

# Transportation and Logistics

## Introduction to the Sector

Transportation and logistics form a cornerstone of Rural Oxford's economy, as businesses in this sector are able to make use of the strategic southwestern Ontario location. Rural Oxford member municipalities sit at the crossroads of major trade routes, along Highways 401 and 403, offering access through Ontario and across north America. This connectivity allows local businesses to move goods efficiently to domestic or international markets.

As an example of how transportation and logistics business support other sectors, food processors in Rural Oxford may rely on cold storage and distribution services, manufacturers may require "just-in-time" delivery capacity, and some agricultural businesses depend on reliable bulk shipping for crops and livestock. This sector therein exists not only as a strong standalone economic sector, but also as a catalyst for success for other businesses in Rural Oxford's other key sectors.

This sector also presents a significant opportunity for local growth as it speaks to another reality in Rural Oxford: a lack of serviced industrial land.

Warehousing and logistics businesses are able to operate on unserved (or dry-served) lands that other sectors may struggle to adapt to, providing strong alignment with potential industrial land uses in Rural Oxford.



## Job Count Analysis

The below table presents job counts for 2014 and 2023 within transportation and logistics in Rural Oxford’s member municipalities. This sector consists of general and specialized freight trucking businesses, support services, and warehousing and storage businesses. Over the past decade, the sector has seen a decrease in jobs in this sector of over 500 positions, with almost all coming from generalized freight trucking. This is a trend that has been seen across many southern Ontario municipalities and does not speak necessarily to job loss for local residents, but instead changes in where businesses are declaring their physical locations.

Many freight trucking businesses have changed to more of a “contractor” model which creates a home base closer to the GTA with local trucking “contractors” living and operating in areas outside of the businesses home base. The sector as a whole still has a considerable impact within Rural Oxford, and benefits from the strength of the local manufacturing and agricultural sectors alongside the locational advantages the member municipalities have along the 400 series highways in southwest Ontario.

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

2014-2023 Transportation and Warehousing Job Counts and Shift Share Analysis						
	2014 Jobs	2023 Jobs	2014 - 2023 Change	Ind. Mix Effect	Nat'l Growth Effect	Competitive Effect
<b>Rural Oxford</b>	1,227	708	-518	34	154	-712

Source: Lightcast Analyst 2024.3.

## Location Quotient Analysis

Between 2014 and 2023, location quotient data shows a decline in relative concentration both nationally and provincially. Even with the relative decline, the sector is still nearly twice as concentrated within Rural Oxford. As noted above, the decline speaks more to an administrative reshaping of the industry than a significant decline in employment positions.

**Table 2: Provincial and National Location Quotient, Transportation and Logistics, Rural Oxford 2014 and 2023.**

2014-2023 Transportation and Logistics Location Quotient				
	Ontario Location Quotient		Canada Location Quotient	
	2014	2023	2014	2023
Transportation and Logistics	4.05	1.79	4.22	1.93

Source: Lightcast Analyst 2024.3.

## Business Counts Analysis

The following table measures business counts within the transportation and logistics sector, separated by business size and member municipality (sorted alphabetically). Speaking again to the growing model of “contractor” positions within the sector, a majority of local businesses (181 of 314, or 57.6%) are sole proprietors in this sector.

Businesses are fairly evenly spread out across Rural Oxford, with no municipality having fewer than 35 businesses, or more than 85. In terms of businesses with employees, the spread is even more equitable, with Blandford-Blenheim (12) having the fewest and Zorra (44) having the largest number of businesses with employees.

**Table 3: Business Counts by Member Municipality, Transportation and Logistics, 2024.**

2024 Transportation and Logistics Business Counts					
Transportation and Logistics	1-9 Employees	10-49 Employees	50+ Employees	Indeterminate	Total
Blandford-Blenheim	10	2	0	24	36
East Zorra Tavistock	23	4	0	48	75
Norwich	21	10	0	54	85
South-West Oxford	13	6	0	21	40
Zorra	41	2	1	34	78

Source: Canadian Business Counts, June 2024.

## Goods Purchasing Analysis

Purchases of transportation and warehousing goods from businesses amounted to nearly \$120 million in 2022, with a relatively even distribution of local (48%) and imported (52%) purchases.

**Table 4: Goods Purchased from the Sector, Transportation and Logistics, Rural Oxford, 2022.**

2022 Transportation and Logistics Businesses Goods Purchased			
Industry Goods are Purchased From	Local Purchases	Imported Purchases	Total Purchases
Transportation and Logistics	48.0%	52.0%	\$118,485,958

Source: Lightcast Analyst 2024.3.

## Regional Sales, Export and Wage Data Analysis

As with business counts, sales, wage, and export figures are fairly evenly split across the municipalities, with South-West Oxford and Zorra seeing slightly higher totals than the other three member municipalities. Even still, sales in each member municipalities rose above \$20 million in this sector, providing ample economic activity within each.

**Table 5: Regional Sales, Export and Wage Data, Transportation and Logistics.**

Transportation and Logistics Regional Sales, Export and Wage Data			
	Sales	Exports	Total Wages
<b>Blandford-Blenheim</b>	\$21,681,753.59	\$16,503,237.30	\$3,184,151.61
<b>East Zorra Tavistock</b>	\$26,284,098.70	\$17,645,526.01	\$3,860,045.49
<b>Norwich</b>	\$43,799,468.04	\$31,871,336.83	\$6,432,327.81
<b>South-West Oxford</b>	\$74,220,665.96	\$56,973,683.83	\$10,899,941.83
<b>Zorra</b>	\$52,564,640.37	\$42,603,817.07	\$7,719,568.60

Source: Lightcast Analyst 2024.3.

