

# SUMMARY OF KEY TRENDS AND INDICATORS

A high-level strategic overview presented to City Council on March 5, 2015, identified key trends that need to be taken into account and tracked to minimize risks and maximize opportunities while maintaining the foundational approach that has proven successful so far. More recently, this document has been updated with the 2015 Citizen Survey results.

## Participation Rate

Source – Statistics Canada Labour Force Survey Estimates:

January 2015		
	Thunder Bay CMA	Ontario
Unemployment Rate	5.3%	7.0%
Employment Rate	57.6%	60.9%
Participation Rate	60.8%	65.4%

Table 282-0135 Labour force survey estimates (LFS), by census metropolitan area, three-month moving average, seasonally adjusted and unadjusted (www.statcan.gc.ca)

Source – The Conference Board of Canada, Metropolitan Outlook 2 – Summer 2014:

- The participation rate (number of people in the work force) hit a six-year high in 2013, partially due to increased job-hunter optimism. Annual employment rate increases in 2012 and 2013 fueled this optimism.

Source – North Superior Workforce Planning Board, 2015-2017 Labour Market Plan:

**Table 3A: Annual Migration Estimates – Thunder Bay District**

	In-Migration	Out-Migration	Net-Migration
2002	4624	4048	576
2003	3885	3838	47
2004	3764	4192	-428
2005	3564	4311	-747
2006	3920	4331	-411
2007	3957	3975	-18
2008	3582	3490	92
2009	3607	3166	441
2010	3352	3123	229
2011	3859	3577	282
Total	38,114	38,051	63

- Total net migration has added to the area's population from 2008 to 2011, rather from subtracting from it as it had in the previous four years. Migration into Thunder Bay District may be due to the shifting demand for skilled employees as Thunder Bay region transitions to a knowledge-based economy.

Source: Statistics Canada, CANSIM, Table 111-0028

## Key Population Trends

Source – Ontario Population Projections, Ministry of Finance, Fall 2014:

- Thunder Bay Census Metropolitan Area (CMA)\* population has been stagnant over the last two years, and it is expected that it will not fluctuate significantly for the next 10 years.
- In 2011, the percentage of the population aged 65 and over in Thunder Bay was 17.2%, compared with the provincial average of 14.2%. Thunder Bay has the third highest population of seniors in Ontario. Population projections suggest that by 2031, almost one third of Thunder Bay’s population will be 65 years of age and over.

The implication of a relatively older population is that the demand for health care services and other services required by an aging population will be relatively more acute in the City of Thunder Bay than in the rest of the Province.

Source – Population Projection by Aboriginal Identity in Canada, 2006 to 2031 (Statistics Canada – Catalogue no. 91-552-X):

- The Aboriginal population continues to grow significantly faster than the non-Aboriginal population, Statistics Canada reports that by 2031, the Aboriginal population is projected to be as large as 15% of the population of Thunder Bay. The Aboriginal population is also much younger, 46% of the Aboriginal population in Thunder Bay are under the age of 25, compared to 28% of the total population.

These key trends point to the need to work with community partners on strategies to grow our population, respond to the needs of the growing Aboriginal population and youth and become more age-friendly.

\*Thunder Bay’s CMA includes: Township of Conmee, First Nation Reserve Fort William 52, Township of Gillies, Municipality of Neebing, Township of O’Connor, Municipality of Oliver Paipoonge, Township of Shuniah, City of Thunder Bay

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## Aboriginal People in the Labour Market

Source – North Superior Workforce Planning Board, 2015-2017 Labour Market Plan:

- **Table 9A** shows an overview of Aboriginal people in Thunder Bay’s labour market compared to the Thunder Bay CMA. In all areas of the labour market, Aboriginal people trail the Thunder Bay CMA. Perhaps most stark is the unemployment rate amongst Aboriginal people with an alarming 19.5% compared to 6.9% for the rest of the Thunder Bay CMA.

As the North Superior Workforce Planning Board notes: “This speaks to the ongoing need to continue developing services and programs that can help address the significant workforce issues preventing Aboriginal people from finding and retaining meaningful employment.”

**Table 9A: Aboriginal People in Thunder Bay Labour Market**

	Aboriginal Peoples CMA	Thunder Bay CMA
In Labour Force	56.7%	61.7%
Not in Labour Force	43.3%	39.6%
Participation Rate	56.7%	62.4%
Employment Rate	45.6%	58.1%
Unemployment Rate	19.5%	6.9%

Source – *The Conference Board of Canada, Metropolitan Outlook 2 – Summer 2014*

- From 2011 to 2014, Thunder Bay’s economic output (Gross Domestic Product) increased 5.9% compared to a 6.5% increase in Ontario.
- During the same period, employment increased 2.1% in Thunder Bay and 5.6% in Ontario.
- Thunder Bay’s manufacturing sector has continued to grow over the last four years. However, the local industry, which was mainly centred on forestry, still has a long way to come back from nine consecutive declines from 2000 to 2009. Bombardier will benefit from multiple provincial orders, for over \$480 million dollars. Further, markets for forest products are improving, with prices for lumber, pulp, and newsprint with increasing demand for lumber and pulp globally.

## Employers

Source – *North Superior Workforce Planning Board, 2015-2017 Labour Market Plan:*

From 2013 to 2014, the total number of employers in the Thunder Bay District increased 1.94% — lower than Ontario’s 3.77%.

The total number of employers in the Thunder Bay District in 2014 was 8,058. Employers of employee size range 20-49 showed an increase from 465 to 494 which accounted for 6.24% change, a higher rate than the province.

There were 151 new owner operated businesses indicating that the growth in number of businesses is occurring mostly in this sector and it may be a reflection of people starting their own businesses because they cannot find a job.

Employers who had 1-4 and 5-9 employees reduced 0.8% and 2.41%, respectively. The largest increase of the employers was in 50-99 employee size, which increased 7.64%, from 144 to 155.

**Table 4A: Number of Employees by Employee Size Range**

Employee Size Range	Number of Employers	Number of Employers	Absolute Change	Percent Change (%)	Ontario Percent Change (%)
	2013	2014			
0	3346	3497	151	4.51	4.93
1 – 4	2131	2114	-17	-0.8	2.48
5 – 9	994	970	-24	-2.41	1.22
10 – 19	731	731	0	0	1.86
20 – 49	465	494	29	6.24	4.06
50 – 99	144	155	11	7.64	3.01
100 – 199	60	63	3	5	-1.25
200 – 499	23	23	0	0	1.27
500+	11	11	0	0	5.08
Total	7905	8058	153	1.94	3.77

Source: *Canadian Business Patterns, June 2013 and 2014*

## Employment In Small and Medium Enterprises (SMEs)

- **Table 2A** shows employment in SMEs in Thunder Bay District in 2012 and 2013. In 2013, the estimated employment in SMEs was 45,379, indicating an increase of 1,167 since 2012. The increase appeared in all sizes except the employee size at 10 to 19, which reduced by 119 employees. Caution needs to be used in interpreting this table as this reduction could indicate businesses either reduced in size, thus increasing the 5-9 employee size range, or increased in size, thus increasing the 20-49 employee size range.
- The SMEs total employment accounts for 73% of the total employment of Thunder Bay (66,200), confirming that entrepreneurship is a very significant source of employment in the district

**Table 2A: Employment in SMEs – Thunder Bay District**

Employee Size	2012	2013	Changes from 2012-2013	% of Total Employment in 2013
0	3130	3346	216	5.4
1 – 4	3671	3846	175	6.2
5 – 9	6262	6313	51	10.1
10 – 19	9751	9632	-119	15.5
20 – 49	12,644	13,302	658	21.4
50 – 99	8754	8940	186	14.4
Total Employment	44,211	45,379	1167	73

Source: *Canadian Business Patterns, June 2012 and 2013*

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## Employment Income

Source - *Statistics Canada Labour income profile of taxfilers, Table 111-0024:*

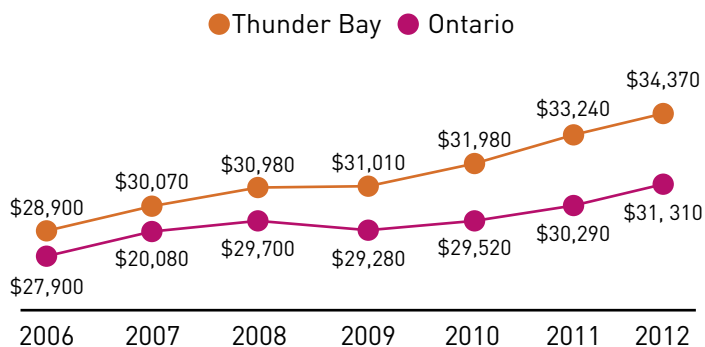
- The fact that Thunder Bay’s median employment income increased 12.5% between 2008 and 2012 – significantly better than a 5.5% increase in Ontario – suggests that many of the jobs being created are contributing to higher wage levels. Thunder Bay’s median employment income has risen faster than many other Ontario CMAs over the last five years.

While there is a general perception that people who lost good paying jobs end up in lower paying service jobs, this perception is not an across-the-board reality.

Source - *North Superior Workforce Planning Board 2015-2017 Labour Market Plan:*

This upward trend in median income extends also to the Thunder Bay District as shown in the **Figure 5A** below.

**Figure 5A: Median Income in Thunder Bay District**



# Education

Source – Statistics Canada National Household Survey 2011 (NHS):

- Thunder Bay has also shown significant improvement in educational attainment with the proportion of persons with post-secondary credentials increasing by 7% between 2006 and 2011; however, Thunder Bay’s educational attainment is still lower than the provincial average. On a positive note, Aboriginal students once enrolled in post-secondary graduate at a higher rate than non-Aboriginal students and higher than the provincial average.

**Table 8A: Educational Attainment of Population 15 Years and Over in Thunder Bay Districts**

	2006	Distribution (%)	2011	Distribution (%)	Trend
No certificate, diploma or degree	32,535	26.7	27,555	22.3	↓
High School Diploma or equivalent	30,845	25.3	30,405	25.1	↓
Apprenticeship or trades certificate or diploma	14,040	11.5	13,720	11.3	↓
College, CEGEP or non-university certificate or diploma	24,165	19.8	27,140	22.4	↑
University certificate or diploma Bachelor level	3515	2.9	2985	2.5	↓
University certificate, diploma or degree bachelor level or above	16,980	13.9	19,505	16.1	↑
Total population aged 15 years and over	122,080		121,310		

Source: National Household Survey, Community Profiles 2006 and 2011

This key trend points to the need to work with our community partners to further improve educational attainment.

Source – Lakehead University and Confederation College

The number of international students at Lakehead University has more than doubled since 2009/2010, increasing from 2% to 4.1% in 2013/2014. Lakehead welcomed 140 graduate students and 216 undergraduate students in 2013/2014. Confederation College attracted a record number of international students last academic year, with 280 enrolled in academic and language programs by year end. Students came from around the globe, with representation from 22 different countries. This key trend supports the need for a comprehensive welcoming strategy.

# Other Trends

Source – Ontario Municipal Benchmarking Initiative (OMBI), 2013:

- The City of Thunder Bay has the highest reported number of total (non-traffic) criminal code incidents per 100,000 population in the OMBI group.

This trend points to the importance of the Thunder Bay Crime Prevention Council’s ongoing implementation of the Community Safety and Crime Prevention Strategy.

- The City of Thunder Bay is the lowest in the OMBI group for the percentage of residential waste diverted from landfill at 20% when the median was 47%. OMBI notes that municipalities that do not have an organics program tend to be under the 40% diversion rate.

This trend points to the need to develop programs and strategies to increase waste diversion and recycling.

# Taxes as a Percentage of Income

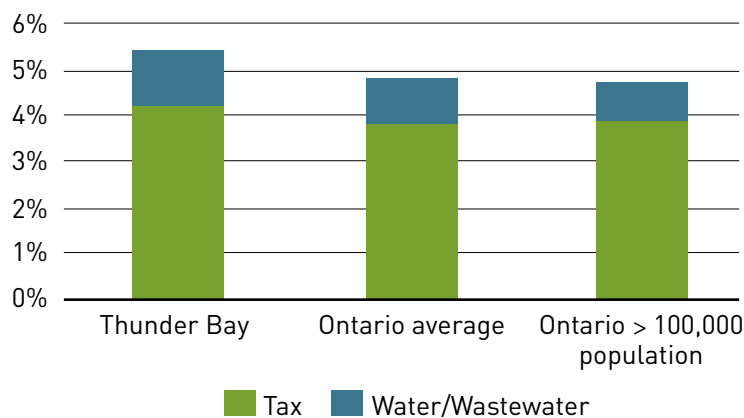
This section of the report provides a comparison of the availability of gross household income to fund municipal services on a typical household.

## Taxes as a Percentage of Income in Comparison with rest of Province (Source: BMA 2014)

	Thunder Bay	Ontario Average	Ontario Average (→100,000 population)
Property Taxes as a % of Household Income	4.2%	3.8%	3.9%
Water/Sewer + Taxes as a % of Household Income	5.4%	4.8%	4.7%

The following chart for 2014 adds water/wastewater.

**Property Tax & Water/Wastewater as % of Income  
2014 BMA Municipal Study**

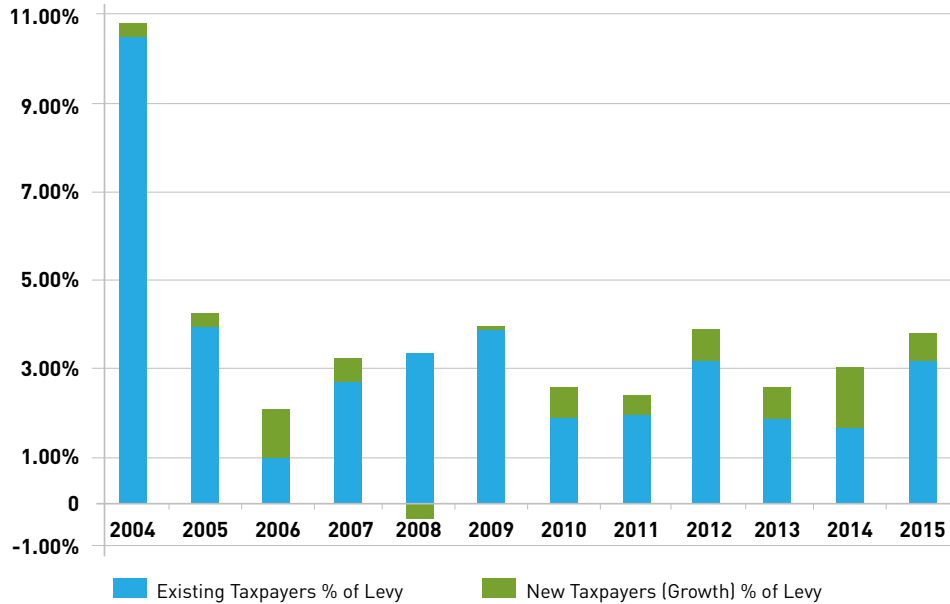


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Key challenges lie in maintaining recent high growth levels in the City's taxable assessment base going forward. Assessment growth was at record levels in 2013 and high again in 2014 although some growth in 2014 was offset by provincial policy changes relating to grain elevator classifications.

The average real taxable assessment growth has been 0.8% for the last five years. However, according to the BMA Municipal Study 2014, taxable assessment per capita remains lower than the provincial average. This situation has led to relatively high residential, commercial and industrial tax rates though services provided by the City are well-received as indicated by citizen survey results below. If service levels are to be maintained there is a need to set targets and strategies to increase real taxable assessment growth in order to offset tax increases.

### Municipal Tax Levy % Change – Who Pays



Above is a history of the percentage change in the municipal tax levy, split between existing taxpayers and new taxpayers (i.e. growth). In recent years, the City has experienced record growth which lessens the municipal tax burden on existing taxpayers.

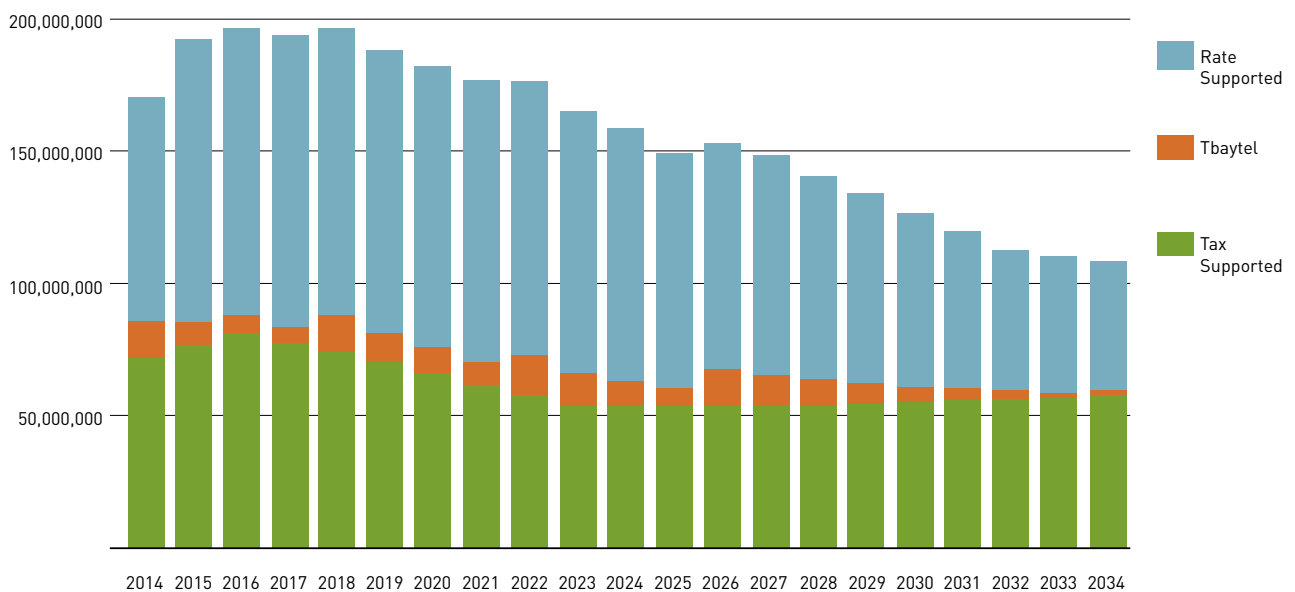
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## Infrastructure & Debt

Administration estimates the City of Thunder Bay has an annual \$17 million gap for tax-supported infrastructure including roads, sidewalks, bridges, culverts, storm sewers and facilities and fleet. This points to the need to continue to set targets and strategies to close the infrastructure gap.

Total outstanding debt at December 31, 2013, amounted to \$169 million, or 17% of total tangible capital assets. This represented a decrease in total debt of \$8.7 million over 2012, based on the 2014 Asset Management Plan.

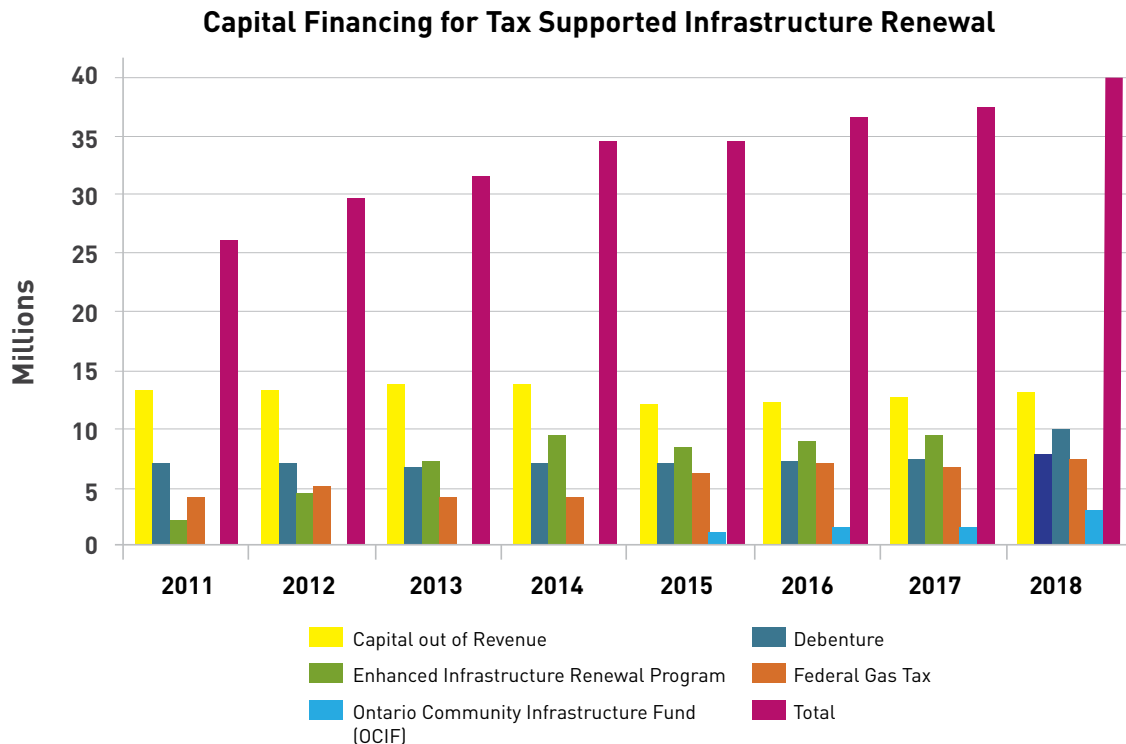
### Total Projected Long-Term Debt – 2014 to 2034



Total City debt is comprised of three main elements:

- Rate Supported (e.g., water, wastewater operations)
- Tbaytel
- Tax Supported

Overall, the trend for the next 20 years reflects the decline in long-term debt outstanding, based on the updated Debt Strategy approved by City Council in 2014.



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Since 2010, capital financing for tax supported infrastructure renewal has increased significantly in keeping with Council’s priority to increase infrastructure spending, particularly on roads. Based on projections above, including new Provincial OCIF funding and increased Federal Gas Tax funding, this upward trend is expected to continue over the next several years.

## Citizen Satisfaction Survey

Key findings from the 2015 Citizen Satisfaction Survey, conducted in March 2015 by Ipsos Reid, include:

- Thunder Bay residents rate the quality of life in the City very highly [89% good or very good] and overall satisfaction with City services remains high [71% somewhat and 17% very satisfied]
- Residents continue to believe they receive fairly good value for their tax dollars [78%]
- Key areas for improvement are maintenance of streets, snow removal, storm water drainage and public transit. These are the services the City of Thunder Bay should continue to focus on improving over time followed by sidewalk/grass maintenance and youth programs.

While the results are positive, there is room to set targets to support the upward trend in value for tax dollar ratings and to communicate what the City is doing to maintain and improve services, particularly those most valued by citizens.