



Sectoral Profile

Electrical Equipment, Appliance and Component Manufacturing

NAICS 335

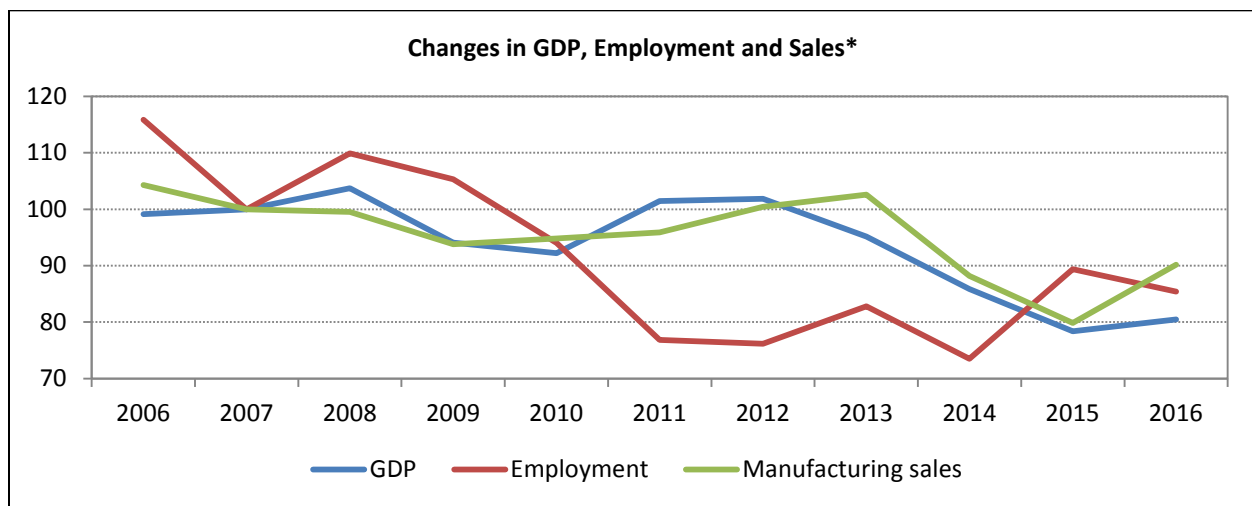
Quebec

2018-2020*



- The industry is tied to two very different markets: household products, and industrial products, used by businesses and governments (utilities)
- Offshoring of production, particularly in the electric lighting equipment and household appliances segment, has intensified the decline in the workforce in the Quebec industry
- Certain niches, particularly the production of lithium batteries, show potential and could generate some level of investments and create jobs

Since 2006, the workforce of the electrical equipment, appliance and component manufacturing industry has followed a downward trend in Quebec. The loss of jobs was brought by several elements, including the offshoring of production outside Quebec, and improvement in productivity. Offshoring affected household appliance manufacturing (small and large appliances) and, to a lesser degree, electric lighting equipment manufacturing (light bulbs and fixtures). In 2014, two simultaneous plant closures reduced by 80% the workforce of the household appliance segment. In electric lighting equipment manufacturing, declining demand for some products (fluorescent tubes, lightbulbs, etc.) could no longer keep all the plants running. The oldest sites were closed, in order to consolidate production elsewhere.



* Data are given in index numbers where the year 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.

Elsewhere, productivity needed to be enhanced in order to maintain production. Investments in plants, new machinery and equipment, and the review of processes, resulted in the ability to manufacture products with a reduced workforce. Plant upgrades brought about a reduction in the number of steps needed to manufacture product and handling of product between the steps.

The electrical equipment, appliance and component manufacturing industry exports about 40% of its products every year, of which between 80% and 90% go to the United States. This goes to show how much the industry is sensitive to the change in the value of the Canadian dollar. Since the end of the recession, shipments and exports of electric lighting and electric materials have seen solid growth. In the batteries, wires and cables segment, exports are also increasing, but this is occurring in a period of significant decline (-33%) in production since the peak reached in 2007. Although some niches should bring investments and create jobs, particularly in the production of lithium batteries, it does not seem sufficient to offset losses elsewhere.

We believe that the modernization of production units has allowed the industry to better position itself. Combined with the announced investments and contracts, a slight growth in the workforce is expected. The negative outlook in Centre-du-Québec region is linked to the closure of the Ledvance plant (former Sylvania Electric) in December 2018 - the production was transferred to Kentucky.

Sectoral Dynamics for Regions

Québec 2018-2020	In the Economic Regions	AAGR
Annual average growth: 0.9% Gain of approx.: 400 positions Yearly dynamics: 2018 : ↗ 2019 : ↗ 2020 : ↗	Laurentides	1.0%
	Montréal CMA	0.9%
	QUÉBEC	0.9%
	Bas-Saint-Laurent	0.8%
	Lanaudière	0.7%
	Mauricie	0.7%
	Montérégie	0.7%
	Capitale-Nationale	0.5%
	Estrie	0.0%
	Abitibi-Témiscamingue	0.0%
	Saguenay-Lac-Saint-Jean	0.0%
	Chaudière-Appalaches	0.0%
	Côte-Nord / Nord-du-Québec	0.0%
	Gaspésie-Les-Îles	0.0%
	Outaouais	0.0%
Centre-du-Québec	-2.7%	

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 from the electrical equipment, appliance and component manufacturing are the most likely to be affected by this dynamic (according to the occupation by industry matrix):

- 9524 Assemblers and inspectors, electrical appliance, apparatus and equipment manufacturing
- 9527 Machine operators and inspectors, electrical apparatus manufacturing
- 0911 Manufacturing managers

- 9525 Assemblers, fabricators and inspectors, industrial electrical motors and transformers
- 9523 Electronics assemblers, fabricators, inspectors and testers
- 2133 Electrical and electronics engineers
- 2241 Electrical and electronics engineering technologists and technicians
- 6221 Technical sales specialists - wholesale trade
- 9619 Other labourers in processing, manufacturing and utilities
- 7452 Material handlers
- 7237 Welders and related machine operators
- 7242 Industrial electricians
- 9418 Other metal products machine operators
- 1521 Shippers and receivers
- 2132 Mechanical engineers
- 7231 Machinists and machining and tooling inspectors
- 9223 Supervisors, electrical products manufacturing
- 7311 Construction millwrights and industrial mechanics
- 1225 Purchasing agents and officers
- 2253 Drafting technologists and technicians
- 7333 Electrical mechanics
- 9536 Industrial painters, coaters and metal finishing process operators
- 0601 Corporate sales managers.

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

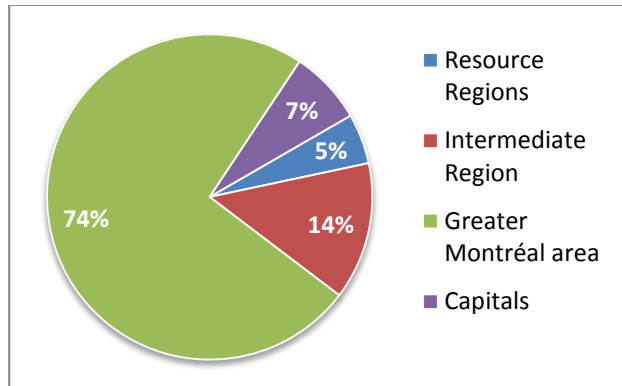
	Employment 2015–2017 Average			10-year Change in Employment	
	Employment In thousands	Provincial distribution	Regional employment share	In thousands	as a %
All of Quebec	13.7	100.0%	0.3%	-1.1	-7.4%
Resource Regions					
Abitibi-Témiscamingue	x	x	x	x	x
Bas-Saint-Laurent	x	x	x	x	x
Côte-Nord / Nord-du-Québec	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
Montérégie	3.9	28.5%	0.5%	0.0	0.9%
Montréal	3.7	27.0%	0.4%	0.4	12.1%
Capitals					
Capitale-Nationale	x	x	x	x	x
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

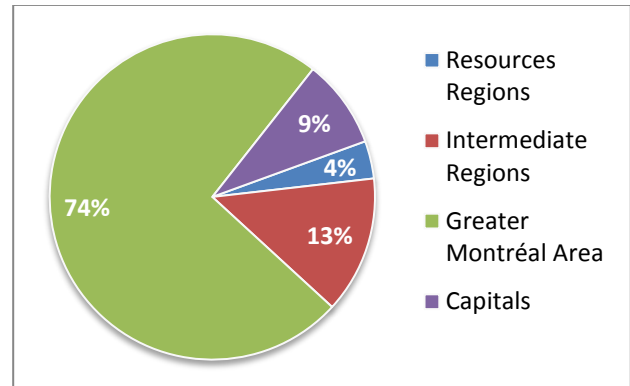
SOME CHARACTERISTICS OF THE INDUSTRY IN QUÉBEC

Establishment distribution by Region



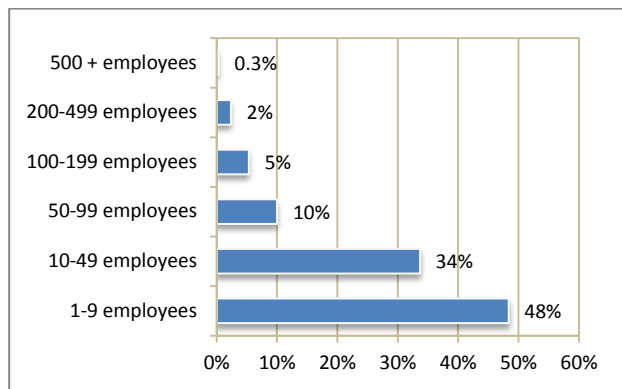
Source: Statistics Canada, Establishment Counts by Economic Region, industry, and Employee Size Ranges, December 2015

Employment distribution by Region



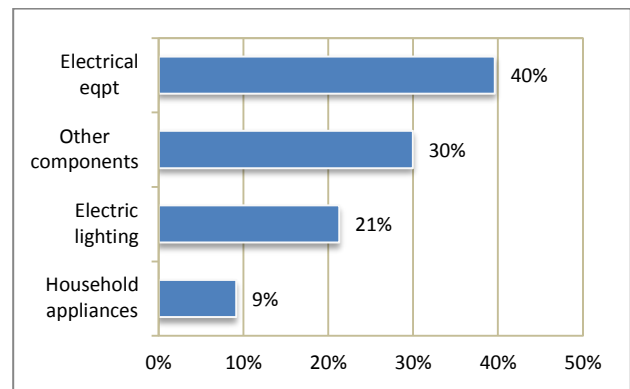
Source: Statistics Canada, Labour Force Survey; based on average employment in 2014-2016

Size of establishment



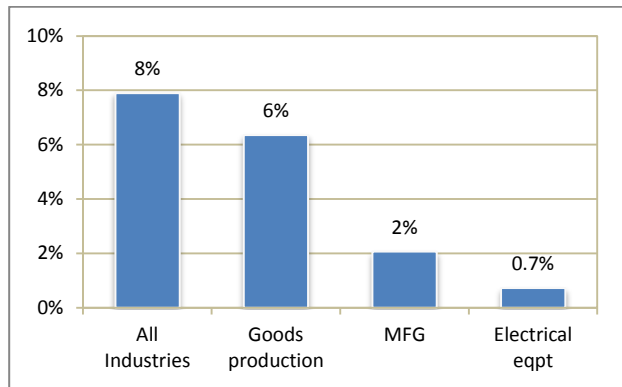
Source: Statistics Canada, Establishment Counts by Economic Region, industry, and Employee Size Ranges, December 2015

Employment by industry subsectors



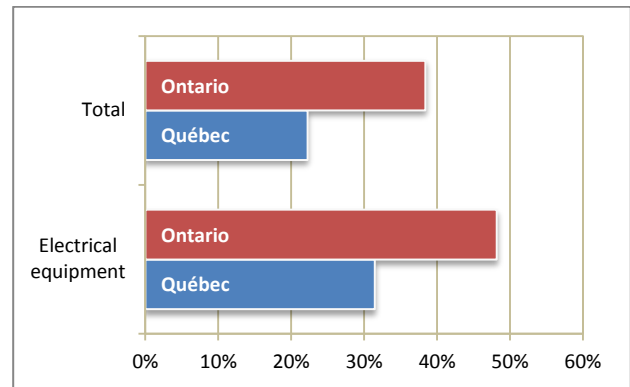
Source: Statistics Canada, Survey of Employment, Payrolls and Hours; based on average employment in 2014-2016

Self-employed jobs compared to Total employment



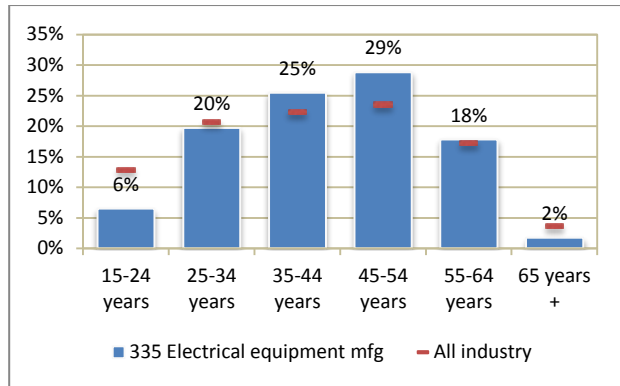
Source: Statistics Canada, CANSIM 383-0031 Labour statistics, based on average employment in 2014-2016

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	15%
2. Natural and applied sciences and related	18%
3. Health	0%
4. Education, law and social, community and government services	1%
5. Art, culture, recreation and sport	1%
6. Sales and service	8%
7. Trades, transport and equipment operators	15%
8. Natural resources, agriculture and related production	0%
9. Manufacturing and utilities	30%

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: Electrical Equipment, Appliance and Component Manufacturing [NAICS 335](#)

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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