



---

## How to obtain more information

For information about this product or the wide range of services and data available from Statistics Canada, visit our website, [www.statcan.gc.ca](http://www.statcan.gc.ca).

You can also contact us by

**Email at** [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)

**Telephone**, from Monday to Friday, 8:30 a.m. to 4:30 p.m., at the following numbers:

- |   |                |
|---|----------------|
| • Statistical Information Service                             | 1-800-263-1136 |
| • National telecommunications device for the hearing impaired | 1-800-363-7629 |
| • Fax line  | 1-514-283-9350 |

## Standards of service to the public

Statistics Canada is committed to serving its clients in a prompt, reliable and courteous manner. To this end, the Agency has developed standards of service which its employees observe in serving its clients. To obtain a copy of these service standards, please contact Statistics Canada toll-free at 1-800-263-1136. The service standards are also published on [www.statcan.gc.ca](http://www.statcan.gc.ca) under “Contact us” > “[Standards of service to the public](#)”.

## Note of appreciation

Canada owes the success of its statistical system to a long-standing partnership between Statistics Canada, the citizens of Canada, its businesses, governments and other institutions. Accurate and timely statistical information could not be produced without their continued co-operation and goodwill.

Published by authority of the Minister responsible for Statistics Canada

© His Majesty the King in Right of Canada, as represented by the Minister of Industry, 2026

Use of this publication is governed by the Statistics Canada [Open Licence Agreement](#).

**An [HTML version](#) is also available.**

*Cette publication est aussi disponible en français.*

---

## Table of contents

|  |   |
|--|---|
| Introduction .....   | 4 |
| Manufacturing .....  | 4 |
| Manufacturing employment declines in 2025 .....  | 5 |
| Three quarters of jobs in auto manufacturing depend on U.S. demand.....                                    | 5 |
| Two-thirds of jobs at iron and steel mills and ferro-alloy manufacturers depend on U.S. demand .....       | 6 |
| Over three- quarters of jobs in alumina and aluminum production and processing depend on U.S. demand ..... | 7 |
| Looking ahead .....  | 7 |
| References .....   | 7 |

# Value added and job creation associated with Canadian manufacturing exports to the United States: An update from the 2024 value added in exports data

by **Sean Clarke (Strategic Analysis, Publications and Training Division)**, **Craig Stewart (Industry Accounts Division)** and **Antoine Trifonov (Industry Accounts Division)**

## Introduction

Statistics Canada's value added in exports (VAE) program provides estimates of both the amount of gross domestic product (GDP) and the number of jobs that can be attributed to the production of goods and services for export. These data provide a comprehensive framework for evaluating the importance of exports to the Canadian economy.

The VAE data also provide a basis for quantifying the degree of cross-border integration within trade-oriented sectors such as manufacturing that rely heavily on cross-border shipments. These export-intensive sectors generally make large contributions to economy-wide GDP and employ sizable concentrations of high-wage workers in high value-added jobs. Exports generated 3.9 million jobs in 2024 — both directly in the production of products for export and indirectly through the purchases of goods and services from domestic suppliers that were used in the creation of these exports.

In 2024, 15.9% of Canada's GDP reflected the production of exports that were destined for the United States, accounting for more than 2.5 million jobs. In recent years, U.S. demand has contributed to job creation, particularly in trade-oriented sectors such as manufacturing.

From 2020 to 2024, total jobs in the manufacturing sector rose by 229,000. Approximately 70% of this net increase — about 161,000 jobs — was directly or indirectly attributable to the production of products for export. And most of this job growth, about 139,000 jobs in total, was because of U.S. demand for these products and services.

The significant role that U.S. demand plays in the creation of value added and job growth in Canada reflects the development of highly integrated supply chains that have supported economic activity on both sides of the border. Of the \$922 billion in exports that originated from Canadian production in 2024, \$644 billion (70%) was destined for the United States. In turn, the production of these exports to the United States required \$118 billion of imports from the United States. An additional \$34 billion of U.S. imports were also embedded in Canadian exports to other markets.

Canadian manufacturing has been an important component of these integrated supply chains. Canadian manufacturers shipped \$324 billion of goods to the United States in 2024, over one-quarter of which reflected embedded imported content from the United States.

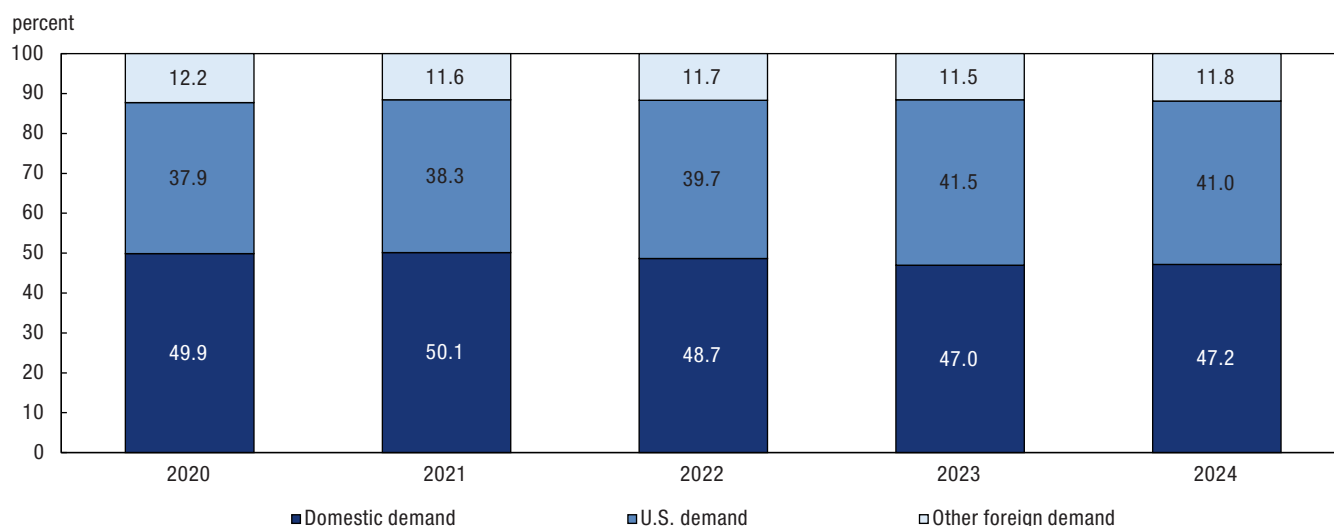
This article highlights the 2024 VAE data for Canadian manufacturing and provides detailed estimates for iron, steel and aluminum producers, and auto assembly plants and parts suppliers — manufacturing industries that have been directly impacted by the onset of significant tariffs in March 2025 on Canadian exports to the United States.

## Manufacturing

In 2024, \$113 billion of manufacturing value added was attributable to U.S. demand for Canadian manufacturing exports, accounting for roughly 694,000 jobs. This represented 42.4% of total manufacturing industry value added and 41.0% of payroll jobs.

The dependence of Canadian manufacturers on the U.S. market has changed little from 2020 to 2024 (Chart 1). Over this period, roughly half of manufacturing jobs were attributable to domestic demand. The other half of these jobs were attributable to foreign demand, with the bulk coming from the United States.

**Chart 1**  
**Share of jobs by demand source, total manufacturing**



Source: Statistics Canada Tables 12-10-0100-01.

## Manufacturing employment declines in 2025

Manufacturing employment was relatively unchanged from 2023 to 2024 but began to decline in 2025 (Statistics Canada table 14-10-0220). From December 2024 to December 2025, employment fell by nearly 36,000 workers (-2.3%). Employment in motor vehicle parts manufacturing fell 9.3%, while employment in motor vehicle manufacturing was down 1.3%. As well, employment in primary metal manufacturing declined 1.4%, with employment in iron and steel mills and ferro-alloy manufacturing falling 8.7%. Employment in alumina and aluminum production and processing rose 2.5%.

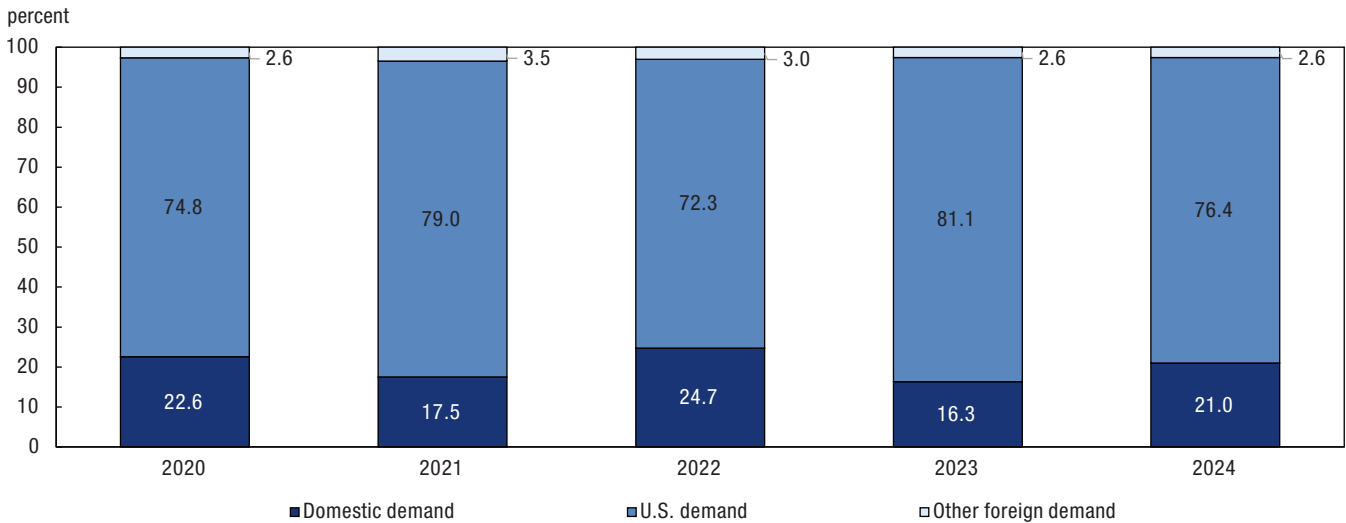
Meanwhile, manufacturing real value added has been trending lower since mid-2023 and fell 2.4% from December 2024 to December 2025 (Statistics Canada table 36-10-0434-01). While real value added at motor vehicle manufacturers increased 3.0% during this 12-month period, real value added at motor vehicle parts manufacturers fell 3.5%. Primary metal manufacturing was down 7.1%, driven by declines in alumina and aluminum production and processing (-19.5%) and iron and steel mills and ferro-alloy manufacturing (-4.3%).

According to the Canadian Survey on Business Conditions (first quarter of 2026), nearly one-third (32.2%) of all businesses, whether they engaged in trade or not, reported that the imposition of tariffs by the United States on imports from Canada had a negative impact on their business over the past year. Within manufacturing, more than half (50.6%) of businesses reported being negatively impacted by the tariffs. However, nearly one-quarter (23.2%) of manufacturing businesses reported that they experienced an increase in sales of their Canadian products. This was well above the aggregate average of all businesses (12.4%).

## Three-quarters of jobs in auto manufacturing depend on U.S. demand

In 2024, \$4.0 billion of automobile and light-duty motor vehicle manufacturing industry value added reflected U.S. demand for Canadian auto exports, accounting for roughly 27,000 jobs. This represented 76.4% of total auto output and 76.4% of payroll jobs (Chart 2).

**Chart 2**  
**Share of jobs by demand source, automobile and light-duty motor vehicle manufacturing**



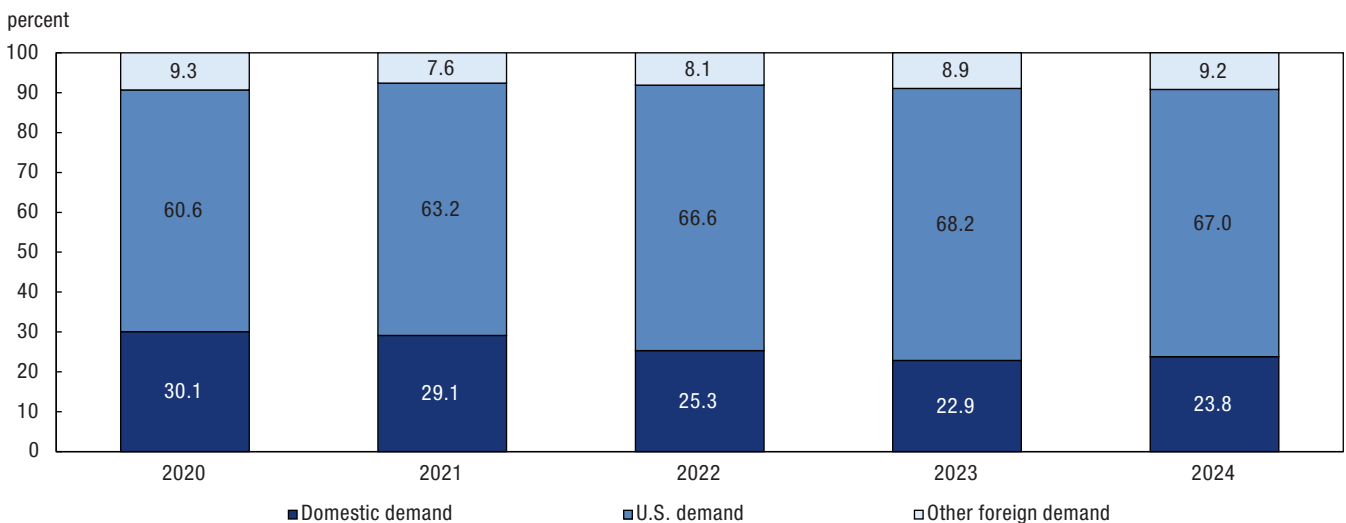
Source: Statistics Canada Tables 12-10-0100-01.

On a customs basis, exports of motor vehicles to the United States declined by 9.6% in 2025, compared with 2024 (Statistics Canada table 12-10-0179-01). Motor vehicle exports to countries other than the United States increased 14.6% over this period. There was an overall decrease of 8.4% in exports of motor vehicles because over 93% of motor vehicle exports go to the United States. Much of these decreases reflect lower production, which firms attributed to retooling and chip shortages in the fall. However, exports of auto parts to the United States rose 2.3% over this same period, while exports to countries other than the United States contracted 5.0%.

## Two-thirds of jobs at iron and steel mills and ferro-alloy manufacturers depend on U.S. demand

In 2024, \$3.4 billion of iron and steel mills and ferro-alloy manufacturing industry value added reflected U.S. demand for Canadian iron and steel exports, accounting for roughly 9,800 jobs. This represented 68.1% of total iron and steel mills and ferro-alloy manufacturing industry value added and 67.0% of payroll jobs (Chart 3).

**Chart 3**  
**Share of jobs by demand source, iron and steel mills and ferro-alloy manufacturing**



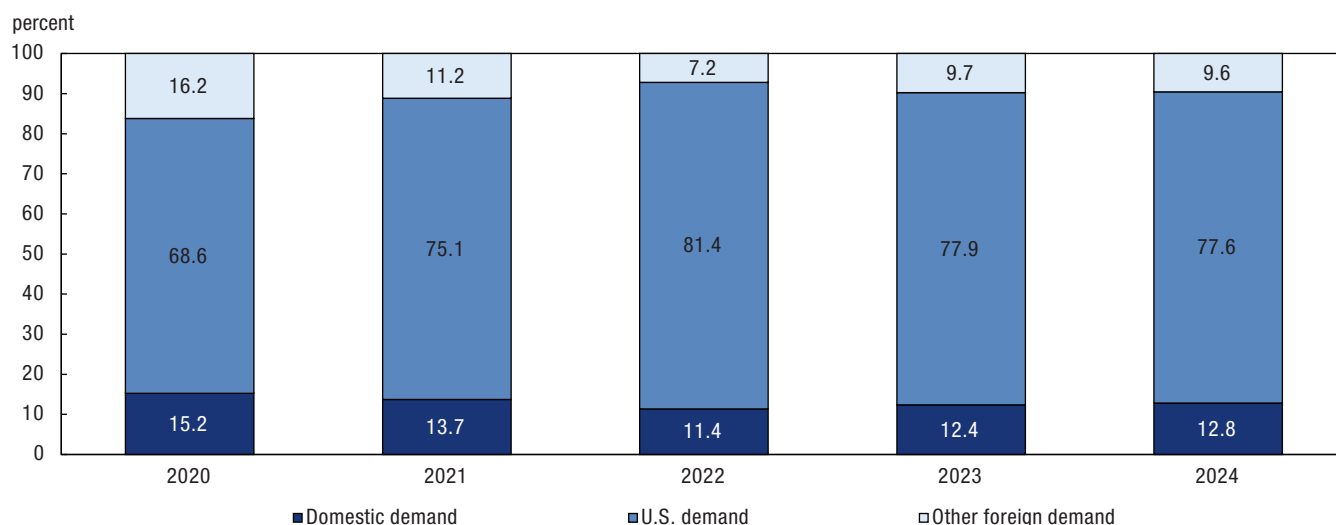
Source: Statistics Canada Tables 12-10-0100-01.

Exports of unwrought iron, steel and ferro-alloys on a customs basis also fell sharply in 2025. By December 2025, shipments to the United States were down 20.2% for the year compared with 2024, while shipments to countries other than the United States contracted 5.5%.

## Over three-quarters of jobs in alumina and aluminum production and processing depend on U.S. demand

In 2024, \$5.6 billion of alumina and aluminum production and processing value added reflected U.S. demand for Canadian aluminum exports, accounting for roughly 12,000 jobs. This represented 80.4% of total aluminum value added and 77.6% of payroll jobs (Chart 4).

**Chart 4**  
**Share of jobs by demand source, alumina and aluminum production and processing**



Source: Statistics Canada Tables 12-10-0100-01.

While exports on a customs basis of unwrought aluminum and aluminum alloys fell 7.7% in 2025, there was a sharp increase of shipments to countries other than the United States, which rose from \$670 million to \$2.0 billion.

## Looking ahead

The VAE estimates reported in the article provide important context on the importance of U.S. demand for Canadian manufacturing prior to the escalation of trade tensions in 2025. More recent data suggest that changes in the trade environment have weighed on output and employment in trade-dependent industries. Clarke and Fields (2025) found moderate impacts on employment in the industries most reliant on U.S. demand, although layoff rates among trade-dependent industries were essentially unchanged. However, any impacts reported after August 2025 would not be accounted for.

The 2025 VAE data will be able to show how changes in the U.S. demand for Canadian exports have affected employment and GDP growth in Canada. The anticipated publication date for the 2025 VAE data is April 2027.

## References

Clarke, S., and A. Fields. 2025. [Recent employment trends in industries dependent on U.S. demand](#). Economic and Social Reports. Catalogue no. 36-28-0001. Ottawa: Statistics Canada. December 22, 2025.