



# Sectoral Profile

## Wholesale trade

NAICS 41

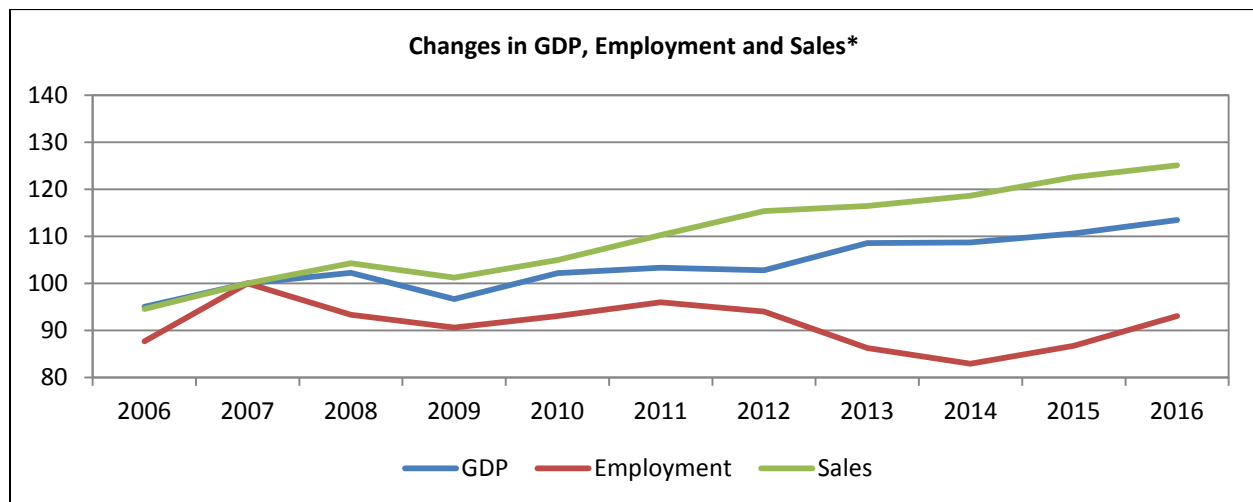
Quebec

2018-2020\*



- A significant share of the activity is linked to distribution to retail stores: the spending of households thus has a major ripple effect on employment in wholesalers
- The remaining jobs depend on the manufacturing and construction sectors, which do business with wholesaler-distributors as part of their supply and export logistics
- Segments of wholesale trade may develop differently in the same period as a result of the economic conditions and issues that can affect one industry more than another or a situation that decreases household spending capacity

Similarly to retail trade and the manufacturing sector, which are their primary customers, wholesalers-distributors are in search of productivity gains. Thus, in any given year, capital and repair expenditures for machinery and equipment reach over 900 million dollars in this industry and, for 2018, reported investment intentions to develop new capacity show an increase.



Data are expressed as indices with 2007 = 100

Sources: Statistics Canada, GDP – CANSIM 379-0030, Employment – LFS, Sales – CANSIM 081-001

Since 2003, new facilities, equipped with the latest technologies, and improvements in handling and tracking shipments, have led to significant productivity gains which, at the same time reduced staffing needs. At best, investments, while leading to growth in activity, made it possible to maintain current staffing levels. Other elements have adversely affected employment growth in wholesale trade recently: the proliferation of stores

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

with a large stock capacity, the opening of warehouse stores in the most competitive retail segments, cross-border shopping on the Internet and the weakening of Quebec exports and imports in 2016. Over the next few years, activity of wholesalers-distributors will still vary according to consumer behaviour in the domestic market and an increase in international trade.

Household consumption has a major impact on wholesale trade, since a large share of jobs is related to distribution to wholesale retailers. Following the 2009 recession, household spending slowed down considerably in Quebec. Since the end of 2015, consumer spending has regained strength, and growth continued over in 2016 and 2017. In coming years, the contribution of retail trade to wholesale trade will continue, although at a lesser pace.

Quebec exports resumed growth in 2017 and, according to *Export Development Canada*, this situation is expected to continue in 2018 and 2019, leading to job gains among wholesalers.

### Sectoral Dynamics for the Regions

Québec 2018-2020	In the Economic Regions	AAGR
Annual average growth: 0.4%  Gain of approx.: 1,765 positions  Yearly dynamics: 2018: ↗ 2019: ↗ 2020: ↗	Abitibi-Témiscamingue	0.6%
	Laurentides	0.6%
	Montréal CMA	0.5%
	Lanaudière	0.5%
	Montréal	0.5%
	Capitale-Nationale	0.4%
	Gaspésie-Les-Îles	0.4%
	Chaudière-Appalaches	0.4%
	<b>QUÉBEC</b>	0.4%
	Côte-Nord / Nord-du-Québec	0.3%
	Estrie	0.3%
	Centre-du-Québec	0.3%
	Outaouais	0.2%
	Mauricie	0.2%
Saguenay-Lac-Saint-Jean	0.1%	
Bas-Saint-Laurent	-0.1%	

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 wholesale trade industry are the most likely to be affected by the expected dynamic (according to the occupation by industry matrix):

- 6411 Sales and account representatives - wholesale trade (non-technical)
- 1521 Shippers and receivers
- 7452 Material handlers
- 0621 Retail and wholesale trade managers
- 6221 Technical sales specialists - wholesale trade
- 7514 Delivery and courier service drivers
- 0601 Corporate sales managers

- 6552 Other customer and information services representatives
- 7511 Transport truck drivers
- 6222 Retail and wholesale buyers
- 1522 Storekeepers and partspersons
- 9619 Other labourers in processing, manufacturing and utilities
- 1215 Supervisors, supply chain, tracking and scheduling co-ordination occupations.

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

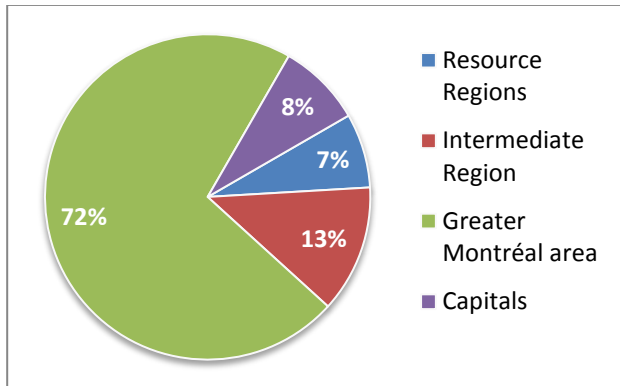
	Employment 2015–2017 Average			10-year Change in Employment	
	Employment In thousands	Provincial distribution	Regional employment share	In thousands	as a %
<b>All of Quebec</b>	<b>150.3</b>	<b>100.0%</b>	<b>3.6%</b>	<b>2.1</b>	<b>1.4%</b>
<b>Resource Regions</b>					
Abitibi-Témiscamingue	2.2	1.4%	3.0%	-0.6	-21.7%
Bas-Saint-Laurent	2.1	1.4%	2.5%	0.4	26.0%
Côte-Nord / Nord-du-Québec	x	x	x	x	x
Gaspésie-Îles-de-la-Madeleine	x	x	x	x	x
Saguenay-Lac-Saint-Jean	2.6	1.8%	2.1%	-1.2	-30.7%
<b>Intermediate Regions</b>					
Centre-du-Québec	4.3	2.8%	3.6%	-0.1	-1.5%
Chaudière-Appalaches	6.3	4.2%	2.9%	0.6	10.5%
Estrie	3.2	2.2%	2.1%	-0.7	-17.1%
Mauricie	2.5	1.6%	2.1%	0.1	2.8%
<b>Greater Montréal area</b>					
Lanaudière	9.7	6.5%	3.8%	0.1	1.0%
Laurentides	11.7	7.8%	3.8%	-0.9	-6.9%
Laval	10.6	7.1%	5.0%	1.4	14.8%
Montréal	30.5	20.3%	3.9%	-0.5	-1.7%
Montréal	48.5	32.2%	4.8%	3.9	8.7%
<b>Capitals</b>					
Capitale-Nationale	12.0	8.0%	3.0%	0.1	1.1%
Outaouais	3.1	2.1%	1.6%	-0.2	-6.0%

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

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

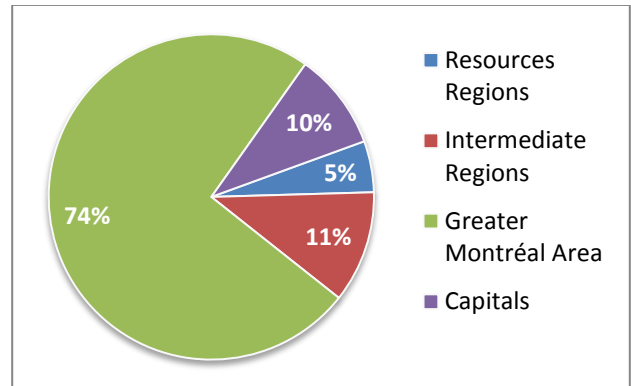
**SOME CHARACTERISTICS OF THE INDUSTRY IN QUÉBEC**

**Establishment distribution by Region**



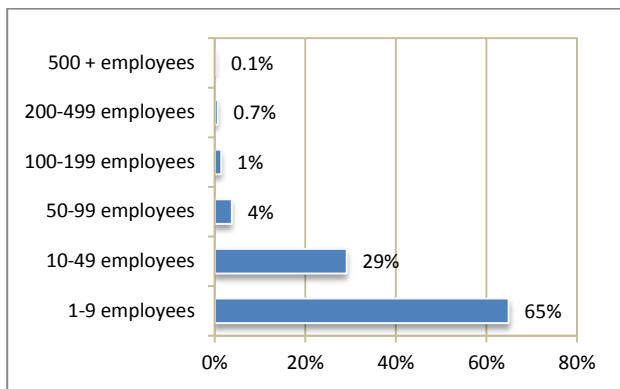
Source: Statistics Canada, Establishment Counts by Economic Region, industry, and Employee Size Ranges, December 2015

**Employment distribution by Region**



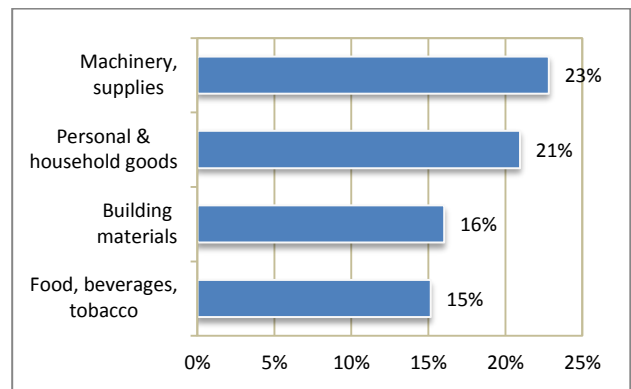
Source: Statistics Canada, Labour Force Survey; based on average employment in 2014-2016

**Size of establishment**



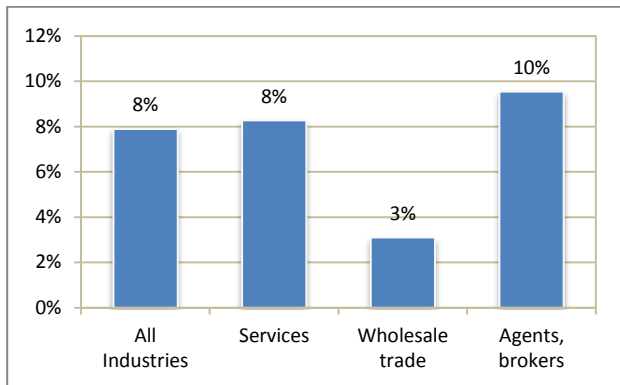
Source: Statistics Canada, Establishment Counts by Economic Region, industry, and Employee Size Ranges, December 2015

**Employment by industry segment**



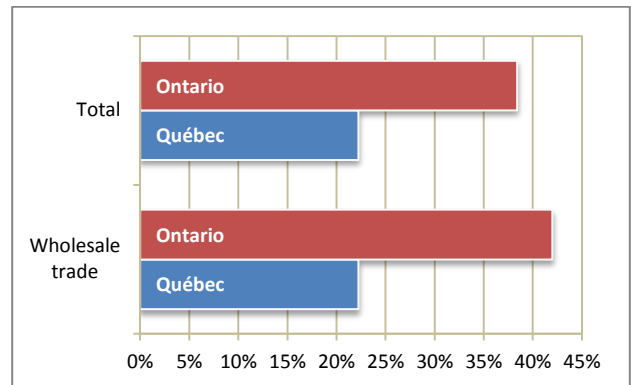
Source: Statistics Canada, Survey of Employment, Payrolls and Hours; based on average employment in 2014-2016

**Self-employed jobs compared to Total employment**



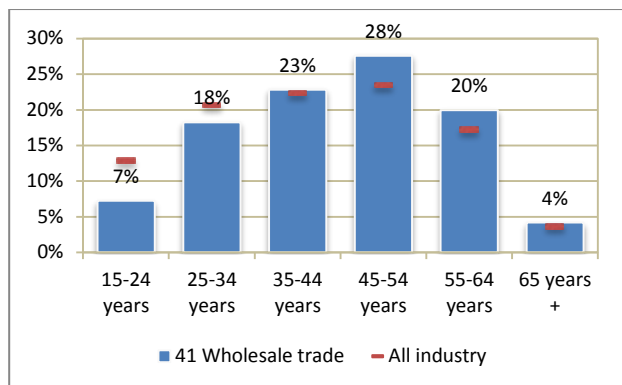
Source: Statistics Canada, CANSIM 383-0031 Labour statistics, based on average employment in 2014-2016

**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	19%
1. Business, finance and administration	23%
2. Natural and applied sciences and related	6%
3. Health	0%
4. Education, law and social, community and government services	1%
5. Art, culture, recreation and sport	1%
6. Sales and service	26%
7. Trades, transport and equipment operators	16%
8. Natural resources, agriculture and related production	0%
9. Manufacturing and utilities	7%

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: Wholesale Trade [NAICS 41](#)

**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:

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