

District of Saanich Population, Housing and Employment Projections

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Prepared by:



In support of the Saanich Land Capacity Study, in partnership with



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1 INTRODUCTION

The population, housing and employment projections for Saanich have been prepared as part of the Saanich Land Capacity Study.

This larger project, led by Licker Geospatial Consulting Ltd., will provide valuable insight to the City of Saanich on how its land use planning can accommodate future housing and employment space needs.

This report provides an overview of the projection methodology and key data sources used in the projections. Like any forward-looking analysis, the projections require a series of assumptions about future conditions both within Saanich and the Capital Region as well as the rest of British Columbia, Canada, and the world.

All the important assumptions are outlined in the detailed methodology discussion in this report, along with the rationale for their inclusion.

2 POPULATION AND HOUSING METHODOLOGY

The population and housing projections have been prepared using a cohort component model, which is a standard approach to population projections.

OVERVIEW

The model uses current population by age and sex as the starting point. For every additional year, the model advances each person to the next age and makes the following adjustments:

1. New births are added to the population based on the size and age of the female population, using age-based fertility tables applicable to the local area.
2. Deaths are subtracted from the population based on relevant mortality tables that are applied to the age and sex of the population.
3. Net migration by age and sex is added, focusing initially on migration to the Capital region and then estimating the share of migrants captured by Saanich. Net migration varies significantly by age and every community has a different migrant profile, such that regular patterns of positive net migration occur for some age ranges and negative net migration occurs at other ages.

This basic framework is endlessly malleable based on the assumptions that are used for the three components of growth, particularly the net migration component, which is most important in determining a community or region's long-term population growth trajectory.

The housing unit projections follow directly from the population projections and are based on a combination of existing patterns and adjustments for current circumstances. More specifically, the factors that drive housing unit projections include:

- **Rates of household formation**, which is based on the likelihood that people of different ages will be a “household maintainer,” or the person primarily responsible paying the household bills. Maintainer rates change significantly over the lifecycle. Children are not household maintainers, but as young adults will eventually form their own household, either on their own or as a joint household maintainer with a partner or other adult(s). Other changes occur when new children arrive (which increases population without increasing total demand for housing units), if domestic partnerships end (which means two housing units are needed for two adults rather than just one), and when people pass away.

The historic relationship between age and housing maintainer rates is relatively stable but has been evolving in recent years toward lower maintainer rates for young adults. There are numerous social, economic, and cultural factors that influence maintainer rates over the long term, but a reasonable explanation for the changes in the CRD in the last 20 years is that elevated housing costs have reduced household maintainer rates across all age ranges, with some of the largest declines in the 25 to 44 age range. These trends will be addressed further in discussing the methodology for estimating latent housing demand.

- **Structure type preferences**, which refers to the type of housing structure (apartments, townhouse, single family homes, others) that are preferred over the lifecycle. The “preference” revealed by the housing market is a combination of preferred housing type and location with affordability – in other words, more costly housing types such as single family may be strictly preferred to others, but not when relative costs compared to apartments is considered.

Structure type preferences are also broadly consistent across the lifecycle, with younger adults initially showing higher demand for multi-family units, then transitioning to single family homes and other larger structure types through middle age (when families with children are most common), and then evolving back toward smaller multi-family units into advanced age.

While these patterns are relatively predictable, the assumptions for the distribution of new units going forward have been significantly adjusted to reflect the lack of developable land for new single-family neighbourhoods, affordability constraints, and the policy emphasis on multi-family development within urban and neighbourhood centres.

ALTERNATIVE SCENARIOS

Three alternative scenarios were created for this project.

1. BASELINE SCENARIO

- Based on a continuation of recent trends and Saanich continuing to absorb its historic share of net migration to the CRD.
- Age-specific fertility rates are a blend of Greater Victoria & Saanich Local Health Area rates (using LHA data through 2017 and extrapolating later years based on BC-level trends).
- Age-specific mortality assumptions at the BC level.

- Intra-Canada net migration to the CRD linked to a moderate growth projection from Statistics Canada for both BC and Canadian population growth (which are closely correlated to the level of net intraprovincial and net interprovincial migration to the CRD, respectively).
- Historic levels of International immigration scaled higher to follow the recent elevation in federal immigration targets, using the low end of the federal targets of 442,500 by 2025.

2. HIGHER-GROWTH SCENARIO

- Same as the baseline scenario with respect to the Saanich share of CRD net migration and fertility and mortality rates.
- Intra-Canada net migration to the CRD is scaled even higher based on a high growth projection from Statistics Canada for BC and Canadian population growth.
- International immigration is assumed to reach the high end of the federal target range of 550,000 by 2025.

3. LATENT DEMAND SCENARIO

This is the highest-growth scenario of the three and relies on Saanich moving toward a local housing environment that is more flexible and accommodating across the income and demographic spectrum.

The assumptions for this scenario are extensive and required significant analysis, as outlined in the next section of the report. Natality and mortality assumptions are the same as the other scenarios.

LATENT DEMAND APPROACH

Building on discussions with District staff, the estimation of latent housing demand is a recognition that the current housing market and development paradigm in Saanich and the Capital Region is suppressing the level of

household formation below what would exist in a more balanced market with fewer supply pressures.

This additional demand is satisfied only through a set of policy and market adjustments that expand the range of housing types, at a range of price levels, that meet the needs of a broader range of people.

The intersection of latent housing demand and population change is complex. There are two main mechanisms that impact the projections in this study:

- First, for the existing Saanich population, there will be an increase in household formation. This occurs when people who might previously have lived with roommates or form their own independent household. This effect is most pronounced among young adults, who typically have lower incomes and less accumulated wealth than middle-aged and older adults.
- Second, the improved range of housing options in Saanich will attract new residents who would not otherwise move to the community. Saanich is assumed to become *relatively* more attractive compared to other Capital region municipalities and will consequently attract a greater share of new residents moving to the region, as well as existing residents who move within the CRD. These new migrants compete with existing residents for the expanded range of housing options, which mitigates some of the positive impact on less-advantaged groups due to increased competition for the new housing options.

These additional movers to Saanich are not necessarily younger adults but are assumed to reflect the existing demographic profile of in-migrants concentrated in their 30s and 40s (with their children) while the inward and outward spikes of post-secondary students are assumed to be mostly unaffected (although more of them will form their own households, as noted in the first bullet above).

The magnitude of these changes can be estimated by considering how rates of household formation and migration within the CRD might be different in an alternative housing environment. To help quantify these potential changes, Saanich in 2021 is compared against several useful benchmarks.

These comparisons use household maintainer rates from the Census (which was explained earlier as the percentage of the population at each age range that is the “maintainer” of a separate household). Maintainer rates indicate differences in the housing market, but a variety of social and cultural factors are also important, such as the average age of marriage and starting a family, the prevalence of multi-generation households, divorce rates, and the presence of post-secondary or employment opportunities that attract young adult migrants.

COMPARISON #1: SAANICH VERSUS HISTORIC SAANICH

The oldest readily available maintainer rate data for Saanich is from the 2001 Census.

TABLE 1. COMPARING HOUSING MAINTAINER RATES BY AGE IN SAANICH, 2001 TO 2021

AGE RANGE	HOUSING MAINTAINER RATES		
	2001	2021	CHANGE
15 to 24 years	11.2%	13.8%	2.6%
25 to 34 years	41.3%	38.7%	-2.6%
35 to 44 years	53.0%	48.7%	-4.3%
45 to 54 years	55.8%	55.8%	0.0%
55 to 64 years	57.4%	56.3%	-1.1%
65+ years	63.2%	58.5%	-4.7%

It shows flat or declining maintainer rates for all ages 25 and up, with some of the larger declines in the 25 to 34 and 35 to 44 range. This is

consistent with declining housing affordability for younger adults and young families over the last 20 years.

The largest decline is in the 65+ age range, but there are a variety of possibility confounding factors, such as significant aging within that wide range (for example, the number of 85+ residents nearly doubled), longer lifespans allowing more older couples to stay together, which depressed maintainer rates, among other possibilities.

To bring the discussion back to latent demand, a more diverse and flexible housing environment is likely to cause some of the decline in household maintainer rates among younger adults to be reversed.

COMPARISON #2: SAANICH VERSUS THE VICTORIA MARKET

TABLE 2. COMPARING HOUSING MAINTAINER RATES BY AGE, SAANICH AND VICTORIA CMA, 2021

AGE RANGE	HOUSING MAINTAINER RATES, 2021		
	SAANICH	VICTORIA CMA	DIFFERENCE
15 to 24 years	13.8%	15.4%	-1.6%
25 to 34 years	38.7%	45.3%	-6.6%
35 to 44 years	48.7%	53.6%	-4.8%
45 to 54 years	55.8%	57.2%	-1.5%
55 to 64 years	56.3%	59.1%	-2.8%
65+ years	58.5%	60.8%	-2.3%

Compared to the rest of the region, Saanich has much lower maintainer rates in the 25 to 34 and 35 to 44 age ranges.

There are many possible factors that might contribute to this discrepancy, such as having more adult couples residing in Saanich compared to single adults maintaining their own households in Victoria. But having more diversity in housing options (different types and sizes of units at varying affordability levels) would likely allow Saanich to partly close the gap in young adult maintainer rates with the rest of the region.

COMPARISON #3: CAPITAL REGION VERSUS OTHER METROS

A variety of comparisons to other Canadian metro areas were tested with the goal of identifying larger metro areas (at least 250,000 population) that currently have fewer affordability challenges and have showed stability in maintainer rates over time, suggesting they have not experienced the same deterioration in affordability as the Capital region, Metro Vancouver, and others.

These comparisons were done using the Victoria Census Metropolitan Area (CMA) as that is the urban area most comparable to other large urban regions across the country.

A common indicator of housing (un)affordability is the percentage of households that are paying 30% or more of their income for shelter. On this metric the Victoria CMA ranked third in Canada in the 2021 Census at 26%, trailing only the 30% rate in both Toronto and Vancouver.

Of those with a population of 250,000 or greater, these five metro areas each had less than 20% of households with unaffordable housing:

- Quebec (City)
- Montreal
- Ottawa-Gatineau
- Windsor
- Winnipeg

The next topic of investigation was how maintainer rates in these areas have changed over time. Regions with more stable maintainer rates for each age range are believed to have a more functional housing market that has not suffered the same deterioration in affordability that has afflicted so many cities in the last 20 years.

Based on this rudimentary analysis, Montreal emerges as the best example of a housing market that combines both current affordability (in relation to local incomes) and a stable environment over multiple decades.

TABLE 3. CHANGE IN HOUSING MAINTAINER RATES BY AGE, 2001 TO 2021, SELECT CMAS AND SAANICH

AGE RANGE	CHANGE IN MAINTAINER RATES, 2001 TO 2021						
	VICTORIA CMA	QUEBEC CMA	MONTREAL CMA	OTTAWA CMA	WINDSOR CMA	WINNIPEG CMA	SAANICH
25 to 34 years	-2.6%	3.8%	-0.8%	-2.9%	-8.2%	-6.3%	-2.6%
35 to 44 years	-2.4%	2.1%	0.4%	-0.7%	-3.6%	-2.4%	-4.3%
Average	-2.5%	3.0%	-0.2%	-1.8%	-5.9%	-4.4%	-3.5%

While Saanich maintainer rates in the 25 to 44 age range declined by several percentage points, Montreal rates were virtually unchanged. The final comparison for estimating latent demand in Saanich is to imagine its housing market moving closer to a Montreal standard.

TABLE 4. COMPARING HOUSING MAINTAINER RATES BY AGE, SAANICH AND MONTREAL CMA, 2021

AGE RANGE	HOUSING MAINTAINER RATES, 2021		
	SAANICH	MONTREAL CMA	DIFFERENCE
15 to 24 years	13.8%	11.8%	2.1%
25 to 34 years	38.7%	47.5%	-8.8%
35 to 44 years	48.7%	56.9%	-8.2%
45 to 54 years	55.8%	60.6%	-4.9%
55 to 64 years	56.3%	61.7%	-5.4%
65+ years	58.5%	60.9%	-2.4%

For every age range from 25 and up, Saanich has lower average household maintainer rates than its own history, than the Victoria metro area, and the Montreal metro area. The next table summarizes these comparisons, which were previously shown in Tables 1, 2 and 4.

TABLE 5. SUMMARY OF SAANICH MAINTAINER RATE COMPARISONS, 2021

AGE RANGE	DIFFERENCE BETWEEN 2021 SAANICH AND COMPARABLE			
	SAANICH 2001	VICTORIA CMA	MONTREAL CMA	AVERAGE
15 to 24 years	2.6%	-1.6%	2.1%	1.0%
25 to 34 years	-2.6%	-6.6%	-8.8%	-6.0%
35 to 44 years	-4.3%	-4.8%	-8.2%	-5.8%
45 to 54 years	0.0%	-1.5%	-4.9%	-2.1%
55 to 64 years	-1.1%	-2.8%	-5.4%	-3.1%
65+ years	-4.7%	-2.3%	-2.4%	-2.4%

ESTIMATING LATENT DEMAND

The right hand column of Table 5 above shows the gap in maintainer rates that is, at least in part, a statistical representation of latent demand. In other words, with a greater diversity of types, sizes, and costs, Saanich could recover at least part of this gap. Furthermore, Saanich will become a more attractive community to move into and new residents will further boost the population.

The technical assumptions that put these ideas into practice are:

1. Housing maintainer rates INCREASE for select populations (age 25 to 64), driving additional home construction for a fixed population.
 - The adjustment is assumed to equal HALF the maintainer rate gap between Saanich and the comparison group for age 25 to 64 (e.g., the gap is 6.0% for age 25 to 34, so maintainer rates increase by 3.0%)
2. In-migration INCREASES (for population up to 65) at a level to generate new home construction equivalent to closing the other half of the maintainer rate gap.

OTHER POPULATION ASSUMPTIONS

CENSUS UNDERCOVERAGE ADJUSTMENT

The Statistics Canada Census from 2021 provides baseline data used throughout the projections analysis.

It is also the population projections, but with adjustments for estimated net Census undercount. This is the percentage of the population that is missed by the Census and varies by age and gender.

The 2021 Census showed 117,735 as the Saanich population but after adjustments, the revised population for 2021 is 125,176.

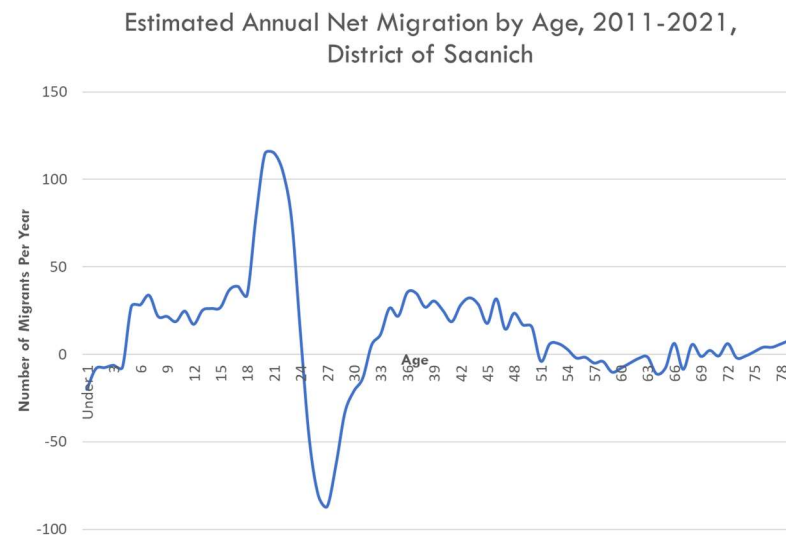
NET MIGRATION ASSUMPTIONS (AND PANDEMIC IMPACT)

Net interprovincial and intraprovincial migration will vary from year to year due to a variety of economic and social factors, but over time is strongly correlated with total population growth in Canada and the rest of British Columbia.

In other words, as the Canadian population grows, net interprovincial migration to the CRD grows along with it. Similarly, as the total BC population grows, net intraprovincial migration to the CRD increases.

Net migration assumptions for Saanich are based on the established pattern of age-related migration, as observed over the 2011 to 2021

period, with adjustments higher in proportion to increases in federal and provincial population.



The potential lingering impact of the COVID-19 pandemic was tested to determine if these historic patterns should be adjusted going forward. This was done by comparing the number and demographic profile of people moving to the CRD in the year prior to the Census (May 2020 to May 2021), which aligns with the first year of the pandemic, to the number and profile of people moving in the entire five-year inter-Census period (from May 2016 to May 2021).

Using data at the CRD level, this initial analysis suggests:

- There was a significant drop in the net inflow of new residents from the rest of BC, likely caused by a combination of former CRD residents moving to smaller communities and fewer BC residents moving in (which could partly have been a fall in incoming university students).
- Total net migration changed very little to a roughly 25% increase in net interprovincial migration from the rest of Canada.

TABLE 6. CRD NET MIGRATION ESTIMATES, INTRA-CANADA ONLY, 2016-2021

AGE RANGE	2016-2020 AVERAGE	2020-2021	CHANGE
Net intraprovincial	1,344	320	-1,024
Net interprovincial	2,647	3,270	623
COMBINED	3,991	3,590	-401

The net change in Intra-Canada migration was only down 10% in the first year of the pandemic and has increased substantially since then due to increased federal immigration targets and a huge influx of temporary residents, including international students.

Looking more deeply at the demographic breakdown, there were only small differences in the age profile of pre-pandemic to early-pandemic movers, other than the large drop in the inflow of 20-29 year-olds, likely due to temporary university-related effects.

The conclusion is that the pandemic impacts were mostly temporary and not large enough to justify a change in assumptions for the long-term demographic profile of migrants to the region (and Saanich).

DWELLING UNIT PROJECTIONS

The projection of dwelling (housing) units follows directly from the population projections. There are three main steps in the projection:

1. The TOTAL number of units is projected based on the number of residents of each age, combined with the age-specific housing maintainer rates outlined earlier. Despite the gradual decline in maintainer rates over the last 20 years, it was determined that the rates would be help constant at their 2021 level for both Scenario 1 (Baseline) and Scenario 2 (Higher-Growth). Maintainer rates increase for Scenario 3 (Latent Demand), as outlined in the discussion of the latent demand approach.

2. The projected housing structure type has been adjusted from its historic patterns to reflect (a) the lack of developable land for traditional single-family home subdivisions in Saanich, and (b) policy directions toward greater development of various types of multi-family housing.
3. Projections of housing by tenure (owner or renter) and by number of bedrooms are similarly based on a maintainer rate analysis. This implicitly assumes that the historic relationship between population age and both housing tenure and number of bedrooms remains stable. The latent demand scenario, which allows for the creation of a wide variety of unit types, may alter these historic relationships, but the potential changes in unit characteristics are not yet well understood and thus the existing tenure and bedroom-based maintainer rates are assumed to remain constant going forward.

Based on consultation with District staff, the following table shows the assumed distribution of unit types at three points in time (2022, 2032, and 2042). Note that the 2022 assumptions do not match actual development in 2022, but rather serve as a starting point in the projections model.

These assumptions relate to net new units only – the total inventory of Saanich homes will remain majority single-family for some time but will gradually decline as new units are almost entirely multi-family.

TABLE 7. ASSUMED STRUCTURE TYPE MIX FOR NET NEW UNITS IN SAANICH

STRUCTURE TYPE	2022	2032	2042 AND LATER
Single-Detached	5%	5%	0%
Other Ground-Oriented	20%	32%	35%
Apartment	65%	53%	60%
Accessory Suites	10%	10%	5%
COMBINED	100%	100%	100%

3 POPULATION AND HOUSING PROJECTION RESULTS

BASELINE SCENARIO

	2021	2026	2031	2036	2041	2046	2021-2046 CHANGE	AVERAGE CHANGE PER YEAR	AVERAGE ANNUAL GROWTH RATE
POPULATION	125,176	129,194	133,344	137,139	140,345	143,092	17,916	717	0.5%
Age 0 to 14	15,868	15,647	15,329	15,930	16,421	16,633	765	31	0.2%
Age 15 to 24	16,866	15,526	15,661	15,358	14,814	15,200	-1,666	-67	-0.4%
Age 25 to 34	16,017	17,763	18,320	17,201	17,505	17,225	1,207	48	0.3%
Age 35 to 44	15,620	17,052	17,881	19,732	20,229	19,181	3,562	142	0.8%
Age 45 to 54	15,627	16,029	17,875	19,441	20,331	22,156	6,529	261	1.4%
Age 55 to 64	17,111	16,229	15,275	15,721	17,580	19,162	2,052	82	0.5%
Age 65 to 74	15,322	15,765	15,515	14,687	13,791	14,240	-1,082	-43	-0.3%
Age 75 to 84	8,580	10,934	12,515	12,892	12,681	11,983	3,403	136	1.3%
Age 85+	4,164	4,249	4,972	6,178	6,993	7,311	3,147	126	2.3%
OCCUPIED DWELLING UNITS	48,030	50,418	52,517	54,273	55,707	56,927	8,897	356	0.7%
Single-Detached	27,999	28,118	28,223	28,294	28,316	28,316	317	13	0.0%
Other Ground-Oriented	5,025	5,564	6,158	6,730	7,219	7,646	2,621	105	1.7%
Apartment	10,405	11,896	13,086	14,041	14,871	15,602	5,197	208	1.6%
Accessory Suites	4,601	4,840	5,050	5,208	5,302	5,363	762	30	0.6%
Owner	33,265	34,993	36,529	37,968	39,040	40,043	6,779	271	0.7%
Renter	14,765	15,426	15,989	16,306	16,668	16,883	2,118	85	0.5%
No bedrooms	515	530	548	554	564	573	58	2	0.4%
1 bedroom	6,118	6,388	6,616	6,711	6,841	6,943	825	33	0.5%
2 bedrooms	12,436	13,103	13,654	14,054	14,390	14,655	2,219	89	0.7%
3 bedrooms	13,681	14,397	15,017	15,571	15,990	16,350	2,669	107	0.7%
4 or more bedrooms	15,280	16,000	16,683	17,384	17,922	18,406	3,126	125	0.7%

HIGHER-GROWTH SCENARIO

	2021	2026	2031	2036	2041	2046	2021-2046 CHANGE	AVERAGE CHANGE PER YEAR	AVERAGE ANNUAL GROWTH RATE
POPULATION	125,176	129,601	134,485	139,167	143,449	147,496	22,320	893	0.7%
Age 0 to 14	15,868	15,701	15,515	16,317	17,022	17,453	1,585	63	0.4%
Age 15 to 24	16,866	15,595	15,785	15,526	15,095	15,685	-1,181	-47	-0.3%
Age 25 to 34	16,017	17,895	18,679	17,737	18,155	17,987	1,970	79	0.5%
Age 35 to 44	15,620	17,116	18,103	20,192	20,976	20,189	4,569	183	1.0%
Age 45 to 54	15,627	16,064	17,974	19,643	20,721	22,825	7,198	288	1.5%
Age 55 to 64	17,111	16,257	15,350	15,850	17,782	19,482	2,371	95	0.5%
Age 65 to 74	15,322	15,786	15,573	14,786	13,939	14,446	-876	-35	-0.2%
Age 75 to 84	8,580	10,938	12,531	12,933	12,753	12,090	3,510	140	1.4%
Age 85+	4,164	4,250	4,974	6,183	7,006	7,338	3,174	127	2.3%
OCCUPIED DWELLING UNITS	48,030	50,550	52,892	54,943	56,743	58,408	10,378	415	0.8%
Single-Detached	27,999	28,125	28,242	28,324	28,351	28,351	353	14	0.1%
Other Ground-Oriented	5,025	5,594	6,258	6,926	7,540	8,123	3,098	124	1.9%
Apartment	10,405	11,977	13,305	14,420	15,462	16,461	6,056	242	1.9%
Accessory Suites	4,601	4,853	5,087	5,272	5,390	5,473	872	35	0.7%
Owner	33,265	35,066	36,742	38,363	39,671	40,967	7,702	308	0.8%
Renter	14,765	15,485	16,152	16,581	17,073	17,441	2,676	107	0.7%
No bedrooms	515	532	553	563	576	590	75	3	0.5%
1 bedroom	6,118	6,410	6,675	6,808	6,982	7,138	1,020	41	0.6%
2 bedrooms	12,436	13,139	13,754	14,228	14,655	15,029	2,593	104	0.8%
3 bedrooms	13,681	14,432	15,117	15,752	16,275	16,761	3,081	123	0.8%
4 or more bedrooms	15,280	16,038	16,795	17,592	18,255	18,890	3,610	144	0.9%

LATENT DEMAND SCENARIO

	2021	2026	2031	2036	2041	2046	2021-2046 CHANGE	AVERAGE CHANGE PER YEAR	AVERAGE ANNUAL GROWTH RATE
POPULATION	125,176	130,362	136,795	143,064	148,360	152,497	27,321	1,093	0.8%
Age 0 to 14	15,868	15,874	15,990	17,043	17,810	18,128	2,260	90	0.5%
Age 15 to 24	16,866	15,708	16,125	16,093	15,800	16,352	-515	-21	-0.1%
Age 25 to 34	16,017	18,008	19,019	18,303	18,855	18,685	2,668	107	0.6%
Age 35 to 44	15,620	17,229	18,443	20,756	21,673	20,883	5,264	211	1.2%
Age 45 to 54	15,627	16,177	18,312	20,205	21,413	23,513	7,886	315	1.6%
Age 55 to 64	17,111	16,371	15,686	16,405	18,463	20,155	3,044	122	0.7%
Age 65 to 74	15,322	15,807	15,713	15,127	14,469	15,066	-256	-10	-0.1%
Age 75 to 84	8,580	10,938	12,531	12,951	12,870	12,365	3,784	151	1.5%
Age 85+	4,164	4,250	4,974	6,183	7,006	7,349	3,185	127	2.3%
OCCUPIED DWELLING UNITS	48,030	50,786	55,085	59,269	61,615	63,443	15,413	617	1.1%
Single-Detached	27,999	28,137	28,279	28,384	28,419	28,419	420	17	0.1%
Other Ground-Oriented	5,025	5,651	6,893	8,278	9,077	9,717	4,692	188	2.7%
Apartment	10,405	12,122	14,599	16,910	18,267	19,364	8,959	358	2.5%
Accessory Suites	4,601	4,877	5,314	5,697	5,851	5,942	1,341	54	1.0%
Owner	33,265	35,214	38,220	39,692	40,165	40,597	7,332	293	0.8%
Renter	14,765	15,574	16,865	17,486	17,669	17,784	3,019	121	0.7%
No bedrooms	515	535	577	597	602	605	90	4	0.6%
1 bedroom	6,118	6,442	6,957	7,202	7,265	7,304	1,186	47	0.7%
2 bedrooms	12,436	13,198	14,317	14,851	15,010	15,136	2,700	108	0.8%
3 bedrooms	13,681	14,497	15,736	16,338	16,531	16,700	3,019	121	0.8%
4 or more bedrooms	15,280	16,116	17,498	18,189	18,426	18,637	3,357	134	0.8%

4 EMPLOYMENT PROJECTION METHODOLOGY

DEFINING EMPLOYMENT

For purposes of these projections, Saanich employment is defined to include all **jobs with a usual place of work within Saanich**. This includes home-based jobs. Other jobs in commercial, industrial, or government facilities may be held by Saanich residents or commuters from nearby municipalities.

PROJECTION MODEL

Projecting future employment requires a conceptual model of how different regional industries relate to each other and to the local population. For the CRD and Saanich, each of 64 industries are categorized as either:

1. **Population-serving**, meaning it serves primarily the local population (and sometimes subsets of the population, such as children or the elderly population).
2. **Traded**, meaning it serves primarily markets outside the region. These industries are called exporting industries or economic base industries.
3. **Business support**, meaning it serves primarily other local industries.

There are a few industries that are assigned as both population-serving and business support if they serve local households and businesses in roughly equal proportions.

Projecting changes in these three categories of industries is based on the expected change in the markets they serve. For population-serving

industries, growth is projected based on the relevant market being serviced, which could be local or region-wide and could include the total population or a target demographic group.

For traded industries, growth is projected using regional projections from the BC Labour Market Outlook as a starting point, with some adjustments to reflect specific industrial strengths and weaknesses of the CRD and Saanich. The regional projections are for the Vancouver Island/Coast region, which is not as strong overall in technology-related employment as the CRD. As one example of the adjustments, CRD employment growth in tech-related industries is assumed to be higher than the regional projections.

For business support industries, growth is projected based on employment growth in the other two categories.

ADJUSTING FOR COVID-19

At the time of the Census in May 2021, there was still limited opening of most workplaces and public health orders restricting public assembly. This significantly affects the location of 2021 jobs, many of which were counted based on their temporary home-based location rather than their former office location. Other industries, such as food and beverage services and recreation and entertainment, had lower job counts due to the particularly severe impacts of COVID on their operating viability.

This means that 2021 employment data by usual place of work is significantly skewed compared to a regular, non-COVID baseline. The process for adopting a revised baseline for home-based employment includes the following considerations:

- In 2016...8% of employed Saanich residents worked at home (almost identical to the CRD rate)
- In 2021...27% of employed Saanich residents worked at home (still almost identical to the CRD rate)
- Going forward, it is reasonable to expect many of these temporary home-based workers will return to their former job sites, but not all
- For modeling purposes, it is assumed that work-from-home (WFH) rates are 50% higher than 2016 for all industries (e.g., the professional services WFH rate increases from 27% to 41%, building construction increases from 6% to 9%, and so on), but cannot exceed the 2021 WFH rate

In aggregate, this adjustment creates a revised baseline of 13% home-based employment in Saanich going forward.

Note that total hours worked at home will increase substantially more, but many workers will have hybrid arrangements such that they maintain a physical workspace outside the home (which is the key consideration in a spatial analysis).

The COVID impact is also reflected in revised assumptions about floorspace per job but is expected to be lower in future due to hybrid work arrangements.

The remainder of the former WFH jobs are re-allocated back to their non-home workplaces. This re-allocation process is 90% based on the distribution of jobs in 2016, and 10% based on the distribution of non-WFH jobs in 2021.

The results of this process:

- 8,300 Saanich residents who were working from home go back to work outside the home. Many of them return to jobs in Victoria and elsewhere in the region, but some return to Saanich-based jobs.
- 6,300 jobs migrate from CRD homes to Saanich workplaces. This accounts for all the former Saanich-based workers who were

temporarily working from their homes in Victoria, Central Saanich, or Langford.

TABLE 8. CENSUS AND COVID-ADJUSTED EMPLOYMENT, 2021 USUAL PLACE OF WORK IN SAANICH

SECTOR	2021 JOBS (CENSUS)	2021 JOBS (COVID ADJUSTMENT)	REVISED WFH SHARE
Agriculture and fishing	415	404	55%
Forestry and logging with support activities	0	2	100%
Mining and oil and gas extraction	20	13	66%
Utilities	175	180	7%
Construction	1,630	1,561	23%
Manufacturing	815	708	30%
Wholesale trade	630	598	28%
Retail trade	5,665	5,649	7%
Transportation and warehousing	1,135	991	9%
Finance, insurance and real estate	2,585	2,431	30%
Professional, scientific and technical services	5,010	4,917	49%
Business, building, and other support services	1,440	1,403	26%
Educational services	6,685	7,392	8%
Health care and social assistance	6,165	5,975	12%
Information, culture and recreation	1,820	1,929	26%
Accommodation and food services	2,145	2,068	4%
Repair, personal, and non-profit services	1,590	1,567	25%
Public administration	5,950	4,076	5%
TOTAL	43,875	41,862	18%

Due to Saanich being a net exporter of workers to other communities (notably Victoria), the COVID adjustment that moves most temporary

home-based workers back to their original workplaces causes a modest decline in estimated Saanich-based employment.

The table also shows that an estimated 18% of all jobs in Saanich will be work-from-home in the future.

OTHER ADJUSTMENTS

There is a small adjustment for **labour productivity** growth because over time, mechanization and improved technologies mean that fewer workers are required for the same level of output. Finally, the projections were **cross-referenced with projected labour supply** (derived from the population projections) to ensure sufficient workers will be available to fill the projected level of employment.

SCENARIOS

There are no scenarios unique to the employment projections, but they follow from the population projections in the level of population-serving employment that is projected. For example, if the population projections show more young children, the projection for primary school employment will be higher, and consequently business support industries will also have slightly higher employment.

FLOORSPACE DEMAND

Each industry is categorized according to the predominant type of employment space that it requires – office, industrial, commercial (which includes retail and service locations like restaurants), institutional, and primary (which includes the small amount of agriculture and marina-based employment).

Due to these projections being prepared in support of a spatial analysis, **the focus of the employment projections is on jobs that are not based at home.** These results are presented in Section 5 that follows.

5 EMPLOYMENT PROJECTION RESULTS (NON HOME-BASED ONLY)

BASELINE SCENARIO

SECTOR	2021	2026	2031	2036	2041	2046	AVERAGE ANNUAL GROWTH RATE
NON-WFH EMPLOYMENT	34,402	36,025	38,267	40,241	41,786	43,087	0.9%
Agriculture and fishing	183	205	211	214	215	215	0.7%
Forestry and logging with support activities	0	0	0	0	0	0	
Mining and oil and gas extraction	5	6	6	6	6	6	1.3%
Utilities	167	176	187	198	206	213	1.0%
Construction	1,205	1,258	1,291	1,319	1,346	1,373	0.5%
Manufacturing	493	563	576	587	590	591	0.7%
Wholesale trade	430	458	491	522	545	564	1.1%
Retail trade	5,275	5,509	5,739	5,951	6,141	6,314	0.7%
Transportation and warehousing	905	962	1,018	1,071	1,114	1,153	1.0%
Finance, insurance and real estate	1,697	1,788	1,891	1,988	2,066	2,133	0.9%
Professional, scientific and technical services	2,513	2,868	3,337	3,665	3,791	3,855	1.7%
Business, building, and other support services	1,033	1,099	1,179	1,254	1,310	1,354	1.1%
Educational services	6,827	6,798	6,984	7,049	7,173	7,292	0.3%
Health care and social assistance	5,231	5,757	6,465	7,307	8,002	8,600	2.0%
Information, culture and recreation	1,419	1,502	1,580	1,626	1,674	1,716	0.8%
Accommodation and food services	1,979	2,045	2,114	2,176	2,226	2,267	0.5%
Repair, personal, and non-profit services	1,168	1,221	1,274	1,322	1,365	1,405	0.7%
Public administration	3,873	3,810	3,922	3,985	4,017	4,038	0.2%
TYPE OF EMPLOYMENT SPACE							
Primary	183	205	211	214	215	215	0.7%
Industrial	3,471	3,712	3,879	4,002	4,115	4,216	0.8%
Commercial	8,206	8,547	8,888	9,199	9,472	9,716	0.7%
Office	13,383	14,194	15,295	16,110	16,576	16,964	1.0%
Institutional	9,159	9,367	9,994	10,714	11,408	11,976	1.1%

HIGHER-GROWTH SCENARIO

SECTOR	2021	2026	2031	2036	2041	2046	AVERAGE ANNUAL GROWTH RATE
NON-WFH EMPLOYMENT	34,402	36,134	38,556	40,798	42,657	44,295	1.0%
Agriculture and fishing	183	206	211	215	216	217	0.7%
Forestry and logging with support activities	0	0	0	0	0	0	
Mining and oil and gas extraction	5	6	6	6	6	6	1.3%
Utilities	167	177	189	200	210	219	1.1%
Construction	1,205	1,274	1,315	1,353	1,392	1,432	0.7%
Manufacturing	493	563	577	589	594	596	0.8%
Wholesale trade	430	459	494	528	556	578	1.2%
Retail trade	5,275	5,528	5,791	6,042	6,280	6,511	0.8%
Transportation and warehousing	905	965	1,027	1,086	1,138	1,186	1.1%
Finance, insurance and real estate	1,697	1,793	1,906	2,015	2,109	2,193	1.0%
Professional, scientific and technical services	2,513	2,879	3,367	3,744	3,919	4,011	1.9%
Business, building, and other support services	1,033	1,102	1,187	1,269	1,335	1,389	1.2%
Educational services	6,827	6,812	7,026	7,138	7,317	7,499	0.4%
Health care and social assistance	5,231	5,774	6,516	7,405	8,158	8,829	2.1%
Information, culture and recreation	1,419	1,506	1,592	1,647	1,705	1,759	0.9%
Accommodation and food services	1,979	2,051	2,132	2,208	2,274	2,335	0.7%
Repair, personal, and non-profit services	1,168	1,226	1,285	1,342	1,396	1,449	0.9%
Public administration	3,873	3,814	3,934	4,008	4,052	4,085	0.2%
TYPE OF EMPLOYMENT SPACE							
Primary	183	206	211	215	216	217	0.7%
Industrial	3,471	3,735	3,920	4,066	4,206	4,339	0.9%
Commercial	8,206	8,576	8,966	9,338	9,683	10,017	0.8%
Office	13,383	14,230	15,396	16,316	16,897	17,388	1.1%
Institutional	9,159	9,388	10,063	10,863	11,654	12,334	1.2%

LATENT DEMAND SCENARIO

SECTOR	2021	2026	2031	2036	2041	2046	AVERAGE ANNUAL GROWTH RATE
NON-WFH EMPLOYMENT	34,402	36,335	39,189	41,863	43,959	45,618	1.1%
Agriculture and fishing	183	206	212	216	218	218	0.7%
Forestry and logging with support activities	0	0	0	0	0	0	
Mining and oil and gas extraction	5	6	6	6	6	6	1.4%
Utilities	167	178	191	204	215	224	1.2%
Construction	1,205	1,275	1,323	1,366	1,408	1,449	0.7%
Manufacturing	493	564	580	593	598	600	0.8%
Wholesale trade	430	461	501	540	569	592	1.3%
Retail trade	5,275	5,555	5,871	6,175	6,447	6,681	0.9%
Transportation and warehousing	905	969	1,039	1,105	1,162	1,210	1.2%
Finance, insurance and real estate	1,697	1,801	1,931	2,057	2,162	2,247	1.1%
Professional, scientific and technical services	2,513	2,906	3,463	3,899	4,094	4,188	2.1%
Business, building, and other support services	1,033	1,107	1,203	1,296	1,367	1,422	1.3%
Educational services	6,827	6,856	7,152	7,325	7,519	7,679	0.5%
Health care and social assistance	5,231	5,819	6,668	7,704	8,558	9,261	2.3%
Information, culture and recreation	1,419	1,513	1,613	1,679	1,745	1,800	1.0%
Accommodation and food services	1,979	2,063	2,168	2,269	2,350	2,413	0.8%
Repair, personal, and non-profit services	1,168	1,231	1,303	1,371	1,432	1,485	1.0%
Public administration	3,873	3,824	3,966	4,057	4,109	4,143	0.3%
TYPE OF EMPLOYMENT SPACE							
Primary	183	206	212	216	218	218	0.7%
Industrial	3,471	3,745	3,954	4,120	4,273	4,407	1.0%
Commercial	8,206	8,620	9,097	9,557	9,958	10,296	0.9%
Office	13,383	14,312	15,649	16,718	17,367	17,866	1.2%
Institutional	9,159	9,452	10,276	11,252	12,143	12,831	1.4%