

# City of Mississauga Corporate Report



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Originator's files:

To: Chair and Members of Planning and Development Committee

From: Andrew Whittemore, M.U.R.P., Commissioner of Planning & Building

Meeting date:  
June 23, 2025

## Subject

Interim Report: Mississauga Economic Development Strategy 2025-2030

## Recommendation

That the Corporate Report entitled "Interim Report: Mississauga Economic Development Strategy 2025-2030" from the Commissioner of Planning & Building be received for information.

## Executive Summary

- A new, five-year, Economic Development Strategy 2025-2030, is being developed by the Economic Development Division. The first phase of the project has been completed, including stakeholder consultations and a comprehensive review of Mississauga's economic competitiveness.
- Key strengths, weaknesses, opportunities, and threats to the city's economic competitiveness and capacity to advance sustainable, inclusive growth have been identified and include the following:
  - Mississauga has grown to be Ontario's second largest economy, benefiting from unique connectivity to local and global markets, access to a diverse and educated labour pool, the presence of globally recognized postsecondary institutions, and by fostering a supportive business environment through proactive planning policies, infrastructure and services for businesses and entrepreneurs.
  - Despite its strengths, Mississauga's development is challenged by gaps in talent integration and skill development, transit connectivity, capacity to commercialize and scale-up companies, coordination of sectors, and international brand awareness.
  - Mississauga's economic outlook over the next five years and beyond will be

challenged by significant threats, including geopolitical instability and uncertain access to US markets, technology disruption, an aging labour force, cost of living and housing affordability, and shrinking supply of vacant employment lands.

- To unlock growth and build local economic resilience, opportunities will be explored to refine sector growth priorities, improve alignment of economic development efforts with the City's strategic growth areas, leverage key infrastructure projects such as the Pearson LIFT and Trillium Health Partners expansions, and enhance support for economic diversification, talent retention and skill development, commercialization and support for scaling companies.
- Over the next three months, staff will confirm and prioritize key opportunities and actions emerging from interim findings and bring a report to Council with the completed Economic Development Strategy 2025-2030 in the fall of 2025.

## Background

A team of consultants from KPMG were retained to assist in the development of a new, five-year, economic development strategy for the City of Mississauga. The Economic Development Strategy 2025-2030 will outline priorities and supporting actions to guide economic growth in Mississauga over the next five years. The new Strategy will build on and replace the current Economic Development Strategy 2020-2025, which was approved by Council December 11, 2019.

## Present Status

Four objectives were identified for the Economic Development Strategy 2025-2030:

- Identify and assess key global, national, and local market and policy drivers impacting local economic development outcomes over the next five years and beyond
- Position Mississauga for sustained economic competitiveness and sustainable, inclusive growth
- Identify key partnerships to assist in the development and implementation of growth priorities
- Align with, and drive progress towards the City of Mississauga's strategic priorities, including attracting investment, financial stability, and social inclusion

In collaboration with KPMG, staff outlined the following project plan and deliverables for the Strategy.

- **Economic Analysis:** Identify and assess key global, national, and local economic drivers, as well as the capacity of local assets to advance growth, including entrepreneurship capabilities, talent and skill development, as well as policies and infrastructure (including planning and development processes, transit, transportation, and utilities).

- **Sector Analysis:** Assess the competitiveness and growth outlook for key sectors, including Advanced Manufacturing (Aerospace, Automotive, Clean Technologies, Food & Beverage, Industrial Machinery & Robotics), Creative Industries, Financial Services, Information Technologies, Life Sciences, and Logistics.
- **Stakeholder Engagement:** Develop and implement a consultation plan to engage and solicit input from internal and external economic development stakeholders.
- **SWOT Analysis:** Develop a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis using key findings from the Economic Analysis, Sector Analysis, and Stakeholder Engagement.
- **Environmental Scan and Benchmarking:** Conduct an environmental scan and benchmark Mississauga against five national and global comparators.
- **Economic Development Strategy:** Final document will identify the City's economic development priorities, and outline a set of goals, actions and supporting operational plans, as well as performance indicators, to guide delivery and measure progress..

The Economic Analysis, Sector Analysis, Stakeholder Engagement, and SWOT Analysis project components have been completed. Over the next three months the Environmental Scan and Benchmarking, and the final Strategy will be completed. In addition, findings from the Retail Strategy that is currently in-development will be incorporated into the Strategy. Staff will bring a report to Council with the completed Economic Development Strategy 2025-2030 in the fall of 2025.

## Comments

A summary of key findings from the Economic Analysis, Sector Analysis, Stakeholder Engagement, and SWOT Analysis are provided below:

### 1. Economic Development Strengths

The following factors were identified as core strengths, underpinning Mississauga's economic competitiveness and growth outlook.

- a) Proximity and Multimodal Connectivity to Markets:** Mississauga is centrally located within Toronto Region, where almost a quarter of Canada's economic output, labour force and population resides. The city benefits from multimodal connectivity to regional and global markets and talent pools through access to Canada's largest airport (Pearson International), major highways (401, 403, 407, 410, 427 and QEW), intermodal rail hubs (CN, CP), regional public transit routes, and shipping ports (Toronto, Hamilton).
- b) Educated and Diverse Workforce:** Mississauga residents are relatively more educated and diverse than regional, provincial or national comparators. The percentage of Mississauga residents born outside Canada (53%), holding a post-secondary degree (73%) or degree holders having a STEM specialization (28%) are all higher in comparison to Toronto Region, Ontario, and Canada.
- c) Strong Supporting Infrastructure, Policies, and Services:** Mississauga has leveraged its strategic proximity and connectivity to markets and talent by fostering a supportive environment for economic growth. The City's land use and urban design

policy framework has, among other attributes, offered well-serviced location options, including designated employment areas, corporate centres, and distinct mixed-use areas, that accommodate a wide range of business activities. Well maintained infrastructure, including transportation, stormwater management, community services, and recreation options further bolster the city's economic competitiveness. Through the Economic Development Division, the City provides specialized services and programs to assist with the attraction, retention, and expansion of business investment and entrepreneurship. Supporting infrastructure, policies, and services have been delivered while maintaining a competitive tax environment and sustainable fiscal outlook.

- d) Economic Scale, Diversity, and Innovation Capacity:** Mississauga has grown to become Ontario's second largest economy, with the second largest inventory of industrial, office and retail space in Toronto Region, globally recognized industry clusters that include Canadian and foreign-owned multinationals and centres of excellence, and a vibrant, diverse community of entrepreneurs and early-stage companies. The scale, diversity, and innovation capacity of Mississauga's existing business and entrepreneur community demonstrates the city's strong value proposition and serves to attract additional investment and entrepreneurial activity seeking to leverage the city's mature supply chains and assets.
- e) Strategic Partners:** Mississauga benefits from a strong local network of partners that work with the City to advance economic development goals, including two globally recognized post-secondary institutions (Sheridan College, University of Toronto Mississauga), entrepreneurship service providers (Sheridan EDGE, ICUBE and SpinUp at University of Toronto Mississauga), and business associations such as the Mississauga Board of Trade.

### Box 1: Business Survey Insights – Economic Strengths\*

- Survey respondents reported that the top three advantages of running or growing a business in Mississauga are 'Access to local customers, suppliers, or markets' (51% of respondents), 'Availability of talent' (33% of respondents), and 'Availability of commercial and/or industrial space' (33% of respondents).
- 82% of survey respondents described Mississauga's business environment as business-friendly, 74% were satisfied with the City's support for businesses, and 81% indicated they would be likely to stay in Mississauga if considering an expansion or relocation.

\*The Economic Development Division conducted a digital survey of Mississauga's business community. See Engagement and Consultation section below for details.

## 2. Local Economic Development Barriers and Gaps

The following section highlights local barriers and gaps to economic development in Mississauga. Local barriers and gaps address areas that are relatively more local in origin and present opportunities for improvement.

- a) Talent Integration and Skill Development Gaps:** Gaps in youth and newcomer pathways to local training and employment opportunities were highlighted in consultations with education and workforce development organizations. Many local employers also shared they experience on-going challenges attracting and retaining appropriately skilled talent. Affordability, transit gaps, misalignment of skills with

business needs, gaps in credential recognition and inclusive hiring practices, and lack of awareness of local career opportunities were identified as sources of talent challenges. Employer perspectives are supported by labour market indicators. Mississauga's unemployment rate (8.8%, 2024) has tracked above Toronto Region (7.8%, 2024) and Ontario (6.8%, 2024) rates for the past decade. More recently, over the past five years, Mississauga's youth unemployment rate (20.3%, 2024) has also begun to track above regional (17%, 2024) and provincial rates (15.2%, 2024).

- b) Transit Connectivity Gaps:** During focus group consultations, many local employers and education representatives indicated that gaps in Mississauga's transit service, including gaps in regional connections, were limiting the capacity of businesses to attract talent. 39% of residents and 48% of jobs in Mississauga are estimated to be within 800 meters of a frequent service transit route (running at least every 15 minutes), compared to 96% and 93% for the City of Toronto. Access to transit was highlighted as being particularly important for attracting and retaining young talent.
- c) Scale-Up and Commercialization Barriers:** Focus group participants across sectors and business sizes, expressed significant challenges in bringing products to market and scaling their operations, including inadequate supporting infrastructure (for example, wet labs, pilot facilities, demonstration zones), as well as policy and market gaps, including difficulty accessing local procurement opportunities, insufficient opportunities to test new products with public and private sector customers, and difficulty accessing financing for early-stage companies. While scale-up and commercialization barriers have been identified as Canada-wide challenges, focus group participants emphasized there were opportunities for Mississauga to be a regional champion for solutions.
- d) Sector Coordination Gaps:** While current sector initiatives from Invest Mississauga are highly valued by local businesses, focus group participants indicated strong interest in having more opportunities to bring industry together to problem-solve shared challenges and advance growth.
- e) Limited International Awareness and Under-recognized Branding:** While Mississauga commands a significant national presence, on an international stage awareness of Mississauga's brand and value proposition in key markets remains limited, weakening the City's ability to attract international talent and investment.

#### **Box 2: Business Survey Insights – Local Barriers and Gaps**

- 47% of industrial\* business survey respondents and 41% of 'retail plus other'\* businesses reported difficulty finding appropriate talent and skills compared to only 22% of professional services, life sciences, and information technology businesses.
- 'Expanding and improving local transit services' was identified as the top transportation improvement that could have the biggest impact on businesses (55% of respondents). 57% of professional services, life sciences and information technology businesses identified 'Expanding and improving regional Go transit services' as one of their top two transit improvements.

- Access to financing and funding was the most common challenge identified by small businesses (65% of small business respondents).

\*Primarily included businesses in manufacturing industries, such as aerospace, automotive, food & beverage, industrial machinery, robotics, and clean technologies. Retail plus other includes retail, arts and entertainment, and home or contractor services. Small business included those with 10 or less employees.

### 3. Challenges and Threats to Economic Outlook

The following section highlights challenges and threats identified as most relevant to Mississauga's economic development outlook over the next five years and beyond. Challenges and threats are not always experienced evenly across industries or business size. For example, manufacturing jobs in Mississauga are more vulnerable to changes in U.S. market access than professional service jobs.

- a) **Global Instability & Climate Change:** Geopolitical tensions, rising trade protectionism within the U.S. and climate-related policy and environmental challenges are disrupting supply chains and market access and raising costs for Canadian companies. While these are global phenomenon, in some aspects Mississauga is particularly vulnerable. For example, Mississauga is estimated to have 89,000 plus jobs (18% of total employment) directly supporting exports to the US, higher than in Ontario overall (13% of total employment).
- b) **Technology Disruption & Lagging Productivity:** Disruption from emerging technologies such as artificial intelligence presents both opportunities and threats. Relatively low levels of capital investment and technology adoption by Canadian firms has resulted in lagging productivity, weakening economic competitiveness and standards of living. At the same time, technology disruption is challenging education institutions and residents to maintain business-ready skills and employability.
- c) **Aging Labour Force:** As with advanced economies across the world, Mississauga's labour force is aging, creating talent shortages for employers. Between 2011 and 2021, the share of Mississauga's population aged 65 plus years increased from 11.4% to 16.6%. An additional 21.6% of Mississauga's population is aged 50 to 64 years and will soon be approaching retirement (19.9% of the rest of Toronto Region is aged 50 to 64 years). Recent federal reductions to immigration targets and subsequent reductions in postsecondary foreign student enrollments may contribute to the negative impact of aging on local employer's access to talent.
- d) **Affordability:** The rising cost of living, particularly housing costs, threatens the ability of municipalities across the Toronto Region to attract and retain talent, and undermines living standards for residents. Over the past ten years, housing prices in Mississauga and Toronto Region have increased by over 100%, far exceeding income growth (22% growth in income over last ten years for Toronto Region). Food Banks Mississauga experienced a 58% increase in visitors in 2024.
- e) **Scarcity of Vacant Employment Lands:** Mississauga has a shrinking supply of vacant land designated for employment uses. Future growth will have to be accommodated through intensification of existing employment lands and growth within the City's mixed-use Strategic Growth Areas (as defined in updated Official Plan). As a result, Mississauga's future employment growth, both in terms of where it will occur and what types of industries can be accommodated, will be significantly different from the city's

past growth. For example, major office employment is currently 23% of total employment but is forecast to be 50% of future job growth. At the same time, Mississauga's existing inventory of industrial and office space is aging and at risk of diminished competitiveness relative to more recently developed inventories within Toronto Region.

### Box 3: Business Survey Insights – Economic Challenges and Threats

- Survey respondents reported that the top factors driving economic opportunities and prosperity in Mississauga over the next five years and beyond will be 'Emerging technologies' (51% of respondents), 'Housing affordability' (48% of respondents), 'Geopolitical risks and global trade shifts' (33% of respondents), and 'Labour and skill shortages' (30% of respondents).
- While 84% of respondents in professional services, life sciences, and information technology industries reported being optimistic about the future of Mississauga's business climate (including 35% being very optimistic), only 62% of respondents in all other industries reported being similarly optimistic (including only 10% being very optimistic).

## 4. Emerging Priorities and Opportunities

The following strategic priorities are proposed to unlock growth opportunities and build Mississauga's economic resilience in response to identified strengths, weaknesses, and threats. Over the next three months, the Economic Development Division will work with KPMG to confirm and prioritize key opportunities and specific actions to be incorporated into the Strategy. Attention will be given to identifying optimal roles for the City and opportunities to advance priorities in collaboration with partners (including education institutions, industry representatives, and community organizations).

- Refine Sector Growth Priorities:** While Mississauga's current priority sectors continue to be relevant, there is opportunity to accelerate growth by shifting focus towards specific, high-growth, sub-sectors (such as artificial intelligence, cybersecurity, biotechnology, pharmaceuticals, battery technologies and advanced materials, waste management and circular economy, and food technology) that align with Mississauga's competitive advantages and support economic inclusion for residents. Consideration will be given to alignment with provincial and federal areas of focus (for example, defence technologies) and the City's planned growth trajectory towards designated Strategic Growth Areas. A refined sector approach will support improved branding, investment attraction, entrepreneurship programming, and sector engagement efforts by staff.
- Increase Alignment with Strategic Growth Areas:** Strategies to align sector growth initiatives, including attraction of anchor institutions, with the City's Strategic Growth Areas, including the Downtown, Lakeview, and along the Hurontario LRT corridor will be explored. Additionally, recommendations from the Retail Strategy will be used to advance the development of vibrant, amenity rich spaces that can attract talent to live, work and play within the Strategic Growth Areas across the city.
- Expand Support for Innovation and Scaling Companies:** Since opening in May 2023, IDEA Square One has enhanced Mississauga's reputation and programming in support of inclusive entrepreneurship and innovation. Opportunities to build on IDEA Square One's success and develop Mississauga as a regional and global scale up hub will be explored.

- d) Economic Diversification, Resilience, and Retention:** In response to ongoing restrictions and uncertainty related to US market access, the Strategy will consider initiatives such as expanded local business outreach, support for export market diversification, technology adoption, supply chain localization, and diversification of target markets for investment attraction.
- e) Talent Retention and Skill Development:** Barriers to employment, particularly for youth and newcomers, as well as persistent labour shortages and skill gaps, are limiting Mississauga's growth. Opportunities for the City to collaborate with and enhance current efforts by secondary, postsecondary, workforce development organizations, and the Mississauga Board of Trade will be explored.
- f) Leverage Infrastructure Projects:** Opportunities will be explored to leverage the Pearson LIFT and Trillium Health Partners multi-billion dollar infrastructure expansions to advance economic development objectives, including priority sector growth and employment opportunities for residents.

#### Box 4: Business Survey Insights – Priorities and Opportunities

- Survey respondents indicated that the top three priorities to position Mississauga for future economic growth and prosperity were: 'Ensuring a business-friendly environment (e.g. efficient and predictable regulatory process, reduced fees and taxes)' (57% of respondents), 'Improving affordability (e.g. housing, cost of living)' (43% of respondents), and 'Attracting, retaining, and developing skilled talent' (33% of respondents).
- For respondents in industrial-related businesses, 'Improving affordability (e.g. housing, cost of living)' was the top priority (62% of respondents).
- 'Strengthening Mississauga's status as a regional and global centre for entrepreneurship and innovation' was more important to professional services, life sciences, and information technology businesses (35% of respondents) than all other industries (16% of respondents).
- 'Enhancing overall quality of life for residents (e.g. amenities, parks, community services)' was more important to 'retail plus other' businesses (34% of respondents) than all other industries (11% of respondents).

## Engagement and Consultation

Internal and external stakeholders were consulted through in-person and online focus groups plus a digital survey distributed to the broader, Mississauga, business community.

In total, 20 focus group sessions were held with 60 organizations and 98 participants, including Mayor and Council, City staff, priority sectors (Aerospace, Automotive, Clean Technology, Food and Beverage, Industrial Machinery and Robotics, Information Technology, Life Sciences), entrepreneurs (small business and early-stage companies), education institutions (secondary and postsecondary), and community organizations (workforce development oriented organizations).



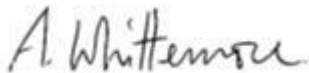
The digital survey was distributed from April 7<sup>th</sup> to April 28<sup>th</sup>, through organic and paid social media channels, plus a direct email invitation sent to Economic Development Division local business and entrepreneur contacts. Only responses from businesses and entrepreneurs located in Mississauga were included in the analysis (100 responses met this criteria).

## Financial Impact

There are no financial impacts resulting from the Recommendations in this report. Staff will bring a report to Council with the completed Economic Development Strategy 2025-2030 in the fall of 2025.

## Conclusion

Interim findings in support of the Economic Development Strategy 2025-2030 have revealed strengths, weaknesses, opportunities, and threats to Mississauga's economic competitiveness and capacity to advance sustainable, inclusive growth. Over the next three months, the Economic Development Division will work with the KPMG team to confirm strategic priorities and develop an action plan for implementation.



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