

2022

# **Employment Land Policy In the Greater Toronto Area from 1950-2020: Chasing Change**

**Alex Topp**

*I would like to thank my supervisor, Mario Polese, for all of his help and guidance in putting together this project. I could not have done it without him.*

Supervised research project completed for the requirements of a Masters of Urban Planning,  
McGill

## Executive Summary

In 2019 Toronto's employment land policy framework changed once again with the Ontario government introducing a system wherein a minister selects land to be protected against conversions to non-employment uses. This is a break from previous iterations of the regional plan which simply set out guidelines for municipal governments. Though this level of involvement in zoning is unique to the province, it comes from a long line of employment land policies. This paper tracks the evolution of the policies that were, and were not implemented, going back to the earliest masters plans in the 1950s. We seek to not only understand what the plans were, but also why they were, or were not, implemented, and what their long term economic, and social effects were. From here, we apply lessons from the recent past to how employment land policy should be structured moving forward.

In addition to the existing literature, this paper draws on planning reports held at the Toronto Reference Library, as well as council minutes, contemporary press articles, and memoirs. These were then compiled into a linear narrative.

Between the mid-19<sup>th</sup> century until the end of World War Two, manufacturing and logistics were closely tied to the waterfront, with an substantial office based sector in the centre of the city. By the 1970s, rising land prices due to the growth in the office based industries, as well as the advent of major highways, cargo planes, and conveyor belt manufacturing caused industrial firms to relocate to the suburbs. During this time, the province introduced a regional plan wherein the entire region's water network was to be linked to the lake, and mandated that peripheral municipalities develop continuously from the main city. This created an industrial crust around Toronto which would then itself be enveloped in the coming decades by residential developments. Despite this trend, a portion of the city's administration advocated for a doubling down on manufacturing within the core of the city. They established zones set aside for industrial uses but anti-Americanism, and a drive toward decentralization stopped the most radical proposals from taking place. During the 1980, deindustrialization sped up, and by the end of the decade the central industrial zones were dropped as pressure to use the land for businesses in the "new-economy" grew. These new businesses did not always locate in industrial sites however, and large tracts of land were left abandoned without a framework to rationally redeveloped it. At the same time, population growth drove the city outwards, and sprawl became a serious concern. This gave rise to the provincial growth plan in the early 2000s, which sought to control sprawl, and employment land conversion through a general set of regulations. This uniformity did not recognise the mixed nature of many of the employment areas it was trying to protect which the following premier tried to address by creating a two tiers system. This was changed once again by the before mentioned Ford plan.

For most of Toronto's history, employment land policy has revolved around industrial migration, which still plays a major role today. Toronto has been mostly successful at relocating industrial land as traditional areas become unviable, and at integrating new types of employment into the land use policy framework. This success is largely due to a willingness on behalf of the administration to make space for new means of employment as they present themselves.

Two reasons make maintaining a flexible employment land policy necessary in the long term, especially when targeting industrial uses; both of which are signs of a healthy economy. First, as Toronto continues to grow as a financial, corporate, and tech hub, the spatial inefficiency of industrial firms mean that they cannot compete with the more efficient office-based firms. Assuming these sectors continue to grow, and the trend to not convert residential land continues, office uses will continuously push industrial uses out. Short of deliberately undermining the city's most productive businesses, the standard set of planning tools cannot stop this basic trend, as was discovered in the 1970s. Second, technological change will make previously established locations outdated, as logistics networks are reorganized, or new built forms become the norm. This means that firm type, and location will always change, which is a good thing.

Moving forward, integrating the fundamental assumption that employment land, especially industrial, will change is essential even if it goes against the short-term goal of isolating employment land against non-employment encroachment. The current framework theoretically has the capability of moving provincially protected employment land, which is good, but it is not clear what exactly that mechanism is.

## *Sommaire exécutif*

*En 2019, le cadre de la politique foncière de l'emploi de Toronto a de nouveau changé avec l'introduction par le gouvernement de l'Ontario d'un système dans lequel un ministre sélectionne les terres à protéger contre les conversions à des fins autres que l'emploi. Il s'agit d'une rupture avec les itérations précédentes du plan régional qui énonçaient simplement des lignes directrices pour les gouvernements municipaux. Bien que ce niveau d'implication dans le zonage soit unique à la province, il découle d'une longue série de politiques sur les terrains destinés à l'emploi. Cet article retrace l'évolution des politiques qui ont été et n'ont pas été mises en œuvre, en remontant aux premiers schémas directeurs des années 1950. Nous cherchons non seulement à comprendre quels étaient les plans, mais aussi pourquoi ils ont été ou n'ont pas été mis en œuvre et quel est leur impact à long terme. Les effets économiques et sociaux ont été. À partir de là, nous appliquons les leçons du passé récent à la façon dont la politique foncière de l'emploi devrait être structurée à l'avenir.*

*En plus de la littérature existante, ce document s'appuie sur des rapports de planification tenus au Bibliothèque de référence de Toronto, ainsi que des procès-verbaux du conseil, des articles de presse contemporains et des mémoires. Ceux-ci ont ensuite été compilés dans un récit linéaire.*

*Entre le milieu du XIXe siècle et la fin de la Seconde Guerre mondiale, la fabrication et la logistique étaient étroitement liées au front de mer, avec un important secteur de bureaux au centre de la ville. Dans les années 1970, la hausse des prix des terrains due à la croissance des industries de bureau, ainsi que l'avènement des grandes autoroutes, des avions-cargos et de la fabrication de bandes transporteuses ont poussé les entreprises industrielles à se déplacer vers les banlieues. Pendant ce temps, la province a introduit un plan régional dans lequel le réseau*

*d'eau de toute la région devait être relié au lac et a mandaté que les municipalités périphériques se développent en continu à partir de la ville principale. Cela a créé une croûte industrielle autour de Toronto qui serait ensuite elle-même enveloppée dans les décennies à venir par des développements résidentiels. Malgré cette tendance, une partie de l'administration de la ville a plaidé pour un doublement de la fabrication au cœur de la ville. Ils établissent des zones réservées à des usages industriels mais l'antiaméricanisme et la volonté de décentralisation empêchent les propositions les plus radicales de voir le jour. Au cours des années 1980, la désindustrialisation s'est accélérée et, à la fin de la décennie, les zones industrielles centrales ont été abandonnées alors que la pression pour utiliser les terres pour les entreprises de la «nouvelle économie» augmentait. Cependant, ces nouvelles entreprises ne s'installent pas toujours dans des sites industriels et de vastes étendues de terres sont laissées à l'abandon sans cadre pour les réaménager rationnellement. Dans le même temps, la croissance démographique a poussé la ville vers l'extérieur et l'étalement est devenu une préoccupation sérieuse. Cela a donné lieu au plan de croissance provincial au début des années 2000, qui visait à contrôler l'étalement et la conversion des terres d'emploi par le biais d'un ensemble de réglementations générales. Cette uniformité ne reconnaissait pas la nature mixte de bon nombre des zones d'emploi qu'elle tentait de protéger, ce que le premier ministre suivant a tenté de résoudre en créant un système à deux niveaux. Cela a été changé une fois de plus par le plan Ford mentionné ci-dessus.*

*Pendant la plus grande partie de l'histoire de Toronto, la politique foncière de l'emploi a tourné autour de la migration industrielle, qui joue encore un rôle majeur aujourd'hui. Toronto a surtout réussi à déménager les terrains industriels à mesure que les zones traditionnelles deviennent non viables, et à intégrer de nouveaux types d'emplois dans le cadre de la politique d'utilisation des sols. Ce succès est en grande partie dû à une volonté de au nom de l'administration pour faire place aux nouveaux modes d'emploi au fur et à mesure qu'ils se présentent.*

*Deux raisons rendent nécessaire le maintien d'une politique foncière d'emploi souple sur le long terme, notamment lorsqu'il s'agit de cibler des usages industriels ; qui sont tous deux des signes d'une économie saine. Tout d'abord, alors que Toronto continue de croître en tant que centre financier, d'entreprise et technologique, l'espace l'inefficacité des entreprises industrielles signifie qu'elles ne peuvent pas concurrencer les entreprises de bureau plus efficaces. En supposant que ces secteurs continuent de croître et que la tendance à ne pas convertir les terrains résidentiels se poursuive, les utilisations de bureaux repousseront continuellement les utilisations industrielles. À moins de saper délibérément les entreprises les plus productives de la ville, l'ensemble standard d'outils de planification ne peut pas arrêter cette tendance de fond, comme cela a été découvert dans les années 1970. Deuxièmement, le changement technologique rendra les sites précédemment établis sont obsolètes, à mesure que les réseaux logistiques sont réorganisés ou que de nouvelles formes bâties deviennent la norme. Cela signifie que le type d'entreprise et l'emplacement changeront toujours, ce qui est une bonne chose.*

*Pour aller de l'avant, intégrer l'hypothèse fondamentale que les terres d'emploi, en particulier industrielles, vont changer est essentiel même si cela va à l'encontre de l'objectif à*

*court terme d'isoler les terres d'emploi contre l'empiétement du non-emploi. Le cadre actuel a théoriquement la capacité de déplacer des terres d'emploi protégées par la province, ce qui est bien, mais on ne sait pas exactement en quoi consiste ce mécanisme*

## Figures

Page 17	Figure 1: Employment land 1965 to 2022
Page 23	Figure 2: Protected Industrial Zones: 1977
Page 25	Figure 3: Industrial Areas in Metropolitan Toronto
Page 32	Figure 4: Percentage of Local Municipal Industrial Inventory Considered Dysfunctional
Page 41	Figure 5: Provincially Significant Employment Zones

## Table of Content

Definitions	10
Methodology	11
Toronto's Economic Landscape is Formed: 1850s-1940s	13
Post War Boom and Industry Begins its Moves to the Suburbs: 1950s-1960s	15
To Move On or To Double Down? 1970s	19
New Economy, New Land: 1980s	26
Reorganizing, But Have We Gone Too Far?: 1990	28
Something Must Be Done: 2000s	32
Summary	42
Looking Back to Look Forward	42

In 2019 the Doug Ford government updated the provincial employment land strategy. The new plan introduced the *provincially significant employment zone* (PSEZ) system, which selects employment land to be protected from conversion by limiting what can be built within the zones, and around them. This policy is the third iteration of provincial plans since 2005, commonly referred to as *the growth plan*. In turn, this is only the latest in a long debate over how to keep employment land up-to-date with the everchanging economic landscape. Though industrial strategy, and more recently, office strategy, has been a question facing governments of all levels for generations, land use has traditionally been the domain of the municipality. Though it is perfectly constitutional for the province to exert control over land use, it is entirely exceptional to take such direct control. What is even more surprising is that Canada's largest city, Toronto, has largely accepted provincial oversight, and at times has pushed the province to be even more involved.

A number of years ago, Richard White sought to put regional planning in the Greater Golden Horseshoe (GGH) as a concept into its political and economic context. As he found, the idea of regional planning evolved as the philosophies of different governments came and went, and as municipalities faced different economic challenges. White showed that the Growth Plan was in fact part of a long line of attempts on behalf of governments of all levels and stripes to solve the fundamental problem that the municipal boundaries within the GGH do not align with the growth pattern of the city<sup>1</sup>. This paper will similarly track the evolution of employment land policy in the Greater Toronto Area (GTA), as it has reacted to a consistently changing economy. From this story we will put forward two basic principles that should be followed when considering future employment land policy. They are, policy cannot beat the fundamentals of economics, and technological change will make locations irrelevant. As a result, flexibility in the long term must be integrated into any policy. This runs counter to those who argue that no conversions should be allowed to take place<sup>2</sup>. Though it is correct that in some circumstances keeping land exclusively for employment is necessary, cities, and economies change, and employment land must change with it.

Up until now, the city has been able to adapt effectively, however not always for reasons directly related to economic change. This fact, combined with the new scenario where employment land policy has been elevated to a higher order of government, and therefore possible attention, makes addressing the economics of employment land even more important.

## Definitions

There is no set of technical definitions for land that is specifically designated for work that is consistent across time, and space. In the contemporary era, the provincial government and most municipalities use the term “employment land” or “employment area”. The province defines these areas as follows:

---

<sup>1</sup> White, R. (2007) *The Growth Plan for the Greater Golden Horseshoe in Historical Perspective*, The Neptis Foundation

<sup>2</sup> For example: Toronto (1975) *A Place for Industry*; Sweeney, B. & Cox, M. (2021) *Ontario's Industrial Land Shortage*, Trillium Network for Advanced Manufacturing

“Areas designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities.”<sup>3</sup>

These areas are different from “mixed use” or “office” designations, which tend to be more open to residential, and commercial use, as well as limiting for obnoxious uses. This definition is not necessarily relevant going back in history. For our purposes, we will use “employment land” as a general term as defined by the province. For the sake of consistency with contemporaries, we will use the language used by governments in the GGH throughout history, and differentiate between “industrial land” and “office land” when more specificity is needed. “Industrial land” is particularly hard to define. As remarked upon in at least one 1980s Toronto planning report, there was no agreed upon definition of “industrial land”, even though it was widely used<sup>4</sup>. For the purposes of this paper, we will understand it as meaning places where businesses that deal primarily with the creation, maintenance, or distribution of *things* is done. On the other hand, “office land” is where *information* is exchanged, analysed, and acted upon. These two functions were often blurred, therefore making the distinction is arguably not appropriate. However, contemporaries separated these two classes to such an extent that not doing so ourselves would confuse much of the debate taking place through out our story.

In terms of geography, like many agglomerated cities, the term “Toronto” can refer both to the formal municipality, and, colloquially, to the central metropolitan area, which is made up of various political entities. When referring to the latter, we will say the *Greater Toronto Area* (GTA), and refer to the municipality of Toronto by its name. We will also refer to the 1953 amalgamated *Metropolitan Government of Toronto* as such, but will switch to the contemporarily used *Toronto* after 1998. For the most part, we will refrain from referring to specific neighbourhoods or lower order municipalities for two reasons. First, formal boundaries rarely correspond with where macro events take place, especially for square, colonial boundaries. Second, the city has been constantly growing, so what may be a peripheral region in one decade, would be an inner suburb the next. Therefore, we will refer to areas in relation to where they are in the city.

Ontario is relatively unique in that it contains an appeals mechanism for planning decisions that is run by the province. Citizens or organizations can appeal to an independent tribunal which evaluates the original decision on its planning merits. To resolve disputes, the tribunal has the power to impose any planning decision that a municipality would be able to, so has significant power. These cases can range from minor variances, to entire masterplans. The tribunal has been known by three names. Its original name was the Ontario Municipal Board (OMB) which it was known as between 1906 and 2018 when it was then changed to the Local Planning Appeals

---

<sup>3</sup> Ontario, (2020) *A Place to Grow: Growth Plan for the Greater Golden Horseshoe*, p. 70

<sup>4</sup> The Metropolitan Government of Toronto (1988) *Metropolitan Plan Review*, p. 32.

Tribunal (LPAT). In 2021, it was changed again to the Ontario Land Tribunal, which it is known by today. Though there have been some changes in operation and outlook over the years, the core function of the tribunal has stayed the same.

## Methodology

This study utilised numerous sources, in addition to relevant academic literature. First, those government reports, produced by the municipal, metropolitan, and provincial governments, available at the Toronto Reference Library. Though not exhaustive, the library has an extensive collection of published government material. It is however limited in sources that do not involve Toronto. Second, municipal and metropolitan council minutes, also available at the Toronto Reference Library were consulted. Index searches for key words such as: industrial, employment, office, and other relevant terms as they appeared were done for each year between 1965 and 2019. These minutes do not include verbatim records of debates, thus limiting their usefulness, but include reference to reports, communications, and motions voted upon by council that could be accessed. Provincial minutes were consulted online in certain circumstances but were not done in a comprehensive manner. Third, media articles were accessed through ProQuest, an online database dedicated to storing historical sources. The following search was performed for each five year interval between 1970 and 2019: “industrial land, OR employment land AND Toronto”. More specific terms were added where relevant. And fourth, the autobiographies of a number of key players were consulted, but these were not reviewed in a comprehensive manor.

We will be approaching our story as a qualitative narrative, instead of *tracking the number* so to speak. As much as possible, we will tell the story of employment land policy in the GTA through the eyes of those faced with the dilemmas as they appeared. Though this leaves behind much of the advanced economics involved, we can also see how simple economic forces collided with politics.

## A Common Story of Industrialism to Something Else

The story of land use policy in the GTA is closely tied to that of deindustrialization, and can be found in numerous places across the traditional industrial world. There are numerous reasons for this, and each place has its own story. Though we wont dwell too much on theory, the basics go a long way to explain this phenomenon. It comes down to the two of the core assumption of economics: companies will seek to maximize their profits, and the dynamic of supply and demand. As the cost put on by firms by taxes, regulations, wage increases, and outdated technology increase, firms are incentivised to relocate to places without these conditions. At the same time, as the middle class has grown and has sought more services, office centres have come to compete for land with manufacturers, particularly downtown. This same middle class has also come to compete with manufacturers as families have sought larger and cleaner living conditions. As key manufacturers have relocated to cheaper countries, entire supply chains have been shifted towards those new places.

While this process has caused significant pain in many places, it has also allowed many more cities to shift to industries that are fundamentally better paying, cleaner, and more intellectually stimulating for workers. Toronto's transition has been very successful, with an ever growing tech, and business sector. However, the city has not been immune to the kind of reactionism that caused many other places to hold onto the dream of reindustrialization for too long.

"Industry" has often taken on a near mythological role in the minds of many. This pedestal has caused some policy makers to leave land derelict in the hopes that one day a factory may one day return, causing the city to decline as the factory never comes. The root causes of this mentality are varied but fundamentally it comes down to the culture that an industrial economy creates. If people can always get good jobs in factories, there's no need for investment in education, or innovation. Furthermore, if the factory is big enough, there is no space for other industries, as labour is eaten up by the dominant plant. Once the factory goes away, there is neither an alternative workplace, nor a group of people available to produce that alternative, at least for some time. Even in more modern industries establish themselves, the skills needed in say an aluminum plant are not necessarily transferable to an online advertising firm for example. This becomes all the more complicated when concepts of identity are tied up with industrialism<sup>5</sup>.

Local politicians are faced with a difficult choice. It is political suicide to say to a population "its time to pack up", but some industries are simply not coming back. For those faced with this scenario, it is admittedly a terrifying prospect. During the early days of deindustrialization, it was not clear which new industries would take off, let alone what technologies. On paper, saying "we must rebuild as it was" is a much safer plan than trying to rethink the local economy, especially when it must be presented to voters. It is also quite empathetic. It is no small thing to say to the fifty-year-old textile worker with a family and a mortgage to go back to school and start a new career.

This is not to say that preserving industrial employment land inherently bad. There will always have to be some degree of traditional industrial activity. First, a city cannot function without getting goods in and out of the city. Warehouses have traditionally been located alongside factories so are often tied together, and though these two things are highly interdependent, with modern trade, not every city needs to produce all of its goods, but they do need to store them somewhere. Second, there are also some goods that are best if prepared as close as possible to the site of consumption such as food. Though food can always be canned or filled with chemicals to make it last for years, for much healthier fresh food, the delay between preparation, and purchase must be as short as possible for it to stay fresh. Third, and perhaps the most debatable of this list, having a safe supply of certain products can be deemed in the national interest. Military supplies is a classic example, however microchips and vaccines may soon be added to this category as well. That being said, there is a fine line between managing strategic supply lines, and economic nationalism. Another factor to consider, but perhaps not as

---

<sup>5</sup> Polese, M (2009) *The Wealth and Poverty of Regions: Why Cities Matter*, University of Chicago Press, pp. 18-20

fundamental than the other three, is that places cannot always afford to be picky about what jobs are available to its citizens. If it is a factory or nothing, the factory will have to do.

Office based areas are less storied than industrial areas, and few, if any, cities have wasted away over hope that research and development will one day return. However, that is not to say that some of the factors mentioned above cannot be at play. Innovation centers are becoming so common that they may become irrelevant, and some of the protectionist impulses around industrial areas are starting to be found around office districts as well.

## Toronto's Economic Landscape is Formed: 1850s-1940s

Toronto's traditional employment landscape was formed early in its history, under conditions relevant to the time. This layout would have a lasting impact even after technology had moved on.

Throughout much of the 1800s, Hamilton, Ottawa, London, and Kingston were all possible candidates for becoming the regional hub. Nationally, it was Montreal that was the center of the economy, containing the largest logistics hub, and housing the largest institutions. Toronto came to regional prominence with Ontario's railway boom in mid 1880's, which favoured the city. As the main military base in the area, it also became the centre for government. With this, Toronto saw significant growth amongst both the working and upper classes<sup>6</sup>. With this growth, a new Union Station was built, which integrated with the lakeshore<sup>7</sup>. In modern terms, Toronto became the *gateway cluster* for the surrounding area<sup>8</sup>.

Traditionally, coal imports from Pennsylvania, as well as the location of rail terminals kept industrial activity tied to the lakeshore<sup>9</sup>. However, In the early 1900s, Pennsylvania's "coal drought" triggered the search for alternatives. Eventually, this was found in hydro power in the 1940s<sup>10</sup>. Despite this though, the influential *Municipal Harbour Commission* remained heavily invested in keeping the waterfront for industry. In 1912, a proposal for infilled land for factories, and an outward facing port was put forward<sup>11</sup>. The plan came to partial fruition in the late 1960s in coordination with the ill-fated Saint Lawrence Sea Way.

The first adopter of hydro power was not Toronto, but Hamilton, which turned out to be both a blessing and a curse for both cities. Missing out on the railway boom, Hamilton was in decline in the 1890s. Its fortunes were turned around when a group of local businessmen built the

---

<sup>6</sup> Drummond, I. (1987) *Progress without planning: the economic history of Ontario from Confederation to the Second World War*, University of Toronto Press, pp. 167-169

<sup>7</sup> Boles, D. (2017) *Toronto's Second Union Station – 1873 to 1927*, Toronto Railway Historical Association

<sup>8</sup> Higgins, D., Ferguson, M., & Kanaroglou, P. (2012). "Varieties of Logistics Centers" *Transportation Research Record: Journal of the Transportation Research Board*, pp. 9-18

<sup>9</sup> Prudham, S., Gad, G., & Anderson, R. (2011) "Networks of Power: Toronto's Waterfront Energy System from 1840 to 1970" in Desfor, G. & Laidley, J. eds. *Reshaping Toronto's Waterfront*, pp. 180-185

<sup>10</sup> Hampton, H. & Reno, B. (2000) *Public Power: The Fight for Publicly Owned Electricity*, Insomniac Press, pp. 97-108; Nelles, H., (2005) *Politics of Development: Forests, Mines, and Hydro-Electric Power in Ontario, 1849-1941*, McGill-Queen's University Press.

<sup>11</sup> Merren, R. (1988) "Port Authorities as Urban Land Developers: The Case of the Toronto Harbour Commissioners and Their Outer Harbour Project, 1912-68" *Urban History Review* 17, pp. 92-105

furthest reaching hydro plant in North-America, connecting Niagara falls, to their city<sup>12</sup>. This provided Hamilton manufacturers the cheapest electricity in the region, and the sector tripled in the next twenty five years<sup>13</sup>. With Hamilton on the ups, a rail line was built that connected Toronto, Hamilton, and Buffalo. This meant that the businessmen were able to maintain a connection with their factories, but set up their corporate offices in Toronto<sup>14</sup>, which was the growing hub of government, law, and finance. Over time, Hamilton's main employers came to be a series of massive steel mills that supplied surrounding manufacturers.

The rise of Hamilton as the place for heavy manufacturing, as well as other places such as Oshawa, and Windsor, meant that Toronto was left out. No doubt, many resented this, but it protected Toronto from building an over reliance on these types of large, capital dependant employers. Instead, most industrial activity in Toronto centred around logistics, as well as small and medium scale manufacturing. Come deindustrialization in the second half of the 20<sup>th</sup> century, this meant that the city's economic base was not knocked out with the closure of a handful of massive plants like what happened in Buffalo, Pittsburgh, and Detroit<sup>15</sup>. Instead, deindustrialization happened in bites over the course of century, with the foundations of a robust service economy already in place in the forms of universities, government offices, finance, and company headquarters in place.

To use banking as an example, during the first half of the 19<sup>th</sup> century, Ontario had a mosaic of small, tightly regulated, patrician banks, which were scattered across the province. Come the global economic slump of the late 1870s, many of these banks folded. Of those that survived, the majority were in Toronto. When the economy eventually sped up again around the turn of the century, Toronto was home to many of the new institutions to form. Additionally, several major banks from outside the province set up new offices in the city. By World War One, Ontario had thirteen active banks, one based in Hamilton, one based in Ottawa, and eleven based in Toronto<sup>16</sup>. The insurance, mortgage, and trust industries all followed similar trajectories. At the same time, the dusty Toronto Stock Exchange, was restructured, and a wave of companies went public<sup>17</sup>.

During this time, governments of all levels relied heavily on trusted private institutions<sup>18</sup>. In a time before instant communication, gaining that trust meant building relationships through constant contact. Therefore, if a lender moved to Toronto, and played his cards right, he may score what was at the time, the largest clients in the country. A well connected banker could also whisper in the ears of regulators. This evidently happened quite a bit as three waves of

---

<sup>12</sup> Wood, H., (1987) "Emergence of the Modern City: Hamilton, 1891-1950" in *Steel City: Hamilton and Region*, University of Toronto Press, pp. 118-120.

<sup>13</sup> Middleton, D. J. & Walker, D. F. (1980). Manufacturers and Industrial Development Policy in Hamilton, 1890-1910. *Urban History Review* 8, 21-22

<sup>14</sup> Wood, H., (1987) p. 126

<sup>15</sup> Polese, M (2009) *The Wealth and Poverty of Regions: Why Cities Matter*, University of Chicago Press, pp. 19-20; Polese, M. (2020) *The Wealth and Poverty of Cities: Why Nations Matter*, Oxford University Press, pp. 111-134

<sup>16</sup> Drummond, I. (1987) *Progress without Planning: The Economic History of Ontario from Confederation to the Second World War*, University of Toronto Press, pp. 309-325

<sup>17</sup> *Ibid.* pp. 309-325

<sup>18</sup> *Ibid.* p. 327.

deregulation happened between 1897 and 1903 after a concerted effort on behalf of the industry<sup>19</sup>.

Attracted by the financial, and logistic services in the area, as well as the example given by the financial sector on relations with the government, Toronto became the place to be for local businesses to establish their head offices.

In the first decade of the 20<sup>th</sup> century, the city doubled in size and population, with consistent growth nearly ever since. Toronto's new immigrant communities quickly bumped against existing towns, which were often absorbed into the growing city<sup>20</sup>. This process was not universal however. Numerous suburban neighbourhoods maintained their independence.

This period was also when American industrialism exploded onto the global scene. Eager to enter the Canadian market, but hampered by protectionist trade laws, many American firms opened manufacturing branches across Canada, and in particular the GTA.

Toronto now had two sides to it. On the one hand it was the place for the elite attracted to well paying jobs, and to the newly expanded University of Toronto<sup>21</sup>. On the other, vast plumes of coal smoke hung in the air, from the many factories that, though not as large as those of Hamilton, still covered large swaths of the city<sup>22</sup>. However, due to constraints in utilities and transport, both sides lived reasonably close together. Even so, to escape the high taxes, high land prices, and strict building codes found in the city's core, poorer communities were mostly found at the peripheries<sup>23</sup>.

During the First, and especially Second World Wars, the GTA was one of the main areas for supplying the military, and the industrial output of the area increased rapidly. Military suppliers, like most manufacturers, mostly set up shop along the waterfront and the railway. After the war, industrialists kept their factories running, though now making peace time products<sup>24</sup>. Cities were changing though.

Throughout this era, there was little in the way of systematically regulating where industry could and could not be. Established in the 1930s, there was something called the *Toronto Industrial Commission*, but more research is needed to ascertain the role of this commission. Judging by the series of reforms that took place only a few decades later, it likely operated on a limited, and ad-hoc basis.

## Post War Boom and Industry Begins its Moves to the Suburbs: 1950s-1960s

After the war, a movement to rethink cities, and industry was picking up across the social spectrum. From the bottom up, workers demanded better working, and living conditions. From the top down, the government felt the need to rationalize cities, both from a moralistic, and from

---

<sup>19</sup> *Ibid.* pp. 328-329

<sup>20</sup> Harris, R. & Luymes, M. (1990) The Growth of Toronto, 1861-1941: A Cartographic Essay" *Urban History Review* 18, pp. 244-255

<sup>21</sup> Friedland, M. (2002) *The University of Toronto: A History 2<sup>nd</sup> ed.*, University of Toronto Press, pp. 100-112

<sup>22</sup> Anderson, R. (2014). "Towards an Historical Geography of Toronto's Air Pollution" *Canadian Cities: Past into Present, Institute of the Americas*, University College

<sup>23</sup> Lawrence, S (2007) *Toronto Sprawl: A History*, University of Toronto Press.

<sup>24</sup> Drummond, I. (1987) p. 60-71

an economic perspective<sup>25</sup>. There was also a general sense that the air, water, and green space needed to be preserved<sup>26</sup>. This led to both some of the most progressive, and some of the most draconian laws Ontario ever produced. Beginning in the 1950s a series of bills were introduced protecting the natural environment, requiring industries to moderate the pollution they created, especially when located near residents<sup>27</sup>. With this, came the concept of zoning, and architects employed by the city divided Toronto into distinct sections. In these early plans, the two main categories were residential, and commercial, which included manufacturing, logistics, and retail. The problem was that these zones did not reflect the realities of the city, as residents, and businesses lived together in a jumble of buildings. To deal with this, the city was given the power of arbitrary expropriation by the province, and the funds to redevelop expropriated land by the federal government. Between 1952 and 1968, thousands of residents of downtown Toronto were relocated to make room for factories<sup>28</sup>. These residents were at least offered some alternative, with the largest social housing projects in the city being performed, as well as cheap federal loans offered to those who moved to the outskirts of the city<sup>29</sup>.

Despite efforts to boost industry in the city, the technology used by companies was starting to change, as was the composition of the city in general. Most of the industrial buildings in the city were built before the war when factories consisted of multiple floors of workers performing tasks by hand, or with simple machines. These products were loaded onto trains, and mostly sent to Montreal for wider distribution. As technology improved throughout the 1950s and 1960s, long flat conveyor belts, with increasingly sophisticated components came to dominate production, and trucks destined for the USA replaced the trains<sup>30</sup>. Such new designs simply could not fit in the city. In addition to this, by the mid 1960s, large portions of the working-class housing was starting to become dilapidated. Though the city put forward numerous plans to “renew” these areas, only a few small pockets ever had any work done on them. This left much of the city open for private developers to buy up the cheap land, and redeveloped it for middle class residence, and office buildings which were becoming increasingly important<sup>31</sup>. This development, which would progressively increase in intensity over the next half century raised the price of land across the board. With these two factors at work, the space available for industrial activity was neither practical, nor affordable. This is not to mention the rise in the cost of labour due to Ontario’s highly active, and successful, labour movement which also drove costs up<sup>32</sup>.

---

<sup>25</sup> Lawrence, S (2007) pp. 17-30; White, R. (2015) *Planning Toronto: the Planners, The Plans, Their Legacies, 1940-80*, UBC Press, pp. 42-59

<sup>26</sup> White, R. (2015) *Planning Toronto: the Planners, The Plans, Their Legacies, 1940-80*, UBC Press, pp. 42-59

<sup>27</sup> Smithies, W. (1974) *The Protection and Use of Natural Resources in Ontario*, The Ontario Economic Council, pp. 39-56.

<sup>28</sup> Toronto (1975) *A Place for Industry*, p. 28

<sup>29</sup> Lawrence, S (2007) *Toronto Sprawl: A History*, University of Toronto Press, pp. 78-100.

<sup>30</sup> Toronto (1965) *Industrial Prospects in the City of Toronto*. When another wave of technological change happened in the late 1980s, the city planning board noted that the most productive firms, and therefore most valuable to the economy, were the first to update their technology, and therefore relocate, or consolidate their workforce. While this was not observed in this circumstance, it was also likely true during this period as well.

<sup>31</sup> White, R. (2016) “Urban Renewal Revisited: Toronto, 1950-1970” *The Canadian Historical Review*, pp. 1-33

<sup>32</sup> Smith, C. & Heron, C. (2020) *The Canadian Labour Movement: A Short History*, James Lorimer & Co., pp. 85-107

There were few alternatives to the city in the 1950s. The new suburban neighbourhoods found in previously small municipalities were badly serviced with amenities such as water, sewage, electricity, and roads, so were not viable alternatives. The under funded towns could do little about their deficiencies either. They were too afraid to raise residential taxes for political reasons, and white collar businesses were not interested in moving away from the hub that was the financial district. The towns did what they could however by offering low taxes, and large plots of land to manufacturers, and warehouses. They could also claim to be the home of many, and eventually most, blue collar workers as federal housing loans appealed strongly to many low income people<sup>33</sup>. Though the city was still the preferred location for industry, a few adventurous

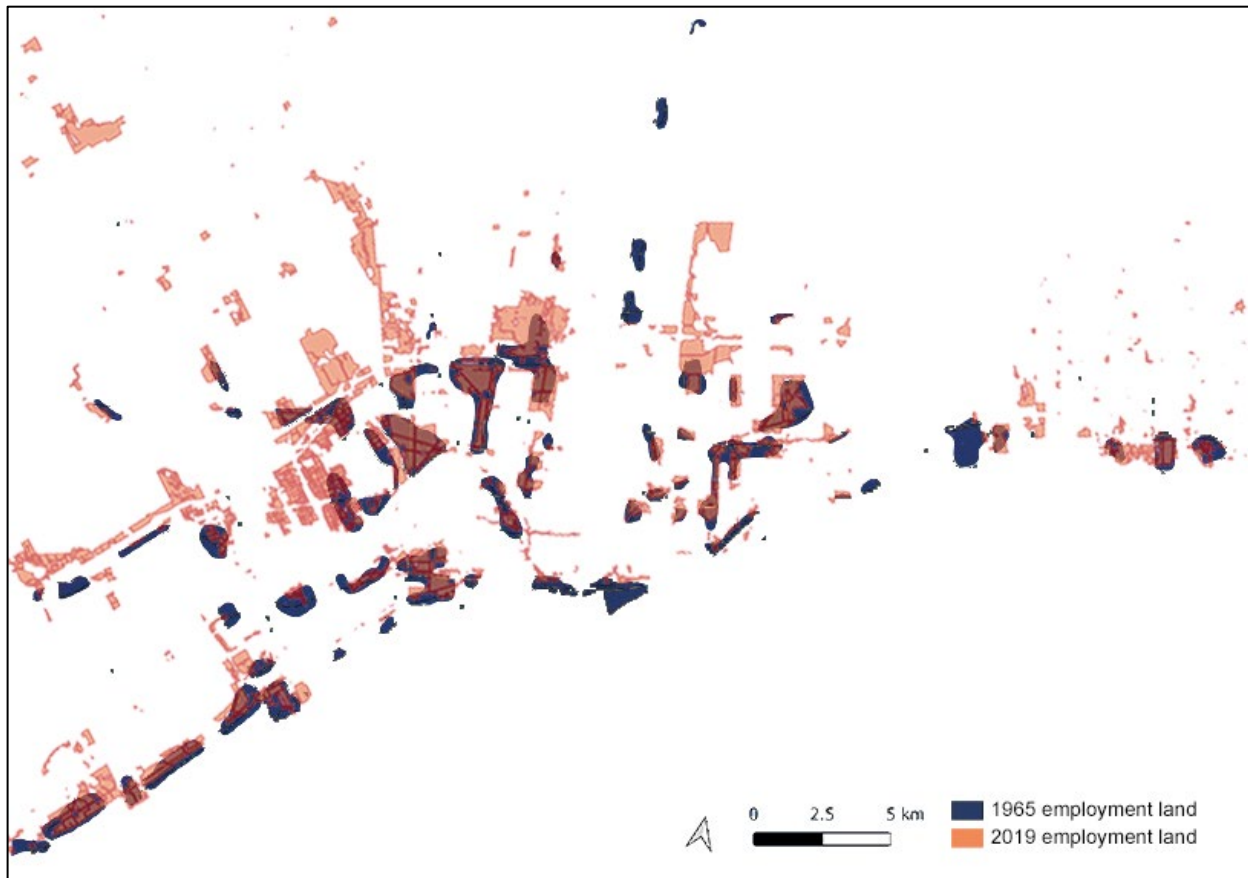


Figure 1: Employment land from the 1965 regional plan overlayed by modern day municipal employment land (see Annex A). The migration North of employment land can also be seen quite clearly here.

firms made the move, and more were to come<sup>34</sup>.

Though its not evident that it was intentional, the province was steadily removing barriers to migration out of the city. In 1954, the municipality of Toronto was amalgamated with its immediate neighbours. Throughout the next two decades, the new *Metropolitan Government of Toronto*, along with the local municipalities expanded services, infrastructure, and transportation routes into the suburbs. In addition, the provincial government aggressively expanded the hydro

<sup>33</sup> Toronto: Industry Working Group (1975) *A Place for Industry*, p. 11

<sup>34</sup> Lawrence, S (2007) pp. 56-65

network making the need to locate near the coal supplies along the lakeshore increasingly irrelevant<sup>35</sup>. The rail network was also made to be increasingly irrelevant as Pearson airport expanded its cargo carrying capacity, and highways were expanded<sup>36</sup>.

With these reforms, the suburbs became increasingly attractive to both residents and businesses. As the city rapidly grew out, sprawl came to be recognized as being problematic in the early 1960s. In 1965, the first regional plan was produced by the Metropolitan government, which was generally well received in principle<sup>37</sup>. Crucially, the plan centralized the water system to the lake, mandating that new development be attached to the existing city boundaries<sup>38</sup>. This action effectively banned the creation of commuter satellite towns, a positive step to reducing sprawl. It also set the stage for competition between employment and residential land uses in the suburbs in the coming decades.

The plan itself only lasted a decade until the municipalities, in particular Toronto, re-exerted themselves after an extended fight with the province over highways, and a new provincial government came to power which was not willing to put up a fight. With this came the end of the physical restraints to peripheral development as the water system was expanded, and the highway system became large enough to facilitate reasonably convenient transportation. Both residents, and companies moved out of the city which was becoming increasingly competitive, for the cheap, spacious, and modern suburban developments<sup>39</sup>. Manufacturing and logistics firms were particularly attracted to such locations as would become all too clear to city planners in the early 1970s.

The Metropolitan plan did leave a substantial legacy however. Much of the macro level zoning remained consistent even to this day, something particularly true of employment areas (fig.1). Also crucially, it developed a precedent for regional planning which was played up as the 2006 plan was being implemented<sup>40</sup>.

Despite the movement of manufacturing in the GTA, the appeal of the region to American firms remained strong. The city had relatively low labour, land, and tax costs compared with the United States, but was still able to provide comparable social capital, and access to resources. The Toronto Industrial Commission, now the Toronto Metropolitan Industrial Commission was well aware of this. They sent a yearly trade mission, as well as monthly pamphlets across the border, to promote the city, and to offer to help get firms established. Though many American companies set up factories in the province, most headquarters, as well as research and development facilities, remained in their home country<sup>41</sup>.

---

<sup>35</sup> White, R. (2015) pp. 61-72.

<sup>36</sup> Hicks, K (2006) *Malton: Farms to Flying*, Mississauga Library Association, pp. 117-129

<sup>37</sup> White, R. (2007) pp. 13-14

<sup>38</sup> White, R. (2007) pp. 12-17, White, R. (2018) "Toronto's Inner Suburbs Through the Lens of Planning History", *Zeitschrift für Kanada-Studien* 38, p. 32

<sup>39</sup> White, R. (2007) pp. 19-20

<sup>40</sup> White, R. (2007) pp. 44-45

<sup>41</sup> Wolfe, D. & Gertler, M. (2001) "Globalization and Economic Restructuring in Ontario: From Industrial Heartland to Learning Region?" *European Planning Studies*, p. 584

As a result, many of the Ontario branch plant were highly susceptible to being shut down if the company had the opportunity to consolidate.

Ontario was particularly appealing to American auto manufacturers, and the industry grew to be one of the most important in the province between the 1960 to the 1980s. At its peak in the late 1970s, Ontario was second only to Michigan in terms of car production in North America<sup>42</sup>. Auto manufacturing came to be part of the Ontario identity as a place that made things out of steel. Though most plants were within an hour or so of Toronto, no plants other than small parts factories in the suburbs were actually in the city. Nevertheless, the reputation of auto manufacturing, and similar industries, heavily influenced regional policy for years to come<sup>43</sup>.

## To Move On or To Double Down? 1970s

During the 1970s, industrial areas could be found across the city, however, throughout the late 1960s there was a clear, and unstoppable trend of firms moving from urban areas, to suburban areas. Though both the city and the province were interested in industrial policy, they largely did not stand in the way of this change, which would have almost certainly ended in failure. There is little evidence that this was an intentional policy though. Premier Bill Davis' major concern was that economic growth was too focused on the GTA, and that the lack of industrial activity in the North and East of the province would cause social unrest. Within the city, the most influential voice on industrial land, Alderman John Sewell's objection to industrial development in the city was that they were American companies, not that manufacturing no longer made sense in the city. Nevertheless, there was a lobby within the city to double down on manufacturing, but were luckily not heeded.

In 1971, the migration of manufacturers to the suburbs was becoming a major concern to the Toronto city council. The city ordered the Planning Board to conduct a full review of industry within its borders in an effort to "retain" its stated goal of being the "centre of industry"<sup>44</sup>. The Board divided the city into three sections, the centre, the south-west, and the north-east, in an effort to localize regional issues. Instead, they found the same issues appearing across the city. The first set were issues that could be found across the so-called *industrial world*: industries wanted more space, lower taxes, fewer regulations, and had no use for the harbor or the rail line, preferring access to the new highways, and airport<sup>45</sup>. This goes back to the basics of economics mentioned in the beginning of this piece: firms wanted to reduce costs in general, and were increasingly being faced with competition over downtown land by the growing service sector that was taking hold across developed world<sup>46</sup>. What was less expected, and perhaps most telling of the precarity of manufacturers in Toronto was that the majority of firms had no

---

<sup>42</sup> Rao, N (2007) *Cities in Transition: Growth, Change and Governance in Six Metropolitan Areas*; Holmes, J. (1991) "The Globalization of Production and the Future of Canada's Mature Industries: The Case of the Automotive Industry" in: Drache, D. & Gertler, M. (eds.) *The New Era of Global Competition: State Policy and Market Power*, pp. 153-156

<sup>43</sup> Wolfe, D & Gertler, M. (2001), pp. 575-592

<sup>44</sup> Toronto (1971) *Official Plan*, 4.1; Toronto (1971) *Report on Industry: No. 1, 2, & 3*, p. 10

<sup>45</sup> Toronto (1971) *Report on Industry: No 1, 2, & 3*, p. 52

<sup>46</sup> Buera, F. & Kaboski, J. (2009) *The Rise of the Service Economy*, National Bureau of Economic Research

connection with each other, and had little reliance on local labour most of whom commuted from the suburbs. The firms with the most problems, and the highest reported intentions of relocating were, naturally, large firms which made up over 80% of employment. Half of the firms stated that the number one reason they remained in the city was because it was too expensive to move elsewhere<sup>47</sup>. In other words, the city had lots of industry, but few clusters, and lots of land, but none of it the right land. Luckily for the province, firms were looking to move to the suburbs, not other countries, yet.

In looking at the same issue, the Province, beginning under John Robarts and continuing under Bill Davis, had a different interpretation. Largely overlooking the abandonment of the urban core, they saw the suburbanization of industry as a sign of Toronto's economic hegemony, and of urban sprawl<sup>48</sup>. In 1970, the government created the *Toronto Centred Region Plan* (commonly referred to as the TCRP) to address this. The authors of the plan were concerned that Toronto's growth was far surpassing the north, and east of the province, creating inequality that would reduce the "overall sense of provincial identity"<sup>49</sup>. The province put forward two solutions. First, a strip of land around the city would be set aside for agriculture, leisure, highways, powerlines, and other infrastructure. With this came the Ontario Planning and Development Act, which gave the province the tools to override municipal zoning in order to protect this strip. Second, they proposed industry be directed away from the city, singling out Barrie, Midland, and Port Hope as the recipients for future support. Barrie and Midland were chosen so as to act as mid points between Toronto and the North, and Port Hope as it would act as a "springboard" to Eastern Ontario<sup>50</sup>.

The plan was never a success. In part this was because key advocates of the plan soon left the government, but its implementation was also wildly unrealistic and inconsistent. For example, in 1972, the federal government proposed to build an airport in Pickering, if the province agreed to collaborate. The proposed airport was well within the belt but persuaded by the argument that it might actually help the province's eastward development goals, the government spent 141 million dollars to buy 17 thousand acres, only to have the airport be canceled three years later<sup>51</sup>. The same year, the province began its search for land to be turned into a "springboard" for eastern Ontario, in secret. However, internal confusion led to bureaucrats denouncing the plan in the press<sup>52</sup>. In 1977, abandoning Port Hope, the government announced that it would spend 9 million dollars on 20 thousand acres of land around the small town of Prescott, located between Kingston and Montreal. The land mostly consisted of rocks, swamp, and dense forest, with the only developable land being some of the best agricultural land in the province<sup>53</sup>. Though there was some minor investment in the area, most of the land would

---

<sup>47</sup> *Report on Industry: No 1, 2, & 3*, p. 4.

<sup>48</sup> Ontario (1971) *Design for Development: The Toronto Centred Region*, p. 6

<sup>49</sup> *Ibid.*, p. 13-14

<sup>50</sup> *Ibid.*, p. 13-14

<sup>51</sup> White, R. (2016) pp. 245-251

<sup>52</sup> Howe, P. *Plan to Control Toronto's Sprawl is Slowly Dying*, The Globe and Mail (21-08-1974)

<sup>53</sup> Williamson, R. *\$8.7 Million Paid for Thousands of Acres Near Prescott: Two-thirds of Ontario Industrial Park is Suitable Only for Trees, Farming*, The Globe and Mail (01-12-1977)

be sold off. This was the dying breath of the TCRP, and the plan was abandoned shortly after this incident<sup>54</sup>.

The TCRP's only direct influence on the city was in continuing to limit its expansion. However, the decision to not focus industrial policy on downtown Toronto was significant in-and-of-itself. The province could have directed its resources at the city, radically changing the landscape if it so chose. Luckily for downtown Toronto however, it did not. A concerted provincial effort to preserve the declining downtown industrial land, which had little chance of gaining major new firms, could have slowed the city's efforts at redevelopment later on.

In the early 1970s, the Toronto municipal government was split as to what to do. The energetic new mayor, David Crombie, elected in 1972, was seen as a reformer, and campaigned to stop what was starting to be seen as unfettered development in the city. Crombie, along with a number of influential council members, such as future mayor, John Sewell, believed that Toronto was becoming too much of a commuter city, and that employment should be directed towards the suburbs, while at the same time, more residents should be brought into downtown. This was referred to as decentralization. Crombie, however, did not think that density was the solution, and advocated for low-rise development<sup>55</sup>.

In 1975, Crombie and his allies moved to implement decentralization, through the Central Area Plan. The plan had many critics, however Premier Davis was one of the few supporters, even within the mayor's own government<sup>56</sup>. While we do not know what Davis' thinking was, decentralization may have fit in with his ideas of curbing downtown Toronto's influence.

Some of the most ardent opponents to Crombie's plan was within the planning department itself, and coalesced into the *Industry Working Group*. Formed in 1974, it consisted of seven "area planners" of the planning board staff who worked in industrial areas<sup>57</sup>. They produced a report offering a "counter point" to those wishing to redevelop the core of the city<sup>58</sup>. Though the working group claimed to "stem" from the 1971 regional studies, they reached significantly different conclusions<sup>59</sup>. They argued that downtown industrial sites were being widely used by small firms, that there was plenty of inter firm interactions, that labour was mostly found in the city, that the multi story buildings were desired by manufacturers, that railway and port access was being used, and that highways were in fact impeding industry by using up land<sup>60</sup>. According to the regional studies, these factors were minimal at best. The working group's recommendations were a mix of useful and regressionist. On the helpful side was a proposal for a formal "industrial" and "mixed-industrial" zones, both things that would eventually be implemented. However, they also recommended the near elimination of property taxes for industrialists, direct subsidies from higher orders of government for purchasing land,

---

<sup>54</sup> White, R. (2016), pp. 251-255

<sup>55</sup> Toronto (1975) "Central Area Plan Review: Principles" *City of Toronto Council Minutes*, Appendix A. pp. 4038

<sup>56</sup> Sewell, J. (2016) *How We Changed Toronto: The Inside Story On Twelve Creative, Tumultuous Years in Civic Life, 1969-1980*, James Lorimer & Co., pp. 141-157

<sup>57</sup> We do not know exactly who these planners were.

<sup>58</sup> Toronto (1975) *A Place for Industry*, p. I

<sup>59</sup> We could not identify who these planners were however this fact would suggest they were a different group than those who performed the initial study.

<sup>60</sup> Toronto (1975) *A Place for Industry*, p. 18

and, most bizarrely, a return to arbitrary expropriations, with the aim of removing encroaching residential neighbourhoods<sup>61</sup>.

The report was met with scepticism. In a vote of thirteen to eight, motioned by Sewell, council resolved that the report did “not fully explore the economic questions involved in the industrial health of Toronto”. Council did not however pass Sewell’s attempt to shut the working group down<sup>62</sup>.

Sewell would go on to be a key player in the industrial future of Toronto. He was, like many others at the time, an economic nationalist, though admittedly a moderate one. His view was that the industrial policy of the city was too heavily focused on attracting American companies, and not on helping Canadian firms. This was a view apparently shared by most of the council, as a motion put forward by Sewell recommended that the Industrial Commission pursue a “nationalist agenda”<sup>63</sup>. Sewell, further passed another motion instructing yet another committee, the Committee on Urban Renewal, Housing, Fire and Legislation to review the “affects that the Commission was having on Canadian owned companies”<sup>64</sup>. There is little evidence that much came of this latter move though. Sewell was not alone in his views that American firms were too dominant in Canada. The Trudeau government had made it policy to promote locally owned manufacturers, but none of their attempts managed to tip the balance away from the foreigners. Determining the net effect of Sewell’s nationalism is difficult to do. It is clear though that he did not bend-over-backwards to please the American companies at the expense of the local population, and was skeptical of those who did. Simply adding a counter to those willing to take more extreme action to promote industry may have been enough.

In 1975, Sewell became the chair of the newly formed *Industrial Coordination Committee*. The committee would provide a “forum” through which industry could present their concerns to City Council, and would assist in the development of policies supporting industrial businesses. The Committee would be made up of city councillors, planning staff, and representatives from the industrial community<sup>65</sup>.

---

<sup>61</sup> *Ibid.* p. 47

<sup>62</sup> Toronto, *City Council Minutes*, 04-09-1974, 1-988, Also see Toronto, *City Council Minutes*, 1974, Appendix A p. 5959-5967

<sup>63</sup> Toronto, *City Council Minutes*,

<sup>64</sup> Toronto, *City Council Minutes*, 04-09-1974, 1-988

<sup>65</sup> Toronto (1975) “Industrial Co-ordination Committee” *City Council Minutes*, Appendix A, pp. 3643-3647.

The working group produced one more report which took the angle that industrial migration was negatively affecting the lowest income people as they had to travel the furthest to go to the new suburban factories<sup>66</sup>. However, this would be their last official document

produced.

The Industrial Coordination Committee produced a series of area reports including ones for the Junction, King and Spadina, and Niagara<sup>67</sup>. Though more moderate than what the working committee originally suggested, plans for these areas were certainly still defensive against encroachment. In the study of the Junction, an idea that would repeatedly resurface was put forward: residential neighbourhoods were being established on the peripheries of the industrial

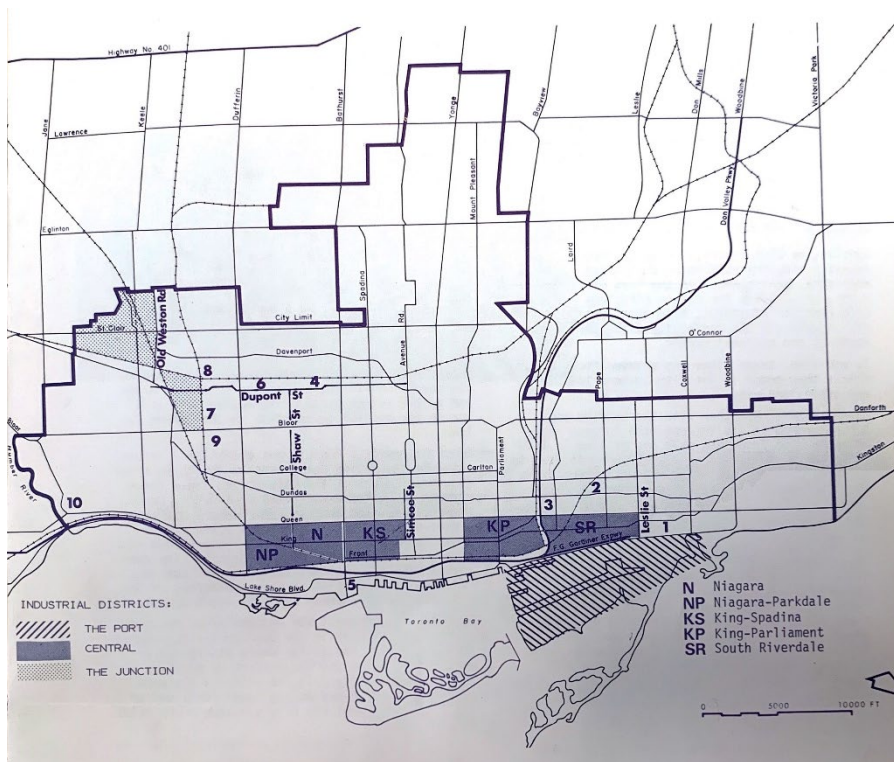


Figure 2: Toronto (1977) *Toronto Industry*, p.2. The three areas to be maintained for industry.

neighbourhoods, and once established, would raise property values, as well as compel industry to quiet down, and clean up their surroundings. The report cautioned that this would chase industry away<sup>68</sup>. In the end, in 1977, the city settled on three major areas for industrial preservation, which would be managed by the Committee. These areas were referred to as the Central, Port, and Junction areas. The rest would be managed on an *ad hoc* basis<sup>69</sup>.

In the end, there was likely little that Toronto could do about industrial migration. By 1979 The region of Peel had around 9000 acres of available fully serviced land, with another 5000 acres expected to be available in Durham, and York in the coming years. Though prices were steadily rising in the suburbs, they were still much cheaper than those of Toronto<sup>70</sup>. Manufacturing companies seem to also have started to come to terms with what was evidently a reality that was not going to change. A survey of manufacturing executives reported that they felt

<sup>66</sup> Toronto (1977) *Industry in the Downtown Area*:

<sup>67</sup> Toronto (1976) *Kind and Spadina*; Toronto (1978) *Industry in the Junction Area*, Toronto (1978) Official Plan Proposal: Niagra.

<sup>68</sup> Toronto (1978) *Industry in the Junction Area*

<sup>69</sup> Toronto (1977) *Toronto Industry*

<sup>70</sup> Ontario (1979) *Central Ontario Background Report: Regional Industrial Land Use Accounts in the Toronto Area*

unwanted in the city by residence, and politicians<sup>71</sup>. It's hard to judge what the "preference" of the city was, but it was clear that people wanted to live, and set up offices downtown. We will discuss the development of the office based economy in the next section, however during the late 1970s the service economy was firmly taking shape across the globe. As wages grew, and education became more widespread, more complex products, and services were being demanded, with a highly skilled workforce ready to fulfill these needs<sup>72</sup>. As corporate head offices became larger, research and development centers more important, and human services more widespread, office space came to be in high demand in many cities. In the early 1980s demand for office space drove downtown prices the highest they had ever been<sup>73</sup>.

Though Toronto had always been important for finance, and administration, it had traditionally been second to Montreal. This would change though as throughout the second half of the 20<sup>th</sup> century, Quebec nationalism boiled over, and separation seemed a real possibility. English companies in Montreal, in particular financial firms, not wanting to be stuck in a small, hostile, French country, relocated to the GTA. This process made Toronto the bonified centre of Canadian business by the late 1970s.

Montreal's newly planned airport also ended in fiasco, and Pearson airport became the main hub for connections, and cargo flights nationally<sup>74</sup>. This expanded the airport's role to not only the regional gateway, but also the *national* one. The surrounding area boomed, and would grow into an economic cluster that would rival that of downtown Montreal<sup>75</sup>.

With increased economic importance, came an increased population, and with this came ever expanding suburbs. The leafy, single-family units being built attracted many middle-class people, and many of the downtown core. However, the city did not build the kind of web of highways that would make the suburb-to-downtown auto commuter lifestyle as appealing as it was in many other cities<sup>76</sup>. As a result, and to the testament to the Crombie government, a large portion of the middle class stayed in, and by the mid 1970, returned to, the core of the city<sup>77</sup>. The wealth of downtown meant it did not have the kind of chronic crime that many downtowns did once their economic base left, which reinforced the district as a place for white collar activity<sup>78</sup>.

For those who did leave, commuting downtown was simply too inconvenient, and the growing suburban office sector became increasingly popular throughout the late 1970s and 1980s<sup>79</sup>. Very few suburban communities had any form of *downtown*, so most office buildings had to locate in industrial areas that were now well established on the edges of the city<sup>80</sup>. At the

---

<sup>71</sup> Development Consulting Limited (1983) *Metro Fringe Manufacturing Migration: Reasons for Relocation*, prepared for The Metropolitan Government of Toronto

<sup>72</sup> Buera, F. & Kaboski, J. (2009) *The Rise of the Service Economy*, National Bureau of Economic Research

<sup>73</sup> Lush, P., (10-27-1980) *Downtown Toronto Office Rents Increase Dramatically*, The Globe and Mail

<sup>74</sup> Polese, M. (2020) pp. 178-187

<sup>75</sup> Blaise, P. (2015) *Globalization, Competitiveness, and the Growth Plan for the Greater Golden Horseshoe*, Neptis Foundation Reports, p. 42

<sup>76</sup> White, R. (2016), pp. 295-302

<sup>77</sup> Wekerle, G., Whitaker, M. & Rabizant, P. (1980) *Changing Face: Study of an Inner City Neighbourhood*, York University Press & The Canadian Mortgage and Housing Corporation

<sup>78</sup> This was mostly pushed to the inner suburbs.

<sup>79</sup> Relph, E. (2014) *Toronto: Transformations in a City and a Region*, University of Pennsylvania Press

<sup>80</sup> Pivo, G. (1992) "A Taxonomy of Suburban Office Clusters: The Case of Toronto" *Urban Studies* 30, pp. 31-49

same time, the 1960s continuous built form principle meant that new residential developments had to be built on the Northern edges of industrial areas. Overtime, the suburban employment zones would be progressively encircled by residents.

The decade ended with Sewell as mayor (1978-1980), and a new master plan. It called for

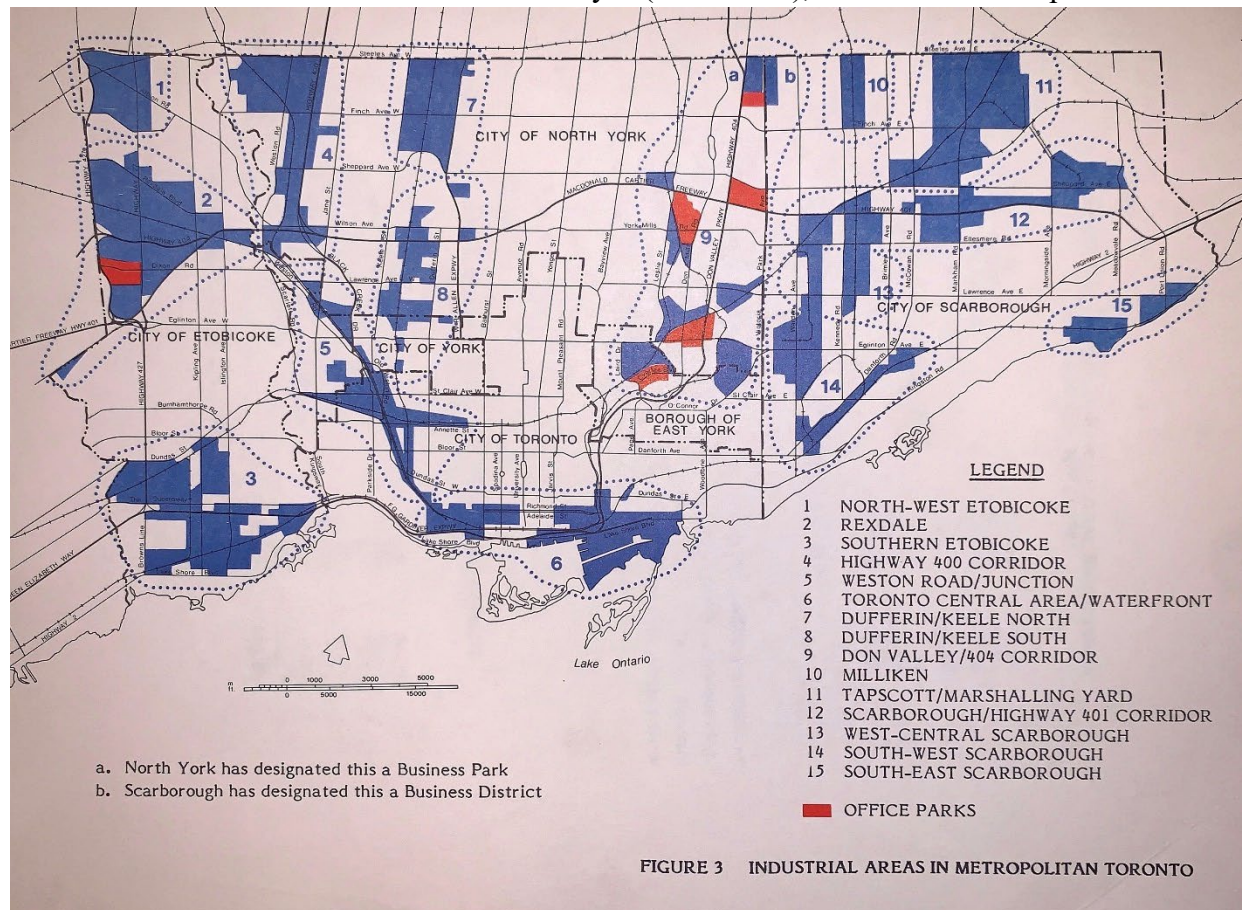


FIGURE 3 INDUSTRIAL AREAS IN METROPOLITAN TORONTO

Figure 3: The Metropolitan Government of Toronto (1986) *The Office*, Fig. 3. Suburban office parks would go on to become a standard element of the understanding of the city.

the built form to accommodate a modest growth target, for land around transportation routes to be set aside for industry (though offered no other guidelines in this regard), for non-employment uses in industrial areas to be grouped in small clusters, and for three categories of industrial zones, each with different amounts of non-industrial uses allowed. The plan also, for the first time, set out formal criteria for conversion. Three things had to be considered: (1) the importance of the site to the growth projection, (2) the value of the land relative to the transportation network, and (3) the “potential impacts” of the proposed use on the “viability” of the remaining industrial uses. It also recognized, for the first time, suburban office parks. Noting that offices areas were mostly in industrial area, the plan set out to define their limits. The plan had an overall positive outlook, framing itself as being “selective” in accommodating economic growth, targeting tourism, and light manufacturing<sup>81</sup>. Despite Sewell’s previous push for a more

<sup>81</sup> Toronto (1980) *A Selective Economic Development Strategy for the City of Toronto*, pp. 52-56

nationalistic policy, the plan's only mention of such an outlook was a brief mention of supporting "indigenous" industry, with no actionable measures<sup>82</sup>. He did however cut the budget for the southern trade missions, which would stop for good in 1984. Sewell's plan is remarkably similar to the provincial policies that would be applied to the entire GGH.

The 1970s was a pivotal decade, and what did not happen was almost as important as what did. There was not, as it were, a doubling down on industry in the city. Calls by ardent industrial advocates, such as those in the working group, were largely not heeded. This fact may not have been for any particularly forward thinking reasons. Sewell's main opposition to the proposed industrial policy was on a nationalistic ground, not necessarily with a view to an evolving economy. Similarly, Premier Davis sought to locate industry outside of Toronto in order to decrease the city's economic hegemony, not out of recognition that the local economy was changing. As a result, when the relocation of industry to the suburbs, then later to different countries, became a distinct reality in the 1980s, the city was not trapped in a series of futile policies designed to attract industry that would never come. As we will see, the Port lands were an exception to this.

## New Economy, New Land: 1980s

1982 was one of the worst years for Ontario industry, particularly in the manufacturing field. Though there was some resurgence later on in the decade, it marked a long decline in industry in the province<sup>83</sup>. Ontario was not alone. The Great Lakes region was steadily deindustrialising, with once iconic manufacturers relocating to Latin America, Asia, and the Southern United States. At the same time, computers were both replacing, and creating new jobs.

The political scene in the province had changed as well. Toronto had a new mayor, Art Eggleton who would be in power for the entire decade, the province had a new Premier, David Peterson, and the Metropolitan Council was beginning to take on a more robust role in the planning of the city. Though there were still calls for stronger investments in traditional industry, there was recognition that some sort of evolution had to take place, and each level of government produced policies with this in mind.

For a large portion of both the municipality of Toronto, and the Metropolitan council, the Massey Fergusen lands would come to represent the change that the city was, and should be, going through. In 1984, Massey Fergusen, a farm equipment factory located in the south-west of the city, shut down. It was one in a long line of similar closures in the area, which were seldom replaced by new factories. A year later, a group of developers pitched the idea of redeveloping the plant as a "technology centre" that would develop, sell, and service computer technology to the neighbouring business-financial district. To do this the land would need to be rezoned<sup>84</sup>. The conversions committee approved the request, and sent it to city council for approval. Local industrialists were not happy however. Two lobby groups were formed to oppose the conversion,

---

<sup>82</sup> "Indigenous" not referring to the first nations, but rather domestic industry.

<sup>83</sup> White, R. (1998) *Ontario Since 1985*, Eastenbooks, pp. 80-92

<sup>84</sup> IBI Group (1985) *Economic Development Focus M.F. Lands Toronto*, prepared for The Metropolitan Government of Toronto

and at least one local councillor described the conversion as opening a “pandora’s box”<sup>85</sup>. Despite this, after a failed Ontario Municipal Board\* challenge, the conversion was approved. The Metropolitan Planning Department, who supported the conversion, later said that the case showed that “a broader interpretation of the traditional and inherently limited definition and policies for industrial land use” was needed<sup>86</sup>. This was echoed by the Toronto municipality, which published a report noting that the Massey Ferguson case was far from exceptional. In fact they pointed out, around 10% of firms in industrial areas were classified as being “data analysis” according to data collected in 1985. Shortly after, “data analysis” became a recognized use in certain employment zones<sup>87</sup>.

Around the world the economy was changing, and the provincial government recognized it. Regions across North-America were beginning to adapt to the post industrial world. For many in the province, the loosely defined concept of a “new economy,” which largely centered around highly skilled individuals in the service, and technological innovation sectors, was seen as both a new reality, and a way to make up for lost jobs<sup>88</sup>.

One of, if not the greatest success story out of this era was that of Silicon Valley. Its success was due to many factors but one of the largest was the role that Stanford University had in sharing knowledge with industry. In an attempt to emulate these successes, the Davis government began funding projects on an ad-hoc basis in hopes that they would take off. This funding was formalized by the Peterson government in 1987 with what was called the *Centers of Excellence*. The program funded universities to research specific topics, to form partnerships with firms to bring them to market<sup>89</sup>. This program gave a breath of life to The University of Toronto which was having trouble attracting funding, staff, and students during the late 1970s and 1980s<sup>90</sup>. The school was to have a centre on the use of lasers in the medical industry, and another center for the study of artificial intelligence and computer software. Both opposition parties criticized the limited scope of the research projects, favouring centres based on fields of research, but supported the concept of government funded innovation in principle<sup>91</sup>. The program would change as the NDP and Conservatives respectively came to power but remained in place. Because of the consistent support the program enjoyed, a thriving life sciences cluster

---

<sup>85</sup> Toronto (1985) *City of Toronto Council Minutes*, Appendix A: 15436; The Globe and Mail (14-08-1985) “High-Tech Land Use Plan Approved” *The Globe and Mail*

\* The Ontario Municipal Board, later changed to the Local Planning Appeals Tribunal, and then again to the Ontario Land Tribunal as it is known today, is a provincial body that allows citizens to appeal zoning decisions. The tribunal has always walked a fine line between acting as professionals making professional opinions, and acting as a judicial body that weighs arguments from a defendant (municipalities) and plaintive (typically developers or community groups).

<sup>86</sup> Toronto Metropolitan Area (1988) *Metropolitan Planning Review: Industrial Areas*, p.17.

<sup>87</sup> Toronto (1985) *Report on Industry*

<sup>88</sup> Carnevale, A. (1991) *America and the New Economy*, The American Society for training and Development & U.S Department of Labor Employment and Training Administration; Stiroh, K. (1999) “Is there a New Economy” *Challenge*, pp. 82-101

<sup>89</sup> Bell, S. (1996) “University-Industry interaction in the Ontario Centres of Excellence” *The Journal of Higher Education*, pp. 322-348; Ontario (1996) *Winning in a World Economy: University-Industry Interaction and Economic Renewal in Canada*

<sup>90</sup> Friedland, M. (2002) *The University of Toronto: A History 2<sup>nd</sup> ed.*, University of Toronto Press, pp. 582-599

<sup>91</sup> Walker, W. (20-06-1987) *High-Tech Research Given a \$200 Million Boost Ontario 'Centres of Excellence' to Turn Business Dreams to Reality*, Toronto Star

formed around the University<sup>92</sup>. This process was replicated in a number of other universities across the province, and would ultimately culminate in the “MaRS<sup>93</sup>” complex in 2000.

Outside of the universities, the so called “new economy” was taking shape in the GTA, and abandoned industrial land offered an excellent source of cheap land. For example, the Mississauga medical research cluster expanded in Meadowvale and, in Etobicoke and the Portlands, several film studios were taking hold<sup>94</sup>. In nearly every suburb, office parks were steadily expanding, with legal and business services making up the largest portion of firms<sup>95</sup>.

None of this growth however compared to that of downtown, which increased its office floor space by nearly 50% throughout the 1980s. This growth was mostly absorbed by the increase in density in the city, however rezoning long abandoned industrial areas was also increasing in frequency.

The growth in the “new economy” only managed to keep the employment rate relatively stable during this period. Industrial jobs continued to leave the city, and with the loosening of trade barriers, as well as the steady rise of countries such China, and Japan as alternatives to North America, jobs increasingly left the continent<sup>96</sup>. Come the turn of the decade, in many neighbourhoods, growth in the new economy would no longer be able to compensate for the loss of industrial jobs.

## Reorganizing, But Have We Gone Too Far?: 1990

For many, it was increasingly clear that the Toronto Port was not going to become a significant shipping centre, and that it was a waste of prime real estate to save it for manufacturing, but not all. In 1989, Mayor Eggleton as well as group of city councillor convinced a local manufacturer, Dover Elevators, who were looking to expand, to relocate to the lakeshore. A disagreement between the company, and the federal government over the rising price of the land led the Mayor to propose that the price be set by an arbitrator. The municipality would then purchase the land at the arbitrated price, and transfer it to the company for the price originally posted<sup>97</sup>. This only led to more arguing amongst the parties. Fed up with the bickering, the company chose to locate to Mississauga after the suburban town’s mayor, (Hurricane) Hazel McCallion lobbied the company, arguing, along with others, that Toronto’s transfer scheme was illegal<sup>98</sup>.

Though it was clear that something had to be done with the lakeshore, little was actually accomplished. One of the primary reasons for this was that it was not clear who would get to decide what to do with the land. Technically, the land belonged to the federal government, however the body controlling the land consisted of appointees from the municipality, and the

---

<sup>92</sup> Friedland, M. (2002) pp. 602-610.

<sup>93</sup> MaRS is not an acronym but the formal title of the institution.

<sup>94</sup> Mississauga (2018) *Mississauga Life Science Cluster Strategy*, p. 7; Wise, W. (2000) *History of Ontario’s Film Industry*, Take One

<sup>95</sup> The Metropolitan Government of Toronto (1992) *Space and Employment characteristics: Offices*, pp. 10-24

<sup>96</sup> The Boston Consulting Group (1995) *The Fourth Era: The Economic Challenges Facing the GTA*, Report for The Metropolitan Government of Toronto

<sup>97</sup> Taylor, P. (12-04-1989) “Efforts to Keep Factory Downtown a Test for High-Priced Toronto” *The Globe and Mail*.

<sup>98</sup> Carmody, C., (08-06-1989) “Dover Elevator Quit Toronto for Mississauga Location” *Toronto Star*.

province. As a result, there was intense jockeying over what would be done, with each level of government trying to push its agenda. As a result, only piecemeal projects were accomplished. Eventually in 1999 the municipality gained authority over the lands, however the politicisation of the lakeshore did not stop. Discussion on keeping it industrial was largely over though<sup>99</sup>. Only the land directly on, or around the port was seriously considered for continued employment uses after the Dover affair<sup>100</sup>.

Another even more fundamental challenge to redeveloping the lakeshore, and sites like it, was that the land was severely contaminated after years of coal, oil, and other industrial waste leaked into the soil. The legislation on site decontamination, falling under the province's jurisdiction, was vague, the bureaucracy insufficient, and the firms able to perform the demanding procedures scarce. As a result, officials, and developers across the province had to invent procedures as they went. A major reason for this was that there simply was not adequate data on what needed to be done. A web of rules and precedents resulted, which gave little guidance but laid out severe punishments if developers were found to have not done a good job preparing their sites<sup>101</sup>. This web of rules would haunt redevelopment for over a decade.

By the mid 1990's, at least one report was circulating within the bureaucracy with the worrying assertion that the city could be facing a net loss of 200 thousand jobs due to the loss of industrial companies. Though in reality there was actually an increase in jobs, factories shutting their doors, leaving hundreds of employees out of work was no less alarming<sup>102</sup>. It was also not the case that new office building were being built in the same neighbourhoods where factories were closing. This reality was particularly visible in suburban communities where there was less economic diversity, and less attractive to new innovative firms<sup>103</sup>.

Feeling let down by the province, in 1992, the unofficial *Greater Toronto Area Mayor's Committee* was formed claiming to represent the municipalities within the *Toronto Census Metropolitan Area*, with the mission of promoting the area for investment. The committee had mixed success, struggling to attract participation from larger municipalities, notably Toronto until the election of Barbara Hall, but was popular amongst smaller municipalities. For example, East York Mayor, David Johnson, stated that his involvement was due to the fact that industrial vacancy in his town was "abysmal" and "growing worse"<sup>104</sup>. However, in the words of McCallion a few years after the creation of the committee: "nobody's been paying us much attention"<sup>105</sup>.

Though its not clear what the committee did to attract new development, they raised two key issues. First, in stark opposition to Premier Bob Rae's attempt to raise business taxes across the board, the committee advocated for industrial and commercial taxes that were reduced to the

---

<sup>99</sup> Eidelman, G. (2011) "Who's in Charge? Jurisdictional Gridlock and the Genesis of Waterfront Toronto" in Desfor, G., & Laidley, J. *Reshaping Toronto's Waterfront*, pp. 263-287

<sup>100</sup> Lu, H., & Desfor, G. (2011) "Cleaning Up on the Waterfront: Development of Contaminated Sites" in Desfor, G., & Laidley, J. *Reshaping Toronto's Waterfront*,

<sup>101</sup> De Sousa, A. & Spiess, T. (2017) "The Management of Brownfield in Ontario: A comprehensive Review of remediation and Reuse Characteristics, Trends, and Outcomes" *Environmental Practices*, pp. 4-6.

<sup>102</sup> Statistics Canada, *Toronto Employment, 1990-2000*

<sup>103</sup> Toronto (2002) *Where do We Growth From Here*, p. 11

<sup>104</sup> Toronto Star, (21-04-1992) "Rowlands Gets Scolding for Missing Talks on Jobs" *Toronto Star*

<sup>105</sup> Hust, L., (20-12-1995) "Finally, They're All in Line", *Toronto Star*

lowest rate for all regions<sup>106</sup>. They argued that this would reduce competition amongst municipalities, and keep business near city centers<sup>107</sup>. Internal record for committee were not available, but it is hard to believe that this institutional position was popular amongst municipalities who might benefit from the status quo. Second, they argued against the redevelopment of industrial land for residential uses, in particular, by highways and transportation corridors<sup>108</sup>. The committee petered out in the early 2000s but many of the same politicians, and ideas would reappear in discussions over the Growth Plan.

Elected in 1995, the new mayor of Toronto, Barbara Hall, won on a campaign to revitalize the city<sup>109</sup>. Working closely with the highly influential Jane Jacobs, Hall did one of the largest rezoning programs in Toronto's history, converting vast swaths of the Central Area's industrial land into residential. This time, there was very little in the way of public protest that had followed previous conversions<sup>110</sup>.

Though reports on redeveloping the central area's industrial land had been circulating for some time, it was those that came out after the first wave of conversion were done that presented the bleakest picture of Toronto industrial land<sup>111</sup>. The root of the problem was, once again, technological change. The widespread adoption of computer technologies which made robots significantly more flexible on supply lines, replacing humans, and communication technology made *just in time* delivery all the more efficient. As noted by the Board, the most successful firms were the first to downsize as they adopted the latest best practices<sup>112</sup>. This left large plots of land abandoned. Many of these plots had outdated infrastructure, and would need serious decontamination before they could be used again. As a result, a new problem emerged which was the prevalence of "dysfunctional" land. Within Toronto, 75% of the available industrial land was considered unusable, with the municipalities of Mississauga, North York, and Scarborough at around 30-40%<sup>113</sup>.

---

<sup>106</sup> Waldie, P. (17-03-1992) "Shrinking Influence Irks Mayors LEFT OUT"

<sup>107</sup> Greater Toronto Mayors Committee (1996) *Moving Forward Together*, pp. 29-32

<sup>108</sup> Funston, M. (23-05-1995) "Don't Rezone Industrial land as Residential, Council Urged People Must Live and Work Here McCallion Says" *Toronto Star*.

<sup>109</sup> Monsebraaten, L., (19-10-1995) "Citizen Hall A Savvy Social Activist Who's Happiest Behind the Scenes Finds Herself in the Full Glare of the Mayor's Job. Now What?" *Toronto Star*

<sup>110</sup> Allemang, J. (04-11-1995) "Toronto on Brink of Radical Rezoning: Plan Would Allow Multi-Use of Land" *The Globe and Mail*; Toronto (1995) *Planning for Revitalization*,

<sup>111</sup> Barridge-Lewinberg-Greenberg Ltd. (1991) *Study of the Urbanization of Metropolitan Toronto*, Municipality of Metropolitan Toronto; Charrette Panel (1992) *A Charrette On: Revitalization and Re-Use of Metro Toronto Industrial Areas*, Industrial LandPlan 92'. This charrette was sponsored by several governments, including the Metropolitan, Toronto Municipal, Ontario, and several other GTA municipalities; Toronto (1992) *A Competitive Economic Development Strategy for the City of Toronto: Preliminary Report*; The Metropolitan Government of Toronto (1994) *The Changing Toronto-Area Economy: An Overview Prepared for the Metropolitan Toronto planning Department, For the Forum on the Future of Industrial Land, Metro Hall*.

<sup>112</sup> Metropolitan Toronto (1996) *Towards an Industrial land Strategy Study: Phase 1 Overview Report*, pp.32-37,

<sup>113</sup> *Ibid*.

Figure 8

**Percentage of Local Municipal Industrial Inventory Considered Dysfunctional**

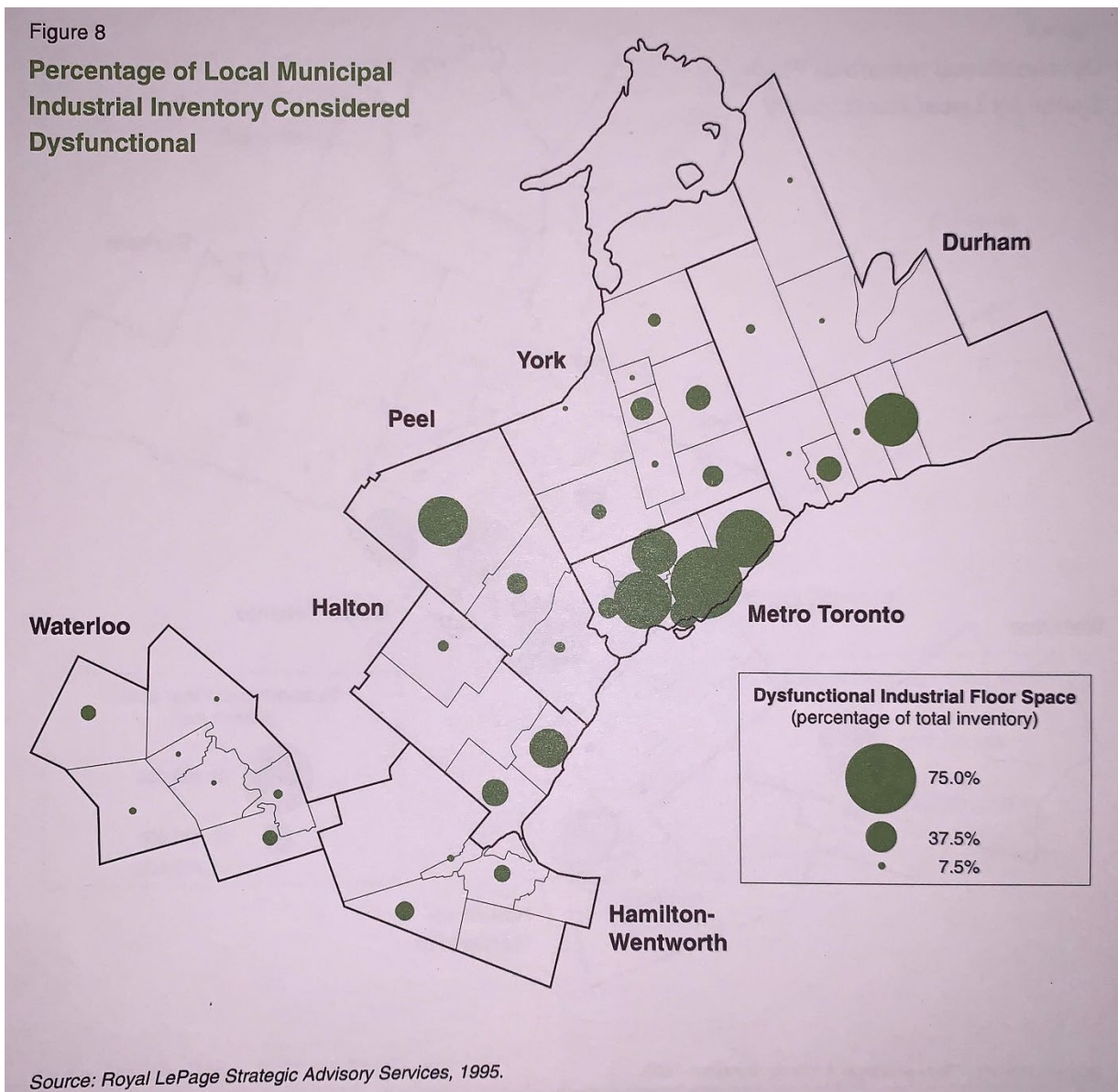


Figure 4: Metropolitan Toronto (1996) *Towards an Industrial land Strategy Study: Phase 1 Overview Report*, Fig. 8. The percentage industrial land not currently usable at the time.

There was little time for Hall to address this problem, as the political landscape radically changed again. In 1998 the Harris government amalgamated Metropolitan Toronto into one megacity. With the exception of the amalgamated municipalities gaining more consistent industrial taxes, this had relatively little direct effect on employment land.

In discussions around amalgamation, two of the most influential urban planning firms at the time, *Metropole*, and *Berridge-Levinberg-Greenberg-Dark-Gabor Ltd.* (later known as Urban Strategies) wrote a joint report for the Metropolitan Planning Board arguing that industrial land in the GTA was too simplistic and inconsistent. They argued two points: first, that the zoning system of listing allowed uses restricted innovation, stating that that provincial health and

safety regulations were sufficient to prevent obnoxious uses locating where they should not be; second, they argued that because industry was always in a state of moving between regions, having a web of municipal rules was inefficient, and created inconsistencies even within single economic regions. They put forward that the solution to this would be for industrial areas to be controlled by the province, and governed by what would *not* be allowed based on health regulations, instead of what would be allowed<sup>114</sup>. We do not know how influential this report in particular was, it was never implemented, and there is no reference of it in the Metropolitan council minutes. What it does do is signal that provincial involvement in industrial land was being at least considered at the local level. Furthermore, Richard White has noted that that Berridge-Levinberg-Greenberg-Dark-Gabor Ltd. played a key role throughout the formation of the Growth Plan. Though he makes no mention of this report in particular<sup>115</sup>.

Core to the Harris government's ethos was the reduction of government, but even after amalgamation, it was clear to them that some coordination between the megacity and the remaining municipalities was needed. This began with the creation of the short lived Greater Toronto Service Board, which stretch from Hamilton to Oshawa, and sought to coordinate public transport; followed by the Oak Ridges Moraine, a strip managed by the province to decide rural zoning; and the Smart Growth Secretariat, which was another collection of mayors chaired by McCallion, that produced a series of reports on limiting sprawl, and improving transportation. This latter group reiterated the need to protect industrial land near key transportation nodes<sup>116</sup>. In discussing these organizations, Richard White writes about Harris:

“By the time the Conservative government left office in 2003—at which point it was led by Ernie Eves—it had substantially changed the climate of regional planning in the Great Toronto Area. It had not yet produced a plan. In fact, it almost certainly could never have gone that far into the realm of government intervention... [However] the ground was prepared for another government, one more inclined towards intervention, to develop a regional plan.”<sup>117</sup>

## Something Must Be Done: 2000s

By the turn of the millennium, Toronto's zoning was starting to reflect the mixed nature of the modern landscape. They had three categories for employment: *core employment*, the most restrictive zone, designed for the most noxious uses; *general employment*, which allowed a limited number of stores, restaurant, places of worship, offices and so on; and, *retail employment*, which allowed for even more non-employment uses<sup>118</sup>. Though there was still a very restrictive *industrial* zoning category, it was scarcely used.

At the provincial level, premiere Dalton McGuinty reintroduced the concept of regional planning, which involved a significant employment land aspect. The initial plan, though

---

<sup>114</sup> Metropole & Berridge Levinberg Greenberg Dark Gabor Ltd (1997) *Re-Zoning: Alternative Approaches to Development Control for Industrial Areas*.

<sup>115</sup> White, R., (2007), p. 44

<sup>116</sup> Ontario (1998) *Smart Growth*, p. 22.

<sup>117</sup> White, R., (2007) , p. 42

<sup>118</sup> Toronto (2001), “Zoning Categories” *Official Plan*

admittedly attempting to address a very tricky issue, was unrealistic in how restrictive it was, and led to municipalities not being able to defend it when challenged at the OMB. The next premier, Kathleen Wynne, attempted to address this issue by creating a two tiered system, however failed to win an additional term to implement the plan. Though more nuanced, Wynne attempted to tie the most restrictive zoning to areas near the highway and freight network, and had another more open category for other districts. In principle this made sense but did not account for areas that might be slightly off the transportation network, and was likely setting itself up for conflict with other forms of development also along major transportation routes. Premier Doug Ford changed the plan again so that the minister's office would draw the boundaries making it more nuanced in terms of what would be selected, but eliminated the two tier model. This system is still in the process of being implemented but is in danger of falling into old traps.

Elected in 2003, the Liberal premier Dalton McGuinty was taken by the idea of regional planning, and sought to expand the work of the Smart Growth Panel. In 2004, his government circulated their first discussion paper on implementing a regional transportation and growth plan. This initial concept only once mentioned preserving industrial land in passing, stating that an element of preserving economic strength would be through "maintaining strategic employment land". The paper did however underline the importance industry played in deciding where "priority growth areas would be"<sup>119</sup>.

In 2005, the plan was drafted, including a much more robust employment land strategy than the discussion paper might suggest. A year later, the plan was implemented with the employment land sections largely unchanged. The plan will be discussed further below but in brief, it set out employment growth targets, and created a set of criteria that had to be met for employment land to be converted to non-employment purposes. We do not know why employment land policy evolved from a relatively minor aspect of the proposal to what it became in the final plan. However, understanding the events surrounding its implementation go a long way to explain why it may have emerged during this time.

The industrial decline of the province, and across the Great Lakes was becoming a political crisis in 2005, with headlines such as "A Perfect Storm"; 52,000 industrial jobs lost as Ontario blasted by foreign competition", "Job cuts highlight decline of manufacturing industries", and "Ontario Trade Minister faces job loss headache"<sup>120</sup>. In a December press release, the premier called manufacturing "under siege", and emphasised that innovation was going to be what would get the province out of the economic rut<sup>121</sup>. This was followed by the announcement of the new McMaster Innovation Hub, which was to focus on technological research and development. At the same time, McGuinty pushed hard to attract new major manufacturers to the province. He would later state that he believed that during this time it was important that Ontario fight for its "fair share of global auto production"<sup>122</sup>, a sentiment that is clearly shown in his actions

---

<sup>119</sup> Ontario (2004) *Places to Grow. Better Choices. Brighter Future*

<sup>120</sup> Naomi, P., "Haren, H., "'A Perfect Storm'; 52,000 industrial jobs lost as Ontario blasted by foreign competition", *The Spectator*, 16-12-2005; "Job cuts highlight decline of manufacturing industries" *Welland Tribune*, 28-11-2005; Howlett, K., "Ontario Trade Minister faces job loss headache", *The Globe and Mail*, 22-11-2005

<sup>121</sup> Naomi, P., Haren, H., 16-12-2005

<sup>122</sup> McGuinty, D. (2015) *Making a Difference*, Dundurn Press, p. 165

The effort to attract firms had mixed success. McGuinty recounts a story of his trip to Italy in an effort to convince Fiat's CEO to build a plant in the province only to have the company buy Chrysler, and further disinvest in the province<sup>123</sup>. There was more success with Toyota who, after seriously considering Tennessee, ultimately built a brand-new assembly plant in Saint Thomas. Though this was the beginning of the rise of Japanese auto manufacturing in the area, it came at no small cost. The provincial government paid 70 million dollars to expand the water and power network to the plant, and the federal government reworked portions of the rail network for 55 million dollars. Reflecting on the price tag attached to the plant, Joseph Cordiano, the Minister for Economic Development and Trade, was quoted as saying "One of the disadvantages we have with competing with southern US states [is that] they have packages of land that are ready. Here we are, 1000 acres, 2000 acres. Come tomorrow"<sup>124</sup>. Admittedly, other factors such as anti-union legislation, and minimal environmental regulations likely also advantaged the Southern United States, but it is unlikely that the left-leaning government would seriously consider such options. Land use was on the table, and must have been on their minds as the government put into place their employment land policy.

In addition to economics, McGuinty had come to power on an anti-sprawl message targeted at the GGH. He blamed this on the "mismanagement" of industrial land, and on the city having no particular boundaries. We do not know precisely what McGuinty and his team meant by "miss-management" but the sentiment was not unfounded<sup>125</sup>. Many abandoned industrial sites, often located in prime areas for residential development, were being ignored by developers of all sorts, preferring peripheral greenfield sites instead. The decontamination process from the previous decade was too complicated, and the costs too high for many developers<sup>126</sup>. In response, the provincial government implementing a series of policies that simplified the regulatory process, and provided tax incentives for redevelopment<sup>127</sup>. To address the boundary issue, the province introduced what they called the "Greenbelt" in 2004. This was, and continues to be, a strip of land set aside for agricultural, and forest land, limiting where development can take place. Numerous organizations voiced concern—valid or not—that the Greenbelt, by reducing developable land on the edges of the city, would encourage residential developers to overdeveloped industrial brownfield thus limiting the supply for employment uses<sup>128</sup>. To what extent this is true is outside the scope of this paper, but the political pressure to do something

---

<sup>123</sup> McGuinty, D. (2015), p. 178

<sup>124</sup> Keenan, G., & Bloom, R., "How 'Project Jewel' Won Over Toyota" *The Globe and Mail*, 01-07-2005

<sup>125</sup> Eildelman, G., (2010) "Managing Urban Sprawl in Ontario: Good Policy or Good Politics?" *Politics and Policy*, pp. 1211-1236; Ontario, *Growth plan sets out strategy for future prosperity*, news release, 16-02-2005

<sup>126</sup> Urban Strategies (2001) *Urban Economic Development Tools Study*, prepared for Ministry of Economic Development, Tourism, and Trade, & Ministry of Municipal Affairs and Housing, pp. 13-14; Eildelman, G., (2010) pp. 1211-1236; Michael-Allen, M., "Group Urges City to Act on Brownfields", *Expositor*, 08-01-2004; "Speed Up 'Brownfield' Rezoning", *The St Catharines' Standard*, 02-2-2004

<sup>127</sup> Ontario, *The Brownfields Statute Law Amendment Act*; Ontario, "McGuity Government Accelerates Brownfield Clean Up", news release, 17-05-2004

<sup>128</sup> Representatives from Municipality of Kitchener-Waterloo (03-02-2004) presentation to *The Standing Committee on Finance and Economic Affairs*; Home Builders Association (14-04-2004) presentation to *Standing Committee of General Government*; Urban Development Institute of Toronto (17-04-2004) presentation to *Standing Committee of General Government*;

was there, and it is clearly true that the GTA was experiencing *logistics sprawl* during this period<sup>129</sup>.

The government was caught in a difficult cycle. They were both courting manufacturers who needed lots of space, while at the same time reducing the amount of available land, and possibly creating increased competition for it. Industries who did want to move to the area, were then pushed far outside the city, conflicting with the government's anti-sprawl ideas. It would therefore follow that what was needed was a mechanism to control which sites would be preserved for the industry, and which would be let go. A year later, the Growth Plan was implemented to address just this.

In 2005, the McGuinty government announced *Places to Grow: Better Choices, Brighter Future: Growth Plan for the Golden Horseshoe*<sup>130</sup>. The plan, which would go on to be changed by succeeding premiers Wynn and Ford, attempts to predict growth, and ensure municipalities have enough building stock to accommodate it. Its legal authority comes from the largely unchanged *A Place to Grow Act, 2004*, and provides guidelines for municipalities to follow.

When the plan was announced, the anti-sprawl theme was clearly pushed in the accompanying press release, reading:

“If the current pattern of unplanned development continues, the existing gap in infrastructure investment will widen even further, our quality of life will deteriorate, urban sprawl will continue to consume our open spaces and traffic congestion will increase.”<sup>131</sup>

This theme continued to employment land as well:

“Employment lands are being converted to uses that reinforce sprawl, limiting our ability to direct growth in economically beneficial ways in the future”<sup>132</sup>.

This is clearly a continuation of the messaging put out by the government previously, and remains to this day in the introduction of the plan<sup>133</sup>. It was however a concept that was new in the historical debate around protecting employment and/or industrial land.

The plan tries to balance the new and traditional economy, stating that the plan would promote:

“[a] diverse economy, supported by a wide array of manufacturing industries of which the largest is the automotive sector, and other key industry clusters such as financial and business services, hospitality and tourism, education and research, life sciences, informational services, and agriculture”<sup>134</sup>.

---

<sup>129</sup> Woudsma, C., Jakubiec, P., & Dabanc, L. (2015) “Logistics Sprawl in North America: Methodological Issues and a Case Study in Toronto” *Transportation Research Procedia*, 474-488

<sup>130</sup> Ontario (2005) *Places to Grow: Better Choices, Brighter Future: Growth Plan for the Golden Horseshoe*

<sup>131</sup> Ontario, *Growth plan sets out strategy for future prosperity*, news release, 16-02-2005

<sup>132</sup> *Ibid.*

<sup>133</sup> Ontario (2005) p.8

<sup>134</sup> *Ibid.* p.7

The text repeated McGuinty's sentiment that the economy was "in transition" and that "a highly educated workforce" was critical for the "success in the growing knowledge economy"<sup>135</sup>. These passages largely reflected the mood of the day. The manufacturing industry, particularly auto, was part of the Ontario identity, and no premier would want to be the one to give up on it. At the same time, there was a recognition that times were changing, but included little more than that. The closest thing to an actionable clause was an instruction for municipalities to "promote economic development and competitiveness" by providing land for a "mix of employment uses including industrial, commercial and institutional", and that "opportunities" should be provided for a "diversified economic base"<sup>136</sup>.

The provincial plan borrowed Toronto's idea of laying out formal criteria that needed to be met for the conversion from employment to non-employment. They complicated the matter by stating that conversion could only be done if the municipality did a full review of all of their zoning, and then submitted a report for the approval of the province. This process was called a *municipal comprehensive review* (MCR)<sup>137</sup>. In this process, municipalities could only convert employment land if they could demonstrate that:

“

- a) there is a need for the conversion
- b) the municipality will meet the employment forecasts allocated to the municipality pursuant to this Plan
- c) the conversion will not adversely affect the overall viability of the employment area, and achievement of the intensification target, density target, and other policies of this Plan.
- d) there is existing or planned infrastructure to accommodate the proposed conversion
- e) the lands are not required over the long term for the employment purposes for which they are designated
- f) cross jurisdictional issues have been considered”<sup>138</sup>

This set of conditions has remained consistent throughout the two other iterations of the provincial plan. Though the process involved in conversions became more complicated, the criteria were very similar to those laid out by Sewell in the 1970s. Sewell's plan also included growth projections, and required planners to consider how the conversion might adversely affect remaining employment uses. His criteria laid a heavier emphasis on the land near transportation, but the provincial plan encouraged this elsewhere<sup>139</sup>.

Toronto's initial response to the Growth Plan overall was that it did not go far enough. Council, upon the advice of the planning staff deemed it "a pale imitation of the reforms that were promised to deal with urban sprawl"<sup>140</sup>. Their main criticism was that

---

<sup>135</sup> *Ibid.* p.7

<sup>136</sup> *Ibid.* 2.2.6.2a-b

<sup>137</sup> Ontario (2005) 2.2.6.5

<sup>138</sup> Ontario (2005) 2.2.6.5.a-f

<sup>139</sup> Ontario (2005) 2.2.6.5.9

<sup>140</sup> Toronto (2006) *The Growth Plan for the Greater Golden Horseshoe: Response*

the provinces had ceded too much power to expand city limits to the municipalities, there was no planning or funding for infrastructure and transportation, the language around directing major office developments to urban cores were weak, and employment targets for Toronto were too modest. Despite this, the plan garnered relatively little media attention in the city. A short article the week before the plan was formally announced came out wherein Toronto Mayor David Miller questioned the merits of significant growth in the city but little else<sup>141</sup>. In the days following the release, both the Toronto Star and the Globe and Mail were more interested in the debate raging over same sex marriage in the House of Commons, and McGuinty's spat with Prime Minister Paul Martin over health transfers<sup>142</sup>.

Toronto ultimately defended the plan when it was challenged however. Item C's criteria that "the conversion will not adversely affect the overall viability of the employment *area*" was, and continues to be, highly controversial amongst developers. Any non-employment land could be interpreted as a potential threat to the overall area. As a result, even if it made sense to convert a segment of an employment area, concern over the rest of the area could prevent it from happening<sup>143</sup>. In 2007 A group of developers challenged the city at the Ontario Land Tribunal\* over the municipality's implementation of the plan, and the city launched a passionate defence. The case lasted well over a decade, and in it, the city was asked to outline why they believed the plan to be important. Rebecca Condon, the head of Toronto's *Business Retention and Expansion Team*, tasked with this explanation is summarized by the adjudicators as follows:

"[72] Ms. Condon says that applications that succeed in converting designated employment land to non-employment uses undermine the long-term growth management strategy of the City Official Plan by harming the competitiveness of employment lands throughout the City. In her opinion, applications for conversions apply pressure and land use uncertainty to existing industry causing them to consider relocation. They also send a signal to the market that the default use for all vacant or underutilized employment land is residential or other non-employment uses"<sup>144</sup>.

---

<sup>141</sup> Gillespie, K. (02-05-2005) *Ontario Growth Plan Faulted; Province Expects 6M New Residents environmental Report Cites Problem*, Toronto Star

<sup>142</sup> Toronto Star, 16 to 19- 02-2004, The Globe and Mail 16 to 19-02-2004. Radio and television reports were not reviewed.

<sup>143</sup> Though a later case, we see how the clause continues to be used. Ontario Land Tribunal, (2021) *Case NO(S) PL140839*, sect. 43-51

\* The province's appeals body for planning matters, previously known as the before mentioned Ontario Municipal Board.

<sup>144</sup> Local Planning Appeal Tribunal (2020) *Case No(s) PL140860*, sect. 72-76. The *Local Planning Appeal Tribunal* would later become the *Ontario Land Tribunal* which largely fulfilled the same function. Condon is speaking on behalf of the city of Toronto in this situation, however it was done so whilst defending an appeal against the cities implementation of the provincial rules.

As we have seen, the concerns that Condon articulated dated back to 1960s. This testimony likely signifies that at least some relatively senior planners believed that the provincial plan sought to address this long standing concern.

More cynically, another possible reason for Toronto's tepid protest to the provincial plan in the long term was that there was relatively little the province could do to ensure that the city promptly followed the specific rules it laid out. As the city staff noted a decade after the implementation of the policy, non-industrial uses were continuing to be built in notionally employment-zones. Though they concede that this may endanger the viability of certain zones for traditional industrial uses, and could give ammunition to developers attempting to have an area rezoned at the OMB; city staff recommend a study be done inquiring to what extent non-employment uses really were effecting "the normal business activity of employment uses". Staff further dismiss the province's complaints that their *general employment* category was not restrictive enough, stating that "legal services" were "investigating the potential implications" of the provinces concerns<sup>145</sup>. The category would be altered, but it took a new mayor for the change to happen.

There was almost certainly a range of views on employment land amongst both staff, as seen above, and councillors, who varied from wanting to ban churches, to wanting to introduce brothels, and big box stores<sup>146</sup>. The provincial plan managed to appease both. It aimed to limit conversions, but had enough flexibility, or perhaps unenforceability, that the city could side-step the elements it did not approve of.

In 2013, McGuinty was replaced by the former Minister of Housing and Municipal Affairs, Kathleen Wynn. In 2017, a year before being voted out of office, the Wynn government created a new growth plan called the *Growth Plan for the Greater Golden Horseshoe*<sup>147</sup>. Overall, the new plan kept the core of the previous one, but expanded it in various areas, including in employment. The next government, Doug Ford, quickly changed many of the most substantial elements of her plan so it was largely not implemented.

The Wynn government criticized the original employment policy on three fronts. First, municipalities who did follow the province's original policy were losing OMB cases because their employment-only zones did not reflect the reality of the area; a fact acknowledged by the city of Toronto four years earlier. Once beaten at the OMB, the zone would have to be completely rezoned to a predominantly retail or residential use, thus killing the employment area. Second, because it was too difficult to rezone employment zones, areas would be left empty, or would have employment use that "could be located elsewhere". And third, areas that really were extremely valuable for employment uses, in particular along transport lines, were still being converted due to the first factor mentioned above<sup>148</sup>.

The Wynn plan introduced the idea of having two categories of employment land, *prime*, and *general*. In both cases the previous criteria for conversion were maintained. For the latter

---

<sup>145</sup> Toronto (2013) Official Plan/Municipal Comprehensive Review: Results of Public Consultation on Draft Policies and Designations for Economic Health and Employment Lands, pp. 8-11.

<sup>146</sup> Moloney, P. (26-04-2012) *Toronto City Council Should Okay a Red Light District*, Councillor Giorgio Mammoliti Says, Toronto Star; Moussaoui, R. (21-10-2012) *Churches in Toronto Industrial Areas Face Zoning Threat*; Vukets, C. (21-03-2011) *Big Box Stores Battling for Retail Space*, Toronto Star

<sup>147</sup> Ontario (2017) *Growth Plan for the Greater Golden Horseshoe*

<sup>148</sup> Ontario (2015) *Planning for Health, Prosperity, and Growth in the Greater Golden Horseshoe*, pp. 81-82.

category, land located adjacent to or near “major goods movement facilities and corridors”, could be to be kept exclusively for industrial uses—not including office uses. The former, banned residential use, and limits retail use, but said that municipalities should integrate:

“employment areas with adjacent non-employment areas and develop[e] vibrant, mixed-use areas and innovation hubs, where appropriate”<sup>149</sup>.

The plan defined “innovation hub” as locations for the private, public, and academic sectors to collaborate and interact to “promote innovation”<sup>150</sup>. However, the plan was changed before this clause could have any real impact.

It is hard to determine to what degree this actually went to addressing municipal concerns. When consultations were taking place a year later over replacing the two tiered system, no municipality objected to its removal with a number, including Toronto, even applauding the move. Though they varied in their reasoning, the major concern was that a wide variety of uses utilised highways, including office towers, and residential neighbourhoods. Restricting these corridors primarily for employment zoning was still too simplistic<sup>151</sup>. It also did not address a new employment land concern that was identified in 2013 by the city of Toronto. They projected that in a few decades, the city would also have a lack of office space that was connected to adequate transportation<sup>152</sup>. The question of limiting non-employment uses in office areas would not be addressed until 2019 however when the Ford government reformed the growth plan once again.

In 2018, the Doug Ford government replaced that of Wynn, and brought in its own growth plan. The new plan, called *A Place to Grow: Growth Plan for the Greater Golden Horseshoe*, maintained the criteria for conversion, including criteria C, but did away with the integration of innovation hubs as well as the general vs. prime employment land system<sup>153</sup>. Instead, the province would designate certain areas as *provincially significant employment zones* (PSEZs) which were selected based on a criteria discussed below.

Upon Ford’s election, yet another crisis was coming to a head, housing affordability. Between 2013 and 2018, the average single-family home jumped from 600 thousand dollars, to over 1 million, with nearly every other housing type following a similar trajectory<sup>154</sup>. Though we do not have much insight into the thinking of the government, calls to open more land for residential development were strong, particularly in the city<sup>155</sup>. Intentional or not, that is effectively what they did. That most of the employment land not designated by PSEZs are those within the city, however, suggest that it was indeed strategic.

---

<sup>149</sup> Ontario (2017) 2.2.5.7.c

<sup>150</sup> Ontario (2017) p.75

<sup>151</sup> For example: Submission from the Municipalities of Markham, Brampton, Vaughn, Ajax, Toronto to PSEZ Consultation (2019)

<sup>152</sup> Malone-Given-Parsons Ltd. (2013) *Sustainable Competitive Advantage and Prosperity: Planning for Employment Uses in the City of Toronto*, prepared for the City of Toronto

<sup>153</sup> Ontario (2019) *A Place to Grow: Growth Plan for the Greater Golden Horseshoe*

<sup>154</sup> <https://toronto.listing.ca/real-estate-price-history.htm>

<sup>155</sup> Pigg, S., *Toronto Housing Affordability Problem Growing*, The Globe and Mail (13-12-2013), Schlesinger, J., *Young Families Must Put Savings on Hold*, The Globe and Mail (23-10-2015), McFarland, J., *Housing Affordability Now Worse than Vancouver*, The Globe and Mail, (26-10-2017)

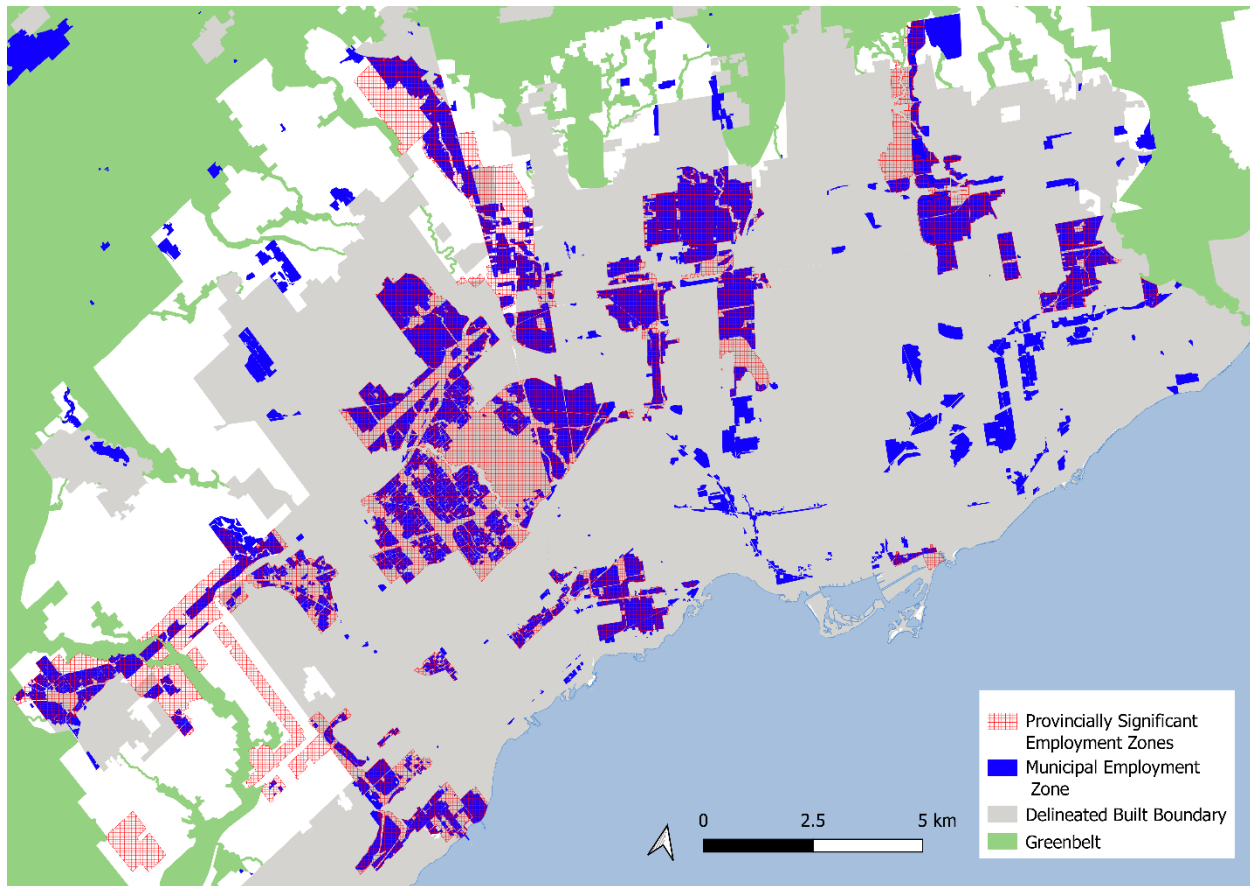


Figure 5: Provincially Significant Employment Zones

It is easier to understand the PSEZ program by considering what it means for land to not fall under the PSEZ category. For non-included zones, another round of conversion to non-employment uses can happen outside the MCR, during which employment growth requirements can be put off until an MCR actually happens. The other conditions for conversion to non-employment uses laid out in the McGuinty government do still apply though. In other words, land can be converted faster due to there being an additional window for application, and it cannot be argued that the land is needed for future employment if challenged at the OLT (formerly the OMB)<sup>156</sup>.

The Ford government traded the nuance of the two tier system, for the nuance that comes with drawing the borders essentially manually. Though there were criteria to their selection, they are broad, and are not legally binding. The province did not publish the criteria it used for selecting PSEZ locations, however, a discussion paper published by the city of Toronto quotes a list of eight factors that are referred to as the criteria provided to the city by the province. They are as follows:

<sup>156</sup> This an argument put forward by the Markham city council: Markham (2019) *City of Markham Comments on Proposed Amendment 1 to the Growth Plan for the Greater Golden Horseshoe, 2017*, pp. 10-11

- “1) Designated employment areas and are inside existing settlement area boundaries
- 2) May be vulnerable to conversion pressures (e.g. to residential conversion)
- 3) May be facing encroachment by sensitive land uses that could threaten the existing employment uses
- 4) Are needed in the region to attract new investment and retain existing industries
- 5) Located near highways, railways, intermodal facilities, transit and/or other major transportation infrastructure to support the movement of people and goods
- 6) High concentration of employment and/or economic output, and play an economically strategic role to the region
- 7) Support industrial uses, which are sensitive to encroachment
- 8) Continuous zones and contain large continuous developable, constraint-free lands (e.g. >10 acres)”<sup>157</sup>.

Many of the themes found in these criteria are issues that governments have been trying to address since at least the mid 20<sup>th</sup> century. Mainly, non-employment encroachment, the need to preserve land around transport routes, and the focus on preserving large areas of single use –or close to it—employment land.

Despite these criteria, it is not obvious that the PSEZ were selected purely based off of them. When the initial map of the PSEZs was release, largely unchanged from the final map in figure 5, the city of Toronto pointed out that a substantial amount of their employment land still met the criteria, and requested that it be included. Most of this land was just south of where the proposed PSEZ were located, and included all of the suburban office parks. The city argued that nearly all the other office parks in the wider GTA had been designated PSEZ, therefore it was inconsistent that Toronto ones were not. As of the writing of this article, the province has not added any of the locations the city asked for, however, the provincial opposition party has since proposed a motion to include one area key to the food distribution network. It is not clear what is behind this series of events. To address the office park question, a clause was added outside the PSEZ system that limits non-employment uses so as to not “negatively impact the primary function of the area”<sup>158</sup>. We do not know whether this has satisfied the concerns raised by the city, however it is much more general than what could be targeted with PSEZs.

As of writing this paper, Ontario municipalities are currently going through the MCR process, integrating these new policies into their masterplans, therefore we do not know how Toronto will integrate the PSEZ framework into its own plan. We also do not know how the OLT will react to PSEZs when conversion requests are issued. One of the few cases involving

---

<sup>157</sup> Toronto (2019) *Proposed Amendments to the Growth Plan for the Greater Golden Horseshoe, 2017 - City Comments - Supplementary Report*

<sup>158</sup> Toronto (2019) 2.2.5.16.d

PSEZs may suggest that the tribunal does not believe in the long term effectiveness of PSEZs at slowing conversions. A redevelopment proposal for a long abandoned piece of industrial land was rejected on the grounds that PSEZs could theoretically be moved, therefore would not protect employment land from encroachment<sup>159</sup>. If this becomes the prevailing view, the flexibility that targeted PSEZs allow may be diminished.

## Summary

Between the mid-19<sup>th</sup> century, until the end of World War Two, industrialism was closely tied to the waterfront, and the rail yards. Though there was a significant sector of office-based employment in the city, industrial land demanded the most attention when it came to land use planning. After the war, a tide of political thinking drove the government to forcibly separate industry from residents, only ending the late 1960s. By then, technology had changed, and office based industries were outcompeting manufacturers for land in the city. In search of better suited, and cheaper land many firms began to move to the suburbs. Though there was a lobby for doubling down on keeping the city for industry, it did not align with the political thought of the day. The decline in manufacturing was compensated by the rise of the so-called new economy. These new businesses were not always in the same place as old factories, and large tracts of land were left abandoned, without the infrastructure to deal with them. At the same time, population growth was driving the city outwards. Policies designed to deal with these two issues created a third, which was there was a risk that all of the best land for employment would be converted. The growth plan came out of this context, and sets out to moderate these conversions. Successive premiers have modified this policy, with Wynn introducing a two tiered system, and then Ford replacing this with a system of ministerially designated areas. For the most part, policy makers have allowed space for the economy to evolve, which it has done so successfully. However there have always been policies that have attempted to preserve at least some land for industrial activity. To date, none of these have succeeded in the long term.

## Looking Back to Look Forward

When looking back at Toronto's experience, two major lessons can be drawn: you cannot stop the fundamentals of economics through urban planning, and technological change must be recognized and quickly adapted to. Though these two concepts are simple, the temptation to ignore, or deny them is strong.

- 1) **Urban planning cannot stop the fundamentals of economics.** Firms will always seek to minimize costs, and land value will always go up as more productive land uses are introduced. In the 1970s, the city of Toronto attempted to set aside land downtown for the industrial activity, but was ultimately faced with the reality that residence and offices could command higher land prices than most industrial uses, and the industrial firms moved on. This is to be expected.

---

<sup>159</sup> The OLT/OMB was briefly known as the *Local Planning Appeals Tribunal* but fulfilled the same function. Local Planning Appeals Tribunal (2021) *Case NO. PL140839*, sec. 52

The city is currently growing at a fantastic rate. Though the current policy framework takes steps to direct development to particular areas of employment land, there is no reason to believe that more productive office firms will not raise prices in what is categorized as PSEZs, or that residential and commercial developers will not take interest in these areas as central economic hubs. Denying the opportunity to establish economically productive mixed-use areas in the suburbs would be a lost opportunity, that will not bring back industrial uses. Giving industrial firms time to relocate is smart, but refusing to allow development once the industrial firms have left is a mistake.

In acknowledging this, we also need to acknowledge that new industrial land may need to be found for logistics, time sensitive, and strategic firms. Balancing this with critical environmental goals will likely be a major challenge in the long term.

- 2) **Technological change must be recognized and adapted to.** It is, admittedly, impossible to predict with any certainty what the next monumental technological change will be but it will happen. Like any evolution, technological change is constant, with sudden leaps. We can expect that economies will adapt by themselves to the underlying, steady technological change, but it is the leaps that must be watched out for and reacted to.

Throughout Toronto's history, both the provincial, and municipal governments incorporated changes relatively effectively, with leaps such as the transition towards hydro power, the advent of conveyor belt manufacturing, and the rise of air freight all being adapted to relatively quickly. We do not know what the next world-changing technology will be but there are many things that are worth keeping an eye on: self driving cars, pneumatic transportation, machine learning, all have the ability to change how work is done, and land use requirements with them.

Some land will always need to be reserved for industrial uses incompatible with other uses. Logistics need to run through somewhere, goods with short shelf lives need to be processed somewhere, and strategic supplies need to be made somewhere. On top of that, a government cannot always be too picky with what jobs are allowed in; and, in general, moderate economic diversity is a good thing. Therefore, having some sort of zoning for these uses is important to have, and part of this will be keeping land prices low by keeping it separated from more valuable uses. However, balancing this need, with the recognition that very few places are exclusively industrial is key, as is maintaining the flexibility to adapt when it is no longer realistic to have industrial uses in an area.

For the most part, Toronto has been successful in avoiding the temptation to be too stubborn. Though the relatively recent involvement of the province may change the political landscape with which these decisions are made, the current framework is going in the right direction. In theory, having an actual group of people in a minister's office thinking about what employment land is worth keeping exclusively for employment purposes, and what should be able to have other uses, is a good thing. As was discovered by McGuinty, there is too much variety in what is classified as employment land to have a blanket policy limiting non-employment uses. What will be important however is for there to be a system in place where the PSEZ designation is removed, which there is currently no public record of.

For there to be a flexible system, the provincial government must be intimately aware of what is taking place on the ground. Because most employment land is covered by the program, failure to recognize when it is time to lift the designation is the equivalent of maintaining a blanket policy. This likely requires either greater staffing capabilities, or close coordination with the municipalities. Both are achievable, but a conscious effort must be taken to ensure that a mechanism is in place.

For office parks, we are yet to see how municipalities and the OLT interpret the: no development should “negatively impact the primary function of the area” policy. Considering residential development often leads to price increases, this clause could be used to prevent mixed use areas which would be a mistake especially in the suburbs. This is of course only a possibility but should be monitored moving forward.

Regional planning can be a good thing, as is a moderate employment land strategy, but there is always the risk that it will be too simplistic, and not evolve along with the economy. In the long run, cities cannot be static.

## **Bibliography**

- Allemang, J. (04-11-1995) "Toronto on Brink of Radical Rezoning: Plan Would Allow Multi-Use of Land" *The Globe and Mail*; Toronto (1995) *Planning for Revitalization*
- Anderson, R. (2014). "Towards an Historical Geography of Toronto's Air Pollution" *Canadian Cities: Past into Present, Institute of the Americas*, University College
- Barridge Lewinberg Greenberg Ltd. (1991) *Study of the Urbanization of Metropolitan Toronto*, Municipality of Metropolitan Toronto
- Bell, S. (1996) "University-Industry interaction in the Ontario Centres of Excellence" *The Journal of Higher Education*, pp. 322-348
- Blaise, P. (2015) *Globalization, Competitiveness, and the Growth Plan for the Greater Golden Horseshoe*, Neptis
- Brampton (2018) *The Brampton 2040 Vision*
- Boles, D. (2017) *Toronto's Second Union Station – 1873 to 1927*, Toronto Railway Historical Association
- Carmody, C., (08-06-1989) "Dover Elevator Quit Toronto for Mississauga Location" *Toronto Star*
- Carnevale, A. (1991) *America and the New Economy*, The American Society for training and Development & U.S Department of Labor Employment and Training Administration
- CBRE (2016) *Toronto Office Market Report: 2016*
- CBRE (2022) *Toronto Office Market Report: 2022*
- Charrette Panel (1992) *A Charrette On: Revitalization and Re-Use of Metro Toronto Industrial Areas*, Industrial LandPlan 92'
- De Sousa, A. & Spiess, T. (2017) "The Management of Brownfield in Ontario: A comprehensive Review of remediation and Reuse Characteristics, Trends, and Outcomes" *Environmental Practices*,
- Development Consulting Limited (1983) *Metro Fringe Manufacturing Migration: Reasons for Relocation*, prepared for The Metropolitan Government of Toronto
- Dolereux, D. & Shearmur, R. (2012) "How Much Does KIBS Contribute to R&D Activities of Manufacturing Firms?" *Economia Politica*, pp. 319-341
- Drummond, I. (1987) *Progress Without Planning: The Economic History of Ontario from Confederation to the Second World War*, University of Toronto Press.

- Eldelman, G., (2010) “Managing Urban Sprawl in Ontario: Good Policy or Good Politics?” *Politics and Policy*, pp. 1211-1236
- Eldelman, G. (2011) “Who’s in Charge? Jurisdictional Gridlock and the Genesis of Waterfront Toronto” in Desfor, G., & Laidley, J. *Reshaping Toronto’s Waterfront*, pp. 263-287
- Friedland, M. (2002) *The University of Toronto: A History 2<sup>nd</sup> ed.*, University of Toronto Press
- Funston, M. (23-05-1995) “Don’t Rezone Industrial land as Residential, Council Urged People Must Live and Work Here McCallion Says” *Toronto Star*
- Gillespie, K. (02-05-2005) *Ontario Growth Plan Faulted; Province Expects 6M New Residents environmental Report Cites Problem*, Toronto Star
- Greater Toronto Mayors Committee (1996) *Moving Forward Together*, pp. 29-32
- Hampton, H. & Reno, B. (2000) *Public Power: The Fight for Publicly Owned Electricity*, Insomniac Press, pp. 97-108; Nelles, H., (2005) *Politics of Development: Forests, Mines, and Hydro-Electric Power in Ontario, 1849-1941*, McGill-Queen's University Press.
- Harris, R. & Luymes, M. (1990) The Growth of Toronto, 1861-1941: A Cartographic Essay” *Urban History Review* 18, pp. 244-255
- Hicks, K (2006) *Malton: Farms to Flying*, Mississauga Library Association
- Higgins, D., Ferguson, M., & Kanaroglou, P. (2012). “Varieties of Logistics Centers” *Transportation Research Record: Journal of the Transportation Research Board*, pp. 9-18
- Home Builders Association (14-04-2004) presentation to *Standing Committee of General Government*
- Howitt, C. (2019) *Blackberry Town: How high tech success has played out for Canada's Kitchener-Waterloo*, James Lorimer and Company
- Howe, P. *Plan to Control Toronto’s Sprawl is Slowly Dying*, The Globe and Mail (21-08-1974)
- Howlett, K., “Ontario Trade Minister faces job loss headache”, *The Globe and Mail*, 22-11-2005
- Hust, L., (20-12-2995) “Finally, They’re All in Line”, *Toronto Star*
- IBI Group (1985) *Economic Development Focus M.F. Lands Toronto*, prepared for The Metropolitan Government of Toronto
- Keenan, G., & Bloom, R., “How ‘Project Jewel’ Won Over Toyota” *The Globe and Mail*, 01-07-2005
- Lawrence, S (2007) *Toronto Sprawl: A History*, University of Toronto Press.
- Local Planning Appeal Tribunal (2020) *Case No. PL140860*
- Local Planning Appeal Tribunal (2021) *Case No. PL140839*

- Lush, P., (10-27-1980) *Downtown Toronto Office Rents Increase Dramatically*, The Globe and Mail
- Lu, H., & Desfor, G. (2011) “Cleaning Up on the Waterfront: Development of Contaminated Sites” in Desfor, G., & Laidley, J. *Reshaping Toronto’s Waterfront*
- Malone-Given-Parsons Ltd. (2013) *Sustainable Competitive Advantage and Prosperity: Planning for Employment Uses in the City of Toronto*, prepared for the City of Toronto
- Markham (2019) *City of Markham Comments on Proposed Amendment 1 to the Growth Plan for the Greater Golden Horseshoe, 2017*
- Mayer, H. (2013) “Spinoff Regions: Entrepreneurial Emergence and Regional Development in Second-Tier High-Technology Regions – Observations from the Oregon and Idaho Electronics Sector” in. Giarratni, F., Hewings, G., & McCann, P., eds. *Handbook of Industry Studies and Economic Geography*, Edward Elgar Publishing, pp. 207-230
- McFarland, J., *Housing Affordability Now Worse than Vancouver*, The Globe and Mail, (26-10-2017)
- McGuinty, D. (2015) *Making a Difference*, Dundurn Press
- McLean, S. “First Gulf, Spear Street JV on GTA Life Sciences Redevelopment” *Real Estate News Exchange* (20-06-18)
- Merren, R. (1988) “Port Authorities as Urban Land Developers: The Case of the Toronto Harbour Commissioners and Their Outer Harbour Project, 1912-68” *Urban History Review* 17, pp. 92-105
- Metz, C. “Toronto, the Quietly Booming Tech Town” *The New York Times*, 21-03-2022
- Metropole & Berridge Levinberg Greenberg Dark Gabor Ltd (1997) *Re-Zoning: Alternative Approaches to Development Control for Industrial Areas*
- Michael-Allen, M., “Group Urges City to Act on Brownfields”, *Expositor*, 08-01-2004; “Speed Up ‘Brownfield’ Rezoning”, *The St Catharines’ Standard*, 02-2-2004
- Middleton, D. J. & Walker, D. F. (1980). Manufacturers and Industrial Development Policy in Hamilton, 1890-1910. *Urban History Review* 8, 21-22
- Mississauga (2010) *Downtown: Creating an Urban Place in the Heart of Mississauga*
- Mississauga (2018) *Mississauga Life Science Cluster Strategy*
- Moloney, P. (26-04-2012) *Toronto City Council Should Okay a Red Light District*, Councillor Giorgio Mammoliti Says, Toronto Star
- Monsebraaten, L., (19-10-1995) “Citizen Hall A Savvy Social Activist Who’s Happiest Behind the Scenes Finds Herself in the Full Glare of the Mayor’s Job. Now What?” *Toronto Star*
- Moussaoui, R. (21-10-2012) *Churches in Toronto Industrial Areas Face Zoning Threat*

- Municipality of Kitchener-Waterloo (03-02-2004) presentation to *The Standing Committee on Finance and Economic Affairs*
- Naomi, P., “Haren, H., “‘A Perfect Storm’: 52,000 industrial jobs lost as Ontario blasted by foreign competition”, *The Spectator*, 16-12-2005
- O’Kane, J. & Lundy, M. “From ‘Boomer’ Companies to Encroaching Giant, Canada’s Tech Sector has a Labour Problem” *The Globe and Mail*, 26-03-2022
- Ontario (1971) *Design for Development: The Toronto Centred Region*
- Ontario (1979) *Central Ontario Background Report: Regional Industrial Land Use Accounts in the Toronto Area*
- Ontario (1996) *Winning in a World Economy: University-Industry Interaction and Economic Renewal in Canada*
- Ontario (1998) *Smart Growth*, p. 22
- Ontario (2005) *Places to Grow: Better Choices, Brighter Future: Growth Plan for the Golden Horseshoe*
- Ontario (2017) *Growth Plan for the Greater Golden Horseshoe*
- Ontario (2015) *Planning for Health, Prosperity, and Growth in the Greater Golden Horseshoe*
- Ontario (2019) *A Place to Grow: Growth Plan for the Greater Golden Horseshoe*
- Ontario Land Tribunal, (2021) *Case NO(S) PL140839*
- Ontario, *Growth plan sets out strategy for future prosperity*, news release, 16-02-2005
- Ontario, *The Brownfields Statute Law Amendment Act*; Ontario, “McGuity Government Accelerates Brownfield Clean Up”, news release, 17-05-2004
- Pigg, S., *Toronto Housing Affordability Problem Growing*, *The Globe and Mail* (13-12-2013)
- Pivo, G. (1992) “A Taxonomy of Suburban Office Clusters: The Case of Toronto” *Urban Studies* 30, pp. 31-49
- Polese, M (2009) *The Wealth and Poverty of Regions: Why Cities Matter*, University of Chicago Press
- Polese, M. (2020) *The Wealth and Poverty of Cities: Why Nations Matter*, Oxford University Press
- Prudham, S., Gad, G., & Anderson, R. (2011) “Networks of Power: Toronto’s Waterfront Energy System from 1840 to 1970” in Desfor, G. & Laidley, J. eds. *Reshaping Toronto’s Waterfront*, pp. 180-185
- Rao, N (2007) *Cities in Transition: Growth, Change and Governance in Six Metropolitan Areas*; Holmes, J. (1991) “The GLobalization of Production and the Future of Canada’s Mature

- Industries: The Case of the Automotive Industry” in. Drache, D. & Gertler, M. (eds.) *The New Era of Global Competition: State Policy and Market Power*, pp. 153-156
- Reid, R. “Canada Sees Tech Growth (Fast 500)” *Network World Canada*, 14-11-2003
- Relph, E. (2014) *Toronto: Transformations in a City and a Region*, University of Pennsylvania Press
- Shearmur, R. (2012) “Are Cities the Font of Innovation? A Critical Review of the Literature on Cities and Innovation” *Cities*, pp. 509-518
- Sewell, J. (2016) *How We Changed Toronto: The Inside Story On Twelve Creative, Tumultuous Years in Civic Life, 1969-1980*, James Lorimer & Co
- Schlesinger, J., *Young Families Must Put Savings on Hold*, The Globe and Mail (23-10-2015)
- Smith, C. & Heron, C. (2020) *The Canadian Labour Movement: A Short History*, James Lorimer & Co., pp. 85-107
- Smithies, W. (1974) *The Protection and Use of Natural Resources in Ontario*, The Ontario Economic Council, pp. 39-56.
- Stiroh, K. (1999) “Is there a New Economy” *Challenge*
- Sweeney, B. & Cox, M. (2021) *Ontario’s Industrial Land Shortage*, Trillium Network for Advanced Manufacturing
- Sweeney, B., Mordue, J. & Sener, E. (2021) *Automation Readiness & Brampton’s Advanced Manufacturing Sector*, Trillium Network & Brampton Municipality
- Taylor, P. (12-04-1989) “Efforts to Keep Factory Downtown a Test for High-Priced Toronto” *The Globe and Mail*
- The Boston Consulting Group (1995) *The Fourth Era: The Economic Challenges Facing the GTA*, Report for The Metropolitan Government of Toronto
- The Metropolitan Government of Toronto (1988) *Metropolitan Planning Review: Industrial Areas*
- The Metropolitan Government of Toronto (1992) *Space and Employment characteristics: Offices*
- The Metropolitan Government of Toronto (1994) *The Changing Toronto-Area Economy: An Overview Prepared for the Metropolitan Toronto planning Department, For the Forum on the Future of Industrial Land, Metro Hall*
- Metropolitan Toronto (1996) *Towards an Industrial land Strategy Study: Phase I Overview Report*
- The Metropolitan Government of Toronto (1988) *Metropolitan Plan Review*

Toronto (1965) *Industrial Prospects in the City of Toronto*

Toronto, *City Council Minutes*

Toronto (1971) *Official Plan*

Toronto (1971) *Report on Industry: No 1, 2, & 3*

Toronto (1975) *A Place for Industry*

Toronto (1975) “Central Area Plan Review: Principles” *City of Toronto Council Minutes*

Toronto (1975) “Industrial Co-ordination Committee” *City of Toronto Council Minutes*

Toronto (1977) *Industry in the Downtown Area*

Toronto (1980) *A Selective Economic Development Strategy for the City of Toronto*

Toronto (1985) *Report on Industry*

Toronto (1992) *A Competitive Economic Development Strategy for the City of Toronto: Preliminary Report*

Toronto (2001), “Zoning Categories” *Official Plan*

Toronto (2002) *Where do We Growth From Here*

Toronto (2006) *The Growth Plan for the Greater Golden Horseshoe: Response*

Toronto (2013) Official Plan/Municipal Comprehensive Review: Results of Public Consultation on Draft Policies and Designations for Economic Health and Employment Lands

Toronto (2016) *Scarborough Town Centre Master Plan*

Toronto (2019) *Proposed Amendments to the Growth Plan for the Greater Golden Horseshoe, 2017 - City Comments - Supplementary Report*

Toronto (2019) Submission by the Municipality of Toronto to PSEZ Consultation, Document Two

Toronto Star, (21-04-1992) “Rowlands Gets Scolding for Missing Talks on Jobs” *Toronto Star*

Urban Development Institute of Toronto (17-04-2004) presentation to *Standing Committee of General Government*

Urban Strategies (2001) *Urban Economic Development Tools Study*, prepared for Ministry of Economic Development, Tourism, and Trade, & Ministry of Municipal Affairs and Housing

Vaughan (2015) *Vaughan Metropolitan Centre: Secondary Plan*

Vukets, C. (21-03-2011) *Big Box Stores Battling for Retail Space*, *Toronto Star*

Waldie, P. (17-03-1992) “Shrinking Influence Irks Mayors LEFT OUT”, *The Globe and Mail*

- Walker, W. (20-06-1987) *High-Tech Research Given a \$200 Million Boost Ontario 'Centres of Excellence' to Turn Business Dreams to Reality*, Toronto Star
- Welland Tribune (28-11-2005) "Job Cuts Highlight Decline of Manufacturing Industries", *Welland Tribune*
- Wekerle, G., Whitaker, M. & Rabizant, P. (1980) *Changing Face: Study of an Inner City Neighbourhood*, York University Press & The Canadian Mortgage and Housing Corporation
- White, R. (1998) *Ontario Since 1985*, Eastenbooks,
- White, R. (2007) *The Growth Plan for the Greater Golden Horseshoe in Historical Perspective*, The Neptis Foundation
- White, R. (2015) *Planning Toronto: the Planners, The Plans, Their Legacies, 1940-80*, UBC Press, pp. 42-59
- White, R. (2016) "Urban Renewal Revisited: Toronto, 1950-1970" *The Canadian Historical Review*, pp. 1-33
- White, R. (2018) "Toronto's Inner Suburbs Through the Lens of Planning History", *Zeitschrift für Kanada-Studien* 38
- Williamson, R. *\$8.7 Million Paid for Thousands of Acres Near Prescott: Two-thirds of Ontario Industrial Park is Suitable Only for Trees, Farming*, The Globe and Mail (01-12-1977)
- Wise, W. (2000) *History of Ontario's Film Industry*, Take One
- Wolfe, D. & Gertler, M. (2001) "Globalization and Economic Restructuring in Ontario: From Industrial Heartland to Learning Region?" *European Planning Studies*
- Wood, H., (1987) "Emergence of the Modern City: Hamilton, 1891-1950" in *Steel City: Hamilton and Region*, University of Toronto Press, pp. 118-120.
- Woudsma, C., Jakubiecek, P., & Dablanc, L. (2015) "Logistics Sprawl in North America: Methodological Issues and a Case Study in Toronto" *Transportation Research Procedia*, 474-488