



Sectoral Profile

Fabricated Metal Product
Manufacturing
NAICS 332

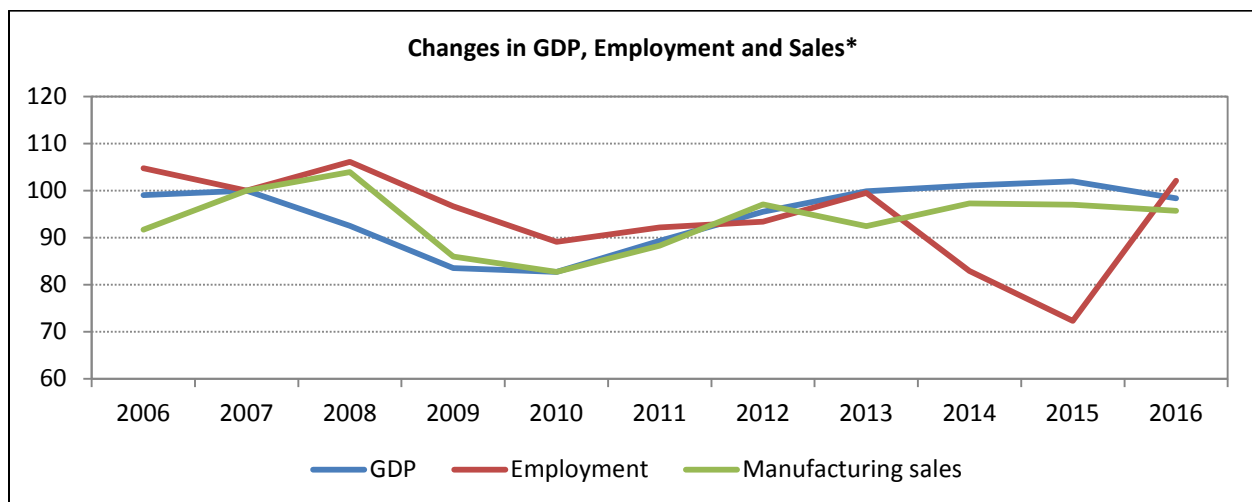
Quebec

2018-2020*



- Fabricated metal product manufacturing comprises a wide range of products used in mines, energy production, construction, transportation material manufacturing, machinery manufacturing, and so forth.
- Production is mainly carried out in SMEs that attend mostly to proximity markets
- Architectural and structural metals manufacturing is the main segment of the industry, with 40% of employment, sales and exports

Although the industrial structure in Quebec is dominated by SMEs, fabricated metal product manufacturing is part of a small number of manufacturing industries with such a high concentration: half of establishments have less than 10 employees, and nearly 90% have less than 50 employees. In general, a small size is associated with serving a local, rather than an export, market. This explains that, on average, only 20% of metal products manufactured in Quebec are exported. In 2015 however, the share of exports in manufacturing shipments rose to 27.5%, a significant increase that carried over in 2016.



* Data are expressed in the form of indices where the year 2007 = 100

Sources: Statistics Canada, GDP – CANSIM 379-0030, Employment – LFS, Sales – CANSIM 304-0015

It is possible that the Quebec niches, mainly related to custom product manufacturing, may be recognized and appreciated in foreign markets. Year after year, architectural and structural metals manufacturing products make up just over 40% of exports. This proportion has remained unchanged despite a strong increase in the

* This document is the result of analyses performed using information available as at April 5, 2018.

outside Quebec sales of architectural and structural metals manufacturing products. Recently, machine shops, turned product, and screw, nut and bolt manufacturing saw an even stronger increase, and now make up a larger share of Quebec exports. Since the low point of 2010, following the recession, metal product manufacturing exports rebounded by over 70%, far exceeding the previous peak reached in 2008. It is worth noting that the United States are the main client of Quebec exports—in the case of architectural and structural metals manufacturing products, the U.S. is the destination of 90% of foreign sales.

The workforce is also growing in most segments of fabricated metal product manufacturing. Since 2010, gains have been important in activities that account for a large share of production, manufacturing shipments and exports. Although industrial construction has slowed down in Quebec over the past few years, significant investments have been made in infrastructures, civil engineering, as well as in commercial and institutional construction and in the heavy residential sector; not only in the province, but also in Canada and the United States. This helped to boost the industry which, like the manufacturing sector overall, had been affected by the decline in orders and activities during the 2008-2009 recession.

The demand for products remains high, as large construction sites are under way and the number of announced major projects is increasing, and we expect that growth of exports will continue over the forecast period.

On the other hand, this scenario will be impacted and could become negative if the United States levies tariffs on Canadian steel products. According to U.S. communiqués, the additional charge could be 25%, thus making Canadian products too costly for the US market and cause a significant drop in production here.

Sectoral Dynamics for Regions

Québec 2018-2020	In the Economic Regions	AAGR
Annual average growth: 1.3% Loss/Gain of approx.: 1,400 positions Yearly dynamics: 2018 : ↗ 2019 : ↗ 2020 : ↗	Gaspésie–Les-Îles	3.2%
	Abitibi-Témiscamingue	2.0%
	Bas-Saint-Laurent	1.6%
	Centre-du-Québec	1.5%
	Mauricie	1.5%
	QUÉBEC	1.3%
	Montréal CMA	1.3%
	Laurentides	1.3%
	Montérégie	1.2%
	Capitale-Nationale	1.2%
	Estrie	1.1%
	Côte-Nord / Nord-du-Québec	1.0%
	Saguenay–Lac-Saint-Jean	1.0%
	Lanaudière	0.9%
	Chaudière-Appalaches	0.9%
	Outaouais	0.0%

n/a: not applicable

Source: 2018–2020 Sectoral Outlook annual exercise

Labour Market Analysis Directorate, Service Canada – Quebec Region, April 5, 2018.

The following occupations are likely to be affected by the dynamics of the labour market (according to the occupation by industry matrix):

- 7237 Welders and related machine operators
- 7231 Machinists and machining and tooling inspectors
- 9416 Metalworking and forging machine operators
- 9612 Labourers in metal fabrication
- 0911 Manufacturing managers
- 9418 Other metal products machine operators
- 7201 Contractors and supervisors, machining, metal forming, shaping and erecting trades and related occupations
- 9537 Other products assemblers, finishers and inspectors
- 7311 Construction millwrights and industrial mechanics
- 7452 Material handlers
- 9536 Industrial painters, coaters and metal finishing process operators
- 7233 Sheet metal workers
- 7236 Ironworkers
- 2253 Drafting technologists and technicians
- 1521 Shippers and receivers
- 6411 Sales and account representatives - wholesale trade (non-technical)
- 9417 Machining tool operators
- 7235 Structural metal and platework fabricators and fitters
- 2233 Industrial engineering and manufacturing technologists and technicians
- 9619 Other labourers in processing, manufacturing and utilities.

SIZE AND DISTRIBUTION OF AND CHANGES IN EMPLOYMENT IN THE INDUSTRY IN QUEBEC

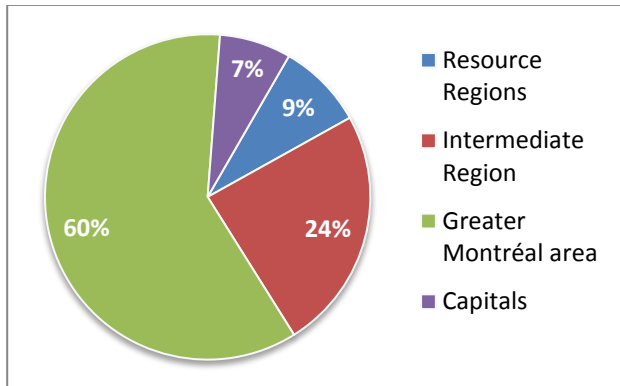
	Employment 2015–2017 Average			10-year Change in Employment	
	Employment In thousands	Provincial distribution	Regional employment share	In thousands	as a %
All of Quebec	36.4	100.0%	0.9%	-8.0	-18.1%
Resource Regions					
Abitibi-Témiscamingue	x	x	x	x	x
Bas-Saint-Laurent	x	x	x	x	x
Côte-Nord / Nord-du-Québec	x	x	x	x	x
Gaspésie-Îles-de-la-Madeleine	x	x	x	x	x
Saguenay-Lac-Saint-Jean	x	x	x	x	x
Intermediate Regions					
Centre-du-Québec	3.2	8.9%	2.7%	-0.2	-4.9%
Chaudière-Appalaches	4.7	12.8%	2.2%	0.6	14.8%
Estrie	1.7	4.8%	1.1%	-1.6	-48.0%
Mauricie	2.2	6.1%	1.9%	0.9	63.4%
Greater Montréal area					
Lanaudière	2.6	7.1%	1.0%	-1.5	-36.6%
Laurentides	2.4	6.5%	0.8%	-0.1	-4.1%
Laval	x	x	x	x	x
Montérégie	8.6	23.6%	1.1%	-1.0	-10.7%
Montréal	4.8	13.1%	0.5%	-3.5	-42.3%
Capitals					
Capitale-Nationale	2.4	6.5%	0.6%	-0.7	-22.0%
Outaouais	x	x	x	x	x

x: confidential data, fewer than 1,500 people employed in this region

Source: Historical estimates based on Statistics Canada's Labour Force Survey

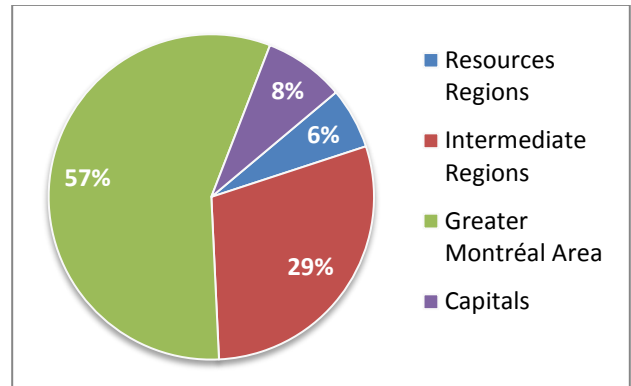
SOME CHARACTERISTICS OF THE INDUSTRY IN QUÉBEC

Establishment distribution by Region



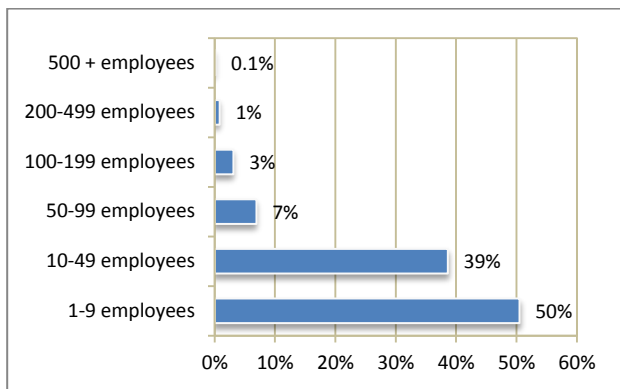
Source: Statistics Canada, Establishment Counts by Economic Region, industry, and Employee Size Ranges, December 2015

Employment distribution by Region



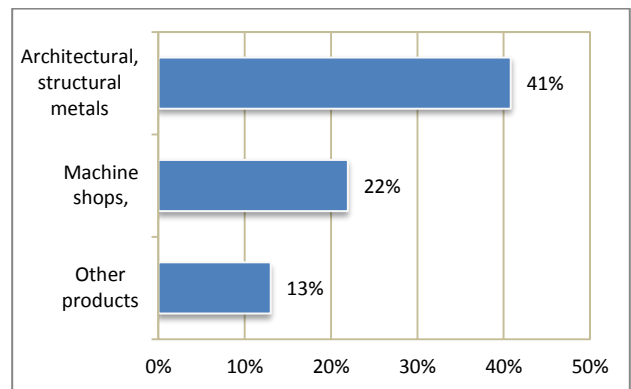
Source: Statistics Canada, Labour Force Survey; based on average employment in 2014-2016

Size of establishment



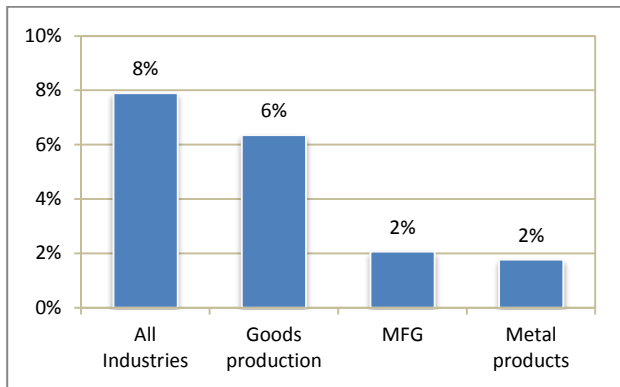
Source: Statistics Canada, Establishment Counts by Economic Region, industry, and Employee Size Ranges, December 2015

Employment by industry segment



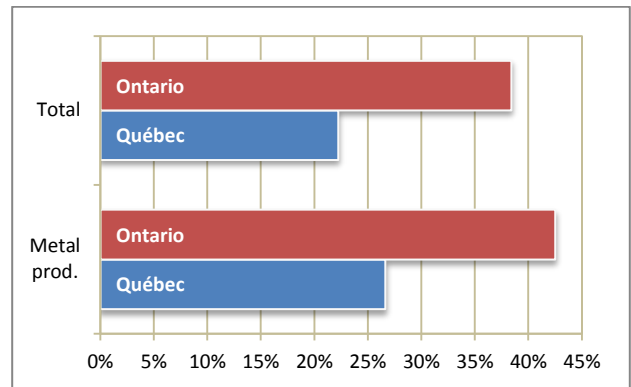
Source: Statistics Canada, Survey of Employment, Payrolls and Hours; based on average employment in 2014-2016

Self-employed jobs compared to Total employment



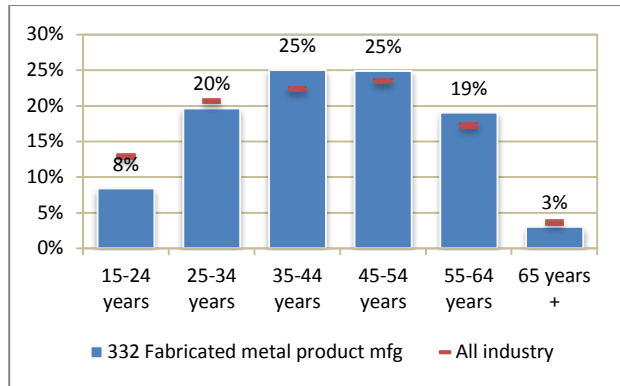
Source: Statistics Canada, CANSIM 383-0031 Labour statistics, based on average employment in 2014-2016

Share of total employment and industry in Canada



Source: Statistics Canada, Survey of Employment, Payrolls and Hours; based on average employment in 2014-2016

Employed Labour Force Aged 15 Years and Over



Source: Statistics Canada, 2016 Census, special tabulation for ESDC

Employment distribution by skill type

National Occupational Classification	
0. Management	10%
1. Business, finance and administration	13%
2. Natural and applied sciences and related	9%
3. Health	0%
4. Education, law and social, community and government services	0%
5. Art, culture, recreation and sport	0%
6. Sales and service	5%
7. Trades, transport and equipment operators	39%
8. Natural resources, agriculture and related production	0%
9. Manufacturing and utilities	24%

Source: Statistics Canada, 2016 Census, special tabulation for ESDC

FOR MORE INFORMATION

- Job Bank (Canada) – [Job Market Trends and News](#): Information on job, skills and local labour market trends is important for making career decisions. In addition, information on wages, labour supply, labour demand and other factors helps employers recruit, train and retain workers and make business and investment decisions.
- North American Industry Classification System (NAICS) Canada 2012: Fabricated metal product manufacturing [NAICS 332](#)

Note: In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

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For further information, please contact the LMI team at:

http://www.esdc.gc.ca/cqi-bin/contact/edsc-esdc/eng/contact_us.aspx?section=lmi

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