



Labour Market Bulletin

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The Labour Market Bulletin is a new initiative undertaken by Grand River Employment and Training to provide information which can assist in career decision making and enterprise planning. You can expect to see quarterly reports of what is happening locally, regionally and nationally within the labour market.

Your comments and questions are appreciated. Please contact GREAT's Labour Market Analyst at 519.445.2222 (toll free 1.888.218.8230) or email: info@greatsn.com, and of course you can always stop by in-person during normal business hours at 16 Sunrise Court, Ohsweken, Ontario N0A1M0.

INDUSTRY CLASSIFICATION *and What It Means to the Labour Market:*

In the first issue of **GREAT's Labour Market Bulletin**, it was explained that labour market information contains data on employers and job seekers and the size and composition of each. To analyze the various sectors of businesses, a system of classification has been developed for comparability. This classification is known as the **North American Industrial Classification System** or “**NAICS**”. NAICS was developed by three countries: Canada; United States of America; and Mexico to determine comparability for negotiating the North America Free Trade Agreement (NAFTA). Today the NAICS is used not only for the NAFTA, but also to group industries with similar traits. The businesses are grouped based on their economic activities undertaken to produce their goods or service.

NAICS is a comprehensive system encompassing all economic activities. It has a hierarchical classification structure which divides the economy into 20 sectors at the highest level. These are further refined to 102 sub-sectors, 324 industry groups, 718 industries and 928 national industries.

To avoid confusion, most references to Industry classification uses the highest industrial sectors which are shown here in Figure 1.

Figure 1

11 Agriculture, Forestry, Fishing and Hunting	54 Professional, Scientific and Technical Services
21 Mining, Quarrying and Oil and Gas Extraction	55 Management of Companies and Enterprises
22 Utilities	56 Administrative and Support, Waste Management and Remediation Services
23 Construction	61 Educational Services
31-33 Manufacturing	62 Health Care and Social Assistance
41 Wholesale Trade	71 Arts, Entertainment and Recreation
44-45 Retail Trade	72 Accommodation and Food Services
48-49 Transportation and Warehousing	81 Other Services (Except Public Administration)
51 Information and Cultural Industries	91 Public Administration
52 Finance and Insurance	
53 Real Estate and Rental and Leasing	

NAICS Coding has been agreed upon by the three originating countries as having six-digits. The first two-digits represent the the sector, the third designates the sub-sector, the fourth-digit is the Industry group and the fifth-digit designates the Industry. The sixth-digit is used to designate the National Industries. Only the first five digits of the code are common between the three countries.

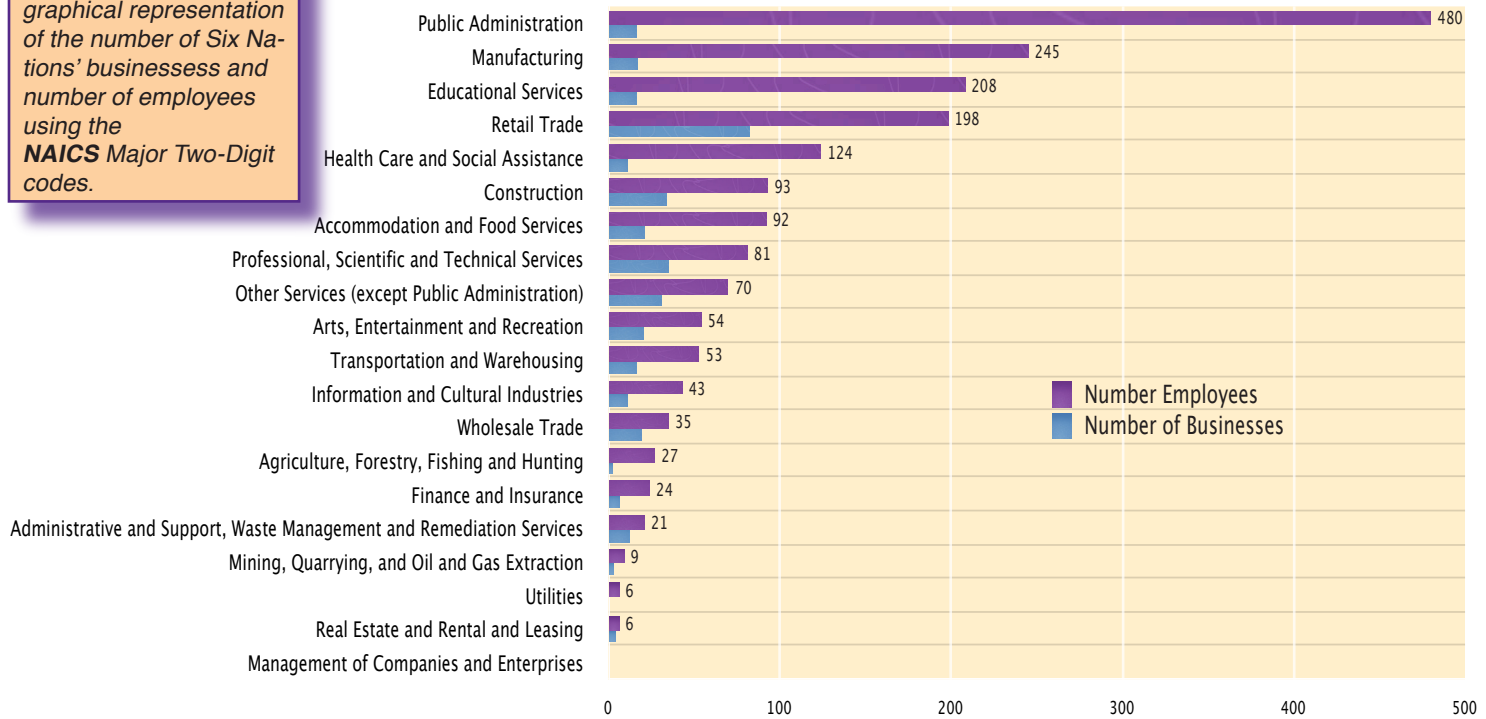
To demonstrate let's take “**Elevator and Escalator Installation Contractors for Canada**”: The six-digit **NAICS** code is [238291] where “**23####**”, the major group, represents the “**Construction**” Industry, then “**238###**” represents “**Specialty Trades Contractors**”; next “**2382##**” represents “**Building Equipment Contractors**” followed by “**23829#**” which is “**Other Building Equipment Contractors**” then finally “**238291**” for Canada's designation.

As you can see, it can become a daunting task trying to list every individual NAICS code, therefore most tables you will see will be at the two-digit major level.

Six Nations Businesses and Number of Employees

This chart shows a graphical representation of the number of Six Nations' businesses and number of employees using the NAICS Major Two-Digit codes.

Number of Employees and Businesses by Major NAICS (Estimates)



Uses of NAICS

Business owners may want to determine how well their business is doing compared to other businesses in the same industry. For example, if sales in a manufacturing business is slow, the business owner can check data within the same industry to see if slow sales are common with others in the industry or if it is unique to his or her business, enabling him to make better decisions on how to handle the problem.

Job seekers can use the Industry classification to find employers beyond the industry in which they were previously working. An Administrative Assistant who worked in the manufacturing industry may find that health care and social assistance is a growing industry and the manufacturing industry is suffering losses. The unemployed Administrative Assistant may want to increase his or her search in the health care and social assistance industry. Researching the NAICS is helpful for searching the hidden job market (those jobs not posted in newspapers, media or other job boards). Data using NAICS is available at various levels; nationally, regionally, and locally. GREAT's Labour Market Information Analyst is available to help you research your specific needs.

Other Interesting Notes:

In Table: 1 shown below, the Top Five Industries for Six Nations is listed.

Public Administration is the highest in terms of number of employees hired while Manufacturing is about half of Public Administration. Finishing off the top Five are Educational Services, Retail Trade, and Health Care and Social Assistance.

Construction was sixth highest with 34 businesses and 93 employees representing 5% of the Industries.

Source: Local Business Directories and resources

Table: 1

Major NAICS	Major NAICS	Number of Businesses	Number Employees	Percent
91	Public Administration	16	480	25.7%
31-33	Manufacturing	17	245	13.1%
61	Educational Services	16	208	11.1%
44-45	Retail Trade	82	198	10.6%
62	Health Care and Social Assistance	11	124	6.6%