



# A Profile of Canadian Exporters

1993-2002





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Other countries CDN \$ 10.00

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Statistics Canada International Trade Division

## A profile of canadian exporters

1993-2002

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November 2004

Catalogue no. 65-506-XIE ISBN: 0-660-19391-4

Frequency: Occasional

Ottawa

La version française de cette publication est disponible sur demande (nº 65-506-XIF au Catalogue)

#### 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 cooperation and goodwill.

#### **ACKNOWLEDGEMENTS**

Statistics Canada would like to acknowledge the contributions and support of Team Canada Inc. and the Policy Research and Development Group. Without their assistance, this source of insight into the Canadian exporting community would not have been possible.

The exporter information presented and analyzed in this publication was produced from the Exporter Registry of the International Trade Division under the management of Director David Dodds. The 2002 statistics were developed under the direction of the project manager Phil Armstrong. Contributing to the data linkage and methodology were:

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We are grateful to Vie Weatherby and the Dissemination and Communications divisions for assistance in the production and dissemination of this publication.

For further information concerning this publication, export trade data or availability of additional data and analytical services, contact ITD Marketing and Client Services Section by phone: 1-800-294-5583, fax: 613-951-0117 or e-mail: trade@statcan.ca.

#### **SYMBOLS**

The following standard symbols are used in Statistics Canada publications.

- X Suppressed to meet the confidentiality requirements of the Statistics Act.
- ... not applicable

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#### **HIGHLIGHTS**

#### In 2002:

- 42,489 establishments reported domestic exports in the Exporter Registry;
- the value of exports of these establishments reached \$359 billion, down 2.5% but still more than double the value reported in 1993;
- 4% of exporting establishments in the Exporter Registry accounted for 82% of the total value of exports;
- 71% of exporting establishments had exports of less than \$1 million, and these establishments accounted for only 1.7% of the total value of exports;
- just 2% of exporting establishments had more than 200 employees and exports of over \$25 million, but these establishments accounted for 47% of the value of exports.

#### From 1993 to 2002:

- Over 42% of all establishments that exported in 1993 also exported in every year from 1993 to 2002; and
- in all years, almost 90% of exporting establishments were located in Quebec, Ontario, Alberta and British Columbia.

#### INTRODUCTION

This publication presents statistics, derived from the Exporter Registry, on exporting establishments for the years 1993 to 2002. This is a follow- up to the original Exporter Registry that contains data on the years 1993 to 1997¹ and its successors that contain data on the years 1993 to 2001². As before, this publication continues to provide information on the number of exporters and the value of their domestic exports by industry, exporter size, destination and province of residence. In addition, it now also carries employment statistics of exporting establishments for the year 2002.

As in previous editions, the establishment is the statistical unit of measure. Consequently, any reference made here to 'exporters' represents 'statistical establishments that exported.' To be included in the Exporter Registry, an establishment must have exported commodities valued at \$30,000 or more in at least one year from 1993 to 2002. If an establishment does not export in a given year, that establishment is not included in the register for that year. Also, if the value of exports of an establishment is less than \$30,000 in every year from 1993 to 2002, it is not included in the Register, even though it may be exporting<sup>3</sup>.

This report is divided into four sections, each with subsections:

Section 1, "Data Concepts and Definitions," outlines the fundamental principles of the Exporter Registry.

Section 2, "Analysis," presents an overview followed by more detailed analyses of the exporters.

Section 3, "Methodology and Data Quality," describes the estimation methods and their limitations.

Section 4, "Statistical Tables," contains tabular data for the years from 1993 to 2002.

<sup>&</sup>lt;sup>1</sup> Statistics Canada catalogue no. 65-506-XIE, September 2000.

<sup>&</sup>lt;sup>2</sup> Ibid., July 2002.

For example, if establishment A exports merchandise valued at \$31,000 in 1993 and then exports merchandise valued at \$29,000 in each year between 1994 and 2002, it is included in the register for all years from 1993 to 2002. If establishment B exports merchandise valued at \$31,000 in 1993 and then stops exporting, it is included in the register for 1993 only. If establishment C exports merchandise valued at \$29,000 every year from 1993 to 2002, it is not included in the Exporter Registry.

#### **SECTION 1: DATA CONCEPTS AND DEFINITIONS**

#### Statistical Units of Measure

Statistics Canada's Business Register is a central repository of information on businesses operating in Canada. It is used as the principal frame for most of Statistics Canada's economic statistical programs, including the Exporter Register. The Business Register provides consistent and standardized data at the establishment and enterprise levels for each year under consideration.

The standardized business classification model developed at Statistics Canada comprises a four-level hierarchy of statistical entities:

- enterprise the top of the hierarchy, which is associated with a complete (consolidated) set of financial statements;
- company the level at which operating profit can be measured:
- establishment the level at which the accounting data required to measure production are available (principal inputs, revenues, wages, etc.); and
- location the bottom of the hierarchy, which requires only the number of employees for delineation.

As in previous editions of this report, the statistical unit used in the Exporter Registry is the statistical establishment, which represents a unit of production, such as a factory, plant or a head office. A statistical enterprise represents the sum of the statistical establishments under its control.

The industry of the exporting establishment may sometimes be different from the industry of the enterprise. Although this publication attributes exports to the industry of the exporting establishment, data are also given for the top 50 enterprises that export.

This publication conforms to the North American Industry Classification System (NAICS). NAICS is an industry classification system developed by the statistical agencies of Canada, Mexico and the United States. It provides common definitions of the industrial structure of the three countries and a common statistical framework to facilitate the analysis of the three economies.

The Exporter Registry provides time-series statistics on exporting establishments and enterprises. Using the Business Register to link statistical entities through time is a complex task because of the frequency of re-organizations, mergers and takeovers, which often impact only the structure of the enterprise and leave the structure of the establishment unaffected. A new enterprise identifier is not always created when the structure of an enterprise changes. Therefore, the most recent structure is allocated throughout the period 1993 to 2002 in the Exporter Registry.

As an example, consider two hypothetical enterprises called ABC and YYZ. Enterprise YYZ began exporting in 1993 and was taken over by ABC in 1998. During the takeover, ABC transferred its own business identifier to YYZ. The Exporter Registry looks at the most recent data year available on the Business Register and transfers this information to the Exporter Registry for all years under consideration. In 2002, YYZ is no longer on the Business Register; only ABC exists. Suppose that ABC also began exporting in 1993. Throughout the time series, ABC would now replace YYZ. Technically, both enterprises co-existed for a period (1993 to 1997); however, because of the data refreshment on the Exporter Registry in 2002, only one enterprise (ABC) is recorded as existing from 1993 to 2002.

It is important to note that this situation occurs only at the enterprise level: the establishment identifier number does not usually change during mergers or takeovers. This is the one reason why the establishment level was selected to measure the exporter population.

Another reason for using the establishment as the main statistical unit of measure is that it allows estimation at the provincial/territorial level. An enterprise often operates several establishments. These establishments can be located in more than one province/territory. Since a single establishment operates from one province or territory only, deriving provincial/territorial estimates at the establishment level is more meaningful.

#### Coverage of the Exporter Registry

Merchandise trade transactions for a given year include domestically produced exports as well as reexports<sup>4</sup>. The Exporter Registry includes only the value of domestically produced exports and covers more than 95% of these domestic exports. The remaining share not covered can be attributed to the following:

- Very small exporters: Establishments with annual exports of less than \$30,000 during every year from 1993 to 2002 are outside the scope of the Exporter Registry. It can be difficult to identify, track and classify small exporters by business frame because of the infrequency of their exports or the low quality of the source documents. Many of these exporters are unincorporated businesses, individuals or institutions whose export patterns are irregular and difficult to monitor. As a result, exporters with less than \$30,000 in exports for every year from 1993 to 2002 are not included in the Exporter Registry.
- Special trade transactions: Merchandise exports are a record of commodities that cross the border. Exporters range from large multinational corporations to individuals sending personal effects to another country.

The objective of the Exporter Registry is to identify Canadian establishments that export. Therefore it is important to remove all data unrelated to business activity. One way to do this is to eliminate all commodities that would most likely be exported by individuals for personal, non-business use. These commodities are mainly identified in Chapter 99 of the Harmonized Description and Coding System used by the International Trade Division (ITD) of Statistics Canada.

Confidential transactions: Transactions that are allocated to Chapter 99 are not included in the Exporter Registry.

For comparative purposes, Table 4.4 contains the Exporter Registry value totals and ITD published totals for domestic export values. Table 1.1 outlines a list of the commodities not covered by the Exporter Registry.

Table 1.1

Commodities excluded from the Exporter Registry

HS Code	Description
9901.00.00 9902.00.00 9903.00.00 9904.00.00	Unclassifiable exports Groceries Duty-free shop exports Goods of U.S. origin returning to the U.S. without undergoing any transformation

Source: The Harmonized Commodity Description and Coding System.

Re-exports represent commodities imported to Canada and exported to another country without being materially transformed. This includes foreign goods withdrawn for export from bonded customs warehouses. This definition does not apply to commodities of United States origin that return to the United States from Canada without being transformed. These goods are coded to HS 9904.00

#### Non-reported trade

Canadian export transactions valued at less than \$2,000 to non-U.S. destinations are not required to be reported to Canada Customs and Revenue Agency (CCRA). Therefore, this information does not appear in Statistics Canada's export statistics, and as a result they do not appear on the Exporter Registry.

#### **Existing Dimensions of the Exporter Registry**

The Exporter Registry currently disseminates data on the number of exporters and the value of exports by industry grouping, exporter size, province of residence and destination of export. In this edition of the Registry, exporters are also grouped by their employment size (for 2002 only). The tables in Section 4 address each of these dimensions separately. Multidimensional tables at aggregated levels are also available. Despite aggregation, not all data in this format can be released because of confidentiality issues.

Some descriptive background information on these dimensions follows.

#### Industrial classification

The Exporter Registry classifies exporters by the North American Industry Classification System (NAICS). Previous versions of the Exporter Registry classified exporters by the Standard Industrial Classification for Establishments (SIC-E), which is based on products and relates to the producer, not the exporter. The NAICS system is a comprehensive system encompassing all economic activities.

To illustrate, consider an enterprise ABC that is composed of two separate establishments (situated in different provinces). One establishment (a plant) only produces goods, whereas the other only distributes them. Each establishment has its own NAICS code. If the distributing establishment always acts as the exporter for ABC, then this will be the establishment included in the Exporter Registry and the exports will be attributed to the wholesale trade NAICS code. This can explain why the Wholesale

trade industry accounts for such a significant share of exports 11% of total value and 22% of exporting establishments in 2002.

A similar phenomenon holds for the Business services industry. One reason why this industry accounted for 2.5% of the total value of exports and almost 7% of exporting establishments in 2002 stems from corporate head offices being listed as the exporter of record. If a corporate head office reports the domestic export, then the NAICS code for the head office (a business services code) is attributed to that exporter.

The Exporter Registry covers trade in domestically produced merchandise, but does not include trade in services. However, if a service-producing establishment (e.g., a consultant) exported goods (e.g., office furniture), then this establishment (and the value of the goods exported) would be included on the Exporter Registry, yet the NAICS code would be a business services code.

#### Exporter size

This concept is a key variable in the analysis of the exporting community, given the high proportion of exports by a small proportion of exporters. Each exporting establishment has been assigned to a size class according to the value of its total domestic exports (and employment for 2002 only). Since the 'exporter size' variable refers only to the value of the establishment's exports, it is possible to have a large producer in terms of employment classified as a small exporter in terms of the value of exports.

#### Employment size

The number of exporting establishments and the value of their exports are also grouped according to employment counts for 2002 only.

#### Province of residence

The term 'province of residence' represents the province/territory where the exporting establishment is located. 'Province of origin' represents the province/territory where the commodities under consideration are grown, extracted, processed or manufactured.

Statistics Canada's International Trade Division reports merchandise trade statistics by province of origin. The Exporter Registry reports exports by province of residence of the exporter. By identifying the exporter we can classify commodities according to the residence of the exporter, rather than the origin of the manufacturer or producer. This is important because manufacturing a commodity is a different activity than exporting one. For example, suppose a commodity is manufactured in Ontario and exported in Nova Scotia. Ontario would be the province of origin reported on the Customs document, despite the fact that the exporter resides in Nova Scotia. The exporter's province of residence is obtained from CCRA. Often, the same establishment performs the production and exporting activities. However when these activities are separated and located in different provinces/territories, the province of origin and province of residence do not coincide.

Table 1.2 shows that New Brunswick, Quebec, Manitoba and Alberta have higher percentage shares of total value of exports by province of residence than by province of origin. This indicates that these provinces had slightly more commodity-exporting activities than commodity-producing activities. This may be attributed to wholesaling industries and the activities of head offices. The opposite holds true for the remaining provinces: they showed slightly higher production values than export values. The territories displayed no significant differences between the two concepts.

Table 1.2 Comparing total value of exports by province of residence and province of origin 2002

Province	Residence	Origin		
	% of total value			
Newfoundland	1.0	1.5		
Prince Edward Island	0.1	0.2		
Nova Scotia	1.4	1.4		
New Brunswick	2.3	2.2		
Quebec	18.5	17.9		
Ontario	49.5	49.5		
Manitoba	2.9	2.5		
Saskatchewan	1.6	3.1		
Alberta	14.6	13.4		
British Columbia	7.8	7.8		
Yukon/N.W.T/Nunavut	0.2	0.2		
Total	100.0	100.0		

Source: Statistics Canada, International Trade Division Exporter Registry and Canadian International Merchandise Trade, December 2003. (Catalogue no. 65-001-XPB, table 7)

Yukon, Northwest Territories and Nunavut have been Note:

#### combined for 2002.

#### Destination

The destination countries or states (of the United States) indicated on Customs documents are used to allocate an establishment's exports. Specific destinations were aggregated to five U.S. regions and to five country groupings.5 These groupings are further aggregated to U.S., non-U.S., U.S. only, non-U.S. only, both U.S. and non-U.S., and a total of all countries.

Note that an establishment can export to different destinations and can, therefore, be counted in more than one destination. For this reason, the population counts shown in tables 4.3 and 4.4 do not always add up. For example, adding the exporters who export to U.S. destinations to the exporters who export to non-U.S. destinations will not give the total number of exporters. However summing exporter counts in three aggregates U.S. only, non-U.S. only, and both U.S. and non-U.S. can give the total number of exporters.

<sup>&</sup>lt;sup>5</sup> See table 4.8 for a complete list of inclusions.

#### **SECTION 2: ANALYSIS**

#### **Analytical Overview**

In 2002, as Canada faced severe drought conditions in the West and numerous calls from the United States for increased border security, the number of exporters fell. This represents the first such decline in the period covered by the Exporter Register. A total of 42,489 establishments exported merchandise in 2002, down 2.5% from 43,412 in 2001. The value of exports also fell by over \$8 billion between 2001 and 2002.

Despite the drop in both the number of exporters and the value of exports in 2002, the structure of the exporting community remained unchanged. A small number of large exporters account for the vast majority of the total value of exports. In 2002, establishments that exported over \$25 million annually accounted for 4.1% of all exporting establishments, but 82% of exports. Conversely, establishments with a value of exports of under \$1 million accounted for 71% of all exporters but only 1.7% of the value of exports.

Between 2001 and 2002, the number of exporting establishments fell in both the manufacturing and non-manufacturing sectors. Over 80% of the drop in the number of exporters occurred outside the manufacturing sector where every industry except Retail trade reported fewer exporters. The Wholesale trade industry alone (which accounted for 22% of all exporting establishments in 2002) accounted for almost 30% of the total drop in the number of exporters and over 35% of the drop in the number of exporters in the non-manufacturing sector. Within manufacturing, the drop in the number of exporters was distributed over 16 of 21 industry groups<sup>6</sup>.

Both the manufacturing and non-manufacturing sectors reported fewer exporters in 2002; however the decline in the value of exports was concentrated in the non-manufacturing sector. The value of exports from this sector fell by over \$10 billion, or 8.5% in 2002. Conversely, the value of exports from the manufacturing sector rebounded in 2002, increasing by \$2.2 billion after a decline of \$16.3 billion in 2001.

Despite an overall drop in the value of exports, in 2001 and 2002, several industry groups performed exceptionally well over the 1993 to 2002 period. Within the manufacturing sector, 14 of 21 industry groups more than doubled their value of exports since 1993. Only one manufacturing industry (Beverage and tobacco manufacturing) exported less in 2002 than in 1993. Outside the manufacturing sector, exports from the Retail trade, Transportation and warehousing and Agriculture, forestry, fishing and hunting industries have all increased significantly since 1993.

On an industry basis, Transportation equipment manufacturing accounted for the largest share of the total value of exports at 26% of merchandise exports. Despite a drop in the total value of exports in 2002, exports from the Transportation equipment industry increased by \$3 billion or 3.3%. Exports from the Computer and electronic product manufacturing industry fell by over \$2.5 billion in 2002 and by a total of \$12.8 billion since 2000. In 2002, the value of exports from this industry was less than one-half of the exports posted by this industry in 2000.

The manufacturing sector accounted for only 47% of all exporters in 2002. However, these exporters accounted for almost 70% of Canada's total merchandise exports that year. Within this sector, the Machinery and Fabricated metal industries had the largest share of exporters, each accounting for 13% of the number of manufacturing exporters and 6% of all exporters. Outside of the manufacturing sector, the Wholesale trade industry represented the largest portion of exporters, accounting for 23% of all exporters in 2002. In 2002, both the number of exporters and the value of exports in this industry fell in 2002 by 3.5% and 10% respectively.

See table 4.9 for a complete list of inclusions

In every year between 1993 and 2002, over 80% of the value of Canada's merchandise exports was destined to the United States.7 This percentage has increased every year since 1996 and reached a peak of 87% in 2002. Almost 70% of all exporters relied on the United States as their only export market. These exporters account for 43% of total exports in 2002 down from 50% in 2001. In 2002, only 12% of all establishments exported exclusively to non-U.S. destinations. The value of exports from these establishments represents 4% of total Canadian merchandise exports. The remaining 18% of exporters relied on both the U.S. and non-U.S. export markets, however almost three-quarters of these exporting establishments exported more that 50% of their total exports to the United States.

Since the United States is the most dominant export destination for Canadian exporters, it is not surprising that over four-fifths of the decline in the value of exports in 2002 was attributed to lower exports to the United States. Lower exports to the European Union accounted for 13% of the drop in export value.

#### **Exporting Patterns**

One-third of all establishments that exported in 2002 also exported merchandise every year between 1993 and 2002. Similarly, 54% of the establishments that exported in 2002 also exported every year between 1997 and 2002. Of those establishments that exported every year between 1997 and 2002, over 60% had a greater value of exports in 2002 than in 1997.

Establishments with a high value of exports are more likely to continue exporting every year

About 42% of all establishments that exported in 1993 also exported in every year from 1993 to 2002. Only 5% of the total number of establishments did not export again after 1993. The remaining 53% exported in some but not all years during the period of 1994 to 2002.

Over 80% of all exporters who exported \$25 million or more in 1993 exported every year. In contrast, 34% of those who exported less than \$100,000 in 1993 exported every year from 1993 to 2002. In fact, 4% did not export again after 1993.

The remaining 52% exported in some of but not all years between 1994 and 2002.

A slightly different pattern emerges for those establishments that exported \$25 million or more in 1997: over 90% of these 1997 exporters continued to export every year. Less than 1% did not export again after 1997. The remaining percentage exported in some but not all of the years between 1998 and 2002. For those 1997 exporters who exported less than \$100,000, only 35% exported every year from 1998 to 2002. Some exporters (13%) did not export again after 1997, while the remaining 52% exported in some but not all of the years in the 1998 to 2002 period.

Almost half of exporters do not resume exporting after five years of inactivity

Data from the Exporter Register suggests that the longer an establishment refrains from exporting, the less likely it is to resume exporting. Of the establishments that stopped exporting in 1997, over 50% resumed exporting during the 1998 to 2002 period. Of the establishments that did not export for the five-year period 1997 to 2001, only 3% resumed exporting in 2002.

A similar pattern emerges when establishments that did not export in 2000 are considered. Over 40% of these exporters resumed export activity by 2002. This suggests that many establishments stop exporting temporarily, but still remain in business. It also suggests that if an establishment resumes exporting, it does so earlier rather than later.

As mentioned above, almost 60% of those exporters that stopped exporting in 2000 did not resume exporting by 2002. The largest share of these exporters (27%) was in the Wholesale trade industry. After the Wholesale trade industry, the highest share of exporters who did not export again was the Business services industry (10%) followed by the Agriculture, forestry, fishing and hunting industry (6%). The vast majority of exporters (95%) who stopped exporting in 2000 had an export value of under \$1 million.

<sup>&</sup>lt;sup>7</sup> This statistic does not account for misallocated trade or undercoverage. See Section 3 for a description of these concepts.

#### **New Exporters**

From 1993 to 2002, new exporters<sup>8</sup> accounted for an average of 10% of all exporters in any given year. In 2002, the number of new exporters as a share of the total exporter population was only 7% of all exporters up from a low of 6% in 2001. The value of exports from new exporters in 2002 was \$2.5 billion.

A distinguishing feature of new exporters in 2002 is the relatively low reliance on the United States as an export market. In 2002, 34% of the value of exports from new exporters was destined for non-U.S. markets. This is in stark contrast to the exporter community as a whole where only 12% of exports were destined for non-U.S. markets. This is also a marked increase over the 1993 to 2001 period where non-U.S. markets accounted for an average of 17% of the value of exports from new exporters. Furthermore, over 10% of new exporters in 2002 exported to both the United States and non-U.S. locations compared to 3% of new exporters in previous years. As a group, 63% of new exporters exported exclusively to the United States compared with 70% for the exporter community as a whole and compared to 73% for new exporters in 2001.

The vast majority of new exporters (92% in 2002) export less than \$1 million in their first year of exporting. These exporters accounted for only 15% of the total value exported by new exporters in 2002.

The manufacturing sector accounted for only 25% of all new exporters in 2002 but these exporters accounted for 45% of the export value from new exporters. This implies that on average, new exporters in the manufacturing sector are larger than those from outside the manufacturing sector.

Similar to previous years, the Wholesale trade industry continued to account for the largest share of new exporters in 2002. This industry accounted for 25% of all new exporters and 16% of the total export value of new exporters. Between 1993 and 2002, this industry accounted for an average of 22% of all new exporters, in spite of the fact that this industry also had the highest share of establishments that stop exporting in any given year.

In every year from 1993 to 2002, around 90% of all exporters were located in Ontario, Quebec, British Columbia and Alberta. New exporters demonstrate a similar provincial pattern with 89% of new exporters residing in these provinces. From 1993 to 2002, Ontario accounted for the largest share of new exporters each year (with an annual average of 40%) followed by Quebec (21%), British Columbia (16%) and Alberta (11%). Between 1993 and 2000, Ontario also accounted for the largest share of the value of exports from new exporters. In 2000, new exporters from Ontario accounted for 46% of the value exported by new exporters. In 2001, British Columbia emerged on top, accounting for 41% of the total. In 2002, Quebec held the highest share of exports from new exporters at 28%.

Over 85% of new exporting establishments had fewer than 50 employees; compared with only 2% of new exporting establishments that had 200 or more employees in 2002. In 2002, almost half of new exporters had fewer than 50 employees and exported less than \$100,000.

#### **Exporters and employment**

Table 4.7 jointly delineates the number of exporters and the value of exports when the exporting community is separated into exporter size and employment size groupings. In 2002, almost three quarters of exporters employed fewer than 50 employees. These exporters accounted for almost one-quarter of total exports. On the other hand, exporters with 200 or more employees represented only 6.3% of all exporters yet accounted for over half of the value of exports. In 2002, 30% of all establishments exported less than \$100,000 and had fewer than 50 employees. The total value of exports from these establishments accounted for less than 1% of total merchandise exports. Only 2.1% of exporters had a total export value of more than \$25 million and had 200 or more employees in 2002. These exporters accounted for 47% of the total value of exports.

<sup>8</sup> New exporters refer to exporting establishments in the linked portion of the data. See Section 3 for details regarding linked and unlinked data.

#### **Enterprises**

The Exporter Register focuses on the establishment as the statistical unit of measure and all data tables in Section 4 are establishment-based. As outlined in section 1, the enterprise is another useful statistical unit of measure for the exporter community. A statistical enterprise is identified by a complete (consolidated) set of financial statements and its value of exports is defined as the sum of the exports of all its associated establishments. This section provides a brief overview of the exporter community at the enterprise level and provides a summary of the exporting trends for the 50 largest exporting enterprises.

In 2002, the Canadian exporter community consisted of over 42,000 exporting establishments. These establishments were represented by just over 35,000 statistical enterprises.

For the purposes of the Exporter Register, these enterprises are classified as one of three types of enterprises.

 Single-establishment, single-exporter enterprises: in this case, the enterprise consists of only one establishment and that establishment exported merchandise.

- Multi-establishment, single-exporter enterprises (Type I): in this case, the enterprise consists of numerous establishments yet only one of these establishments exported merchandise.
- Multi-establishment, multi-exporter (Type II): in this case, the enterprise consists of numerous establishments and more than one of these establishments exported merchandise.

In 2002, more than 88% of exporting enterprises were single-establishment enterprises. These enterprises accounted for 30% of exports. Hence 12% of exporting enterprises were classified as multiestablishment enterprises. Type I enterprises represented 8% of exporting enterprises and 7% of exports. Type II enterprises represented 4% of exporting enterprises and 63% of exports.

In every year between 1993 and 2002, the fifty largest exporting enterprises have accounted for an average of 48% of total exports. The share has ranged from a high of 50% of the total export values in 1993 and 2000, to a low of 45% in 1998. The fifty largest exporting enterprises accounted for 46% of total exports in 2002 compared with 48% in 2001.

The Transportation equipment industry held the largest share of export value in every year under consideration in the Exporter Register. This industry accounted for 26% in 2002, compared to 24% in 2001. Exports from this industry accounted for 50% of the export value of the top 50 enterprises in 2002 compared with 47% in 2001.

Table 2.1 Relationship between Canadian exporters and the United States, 2002.

U.S. Export Intensity (% of exports to U.S.)	Number of exporters	Value of U.S. exports (millions \$C)	Total exports (millions \$C)	
(U.S. only) 100%	29,344	157,072	157,072	
90-100%	3,592	116,802	119,689	
80-90%	988	20,856	24,547	
70-80%	594	6,212	8,153	
60-70%	426	4,254	6,396	
50-60%	374	2,239	3,957	
under 50%	2,025	4,871	24,954	
(non-U.S. only) 0%	5,019	0	14,392	
Total	42,362	312,305	359,160	

#### **SECTION 3: METHODOLOGY AND DATA QUALITY**

This section explains the basic methodology used to estimate the number of exporters by industry (NAICS), exporter size, province of residence, destination and number of employees (for 2002 only). Essentially, there are two fundamental parts involved in this process: the data linkage process and the estimation of the unlinked portion of documents.

#### PART 1

#### **Data Linkage Process**

Statistics Canada obtains trade data from two main sources: U.S. Customs documents and Canada Customs and Revenue Agency (CCRA) documents.

In 1990, a Memorandum of Understanding (MOU) was signed between Canada and the United States to exchange import data. Through this MOU, each country obtains a comprehensive list of exports to the other country. This is currently the largest source of export data in Canada. All remaining data on Canadian commodity exports destined for consumption in countries other than the United States are obtained from CCRA documents. The data from the two different sources are processed differently during the linkage process.

The data linkage process contains three steps, explained below.

Step 1. Validate the exporter.

Exports to the United States: According to the Exporter Registry, exports to the United States accounted for over 85% of the value of Canada's annual domestic exports in 2002. Each U.S. Customs document contains a vendor identification (ID) code. This code is constructed using the name and address of the Canadian exporter.

For each exporter ID code, it is necessary to

- standardize: Each initial vendor ID code is assigned two codes. The first is a revised/ standardized municipality, based on the Statistics Canada (STC) municipality library. The second is a revised/standardized province code (two-digit STC numeric code); and
- unduplicate: Each initial vendor ID code (for a unique exporter and location) is linked to a single standard identification code for each vendor

The duplication problem arises because the descriptive information (namely, vendor name and address) is not a standardized field on the U.S. Customs document. For example, the municipality of *ST JOHNS* (as it is written in the STC municipality library) in Newfoundland (standardized province is 10) has been reported in a number of ways, including *Saint Johns, St. Johns, St. John's, Saint John, Saint Jean* and *St Jean*, while the province has been reported as *newfoundland*, *Nfld*, Terre Neuve, and *TN*.

This makes any automated linkage exercise very difficult, because each different spelling or listing is considered a different item. So, an initial automated processing of the file is performed using the Postal Address Analysis System at Statistics Canada. This generalized application attempts to rearrange a freeform address into standardized positioned components.

**Exports to destinations other than the United States:** According to the Exporter Registry, exports to non-U.S. destinations accounted for about 15% of the value of Canada's total domestic exports in 2002.

Within each record, an exporter ID code is attached. Unlike documents for exports to the United States, the exporter ID code can come from various sources. The exporter ID can be a payroll deduction number, a Customs and Excise number or, since 1997, a business number.

However, in many cases, the exporter ID field is not completed. In such instances, a 'dummy' STC code is assigned, and then the name and address information is captured and stored. Each of the previously mentioned codes also has a repository of names and addresses.

For each exporter ID code, it is necessary to

- standardize: Each initial exporter ID code is assigned a revised/standardized municipality, based on the STC municipality library, and a revised/standardized province (two-digit STC numeric code); and
- unduplicate: Each initial exporter ID code for a single exporter and location is linked to a unique revised exporter ID code.

As with exports to the United States, the present descriptive information (name and address) is not standardized. Again, an initial automated processing of the file is performed using the Postal Address Analysis System.

Step 2: Link exports to U.S. destinations and exports to non-U.S. destinations by name and address of the exporter.

After the standardizing and unduplicating processes are completed, it is then possible to aggregate exports by unique exporter at the location level. This process delivers a concordance file containing many initial ID codes for U.S. and non-U.S. destinations linked to one standardized exporter ID.

Step 3: Link unduplicated exporter information.

The final step is to ensure a proper linkage between the Business Register and the new file of exporters created for the Exporter Registry.

**Non-residents:** Where feasible, exports by non-residents are allocated to their Canadian subsidiaries. When no Canadian subsidiary exists, non-residents are considered unlinked and Canadian exporters are estimated during the estimation process. For example, if a U.S. corporation is listed as the exporter of record on the Customs documentation for a given domestic export from Canada, then the corporation's

Canadian subsidiary, not the U.S. establishment, will be linked as the exporter.

#### PART 2

#### **Estimation of the Unlinked Portion**

A relatively small but significant portion of the documents was not successfully linked to the Business Registry. Therefore, based on the linked portion alone, the number of exporters underestimates the true size of the exporting community. Moreover, the linked portion cannot provide consistent estimates when the linkage rate changes over time. This is the case for exports to countries other than the United States, where the proportion of unlinked documents shrank from an average of about 45% between 1993 and 1995 down to around 10% between 1996 and 2002. By contrast, coverage for U.S. destinations was high and relatively constant from 1993 to 2002.

The number of exporting establishments and the value of their exports were estimated for the unlinked portion, in order to provide a more complete and reliable picture of the exporting community.

The estimation methodology first uses the patterns of the linked portion to provide estimates for the unlinked portion, and then follows these steps:

Step 1. Estimate the export value of the unlinked portion by NAICS industry, exporter size, employee class (for 2002 only), province and trading area.

First, for 1997 to 1999, the estimated total value of non-captured documents is distributed to commodities, provinces and destinations, for inclusion in the estimates as part of the unlinked portion. These non-captured documents show exports of less than \$10,000 in value to non-U.S. destinations. This is done using the distribution of the value observed in similar recorded transactions within the linked portion of exports to non-U.S. destinations. All documents were captured in 2002 regardless of destination or export value.

Second, the export value of the unlinked portion is distributed by NAICS industry, exporter size and employment (for 2002 only) based on observed patterns in the linked portion. For example, in the Fruit and other vegetable farms industry, if the export values of apples in documents of \$30,000 to \$100,000 has been equally reported by establishments of two sizes (\$30,000 to \$99,999 and \$100,000 to \$999,999) in the linked portion, then the value of the exported apples in an unlinked \$50,000 document would be distributed equally between these two exporter sizes in this industry.

Third, the province of origin reported on the unlinked documents is used to approximate the province of residency of the exporters.

Fourth, the destination reported on the unlinked portion by NAICS industry, size and employee class (for 2002 only) is distributed to various trading area combinations based on the linked patterns. For example, exports to Japan of \$30,000 to \$100,000 from the Fruit and other vegetable farms industry would be equally distributed to 'Japan only' and 'Japan and Mexico', if this were the pattern observed in the linked portion. This is necessary because an exporter can export to multiple countries. Therefore, summing the number of exporters by destination will not yield the accurate number of exporters. The distribution by trading area combination tries to split exports by 'unique exporters', where the sum of exporters by these trading area combinations equals the total number of exporters.

Step 2. Calculate the average exports per establishment for each industry, exporter size and employee class (for 2002 only) in the linked portion.

It is assumed that this average should be the same for a given industry, size and employee class (for 2002 only) across provinces and destinations. The geometric mean formula has been used because of the uneven distribution of exports by establishment. Namely, there is a much greater number of smaller exporting establishments than larger ones.

Step 3. Estimate the number of exporters by NAICS industry, size, employee class (for 2002 only), province and destination.

To obtain counts of exporting establishments, divide the exports (sorted by NAICS industry, size, and province and trading area combination, as well as by employee class for 2002 only), by the average export value per establishment and size.

Estimates of the population counts by destination are obtained by adding all the trading area combinations for each destination in which the unlinked portion is involved. For example, for Japan, to obtain the total number of unlinked exporters of size \$30,000 to \$100,000 for the Fruit and other vegetable farms industry, add the count of 'Japan only' plus 'Japan and Mexico,' for Mexico, add 'Mexico only' plus 'Japan and Mexico.' In this way, the exporter exporting to both Mexico and Japan is counted as exporting to both countries.

This methodology is applied at an aggregation level that balances homogeneity of the aggregates and reliability (minimum of observations). The most detailed level of industry classification available for establishments was the six-digit NAICS. To ensure a minimum number of exporters in the linked portion, establishments were aggregated to the four-digit NAICS level (or higher in some cases) to form 137 industry classes.

The exporter size, employment class (for 2002 only) and destination categories used in the tables of this publication were the same as those used for aggregation. The province and territory categories were used without aggregation. At this level of aggregation, estimated counts were rounded to the closest integer value.

In cases where unlinked documents did not have the corresponding patterns in the linked portion at the detailed level, the closest pattern available was used. For example, if the linked establishments did not export apples, then the exports of 'unlinked apples' was distributed according to the distribution of a more aggregated HS (Harmonized Description and Coding System) class for apples.

#### Results

The estimated counts for the unlinked portion represent 14% of the total number of exporters from 1993 to 1995, and 6% from 1996 to 2002. This is similar to the proportions of unlinked documents over the same periods. The proportion of unlinked value is only about 5% from 1993 to 1995, and about 2% from 1996 to 2002. This reflects the fact that low-value documents are more likely to be unlinked and, therefore, are more likely to be associated with smaller establishments with a lower average value of exports.

#### **Potential Sources of Error**

The unique nature of the source data in the Exporter Registry lends itself to unique potential sources of error. The following are the most prominent sources of error:

- · incorrect classification of commodities
- incorrect identification of destination or origin (a trade misallocation - for example, some exports are reported as going to the United States, when in fact they are only travelling through the United States on their way to another country)

- trade undercoverage (occurs when exporting establishments do not file export documents)
- incorrect valuation of exports
- · data capture errors
- incorrect data linkages (owing to clerical errors or poorly reported information).

#### **Linkage Rates**

The most appropriate data quality measure for these data is the linkage rates of the population. For the period 1996 to 2002, these rates indicate that, on average, 96% of the documents and 98% of the export value destined for the United States were linked to a valid establishment. Similarly, for the same period, on average, 89% of the Customs documents and 96% of the value bound for non-U.S. destinations were linked. It is noteworthy that the low linkage rates in the period 1993 to 1995 are due to a lack of captured information. Table 3.1 highlights the annual linkage rates.

Table 3.1

Data linkage rates, 1994 to 2002

	1994	1995	1996	1997	1998	1999	2000	2001	2002
Data type					%				
Document (U.S.)	96.0	96.8	97.3	97.0	96.8	96.4	96.2	95.8	93.1
Value (U.S.)	98.5	98.2	98.6	98.6	98.7	98.6	98.5	98.1	95.6
Document (non-U.S.)	56.8	53.5	93.1	93.7	92.6	93.3	81.5	91.7	90.0
Value (non-U.S.)	84.1	82.4	96.8	96.5	96.4	97.2	97.1	96.2	95.7
Document (total)	89.2	89.0	96.6	96.6	96.3	96.1	94.3	95.3	92.7
Value (total)	95.7	94.8	98.2	98.2	98.4	98.4	98.3	97.8	95.6

Source: Statistics Canada, International Trade Division, Exporter Registry.

Note: 1993 data available upon request.

#### Data Quality of Unlinked Establishments

There are two main sources of error to consider:

Biases: The main problem with these estimates relates to biases in the linked portion patterns. The most important bias stems from the assumption that the average export value per establishment is the same in both the linked and unlinked portions. This assumption means that the unlinked documents are not related to establishments already in the linked portion. However, an unknown proportion of unlinked documents is indeed related to linked establishments. This implies that the number of establishments corresponding to the unlinked portion is overestimated.

This overestimation is not believed to be too serious and is partially offset by a second source of bias. The larger establishments tend to be matched more effectively to the Business Register.

This increases the average exports per establishment in the linked portion, and thus creates a downward bias in the population estimates. This was more prevalent in the period 1993 to 1995 for low-value export documents to non-U.S. destinations.

Variance: If the observed exports per establishment in the linked portion vary a lot between establishments within the same group, the resulting estimates are likely to be less reliable. Therefore, the variance of the population estimates is directly related to the variance of the exports per establishment within establishment groupings. For 2002, the coefficient of variation of exports (after logarithmic transformation) by industry, exporter size, employee class, province and destination was less than 1% for 97% of the groups.

### **SECTION 4: STATISTICAL TABLES**

Table 4.1 Exporter population, by industry grouping, 1994 to 2002

Industry groupings (NAICS) <sup>1</sup>	Number of exporters (establishments)											
	1994	1995	1996	1997	1998	1999	2000	2001	2002			
Agriculture, forestry, fishing and hunting	1,946	1,988	2,029	2,127	2,160	2,136	2,344	2,372	2,363			
Mining and oil and gas extraction	355	391	406	428	405	421	454	494	436			
Utilities	49	43	52	56	50	55	63	58	58			
Construction	562	670	820	880	878	993	1,061	1,091	1,053			
Manufacturing (total)	16,660	17,936	18,027	18,765	19,179	19,630	20,136	20,197	20,021			
Food	1,329	1,456	1,401	1,474	1,479	1,486	1,532	1,529	1,470			
Beverage and tobacco products	126	140	139	146	143	134	132	137	157			
Textile mills	229	240	228	239	247	255	259	253	262			
Textile product mills	235	261	254	263	269	290	285	293	281			
Clothing	705	787	797	827	864	892	913	900	866			
Leather and allied products	155	165	164	171	180	173	161	156	145			
Wood products	1,118	1,210	1,280	1,323	1,328	1,402	1,442	1,418	1,382			
Paper	503	521	533	538	571	563	577	589	578			
Printing and related support activities	574	644	658	694	682	726	732	748	750			
Petroleum and coal products	115	113	107	106	107	104	106	112	109			
Chemicals	988	1,047	1,024	1,068	1,070	1,102	1,095	1,095	1,074			
Plastic and rubber products	1,240	1,327	1,335	1,417	1,460	1,474	1,507	1,533	1,520			
Non-metallic mineral products	484	506	493	516	540	543	563	574	574			
Primary metal	383	398	398	409	413	411	422	417	436			
Fabricated metal products	2,106	2,199	2,206	2,310	2,400	2,460	2,579	2,581	2,534			
Machinery	2,208	2,355	2,360	2,424	2,492	2,540	2,589	2,592	2,605			
Computer and electronic products	1,014	1,107	1,114	1,169	1,174	1,188	1,187	1,185	1,206			
Electrical equipment, appliances												
and components	537	568	580	594	607	617	630	658	829			
Transportation equipment	970	1,071	1,065	1,085	1,111	1,128	1,189	1,199	1,197			
Furniture and related products	721	810	885	935	997	1,053	1,090	1,103	1,083			
Miscellaneous manufacturing	920	1,011	1,006	1,057	1,045	1,089	1,146	1,125	1,163			
Wholesale trade	7,667	8,494	9,609	9,891	9,793	9,879	9,908	9,860	9,596			
Retail trade	1,344	1,447	1,663	1,627	1,754	2,026	2,079	2,171	2,267			
Transportation and warehousing	938	1,121	1,174	1,221	1,415	1,359	1,467	1,379	1,303			
Information and cultural industries	486	498	541	541	544	538	548	535	465			
Finance and insurance	681	725	821	862	877	874	915	907	794			
Business services	1,983	2,285	2,553	2,787	2,854	2,900	3,056	3,121	3,004			
Other <sup>2</sup>	867	999	985	1,047	1,019	1,113	1,170	1,227	1,129			
Exporter Registry total	33,538	36,597	38,680	40,232	40,928	41,924	43,201	43,412	42,489			

<sup>&</sup>lt;sup>1</sup> Refer to Note to users (Table 4.9) for a complete list of inclusions.

Note: 1993 data available upon request.

<sup>&</sup>lt;sup>2</sup> Includes service industries such as government and education.

Table 4.2 Value of exports, by industry grouping, 1994 to 2002

Industry groupings (NAICS)1	Value of domestic exports (C\$ millions)											
Industry groupings (NAICS) <sup>1</sup>	1994	1995	1996	1997	1998	1999	2000	2001	2002			
Agriculture, forestry, fishing and hunting	2,731	2,943	3,479	3,744	3,673	3,786	4,367	4,538	5,287			
Mining and oil and gas extraction	9,371	10,642	12,142	12,635	10,721	10,910	16,307	15,027	18,390			
Utilities	3,877	5,185	5,854	6,016	5,044	6,003	9,421	7,303	5,089			
Construction	728	949	446	428	487	545	730	958	1,104			
Manufacturing (total)	142,044	166,454	172,324	188,612	209,101	236,878	261,729	245,372	247,656			
Food	5,256	5,661	6,818	8,075	8,871	9,759	10,558	11,796	12,354			
Beverage and tobacco products	1,029	1,018	1,175	1,307	1,421	1,450	1,345	1,477	1,325			
Textile mills	786	945	1,188	1,431	1,571	1,641	1,747	1,788	1,748			
Textile product mills	404	462	510	542	630	733	792	790	917			
Clothing	811	1,072	1,340	1,661	2,036	2,208	2,357	2,266	2,290			
Leather and allied products	282	285	273	290	283	253	236	253	237			
Wood products	10,044	11,473	11,312	12,078	12,759	14,663	14,946	14,513	14,462			
Paper	12,347	17,691	15,797	15,184	16,587	17,750	20,148	19,503	18,140			
Printing and related support activities	630	841	950	1,088	1,308	1,479	1,708	1,848	1,983			
Petroleum and coal products	2,447	3,145	3,623	3,064	2,398	3,008	4,130	5,204	5,169			
Chemicals	7,209	8,878	9,270	10,954	11,611	12,478	14,927	15,051	15,223			
Plastic and rubber products	5,292	5,812	6,249	7,012	7,956	8,907	9,950	10,236	11,222			
Non-metallic mineral products	1,407	1,689	1,883	2,087	2,252	2,482	2,439	2,456	2,507			
Primary metal	11,640	14,730	14,417	15,632	16,578	16,125	17,388	17,025	18,354			
Fabricated metal products	5,072	5,710	6,282	6,660	7,723	8,486	9,302	9,415	9,965			
Machinery	6,741	7,784	8,479	9,645	11,263	11,611	13,159	13,291	13,479			
Computer and electronic products	7,099	9,583	10,267	11,180	12,687	16,039	25,515	15,212	12,665			
Electrical equipment, appliances and												
components	1,825	2,398	2,721	3,288	3,857	4,865	6,372	5,292	4,008			
Transportation equipment	58,311	63,317	64,953	71,437	80,073	95,212	95,078	89,617	92,616			
Furniture and related products	1,558	1,936	2,408	3,100	3,973	4,722	5,433	5,249	5,255			
Miscellaneous manufacturing	1,853	2,021	2,410	2,900	3,264	3,007	4,196	3,092	3,738			
Wholesale trade	28,033	31,478	34,502	37,667	35,866	36,215	42,609	45,040	40,652			
Retail trade	830	977	1,082	1,082	1,167	1,487	1,676	1,952	2,031			
Transportation and warehousing	4,027	5,133	4,866	5,439	4,573	5,566	8,152	12,010	10,155			
Information and cultural industries	328	349	354	335	493	534	576	673	677			
Finance and insurance	9,930	8,822	10,954	11,930	12,327	12,739	19,927	22,486	17,047			
Business services	7,173	8,695	8,885	9,100	8,629	8,846	10,470	9,338	9,003			
Other <sup>2</sup>	2,074	2,679	2,280	1,976	1,808	2,272	2,413	2,563	2,067			
Exporter Registry total	211,147	244,308	257,166	278,965	293,890	325,781	378,375	367,260	359,160			

<sup>&</sup>lt;sup>1</sup> Refer to Note to users (Table 4.9) for a complete list of inclusions.

Note: 1993 data available upon request.

<sup>&</sup>lt;sup>2</sup> Includes service industries such as government and education.

Table 4.3 Exporter population, by destination and size, 1994 to 2002

Destination region		Number of exporters (establishments)											
	1994	1995	1996	1997	1998	1999	2000	2001	2002				
U.S. (total)	30,611	33,159	32,807	34,613	35,521	36,901	38,362	38,443	37,470				
Eastern seaboard <sup>1</sup>	20,090	21,620	21,433	22,911	23,504	24,392	25,152	25,005	24,946				
Industrial heartland <sup>1</sup>	15,526	16,969	16,790	18,104	18,689	19,393	20,155	20,308	20,322				
Midwest <sup>1</sup>	13,808	15,156	15,246	16,474	17,286	17,894	18,818	19,025	19,130				
Southeast <sup>1</sup>	11,258	12,552	12,657	13,721	14,290	14,857	15,516	15,590	15,598				
West <sup>1</sup>	13,571	14,989	14,977	16,047	16,815	17,498	18,432	18,373	18,313				
Non-U.S. (total)	8,305	9,709	14,585	13,480	13,027	12,541	12,250	12,710	13,145				
European Union <sup>1</sup>	4,222	4,846	7,656	6,610	6,762	6,598	6,358	6,754	6,959				
Japan	1,735	2,046	2,744	2,556	2,381	2,238	2,226	2,311	2,364				
Mexico	523	627	468	732	572	614	676	716	796				
South America <sup>1</sup>	1,294	1,535	2,193	2,086	2,176	1,912	1,815	1,944	1,870				
Other <sup>1</sup>	5,524	6,607	10,146	9,102	8,539	8,214	7,946	8,541	9,159				
U.S. only	25,233	26,888	24,095	26,752	27,901	29,383	30,951	30,702	29,344				
Non-U.S. only	2,927	3,438	5,873	5,619	5,407	5,023	4,839	4,969	5,019				
Both U.S. and non-U.S.	5,378	6,271	8,712	7,861	7,620	7,518	7,411	7,741	8,126				
Exporter Registry total	33,538	36,597	38,680	40,232	40,928	41,924	43,201	43,412	42,489				
Exporter size													
Less than \$30,000	7,088	7,550	8,344	8,118	7,424	7,299	6,869	6,690	5,928				
\$30,000 to \$99,999	7,444	8,064	8,106	8,493	8,303	8,647	9,537	9,480	9,241				
\$100,000 to \$999,999	11,296	12,282	12,814	13,433	14,293	14,542	14,745	14,949	15,007				
\$1,000,000 to \$4,999,999	4,409	5,064	5,352	5,825	6,231	6,505	6,759	6,862	6,861				
\$5,000,000 to \$24,999,999	2,257	2,466	2,783	2,987	3,161	3,355	3,620	3,726	3,710				
Greater than \$25,000,000	1,044	1,171	1,281	1,376	1,516	1,576	1,671	1,705	1,742				
Exporter Registry total	33,538	36,597	38,680	40,232	40,928	41,924	43,201	43,412	42,489				
					% share								
Less than \$30,000	21.1	20.6	21.6	20.2	18.1	17.2	16.3	14.2	12.8				
\$30,000 to \$99,999	22.2	22.0	21.0	21.1	20.3	19.7	20.0	22.3	22.0				
\$100,000 to \$999,999	33.7	33.6	33.1	33.4	34.9	35.7	35.7	34.8	35.7				
\$1,000,000 to \$4,999,999	13.1	13.8	13.8	14.5	15.2	15.5	15.6	15.8	16.1				
\$5,000,000 to \$24,999,999	6.7	6.7	7.2	7.4	7.7	8.0	8.4	8.6	8.7				
Greater than \$25,000,000	3.1	3.2	3.3	3.4	3.7	3.8	3.9	3.9	4.1				
Exporter Registry total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0				

<sup>&</sup>lt;sup>1</sup> Refer to Note to users (Table 4.8) for a complete list of inclusions.

Note: The categories 'U.S. (total)' and 'Non-U.S. (total) 'will not add up to the 'Exporter Registry total' because an exporter can be included in both destination totals. The categories 'U.S. only,' 'Non-U.S. only' and 'Both U.S. and non-U.S.' will add up to the 'Exporter Registry total.'

Note: 1993 data available upon request.

Table 4.4 Value of domestic exports, by destination and size, 1994 to 2002

			Va	lue of dom	estic expo	rts (C\$ mi	llions)		
	1994	1995	1996	1997	1998	1999	2000	2001	2002
U.S. (total)	170,412	192.335	206,656	226.962	247,566	282.242	328.143	319.109	312.305
Eastern seaboard <sup>1</sup>	45,176	50,027	56,322	63,047	72,485	82,063	92,312	83,452	78,411
Industrial heartland <sup>1</sup>	77,529	87,836	88,735	94,030	96,506	108,047	121,989	119,511	122,694
Midwest <sup>1</sup>	19,847	23,430	28,205	30,592	30,829	33,740	44,396	42,590	43,826
Southeast <sup>1</sup>	10,332	12,588	13,531	15,036	17,586	20,089	23,746	23,859	23,923
West <sup>1</sup>	17,527	18,455	19,864	24,258	30,159	38,303	45,701	49,695	43,450
Non-U.S. (total)	40,734	51,973	50,511	52,002	46,324	43,539	50,233	48,151	46,855
European Union1	11,955	16,057	15,033	14,693	15,290	14,925	18,082	17,123	16,008
Japan	9809	11,969	11,149	11,150	8,610	8,301	8,955	8,067	8,190
Mexico	1,048	1,119	1,214	1,225	1,393	1,534	1,917	2,334	2,258
South America <sup>1</sup>	2,449	2,882	3,151	3,761	3,236	2,398	2,775	2,594	2,103
Other <sup>1</sup>	15,474	19,945	19,963	21,174	17,795	16,382	18,504	18,034	18,295
U.S. only	121,360	134,888	111,289	132,848	130,180	142,702	172,453	186,656	157,072
Non-U.S. only	11,825	15,120	15,877	20,969	17,681	15,114	14,594	14,475	14,392
Both U.S. and non-U.S.	77,961	94,299	130,001	125,147	146,030	167,965	191,329	166,130	187,696
Exporter Registry total	211,147	244,308	257,166	278,965	293,890	325,781	378,375	367,260	359,160
Published total <sup>2</sup>	212,492	246,390	256,295	280,033	297,509	331,748	385,678	375,229	365,292
Exporter size									
Less than \$30,000	81	87	100	102	98	99	93	90	79
\$30,000 to \$99,999	434	472	475	499	490	511	557	557	542
\$100,000 to \$999,999	3,999	4,359	4,623	4,860	5,136	5,321	5,378	5,460	5,565
\$1,000,000 to \$4,999,999	10,300	11,929	12,506	13,685	14,772	15,491	16,056	16,390	16,512
\$5,000,000 to \$24,999,999	25,499	28,301	31,448	33,815	35,491	37,928	41,090	42,388	42,739
Greater than \$25,000,000	170,833	199,161	208,015	226,005	237,901	266,430	315,201	302,376	293,724
Exporter Registry total	211,147	244,308	257,166	278,965	293,890	325,781	378,375	367,260	359,160
					% share				
Less than \$30,000	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
\$30,000 to \$99,999	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1
\$100.000 to \$999.999	2.0	1.9	1.8	1.8	1.7	1.7	1.6	1.4	1.5
\$1,000,000 to \$4,999,999	5.3	4.9	4.9	4.9	4.9	5.0	4.8	4.2	4.5
\$5,000,000 to \$24,999,999	12.2	12.1	11.6	12.2	12.1	12.1	11.6	10.9	11.5
Greater than \$25,000,000	80.2	80.9	81.5	80.9	81.0	80.9	81.8	83.3	82.3
Exporter Registry total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

<sup>&</sup>lt;sup>1</sup> Refer to Note to users (Table 4.8) for a complete list of inclusions.

Note: The categories 'U.S. (total)' and 'Non-U.S. (total)' will not add up to the 'Exporter Registry total' because an exporter can be included in both destination totals. The categories 'U.S. only,' 'Non-U.S. only' and 'Both U.S. and non-U.S.' will add up to the 'Exporter Registry total.'

<sup>&</sup>lt;sup>2</sup> Published totals are the Canadian dollar values from Statistics Canada, International Trade Division's Total Domestic Exports. Differences from the value of the Exporter Registry total are due to the exclusions outlined in Section 1. Note: 1993 data available upon request.

Table 4.5 Exporter population, by province of residence, 1994 to 2002

Province of residence	Number of exporters (establishments)										
	1994	1995	1996	1997	1998	1999	2000	2001	2002		
Newfoundland and Labrador	149	162	201	198	185	207	213	208	202		
Prince Edward Island	134	139	135	130	143	160	163	153	150		
Nova Scotia	723	774	852	857	821	883	908	892	867		
New Brunswick	681	745	740	768	787	779	804	823	799		
Quebec	7,001	7,727	8,279	8,695	8,766	9,041	9,365	9,411	9,128		
Ontario	15,882	17,313	18,008	18,675	19,059	19,312	19,468	19,424	19,216		
Manitoba	1,294	1,300	1,328	1,386	1,415	1,410	1506	1,533	1,531		
Saskatchewan	682	758	778	790	794	806	876	899	851		
Alberta	2,353	2,518	2,828	3,007	3,094	3,314	3,583	3,647	3,582		
British Columbia <sup>1</sup>	4,619	5,135	5,531	5,694	5,830	5,969	6,271	6,367	6,123		
Yukon <sup>1</sup>	14	16	X	X	X	X	X	X	X		
Northwest Territories <sup>2</sup>	6	10	Х	Х	Х	Х	Х	X	Χ		
Nunavut²	•••			•••	•••		Х	Х	Х		
Canada	33,538	36,597	38,680	40,232	40,928	41,924	43,201	43,412	42,489		

<sup>&</sup>lt;sup>1</sup> Yukon and Northwest Territories have been combined with British Columbia for the years 1993 and 1997 to 2002.

Source: Statistics Canada, International Trade Division, Exporter Registry.

#### Province of residence

Table 4.6 Value of domestic exports, by province of residence, 1994 to 2002

		Value of domestic exports (C\$ millions)										
	1994	1995	1996	1997	1998	1999	2000	2001	2002			
Newfoundland and Labrador	665	1,012	1,534	1,605	1,456	1,835	2,437	2,494	3,432			
Prince Edward Island	286	315	309	328	464	516	516	459	513			
Nova Scotia	2,555	2,950	3,157	3,759	3,748	4,242	4,573	4,856	5,060			
New Brunswick	3,859	4,814	4,934	5,083	5,032	5,698	7,004	8,228	8,080			
Quebec	35,185	46,127	47,104	51,196	57,661	62,047	72,379	67,578	66,334			
Ontario	111,743	123,145	129,058	141,556	152,822	171,789	181,251	175,431	177,885			
Manitoba	5,871	7,087	8,965	8,623	8,480	10,019	11,105	10,618	10,588			
Saskatchewan	3,429	4,098	3,958	4,268	4,567	5,006	5,907	5,310	5,968			
Alberta	20,996	25,129	30,063	32,082	29,716	34,146	57,713	60,706	52,561			
British Columbia <sup>1</sup>	26,532	29,590	28,084	30,127	29,656	29,623	34,620	30,675	27,912			
Yukon¹	4	2	Х	Х	X	X	X	X	Χ			
Northwest Territories <sup>2</sup>	22	39	Х	X	X	X	X	X	Χ			
Nunavut <sup>2</sup>			•••			Х	Х	Х	Х			
Canada	211,147	244,308	257,166	278,965	293,890	325,781	378,375	367,260	359,160			

<sup>1</sup> Yukon and Northwest Territories have been combined with British Columbia for the years 1994 and 1996 to 2002.

Source: Statistics Canada, International Trade Division, Exporter Registry.

Note: 1993 data available upon request.

<sup>&</sup>lt;sup>2</sup> Nunavut is combined with the Northwest Territories for 1999 to 2002.

X indicates confidential data

<sup>...</sup> Figures not applicable.

<sup>&</sup>lt;sup>2</sup> Nunavut is combined with the Northwest Territories for 1999 to 2002.

X indicates confidential data

<sup>...</sup> Figures not applicable.

Table 4.7

Number of exporters and value of exports, by employee class and exporter size, Canada, 2002

Exporter size		Employee class									
Exporter size	Less than 50	50 to 99	100 to 199	200 and over	Grand total						
		Numbe	er of exporters (es	tablishments)							
Less than \$30,000	4,845	511	332	240	5,928						
\$30,000-\$99,999	7,900	724	354	263	9,241						
\$100,000-\$999,999	12,117	1,682	816	392	15,007						
\$1,000,000-\$4,999,999	4,228	1,485	832	316	6,861						
\$5,000,000 - \$24,999,999	1,269	925	912	604	3,710						
Greater than \$25,000,000	346	188	354	854	1,742						
Grand total	30,705	5,515	3,600	2,669	42,489						
		Value of exports (C\$ millions)									
Less than \$30,000	65	7	4	3	79						
\$30.000–\$99.999	459	44	22	17	542						
\$100,000-\$999,999	4,335	726	334	170	5,565						
\$1,000,000–\$4,999,999	9,468	3,866	2,315	864	16,512						
\$5,000,000-\$24,999,999	13, 288	10,063	10,985	8,402	42,738						
Greater than \$25,000,000	58,456	36,022	25,296	173,950	293,724						
Grand total	86,070	50,727	38,957	183,406	359,160						

## Appendix: Notes to Users

Table 4.8 ngs

<b>Export</b>	Destination	Groupin
	_	

Eastern Seaboard	Industrial Heartland	Midwest	Southeast	West
Connecticut	Illinois	Colorado	Alabama	Arizona
Delaware	Indiana	Iowa	Arkansas	Alaska
District of Columbia	Kentucky	Idaho	Florida	California
Maine	Michigan	Kansas	Georgia	Hawaii
Maryland	Ohio	Minnesota	Lousiana	Oregon
Massachusetts	Wisconsin	Missouri	Mississippi	Nevada
New Hampshire		Montana	Puerto Rico	Washington
New Jersey		North Dakota	South Carolina	_
New York		Nebraska	Tennessee	
North Carolina		New Mexico	U.S. Virgin Islands	
Pennsylvania		Oklahoma	_	
Rhode Island		South Dakota		
Vermont		Texas		
Virginia		Utah		
West Virginia		Wyoming		

#### Non-U.S. groupings

European Union	South America	Other
Andorra	Argentina	This category comprises 203 countries not
Austria	Bolivia	already listed in other categories
Belgium	Brazil	,
Germany	Chile	
Denmark	Columbia	
Spain	Ecuador	
Finland	Falkland Islands	
Faeroe Islands	French Guyana	
France	Guyana	
Greece	Peru	
Ireland	Paraguay	
Italy	Surinam	
Luxembourg	Uruguay	
Monaco	Venezuela	
Netherlands		
Portugal		
Sweden		
San Marino		
United Kingdom		
Vatican City		

Table 4.9 Industry groupings

Industry groupings	Corresponding NAICS code	
	NAICS Code	
Agriculture, forestry, fishing and hunting	11	
Mining and oil and gas extraction	21	
Utilities	22	
Construction	23	
Manufacturing	31–33	
Food	311	
Beverage and tobacco products	312	
Textile mills	313	
Textile product mills	314	
Clothing	315	
Leather and allied products	316	
Wood products	321	
Paper	322	
Printing and related support activites	323	
Petroleum and coal products	324	
Chemicals	325	
Plastic and rubber products	326	
Non-metallic mineral products	327	
Primary metal	331	
Fabricated metal products	332	
Machinery	333	
Computer and electronic products	334	
Electrical equipment, appliances and components	335	
Transportation equipment	336	
Furniture and related products	337	
Miscellaneous manufacturing	339	
Wholesale trade	41	
Retail trade	44–45	
Transportation and warehousing	48–49	
Information and cultural industries	51	
Finance and insurance	52–53	
Business services	54–56	
Other	61–91	

Source: North American Industry Classification System.

#### **Glossary**

#### **Business Number (BN)**

The Business Number (BN) was introduced by Revenue Canada (now the Canada Customs and Revenue Agency or CCRA) in 1994 as a means of integrating all of the Revenue Canada programs (accounts) under one common identifier (number). Hence, each enterprise/business entity receives an identification number that is used by the enterprise to report its financial data on goods and services tax (GST), Customs (import/export), corporate taxes (T2) and source deductions (payroll deduction accounts PD). The BN replaces the PD/T2 numbers from Revenue Canada.

#### **Business Register (BR)**

The BR is a structured listing of businesses engaged in the production of goods and services in Canada. This register includes incorporated businesses, unincorporated businesses. commercial enterprises, nonprofit organizations, religious organizations, and government departments and governments institutions for all of the industrial sectors of the economy. The BR includes all incorporated employer businesses and incorporated non-employer businesses with estimated gross business income of GST sales greater than \$1. For unincorporated businesses, the BR includes all employer businesses with gross business income greater than \$1, and non-employer businesses with GST sales greater than \$30,000.

#### **Country of Destination**

This is a field that appears on the Customs export declaration form. Exports are attributed to the country that is the last known destination of the goods at the time of export. Exports to the United States are normally attributed to the state of destination.

#### **Enterprise**

The enterprise is a unit of observation where entities (such as establishments) under common control and ownership are grouped. It is the level where consolidated financial reports are produced.

#### **Establishment**

An establishment is the unit of observation normally associated with economic activity such as production or exports. It is the unit of observation for the Exporter Registry program.

#### **Export Declaration (B13a)**

This is the Canada Customs and Revenue Agency document for the exporting of goods from Canada to non-U.S. destinations.

#### **Exporter**

For the purposes of the Exporter Registry, and exporter is defined as an establishment engaged in the export of domestically produced goods.

## Harmonized System Commodity Classification (HS)

The HS is an international six-digit 'root' that classifies goods on the basis of what they are, not according to their stage of fabrication. It is logically structured by economic activity or component material.

#### **New Exporters**

These are exporters that appear on the Registry for the first time, either because they just started exporting or because they exceeded the threshold for the first time.

#### **Province of Origin**

This represents the province in which goods were grown, extracted or manufactured.

#### **Province of Residence**

This represents the province where the exporting establishment is located.

## Standard Industrial Classification for Establishments (SIC-E)

Revised in 1980, this classifications groups firms according to their productive output. It should be noted that the productive output of a firm and what it exports are not necessarily the same.

## North American Industry Classification System

The North American Industry Classification System (NAICS) is an industry classification system developed by the statistical agencies of Canada, Mexico and the United States. Created against the background of the North American Free Trade Agreement, it is designed to provide common definitions of the industrial structure of the three countries and a common statistical framework to facilitate the analysis of the three economies. NAICS is based on supply side or production oriented principles, to ensure that industrial data, classified to NAICS, is suitable for the analysis of production related issues such as industrial performance.