



The background of the cover features a blurred image of a financial trading screen. It displays a candlestick chart on the left and a line chart on the right. A large, semi-transparent blue circle is positioned on the right side of the page, partially overlapping the line chart. The title text is centered within this blue circle.

Employment Areas Review Financial and Market Analysis Technical Report

July 2025





Financial and Market Analysis Technical Report

Town of Oakville
Employment Areas Review

Final Report

September 2025

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List of Acronyms and Abbreviations

A.I.	artificial intelligence
C.M.A.	Census Metropolitan Area
D.C.	development charge
D.C.A.	Development Charges Act
G.D.P.	gross domestic product
G.F.A.	gross floor area
G.T.A.	Greater Toronto Area
G.T.H.A.	Greater Toronto and Hamilton Area
G.G.H.	Greater Golden Horseshoe
O.P.	official plan
Q.E.W.	Queen Elizabeth Way
sq.m.	square metre/metres
sq.ft.	square foot/feet
U.S.	United States



Executive Summary

This Financial and Market Analysis Technical Report offers a comprehensive assessment of current and emerging market trends impacting Employment Areas in the Town of Oakville. It serves as the second component of the broader Employment Areas Review and is intended to support informed land use planning, economic development and policy decisions by identifying key challenges and opportunities within the Town's Employment Areas.

The first report of the Employment Area Review, the Background Facts Report, provided an overview of existing research, background data, best practices, and studies related to Employment Areas.^[1] Building on the results of this report, the third and final report will provide land use options and planning policy directions for the Town's official plans in response to evolving macro-economic conditions and changes in provincial policy.^{[2],[3]}

The key objectives of this Financial and Market Analysis Technical Report include:

- Evaluate macro-economic and regional market trends influencing employment land demand;
- Assess the performance of Oakville's industrial, office, and commercial markets;
- Identify target sectors and industry clusters aligned with Oakville's strengths;
- Examine site and locational requirements for future employment growth;
- Assess the Town's existing Employment Area inventory, including the supply of vacant Employment Area sites;
- Identify capital and operating cost implications associated with future growth in Employment Areas and outline potential funding sources to support required infrastructure investment; and

^[1] Background Facts Report, Employment Areas Review, 2025, Town of Oakville.

^[2] In 2024 the *Planning Act* was amended under subsection 1 (1) to include a new, more narrowly scoped definition of "area of employment." This definition of Employment Area has been revised to include only industrial-type employment as a primary use.

^[3] Options for Land Use and Preliminary Direction Report, July 2025, Town of Oakville prepared by Watson & Associates Economists Ltd.



- Provide preliminary considerations for the Town's Employment Areas, with a focus on protection and the identification of opportunities for enhancement and intensification.

As part of the Town's Employment Area Review, two rounds of consultations are planned with interested parties and the public. The first round was held in June 2025, while the second round is scheduled for Fall 2025. These consultations aim to present preliminary findings, gather feedback to inform the final report, and support the development of updated policies for the Town's official plan.

Provided below is a summary of the key findings of this analysis.

Market and Economic Trends

Oakville's employment landscape is shaped by broader structural and macro-economic changes, including:

- A growing focus on knowledge-based sectors such as advanced manufacturing, health care, professional services, information and communication technology (ICT), and life sciences;
- Continued demand for industrial space, notably for logistics operations, advanced manufacturing, and integrated industrial-office uses;
- A stabilizing office market, with hybrid work influencing vacancy trends and space requirements;
- Demand for employment-supportive commercial uses that enhance worker amenities and site attractiveness; and
- Accommodation needs of non-industrial uses, which may be potentially displaced under a more narrowly defined provincial definition of Employment Areas.

Despite recent volatility and the impacts of the coronavirus disease (COVID-19) pandemic, Oakville's industrial base has shown strong resilience, with low vacancy rates, competitive rental prices, and new speculative developments signaling confidence in the market. The office sector, concentrated along the Queen Elizabeth Way (Q.E.W.) corridor, remains an important contributor to the Town's knowledge economy. Evolving workplace trends, however, will continue to shape future space requirements.



Target Sector Analysis

Based on employment trends, location quotients, and alignment with the town's economic development goals, the following sectors are identified as strategic priorities:

- Advanced Manufacturing;
- Research and Development/Knowledge-Based Sectors;
- Health and Life Sciences; and
- Professional, Scientific, and Technical Services;

These sectors require a mix of prestige, general, and flexible Employment Area land typologies, with varying infrastructure and locational needs.

Employment Area Observations

Within the Town, there are seven key Employment Areas that are strategically located along major transportation corridors, including Highways 403 and 407, the Q.E.W., and GO Transit lines. These areas support a wide range of industrial, office, and mixed-use developments and serve as key hubs for job creation and business activity.

This review identified seven major Employment Areas, each with distinct characteristics and growth dynamics. Areas such as Q.E.W. East and Winston Park have recently demonstrated particularly strong employment growth, adding approximately 6,200 jobs combined over the past five years. The Town's Employment Area land inventory is largely developed, concentrated in the southern portion of the town. The limited availability of the remaining vacant land in Oakville highlights the importance of intensification and strategic planning.

Conclusion

Despite ongoing global economic uncertainty, the Town of Oakville is well positioned to support long-term economic growth and employment through a diverse and evolving employment land base. This Financial and Market Analysis Technical Report has highlighted the key macro-economic, regional, and local trends in shaping industrial, office, and commercial development across the Greater Toronto and Hamilton Area, with specific insights into Halton Region, and more specifically the Town of Oakville.

Ensuring the availability of appropriately serviced, shovel-ready Employment Area lands with suitable attributes such as parcel size, zoning flexibility, and proximity to transit and



amenities will be critical. The Town's planning efforts must also respond to broader economic forces such as automation, artificial intelligence, and e-commerce, which continue to redefine site needs and operational models across industrial and office sectors.

To remain competitive, the Town of Oakville must continue to:

- Protect and enhance the town's finite supply of Employment Area lands, including employment-generating areas which are no longer recognized by the Province as Employment Areas;
- Adapt policy frameworks to ensure the Town's Employment Area lands remain competitive while also responding to evolving site requirements, space needs and work arrangements;
- Invest in infrastructure and placemaking to support business attraction and workforce retention;
- Encourage and facilitate the increased utilization of the Town's established Employment Area lands through intensification;
- Invest in infrastructure (i.e., roads, water, wastewater, and stormwater) and account for increased operating costs to support additional employment growth; and
- Integrate employment and housing strategies to address the needs of a growing and diverse labour force.

This technical report provides a foundation for informed decision-making as the Town proceeds with the broader Employment Area Review. It offers key insights to inform future land use planning, infrastructure investment, and economic development strategies to ensure that Oakville's Employment Areas continue to thrive as vital contributors to the Town's economy.



1. Introduction

1.1 Terms of Reference

The Town of Oakville retained Watson & Associates Economists Ltd. (Watson) in association with WSP to prepare an Employment Areas Review. The purpose of the Employment Areas Review is to review the land use designations and policies that guide growth and development within the Town's Employment Areas while ensuring long-term job growth and the protection of the Employment Area land supply.^[4]

This report represents the second of three reports prepared as part of this Employment Areas Review. The first report, the Background Facts Report, provided an overview of existing research, background data, best practices, and studies related to Employment Area lands.^[5] Building on the results of this report, the third and final report will provide land use options and planning policy directions for the Town's official plans (O.P.s) in response to evolving macro-economic conditions and changes in provincial policy.^{[6],[7]}

This review takes a comprehensive approach, examining all employment and industry-related policies and land uses as an integrated system across the Town of Oakville. It will be conducted in alignment with the Town's Economic Development Strategy^[8] and relevant policies from Halton Region.

^[4] The Town of Oakville O.P. currently defines Employment Areas based on the following four land use categories: Office Employment, Business Employment, Industrial, and Business Commercial (O.P., pp. D-16 and D-17). While recent provincial changes have narrowed the definition of Employment Area to focus on industrial-type uses for land protection, this does not mean Oakville's Employment Areas are exclusively industrial. Therefore, for this report, "Employment Area" refers to the current Oakville O.P. definition, pending further refinement as part of the broader study. Anticipated Employment Area growth is aligned with the provincial definition.

^[5] Background Facts Report, Employment Areas Review, 2025, Town of Oakville.

^[6] In 2024 the *Planning Act* was amended under subsection 1 (1) to include a new, more narrowly scoped definition of "area of employment." This definition of Employment Area has been revised to include only industrial-type employment as a primary use.

^[7] Direction and Options for Land Use and Preliminary Direction Report, July 2025, Town of Oakville, prepared by Watson & Associates Economists Ltd.

^[8] Town of Oakville Economic Development Plan 2025–2029, May 2025, prepared by Deloitte.



Upon completion, the Employment Areas Review will provide a strategic framework and policy recommendations for protected Employment Areas, ensuring they continue to support the Town's urban structure and planned functions.

The primary objectives of this assignment are listed below:

- Evaluate macro-economic and regional market trends influencing employment land demand;
- Assess the performance of Oakville's industrial, office, and commercial markets;
- Identify target sectors and industry clusters aligned with Oakville's strengths;
- Examine site and locational requirements for future employment growth;
- Assess the Town's existing Employment Area inventory, including the supply of vacant Employment Area sites;
- Identify capital and operating cost implications associated with future growth in Employment Areas and outline potential funding sources to support required infrastructure investment; and
- Provide preliminary considerations for the Town's Employment Areas, with a focus on protection and the identification of opportunities for enhancement and intensification.

As part of the Town's Employment Area Review, two rounds of consultations are planned with interested parties and the public. The first round was held in June 2025, while the second round is scheduled for Fall 2025. These consultations aim to present preliminary findings, gather feedback to inform the final report, and support the development of updated policies for the Town's O.P.



2. Regional and Macro-Economic Trends

The following chapter provides an overview of recent macro-economic trends that are anticipated to influence future economic activity, employment, and labour force growth within Halton Region and, more specifically, the Town of Oakville and the broader regional market over the coming decades.

2.1 Navigating Increased Uncertainty in a Changing Global Economy

After several years of resilient global economic growth following the 2020 and 2021 lockdowns during the coronavirus disease (COVID-19) pandemic, the global economy is now facing a number of near-term economic challenges and geo-political conflicts. These global economic challenges largely relate to unresolved conflicts associated with the ongoing war between Ukraine and Russia; the Israel/Gaza and Iranian conflict; rising global trade tensions, particularly with the United States (U.S.); increasing government, corporate and consumer debt; and ongoing concerns regarding persistent inflation.

Collectively, these factors have resulted in heightened global economic uncertainty and volatility, which has raised the likelihood of an economic recession in the U.S. and Canada in 2025. In its latest report, the Organization of Economic Co-operation (OECD) is predicting a softening in their global economic forecast for 2025 and 2026. For Canada, gross domestic product (G.D.P.) is forecast to decline from 1.5% in 2024 to 0.7% in 2025 and 2026, a notable reduction from 2.0% in the December 2024 Economic Outlook.^[9]

For manufacturing-focused regions such as Southern Ontario, goods-producing sectors are being impacted by global disruptions while also undergoing a shift toward advanced technologies focused on electric vehicle production. While not a new trend, globalization and technological advancements continue to shift the economic composition of developed economies from goods-production toward a service-based economy. Since the onset of the pandemic, this economic shift has increasingly raised fundamental concerns in certain cases regarding national security, economic trade

^[9] Steering through Uncertainty, OECD Economic Outlook, Interim Report, March 2025.



balances and prosperity, which has further prompted countries to adopt protectionist measures when setting out their near- and longer-term national economic strategies.

These ongoing structural changes and technological disruptions shaping the global economy, combined with rising geo-political and trade tension, will require that both senior and local governments become increasingly agile and responsive to evolving industry demands and disruptive economic forces, a trend that has been expedited by the COVID-19 pandemic. These revised near-term economic forecasts and ongoing disruptions are anticipated to influence the near-term population and employment growth outlook for Canada, Ontario, Halton Region, and the Town of Oakville over the coming years.

2.2 Evolving Macro-Economic Trends Following COVID-19

Since the outbreak of COVID-19 was declared a pandemic on March 12, 2020, its economic effects have been substantial. Employment sectors, including travel, tourism, hospitality, manufacturing, and energy were hit relatively hard by social distancing measures. In contrast, knowledge-based sectors adapted well to remote and hybrid work, often thriving. Changes in social behaviour, including physical distancing, and increased remote work have led to ongoing economic disruptions, particularly in how work is done. Additionally, rising trade tensions and geopolitical unrest continue to highlight vulnerabilities in globalization and supply chains, which were severely disrupted during the peak of the pandemic.

Following a sharp national economic recovery in 2020 due to COVID-19 policy measures, federal economic support, fiscal stimuli, and vaccine rollouts, the Canadian economy experienced significant economic growth in 2021 and 2022. Despite this recovery, growing macro-economic headwinds, market volatility, increased uncertainty, and reduced confidence are placing downward pressure on the near-term economic growth outlook at the national, provincial, and regional level.

Persistently high global and national inflation levels following COVID-19 required an aggressive response by central banks, leading to sharp increases in interest rates and quantitative tightening measures.^[10] By mid-2024, both the Bank of Canada and the

^[10] Quantitative tightening is a process whereby a central bank reduces the supply of money circulating in the economy by selling financial assets, mainly government bonds.



U.S. Federal Reserve began reducing interest rates in response to declining inflation rates and slowing economic growth. The Bank of Canada has now cut its overnight lending rate multiple times since 2024, reducing the policy rate to 2.75% as of March 2025. Similarly, the U.S. Federal Reserve has also implemented interest rate cuts to support economic growth. As of June 2025, Canada's inflation rate was at 1.9%, a notable decrease from the peak level of 8.1% experienced in June 2022.^[11]

While recent trends in inflation and interest rates are more favourable to Canadian residents, businesses, and investors (relative to the previous two years), their effects often lag and vary considerably at the regional level. Furthermore, despite these more favourable conditions regarding inflation and interest rates, wage and earnings growth have not kept with the pace of rising costs for goods and services over the past several years, with housing and food costs representing key stressors for most Canadian families. It is also important to recognize that ongoing geopolitical conflicts and U.S. protectionist policies (i.e., tariffs) will likely limit the effectiveness of the Bank of Canada monetary policy in controlling inflationary pressures even under conditions of slowing global and national economic growth.

As of 2025, rising public sector and household debt in Canada remains 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 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 for 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 a sustained decline in average housing prices and rents.

While these immediate concerns highlight potential setbacks to the country's economic recovery, 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

^[11] Consumer Price Index June 2025, Statistics Canada.



will be needed to navigate these complexities carefully in the coming months and years ahead.

2.3 COVID-19 and the Changing Nature of Work

In addition to its broader impact on the economy, COVID-19 has also accelerated changes in work and commerce as a result of technological disruptions which were already taking place prior to the pandemic. Businesses are increasingly required to rethink the way they conduct business with an increased emphasis on remote work enabled by technologies such as virtual private networks, virtual meetings, cloud technology, artificial intelligence (A.I.), and other remote work collaboration tools. These disruptive forces continue to broadly impact the nature of employment by place of work and sector, and have a direct influence on commercial, institutional, and industrial real-estate space needs.

As of 2016, it was estimated that approximately 10% of the Town of Oakville's workforce was working from home on a full-time basis. This estimate increased to 13% in 2024, excluding hybrid workers, who are captured as residents with a usual place of work. The recent 2021 Statistics Canada Place of Work data suggests that approximately 41% of the employment base in the Town of Oakville worked from home.^[12] This data was undertaken by Statistics Canada as part of the 2021 Census during a Province-wide lockdown when non-essential employees had limitations for working in the office.^[13] As such, the 2021 Statistics Canada Place of Work data does not necessarily reflect market preference for work at home employment.

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. Since the onset of the COVID-19 pandemic, Statistics Canada has conducted surveys assessing trends in workplace arrangements. During the first wave of the pandemic in 2020, approximately 45% of the labour force was working from home, as illustrated in Figure 2-1. As restrictions were lifted, the portion of the labour force working from home gradually decreased, while hybrid work arrangements, where employees worked partially from home and at locations other

^[12] Statistics Canada Place of Work data, includes usual place of work and no fixed place of work.

^[13] The 2021 Census was carried out in May 2021 during a Province-wide stay-at-home order requiring everyone to remain at home except for essential purposes.



than home, steadily increased. By the second quarter of 2023, work from home levels had stabilized with approximately 16% of the labour force working from home exclusively. This trend remained relatively steady into 2024.

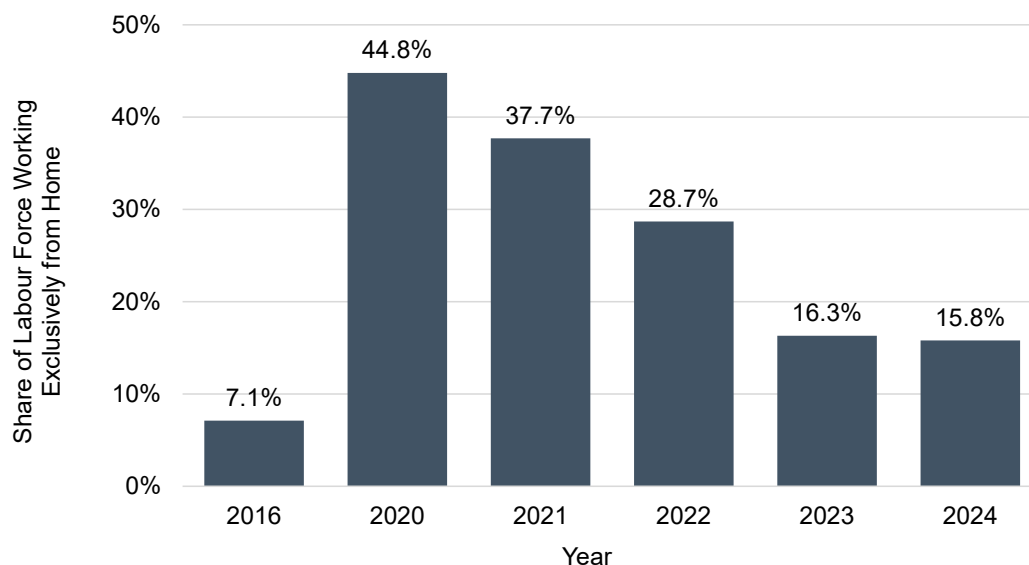
Compared to 2016, it is estimated that the portion of the labour force working exclusively from home has more than doubled; however, there has been a significant drop in work at home since the height of the pandemic in 2020. In addition to the labour force working from home exclusively, approximately another 11% of the labour force in Ontario works in a hybrid arrangement.^[14] It is important to highlight that, in 2024, most of Ontario's labour force (approximately 74%) did not work from home or participate in a hybrid work arrangement. Figure 2-2 illustrates that approximately 27% of employees work from home or are in a hybrid work arrangement.

Going forward, the number of people working from home is anticipated to decline in the short term but is expected to stabilize over the medium and long term. Moreover, while this shift has influenced the overall demand for physical office space, it has also fundamentally redefined the purpose of office space. The workplace has evolved from a space for individual, task-focused work into a strategic environment that is intentionally designed to build corporate culture, encourage dynamic collaboration, and promote innovation. These elements are essential for attracting and retaining the highly skilled talent that supports knowledge-based sectors such as professional, scientific, and technical services, finance, and the rapidly expanding technology industry.

^[14] Statistics Canada, Labour Force Survey Supplement, January 2023.

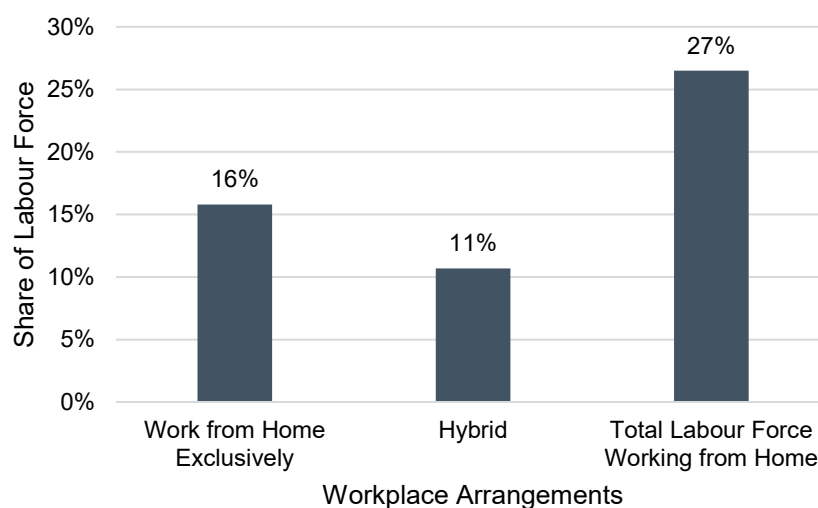


Figure 2-1
Province of Ontario
Labour Force Working Exclusively from Home, 2016 to 2024



Source: Derived from Statistics Canada Labour Force Supplemental Data (2020 to 2024) by Watson & Associates Economists Ltd.

Figure 2-2
Province of Ontario
Labour Force Working from Home Exclusively and Hybrid Work Arrangements, 2024

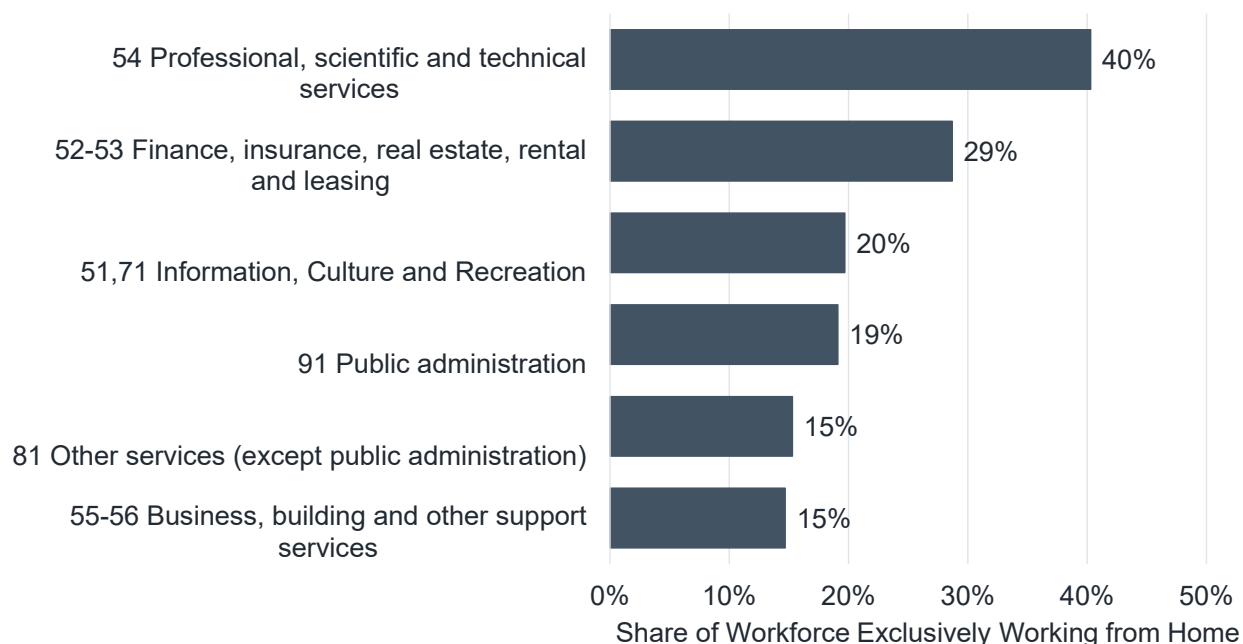


Source: Derived from Statistics Canada Labour Force Supplemental Data (2020 to 2024) by Watson & Associates Economists Ltd.



Figure 2-3 summarizes the sectors with the largest portion of the labour force that works from home exclusively as of 2024 (at least 15% of the labour force is working exclusively from home). The professional, scientific and technical services sector is the largest sector with the labour force working exclusively from home at 40%, followed by finance, insurance, real estate, rental and leasing at 29%. The remaining sectors identified in Figure 2-3 include those where office work is most likely, with 15% to 20% of the labour force in these sectors working from home exclusively.

Figure 2-3
Canada
Share of Workforce Working from Home Exclusively by Sector, 2024



Note: Based on the labour force that works from home exclusively, excludes the labour force that works hybrid (working from home and place of work).
Source: Derived from 2016 Statistics Canada Census and Statistics Canada Labour Force Supplemental Data (2020 to 2024) by Watson & Associates Economists Ltd.



2.4 Provincial Economic Outlook within the Broader Canadian and Global Context

2.4.1 *Provincial Gross Domestic Product Trends and Near-Term Forecast*

Similar to the broader Canadian economy, the economic base of Ontario, as measured by G.D.P. output, has shifted from goods-producing sectors (i.e., manufacturing and primary resources) to services-producing sectors over the past several decades. This shift has largely been driven by G.D.P. declines in the manufacturing sector, which were accelerated as a result of the 2008/2009 global economic downturn. It is noted, however, that these G.D.P. declines in the manufacturing sector have started to show signs of stabilization over the past several years, both prior to the COVID-19 pandemic and through the more recent economic recovery.

Over the past decade, the Ontario export-based economy experienced a rebound in economic activity following the 2008/2009 downturn; however, this recovery was relatively slow to materialize with levels sharply rebounding by 2014, as illustrated in Figure 2-4. This economic rebound was partially driven by a gradual recovery in the manufacturing sector, fuelled by a lower-valued Canadian dollar combined with the gradual strengthening of the U.S. and Canadian economy.^[15]

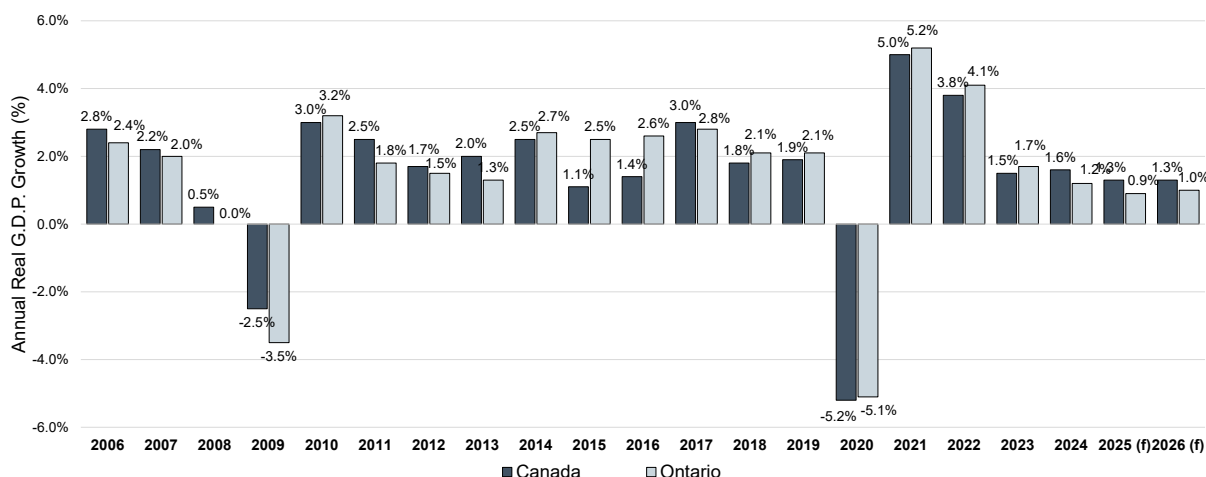
The Canadian and Ontario economy deeply contracted by 5.1% in 2020 during the onset of the COVID-19 pandemic, before sharply rebounding by 5.2% in 2021. Throughout 2022, the Ontario economy continued to expand and grew by 3.9%, while the overall Canadian economy grew by 3.8%. BMO Capital Markets has forecast that G.D.P. growth will further decline to 1.2% in Ontario and 1.6% overall for Canada in 2024. For 2025, an annualized G.D.P. growth rate of 0.9% is forecast for Ontario and 1.3% for all of Canada, suggesting a moderate economic rebound for the Province and the country in the near term, largely driven by the easing of interest rates by the Bank of Canada and the U.S. Federal Reserve.^[16]

^[15] Valued at approximately \$0.73 U.S. as of June 2025.

^[16] Provincial Economic Outlook, BMO Capital Markets, May 30, 2025.



Figure 2-4
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 BMO Capital Markets Economics.

Source: Derived from BMO Capital Markets Economics, Provincial Economic Outlook, May 30, 2025, by Watson & Associates Economists Ltd.

As previously mentioned, continued structural changes in the global economy and technological advancements will require municipalities to be increasingly responsive and adaptive to changing industry needs and disruptive economic forces. The following provides an overview of key industry and labour force trends that are expected to influence growth and development patterns in the Region of Halton, more specifically the Town of Oakville over the coming decades.

2.4.2 Trends in Manufacturing

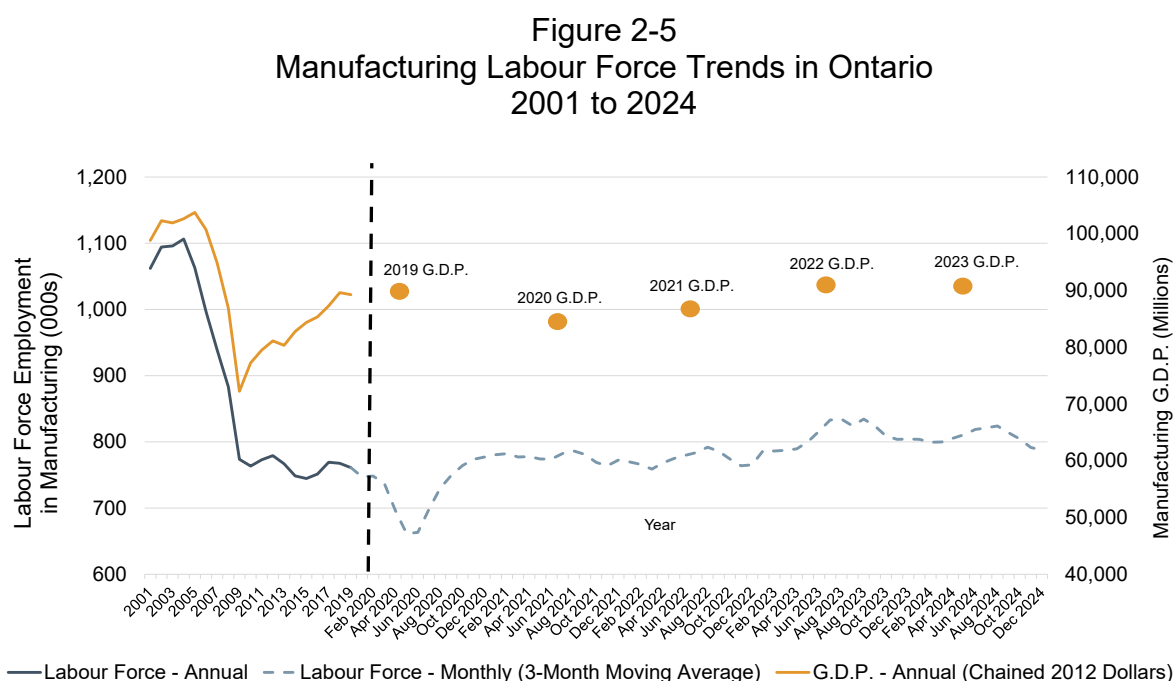
While manufacturing remains vitally important to the provincial economy with respect to jobs and economic output, this sector is not anticipated to generate significant labour-force growth across the Province. In general, globalization has led to increased outsourcing of production processes to overseas manufacturers.

While there will continue to be a manufacturing focus in Ontario, the nature of industrial processes is rapidly shifting, becoming more capital/technology intensive and automated, with lower labour requirements. The highly competitive nature of the manufacturing sector will require production to be increasingly cost-effective and value-added oriented, which bodes well for firms that are specialized and capital/technology



intensive. As a result of increased technological efficiencies in the manufacturing sector, provincial G.D.P. levels related to the manufacturing sector are expected to outpace labour force growth over the next decade, indicating an increasing G.D.P. output per employee.

As summarized in Figure 2-5, 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 gradually 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.

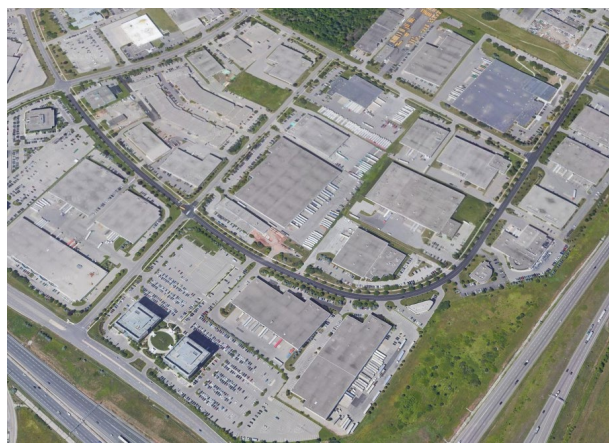


Source: Annual labour force data from Statistics Canada Labour Force Survey, Table 282-0125, monthly data from Table 14-10-0091-01, and 2021 to 2023 monthly data from Table 14-10-0388-01. Annual gross domestic product (G.D.P.) data derived from Statistics Canada Table 36-10-0402-01 by Watson & Associates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



2.4.3 Growing Logistics and Warehousing Sector

The logistics and warehousing sector is rapidly growing in Canada and is placing increasing pressure on the need to plan for large, extensive Employment Area uses. The growth of Canada's logistics and warehousing sector is profoundly shaped by both offshore manufacturing and the rapid growth of e-commerce. While this employment sector does not typically accommodate a high yield of employment on Employment Area land sites, it is a critical component of the regional economy. The success of Ontario's



Aerial photo of Winston Park Employment Area
Source: Google Earth Imagery

employment sectors, such as manufacturing, is dependent on the collective ability of both the private and public sectors to move goods, as facilitated by regional and local infrastructure as well as the capacity of the logistics sector. As manufacturing operations increasingly move towards just-in-time manufacturing, the proximity and support of logistics and warehousing facilities will be key in supporting the growth of the manufacturing sector. It is important to recognize that the logistics and warehousing sector includes a spectrum of operations, including trucking terminals, e-commerce fulfillment centres, retail distribution centres, manufacturing parts suppliers, and local and global shipping integrators (e.g., Purolator, UPS, FedEx, etc.). Furthermore, the logistics and warehousing sector varies in scale, ranging from smaller local operations, such as MTMX Logistics in the Q.E.W. East Employment Area, to large-scale facilities, such as ASL Distribution in the Winston Park East/West Employment Area.

Logistics and warehousing uses are an integral part of Employment Areas; excluding the use from Employment Areas would be detrimental to the function of Employment Areas. Best practices of municipalities in Ontario include directing large-scale logistics and warehousing uses to Employment Areas with good access to Goods Movement corridors, such as a 400-series highway. The size and scale of the uses can be guided by zoning regulations. Within a Prestige Employment Area, municipalities often prohibit trucking terminals with the sole function of supporting trucks and restrict the amount of land utilized for truck parking (i.e., preventing vacant lands from being utilized as trucking parking lots).



Across the Greater Golden Horseshoe (G.G.H.), a key trend is the development of integrated sites that integrate logistics, warehousing, and manufacturing operations with secondary office uses. These often take the form of campus-style developments, offering significant opportunities to boost density and achieve higher design standards than a traditional warehousing and distribution facility. Furthermore, the growing acceptance towards hybrid and work from home office place arrangements are prompting businesses to reassess the need for stand-alone offices and instead explore more integrated facilities that incorporate office uses. For example, in the Town of Caledon, The Beer Store built a new integrated head office and warehousing facility (approximately 37,810 sq.m (407,000 sq.ft.)) in an Employment Area. The large facility in Caledon involved consolidating The Beer Store employees from a head office location in Mississauga and staff from a warehousing facility in Brampton, as illustrated in Figure 2-6. The new facility for The Beer Store includes high-quality design features in an area designated by the Town of Caledon as Prestige Employment Area. Development within this Employment Area is required to follow urban design guidelines that support a prestige employment image.

Figure 2-7 provides additional examples of integrated industrial and office uses in the Greater Toronto Area (G.T.A.). As illustrated in Figure 2-7, Kubota Canada Ltd., a tractor and compact equipment distributor, built an industrial and office complex in the City of Pickering during 2022 that comprises 46,500 sq.m (500,000 sq.ft.) of industrial warehouse space and an attached state-of-the-art, three-storey office building (6,400 sq.m (65,000 sq.ft.)). Integrated operations also can be accommodated on small infill sites, as shown in Figure 2-7, with the development of the Blum Canada warehouse and head office facility in Mississauga, Ontario. This new facility was built on a small infill lot of less than 2 ha (5 acres) and comprises 5,800 sq.m (62,000 sq.ft.) of gross floor area (G.F.A.) and includes high-ceiling warehousing space, showroom space for the sales team to demonstrate products to contractors, and dedicated office space for head office staff.



Figure 2-6
Peel Region
Example of Consolidation of Office and Distribution Space into an Integrated Operation



**Former The Beer Store Head Office,
Mississauga (Office Site)**



**Former The Beer Store Distribution
Centre, Brampton (Industrial Site)**



**Consolidated The Beer Store –
Head Office and Distribution
Centre Integrated, Caledon**

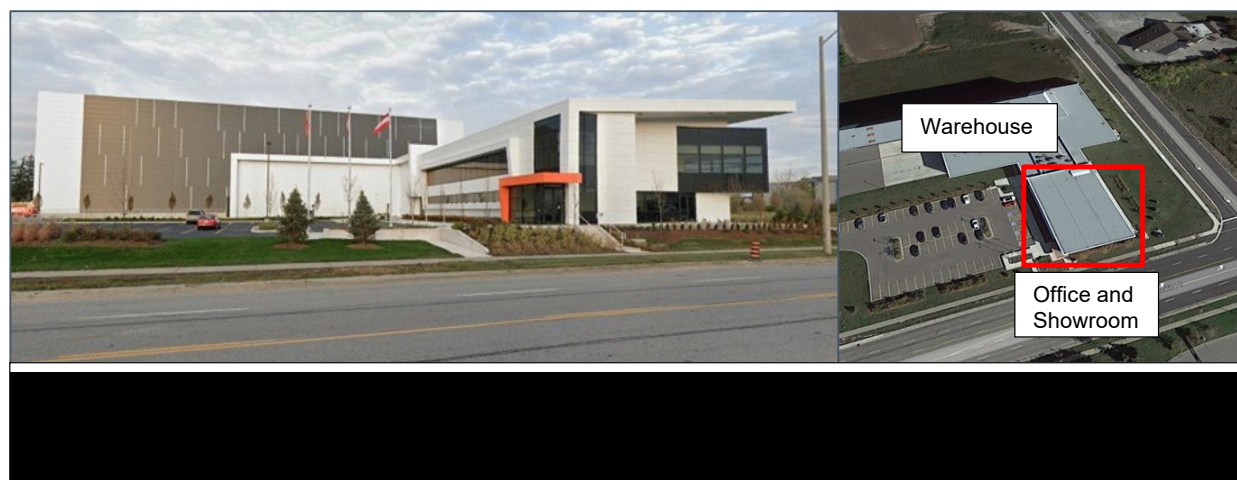




Figure 2-7
Selected Locations in the Greater Toronto Area
Examples of Integrated Industrial/Office Uses



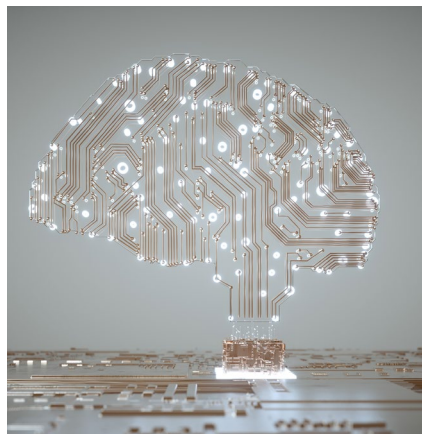
Kubota Canada Ltd. (tractor and compact equipment distributors) – Pickering Innovation Corridor, Highway 407, Pickering, ON. This new facility (built in 2022) comprises 46,500 sq.m (500,000 sq.ft.) of industrial warehouse space and 6,400 sq.m (65,000 sq.ft.) in an attached state-of-the-art three storey office building.



Note: G.F.A. means gross floor area.
Aerial Image sources: Google Earth.



2.4.4 Automation and Artificial Intelligence



According to the Brookfield Institute for Innovation + Entrepreneurship, over the next 10 to 20 years, 42% of the Canadian labour force is at high risk of being affected by automation, either through significant task restructuring or elimination. Jobs that are anticipated to be most highly impacted by automation are primarily within occupations that are administrative, routine, or oriented towards sales and service. The Brookfield Institute report also notes that highly-skilled occupations are expected to grow much more quickly than the rest of the labour force and are at a lower risk of being negatively affected by automation. This suggests that more highly skilled labour will be a significant driver of Canada's future economic growth.

Considerable research has recently been undertaken by institutions and consulting agencies to assess the potential impacts of A.I. on businesses as well as its broader impact on the global economy. A report prepared by PwC (PricewaterhouseCoopers) in 2017 identifies that the net impacts to global G.D.P. resulting from A.I. are anticipated to contribute up to \$15.7 trillion to the global economy in 2030, more than the current output of China and India combined. The report also identifies that over the next decade, A.I. will generate massive disruption as both established businesses and new entrants drive innovation and develop new business models. While the long-term net economic impacts of automation and/or A.I. appear to be positive, global competition from both established and emerging markets looking to capitalize on potential opportunities related to this technology will be increasingly fierce. To prevent an undesirable, lose-lose scenario associated with anticipated technological change in the economy – talent shortages, unemployment, and growing inequality – several critical actions are needed. This includes businesses assuming an active role in supporting their existing workforce through reskilling and upskilling, individuals taking a proactive approach to their own lifelong learning, and governments creating an enabling environment to assist in these efforts.



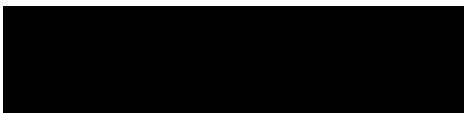
2.5 Greater Toronto and Hamilton Area Growth Trends

In many respects, the long-term population and employment growth potential in Halton Region and the Town of Oakville is largely tied to the success of the Greater Toronto and Hamilton Area (G.T.H.A.) as a whole. The G.T.H.A. represents the economic powerhouse of Ontario and the centre of a large portion of the economic activity in Canada. The G.T.H.A. economy comprises a highly diverse mix of industry clusters related to manufacturing, technology, and services. This diversity is a key strength of the G.T.H.A. economy, with most of the top-traded industry clusters throughout North America having a strong presence in this region.

The manufacturing sector represents a dominant G.T.H.A. industry cluster but has demonstrated limited growth since 2011 provincially and regionally. The transportation and warehousing sector is also a dominant G.T.H.A. employment cluster, with a strong concentration in municipalities with proximity to the Toronto Pearson International Airport and intermodal facilities.

With respect to the services sector, the G.T.H.A. has a number of established industry clusters in knowledge-based sectors, including finance and insurance, professional, scientific and technical services, education, and health care and social assistance. While other emerging knowledge-based sectors, including information and cultural industries, real estate and rental leasing, are smaller in scale, they are highly concentrated and have a strong employment growth outlook. The retail and accommodation and food services sectors are also large, heavily concentrated, and steadily growing across the G.T.H.A.

With a robust economy and diverse mix of export-based employment sectors, the G.T.H.A. is highly attractive on an international and national level to new businesses and investors. The area also has a strong appeal given its proximity to regional infrastructure and its proximity/ access to skilled labour and post-secondary institutions. These attributes have produced a highly competitive and diverse employment market.





As a result, all the municipalities across the G.T.H.A. have been successful, to varying degrees, in attracting a variety of industries within a broad range of industry sectors. In turn, this continues to support strong population and housing growth within the City of Toronto and the “905” municipalities, largely driven by international and inter-provincial net migration to this economic region.

Over the next two decades, considerable new residential and non-residential growth is anticipated across the G.T.H.A. In accordance with the latest Fall 2024 Ministry of Finance population projections, the population of the G.T.H.A. is forecast to increase from 7.6 million in 2021 to 10.2 million in 2051, an increase of close to 2.6 million people.^[17] This represents a substantial increase in population relative to other North American metropolitan regions with comparable populations. The strong growth potential anticipated for the G.T.H.A. is largely tied to the strength and diversity of the area’s industry clusters.

Overall, there is a diminishing supply of Employment Area lands relative to demand in the large G.T.H.A. markets, including the City of Toronto, the City of Vaughan, the City of Mississauga, and the City of Brampton. As the more mature areas of the G.T.H.A. gradually build out, increasing outward growth pressure will be placed on the remaining vacant greenfield Employment Areas of the G.T.H.A., including the Town of Oakville.

2.5.1 Labour Force Trends

As previously discussed, the Region of Halton and the Town of Oakville are situated in one of the largest and most dynamic metropolitan areas in North America. Figure 2-8 summarizes total labour force and unemployment rate trends for the Toronto Census Metropolitan Area (C.M.A.). Although the Toronto C.M.A. does not cover the entire G.T.H.A., excluding areas such as the City of Hamilton, the City of Burlington, and portions of Durham Region, it remains a relevant reference point when considering the broader labour force and economic conditions within Oakville’s commuter-shed.

It is important to note the distinction between the employed labour force and employment metrics. The employed labour force refers to the Toronto C.M.A. portion of residents who work, regardless of whether they work inside the C.M.A. or outside in the broader regional commuter-shed. In contrast, employment reflects the number of jobs

^[17] Ontario Population Projections, 2024 – 2051, Summer 2025, Ministry of Finance.



located within the area and includes residents that live and work in an area in addition to people who live outside the area and commute in for work.^[18]

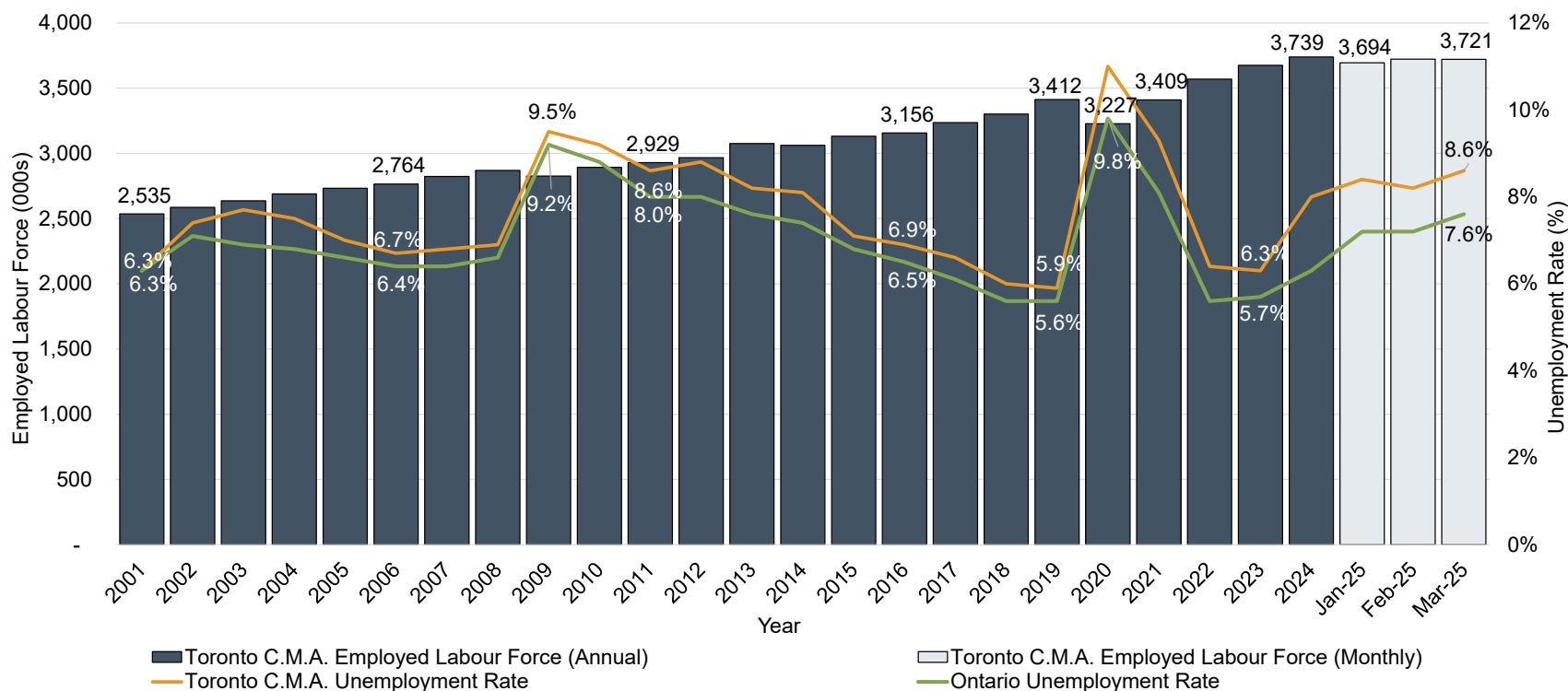
Key observations regarding Toronto C.M.A. labour force trends include the following:

- The total labour force within the Toronto C.M.A. steadily increased from 2.5 million in 2001 to 3.7 million by the end of 2024. This represents a total labour force increase of 1.2 million, or a 1.7% annual growth rate. Labour growth has been driven by steady regional economic growth in both the goods-producing and services-producing sectors.
- Over the past several years, the regional economy has strongly rebounded from the negative economic shock during the onset of COVID-19 in 2020; however, more recently, labour force growth within the C.M.A. has slowed.
- As of March 2025, the unemployment rate in the Toronto C.M.A. was reported at 8.6%, which is higher than the provincial average and represents a steady increase over the past two years.
- Looking forward, the long-term economic outlook for the Toronto C.M.A. remains positive. Regional labour force growth, however, is anticipated to remain relatively weaker in the near term in response to slowing provincial and national economic conditions and the macro-economic headwinds previously discussed in sections 2.1 and 2.2.

^[18] Labour force status of person, classification, variables, and statistics units, Statistics Canada.



Figure 2-8
Toronto Census Metropolitan Area (C.M.A.)
Labour Force Trends, 2006 to Year-To-Date 2025



Note: Statistics Canada Labour Force Survey and Census labour force statistics may differ.

Source: Toronto C.M.A. employed labour force and unemployment rate from Statistics Canada, Table 14-10-378-01, Table 14-10-0385-01, and Table 14-10-0096-01. Province of Ontario unemployment rate from Statistics Canada, Table 14-10-0327-01. Derived by Watson & Associates Economists Ltd.



2.5.2 Regional Labour Force Trends by Sector

Similar to the provincial economy as a whole, the Toronto C.M.A. economy is changing. Between 2016 to 2020, the Toronto C.M.A. grew by 0.4% annually; however, in the following period, between 2021 to 2024, the Toronto C.M.A. grew rapidly at an annual rate of 2.3%. Over the past decade, the composition of the Toronto C.M.A.'s employment base has gradually shifted from a goods-producing economy to a services-producing economy, led by employment growth in a range of “knowledge-based and creative-class economy”^[19] sectors, including professional, scientific and technical services; financial services; information and cultural industries; education services; health care and social services; as well as real estate, as shown in Figure 2-9.

Within the service sector, economic growth has been particularly strong for small- to medium-scale knowledge-based businesses that are focused on innovation and entrepreneurship. With an increasing emphasis on these knowledge-based sectors, major office, flex office, and multi-purpose facilities encompassing office and non-office uses are becoming an increasingly dominant built form.

As identified, the Toronto C.M.A. is part of the Toronto-Waterloo Innovation Corridor, a technology supercluster which includes the G.T.H.A., the Region of Waterloo, and the City of Guelph. Collectively, this corridor accommodates over 15,000 technology-based companies providing approximately 205,000 jobs.^[20] The Toronto-Waterloo Innovation Corridor offers strong economic and employment growth potential, based on its established presence as the largest technology cluster in Canada, critical mass of post-secondary institutions and incubators, access to skilled labour, and high quality of life.



Google Head Office in the City of Kitchener

^[19] Richard Florida, *The Rise of the Creative Class*. 2002.

^[20] Toronto-Waterloo Innovation Corridor White Paper, prepared by McKinsey & Company, December 2016.

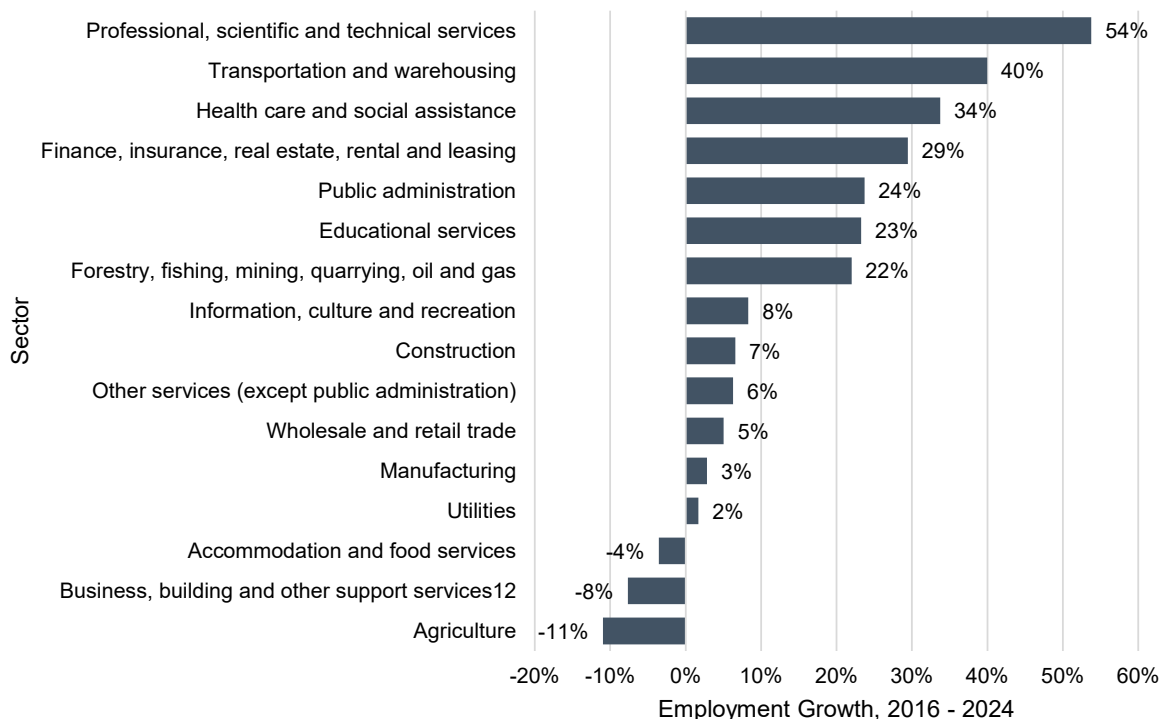


The Toronto C.M.A. has also experienced significant employment growth in the Goods Movement sector over the past decade, comprising transportation/warehousing and wholesale trade. This sector is highly concentrated within the Regions of Peel, York, and Halton, which are located within proximity to the Toronto Pearson International Airport. Other regional infrastructure attributes, including access to 400-series highways and existing and planned intermodal facilities in Brampton, Vaughan, and Milton, continue to play a key role in driving demand within this sector across the G.T.H.A. As previously noted, increased outsourcing of manufacturing production to emerging global markets continues to drive the need for new consolidated, land-extensive warehousing facilities to store and manage the distribution of goods produced locally as well as goods imported from abroad. This continues to drive demand for increasingly larger, more land-extensive warehousing facilities, generally in greenfield Employment Areas.

Employment growth trends for the Town of Oakville are further examined in section 4.1, providing additional context to the broader patterns observed across the Toronto C.M.A. in recent years.



Figure 2-9
Toronto Census Metropolitan Area
Labour Force Growth by Sector, 2016 to 2024



Note: Figures have been rounded.

Source: Derived from Statistics Canada, Table 14-10-0384-01, by Watson & Associates Economists Ltd.

2.6 Addressing the Connection Between Macro-Economic Opportunities and Local Town Building Strategies

A range of broad factors such as macro-economics, demographics, competitiveness, infrastructure investment, and federal policy have, and will continue to influence the future employment potential in Halton Region, including the Town of Oakville, over the next several decades. This includes the relative strength of the global economy, foreign exchange rates, federal international trade policy, and federal immigration policy, as well as the competitiveness of the Canadian economic base relative to other established and emerging global markets. As briefly noted, the Town of Oakville also faces opportunities and challenges resulting from the structural changes and disruptions that are occurring within the national and global economy and geo-political environment.



While it is important to understand these broad factors, it is also important to recognize that the Town of Oakville has limited control to influence many of these inputs when planning for its future.

Notwithstanding these broad factors, which can impact economic growth rates and the pace and nature of absorption on Employment Area lands, the Town of Oakville has considerable control to positively influence its competitive position. In planning for its future, the Town has numerous opportunities on which to build, including a young and highly skilled workforce; strong, healthy, and pedestrian-oriented neighbourhoods; a growing economy increasingly focused on areas of employment that are increasingly centred around technology, knowledge and innovation; a rich and diverse culture; demonstrated leadership in environmental sustainability; and land use policies that encourage and support urban connectivity and livability.

A key factor that can directly influence the future competitiveness of Oakville's economic base is the supply and suitability of land within the Town to attract and accommodate industrial development within existing and establishing Employment Areas. Accordingly, working within the current provincial policy framework, an assessment of the Town's Employment Areas is a core focus of this review. It is recognized that when addressing the long-term Employment Areas needs of the town, quality is equally important to quantity. This is particularly relevant regarding prestige Employment Areas, which tend to be focused on knowledge-intensive industries that are increasingly demanding accessible and dynamic work environments that promote interaction and innovation. This underscores placemaking as an increasingly recognized and important concept in creating diverse and vibrant workplaces, which in turn can help attract local population and job growth, provided that other necessary infrastructure requirements are met.

Critical to the long-term economic success of the Town are strategic directions that address the interconnection between the Town's competitive economic position and its longer-term housing needs. The Town's housing needs have been comprehensively assessed in the Town of Oakville 2024 Growth Analysis Study.^[21] This holistic approach to planning for both the Town's Community Areas and Employment Areas recognizes that the local accommodation of skilled labour and the attraction of new businesses are inextricably linked and positively reinforce one another. To ensure that

^[21] Town of Oakville Growth Analysis Study Final Report, November 2024, by Watson & Associates Economists Ltd.



economic growth is not constrained by potential labour shortages, continued effort is required by the Town of Oakville, working with its public- and private-sector partners, to explore ways to attract and accommodate new skilled and unskilled working residents to the Town within a diverse range of housing options, located in communities that offer proximity and accessibility to places of employment.



3. Halton Region and Oakville Industrial and Office Market Trends

The G.T.H.A.'s industrial and office commercial development markets are significant, having the third and sixth largest inventories, respectively, in North America.^[22] The following provides commentary on the characteristics of the market and recent development trends within the G.T.H.A., Halton Region, and Oakville. Please note that due to data availability, some of the data is provided for the G.T.A. only.

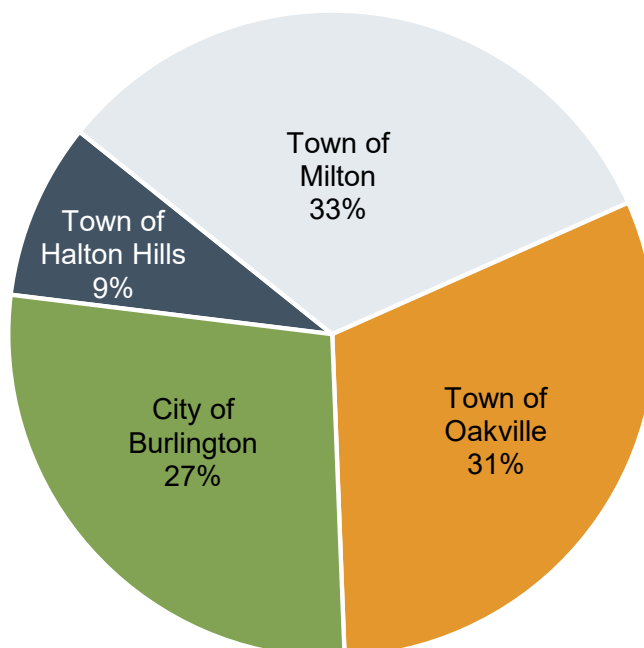
3.1 Industrial Market Trends

As of 2025, Halton Region has a total industrial inventory of approximately 8.4 million sq.m (90.7 million sq.ft.). The Town of Oakville represents 31% of this total, with 2.6 sq.m (28.2 million sq.ft.) of industrial space, as illustrated in Figure 3-1. This concentration is largely situated along Highway 403 and the Q.E.W. corridor, a logical pattern given the strategic access these routes provide.

^[22] Derived from Cushman & Wakefield Toronto Industrial Market Beat and U.S. Industrial Market Beat Snapshot, Q1 2025, and Cushman & Wakefield Toronto Office Market Beat and U.S. Office Market Beat Snapshot, Q1 2025, by Watson & Associates Economists Ltd.



Figure 3-1
Halton Region
Share of Industrial Gross Floor Area Inventory by Area Municipality



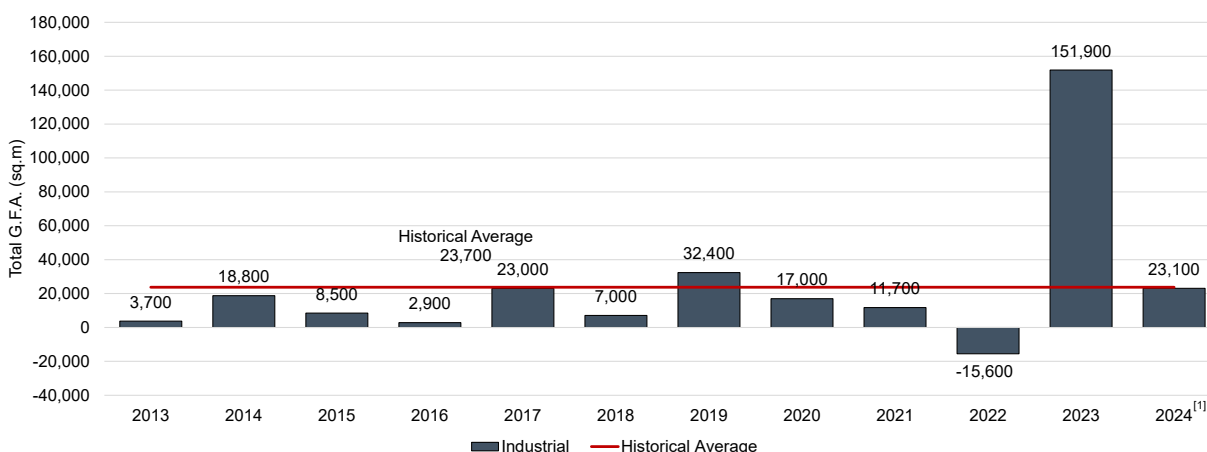
Note: Figures have been rounded.

Source: Data from Toronto Industrial Market Report Q1 2025 Colliers International compiled by Watson & Associates Economists Ltd., 2025.

Over the past decade, industrial development in the Town has primarily consisted of large-scale buildings accommodating wholesale trade, transportation, and warehousing, as well as multi-tenant industrial condominiums that support a mix of industrial and non-industrial uses. As illustrated in Figure 3-2, industrial growth has generally been steady, with the exception of 2023, which marked a significant peak in activity. On average, Oakville has added approximately 23,700 sq.m (160,000 sq.ft.) of new industrial space annually. In 2023 alone, the Town saw the addition of nine new industrial buildings totalling approximately 151,900 sq.m (1.6 million sq.ft.). Most of this new space comprised one-storey warehouses, each averaging 16,260 sq.m (175,000 sq.ft.). Notably, these developments were constructed on a speculative basis, reflecting strong market demand for industrial space even in the absence of pre-secured tenants.



Figure 3-2
Town of Oakville
Industrial Development Gross Floor Area (G.F.A.) (sq.m)
2013 to 2024



Note: Figures have been rounded.

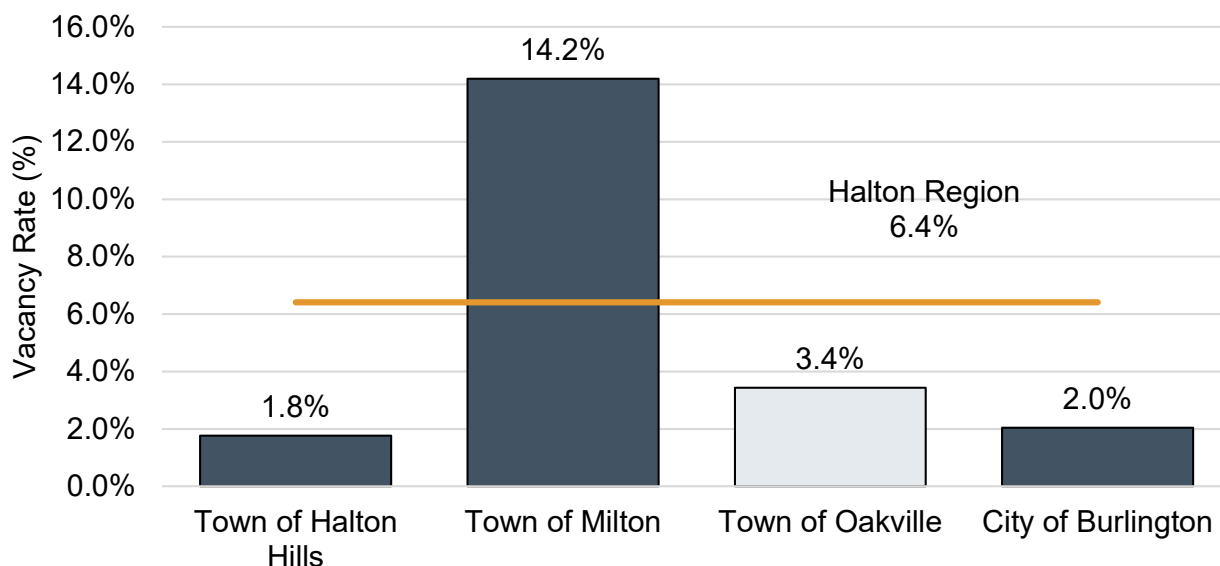
Source: Derived from building permits provided by the Town of Oakville, summarized by Watson & Associates Economists Ltd.

As illustrated in Figure 3-3, the industrial vacancy rate across Halton Region averaged 6.4% as of 2025. In comparison, the Town of Oakville reported a lower vacancy rate of 3.4%. The recent increase in Oakville's vacancy rate is primarily attributed to the addition of newly constructed speculative industrial space, as noted in Figure 3-2.^[23]

^[23] Toronto Industrial Market Report Q1 2025 Colliers International.



Figure 3-3
Halton Region by Area Municipality
Average Industrial Vacancy Rates



Source: Data from Toronto Industrial Market Report Q1 2025 Colliers International compiled by Watson & Associates Economists Ltd.

A key variable in understanding the relative strength of industrial and office markets is net market rents for industrial and office space, typically expressed on a per sq.ft. of gross leasable area on an annual lease basis and referred to as “net market rent.”^[24]

As illustrated in Figure 3-4, industrial net rental rates across Halton Region by area municipality, with Regional average sitting at \$17.48 per sq.ft. in 2025. Other key observations include:

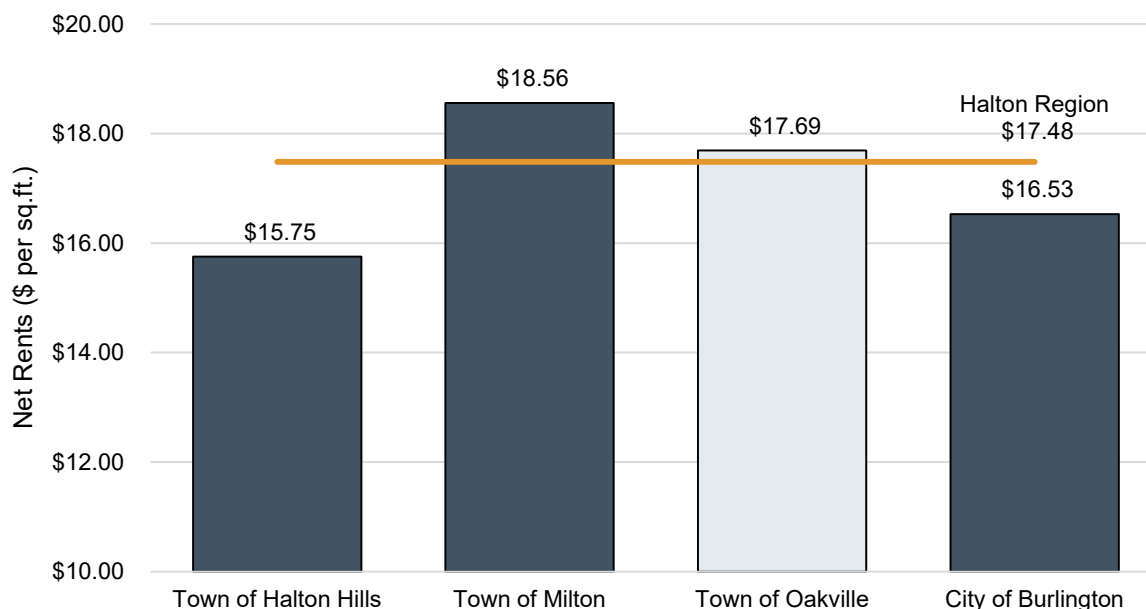
- The Town of Milton commands the highest industrial rents at \$18.56 per sq.ft., reflecting strong market demand.
- The Town of Oakville follows closely at \$17.69 per sq.ft., slightly above the Regional average, indicating a competitive and stable industrial market.
- In contrast, the City of Burlington and the Town of Halton Hills have lower net rents at \$16.53 and \$15.75 per sq.ft., respectively.

^[24] Net market rent is exclusive of additional charges to the property (e.g., property taxes, insurance, utilities, and maintenance).



- The spread between the highest and lowest municipal rents, \$2.81 per sq.ft., highlights the differing market dynamics and levels of industrial demand across the Region.

Figure 3-4
Halton Region by Area Municipality
Average Industrial Net Market Rents (per sq.ft.)



Source: Data from Toronto Industrial Market Report Q1 2025 Colliers International compiled by Watson & Associates Economists Ltd.

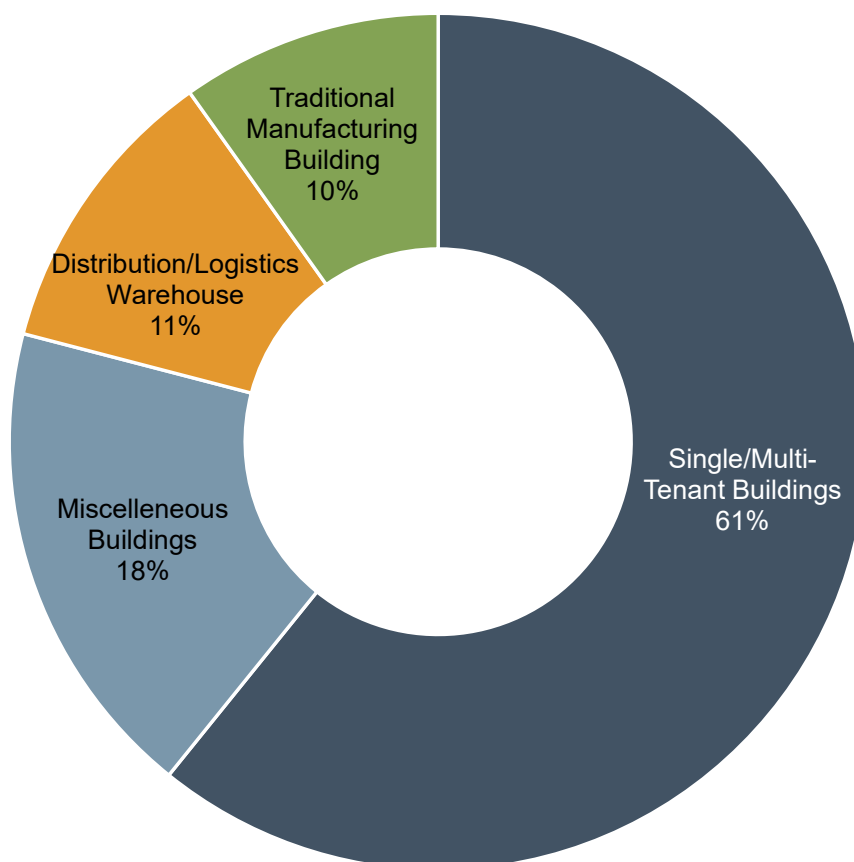
Figure 3-5 illustrates the composition of industrial building types within the Town of Oakville over the past decade. Key observations include:

- The majority of industrial development consists of single-tenant and multi-tenant buildings (61%), underscoring the prevalence of flexible, general-purpose industrial space designed to accommodate a wide range of users.
- Miscellaneous buildings accounted for 18% of the new industrial inventory, reflecting the diversity of uses that fall outside traditional classifications.
- Distribution and logistics warehouses represent 11% of the new industrial development, indicative of the growing importance of the supply chain and e-commerce-related space.



- Traditional manufacturing buildings make up 10%, highlighting the relatively smaller footprint of conventional manufacturing in the current industrial landscape. This distribution reflects a market trend favouring adaptable, tenant-driven industrial formats over specialized manufacturing facilities.

Figure 3-5
Town of Oakville
Industrial Construction by Building Type (2013 to 2024)



Note: Figures have been rounded.

Source: Derived from Town of Oakville building permit data and summarized by Watson & Associates Economists Ltd.

The relative importance of regional and site level attributes required by industry sectors is evolving in response to structural changes in the macro-economy, which are impacting industrial development patterns within the Region of Halton, including the Town of Oakville. Industrial activity is increasingly centred on production processes that are time-sensitive, driven by just-in-time manufacturing, e-commerce, and an



increasingly globalized environment. As a result, the location and site requirements within the industrial sector continue to evolve with an increasing emphasis on integrated multi-purpose facilities that combine processing, research and development, training centres, and warehousing, which leverage access to regional infrastructure and skilled labour.

For the Goods Movement sector, a major growth sector, the growing inter-dependence of companies and their suppliers continues to increase the importance of this integrated business process through various modes of transportation. In turn, this has driven the need for larger and more regionally located single-tenant warehouses and logistics facilities. As such, large flexible tracts of land are required for sizeable warehouses, storage yards and future expansion. Locational requirements are typically focused on direct access to distribution channels. This means that access to transportation infrastructure is critical, including access to major highways and intermodal facilities. Given that these facilities tend to be land-expansive, competitive land costs are also an important consideration in site selection.

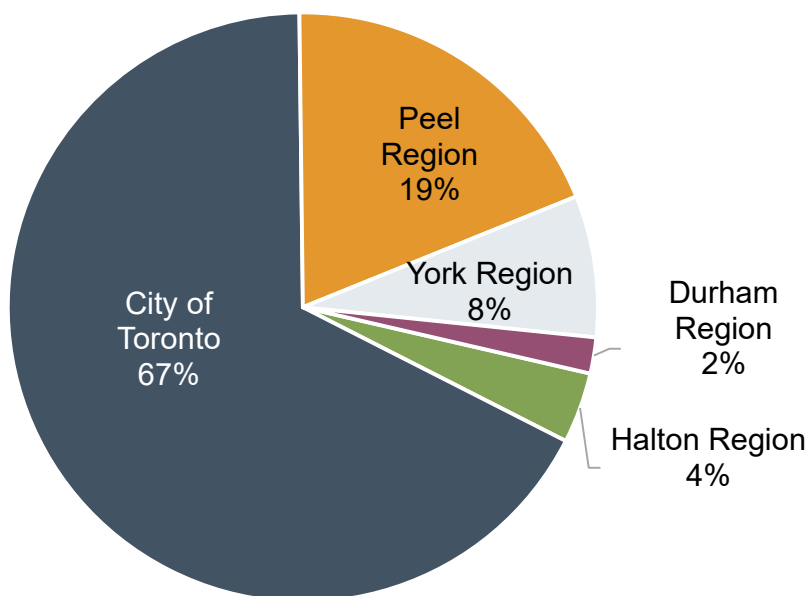
Looking forward, the demand for Employment Area land within the Region of Halton, including the Town of Oakville, is expected to continue to be driven by the Goods Movement sector among other industries. Traditionally, demand for this land has been focused along major transportation corridors, in accessible and central locations between major population centres. The Town of Halton Hills and the Town of Milton are well positioned to continue attracting demand for Employment Area land driven by this sector due to locational characteristics along Highway 401 and proximity to the G.T.H.A., Guelph, and Waterloo Region. In contrast, industrial demand in areas like the Town of Oakville and the City of Burlington is anticipated to be largely focused on industrial subsectors other than Goods Movement, such as mixed-use light industrial facilities combining office, research and development, warehousing, logistics, and on-site manufacturing.

3.2 Office Market Trends

As summarized in Figure 3-6, with respect to the office market, the G.T.A. comprises 23.9 million sq.m (257 million sq.ft.) of office space. Of this total, approximately two-thirds (67%) of the G.F.A. is within the City of Toronto. Halton Region accounts for approximately 4% of the G.T.A.'s office inventory, with the Town of Oakville accommodating approximately 454,600 sq.m (4.9 million sq.ft.) of office space.



Figure 3-6
Greater Toronto Area
Inventory of Total Gross Floor Area of Office Space, 2025



Note: Figures have been rounded.

Source: Derived from Q1 2025 Toronto Office Market Report by Colliers International, summarized by Watson & Associates Economists Ltd.

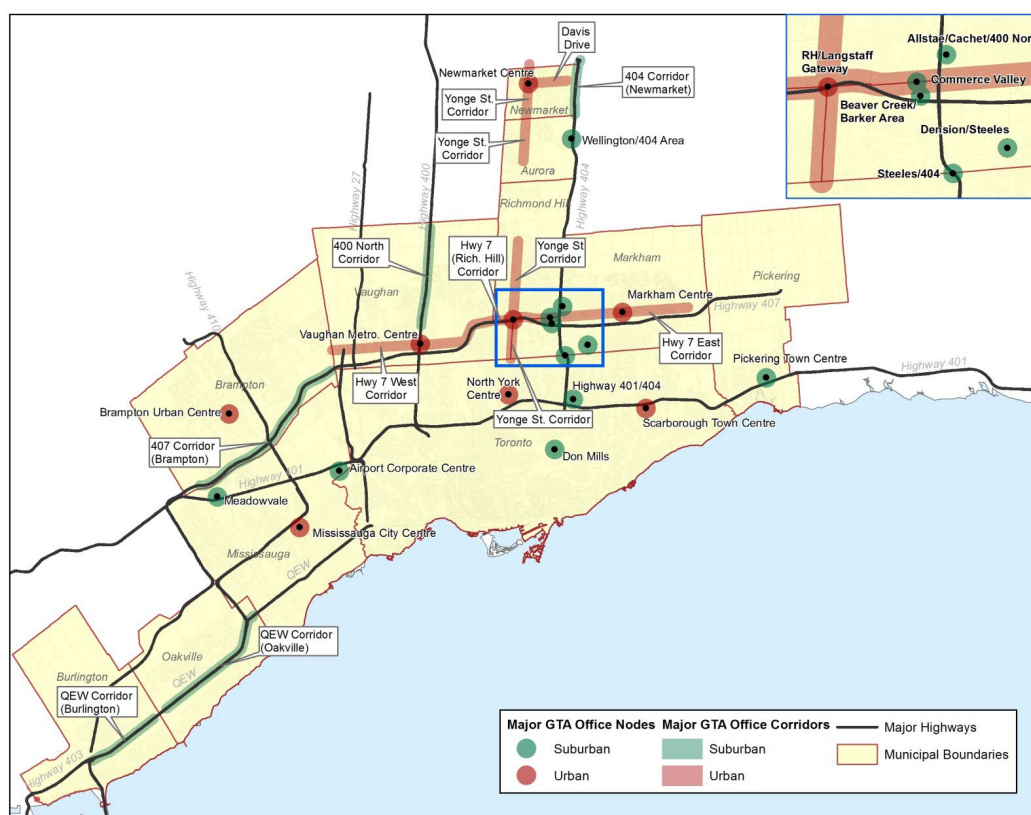
Office space in the G.T.A. is accommodated in a number of suburban Employment Areas, including Don Mills, Highways 401/404, and Highway 404/Steeles, as illustrated in Figure 3-7. Outside the City of Toronto, Major Office clusters are located in the “905” area, including York Region (Highways 404/407 in Markham and Richmond Hill, Vaughan Metropolitan Centre, and the Highway 400 Corridor in Vaughan), Peel Region (Mississauga Airport Corporate Centre, City Centre, and Meadowvale), and Halton Region (Q.E.W. corridor in Burlington and Oakville), as shown in Figure 3-7.

Halton Region’s office base is strategically situated along the Q.E.W. in Burlington and Oakville, serving as a critical economic spine that connects Halton to the broader G.T.A. to the east and the City of Hamilton, Niagara Region, and the U.S. border to the west. The Q.E.W.’s location offers a unique blend of advantages that make it highly attractive for corporate offices and knowledge-based businesses. These advantages include access to a highly educated and affluent workforce, a rich array of retail amenities,



dining options, and recreational facilities that enhance the quality of life for employees. Moreover, the Q.E.W. corridor offers a diverse range of office building types, from Class A corporate campuses to Class B and C spaces, catering to businesses of various sizes and budgets. Additionally, there is a growing trend in modern “flex” office space, which responds to new work models and provides greater flexibility for businesses. These combined factors create a dynamic and supportive environment for business growth and innovation, solidifying the Q.E.W. corridor’s position as a key business hub within the broader G.T.H.A.

Figure 3-7
Greater Toronto Area
Major Office Nodes and Corridors



Source: Watson & Associates Economists Ltd.



3.2.1 Vacancy Rates in the Greater Toronto Area

The office vacancy rate in the G.T.A. is estimated at 10.5%, which is lower than many of the office markets in North America.^[25] The increase in remote work/work at home arrangements in office-based employment sectors during the pandemic has had an impact on vacancy rates, particularly in major urban centre locations such as downtown Toronto, where head offices, financial services, and technology firms are typically accommodated. Pre-pandemic office vacancy rates in downtown Toronto were at an all-time low of less than 1.0% in 2019. The demand for office space in downtown Toronto was largely driven by the tech sector prior to the pandemic, a sector that has a large remote and work from home component today. Figure 3-8 illustrates the historical change in office vacancy rates in the G.T.A. market with a comparison of office vacancy rates in downtown Toronto and the remaining G.T.A. As illustrated in Figure 3-8, vacancy rates in the G.T.A. suburban office areas (G.T.A., excluding the City of Toronto) have mostly stabilized since 2022 at 10.7% in 2025.^[26]

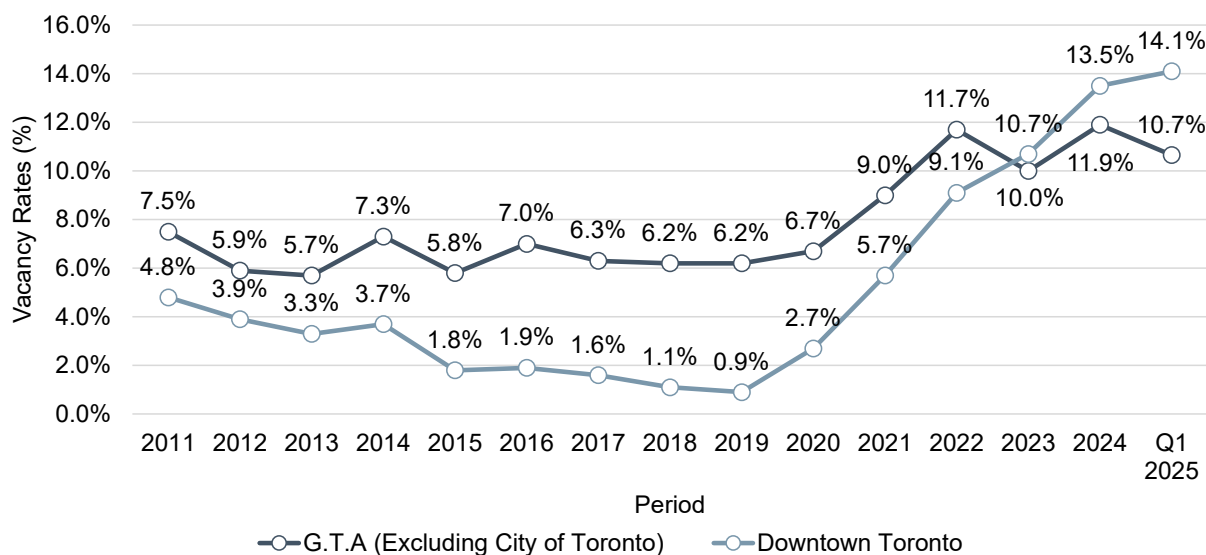
Office vacancy rates in downtown Toronto continue to climb and are now exceeding G.T.A. suburban areas. Vacancy rates in the downtown Toronto market are currently at 14.1%, an all-time record high for this market that has not been experienced over the past decade. It is important to note that while current office vacancy rates in downtown Toronto have surpassed the suburban G.T.A. market, the downtown Toronto area has also accommodated a significant amount of new office G.F.A. since the onset of the pandemic. This increase in available space is a key factor in the higher vacancy rates observed in downtown Toronto compared to other markets in the G.T.A. Although many companies have reduced their office space requirements due to the impacts of remote/hybrid work, as well as a softening economy, numerous office buildings that were in the pipeline in downtown Toronto have been completed and added to the office supply inventory. This new supply in downtown Toronto has further exacerbated vacancy rates, as demand has not matched the recent increase in supply.

^[25] Derived from Lee & Associates North America Report, Q1 2025.

^[26] Derived from Q1 2025 Toronto Office Market Report by Colliers International, summarized by Watson & Associates Economists Ltd.



Figure 3-8
Greater Toronto Area (G.T.A.)
Major Office Nodes and Corridors

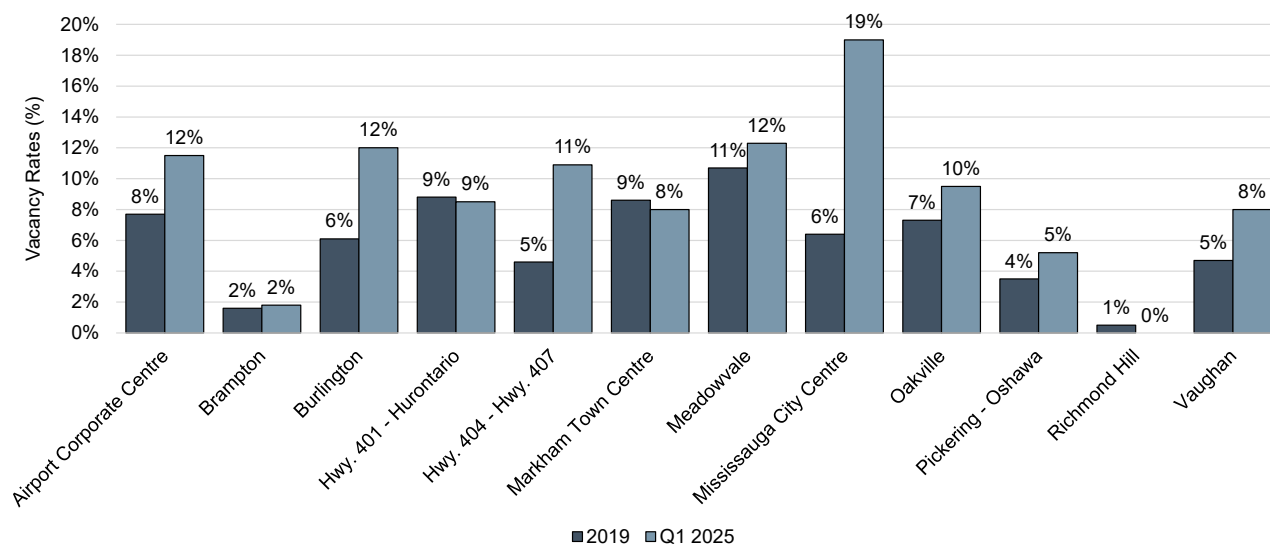


Source: Derived from Colliers International real estate market reports by Watson & Associates Economists Ltd.

Figure 3-9 illustrates the vacancy rates by office node in the G.T.A. suburban markets recorded at two periods – 2019 (prior to the COVID-19 pandemic) and 2024. As illustrated, office vacancy rates vary from less than 1% in Richmond Hill to 19% in Mississauga City Centre. It is important to highlight that the smaller office nodes, such as Brampton, Richmond Hill, Oakville, and Pickering-Oshawa, have experienced little to only a slight increase in the vacancy rate since 2019. These office markets typically have a large orientation towards serving the local population, including institutional uses. The Mississauga City Centre, a Major Office node, has experienced the highest increase in vacancy rates, climbing from 6% in 2019 to 19% in 2025.



Figure 3-9
Greater Toronto Area
Office Vacancy Rates by Suburban Market, 2019 and Q1 2025

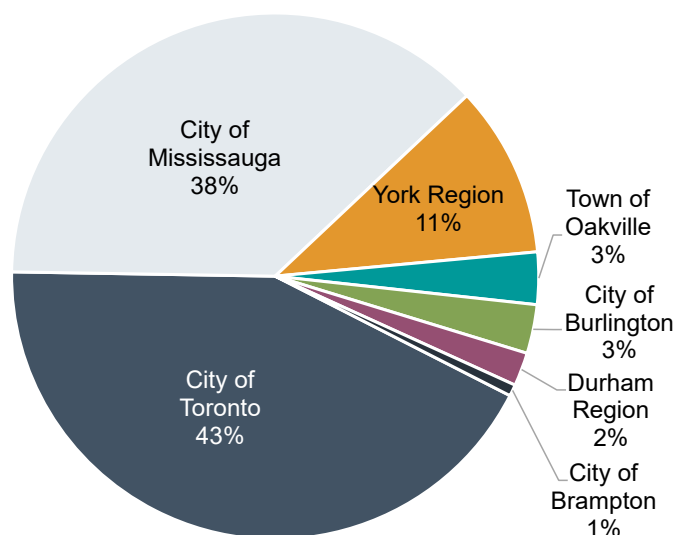


Source: Derived from Colliers International real estate market reports by Watson & Associates Economists Ltd.

Figure 3-10 and Figure 3-11 highlight the distribution of vacant office space in the G.T.A. for the years 2019 and Q1 2025. It is important to note that the concentration of vacant office space in the G.T.A. has markedly increased in the City of Toronto, climbing from 43% in 2019 to 76% in Q1 2025.

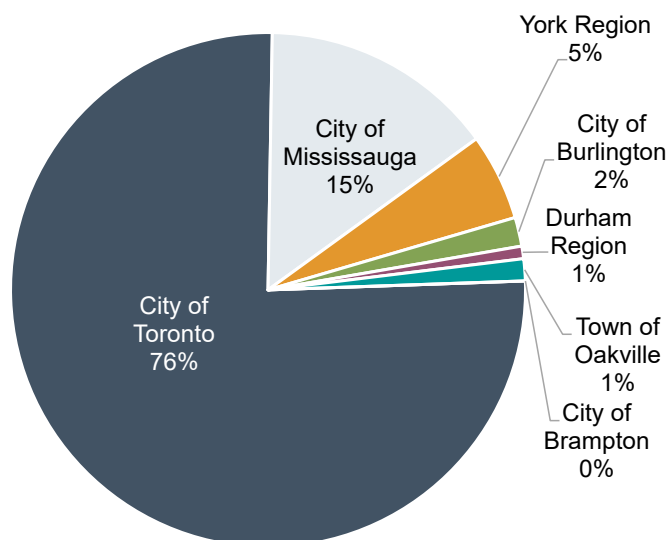


Figure 3-10
Greater Toronto Area
Vacant Office Gross Floor Area Space Shares, 2019



Source: Derived from Colliers International real estate market reports by Watson & Associates Economists Ltd.

Figure 3-11
Greater Toronto Area
Vacant Office Gross Floor Area Space Shares, 2025

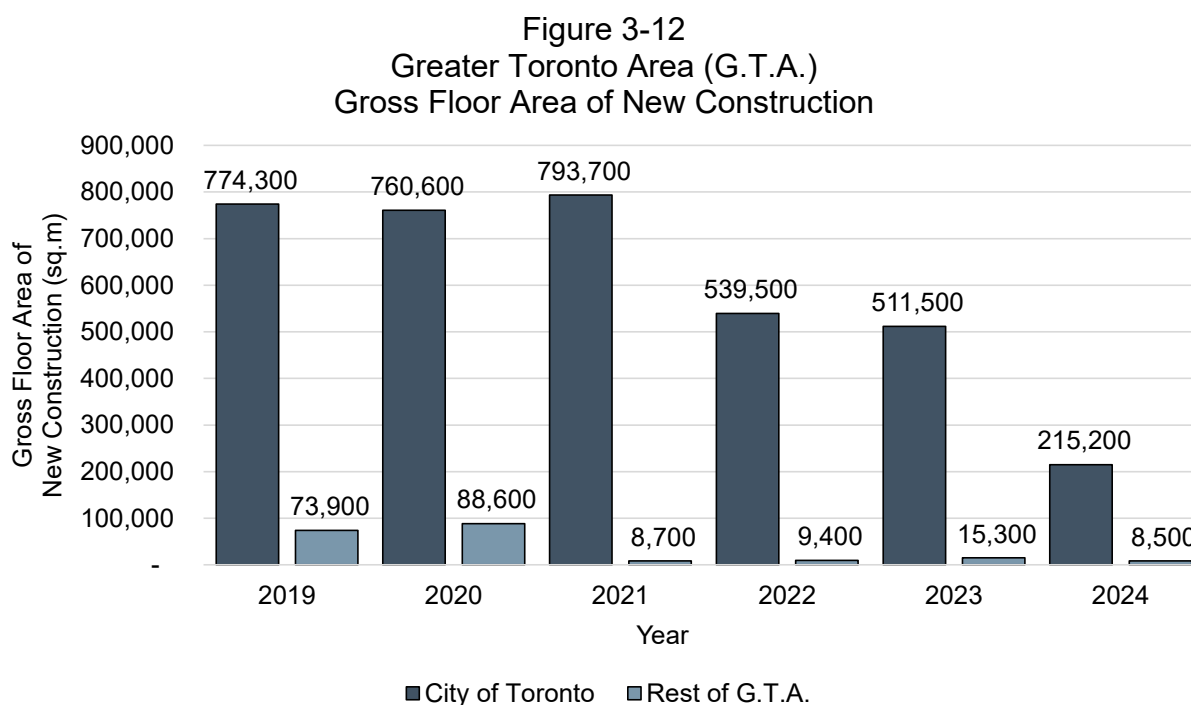


Source: Derived from Colliers International real estate market reports by Watson & Associates Economists Ltd.



3.2.2 New Office Construction Trends in the Greater Toronto Area

The construction of new office spaces in the G.T.A. has notably decreased in recent years, as summarized in Figure 3-12. Nevertheless, it is essential to acknowledge that prior to the pandemic, construction activity in the City of Toronto was very robust. The reduction in office construction can primarily be attributed to a slowdown in the City of Toronto, which had previously supported several large-scale office developments in its downtown area.



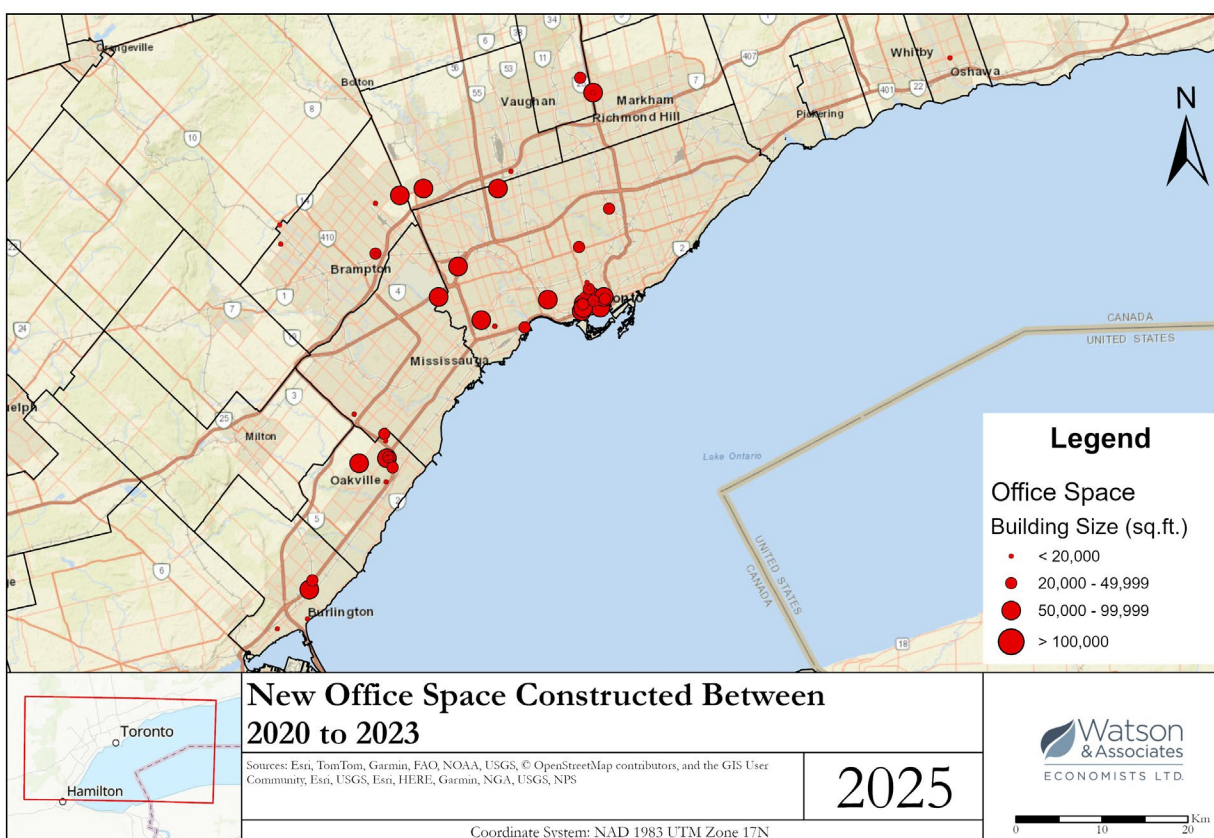
Source: Derived from Colliers Office Market databased on Q3 of each year by Watson & Associates Economists Ltd.

Figure 3-13 illustrates the location of new office space built between 2020 and 2023 across the G.T.A. As illustrated, new office construction has occurred in the City of Toronto and in the western and northern areas of the G.T.A., particularly along 400-series highways. Key characteristics of office developments in the G.T.A., outside the City of Toronto, have included mostly low- to mid-rise office developments (up to six storeys) in existing office nodes. The focus of office development has largely been on institutional tenants and multi-tenant spaces catering to small and medium-sized businesses. Since 2020, there has been less focus on constructing office space for head offices, large corporation offices, and large technology companies outside the City



of Toronto in the G.T.A. Furthermore, there is a trend towards the integration of office and industrial operations as companies seek to better streamline and consolidate their operations. For additional details about suburban office development on Employment Areas, please refer to the Town of Oakville Options for Land Use and Preliminary Directions Report.^[27]

Figure 3-13
Greater Toronto Area
Gross Floor Area of New Construction in the Greater Toronto Area



Source: Derived from Altus Studio by Watson & Associates Economists Ltd., 2020 to 2023.

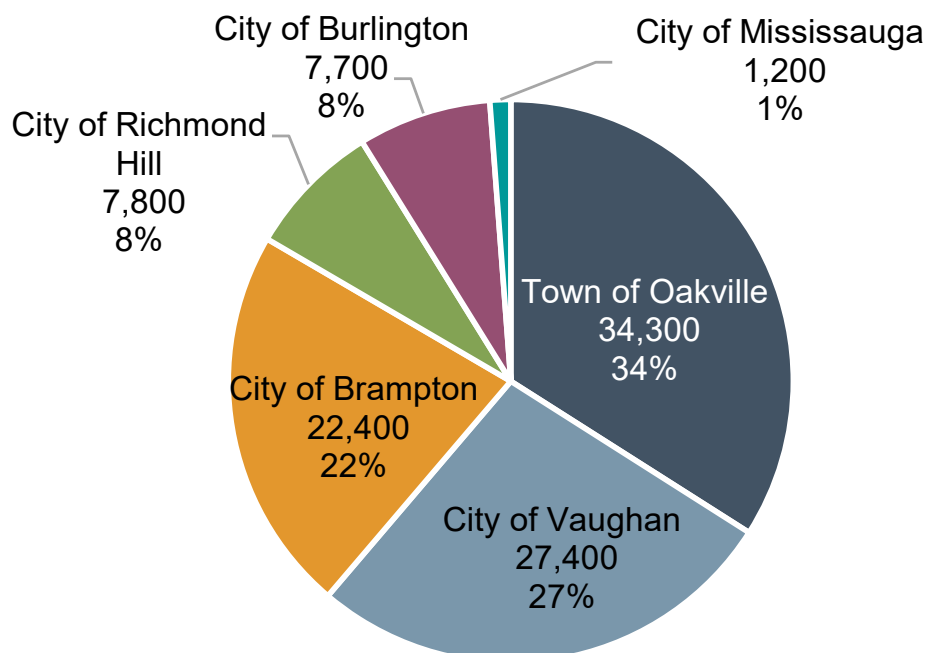
As illustrated in Figure 3-14, the Town of Oakville has led new office construction in the G.T.A., outside the City of Toronto. Over this period, Oakville accommodated the largest share of new office G.F.A., exceeding other suburban office markets such as the

^[27] Options for Land Use and Preliminary Direction Report, July 2025, Town of Oakville prepared by Watson & Associates Economists Ltd.



City of Vaughan, the City of Mississauga, the City of Burlington, and the City of Richmond Hill.

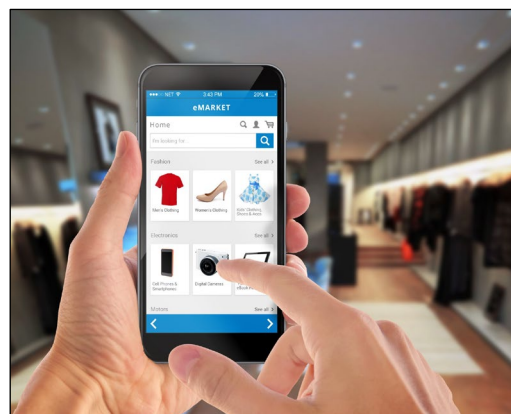
Figure 3-14
Greater Toronto Area, Excluding the City of Toronto
Gross Floor Area of New Office Completions, 2021 to 2024 (sq.m)



Source: Derived from Altus Data Studio by Watson & Associates Economists Ltd.

3.3 Commercial Retail Market Trends

The Canadian retail sector, including the G.T.H.A., is undergoing a dynamic transformation, profoundly shaped by the rise of e-commerce. While the digital realm has expanded its reach, physical retail remains a cornerstone, adapting its purpose and format to meet evolving consumer preferences. During the peak of the pandemic in April 2020, e-commerce sales in Canada surged to 10.7% of total retail sales. Since August 2021, however, this online share has stabilized,





consistently hovering between 5.5% and 6.5%, and standing at 6.2% as of April 2025.^[28] This stabilization underscores a crucial point: the vast majority of retail transactions still occur in physical stores, highlighting their enduring importance in communities.

E-commerce growth has been most pronounced in categories traditionally dominated by larger physical formats, such as apparel and electronics, often found in regional malls, big-box stores, and power centres. Interestingly, the relationship between online and offline retail is becoming increasingly interconnected. Bricks-and-mortar stores are now serving as critical fulfillment points for e-commerce orders and convenient return centres for online purchases. Some of Canada's largest retailers are innovating by repurposing commercial floor space within their stores as micro-fulfillment centres, optimizing last-mile delivery for online customers.

Current national and regional retail trends suggest that this pattern of physical retail evolution will continue. There will be a strong emphasis on local-serving retail options, which are essential for daily life, such as grocery stores and pharmacies. Additionally, growth is expected in experience-based offerings like diverse dining establishments and entertainment venues, and crucial essential services such as tutoring centres, dry cleaning services, childcare facilities, hair salons, and various medical or dental practices. These adaptable retail formats, typically occupying spaces from 140 sq.m to 3,720 sq.m (1,500 sq.ft. to 40,000 sq.ft.), are highly suitable for integration within mixed-use or intensified development settings, making them ideal for mixed-use environments.

In Oakville, the anticipated robust population growth will further bolster demand for new local-serving retail. Consumers consistently prioritize convenience, preferring not to travel extensively for essential products and services. Therefore, future planning for both intensification and greenfield areas in Oakville should strategically prioritize the accommodation of these local-serving retail uses, as they are fundamental to fostering vibrant and accessible communities. While population expansion will drive some retail demand, other categories reliant on comparison shopping, such as general merchandise, clothing, furniture, and electronics, are expected to experience only moderate growth. This is largely due to Oakville's proximity to established regional

^[28] Derived from Statistics Canada, Table 20-10-0081-01 Historical (real-time) releases of monthly retail trade, sales (x 1,000) by Watson & Associates & Associates Economists Ltd.



commercial nodes within the broader Toronto C.M.A. and prevailing national retail trends.

In planning for Employment Areas, access to commercial uses is a crucial component in supporting the quality of life for workers. Commercial amenities such as restaurants, daycares, fitness centres, convention centres, and hotels play a vital role in enhancing the daily experience of employees. Ensuring that these amenities are easily accessible to employees, ideally within walking distance or a short driving distance, is a key consideration that will be explored in detail as part of this study.



4. Employment Area Site Requirements and Target Sector Analysis

This chapter identifies key target sectors in Employment Areas.^[29] The target sectors have been established based on current Employment Area land conditions, opportunities within the broader market area, and an assessment of current labour force characteristics and changing employment trends across the surrounding region. The target sector analysis contemplates the Town's strategic position within this broader regional market, to ensure that Oakville can best position itself to successfully attract the appropriate industry and employment. The chapter also provides a brief analysis of the site characteristics that are needed for the selected target sectors in terms of location, design, surrounding context, etc.

4.1 Key Employment Sectors

The employment base within the Town of Oakville and the broader Toronto C.M.A. can be grouped into two broad categories – export-based sectors and community-based sectors. The latter primarily refers to local population-serving employment. Export-based sectors comprise industries (i.e., economic or industry clusters) that produce goods or services that reach markets outside the community, including agriculture and primary resources, manufacturing, research and development, and other knowledge-based industries.

Location Quotients (L.Q.s)^[30] are a commonly used tool in regional economic analysis to identify and assess the relative strength of industry clusters. Figure 4-1 illustrates the strength of employment sectors in the Town of Oakville relative to the Province using L.Q.s. As shown, Oakville's economy is largely oriented towards health care and social assistance; business, building and other support services; transportation and warehousing; wholesale and retail trade; and finance and insurance, real estate, rental and leasing. The Town of Oakville has a relatively lower concentration of employment

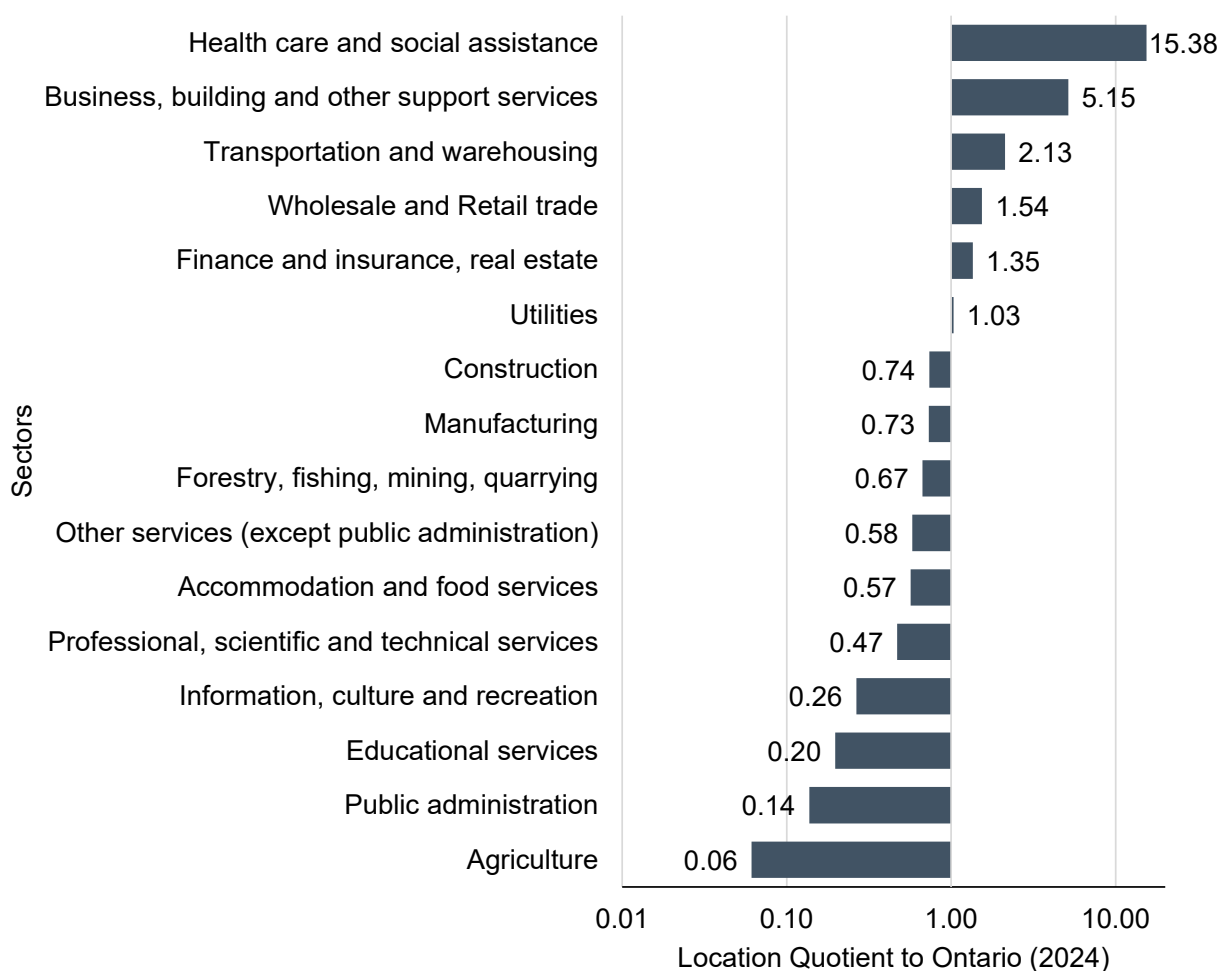
^[29] It is recognized that, according to the Town's current O.P., Employment Area lands include a range of industrial, commercial, and institutional uses.

^[30] An L.Q. of 1.0 indicates that the concentration of employment by sector is consistent with the broader employment base average. An L.Q. of greater than 1.0 indicates that the concentration of employment in a given employment sector is higher than the broader base average, which suggests a relatively high concentration of a particular employment sector or "cluster."



in construction, manufacturing, professional and scientific services, educational services, and primary sectors.

Figure 4-1
Town of Oakville Employment Sectors
Location Quotient to Ontario



Source: Derived from Lightcast for the Town of Oakville and Province of Ontario, presented by Watson & Associates Economists Ltd.



While the L.Q. identifies the relative strength of industry clusters in Oakville, through the Economic Development Plan,^[31] the Town has noted key business sectors, including:

- Professional services;
- Health and life sciences;
- Film, information and communication technology (ICT) and digital media; and
- Advanced manufacturing.

These key sectors represent established and growing sectors and are categorized based on their growth potential between 2019 to 2023, and projected growth through to 2029 alignment with workforce skills, contribution to the Town's G.D.P., and synergies with the regional innovation ecosystem.

The Town of Oakville has a number of top traded industry clusters, which are largely accommodated within Major Office and industrial building space. Figure 4-2, below, summarizes the top industry clusters in Oakville.

Figure 4-2
Town of Oakville
Key Traded Industry Clusters

Mature Clusters	Established Growth Clusters	Emerging Growth Clusters
• Automotive • Advanced manufacturing	• Business, building and other support services • Education and knowledge creation	• Film, information and communication technology (ICT) and digital media • Pharmaceuticals • Biotechnology

Source: Oakville Economic Development Plan 2025-2029, Halton Region Employment Survey, summarized by Watson & Associates Economists Ltd.

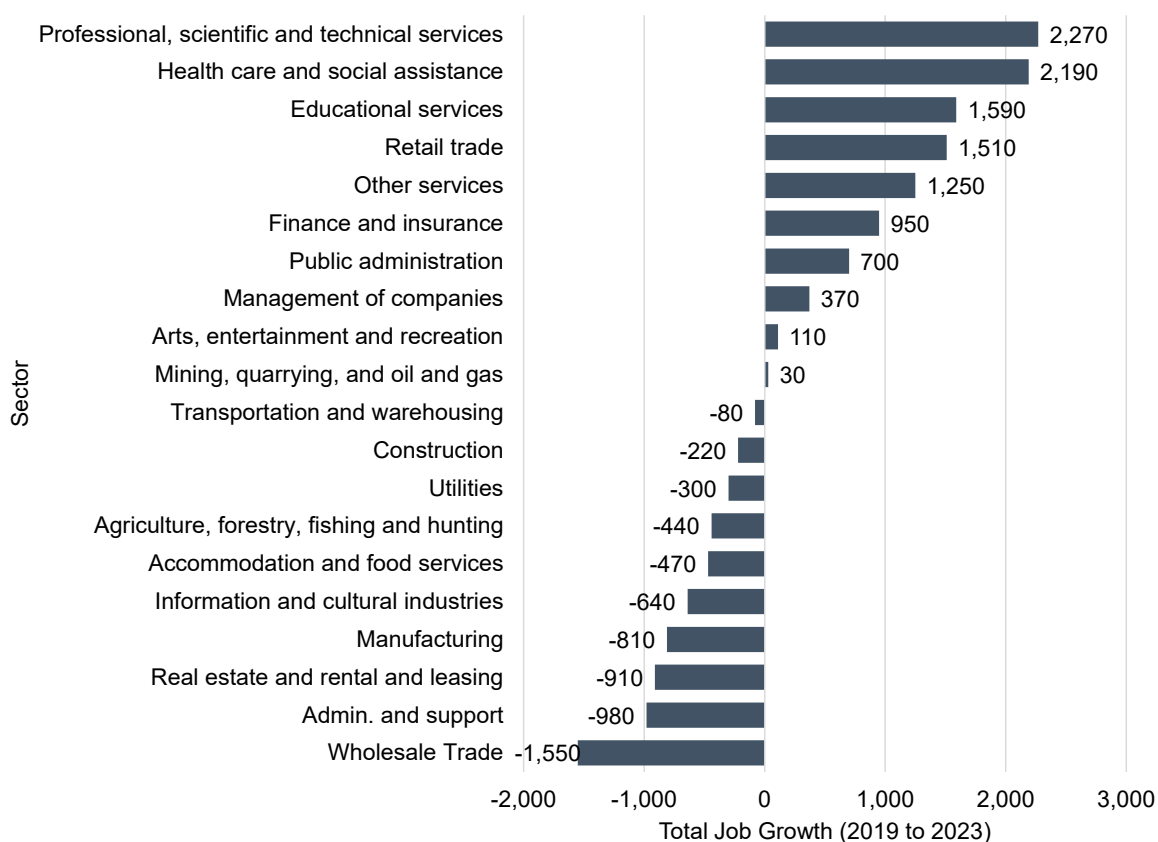
As previously noted in subsection 2.5.2, the Toronto C.M.A. has experienced strong labour force growth in knowledge-based sectors, especially during the 2021 to 2024 period, as noted in Figure 2-7. Between 2019 to 2023, the Town of Oakville grew at an

^[31] Town of Oakville Economic Development Plan 2025 – 2029, May 2025, prepared by Deloitte.



annual rate of 0.9%, adding approximately 4,600 jobs in the Town, as shown in Figure 4-3. Although the time frames in the two figures differ due to data availability, Oakville has mirrored broader trends in the Toronto C.M.A.. A number of key knowledge-based industry clusters have experienced strong employment growth over the 2019 to 2023 period, including professional, scientific and technical services, health care, educational services, and retail trade, as illustrated in Figure 4-3. Over the period, all industrial sectors experienced employment contraction, most notably in wholesale trade, manufacturing, and construction.

Figure 4-3
Town of Oakville
Total Employment Growth by Industry
2019 to 2023



Note: Figures have been rounded. Please note that industries may differ from the Oakville Economic Development Plan 2025 – 2029 due to different data sources.

Source: Derived from 2019 and 2023 Halton Employment Survey for the Town of Oakville by Watson & Associates Economists Ltd.



As previously mentioned, continued structural changes in the global economy and technological advancements will require municipalities to be increasingly responsive and adaptive to changing industry needs and disruptive economic forces.

4.2 Target Sector Analysis

An assessment of L.Q.s was utilized to review and identify the relative strengths of industry clusters in the Town of Oakville. Section 4.1 illustrates the strength of employment sectors in the Town relative to the Province using L.Q.s. As discussed, the Town's economy is largely oriented toward public administration, transportation and warehousing, business and other support services, health care, and wholesale and retail trade. Comparing the L.Q. of the Town to the Province, the following sectors have been identified as established clusters:

- Public administration;
- Health care and social assistance;
- Business, building and other support services;
- Transportation and warehousing;
- Wholesale and retail trade; and
- Manufacturing.

The above sectors were broadly considered in identifying the target sectors and industries for Oakville's Employment Areas. In addition to established sectors, certain sectors can be considered as emerging clusters for the Town and have broadly been addressed in the target sector analysis. As discussed in Chapter 2, the shift to knowledge-based sectors has been observed in both the regional and local economy.

For the Town of Oakville, the strategic advantages associated with Highways 407 and 403 and the Q.E.W. corridor allow for the continued attraction of a wider range of potential employment uses and create additional diverse Employment Area environments. The Town benefits from the Metrolinx Lakeshore West GO transit line, which provides access to both the City of Toronto and the City of Hamilton. Access to these major urban centres allows Oakville to draw upon a skilled labour force pool and provides access to a large and diverse employment base within the Town's commuter-shed. In addition, access to major highways and other regional transportation and Goods Movement infrastructure, proximity to the U.S. border, a growing skilled labour force, and a world-class reputation regarding quality of life makes the Town a primary



candidate for business attraction and expansion in the manufacturing and Goods Movement sector and other established and emerging industrial sectors, particularly those tied to technology and innovation.

The Town of Oakville has identified key sectors in its latest Economic Development Plan 2025-2029.^[32] With the above considerations in mind, the key target sectors for the Town's Employment Areas are explored in detail in Figure 4-4 and are summarized below:

- Manufacturing/advanced manufacturing;
- Construction; and
- Research and development/"knowledge-based" sectors.^[33]

In addition to the above target industrial sectors, support services like food and accommodation services and other employment-supportive uses form an integral part of the Town's recommended target sectors on Employment Area lands.

The growth of these broad employment sectors will ultimately depend on the evolving nature of macro-economic trends (i.e., trends in domestic manufacturing, etc.), the impacts of government stimulus and initiatives (i.e., clean technology and green energy solutions), and the competitive forces that influence the ongoing success of the industry within the broader regional economy.

At both the regional and local levels, location requirements of industry can vary considerably depending on the nature of the employment sector/use. The location of industries can also vary based on the level of servicing required. Many industrial sectors geared towards advanced manufacturing, food processing, energy, and research and technology depend on municipal water and wastewater services for their operations. Preserving serviced Employment Area lands for industries that generate greater employment yields should be a key objective of the Town's O.P. moving forward.

^[32] Town of Oakville Economic Development Plan 2025 – 2029, May 2025, prepared by Deloitte.

^[33] Includes sectors such as professional, scientific and technical services, cleantech, biotech, digital entertainment, robotics, information and culture, health care and education.



Employment sectors typically situated in industrial areas have varying site-specific requirements. Based on this analysis, the ability of current and future Employment Area lands in Oakville to support the target employment sectors was considered based on the following criteria:

- Locational requirements (i.e., type of industrial designation);
- Range of parcel sizes needed;
- Transportation access (route from highway, proximity to the customer base, etc.);
- Labour force needs (skilled, unskilled, or mobile labour force);
- Land use requirements (potential for expansion, buffers from surrounding land uses, integration with surrounding operations, etc.); and
- Development characteristics (building coverages, parking requirements, ceiling heights, etc.).

To be successful in attracting a broad range of employment sectors, it is recommended that the Town's Employment Area lands provide the corresponding attributes summarized in Figure 4-4. Appendix A provides further details regarding attributes of key target Employment Area sectors and supportive uses.

Figure 4-4
Town of Oakville
Target Employment Sectors Profile on Employment Area Lands

Employment Sector/Land Use	Requirements
Manufacturing/ Advanced Manufacturing	• Access to 400-series/controlled access highways. • Access to skilled and unskilled labour. • Access to power, water, and sewer services. • Proximity to markets and related industries. • Proximity to U.S. • Competitive land prices. • Typical parcel sizes: 1 to 4 ha (2 to 10 acres) with large-scale manufacturing uses requiring larger sites. • Buffers from surrounding non-industrial uses. • General or prestige setting. • Expansion potential.



Employment Sector/Land Use	Requirements
Research and Development/ “Knowledge-based” Sectors	• Access to skilled labour force. • Proximity to related industry clusters (companies and public institutions such as universities). • Prestige “campus-like” setting. • Parcel size: 1 to 2 ha (2 to 5 acres) for facility space within a multi-tenant incubator-type building. • Flexible leasing options. • Proximity to transit. • Access to on-site amenities and proximity to off-site services.
Construction	• Access to skilled and semi-skilled labour force. • Competitive land prices. • Proximity to customer base. • Range of size of development sites. • Need for open storage.
Food and Accommodation Services and Other Employment-Supportive Uses*	• High traffic exposure from major roads and surrounding employment and commercial uses. • Access to skilled and semi-skilled labour force. • High design quality. • Surrounding a large employment base. • Clustering of retail uses. • Urban amenities, including street lighting.

* Based on the Provincial Planning Statement, 2024, standalone employment-supportive uses would not be subject to the same protection against conversion as the other above-listed target sectors.

Source: Watson & Associates Economists Ltd.

4.3 Observations

The Town faces several opportunities and challenges concerning the management and growth of its existing and future Employment Area lands in light of the evolving structural changes in the economy and disruptive factors that continue to influence the nature of the economy. One of these challenges relates to macro-economic trends over which the Town has limited control. This includes the relative strength of the global



economy, international trade policy, and the competitiveness of the Canadian economic base relative to other established and emerging global markets.

In contrast to the above, Oakville has considerable control and the ability to position itself positively when considering the Town's regional competitive ranking. A major factor for the future competitiveness of the Town's economic base relates to the structure, quality, and "readiness" of its lands in Employment Areas. Local infrastructure improvements and initiatives are expected to support industrial development in the Town.^[34] Over the next several decades, the Town's employment base is anticipated to steadily grow across a broad range of export-based and population-serving employment sectors – growth within knowledge-based sectors will be a key attraction effort for the Town. The Town, however, will be competing to attract and retain these sectors with other municipalities across the G.T.H.A. and beyond. To accommodate the Town's steadily growing economic base, land use planning policies must anticipate the evolving nature of the local and regional economies and reflect the diverse needs of industry and businesses of all sizes over the long term. To ensure the long-term competitiveness, growth, and diversity of the Town's economy, planning and marketing efforts should focus on the broader strengths of the Town and its communities, targeting specific sectors for investment, and maintaining an adequate supply of quality, shovel-ready Employment Area lands.

^[34] Town of Oakville Economic Development Plan 2025 – 2029, May 2025, prepared by Deloitte.



5. Town of Oakville Employment Areas

Employment Areas are an integral part of Oakville’s economic development potential as they accommodate a significant share of the Town’s businesses and employment. The following chapter provides a high-level overview of the existing Employment Areas in the Town of Oakville.

Employment Areas in Oakville are designated in various planning documents, including as Employment Areas in the *Livable Oakville Plan*, Employment Districts in the *North Oakville East and West Secondary Plans*, and Employment Areas in the *Halton Regional Official Plan*. These designated Employment Areas are primarily located along key transportation corridors such as Highway 403, the Q.E.W., Highway 407, the Lakeshore West GO train corridor, and near the Town’s boundaries with neighbouring municipalities.

As noted in the Background Facts Report,^[35] there are five main Employment Area land use designations in Livable Oakville (Town of Oakville O.P.) under Part D, section 14, and North Oakville East and West Secondary Plan:

- Office Employment;
- Business Employment;
- Industrial;
- Business Commercial; and
- Employment District.

Under Livable Oakville, Employment Areas are defined as “clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities.”^[36] Lands designated for employment within the North Oakville Secondary Plans are identified as Employment Districts. These areas are intended “to protect and provide a range of development opportunities for employment-generating industrial, office, and service uses.”^[37]

^[35] Background Facts Report, Employment Areas Review, May 2025, Town of Oakville.

^[36] Part D: Land Use Designation and Policies, Section 14, Livable Oakville, last updated April 22, 2025.

^[37] Section 7.6.8 of the North Oakville East Secondary Plan and Section 8.6.5 of the North Oakville West Secondary Plan.



The Provincial Planning Statement, 2024 includes an updated definition of Employment Area based on the amendment of the *Planning Act* on June 8, 2023. The *Planning Act* was amended under subsection 1 (1) to include a new, more narrowly scoped definition of “area of employment.” This definition of Employment Area has been revised to include only industrial-type employment as a primary use. It is recognized that, in light of these recent provincial changes, the definition under *Livable Oakville* needs to be updated. Furthermore, the Town’s Employment Areas need to be reviewed to reflect the change in provincial direction. This represents a key focus of the Town of Oakville Options for Land Use and Preliminary Directions Report.^[38]

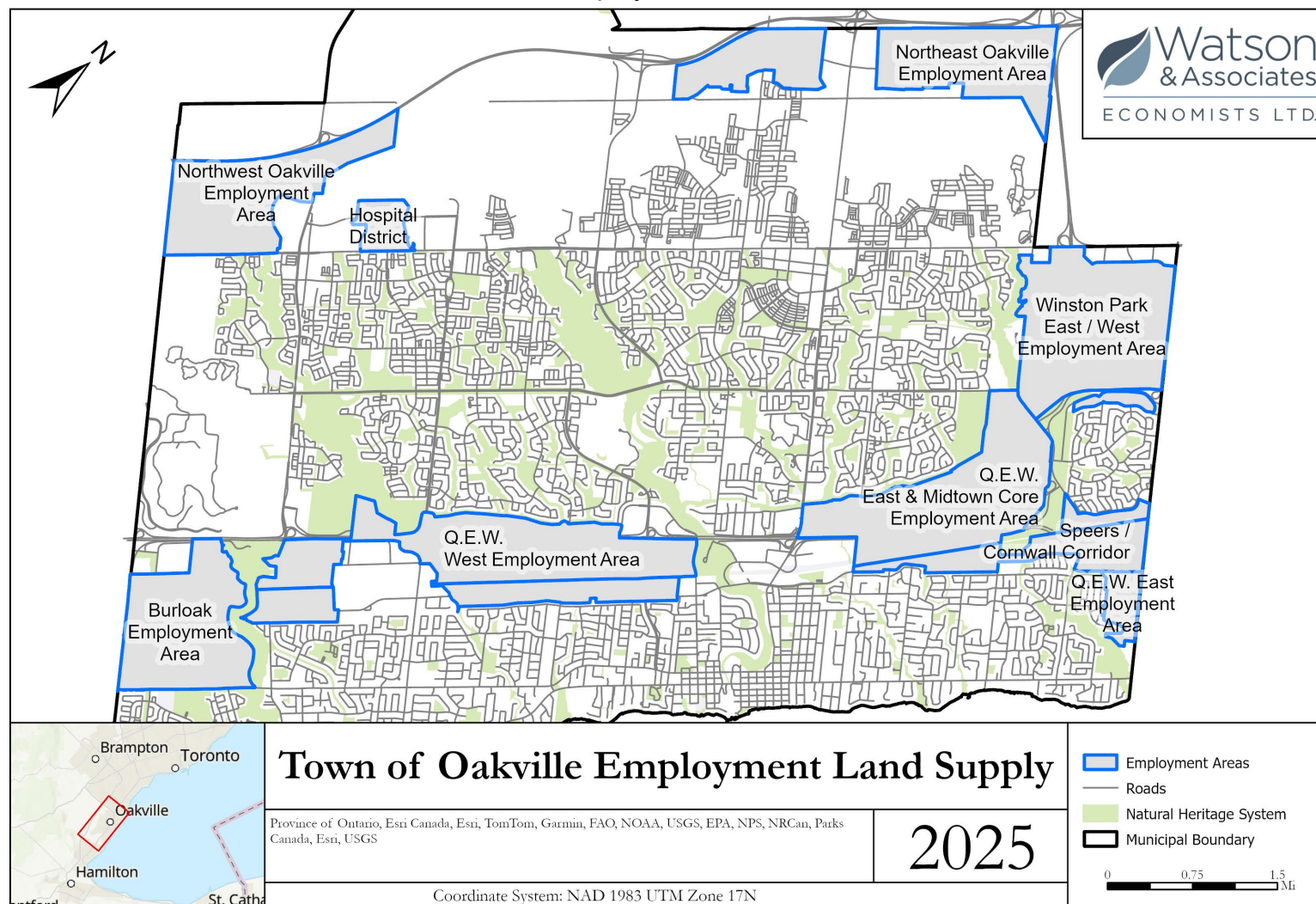
5.1 Review of Existing Employment Areas

Within the Town of Oakville there are seven major Employment Areas. Below is a brief description of each area followed by a map of all Employment Areas shown in Figure 5-1.

^[38] Options for Land Use and Preliminary Direction Report, July 2025, Town of Oakville, prepared by Watson & Associates Economists Ltd.



Figure 5-1
Town of Oakville
Employment Areas





5.1.1 Burloak Employment Area



Aerial of the Burloak Employment Area.
Source: Google Earth Imagery

The Burloak Employment Area is located on the western edge of Oakville, bounded by Burloak Drive to the west, Bronte Creek to the east, the Q.E.W. to the north, and Rebecca Street to the south. This area comprises a total of 176 ha (434 acres), most of which is developed. The area is physically dominated by the Suncor Energy/Petro Canada fuel distribution facility.

5.1.2 Northeast and Northwest Oakville Employment District

The Northeast and Northwest Oakville Employment District is bounded by Dundas Street to the south and Highway 407 to the north. Combined, these two areas have a total designated land area of 535 net ha (1,322 net acres). Comparatively, the North Oakville Employment District East has greater locational strengths than the North Oakville Employment District West lands for industrial and office uses. This employment district benefits from its proximity to Highways 403 and 407. In addition, the Employment Area is adjacent to the City of Mississauga Western Business Park, which is nearly built out (comprising multi-tenant and light industrial uses), and provides an opportunity to attract similar uses found in that business park. The lands in the North Oakville Employment District East are less fragmented by natural heritage features than the lands in the North Oakville Employment District West, which provides an opportunity for a more cohesive business park and the ability to accommodate industrial developments that require large sites.



Aerial of the North Oakville Employment District East.
Source: Google Earth Imagery

The North Oakville Employment District West consists of two distinctive areas, which include the lands surrounding the Oakville Trafalgar Memorial Hospital site (including the Health Oriented Mixed-Use Node located at Dundas Street and Third Line) and lands surrounding Highway 407. The Oakville Trafalgar Memorial Hospital provides potential opportunities for the surrounding Employment Areas to attract sectors related to health and life sciences, as well as the commercialization of health-related research and innovation.

5.1.3 Oakville Q.E.W. West Employment Area

The Oakville Q.E.W. West Employment Area abuts both the north and south sides of the Q.E.W. between Bronte Road in the west and Kerr Street in the east. The Area contains 487 net ha (approximately 1,200 net acres) of land. It is not only one of Oakville's largest Employment Areas, but also one of Halton Region's, with 564 businesses in the area. The Employment Area encompasses approximately 185,810 sq.m (2.0 million sq.ft.) of industrial space and just under 92,900 sq.m (1.0 million sq.ft.) of major office inventory. This Employment Area is diverse in its character and composition of land uses.



Aerial of the Oakville Q.E.W. West Employment Area.
Source: Google Earth Imagery

5.1.4 Oakville Q.E.W. East Employment Area



Aerial of the Oakville Q.E.W. East Employment Area.
Source: Google Earth Imagery

The Oakville Q.E.W. East Employment Area is situated along the north and south sides of the Q.E.W. on the eastern side of Oakville. With an overall land area of 341 net ha (approximately 840 net acres), the District accommodates approximately 13,000 jobs and 550 businesses and is one of the largest Employment Areas in both Oakville and Halton Region. The Employment Area currently accommodates 882,580 sq.m (9.5 million sq.ft.) of industrial space and 83,610 sq.m (0.9 million sq.ft.) of major office space.

5.1.5 Speers/Cornwall Corridor

The Speers/Cornwall Corridor is an important gateway into the Town of Oakville. Speers Road provides important linkages within Oakville, including a direct linkage between the Town's two GO stations, Bronte GO station and Oakville GO station, as well as three of the Town's Strategic Growth Areas, the Bronte GO Major Transit Station Area, Kerr Village, and Midtown Oakville.



Speers Road functions as a transitional area between the industrial lands to the north and residential areas to the south. The current uses along the corridor include a variety of employment and service commercial uses. Auto-related uses such as service stations, vehicle repair facilities, and dealerships can be found at intersections with arterials. Clusters of service commercial uses can be found throughout this Employment Area. All four of the Town's Employment Area land use designations are utilized along the Speers Road Corridor. Although there are limited vacant lands within the corridor, the Town has conducted the long-term land uses along the Speers Road corridor within the context of current provincial planning policy.^[39]



Aerial of the Speer/Cornwall Corridor along Maple Grove Drive.
Source: Google Earth Imagery

5.1.6 Winston Park Employment Area

The Winston Park Employment Area has a developed area of 188 net ha (approximately 465 net acres) and is a highly prestige business park, located on the eastern side of Oakville bound by Dundas Street to the north, Highway 403 to the west, Winston Churchill Boulevard to the east, and the Q.E.W. to the south. The Employment Area is home to 14,000 jobs and 386 businesses, with 510,970 sq.m (5.5 million sq.ft.) of non-residential space. The Employment Area has excellent access and exposure to Highway 403 and the Q.E.W.

^[39] Speers Road Corridor Study, Liveable Oakville, Official Plan Amendment 27, in-effect July 27, 2020.



Aerial of the Winston Park Employment Area.
Source: Google Earth Imagery

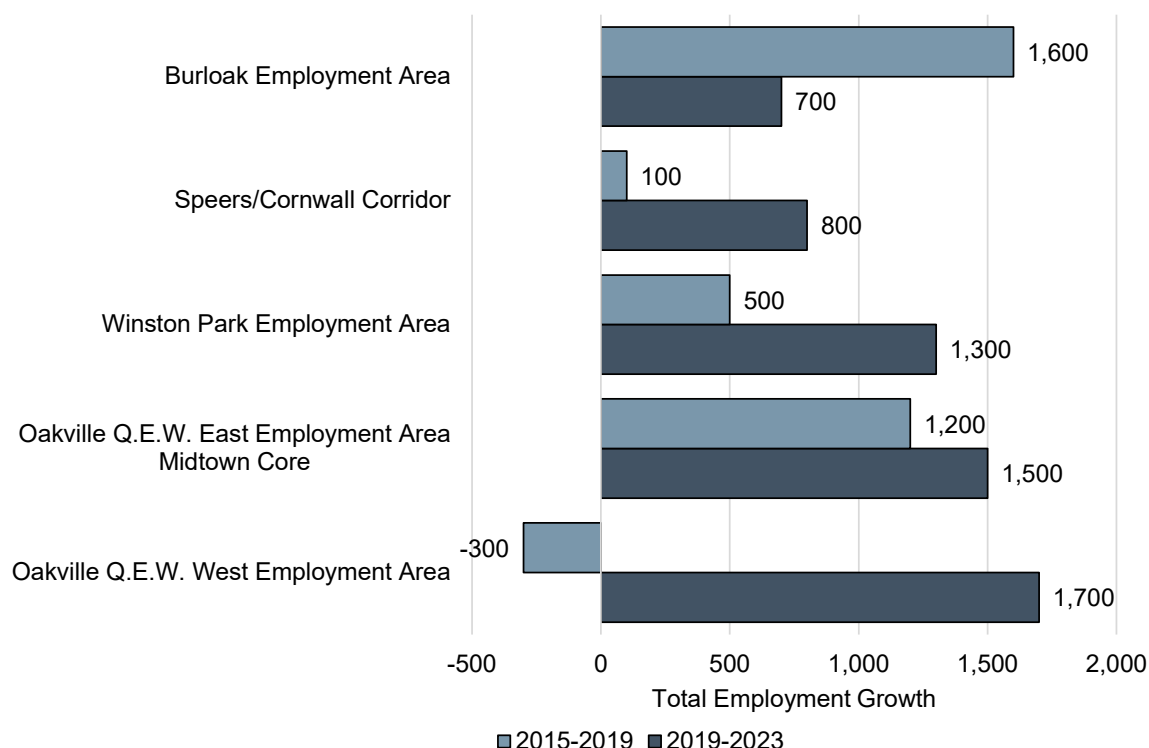
5.2 Employment Growth by Employment Area

Figure 5-2 illustrates employment growth by select Employment Area in Oakville (2015 to 2019 and 2019 to 2023). Key observations are as follows:

- Recent employment growth has been strongest in the Oakville Q.E.W. East Employment Area.
- Oakville Q.E.W. West was the only Employment Area to experience an employment decrease from 2015 to 2019, but since then has experienced strong employment growth.
- The Winston Park Employment Area experienced almost three times more employment growth between 2019 and 2023 compared to the 2015 to 2019 period.
- While the Burloak Employment Area benefited from positive employment growth between 2019 and 2023, employment growth in this area has slowed relative to the 2015 to 2019 period.



Figure 5-2
Town of Oakville
Change in Employment Growth by Employment Area,
2015 to 2019 and 2019 to 2023



Note: Figures have been rounded and may not add precisely.

Source: Derived from 2015, 2019, 2023 Halton Employment Surveys and summarized by Watson & Associates Economists Ltd.

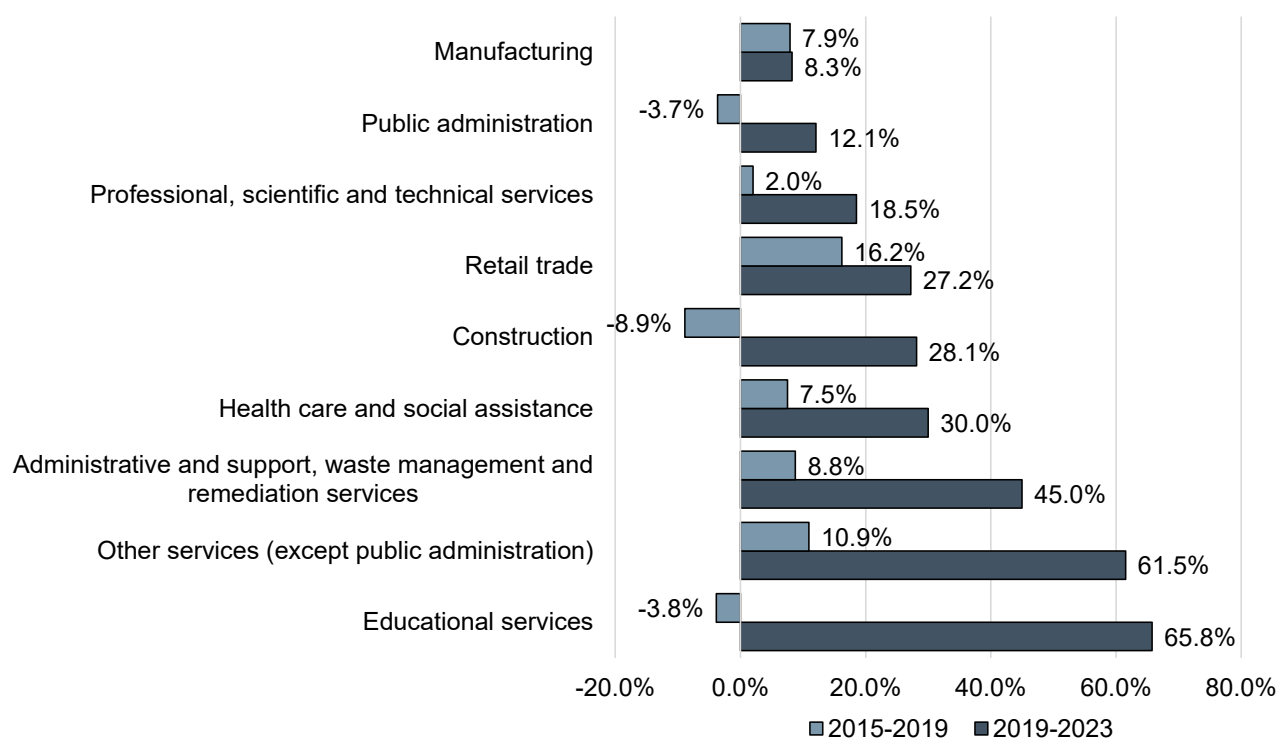
Figure 5-3 summarizes the change in employment by sector over the 2015 to 2023 period. Key observations include the following:

- Educational services experienced the highest growth between 2019 and 2023, growing by 66%, which is up significantly from the decline in the previous 2015 to 2019 period.
- Servicing-producing sectors, such as administrative and support, waste management and remediation services; health care and social assistance; and other services (except for public administration), also experienced notable employment increases between 2019 and 2023.
- Manufacturing remained relatively stable, with modest growth in both periods, 7.9% between 2015 and 2019, and 8.3% between 2019 and 2023.



- The construction sector experienced strong employment growth between 2019 and 2023, growing by 28.1%, which is significantly more than the -8.9% decrease in the 2015 to 2019 period.
- Between 2019 and 2023, employment growth was much stronger in all sectors relative to the 2015 to 2019 period, especially in service-based sectors, reaffirming the local shift towards knowledge-based employment within Oakville's Employment Areas.

Figure 5-3
Town of Oakville
Change in Employment Growth in Employment Areas by Employment Sector,
2015 to 2019 and 2019 to 2023



Note: Figures have been rounded.

Source: Derived from 2015, 2019, and 2023 Halton Employment Surveys and summarized by Watson & Associates Economists Ltd.



5.3 Vacant Urban Designated Employment Area Lands in Oakville

Within the Town of Oakville, vacant designated lands within Employment Areas are primarily located north of Dundas Street within the North Oakville Employment District.

Figure 5-4 and Figure 5-5 summarize the distribution of vacant Employment Area lands in the Town of Oakville. When analyzing a vacant land inventory, land areas can be presented as either gross or net developable land. Typically, the gross land area represents all developable lands, removing only non-developable features associated with environmental constraints.

In determining the net developable Employment Area lands, larger vacant parcels (i.e., 4 ha or greater) that are not subdivided were also subject to an additional downward adjustment to reflect internal infrastructure (i.e., roads, stormwater ponds, easements, etc.) assuming a net to gross developable land area adjustment of 75%^[40]. Following this adjustment for internal infrastructure, an adjustment for long-term land vacancy was applied. A long-term land vacancy adjustment of 15% was applied to the net vacant land supply to account for lands that may not develop over the planning horizon for various factors such as marketability, site constraints, parcel configuration, landowner willingness, etc. Based on these definitions, there are approximately 518 gross ha (1,280 gross acres) and 358 net ha (885 net acres) of vacant designated Employment Area lands available in the Town.

^[40] Based on best practices for surrounding municipalities, a net to gross adjustment for unsubdivided lands in Employment Areas of 75-80%.



Figure 5-4
Town of Oakville
Gross and Net Vacant Employment Area Land Supply (Hectares)

Employment Area	Gross Land Area	Adjustment for Internal Infrastructure ^[1]	Long-Term Land Vacancy ^[2]	Net Vacant Lands
Calculations	(A)	(B)	(C)	(D = A - B - C)
Northeast Oakville Employment District	247	50	29	167
Northwest Oakville Employment District	72	18	8	46
Hospital District	28	6	3	19
Winston Park East/West Employment Area	60	8	8	44
Q.E.W. East & Midtown Core Employment Area	24	1	3	19
Speers/Cornwall Corridor	8	0	1	7
Q.E.W. East Employment Area	33	8	4	21
Q.E.W. West Employment Area	28	1	4	23
Burloak Employment Area	17	3	2	12
Town of Oakville	518	96	63	358

^[1] Parcels that are greater than 4 ha are subjected to a downward adjustment of 25% to account for internal infrastructure (i.e., roads, stormwater ponds, easements, etc.).

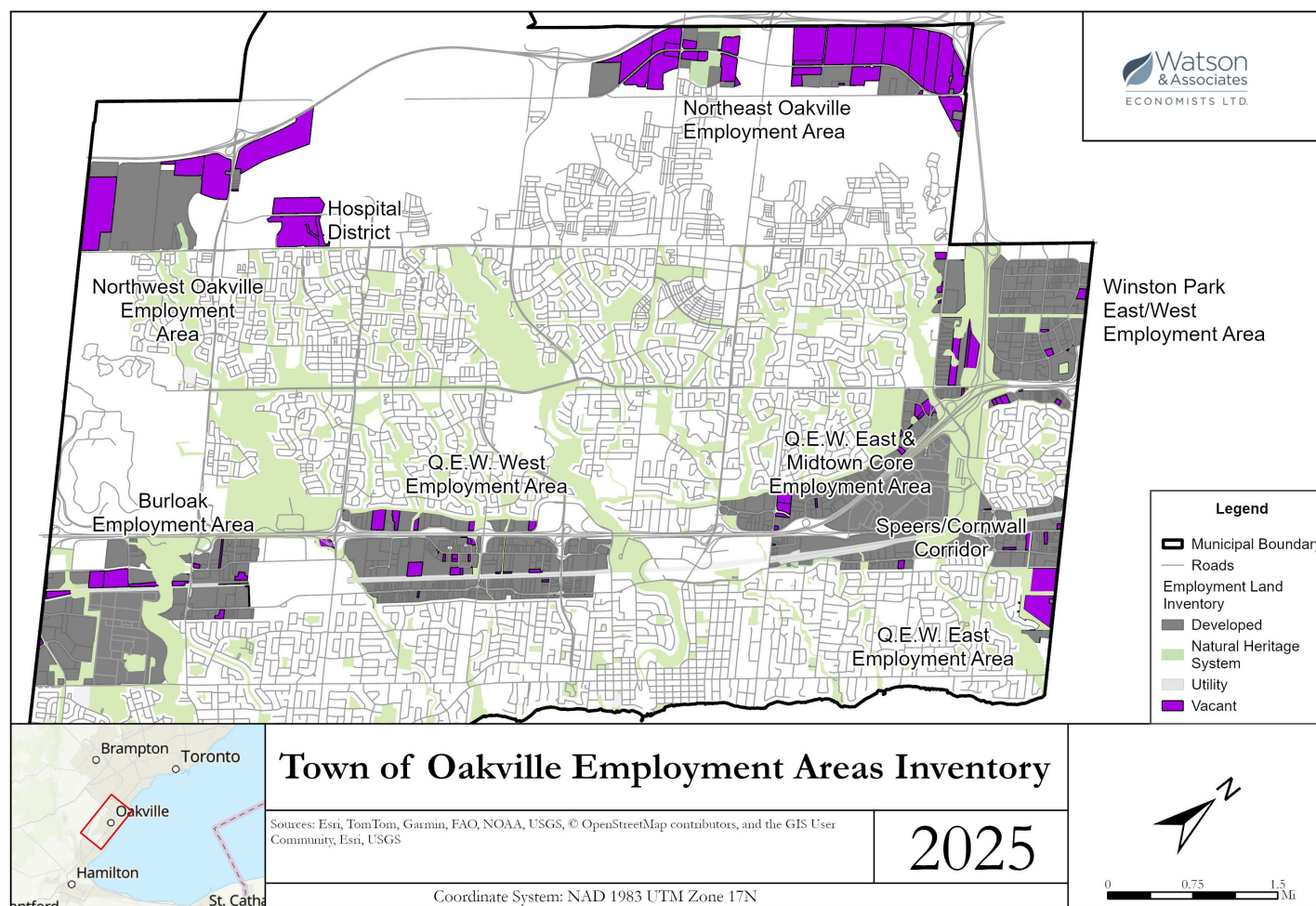
^[2] A long-term land vacancy adjustment of 15% was applied to the net vacant land supply to account for lands that may not develop over the planning horizon for various factors such as marketability, site constraints, parcel configuration, landowner willingness, etc.

Note: Figures are reported in hectares and have been rounded and may not add precisely.

Source: Derived from data files provided by the Town of Oakville; table prepared by Watson & Associates Economists Ltd.



Figure 5-5
Town of Oakville
Employment Area Land Inventory by Status



Watson & Associates Economists Ltd, 2025.



6. Financial Policy Considerations

This section provides a discussion regarding the financial considerations the Town of Oakville should address with respect to the development of the Employment Areas.

6.1 Anticipated Capital Expenditures

6.1.1 *Capital Related*

Based on the information presented in Figure 5-4, the Town's vacant Employment Area land supply totals 518 ha. It is assumed that new infrastructure, as well as upgrades to existing infrastructure, will be required to service these lands, including but not limited to:

- Roads and related infrastructure (e.g., sidewalks, streetlights, intersection; improvements, and culverts);
- Stormwater drainage;
- Water distribution; and
- Wastewater collection.

While the above items are the immediate development-enabling infrastructure, other capital works may be required to service these Employment Areas, such as fire protection (e.g., increased facility space, additional fire fighters, vehicles, and equipment) and parks and recreation (e.g., parks for employees and meeting rooms). These capital works will need to be identified by the Town and the Region of Halton.

It should be noted that water and wastewater services are the responsibility of the Region and should be assessed in coordination with the Town-related services.

6.1.2 *Operating Related*

In addition to the capital requirements of Employment Areas, the Town will incur increased operating costs due to the forecast 31,300 jobs that are estimated to 2051, based on these development areas.^[41] These operating expenditures include tax-

^[41] For additional details about employment allocations, please refer to the Options for Land Use and Preliminary Direction Report, July 2025, Town of Oakville, prepared by Watson & Associates Economists Ltd. This includes employment land employment and employment supportive jobs.



supported items (e.g., general government, transportation services, environmental services, protection to person and property, and transit).

Given this level of increase, it is suggested that the Town undertake a fiscal impact analysis to determine the impact of this growth.

6.2 Potential Sources of Revenue

Based on the anticipated capital required for the Town's Employment Area lands, the town could consider a variety of funding sources to generate revenues for this undertaking. These sources include, but are not limited to, the following:

- **Development Charges (D.C.s):**
 - The Town should consider the use of D.C.s to pay for the growth-related infrastructure of the proposed industrial developments. Oakville's current Town-wide D.C. by-law came into force on July 12, 2022, and provides for residential and non-residential rates.
 - The Town's D.C. by-law will need to be updated to incorporate the proposed capital works required for these Employment Area lands that have not been included in the 2022 D.C. background study.
 - It should be noted that the *Development Charges Act, 1997* (D.C.A.) has been amended since the current by-law was approved. In late 2022, Bill 23, *More Homes Built Faster Act, 2022*, provided discounts and exemptions for certain developments. In 2024, Bill 185, *Cutting Red Tape to Build More Homes Act, 2024*, partially reversed Bill 23 impacts, particularly mandatory phase-ins of Council-approved D.C. rates. The latest revision comes from Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025*, which introduced a number of additional exemptions, timing of payment changes, and other items that may affect D.C. collections.
- **D.C. Credits**
 - Under section 38 of the D.C.A., developers can undertake the construction of infrastructure on behalf of the Town and receive D.C. credits. This provides an immediate financial relief to the Town as the developers undertake the upfront cost and construction.
 - The projects will need to be included in the Town's D.C. study.



- **D.C. Front-Ending Agreements**

- Under section 44 of the D.C.A., developers can enter into a financial agreement with the Town to finance the costs of the proposed infrastructure. These front-ending agreements are treated as a loan, but do not impact the Town's annual repayment limit and debt capacity. These financing costs can be included and recovered through future D.C. collections.

- **Local Service/Direct Developer Responsibilities**

- Through subsection 59 (2) of the D.C.A., the Town has established a local service policy guideline that outlines the size and nature of engineered infrastructure that is included in the study as a D.C. project, versus infrastructure that is considered as a local service, to be emplaced separately by landowners, pursuant to a development agreement.
- For capital projects that are considered a "local service," as defined by the Town's local service policy, it is assumed that the developer will be fully responsible for the fundings and construction of these works.

- **Property Taxes**

- For expenditures that cannot be funded from other revenue sources, the Town's default funding source is property taxes. This revenue source is typically utilized for non-growth-related capital and operating transactions.
- Reliance on this revenue source will impact all residential and non-residential taxpayers. It is suggested that the Town assess the impacts of the capital and operating costs for Employment Area lands to estimate the appropriate tax rate increases.

- **Parkland Dedication/Cash-in-Lieu**

- Under sections 42, 51, and 53 of the *Planning Act*, the Town has the ability to recover for parkland dedication.
- With respect to Employment Area lands, the Town is eligible to collect 2% of the value for both dedication and as a cash-in-lieu to pay for future parks and recreation capital.

- **Debt Financing**

- Although it is not a direct method of minimizing the overall cost to the taxpayers, debentures are used by municipalities to assist in cash flowing large capital expenditures.
- The Ministry of Municipal Affairs regulates the level of debt incurred by Ontario municipalities, through its powers established under the *Municipal*



Act. Ontario Regulation 403/02 provides the current rules respecting municipal debt and financial obligations. Through the rules established under these regulations, a municipality's debt capacity is capped at a level where no more than 25% of the municipality's own purpose revenue may be allotted for servicing the debt (i.e., debt charges).

- **Grant Funding**

- Grant funding is another alternative revenue source that requires active application and monitoring in order to secure monies from the Province and federal government.
- Examples include:
 - Housing-Enabling Water Systems Fund, which can be applied to water, wastewater, and stormwater projects. While this fund focuses on incentivizing housing, the increase in capacity to water, wastewater, and stormwater infrastructure may assist with Employment Area lands. The Canada Housing Infrastructure Fund is a similar federal-based grant.
 - Canada Community-Building Fund (formerly known as the gas tax), which can assist with capital-related infrastructure.
 - Ontario Community Infrastructure Fund, which is a formula-based grant that supports municipalities with the construction and repairs to municipal infrastructure.



7. Conclusions

The Town of Oakville is well-positioned to support long-term economic growth and employment through a diverse and evolving Employment Area land base. This Financial and Market Analysis Technical Report has highlighted the key macro-economic, regional, and local trends in shaping industrial, office, and commercial development across the G.T.H.A., with specific insights into Halton Region, and more specifically the Town of Oakville.

Despite ongoing global economic uncertainty and shifting labour force dynamics, Oakville continues to demonstrate resilience, underpinned by a strategic location, access to major transportation infrastructure, and a growing, highly skilled workforce. Industrial activity in the Town remains robust, with sustained development in sectors such as logistics, advanced manufacturing, logistics, and mixed-use light industrial operations, office market performance, particularly along the Q.E.W. corridor. The Town continues to benefit from strong regional connectivity, amenities, and access to talent, despite broader trends toward hybrid and remote work models.

The report also identifies clear sectoral strengths and emerging opportunities for Oakville. Target sectors such as advanced manufacturing, health and life sciences, digital media, and professional services align with both regional labour force capabilities and broader economic shifts toward knowledge-based and innovation-driven industries. These sectors offer Oakville the opportunity to attract high-value employment while maintaining a balanced and competitive economic base.

Ensuring the availability of appropriately serviced, shovel-ready Employment Area lands with suitable attributes—such as parcel size, zoning flexibility, and proximity to transit and amenities—will be critical. The Town's planning efforts must also respond to broader economic forces such as automation, A.I., and e-commerce, which continue to redefine site needs and operational models across industrial and office sectors.

As briefly mentioned throughout this report and discussed in greater detail in the Town of Oakville Directions and Options for Land Use Report, the Town's Employment Areas are required to be reviewed to not only respond to address changes in provincial policy direction, but also respond to evolving changes in macro-economic conditions and market trends regarding industrial-type development.

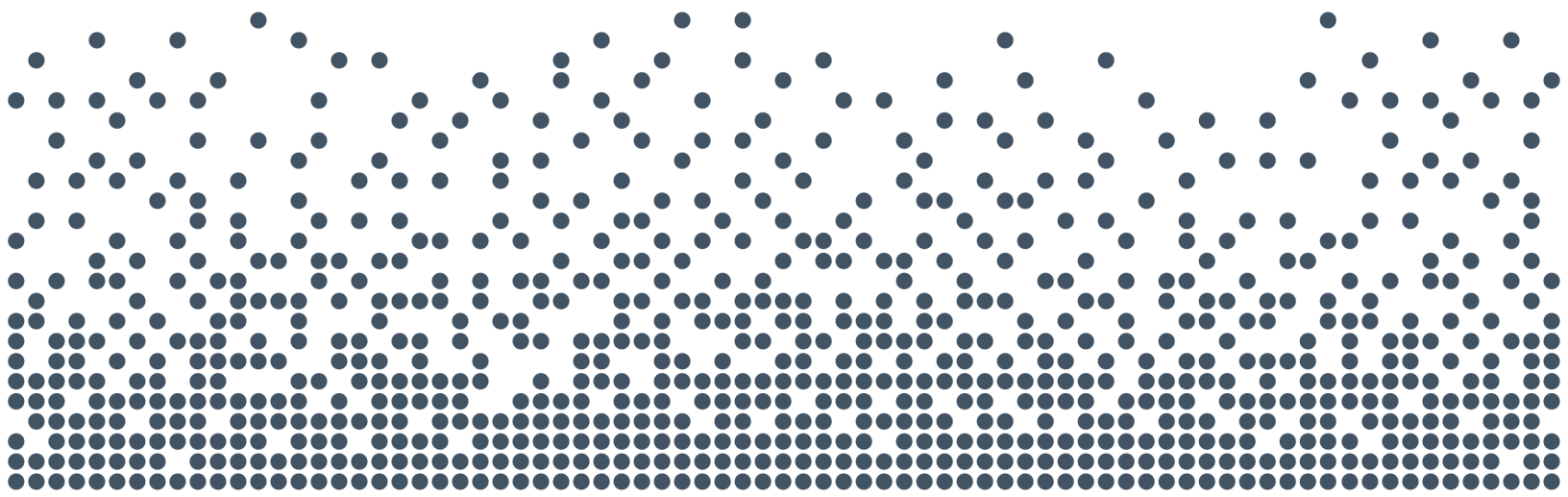


To remain competitive, the Town of Oakville must continue to:

- Protect and enhance the Town's finite supply of Employment Area lands, including employment generating areas that are no longer recognized under the Province as Employment Areas;
- Adapt policy frameworks to ensure the Town's Employment Area lands remain competitive while also responding to evolving siting requirements, space needs, and work arrangements;
- Invest in infrastructure and placemaking to support business attraction and workforce retention;
- Encourage and facilitate the increased utilization on the Town's established Employment Area lands through intensification; and
- Integrate employment and housing strategies to meet the needs of a growing and diverse labour force.

By protecting Employment Area lands the Town supports complete communities, reduces commuting and greenhouse gas emissions, limits urban sprawl, protects natural areas like the Greenbelt, and enables sustainable infrastructure such as district energy systems to strengthen long-term resilience.^[42] This technical report provides a foundation for informed decision-making as the Town proceeds with the broader Employment Areas Review. It offers key insights to inform future land use planning, infrastructure investment, and economic development strategies to ensure that Oakville's Employment Areas continue to thrive as vital contributors to the Town's economy.

^[42] Background Facts Report, Employment Areas Review, 2025, Town of Oakville



Appendices



Appendix A

Industry Sector Requirements



Appendix A: Industry Sector Requirements

At both the regional and local levels, location requirements of industry can vary considerably depending on the nature of the employment sector/use. Employment sectors typically situated in industrial areas have varying site-specific requirements. To successfully attract a broad range of employment sectors, it is recommended that Oakville's Employment Areas provide the corresponding attributes summarized in Figure A-1.



Figure A-1
Employment Sector/Land Use Requirements

Employment Sector/ Land Use	Location	Parcel Sizes	Transportation	Labour Force	Surrounding Context	Development Characteristics
Manufacturing/ Advanced Manufacturing	General or Prestige Setting.	1 to 4 ha and greater.	Access to Highway 401/ controlled access highways. Proximity to markets and related industries.	Access to skilled and unskilled labour.	Expansion potential. Buffers from surrounding non-industrial uses. Emphasis on integrated operations (logistics and office), landscaping, and enclosed storage.	Low to high design quality. 10,000 to 250,000 sq.ft. High building coverage and on-site employment density. Range of building types, including small, large, single-tenant, and multi- tenant buildings. Loading/unloading areas.
Distribution and Logistics	General or Prestige Setting.	5 to 20 ha. Flexibility in parcel configuration to accommodate large-scale users.	Direct access to Highway 401/controlled access highways. Excellent access/traffic circulation for heavy truck traffic; truck access, loading/unloading requirements. Proximity to markets, customer base, and related industries.	Mobile labour force.	Need for open storage or enclosed vertical storage. Compatible surrounding land uses/buffers from surrounding non-industrial uses. Access to on-site and proximity to off-site services. Expansion potential.	Low to moderate design quality. 10,000 to 1,000,000 sq.ft. Ceiling height: 30 ft.+ Large parcels with flat topography. Low to high building coverage and low on-site employment density. Loading/unloading areas.



Employment Sector/ Land Use	Location	Parcel Sizes	Transportation	Labour Force	Surrounding Context	Development Characteristics
Construction	General Industrial.	Market choice in the range of size of development sites.	Access to the customer base.	Access to skilled and semi-skilled labour force.	Need for open storage. Proximity to customer base. Loading/unloading area.	Low design quality. <1,000 sq.ft. to 10,000 sq.ft. Low building coverage and low on-site employment density. Outdoor storage for equipment.
Research and Development/ “Knowledge-based” Sectors	Prestige Industrial or Employment Areas.	1 to 2 ha for stand-alone building or facility.	Proximity to transit or within walkable environments.	Access to the skilled labour force.	Proximity to related industry clusters (companies and public institutions). Prestige “campus-like” setting. Access to on-site amenities and proximity to off-site services.	Low to high design quality. 2,000 to 10,000 sq.ft. 1 to 2 ha lots. High building coverage and on-site employment density. Space for manufacturing/ research, as well as multi-tenant or flex office space.
Agri-Business and food manufacturing	General or Light Industrial Setting.	1 to 4 ha and greater.	Access to highways and multi-modal facilities. Access to warehousing, markets, and distribution centres.	Access to both skilled and semi-skilled labour force.	Access to upstream and downstream industries. Storage space for material and equipment. Loading/unloading requirements.	Low to high design quality. High building coverage and on-site employment density. Range of building types, including small, large, single-tenant, and multi- tenant buildings. Loading/unloading areas.



Employment Sector/ Land Use	Location	Parcel Sizes	Transportation	Labour Force	Surrounding Context	Development Characteristics
Food and Accommodation Services and Other Employment-Supportive Uses	Prestige Industrial or General Industrial.	1 to 5 ha lots.	High traffic exposure from major roads and surrounding employment and commercial uses.	Access to a skilled and semi-skilled labour force.	Prestige and general industrial setting. Surrounding a large employment base. Clustering of retail uses in a retail court or at high- traffic areas (e.g., major intersections, gateway entrances to Employment Area).	High design quality. 2,000 sq.ft. (fast food restaurant) to 50,000 sq.ft. (hotel/convention centre). Commercial floor space per acre ratio of 200 sq.ft. to 400 sq.ft. of retail/service space per acre of developed Employment Area. High building coverage and on-site employment density. Street lighting.