

# Rural Oxford

Economic Development

2018 BR+E  
REPORT

PEOPLE • PROXIMITY • PROSPERITY



## Welcome to Rural Oxford

In Rural Oxford, we are building strong, vibrant, caring communities where people and business thrive. Our enviable location provides outstanding access to major routes and markets and contributes to making us the most prosperous rural community in Ontario.

Our agricultural legacy and leadership are unrivalled. Our caring community nurtures a healthy environment of honesty, integrity, and trust. Rural Oxford is the place where people and business prosper.

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**Don McKay**  
**President, ROEDC Board**

On behalf of the Board of Directors, I want to thank each business for participating in this study. The time you have taken to participate is of tremendous value to us.

Our goal is to build strong, vibrant, caring communities where people and business can prosper. We can accomplish this by mitigating the barriers to growth and expansion.

We are encouraged to see growth across all four key industry sectors and look forward to supporting you on this journey.



**Bernia Wheaton**  
**Economic Development Officer**

Conducting a BR+E study gives us the opportunity to check in with our business community on a wide range of pertinent issues. With this systematic approach to gathering information, we end up with data that is relevant to our entire business community.

This report will be the basis for our programs and activities over the next three to four years. The priorities outlined in this report will be the focus of our economic development initiatives as we work to build a thriving, resilient community.



# BR+E Project

## Background

Introduced in 1998 by the Ontario Ministry of Agriculture, Food, and Rural Affairs (OMAFRA), the business retention and expansion program (BR+E) is a community based economic development tool intended to foster local businesses and economy. Rural Oxford joins more than 250 communities who have already participated.

An action oriented and community-based approach to economic development, the BR+E plan focuses on nurturing existing businesses, and prioritizing community efforts. BR+E fosters economic development by learning more about challenges and opportunities to retaining and growing businesses and developing action plans to address these concerns as part of the community's economic development strategy. Rural Oxford Economic Development Corporation (ROEDC) focused this 2018 BR+E on the Agri-business, Food Processing, Logistics, and Manufacturing business sectors across Rural Oxford.



## Objectives

The 2018 Rural Oxford BR+E project was guided by the following:

### Short Term Objectives

- Improved relationships with the business community
- Improve the business climate, capacity, and networks
- Data collection used to prioritize economic development planning

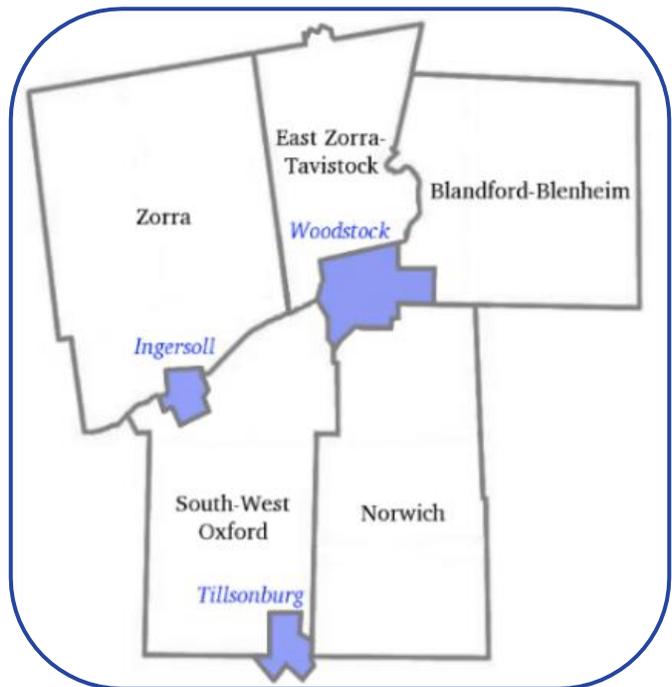
## Long Term Objectives

- Strategic economic development plans to support businesses
- Improved business and community competitiveness
- Foster and enhance the environment for business
- Enable business development, investment, job retention and growth

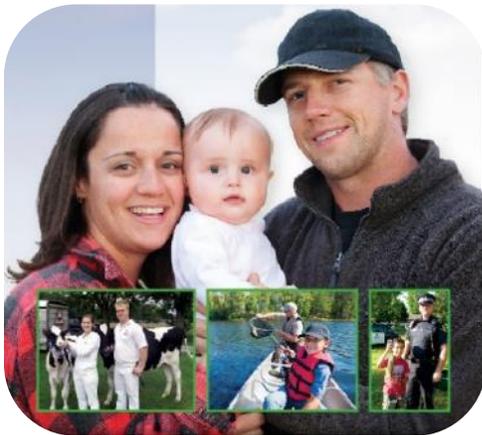
## Community

Rural Oxford covers a landmass of 1,956 square kilometres and is composed of five townships: Blandford-Blenheim, East Zorra-Tavistock, Norwich, South-West Oxford, and Zorra.

According to Statistics Canada, in 2016, Rural Oxford was home to 41,331 people and 15,242 households. This population is expected to grow to almost 50,000 by 2021. The area's 15,520 jobs in 2016 is an increase of almost 1,000 from six years earlier.



Rural Oxford offers proximity to large urban centres, including London, Kitchener/Waterloo, Hamilton, and Toronto. At the heart of a major



transportation corridor, the townships offer accessibility by highways, railway, air, and waterways. Only a short drive to the 401, 402, and 403, they are also located near airports in the Region of Waterloo, London, Hamilton, and Toronto, and have access to both the Canadian Pacific and Canadian National Railways and several ports. Rural Oxford's designation as the Dairy Capital of Canada and home-base to Canada's largest agricultural trade show, the

Outdoor Farm Show, is testament to the area's longstanding and impressive agribusiness, manufacturing and food processing legacy.

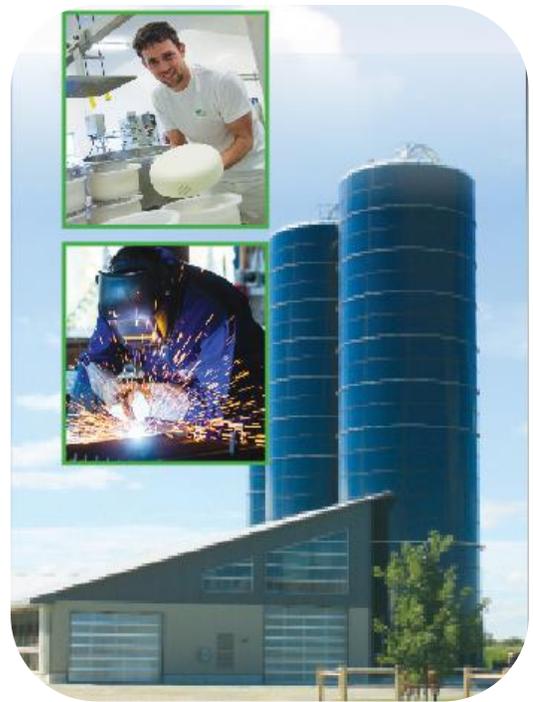
## Process

The 2018 BR+E project focused on covering the five townships of Rural Oxford. Businesses in these areas fall into a wide range of sectors, but this BR+E project focused specifically on Agri-business, Food Processing, Logistics, and Manufacturing, which were chosen due to their impact as the largest employment sectors and economic drivers in Rural Oxford.

Data collection was completed by interviewing local businesses in these sectors, which had been identified through referrals and by members of the BR+E Leadership Team. The Leadership Team was comprised of business owners and operators from across the townships and sectors being addressed, and was developed to provide practical insight and guidance throughout the BR+E process. The members of the Leadership Team are listed on page 28 of this report. A representative sample of businesses from each township as well as each of the four sectors were interviewed to ensure accurate data collection. Confidential interviews with local businesses to complete the BR+E surveys were conducted by Nancy Orr, project coordinator, and Bernia Wheaton, economic development officer for ROEDC, with support from the Leadership Team. Questions asked of the businesses were outlined in the following categories:

1. **Retention Survey:** This OMAFRA survey included questions covering Business Information, Business Climate, Future Plans, Business Development, Workforce, and Community Development.
2. **Industry Survey:** Questions addressed competition, products, research/development, facilities, and exports.
3. **Community Questions:** Developed by the Leadership Team, these questions focused on diverse workforces, substance abuse, and seasonal half-load roads.

Data from these surveys was entered into OMAFRA's Rural Economic Development database tool 'Executive Pulse' for management and analysis. From this data, common themes, successes, and challenges were identified by members of the Leadership Team. Strategic Actions were then developed to address the identified priorities and foster the continued success of the areas' businesses and community.



# Data Review

## Businesses

Over six weeks in May and June of 2018, 56 surveys were completed across all five Rural Oxford townships and the four business sectors of interest.

Township	Surveys	%
Blandford-Blenheim	6	11%
East Zorra-Tavistock	13	23%
Norwich	19	34%
South-West Oxford	8	14%
Zorra	10	18%
<b>Total</b>	<b>56</b>	<b>100%</b>

Sector	Surveys	%
Agri-business	17	30%
Food Processing	12	20%
Logistics	9	14%
Manufacturing	19	36%
<b>Total</b>	<b>56</b>	<b>100%</b>

Rural Oxford has a healthy economic diversity with the primary market for most businesses being regional (38%) and international (29%), while 18% serve a primarily local market.

Of businesses surveyed 7% have greater than 100 employees while 82% have fewer than 50 employees. For almost all, 92%, owners are involved in daily operations, 84% of which are residents in the community.

Of participating businesses 43% have been operating in the community for more than 35 years, while an additional 34% have been operating for at least 11 years. According to the data 9% of respondents have been in businesses for less than four years. It is worth noting that 31% of current business owners have been

Q. The primary market of your business is:

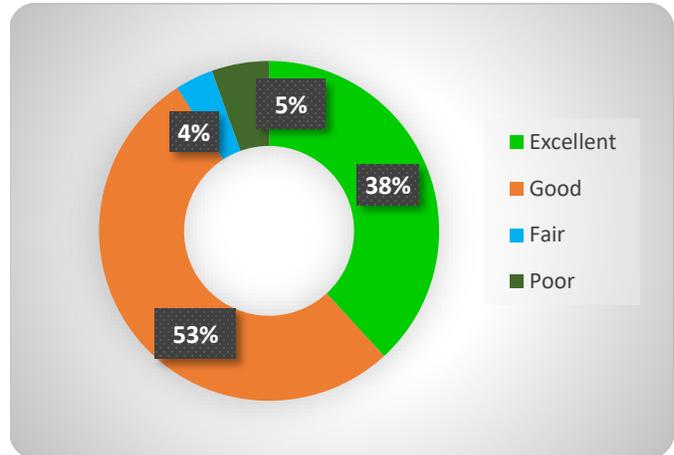


operating their businesses for over 25 years. The study also revealed that 68% of businesses surveyed had a business plan with only 55% of these having updated their plan in the past year.

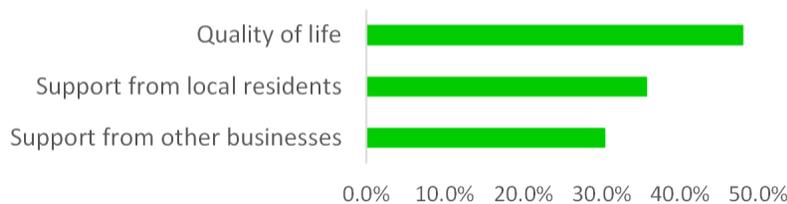
## Business Climate

Q. What is your impression of this community as a place to do business?

A significant majority (91%) of the businesses surveyed have a good or excellent impression of the community as a place to do business. For 89%, this view has either become more positive or not changed over the past three years.

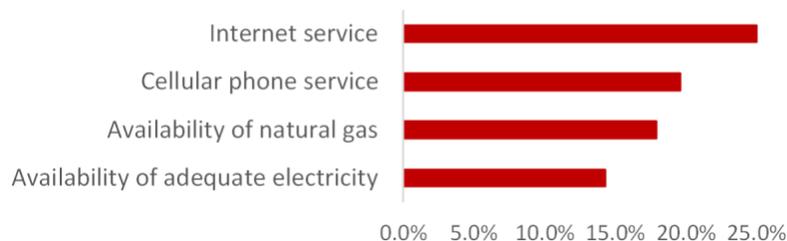


### 'Excellent' Community Aspects



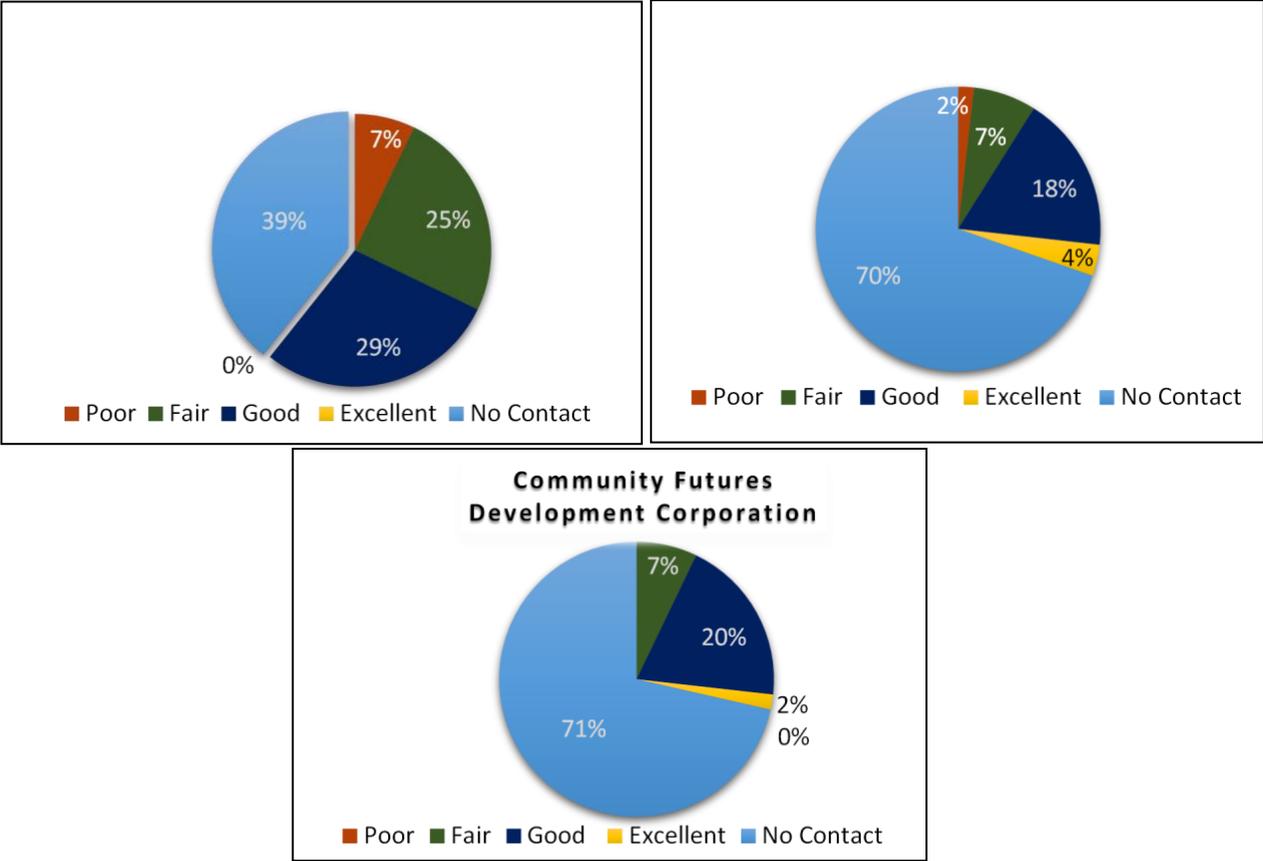
Factors of doing business in the community that were rated as excellent were led by quality of life, support from local residents, and support from other businesses.

### 'Poor' Community Aspects



The top local community factors rated poorly included internet service, cell phone service, availability of natural gas, and availability of adequate electricity.

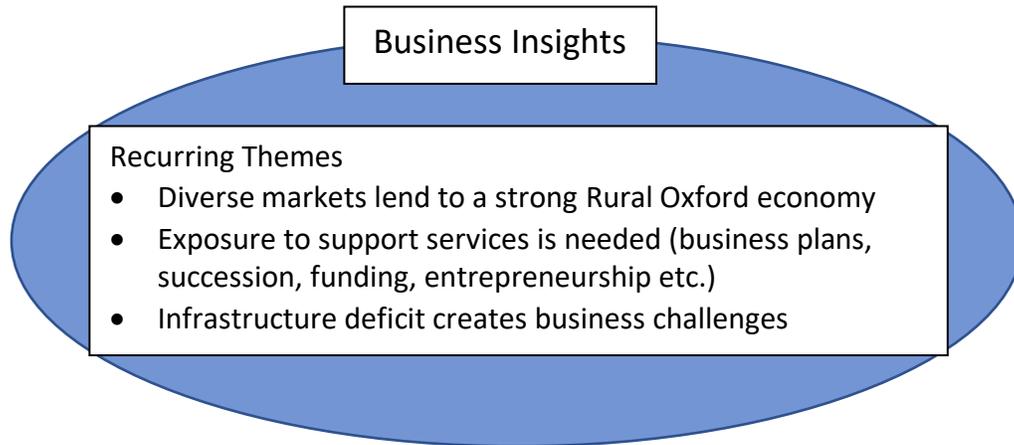
The survey revealed that many businesses have not had contact with community services or organizations, including the workforce planning/development board (Oxford Workforce Development Partnership), community futures development corporation (Community Futures Oxford), or the small business enterprise centre (Woodstock and Area Small Business Centre).



Local government services seen most positively (good or excellent) include emergency services (77%), and parks and open spaces, (77%). Economic development services were also rated well with 71% being good or excellent, however 25% reported no contact indicating that the Rural Oxford EDC has continued work to do in raising awareness of the support services that are available in the townships.

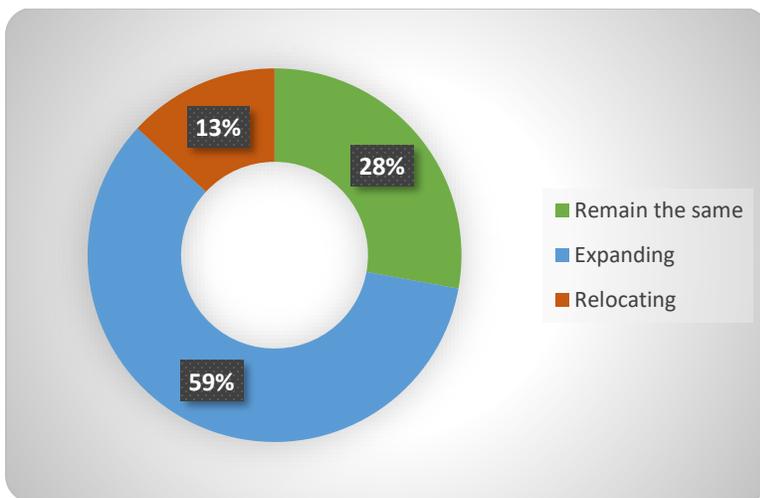
The top local government services that generated a rating of poor or fair were Planning/Engineering, Zoning and Permits, Street/Road Repair, and Public Transit. It should be noted that Public Transit also had a significant percentage of respondents report they had no contact citing lack of public transit options in the

area. Library services, recreation opportunities, and culture facilities also reported that a lack of opportunity was the reason for the low rating.



## Future Plans

Q. Within the next 18 months, do you plan on:



59% of the businesses surveyed reported plans to expand within the next 18 months. In doing so, they expect increases in workforce, floor space, employee training, and process improvements. These expansion plans are significant in size and scope.

### **Increase in Workforce within the next 18 months**

- Total - 232 people

“Expansion will lead to an additional 10-15 people/year for the foreseeable future.”

### **Increase in Floor Space within the next 18 months**

- Total – 326,760 sq. ft

“We will need 3,000-5,000 sq ft every two years for expansion.”

When asked if businesses were experiencing difficulties with their expansion plans 64% said no, while those that responded yes indicated such items as:



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*What We Heard*

*“There is a lack of available worker, especially AZ truck drivers.”*

*“It is difficult to tap into financial resources and there is a shortage of workforce.”*

*“We are experiencing red tape issues, especially with the permitting process for site development.”*

*“Access to capital is a challenge.”*

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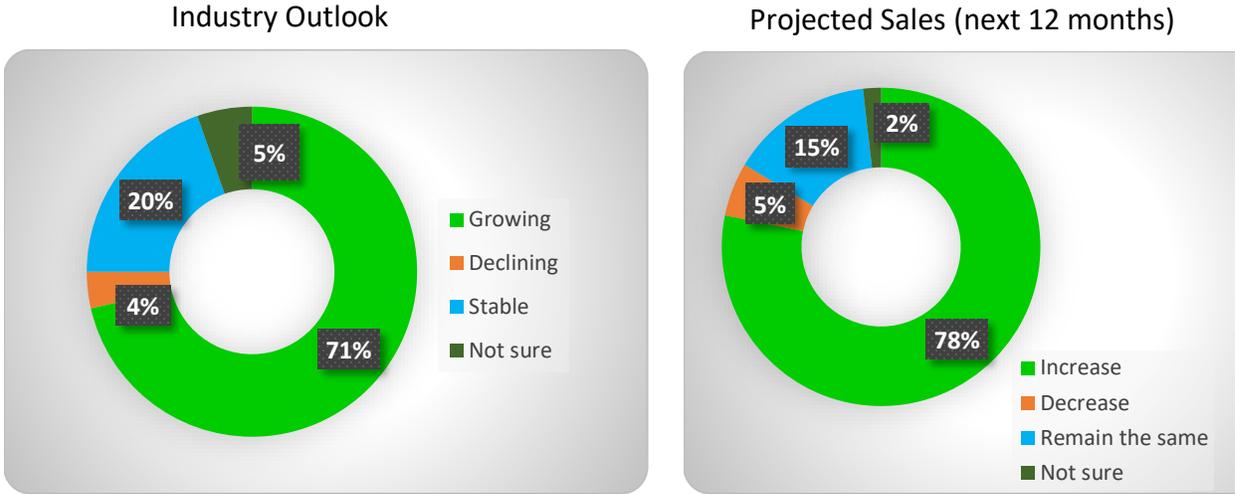
It is very encouraging to note that:

*None of the businesses interviewed have plans to close, downsize, or sell.*

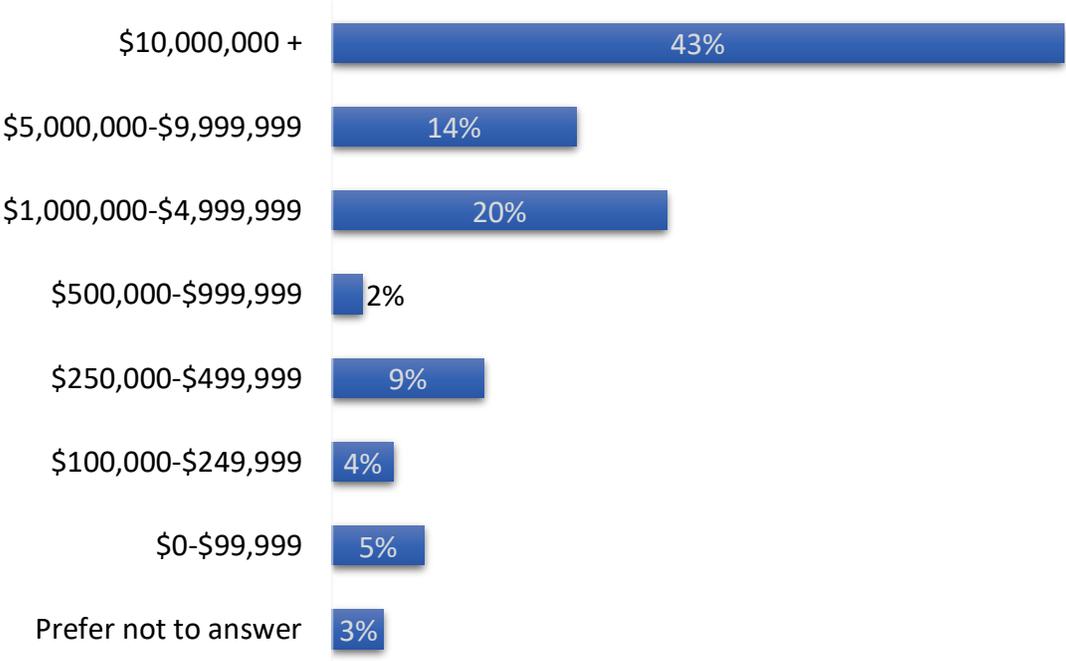
Of the respondents, eight are considering relocation. Of those, three are evaluating their location options and four are considering leaving Rural Oxford, citing challenges with red tape, the lack of 3 phase power and other infrastructure services, and workforce shortages.

# Business Development

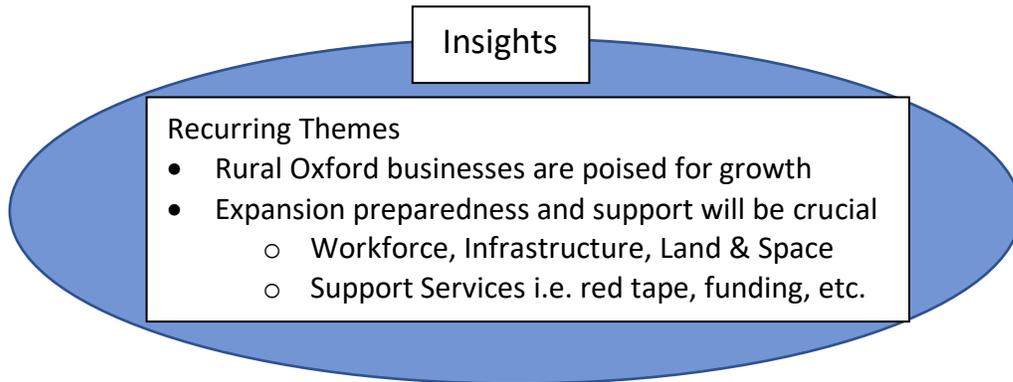
Most respondents view their industry as growing, with others seeing it as stable. 78% expect their sales to increase during the coming year.



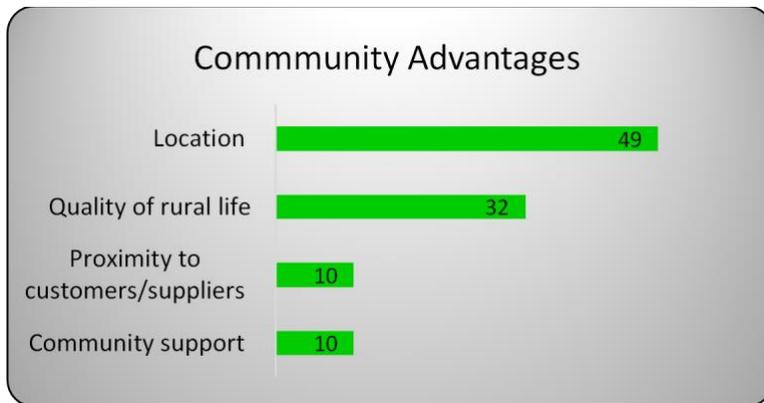
Rural Oxford exhibits a prosperous business community, as shared by the approximate annual sales ranges provided by respondents:



Although 20% reported no barriers to their information technology requirements, 48% listed the speed, access to, and cost of internet as an issue. Other comments addressed impacts to business due to lack of internet reliability and cell phone reception.



## Community Development



*Numbers denote the number of respondents who ranked these items in their top three community advantages as a place to do business*

Reflecting on the community’s top advantages, respondents most often listed its central location, the quality of rural life, proximity to their suppliers and customers, along with support from the community.

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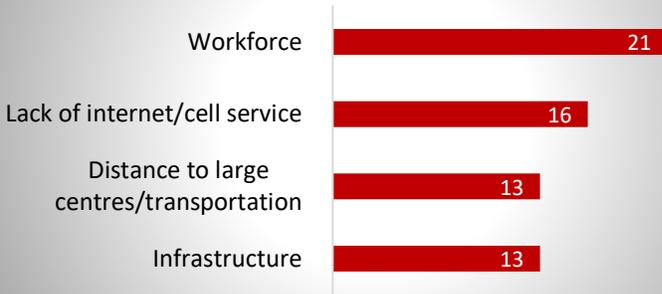
*“We are centrally located with great access to suppliers and our customer base. Being near the 401 and 403 connects us to larger centres and amenities.”*

*“This community is friendly, safe, and supportive.”*

*“It’s an advantage to have lots of parking.”*

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### Community Disadvantages



Numbers denote the number of respondents who ranked these items in their top three community disadvantages as a place to do business

When asked about community drawbacks, respondents cited a lack of qualified workforce, lack of internet and cell service, distance to large centres / transportation, and infrastructure such as natural gas, 3 phase power, and roads.

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### What We Heard

*“We are landlocked which means that during severe weather, roads are shut down and power outages are frequent.”*

*“This is a tight knit community and can be hard to break in to.”*

*“There can be a feeling of remoteness or isolation at times.”*

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### Community Insights

#### Recurring Themes

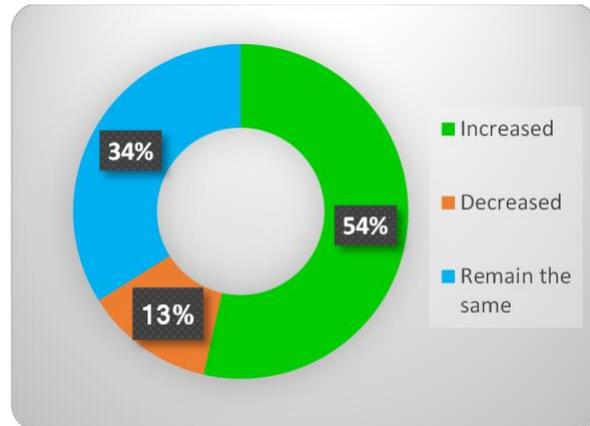
- Workforce challenges, insufficient infrastructure (gas, power), lack of availability and reliability of internet and cellular service.
- Strong support for local businesses and promotion of the community.

## Workforce

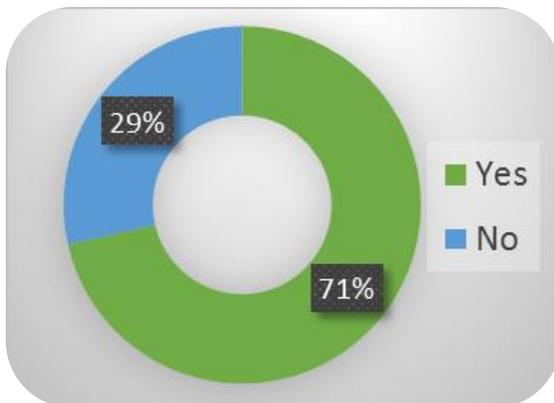
Over the past three years, 54% of businesses have increased the number of people they employ. Of those citing decreases, most are vacant positions that a lack of available workforce has not permitted the roles to be re filled. The ability to attract new employees was ranked as poor or fair by 70% of businesses, while 73% see the availability of qualified workers as poor or fair. Workplace stability and ability to retain

employees were well viewed with 61% and 55%, respectively, of respondents rating these factors as good or excellent. Of those that do have difficulty retaining employees, competition is cited as the main reason (32%).

Q. Number of people you have employed over the past 3 years:



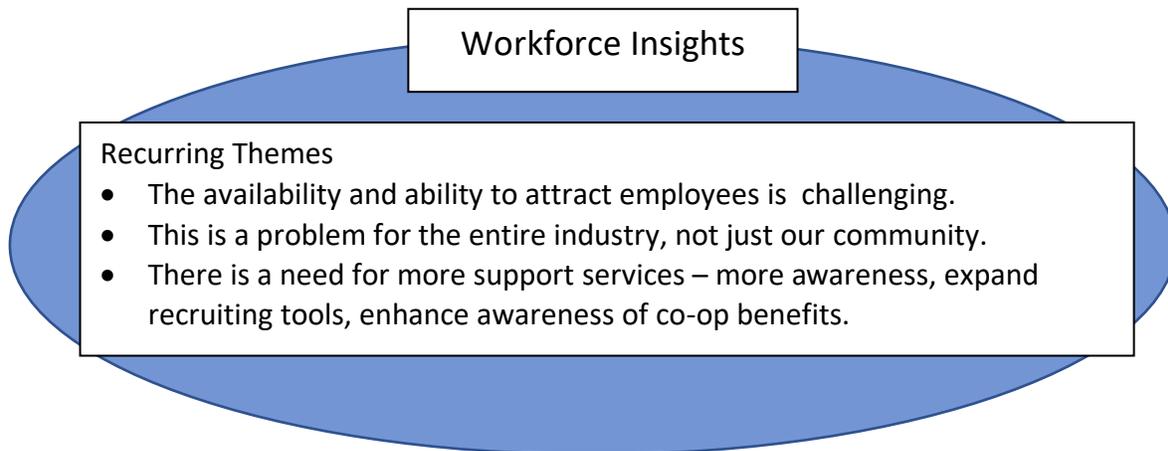
Q. Does your businesses currently have hiring challenges:



71% of businesses report difficulties hiring. Various recruiting mechanisms are used but still offer opportunity for enhancement. Technical/skilled trades, general labour, and AZ/DZ truck drivers are particularly difficult positions to fill across Rural Oxford, which is similar to that found in regional data (*Statistics Canada Labour Force Survey, Ontario Labour Market and Employment Reports*).

Hiring challenges are felt to be more industry (64%) related versus specific to the Rural Oxford community (36%).

The use of external training, reported by 71% of respondents, includes health and safety, First Aid/WHMIS, forklift, software, and specialty training. Although 72% reported no barriers to receiving training, cost and an inability to release employees were commonly cited as barriers, reported by 29% and 26% respectively.



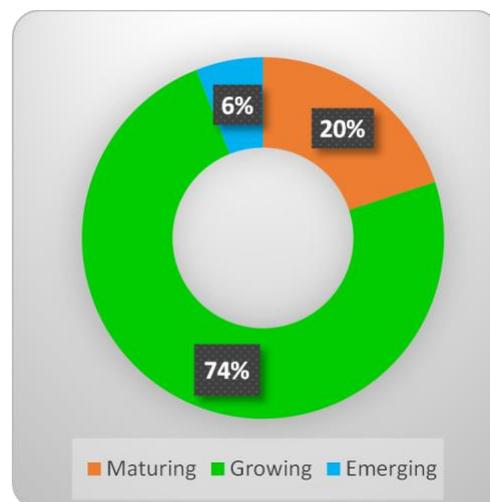
## Industry

### Products

Increases over the past two years were reported for production volume (69%), prices (57%), productivity (51%), and exports (24%). Profits showed a less definitive trend, with 29% reporting increased profits, 26% decreased profits, and 39% no change.

As indicated by the prosperity of the region, the lifecycle of products offered by the businesses surveyed are growing, with no reported declining products.

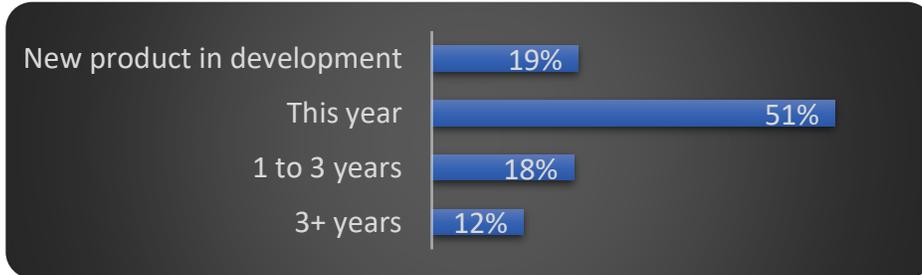
Stage of Product Lifecycle:



It is encouraging to note that:

*70% of businesses have either introduced a new product this year or are currently developing a new product.*

Q. When did your company last introduce a new product:



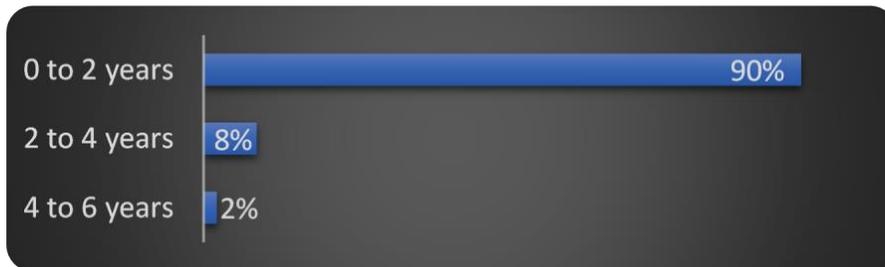
### Facility

Business surveyed are taking steps to continually improve their facilities and processes.

It is very encouraging to note that:

*90% of businesses surveyed have made a major investment in their equipment or machinery within the last two years.*

Q. When was the last time your business made a major investment in equipment or machinery?



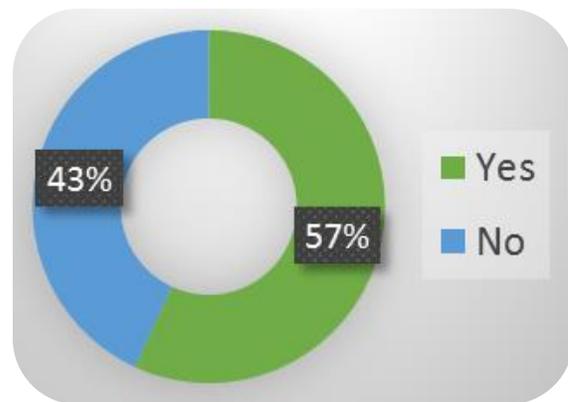
More than half (57.1%) described their facility and equipment at capacity, with 28.6% indicating that production lines were currently being underutilized. Of the 14% suggesting they are in need of modernizing, over half have plans in place to address this.



## Exports

More than half of the surveyed businesses (57%) export, primarily to the United States (54%) and Europe (16%), and 40% are looking to expand their export markets. Of respondents, 37% would value receiving information related to export programs and services with particular comments on support to navigate the process and making connections.

Q. Does your business export:



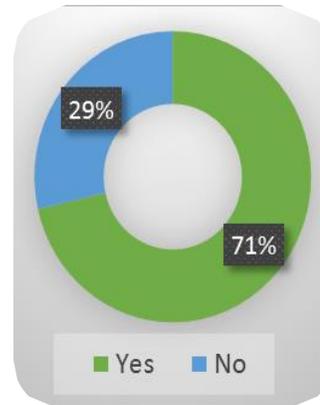
## Industry Insights

### Recurring Themes

- Businesses are investing in larger facilities, new equipment, and growth is evident.
- Support Services are needed— more awareness on opportunities for export and the connection to resources and information.

## Community Questions

Close to three-quarters of respondents (71%), felt that their business would benefit from having greater opportunities to hire from a diverse workforce which may include migrant workers, immigrants, persons with disabilities, visible minorities, and indigenous communities, etc.



### Workforce Diversity

It was indicated that increased diversity in workforce would provide access to additional people, with several respondents also citing a good work ethic, and overall benefits to the company and community.

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#### What We Heard

*“Access to diverse workers would provide different ways of thinking and bring new viewpoints, product ideas, and input.”*

*“The labour market is very tight so expanded access to labour would be beneficial.”*

*A diverse workforce would be better for our community.”*

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*“It would be best to have a strategic plan in place to support the success of an immigrant workforce.”*

*“Cultural differences make integration challenging; our remote location is often a barrier.”*

*“Our employees have been accepting of a diverse workforce, but our customers can be challenging with accepting differences.”*

*“In our experience, new Canadians have been good workers, ready to overcome any challenges.”*

*“We have found new Canadians to be dedicated, punctual, and willing to work.”*

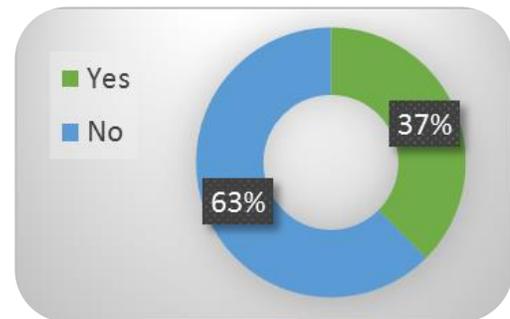
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68% of businesses reported either not having had the opportunity to hire or have not had any challenges in hiring a diverse workforce, and close to half of respondents, indicated they had had success in doing so in the past.

## Substance Abuse

Substance abuse, either among employees or the local workforce, was reported by 63% as having no impact on the respondents' businesses, with 37% responding there had been some impact.

Common concerns and anticipated impacts related to the legalization of marijuana were raised, including monitoring, the ability to operate heavy equipment, and employees who travel to the United States where marijuana is still illegal.



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### What We Heard

*"We have a great staff and don't have any concerns regarding substance abuse."*

*"We are concerned about dependability, theft, safety, and a decrease in productivity."*

*"Substance issues has reduced workforce quality and reliability."*

*"Alcohol and drugs have been a factor for us and is not a new issue."*

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## Seasonal Half-load Roads



Respondents were split on whether seasonal half-load roads have an impact on their business, with 47% saying there was an impact, and 53% reporting no impact.

Impacts included higher delivery costs, less productivity and profit, longer delivery times, and restricted access. Again, those that are affected feel that they experience significant impacts. The agricultural industry is also

partially exempt, so impacts are lessened for some.

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### What We Heard

*“Rigid enforcement could double transportation costs.”*

*“We are faced with increased transportation costs. Running with less than load means more trips and increased costs.”*

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## Data Summary

The collected data and responses show much correlation and interconnectedness. Consistent opportunities emerge that are supported by information from each of the survey sections. Rural Oxford demonstrates:

- A strong business sector with diverse markets
- A business community that is steadily investing
- Extensive business growth is evident and on the near horizon
- Implications of this are far reaching and evident with an exacerbated need for:
  - accurate and real-time business planning and funding opportunities
  - a sustainable and reliable workforce
  - social and community supports i.e. residential strategy, transit

- the availability and strategy to address adequate development land and space for business expansion, rental/lease, and residential
  - infrastructure capacity, reliability, and available services
- The awareness of and involvement with existing business support services is required
- Accurate and up to date business planning is required to support long-term sustainability
- Focused efforts are needed to cultivate entrepreneurship, as well as succession planning for long standing operations
- Agency collaboration, exposure, and engagement with business owners will assist with the challenge of red tape and navigating processes and available programming
- Business owners want clear and simple...”who is the one person I call that cares and will help navigate?”

Many of the challenges identified are not unique to Rural Oxford, however the area needs to show how they are different. To enhance, encourage and support the continued investment of the existing business sectors Rural Oxford should build on and promote successes, share stories, and focus on proven strengths, while also demonstrating efforts and impacts of focused strategies.



# Key Priorities & Actions

Based on the data reviewed, three recurring themes became apparent- Workforce, Infrastructure, and Business Support Services. These top three priorities and associated action items are outlined below. The intention is for ROEDC to operationalize and implement these actions in conjunction with identified partners.

## 1. Workforce Development Strategy

Many of the data points collected during this BR+E project lead to the identification of challenges with the lack of an adequate supply of an available qualified workforce. This is not an isolated or localized priority, as workforce shortages have been a focus of neighbouring municipalities and regional organizations. Workforce and workforce planning are a key building block to a sustainable business community and require short term and long-term strategies. Significant efforts have been put in place by ROEDC partners and regional entities, however awareness and impacts have not been widespread.

The following objectives and action items have been developed by the BR+E Leadership Team to support the Priority of assisting the Workforce Development Partnership in implementing their Strategy:

- A. Support and Promote Awareness and Involvement with Existing Programs and Services to Rural Businesses, including such examples as:
  - Promote the Welcome to Oxford website to newcomers interested in working in rural areas. ([www.welcometooxford.ca](http://www.welcometooxford.ca))
  - Evaluate advertising opportunities that target commuters to attract a workforce off the 401/403 corridor
  - Focus on an Immigration program that reduces red tape for employers seeking foreign workers.

- Identify and promote success stories of immigrant workers in Rural Oxford and the supports they have utilized.
- Promote and engage employers with the Peel Region Program
- Host tours for participants in the Peel Region Program to connect with rural employers
- Enhance promotion of the Work in Oxford website ([www.workinoxford.ca](http://www.workinoxford.ca)) to drive up usage by local employers
- Source out experts in HR Coaching for local businesses to consult with on various issues
- Develop relationships with local school boards, schools, and teachers to build awareness for work in oxford and coop placements.

#### B. Future Oxford

- Provide business plan support for a regional workforce initiative

#### C. Liaise with Oxford County's Housing Department to communicate the demand for rural affordable housing

- Assist in planning for affordable residential growth
- Investigate rural transit options and best practices to support movement of workers. Options may include Uber, regional rideshare, carpool incentives, bussing, etc.

#### D. Training Support

- Continue to facilitate group training needs as identified by employers. Drive marketing efforts to connect needs with opportunities.
- Assist Employers to complete training funding forms
- Support and promote existing training support services

## 2. Infrastructure

Infrastructure addresses items including internet, cellular phone coverage, 3 phase power, natural gas, and half load roadways. Although several of these are not in the complete control of municipalities, they offer such an immense impact, in particular with regard to expansion preparedness and planned business

growth, the local communities will need to provide as much advocacy, partnership, and facilitation as possible to ensure the stage is set for continued success.

The following objectives and action items have been developed by the BR+E Leadership Team to support the Priority of Infrastructure needs:

- A. Create an inventory of who is doing what currently - locally, regionally, provincially, federally, private, and public.
  - Identify a local champion to drive planning, investment readiness, and lobbying, including such examples as:
    - SWIFT to ensure continued involvement and advocacy
    - Identify work completed by the Future Oxford economy pillar, raising awareness of gaps in service.
    - Identify the specific areas with the greatest impact and need
    - Identify potential partnerships and encourage municipal advocacy
    - Identify potential funding opportunities

### 3. Business Support Services

Business Support Services covers a wide range of programs and offerings to provide the needed supports for businesses to stay progressive and competitive.

The following objectives and action items have been developed by the BR+E Leadership Team to support the Priority of Business Support Services:

- A. Red Tape/Permitting
  - Township Advocacy
    - Streamline approval processes
    - Minimize frustration and the impact of delays
    - Improve communication with applicants by facilitating pre-consultation meetings to connect users with permit officials
  - Research best practices for private / public efficiencies and develop an implementation plan

## B. Promote Awareness and Involvement with Existing Services

i.e. organizations/support services/entrepreneurship/succession planning/funding/business plans etc.

- Increase awareness of the role ROEDC plays in minimizing red tape and the function of front line agency representatives
- Increase awareness of ROEDC role as the primary employer services contact
  - Develop an outreach program and action plan. Potential outreach opportunities include an updated brochure, standardized newsletters, the development of a mobile app, videos, and other marketing campaigns to raise the awareness of programs and services.
  - ROEDC to develop a plan to be presented to the ROEDC Board, for sufficient resources to implement the required outreach program.
  - Through partnership and collaboration, raise the awareness of existing business support organizations beyond what ROEDC offers, including Community Employment Services, CF Oxford, Woodstock & Area Small Business Support Centre, Ministry of Economic Development, Job Creation and Trade, and OMAFRA
  - Business Planning – consult with existing services providers to identify resources to share and a communication strategy with implementation
  - Evaluate the development of a mobile app to connect businesses with the various supports offered throughout the county.

## C. Export Support

- Share success stories through written articles and videos
- Increase awareness of ROEDC role as the primary employer services contact to help navigate and provide information
- Continue to pursue exposure opportunities for local businesses

## D. Land & Space

- Expand Oxford Select Sites Program
- Evaluate the opportunity for municipal industrial parks
- Identify and build relationships with potential developers

## Closing

Rural Oxford has a strong business community which is poised for growth. It is critical to ensure preparedness and supports are in place for the continued success of local businesses.

As a young organization, the Rural Oxford EDC has accomplished many tasks and offered assistance to numerous businesses, but the need for support continues to exist. There remains an opportunity to raise the profile of the economic development corporation that serves the rural townships of Oxford.

## Leadership Team

The Leadership Team was involved throughout the project to provide direction, insight, and support. Members fostered community participation, gathered resources and businesses to be contacted, and developed the action plans for key issues. The Leadership Team was composed of the following individuals:

Stefan Cartmale	Bright Cheese and Butter
Dave Coleman	Hutton Transport
Richard Hamilton	Ministry of Agriculture, Food and Rural Affairs
Shannon Hart	Sevita International Corporation (ProSeeds)
Matt Heleniak	Norpac Beef
Dean Jancsar	Peak Realty – Hewitt Jancsar Team; ROEDC Board Member
Nancy Orr	ROEDC, BR+E Coordinator
Mike Paquette	Salford Group, CFO
Keith Stevens	Execulink; ROEDC Board Member
Bernia Wheaton	ROEDC, Economic Development Officer

Special thanks to - Laura Gibson, Ministry of Economic Development, Job Creation and Trade - Vicki Luke, OMAFRA – and Natalie Surridge, Community Employment Services Oxford Workforce Development - who were able to join us and share their insights at our strategic planning session.

## Partners

