Sector Profile for London's Manufacturing (NAICS 31-33)

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London CANADA

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Sector Profile for London: Manufacturing (NAICS 31-33)

Sector Profile Highlights

The Manufacturing industry was home to approximately 434[1] establishments and employed 20,003[2] people in 2023, making up 9.2%[3] of London's total workforce, thus making it one of London's key sectors (top 5) (Lightcast, November 7, 2024, London (CY)). London is at the manufacturing forefront of world-renowned products, investments, and talent[4]. Manufacturing companies in London produce a wide range of products including automotive parts, medical devices, food and beverage products, machinery, and more. From windows, doors, and countertops to car components, goalie pads, water treatment technologies and aircraft, made in London products can be found in many homes, cars, and places[5].

London is home to the Canadian headquarters for advanced manufacturing sector leaders including 3M Canada, McCormick Canada, Trojan Technologies, Starlim North America, Trudell Medical, Diamond Aircraft, Sodecia North America, and more, thus driving the city's competitive advantage in this industry. Additionally, the presence of Western Advanced Manufacturing Park empowers collaboration between leading-edge research, manufacturing, entrepreneur, and investment partners to rapidly generate high technology, manufacturing innovations, and advanced solutions[6].

Manufacturing NAICS 31-33 (London CY[7])

- Number of employees/Number of jobs:
  - The number of employees by place of work status (CY) in 2021: 19,100[8] (2021 Census Data, Statistics Canada)
  - The number of jobs (CY) in 2023: 20,003[9] (Lightcast, November 7, 2024)
- Canadian business counts:

[1] Industries by Business Location Size « Lightcast Analyst
[2] Industry Overview « Lightcast Analyst
[3] Highest Ranked Industries « Lightcast Analyst
[4] LEDC_2019_London_Magazine_Virtual.pdf
[5] Advanced Manufacturing | London Economic Development Corporation (ledc.com)
[6] The Park – Western Advanced Research Park (westernadvancedmanufacturingpark.ca)
[7] London, City (CY), or Census subdivision (CSD). Census subdivision is the general term for municipalities (as determined by provincial/territorial legislation) or areas treated as municipal equivalents for statistical purposes (e.g., Indian reserves, Indian settlements and unorganized territories). (Statistical Area Classification by Province and Territory - Variant of SGC 2016 - Introduction - Definitions; Profile table, Census Profile, 2021 Census of Population - London, City (CY) [Census subdivision], Ontario)
[8] Add/Remove data - Place of work status by industry sectors, occupation broad category and gender: Canada, provinces and territories, census divisions and census subdivisions (statcan.gc.ca)
[9] Industry Overview « Lightcast Analyst

- Total number of establishments in 2022: 440[10] (2022 Canadian Business Counts, Statistics Canada)
- Total number of establishments in 2023: 434[11] (Lightcast, November 7, 2024)

Manufacturing NAICS 31-33 (London CMA[12])

- Number of employees/Number of jobs:
  - The number of employees by place of work status (CMA) in 2021: 26,790[13] (2021 Census Data, Statistics Canada)
  - The number of jobs (CMA) in 2023: 30,401[14] (Lightcast, November 7, 2024)
- Canadian business counts:
  - Total number of establishments in 2022: 615[15] (2022 Canadian Business Counts, Statistics Canada)
  - Total number of establishments in 2023: 622[16] (Lightcast, November 7, 2024)

Strengths and Opportunities Highlights

Strengths

- London has a strong economic history as home to a diverse network of economic sectors and clusters. This range of economic sectors is supported by the City's competitive advantage in location, skilled workforce, and high quality of life[17]. Together with Windsor-Sarnia, London is the manufacturing heartland of Ontario[18], with shovel-ready and fully serviced industrial lands[19].
- London is strategically located in southwestern Ontario between Toronto and Detroit[20]. The city sits within two hours of three major U.S. border crossings - Sarnia/Port Huron, Windsor/Detroit, and Niagara/Buffalo[21]. This strategic location offers easy access to a large consumer base and supply chains, reduces transportation costs, and improves market opportunities for manufacturers. There is access to a manufacturing supply chain of 12 Original Equipment Manufacturers (OEMs), Tiers 1-3, logistics, distribution, warehousing, as well as the North American railway system through CN and CP rail[22].

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[10] Add/Remove data - Canadian Business Counts, with employees, census metropolitan areas and census subdivisions, December 2022 (statcan.gc.ca)
[11] Industries by Business Location Size « Lightcast Analyst
[12] A census metropolitan area (CMA) is formed by one or more adjacent municipalities centred on a population centre (Dictionary, Census of Population, 2021 – Census metropolitan area (CMA) and census agglomeration (CA). The London CMA includes the municipalities of London, St. Thomas, as well as Thames Centre, Middlesex Centre, Strathroy-Caradoc, Adelaide Metcalfe, Central Elgin and Southwold (What is the London Census Metropolitan Area (CMA)? | MLHU - Health Status Resource; Statistical Area Classification by Province and Territory - Variant of SGC 2016 - 35555 - London).
[13] Add/Remove data - Place of work status by industry sub-sectors, occupation broad category, age and gender: Canada, provinces and territories, census metropolitan areas and census agglomerations with parts (statcan.gc.ca)
[14] Industry Overview « Lightcast Analyst
[15] Add/Remove data - Canadian Business Counts, with employees, census metropolitan areas and census subdivisions, December 2022 (statcan.gc.ca)
[16] Industries by Business Location Size « Lightcast Analyst
[17] filestream.ashx (escribemeetings.com)
[18] Sectoral profile - Manufacturing: Ontario 2020 - Job Bank
[19] Industrial Land | London Economic Development Corporation (ledc.com)
[20] Why London | London Economic Development Corporation (ledc.com)
[21] Advanced Manufacturing | London Economic Development Corporation (ledc.com)
[22] Advanced Manufacturing | London Economic Development Corporation (ledc.com)

- Advanced manufacturing, a critical sector in the London economic region, had more than 34,000 jobs[23] in 2021 and represented approximately 12%[24] of all employment in the region. More than 500 companies employ people in this sector in the region, including aerospace, materials, automotive, transportation, defense, and building products manufacturers[25]. Companies within this sector benefit from London's ideal location along the 401 highway which carries $1.5 billion in trade daily and provides access to 150 million consumers within a one-day drive[26].
- London has strong infrastructure with the presence of large companies such as General Dynamics Land Systems, McCormick Canada, 3M Canada, Labatt Breweries of Canada, Trojan Technologies, Great Lakes Copper Ltd., Cargill, Trudell Medical International, Diamond Aircraft, Maple Leaf Foods, Starlim North America, and Nestle Canada Inc.

Opportunities

- London has a growing ecosystem of research institutions including Western University and Fanshawe College which offer opportunities for collaboration between academia and industry. This synergy can foster innovation, leading to the development of new products, processes, and technologies in the manufacturing sector.
- With the increasing global focus on sustainability, there is an opportunity for manufacturers in London to adopt environmentally friendly practices and capitalize on the growing demand for sustainable products. This can include initiatives related to energy efficiency, waste reduction, and circular economy principles.
- The COVID-19 pandemic highlighted the vulnerabilities of global supply chains. This presents an opportunity for manufacturers in London to explore localized supply chains, providing more control over sourcing and reducing the risks associated with global disruptions.
- London is projected to need thousands of additional manufacturing workers over the next six years to replace retiring workers and to keep pace with projected levels of employment growth based on past growth of respective occupations[27].
- Volkswagen's $7-billion electric vehicle battery plant in St. Thomas[28], with $13 billion in federal government subsidies[29], will bring many opportunities for jobs[30] and economic growth in London. It will put the London area on the path to becoming a global leader in electric vehicle and parts manufacturing[31].
- London's Western Advanced Manufacturing Park[32] provides various opportunities for employment in the manufacturing sector due to its unique facilities and strong industry partnerships.

[23] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)
[24] Advanced Manufacturing | London Economic Development Corporation (ledc.com)
[25] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)
[26] Advanced Manufacturing | London Economic Development Corporation (ledc.com)
[27] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)
[28] Volkswagen's New Electric Vehicle Battery Plant Will Create Thousands of New Jobs | Ontario Newsroom
[29] ANALYSIS: Canada's $13B Volkswagen deal and building a 'modern economy' | London Free Press (lfpress.com)
[30] Volkswagen's New Electric Vehicle Battery Plant Will Create Thousands of New Jobs | Ontario Newsroom
[31] Conference Board of Canada, Major City Insights London, August 10, 2023.
[32] Western Advanced Research Park (westernadvancedmanufacturingpark.ca)

Industry Overview

Manufacturing is a critical sector in the London economic region, producing a wide range of products which are sold both domestically and internationally and contributing to the city's export earnings. The manufacturing industry is comprised of 21[33] key sub-industries, with establishments primarily engaged in the chemical, mechanical, or physical transformation of materials or substances into new products. Manufacturing establishments are known by a variety of trade designations such as plants, factories, or mills. These establishments contribute significantly to London's economy through production and sales as well as supporting other industries including logistics, transportation, and professional services.

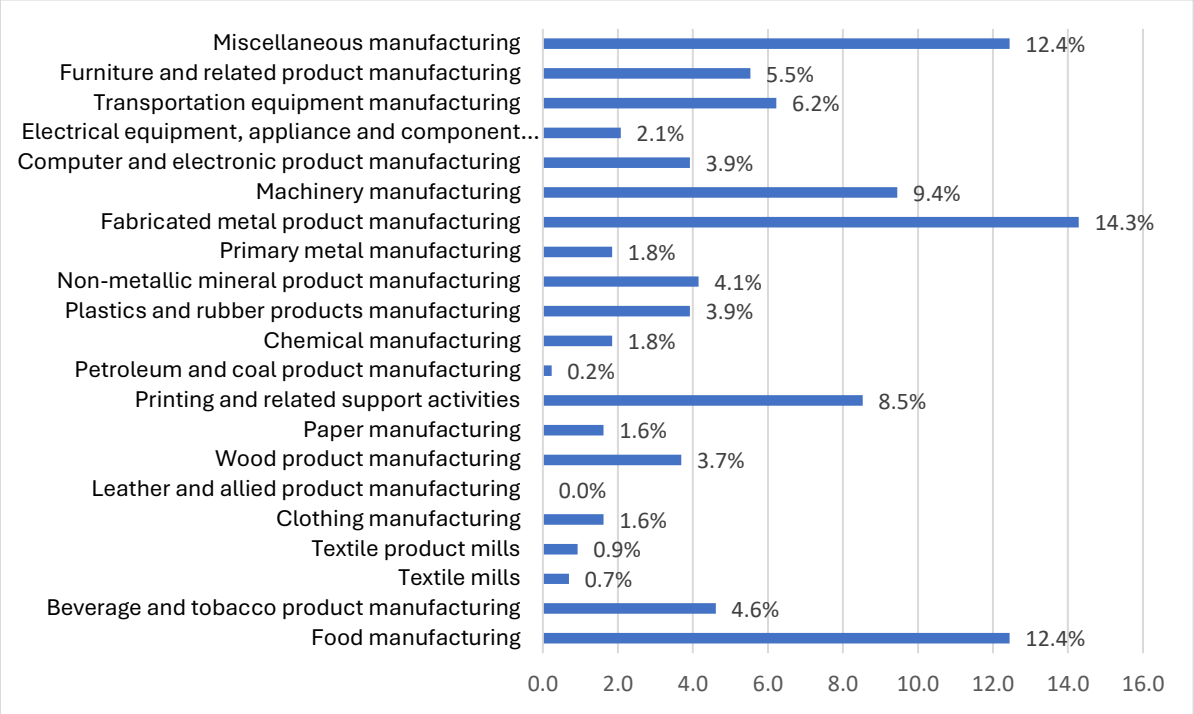
Manufacturing NAICS 31-33 (London CY)

- Number of employees/Number of jobs:
  - The number of employees by place of work status (CY) in 2021: 19,100[34] (2021 Census Data, Statistics Canada)
  - Number of jobs (CY) in 2023: 20,003[35] (Lightcast, November 7, 2024)
- Canadian business counts:
  - Total number of establishments in 2022: 440[36] (2022 Canadian Business Counts, Statistics Canada)
  - Total number of establishments in 2023: 434[37] (Lightcast, November 7, 2024)
    1. Food manufacturing (311): 54[38]
    2. Beverage and tobacco product manufacturing (312): 20
    3. Textile mills (313): 3
    4. Textile product mills (314): 4
    5. Apparel manufacturing (315): 7
    6. Leather and allied product manufacturing (316): 0
    7. Wood product manufacturing (321): 16
    8. Paper manufacturing (322): 7
    9. Printing and related support activities (323): 37
    10. Petroleum and coal product manufacturing (324): 1
    11. Chemical manufacturing (325): 8
    12. Plastics and rubber products manufacturing (326): 17
    13. Non-metallic mineral product manufacturing (327): 18
    14. Primary metal manufacturing (331): 8
    15. Fabricated metal product manufacturing (332): 62
    16. Machinery manufacturing (333): 41
    17. Computer and electronic product manufacturing (334): 17
    18. Electrical equipment, appliance, and component manufacturing (335): 9

[33] NAICS 2022 Version 1.0 - 31-33 - Manufacturing - Sector (statcan.gc.ca)
[34] Add/Remove data - Place of work status by industry sectors, occupation broad category and gender: Canada, provinces and territories, census divisions and census subdivisions (statcan.gc.ca)
[35] Industry Overview « Lightcast Analyst
[36] Add/Remove data - Canadian Business Counts, with employees, census metropolitan areas and census subdivisions, December 2022 (statcan.gc.ca)
[37] Industries by Business Location Size « Lightcast Analyst
[38] Industries by Business Location Size « Lightcast Analyst

19. Transportation equipment manufacturing (336): 27
20. Furniture and related product manufacturing (337): 24
21. Miscellaneous manufacturing (339): 54

Graph 1. Establishment Share by Sub-sector (London CY) in 2023



Source: Lightcast[39], November 7, 2024

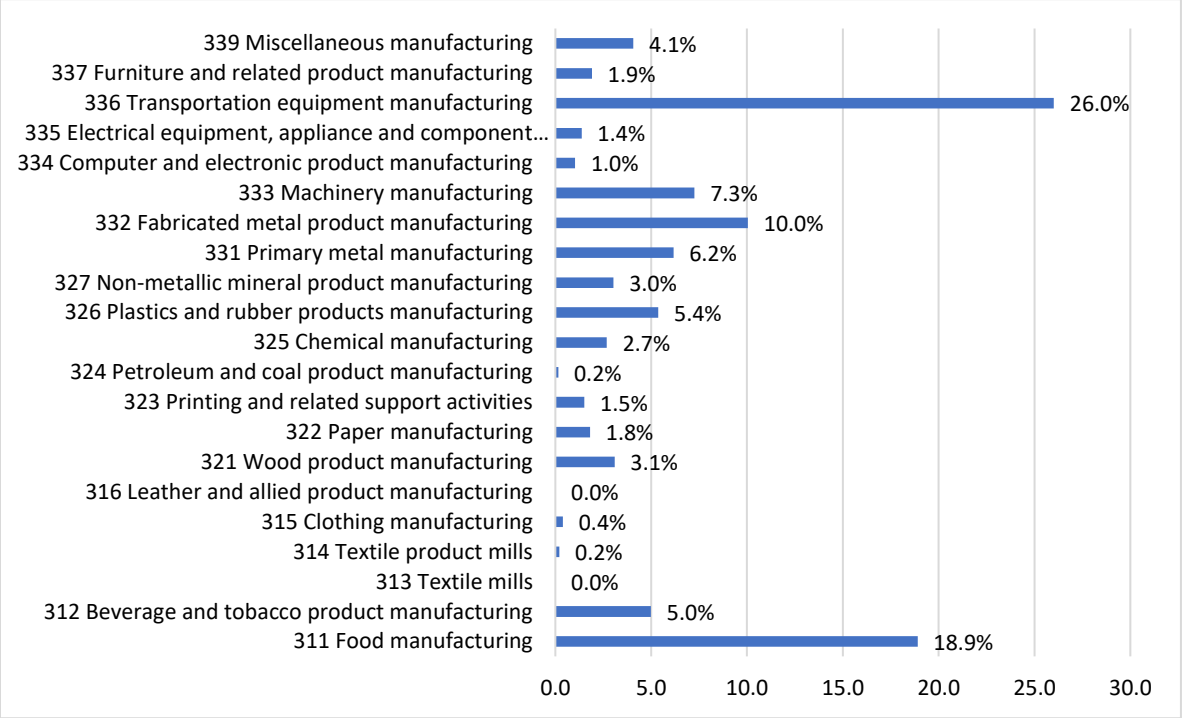
Manufacturing NAICS 31-33 (London CMA)

- Number of employees/Number of jobs:
  - The number of employees by place of work status (London CMA) in 2021: 26,790[40] (2021 Census Data, Statistics Canada)
  - The number of jobs (CMA) in 2023: 30,401[41] (Lightcast, November 7, 2024)
    1. Food manufacturing (311): 5,747[42]
    2. Beverage and tobacco product manufacturing (312): 1,517
    3. Textile mills (313): 0[43]
    4. Textile product mills (314): 62
    5. Clothing manufacturing (315): 120
    6. Leather and allied product manufacturing (316): 0
    7. Wood product manufacturing (321): 940
    8. Paper manufacturing (322): 549

[39] Industries by Business Location Size « Lightcast Analyst
[40] Add/Remove data - Place of work status by industry sub-sectors, occupation broad category, age and gender: Canada, provinces and territories, census metropolitan areas and census agglomerations with parts (statcan.gc.ca)
[41] Industry Overview « Lightcast Analyst
[42] Industry Overview « Lightcast Analyst
[43] Industry Overview « Lightcast Analyst

9. Printing and related support activities (323): 460
10. Petroleum and coal product manufacturing (324): 46
11. Chemical manufacturing (325): 817
12. Plastics and rubber products manufacturing (326): 1,632
13. Non-metallic mineral product manufacturing (327): 922
14. Primary metal manufacturing (331): 1,873
15. Fabricated metal product manufacturing (332): 3,054
16. Machinery manufacturing (333): 2,207
17. Computer and electronic product manufacturing (334): 313
18. Electrical equipment, appliance, and component manufacturing (335): 418
19. Transportation equipment manufacturing (336): 7,908
20. Furniture and related product manufacturing (337): 581
21. Miscellaneous manufacturing (339): 1,236

Graph 2. Employment Share by Sub-sector (London CMA) in 2023



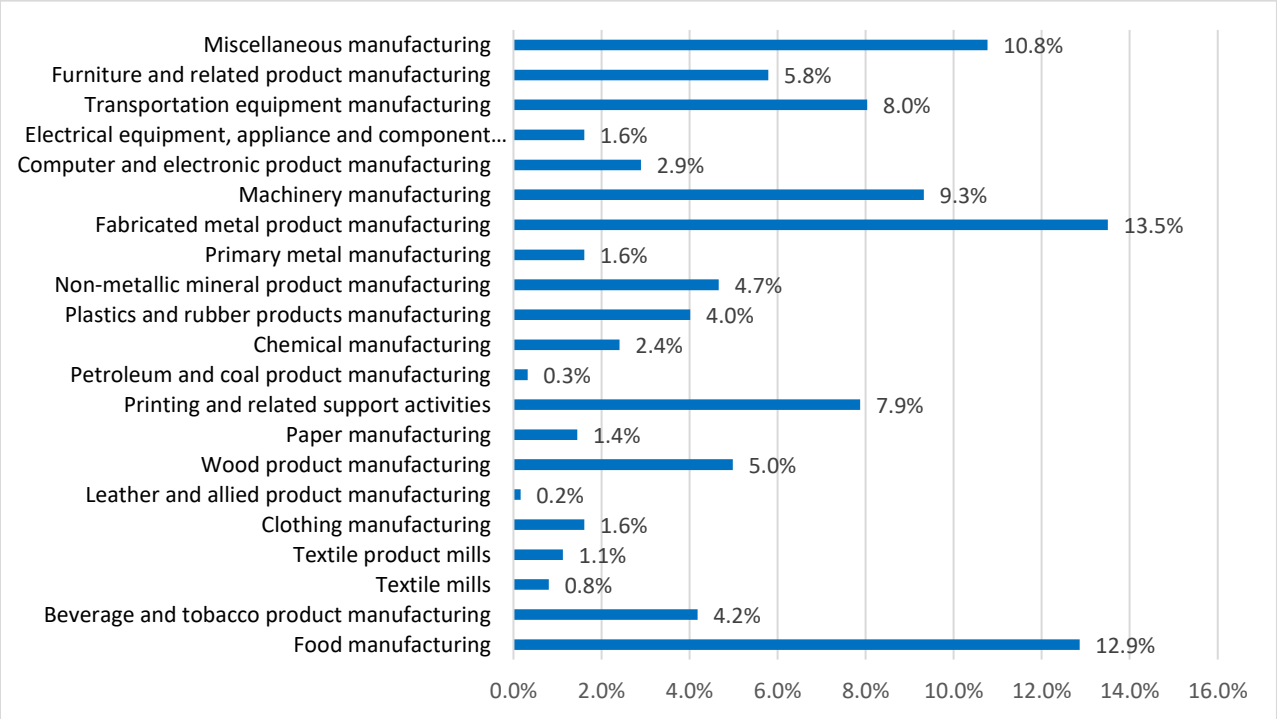
Source: Lightcast, November 7, 2024

- Canadian business counts (London CMA):
    - Total number of establishments in 2022: 615[44] (2022 Canadian Business Counts, Statistics Canada)
    - Total number of establishments in 2023: 622[45] (Lightcast, November 7, 2024)
    1. Food manufacturing (311): 80[46]

[44] Add/Remove data - Canadian Business Counts, with employees, census metropolitan areas and census subdivisions, December 2022 (statcan.gc.ca)
[45] Industries by Business Location Size « Lightcast Analyst
[46] Industries by Business Location Size « Lightcast Analyst

2. Beverage and tobacco product manufacturing (312): 26
3. Textile mills (313): 5
4. Textile product mills (314): 7
5. Apparel manufacturing (315): 10
6. Leather and allied product manufacturing (316): 1
7. Wood product manufacturing (321): 31
8. Paper manufacturing (322): 9
9. Printing and related support activities (323): 49
10. Petroleum and coal product manufacturing (324): 2
11. Chemical manufacturing (325): 15
12. Plastics and rubber products manufacturing (326): 25
13. Non-metallic mineral product manufacturing (327): 29
14. Primary metal manufacturing (331): 10
15. Fabricated metal product manufacturing (332): 84
16. Machinery manufacturing (333): 58
17. Computer and electronic product manufacturing (334): 18
18. Electrical equipment, appliance, and component manufacturing (335): 10
19. Transportation equipment manufacturing (336): 50
20. Furniture and related product manufacturing (337): 36
21. Miscellaneous manufacturing (339): 67

Graph 3. Establishment Share by Sub-sector (London CMA) in 2023



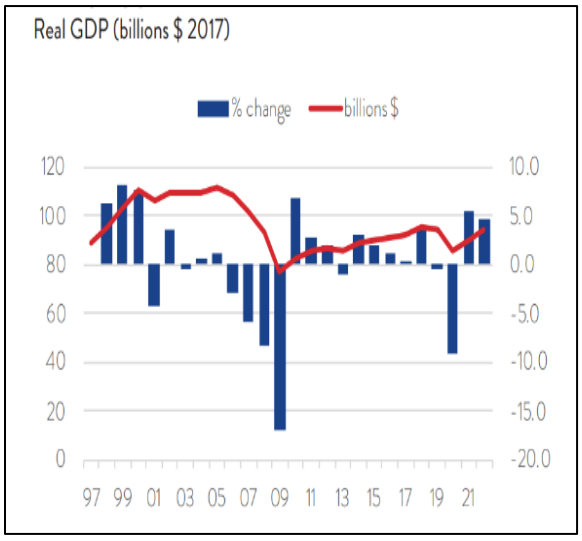
Source: Lightcast[47], November 7, 2024

[47] Industries by Business Location Size « Lightcast Analyst

Economic Overview

There were 684,135 people employed in Ontario's manufacturing industry, comprising 9.6% of Ontario's total workforce in 2023. Employment in Ontario's manufacturing industry increased by 1.1% between 2022 and 2023 (Lightcast, November 21, 2024[48]). A report by Canadian Manufacturers and Exporters, 'Manufacturing Canada's Future', highlights that manufacturing is critical to Ontario's future. The sector's 37,550 firms contribute to 11% of the provincial GDP and 80% of merchandise exports. It also represents close to 45% of Canada's manufacturing output, acting as the main engine of the economy (Manufacturing Ontario's Future, Canadian Manufacturers & Exporters, 2024[49]).

Graph 4: Ontario Manufacturing GDP Peaked 20 Years Ago



Source: Statistics Canada, CME[50]

Table 1 shows the London CMA's share of employment in 2023 as compared to Ontario.

Table 1: Geographical Distribution of the Sector

CMA Name	Employed 2023	Share of Employment in Ontario (%)	Employed in all Industries	Sector Share of Employment (%)
Ontario	684,255	100.0%	7,019,254	9.7%
Toronto	292,864	42.8%	3,255,807	9.0%
Kitchener - Cambridge - Waterloo	48,037	7.0%	309,938	15.5%
Hamilton	42,864	6.3%	387,019	11.1%
Windsor	34,583	5.1%	182,559	18.9%
London	30,935	4.5%	268,751	11.5%

[48] Industry Overview « Lightcast Analyst
[49] Manufacturing-Ontarios-Future.pdf (cme-mec.ca)
[50] Manufacturing-Ontarios-Future.pdf (cme-mec.ca)

CMA Name	Employed 2023	Share of Employment in Ontario (%)	Employed in all Industries	Sector Share of Employment (%)
Ottawa - Gatineau	25,895	3.8%	796,005	3.3%
Guelph	24,610	3.6%	104,521	23.5%
St. Catharines - Niagara	15,969	2.3%	175,535	9.1%
Brantford	13,067	1.9%	68,759	19.0%
Oshawa	8,573	1.3%	169,349	5.1%
Woodstock	8,646	1.3%	27,555	31.4%
Barrie	8,298	1.2%	96,670	8.6%

Source: Lightcast, Statistics Canada, Labour Force Survey, Q3 2023 Data Set, April 19, 2024

A large share of employment in Ontario's manufacturing sector is found in the Toronto (CMA) (42.8%), followed by Kitchener - Cambridge - Waterloo (7%), Hamilton (6.3%), Windsor (5.1%), and London (4.5%).

Table 2: Top 5 Occupations in Ontario

Description	Employed in Industry (2023)	% Change (2022 - 2023)	% of Total Jobs in Industry (2022)	Median Hourly Wages
Manufacturing managers	32,063	3%	4.6%	$47.58
Motor vehicle assemblers, inspectors, and testers	23,837	2%	3.5%	$26.62
Construction millwrights and industrial mechanics	22,434	0%	3.3%	$32.96
Process control and machine operators, food and beverage processing	20,799	(4%)	3.2%	$19.95
Metalworking and forging machine operators	21,643	4%	3.1%	$21.50

Source: Lightcast, Statistics Canada, Labor Force Survey, April 19, 2024

As noted in Table 2, the top two occupations in 2023 in the sector were: manufacturing managers and motor vehicle assemblers, inspectors, and testers.

London's Sectoral Performance - Manufacturing Sector

Table 3: Establishment Share by Employment Size (London CY) in 2023

NAICS Code	31-33
Description	Manufacturing
1-4 Employees	129
5-9 Employees	76
10-19 Employees	61
20-49 Employees	77
50-99 Employees	43

NAICS Code	31-33
Description	Manufacturing
100-199 Employees	25
200-499 Employees	16
500+ Employees	7
Total	434

Source: Lightcast[51], November 7, 2024

In London, the manufacturing industry was home to approximately 434[52] businesses and employed 20,003[53] people in 2023, making up 9.2%[54] of the total workforce, thus making it one of London's key sectors (top 5) (Lightcast, November 7, 2024, London (CY)).

London is at the manufacturing forefront of world-renowned products, investments, and talent[55]. The city is located on the 401 corridor, within one day's drive of over 150 million consumers[56]. $1.5 billion in trade travels through this corridor daily[57]. London is home to the Canadian headquarters for advanced manufacturing sector leaders including 3M Canada, McCormick Canada, Trojan Technologies, Starlim North America, Trudell Medical, Diamond Aircraft, Sodecia North America, and more, thus driving the city's competitive advantage in this industry. Additionally, the presence of Western Advanced Manufacturing Park empowers collaboration between leading-edge research, manufacturing, entrepreneur, and investment partners to rapidly generate high technology, manufacturing innovations, and advanced solutions[58].

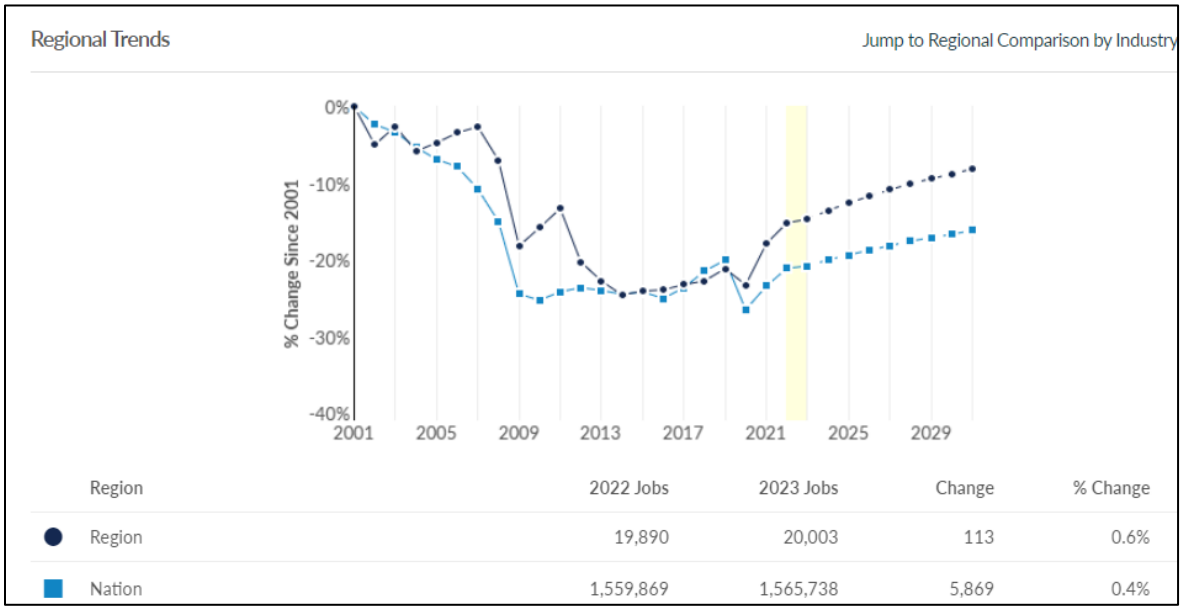
According to the Conference Board of Canada (Major City Insights London, November 30, 2023), weaker output growth in manufacturing was seen in 2023 (+0.7%) and this lower output was expected to continue in 2024 (+0.9%). However, the manufacturing output was projected to pick up toward the end of the forecast period. It was also projected that manufacturing employment would grow by 1% in 2024. Between 2024 and 2027, manufacturing output is expected to grow at an average annual rate of 2.3%. Volkswagen's EV battery plant is expected to open in 2027, providing a boost to the local economy. However, it will take some time for the plant to reach production capacity, which means the city could see manufacturing output rise sharply toward the end of 2028[59].

Furthermore, the Volkswagen's massive electric vehicle battery plant in St. Thomas will put the London area on the path to becoming a global leader in electric vehicle parts and manufacturing. The battery plant will not only create jobs in construction and manufacturing but also generate spin-off jobs in other industries such as transportation and warehousing once production is in full

[51] Industries by Business Location Size « Lightcast Analyst
[52] Industries by Business Location Size « Lightcast Analyst
[53] Industry Overview « Lightcast Analyst
[54] Highest Ranked Industries « Lightcast Analyst
[55] LEDC_2019_London_Magazine_Virtual.pdf
[56] LEDC_2019_London_Magazine_Virtual.pdf
[57] LEDC_2019_London_Magazine_Virtual.pdf
[58] The Park – Western Advanced Research Park (westernadvancedmanufacturingpark.ca)
[59] Conference Board of Canada, Major City Insights London, November 30, 2023.

swing. The battery plant may take some time to reach full employment. As a result, the Conference Board of Canada expects a significant increase in manufacturing jobs past the medium term[60].

Graph 5: Employment Trends - London (CY) Compared to Canada (2022 - 2023)



Source: © Copyright 2024 Lightcast[61], November 7, 2024.

London's average wage per job in 2023 in the manufacturing industry was $65,241[62], which was 5.8% lower than Ontario's at $69,282[63] and 4.3% lower than Canada's at $68,179 (Lightcast, November 7, 2024). In addition, as can be seen in Graph 5, in 2022, London had 19,890 jobs in this industry, which was 7% above the national average, and experienced a 0.6% growth between 2022 - 2023, resulting in 20,003 jobs in 2023 (Lightcast, November 7, 2024).

Table 4: Top 5 Occupations Employed by the Manufacturing Industry in London in 2023

Description	Employed in Industry (2023)	% of Total Jobs in Industry (2023)
Process control and machine operators, food and beverage processing	1,214	6.1%
Machine operators of other metal products	862	4.3%
Construction millwrights and industrial mechanics	819	4.1%
Manufacturing managers	776	3.9%
Laborers in food and beverage processing	699	3.5%

Source: Lightcast, July 25, 2024[64]

[60] Conference Board of Canada, Major City Insights London, November 30, 2023.
[61] Industry Overview « Lightcast Analyst
[62] Industry Overview « Lightcast Analyst
[63] Industry Overview « Lightcast Analyst
[64] Industry Overview « Lightcast Analyst

Table 4 shows that in 2023 'Process control and machine operators, food and beverage processing' made up 6.1% of the total jobs in this industry in London, followed by 'Machine operators of other metal products' at 4.3%.

London's Competitive Analysis Findings in Comparison with other Municipalities

This section presents London's competitive analysis findings in comparison with other municipalities in Ontario. The competitive analysis results are based on using the location quotient and shift-share approach. It is important to note that this is one analysis method for a competitive analysis.

- Location quotient analysis involves the computation of a ratio that measures each industry's share of total local employment relative to the same industry's share of a reference area's total employment. The reference area can be a region, a province, or a nation. This sector profile presents the location quotient analysis for London as the local community and Ontario as the reference area. The location quotient reflects the contribution of manufacturing industry to London's economy relative to the contribution of the same industry to Ontario.
- Shift-share analysis focuses on changes that have taken place in the industrial composition of the community. This technique examines variations in local employment relative to changes in employment observed in a reference area. The reference area can be a region, province, or nation. Shift-share analysis is conducted based on the industrial mix effect and differential shift effect:
    - Industrial mix effect measures the change in employment in a local industry attributed to whether the industry is growing or declining in the reference area.
    - Differential shift effect, also known as competitive effect, measures the difference between the rate of change in industry employment at the local level and the rate of change in industry employment at the reference area level. This effect is especially relevant because it highlights location advantages or disadvantages responsible for an industry's growth or decline within a community relative to other locations.

Detailed findings from the competitive analysis completed for 2022 and 2023 are presented below. London was compared to other municipalities in Ontario, including Toronto, Ottawa, Windsor, Kingston, Waterloo, Kitchener, Cambridge, and Hamilton.

For findings of the competitive analysis completed for 2016 and 2021 (Statistics Canada Census Data), please see Appendix A.

Location Quotient Findings

Table 5 presents location quotient results for the manufacturing industry in different municipalities in Ontario in 2023. Ontario was employed as the reference area.

Table 5: Location Quotient and Shift-Share Findings of Municipalities in Ontario (2022 - 2023)

Municipalities	2022 Location Quotient	2023 Location Quotient	Shift-Share Industrial Mix Effect	Shift-Share Differential Shift Effect	Position of Industry in Municipality
London	0.97	0.98	-62	140	Moderate
Toronto	0.65	0.64	-293	-1,664	Marginal
Ottawa	0.34	0.34	-60	-112	Marginal
Windsor	1.46	1.46	-43	-97	Challenging
Kingston	0.57	0.58	-14	89	Moderate
Waterloo	1.03	1.04	-21	65	Moderate
Kitchener	1.05	1.05	-36	23	Transitional
Cambridge	2.58	2.59	-65	290	Transitional
Hamilton	1.08	1.09	-83	269	Transitional

Source: Lightcast, Custom Data Analysis - March 12, 2024

As presented in Table 5, London is one of four municipalities (together with Toronto, Ottawa, and Kingston) that had a location quotient less than one. A location quotient less than one suggests that the manufacturing industry's share of London's employment falls short of the same industry's share of total employment in Ontario in 2023. This implies that the manufacturing industry's contribution to London's economy lags the same industry's contribution to the economy of Ontario. However, of the four municipalities noted above, London is the only one that has a location quotient higher than 0.75, which as per the OMAFRA interpretation indicates that the local needs are being met by the sector.

Other municipalities (Windsor, Waterloo, Kitchener, Cambridge, and Hamilton) had a location quotient greater than one. A location quotient higher than one points to the concentration of the manufacturing industry in the municipality. Cambridge's location quotient of 2.58 suggests that the manufacturing industry's contribution to Cambridge's economy surpasses the same industry's contribution to the economy of Ontario.

Shift-Share Findings

Industrial Mix Effect Findings

Like all municipalities presented in Table 5, London's manufacturing industry had a negative industrial mix effect relative to Ontario between 2022 and 2023. A negative industrial mix effect suggests that the manufacturing industry in London experienced a growth rate below Ontario's overall rate of growth.

Differential Shift Effect Findings

As illustrated in Table 5, London is one of the six municipalities (together with Kingston, Waterloo, Kitchener, Cambridge, and Hamilton) that had a positive differential shift effect relative to Ontario between 2022 and 2023. A positive differential shift effect suggests that the

manufacturing industry in London experienced a higher rate of growth than Ontario's industry growth rate. Specifically, the positive differential shift effect indicates that local businesses in the industry performed better than businesses in the provincial industry, suggesting that London offers some sort of competitive advantage favoring businesses in the manufacturing industry.

Municipalities that had a negative differential shift effect in the manufacturing industry were Toronto, Ottawa, and Windsor. A negative differential shift effect means the manufacturing industry in these municipalities experienced a rate of growth below Ontario's industry growth rate.

Shift-Share and Location Quotient Findings Combined

Based on the Carvalho Classification System of Economic Performance which uses a combination of shift-share and location quotient results, manufacturing was positioned as a *moderate industry* in London between 2022 and 2023. This suggests that the manufacturing industry, which grew provincially at a slower rate than the overall growth, was relatively underrepresented in the community; the local growth exceeded the provincial growth in this industry. Other municipalities that have manufacturing being positioned as a moderate industry like London are Kingston and Waterloo.

Manufacturing was positioned as a *transitional industry* in Kitchener, Cambridge, and Hamilton. This suggests that these three municipalities had an average specialization in the manufacturing industry which grew provincially at a slower rate than the overall growth; but the local growth exceeded the provincial growth in this industry.

Manufacturing was positioned as a *challenging industry* in Windsor. This implies that the manufacturing industry had a relatively high concentration of employment in the community, suggesting that it played a prominent role in Windsor's overall employment and should be monitored carefully.

Manufacturing was positioned as a *marginal industry* in Toronto and Ottawa, suggesting that the manufacturing industry was under-represented in the community.

1. Sub-sector Analysis

The manufacturing sector[65] comprises establishments primarily engaged in the chemical, mechanical, or physical transformation of materials or substances into new products. These products may be finished, in the sense that they are ready to be used or consumed, or semi-finished, in the sense of becoming a raw material for an establishment to use in further manufacturing. Related activities, such as the assembly of the component parts of manufactured goods; the blending of materials; and the finishing of manufactured products by dyeing, heat-treating, plating, and similar operations are also treated as manufacturing activities. Manufacturing establishments are known by a variety of trade designations such as plants, factories, or mills.

Manufacturing establishments may own the materials which they transform, or they may transform materials owned by other establishments. Manufacturing may take place in factories or in workers' homes, using either machinery or hand tools.

Units that completely outsource the transformation process but own the input materials are classified to the manufacturing sector. Units that completely outsource the transformation process but do not own the materials are classified to merchant wholesalers in Sector 41 Wholesale trade. These units are in fact buying the completed goods from the producer with the intention to resell it. These units may design the goods being manufactured and may have some say in the manufacturing process.

Certain activities involving the transformation of goods are classified in other sectors. Some examples are post-harvest activities of agricultural establishments such as crop drying; logging; the beneficiating of mineral ores; the production of structures by construction establishments; and various activities conducted by retailers such as meat cutting and the assembly of products such as bicycles and computers.

Sales branches or offices (but not retail stores) maintained by manufacturing, refining, or mining enterprises apart from their plants or mines for the purpose of marketing their products are included in Sector 41 Wholesale trade as merchant wholesalers.

The manufacturing industry is comprised of 21 key sub-industries:

1. Food manufacturing (311)
2. Beverage and tobacco product manufacturing (312)
3. Textile mills (313)
4. Textile product mills (314)
5. Clothing manufacturing (315)
6. Leather and allied product manufacturing (316)
7. Wood product manufacturing (321)
8. Paper manufacturing (322)
9. Printing and related support activities (323)

[65] NAICS 2022 Version 1.0 - 31-33 - Manufacturing - Sector (statcan.gc.ca)

10. Petroleum and coal product manufacturing (324)
11. Chemical manufacturing (325)
12. Plastics and rubber products manufacturing (326)
13. Non-metallic mineral product manufacturing (327)
14. Primary metal manufacturing (331)
15. Fabricated metal product manufacturing (332)
16. Machinery manufacturing (333)
17. Computer and electronic product manufacturing (334)
18. Electrical equipment, appliance, and component manufacturing (335)
19. Transportation equipment manufacturing (336)
20. Furniture and related product manufacturing (337)
21. Miscellaneous manufacturing (339)

Table 6 provides a summary of London's top 12 sub-sectors in the manufacturing industry, which is based on Lightcast's highest ranked sub-sectors[66].

Table 6: London's Top 12 Sub-sectors in the Manufacturing Industry

Ranking	Industry	2022 Jobs	2023 Jobs	Change in Jobs (2022-2023)	% Change	2022 Wages Per Worker
1	Food manufacturing	4,572	4,678	107	2%	$52,489
2	Transportation equipment manufacturing	3,781	3,809	28	1%	$70,410
3	Fabricated metal product manufacturing	1,747	1,695	(52)	(3%)	$72,882
4	Primary metal manufacturing	1,409	1,391	(18)	(1%)	$78,743
5	Beverage and tobacco product manufacturing	1,384	1,302	(82)	(6%)	$56,700
6	Machinery manufacturing	1,311	1,419	109	8%	$69,267
7	Miscellaneous manufacturing	1,057	1,002	(55)	(5%)	$86,658
8	Wood product manufacturing	691	690	(1)	(0%)	$49,973
9	Plastics and rubber products manufacturing	644	677	33	5%	$54,667
10	Non-metallic mineral product manufacturing	586	581	(5)	(1%)	$64,021
11	Paper manufacturing	563	525	(38)	(7%)	$87,270
12	Chemical manufacturing	541	577	36	7%	$96,694

Source: Lightcast, November 7, 2024

[66] Highest Ranked Industries « Lightcast Analyst

1.1. Competitive Analysis Findings for London's Top 12 Sub-sectors in the Manufacturing Industry

Table 7 presents location quotient and shift-share results for sub-sectors in London Subdivision's manufacturing industry for 2022 and 2023. Ontario was employed as the reference area.

Table 7: Location Quotient and Shift-Share Findings of Sub-sectors in London's Manufacturing Industry (2022 - 2023)

Sub-sectors (3-digit NAICS)	2023 Location Quotient	Shift-Share Industrial Mix Effect	Shift-Share Differential Shift Effect	Position of Sub-sector in London
Food Manufacturing (311)	1.62	-90	145	Transitional
Transportation Equipment Manufacturing (336)	1.04	10	-5	Promising
Fabricated Metal Product Manufacturing (332)	0.84	8	1	Rising
Primary Metal Manufacturing (331)	1.68	58	-0.4	Promising
Machinery Manufacturing (333)	0.78	8	18	Rising
Beverage and Tobacco Product Manufacturing (312)	1.76	-1	2	Transitional
Miscellaneous Manufacturing (339)	1.34	-1	-25	Challenging
Wood Product Manufacturing (321)	1.28	-23	14	Transitional
Plastics and Rubber Products Manufacturing (326)	0.43	24	-14	Modest
Non-metallic Mineral Product Manufacturing (327)	0.97	15	22	Rising
Chemical Manufacturing (325)	0.43	0.3	6	Rising
Paper Manufacturing (322)	1.09	-10	-22	Challenging

Source: Lightcast, Custom Data Analysis - March 5, 2024

Location Quotient Findings

As presented in Table 7, seven sub-sectors in London's manufacturing industry had a location quotient greater than one in 2023. These sub-sectors are Food Manufacturing (311); Beverage and Tobacco Product Manufacturing (312); Paper Manufacturing (322); Primary Metal Manufacturing (331); Transportation Equipment Manufacturing (336); Miscellaneous Manufacturing (339); and Wood Product Manufacturing (321). A location quotient higher than one points to the concentration or specialization of the sub-sector in the region[67]. For example, the location quotient of 1.62 for Food Manufacturing (311) suggests that the sub-sector's contribution to London's economy surpassed the same sub-sector's contribution to the economy of Ontario.

Other sub-sectors (Chemical Manufacturing (325); Fabricated Metal Product Manufacturing (332); Machinery Manufacturing (333); Non-metallic mineral product manufacturing (327); and Plastics and rubber products manufacturing (326)) had a location quotient less than one. This indicates that the sub-sector's share of London's employment falls short of the same sub-sector's share of total employment in Ontario. This implies that the sub-sector's contribution to

[67] Economic Development Information System - Guide one: Performing a Community Competitive Analysis (page 17). This guide was prepared by the Niagara Economic and Tourism Corporation in partnership with Bell Canada Inc.

London's economy lags the same sub-sector's contribution to the economy of Ontario. However, of the five sub-sectors noted above, three sub-sectors (Fabricated Metal Product Manufacturing (332); Machinery Manufacturing (333); and Non-metallic mineral product manufacturing (327)) had a location quotient higher than 0.75, which as per the OMAFRA interpretation indicates that the local needs were being met by these sub-sectors.

Compared to other sub-sectors, Beverage and Tobacco Product Manufacturing (312) had the highest location quotient at 1.76 in 2023. According to Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA), a location quotient higher than 1.25 is classified as "high". A high location quotient indicates that the Beverage and Tobacco Product Manufacturing sub-sector is serving needs that extend beyond London's boundaries and is likely "exporting" goods and services. A high location quotient may also indicate that London has a competitive advantage in that sub-sector, for example, its location, infrastructure, or attributes. Other sub-sectors in London's manufacturing industry had a high location quotient in 2023 are Food Manufacturing (311); Primary Metal Manufacturing (331); Miscellaneous Manufacturing (339); and Wood Product Manufacturing (321).

Shift-Share Findings

Industrial Mix Effect Findings

As presented in Table 7, seven sub-sectors in London's manufacturing industry had a positive industrial mix effect relative to Ontario between 2022 and 2023. These sub-sectors are Chemical Manufacturing (325); Primary Metal Manufacturing (331); Fabricated Metal Product Manufacturing (332); Machinery Manufacturing (333); Transportation Equipment Manufacturing (336); Non-metallic mineral product manufacturing (327); and Plastics and rubber products manufacturing (326). A positive industrial mix effect indicates that the sub-sector in London experienced a growth rate higher than the overall rate of growth for Ontario. This may be a growth sub-sector with job producing opportunities.

Other five sub-sectors (Food Manufacturing (311); Beverage and Tobacco Product Manufacturing (312); Paper Manufacturing (322); Miscellaneous Manufacturing (339); and Wood Product Manufacturing (321)) had a negative industrial mix effect relative to Ontario between 2022 and 2023. A negative industrial mix effect indicates that these sub-sectors in London's manufacturing industry experienced a growth rate below Ontario's overall rate of growth.

Differential Shift Effect Findings

As illustrated in Table 7, seven sub-sectors in London's manufacturing industry had a positive differential shift effect relative to Ontario for 2022 and 2023. These sub-sectors are Food Manufacturing (311); Beverage and Tobacco Product Manufacturing (312); Chemical Manufacturing (325); Fabricated Metal Product Manufacturing (332); Machinery Manufacturing (333); Wood Product Manufacturing (321); and Non-metallic Mineral Product Manufacturing (327). A positive differential shift effect suggests the sub-sector in London experienced a higher rate of growth than Ontario's sub-sector growth rate. Specifically, the positive differential shift effect indicates that London's businesses in these seven sub-sectors performed better than

Ontario's businesses in these seven sub-sectors. It suggests that London offered some sort of competitive advantage favoring businesses in these sub-sectors.

Other sub-sectors (Paper Manufacturing (322); Primary Metal Manufacturing (331); Transportation Equipment Manufacturing (336); Miscellaneous Manufacturing (339); and Plastics and Rubber Products Manufacturing (326)) had a negative differential shift effect. A negative differential shift effect indicates the sub-sector in London experienced a rate of growth below Ontario's sub-sector growth rate.

Shift-Share and Location Quotient Findings Combined

Based on the Carvalho Classification System of Economic Performance which uses a combination of shift-share and location quotient results, Food Manufacturing (311); Beverage and Tobacco Product Manufacturing (312); and Wood Product Manufacturing (321) were positioned as *transitional sub-sectors* in London. This suggests London had an average specialization in these three sub-sectors which grew provincially at a slower rate than the overall growth; London's growth exceeded the provincial growth in these three sub-sectors.

Chemical Manufacturing (325); Fabricated Metal Product Manufacturing (332); Machinery Manufacturing (333); and Non-metallic Mineral Product Manufacturing (327) were positioned as *rising sub-sectors*, which suggests relatively low proportion of local employment, but will likely increase due to growth in these sub-sectors, that are growing provincially and growing at an even higher rate locally.

Primary Metal Manufacturing (331) and Transportation Equipment Manufacturing (336) were positioned as *promising sub-sectors*, which suggests high local specialization in these sub-sectors that grew provincially; London's growth was slower than provincial growth in these sub-sectors.

Plastics and rubber products manufacturing (326) was positioned as a *modest sub-sector*, which suggests London had relatively slow specialization in this sector which grew provincially; London's growth was slower than provincial growth in this sector.

Paper Manufacturing (322) and Miscellaneous Manufacturing (339) were positioned as *challenging sub-sectors*. This implies that these sub-sectors had a relatively high concentration of employment in the community, suggesting that they played a prominent role in London's overall employment and should be monitored carefully.

1.2. Top 12 Sub-Sector Analysis

1.2.1. Food Manufacturing (311)

This sub-sector comprises establishments primarily engaged in producing food for human or animal consumption[68]. The industry groups within this sub-sector are animal food manufacturing, grain and oilseed milling, sugar and confectionery product manufacturing, fruit

[68] NAICS 2022 Version 1.0 - 311 - Food manufacturing - Sub-sector (statcan.gc.ca)

and vegetable preserving and specialty food manufacturing, dairy product manufacturing, meat product manufacturing, seafood product preparation and packaging, bakeries and tortilla manufacturing, and other food manufacturing[69].

- Total establishments in London (CY) as of December 2023: 54[70]
  - 1 to 4 employees: 20[71]
  - 5 to 9 employees: 9
  - 10 to 19 employees: 7
  - 20 to 49 employees: 6
  - 50 to 99 employees: 3
  - 100 to 199 employees: 2
  - 200 to 499 employees: 2
  - 500 plus employees: 5
- As per data retrieved from Lightcast, in 2022 London had 4,572[72] jobs in the food manufacturing industry sub-sector, which was 54% above the national average. Between 2022-2023 there was a 2.3% increase in the number of jobs in this industry sub-sector, resulting in 4,678 jobs in 2023 (Lightcast, November 7, 2024).
- London's average wage per job for this sub-sector in 2023 was $52,489[73] which was 8.6% lower than Canada's at $57,409 and 12% lower than Ontario's at $59,658[74] (Lightcast, November 7, 2024).

1.2.2. Transportation Equipment Manufacturing (336)

This sub-sector comprises establishments primarily engaged in manufacturing equipment for transporting people and goods. The industry groups are based on the various modes of transport - road, rail, air, and water. Three industry groups are based on road transportation equipment - for complete vehicles, for body and trailer manufacture and for parts. Establishments primarily engaged in rebuilding equipment and parts are included in the same industry as establishments manufacturing new products. The industry groups within this sub-sector are motor vehicle manufacturing; motor vehicle body and trailer manufacturing; motor vehicle parts manufacturing; aerospace product and parts manufacturing; railroad rolling stock manufacturing; ship and boat building; and other transportation equipment manufacturing[75].

- Total establishments in London (CY) as of December 2023: 27[76]
  - 1 to 4 employees: 1[77]
  - 5 to 9 employees: 2

[69] NAICS 2022 Version 1.0 - 311 - Food manufacturing - Sub-sector (statcan.gc.ca)
[70] Industries by Business Location Size « Lightcast Analyst
[71] Industries by Business Location Size « Lightcast Analyst
[72] Industry Overview « Lightcast Analyst
[73] Industry Overview « Lightcast Analyst
[74] Industry Overview « Lightcast Analyst
[75] NAICS 2022 Version 1.0 - 336 - Transportation equipment manufacturing - Sub-sector (statcan.gc.ca)
[76] Industries by Business Location Size « Lightcast Analyst
[77] Industries by Business Location Size « Lightcast Analyst

  - 10 to 19 employees: 4
  - 20 to 49 employees: 6
  - 50 to 99 employees: 5
  - 100 to 199 employees: 3
  - 200 to 499 employees: 5
  - 500 plus employees: 1
- As per data retrieved from Lightcast, in 2022 London had 3,781[78] jobs in the transportation equipment manufacturing industry sub-sector, which was 59% above the national average. Between 2022-2023 there was a 0.7% increase in the number of jobs in this industry sub-sector, resulting in 3,809 jobs in 2023 (Lightcast, November 7, 2024).
- London's average wage per job for this sub-sector in 2023 was $70,410[79] which was 3.4% lower than Canada's at $72,873 and 3.4% lower than Ontario's at $72,851[80] (Lightcast, November 7, 2024).

1.2.3. Fabricated Metal Product Manufacturing (332)

This sub-sector comprises establishments primarily engaged in forging, stamping, forming, turning, and joining processes to produce ferrous and non-ferrous metal products such as cutlery and hand tools, architectural and structural metal products, boilers, tanks and shipping containers, hardware, spring, and wire products, turned products, and bolts, nuts, and screws. The industry groups within this sub-sector are forging and stamping; cutlery and hand tool manufacturing; architectural and structural metals manufacturing; boiler, tank, and shipping container manufacturing; hardware manufacturing; spring and wire product manufacturing; machine shops, turned product, and screw, nut, and bolt manufacturing; coating, engraving, cold and heat treating and allied activities; and other fabricated metal product manufacturing[81].

- Total establishments in London (CY) as of December 2023: 62[82]
  - 1 to 4 employees: 18
  - 5 to 9 employees: 11
  - 10 to 19 employees: 10
  - 20 to 49 employees: 13
  - 50 to 99 employees: 6
  - 100 to 199 employees: 2
  - 200 to 499 employees: 2
  - 500 plus employees: 0
- As per data retrieved from Lightcast, in 2022 London had 1,747[83] jobs in the fabricated metal product manufacturing industry sub-sector, which was 8%[84] below the national

[78] Industry Overview « Lightcast Analyst
[79] Industry Overview « Lightcast Analyst
[80] Industry Overview « Lightcast Analyst
[81] NAICS 2022 Version 1.0 - 332 - Fabricated metal product manufacturing - Sub-sector (statcan.gc.ca)
[82] Industries by Business Location Size « Lightcast Analyst
[83] Industry Overview « Lightcast Analyst
[84] Industry Overview « Lightcast Analyst

average. Between 2022-2023 there was a 3%[85] decrease in the number of jobs in this industry sub-sector, resulting in 1,695 jobs in 2023 (Lightcast, November 7, 2024).

- London's average wage per job for this sub-sector in 2023 was $72,882[86] which was 8.3% higher than Canada's at $67,274[87] and 7.9% higher than Ontario's at $67,565[88] (Lightcast, November 7, 2024).

1.2.4. Primary Metal Manufacturing (331)

This sub-sector comprises establishments primarily engaged in smelting and refining ferrous and non-ferrous metals from ore, pig, or scrap in blast or electric furnaces. Metal alloys are made with the introduction of other chemical elements. The output of smelting and refining, usually in ingot form, is used in rolling and drawing operations to produce sheet, strip, bars, rods, and wire, and in molten form to produce castings and other basic metal products. The industry groups within this sub-sector are iron and steel mills and ferro-alloy manufacturing; steel product manufacturing from purchased steel; alumina and aluminum production and processing; non-ferrous metal (except aluminum) production and processing; and foundries[89].

- Total establishments in London (CY) as of December 2023: 8[90]
  - 1 to 4 employees: 0
  - 5 to 9 employees: 1
  - 10 to 19 employees: 0
  - 20 to 49 employees: 3
  - 50 to 99 employees: 1
  - 100 to 199 employees: 1
  - 200 to 499 employees: 2
  - 500 plus employees: 0
- As per data retrieved from Lightcast, in 2022 London had 1,409[91] jobs in the primary metal manufacturing industry sub-sector, which was 113%[92] above the national average. Between 2022-2023 there was a 1.3%[93] decrease in the number of jobs in this industry sub-sector, resulting in 1,391 jobs in 2023 (Lightcast, November 7, 2024).
- London's average wage per job for this sub-sector in 2023 was $78,743[94] which was 17.9% lower than Canada's at $95,953[95] and 14.7% lower than Ontario's at $92,323[96] (Lightcast, November 7, 2024).

[85] Industry Overview « Lightcast Analyst
[86] Industry Overview « Lightcast Analyst
[87] Industry Overview « Lightcast Analyst
[88] Industry Overview « Lightcast Analyst
[89] NAICS 2022 Version 1.0 - 331 - Primary metal manufacturing - Sub-sector (statcan.gc.ca)
[90] Industries by Business Location Size « Lightcast Analyst
[91] Industry Overview « Lightcast Analyst
[92] Industry Overview « Lightcast Analyst
[93] Industry Overview « Lightcast Analyst
[94] Industry Overview « Lightcast Analyst
[95] Industry Overview « Lightcast Analyst
[96] Industry Overview « Lightcast Analyst

1.2.5. Machinery Manufacturing (333)

This sub-sector comprises establishments primarily engaged in manufacturing industrial and commercial machinery. These establishments assemble parts into components, subassemblies, and complete machines. They may make the parts themselves, using general metal-working processes, or purchase them. The industry groups within this sub-sector are agricultural, construction and mining machinery manufacturing; industrial machinery manufacturing; commercial and service industry machinery manufacturing; ventilation, heating, air-conditioning, and commercial refrigeration equipment manufacturing; metalworking machinery manufacturing; engine, turbine, and power transmission equipment manufacturing; and other general-purpose machinery manufacturing[97].

- Total establishments in London (CY) as of December 2023: 41[98]
    - 1 to 4 employees: 9
    - 5 to 9 employees: 4
    - 10 to 19 employees: 10
    - 20 to 49 employees: 7
    - 50 to 99 employees: 6
    - 100 to 199 employees: 2
    - 200 to 499 employees: 3
    - 500 plus employees: 0
- As per data retrieved from Lightcast, in 2022 London had 1,311[99] jobs in the machinery manufacturing industry sub-sector, which was 21% below the national average. Between 2022-2023 there was an 8.2%[100] increase in the number of jobs in this industry sub-sector, resulting in 1,419 jobs in 2023 (Lightcast, November 7, 2024).
- London's average wage per job for this sub-sector in 2023 was $69,267[101] which was 9% lower than Canada's at $76,125 and 8.6% lower than Ontario's at $75,744[102] (Lightcast, November 7, 2024).

1.2.6. Beverage and Tobacco Product Manufacturing (312)

This sub-sector comprises establishments primarily engaged in manufacturing beverages and tobacco products. The industry groups within this sub-sector are beverage manufacturing, tobacco manufacturing, and cannabis product manufacturing[103].

- Total establishments in London (CY) as of December 2023: 20[104]

[97] NAICS 2022 Version 1.0 - 333 - Machinery manufacturing - Sub-sector (statcan.gc.ca)
[98] Industries by Business Location Size « Lightcast Analyst
[99] Industry Overview « Lightcast Analyst
[100] Industry Overview « Lightcast Analyst
[101] Industry Overview « Lightcast Analyst
[102] Industry Overview « Lightcast Analyst
[103] NAICS 2022 Version 1.0 - 312 - Beverage and tobacco product manufacturing - Sub-sector (statcan.gc.ca)
[104] Industries by Business Location Size « Lightcast Analyst

  - 1 to 4 employees: 5
  - 5 to 9 employees: 1
  - 10 to 19 employees: 3
  - 20 to 49 employees: 5
  - 50 to 99 employees: 1
  - 100 to 199 employees: 4
  - 200 to 499 employees: 0
  - 500 plus employees: 1
- As per data retrieved from Lightcast, in 2022 London had 1,384[105] jobs in the beverage and tobacco product manufacturing industry sub-sector, which was 104%[106] above the national average. Between 2022-2023 there was a 5.9%[107] decrease in the number of jobs in this industry sub-sector, resulting in 1,302 jobs in 2023 (Lightcast, November 7, 2024).
- London's average wage per job for this sub-sector in 2023 was $56,700[108] which was 6.1% lower than Canada's at $60,411[109] and 11.1% lower than Ontario's at $63,792[110] (Lightcast, November 7, 2024).

1.2.7. Miscellaneous Manufacturing (339)

This sub-sector comprises establishments, not classified to any other sub-sector, primarily engaged in manufacturing activities. These establishments manufacture a diverse range of products, such as medical equipment and supplies, jewelry, sporting goods, toys, and office supplies[111]. The industry groups within this sub-sector are medical equipment and supplies manufacturing and other miscellaneous manufacturing.

- Total establishments in London (CY) as of December 2023: 54[112]
  - 1 to 4 employees: 25
  - 5 to 9 employees: 12
  - 10 to 19 employees: 5
  - 20 to 49 employees: 6
  - 50 to 99 employees: 4
  - 100 to 199 employees: 1
  - 200 to 499 employees: 1
  - 500 plus employees: 0
- As per data retrieved from Lightcast, in 2022 London had 1,057[113] jobs in the miscellaneous manufacturing industry sub-sector, which was 53% above the national

[105] Industry Overview « Lightcast Analyst
[106] Industry Overview « Lightcast Analyst
[107] Industry Overview « Lightcast Analyst
[108] Industry Overview « Lightcast Analyst
[109] Industry Overview « Lightcast Analyst
[110] Industry Overview « Lightcast Analyst
[111] NAICS 2022 Version 1.0 - 339 - Miscellaneous manufacturing - Sub-sector (statcan.gc.ca)
[112] Industries by Business Location Size « Lightcast Analyst
[113] Industry Overview « Lightcast Analyst

average. Between 2022-2023 there was a 5.2%[114] decrease in the number of jobs in this industry sub-sector, resulting in 1,002 jobs in 2023 (Lightcast, November 7, 2024).

- London's average wage per job for this sub-sector in 2023 was $86,658[115] which was 44.6% higher than Canada's at $59,942[116] and 37.5% higher than Ontario's at $63,023[117] (Lightcast, November 7, 2024).

1.2.8. Wood Product Manufacturing (321)

This sub-sector comprises establishments primarily engaged in manufacturing products from wood. There are three industry groups in this sub-sector, comprising establishments engaged in sawing logs into lumber and similar products, or preserving these products; making products that improve the natural characteristics of wood, by making veneers, plywood, reconstituted wood panel products or engineered wood assemblies; and making a diverse range of wood products such as millwork[118]. The industry groups within this sub-sector are sawmills and wood preservation; veneer, plywood, and engineered wood product manufacturing; and other wood product manufacturing.

- Total establishments in London (CY) as of December 2023: 16[119]
  - 1 to 4 employees: 5
  - 5 to 9 employees: 1
  - 10 to 19 employees: 2
  - 20 to 49 employees: 3
  - 50 to 99 employees: 5
  - 100 to 199 employees: 0
  - 200 to 499 employees: 0
  - 500 plus employees: 0
- As per data retrieved from Lightcast, in 2022 London had 691[120] jobs in the wood product manufacturing industry sub-sector, which was 39%[121] below the national average. Between 2022-2023 there was a 0.1%[122] decrease in the number of jobs in this industry sub-sector, resulting in 690 jobs in 2023 (Lightcast, November 7, 2024).
- London's average wage per job for this sub-sector in 2023 was $49,973[123] which was 22.3% lower than Canada's at $64,287[124] and 19% lower than Ontario's at $61,714[125] (Lightcast, November 7, 2024).

[114] Industry Overview « Lightcast Analyst
[115] Industry Overview « Lightcast Analyst
[116] Industry Overview « Lightcast Analyst
[117] Industry Overview « Lightcast Analyst
[118] NAICS 2022 Version 1.0 - 321 - Wood product manufacturing - Sub-sector (statcan.gc.ca)
[119] Industries by Business Location Size « Lightcast Analyst
[120] Industry Overview « Lightcast Analyst
[121] Industry Overview « Lightcast Analyst
[122] Industry Overview « Lightcast Analyst
[123] Industry Overview « Lightcast Analyst
[124] Industry Overview « Lightcast Analyst
[125] Industry Overview « Lightcast Analyst

1.2.9. Plastics and Rubber Products Manufacturing (326)

This sub-sector comprises establishments primarily engaged in making goods by processing raw rubber and plastics materials. Rubber and plastics-based activities are combined in the same sub-sector because the technical properties of these polymers are related. Generally, establishments classified in this sub-sector manufacture products made of just one material, rubber, or plastics, with the major exception of tire manufacturing[126]. The industry groups within this sub-sector are plastic product manufacturing and rubber product manufacturing.

- Total establishments in London (CY) as of December 2023: 17[127]
    - 1 to 4 employees: 0
    - 5 to 9 employees: 5
    - 10 to 19 employees: 2
    - 20 to 49 employees: 5
    - 50 to 99 employees: 3
    - 100 to 199 employees: 2
    - 200 to 499 employees: 0
    - 500 plus employees: 0
- As per data retrieved from Lightcast, in 2022 London had 644[128] jobs in the plastics and rubber products manufacturing industry sub-sector, which was 47%[129] below the national average. Between 2022-2023 there was a 5.1%[130] increase in the number of jobs in this industry sub-sector, resulting in 677 jobs in 2023 (Lightcast, November 7, 2024).
- London's average wage per job for this sub-sector in 2023 was $54,667[131] which was 9.5% lower than Canada's at $60,412[132] and 10.6% lower than Ontario's at $61,172[133] (Lightcast, November 7, 2024).

1.2.10. Non-metallic Mineral Product Manufacturing (327)

This sub-sector comprises establishments primarily engaged in manufacturing non-metallic mineral products. These establishments cut, grind, shape, and finish granite, marble, limestone, slate, and other stone; mix non-metallic minerals with chemicals and other additives; and heat non-metallic mineral preparations to make products such as bricks, refractories, ceramic products, cement, and glass[134]. The industry groups within this sub-sector are clay product and refractory manufacturing; glass and glass product manufacturing; cement and concrete product manufacturing; lime and gypsum product manufacturing; and other non-metallic mineral product manufacturing.

[126] NAICS 2022 Version 1.0 - 326 - Plastics and rubber products manufacturing - Sub-sector (statcan.gc.ca)
[127] Industries by Business Location Size « Lightcast Analyst
[128] Industry Overview « Lightcast Analyst
[129] Industry Overview « Lightcast Analyst
[130] Industry Overview « Lightcast Analyst
[131] Industry Overview « Lightcast Analyst
[132] Industry Overview « Lightcast Analyst
[133] Industry Overview « Lightcast Analyst
[134] NAICS 2022 Version 1.0 - 327 - Non-metallic mineral product manufacturing - Sub-sector (statcan.gc.ca)

- Total establishments in London (CY) as of December 2023: 18[135]
    - 1 to 4 employees: 4
    - 5 to 9 employees: 2
    - 10 to 19 employees: 4
    - 20 to 49 employees: 5
    - 50 to 99 employees: 2
    - 100 to 199 employees: 1
    - 200 to 499 employees: 0
    - 500 plus employees: 0
- As per data retrieved from Lightcast, in 2022 London had 586[136] jobs in the non-metallic mineral product manufacturing industry sub-sector, which was on par the national average. Between 2022-2023 there was an 0.9% decrease in the number of jobs in this industry sub-sector, resulting in 581 jobs in 2023 (Lightcast, November 7, 2024).
- London's average wage per job for this sub-sector in 2023 was $64,021 which was 10.3% lower than Canada's at $71,374[137] and 12.6% lower than Ontario's at $73,259[138] (Lightcast, November 7, 2024).

1.2.11. Chemical Manufacturing (325)

This sub-sector comprises establishments primarily engaged in manufacturing chemicals and chemical preparations, from organic and inorganic raw materials. The industry groups within this sub-sector are basic chemical manufacturing; resin, synthetic rubber, and artificial and synthetic fibres and filaments manufacturing; pesticide, fertilizer, and other agricultural chemical manufacturing; pharmaceutical and medicine manufacturing; paint, coating, and adhesive manufacturing; soap, cleaning compound and toilet preparation manufacturing; and other chemical product manufacturing[139].

- Total establishments in London (CY) as of December 2023: 8[140]
    - 1 to 4 employees: 1
    - 5 to 9 employees: 2
    - 10 to 19 employees: 1
    - 20 to 49 employees: 1
    - 50 to 99 employees: 2
    - 100 to 199 employees: 1
    - 200 to 499 employees: 0
    - 500 plus employees: 0

[135] Industries by Business Location Size « Lightcast Analyst
[136] Industry Overview « Lightcast Analyst
[137] Industry Overview « Lightcast Analyst
[138] Industry Overview « Lightcast Analyst
[139] NAICS 2022 Version 1.0 - 325 - Chemical manufacturing - Sub-sector (statcan.gc.ca)
[140] Industries by Business Location Size « Lightcast Analyst

- As per data retrieved from Lightcast, in 2022 London had 541[141] jobs in the chemical manufacturing industry sub-sector, which was 50%[142] below the national average. Between 2022-2023 there was a 6.7%[143] increase in the number of jobs in this industry sub-sector, resulting in 577 jobs in 2023 (Lightcast, November 7, 2024).
- London's average wage per job for this sub-sector in 2023 was $96,694[144] which was 14.9% higher than Canada's at $84,175[145] and 16.1% higher than Ontario's at $83,296[146] (Lightcast, November 7, 2024).

1.2.12. Paper Manufacturing (322)

This sub-sector comprises establishments primarily engaged in manufacturing pulp, paper, and paper products. The manufacturing of pulp involves separating the cellulose fibres from other impurities in wood, used paper, or other fibre sources. The manufacture of paper involves matting these fibres into a sheet. Converted paper products are produced from paper and other materials by various cutting and shaping techniques. The industry groups within this sub-sector are pulp, paper, and paperboard mills and converted paper product manufacturing[147].

- Total establishments in London (CY) as of December 2023: 7[148]
    - 1 to 4 employees: 1
    - 5 to 9 employees: 1
    - 10 to 19 employees: 1
    - 20 to 49 employees: 1
    - 50 to 99 employees: 0
    - 100 to 199 employees: 2
    - 200 to 499 employees: 1
    - 500 plus employees: 0
- As per data retrieved from Lightcast, in 2022 London had 563[149] jobs in the paper manufacturing industry sub-sector, which was 3% below the national average. Between 2022-2023 there was a 6.7%[150] decrease in the number of jobs in this industry sub-sector, resulting in 525 jobs in 2023 (Lightcast, November 7, 2024).
- London's average wage per job for this sub-sector in 2023 was $87,270[151] which was 6.2% higher than Canada's at $82,170[152] and 19.6% higher than Ontario's at $72,972[153] (Lightcast, November 7, 2024).

[141] Industry Overview « Lightcast Analyst
[142] Industry Overview « Lightcast Analyst
[143] Industry Overview « Lightcast Analyst
[144] Industry Overview « Lightcast Analyst
[145] Industry Overview « Lightcast Analyst
[146] Industry Overview « Lightcast Analyst
[147] NAICS 2022 Version 1.0 - 322 - Paper manufacturing - Sub-sector (statcan.gc.ca)
[148] Industries by Business Location Size « Lightcast Analyst
[149] Industry Overview « Lightcast Analyst
[150] Industry Overview « Lightcast Analyst
[151] Industry Overview « Lightcast Analyst
[152] Industry Overview « Lightcast Analyst
[153] Industry Overview « Lightcast Analyst

2. SWOT Analysis of London's Manufacturing Sector

2.1. Strengths

2.1.1. Strategic Location

Located in the heart of southwestern Ontario between Toronto and Detroit, London is one of Canada's fastest growing and increasingly diverse cities[154]. This strategic location provides manufacturers with easy access to important transportation networks including highways, railways, and airports, which makes it easier for manufacturers to transport goods and materials and to sell their products and expand their customer base. Companies within these sectors benefit from London's ideal location along the 401 highways, which carries $1.5 billion in trade daily and provides access to 150 million consumers within a one-day drive[155]. Many manufacturers choose London for its strategic geographical location. Volkswagen[156] chose St. Thomas for their new "gigafactory" EV battery manufacturing facility because of its proximity to mineral supplies found in northern Ontario, its workforce, and the region's track record in manufacturing. According to the London Economic Development Corporation[157], the region has many advantages, including:

- Shovel-ready, fully serviced industrial lands[158];
- Within two hours of three major U.S. border crossings - Sarnia/Port Huron, Windsor/Detroit, and Niagara / Buffalo;
- Access to a manufacturing supply chain of 12 Original Equipment Manufacturers (OEMs), Tiers 1-3, logistics, distribution, and warehousing;
- Access to the North American railway system through CN and CP rail; and
- Spanning both sides of the 401 corridor and being located halfway between the Greater Toronto and Hamilton region to the East and Windsor/Detroit to the West, the region has a strong network of suppliers in these industries[159].

2.1.2. Skilled and Talented Workforce[160]

[154] Why London | London Economic Development Corporation (ledc.com)
[155] Advanced Manufacturing | London Economic Development Corporation (ledc.com)
[156] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)
[157] Advanced Manufacturing | London Economic Development Corporation (ledc.com)
[158] Industrial Land | London Economic Development Corporation (ledc.com)
[159] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)
[160] *Quotes*
"London has an ample amount of skilled labor, which is the number one concern among manufacturers looking to invest in a new jurisdiction." - Vijai Lakshmikanthan, CEO, Starlim North America[160]

"Colleges are adapting their programming to meet London's emerging workforce needs in the cannabis and agri-food industries." - Colin Yates, Chair - Centre for Research & Innovation, Fanshawe College[160].

London has a highly skilled and talented workforce[161], with a significant portion of the population holding degrees in engineering and related technology (34,045 people[162] or 16.9%[163]). This strength provides manufacturers with a pool of talented workers who can design, develop, and produce high-quality products.

Western University and Fanshawe College offer a range of manufacturing programs, providing a steady supply of skilled professionals for London's manufacturing sector.

In 2022 there were 19,890[164] people employed in London's manufacturing industry (as per London Subdivision), comprising 9.4% of London's total workforce, which was lower than Ontario (9.8%[165]) and higher than Canada (8.7%[166]). Between 2022 and 2023 the sector grew by 0.6% to 20,003[167], which was 7% above the national average and was one of London's key sectors (top 5), making up 9.2%[168] of the total workforce (Lightcast, November 7, 2024).

2.1.3. Globally Competitive Advanced Manufacturing

Advanced manufacturing is a critical sector in the London economic region, which includes manufacturers in aerospace, materials, automotive, transportation, defense, and building products[169]. Over the last 10 years there's been a strategic move to diversify the advanced manufacturing sector to include more agri-food and beverage processing companies. This diversification provides more stability in London's economy as well as opens the sector up for more diversity, inclusion, and equitable employment opportunities[170]. The advanced manufacturing sector in London represents approximately 12% of all employment in the region. Defense and composite material-based products are driving growth in this sector as well as the automotive, transportation, aerospace, sporting goods, and building products industries. According to LEDC, London has a highly talented workforce specializing in engineering, production, electrical, and quality assurance[171].

Western Advanced Manufacturing Park[172], a 30-acre technology park, is in the heart of Canada's largest manufacturing region just minutes from Highway 401. Founded in 2011, Western Advanced Manufacturing Park was the result of a unique partnership between Western University, Fanshawe College, and the City of London to ensure the repetitive and continuous competitive advantage for regional industry and economic growth. With an array of globally unique facilities, strong industry partnerships, and with ample room to grow and develop new technologies, Western Advanced Manufacturing Park aims to empower collaboration between leading edge research and manufacturing, entrepreneur and investment partners to rapidly

[161] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)
[162] London, ON - Education | Townfolio
[163] London, ON - Education | Townfolio (34,045/201,550 = 16.9%)
[164] Industry Overview « Lightcast Analyst
[165] Highest Ranked Industries « Lightcast Analyst
[166] Highest Ranked Industries « Lightcast Analyst
[167] Industry Overview « Lightcast Analyst
[168] Highest Ranked Industries « Lightcast Analyst
[169] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)
[170] London Economic Development Corporation, Activity Update 2022.
[171] Advanced Manufacturing | London Economic Development Corporation (ledc.com)
[172] The Park – Western Advanced Research Park (westernadvancedmanufacturingpark.ca)

generate high technology, manufacturing innovations, and advanced solutions.

- WINDEEE DOME[173] - WindEEE (Wind Engineering, Energy and Environment) Dome, a LEED® Silver (2014) building, is the world's first hexagonal wind chamber. Built in 2013, this globally unique facility allows researchers to address scientific, economic, and societal challenges related to wind. At 25 meters in diameter for the inner dome and 40 meters in diameter for the outer dome, this large-scale structure has the capability of physically simulating high intensity wind systems – including tornadoes, downbursts, and gust fronts – which cannot be created in any existing wind tunnels.

- FRAUNHOFER INNOVATION PLATFORM FOR COMPOSITES RESEARCH[174] - The Fraunhofer Innovation Platform for Composites Research (FIP-Composites at Western) is a joint venture between Western University and the Fraunhofer Institute of Chemical Technology (ICT) in Pfinztal, Germany. Built in 2012, this approximately 20,000 square foot facility develops, tests, validates, and characterizes new lightweight materials and advanced manufacturing processes at industrial scale. By combining Fraunhofer's latest global technologies and Western's strengths in material engineering, FIP-Composites at Western proactively addresses the needs of its industry partners.

- THE COLLIDER[175] - A multi-purpose facility built in 2014, this approximately 25,000 square foot LEED® Silver (2015) office and industrial space was specifically designed to stimulate collaboration between Park-based researchers and industry. Home to various tenants including BOS Innovations and partnering companies engaged in collaborative projects at the FIP-Composites at Western, this facility ensures the security of their IP and proprietary technologies from competitive companies.

2.1.4. Economic Impact

London's manufacturing output rose by 3.8% in 2022. The sector received a boost in 2022 from the opening of Maple Leaf Foods' massive poultry processing plant and a Glen Dimplex factory that makes baseboard heaters. Between 2024 and 2027, manufacturing output is expected to grow at an average annual rate of 2.4%[176].

In addition to generating direct economic activity through production and sales, the manufacturing sector also supports a range of other industries in London including logistics, transportation, and professional services. This creates a multiplier effect where the economic impact of the manufacturing sector is amplified throughout the local economy.

From 2019 to 2023 there had been a steady increase in industrial building permit construction values; with $43.5 million in 2018, $374.4 million in 2019, $62.8 million in 2020, $106 million in

[173] The Park – Western Advanced Research Park (westernadvancedmanufacturingpark.ca)
[174] The Park – Western Advanced Research Park (westernadvancedmanufacturingpark.ca)
[175] The Park – Western Advanced Research Park (westernadvancedmanufacturingpark.ca)
[176] Conference Board of Canada, Major City Insights London, August 10, 2023.

2021, $131 million in 2022, and $135 million in 2023. Additionally, the annual estimated municipal tax benefits from these new developments included $745,553 revenue in 2020, $786,939 revenue in 2021, and a 2022 estimate of $548, 201 revenues[177].

*Note: 2019 was a record year in terms of construction value, largely attributed to the building permit value of Maple Leaf Foods which totaled approximately $300 million in construction value.

2.1.5. Major Employers

Table 8 presents top employers (100+ employees) in London's manufacturing sector.

Table 8: Top Employers in London's Manufacturing Sector by Number of Employees (100+ Employees)

Food Manufacturing (311)

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
Cargill Canada	500+[178]	311[179]	Cargill Limited is one of Canada's largest merchandisers and processors. The company's interests include the processing of beef, poultry, oilseed and the manufacturing of livestock feed. Cargill's Canadian operations are named one of Canada's Top Employers, Canada's Top Diversity Employers, and Canada's Top Employer for Young People[180]. Cargill's poultry processing facility in London, Ontario employs 900 individuals and processes 100,000 chickens a day, all of which come from local Southwestern Ontario farms[181].
Maple Leaf Foods	500 (+/-)[182]	311[183]	Maple Leaf Foods is Canada's largest prepared meats and poultry producer; one of North America's largest producers of Raised Without Antibiotics pork; and the leading private label supplier to retail and food services[184]. London Poultry opened in late 2022, and it's one of the largest and most advanced poultry processing plants in Canada[185].

[177] filestream.ashx (escribemeetings.com)
[178] https://careers.cargill.com/en/london-on
[179] Primary NAICS Code: 311611: Animal (except Poultry) Slaughtering (Mergent Intellect by FTSE Russel; Environics)
[180] Cargill is committed to helping the world thrive. | Cargill Canada
[181] Cargill London, ON
[182] How do you start production at a $772M plant? Very slowly | London Free Press (lfpress.com)
[183] Primary NAICS Code: 311611: Animal (except Poultry) Slaughtering (Mergent Intellect by FTSE Russel)
[184] Who we are, a little about us | Maple Leaf Foods
[185] London, ON, 1577 Wilton Grove Rd. | Maple Leaf Foods

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
The Original Cakerie (Dessert Holdings)	200+[186]	311[187]	The Original Cakerie (TOC) started as a small industrial bakery producing desserts for restaurants in British Columbia, Canada, in 1979. Since then, TOC has become the largest privately owned dessert manufacturer in Canada, employing approximately 500 people at its head office and baking facility in Vancouver and warehouse in London, Ontario. TOC specializes in frozen single-layer and super-size layer cakes, sheet cakes and dessert bars[188].
Dr. Oetker	200+[189]	311[190]	Dr. Oetker's products range from pizzas to puddings, from cake mixes to savory snacks. It is a family-owned business despite growing into over 40 different countries[191]. The London facility houses production of the company's pizza lines[192].
Nestle Canada Inc.	200+[193]	311[194]	Nestlé is the world's largest food and beverage company. It has more than 2000 brands ranging from global icons to local favorites and are present in 186 countries worldwide[195]. The Nestlé ice-cream factory in London, Ontario has over 10 production lines to produce almost 65 million liters of ice cream a year[196].
McCormick Canada	600[197]	311[198]	McCormick Canada Inc. is a successful leader in the spice, seasoning, flavoring, and specialty food industry, with its head office in London, Ontario. It has manufacturing, sales, and distribution centers in Edmonton, Toronto, London, and Calgary[199].

[186] Business Directory | London Economic Development Corporation (ledc.com)
[187] NAICS Code: 311: Food Manufacturing (Environics)
[188] Message from Ask Aptean (justfooderp.com)
[189] Business Directory | London Economic Development Corporation (ledc.com)
[190] Primary NAICS Code: 311412: Frozen Specialty Food Manufacturing (Mergent Intellect by FTSE Russel)
[191] Dr. Oetker
[192] Amid widespread layoffs, London, Ont. Dr. Oetker plant hiring for 19 positions | Globalnews.ca
[193] Business Directory | London Economic Development Corporation (ledc.com)
[194] Primary NAICS Code: 311514: Dry, Condensed, and Evaporated Dairy Product Manufacturing (Mergent Intellect by FTSE Russel; Environics)
[195] About the company | Nestlé Canada (nestle.ca)
[196] Premier Doug Ford breaks ground for Nestlé factory expansion in London, Ont. | CBC News
[197] Data collected via telephone with the company on June 29, 2023.
[198] Primary NAICS Code: 311942: Spice and Extract Manufacturing (Mergent Intellect by FTSE Russel)
[199] McCormick Canada, London, Ontario (companylisting.ca)

Beverage and Tobacco Product Manufacturing (312)

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
Labatt Breweries of Canada	375 (+/-)[200]	312[201]	Labatt is one of Canada's most established businesses and its leading brewer[202]. It started as a single small brewery founded by John Kinder Labatt in London, Ontario in 1847. Today, Labatt is a national brewer with over 3,600 employees, a portfolio of more than 60 quality beers, and 10 breweries from coast-to-coast[203].
Labatt Breweries of Canada	375 (+/-)[204]	312[205]	Labatt is one of Canada's most established businesses and its leading brewer[206]. It started as a single small brewery founded by John Kinder Labatt in London, Ontario in 1847. Today, Labatt is a national brewer with over 3,600 employees, a portfolio of more than 60 quality beers, and 10 breweries from coast-to-coast[207].

Paper Manufacturing (322)

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
Jones Healthcare Group	200+[208]	322[209]	Jones Healthcare Group is a world-class provider of advanced packaging and medication dispensing solutions. The company's full-service offering includes graphic and structural design, print, conversion, and filling of multiple packaging components including folding cartons, labels, blisters, pouches, and convenience vials, as well as specialized medication adherence and dispensing products and connected packaging[210]. The company's locations in

[200] Labatt investing nearly $27M into London's largest brewery | CBC News
[201] Primary NAICS Code: 312120 : Breweries (Mergent Intellect by FTSE Russel; Environics)
[202] Labatt
[203] Who we are | Labatt
[204] Labatt investing nearly $27M into London's largest brewery | CBC News
[205] Primary NAICS Code: 312120 : Breweries (Mergent Intellect by FTSE Russel; Environics)
[206] Labatt
[207] Who we are | Labatt
[208] Business Directory | London Economic Development Corporation (ledc.com)
[209] Primary NAICS Code: 322120 : Paper Mills (Mergent Intellect by FTSE Russel). This company also falls under the NAICS code 326 (Plastics and rubber products manufacturing) [Primary NAICS Code: 326199: All Other Plastics Product Manufacturing (Mergent Intellect by FTSE Russel)].
[210] About Us | Jones Healthcare Group

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
			London include its Head Office (Cartons & Labels); Customer Service (Pharmacy & Medication Adherence)[211]; a distribution center; and a carton and label facility[212].

Chemical Manufacturing (325)

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
3M Canada	200+[213]	325[214]	3M Canada has its head office and original manufacturing site in London, where it makes a wide range of industrial and household abrasives, fluorochemicals, pressure-sensitive tapes, sealants and coatings, aerosol adhesives, micro encapsulated products, stain repellents, and other products[215]. 3M products range from health care and highway safety to office products, abrasives, and adhesives[216].
Starlim North America Corporation	140[217]	325[218]	Starlim is the world's largest manufacturer of liquid silicone products and is a full-service provider[219]. As an international group of companies, Starlim produces over 14 billion silicone parts annually for the industrial, life science, and mobility sectors. Starlim produces one-component and multi-component parts from and with silicone in a fully automatic injection molding process in London, Ontario, Canada[220].

[211] Contact Us | Jones Healthcare Group
[212] https://joneshealthcaregroup.com/news/jones-healthcare-group-opens-doors-to-new-distribution-centre-location/
[213] Business Directory | London Economic Development Corporation (ledc.com)
[214] Primary NAICS Code: 325520: Adhesive Manufacturing (Mergent Intellect by FTSE Russel; Environics)
[215] 3M Canada Inc., London, Ontario (companylisting.ca)
[216] Who we are | About 3M | 3M Canada
[217] Data collected via email with the company on June 29, 2023.
[218] Primary NAICS Code: 325199: All Other Basic Organic Chemical Manufacturing (Mergent Intellect by FTSE Russel
[219] Liquid Silicone Injection Molding | Product Manufacturer - Starlim (starlim-sterner.com)
[220] Silicone Component Production | Automatic Injection Molding - Starlim (starlim-sterner.com)

Primary Metal Manufacturing (331)

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
Bradken Ltd.	200+[221]	331[222]	Bradken is a leading wear solutions provider to the global mining and resources market. Bradken's products and services in London's site include highly engineered, large, complex, mission critical steel, stainless steel, grey iron, ductile and white iron products for the energy, industrial and military markets[223].
Great Lakes Copper Inc.	330-400[224]	331[225]	Great Lakes Copper, founded in 1958 and headquartered in London, Canada, serves the plumbing, refrigeration, medical, air conditioning, and specialty markets with a wide range of products suitable for applications where copper is required[226].

Fabricated Metal Product Manufacturing (332)

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
Militex Coatings Inc.	100-200[227]	332[228]	Militex is North America's premier military and industrial paint finishing facility. It has maintained an impeccable quality record for decades and has a wide range of metal finishing options, can apply varied coatings for small and large parts, and complete value-added work. Militex has 150 experienced employees at its 100,000 square foot plant in London, Ontario and processes more than 300,000 parts per year[229].
Sodecia North America	200+[230]	332[231]	Established in 2011, Sodecia London is a tier 1 supplier to the automotive industry, specializing in

[221] Business Directory | London Economic Development Corporation (ledc.com)
[222] Primary NAICS Code: 331513 : Steel Foundries (except Investment) (Mergent Intellect by FTSE Russel)
[223] About Bradken
[224] Data collected via telephone with HR Department on July 4, 2023.
[225] Primary NAICS Code: 331420 : Copper Rolling, Drawing, Extruding, and Alloying (Mergent Intellect by FTSE Russel; Environics)
[226] Great Lakes Copper - Overview, News & Similar companies | ZoomInfo.com
[227] Business Directory | London Economic Development Corporation (ledc.com)
[228] Primary NAICS Code: 332813: Electroplating, Plating, Polishing, Anodizing, and Coloring (Mergent Intellect by FTSE Russel)
[229] About Us - Premier Painting Facility | Militex Coatings
[230] Business Directory | London Economic Development Corporation (ledc.com)
[231] Primary NAICS Code: 332119 : Metal Crown, Closure, and Other Metal Stamping (except Automotive) (Mergent Intellect by FTSE Russel)

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
(Sodecia London)			the manufacturing of vehicle frame parts. The company is the Canadian entity of the Portugal-based Sodecia Group[232].

Machinery Manufacturing (333)

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
Trojan Technologies	350[233]	333[234]	Trojan Technologies' mission is to serve performance-driven municipal, industrial, and residential water treatment professionals by engineering solutions that enable its customers to meet their water quality objectives and improve the lives of more than one billion people globally[235]. Most of Trojan's engineering and research is undertaken at the London headquarters. The London manufacturing facility focuses on the municipal (TrojanUV) and marine ballast water treatment (Marinex) divisions[236].

Computer and Electronic Product Manufacturing (334)

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
Brose Canada Inc.	274[237]	334[238]	Brose is one of the five largest family-owned automotive suppliers in the world. Every third new car worldwide is equipped with at least one Brose product. The company employs around 32,000 people at 69 locations in 24 countries[239]. The facility in London, Ontario produces steel metal

[232] London Manufacturer Builds New Hot Stamping Facility - Canada.ca
[233] Data collected via telephone with the company on July 4, 2023.
[234] NAICS Code: 333: Machinery Manufacturing (Environics); Primary NAICS Code: 333310: Commercial and Service Industry Machinery Manufacturing (Mergent Intellect by FTSE Russel)
[235] Trojan Technologies | London Economic Development Corporation (ledc.com)
[236] Trojan Technologies • Trillium Network (trilliummfg.ca)
[237] Data collected via telephone with the company on July 13, 2023
[238] Primary NAICS Code: 334419 : Other Electronic Component Manufacturing (Mergent Intellect by FTSE Russel; Environics)
[239] Company Profile - Brose Fahrzeugteile

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
			forming for the main customers: Ford, Stellantis, Mercedes, BMW, and Honda[240].

Transportation Equipment Manufacturing (336)

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
Accuride Wheels London	100-200[241]	336[242]	Accuride Corporation is a leading manufacturer and supplier of wheels and wheel-end components to the global commercial vehicle markets[243]. The London, Ontario, Canada, facility is located on 65 acres in the Canadian province of Ontario. This 480,000 square foot, highly automated facility manufactures light, medium, and heavy commercial vehicle steel wheels. It is conveniently located within two hours driving time of Detroit, Michigan, USA[244].
General Dynamics Land Systems – Canada	500+[245]	336[246]	General Dynamics Land Systems - Canada is a global defense industry leader in providing land and amphibious combat vehicle solutions. Based in London, Ontario, the Canadian operations employ approximately 1,700 people who design, manufacture and support light and medium armored vehicles[247].
Diamond Aircraft	200+[248]	336[249]	Diamond Aircraft, headquartered in Austria with facilities in Canada and China, is amongst the leading aircraft manufacturers in General Aviation. Founded in 1981, Diamond has pioneered many aviation firsts and achieved numerous milestones and industry expert accolades[250]. Diamond Aircraft are produced

[240] Facts & Figures (brose.com)
[241] Business Directory | London Economic Development Corporation (ledc.com)
[242] NAICS Code: 336: Transportation Equipment Manufacturing (Environics)
[243] About Accuride | Accuride (accuridecorp.com)
[244] Accuride Wheels - London, ON, Canada | Accuride (accuridecorp.com)
[245] https://www.gdlscanada.com/about-us/
[246] Primary NAICS Code: 336992 : Military Armored Vehicle, Tank, and Tank Component Manufacturing (Mergent Intellect by FTSE Russel)
[247] Land Systems Canada (gdls.com)
[248] Business Directory | London Economic Development Corporation (ledc.com)
[249] Primary NAICS Code: 336411: Aircraft Manufacturing (Mergent Intellect by FTSE Russel)
[250] Why Diamond – Connected through Innovation - Diamond Aircraft Industries

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
			in state-of-the-art facilities located in Wiener Neustadt, Austria and London, Ontario, Canada[251].

Furniture and Related Product Manufacturing (337)

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
Leggett & Platt	100-200[252]	337[253]	Leggett & Platt is a diversified manufacturer that designs and produces a broad variety of engineered components and products that can be found in many homes and automobiles. The 141-year-old company is a leading supplier of bedding components and private label finished goods; automotive seat comfort and convenience systems; home and work furniture components; geo components; flooring underlayment; hydraulic cylinders for material handling and heavy construction applications; and aerospace tubing and fabricated assemblies[254].

Miscellaneous Manufacturing (339)

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
Sterling Marking Products Inc.	100-200[255]	339[256]	Sterling Marking Products Inc. was formed in London, Ontario, Canada. Still family owned and operated, Sterling has grown from a one-man Rubber Stamp shop to a large company offering a wide variety of Image Graphic Transfer products, technologies, and services[257].

[251] Locations - Diamond Aircraft Industries
[252] Business Directory | London Economic Development Corporation (ledc.com)
[253] Primary NAICS Code: 337126: Household Furniture (except Wood and Upholstered) Manufacturing (Mergent Intellect by FTSE Russel)
[254] LEGGETT & PLATT ANNOUNCES RESTRUCTURING PLAN TO DRIVE IMPROVED PERFORMANCE AND PROFITABLE GROWTH | Leggett & Platt (gcs-web.com)
[255] Business Directory | London Economic Development Corporation (ledc.com)
[256] Primary NAICS Code: 339940: Office Supplies (except Paper) Manufacturing (Mergent Intellect by FTSE Russel; Environics)
[257] About Us- Sterling Marking Products Inc

Company Name	Total Employees (in London)	NAICS CODE 3 Digit	Brief Summary
Trudell Medical International	200+[258]	339[259]	Trudell Medical International, headquartered in London, Canada, is a leader in designing and manufacturing the highest quality aerosol drug delivery and lung health devices for the management of respiratory conditions[260].

Source: Direct contact with the companies, LEDC, Mergent Intellect by FTSE Russel, and company web searches.

2.1.6. Diversified Manufacturing Capacity

Manufacturing companies in London produce a wide range of products including automotive parts, medical devices, food and beverage products, machinery, and more. From windows, doors, and countertops to car components, goalie pads, water treatment technologies and aircraft, made-in-London products can be found in many homes, cars, and places[261]. From boats that support Olympians' dreams of gold to award-winning games and inhalers, London is at the manufacturing forefront of world-renowned products, investments, and talent[262]. This diversification helps mitigate risks associated with industry-specific fluctuations and allows for cross-sector collaboration and knowledge transfer.

2.1.7. Support for the Sector[263]

London has a supportive business environment with a range of programs and services designed to help manufacturers succeed. These include funding and financing programs, business incubators and accelerators, and networking opportunities.

- In 2022 LEDC assisted companies to buy land and make London home and assisted with dozens of manufacturing expansions. LEDC also organized the annual Manufacturing Matters conference to provide networking opportunities for businesses in the sector[264].
- London Regional Manufacturing Council (LRMC) continues to be a driving force behind the strengthening of the London region manufacturing industry. LRMC is a member-based organization that provides useful information to manufacturers in the London

[258] Business Directory | London Economic Development Corporation (ledc.com)
[259] Primary NAICS Code: 339112 : Surgical and Medical Instrument Manufacturing (Mergent Intellect by FTSE Russel)
[260] About Us | Trudell Medical International
[261] Advanced Manufacturing | London Economic Development Corporation (ledc.com)
[262] LEDC_2019_London_Magazine_Virtual.pdf
[263] ***Quotes***
"A huge benefit of being located in London is that we can easily access raw materials at a reasonable cost. London has supported us very well - they have helped us with everything from getting interest-free loans to government grants and providing local community support." - Michael Kim, Hyundai L&C[263]

[264] London Economic Development Corporation, Activity Update 2022.

region. Made up of executives from regional companies, the council members strive to represent the interests of London's regional industry[265].

Understanding the demand for public transit of workers in industrial areas, City Hall and London Transit Commission added a new bus route to an under-serviced and rapidly growing south-end industrial park starting on June 26, 2023[266].

- One of the many businesses happy with the new bus route is Bosco and Roxy's Gourmet Dog Cookies, a company that relocated to Innovation Park (Global News, June 20, 2023)[267]. Bosco and Roxy's said it would lose 50 of its 175[268] employees when it made the move from its Bessemer Road location if there was no bus service to the new location.
- The launch of Route 38[269], a long-awaited industrial park line, is also a highly anticipated move that sweetens the pot for potential Volkswagen battery plant suppliers.

London has also recently received the investment from the Government of Canada to support manufacturers as they adopt greener processes and technologies, increase their production capabilities, and create good jobs for Canadians.

- According to a news released on July 12, 2023[270], LEDC received a $300,000 Government of Canada investment to attract investment and support 120 companies, organizations, and R&D establishment in the electric vehicle (EV) sector in the London Region.

Example of a success story: Starlim North America[271] (1,700 employees worldwide, sales volume: 231 million EUR[272])

- When Starlim began its search for its North American headquarters, it found that London had everything needed to develop the foundation for the silicone-molding factory. The city had the land to build a plant with the opportunity for expansion, the business infrastructure to support a new business, and the ability to train the next generation of technicians in a specialized craft. Part of the factory's early success came from the unique business network in London.

2.1.8. Collaboration and Innovation

London is home to several world-class research institutions including Western University and Fanshawe College. These institutions conduct cutting-edge research in areas such as advanced

[265] For Manufacturers Only Connects London's Largest Industry | London Economic Development Corporation (ledc.com)
[266] Long-awaited bus route coming to industrial district | London Free Press (lfpress.com): "*Having transit to connect potential employees with employers is a great opportunity for Londoners who are seeking jobs. As well, it provides more opportunities to employers to broaden their reach beyond people who can afford a single-family car*," Mayor Josh Morgan said[266].
[267] Businesses excited for new transit route serving southeast London industrial park - London | Globalnews.ca
[268] Long-awaited bus route coming to industrial district | London Free Press (lfpress.com)
[269] Long-awaited bus route coming to industrial district | London Free Press (lfpress.com)
[270] Government of Canada supports electric vehicle (EV) sector in Ontario | London Economic Development Corporation (ledc.com)
[271] Starlim-North-America-LEDC-Case-Study_2020_0.pdf
[272] Liquid Silicon Injection Molding | Product Silicone Manufacturer - Starlim (starlim-sterner.com)

manufacturing, automation, and robotics which provides local manufacturers with access to the latest technologies and techniques.

Companies in the advanced manufacturing sector are revolutionizing the way that essential products are produced by using advanced processes including automation, robotics, and state-of-the-art technologies[273].

2.2. Weaknesses

2.2.1. Labor Force Shortages

London is facing the challenge of meeting labor force of the aging population. Like many other sectors of the economy, the manufacturing sector is grappling with the demographic wave of Baby Boomers, only half of whom have aged into retirement as of 2021[274]. Retirement rates are generally expected to increase over the next decade, with fewer working-age people for each retirement-age adult nationwide, reaching a historic low ratio of two working-age people for each retiree in 2035[275].

- According to the 2022 Ontario Economic Report[276], with the expansion of London's Nestle ice cream plant, a new fulfillment center, and the Maple Leaf Foods processing plant, London is set to continue seeing employment growth. The biggest challenges for the region will be managing labor shortages, especially as local housing prices continue to rise.

2.2.2. Economic Dependency

The manufacturing sector in London is heavily dependent on external factors such as global economic conditions and demand for specific industries. This vulnerability can lead to economic fluctuations and job instability during downturns or industry-specific challenges. Like many other areas in the broader Great Lakes region, the manufacturing sector in the London CMA was heavily impacted by the 2009 recession – employment in the sector declined by almost 14% from 2006 levels even as the overall population has increased by 19%[277]. More recently, while employees from several industries were able to work remotely during the COVID-19 pandemic, the manufacturing sector was dependent upon specialized equipment located at their workplace location to continue their trades. As a result of the stay-at-home orders, the economy experienced layoffs and job losses as the sector was unable to continue to pay staff while the places of business remained closed.

2.2.3. Limited Export Market Access

[273] Advanced Manufacturing | London Economic Development Corporation (ledc.com)
[274] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)
[275] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)
[276] 2022 ONTARIO ECONOMIC REPORT - Interactive | OCC
[277] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)

While London's proximity to major markets is a strength, some manufacturers may face challenges in accessing global export markets. This can be due to trade barriers, limited international connections, or a lack of resources to expand overseas. This dependency on local and regional markets may restrict growth opportunities.

2.2.4. Technological Adoption

Some manufacturers in London may lag in adopting advanced technologies such as automation and artificial intelligence. This can hinder productivity and competitiveness, especially when compared to more technologically advanced manufacturing hubs.

2.2.5. Transportation Network

Inadequate public transit/transportation is a top-of-mind issue in London (Environics Report - City of London 2022 Community Profile[278]). Therefore, the explosion of new manufacturing plants such as Volkswagen and Maple Leaf Foods poultry underscores the need for the municipality to create a transportation network of bus service or shuttles to get London and area workers to the plant[279].

- As LEDC recommends, to attract and retain workers in advanced manufacturing in the London region, a focus must be placed on increasing the supply of affordable housing and transit options. A lack of housing and transit options hinders attracting and retaining employees, particularly entry-level ones. The better public transit services these workplaces, the broader the range of places future (and existing) workers can live without the additional expense of owning a personal vehicle[280].

2.3. Opportunities

2.3.1. Innovation and Research Collaboration

London has a growing ecosystem of research institutions including Western University and Fanshawe College which offer opportunities for collaboration between academia and industry. This synergy can foster innovation, leading to the development of new products, processes, and technologies in the manufacturing sector.

- As an example, Western Advanced Manufacturing Park was created through a unique partnership between Western University, Fanshawe College, and the City of London. It is a 30-acre technology park located in the heart of Canada's largest manufacturing region, minutes from Highway 401. Western Advanced Manufacturing Park aims to empower collaboration between leading edge research, manufacturing, entrepreneur, and investment partners to rapidly generate high technology, manufacturing innovations, and

[278] filestream.ashx (escribemeetings.com)
[279] With the lowest jobless rate in decades, where will VW find workers? | London Free Press (lfpress.com)
[280] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)

advanced solutions to ensure a repetitive and continuous competitive advantage for regional industry and economic growth.

- Linamar Corporation's $1 billion investment in Ontario offers several potential opportunities for the region, such as new jobs in the supply chain and related industries, increased demand for parts and services from local businesses, and partnerships with educational institutions and research centers. The investment will create over 2,300 jobs province-wide, some of which could indirectly benefit the London economic region. Increased demand for skilled trades, engineers, and logistics personnel could drive more training programs and partnerships between local institutions like Fanshawe College and Western University. Western University's engineering and technology programs could collaborate with Linamar on research related to EV battery advancements, semiconductor packaging, and hydrogen fuel cell development. In addition, London's existing automotive manufacturing and industrial base could benefit as a secondary supplier for Linamar's expansion[281].

2.3.2. Application of AI in Manufacturing

Manufacturing companies are embracing the age of automation, robotics, and artificial intelligence (AI) to transform the industry. From innovative products to improved supply chain processes, companies are leveraging these technologies to achieve greater efficiency, cost reduction, increased profit margins, and better environmental stewardship[282].

- For examples, robotics and AI are being used by food companies to ensure product quality and safety. A notable example is A&L Canada Laboratories in London, Ontario. It uses AI-driven image analysis to detect contaminants and defects in food products, ensuring they meet the highest safety standards. This technology reduces the risk of food-borne illnesses and enhances consumer trust in the industry. Additionally, food and beverage businesses are using robotics to automate the cleaning of food processing equipment, reducing the risk of contamination, and improving food safety[283].
- Aspire Food Group's artificial intelligence solution has been selected as one of the world's top ten AI projects by the International Research Center in Artificial Intelligence. The company's new high-tech cricket farm at Innovation Park, the world's largest cricket protein processing plant, is being designed as a largely automated, AI-powered facility "leveraging technologies including Waterloo-based DarwinAI's artificial intelligence, robotics and automated storage and retrieval" to optimize the cricket farming process and maximize yield. The award is given to companies who are using AI to advance the United Nations' sustainability goals. More specifically, Aspire and DarwinAI's project is being recognized as a novel application of advanced manufacturing approaches to high quality protein[284].
- 3M, a global innovation leader since 1902, is embracing Artificial Intelligence (AI) and Generative AI to revolutionize its diverse operations. The company's commitment to AI

[281] Ontario Welcomes More Than $1 Billion Investment to Strengthen Automotive Supply Chain | Ontario Newsroom
[282] Innovation Insights: Six applications of automation, robotics, and AI in Canada - Food In CanadaFood In Canada
[283] Innovation Insights: Six applications of automation, robotics, and AI in Canada - Food In CanadaFood In Canada
[284] Aspire Food Group's London Cricket Protein Facility Named Top AI Project (londonincmagazine.ca)

innovation is exemplified by its new Generative AI Center of Excellence which aims to ethically integrate AI across all operations. This initiative, coupled with AI-driven projects in road safety, smart air filters, and supply chain optimization, showcases 3M's dedication to shaping the future of technology. For example, in manufacturing, 3M uses AI and machine learning extensively in its supply chain to enhance efficiency and reduce costs. AI is applied to detect customer disputes preemptively, thus reducing Days Sales Outstanding. Additionally, AI supported predictive maintenance, quality control, and supply chain optimization efforts. Customizing marketing messages to customers was another area in which AI enhanced effectiveness. Across product development, research and development, finance, sales, marketing, sourcing, supply chain, and manufacturing, 3M utilized machine learning to detect anomalies in manufacturing processes and optimize[285].

2.3.3. Sustainable Manufacturing

With the increasing global focus on sustainability, there is an opportunity for manufacturers in London to adopt environmentally friendly practices and capitalize on the growing demand for sustainable products. This can include initiatives related to energy efficiency, waste reduction, and circular economy principles.

Given the renewed interest in onshoring manufacturing and producing the technologies needed to hit net-zero emissions, there are many opportunities for future employment growth[286].

2.3.4. Supply Chain Localization

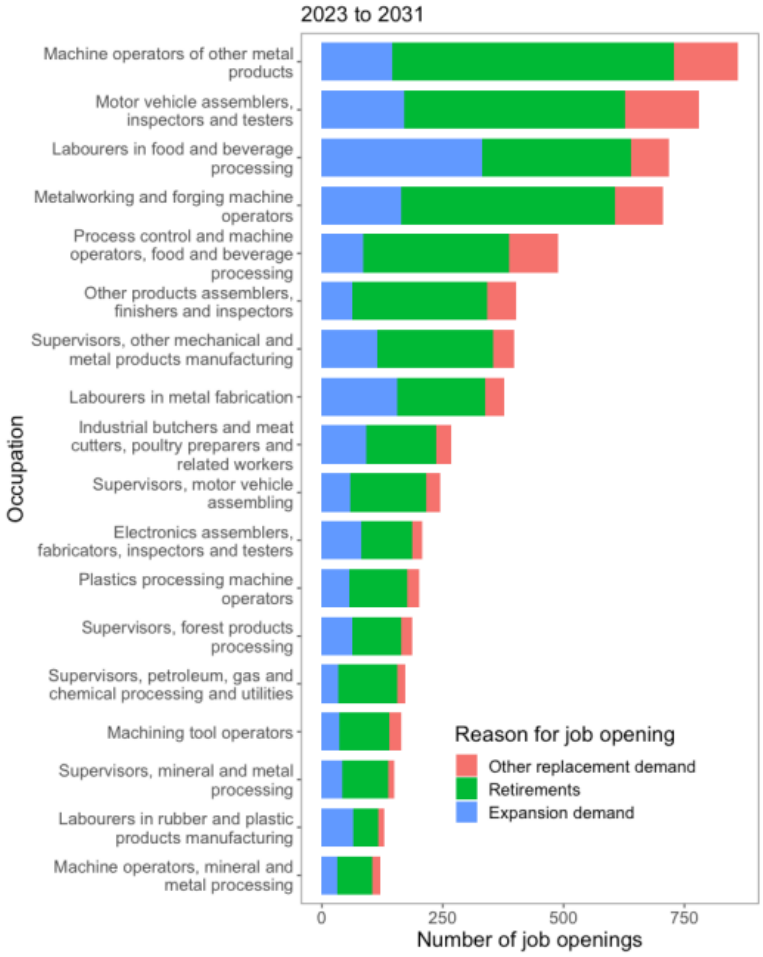
The COVID-19 pandemic highlighted the vulnerabilities of global supply chains. This presents an opportunity for manufacturers in London to explore localized supply chains, providing more control over sourcing and reducing the risks associated with global disruptions.

2.3.5. Labor Force Demand

London is projected to need thousands of additional manufacturing workers over the next six years to replace retiring workers and to keep pace with projected levels of employment growth based on past growth of those respective occupations, as presented in the below chart[287].

Graph 6: Projected Job Openings in Select Manufacturing Occupations in Elgin-Middlesex-Oxford, 2023 to 2031

[285] How is 3M Revolutionizing Its Operations with AI and Generative AI Across Multiple Sectors? (aimresearch.co)
[286] Employment Prospects Report - Manufacturing
[287] Employment Prospects Report - Manufacturing



Source: Employment Prospects 2023-31: London Region's Advanced Manufacturing Sector[288]

2.3.6. Recent Investments and Plant Openings

Volkswagen's first overseas battery manufacturing plant in St. Thomas will bring many opportunities for jobs and economic growth. The plant, Volkswagen's largest to date, will create up to 3,000 direct jobs and up to 30,000 indirect jobs. Once complete in 2027, the plant will produce batteries for up to one million electric vehicles per year, bolstering Canada's domestic battery manufacturing capacity to meet the demand for electric vehicles now and into the future. The plant, which will generate about $200 billion in value, will be the largest manufacturing plant in Canada. Construction is expected to begin in 2024[289]. With this plant, London can attract more investment and research collaboration, both domestically and internationally, to expand the sector's reach and impact.

The federal and provincial governments are contributing $72 million to support the $165-million project for a new medical glove manufacturing plant that Medicom Group, through its subsidiary

[288] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)
[289] Volkswagen's New Electric Vehicle Battery Plant Will Create Thousands of New Jobs | Ontario Newsroom

Manikheir Canada, is building in south London. This 13,000-square-metre facility will employ 135 people when it opens in 2026. The combined federal and provincial funding for the London plant is the latest large-scale subsidy governments have promised to lure manufacturers to Southwestern Ontario[290].

The Ontario government is welcoming a $33.6 million investment by Andriani Ltd., an Italy-based pasta manufacturing company, to build their first production facility in North America. This investment will create 42 new, good-paying jobs in London. Andriani's investment will be used to build a new, 61,225 square-foot, state-of-the-art facility to make gluten-allergen and GMO-free pasta. Once the new facility is operational, Andriani plans to manufacture products for the North American market in Ontario instead of importing products from Italy. Andriani's facility in the London Innovation Park will be located alongside other agri-food companies such as Dr. Oetker, The Original Cakerie, Aspire Food Group, Bosco & Roxy's, and Cardiff Products[291].

Norbec, a North American manufacturer of insulated metal panels, walk-in coolers, and freezers, opened a new $45 million manufacturing plant in Strathroy, Ontario in September 2024. It's Norbec's first plant in Ontario and the third in Canada, alongside its facilities in Boucherville and Saint-Hyacinthe, Quebec. The 156,000-square foot facility took 14 months to complete. Once fully operational, the new plant will create 70 new jobs for local workers – from plant managers to production operators, engineers, and maintenance staff[292].

Maple Leaf Foods' new poultry processing plant[293] in south London, Ontario opened in December 2022 after four years of planning and development. The "major boon" to the city's Agi-food sector began production in December 2022 in the new state-of-the-art 640,000-square-foot fresh poultry facility at 1577 Wilton Grove Rd., equaling approximately 11 football fields in size and costing a total of $772 million[294]. As of August 2023, Maple Leaf was already processing around 250,000 birds per day in London, which put the company at a 75% processing capacity. The plant had approximately 1,300 people on site with 1,600 people expected to be there when fully staffed[295].

2.3.7. Industrial Land

The Industrial Land Development Strategy[296] (ILDS) was re-evaluated and refreshed in 2023, as such, there may be opportunities related to the City's targeted industrial sectors based on a changing economy and emerging industries.

- According to the Industrial Land Development Strategy 2023, ILDS has been a tremendously successful strategy for the City of London. The economic impacts and

[290] Feds and province kicking in $72M for London medical glove plant | London Free Press (lfpress.com)
[291] Ontario Welcomes $33.6 Million Manufacturing Investment in London | Ontario Newsroom
[292] Norbec opens $45M manufacturing plant in Strathroy, Ont. - MRO MagazineMRO Magazine
[293] London, ON, 1577 Wilton Grove Rd. | Maple Leaf Foods
[294] Maple Leaf Foods opens 640,000 sq. ft. poultry plant in south London, Ont. - London | Globalnews.ca
[295] Maple Leaf Foods shares update on new poultry plant | Supermarket Perimeter
[296] filestream.ashx (escribemeetings.com)

employment creation that occur as a result of the ILDS can be observed directly and therefore allow the city to track desired outcomes. The ILDS guided industrial land development over the last two decades and had led to an increase in attracting supplier companies and other civic investments that cause spin-off benefits for those living and working in London[297].

- Industrial land uses are a key contributor to the future of economic development, workforce retention, economic sustainability, and the prosperity of London. High quality, skilled, and well-paying jobs in fundamental economic sectors and ILDS targeted industries also create a job "multiplier effect" in other dependent economic sectors[298].

2.4. Threats

2.4.1. Global Supply Chain Disruption

According to 2024 Ontario Economic Report[299], supply chain bottlenecks and backlogs are a key challenge for many businesses coming out of the pandemic. Manufacturing businesses are the most likely to face logistical issues such as warehousing availability and transportation barriers. London's manufacturing sector is particularly vulnerable to material shortages given its high degree of global integration and heavy reliance on imports. The leading factors that contribute to worsened supply chain challenges are increased delays in deliveries; increased prices of inputs, products, or supplies; and supply shortages that result in fewer inputs, products, or supplies being available[300].

2.4.2. Economic Uncertainty

Global economic uncertainties such as trade disputes, geopolitical tensions, and fluctuations in commodity prices can impact the manufacturing sector in London. These uncertainties may lead to reduced demand, higher input costs, or disruptions in supply chains, affecting the profitability and viability of manufacturers. There are new headwinds arising from the pandemic that continue to impact industrial prosperity such as inflationary pressures[301].

The Potential Impact of Donald Trump's Tariffs

Trump's inauguration on January 20th, 2025, could mark the beginning of difficult road for Canadian companies, particularly those that rely on the U.S. as a major trading partner[302]. The incoming Republican president has threatened 25% across-the-board tariffs on imports from Canada, though

[297] filestream.ashx (escribemeetings.com)
[298] filestream.ashx (escribemeetings.com)
[299] 2024 ONTARIO ECONOMIC REPORT - Interactive | OCC
[300] Analysis on supply chain challenges and conditions in Canada, first quarter of 2023 (statcan.gc.ca)
[301] filestream.ashx (escribemeetings.com)
[302] Trump inauguration: Canadian business leaders await tariff news

lower tariffs are reportedly being considered[303]. A 25% tariff would severely harm the unique Canada-U.S. trading relationship, hurting workers and businesses on both sides of the border. Tariffs would raise the costs for consumers, further compounding affordability problems[304].

Tariffs are the most urgent threat facing Canadian and American businesses today, putting at risk the economic prosperity and interconnectedness that has defined two nations' trade relationship[305]. Ontario could lose up to 500,000 jobs if president-elect Donald Trump follows through on his threat to levy a 25% tariff on Canadian exports to the U.S.[306]. There is also potential impact on London-area manufacturers of possible tariffs on Canadian exports to the U.S., especially if they lead to Volkswagen pulling the plug on its St. Thomas battery plant[307].

- Volkswagen, now building an electric vehicle battery plant in St. Thomas, may be forced to reconsider the investment, and relocate to a U.S. site, rather than pay, said Andreas Schotter, an expert in international trade and a professor at Western University's Ivey business school[308]. "25% is impossible to absorb. I'm worried about the St. Thomas plant. They may consider relocating because of tariffs," Schotter said[309].
- The threat of steep U.S. tariffs on Canadian-made goods has shut down one London manufacturing plant before it opened. China-based Maple Armor Group bought 5.6 hectares (14 acres) of land in London to build a plant to make residential, commercial and industrial alarm systems. The company has a plant in Brossard, Que., and planned to expand to Ontario to tap into the U.S. market. But Maple Armor Group has withdrawn from the London land deal and will instead expand its Quebec plant and hold off on U.S. expansion[310].
- "We're definitely concerned, and we're definitely talking about it," said Paul Smith, president of Arva Industries, a St. Thomas-based company that designs and manufactures equipment for the rail and mining industry[311]. The company employs 47 people and does a lot of business within Canada as well as in Mexico and Latin America on the mining side. On the rail side of the business, customers are in Chicago, Philadelphia and New York City. It would be that side of the business that would take the biggest hit if tariffs were imposed, Smith said[312].
- Harry Laidlaw is the general manager at Takumi Stamping, the Canadian subsidiary of a Japanese company based in St. Thomas, which employs about 350 people and builds automotive parts for Toyota. About 30% of its product gets shipped to the United States and the rest to plants in Canada[313]. "I'm very worried about this. Financially, in terms of profit and loss, it would have a big impact because we ship down to Indiana and

[303] Trump inauguration: Canadian business leaders await tariff news
[304] Canada-U.S. Trade Tracker - Business Data Lab
[305] Strengthening the Canada-U.S. Trade Partnership: Why Tariffs Are a Lose-Lose Proposition - News
[306] Doug Ford says Trump tariffs could force 500,000 Ontario job losses - The Trillium
[307] https://lfpress.com/news/local-news/could-donald-trump-tariffs-slow-london-housing-demand
[308] https://lfpress.com/business/local-business/donald-trump-tariff-threatens-volkswagens-7b-st-thomas-plans-trade-expert
[309] https://lfpress.com/business/local-business/donald-trump-tariff-threatens-volkswagens-7b-st-thomas-plans-trade-expert
[310] Firm scraps planned London plant citing U.S. tariff threat | London Free Press
[311] https://www.cbc.ca/news/canada/london/local-manufacturers-worry-and-plan-for-hard-hit-of-american-tariffs-1.7427228
[312] https://www.cbc.ca/news/canada/london/local-manufacturers-worry-and-plan-for-hard-hit-of-american-tariffs-1.7427228
[313] https://www.cbc.ca/news/canada/london/local-manufacturers-worry-and-plan-for-hard-hit-of-american-tariffs-1.7427228

> Kentucky. The people that I work with are very concerned about it. They're worried about job security and in general business for Canadians," Laidlaw said.

Additionally, there are residual effects on everyday Londoners, including potential job losses and increased prices on goods and services[314]. The economic uncertainty and higher costs could strain household budgets and reduce the overall quality of life for residents[315].

2.4.3. Competition and Labor Market Challenges

The manufacturing sector faces an ongoing challenge of attracting and retaining skilled workers. There is a growing skills gap and competition for talent from other industries such as technology which can make it difficult for manufacturers to find qualified employees. For example, hiring for senior positions, many of which will be opening because of retirements, is challenging. The challenge of directly hiring a new person into a senior position is typical in different kinds of companies. Companies are hiring more junior employees and investing in training their existing employees to be ready to take on more senior positions. The upcoming retirement of many long-serving employees is recognized as a significant challenge over the next 5-10 years, putting pressure on internal training and development[316]. In addition, there is competition for labor force with larger neighboring cities such as Toronto and other regions in Canada and countries in North America.

2.4.4. Regulatory Environment

Other changes in regulations, both domestically and internationally, can pose challenges for manufacturers. Compliance with environmental, health and safety, and trade regulations may require significant investments and adjustments to operations, potentially impacting the cost structure and competitiveness of manufacturers.

[314] The Hill - Day 1 tariffs are bad for everyone — including President Trump
[315] The Return of the Trump Tariffs - Navigating the challenges of Trump's return to the White House and his next strike on global trade
[316] Employment Prospects Report - Manufacturing_0.pdf (ledc.com)

Appendix A - London's Competitive Analysis Findings in Comparison with other Municipalities (2016 - 2021)

Detailed findings from London's competitive analysis completed for 2016 and 2021 are presented below. London was compared to other municipalities in Ontario including Toronto, Ottawa, Windsor, Kingston, Waterloo, Kitchener, Cambridge, and Hamilton.

Location Quotient Findings

Table 9 presents location quotient results for the manufacturing industry in different municipalities in Ontario in 2021. Ontario was employed as the reference area.

Table 9: Location Quotient and Shift-Share Findings of Municipalities in Ontario (2016 - 2021)

Municipalities	2021 Location Quotient	Shift-Share Industrial Mix Effect	Shift-Share Differential Shift Effect	Position of Industry in Municipality
London	1.11	-1,091	1990	Transitional
Toronto	0.73	-5,874	-3,101	Marginal
Ottawa	0.34	-881	1,565	Moderate
Windsor	1.95	-1,102	-1,595	Challenging
Kingston	0.46	-128	448	Moderate
Waterloo	1.19	-333	1,170	Transitional
Kitchener	1.81	-1,201	2,059	Transitional
Cambridge	2.11	-818	34	Transitional
Hamilton	1.20	-1,871	-970	Challenging

Source: Custom Data Analysis - February 1, 2024

As presented in Table 9, London was one of six municipalities (together with Windsor, Waterloo, Kitchener, Cambridge, and Hamilton) that had a location quotient greater than one. A location quotient higher than one points to the concentration of the manufacturing industry in the municipality. London's location quotient of 1.11 suggests that the manufacturing industry's contribution to London's economy surpassed the same industry's contribution to the economy of Ontario.

Other municipalities (Toronto, Ottawa, and Kingston) had a location quotient less than one, which means the manufacturing industry's share of these municipalities' employment fell short of the same industry's share of total employment in Ontario in 2021. This implies that the manufacturing industry's contribution to these municipalities' economy lagged the same industry's contribution to the economy of Ontario.

Shift-Share Findings

Industrial Mix Effect Findings

Like other municipalities as presented in Table 9, London's manufacturing industry had a negative industrial mix effect relative to Ontario between 2016 and 2021. A negative industrial mix effect suggests that the manufacturing industry in London experienced a growth rate below Ontario's overall rate of growth.

Differential Shift Effect Findings

As illustrated in Table 9, London was one of the six municipalities (together with Ottawa, Kingston, Waterloo, Kitchener, and Cambridge) that had a positive differential shift effect relative to Ontario between 2016 and 2021. A positive differential shift effect means the manufacturing industry in London experienced a higher rate of growth than Ontario's industry growth rate. Specifically, the positive differential shift effect indicates that local businesses in the industry performed better than businesses in the provincial industry, suggesting that London offered some sort of competitive advantage favoring businesses in the manufacturing industry.

Municipalities that had a negative differential shift effect for the manufacturing industry are Toronto, Windsor, and Hamilton. A negative differential shift effect suggests that the manufacturing industry in these municipalities experienced a rate of growth below Ontario's industry growth rate.

Shift-Share and Location Quotient Findings Combined

Based on the Carvalho Classification System of Economic Performance which uses a combination of shift-share and location quotient results, manufacturing was positioned as a *transitional industry* in London between 2016 and 2021. This implies that London had an average specialization in manufacturing, with the local growth exceeding the provincial growth in this sector. Other municipalities that had manufacturing positioned as a transitional industry like London were Waterloo, Kitchener, and Cambridge.

Manufacturing was positioned as a *moderate industry* in Ottawa and Kingston. This suggests that the manufacturing industry, which grew provincially at a slower rate than the overall growth, was relatively underrepresented in the community; the local growth exceeded the provincial growth in this industry.

Manufacturing was positioned as a *challenging industry* in Windsor and Hamilton. This implies that the manufacturing industry had a relatively high concentration of employment in the community, suggesting that it played a prominent role in the community's overall employment and should be monitored carefully.

Manufacturing was positioned as a *marginal industry* in Toronto, suggesting that the manufacturing industry was under-represented in the community.

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