



# Employment Strategy

Town of Caledon

November 2021



# Purpose

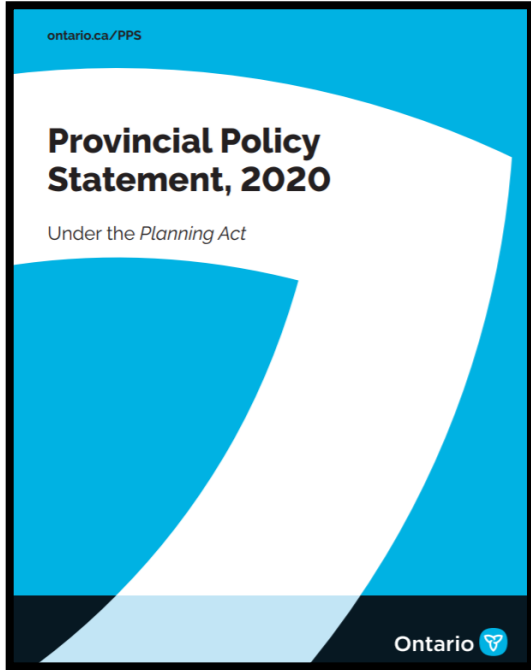


Region of  
Peel MCR

Town of Caledon  
Employment Strategy



# Policy Context



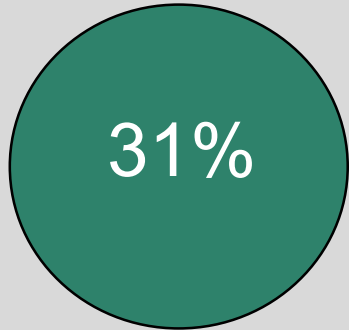


# Region of Peel MCR – Caledon

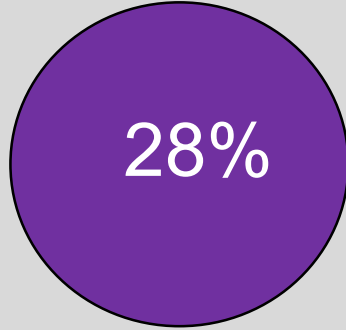


## Share of Region's Growth, 2021 to 2051

Population



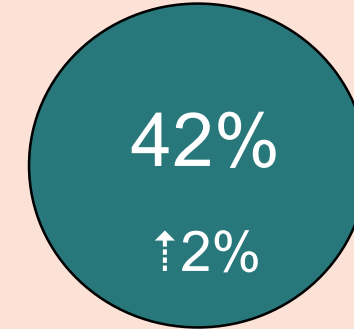
Employment



## Employment Area Density



## Employment Activity Rate

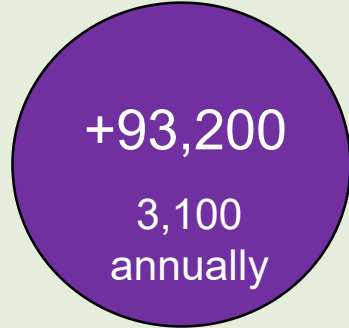


## Town of Caledon 2021 to 2051

Population



Employment

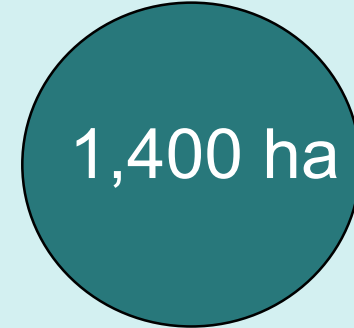


## Settlement Area Boundary Expansion

Community Area



Employment Area





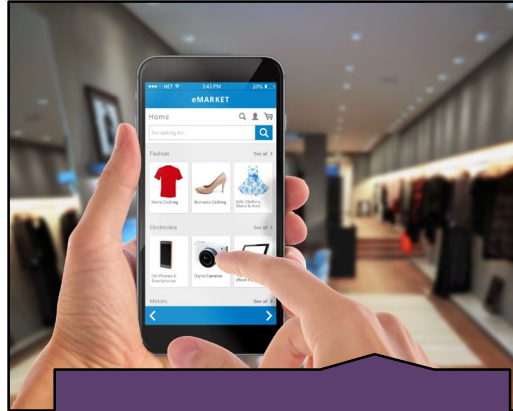
# Planning for Employment and Non-Residential Uses

# Economic Trends

## Economic Disruptors and Agents of Change



Automation/AI



E-commerce



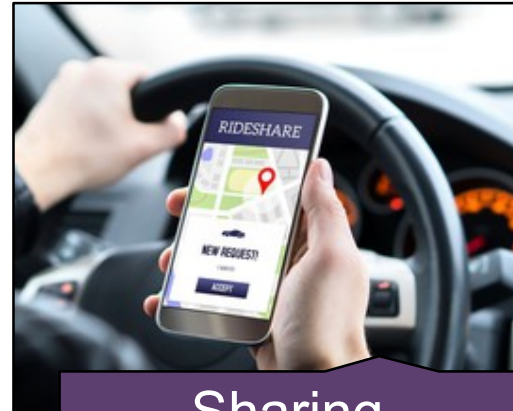
Aging Labour  
Force



Globalization



Virtual Meeting  
Platforms



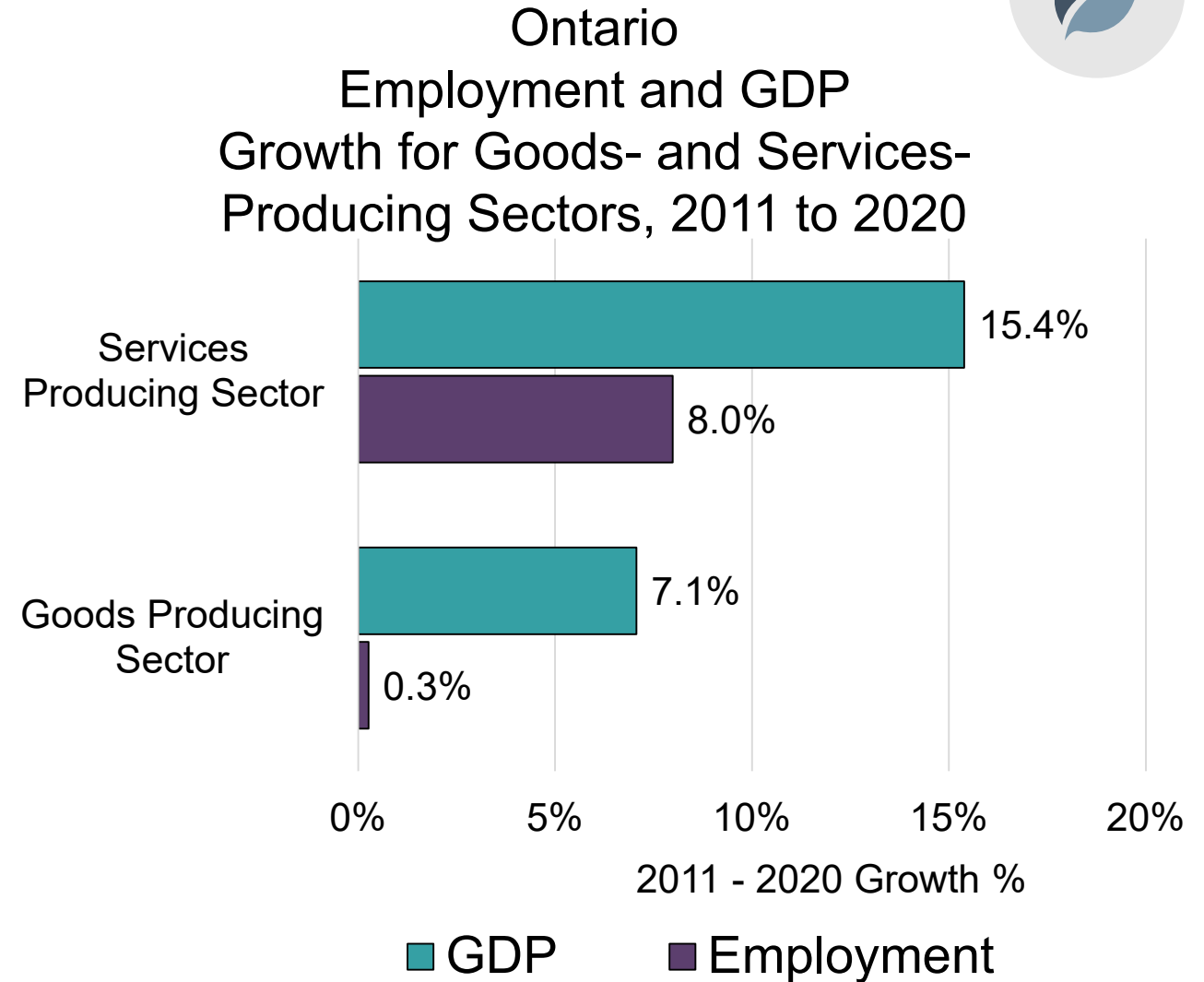
Sharing  
Economy

# Economic Trends

## Pre-Pandemic



- Ontario economy experienced relatively strong economic growth during the 2010 to 2019 period.
- Economy gradually shifting from the goods-producing sector to increasingly services-producing sectors.
- During this period, employment growth underperformed relative to GDP growth.



Source: Annual labour force data from Statistics Canada Labour Force Survey, Table 282-0125; GDP by Industry (chained to 2012 dollars) data from Statistics Canada Table 36-10-0402-010 compiled by Watson & Associates Economists Ltd., 2021.

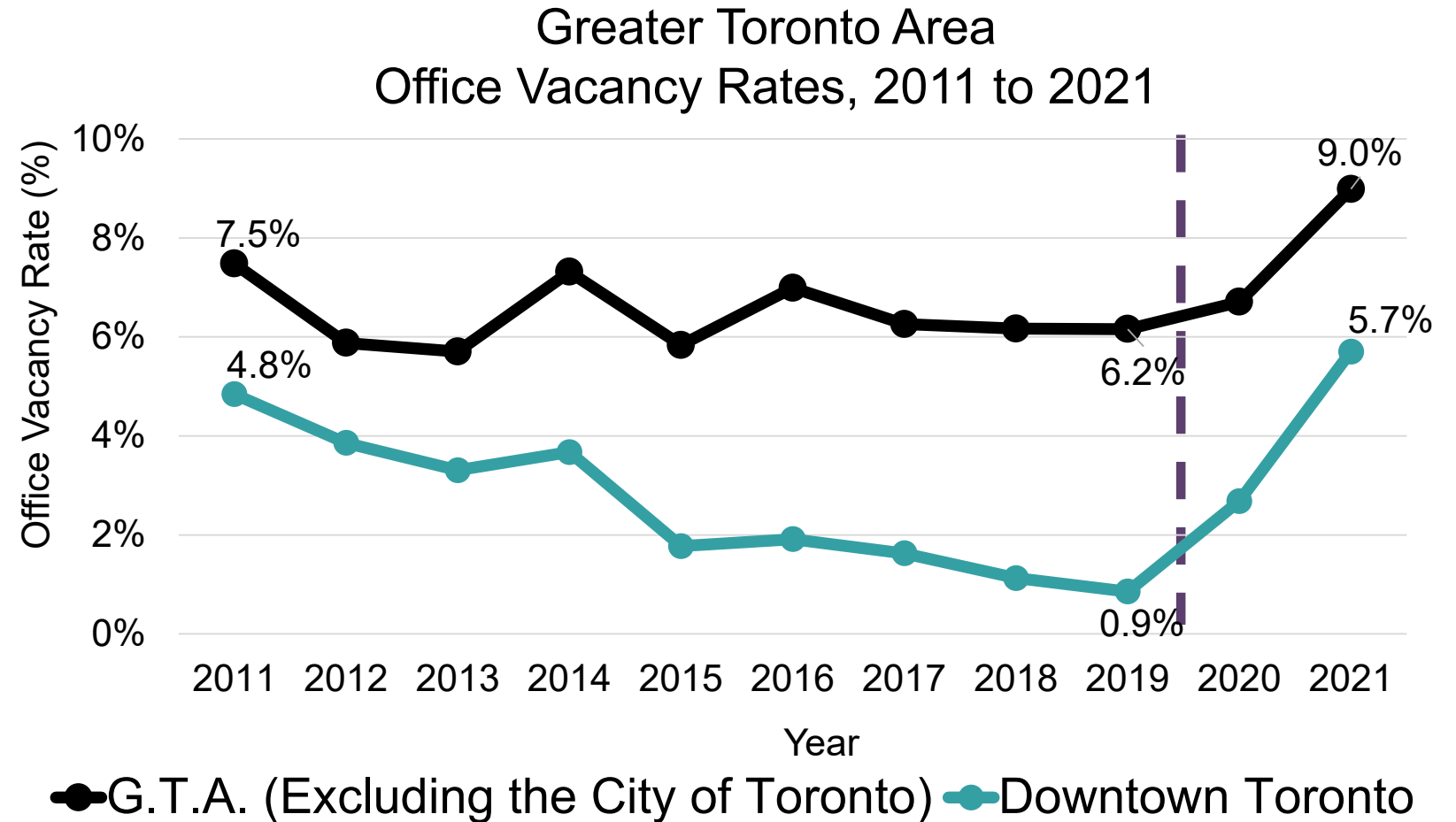


# Office Sector

# Office Market - Vacancy Rate Trends



- Office vacancy rates in both urban and suburban markets have reached relatively high levels due to negative absorption due to the pandemic.
- Pandemic has had a notable negative impact on urban office space needs.



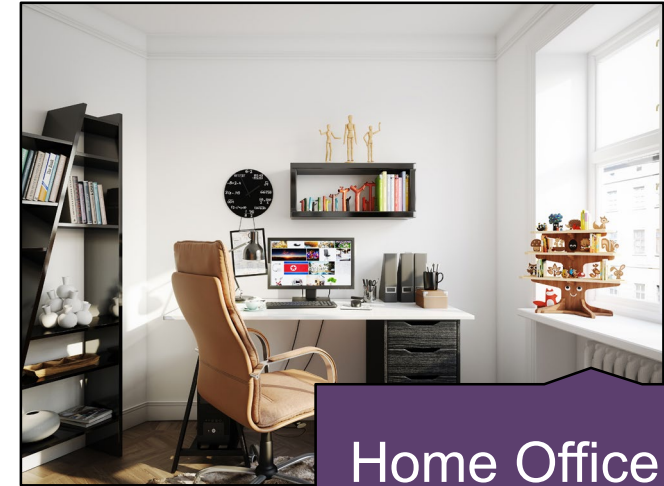
Source: Derived from Colliers International data by Watson & Associates Economists Ltd., 2021.  
Note - 2021 reflects data from Q1 and Q2.

# The Future of Office Employment – a Hybrid Model?

## Implications for Housing and Office Market



- **Residential sector** – What does demand for dedicated home office space mean for the housing market?
  - Potential for larger units.
  - Proximity to employer of potential decreasing importance.
- **Office sector** – downward pressure on non-residential office space need.
  - Driven by anticipated further decline in floor space per worker.



Home Office



Hybrid Office



# Industrial Sector

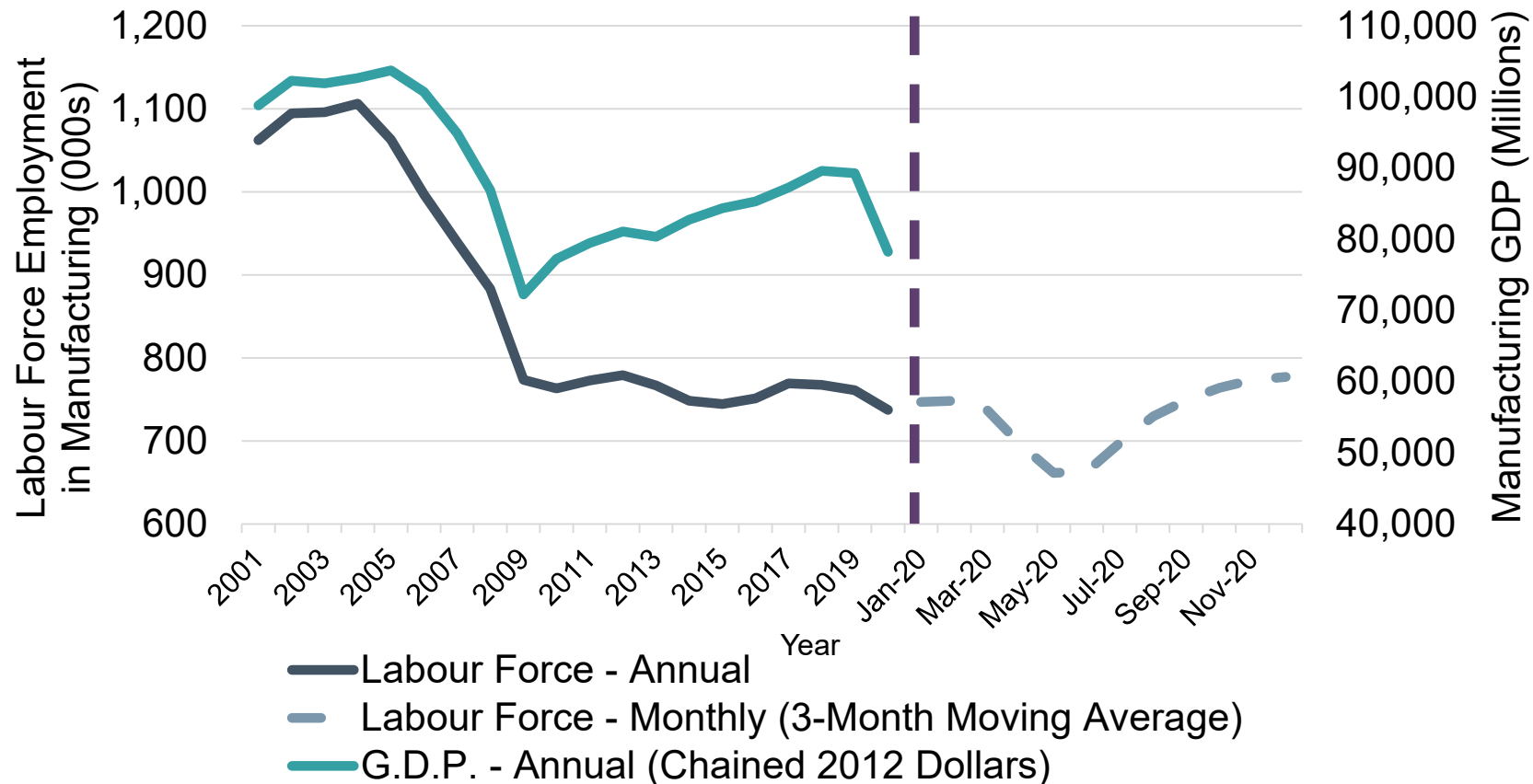
# Industrial Market

## Manufacturing Sector



### Ontario

### Manufacturing Employment and GDP, 2001 to 2020

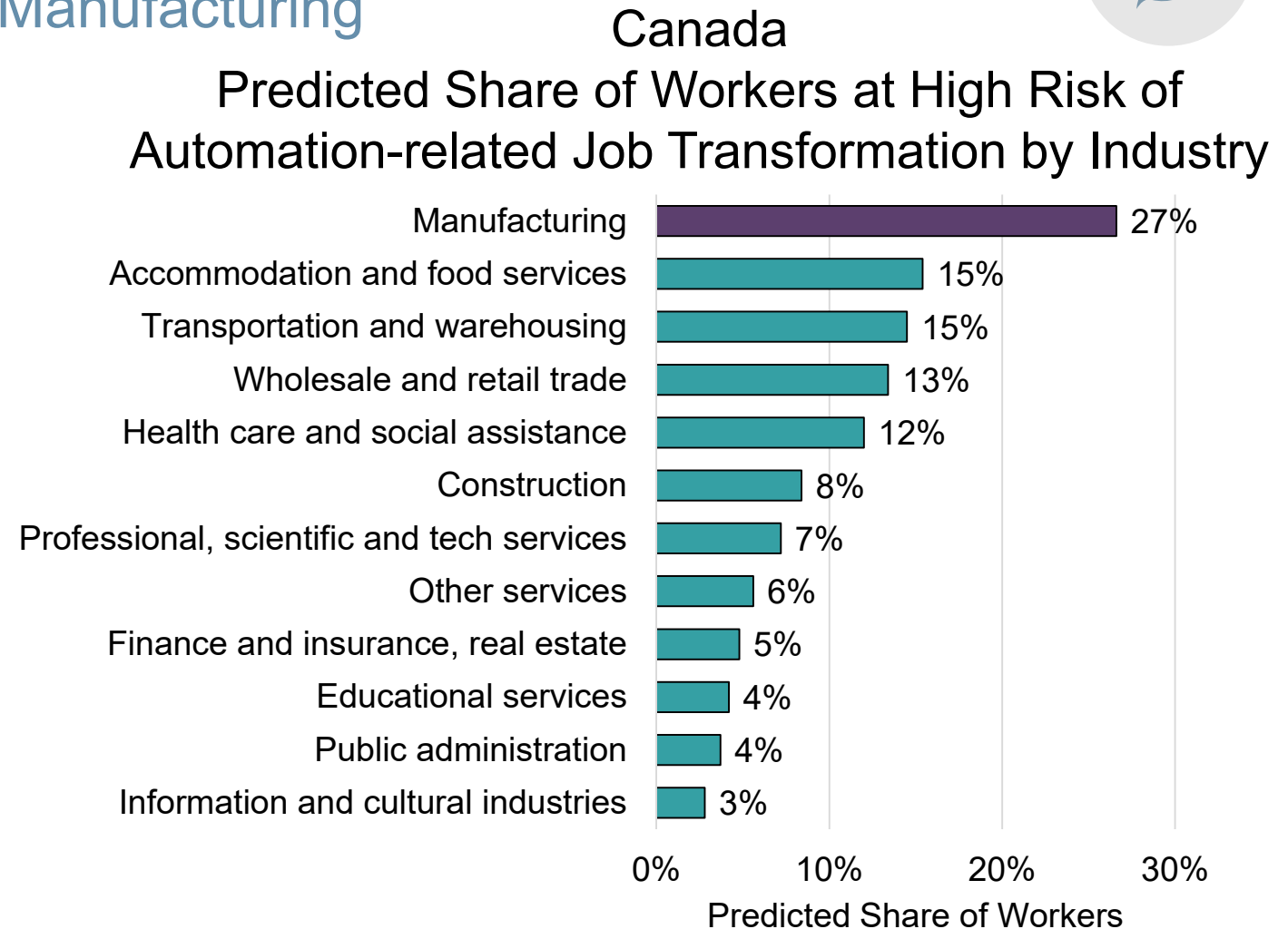


Source: Annual labour force data from Statistics Canada Labour Force Survey, Table 282-0125, and monthly data from Table 14-10-0091-01. Annual G.D.P. data from Statistics Canada Table 36-10-0402-01,

# Industrial Market

## Changing Labour Requirements in Manufacturing

- Manufacturing becoming more capital/technology intensive and automated.
- Highly competitive nature of the manufacturing sector requires production to be increasingly cost effective and value-added oriented.
- Automation resulting in lower labour requirements and decline in floor space per worker.



Source: Derived from Statistics Canada Longitudinal and International Study of Adults (LISA), Wave 3 (2016) by Watson & Associates Economists Ltd., 2021.



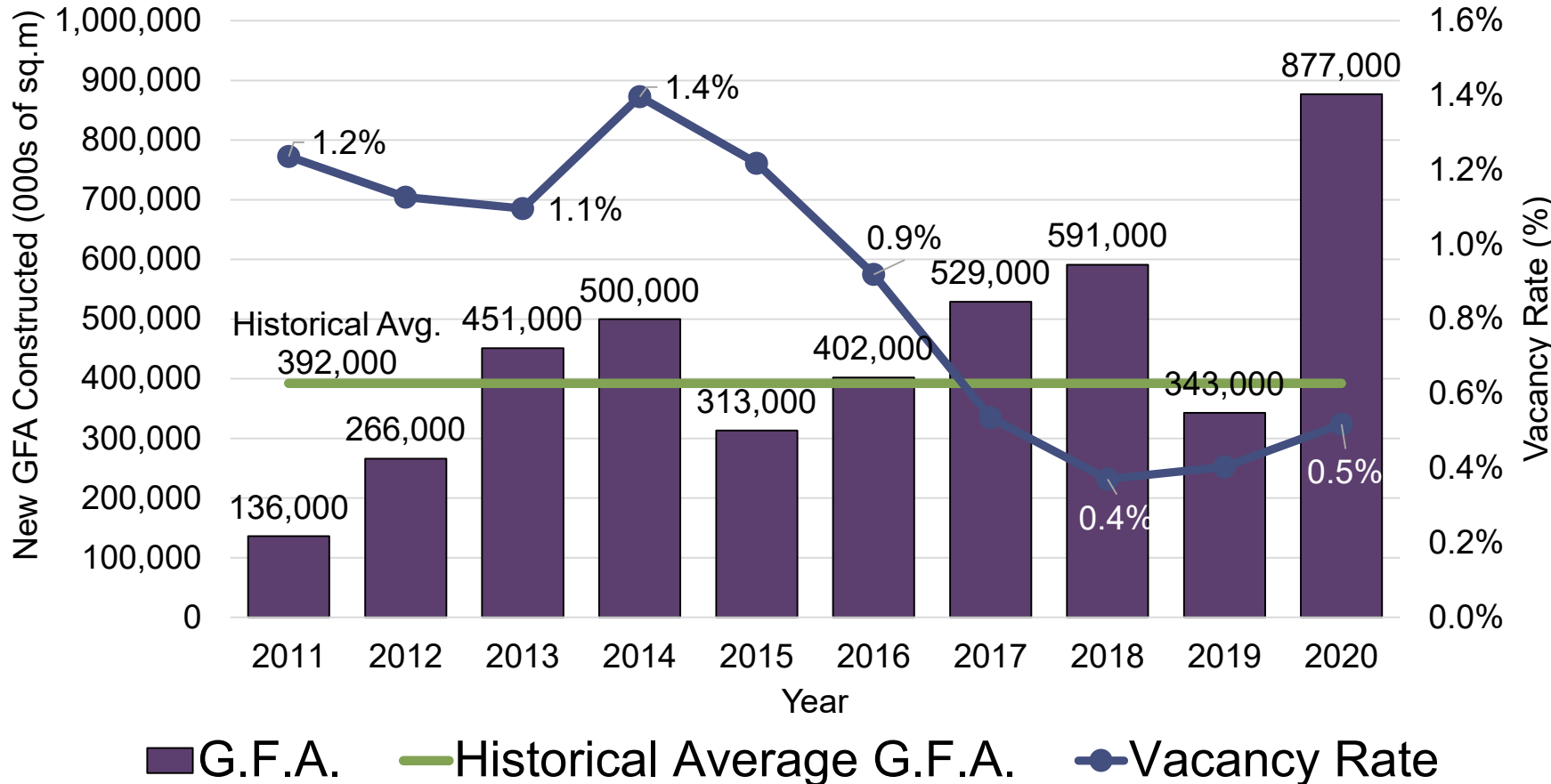
# Industrial Market

## Resurgence in Industrial Market Driven by Goods Movement Sector



### Greater Toronto Area

### Average Annual Industrial Gross Floor Area (sq.m), 2011 to 2020

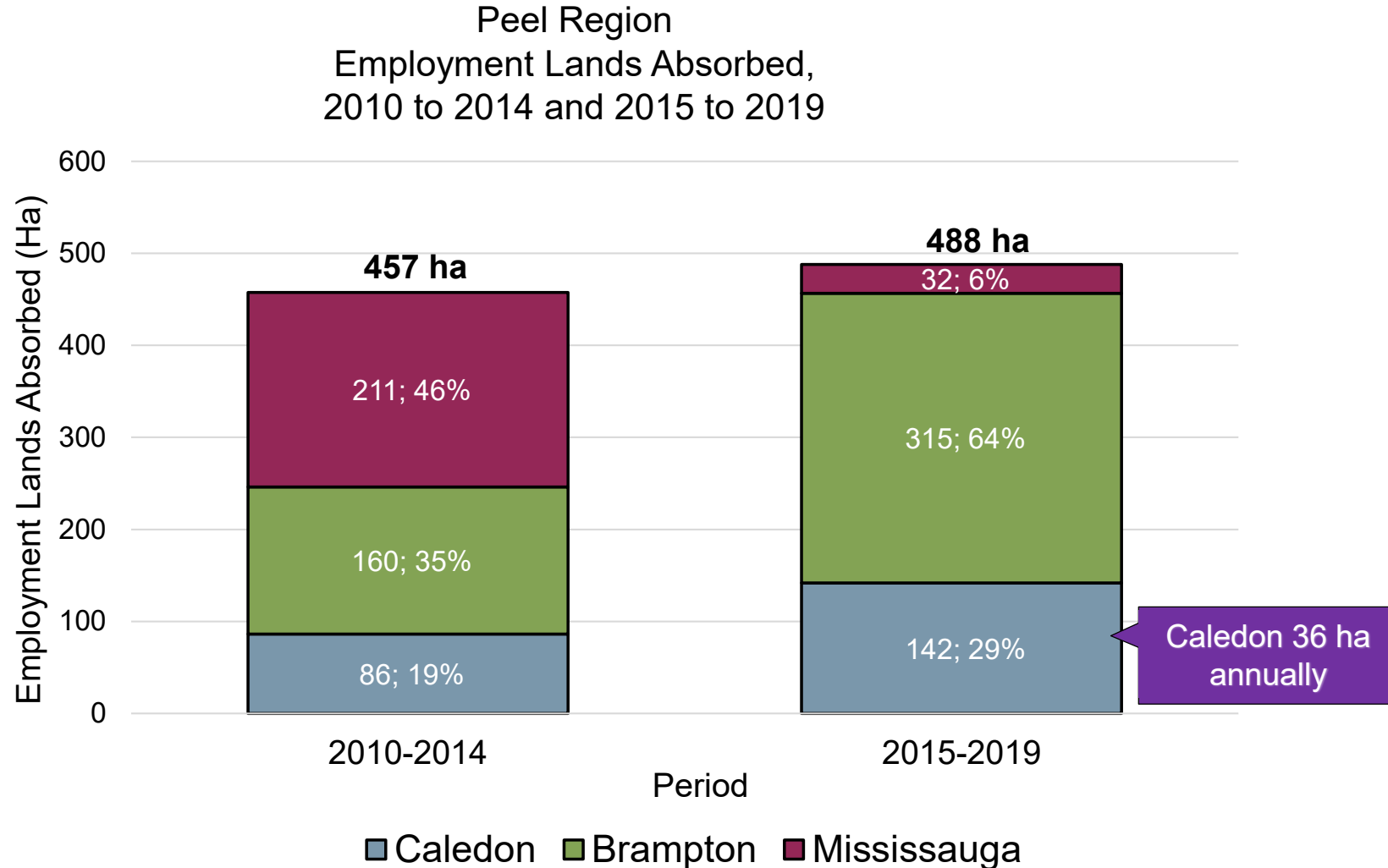


- Recent development dominated by large-scale facilities.
- Vacancy rates (less than 1%) at historically low level.

Caledon  
 Vacancy  
 Rate:  
 2.9%

# Industrial Market

## Employment Land Absorption – Peel Region



Source: Watson & Associates Economists Ltd., 2020.

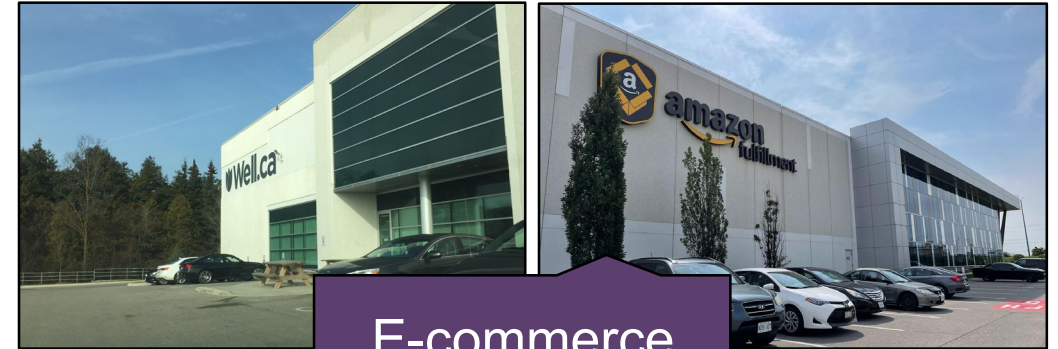
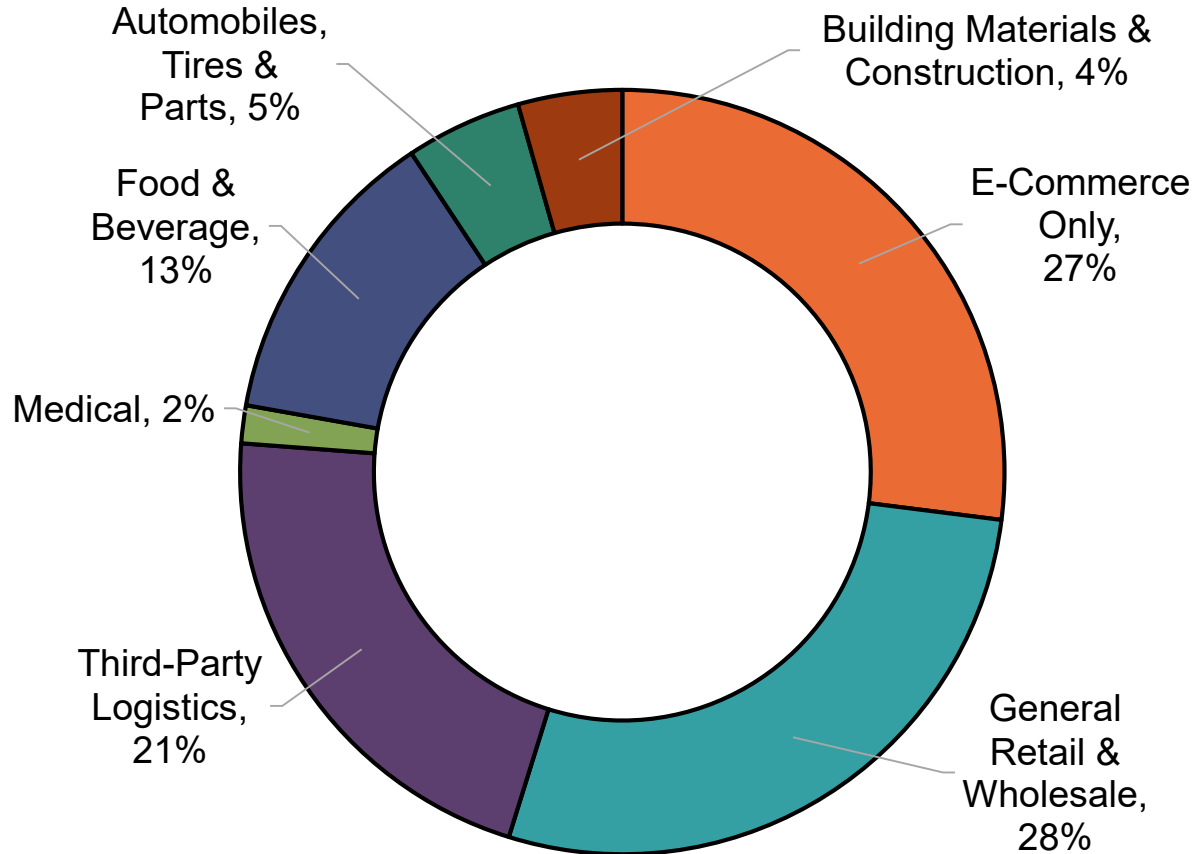
Source: Data from Avison Young, compiled by Watson & Associates Economists Ltd., 2021.

# Industrial Market

## Goods Movement Sector Profile

Greater Toronto Area

Large Warehouses (200,000 sq.ft./18,600 sq.m+)  
by Industrial User Share, 2020



E-commerce retailers



Traditional retailers & growing online presence



Third Party Logistics





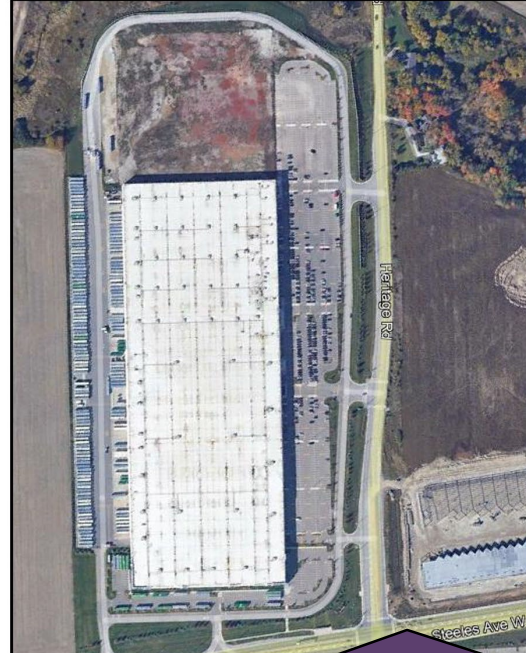
# Industrial Market

## Goods Movement Sector – Employment Yields



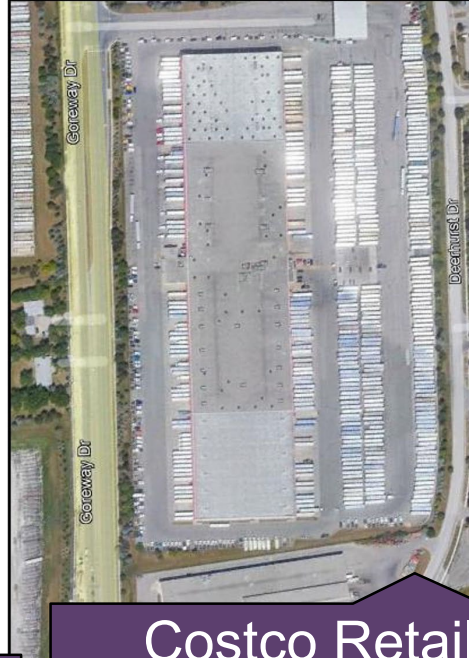
Canadian Tire  
Distribution Centre,  
Bolton, 12 jobs/ha

Employees: 900  
Land Area: 73 ha  
GFA: 139,000 sq.m  
FSW: 155 sq.m/employee



Amazon E-commerce  
Fulfillment, Brampton  
16 jobs/ha

Employees: 500  
Land Area: 24 ha  
GFA: 79,000 sq.m  
FSW: 158 sq.m/employee



Costco Retail  
Warehouse,  
Brampton  
13 jobs/ha

Employees: 200  
Land Area: 12 ha  
GFA: 32,500 sq.m  
FSW: 163 sq.m/employee

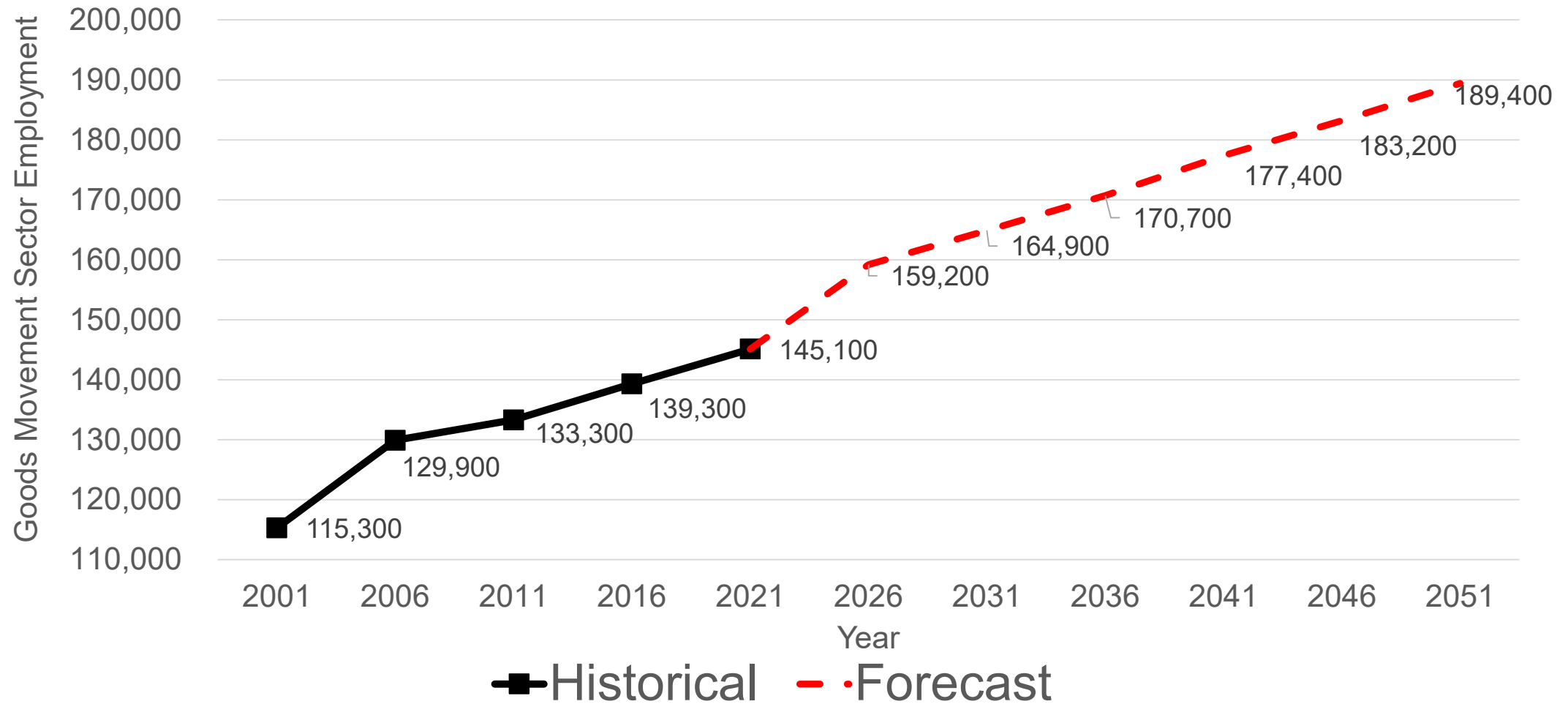


Blum Canada,  
Mississauga  
11 jobs/ha

Employees: 30  
Land Area: 2 ha  
GFA: 5,800 sq.m  
FSW: 193 sq.m/employee

# Industrial Market

## Goods Movement Sector Employment Forecast – Region of Peel



Source: 2001 to 2016 based on Statistics Canada data. 2021 is an estimate based on a review of background by the Region of Peel and the Town of Caledon Employment Survey. 2021 to 2051 is a forecast by Watson & Associates Economists Ltd.



# Employment Area Outlook - Drivers/Disruptors



- Growing demand related to knowledge-based and technology-driven industries.
- National and provincial policy initiatives to support Green Economy and low carbon/carbon neutral employment growth.
- Aging manufacturing labour force in Ontario (average age 55). GTHA well positioned to maintain and grow manufacturing base with immigration potential.
- Food processing and small-scale manufacturing.
- Growing demand for “flex” industrial space within the GGH.



Technology-Driven Industries



Flex-Industrial/Office/Warehouse Space,  
Modular Design

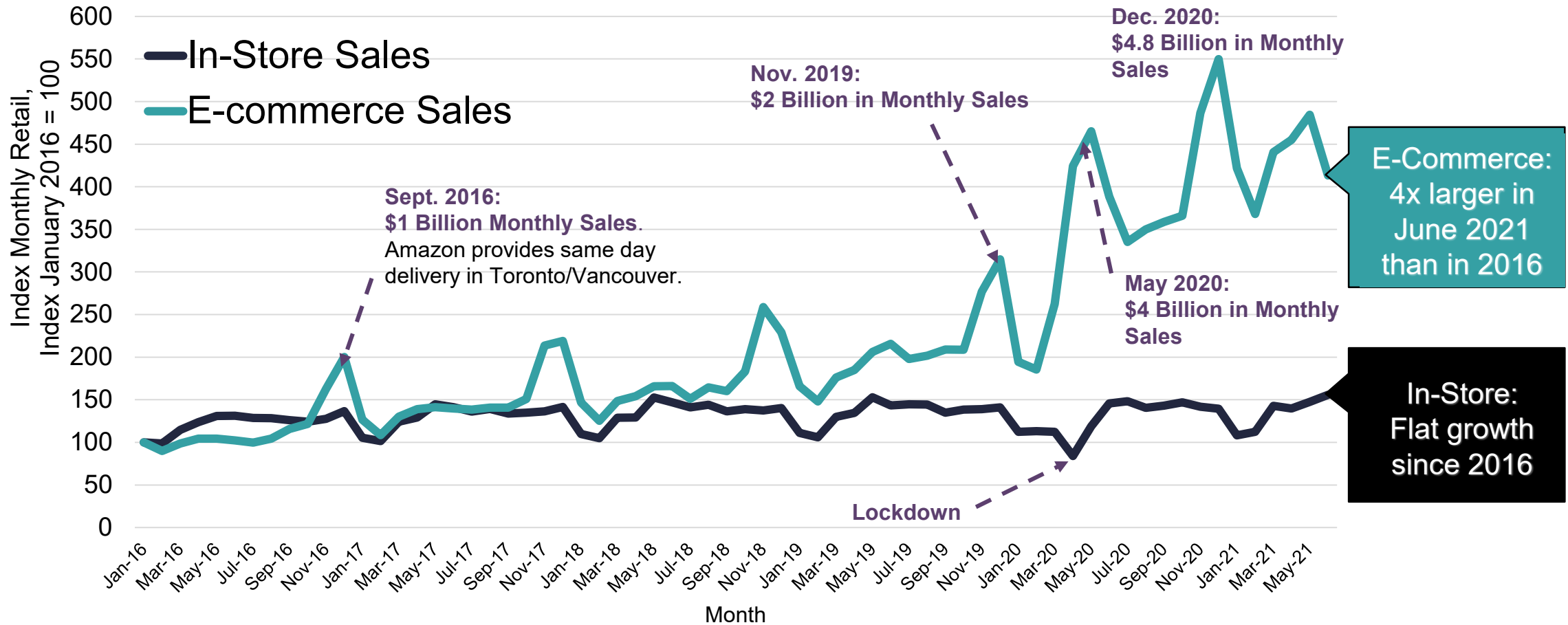
# Retail Sector

# Retail Market

## Disrupted Retail Market



Indexed Canada Monthly Retail Sales, E-Commerce vs. In-Store, January 2016 to June 2021. January 2016 = 100.



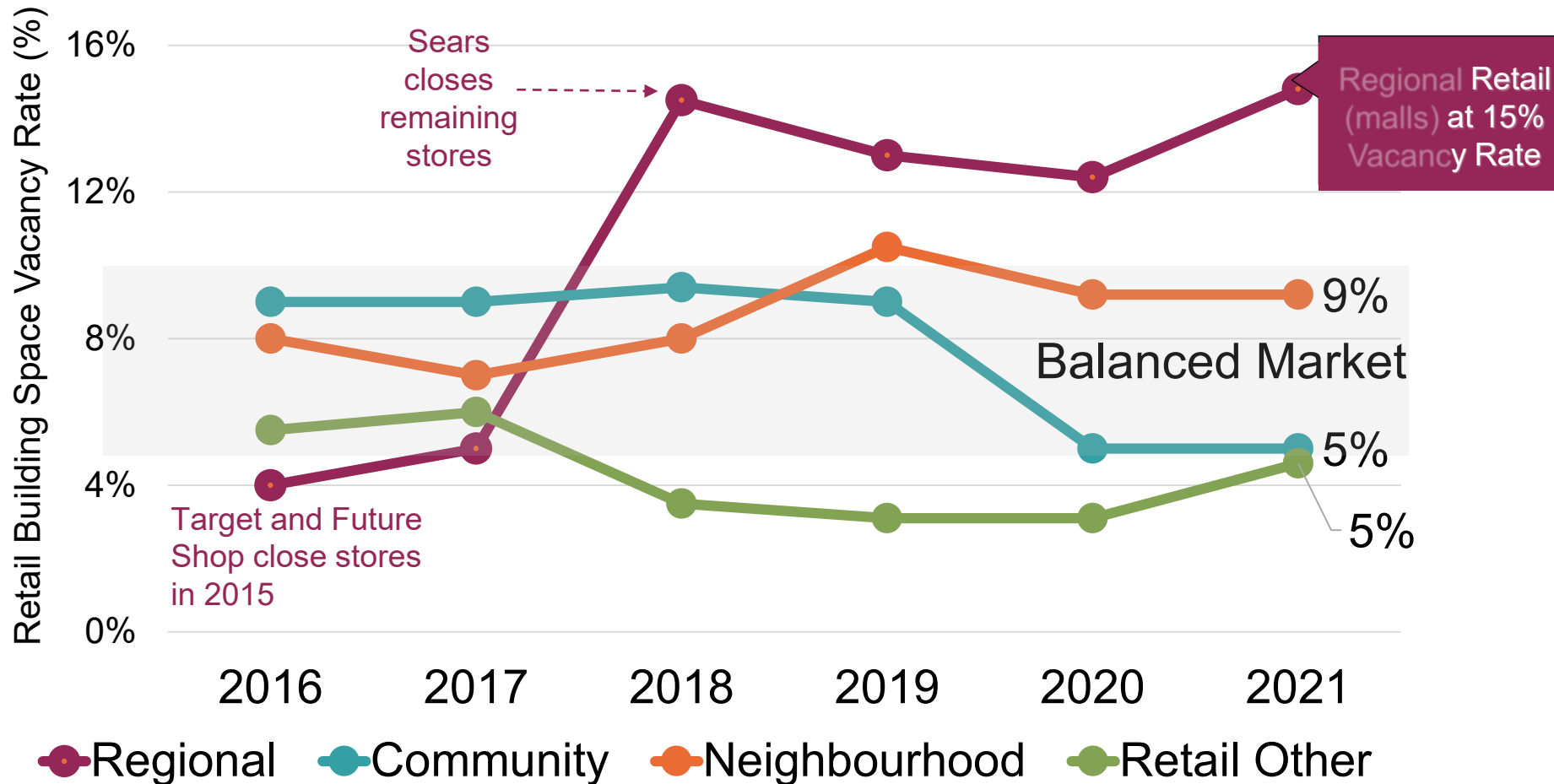
Source: Statistics Canada, Monthly Retail Trade Survey, January 2016 to June 2021.

Note: E-commerce sales includes only domestic retail sales, purchases in Canada on Canadian websites.

# Retail Market

## Canada's Retail Leasing Market

Canada Retail Building Space Vacancy Rates by Retail Shopping Centre Type, 2016 to 2021



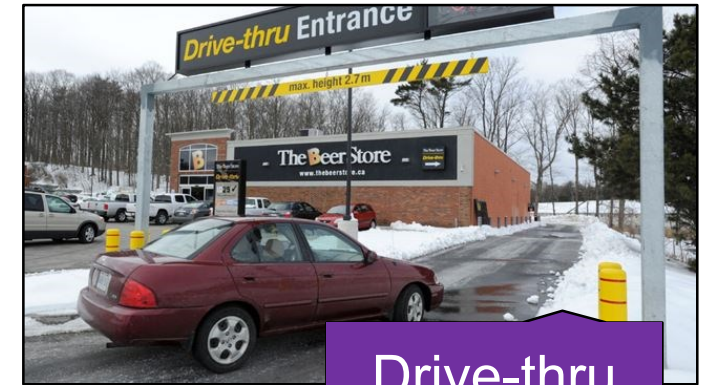
Caledon  
Vacancy  
Rate:  
3%

# Retail Market

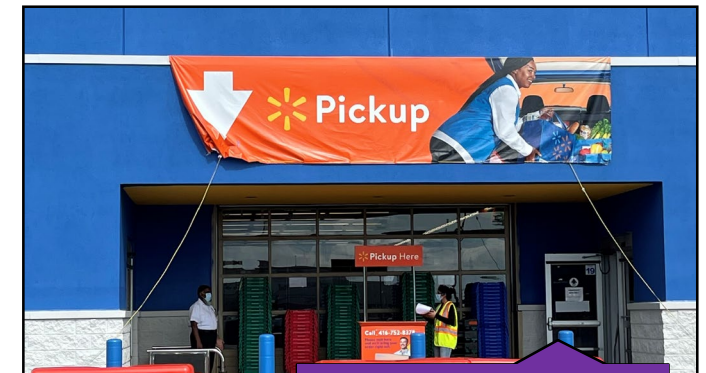
## Bricks and Mortar Still a Mainstay

### What is the impact of e-commerce growth on retail space?

- Blending of e-commerce and “bricks and mortar” functions.
- “Bricks and mortar” retail is still the most profitable retail business model for many retailers.
- Rate of return: e-commerce up to 35% compared to 8% in-store.
- Retailers continue to focus on “rationalization” of existing retail network.
- Retail investments in four areas: digital, automation, delivery and drive-thru.



Drive-thru



Buy Online,  
Pickup in  
Store



# Caledon Growth Forecast and Employment Sectoral Analysis

# Employment Sectoral Analysis



## Town of Caledon Employment Strategy

### Region of Peel MCR

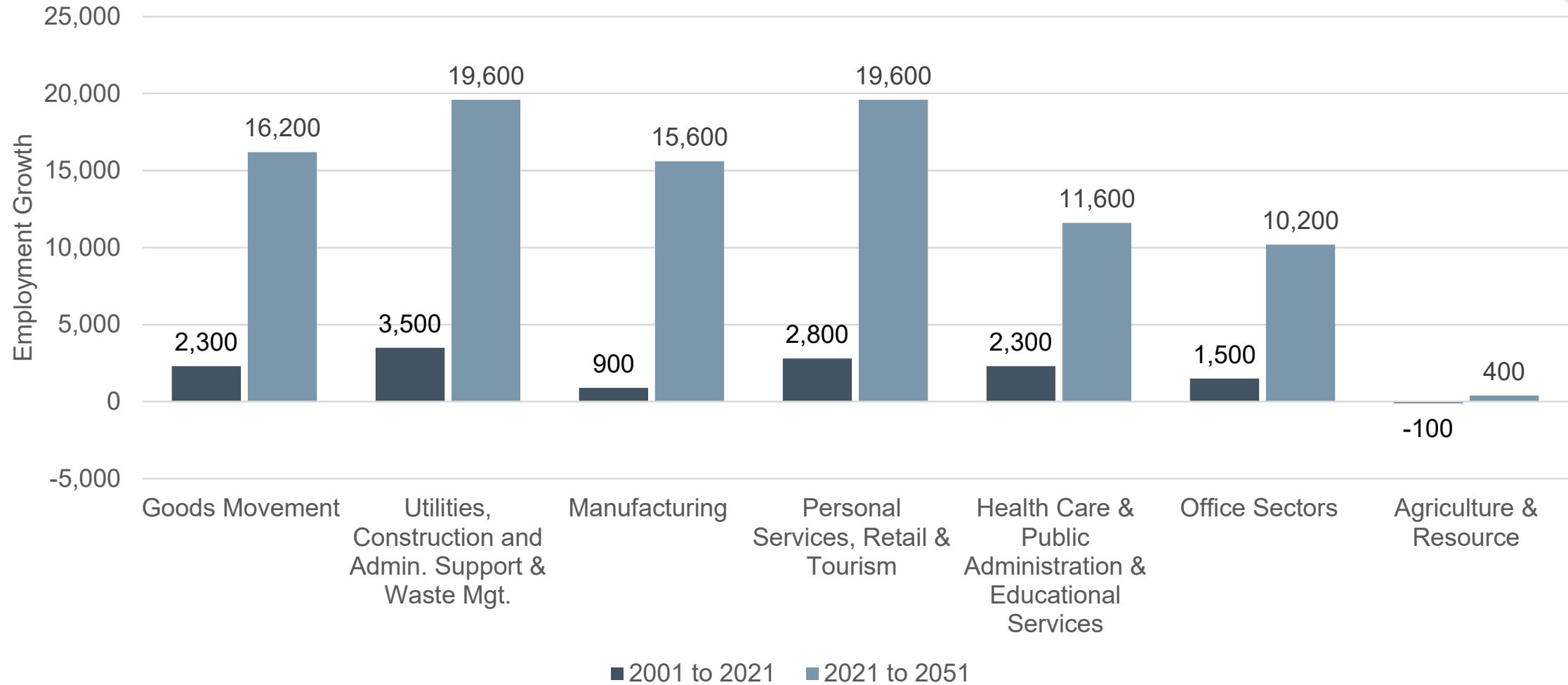
#### *Employment Type Categories:*

- *Employment Lands Employment (ELE)*
- *Population-Related Employment (PRE)*
- *Major Office Employment (MOE)*
- *Rural Employment*

#### *Employment Sectors:*

1. *Agriculture & Resource*
2. *Office*
3. *Health Care, Public Administration & Education*
4. *Personal Services, Retail & Tourism*
5. *Manufacturing*
6. *Utilities, Construction and Admin. Support & Waste Mgt.*
7. *Goods Movement*

# Town of Caledon – Employment Growth



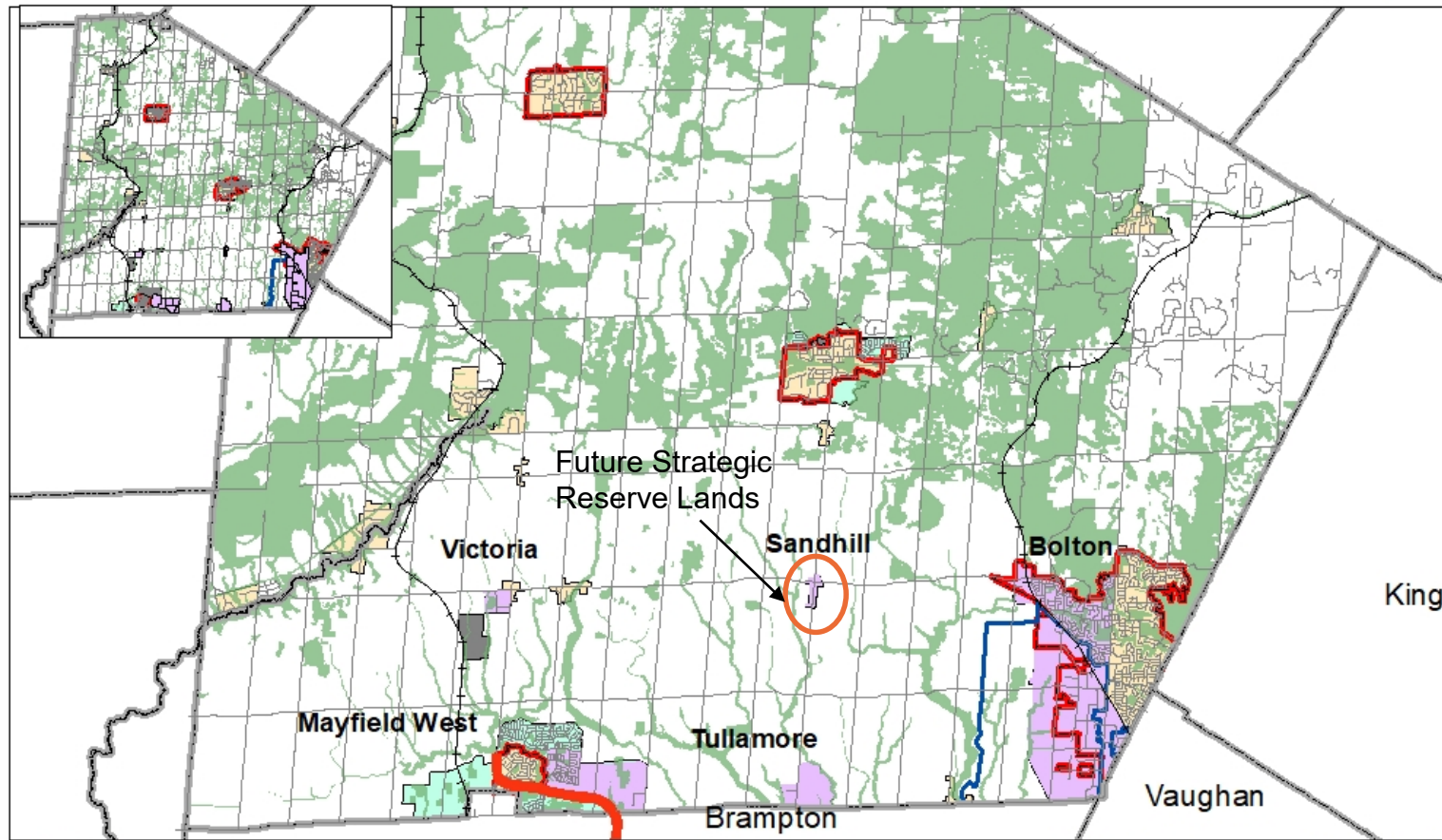
Historical 2001 to 2016 data from Statistics Canada Place of Work data. 2021 to 2051 employment figures by sectors prepared by Watson & Associates Economists based on forecast Region of Peel, Official Plan and Municipal Comprehensive Review, Peel 2041+ Official Plan Review Forecasts by SGU, August, 2021. presented by Watson & Associates Economists Ltd., 2021.

Note: Figures have been rounded and include work at home and no fixed place of work.

# Sector Employment Forecasts by Employment Area

# Employment Areas

## Town of Caledon



### Legend

- |  |                              |             |
|--|------------------------------|-------------|
| Settlement Area                          | Designated Greenfield Area   | Highway 410 |
| Employment Area                          | Brampton Caledon Airport     | Rail        |
| Built Up Area                            | Natural Environment Takeouts | Roads       |
| Provincially Significant Employment Zone |                              |             |

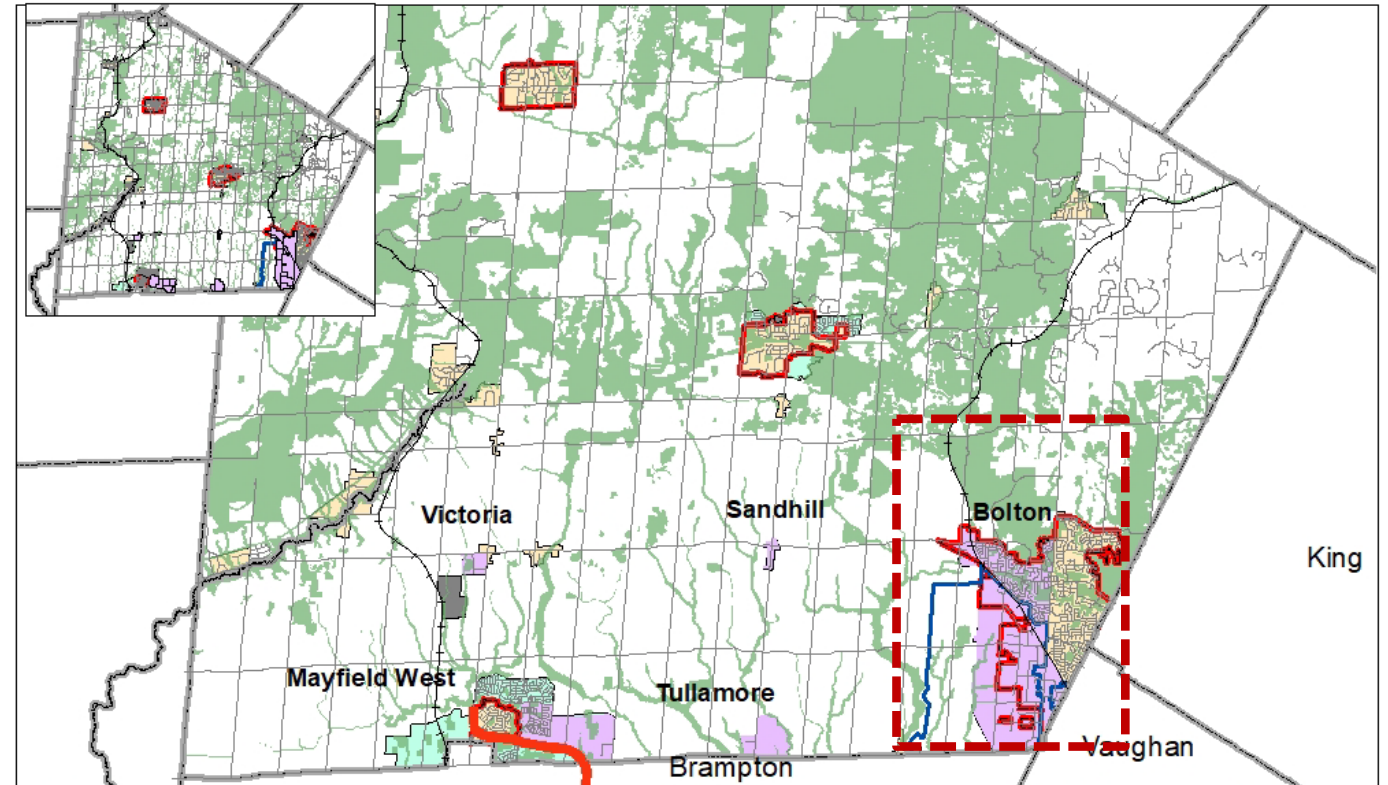


# Bolton Employment Area

- Presence of existing and well-established businesses
- Proximity to transportation infrastructure such as major highways, intermodal facilities and Pearson International Airport
- Majority of lands are within PSEZ
- Preferred location for major office given proximity to a large community area and Region Transit opportunities (GO Transit)



## Town of Caledon

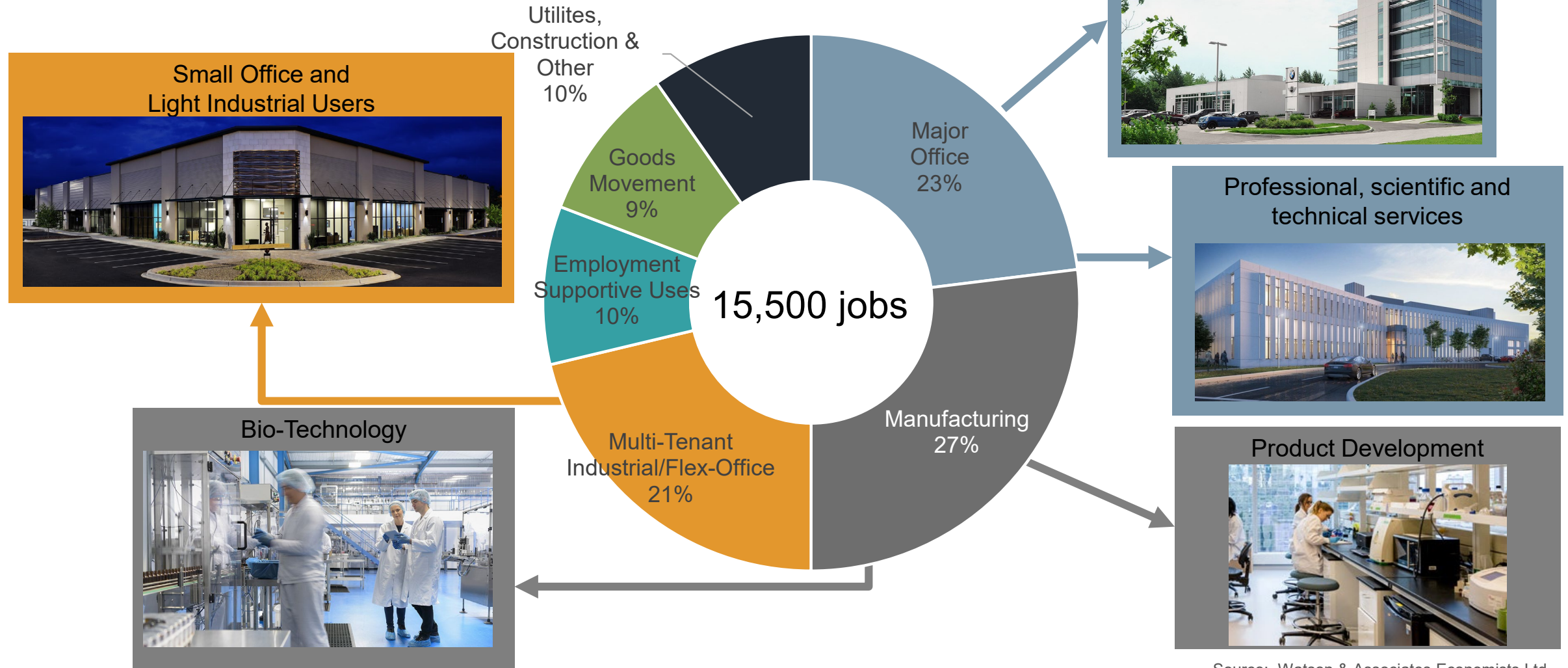


### Legend

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# Bolton Employment Area

## Forecast Employment Growth by Sector, 2021-2051





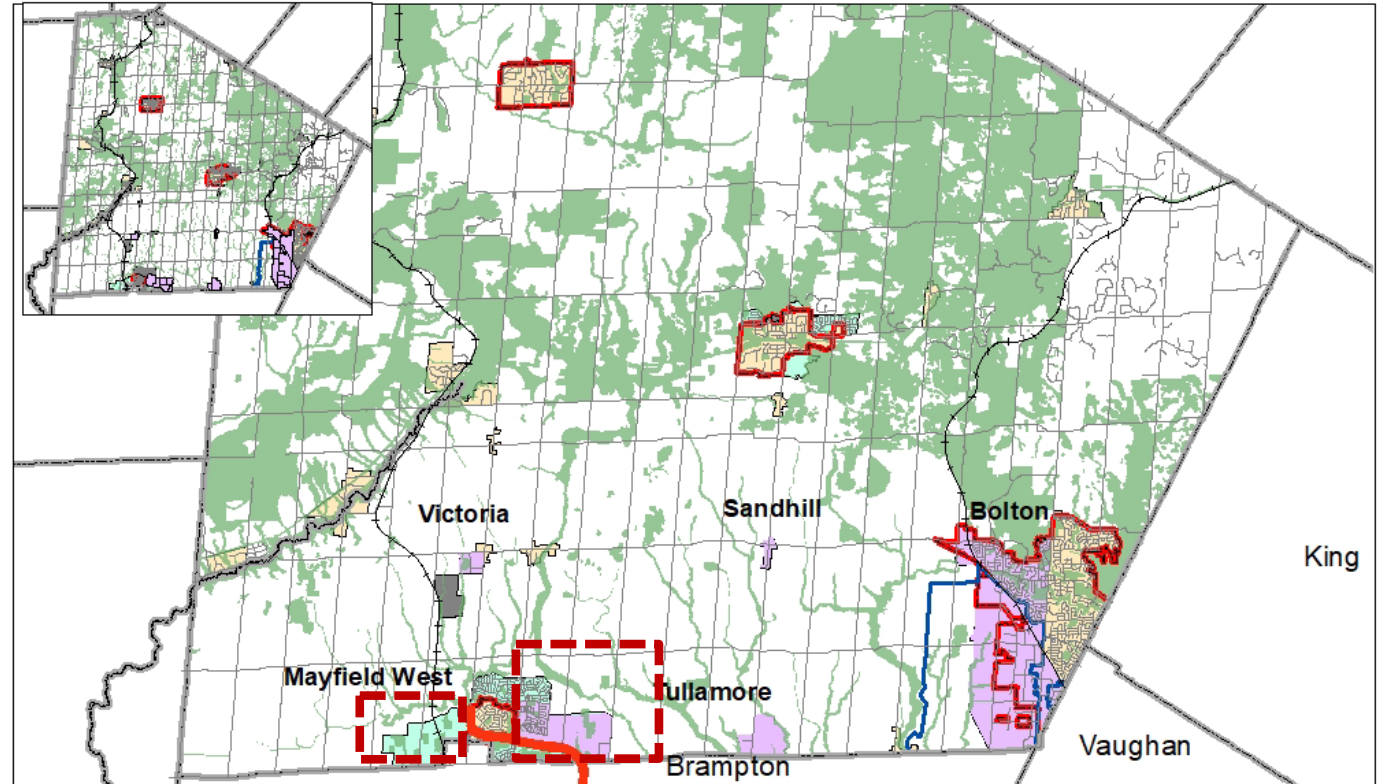
# Mayfield West Employment Area



- Excellent access to Hwy 410 and visibility
- Lots of opportunities for long-term employment uses due to existing connection with Hwy 410 and eventually Hwy 413
- Better positioned for future servicing
- Two Employment Areas – east and west of the Mayfield West community
- Need to establish a “sense of place”



## Town of Caledon

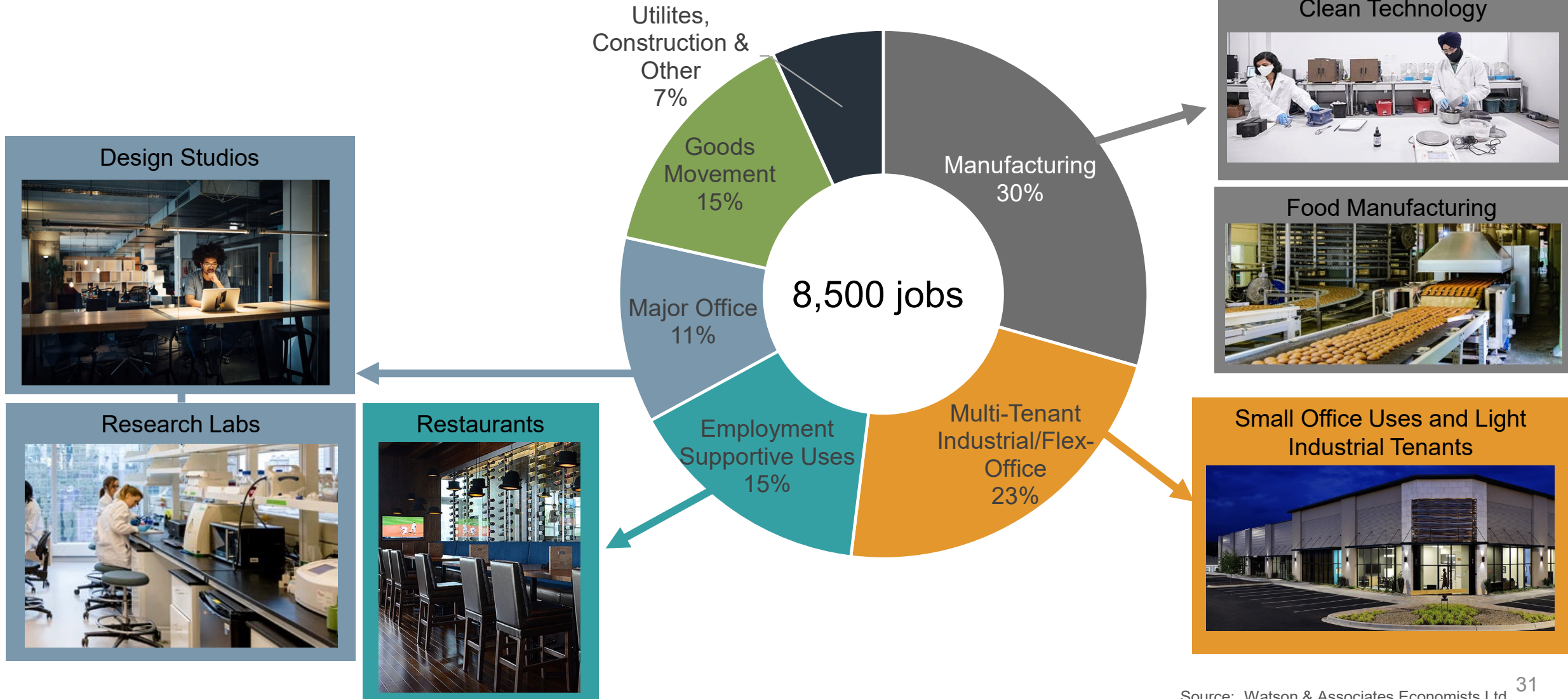


### Legend

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# Mayfield West Employment Area

## Forecast Employment Growth by Sector, 2021-2051



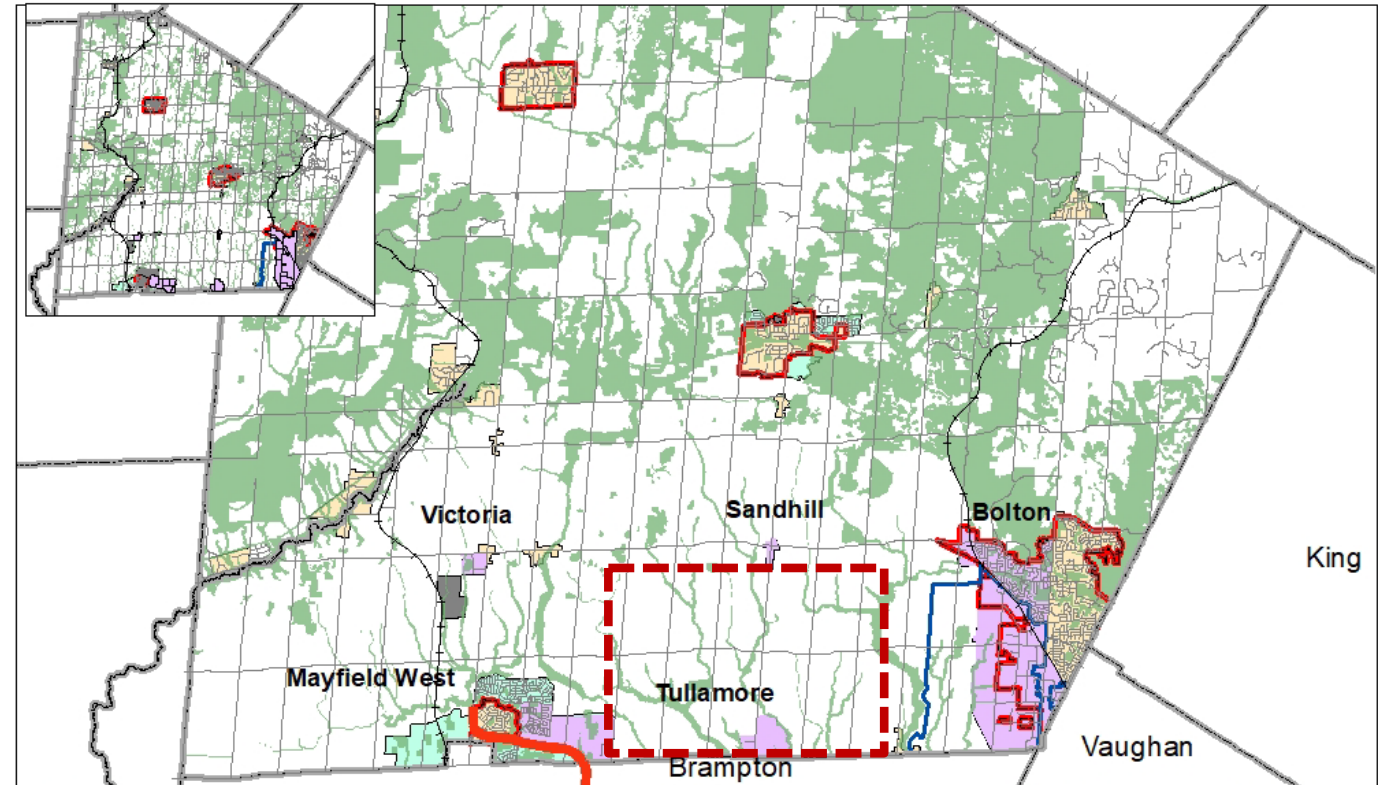


# Tullamore Employment Area



- Small established industrial base
- Active agriculture operations in the area
- Completion of Hwy 413 could be significant catalyst for future employment demand
- Property fabric is highly fragmented between urban and rural
- Need to establish a “sense of place”
- Separation from a large existing and future population base, opportunity to direct uses with lower compatibility with residential uses

## Town of Caledon



### Legend

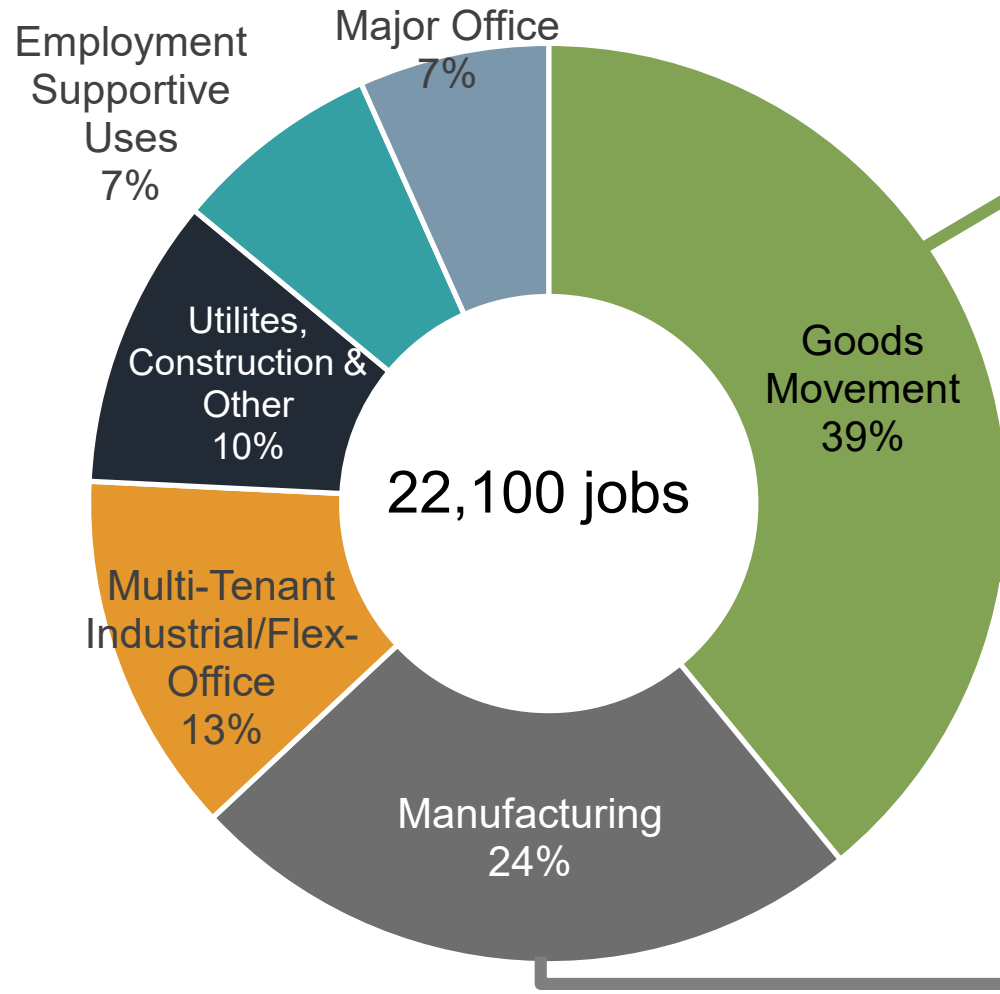
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# Tullamore Employment Area

## Forecast Employment Growth by Sector, 2021-2051



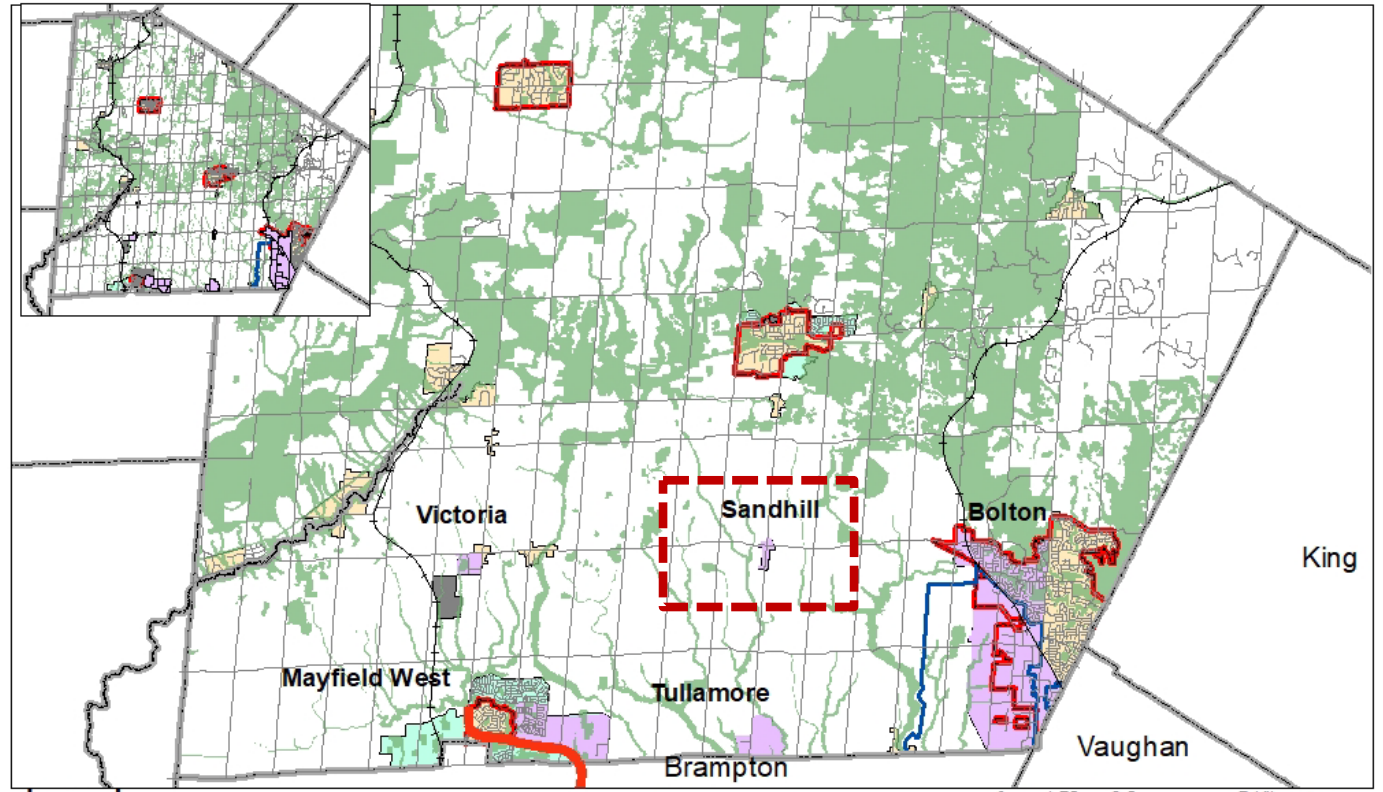
# Sandhill Employment Area



- Small-scale industrial/ commercial centre
- Distant from established Employment Areas
- Surrounding area has been identified as Future Strategic Employment Land Reserve
- Full servicing is not expected until post-2051



## Town of Caledon



### Legend

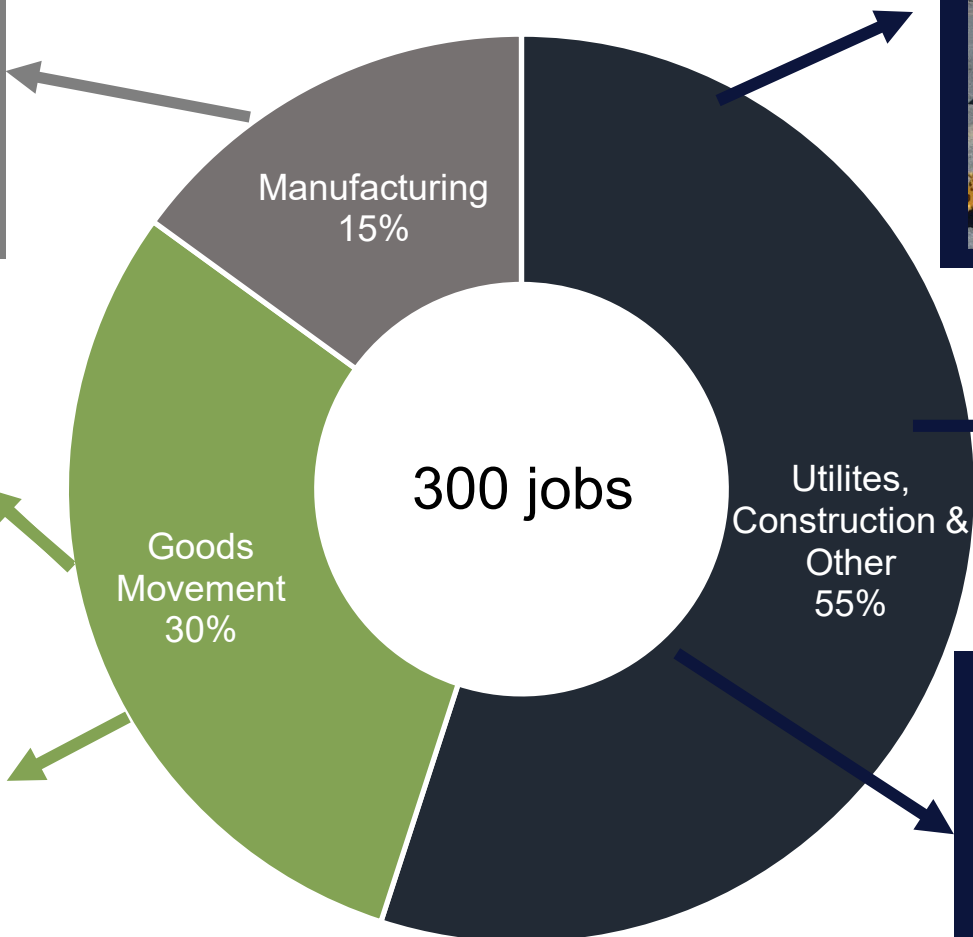
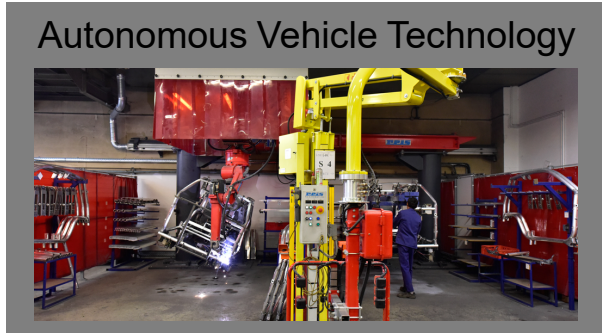
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| Provincially Significant Employment Zone |                              |             |

0 1.75 3.5 7 Kilometres



# Sandhill Employment Area

## Forecast Employment Growth by Sector, 2021-2051



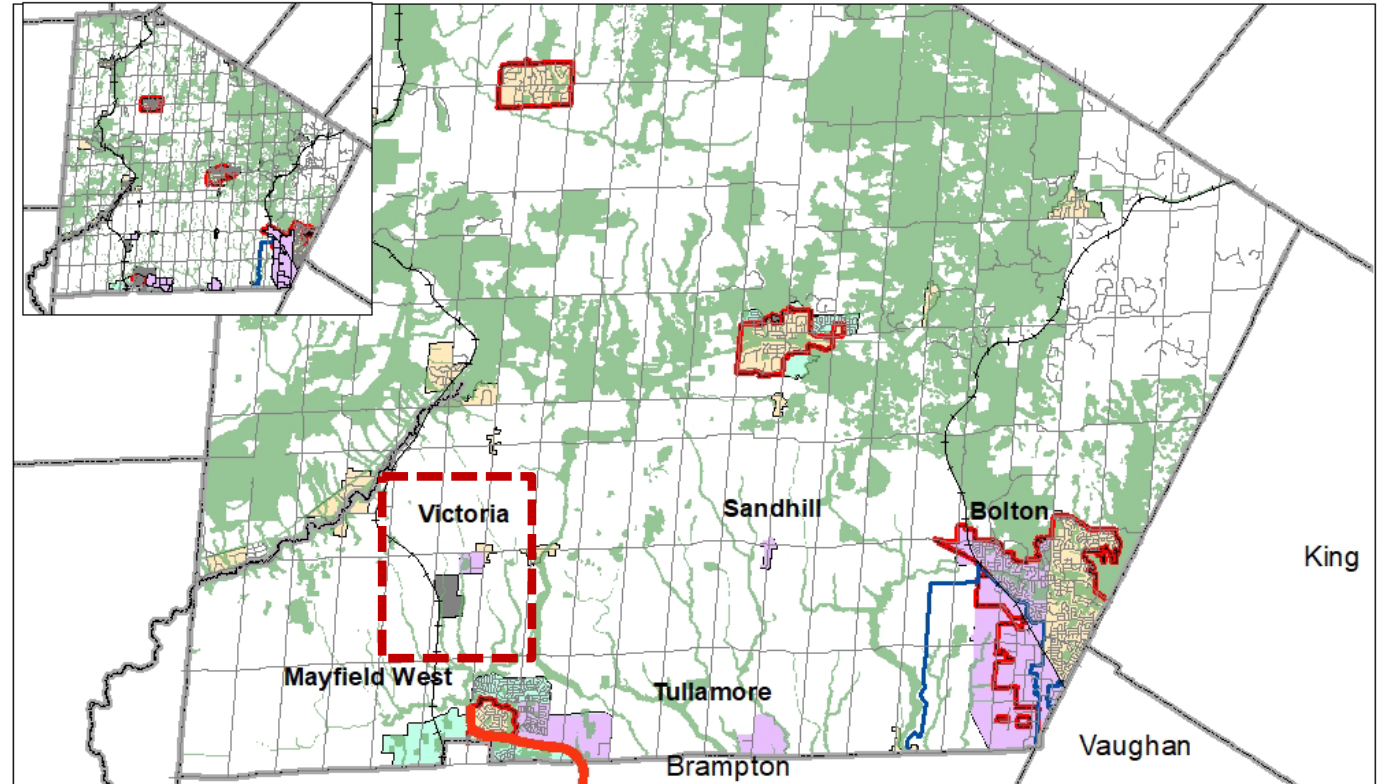
# Victoria/Brampton Caledon Airport Employment Area



- Suitable for land extensive employment uses
- Flat topography
- Unlikely to accommodate employment in immediate-term
- Bounded by the Greenbelt on three sides
- Airport may attract related employment uses



## Town of Caledon



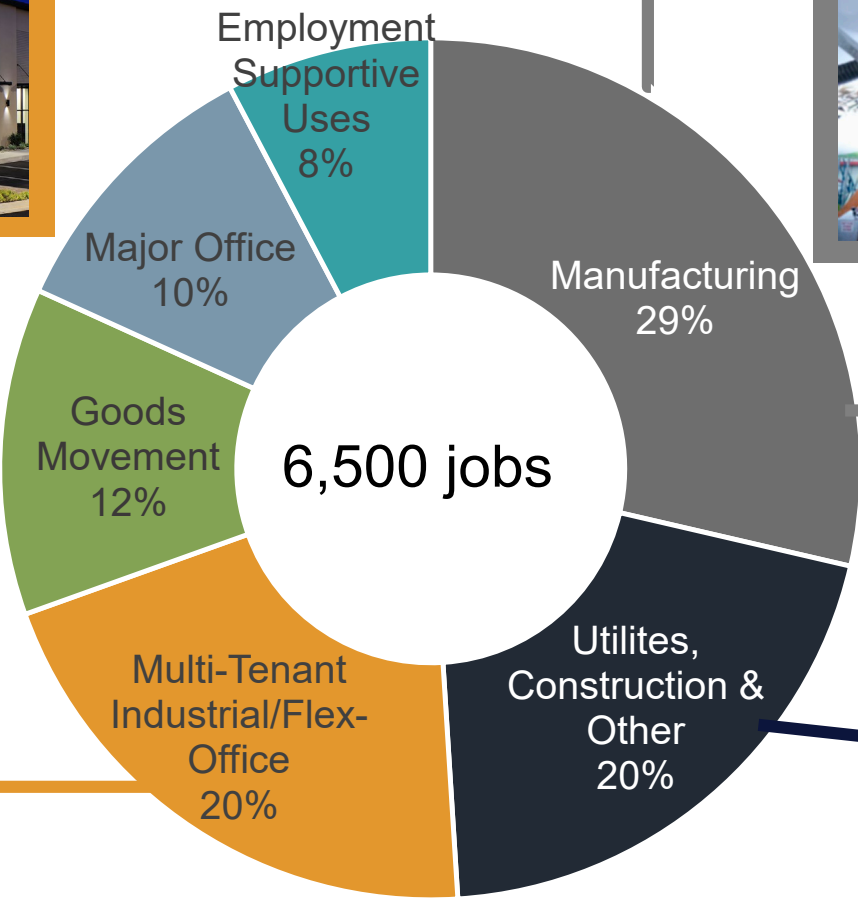
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# Victoria/Brampton Caledon Airport Employment Area

## Forecast Employment Growth by Sector, 2021-2051



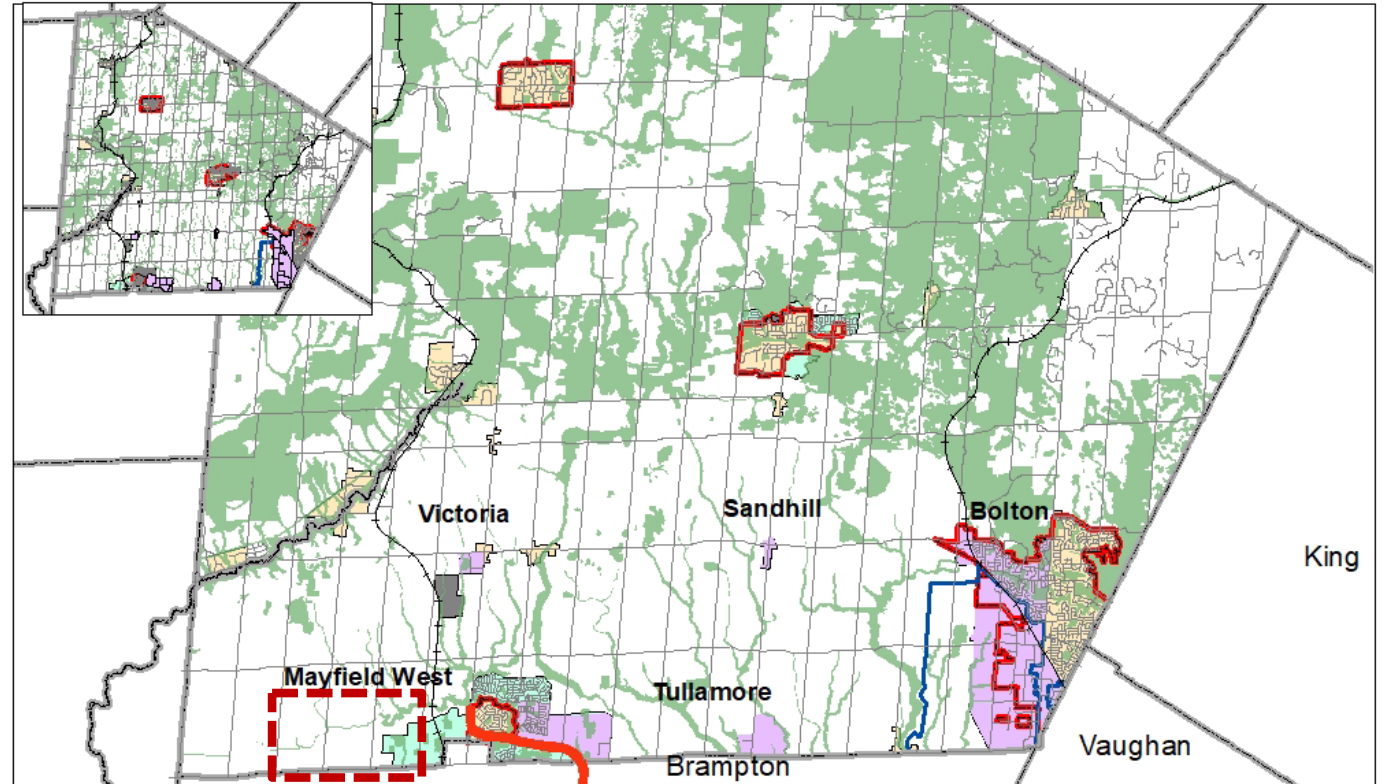
# Mayfield Rd./Mississauga Rd (North of Heritage Heights)



- Existing canola research facility (Corteva Agriscience) on large parcel
- Proximity to Brampton/Caledon Airport
- Relatively small Employment Area
- Distant from other Employment Areas in Caledon



## Town of Caledon



### Legend

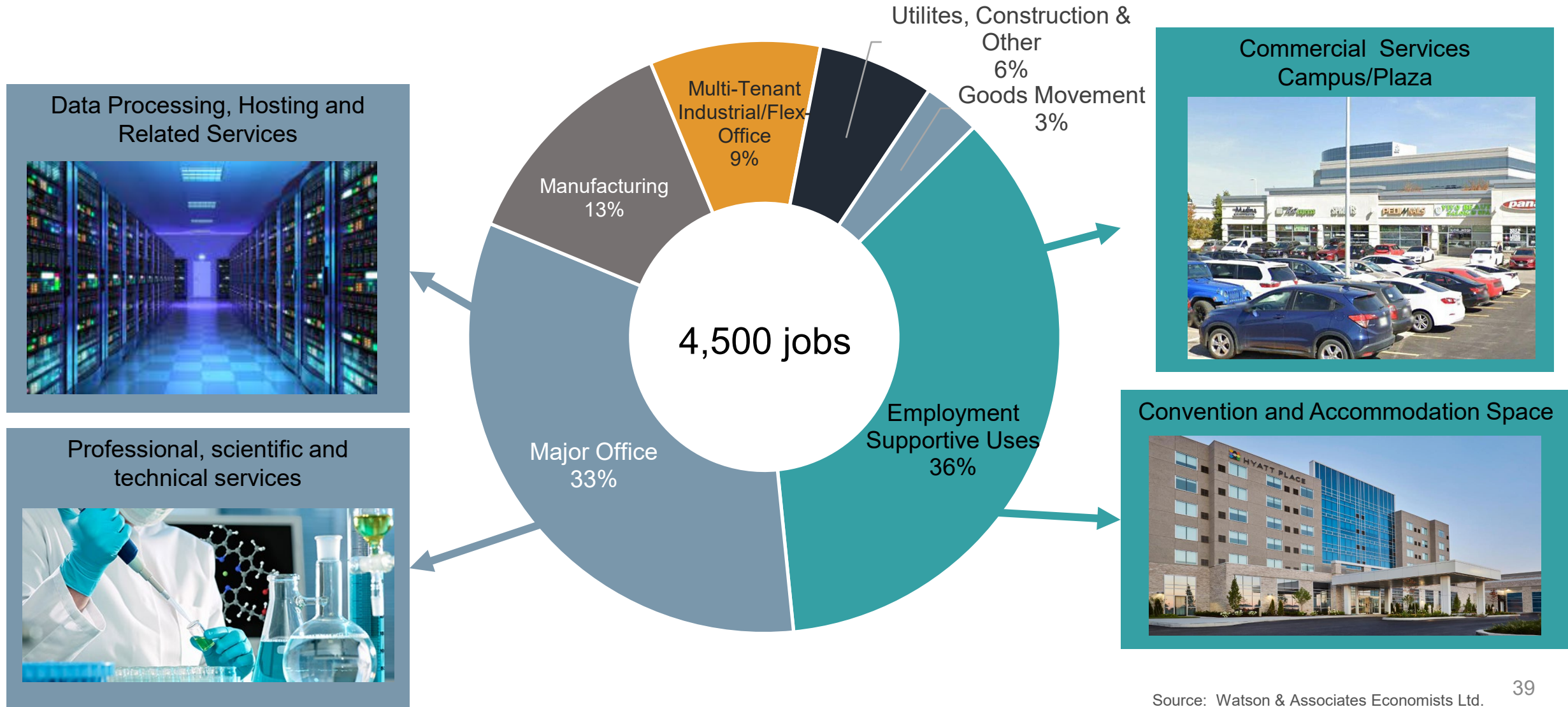
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| Provincially Significant Employment Zone |                              |             |

0 1.75 3.5 7 Kilometres



# Mayfield Rd./Mississauga Rd.

## Forecast Employment Growth by Sector, 2021-2051



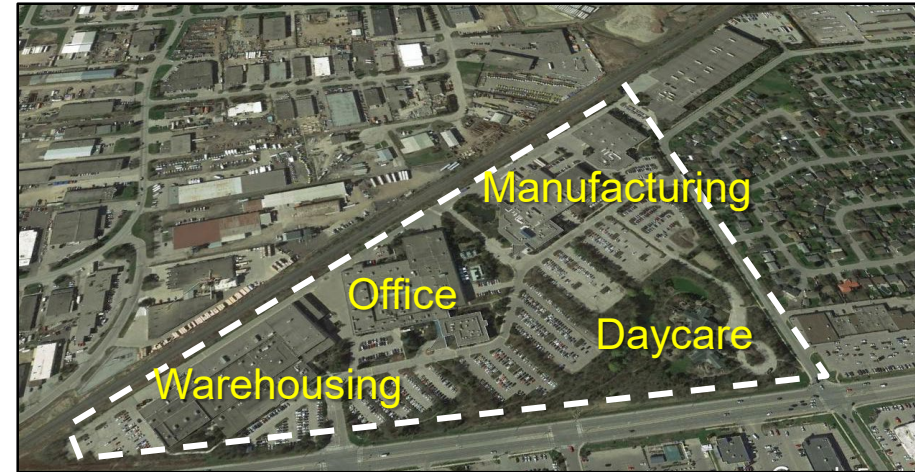
# Planning for the Future

## Key Themes for Employment Areas

- Consolidation and Blurring of Uses: Integrated Use Campuses and Buildings

### Planning Implications:

- Need for large prestige employment land sites
- Need to consider accessory commercial use threshold
- Demand for office space within industrial buildings increase employment density



Husky Injection Molding Systems, Ltd. Campus, Bolton  
*Manufacturing, warehouse, office and daycare buildings.*



Blum Canada, Mississauga  
Supplier of furniture hinges, runners and lift systems.  
*Retail showroom to demonstrate products.*  
*Office, warehouse (high ceilings, 80 ft'), retail showroom*





# Planning for the Future

## Key Themes for Employment Areas

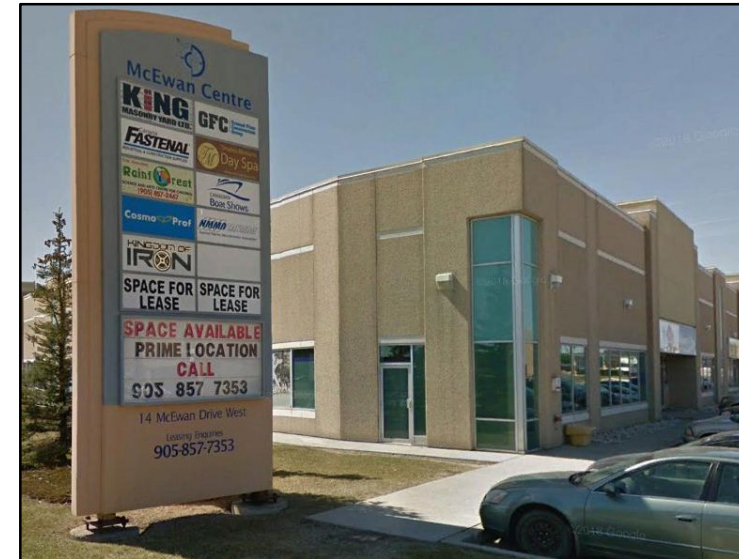
- Supporting a Diversity of Small and Medium Business Growth: Flex-Space and Multi-Tenant Industrial

### Planning Implications:

- Supports higher employment density
- Accommodates Employment Area supportive uses
- Need to identify the right balance of permitted commercial uses
- Demand for lands near major arterials



Flex-Office/Industrial, Hanlon Creek, Guelph



Multi-Tenant McEwan Centre, Bolton

# Planning for the Future

## Key Themes for Employment Areas

- Attracting Innovation and Creative Industries

### Planning Implications:

- Competitive market that requires coordination with Economic Development
- Need for large prestige employment site
- Building a theme around an established cluster or potential anchor



CBS Stages Canada Studio, Mississauga



Bromont Science Park, Bromont, QC  
*Microelectronics, Aerospace and Advanced Manufacturing*



Oro-Station Innovation Automotive Park, Oro-Medonte (Simcoe County)  
*Automotive engineering, field testing, education, and manufacturing businesses*



# Planning for the Future

## Key Themes for Employment Areas

- Best Practices Towards “Greener” Employment

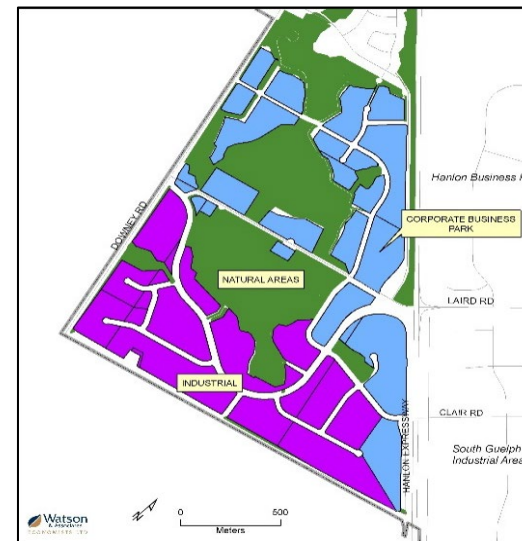
### Planning Implications:

- Need to consider “green standards” or policies to offset impact on new Settlement Area lands
- Plan prestige employment lands near potential environmental features



Walmart Fresh Food Distribution Centre,  
Calgary, AB

*60% more energy-efficient than the company's traditional refrigerated centres*



Hanlon Creek Business Park, Guelph

*Environmental reserve, 9% of land area used for innovative stormwater management design and environmental monitoring.*



# Planning for the Future

## Key Themes for Employment Areas



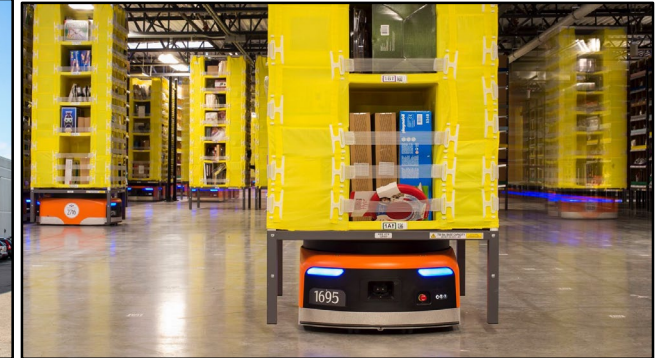
- Evolving Goods Movement Sector

### Planning Implications:

- Need for large general industrial sites near major highways with buffers for non-compatible uses
- Office uses added increase employment density and add prestige image
- Automated warehouse reduce employment opportunity
- Last mile delivery, may involve drawing customer traffic to area



NTN Head Office and Warehouse,  
Mississauga



Automated Warehouses



Ikea Customer Pick-up Warehouse, Toronto  
*Reduces cost of last mile delivery.*



# Rural Opportunities

# Rural Area Industrial Opportunities

- On-farm diversified industrial activities.
- Providing additional revenue stream with on farm-diversified activities.
- Agriculture innovation and product development.
- Green technology research and manufacturing.
- Employment Areas as an opportunity to support agriculture activity.



Spirit Hill Cidery



Biomass Energy



Horticulture Research



# Rural Commerce Opportunities



- Visitor destinations in rural areas have opportunity to add further growth opportunities in the rural area that are appropriate.
- Providing additional revenue stream with on farm-diversified activities.
- Settlement Areas as higher intensity commerce hubs for tourism activity.



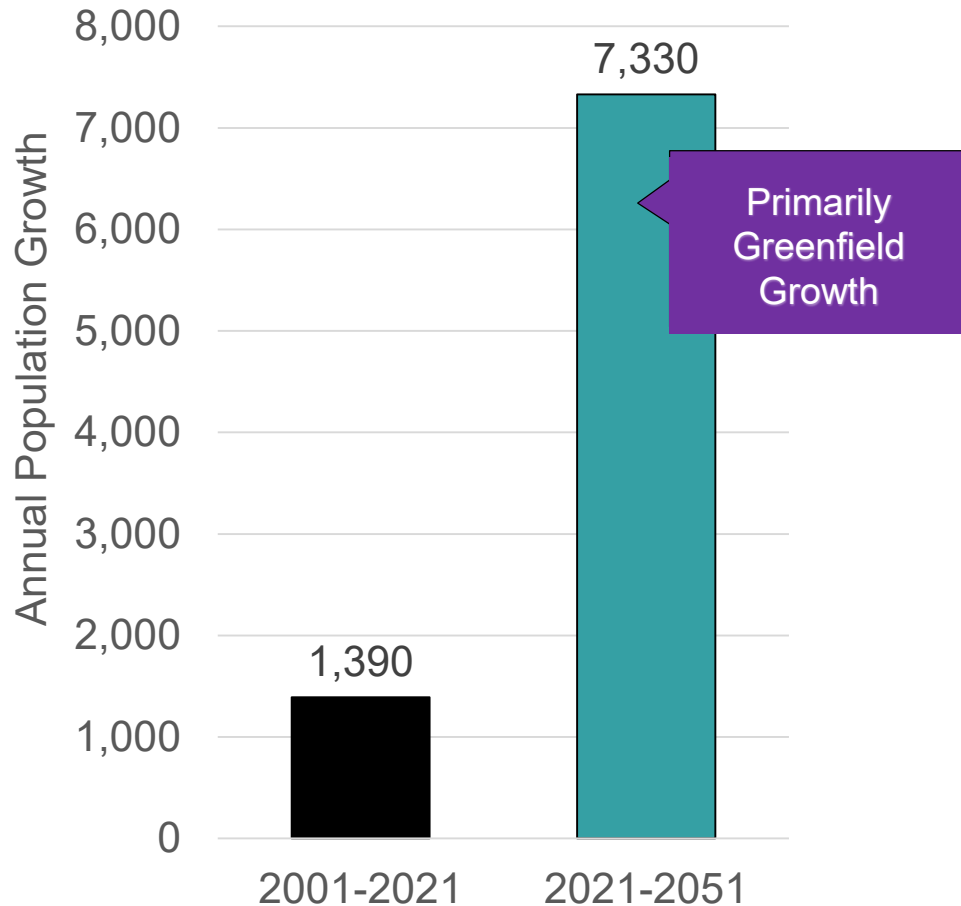
# Commercial Opportunities



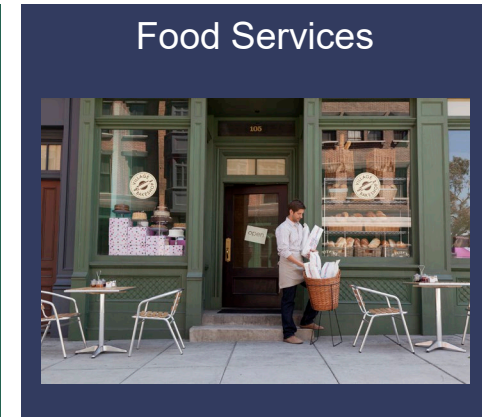
# What Will Influence Commercial Demand?



Town of Caledon  
Annual Population Growth



## Retail Sectors Less Impacted by E-Commerce and Competing Urban Centres





# Planning for the Future

## Key Themes for Commercial Areas

- Supporting place-making and improving access.

### Planning Implications:

- Providing the right balance of auto-oriented and mixed-use developments.
- Creating viable mixed-use development opportunities with appropriate permissions.
- Creating nodes and corridors to support future transit opportunities.
- Supporting transition of mature commercial areas.



Bolton Royal Courtyards

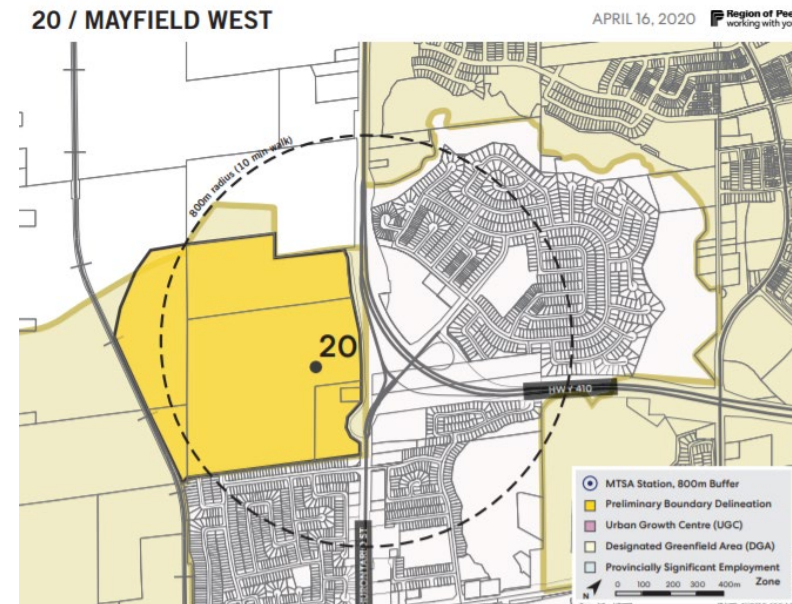
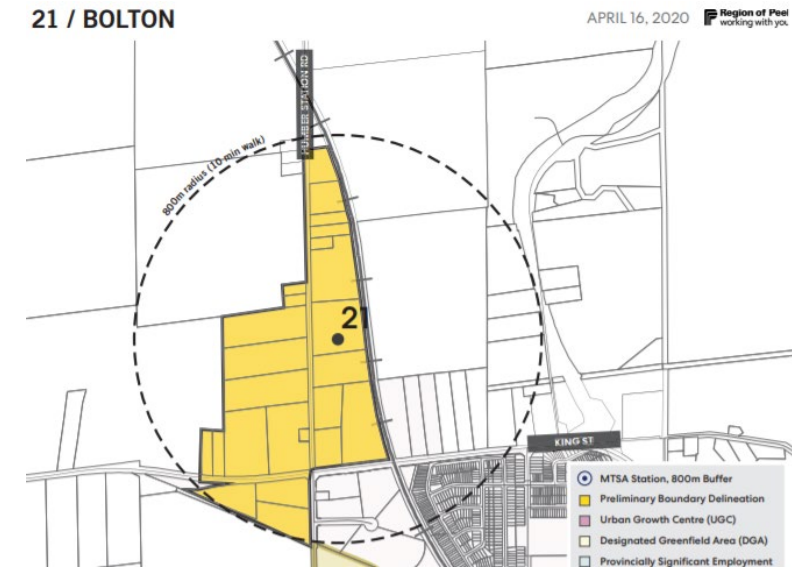


Mayfield West – Southfields

# What Opportunities Exist for Office in Caledon?



- Competition for office in the GTHA is strong in the “905” area, especially for areas that are not well served by high-order transit.
- Bolton GO Station and Mayfield West Transit Hub provide opportunities to create transit oriented developments.





# Planning for the Future

## Key Themes for MTSA and Office

- Support the viability of office by providing mixed-use opportunities.



### Planning Implications:

- Provide opportunities for mixed-use opportunities, however, require provisions for non-residential space.
- Protect unique opportunities for office development, such as MTSA's.
- Encourage office development within existing commercial areas, diversifying the employment base.



Hypothetical illustration. Source: Ontario Municipal Affairs and Housing, Growth Plan image database.

# Discussion

# Discussion Themes



Exploring  
Other  
Employment  
Opportunities

Providing  
Shovel-Ready  
Employment  
Lands

Goods  
Movement  
Employment  
Forecast

Employment  
Area Land  
Needs

Employment  
Area Policies  
for Evolving  
Economy

COVID-19  
Impacts