

Rona closure will affect 89 jobs

By Brock Weir

89 employees could be out of work when Rona closes its Aurora store this December.

The hardware and home improvement company announced the closure of 11 stores across the country with eight out of 11 in Ontario on Thursday.

Aurora's store on First Commerce Drive near Walmart and State Farm was on the list, which also included stores in Woodbridge, Collingwood, Scarborough, and Mississauga.

"The stores are continuing to lose money and are underperforming and we made a decision to close these stores so we can re-allocate and re-invest the resources to other stores within our network," Krysta McCallum, Regional Communications Advisor for Rona, told The Auroran, noting 89 employees would be affected by the closure. "We are making every effort to work with our employees to see if and when there are opportunities to move them within our network."

Valerie Lamarre, Senior Advisor with Rona Communications, added the majority of the employees "two thirds" were part-time and there would be some help in the "transition."

"Resources will be available to help them in this transition with our HR department," she said. "There are advisors that can help you with your CV just to make sure people have the help to relocate themselves."

She added that while they would also make the effort to relocate some employees, it will be on a case by case basis.

"Depending on the situation, it is not always feasible," she said. "The distance between two stores can be too much for people to travel."

The store closures, said the company in their Thursday announcement, would result in a cost-savings of \$70 million. Overall, citing their underperformance, they are targeting a savings of \$110 million throughout their system.

"With the measures announced today, Rona will become more agile and efficient, with a simplified business structure and an even stronger balance sheet," said Robert Sawyer, President and CEO of Rona, in a statement. "By focusing on our strategic operations, we will unlock the full potential of our network and reinvest a significant share of the savings in initiatives that will allow us to offer even more to our customers and to our affiliated and franchised dealers."

From the perspective of Judy Marshall, Executive Director of the Aurora Chamber of Commerce, Rona's closure will not only have a significant impact on its employees, but could also have a ripple effect throughout the community as a whole.

"Any closure in Aurora has a huge impact because of the size of the Town and the number of businesses," she said. "I look at the loss of taxes, the unemployment for people who are living in Aurora and, possibly, in the surrounding areas who are also employed there, and I also think about the decreased revenues into other stores or shops locally. There is also the fact there is an empty building and the business has failed. I think that has a lot to do with the impression of the Town and it has an economic impact."

The biggest hit, she said, would be employees, but smaller retailers could see a bit of a boost in their sales, the one positive aspect. That being said, she said with a large, big box store empty on what is often promoted as a "gateway" to Aurora, more needs to be done to show Aurora is still open for business.

"The Town and the Chamber need to work together constantly to do that and to really talk about the Town and the economic reasons to be here" and the good community living reasons to be here."

Thursday's announcement also included store closures in British Columbia.

The Aurora location at 140 First Commerce Drive will close its doors on Sunday, December 8.

Following December 8, the closest remaining Rona store will be in Schomberg.