



City of Oshawa
DRAFT GROWTH
MANAGEMENT STUDY (G.M.S.)
Employment Lands Strategy

November 2025



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Land Acknowledgement

The City of Oshawa is situated on lands within the traditional and treaty territory of the Michi Saagiig and Chippewa Anishinaabeg and the signatories of the Williams Treaties, which include the Mississaugas of Scugog Island, Hiawatha, Curve Lake, and Alderville First Nations, and the Chippewas of Georgina Island, Rama and Beausoleil First Nations.

We are grateful for the Anishinaabeg who have cared for the land and waters within this territory since time immemorial.

We recognize that Oshawa is steeped in rich Indigenous history and is now present day home to many First Nations, Inuit and Métis people. We express gratitude for this diverse group of Indigenous Peoples who continue to care for the land and shape and strengthen our community.

“Oshawa” stems from an Anishinaabemowin (Ojibwe language) word meaning “a crossing place” and has further translation as “the point at the crossing of the stream where the canoe was exchanged for the trail.” When the word Oshawa was chosen as the name of our City, it reflected and recognized the importance of water and land to our community. Our City’s name is a reminder of this important and powerful connection between people and place in the past but also of the present and for the future.

As a municipality, we are crossing over. We are committed to understanding the truth of our shared history, acknowledging our role in addressing the negative impacts that colonization continues to have on Indigenous Peoples, developing reciprocal relationships, and taking meaningful action toward reconciliation.

We are all Treaty people.

Executive Summary

Chapter 1: Introduction

The City of Oshawa retained Watson & Associates Economists Ltd. (Watson) and WSP Canada Inc. to prepare a Growth Management Study (G.M.S.) to the 2056 planning horizon as part of Imagine Oshawa: the Official Plan Review. The G.M.S. ensures the City's long-term development is aligned with the Provincial Planning Statement, 2024 (P.P.S.), the Planning Act, and Envision Durham, while promoting efficient, resilient, and balanced growth.

Within the G.M.S. framework, the Employment Lands Strategy (E.L.S.) specifically evaluates Oshawa's supply, demand, and policy framework for employment lands. The E.L.S. provides a foundation for updating the City's Official Plan (O.P.) to align with the redefined Employment Area definition under the P.P.S. while ensuring adequate land supply to accommodate employment growth to 2056.

This Report distinguishes between "employment lands," which encompass all non-residential lands that support job creation, and "Employment Areas," which are provincially protected clusters of business and economic activity defined in the City's O.P. Recent provincial policy changes have narrowed the definition of Employment Areas to focus on industrial uses, and this review refines Oshawa's Employment Areas to align with the updated definitions under the Planning Act and P.P.S.

The E.L.S. fulfills a dual purpose: it provides a technical land needs analysis to determine long-term employment land requirements and a policy framework to protect and guide development of Employment Areas in line with updated provincial direction.

Chapter 2: Background

The background chapter outlines how Oshawa's E.L.S. fits within the evolving provincial and regional planning landscape. The P.P.S. introduces a refined definition of Employment Areas, emphasizing their role in supporting manufacturing, warehousing, logistics, Goods Movement, and research-based industrial activities. The definition of Employment Area in the P.P.S. restricts residential, institutional, and stand-alone commercial uses, underscoring the need to preserve land for industrial purposes essential to Ontario's economic competitiveness.

At the regional level, Envision Durham allocates significant population and employment growth to Oshawa, forecasting over 210,000 residents and nearly 110,000 jobs by 2051. It further designates the 2051 Urban Expansion Areas to accommodate this growth. Following the transfer of planning authority from the Region to lower-tier municipalities through Bill 23, Oshawa now carries full responsibility for implementing these growth targets through its O.P.

From a macroeconomic standpoint, the E.L.S. acknowledges that global uncertainty, shifting trade patterns, inflationary pressures, and evolving technologies are reshaping industrial and

employment markets, and while near-term headwinds may dampen investment, long-term prospects remain strong, supported by new infrastructure, technological innovation, and population growth across the Greater Toronto and Hamilton Area (G.T.H.A.). The E.L.S. also highlights changing work patterns – particularly the rise in hybrid and remote work, with approximately 9% of Oshawa’s workforce now working from home full-time and an additional 15% having no fixed workplace, influencing demand for office and flexible workspaces and requiring municipal planning to adapt to a more dynamic employment landscape.

Chapter 3: City of Oshawa Employment Area Profile and Removals

The City’s Employment Areas were assessed against the P.P.S. definition to determine conformity and identify lands for potential removal or redesignation. Oshawa’s four established Employment Areas clusters (i.e., South, Southeast, North, and Northeast) reflect a mix of built-out, underutilized, and vacant industrial lands that collectively define the City’s industrial and employment base.

The Employment Area removal analysis establishes a set of core principles to guide evaluation. This includes ensuring protection of Employment Areas contiguous with major transportation corridors and Goods Movement infrastructure, as well as maintaining functional integrity to prevent fragmentation. In addition, several supplementary evaluation criteria have been introduced to assess whether lands exhibit predominantly non-industrial uses, adjacency to sensitive uses, access limitations, or parcel configurations unsuitable for large-scale industrial redevelopment. Based on this, three removal areas are identified, with two recommendations in the North Employment Area and one recommended removal in the Oshawa Southeast Employment Area:

- Southeast Employment Area (Colonel Sam Business Park): Characterized by major office and service uses with limited industrial redevelopment potential. These lands are recommended for removal. Through removal and redesignation, these lands could permit office and supporting commercial uses, excluding residential development.
- North Employment Area:
 - Taunton Road Corridor of the Northwood Business Park: Contains a cluster of established commercial and retail uses functioning as a transition area between industrial and community designations. These lands are recommended for removal and could continue to support their existing retail and service function, compatible with surrounding uses.
 - Northeast portion of the Northwood Business Park: Currently planned for a park and community centre, and is therefore not intended for employment or employment-generating uses. These parcels have therefore been removed from the Employment Area land supply and inventory in this analysis.

These targeted removals reflect a strategic refinement, maintaining Oshawa’s industrial capacity while aligning with the P.P.S. and Envision Durham.

Chapter 4: Employment Lands Needs to 2056

The analysis identifies a total of approximately 1,100 gross hectares of designated Employment Area lands in Oshawa, of which approximately 390 hectares are developed, 250 hectares are underutilized, and 460 hectares are vacant. Accounting for the “2051 Urban Expansion Areas” added through Envision Durham, the City’s total vacant employment supply reaches approximately 535 gross hectares or 395 net hectares.

Employment growth to 2056 is forecast at 38,600 new jobs, bringing the total to approximately 113,000 jobs, consistent with Envision Durham projections. Of these, about 16,900 jobs (44%) will be accommodated within employment lands, largely comprising Employment Land Employment (E.L.E.) uses such as manufacturing, warehousing, and logistics. Oshawa’s long-term land demand totals approximately 388 net hectares, leaving a small surplus of roughly 10 net hectares. This suggests the City is well-balanced in meeting employment land needs through 2056, with sufficient flexibility to accommodate market shifts and sectoral diversification.

Chapter 5: Policy Recommendations

To ensure conformity with the P.P.S. and support long-term industrial competitiveness, several key policy directions are recommended:

- Adopt a definition of “Employment Area” consistent with the definition of Employment Area in the P.P.S., which excludes institutional, stand-alone office, and commercial uses unrelated to industrial activity.
- Update land use designations to clearly differentiate between Protected Employment Areas and employment-generating lands.
- Establish evaluation criteria for reviewing future Employment Area removals, ensuring protection of contiguous and strategically located industrial lands.
- Strengthen policies on land use compatibility, emphasizing buffering and transition between Employment Areas and adjacent sensitive uses.
- Protect Strategic Employment Areas near Highways 401 and 407 East, major arterials, and Goods Movement corridors, ensuring long-term viability for logistics, advanced manufacturing, and emerging clean technology sectors.
- Acknowledge existing non-conforming uses while restricting further encroachment to preserve industrial functionality.

Collectively, these recommendations modernize Oshawa’s employment policies to reflect the post-2024 planning environment and enhance flexibility for emerging industries while preserving essential industrial capacity.

Chapter 6: Conclusions

The E.L.S. confirms that Oshawa possesses a balanced and competitive employment land base capable of supporting projected growth to 2056. While minor adjustments through land removals are warranted, the City's employment lands remain well-positioned to attract new investment, accommodate diverse employment types, and strengthen the City's role as a regional economic hub within Durham Region.

The recommendations contained in the E.L.S. provide a comprehensive framework to align the City's O.P. with provincial and Regional policies, safeguard strategic employment assets, and foster long-term economic resilience. Through continued coordination between land use, infrastructure, and transportation planning, Oshawa can ensure its employment lands evolve to meet future industry needs while supporting sustainable, inclusive, and complete communities.

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1 Introduction

The City of Oshawa has engaged Watson & Associates Economists Ltd. (Watson) and WSP Canada Inc. (WSP) to undertake a Growth Management Study (G.M.S.) to the 2056 planning horizon as an important component of Imagine Oshawa: the Official Plan Review (Oshawa O.P. Review) process. Growth management aims to harmonize a municipality's long-term vision for its urban areas, rural regions, and conserved countryside with planning policies that guide the pattern, location and phasing of growth and change. This ensures the municipality develops in a financially, environmentally, and socioeconomically sustainable manner.

1.1 Why Are We Undertaking a Growth Management Study?

The City of Oshawa is undertaking a comprehensive review of the Oshawa Official Plan (O.O.P.), a key component of which is the preparation of a G.M.S. The Planning Act requires all municipal land use planning decisions to be consistent with the Provincial Planning Statement, 2024 (P.P.S.) and to conform with applicable provincial Plans. This requires the City of Oshawa to ensure that its Official Plan (O.P.), a long-range policy document that guides all land use planning decisions at a more local level, is updated at regular intervals to remain relevant and aligned with current provincial direction.¹

In general, former provincial planning policies mandated that the Regional O.P. be updated before individual municipalities, including Oshawa, could proceed with their respective O.P. updates.² There have been numerous and significant provincial policy changes since 2016, however, including several subsequent to the completion of Envision Durham, that the Oshawa O.P. Review process will also need to implement.

The recent Durham Regional O.P. (Envision Durham), adopted by Regional Council on May 17, 2023, partially approved with modifications by the Province on September 3, 2024, and fully approved by the Province on December 13, 2024, reflects the City's rapid growth, both historical and future. Envision Durham generally aligns with updated provincial policy direction and allocates significant growth to the City of Oshawa, projecting over 210,000 residents and nearly 110,000 jobs by the year 2051. The focus of the G.M.S. is to implement these targets from Envision Durham through a locally driven plan, which ensures that the City grows over the long term in an efficient and sustainable manner.

¹ Note that as a result of Bill 23, Durham Region's land use planning responsibilities were transferred, effective January 1, 2025, to Durham's local municipalities, including Oshawa. This recent legislative change is outlined and addressed in the Growth Management Study Background Discussion Paper (B.D.P.).

² The Durham Regional Official Plan is entitled Envision Durham. The Durham Regional O.P. Review process that resulted in the Envision Durham is referred to in the B.D.P. as the Envision Durham process.

1.2 Deliverables

This Employment Lands Strategy (E.L.S.) is focused on the City's long-term vision and planning for its employment lands. The E.L.S. is focused on the 2056 land requirements within the employment lands, while the separate Land Needs Assessment (L.N.A.) report focuses on the Designated Growth Area (D.G.A.) within the City's Community Areas. The forthcoming Intensification Strategy report will focus on growth and development trends in the Built-Up Area (B.U.A.).³ The following defines these terms in more detail:

Community Areas: Areas where most of the housing required to accommodate the forecast population will be located, as well as most Population-Related Employment (P.R.E.) jobs, most office jobs and some Employment Land Employment (E.L.E.) jobs. Community areas may be located in both the B.U.A. and D.G.A.

Employment Lands: Areas where most of the E.L.E. jobs are (i.e., employment in industrial-type buildings), as well as some office jobs and some P.R.E. jobs, particularly those providing services to the Employment Area. Employment Areas may be located in both the B.U.A. and D.G.A.

The E.L.S. provides a detailed inventory and analysis of the City's employment lands supply. It will assess land absorption trends, demand for employment lands, and emerging sector needs. The E.L.S. will evaluate the adequacy of the current supply in relation to future demand and identify areas of potential constraint, fragmentation, or underutilization. It will also provide recommendations related to land use designation refinement, protection of strategic Employment Areas, and Employment Area removals (examining current Employment Area lands within the new definition from the P.P.S. to determine whether a land use conversion is merited). As part of this review, employment land-related feedback received at the time of preparation of the E.L.S. has also been considered within the context of the current P.P.S. framework, supplemented by local planning and economic criteria. It is noted, however, that the requests received did not have a further impact on the employment land supply and land needs. The E.L.S. will support the continued direction to ensure that key employment lands are well-positioned to support long-term economic development and job creation.

The E.L.S. functions within the context of five reports that will be provided through the G.M.S:

1. Background Discussion Paper (Released July 3, 2025)

The Background Discussion Paper (B.D.P.) presents the G.M.S., outlines existing and emerging policy as well as macro and local growth conditions, identifies growth opportunities

³ The P.P.S., 2024, which has replaced the provincial Growth Plan, uses the term built-up areas to refer more generally to "...areas where development is concentrated and which have a mix of land uses". Designated Growth Area is defined in the P.P.S., 2024 as "lands within settlement areas designated for growth or lands added to settlement areas that have not yet been fully developed." A further description of these areas is included in the L.N.A. Report.

and challenges and provides research directions to be considered in the G.M.S. The B.D.P. summarizes the City's evolution since the last Oshawa O.P. Review and highlights future growth areas.

2. Land Needs Assessment (L.N.A.)

The L.N.A. assesses the amount of D.G.A. land required to accommodate projected population, housing, and employment growth in Oshawa. The L.N.A. Report will refine and extend population, employment and household growth forecasts for the City of Oshawa that were generated as part of Envision Durham. It will also address: the balance between intensification and D.G.A. growth; the range and mix of dwelling and housing types and forms appropriate to accommodate growth; the City's employment needs on D.G.A. Community Area lands; and suitable growth management policies to achieve these outcomes.

3. Employment Lands Strategy

As mentioned above, the E.L.S. analyzes the City's Employment Area land supply, assessing absorption trends, competitiveness, and sector needs to evaluate future demand and identify constraints or underutilization. It offers recommendations on land use designation, strategic area protection, potential Employment Area removals, and alignment with infrastructure to support long-term economic development and job creation.

4. Intensification Strategy (Forthcoming)

The Intensification Strategy will assess Oshawa's ability to accommodate population and employment growth through intensification within its existing Urban Area boundaries. It will review current conditions, trends, and relevant policies to develop intensification recommendations for the City, as required by the Province. Specifically, the Intensification Strategy will identify the scale and types of intensification suitable for Oshawa, including establishing density targets and policies for D.G.A.s, Strategic Growth Areas (S.G.A.s), and Protected Major Transit Station Areas (P.M.T.S.A.s). Additionally, it will flag areas with significant intensification potential based on servicing, urban design, affordability, and access to transit considerations.

5. Growth Phasing and Urban Expansion Options Report (Forthcoming)

The Growth Phasing and Urban Expansion Options Report will evaluate where and at what pace Oshawa should grow geographically within its D.G.A. lands. It will assess the 2051 Urban Expansion Areas added through Envision Durham based on planning, servicing, and market readiness criteria. It will then set up a phasing framework prioritizing development areas, considering infrastructure capacity, cost efficiency, and community-building goals. The Report will explore different development scenarios and provide guidance on sequencing to the planning horizon. It will serve as a foundation for integrating growth planning with Oshawa's capital works, infrastructure plans, asset management strategies and growth-related financial tools such as development charges.

1.3 Employment Lands and Employment Area Terminology

Throughout this Report:

- “Employment land” or “employment lands” refers to the City’s overall supply of lands which support job-creation, including a range of non-residential uses, both industrial and non-industrial in nature (outside of Community Areas). These lands are delineated in the City’s O.P. More detail on the breakdown of the City’s employment land supply is provided in subsection 3.1 of this Report.
- “Employment Area” or “Employment Areas” refers to specific areas which are delineated through the City’s O.P. and subject to a provincial policy framework which preserves them for “clusters of business and economic activities” and establishes specific tests that must be met to develop those lands for other uses.⁴ The P.P.S. change to what constitutes “clusters of business and economic activities” is the primary driver of this Employment Areas review.

While recent provincial changes have narrowed the definition of Employment Area to focus on industrial-type uses for land protection, Oshawa’s existing developed employment lands support a broad range of industrial and non-industrial uses. Therefore, for this Report, in the Oshawa context, “Employment Area” refers to the refined Employment Areas that will be designated through this Review as meeting the definition of “Area of Employment”/ “Employment Area” under the Planning Act and P.P.S.

⁴ These tests were previously established in subsection 1.3.2.5 of the Provincial Policy Statement, 2020, referring to “conversions” of lands in Employment Areas. They are now established in subsection 2.8.2.5 of the Provincial Planning Statement, 2024, referring to “removals” of lands from Employment Area.

2 Background

This chapter outlines the policy and economic context shaping Oshawa's long-term growth strategy, with a focus on the evolving role of employment lands. It highlights how recent provincial and regional policy directions, together with broader macroeconomic and technological shifts, influence how employment land is planned, protected, and used. Together, these factors provide the foundation for understanding Oshawa's approach to managing growth, competitiveness, and land needs over the coming decades.

2.1 Policy Context

2.1.1 Provincial Framework

The City of Oshawa's G.M.S. is guided by the broader legislative and policy framework established under the Planning Act, the P.P.S. and the recently approved Durham Regional Official Plan (R.O.P.), Envision Durham. These policies set the basis for local planning decisions and establish requirements for land supply, intensification, infrastructure phasing, and complete community planning.

The Planning Act requires all municipal planning decisions to be consistent with the P.P.S. and to conform with applicable provincial Plans. The P.P.S. provides province-wide direction on matters such as housing supply, infrastructure, employment, and natural heritage, and requires municipalities to maintain a 20 to 30-year land supply. Notably, in planning for infrastructure, public service facilities, Strategic Growth Areas and Employment Areas, the timeline may extend beyond this 30-year time horizon.

The P.P.S. also introduces a more focused definition of Employment Areas, emphasizing their role in supporting long-term industrial development, including manufacturing, warehousing, Goods Movement, and related research and development. Under this framework, planning authorities may only consider removing lands from Employment Areas if it is clearly demonstrated that the land is not needed for these industrial uses over the long term, and if the proposed new uses will not compromise the viability of surrounding employment functions. The P.P.S. strictly prohibits residential, institutional, and standalone commercial uses, and limits retail and office functions to those directly tied to the primary industrial activity. Additionally, any removal must ensure infrastructure and public services can support the new uses, while confirming that the municipality retains sufficient employment land to meet projected growth targets.

2.1.2 Regional and Local Framework

Envision Durham, fully approved by the Province in December 2024, allocates significant growth to Oshawa to 2051. It designates the 2051 Urban Expansion Areas and establishes minimum density requirements for D.G.A.s and employment lands. Due to Bill 23,

responsibility for implementing these policies now rests with Oshawa through its O.P. Review, Imagine Oshawa. These themes – including intensification targets, urban expansion, and phasing – were examined in greater detail through the G.M.S. B.D.P., which also highlighted the implications of provincial changes such as the replacement of the 2020 P.P.S. with the 2024 P.P.S. and their relevance to Oshawa’s long-term planning framework. For the purposes of this E.L.S., this section provides only a high-level policy context, with the detailed review of Provincial and Regional policies contained in the B.D.P.

As a result of Bill 23, Durham Region’s land use planning responsibilities and approval authority were transferred, effective January 1, 2025, to Durham’s local municipalities, including Oshawa. This means Oshawa must now not only conform to Envision Durham in accordance with section 27 of the Planning Act, but also actively reconcile Regional policies that may no longer fully align with the provincial framework. The City is therefore responsible for interpreting how these changes affect its growth trajectory, balancing conformity obligations with local priorities such as fiscal sustainability, infrastructure staging, and housing choice. The E.L.S. provides a platform for this work by identifying where Oshawa has flexibility within the Envision Durham framework, such as employment lands density, intensification targets, and growth phasing.

2.2 Macroeconomic Trends

2.2.1 Navigating Increased Uncertainty in a Changing Global Economy

As outlined in more detail in the Oshawa G.M.S. B.D.P., rising geopolitical tensions and slowing national economic conditions have created increased near-term local economic headwinds for the City of Oshawa. Following the post-pandemic rebound, persistent inflation, trade tensions, and rising debt have increased the likelihood of a recession in Canada and the United States of America (U.S.A.) in 2025. The Organization for Economic Co-operation and Development (O.E.C.D.) now forecasts Canadian Gross Domestic Product (G.D.P.) growth to slow from 1.5% in 2024 to 0.7% in both 2025 and 2026.

For regions like Southern Ontario, these headwinds are particularly evident in the automotive industry, which continues to adapt to global disruptions. Broader structural changes, including the continued move from goods-producing to service-based activities, are expected to shape the near-term outlook for population and employment growth in Canada, Ontario, the Greater Toronto Hamilton Area (G.T.H.A.), and Oshawa.⁵

Rising public sector and household debt in Canada remain a key economic concern, largely due to pandemic response measures, alongside increasing household debt levels, largely driven by significant housing price appreciation in Canada’s major urban centres. Since peaking in February 2022, the national housing market has shown signs of cooling, with

⁵ A detailed review of Oshawa’s labour force and economic outlook is provided in the Oshawa G.M.S. B.D.P.

notable declines in both sales and price growth in recent years driven by higher mortgage rates relative to pandemic conditions. It is noted that while trends in housing affordability in Canada vary widely by region, housing affordability (both ownership and rental) has been steadily eroded over the past decade across most Canadian economic regions. As such, recent trends towards lower interest rates are likely to have a limited impact on improving housing affordability, unless lower borrowing fees are met with further sustained declines in average housing prices and rents.

While it is recognized that there are economic headwinds potentially impeding the country's near-term economic growth, the longer-term outlook for Canada's economy and housing market remains positive. Continued investments in infrastructure and technology, along with a resilient and growing labour market, will be required to drive national economic growth and competitiveness. Strong leadership and coordination across all levels of government will be needed to navigate these complexities carefully in the coming months and years ahead.

Additional details on Ontario's G.D.P. trends, near-term forecasts, and the outlook for the manufacturing sector are provided in Appendix A. This includes a discussion of the stabilization of manufacturing output following previous recent economic downturns, the influence of international trade conditions, and recent changes in the Purchasing Managers' Index (P.M.I.) Together, these insights provide further context for understanding how provincial and national economic conditions shape local growth and employment trends.

2.2.2 Implications Associated with Changes in the Nature of Work

The nature of work continues to evolve as new technologies reshape how and where employment occurs. Artificial intelligence is increasingly used to streamline routine tasks such as drafting, scheduling, and information management, allowing workers to focus more on higher-value activities. Desktop and workspace virtualization enables secure access to full computing environments from any device, reducing reliance on fixed office setups.

Collaboration platforms now provide integrated tools, such as transcription, translation, and automated summaries, making it easier for distributed teams to work across time zones and disciplines. These developments are supported by advances in connectivity, including 5G and edge computing, which make "work from anywhere" a more practical reality.

Despite the widespread adoption of remote and hybrid work arrangements, a growing number of organizations (particularly within the G.T.H.A. and other major employment markets) are beginning to mandate partial or full returns to the office. This shift is driven by the need to strengthen collaboration, preserve workplace culture, and maximize the use of existing real estate investments. As a result, while overall office demand has moderated, there is a renewed emphasis on centrally located, transit-accessible office spaces that can support hybrid work models and facilitate high-value interactions.

Collectively, these trends are driving continued adjustments in commercial real estate demand, with many organizations balancing smaller permanent footprints with increased investment in

flexible, collaborative, and experience-oriented work environments rather than traditional individual workspaces.

As of 2016, it was estimated that approximately 6% of the workforce in Oshawa was working from home on a full-time basis. This estimate increased slightly to 9% in 2025, excluding hybrid workers, who are captured as residents with a usual place of work. From a municipal planning and urban development perspective, it is important to consider the impact of hybrid workers when assessing non-residential space needs, particularly in the office sector.

In addition to work at home employment, there are workers within the City of Oshawa who have no fixed place of work (N.F.P.O.W.).⁶ The percentage of workers within the City who reported as N.F.P.O.W. was approximately 17% in 2016 and about 15% in 2025.⁷ It is anticipated that the percentage of people who work from home on a full-time and part-time basis, as well as those who do not have a fixed place of work, will remain relatively high in the City of Oshawa over the long term, driven by continued growth in knowledge-based employment sectors and technological advancement.

⁶ Statistics Canada defines N.F.P.O.W. employees as “persons who do not go from home to the same workplace location at the beginning of each shift. Such persons include building and landscape contractors, travelling salespersons, independent truck drivers, etc.”

⁷ Work at home and N.F.P.O.W. employment is derived from 2016 and 2021 Statistics Canada Census data. It is noted that the 2021 Census data may not be reliable due to timing of enumeration coinciding with COVID-19.

3 City of Oshawa Employment Area Profile and Removals

Changing a land use designation to allow activities that no longer fit within the Province's narrower definition of an Employment Area is considered a land removal under the P.P.S. According to subsection 2.8.2.5 of the P.P.S., municipalities can only remove lands from Employment Areas if it is shown that the lands are not needed for employment uses over the long term, the change will not undermine the viability or function of nearby employment lands, infrastructure and services are available to support the new use, and there is still enough land to accommodate future employment growth.

The P.P.S. builds on previous policies by placing greater emphasis on protecting the long-term function of Employment Areas, ensuring compatibility with surrounding uses, maintaining access to major transportation routes, and confirming that sufficient employment lands remain available City-wide. For the G.M.S., a distinction is made between site-specific removals (similar to past "conversions") and broader adjustments made to align with the new definitions in the Planning Act and P.P.S. As such, tailored criteria have been developed to guide the evaluation of Employment Area land removals within this conformity review.

3.1 Existing Employment Land Supply

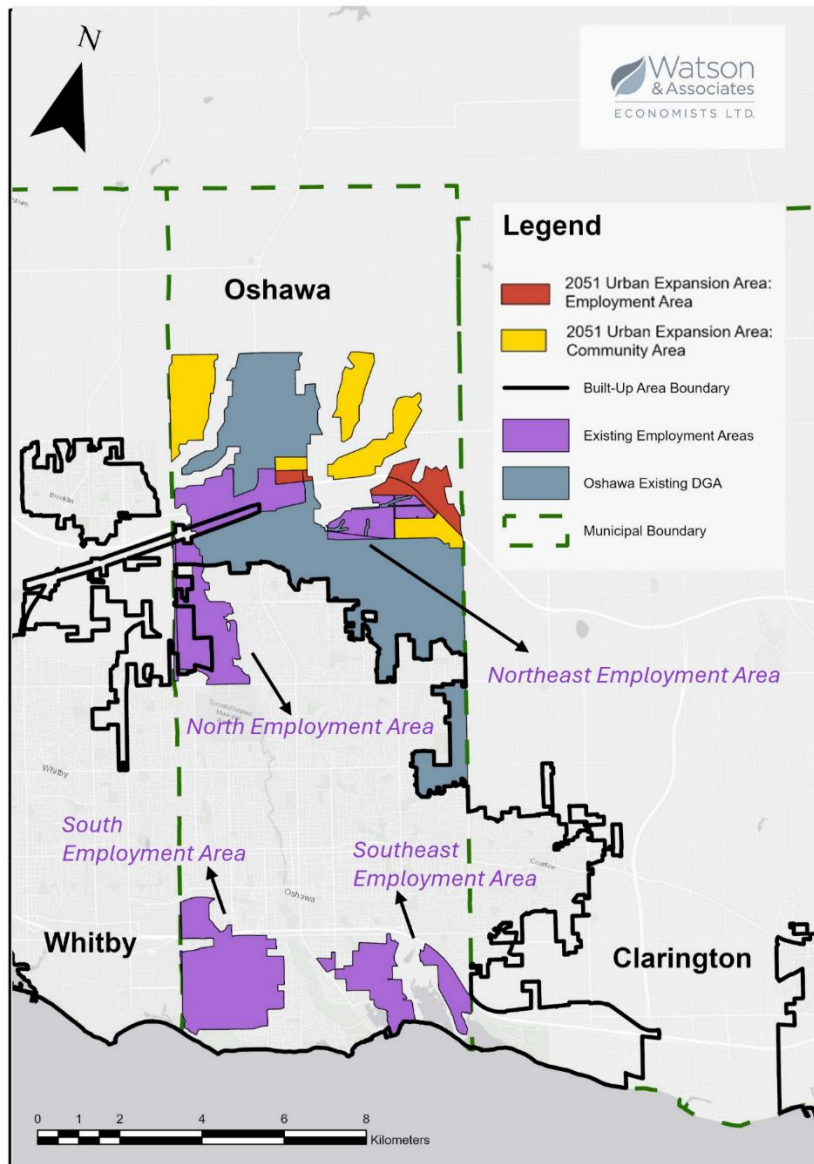
The current O.O.P. identifies four Industrial Area classifications: **Prestige**, **Select**, **General**, and **Special Industrial**. **Prestige Industrial** areas are intended for high-quality business parks and light industrial uses like corporate offices and Research & Development facilities, typically located along major highways. **Select Industrial** areas accommodate a broader mix, including light manufacturing and automotive services, generally along arterial roads. **General Industrial** areas support the widest range of industrial activities, such as heavy manufacturing and warehousing, and are found in established zones. **Special Industrial** areas are reserved for intensive uses, such as bulk storage and recycling operations, typically located near the Oshawa Harbour. As shown in Figure 1, there are four broad Employment Areas within Oshawa:⁸

- The Oshawa South Employment Area consists of the Stevenson Industrial Area (south of Highway 401) and the Thornton Corners Industrial Area (north of Highway 401).
- The Oshawa Southeast Employment Area consists of the Farewell/Harbour Industrial Area and the Colonel Sam Business Park.

⁸ The East Windfields Industrial Area was redesignated to Community Area with the approval of Envision Durham, although the O.O.P. still shows this as Industrial on Schedule 'A', Land Use.

- The Oshawa North Employment Area consists of the Northwood Business Park, the West Windfields Industrial Area, and the South Columbus Industrial Area.
- The Oshawa Northeast Employment Area consists of the North Kedron Industrial Area. The North Kedron Industrial Area was not identified as an existing Employment Area in Envision Durham; however, the lands were brought within the Urban Area Boundary and designated as Industrial in the Official Plan Amendment (O.P.A.) 227 on January 27, 2025.

Figure 1: City of Oshawa Employment Areas



Source: Watson & Associates Economists Ltd., based on City of Oshawa G.I.S. data.

3.2 Establishing the Current Function of the City's Employment Areas

Before considering removals from the City's designated Employment Areas, it was necessary to determine the current function and makeup of land uses in those areas, and specifically, which municipal parcels are supporting uses that comply with the new Planning Act definition for Employment Areas. The employment land analysis drew on multiple data sources, including municipal records, property assessment information, and aerial imagery, to identify the types and distribution of businesses within designated Employment Areas. Businesses were classified according to their North American Industry Classification System (N.A.I.C.S.) sector to determine whether they met the Planning Act definition of employment use, distinguishing industrial, construction, utilities, transportation, and waste management activities from other non-employment uses. Using this framework, the Study team mapped current business activity, evaluated the overall composition and function of each Employment Area, and provided a basis for assessing their ongoing suitability, potential boundary adjustments, and long-term land-use planning.

3.3 Core Principle for Evaluating Employment Area Removals

Based on provincial policy direction, the analysis of the existing function of Employment Areas, and analysis of implementation of the P.P.S. in neighbouring municipalities, the following core principle was established for evaluating lands within the City's Employment Areas for removal.

Core Principle: Protect Employment Areas in proximity to major transportation corridors and Goods Movement infrastructure and maintain the configuration, location, and contiguous nature of Employment Areas to prevent their fragmentation.

As directed by policies in subsection 2.8.2 of the P.P.S., the City is obligated to plan for, protect, and preserve Employment Areas for current and future uses. The P.P.S. further directs that Employment Areas should be planned for uses that require those locations, whether that be due to land use compatibility considerations and/or proximity to major Goods Movement facilities and corridors. The criteria for this requirement are not directly specified in the P.P.S. beyond proximity to major Goods Movement facilities or corridors; however, the contiguity of the Employment Area is paramount. Removing lands within an otherwise contiguous Employment Area (i.e., creating a "hole" in the area) introduces a higher potential for conversion to non-compatible uses and encroachment on the industrial function of the Employment Area. Simply removing non-compliant lands from Employment Areas would create many instances of these holes and threaten the viability of the entire Employment Area; therefore, this was not considered as an option.

Contiguity, in this case, generally refers to blocks or clusters of blocks bounded by roadways and/or rail corridors. Where a block is generally functioning within the Planning Act definition, it is recommended to remain within the City's Employment Areas, with lawfully established non-

compliant uses permitted as-of-right. Where a block is serving a broader variety of uses than listed in subsection 1 (1) of the Planning Act, further criteria were required to determine the appropriate path forward. These are described in the subsections below.

3.4 Additional Employment Area Evaluation Criteria

Given that there is a mix of compliant and non-compliant uses across the City, a certain level of discretion is required, based on the evaluative criteria established below, to decide which lands should remain in the City's Employment Areas and which should be removed. For those blocks or areas with a relatively even mix of existing compliant and non-compliant uses, the additional criteria were used to consider lands for removal. Where the criteria were significantly met, land was recommended for removal from the Employment Area, while still considering the land for its potential to function as "employment-generating" lands.

- If land in the Employment Area is overwhelmingly supporting non-industrial uses (e.g., retail or service commercial uses in former industrial buildings), and retention in the Employment Area would limit the continuation of the area's established function.
- If removal would maintain or improve the employment function and job potential of the Employment Area and support flexibility for non-industrial uses.
- If lands were located on the fringe of an assembly of Employment Areas.
- If removal of the lands would not impede direct access to major transportation corridors and Goods Movement infrastructure (e.g., by opening the door for mixed-use development along a high-traffic truck route).
- If lands are adjacent to existing or future residential or mixed-use development, including S.G.A.s and Residential Areas, and removal would support land use compatibility (i.e., where a buffer area between sensitive land uses and manufacturing/warehousing uses is justified).
- If new industrial uses (e.g., manufacturing/warehousing) through redevelopment of the lands would be limited due to size, configuration, access, physical conditions, and/or servicing constraints, etc.
- That the removal of the lands would not compromise the overall supply of large Employment Area sites at the City-wide level.
- That the long-term employment needs of the City have been considered across a broad range of industrial-type and employment-supportive uses within commercial and institutional sectors.

The core principle and these additional criteria were applied to Oshawa's Employment Areas to identify the removals proposed below in subsection 3.5.

3.5 Evaluation of Proposed Employment Area Removals

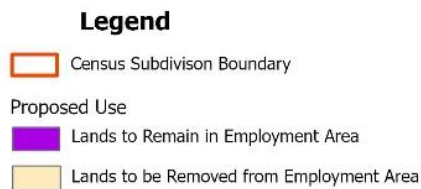
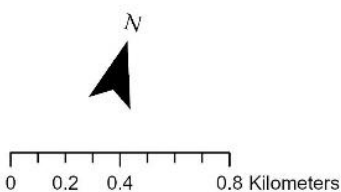
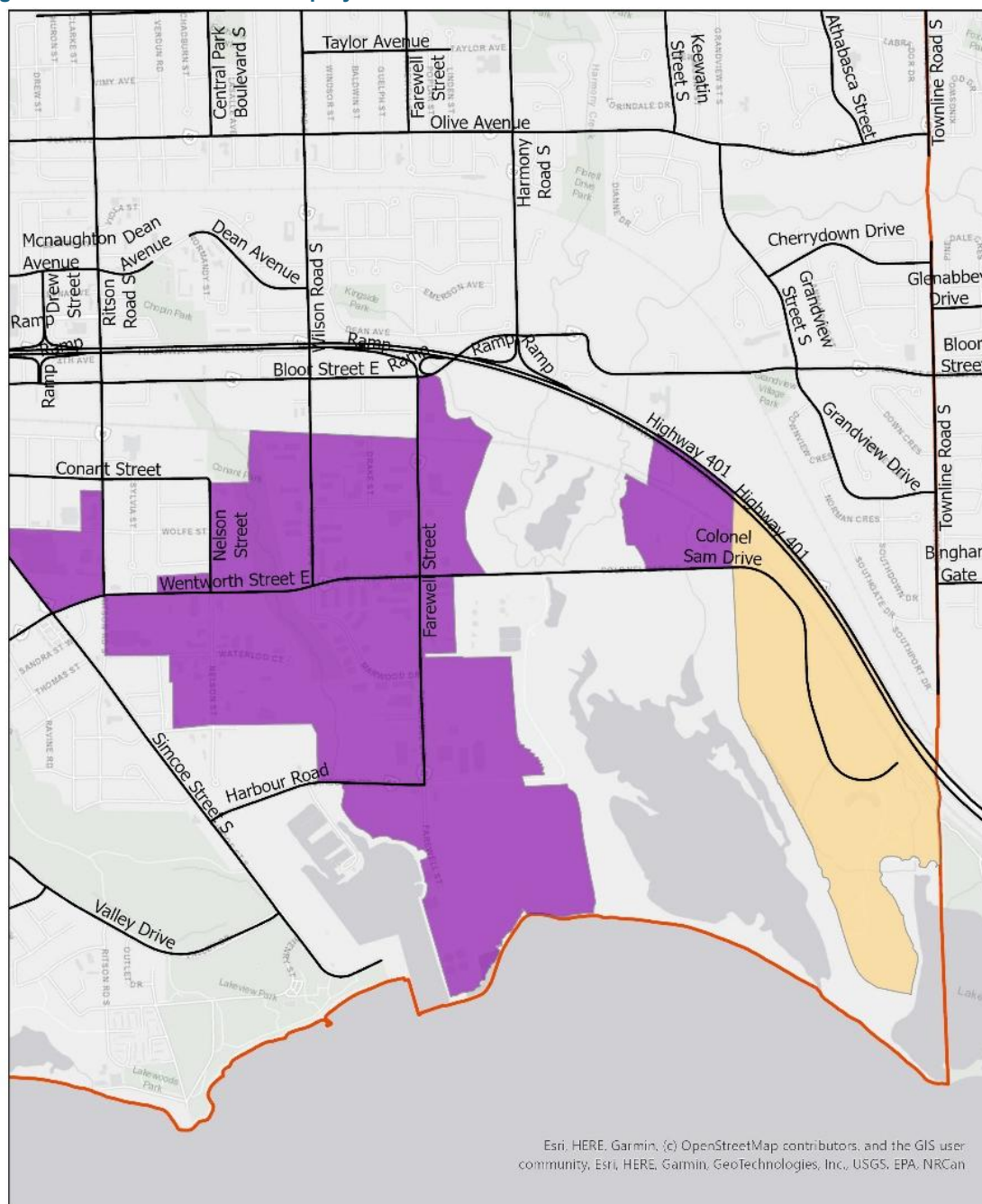
The lands that are suitable candidates for removal, based on the evaluation criteria described above, are listed below, organized by Employment Area or sub-area. It is important to

emphasize that the recommendation to remove lands from the Employment Area does not imply that all associated existing land uses are also removed. The current use and function of these lands can continue to be promoted through more appropriate land use designations and associated policies to continue to encourage employment generation – subsection 4.1.1. of this Report provides further direction regarding this. The O.O.P. may require further policies to establish additional localized criteria to protect against the conversion of employment-generating lands to non-employment uses.

3.5.1 Southeast Employment Area

As shown in Figure 2, the Southeast Oshawa Employment Area is separated into two parts by the Oshawa Second Marsh. The western portion is the Farewell/Harbour Industrial Area, and the eastern portion is the Colonel Sam Business Park, as identified in Policy 2.4.1.6 of the O.O.P. While the western portion and the northern part of the eastern portion contain larger parcels with primarily industrial and other employment-supportive uses, the balance of the eastern portion is distinct in character. It consists mainly of major office uses, namely Ontario Power Generation (O.P.G.) and Concentrix, and several vacant parcels that do not currently support industrial activity. Given its location at the fringe of the Employment Area and its existing office-oriented function, removal of these lands would maintain and potentially enhance the City's overall employment function by supporting flexibility for major office development and diversifying the employment base. Furthermore, these lands are well-positioned to support growth in the nuclear sector; therefore, they should be capable of hosting a variety of uses, including office space, light manufacturing, research and development, and other activities related to the growth of this sector. Accordingly, these lands are recommended for removal from the Employment Area designation.

Figure 2: Oshawa Southeast Employment Area – Colonel Sam Business Park Lands Recommended for Removal



Source: Watson & Associates Economists Ltd., based on City of Oshawa G.I.S. data.

3.5.2 Oshawa North Employment Area

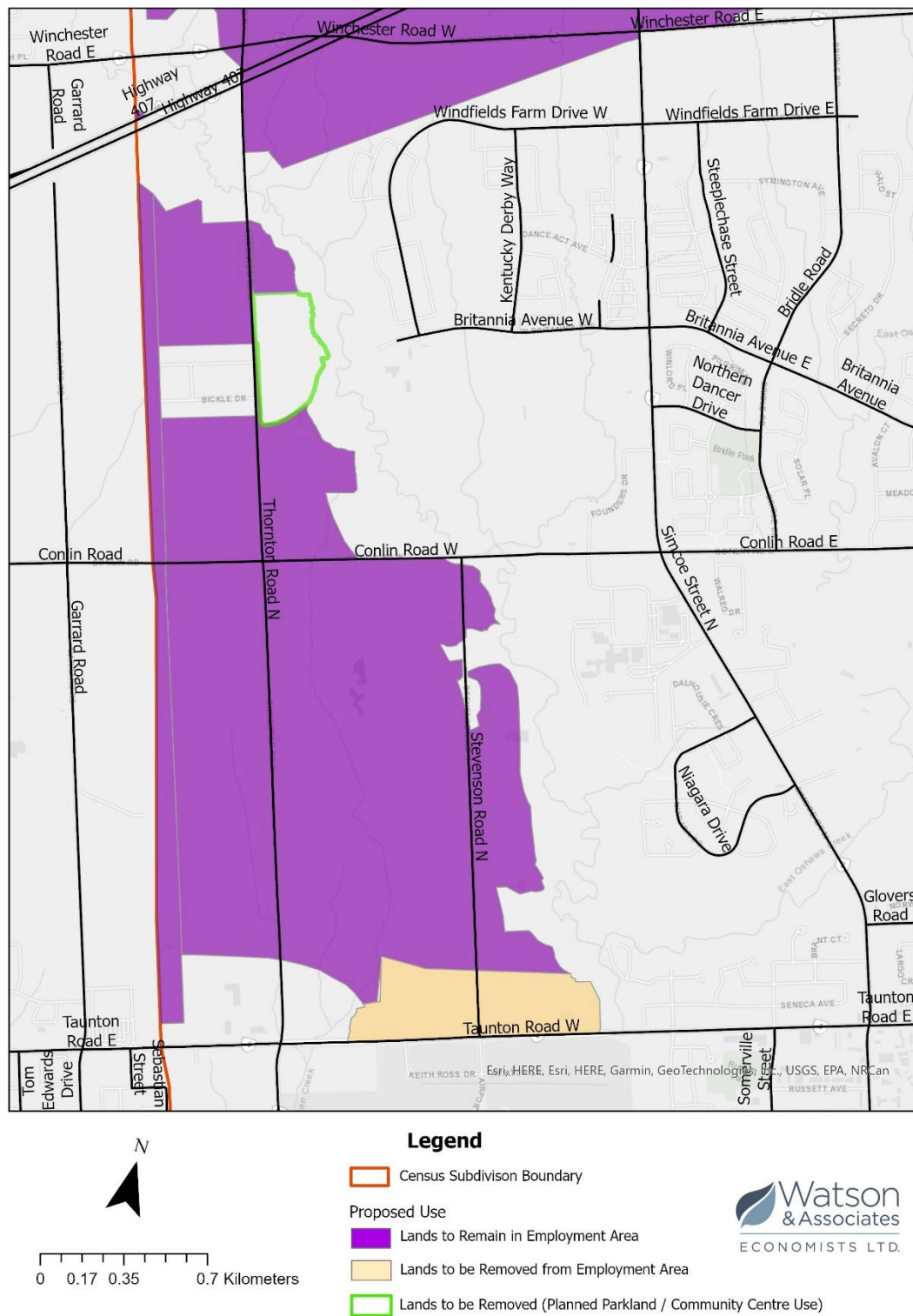
The Oshawa North Employment Area remains largely vacant, with a limited number of parcels developed for industrial uses. As a relatively new Employment Area converted from rural land, several parcels continue to contain existing residential uses. Over the forecast horizon, these lands are expected to transition predominantly to industrial development, consistent with their intended function.

With this being said, there is a cluster of parcels along the north side of Taunton Road West (representing the southerly portion of the Northwood Business Park) that are serving commercial/retail functions. The cluster of commercial lands south of Taunton Road West does not fall within the Employment Area boundary, but the lands to the north do. Specifically, Policy 2.4.5.16 of the O.O.P. permits lands north of Taunton Road West between Goodman Creek and Oshawa Creek (generally between Thornton Road North and Simcoe Street North) to be developed for large-format retail uses of at least 2,000 m², provided they are compatible with their surroundings, supported by transportation and retail impact studies, and designed in accordance with transit-supportive, high-quality urban design principles.

Given the smaller parcel fabric, existing commercial permissions, and the well-established retail function along this stretch of Taunton Road West, the land functions as a transition area between the balance of the Northwood Business Park situated to the north and adjacent commercial uses to the south. Their configuration and use pattern limit their suitability for traditional industrial development, as the parcel sizes and access arrangements are not conducive to accommodating larger-scale industrial operations. As such, these lands represent the fringe of the Northwood Business Park, where flexibility to support continued commercial and retail activity is appropriate, and their removal would not materially affect the City's overall supply of Employment Area sites. Accordingly, the lands identified in Figure 3 are recommended for removal.

Furthermore, the City-owned land located approximately at the northeastern edge of the Northwood Business Park is currently planned to accommodate a community centre and parkland uses, also referred to as the Northwood Community Centre Site. This parcel, shown in a green outline in Figure 3, is designated as Employment Area in the current O.O.P., but it is not intended to be developed for employment or employment-generating purposes. Accordingly, these lands are recommended for removal from the Employment Area and are not recommended for identification as employment-generating lands, given their planned community function. These lands have been excluded from the Employment Area land supply and inventory for the purposes of this analysis.

Figure 3: Oshawa North Employment Area – Northwood Business Park Lands Recommended for Removal



Source: Watson & Associates Economists Ltd., based on City of Oshawa G.I.S. data.

4 Employment Land Needs, 2056

4.1 Employment Land Supply

As discussed in Chapter 3 and shown previously in Figure 1, the City has four broad Employment Areas: Oshawa North, Northeast, South, and Southeast. These Employment Areas span approximately 1,100 hectares of land designated for development. Within this total, approximately 460 hectares (1,140 acres) are currently vacant and ready for development, around 250 hectares (620 acres) are underutilized with potential for redevelopment/expansion, and roughly 389 hectares (960 acres) are already developed and in active use (see Figure 4). The following describes the land supply of each of the City's Employment Areas (see Appendix B for detailed mapping of the development status of lands within each Employment Area):

- **North Employment Area:** This is a promising area for future growth, with a significant amount of land still vacant. While some parts are already developed or underutilized, the potential here is much greater than in the other Employment Areas. A small portion of this Employment Area was also subject to the removals evaluation.
- **Northeast Employment Area:** This represents the North Kedron Industrial Area, which is the City's newest existing Employment Area and is entirely vacant.
- **South Employment Area:** This area is largely built out, with limited vacant land remaining; however, the significant amount of underutilized land presents a strong opportunity for intensification through the redevelopment or expansion of existing uses.
- **Southeast Employment Area:** Though compact, this area offers a balanced mix of developed and underutilized land. The underutilized portion could support targeted redevelopment, making it a candidate for strategic intensification. Part of this Employment Area is subject to removal from employment use within the context of the P.P.S. (refer to subsection 3.5.1).

Figure 4: City of Oshawa Gross Employment Area Supply by Status

Employment Area	Developed (ha)	Underutilized (ha)	Vacant (ha)	Total (ha)
North	34	16	265	315
Northeast	0	0	134	134
South	267	129	31	427
Southeast	88	105	30	223
Total	389	250	460	1,099

Note: The land area includes the lands designated for employment use in the City's O.P. This also includes lands that are designated for employment-generating uses detailed in the previous chapter. Source: Derived from City of Oshawa GIS data, by Watson & Associates Economists Ltd., 2025.

4.1.1 Employment Lands Supply by Category

Building on the discussion regarding Employment Area removals, this subsection provides a re-evaluation of the employment land supply based on the following land use distinctions:

- **Protected Employment Areas**, as defined by the Planning Act and the P.P.S., are lawfully established uses, which are predominantly intended for industrial uses. As shown in the figures above, these lands are coloured in purple and shall be retained.
- **Employment-generating lands**, which refer to lands that no longer meet the revised definition of Employment Areas under the Planning Act but are still intended to contribute to employment growth within the City of Oshawa. These lands support employment-generating activities, such as major offices and other employment-supportive uses, that may not typically be located in mixed-use or commercial areas. These lands, which are coloured in beige and identified in subsection 3.5, should be removed. Within the employment-generating lands, about 22 hectares remain vacant in the City.
- **Employment lands** refer to both the combined total of Protected Employment Areas and employment-generating lands.

As depicted in Figure 5, the City of Oshawa has 315 net hectares of vacant urban Employment Area land within its current O.P. land use designations and 61 net hectares in the 2051 Urban Expansion Areas. Additionally, approximately 22 net hectares of vacant Employment Area lands have been identified for removal and re-designation to other employment-generating land uses. This brings the total available vacant employment land supply in the City to about 398 net hectares.

Figure 5: City of Oshawa Employment Land Supply

Supply Component	#	Core Employment Area		Employment-Generating Uses (ha)	Total
		Existing Designated Lands (ha)	2051 Urban Expansion Areas (ha)		
Gross Area (ha)	A	415	91	28	534
Adjustments for Roads and Internal Infrastructure ¹ (ha)	B	65	23	4	92
Net Area (ha)	C = A - B	349	68	24	441
Net After Land Vacancy ² (ha)	D = 90% * C	315	61	22	398

¹ Downward adjustment of 25% of the gross area (after environmental take-outs) has been applied to account for internal infrastructure on parcels greater than 4 hectares.

² Assumes an additional vacancy adjustment of 10%.

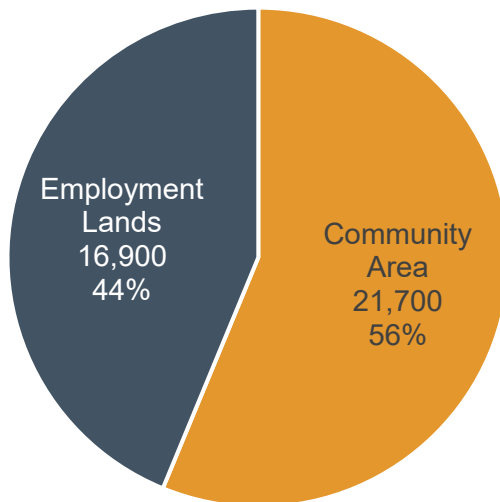
Note: The above supply numbers only include the future available supply and do not include the park/community centre lands recommended for removal within the Northwood Business Park.

4.2 Employment Land Demand

4.2.1 City-Wide Employment Forecast to 2056

As outlined in the L.N.A. Report, the City is forecast to accommodate approximately 38,600 jobs between 2025 and 2056, bringing the total number of jobs to 113,000 by 2056. The 2051 forecast aligns with the forecast set out in Envision Durham and is extended to 2056. As summarized in Figure 6, the City is estimated to accommodate 56% of the jobs within its Community Areas and 44% of the jobs within its employment lands. As a result, it is anticipated that the City will accommodate approximately 16,900 jobs within its employment lands between 2025 and 2056.

Figure 6: City of Oshawa – Employment Lands and Community Areas Employment Forecast, 2025 to 2056

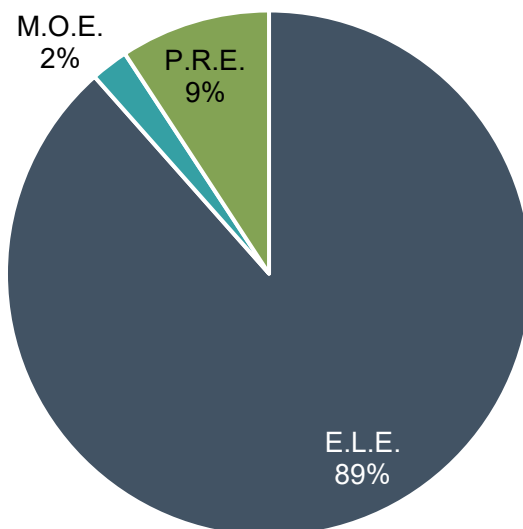


Source: Watson & Associates Economists Ltd., 2025.

4.2.2 Employment Land Forecast, 2025 to 2056

As discussed above, between 2025 and 2056, about 44% or 16,900 jobs are forecast to be accommodated within employment lands of the City. Out of the total jobs, a majority of jobs (89% or about 14,900 jobs) are forecast in the Employment Land Employment (E.L.E.) category, followed by 9% in the Population-Related Employment (P.R.E.) category. The remaining 2% jobs forecast within the Major Office Employment (M.O.E.) category (refer to Figure 7).

Figure 7: City of Oshawa – Employment Land Forecast, 2025 to 2056



4.3 Employment Land Needs

Figure 8 summarizes the employment land needs for the City of Oshawa through 2056. As previously discussed, the City is forecast to accommodate 16,900 jobs on employment lands from 2025 to 2056, with about 15,400 jobs on protected Employment Areas and 1,500 jobs on employment-generating lands. Of these total employment lands jobs, about 4,200 jobs are forecast to be accommodated through intensification, resulting in about 12,700 jobs to be accommodated on vacant employment lands.

Based on a density of 31 jobs per hectare for Protected Employment Areas and 75 jobs per hectare for employment-generating lands, the City has a demand for about 373 hectares of core industrial or Protected Employment Area land and 15 net hectares of employment-generating lands, resulting in an overall land demand of approximately 388 net developable hectares of employment land to 2056.⁹ This aligns with the findings of Envision Durham. In comparison, the City has 398 hectares of vacant employment land supply, resulting in an overall land surplus of about 10 net hectares to 2056. A 7-hectare surplus has been forecast within employment-generating lands, and the Protected Employment Area lands are forecast to have a small surplus of 3 hectares by 2056.

⁹ It is noted that trends in integrated industrial operations with office uses, however, could provide opportunities for the City to maintain higher density levels. The City should continue to monitor its Employment Area land supply to ensure an adequate supply of shovel-ready land is maintained.

Figure 8: City of Oshawa – Employment Land Needs to 2056

-	Calculation	Protected Employment Area (ha)	Employment-Generating Lands (ha)	Total Employment Lands (ha)
Total Jobs	A	15,410	1,480	16,890
Jobs accommodated through Intensification	$B = 25\% \times A$	3,850	370	4,220
Jobs accommodated on Vacant EA Lands	$C = A - B$	11,560	1,110	12,670
Employment Density (jobs/net ha)	D	31	75	33
Employment Land Demand	$E = C / D$	373	15	388
Existing Designated Employment Land Supply	F	314	22	336
Add 2051 Urban Expansion Areas	G	61	0	61
Total Available Supply	$H = F + G$	376	22	398
Employment Lands Surplus to 2056 (net ha)	$I = H - E$	3	7	10

Source: Watson & Associates Economists Ltd., 2025.

5 Policy Recommendations

Building on the policy options and recommendations identified in the L.N.A., the purpose of this chapter is to identify key policy recommendations to position the City's employment lands to support long-term economic development and job creation. The recommendations address legislative conformity and best practice requirements as well as local needs based on the technical analysis completed for the E.L.S. Policy options are also provided for the City's consideration regarding employment land removals, for which there are differing approaches across Ontario municipalities, while still being consistent with the P.P.S.

The policy **recommendations** are intended to be in accordance with the Planning Act and consistent with the P.P.S. Policy **options** are not necessary for conformity, but build on identified opportunities and are provided for the City's consideration as it moves forward on the Oshawa O.P. Review.

5.1 Land Use Designations

Significant changes were made to the provincial policy framework relating to Employment Areas, particularly between the P.P.S., 2020, and P.P.S., 2024. Specifically, the P.P.S., 2024 (hereinafter referred to as P.P.S.) has scoped the definition of uses that can comprise an Employment Area to specific industrial and manufacturing type uses and associated commercial and institutional uses that are located on the same lot. The revised definition explicitly excludes institutional and commercial, including retail and office, not associated with a permitted use; in practice, this restricts new stand-alone office, institutional, and commercial uses from being permitted in Employment Areas.

The in-effect O.P. uses the "Industrial" designation for lands intended for uses such as manufacturing, warehousing and storage, assembly, processing, including reclaiming and recycling, research and development facilities, corporate offices, utility functions, and transportation terminals. As noted previously in this Report, the O.O.P. further categorizes the Industrial areas by type: Prestige Industrial, Select Industrial, General Industrial, and Special Industrial, providing clear direction on the permitted uses and locational criteria. While the O.O.P. does not provide policy direction on Employment Areas, as contemplated by the P.P.S. through O.P.A. 179, the City recognizes that there is additional direction for the conversion of industrial lands designated as Employment Areas in the Durham R.O.P.

The O.O.P. Employment Areas and policies will need to be revised to be consistent with the P.P.S. and have regard for Envision Durham. Where uses that were previously considered employment uses are no longer consistent with the P.P.S., revisions will be required to utilize employment-supporting or mixed-use designations, where feasible. Additionally, the City may consider establishing policies that permit legal non-conforming non-employment uses in Employment Areas, in accordance with the Planning Act.

Recommendation: It is recommended to adopt the P.P.S. terminology and apply the “Employment Area” in the City’s updated O.P. (Planning Act and P.P.S. term).

Recommendation: It is recommended to update the definition of Employment Area to exclude institutional and commercial uses (including retail and office uses), except those associated with manufacturing and warehouse uses.

Recommendation: It is recommended to include a policy in the updated O.O.P. that establishes evaluation criteria, as identified in subsections 3.3 and 3.4, to assist in reviewing the existing Employment Areas. In particular, the City will need an assessment framework to determine which areas remain designated as Employment Area land uses, and which will be regarded as non-employment and/or removed from Employment Areas.

Recommendation: It is recommended to recognize land uses that are not defined as Areas of Employment pursuant to the Planning Act or Employment Areas consistent with the P.P.S., with a policy that explicitly recognizes these uses as lawfully established in accordance with subsection 1 (1.1) of the Planning Act.

Option: For lawfully established uses, as defined in subsection 1 (1.1) of the Planning Act, that are not consistent with the P.P.S. definition of Employment Areas, the City may consider how the use will be treated through the implementing Zoning By-law. There are two options to recognize and regulate lawfully established uses:

1. As-of-Right permissions: this would enable the use to continue, expand, or be redeveloped in accordance with the provisions of the implementing Zoning By-law.
2. Legal non-conforming: this would allow the use to legally exist, in accordance with subsection 34 (9) of the Planning Act; however, the use would be restricted regarding any expansions or alterations, subject to the regulations of the implementing Zoning By-law and an application under subsection 45 (2) of the Planning Act.

5.2 Proposed Employment Area Removals

As part of the E.L.S., a review of the City's existing Employment Areas was completed, identifying three proposed removals based on uses that are not consistent with the P.P.S. definition of Employment Area.

Proposed Removal Site #1: Colonel Sam Business Park

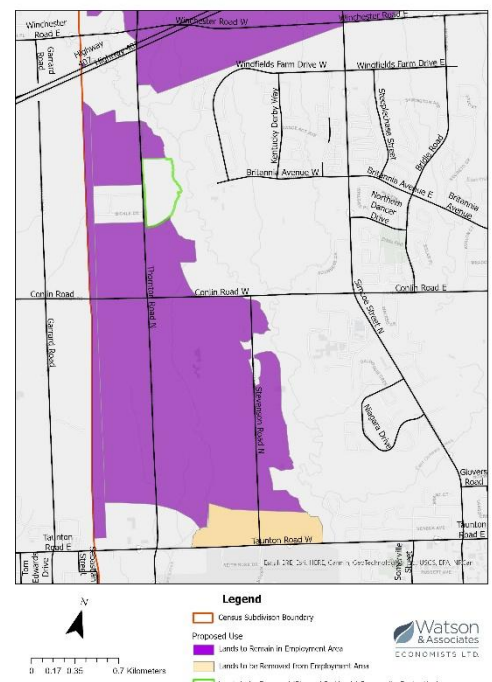
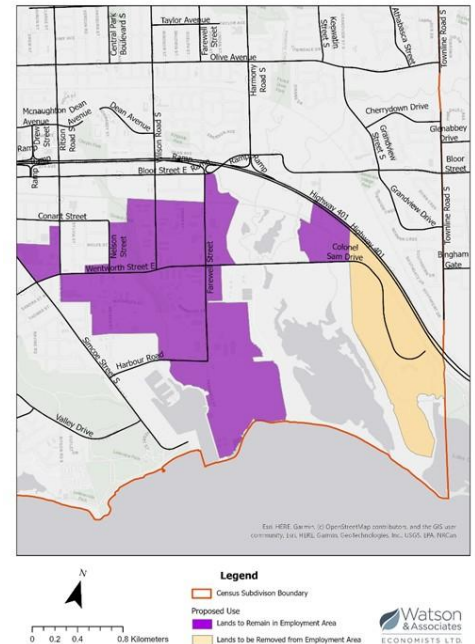
Recommendation: As noted in Chapter 3, it is recommended to remove the lands identified in Figure 2, referred to as the Colonel Sam Business Park, from the City's Southeast Employment Area.

Recommendation: It is recommended that these lands be redesignated to reflect their unique land use context, limited connectivity to surrounding land uses, and proximity to the Oshawa Second Marsh. Through the Oshawa O.P. Review process, the City could consider applying a "Business Park" oriented designation that permits major office and a range of commercial and service-oriented uses that support adjacent employment uses. This designation would reflect existing uses, while promoting the development of this area at a key gateway into the City. Residential use permissions are not recommended given the limited road network, associated connectivity restrictions, and potential land use compatibility conflicts, such as the adjacent rail corridor, the Farewell/Harbour Industrial Area to the west, and proximity to the provincial 400-series highway.

Proposed Removal Site #2: Southeast Portion of the Northwood Business Park (North Side of Taunton Road West between Goodman Creek and Oshawa Creek – generally between Thornton Road North and Simcoe Street North)

Recommendation: As noted in Chapter 3, it is recommended to remove the lands identified in Figure 3, referred to as the Northwood Business Park, from the City's North Employment Area.

Recommendation: It is recommended that the redesignation of these lands be explored further through the Oshawa O.P. Review. They could be redesignated to a use that is reflective of the existing and intended use, such as "Planned Commercial Strip," given the subject lands have frontage along Taunton Road West, which is



classified as a Type “A” Arterial Road in the in-effect O.O.P. This recommendation also recognizes the subject land’s proximity to nearby Community Areas, and adjacency to an Employment Area and the Oshawa Executive Airport, both of which may restrict the development of sensitive land uses, such as residential. Uses contemplated under such a designation would be well oriented to serve the everyday needs of the Employment Area and the Oshawa Executive Airport, as well as the travelling public and nearby residential neighbourhoods. This would also permit existing uses that predominate the subject lands.

Proposed Removal Site #3: Northwood Community Centre Site

Recommendation: As noted in Chapter 3, it is recommended to remove the lands outlined in green, also identified in Figure 3, referred to as the Northwood Community Centre Site, which is located in the Northwood Business Park, from the City’s North Employment Area.

Recommendation: It is recommended that the redesignation of these lands be explored further through the Oshawa O.P. Review. These lands are intended to accommodate a new community centre and park, representing public services uses that are not consistent with the purpose of Employment Areas. An appropriate land use designation would not permit residential uses, reflecting the land’s function and providing a buffer from the nearby business and residential uses. Provided their transitional location between residential and employment-generating uses, the overall impact on adjacent employment lands is expected to be minimal.

5.3 Protecting Strategic Employment Areas

Subsection 2.8.2 of the P.P.S. requires municipalities to plan for, protect, and preserve Employment Areas for current and future uses, ensuring that necessary infrastructure is in place to support current and projected needs. Furthermore, Employment Areas that are located in proximity to major Goods Movement facilities and corridors, including facilities and corridors identified in provincial transportation plans, must be protected for uses that depend on those locations.

Within Settlement Areas, municipalities must designate and plan for Employment Areas, prohibit non-employment uses, and ensure appropriate transitions to adjacent non-Employment Areas for land use compatibility and economic viability (P.P.S. Policies 2.8.1.3 and 2.8.2.3). Employment Areas in O.P.s must be regularly assessed and updated to ensure alignment with their planned function, and land use compatibility must be maintained in accordance with subsection 3.5, Land Use Compatibility, of the P.P.S. to support long-term viability.

Subsection 5.5 of the Durham R.O.P. recognizes that Employment Areas, designated on Map 1 of the Plan, are important for accommodating future job growth in Durham. These areas are typically located along or near major transportation routes and are separated and buffered from nearby Community Areas. They are intended for uses such as manufacturing, warehousing, storage, assembly, and processing, with industrial development directed to occur

within these Employment Areas. Policy 5.5.3 of the Durham R.O.P. directs municipalities to protect Employment Areas adjacent to or near the strategic Goods Movement network for manufacturing, warehousing, logistics and associated uses and ancillary facilities.

The in-effect O.O.P. further emphasizes protecting strategic locations for employment through the Industrial designation, intended for uses that require access to Goods Movement networks, separation from sensitive land uses, or proximity to other similar uses (O.O.P. Policy 2.4.1.2). Through Table 3, “Classification of Industrial Areas” in the O.O.P., the City also establishes key strategic areas and locational criteria for different types of industry.

Recommendation: It is recommended to enshrine the City’s intent for the long-term protection and viability of Employment Areas in the updated O.P. based on the findings of this Report.

5.4 Land Use Compatibility

Subsection 3.5 of the P.P.S. requires major facilities and sensitive land uses to be planned to avoid or, where unavoidable, minimize and mitigate adverse effects to public health, safety, and the long-term viability of major facilities. Where avoidance is not possible, authorities must ensure that the planning and development of proposed adjacent sensitive land uses are only permitted if potential adverse effects to the proposed sensitive land use and potential impacts to the industrial, manufacturing, and other major facilities are appropriately minimized and mitigated.

Subsection 5.5 of the Durham R.O.P. includes policies to protect Employment Areas from encroachment by sensitive or incompatible uses. As the Durham R.O.P. predates the P.P.S., the updated O.O.P. will need to be consistent with the P.P.S. and have regard for the Durham R.O.P.

The in-effect O.O.P. directs that potentially sensitive uses may be permitted on lands designated as Industrial, subject to compatibility in appropriate locations and/or contexts, either as an exception through an amendment to the O.O.P. and/or the Zoning By-law, or through the inclusion of appropriate provisions in the Zoning By-law (O.O.P. Policy 2.4.1.7).

Recommendation: It is recommended that the updated O.O.P. require that development within 300 metres of Employment Areas must avoid or mitigate potential impacts to Employment Areas and their long-term viability.

Recommendation: As an opportunity to augment the policy, the City may consider showing a 300-metre “buffer” around the boundaries of protected Employment Areas on an applicable schedule of the updated O.O.P.

5.5 Employment Area Removals

The P.P.S. has removed the Municipal Comprehensive Review (M.C.R.) process. All related terminology and policies in the O.O.P. must be updated accordingly. As a result of this change,

Oshawa is no longer restricted to considering employment land conversions through that process, which was only permitted on a five- to 10-year cycle.

Policy 2.4.2.5 of the in-effect O.O.P. restricts the conversion or removal of employment lands, stating that the redesignation of industrial lands is only permitted through an M.C.R. under the Growth Plan where the lands are not identified as Regeneration Area. The O.O.P. further directs that if lands are identified as a Regeneration Area, an M.C.R. shall be undertaken as per the provisions of the P.P.S. O.O.P. Policy 2.4.2.6 specifies that City Council decisions to refuse or refrain from deciding on such conversions are not subject to appeal.

Policy 5.5.11 of the Durham R.O.P. only permits Employment Area lands to be considered for conversion during an M.C.R.; this policy is no longer consistent with P.P.S. Policy 5.5.18 of the Durham R.O.P. further requires local municipalities to include employment policies in their respective O.P.s to implement the Durham R.O.P., including policies relating to the protection of Employment Areas from non-employment uses.

Policy 2.8.2.5 of the P.P.S. restricts municipalities from removing lands from Employment Areas unless it is clearly demonstrated that the lands removed are not needed to meet long-term needs. Removals should minimize impacts on existing or planned employment uses, maintain access to major goods movement corridors, ensure adequate infrastructure and services, and retain enough lands to meet job growth forecasts. Subsection 3.4 of this Report provides additional Employment Area evaluation criteria that can guide this removal process.

Recommendation: It is recommended to remove and/or adapt all O.P. policies to reflect the Province's removal of the M.C.R. process for employment land conversions.

Recommendation: It is recommended to include policy criteria to guide the assessment of land removals from Employment Areas. These policies should be aligned with Policy 2.8.2.5 of the P.P.S.

Option: Lands that are recommended to be removed from the Employment Area would not be subject to the removal criteria identified in Policy 2.8.2.5 of the P.P.S. These lands, however, may continue to have an employment-generating and/or employment-supportive function, and therefore the City may consider establishing policy criteria to avoid or mitigate the introduction of non-compatible land uses that may compromise the function of the Employment Area over the longer term.

Option: The City of Oshawa may consider incorporating additional policies to further restrict the removal of Employment Areas. These policies should provide additional direction on the circumstances under which removals may be considered and clear criteria for removals to ensure Employment Areas are protected for long-term economic stability.

5.6 Employment-Generating Land Uses

In the in-effect O.O.P., the Industrial designation is intended for a range of industrial types, including prestige industrial, select industrial, general industrial, and special industrial uses. Specifically, Prestige Industrial includes uses such as corporate offices, business parks, and light industrial uses, while also enabling the Zoning By-law to permit commercial uses in specific locations.

The P.P.S. encourages industrial, manufacturing, and small-scale warehousing uses that can be located within proximity to sensitive land uses without adverse effects to be located in strategic growth areas and other mixed-use areas where frequent transit service is available (P.P.S., Policy 2.8.1.2). The P.P.S. also directs that major office and major institutional development should be directed to major transit station areas or other strategic growth areas where frequent transit service is available (P.P.S., Policy 2.8.1.4).

Recommendation: It is recommended to proactively plan for office and mixed-use development in S.G.A.s, Major Transit Station Areas (M.T.S.A.s), and P.M.T.S.A.'s by directing Major Office development to S.G.A.s/M.T.S.A.s/P.M.T.S.A.s that are served with existing or planned higher-order transit. Furthermore, the target should direct an appropriate level of Major Office development to complement residential development and other population-related functions, thereby creating complete communities. Where Major Office development is integrated with industrial uses, it should be directed to land use contexts where such development cannot be easily accommodated within S.G.A.s/M.T.S.A.s/P.M.T.S.A.s, due to parcel size constraints or specific circumstances related to land use compatibility and/or site configuration.

Recommendation: For employment-generating lands that are not within a protected Employment Area, which typically include major offices and ancillary uses, the City may consider establishing policy criteria to assess O.P.A. applications that seek to permit a different land use(s) altogether. For example, the City may consider applying the following assessment criteria where a redesignation is proposed for lands within employment-generating lands:

- That the lands are not marketable or viable for business park-type uses due to constraints such as access, irregular lot configuration, or other locational or physical limitations that are not conducive to the form or function of the land use;
- That there is a demonstrated need for the proposed use;
- That the lands are not directly adjacent to lands in an Employment Area;
- That the proposed development demonstrates that the total job yield of the lands can be maintained or improved; and
- That the proposed new land uses will not adversely impact the transportation network and movement of goods in an adjacent or nearby Employment Area.

6 Conclusions

The E.L.S. confirms that Oshawa maintains a sufficient and strategically positioned employment lands supply to accommodate projected employment growth to 2056. The City's employment lands are well-located along key transportation and Goods Movement corridors, supported by existing and proposed infrastructure as well as a strong regional labour force. Together, these attributes reinforce Oshawa's role as a major industrial and employment centre within Durham Region and the broader G.T.H.A.

The assessment finds that the City's employment land supply is generally well aligned with long-term demand, requiring only targeted refinements to ensure continued conformity with the P.P.S. Recommended removals were guided by criteria emphasizing contiguity, access to Goods Movement infrastructure, and overall contribution to the City's industrial land base. The lands proposed as employment-generating lands through removal represent fringe areas or sites that have transitioned toward non-industrial uses, have limited redevelopment potential, or serve as buffers between Employment Areas and adjacent sensitive or mixed-use areas. While these sites are identified for removal, they will continue to form an important component of the City's broader employment land supply, accommodating employment-generating uses that support the City's Protected Employment Areas. These lands play a complementary role in attracting and retaining knowledge-based and services-producing sectors, strengthening the overall diversity and resilience of the City's employment base. Their redesignation will also enhance land use compatibility and reinforce continued investment in high-quality employment uses that complement, rather than compete with, industrial activity.

This strategic approach balances protection and flexibility: safeguarding key Employment Areas for long-term industrial use while providing the City with a clear framework for evaluating future removal requests. Implementation of this E.L.S. through the Oshawa O.P. Review will ensure consistency with the City's land use designations and policy framework with updated provincial direction.

Collectively, the E.L.S. provides the policy and analytical foundation to ensure Oshawa's employment lands remain productive, adaptable, and resilient through to 2056. Its findings will inform the forthcoming Growth Phasing and Urban Expansion Options Report, ensuring employment land planning is coordinated with population growth, servicing, and infrastructure investment across the City's broader growth management framework.

7 Acronyms and Abbreviations

- Background Discussion Paper (B.D.P.)
- Bank of Montreal (B.M.O.)
- Built-Up Area (B.U.A.)
- Designated Growth Area (D.G.A.)
- Employment Land Employment (E.L.E.)
- Employment Lands Strategy (E.L.S.)
- Geographic Information System (G.I.S.)
- Greater Toronto and Hamilton Area (G.T.H.A.)
- Gross Domestic Product (G.D.P.)
- Growth Management Study (G.M.S.)
- Land Needs Assessment (L.N.A.)
- Major Office Employment (M.O.E.)
- Major Transit Station Area (M.T.S.A.)
- Municipal Comprehensive Review (M.C.R.)
- North American Industry Classification System (N.A.I.C.S.)
- No Fixed Place of Work (N.F.P.O.W.)
- Official Plan (O.P.)
- Official Plan Amendment (O.P.A.)
- Ontario Power Generation (O.P.G.)
- Organization for Economic Co-operation and Development (O.E.C.D.)
- Oshawa Official Plan (O.O.P.)
- Population-Related Employment (P.R.E.)
- Provincial Planning Statement (P.P.S.)
- Protected Major Transit Station Area (P. M.T.S.A.)
- Purchasing Managers' Index (P.M.I.)
- Regional Official Plan (R.O.P.)
- Strategic Growth Area (S.G.A.)
- United States of America (U.S.A.)

Appendix A: Provincial Economic Outlook within the Broader Canadian and Global Context

Provincial Gross Domestic Product Trends and Near-Term Forecast

Ontario's economic base has gradually shifted from goods-producing sectors like manufacturing and primary resources to services-producing sectors, mirroring broader trends in the Canadian economy. This transition has been largely driven by declines in manufacturing gross domestic product (G.D.P.), especially following the 2008/2009 global downturn. While manufacturing remains a key part of Ontario's economy, the sector is evolving by becoming more capital and technology-intensive, with increased automation and reduced labour needs. These changes are expected to boost G.D.P. output per employee over the next decade, as production becomes more cost-effective and value-added. Recent years have shown signs of stabilization in manufacturing G.D.P., both before and after the COVID-19 pandemic.

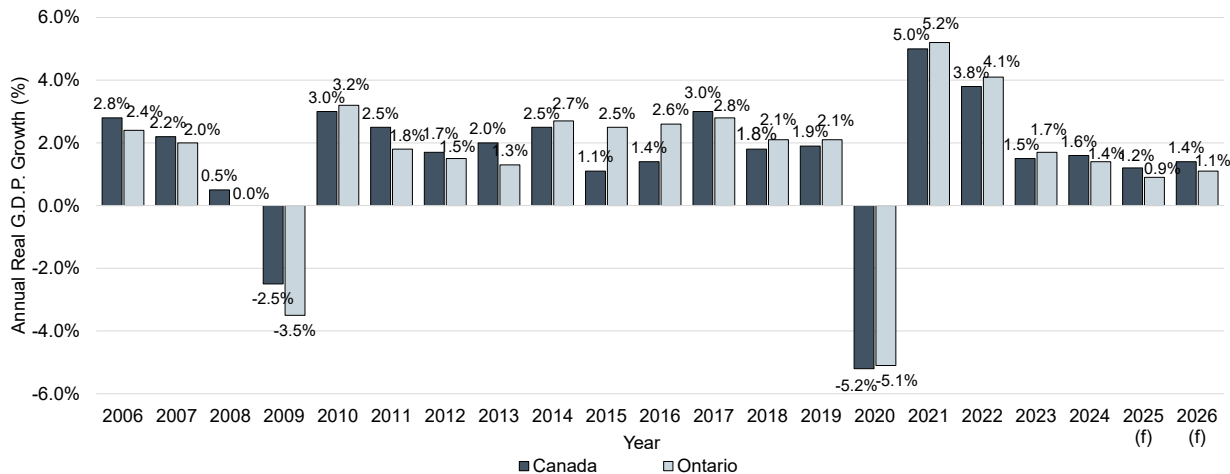
Over the past decade, Ontario's export-based economy has rebounded from the 2008/2009 downturn, with a notable recovery by 2014. This resurgence was partly driven by a gradual rebound in manufacturing, supported by a lower Canadian dollar and strengthening U.S. and Canadian economies. This economic rebound was partially driven by a gradual recovery in the manufacturing sector, fueled by a lower-valued Canadian dollar combined with the gradual strengthening of the U.S. and Canadian economy.¹

The Canadian and Ontario economy deeply contracted by 5.1% in 2020 during the onset of the COVID-19 pandemic, before sharply rebounding by 5.2% in 2021. Throughout 2022, the Ontario economy continued to expand and grew by 3.9%, while the overall Canadian economy grew by 3.8%. B.M.O. Capital Markets has forecast that G.D.P. growth will decline to 0.9% in Ontario and 1.2% overall for Canada in 2025. For 2026, an annualized G.D.P. growth rate of 1.1% is forecast for Ontario and 1.4% for all of Canada, suggesting a downturn in economic growth in the near term, largely driven by global economic uncertainty in response to current U.S. tariffs and protectionist measures.²

¹ Valued at approximately \$0.73 U.S. as of August 2025.

² Provincial Economic Outlook, B.M.O. Capital Markets, October 3, 2025.

Figure A-1
Province of Ontario and Canada
Annual Real Gross Domestic Product (G.D.P.) Growth, Historical (2006 to 2024), and Forecast (2025 to 2026)



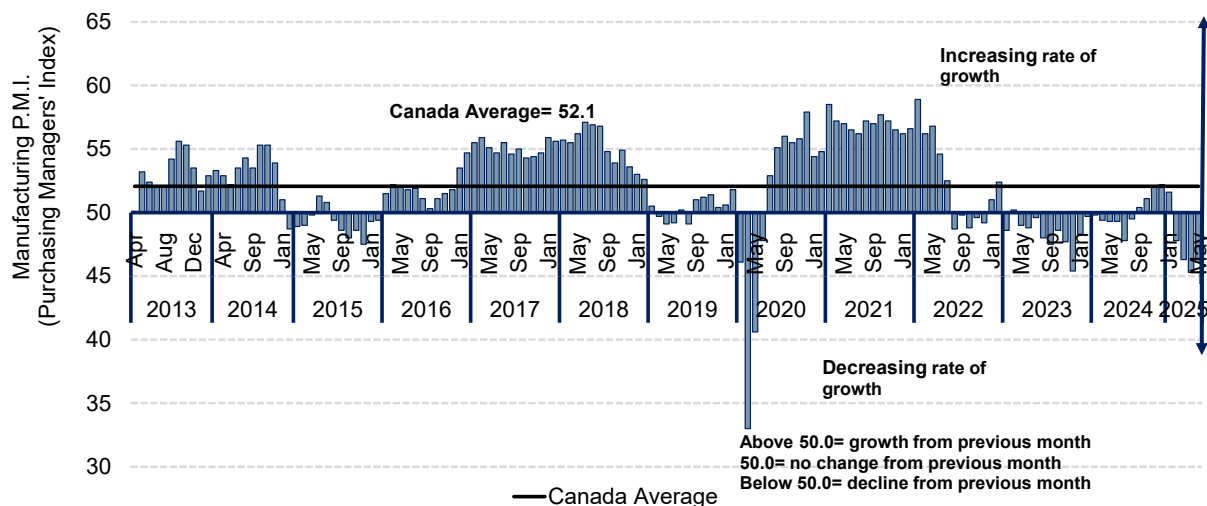
Note: The years 2025 and 2026 are forecasts by B.M.O. Capital Markets Economics.

Source: Derived from B.M.O. Capital Markets Economics, Provincial Economic Outlook, October 3, 2025, by Watson & Associates Economists Ltd.

Outlook for National and Provincial Manufacturing Sector

The Purchasing Managers' Index (P.M.I.) is a prevailing economic indicator for economic trends in the manufacturing and services sectors. It is based on the purchasing managers' market condition outlook and serves as a key measure of the direction of the manufacturing sector on a monthly basis. The P.M.I. is a number that ranges between 1 and 100. A P.M.I. value greater than 50 represents an expansion relative to the previous month, while a P.M.I. value less than 50 represents a contraction. Figure A-2 summarizes the P.M.I. for Canada between 2013 (October) and 2024 (June). As illustrated, the P.M.I. largely indicated moderate to strong expansion between 2013 and 2021, with the exception of 2015, 2019, and 2020, for which the index showed sustained monthly contractions. The P.M.I. shows steep contractions in manufacturing at the beginning of March 2020 due to the negative effects of COVID-19 on the global economy, international trade, and the general demand for goods and services. These conditions worsened into April 2020; however, they showed signs of a strong rebound by July 2020, before moderating by July 2022. For the remainder of 2022 to January 2025, the index showed moderate contractions with brief periods of expansion before entering sustained contractions for the rest of 2025.

Figure A-2
Canada
Purchasing Managers' Index, April 2013 to May 2025

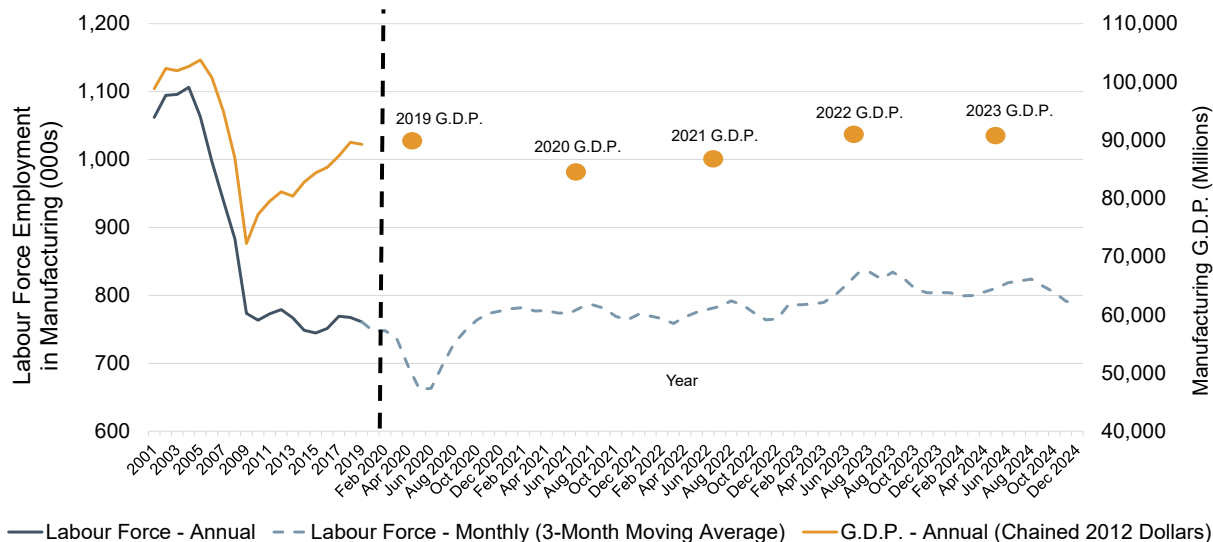


Note: Above 50.0 indicates growth from the previous month, 50.0 indicates no change from the previous month, and values below 50.0 indicate a decline from the previous month.

Source: HIS Markit Canada, Canada P.M.I. Index, June 2012 to May 2025, summarized by Watson & Associates Economists Ltd.

While manufacturing remains vitally important to the provincial and regional economy with respect to jobs and economic output, this sector has not represented an employment growth sector at the provincial or regional level over the past several decades. As summarized in Figure A-3, from 2004 to 2009, the labour force and G.D.P. of Ontario's manufacturing sector decreased significantly. Between 2009 and 2019, however, provincial labour force levels stabilized in this sector, while G.D.P. output steadily increased. Since stabilizing in 2010, labour force levels in the manufacturing sector have remained relatively steady except for the mid-2020 decline and sharp recovery following the onset of COVID-19.

Figure A-3
Province of Ontario
Manufacturing Labour Force Trends 2001 to December 2024



Source: Annual labour force data from Statistics Canada Labour Force Survey, Table 282-0125, monthly data from Table 14-10-0091-01, and 2021 to 2023 monthly data from Table 14-10-0388-01. Annual gross domestic product (G.D.P.) data from Statistics Canada Table 36-10-0402-01, by Watson & Associates Economists Ltd.

Appendix B: Detailed Employment Area Land Supply

Figure B-1

Oshawa North and Northeast Employment Areas – Employment Land Supply by Status, 2025

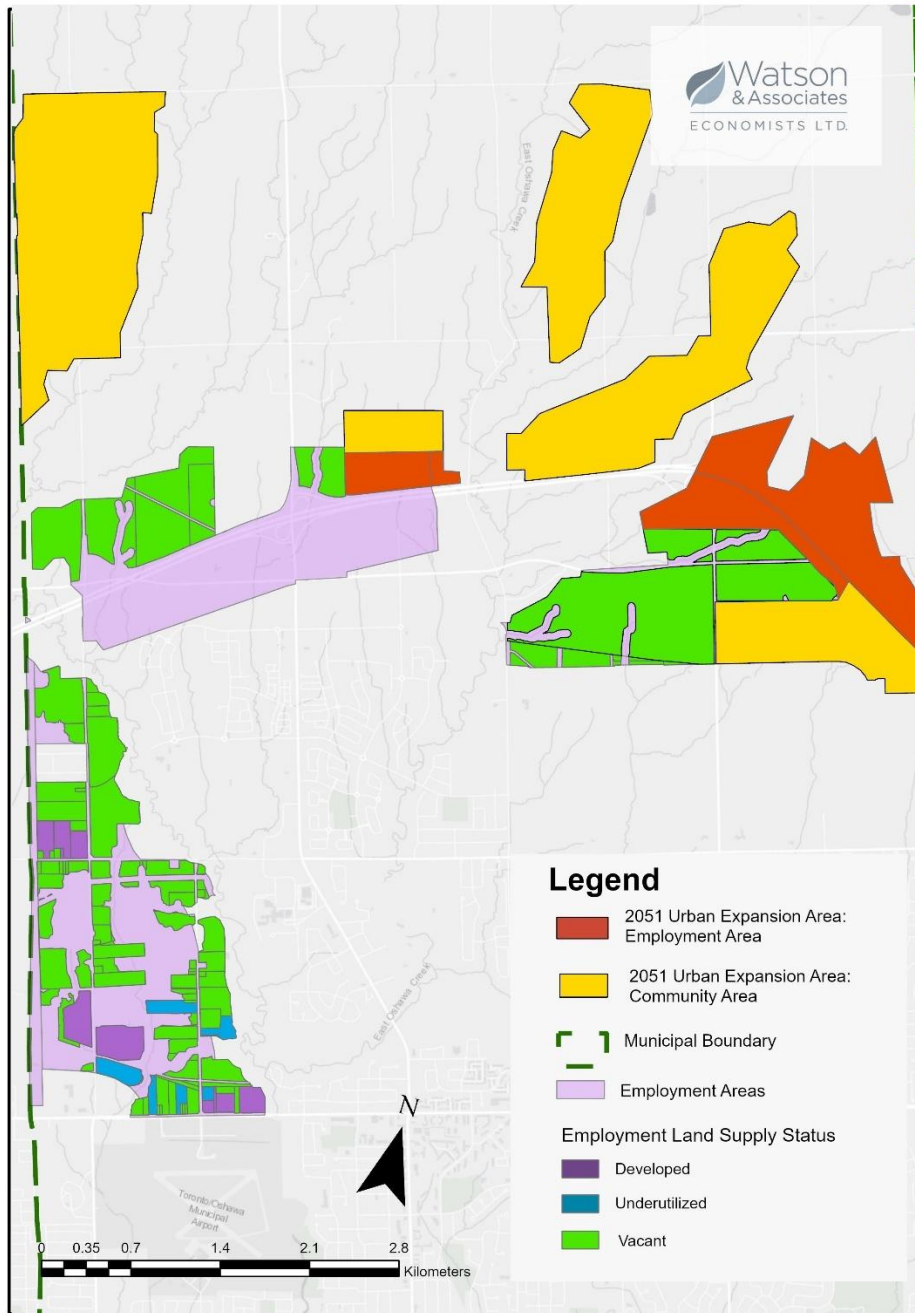


Figure B-2
Oshawa South Employment Area – Employment Land Supply by Status, 2025

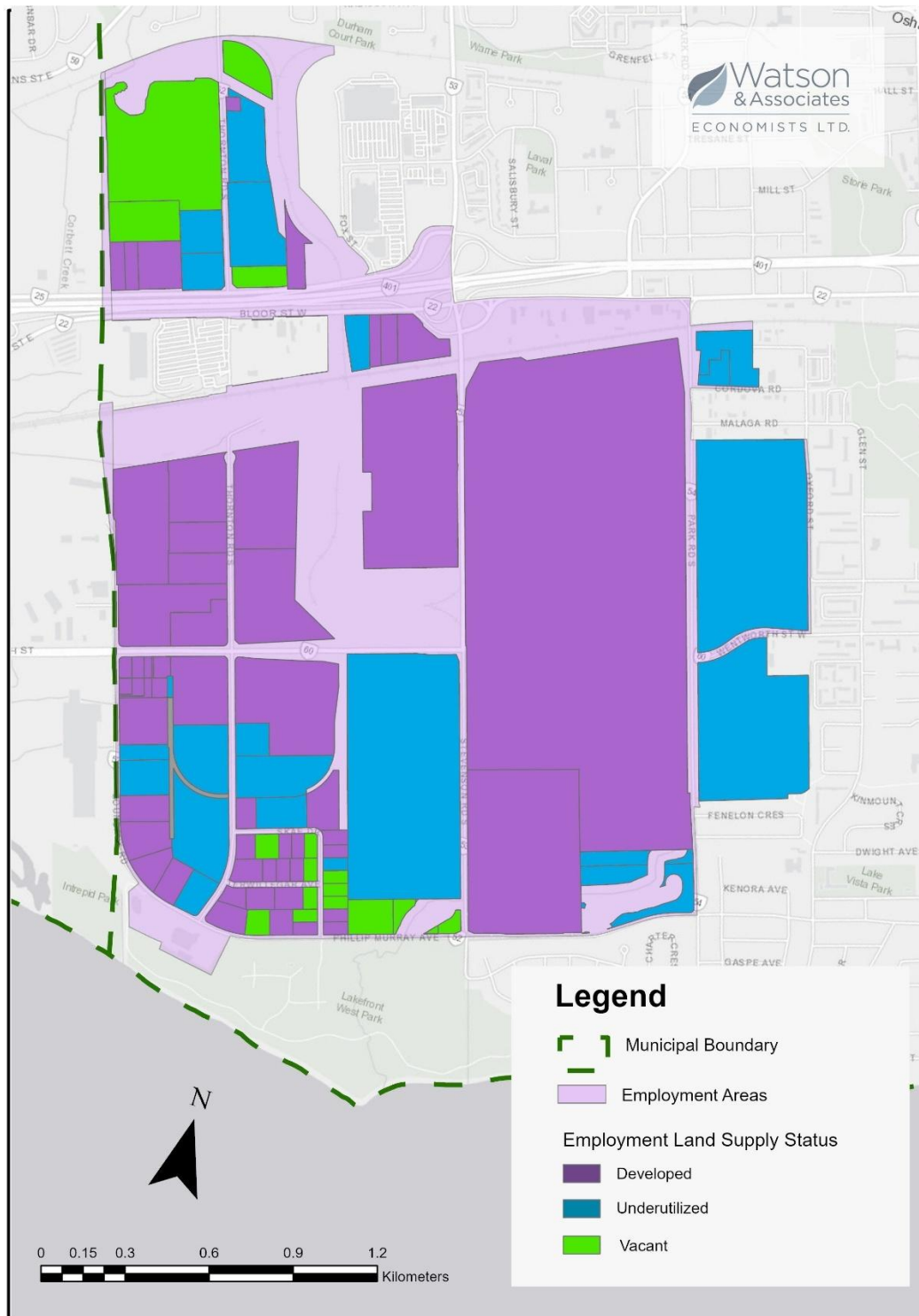


Figure B-3
Oshawa Southeast Employment Area – Employment Land Supply by Status, 2025

