

Food Processing

Introduction to the Sector

Rural Oxford's food processing sector is a beneficiary (and supporter) of the area's strong agricultural base. Having local access to agricultural outputs helps add value to the agricultural community while allowing processors ready access to high quality agricultural goods. The region has long been known for its dairy production (particularly cheese). As well, as many farms in Oxford specialize in livestock and dairy, local meat and grain processing operations are also well-established, giving processors both raw material supply and skilled labour relatively nearby.

Similarly, maple products are another cornerstone of the food processing industry in Rural Oxford. The presence of maple forests and the tradition of maple syrup and sugar production across rural Oxford communities and the broader Oxford County, mean that local processors can refine, package, and distribute these sweet products, adding value beyond what raw sap would fetch. This type of processing demonstrates how Rural Oxford businesses leverage local natural resources.

This sector offers nearly 1,000 jobs across Rural Oxford, with sales of over \$520 million and wages of over \$41.7 million in 2022. The existence and diversity of food processing across Oxford County and Rural Oxford member municipalities strengthens the area's economy and builds resilience into the local agricultural sector.



Job Count Analysis

The below table presents job counts for 2014 and 2023 within food processing businesses in Rural Oxford’s member municipalities. Job totals declined from 2014 to 2023 by approximately 131 jobs. though it can still be seen that the sector employs nearly 1,000 individuals as of 2023. This decline is mostly from meat product manufacturing businesses (decline in nearly 500 positions), where dairy product manufacturing (increase in 279 positions) and specialty food manufacturing/processing (83) businesses have alternatively seen significant local growth.

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

2014-2023 Food Processing Job Counts and Shift Share Analysis						
	2014 Jobs	2023 Jobs	2014 - 2023 Change	Ind. Mix Effect	Nat'l Growth Effect	Competitive Effect
Rural Oxford	1,063	933	-131	50	133	-314

Source: Lightcast Analyst 2024.3.



Location Quotient Analysis

Between 2014 and 2023, location quotient data for food processing businesses declined. This is expected given the job decline figures and local competitive effect noted above. However, the location quotient data below makes clear that this remains a sector of considerable strength in Rural Oxford. Specifically, even accounting for declines in relative concentration (declining LQ), the industry is still nearly 10x more concentrated locally than provincially, and over 20x more concentrated locally than nationally.

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

2014-2023 Food Processing Location Quotient				
	Ontario Location Quotient		Canada Location Quotient	
	2014	2023	2014	2023
Food Processing	13.57	9.67	24.22	20.52

Source: Lightcast Analyst 2024.3.

Business Counts Analysis

The following table measures business counts within the food processing sector, separated by business size and member municipality (sorted alphabetically). As can be seen, food processing businesses are fairly sparse in Rural Oxford, but employ a significant number of people. These businesses are not typically sole proprietors, instead more likely to be employing over 10 people. It should also be noted that many “food processing” businesses may be classified as other industries (i.e., farms, or wholesalers) due to the way Statistics Canada data is modelled.

Table 3: Business Counts by Member Municipality, Food Processing, 2024.

2024 Food Processing Business Counts					
Food Processing	1-9 Employees	10-49 Employees	50+ Employees	Indeterminate	Total
Blandford-Blenheim	1	1	0	0	2
East Zorra Tavistock	1	0	2	0	3
Norwich	1	1	0	1	3
South-West Oxford	0	0	1	0	1
Zorra	2	0	0	0	2

Source: Canadian Business Counts, June 2024.

Goods Purchasing Analysis

Purchases of food processing businesses' goods from in Rural Oxford amounted to just under \$64 million in 2022, 78% of which were local. As with the agricultural sector profile, this high percentage of local purchases makes clear how collaborative and symbiotic the local relationship is in building a positive economic ecosystem.

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

2022 Food Processing Businesses Goods Purchased			
Industry Goods are Purchased From	Local Purchases	Imported Purchases	Total Purchases
Food Processors	83%	17%	\$46,931,566

Source: Lightcast Analyst 2024.3.

Regional Sales, Export and Wage Data Analysis

Food processing businesses in Rural Oxford were directly responsible for approximately \$420.5 million in sales in 2022. Businesses were also responsible for supporting wages of nearly \$42 million, providing ample opportunities for the local labour force to find work.

Table 5: Regional Sales, Export and Wage Data, Food Processing.

Food Processing Regional Sales, Export and Wage Data			
	Sales	Exports	Total Wages
Blandford-Blenheim	\$8,394,181.57	\$5,412,583.71	\$678,533.20
East Zorra Tavistock	\$402,218,005.13	\$362,848,573.67	\$32,493,366.18
Norwich	\$17,621,122.33	\$10,138,638.66	\$1,343,990.37
South-West Oxford	\$70,436,710.88	\$66,298,424.92	\$5,528,758.98
Zorra	\$21,797,675.70	\$14,018,351.32	\$1,672,219.96

Source: Lightcast Analyst 2024.3.

