

To: Economic and Development Services Committee

From: Anthony Ambra, P.Eng., Commissioner,
Economic and Development Services Department

Report Number: ED-25-97

Date of Report: October 1, 2025

Date of Meeting: October 6, 2025

Subject: City Comments on Proposed Provincial Updates to the
1995 Projection Methodology Guideline to Support
Implementation of the Provincial Planning Statement, 2024

Ward: All Wards

File: 12-03-3564

1.0 Purpose

The purpose of this Report is to obtain Council endorsement of City comments regarding the proposed provincial updates to the 1995 Projection Methodology Guideline to support implementation of the Provincial Planning Statement, 2024 (the “P.P.S.”).

The proposed updates to the 1995 Projection Methodology Guideline (the “Proposed Guideline”) were posted on the Environmental Registry of Ontario’s (“E.R.O.”) website under Notice 025-0844 on August 12, 2025, with comments requested by October 11, 2025.

Attachment 1 is a copy of the Proposed Guideline, which was released on August 12, 2025 for comments. Owing to the size of the document, it is not attached to this Report, but can be viewed at the following link: https://ero.ontario.ca/public/2025-08/PROPOSED_UPDATED_PROJECTION_METHODODOLOGY_GUIDELINE_20250812.pdf

2.0 Recommendation

That the Economic and Development Services Committee recommend to City Council:

1. That, based on Report ED-25-97 dated October 1, 2025, the comments contained in Section 4.4 of said Report be endorsed as the City’s comments on the Province’s proposed updates to the 1995 Projection Methodology Guideline.
2. That staff be authorized to submit the comments contained in said Report to the Province to meet the October 11, 2025 deadline in response to Notice 025-0844 posted

on the Environmental Registry of Ontario website, and to provide subsequent follow-up once Council has considered this matter on October 27, 2025.

3.0 Input From Other Sources

Not applicable.

4.0 Analysis

4.1 Background

As Canada continues to be a global leader in population growth as a percentage of its overall population, the bulk of this growth is occurring in Ontario. It is essential that Ontario municipalities' growth planning adequately anticipates these pressures, both in the near term and well into the future. Adequate growth planning ensures that the land and infrastructure needs of current and future Ontarians are in place and reflect the diverse needs of families and businesses, as well as overall balance in the housing market.

As a major step towards achieving the ambitious planning requirement to adequately and affordably house a growing population and workforce, the Province released the P.P.S. in 2024. The P.P.S. is a policy statement issued under the authority of Section 3 of the Planning Act, which applies to all decisions in respect of the exercise of any authority that affects a planning matter made on or after October 20, 2024.

Population and employment forecasts are important for planning authorities to plan their communities. As required under the P.P.S., planning authorities must base population and employment forecasts on the "Ontario Population Projections" published by the Ministry of Finance (M.O.F.) and may modify, as appropriate. Sufficient land must be made available to accommodate an appropriate range and mix of land uses to meet projected needs for a time horizon of at least 20 years, but not more than 30 years, informed by provincial guidance.

The Ministry of Municipal Affairs and Housing has released a proposed update to the Provincial Projection Methodology Guideline to support implementation of the P.P.S. If finalized and approved, the Proposed Guideline would replace the 1995 Projection Methodology Guideline, as well as other guidance documents released under the previous Growth Plan for the Greater Golden Horseshoe, to assist in determining population and employment forecasts as well as assessing housing and land needs requirements.

The Proposed Guideline is meant to support policy implementation but cannot add to or detract from the policies of the P.P.S. In addition, the Proposed Guideline is not intended to address the location of new settlement areas, the location of expansions to settlement areas, the location of employment areas, or the suitability of whether a particular area of land should be included or removed from an employment area. These matters are to be addressed through other relevant policies.

The Province is now seeking input on the Proposed Guideline and comments are requested by October 11, 2025.

4.2 Oshawa Official Plan Review

City staff are currently undertaking a review of the Oshawa Official Plan (the “Official Plan Review”). A key component of the Official Plan Review is a Growth Management Study. The purpose of the Growth Management Study is to determine how much available serviced land will be required to accommodate Oshawa’s future population, including both residents and jobs. The Growth Management Study will consider settlement area boundary expansions, employment area conversions, allocating appropriate density targets across the City and implementing development phasing policies. The Growth Management Study will also determine population and employment projections for Oshawa.

Staff have retained Watson & Associates Economists Ltd. and WSP Canada Inc. (the “Consultant Team”) to undertake the Growth Management Study component of the Official Plan Review. The Consultant Team has advised that the proposed update to the Provincial Projection Methodology Guideline will not impact the work completed to date for the Growth Management Study. The Consultant Team will be using the appropriate methodology required by the Province as outlined in the Proposed Guideline to assist in determining population and employment forecasts for the City of Oshawa.

4.3 Proposed Methodology

The purpose of the Proposed Guideline is to assist municipalities and other planning authorities with developing population and employment forecasts and identifying land needs requirements to plan their communities and implement provincial policies. It should be noted that the primary focus of the Proposed Guideline is to establish the amount of land required for settlement areas and future employment, rather than identifying the location of new settlement area expansions, including new employment areas.

The Proposed Guideline outlines methodologies and appropriate data sources for municipalities to use to prepare their forecasts and land needs assessments. The Proposed Guideline is organized into four main sections:

1. Establishing Municipal Population Projections
2. Developing Housing Needs Forecasts
3. Developing Employment Forecasts
4. Land Needs Assessment

Details on each component of the Proposed Guideline can be found in the following subsections of this Report.

4.3.1 Establishing Municipal Population Projections

The purpose of this section of the Proposed Guideline is to identify and allocate the M.O.F. population projections from the Census Division (C.D.) to the municipal level for the planning horizon.

The proposed approach is to develop upper and lower future population projection ranges, to support municipalities to plan for future needs, while providing a test on municipal

projections in relation to the C.D. to ensure a reasonable outcome. The outcome would be used as an input in developing population and employment forecasts.

To address the population allocation process, the Proposed Guideline offers two methods:

1. Method A – Method A is based on a municipality's current population share of the C.D. (e.g. 2021 or 2024, based on the most recent C.D.); and,
2. Method B – Method B is based on the municipality's share of population growth within the C.D. over a 10-year period (based on the most recent C.D.). The Proposed Guideline recommends applying population growth share trends from consecutive five-year periods within the previous 10 years to account for short-term variations in population growth.

4.3.2 Developing Housing Needs Forecasts

The purpose of this section of the Proposed Guideline is to determine the amount of housing needed for the planning horizon (e.g. 20 years), accounting for intensification within built-up areas in existing settlement areas and the need for additional settlement area land to accommodate growth.

The proposed approach recommends developing a municipal level forecast of housing by type (e.g., low, medium, high density) and location (e.g., intensification within settlement areas and new development in greenfield areas) based on housing needs by age cohort. This housing needs information would be used as an input for assessing land needs. Municipalities could adjust the municipal level housing needs to account for additional data sources, affordable housing, and market indicators. The outcome would be used as an input for assessing land needs.

4.3.3 Developing Employment Forecasts

The purpose of this section of the Proposed Guideline is to identify the amount and type of employment growth that should be accommodated over the planning horizon, as well as the distribution of the employment growth by type (e.g., intensification within settlement areas and employment areas). This employment growth information would be used as an input for assessing land needs.

The recommended approach focuses on considering demographic factors (e.g., population growth, labour supply, etc.), in addition to other factors such as infrastructure capacity and government policies at the federal, provincial, and municipal levels. The outcome would be used as an input for assessing land needs.

4.3.4 Land Needs Assessment

The purpose of this section of the Proposed Guideline is to guide municipalities in identifying the amount of land required to accommodate an appropriate range and mix of land uses to meet a municipality's projected needs over a 20 to 30-year planning horizon.

While the Proposed Guideline is written to reflect a 20 to 30-year planning horizon, planning authorities may consider planning for infrastructure, public service facilities, strategic growth areas and employment areas which may extend beyond this time horizon.

The proposed approach would allow for one of three methods to be used, including the option of a simplified method, to identify the quantity of land needed for housing and jobs, and to consider employment area land needs separately from other employment land needs. Each method is consistent with the policy direction in the P.P.S. and considers available data and local conditions.

Method 1 is based on determining the total number of residents and jobs identified to be accommodated within the planning horizon and dividing that amount by the municipality-established appropriate gross density target. The result is the quantity of gross land needs by type.

Method 2 requires municipalities to assess multiple net densities by land use, based on standard industry and land use planning practices, which then are adjusted to account for gross land needs.

Method 3 is a simplified approach that allows municipalities to use either Method 1 or 2 to develop housing needs. Employment needs would be estimated based on local conditions.

The outcome from using any of the methods noted above is that municipalities would be provided with the amount of developable land needed to support the P.P.S.

4.3.5 Additional Information

There are some general considerations noted by the Province to be aware of when using the Proposed Guideline, including:

1. Municipalities would update their forecasts and land needs requirements at the time of their official plan update pursuant to the Planning Act. The Planning Act requires official plans to be revised every five years after an amendment is made, or ten years after a new official plan is approved. Municipalities would not be required to update their forecasts and land needs requirements outside of the statutory Planning Act requirements.
2. The M.O.F. publishes projections by year for a range of up to 25 years beyond the Census year on which the projections are based. It is recommended that municipalities plan to the planning horizon that aligns with the outer end of those M.O.F. projections that are available at the time of an update to an official plan. It is also recommended that municipalities use the most recent M.O.F. data published and available at the time of an official plan update.
3. The proposed guidance reflects the P.P.S. direction encouraging a coordinated, integrated, and comprehensive approach within and across municipal boundaries and between municipalities and other orders of government, agencies, boards, and Service Managers through all stages of the forecasting and land needs assessment processes.

While not included for consultation at this time, the Province has advised that it anticipates including hypothetical scenarios in the final version of the Methodology Guideline document to show how planning authorities could implement the recommended methods. These scenarios could be based on specific geographies and/or typologies including regional, northern and rural communities.

4.4 Staff Comments

E.R.O. Notice 025-0844 offers the following questions to assist in the review of the Proposed Guideline. Please see below for recommended staff responses to the questions.

1. What are your thoughts on the approach in the guidance:
 - a. To developing municipal level population growth forecasts to the planning horizon based on M.O.F. population projections as required by policy?

Staff support the approach to developing municipal level population growth forecasts to the planning horizon. Staff appreciate the fact that all municipalities have the flexibility to test and modify their approach and ultimately, their projections, based on local considerations and circumstances, as this will hopefully result in more accurate outcomes regarding population projections, growth allocations and land needs.

It is appropriate for municipalities to test the proposed methodology to demonstrate where local circumstances may result in a different and potentially more accurate outcome regarding the long-term population outlook at the C.D. level, and/or growth allocations by local municipality.

- b. To identifying the amount of housing required to accommodate forecast population growth to the planning horizon?

Staff support the approach to identifying the amount of housing required to accommodate forecast population growth to the planning horizon, as it allows for flexibility and takes into account additional data sources, affordable housing, and market indicators.

- c. To identifying the amount and type of employment growth to the planning horizon?

Staff support the approach to identifying the amount and type of employment growth to the planning horizon.

- d. To determining the amount of land needed to accommodate forecasted population and employment growth to the planning horizon?

Staff support the approach to identifying the amount of land needed to accommodate forecasted population and employment growth to the planning horizon. Allowing one of three methods to be used is beneficial because it provides flexibility and enables adaptation to the available data and local conditions. However, while flexible, the onus will be on municipalities to justify their method choice based on local conditions and planning

objectives. This may require additional effort to communicate and validate the selected method.

2. Are there additional resources, tools, or information that you think would be helpful to support implementing the guidance?

The Proposed Guideline should provide leadership and direction with respect to inter-jurisdictional coordination and monitoring of long-range growth projections, land use planning, and development phasing with the delivery of public infrastructure and municipal services.

As well, enhanced growth monitoring systems are recommended to provide a clearer understanding of recent growth trends across a municipality and insights into the potential broad-ranging impacts of urban growth. Ultimately, such tools would generate greater growth management efficiencies within municipalities when responding to changes in real estate market conditions, development pressure, and provincial planning policy direction.

5.0 Financial Implications

There are no financial implications associated with the recommendations in this Report.

6.0 Relationship to the Oshawa Strategic Plan

This Report responds to the Oshawa Strategic Plan Priority Area:

“Lead: Governance and Service Excellence” with the goal to embrace innovation and advance continuous improvement initiatives and actions.



Tom Goodeve, M.Sc.Pl., MCIP, RRP, Director,
Planning Services



Anthony Ambra, P.Eng., Commissioner,
Economic and Development Services Department