



Sectoral Profile

Machinery Manufacturing

NAICS 333

Quebec

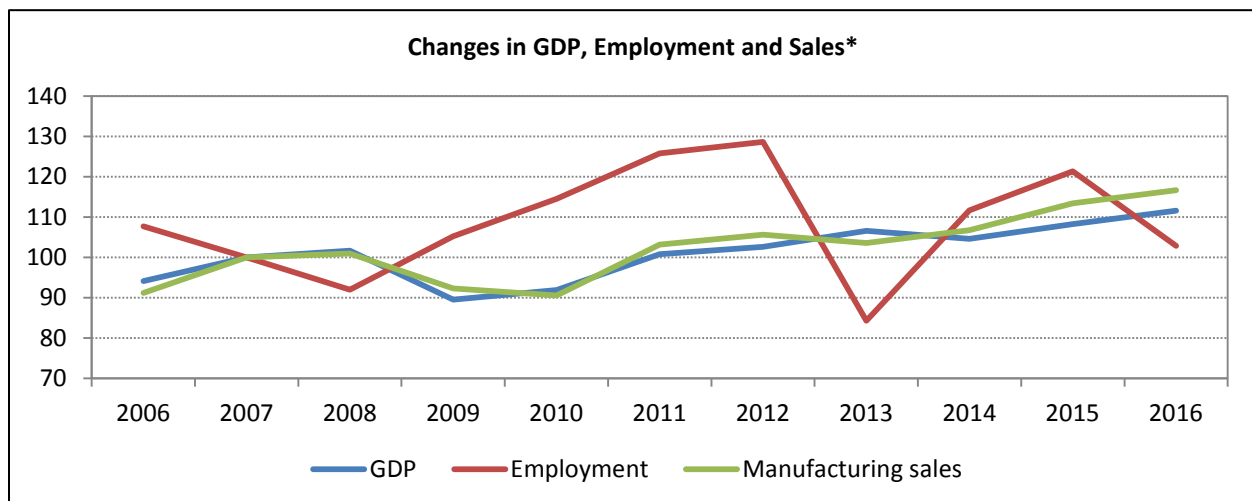
2018-2020*



- Machine manufacturing is highly dependent on the state of global economy with nearly 90% of its production shipped to external markets—the United States alone account for 60%
- The industry also depends on the client's capacity to buy machinery and equipment in order to support its growth, improve its productivity and remain competitive
- Most of the production is done through small and medium-sized enterprises

The distribution of employment within production segments shows a wide range of uses:

- Agricultural, construction and mining machinery: 13%
- Industrial machinery: 16%
- Commercial and service industry machinery: 19%
- Ventilation, heating, air-conditioning and commercial refrigeration equipment: 16 %
- Metalworking machinery: 7%
- Engine, turbine and power transmission equipment: 9%
- Other general-purpose machinery: 20%.



* The data are expressed as indices where 2007 = 100.

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

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

In this industry, manufactured products serve as inputs for other manufacturing industries, e.g. in transportation material, industrial equipment, and telecommunications solutions. Machines are designed for specific uses, for example, in sectors such as agriculture, printing, sawmill, rubber or plastic products manufacturing, pulp and paper, food and beverages.

Usually, an industry like machine manufacturing, that offers with a wide range of products, for a variety of uses and many different clients, should have a lower risk when exposed to an economic downturn. But customers are confronted by the same issues of overall economic dynamics, the value of the Canadian dollar, foreign demand, competition, and business investment – they will slow down too. This being said, machine manufacturing was less hurt by the 2008-2009 economic recession than other industries. Moreover, in 2011, sales increased rapidly and surpassed the pre-recession peak. Following a calm period due to, amongst other things, uncertain economic times and the strength of our currency which undermined private investments in machinery and equipment, sales began growing again in 2014.

The export market is very important for machinery manufacturing. In 2016, 93% of the production in Quebec was exported, amounting to a new record high. Before the recession, the share of exports was about 75% of all manufacturing shipments. The United States remain the main destination, but the markets diversified significantly since the early 2000s. The industry benefited from an increased demand from, amongst others, China, emerging economies and Europe.

In an environment where investment intentions in machinery and equipment are on the increase and where the value of the Canadian dollar is an advantage in export markets, the short- and medium-term outlooks are positive for the machinery manufacturing industry.

Sectoral Dynamics for Regions

Québec 2018-2020	In the Economic Regions	AAGR
<p>Annual average growth: 1.6%</p> <p>Gain of approx.: 1,300 positions</p> <p>Yearly dynamics: 2018 : ↗ 2019 : ↗ 2020 : ↗</p>	Abitibi-Témiscamingue	2.7%
	Laurentides	2.0%
	Estrie	1.8%
	Montréal CMA	1.7%
	Gaspésie-Les-Îles	1.6%
	QUÉBEC	1.6%
	Mauricie	1.5%
	Centre-du-Québec	1.4%
	Lanaudière	1.3%
	Montérégie	1.3%
	Capitale-Nationale	0.9%
	Chaudière-Appalaches	0.7%
	Saguenay-Lac-Saint-Jean	0.5%
	Côte-Nord / Nord-du-Québec	0.0%
	Outaouais	0.0%
Bas-Saint-Laurent	-0.8%	

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 in the machinery manufacturing industry 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
- 2132 Mechanical engineers
- 0911 Manufacturing managers
- 9524 Assemblers and inspectors, electrical appliance, apparatus and equipment manufacturing
- 2253 Drafting technologists and technicians
- 2232 Mechanical engineering technologists and technicians
- 2174 Computer programmers and interactive media developers
- 7311 Construction millwrights and industrial mechanics
- 6221 Technical sales specialists - wholesale trade
- 2133 Electrical and electronics engineers
- 2241 Electrical and electronics engineering technologists and technicians
- 1521 Shippers and receivers
- 7316 Machine fitters
- 9536 Industrial painters, coaters and metal finishing process operators
- 7333 Electrical mechanics
- 7452 Material handlers
- 9416 Metalworking and forging machine operators
- 2141 Industrial and manufacturing engineers
- 9619 Other labourers in processing, manufacturing and utilities
- 7313 Refrigeration and air conditioning mechanics.

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

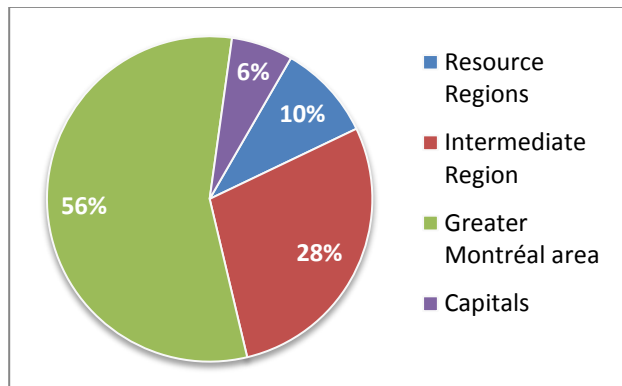
	Employment 2015–2017 Average			10-year Change in Employment	
	Employment In thousands	Provincial distribution	Regional employment share	In thousands	as a %
All of Quebec	27.6	100.0%	0.7%	1.2	4.7%
Resource Regions					
Abitibi-Témiscamingue	x	x	x	x	x
Bas-Saint-Laurent	x	x	x	x	x
Côte-Nord / Nord-du-Québec	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	2.4	8.8%	2.0%	-0.1	-5.2%
Chaudière-Appalaches	2.3	8.3%	1.1%	0.0	-1.4%
Estrie	x	x	x	x	x
Mauricie	x	x	x	x	x
Greater Montréal area					
Lanaudière	x	x	x	x	x
Laurentides	2.1	7.7%	0.7%	0.2	10.3%
Laval	1.5	5.5%	0.7%	0.1	7.0%
Montréal	6.0	21.8%	0.6%	0.6	11.0%
Capitals					
Capitale-Nationale	1.8	6.4%	0.4%	0.1	6.0%
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

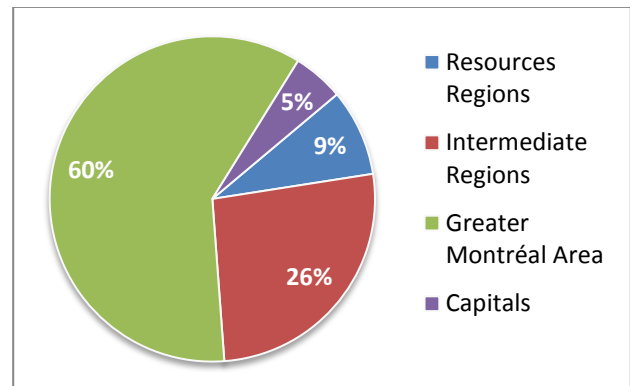
SOME CHARACTERISTICS OF THE INDUSTRY IN QUÉBEC

Establishment distribution by Region



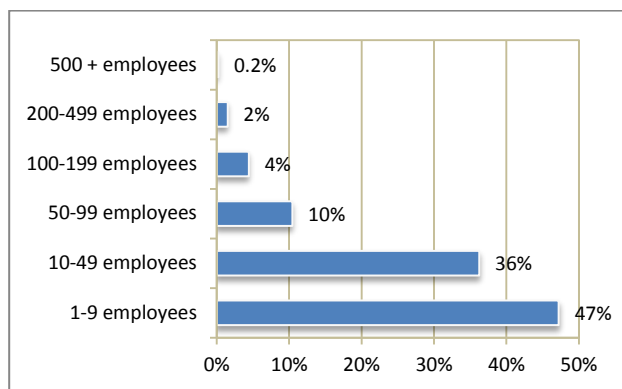
Source: Statistics Canada, Establishment Counts by Economic Region, industry, and Employee Size Ranges, December 2015

Employment distribution by Region



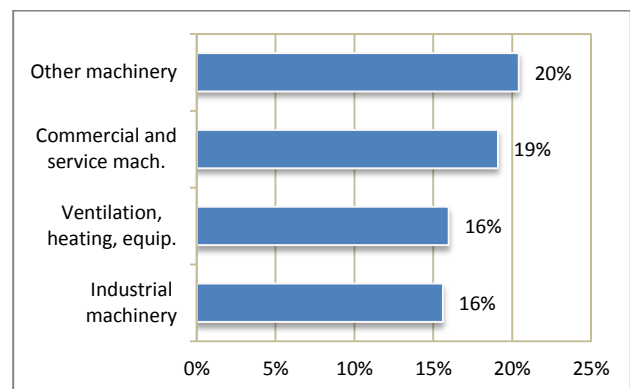
Source: Statistics Canada, Labour Force Survey; based on average employment in 2014-2016

Size of establishment



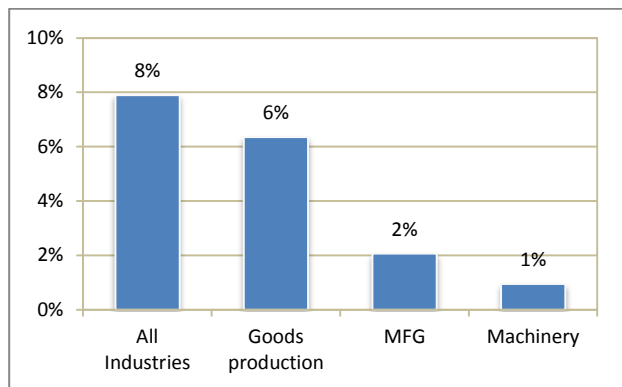
Source: Statistics Canada, Establishment Counts by Economic Region, industry, and Employee Size Ranges, December 2015

Employment by industry segment



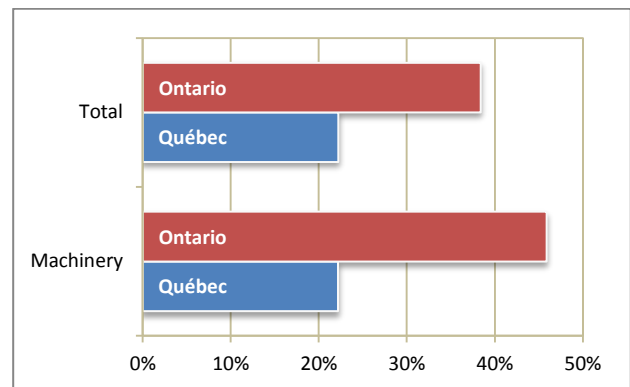
Source: Statistics Canada, Survey of Employment, Payrolls and Hours; based on average employment in 2014-2016

Self-employed jobs compared to Total employment



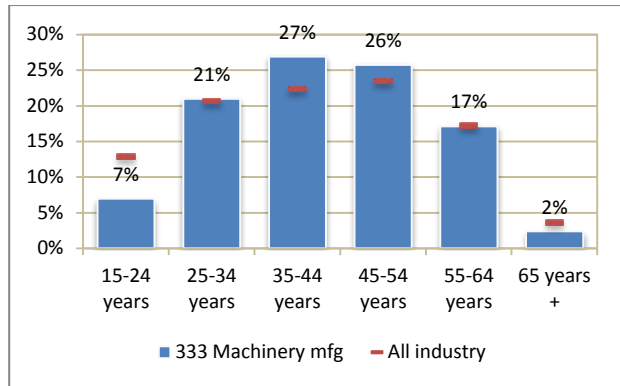
Source: Statistics Canada, CANSIM 383-0031 Labour statistics, based on average employment in 2014-2016

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	11%
1. Business, finance and administration	13%
2. Natural and applied sciences and related	19%
3. Health	0%
4. Education, law and social, community and government services	1%
5. Art, culture, recreation and sport	1%
6. Sales and service	6%
7. Trades, transport and equipment operators	32%
8. Natural resources, agriculture and related production	0%
9. Manufacturing and utilities	17%

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: Machinery Manufacturing [NAICS 333](#)

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.

Prepared by: Labour Market Analysis Directorate, Service Canada, Quebec

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

© Her Majesty the Queen in Right of Canada as represented by Employment and Social Development Canada, 2018, all rights reserved