

One of Canada's fastest growing economies is in ... Oshawa

Oshawa, once known as an automotive manufacturing powerhouse, has evolved into a health sciences and education hub.

[Michael Lewis](#)



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Oshawa is among the top performing urban economies in the country, according to a Conference Board of Canada's analysis of 15 medium-sized census metropolitan areas published Thursday. (Steve Russell / Toronto Star) | Order this photo



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It's not your grandfather's Oshawa.

The long-time home to GM Canada has evolved into a health sciences and education hub — and one of the nation's top performing urban economies — thanks to what the Durham Workforce Authority calls a “creative push for growth” after the credit crunch and global auto sector implosion in 2008.

The city, along with Windsor, is expected to boast the fastest-growing economy this year among 15 medium-sized census metropolitan areas analyzed by the Conference Board of Canada in a report published Thursday. What's more, the growth isn't just about cars.

While GM remains a major employer and has unveiled new investment in Oshawa this year, health sciences, the professions, construction and retail have become key to what the report calls “red hot” jobs growth in the city

about 60 kilometres from Toronto.

The city has seen the growth of nearly 30,000 jobs since 2011, including a record 18,000 in 2016.

“We’ve reinvented ourselves as a community,” said Oshawa Mayor John Henry, adding that the city has made strategic investments in universities and colleges, boasting 20,000 full-time students at three post-secondary institutions, as well as the largest, multi-specialty medical group practice in Canada.

The investment has helped the city on the eastern edge of the GTA attract and retain young people, along with business investment that includes Costco’s 2012 construction of a 146,500-square-foot outlet at the former site of the north General Motors plant at Ritson Rd. and William St.

Henry said Oshawa has a diversified economy with roots in advanced manufacturing and transportation, in part by virtue of its natural deep water port on the shores of Lake Ontario.

“We’re multi-phased,” Henry said. “We’re more than the auto industry.”

GM Oshawa employs about 3,000 workers, down sharply from more the 23,000 in the 1980s — before free trade changed the automotive landscape in the 1990s leading to more plants in Mexico, China and Korea.

Officials say as many as 8,000 auto jobs have been lost in Durham Region since 2007 as GM suppliers such as ACSYS Technologies went out of business.

The economy in the city of more than 170,000 people is expected to grow by 2.5 per cent this year, the same figure forecast for Windsor, according to the conference board report. The remaining six Ontario cities in the report will post growth under 2 per cent.

“The weaker Canadian dollar and solid U.S. demand continue to provide a lift to many southwestern and eastern Ontario metropolitan economies, especially their export-oriented manufacturing industries,” said Alan Arcand, the board’s associate director of municipal studies.

The local construction sector is expected to be among the region’s top performers on the strength of non-residential projects, while services output is expected to post solid growth, the report says.

Windsor, Oshawa’s traditional rival for the automotive capital title, meanwhile, is enjoying a continued revival of the manufacturing sector. Driven by the auto industry and strong U.S. vehicle sales growth, the local manufacturing sector has expanded for seven consecutive years, posting average annual output growth of 6.8 per cent over 2014-16.

Economic growth in Kitchener-Cambridge-Waterloo, home to tech companies including smartphone pioneer BlackBerry, is expected to decelerate to 1.6 per cent in 2017, following a 2.1 per cent increase in 2016. A modest expansion of 0.5 per cent is on tap for the local manufacturing sector this year, while services growth is expected to moderate.