



Sectoral Profile

Computer and Electronic Product

Manufacturing

NAICS 334

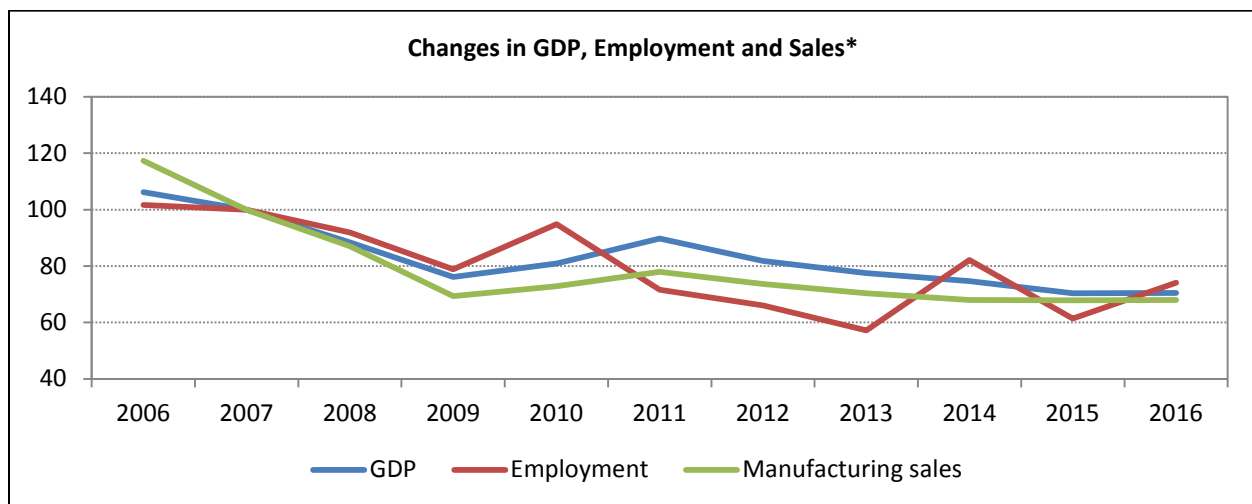
Quebec

2018–2020*



- Whether in Quebec or Canada, the computer and electronic product manufacturing industry never recovered the strength it had before tech bubble burst in 2001
- Although international competition is getting tougher every year, emerging markets and the niche of specialty parts manufacturing have interesting growth potential
- The vast majority of sales is made in foreign markets, mainly the United States

The bursting of the tech bubble in 2001 had the effect of an economic crash in the computer and electronic product manufacturing industry. Then, Nortel collapsed with the discovery of accounting irregularities. A leader in electronic products manufacturing in the Canadian communications industry, the whole industry came down with it. Between 2001 and 2009, the workforce and production dwindled. In 2016, the Quebec computer and electronic product manufacturing industry accounted for only half of all jobs compares to 2001 workforce levels, and only a third of the value of shipments remains.



*Data are expressed as indices with 2007 = 100

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

The void left by the departure of several companies was filled by imported products. China has a strong presence in these markets and accounts for over half of Canadian imports in communication equipment, and 40% of audio and video equipment.

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

But there is still room for the Quebec industry, mainly in the niche of specialized products which helped sustain some specialty products and contributed to recent growth. The markets for these products are mainly outside the country, which explain why the vast majority of computer and electronic products made in Quebec are exported—with 60% going to the United States. Admittedly, competition is fierce in export markets so they are not the solution for everyone.

In 2016, Quebec exports of electronic products accounted for only half of their 2001 value, but they posted a nearly 30% gain in comparison to post-recession levels. Employment and export growth continues in navigational, measuring, medical and control instruments manufacturing. As for other segment in this industry, some have posted gains occasionally but dynamics is not steady.

Taking into account ongoing and announced investments, and the fields showing a potential for growth, a slight growth is expected for the industry over the next few years. It could gain momentum in the medium term, due to the ripple effect of some projects.

Sectoral Dynamics for Regions

Québec 2018-2020	In the Economic Regions	AAGR
Annual average growth: 0.6% Gain of approx.: 300 positions Yearly dynamics: 2018 : ↗ 2019 : ↗ 2020 : ↗	Capitale-Nationale	1.8%
	QUÉBEC	0.6%
	Montréal CMA	0.5%
	Montréal	0.5%
	Chaudière-Appalaches	0.4%
	Mauricie	0.0%
	Outaouais	0.0%
	Estrie	0.0%
	Abitibi-Témiscamingue	0.0%
	Bas-Saint-Laurent	0.0%
	Saguenay-Lac-Saint-Jean	0.0%
	Centre-du-Québec	0.0%
	Côte-Nord / Nord-du-Québec	0.0%
	Gaspésie-Les-Îles	0.0%
	Laurentides	0.0%
Lanaudière	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 in the primary metal manufacturing industry are the most likely to be affected by the anticipated dynamics (according to the occupation by industry matrix):

- 9523 Electronics assemblers, fabricators, inspectors and testers
- 2241 Electrical and electronics engineering technologists and technicians
- 2133 Electrical and electronics engineers
- 2174 Computer programmers and interactive media developers
- 0911 Manufacturing managers
- 2173 Software engineers and designers

- 9222 Supervisors, electronics manufacturing
- 7231 Machinists and machining and tooling inspectors
- 2147 Computer engineers (except software engineers and designers)
- 2233 Industrial engineering and manufacturing technologists and technicians
- 6221 Technical sales specialists - wholesale trade
- 7237 Welders and related machine operators
- 2171 Information systems analysts and consultants
- 1521 Shippers and receivers
- 2132 Mechanical engineers
- 2141 Industrial and manufacturing engineers
- 2242 Electronic service technicians (household and business equipment)
- 0211 Engineering managers
- 2253 Drafting technologists and technicians.

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

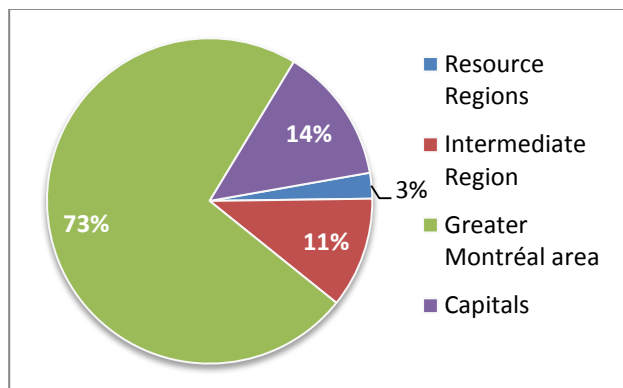
	Employment 2015–2017 Average			10-year Change in Employment	
	Employment In thousands	Provincial distribution	Regional employment share	In thousands	as a %
All of Quebec	16.2	100.0%	0.4%	-8.2	-33.6%
Resource Regions					
Abitibi-Témiscamingue	x	x	x	x	x
Bas-Saint-Laurent	x	x	x	x	x
Côte-Nord / Nord-du-Québec	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	x	x	x	x	x
Chaudière-Appalaches	x	x	x	x	x
Estrie	x	x	x	x	x
Mauricie	x	x	x	x	x
Greater Montréal area					
Lanaudière	x	x	x	x	x
Laurentides	x	x	x	x	x
Laval	x	x	x	x	x
Montréal	4.3	26.6%	0.5%	-2.1	-33.2%
Montréal	6.0	37.3%	0.6%	-2.3	-27.3%
Capitals					
Capitale-Nationale	1.6	10.1%	0.4%	-0.4	-21.0%
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

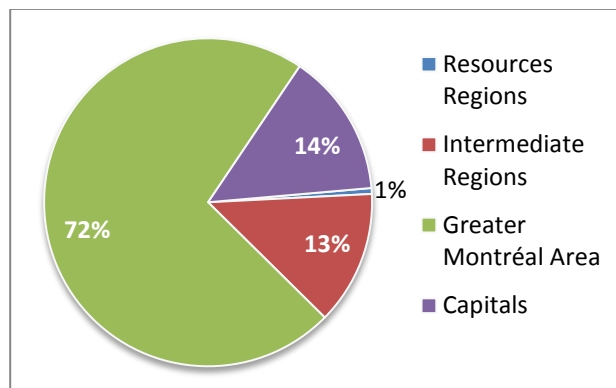
SOME CHARACTERISTICS OF THE INDUSTRY IN QUÉBEC

Establishment distribution by Region



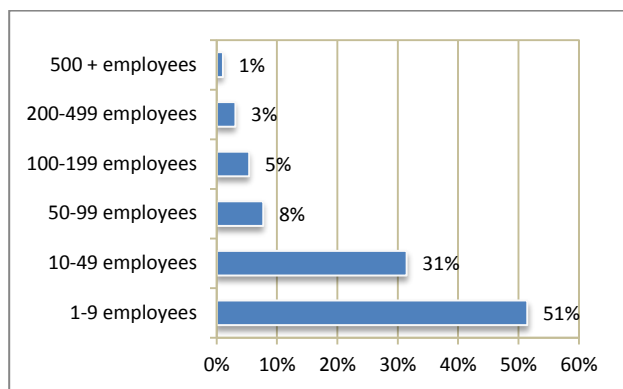
Source: Statistics Canada, Establishment Counts by Economic Region, industry, and Employee Size Ranges, December 2015

Employment distribution by Region



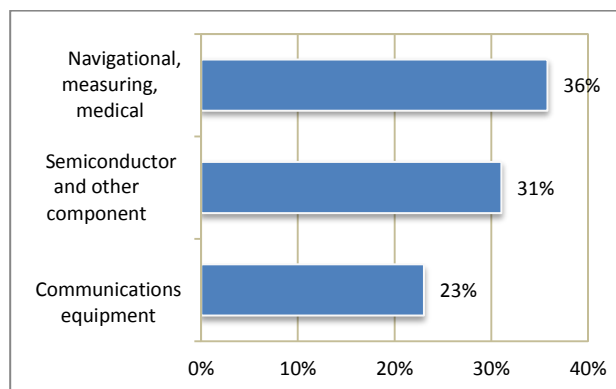
Source: Statistics Canada, Labour Force Survey; based on average employment in 2014-2016

Size of establishment



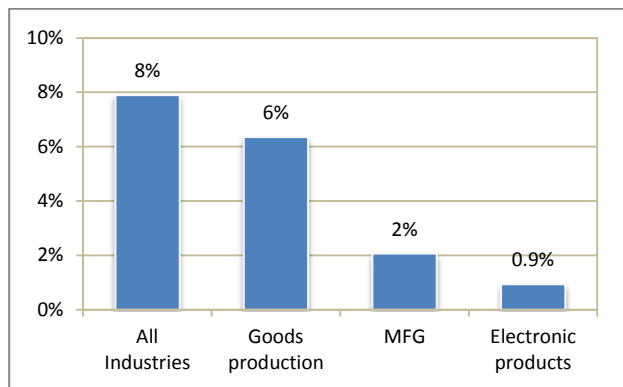
Source: Statistics Canada, Establishment Counts by Economic Region, industry, and Employee Size Ranges, December 2015

Employment by industry subsectors



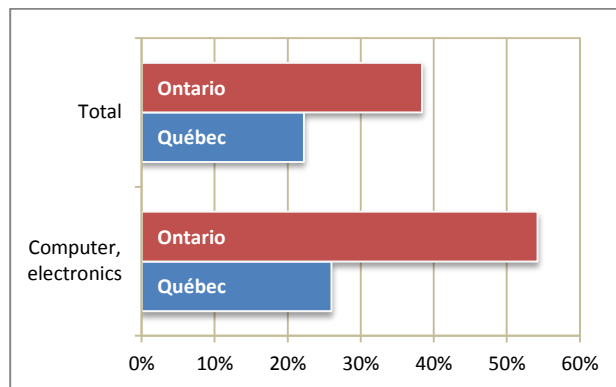
Source: Statistics Canada, Survey of Employment, Payrolls and Hours; based on average employment in 2014-2016

Self-employed jobs compared to Total employment

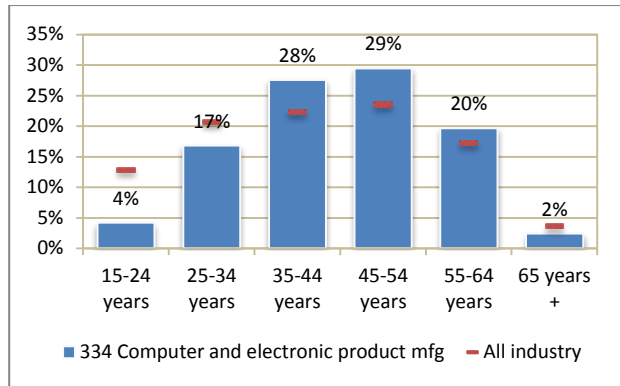


Source: Statistics Canada, CANSIM 383-0031 Labour statistics, based on average employment in 2014-2016

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	12%
1. Business, finance and administration	13%
2. Natural and applied sciences and related	34%
3. Health	0%
4. Education, law and social, community and government services	1%
5. Art, culture, recreation and sport	2%
6. Sales and service	5%
7. Trades, transport and equipment operators	9%
8. Natural resources, agriculture and related production	0%
9. Manufacturing and utilities	23%

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: Computer and electronic product manufacturing [NAICS 334](#).

Note: In preparing this document, the authors took care to base their research on labour market information that was accurate and relevant at the time of publication. Since labour market conditions are dynamic, some of the data presented here may have changed since this document was published. Users are encouraged to consult 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, represented by Employment and Social Development Canada, 2018, all rights reserved