

Amazon's Quebec Exit: Economic Impact and SMB Opportunities

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Amazon's Quebec Warehouse Closures: Implications and Opportunities for Local Businesses

In early 2025, e-commerce giant Amazon announced it would **shut down all of its warehouse and delivery operations in the province of Quebec**, a move with far-reaching consequences for the [regional economy](#). The decision entails closing seven facilities and laying off roughly 1,700 full-time Amazon employees (plus about 250 seasonal workers) over the subsequent weeks (Source: [reuters.com](#)) (Source: [reuters.com](#)). This report examines the background and timeline of Amazon's Quebec exit, analyzes the economic, logistical, and labor implications, and explores how [small and medium-sized businesses in Quebec](#) can **capitalize on the resulting opportunities** in e-commerce, logistics, retail, and workforce

development. It also highlights government responses and policies to support local businesses in the wake of these closures. The goal is to provide a comprehensive, well-sourced overview and strategic recommendations for Quebec's business community and policymakers.

Background and Timeline of Amazon's Quebec Closure Decision

An Amazon fulfillment center in Quebec, which was among the seven facilities slated for closure by early 2025.

Amazon's presence in Quebec's logistics sector ramped up around 2020, when the company opened several fulfillment and delivery centers in the Montreal area. By 2021, Amazon had seven operational sites in Quebec (including one major fulfillment center, multiple sorting centers, and local delivery stations) (Source: [business-humanrights.org](#))(Source: [costar.com](#)). These facilities brought Amazon's vaunted rapid delivery network into Quebec, employing roughly 1,500–1,700 workers by 2024 (Source: [costar.com](#)). Notably, Amazon's Quebec footprint was always disproportionately smaller than in Ontario – Amazon employed **25,000 workers in Ontario versus only ~1,500 in Quebec**, despite Ontario's population being only ~56% larger (Source: [costar.com](#)). This hinted at a cautious approach by Amazon in Quebec, possibly due to market conditions or a more union-friendly labor environment in the province.

The catalyst for Amazon's exit came in 2024 when workers at the DXT4 warehouse in Laval (just north of Montreal) successfully **unionized**, becoming the first and only unionized Amazon workforce in Canada (Source: [peoplesworld.org](#))(Source: [peoplesworld.org](#)). In May 2024, approximately 300 Laval employees voted to join the Confédération des syndicats nationaux (CSN) union, driven by discontent with low wages and health and safety issues (Source: [reuters.com](#))(Source: [peoplesworld.org](#)). They began negotiating their first collective agreement in late 2024. Under Quebec's labor laws, if negotiations stalled, the government could eventually impose binding arbitration to force a contract by mid-2025 (Source: [costar.com](#))(Source: [costar.com](#)). This set the stage for a confrontation between Amazon and organized labor in Quebec.

On **January 22, 2025**, Amazon made a surprise announcement that it would **cease all operations in Quebec** within about two months (Source: [reuters.com](#))(Source: [neomedia.com](#)). The closures would affect seven sites – including one fulfillment center, two sorting centers, three last-mile delivery stations, and one extra-large package facility – all located in the greater Montreal area (Source: [business-humanrights.org](#)). Employees learned of the decision abruptly; many showed up to work that day to find news crews outside and were **"blindsided"** by the closure news, according to worker accounts (Source: [business-humanrights.org](#))(Source: [business-humanrights.org](#)). The shutdown timeline was rapid: most sites were slated to close by February or March 2025, immediately after the peak holiday season (Source: [costar.com](#))(Source: [costar.com](#)).

Amazon leadership **denied that the decision was prompted by unionization** or labor issues at the Laval warehouse. Instead, the company portrayed it as a strategic business move. In a statement, Amazon said that **after a review of Quebec operations, it decided to revert to a “third-party delivery model” supported by local small businesses – essentially outsourcing deliveries – as it had done prior to 2020**(Source: [reuters.com](https://www.reuters.com))(Source: [neomedia.com](https://www.neomedia.com)). *“Returning to a proven third-party model will enable us to deliver the same quality service while achieving additional long-term savings for our customers,”* explained Amazon spokesperson Barbara Agrait (Source: [neomedia.com](https://www.neomedia.com)). In other words, Amazon claimed it could serve Quebec customers more cost-effectively by using external delivery contractors and carriers instead of operating its own warehouses and fleet in the province.

However, **labor groups and local officials immediately questioned Amazon’s motives**. Quebec was *“the only location in Canada with unionized Amazon employees”*(Source: [reuters.com](https://www.reuters.com)), and the Laval facility’s union drive had been a high-profile development. The CSN union representing the workers blasted the shutdown as a **retaliatory measure**. *“There is no doubt that the closings announced today are part of an anti-union campaign against CSN and Amazon employees,”* said CSN president Caroline Senneville, calling Amazon’s move *“an act that violates the provisions of the Quebec Labour Code”*(Source: [reuters.com](https://www.reuters.com))(Source: [neomedia.com](https://www.neomedia.com)). Under Quebec law, employers cannot intimidate or penalize workers for unionizing, and Senneville indicated the union would **contest the closures in court** as an illegal anti-union tactic (Source: [peoplesworld.org](https://www.peoplesworld.org))(Source: [peoplesworld.org](https://www.peoplesworld.org)). Indeed, the **timing** was striking: Amazon’s announcement came just as the unionized Laval workers were about to receive the company’s first contract offer after months of negotiations (Source: [peoplesworld.org](https://www.peoplesworld.org))(Source: [peoplesworld.org](https://www.peoplesworld.org)). Instead of bargaining, Amazon chose to close all Quebec sites, a decision the union said *“makes no sense from a business or operational point of view”* other than to send a message to pro-union workers (Source: [peoplesworld.org](https://www.peoplesworld.org)).

Government reaction was swift and largely critical of Amazon’s approach. Federal Innovation Minister François-Philippe Champagne said he contacted Amazon Canada’s leadership to express the government’s *“dismay and frustration”*(Source: [reuters.com](https://www.reuters.com)). *“This is not the way business is done in Canada,”* Champagne wrote bluntly on social media (Source: [reuters.com](https://www.reuters.com)), suggesting that abruptly shutting down to avoid a union contract runs counter to Canadian business norms. Provincial and local politicians echoed the criticism. Claude DeBellefeuille, a Quebec MP (Salaberry–Suroît), called Amazon and Jeff Bezos’s behavior *“deplorable”* and accused the company of *“clearly resisting workers’ collective representation.”* She urged Quebecers to **support local suppliers and merchants** in response, saying *“more than ever, I encourage people to increase their purchases from merchants in our region and throughout Quebec”*(Source: [neomedia.com](https://www.neomedia.com)). Another regional official, MNA Marilyne Picard, noted that Quebec’s Employment Minister had already moved to set up a **“reclassification assistance committee”** to help the displaced Amazon workers find new jobs (Source: [neomedia.com](https://www.neomedia.com)). This committee, standard in mass layoffs under Quebec law, would coordinate support and retraining for affected employees.

In summary, by March 2025 Amazon had effectively **pulled out of Quebec's warehousing and delivery market**. The backdrop of a successful union drive and impending contract talks suggests the closure was not a routine cost-cutting measure but a significant strategic retreat. With Amazon gone (at least in a direct physical presence), Quebec's e-commerce logistics landscape has been fundamentally altered. The following sections delve into the implications of this development and the openings it creates for local businesses.

Economic and Logistical Implications of the Closures

Job Losses and Economic Impact: The most immediate impact of Amazon's withdrawal was the loss of nearly **2,000 direct jobs** at Amazon facilities in Quebec. This includes roughly 1,700 permanent full-time roles and about 250 temporary seasonal jobs that were eliminated (Source: [reuters.com](https://www.reuters.com)) (Source: [reuters.com](https://www.reuters.com)). Those positions ranged from warehouse associates and package sorters to delivery station staff and managers. For context, 1,700 jobs is a significant employment hit – comparable to the workforce of a major factory or the closure of several large retail stores at once. The layoffs are concentrated around Montreal (including suburbs like Laval, Lachine, Longueuil, and Coteau-du-Lac), so the **regional labor market** in Greater Montreal must absorb this sudden influx of jobseekers. Quebec's economy in early 2025 was already facing headwinds (with rising unemployment and inflation) (Source: therover.ca) (Source: therover.ca), which makes the transition for these workers more challenging.

Moreover, the ripple effects extend beyond Amazon's own payroll. **Local small businesses that were part of Amazon's delivery network have also been hit hard.** Amazon had relied on over 25 independent delivery companies in Quebec – known as Delivery Service Partners (DSPs) – which collectively **employed thousands of drivers and staff to handle Amazon's last-mile deliveries** (Source: therover.ca) (Source: therover.ca). These Quebec-based small businesses, many of them led by immigrant entrepreneurs, each employed on the order of 180–200 people and worked exclusively or primarily for Amazon (Source: therover.ca). With Amazon's exit, their contracts and revenue streams were thrown into jeopardy. One estimate suggests **over 1,600 additional layoffs** could occur at Amazon's local delivery partner companies (Source: business-humanrights.org) – and The Rover (a Montreal news outlet) reported that in total **5,000+ jobs** at those partner firms are uncertain if Amazon no longer provides them packages to deliver (Source: therover.ca) (Source: therover.ca). Many of these workers are new immigrants and had struggled to find stable jobs before; the Amazon delivery gigs offered decent pay (around \$23.40/hour to start) and flexible schedules (Source: therover.ca) (Source: therover.ca). The closures thus carry a **social impact**: families suddenly face unemployment, and communities that benefited from these jobs will feel the loss of income. For example, in the small town of Coteau-du-Lac (pop. ~7,500) which hosted a large Amazon fulfillment center, **356 people are losing their jobs** at that one site (Source: costar.com) – a significant blow to the local community's employment

base. Local officials there expressed solidarity with affected families, and while the town doesn't lose tax revenue (property taxes continue even if the warehouse is empty), there is concern about the workers' futures and the signal it sends to other investors (Source: neomedia.com)(Source: neomedia.com).

Industrial Real Estate and Warehousing: Amazon's departure is also reverberating through Montreal's industrial real estate market. The seven facilities Amazon is vacating comprise *approximately 2.3 million square feet* of modern warehouse space that had been built or fitted out in the early 2020s (Source: costar.com). As these sites hit the market for sublease or new tenants, the **industrial vacancy rate in Greater Montreal is projected to jump significantly**. One analysis by commercial real estate firm CBRE found that **local industrial availability would rise to about 6.1%**, a noticeable increase, with Amazon's pullout accounting for a large portion of new vacant space (Source: costar.com). Sublease space in Montreal's warehouse market will reach a record high (around 4 million square feet) due to Amazon alone (Source: costar.com). In practical terms, this *flood of vacant warehouses* could **soften the rental market** – relieving some pressure in a sector that had been quite tight during the e-commerce boom. Other companies now have a rare opportunity to lease high-quality distribution facilities in prime locations around Montreal as Amazon exits. For instance, Amazon's massive 475,000 sq. ft. fulfillment center in Coteau-du-Lac (opened 2021) and its 300,000+ sq. ft. distribution center in Lachine are now seeking new occupants (Source: costar.com)(Source: costar.com). Real estate observers expect a *"major impact on the Montreal-area industrial vacancy market"* from this development (Source: costar.com). While landlords will need to find new tenants, the surplus space might enable growing Quebec firms or new entrants to expand logistics operations at more affordable rents than before.

It's important to note that Amazon **does not own these Quebec warehouses**; the company leased them, and it has stated it will work with the property owners as it winds down operations (Source: costar.com). This means the **facilities could be repurposed or re-leased relatively quickly**, rather than sitting idle indefinitely. However, the sheer size of some buildings (hundreds of thousands of square feet designed for Amazon's processes) means finding single tenants of similar scale could be difficult. We may see spaces divided for multiple tenants or used for different purposes. *Warehousing and fulfillment capacity that was dedicated to Amazon is now "up for grabs"* in Quebec – potentially a boon for other retailers, logistics providers, or even local distribution cooperatives that could not previously find or afford such space.

Logistics and Supply Chain Adjustments: The closures also necessitate a reorganization of how packages get to Quebec customers. Amazon has made it clear it is **not abandoning the Quebec market** – Quebecers can still order from Amazon's website – but it is fundamentally changing the **supply chain and delivery method** serving Quebec. Without in-province fulfillment centers or delivery stations, Amazon will revert to shipping orders into Quebec via third-party carriers and partners. *"We have been using third-party carriers in Quebec for many years,"* Amazon noted, and going back to that model *"will allow us to offer the same excellent service...while achieving savings"*(Source: neomedia.com). In

practice, this likely means inventory for Quebec orders will be stored in Amazon facilities in Ontario or elsewhere, and **national parcel carriers** (like Canada Post, UPS, FedEx) or regional couriers will carry more of the load in delivering those packages to Quebec addresses. The **last-mile delivery** handoffs might shift to Canada Post mail carriers or independent delivery firms instead of Amazon's own drivers. This could introduce slightly longer transit times for some orders – for example, items may ship from Toronto or the U.S. into Quebec rather than from Montreal – potentially turning what used to be a same-day or next-day delivery into a 2-day delivery in some cases. However, Amazon insists that customer experience will remain largely unchanged. The company is likely leveraging its extensive network and **“long-standing relationships with third parties across the province”** to maintain coverage (Source: costar.com).

One known partner poised to benefit is **Intelcom**, a Montreal-based logistics company that has long delivered packages for Amazon in Canada. Amazon confirmed that Intelcom *“is expected to take over some of the deliveries”* formerly handled by Amazon's in-house network (Source: costar.com). In fact, **Intelcom has been actively expanding its capacity in anticipation of this shift** – recent reports noted that Intelcom leased a large 475,000 sq. ft. facility in Montreal (Saint-Laurent borough) as of January 2025 (Source: costar.com), and another site in Laval, to handle increased parcel volumes. Intelcom operates dozens of small delivery hubs across Canada (including 22 stations in Quebec) and can scale up to absorb Amazon's volume (Source: costar.com)(Source: costar.com). For Amazon, using Intelcom and similar partners is essentially outsourcing the fulfillment and last-mile logistics that it used to perform itself between 2020 and 2024. This **return to outsourcing** reverses Amazon's pandemic-era strategy of vertically integrating its delivery network in Quebec. It shifts the burden (and cost) of hiring drivers, sorting packages, and maintaining vehicles onto local firms.

From a **supply chain dynamics** perspective, Quebec is now somewhat unique: it's a large consumer market that Amazon will serve entirely without its own warehouses. (Notably, Amazon already served some smaller provinces like Newfoundland solely via third-party shipping (Source: peoplesworld.org), but Quebec's population is much larger.) This could lead to more **long-haul trucking** into Quebec as goods flow from Ontario distribution centers to Quebec delivery points. It might also mean **fewer Amazon-branded vans** on Quebec streets and more trucks from carriers like Purolator or Intelcom. While customers might not notice a dramatic difference at checkout, there could be subtle changes – for instance, fewer options for same-day delivery, or Amazon's Prime orders relying on Canada Post which delivers to community mailboxes rather than to the door in some areas. Over time, if Amazon's service levels to Quebec customers decline relative to other regions, it could open a competitive gap that others might fill (for example, Walmart or Costco expanding e-commerce fulfillment in Quebec to promise faster local delivery).

Labor and Legal Implications: Amazon's pullout has also sparked legal and political implications around labor rights. The union representing the Laval warehouse workers has filed complaints, arguing that the shutdown constitutes **illegal anti-union retaliation** under Quebec law (Source: peoplesworld.org). Quebec's Labour Code (sections 12–15) prohibits employers from retaliating against workers for exercising the right to unionize (Source: peoplesworld.org). The CSN is pressing the provincial government to intervene; as Senneville (CSN president) put it, *"the multinational [Amazon] prefers to leave Quebec rather than fulfill its obligation to negotiate... This is utterly unacceptable"* (Source: neomedia.com). The union federation launched a public **boycott Amazon campaign** in Quebec, urging consumers to shop elsewhere in solidarity with the workers (Source: costar.com). Meanwhile, nearly 70 international investors (managing \$2 trillion in assets) reportedly wrote to Amazon expressing serious concerns about the Quebec closures and their alignment with Amazon's professed social commitments (Source: business-humanrights.org) (Source: business-humanrights.org). These developments underscore a *reputational risk* for Amazon and could prompt **government policy responses**. For example, some policy analysts have suggested that governments should leverage procurement and regulatory tools to **penalize union-busting** – e.g., cancel public contracts or subsidies to firms that behave in this manner (Source: x.com). While no such punitive action has been decided as of this report, the situation has certainly put a spotlight on Amazon's labor practices. It also raises the question of whether other large employers might shy away from Quebec due to its stronger labor protections (or conversely, whether they will see Amazon's exit as an opportunity to step in and do things "the right way").

In summary, the **economic fallout** of Amazon's Quebec closures is significant: thousands of jobs lost or in jeopardy, millions of square feet of warehouse space vacated, and a shift in the logistics supply chain. However, within these challenges lie *potential opportunities* for local businesses – from filling the logistics void left behind to hiring experienced workers now available. The next sections will explore those opportunities in detail.

Opportunities for Small and Medium-Sized Quebec Businesses

Despite the disruption caused by Amazon's exit, the situation creates **openings for Quebec's small and medium-sized enterprises (SMEs)** to step up and capture value. Key opportunity areas include local e-commerce and retail, delivery and logistics services, warehousing and real estate utilization, and workforce acquisition. With proactive strategy, Quebec businesses can not only fill the gaps left by Amazon but potentially thrive in a less Amazon-dominated local market.

Local E-Commerce and Retail

One immediate opportunity is for **local e-commerce platforms and retailers to attract customers who might otherwise default to Amazon**. The controversy around Amazon's departure – widely seen in Quebec as a snub to workers and the province – has generated goodwill toward “*buy local*” sentiment. Politicians and community leaders are explicitly encouraging consumers to **support local businesses** instead of Amazon. As noted, MP Claude DeBellefeuille urged Quebecers to “*increase their purchases from merchants in [Quebec]*” in light of Amazon's behavior (Source: neomedia.com). Small businesses should seize on this sentiment in their marketing and branding. For instance, a Quebec online retailer can emphasize fast local shipping, ethical labor practices, and the fact that “*your purchase supports local jobs*”. There may be a public relations opening for a campaign akin to “*Made in Quebec*” or “*Le Panier Bleu*” (the Blue Basket initiative) highlighting Quebec-based alternatives to Amazon.

In fact, the **Quebec government has already invested in local e-commerce infrastructure** that could be bolstered at this juncture. In 2020, Quebec launched *Le Panier Bleu*, a platform to showcase Quebec-made products as an **alternative to Amazon and other global e-retailers** (Source: hardlines.ca). Initially a directory, the goal was to evolve it into a transactional marketplace. Though uptake has been modest so far (only 14% of Quebecers had used it by 2022), surveys indicated many more would shop on a local platform if it offered Amazon-like convenience (Source: hardlines.ca). Amazon's pullback provides an impetus to reinvigorate such initiatives. **Local entrepreneurs** could partner with the government to enhance Panier Bleu or build new marketplaces that focus on Quebec sellers and speedy province-wide delivery. Essentially, filling the **e-commerce void** means ensuring Quebec consumers can find local options for the products and fast service they desire. SMEs that go digital and offer robust online catalogs, easy ordering, and reliable delivery can capture customers who might be reconsidering their loyalty to Amazon.

Brick-and-mortar retailers in Quebec also stand to benefit if Amazon's delivery times lengthen or if some customers boycott Amazon. **Local stores can highlight immediate availability** (no waiting for shipping) and in-person customer service, potentially recapturing sales of items that had migrated to online purchasing. Additionally, retailers can collaborate – for example, a network of independent bookstores or electronics shops could offer a pooled **same-day delivery service within Montreal**, mimicking Amazon's speed but with local charm. The key is for local retail to emphasize strengths that Amazon's model can't match when it's operating from out-of-province: personal connection, local knowledge, and community support.

Logistics and Last-Mile Delivery Services

With Amazon stepping back, there is a **greater demand for third-party logistics (3PL) and delivery services** in Quebec. Amazon itself will now be outsourcing all deliveries in the province, which means **contracts up for grabs**. Local delivery companies – including those that were Amazon DSPs – can

compete to become contractors for Amazon's shipments (e.g. handling "final mile" delivery from a sorting point to customers). Amazon confirmed it is returning to a model of *"relying on local small businesses"* for delivery (Source: [reuters.com](https://www.reuters.com)), so this is a prime chance for Quebec-based courier firms to either start up or scale up. For instance, **Intelcom's aggressive expansion** (leasing new facilities and presumably hiring more staff) suggests that nimble local players can absorb the business Amazon is divesting (Source: [costar.com](https://www.costar.com))(Source: [costar.com](https://www.costar.com)). Other delivery firms could follow suit. Quebec entrepreneurs might consider forming new delivery startups or consortiums to serve not only Amazon (if they win a contract) but also other retailers seeking local delivery solutions.

Likewise, **third-party logistics providers** can fill the void in warehousing and fulfillment. Smaller 3PL companies in Quebec could offer their services to handle storage and shipping for e-commerce companies that want a presence in Quebec without investing in their own warehouse. In the absence of Amazon's in-province fulfillment, there is an opportunity for a local 3PL to market itself as a **Quebec fulfillment center** for merchants – perhaps even for marketplace sellers who used Amazon's fulfillment (FBA) and now want an alternative closer to Quebec customers. These logistics firms can hire former Amazon managers and engineers to gain know-how in high-volume fulfillment operations.

It's also possible that **other big retailers or platforms will step into the breach**. For example, Walmart Canada or Canadian Tire might expand their e-commerce logistics in Quebec to capture customers disappointed with Amazon. If they do, they will need local delivery partners, trucking services, and distribution support – roles that Quebec SMEs can play. Additionally, **crowdsourced delivery** and gig platforms might see increased usage; local startups could develop apps to connect drivers with deliveries for local businesses (leveraging the now-available labor force of ex-Amazon drivers).

In summary, the shift of Amazon to third-party delivery is essentially a **transfer of opportunity** to the local logistics sector. Those SMEs that can offer reliable delivery, scalable operations, and integration with e-commerce clients will find a ready market. The Quebec government, for its part, might assist by streamlining regulations for delivery businesses or offering grants/loans to logistics startups that hire former Amazon workers – ensuring that the capacity Amazon removed is rebuilt by homegrown companies.

Warehousing and Inventory Management

The closing of Amazon's facilities frees up **modern warehousing space and equipment** that could be repurposed by others. Small and medium businesses in Quebec that previously struggled to find distribution space may now have options. For example, a growing Quebec-based retailer or manufacturer can consider moving into one of the newly vacant sites (or subleasing part of one) to establish a **distribution center of their own**. The advantage is these warehouses are already fitted with loading docks, conveyor systems, and proximity to major highways – turnkey logistics infrastructure without the need to build from scratch.

Local real estate developers and business associations should coordinate to **market these facilities to domestic companies**. While a 400,000 sq. ft. building might be too large for any one SME, it could be divided among multiple tenants or turned into a multi-user fulfillment hub. The Quebec government could also consider **converting a former Amazon site into a public logistics hub** where smaller firms can rent storage and fulfillment space on flexible terms. This kind of co-operative model would lower barriers for SMEs to enjoy world-class logistics capabilities. Given that Amazon's exit will raise industrial vacancy to ~6.1% in Montreal (from previously very tight levels) (Source: [costar.com](https://www.costar.com)), rents may become more reasonable. It's a tenant's market now, so SMEs should negotiate favorable leases.

Another opportunity is for local companies to acquire **warehouse equipment and technology** that Amazon leaves behind. Often when such facilities close, things like racking systems, forklifts, and sortation machines can be bought second-hand at discounts. A small business could upgrade its warehouse operations by picking up these assets. Moreover, the know-how of running high-efficiency warehouses (possessed by former Amazon managers and engineers now in Quebec's labor pool) can be applied by other companies to modernize their logistics.

Overall, Quebec's warehousing landscape post-Amazon is more open. The presence of **excess capacity** means companies can expand inventory in-province (reducing their own shipping costs and delivery times within Quebec), which is particularly useful for any business that wants to guarantee fast service to Quebec customers now that Amazon's one-day Prime might be less ubiquitous. For example, a Quebec-based furniture or apparel retailer might keep a Montreal warehouse to fulfill local orders quickly, touting that as a selling point over competitors shipping from Toronto or the U.S.

Workforce and Talent Acquisition

Perhaps one of the most valuable assets now available to Quebec businesses is the pool of **experienced logistics and e-commerce workers** released by Amazon. The 1,700+ Amazon employees who lost their jobs include not only entry-level warehouse associates, but also **skilled technicians, operations managers, logistics coordinators, HR personnel, and IT specialists** who kept Amazon's complex supply chain running in Quebec. These individuals have firsthand experience with cutting-edge inventory systems, warehouse robotics, delivery route planning, and high-volume order management. Small businesses rarely get access to such talent, but now many of these workers are looking for new opportunities.

Hiring former Amazon employees can provide a significant boost to local SMEs. They can bring expertise in process optimization, safety standards, and customer-centric logistics that can improve a smaller operation's efficiency and professionalism. For instance, an SME that hires an Amazon-trained supervisor might implement better workflow layouts or data-driven metrics that increase productivity. Some ex-Amazon workers might also be entrepreneurial and could join startups or even start their own ventures (with severance money and new motivation to create a different kind of workplace). Local

business owners should consider reaching out via the government's reclassification committee or job fairs specifically organized for Amazon alumni. The Quebec government and Amazon have arranged "**transitional benefits such as job placement resources**" for the affected employees (Source: [reuters.com](https://www.reuters.com)). That means businesses can coordinate with those programs (and possibly get subsidies for training new hires).

There is also an opportunity to **upskill and integrate these workers into other sectors**. For example, Quebec's growing tech sector or manufacturing industry could recruit former Amazon IT and maintenance staff. And importantly, many delivery drivers and warehouse staff were immigrants and bilingual (English/French); they represent a valuable labor force that could help companies expand services in both languages or navigate multicultural customer bases.

Furthermore, for small businesses that have been struggling with labor shortages (a common issue in the logistics and retail industry), this sudden availability of **2,000 motivated workers** is a silver lining. With proper support, these employees can be quickly absorbed into new roles. The provincial government's establishment of a **reclassification assistance committee** will help by matching workers to job openings and providing any needed retraining (Source: [neomedia.com](https://www.neomedia.com)). Businesses should make sure they tap into this pipeline – for instance, by listing job openings with the committee or attending workshops for affected workers.

Finally, from a labor perspective, SMEs might also learn from Amazon's missteps: providing fair wages, listening to worker concerns, and perhaps being more open to unions or worker committees could actually become a competitive advantage in attracting and retaining these workers. If Amazon's ex-employees feel valued and heard in their new jobs (in contrast to their previous experience), it can lead to higher loyalty and performance, benefiting those employers who **prioritize good workplace practices**.

Government Policies and Initiatives Supporting Local Business

The Quebec government and local authorities have responded with measures aimed at **mitigating the fallout** and empowering local businesses in the wake of Amazon's exit. Understanding these policies can help SMEs leverage available support:

- **Rapid Response for Workers:** As mentioned, the provincial Employment Ministry (Ministère de l'Emploi) quickly set up a *Reclassification Assistance Committee* for Amazon's laid-off employees (Source: [neomedia.com](https://www.neomedia.com)). This committee, which typically includes government counselors and sometimes company and union representatives, helps workers with job search, resume workshops, and connects them to hiring employers. It effectively serves as a conduit for local businesses to hire from Amazon's talent pool. Additionally, Amazon's severance package (up to 14 weeks' pay) gives workers a small financial cushion (Source: [reuters.com](https://www.reuters.com)), which, combined with Quebec's employment

insurance, means they can take short-term retraining if needed. **SMEs should coordinate with this committee** or local employment centers (Centres locaux d'emploi) to find suitable candidates and even inquire about wage subsidies – Quebec often provides employers with subsidies or tax credits for hiring workers who were displaced by large layoffs.

- **Encouraging “Buy Local” Programs:** The Quebec government has a history of promoting local purchasing to strengthen homegrown businesses. For example, the **Panier Bleu initiative** launched in 2020 is a high-profile effort to drive consumers to Quebec-made products and retailers (Source: hardlines.ca). In the wake of Amazon’s closures, officials have an added incentive to push these programs. Regional municipalities have also joined in; in March 2025, one Quebec regional county (MRC de Beauharnois-Salaberry) announced continued investments in an **“achat local”** (buy local) program called *Proximité*, providing training and support to local enterprises to increase their visibility and e-commerce capabilities (Source: neomedia.com). Such initiatives often include marketing campaigns, online platforms listing local businesses, and sometimes financial aid for digital transformation (e.g., helping a small shop set up an online store). **Local SMEs should take advantage of these programs** – by signing up to be featured on Panier Bleu or similar directories, participating in government-sponsored training on e-commerce, and utilizing any grants available for technology adoption. The overall policy environment in Quebec is now tilted towards helping local businesses fill the gap left by foreign multinationals.
- **Attracting New Investment:** The provincial government is also likely working behind the scenes to **attract other companies to occupy the void** (and warehouses) Amazon left. Quebec’s Ministry of Economy and Innovation, along with Montreal International (the investment promotion agency), have been known to offer incentives such as tax breaks, electricity discounts, or training funds to companies that set up logistics hubs or create jobs in Quebec. This could mean that **competitors or new entrants** might be wooed to use the former Amazon sites – for example, another major retailer, or a package delivery company expanding operations. If successful, such moves could stabilize the local job market and supply chain. For instance, if a large global 3PL decides to establish a Montreal distribution center, it could absorb some of the workforce and maintain fast shipping for many products in Quebec. Small businesses should monitor these developments, because a new large player could become a **potential partner** or client (e.g., a 3PL might subcontract to local trucking firms, or a new retailer might seek local suppliers).
- **Labor and Legal Actions:** In terms of labor policy, the Quebec government has been put in a position to enforce its labor laws and possibly strengthen them. The fact that Amazon left right as arbitration could have been imposed may lead to discussions in the National Assembly about ensuring multinationals cannot evade collective bargaining responsibilities. While this is more of a macro policy issue, **a pro-labor stance can help SMEs in the long run** by leveling the playing field. Smaller businesses that treat workers well could find themselves at less of a cost disadvantage if

giants like Amazon are held to similar standards. Also, government support for unions or works councils can facilitate more cooperative labor relations in other workplaces, potentially improving productivity and reducing conflicts.

- **Public Procurement and Contracts:** Another lever the government holds is in procurement. Both the federal and provincial governments are significant buyers of courier services, cloud services, etc. If they heed calls from labor groups to penalize Amazon, they could decide to avoid awarding certain contracts to Amazon (for example, steering cloud computing contracts to other providers, or not partnering with Amazon on initiatives). Conversely, they might give preference to companies that invest in Quebec. For local businesses, this could translate into **more opportunities to bid on government contracts** for delivery, IT services, or retail supply, as Amazon's presence recedes.
- **Community and Economic Development Funding:** Regions directly impacted (like Coteau-du-Lac, Lachine, Laval) may receive special economic development funds or adjustment programs. This can include money to help a town attract new employers to an empty facility, or funds to assist small firms in the area to expand. For instance, if a local entrepreneur proposes opening a smaller distribution center that could employ dozens of ex-Amazon workers, the government might provide a loan guarantee or assistance with site acquisition. Keeping an eye on announcements from bodies like Investissement Québec or Canada Economic Development (CED) for Quebec regions is worthwhile, as they may roll out **specific initiatives to revitalize areas hit by the closures**.

In summary, the policy response so far has focused on cushioning the blow to workers and fostering a **shift toward local enterprise**. The government's stance – from the minister's condemnation of Amazon to concrete steps like the reclassification committee and buy-local campaigns – indicates strong support for making the most of this situation. Small businesses and entrepreneurs should align their strategies with these supportive measures: engage with training and hiring programs, leverage the momentum of buy-local sentiment, and possibly influence policy by voicing their needs (e.g., asking for further support or highlighting bureaucratic obstacles that could be removed to help them grow).

Strategic Recommendations for Quebec's Small Businesses and Entrepreneurs

In light of the above analysis, Quebec's small and medium-sized businesses can adopt several strategies to navigate and capitalize on the post-Amazon environment. Below are key recommendations:

- **Embrace the "Buy Local" Movement:** Actively promote your products or services as *local Quebec offerings*. Leverage the current public sentiment favoring local businesses over global giants. For example, highlight Quebec origins, use fleur-de-lis logos or "Fabriqué au Québec" badges, and mention if your company is hiring locally (especially former Amazon workers). As one Quebec MP

advised, consumers are looking to **support local suppliers** now (Source: neomedia.com) – meet them halfway by making your business highly visible in local directories (Panier Bleu, etc.) and on social media with localized marketing campaigns. Consider offering special deals or loyalty programs for customers in Quebec to reinforce their decision to switch from Amazon to you.

- **Collaborate and Build Local Alliances:** Small businesses should not go it alone. Form coalitions or networks with other local companies to **pool resources** and improve competitiveness. For instance, a group of Quebec retailers can create a shared e-commerce platform or mobile app that aggregates their products, giving customers a one-stop local shopping experience. By sharing a delivery fleet or warehouse, you can achieve economies of scale similar to Amazon's (albeit on a smaller scale). Industry associations and chambers of commerce can facilitate these partnerships. A unified "Quebec marketplace" could draw more users than many siloed small websites. Look at models like farmers' co-ops or the earlier mentioned Panier Bleu as inspiration – then take it further by adding true online shopping and rapid delivery options.
- **Upgrade Your E-Commerce and Fulfillment Capabilities:** If you haven't already, invest in **strengthening your online sales and delivery logistics**. Amazon set a high bar for customer expectations (fast shipping, real-time tracking, easy returns). To capture disenchanted Amazon customers, try to replicate some of those conveniences. This might mean using part of your budget (or government digital adoption grants) to improve your website, implement an inventory management system, or integrate with third-party delivery apps. Also, consider strategically warehousing inventory closer to your Quebec customer base. With warehouse space more available now (Source: costar.com), you might negotiate a small space in Montreal to stock your fast-moving items, enabling you to offer same-day or next-day delivery in the area. **Speed and reliability in delivery** will help convince consumers that shopping locally can match the experience of Amazon Prime.
- **Leverage Available Talent – Hire Former Amazon Employees:** Make a concerted effort to **recruit ex-Amazon workers** into your team. These individuals are already trained in efficient warehouse operations, customer service, and high standards of performance. Bringing them onboard can immediately elevate your business processes. For example, a former Amazon logistics manager could reorganize your stockroom for better productivity, or an ex-Amazon driver could help optimize delivery routes for your products. To find these candidates, engage with the reclassification committee or job fairs, and advertise that you value the skills Amazon workers have. You might also collaborate with other small businesses to host a "hiring day" specifically for former Amazon employees, showcasing multiple job opportunities at once. Not only do you gain skilled staff, but you also earn goodwill in the community for helping re-employ affected workers.

- **Offer Competitive and Fair Work Environments:** To truly benefit from the talent influx and perhaps attract customers by reputation, **differentiate yourself from Amazon in how you treat workers.** Ensure competitive wages (remember that Amazon's starting pay was around \$23/hour for many delivery jobs (Source: therover.ca) – use that as a benchmark for skilled roles) and provide decent benefits if possible. More importantly, foster a participative work culture: listen to employee feedback, consider forming an employee committee or allowing unionization without resistance. If your business is known for being worker-friendly, it can become part of your brand – appealing to consumers who are aware of Amazon's perceived labor issues. Happy employees often translate to better customer service and productivity, which will help your bottom line in the long run.
- **Pivot and Innovate if You Were an Amazon Subcontractor:** For those businesses that were directly dependent on Amazon (e.g., DSP delivery companies), it's crucial to pivot quickly. **Diversify your client base** – seek delivery contracts with other e-commerce firms, or even with government and healthcare (there's growing demand for local courier services for groceries, pharmaceuticals, etc.). Use your experience handling Amazon volumes as a selling point. You might also retool your business model: for example, if you have a fleet of vans, consider starting a same-day delivery service that local retailers can subscribe to. Given Intelcom's example (absorbing Amazon volume) (Source: costar.com), you may find that Amazon itself will hire you as a subcontractor now. Maintain a dialogue with Amazon to become part of their third-party network (if you haven't been already), but **be cautious about over-reliance on any single platform** going forward. This is a moment to innovate – some former Amazon DSPs might merge or form cooperatives to achieve the scale needed to serve multiple clients.
- **Make Use of Government Support and Incentives:** Keep informed about and actively use **any government aid** available. If there are grants for digital adoption, apply for them to upgrade your tech. If local economic development funds offer loans or tax credits for expanding into a vacated warehouse or hiring X number of workers, take advantage. For example, Investissement Québec might have special financing for projects that create jobs in areas affected by the Amazon closure – propose an expansion or new venture that fits those criteria. Also, join government-sponsored training sessions to upskill your staff (many are free or subsidized). By aligning your growth plans with government priorities (like local job creation, digital economy growth, etc.), you can often get financial or promotional support that reduces risk and cost for your business.
- **Focus on Customer Experience and Trust:** Many Amazon customers valued the platform for its vast selection, low prices, and convenience. While a small business can't easily offer millions of products or loss-leading prices, you can compete on **experience and trust.** Emphasize quality over quantity in your product line. Provide personalized customer service – something Amazon often lacks. For instance, have real staff available to quickly answer questions online or by phone. Implement generous and simple return policies to mimic Amazon's ease of returns. Build trust by

being transparent about your operations and values (e.g., if you pay fair wages or source locally, let customers know). Over time, a loyal customer base will prefer buying from a known local business they trust, rather than a faceless marketplace – especially if reliability is comparable. Quebec consumers might be particularly receptive to businesses that reflect Quebec values and culture, so incorporate French-language content, and local cultural references in your branding to strengthen the connection.

- **Monitor and Respond to Market Changes:** Finally, stay agile. The situation is still evolving – Amazon's strategy could shift again (for example, if their subcontracting model faces issues, they might partner with a Canadian retailer or even return in some form down the line). Also, competitors will react – perhaps other large retailers will invest more in Quebec now. **Keep a close watch on industry news** and be ready to adjust. If a new opportunity arises (say a major retailer is looking for Quebec distribution partners, or the government launches a new local commerce platform), be prepared to jump in. In strategy terms, conduct regular reviews of how your "post-Amazon" plans are going, get feedback from customers if they mention delivery issues or preferences, and fine-tune your operations. Being a small business can be an advantage here – you can experiment and adapt faster than a behemoth like Amazon. Use that nimbleness to carve out a sustainable niche in the transformed market landscape.

By implementing these strategies, Quebec's small businesses can not only withstand the shock of Amazon's withdrawal but **turn it into a springboard for growth**. The absence of a dominant player creates breathing room for innovation and local pride to shape the market. With support from the community and government, the post-Amazon chapter for Quebec could see a resurgence of local enterprises that are more resilient and socially grounded.

Conclusion

Amazon's decision to close all its Quebec warehouses in 2025 was an upheaval that sent shockwaves through the province's economy and labor force. The background of the closure – coming on the heels of a successful union drive – has cast the move as more than just a business reorganization; it became a flashpoint on workers' rights and the role of global companies in local communities. Economically, the short-term impacts are undeniably challenging: job losses in the thousands and disruption of a supply chain that many Quebecers and businesses depended on. Yet, as this report has detailed, **crisis can breed opportunity**. Quebec's small and medium-sized businesses, supported by proactive government initiatives, have the chance to fill the void left by Amazon with homegrown solutions.

The implications span multiple domains. **Logistically**, Quebec is now fostering a more diversified delivery ecosystem, with local couriers like Intelcom expanding and other firms invited to rise. **Economically**, the increased industrial vacancy and available labor force can be harnessed by domestic businesses to scale

up at lower cost. **Socially and politically**, there is a renewed emphasis on fair labor practices and buying local, which aligns well with the strengths of SMEs that are rooted in their communities.

Moving forward, success will depend on how effectively Quebec businesses and policymakers can collaborate to capitalize on these dynamics. Key recommendations include doubling down on e-commerce capabilities, alliances among local enterprises, tapping into the pool of skilled workers, and leveraging government support in training and technology. If executed well, these steps can lead to a more resilient regional economy – one that is less reliant on a single multinational player and more built on a network of local champions. As Quebec's example shows, the exit of a giant like Amazon, while disruptive, **does not have to leave a vacuum**. Instead, it can create space for a flourishing ecosystem of Quebec businesses that deliver innovation, agility, and community value in ways that perhaps a large corporation could not.

In summary, Amazon's warehouse closures in Quebec mark the end of one chapter, but they also signal the beginning of a new one – where the narrative is written by Quebec entrepreneurs, workers, and leaders collectively turning a challenging situation into a catalyst for **local economic revival and sustainable growth**.

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Tags: e-commerce, logistics, supply chain management, regional economics, labor market, quebec, smb strategy

About 2727 Coworking

2727 Coworking is a vibrant and thoughtfully designed workspace ideally situated along the picturesque Lachine Canal in Montreal's trendy Griffintown neighborhood. Just steps away from the renowned Atwater Market, members can enjoy scenic canal views and relaxing green-space walks during their breaks.

Accessibility is excellent, boasting an impressive 88 Walk Score, 83 Transit Score, and a perfect 96 Bike Score, making it a "Biker's Paradise". The location is further enhanced by being just 100 meters from the Charlevoix metro station, ensuring a quick, convenient, and weather-proof commute for members and their clients.

The workspace is designed with flexibility and productivity in mind, offering 24/7 secure access—perfect for global teams and night owls. Connectivity is top-tier, with gigabit fibre internet providing fast, low-latency connections ideal for developers, streamers, and virtual meetings. Members can choose from a versatile workspace menu tailored to various budgets, ranging from hot-desks at \$300 to dedicated desks at \$450 and private offices accommodating 1–10 people priced from \$600 to \$3,000+. Day passes are competitively priced at \$40.

2727 Coworking goes beyond standard offerings by including access to a fully-equipped, 9-seat conference room at no additional charge. Privacy needs are met with dedicated phone booths, while ergonomically designed offices featuring floor-to-ceiling windows, natural wood accents, and abundant greenery foster wellness and productivity.

Amenities abound, including a fully-stocked kitchen with unlimited specialty coffee, tea, and filtered water. Cyclists, runners, and fitness enthusiasts benefit from on-site showers and bike racks, encouraging an eco-conscious commute and active lifestyle. The pet-friendly policy warmly welcomes furry companions, adding to the inclusive and vibrant community atmosphere.

Members enjoy additional perks like outdoor terraces and easy access to canal parks, ideal for mindfulness breaks or casual meetings. Dedicated lockers, mailbox services, comprehensive printing and scanning facilities, and a variety of office supplies and AV gear ensure convenience and efficiency. Safety and security are prioritized through barrier-free access, CCTV surveillance, alarm systems, regular disinfection protocols, and after-hours security.

The workspace boasts exceptional customer satisfaction, reflected in its stellar ratings—5.0/5 on Coworker, 4.9/5 on Google, and 4.7/5 on LiquidSpace—alongside glowing testimonials praising its calm environment, immaculate cleanliness, ergonomic furniture, and attentive staff. The bilingual environment further complements Montreal's cosmopolitan business landscape.



Networking is organically encouraged through an open-concept design, regular community events, and informal networking opportunities in shared spaces and a sun-drenched lounge area facing the canal. Additionally, the building hosts a retail café and provides convenient proximity to gourmet eats at Atwater Market and recreational activities such as kayaking along the stunning canal boardwalk.

Flexible month-to-month terms and transparent online booking streamline scalability for growing startups, with suites available for up to 12 desks to accommodate future expansion effortlessly. Recognized as one of Montreal's top coworking spaces, 2727 Coworking enjoys broad visibility across major platforms including Coworker, LiquidSpace, CoworkingCafe, and Office Hub, underscoring its credibility and popularity in the market.

Overall, 2727 Coworking combines convenience, luxury, productivity, community, and flexibility, creating an ideal workspace tailored to modern professionals and innovative teams.

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