

Construction



Introduction to the Sector

The construction sector in Rural Oxford has expanded considerably as the surrounding area has experienced significant population and business growth. Over the last decade, the number of jobs in the sector has more than doubled, far outpacing other sectors and provincial averages. This growth is largely due to unique local factors, rather than being attributed to general industry or national economic growth.

This boom is especially pronounced in residential building and general contracting, driven by population growth, rising demand for homes, and the government's infrastructure investments. For example, Ontario is investing nearly \$7 million in housing-enabling infrastructure in Oxford County to make possible up to 4,749 new homes via upgrades to roads, bridges, and culverts. While the work is spread across the County and often located in the county's urban centres, tradespeople in Rural Oxford are seeing opportunities in servicing these projects.

Of course, within Rural Oxford the construction sector here is about far more than builders and labourers. The industry ecosystem includes custom designs and fabrication, innovative home manufacturing, and specialty roofing and green infrastructure, such as sedum roofing.

Job Count Analysis

The below table presents job counts for 2014 and 2023 within construction businesses in Rural Oxford’s member municipalities. As can be seen, the construction sector in Rural Oxford has risen drastically, doubling over the previous decade. As the community continues to see consistent growth, this trend should continue to meet the needs of the incoming population.

This job growth is impressive on its own but becomes especially so when adjusting for the various impacts on that growth. Specifically, national sector trends suggest that a similarly sized economy would’ve seen job growth of only two positions over the previous decade, while national economic trends suggest an additional 169 positions can be attributed to natural growth trends. The remain 1,202 jobs, therefore, can be attributed to the unique growth effects across Rural Oxford and the concentration of skilled trades skills locally. This local growth effect is incredibly impressive and speaks to the importance of the sector in Rural Oxford.

Table 1: Job Counts and Shift Share Analysis, Construction, Rural Oxford 2014-2023.

2014-2023 Construction Job Counts and Shift Share Analysis						
	2014 Jobs	2023 Jobs	2014 - 2023 Change	Ind. Mix Effect	Nat'l Growth Effect	Competitive Effect
Rural Oxford	1,346	2,719	1,373	2	169	1,202

Source: Lightcast Analyst 2024.3.

Location Quotient Analysis

Given the doubling of the sector between 2014 and 2023, it is no surprise that the industry has become more heavily concentrated relative to both provincial and national figures over that same time period. Specifically, while the sector has always been heavily concentrated locally (a location quotient above 1.2 is considered highly concentrated), it now represents more than twice the percentage of local jobs locally than it does at a provincial or national level. That is, where it makes up 14.6% of jobs locally, it makes up less than 7% of jobs both provincially and nationally. As with the overall job growth figures above, this reality stresses the importance of the sector locally.

Table 2: Provincial and National Location Quotient, Construction, Rural Oxford 2014 and 2023.

2014-2023 Construction Location Quotient				
	Ontario Location Quotient		Canada Location Quotient	
	2014	2023	2014	2023
Construction	1.37	2.10	1.56	2.33

Source: Lightcast Analyst 2024.3.



Business Counts Analysis

The following table measures business counts within the construction sector, separated by business size and member municipality (sorted alphabetically). Given the prevalence of sole proprietor tradespeople, or small business (1-9 employee) contractors within the sector broadly, it is unsurprising that the vast majority of businesses locally are either indeterminate or 1-9 employee institutions.

Table 3: Business Counts by Member Municipality, Construction, 2024.

2024 Construction Business Counts					
Construction Sector	1-9 Employees	10-49 Employees	50+ Employees	Indeterminate	Total
Blandford-Blenheim	42	8	0	61	111
East Zorra Tavistock	67	13	0	57	137
Norwich	82	32	2	131	247
South-West Oxford	55	4	0	63	122
Zorra	43	4	1	60	108

Source: Canadian Business Counts, June 2024.



Goods Purchasing Analysis

Purchases of construction goods from businesses in Rural Oxford amounted to over \$41 million in 2022, with 37.6% of goods being purchased locally. This is representative of the construction eco-system, where services are typically supplied locally but goods (e.g., raw materials) are inevitably imported.

Table 4: Goods Purchased from the Sector, Construction, Rural Oxford, 2022.

2022 Construction Businesses Goods Purchased			
Industry Goods are Purchased From	Local Purchases	Imported Purchases	Total Purchases
Construction	37.6%	62.4%	\$41,274,314

Source: Lightcast Analyst 2024.3.

Regional Sales, Export and Wage Data Analysis

Construction businesses in Rural Oxford were directly responsible for nearly \$400 million in sales in 2022, with nearly half (\$194.5 million) being exported out of the community. The majority of construction sales were driven by businesses in East Zorra Tavistock, and Norwich (\$241 million in sales, combined).

Table 5: Regional Sales, Export and Wage Data, Construction.

Construction Regional Sales, Export and Wage Data			
	Sales	Exports	Total Wages
Blandford-Blenheim	\$41,998,966.36	\$19,184,470.30	\$9,962,670.47
East Zorra Tavistock	\$122,173,697.39	\$61,754,238.50	\$29,337,755.75
Norwich	\$121,540,851.06	\$64,751,262.91	\$30,450,622.44
South-West Oxford	\$39,338,844.22	\$15,845,307.55	\$6,449,729.94
Zorra	\$69,315,971.75	\$32,663,148.65	\$14,227,411.41

Source: Lightcast Analyst 2024.3.