's employment survey has been conducted annually since 2002. It gathers information for businesses at a physical location within each of the Region's nine municipalities. By collecting data directly from the employment source, the York Region employment survey provides more accurate information and minimizes error.

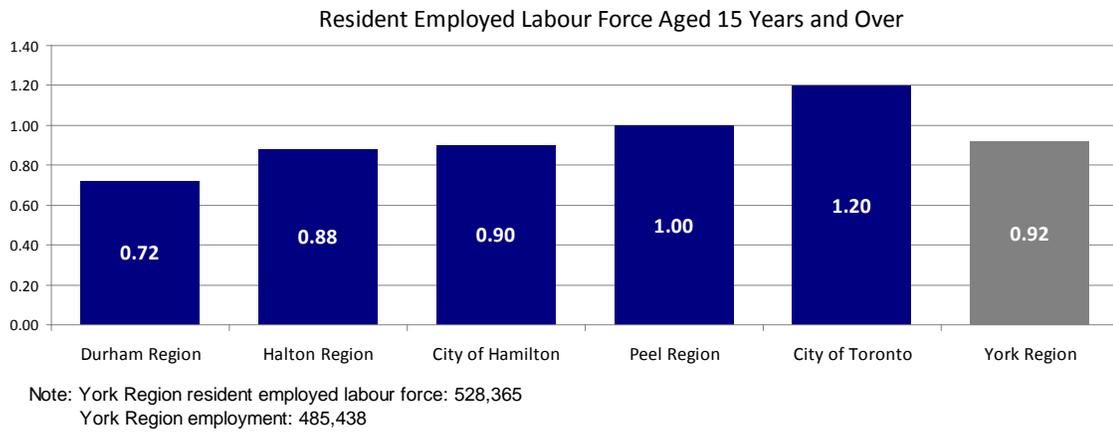
For the purposes of this report, the NHS employment estimate is used in order to remain consistent with the other variables being analyzed and to provide comparisons between York Region and other jurisdictions.

York Region's employment level is approaching the resident employed labour force

The jobs to resident employed labour force ratio gauges the strength of the regional economy by comparing the number of jobs to the resident employed labour force. A ratio of 1 implies that one job opportunity is being created for every member of the resident employed labour force. This ratio relates directly to the *YROP-2010* policy of "creating high-quality employment opportunities for residents with the goal of 1 job for every 2 residents", which is based on the assumption that about half of the Region's population is in the labour force.

At the regional scale, York Region's jobs to resident employed labour force ratio was 0.92 in 2011, the third highest ratio among GTHA municipalities (see *Figure 5*).

Figure 5
Jobs to Resident Employed Labour Force Ratio, GTHA, 2011



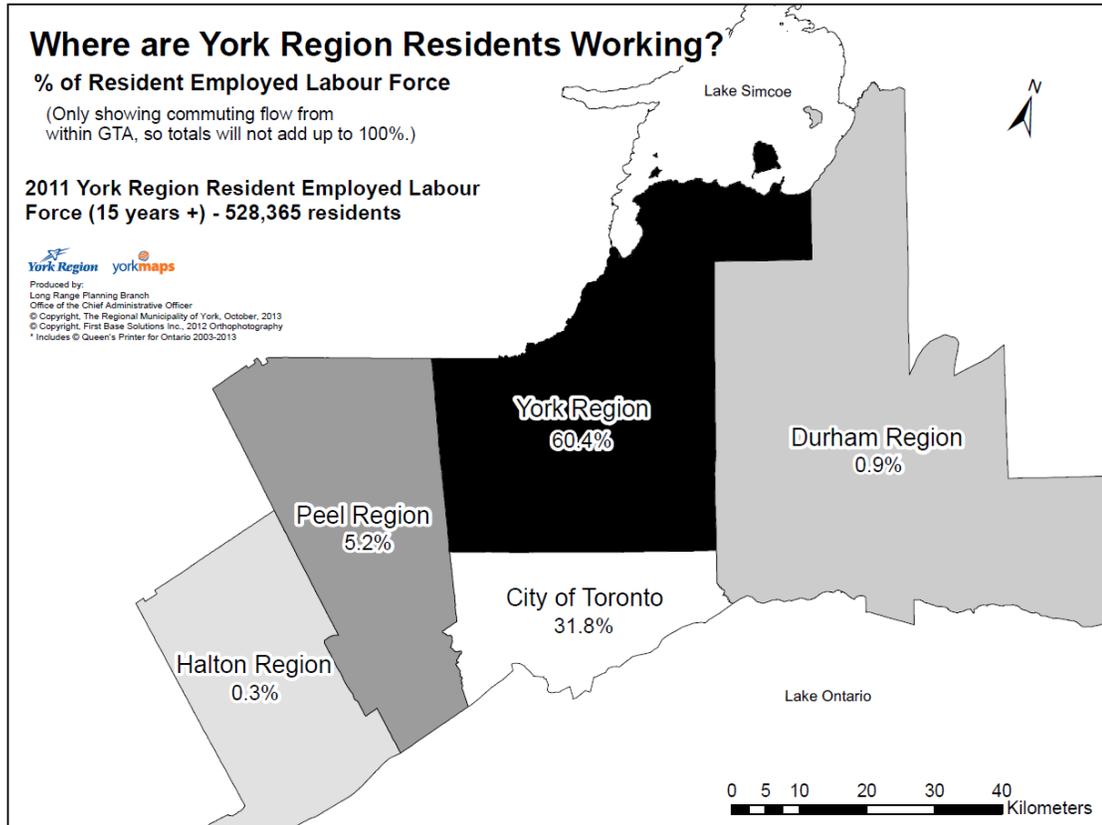
The City of Toronto is the only area with a ratio of over 1 (1.20), meaning that a larger share of its employment is filled by workers from other municipalities. Durham Region has the lowest ratio at 0.72, so a larger share of its resident employed labour force has to go outside of that Region to find employment.

Attachment 1 – Figure 2 shows the jobs to resident employed labour force ratio among each of the nine local municipalities within York Region. The municipalities of Vaughan, Newmarket, and Markham have the highest ratios of 1.10, 0.99, and 0.98, respectively, while Georgina, East Gwillimbury, and Whitchurch-Stouffville have the lowest (0.49, 0.61, and 0.67, respectively).

York Region's live work percentage has improved, but still remains the second lowest in the GTHA

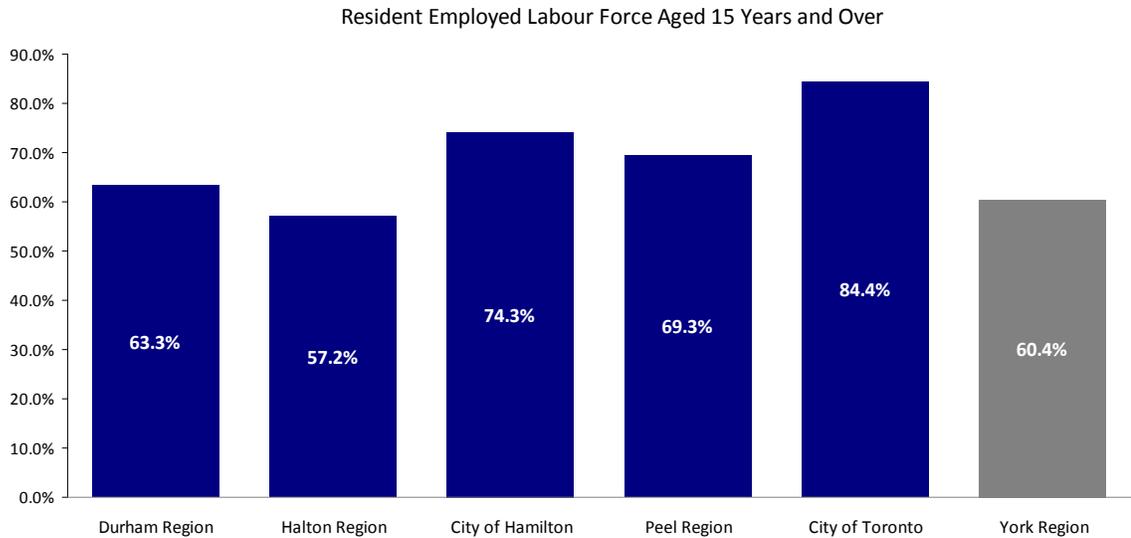
Of York Region's resident employed labour force, 60.4% work within the Region, and nearly all employed residents work within the GTA. The City of Toronto is the second most common work destination for York Region residents, with 31.8% of the resident employed labour force commuting there for work. *Map 1* shows the distribution of where York Region's resident employed labour force works within the GTA.

Map 1
Commuting Flow of York Region's Resident Employed Labour Force, 2011



York Region's live work percentage of 60.4% in 2011 (as shown also in *Map 1*) shows improvement from reported numbers in previous years using Census of Canada data. Despite that, however, York Region's live work percentage still ranks among the lowest in the GTHA, second lowest only to Halton Region (see *Figure 6*). The City of Toronto and City of Hamilton have the highest live work percentages, at 84.4% and 74.3%, respectively. Among York Region municipalities, Vaughan and Newmarket have the highest live work percentages at 47% each, while East Gwillimbury and Aurora have the lowest, at 34% and 37%, respectively (see *Attachment 1 – Figure 3*).

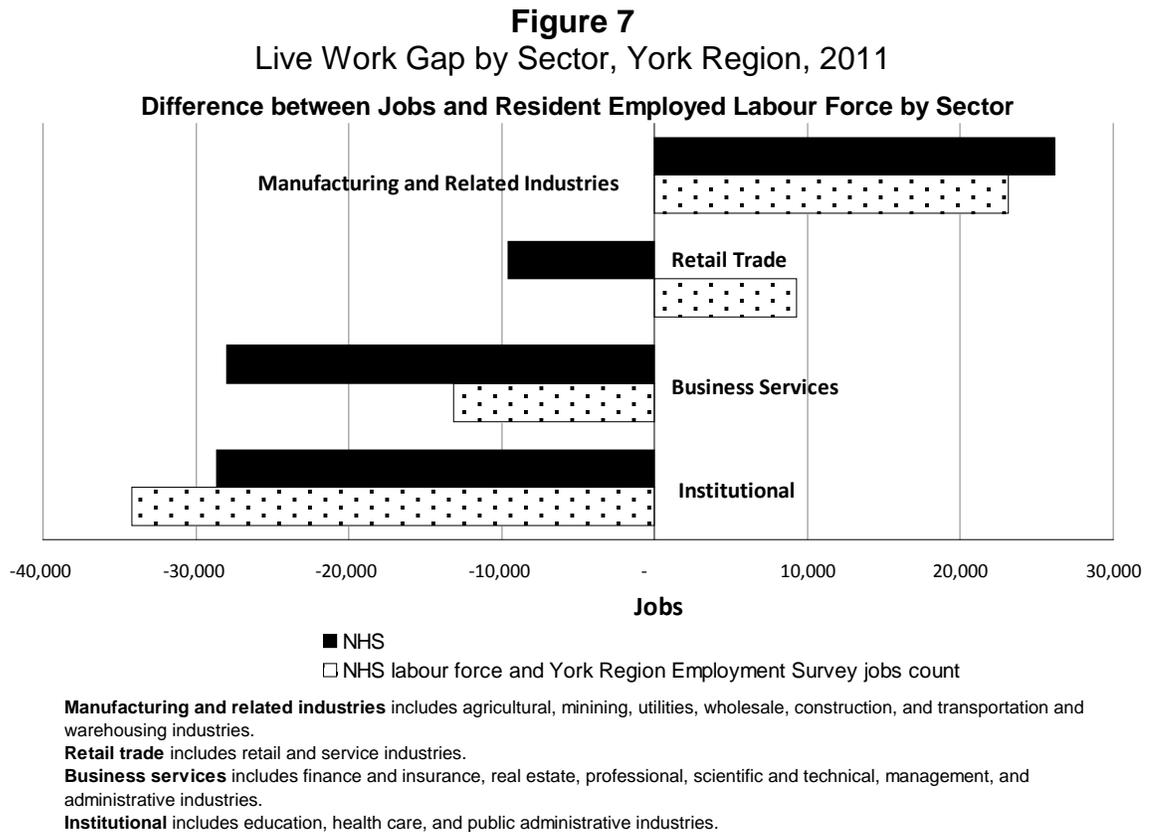
Figure 6
Live Work Percentage, GTHA, 2011



Improving the York Region live work percentage has a number of positive implications on transportation and the economy. Shorter commute times, less traffic congestion on roads, more quality time for workers to spend with their families will improve the quality of life and strength of the overall economy in York Region. The live work percentage can be improved by creating jobs in the Region that match the skill sets of its residents. Providing affordable housing options is also critical in attracting and retaining both businesses and residents in the Region, thereby contributing to the improvement of the live work percentage in the Region.

A strong jobs to resident employed labour force ratio, but a low live work percentage, could indicate a mismatch between resident employed labour force skill sets and job opportunities in the Region

Despite having a healthy jobs to resident employed labour force ratio of 0.92, York Region's live work percentage of 60.4% could potentially indicate that the jobs available in the Region are not necessarily the jobs the Region's residents are suited or trained for. *Figure 7* below depicts the live work gap by sector in York Region as of 2011. The information presented indicates the mismatch between resident employed labour force skill sets and job opportunities within four main sector groupings: manufacturing and related industries, retail trade, business services, and institutional. As mentioned earlier, there is a discrepancy between the 2011 NHS employment estimate and the 2011 York Region employment survey-derived job count. The difference of nearly 30,000 jobs impacts the results being produced in these analyses, an example of which is shown in the same figure below.



According to the NHS, there are approximately 26,200 more jobs in the manufacturing and related industries sector than residents available to fill these jobs. These are jobs that are being filled by workers who reside outside of York Region. Conversely, there are fewer jobs available in the retail trade, business services, and institutional sectors, meaning a portion of York Region residents skilled in those sectors are leaving the Region to find suitable employment.

When using the 2011 employment survey results, the live work gap is lower in the business services sector, while there are approximately 9,200 more jobs in the retail trade sector. While the general trend using the two data sources are similar, the NHS data may be slightly skewed given the voluntary nature and random place of residence sampling methodology employed by the NHS survey.

Despite the numerical differences shown in *Figure 7*, the data shows a potential mismatch in the types of jobs being offered in the Region and the skills of the Region's resident employed labour force. Similar patterns were observed in the *2004 York Region Housing and Economy* report. While the majority of jobs in the retail trade and institutional sectors are primarily tied to population growth, additional effort may be required by the Region to address job and labour force differentials in the manufacturing and business services sectors. It should be noted that such gaps could be attributed to

factors other than matching skill sets and job opportunities, such as an individual's choice of where to work. However, a number of recent Regional initiatives will assist in attracting and retaining both jobs and workers to the Region. Such initiatives include:

- An update of the **2004 York Region Housing and Economy** report, which is anticipated to be undertaken in 2014. The report will provide an integrated analysis of York Region's housing, employment, and labour force by comparing the occupations, household income, and living arrangements between York Region's resident employment labour force and in-commuters. The resulting analysis will assist in identifying competitive pressures facing York Region in meeting the current and future demands of its labour market.
- The **2012 York Region Economic Development Action Plan**, which identifies job creation in the knowledge-based sectors as a key emerging theme around which to develop action items, such as promoting and developing potential innovation hubs to foster in high-growth sector groups, as well as maintaining and expanding the Region's investment and marketing functions to support business retention, expansion, and attraction in key sectors.
- York Region's draft 10-Year Housing Plan, ***Housing Solutions: A Place for Everyone***, provides an action plan to provide new opportunities for private rental, non-profit rental and co-operative housing, and affordable home ownership. Ensuring that there is affordable housing for all workers in the Region will enable all types of workers to live and work within the Region.
- Continued infrastructure investments in transit and water and wastewater servicing, as well as the tracking the development status of employment lands in the Region will provide both businesses and workers with opportunities to locate and stay in the Region.

York Region has one of the highest work at home shares in the GTHA

As of mid-year 2011, 7.6% of York Region's resident employed labour force worked from home. Compared to other municipalities in the GTHA, this was the second highest share, next to Halton Region (7.9%) (see *Table 1*).

Table 1
Share of Resident Employed Labour Force Working from Home,
GTHA, 2011

Region	% Working from Home
Durham Region	6.2
Halton Region	7.9
City of Hamilton	5.8
Peel Region	5.0
City of Toronto	7.0
York Region	7.6

Attachment 1 – Figure 4 shows the percentage distribution of those who work at home within York Region’s local municipalities. King Township and Whitchurch-Stouffville have the highest proportions of their resident employed labour force working from home (14.0% and 10.2%, respectively), while Georgina and Vaughan have the lowest, at 5.2% and 6.4%, respectively. Nearly half of those who work at home are employed in the business services sectors. King Township and East Gwillimbury, however, have significantly higher proportions of those working from home employed in the agriculture sectors.

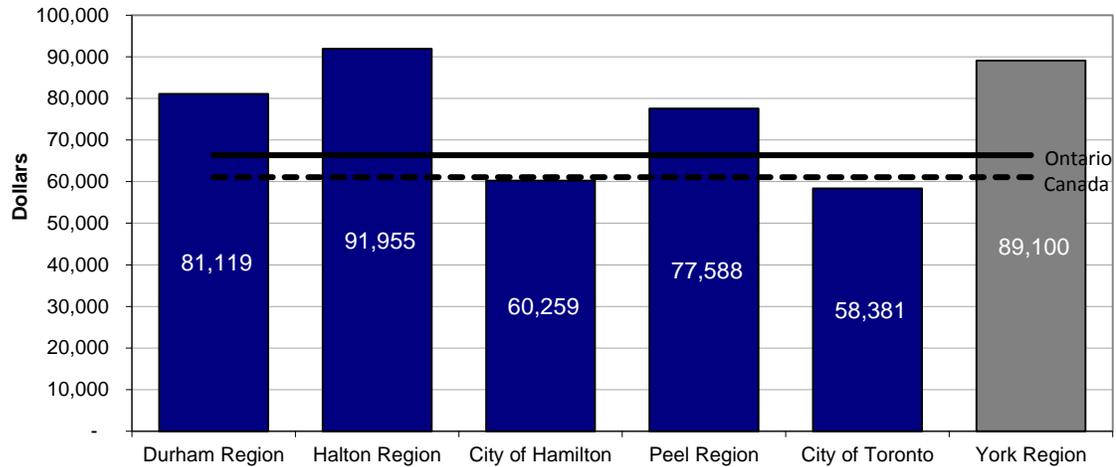
Given that the majority of those who work at home are self-employed within business services (see *Attachment 1 – Figure 5*), which includes knowledge industries, it is important that there are resources available to enable these workers to conduct their work efficiently and effectively. York Region’s broadband strategy is one example of a Regional initiative that will support those working from home (especially in more remote areas) to better integrate and connect them to other business stakeholders in key technology and information sectors.

INCOME

York Region median income higher than Ontario and Canada

As of 2010, York Region’s median household income was \$89,100, second highest in the GTHA. *Figure 8* compares median household incomes across the GTHA to that of Ontario and Canada.

Figure 8
Median Household Income, GTHA, 2010



Within York Region, Aurora and King had the highest median household incomes as of 2010, at \$101,923 and \$96,500, respectively, while Georgina had the lowest median household income at \$69,928. Continued investments in education and skills training will ensure that York Region’s household income levels remain strong in the years to come.

Link to key Council-approved plans

Identifying key trends from data released by the 2011 NHS for York Region supports a number of goals and objectives outlined in the *YROP-2010, 2011 to 2015 Strategic Plan*, and *Vision 2051*. Labour force, employment, and income data from the NHS is used to gauge the strength of the regional economy, supporting the *YROP-2010* goals of “creating a competitive and flexible economic environment that encourages investment and a diversity of employment opportunities.” Tracking this information also provides input in measuring indicators of success outlined in the *2011 to 2015 Strategic Plan* goal to “increase the economic vitality of the Region”.

5. FINANCIAL IMPLICATIONS

Data from the 2011 NHS is used by various departments throughout the Region to assess the demographic, social, and economic characteristics of the Region’s residents. York Region’s Long Range Planning Branch and Community and Health Services Department are coordinating the sharing of NHS data and data purchases within the Region.

Some of the data used in this report was purchased through a consortium of GTHA municipalities – Regional Information Systems Working Group (RISWG). A collective purchase of key cross tabulations on labour force, employment, and income costs less than individual purchases and was included in the approved budget.

6. LOCAL MUNICIPAL IMPACT

Although concerns regarding the general accuracy and representativeness of the 2011 NHS data remain, the information provided from the survey is of great value to the Region, its local municipalities, and other public and private agencies as it provides information on the demographic, social, and economic characteristics of the Region's population. Local municipalities use this data to inform decisions related to the planning of infrastructure, servicing, and land use.

7. CONCLUSION

Despite concerns over data and response rates, the 2011 NHS provides valuable information. The NHS data indicates that York Region has a strong and diverse labour force – one of the most highly educated in Canada. York Region's employment level is approaching the resident employed labour force, but the proportion of residents living and working in the Region ranks second lowest among GTHA municipalities. This could indicate a mismatch between the skill sets of the resident employed labour force and job opportunities in Region, but can also be attributed to other factors such as an individual's choice of where to work.

As the competition for skilled workers grows, Regional initiatives that strive to attract and retain both businesses and residents in the Region will be critical. Attracting knowledge-based jobs to York Region, along with the provision of affordable housing are examples of Regional efforts to strengthen the Regional economy.

For more information on this report, please contact Paul Bottomley, Manager, Growth Management at 905 830-4444, Ext.71530 or Valerie Shuttleworth, Director, Long Range Planning at Ext. 71525.

The Senior Management Group has reviewed this report.

Attachment (1)

Figure 1
Occupations of Resident Employed Labour Force Aged 25-64, York Region, GTAH, and Ontario, 2011

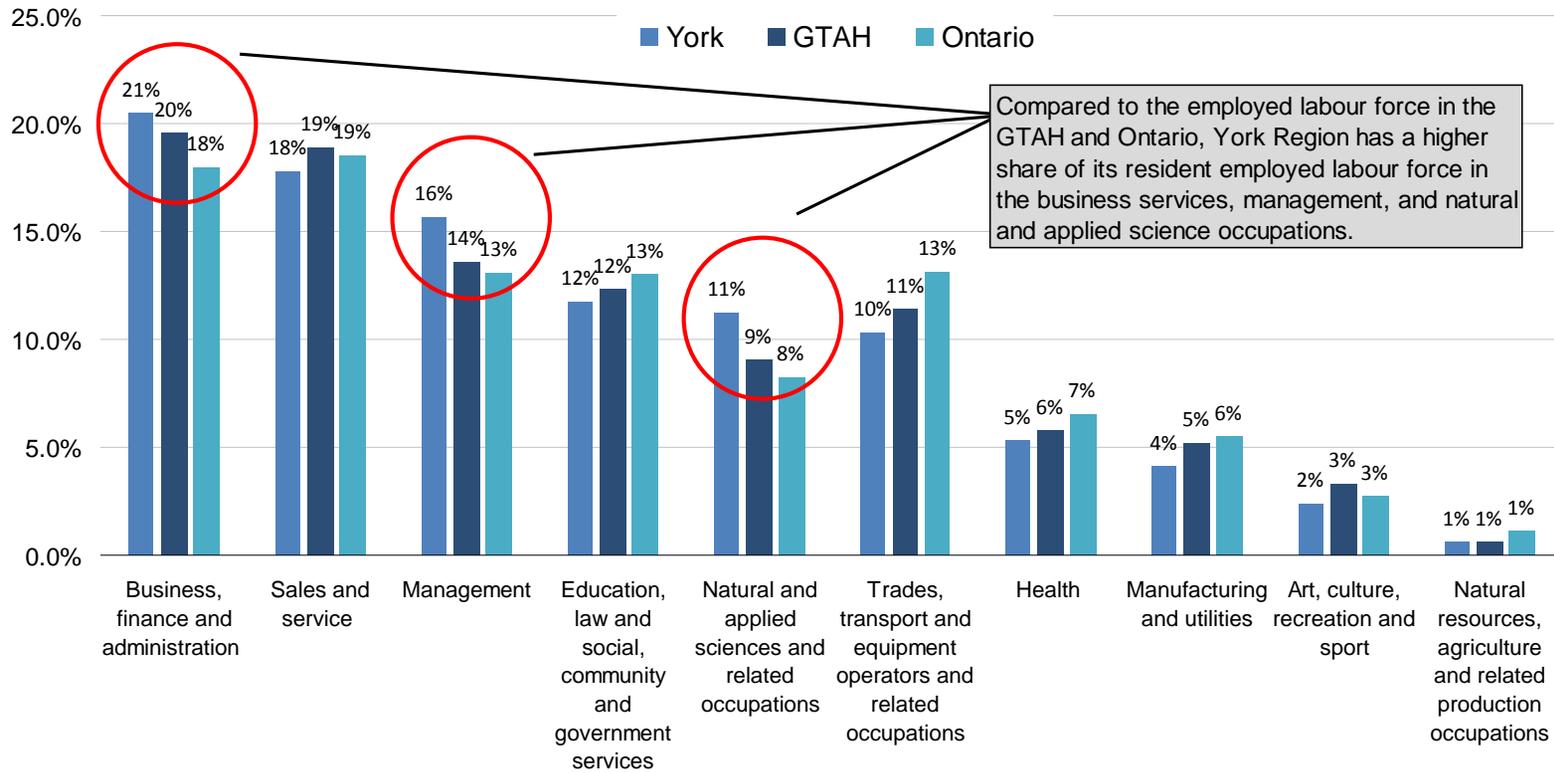


Figure 2
Jobs to Resident Employed Labour Force Ratio, York Region, 2011

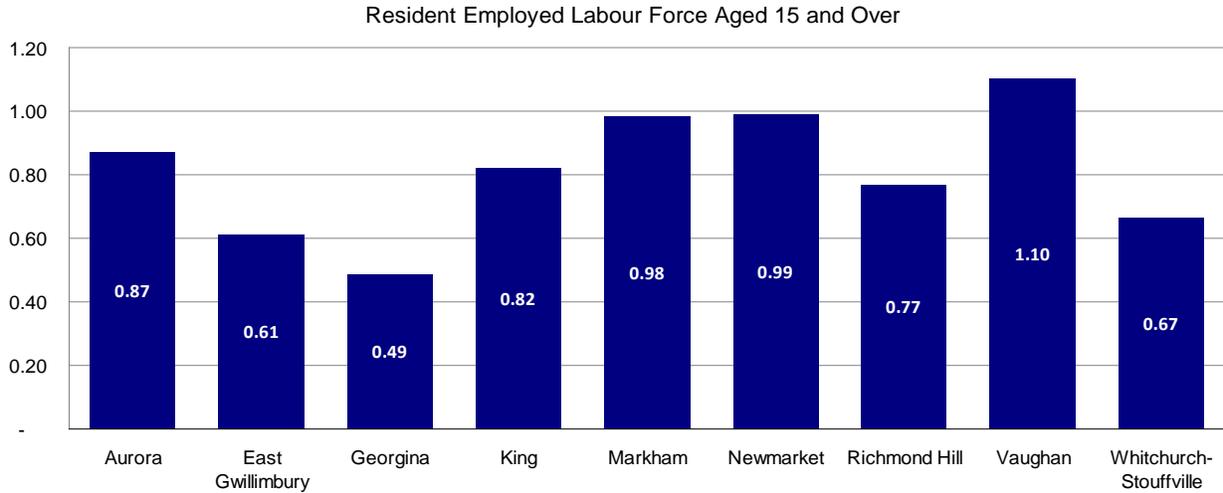


Figure 3
Live Work Percentage, York Region, 2011

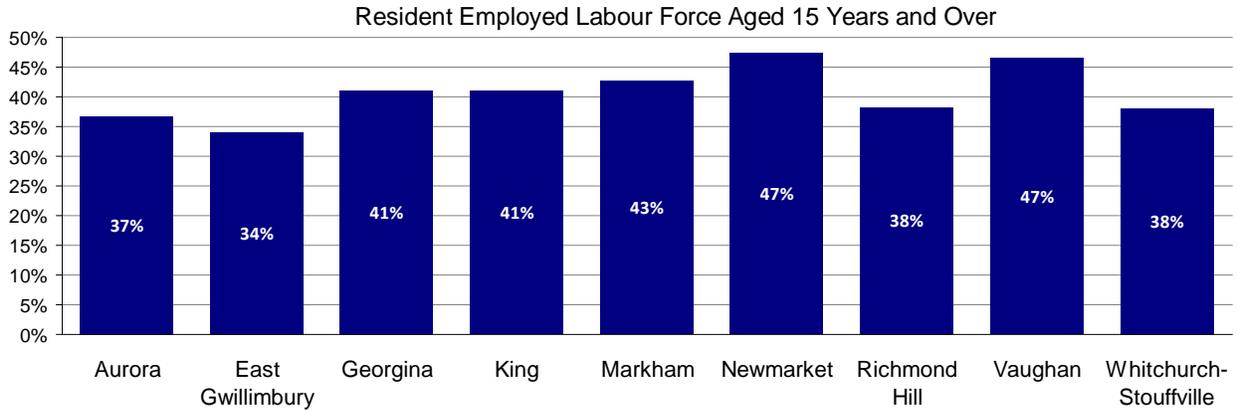


Figure 4
Share of Resident Employed Labour Force Working from Home,
York Region, 2011

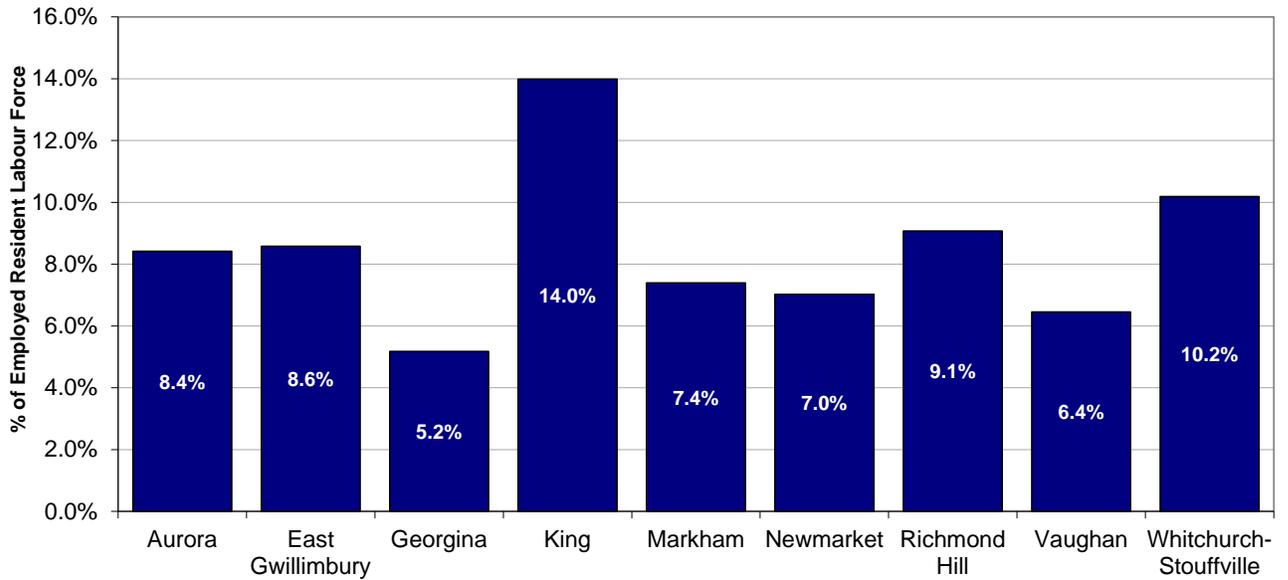


Figure 5
Breakdown of Persons Working from Home by Sector,
York Region, 2011

