

York Region Employment Forecast Definition & Key Inputs and Assumptions

Employment Type Definitions

The May 2018 Provincial Land Needs Assessment methodology¹ requires employment growth to be distributed by four main employment types:

1. Major office: Employment occurring in free standing buildings of 20,000 square feet or larger (excluding city or town halls, hospitals or school board offices and other local serving office uses)
2. Employment area: Refers to employment within York Region's proposed designated employment areas (Attachment 4) and business parks, excluding major office employment, and includes activities such as manufacturing, research and development, warehousing and ancillary retail, office, and service uses.
3. Population-related: Employment within existing settlement areas and outside of employment areas serving the local population such as retail, services, education, municipal government, institutions, and community services. This type of employment tends to increase with population growth and also includes home-based businesses.
4. Rural: Jobs dispersed outside existing settlement areas as well as home-based jobs in rural areas.

Employment Forecast Distribution by Type

The draft distribution of employment growth by type is informed by a number of different factors - many of which are outlined in detail in the Region's Planning for Employment Background Report in [May 2019](#). Factors included both high level considerations such as historical market shares and shares of GTHA employment growth by type, as well as bottom-up estimates of employment growth by sector based on varying degrees of economic shifts and levels of automation. The allocation of growth assumed in the land needs assessment and shown in Figure A below reflects a blend of a multitude of these factors.

The Region is forecast to grow by an estimated 299, 000 jobs between 2016 and 2041.

1. The draft employment forecast was prepared using the May 2018 Land Needs Assessment Methodology. The Province is in the process of reviewing this document and the results presented above are subject to change once the new methodology has been finalized.

Figure A

York Region preliminary employment forecast growth by type

2016-2041 Employment Growth – 299,000 jobs			
Major Office Jobs	Employment Area Jobs	Population Related Jobs	Rural Area Jobs
77,000 jobs (26%)	108,000 jobs (36%)	111,000 jobs (37%)	3,000 jobs (1%)

At a high level, key assumptions are as follows:

- A rising share of total employment in major office as a result of the continued shift to service and knowledge-based jobs. This has been tempered to reflect recent trends of significant shares of major office growth in Toronto and a growing number of office activities within non-office buildings (e.g. office space within industrial buildings). Major office employment is expected to pick up towards the end of the forecast period in line with the planned Yonge subway extension and evolving BRT and GO rail networks.
- A relatively steady ratio of population-related employment to population balancing assumptions for higher growth in sectors such as health care and education with slower growth in the retail sector as a result of e-Commerce.
- A continued strong demand for employment land. Despite an anticipated declining share of job growth tied to lower demand for goods-producing sectors such as manufacturing, demand for land is expected to remain strong as a result of a more diverse mix of employment uses in employment areas as well as expected rapid growth in warehouse and distribution centres, at low employment densities, as a result of e-Commerce.
- A declining share of employment in rural areas

Employment Demand – Supply Analysis

A demand-supply analysis in employment areas is the fundamental determinant of whether an urban boundary expansion is required to accommodate employment growth to the planning horizon. Employment land needs are determined by comparing the forecast employment area demand with the capacity to accommodate job growth within existing designated employment areas. Employment area supply is generated based on the employment area boundaries presented in Attachment 4 and is informed by the following considerations:

- Quantum of existing vacant employment land and projected densities on these lands. Forecast densities range significantly across the Region as they are a function of

geographic location, approved secondary plans, and existing employment in each area. For example, forecast densities as high as 85 jobs/Ha were assumed in employment areas within the 404/407 technology cluster while densities of only 20 jobs/Ha were estimated in West Vaughan in anticipation of low density and land extensive warehouse and distribution centres.

- A requirement of the 2019 Growth Plan, employment area supply includes an assumption to reflect job growth that occurs without absorption of new land. York Region staff have generated a conservative estimate of 10% of employment area employment growth occurring through existing built space, compared to over 50% observed over the past five years. Additional intensification potential has also been assumed through new development on existing built parcels (e.g. building expansions).

Compared to employment area demand of 108,000, it is estimated that the Region’s employment areas have capacity for growth of approximately 113,000 jobs.

Employment Supply by Local Municipality

Figure B provides the estimated job potential in York Region’s proposed designated employment areas by local municipality that was used as input to the draft forecast. These figures reflect the boundaries in Attachment 4 and therefore reflect staff recommendations on employment area conversions.

Figure B

York Region employment area job potential by local municipality (2016)

