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**Reference Handbook on Small
Business Statistics
1991**

Canada 

**Reference Handbook on Small
Business Statistics
1991**

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Purpose

The Reference Handbook on Small Business Statistics is produced to provide readers of **Small Business In Canada 1991** with more detailed statistical information on small business in Canada. The primary source for the statistics presented is the **Small Business Data Base (SBDB)**. The SBDB is a joint initiative of ISTC, Statistics Canada, all ten provinces and two territories; the data is based primarily on administrative (tax) sources provided to Statistics Canada by Revenue Canada. A discussion of SBDB methodology and definitions is available in Statistics Canada publication #18-501, Building a Longitudinal Database of Firms in the Canadian Economy. For further information on other SBDB products, or on methodologies used in this Reference Handbook contact ESBO at (613) 954-3601.

Reference Handbook on Small Business Statistics 1991

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Highlights

- There were 932,396 businesses in Canada in 1989, a 49% increase since 1979. Of these businesses 98.7% had 100 or fewer employees (p.3 & 5).
- If one measure of entrepreneurship is the number of businesses per capita then Canadians are clearly becoming more entrepreneurial. In 1989 there were 355.6 businesses per 10,000 population compared to only 264.1 per 10,000 population in 1979 (p.3 & p.19).
- Between 1979 and 1989 the largest relative increase in the number of businesses occurred in Newfoundland--an 83.8% increase (p.18).
- The number of business start ups is highest in the business and personal services sector. The highest survival rate of business is in the community services sector (p.21-22).
- Businesses with fewer than 100 employees accounted for 47.1% of all private sector employment in 1989. This share is up from 40.8% in 1979 (p.25).
- In 1988-89 businesses with fewer than 100 employed accounted for 83% of the net jobs created by the private sector (p.24).
- Businesses with less than \$5 million in annual revenues were responsible for 28.9% of all private sector revenues in 1988. The

comparable number for 1984 is 26.5% (p.26).

- The significant small business contribution to the economy is largely self-financed. More than half the financing for small businesses comes from internal operations (p.27).

- The biggest positive contribution to job creation and payrolls comes from just a few rapidly expanding businesses. Between 1985-89 some 23,000 businesses (only 4.9% of the businesses in continuous existence in that time period) accounted for 67.5% of the jobs created between 1985-89 (p.28).

- The average income of full year, full time self employed people (\$29,091) is approximately 10% higher than that of paid workers and it increasing at a faster rate (p.29).

- Disabled persons in the labour force have a higher tendency to be self employed (17.2% are self employed compared to 12.9% for the labour force as a whole). The self employed tend to be better educated than the labour force as a whole (p.30).

Number of Businesses by Province, 1978 - 1989

Private sector, all sizes

	Canada	NFLD	P.E.I.	N.S.	N.B.	Quebec	Ontario	Manitoba	Saska.	Alberta	B.C.	N.W.T.	Yukon
1978	595709	10980	4139	20539	17711	149267	214319	26316	27777	64456	85493	1177	969
1979	625080	11468	4347	21299	18478	157229	221029	27225	28963	70249	90281	1246	1018
1980	659369	11590	4585	21504	18732	166218	228077	18309	32620	78430	95919	1227	1036
1981	698142	12069	5036	22360	19160	172619	236808	29939	36446	85223	102265	1226	1038
1982	710515	12529	5162	22620	19678	175406	241856	30514	37974	86977	102001	1328	1002
1983	753518	14250	5618	24127	21399	189767	253865	32020	40780	88815	105810	1455	1031
1984	774594	15258	5787	25397	22186	193286	262516	33002	41951	90239	108458	1651	1079
1985	816405	16728	5983	26870	23176	205075	276312	33785	43759	94395	112836	1552	1116
1986	846049	17752	6332	28503	24194	213669	289117	35076	44966	97523	117553	1676	1220
1987	880147	18332	6708	29806	25152	222671	302266	35737	44987	99876	122654	1668	1332
1988	906684	19481	6939	30799	26244	229345	314310	36171	44281	102228	127460	1747	1415
1989	932396	21075	6984	31451	27209	234695	322214	36331	44049	104439	133373	1792	1429
Growth 79-89	49.16%	83.77%	60.66%	47.66%	47.25%	49.27%	45.78%	33.45%	52.09%	48.67%	47.73%	43.82%	40.37%
Number of businesses for 10000 pers. in 1979	264.06	199.79	353.99	251.49	263.59	249.62	261.58	264.19	302.61	349.69	351.71	288.43	471.30
Number of businesses for 10000 pers. in 1989	355.63	369.74	536.41	354.66	378.69	350.88	336.71	335.10	437.43	429.93	436.49	335.58	562.60

Source: ESBO, ISTC

Number of Businesses by size, Canada and the Provinces*, 1989

	Total	< 5	5 - 20	20 - 49	50 - 100	100 - 499	> 500	% Bus by Prov.
CANADA	932396	696951	168998	40643	13550	10020	2234	100.0%
NFLD	21075	16604	2625	655	306	449	436	2.3%
P. E. I.	6984	5298	963	265	105	143	210	0.7%
N. S.	31451	22174	5400	1479	712	977	709	3.4%
N. B.	27209	19812	4431	1104	528	748	586	2.9%
QUEBEC	234695	172462	42298	10921	4115	3626	1273	25.2%
ONTARIO	322214	228713	62460	17509	6555	5464	1513	34.6%
MANITOBA	36331	25265	6374	1798	845	1259	790	3.9%
SASKA	44049	33891	6264	1620	668	982	624	4.7%
ALBERTA	104439	76385	18419	4551	1914	2170	1000	11.2%
B. C.	133373	97495	24296	5930	2280	2353	1019	14.3%
N.W.T.	1792	963	490	117	49	97	76	0.2%
YUKON	1429	894	306	81	27	51	70	0.2%

Note: The provinces cannot be summed up for Canada total as some companies are counted in various provinces but only once for Canada.

* EXCLUDES the Public Sector

Source: ESBO, ISTC

Sectoral Distribution of Businesses* by size, 1989
Canada

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	72724	3652	99.72%	82.6%	99.91%	x
Mining	5449	8021	92.49%	12.3%	95.63%	17.2%
Manufacturing	58409	66650	89.71%	16.8%	94.73%	24.9%
Construction	109905	19747	98.48%	61.7%	99.40%	72.8%
Transportation/ Communication	39249	28287	96.99%	13.9%	98.47%	17.6%
Wholesale Trade	54252	19284	95.90%	45.0%	98.26%	57.3%
Retail Trade	147571	24788	97.91%	46.2%	99.17%	55.2%
Finance/ Insurance/ Real Estate	58674	22943	97.54%	27.7%	98.77%	33.9%
Community Services	79564	47547	95.54%	12.1%	97.16%	16.3%
Business and Personal Services	251056	36862	97.81%	48.3%	99.12%	58.0%
Unclassified	55450	3256	99.03%	70.5%	99.56%	#VALUE!
Total all industries**	932303	281036	97.23%	29.8%	98.69%	37.3%

* Private sector business with employees

** Excludes public administration.

x Confidential

Source : ESBO, ISTC.

Sectoral Distribution of Businesses* by size, 1989
Newfoundland

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	818	54	98.90%	72.2%	99.51%	85.2%
Mining	82	170	63.41%	7.1%	67.07%	9.4%
Manufacturing	868	566	67.40%	12.5%	73.27%	19.4%
Construction	1989	224	96.83%	x	97.99%	x
Transportation/ Communication	987	428	92.30%	13.3%	94.53%	20.3%
Wholesale Trade	1008	206	82.34%	x	88.59%	x
Retail Trade	3500	372	95.74%	55.6%	97.00%	62.4%
Finance/ Insurance/ Real Estate	626	160	83.23%	23.8%	84.98%	29.4%
Community Services	1621	627	94.69%	15.8%	96.05%	20.3%
Business and Personal Services	7834	349	97.47%	61.0%	98.19%	69.1%
Unclassified	1742	44	99.20%	x	99.54%	x
Total all industries**	21075	3199	94.35%	32.2%	95.80%	39.2%

* Private sector business with employees

** Excludes public administration.

x Confidential

Source : ESBO, ISTC.

Sectoral Distribution of Businesses* by size, 1989
Prince Edward Island

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	1794	43	99.78%	97.7%	99.89%	97.7%
Mining	5	1	60.00%	0.0%	60.00%	0.0%
Manufacturing	360	97	68.89%	27.8%	75.00%	47.4%
Construction	642	59	96.88%	84.7%	98.13%	93.2%
Transportation/ Communication	277	77	89.89%	22.1%	92.06%	22.1%
Wholesale Trade	305	42	81.97%	64.3%	86.89%	78.6%
Retail Trade	919	85	94.34%	67.1%	95.87%	77.6%
Finance/ Insurance/ Real Estate	277	44	80.14%	x	80.87%	x
Community Services	480	176	92.92%	13.1%	95.42%	18.8%
Business and Personal Services	1531	94	93.99%	66.0%	95.43%	73.4%
Unclassified	394	12	98.98%	91.7%	99.49%	91.7%
Total all industries**	6984	729	93.44%	46.4%	94.95%	54.3%

* Private sector business with employees

** Excludes public administration.

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Source : ESBO, ISTC.

Sectoral Distribution of Businesses* by size, 1989
Nova Scotia

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	3352	136	99.70%	93.4%	99.85%	93.4%
Mining	95	68	67.37%	19.1%	71.58%	32.4%
Manufacturing	2007	1282	67.21%	15.3%	73.79%	22.1%
Construction	3918	516	96.76%	64.1%	98.24%	76.9%
Transportation/ Communication	1377	703	90.20%	14.7%	92.96%	18.9%
Wholesale Trade	1926	376	79.60%	52.7%	86.55%	63.6%
Retail Trade	5046	698	95.44%	50.3%	96.95%	58.3%
Finance/ Insurance/ Real Estate	1504	450	87.10%	24.0%	89.76%	29.6%
Community Services	2915	1369	93.76%	11.7%	95.92%	15.9%
Business and Personal Services	7744	823	94.69%	49.0%	96.63%	57.8%
Unclassified	1567	59	98.28%	71.2%	99.04%	x
Total all industries**	31451	6479	92.38%	31.3%	94.64%	38.3%

* Private sector business with employees

** Excludes public administration.

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Source : ESBO, ISTC.

Sectoral Distribution of Businesses* by size, 1989
New Brunswick

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	3257	198	99.63%	x	99.79%	x
Mining	106	181	71.70%	x	73.58%	x
Manufacturing	1633	1132	66.44%	14.0%	72.87%	19.6%
Construction	3004	416	96.74%	57.0%	98.37%	72.6%
Transportation/ Communication	1444	638	93.91%	14.3%	95.64%	17.6%
Wholesale Trade	1500	289	80.20%	44.3%	87.00%	54.3%
Retail Trade	4323	513	95.47%	52.8%	97.13%	62.6%
Finance/ Insurance/ Real Estate	1113	263	88.23%	34.2%	89.76%	37.6%
Community Services	2529	704	94.31%	16.6%	96.36%	22.3%
Business and Personal Services	6634	509	95.64%	59.5%	96.94%	65.6%
Unclassified	1666	69	98.26%	x	99.04%	x
Total all industries**	27209	4912	93.16%	32.1%	95.10%	38.6%

* Private sector business with employees

** Excludes public administration.

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Source : ESBO, ISTD.

Sectoral Distribution of Businesses* by size, 1989
Quebec

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	12945	598	99.64%	83.9%	99.90%	x
Mining	510	835	81.37%	9.8%	87.25%	15.3%
Manufacturing	18379	16549	85.39%	17.8%	91.31%	26.6%
Construction	25380	3981	98.45%	65.7%	99.34%	76.6%
Transportation/ Communication	10092	6642	96.17%	13.8%	97.81%	17.0%
Wholesale Trade	15388	4370	93.32%	48.2%	96.69%	60.2%
Retail Trade	44775	5593	97.74%	54.4%	99.12%	65.9%
Finance/ Insurance/ Real Estate	12763	4405	96.08%	29.0%	97.50%	33.6%
Community Services	16998	11932	93.61%	8.9%	95.71%	13.5%
Business and Personal Services	62531	8123	97.43%	51.2%	98.72%	60.3%
Unclassified	14934	812	98.82%	70.7%	99.43%	79.8%
Total all industries**	234695	63839	96.16%	30.2%	97.91%	37.9%

* Private sector business with employees

** Excludes public administration.

x Confidential

Source : ESBO, ISTC.

Sectoral Distribution of Businesses* by size, 1989
Ontario

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	15059	962	99.52%	78.9%	99.83%	x
Mining	842	1964	82.78%	8.7%	87.53%	12.5%
Manufacturing	24593	34744	84.91%	15.1%	91.48%	23.3%
Construction	41726	9458	97.78%	57.8%	99.04%	70.2%
Transportation/ Communication	11214	10965	94.18%	12.5%	96.69%	16.5%
Wholesale Trade	20895	8833	93.09%	42.5%	96.74%	55.2%
Retail Trade	48461	10272	96.98%	40.4%	98.58%	49.3%
Finance/ Insurance/ Real Estate	23235	12087	96.10%	25.8%	97.84%	32.4%
Community Services	28494	18927	96.12%	11.0%	97.53%	14.0%
Business and Personal Services	89159	16676	96.83%	43.6%	98.58%	53.8%
Unclassified	18536	1373	98.49%	67.2%	99.27%	77.6%
Total all industries**	322214	126262	95.80%	27.2%	97.83%	35.0%

* Private sector business with employees

** Excludes public administration.

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Source : ESBO, ISTC.

Sectoral Distribution of Businesses* by size, 1989
Manitoba

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	4509	120	99.78%	93.3%	99.93%	98.3%
Mining	153	287	68.63%	7.7%	73.20%	10.5%
Manufacturing	2471	1535	66.61%	18.6%	74.02%	28.0%
Construction	3685	470	97.15%	66.8%	98.21%	76.4%
Transportation/ Communication	1657	1281	90.95%	9.1%	92.94%	10.9%
Wholesale Trade	2841	627	83.35%	44.0%	89.09%	52.0%
Retail Trade	5167	865	94.79%	41.5%	96.15%	47.3%
Finance/ Insurance/ Real Estate	2705	705	92.31%	26.7%	93.94%	30.5%
Community Services	3438	1912	92.23%	13.1%	95.06%	19.1%
Business and Personal Services	8089	965	93.76%	48.7%	96.03%	57.8%
Unclassified	1616	63	97.90%	69.8%	99.01%	76.2%
Total all industries**	36331	8832	92.03%	27.6%	94.36%	33.9%

* Private sector business with employees

** Excludes public administration.

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Source : ESBO, ISTC.

Sectoral Distribution of Businesses* by size, 1989
Saskatchewan

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	11685	187	99.92%	95.7%	99.97%	x
Mining	548	278	80.84%	21.9%	86.68%	29.5%
Manufacturing	1738	786	71.00%	20.6%	75.78%	26.6%
Construction	3955	375	96.92%	72.5%	98.23%	81.9%
Transportation/ Communication	1727	882	92.53%	13.0%	94.27%	16.4%
Wholesale Trade	2512	486	86.27%	49.8%	90.96%	60.1%
Retail Trade	5854	753	96.63%	49.8%	97.51%	55.0%
Finance/ Insurance/ Real Estate	2265	509	92.10%	27.5%	94.08%	33.4%
Community Services	3598	2048	92.50%	15.0%	95.36%	20.8%
Business and Personal Services	7933	786	95.27%	56.0%	96.89%	64.0%
Unclassified	2234	66	98.25%	83.3%	99.19%	92.4%
Total all industries**	44049	7158	94.84%	32.8%	96.35%	38.9%

* Private sector business with employees

** Excludes public administration.

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Source : ESBO, ISTC.

Sectoral Distribution of Businesses* by size, 1989
Alberta

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	9694	321	99.79%	x	99.93%	x
Mining	2751	3228	92.40%	14.3%	95.60%	20.5%
Manufacturing	5358	3258	78.37%	22.4%	83.91%	30.2%
Construction	11308	1927	97.70%	58.8%	98.81%	68.3%
Transportation/ Communication	5229	2695	94.70%	15.3%	96.48%	19.0%
Wholesale Trade	6387	1780	88.29%	43.8%	93.35%	55.7%
Retail Trade	13486	2446	96.52%	43.7%	97.78%	50.7%
Finance/ Insurance/ Real Estate	6500	1527	94.42%	29.9%	96.03%	34.7%
Community Services	9293	4579	95.45%	17.5%	97.13%	22.1%
Business and Personal Services	29011	3601	96.29%	53.3%	98.02%	63.5%
Unclassified	5422	238	98.54%	72.7%	99.28%	82.4%
Total all industries**	104439	25601	95.13%	32.1%	96.96%	39.5%

* Private sector business with employees

** Excludes public administration.

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Source : ESBO, ISTC.

Sectoral Distribution of Businesses* by size, 1989
British Columbia

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	9916	1027	99.33%	81.1%	99.81%	x
Mining	968	842	85.95%	14.7%	88.74%	17.5%
Manufacturing	8260	6897	83.79%	19.2%	88.28%	26.0%
Construction	15770	2240	98.44%	68.8%	99.15%	77.0%
Transportation/ Communication	6892	3793	95.65%	18.1%	97.17%	22.1%
Wholesale Trade	8223	2164	90.08%	49.1%	94.56%	61.8%
Retail Trade	18302	3089	97.38%	49.4%	98.52%	57.6%
Finance/ Insurance/ Real Estate	10020	2717	95.26%	32.7%	97.05%	41.4%
Community Services	11153	5189	95.50%	16.1%	97.43%	21.1%
Business and Personal Services	35801	4524	96.68%	55.2%	98.32%	64.8%
Unclassified	8068	493	98.71%	77.3%	99.43%	87.0%
Total all industries**	133373	32974	95.76%	35.5%	97.47%	x

* Private sector business with employees

** Excludes public administration.

x Confidential

Source : ESBO, ISTC.

Sectoral Distribution of Businesses* by size, 1989
Northwest Territories

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	17	2	100.00%	x	100.00%	x
Mining	54	117	55.56%	x	57.41%	x
Manufacturing	57	33	75.44%	x	77.19%	x
Construction	269	74	89.22%	52.7%	91.82%	52.7%
Transportation/ Communication	171	88	81.87%	23.9%	87.13%	x
Wholesale Trade	75	44	77.33%	x	81.33%	x
Retail Trade	222	43	91.89%	x	94.14%	x
Finance/ Insurance/ Real Estate	109	43	86.24%	x	88.99%	x
Community Services	156	67	89.74%	23.9%	91.67%	34.3%
Business and Personal Services	546	79	90.11%	62.0%	92.86%	73.4%
Unclassified	116	16	96.55%	x	98.28%	x
Total all industries**	1792	605	87.61%	x	90.35%	x

* Private sector business with employees

** Excludes public administration.

x Confidential

Source : ESBO, ISTC.

Sectoral Distribution of Businesses* by size, 1989
Yukon

	All Sizes		50 Employees and less		100 Employees and less	
	Number of Business	PAYROLL (\$M)	Number of Business %	PAYROLL in %	Number of Business %	PAYROLL in %
Primary	27	1	92.59%	100.0%	96.30%	100.0%
Mining	107	51	84.11%	21.6%	86.92%	x
Manufacturing	49	7	75.51%	85.7%	75.51%	x
Construction	195	24	93.85%	x	95.38%	x
Transportation/ Communication	100	49	80.00%	24.5%	83.00%	x
Wholesale Trade	65	19	72.31%	x	76.92%	x
Retail Trade	188	27	92.02%	x	94.15%	x
Finance/ Insurance/ Real Estate	58	10	75.86%	40.0%	77.59%	x
Community Services	113	8	94.69%	x	95.58%	x
Business and Personal Services	407	39	92.14%	74.4%	94.10%	79.5%
Unclassified	120	7	100.00%	x	100.00%	x
Total all industries**	1429	242	89.64%	x	91.53%	x

* Private sector business with employees

** Excludes public administration.

x Confidential

Source : ESBO, ISTC.

**Change in Number of Businesses Registered by
Province between 1979 and 1989**

	1979	1989	Percentage Change
Canada	625080	932396	49.2%
Newfoundland	11468	21075	83.8%
P.E.I.	4347	6984	60.7%
Nova Scotia	21299	31451	47.7%
New Brunswick	18478	27209	47.3%
Quebec	157229	234695	49.3%
Ontario	221029	322214	45.8%
Manitoba	27225	36331	33.4%
Saskatchewan	28963	44049	52.1%
Alberta	70249	104439	48.7%
B.C.	90281	133373	47.7%
Northwest Territories	1246	1792	43.8%
Yukon	1018	1429	40.4%

Source: ESBO ISTC, Statistics Canada

**Number of Businesses per 1000 of Population by
Province, 1979 and 1989**

	1979	1989
Canada	26.4	35.6
Newfoundland	20.0	37.0
P.E.I.	35.4	53.6
Nova Scotia	25.1	35.5
New Brunswick	26.4	37.9
Quebec	25.0	35.1
Ontario	26.2	33.7
Manitoba	26.4	33.5
Saskatchewan	30.3	43.7
Alberta	35.0	43.0
B.C.	35.2	43.6
Northwest Territories	28.8	33.6
Yukon	47.1	56.3

Source: ESBO ISTC, Statistics Canada

Business Start-ups and Exits, 1979-1989 **Canada**

	Start-ups	Exits	Net Increase
1978-79	119166	89795	29371
1979-80	127105	92816	34289
1980-81	134769	95996	38773
1981-82	119126	106653	12473
1982-83	145154	102251	42903
1983-84	138547	117371	21176
1984-85	152213	110520	41693
1985-86	152472	122828	29644
1986-87	161285	127085	34200
1987-88	161931	135394	26537
1988-89	165980	140054	25926

Excludes public administration.
Source : ESBO ISTC

Business Start-Ups by Sector, 1979-1989
Canada

	Number of Starts 1979-89	Distribution of Starts	Distribution of Businesses 1989
Primary	51304	7.74%	7.80%
Mining	3543	0.53%	0.58%
Manufacturing	35645	5.38%	6.27%
Construction	77293	11.66%	11.79%
Transportation/Communications	27236	4.11%	4.21%
Wholesale Trade	33468	5.05%	5.82%
Retail Trade	101871	15.37%	15.83%
Finance/Insurance/Real Estate	39325	5.93%	6.29%
Community Services	44192	6.67%	8.53%
Business and Personal Services	194179	29.30%	26.93%
All Industries*	662730	100.00%	100.00%

*Excludes public administration
Source : ESBO ISTC

Business Birth and Survival Rates by Sector to 1989
Percentage of the 1979 Base

	Births	Survival
Primary	103.7%	43.3%
Mining	89.4%	48.1%
Manufacturing	82.3%	52.5%
Construction	95.6%	40.3%
Transportation/ Communications	97.9%	43.2%
Wholesale Trade	79.6%	49.5%
Retail Trade	88.1%	39.5%
Finance/ Insurance/ Real Estate	95.4%	46.9%
Community Services	87.7%	70.2%
Business/ Personal Services	129.6%	38.0%
Total all Industry	106.0%	43.1%

* Births are new firms started since 1979, Survival indicates firms existing in 1979 and still in existence in 1989.

Source :ESBO ISTC, Statistics Canada

Sectoral Distribution of Net New Jobs*
1987-88 & 1988-1989

	1987-1988	1988-1989
Primary	8.2	-1.8
Mining	9.2	-5.9
Manufacturing	83.5	3.0
Construction	62.8	39.9
Transportation/ Communication	39.7	39.5
Wholesale Trade	67.9	30.6
Retail Trade	70.5	53.6
Finance/ Insurance/ Real Estate	45.2	31.7
Community Services	98.5	75.4
Business / Personal Services	136.5	89.0
Unclassified	68.4	63.4
Total all industries**	690.4	418.5

* Net new jobs (Average Labour Units) in 000's

**Excludes public administration.

Source: ESBO ISTD

Percent of Net New Jobs Created by Small Business by sector Canada

	1987-88		1988-89	
	< 50 ALU %	< 100 ALU %	< 50 ALU %	< 100 ALU %
Primary	88	96	60	x
Mining	52	59	3	21
Manufacturing	54	69	100	100
Construction	77	85	79	87
Transportation/Communication	35	39	35	38
Wholesale Trade	73	85	82	90
Retail Trade	66	77	73	81
Finance/Insurance/Real Estate	62	69	86	91
Community Services	31	37	27	33
Business and Personal Services	63	71	100	100
All Industries*	59	68	75	83

*Excludes public administration.

x Confidential

Source : ESBO ISTC

Small Business Share of Employment* , In Percent, 1979 and 1989

	<u>< 50</u>	<u>< 100</u>
1979	34.0	40.8
1989	39.8	47.1

* Including self-employed, excluding public administration

Source: ESBO ISTC

Trends in Small Business* Share of Total Business Sales, Profits and Assets, 1984, 1986, 1987, 1988 (in percent)

	1984	1986	1987	1988
Sales	26.5	25.6	27.9	28.9
Profits	22.8	25.1	27.1	28.1
Assets	20.8	19.3	22.8	19.4

* Business with less than \$5 million in annual revenues.
Source : ESBO, ISTC

**Sources and Applications of Funds for Small Business*,
Canada, 1989**

	1989	
	(in \$)	(%)
Sources of funds:		
From operations	\$21,512,445,110	36.5%
Increase long term debt	\$14,626,144,147	24.8%
Sales of fixed assets	\$7,118,596,693	12.1%
Advances/loans from owners	\$8,123,797,848	13.8%
Sales of investments	\$3,680,189,551	6.2%
Other sources	\$3,845,981,305	6.5%
Total	\$58,907,154,654	100.0%
Applications of Funds:		
Purchased fixed assets	\$19,962,149,155	35.4%
Repay long term debt	\$10,586,566,937	18.8%
Repay advances/loans from owners	\$10,084,622,430	17.9%
Pay dividends	\$5,149,191,127	9.1%
Purchase investments	\$8,250,416,508	14.7%
Other uses	\$2,283,267,491	4.1%
Total	\$56,316,213,648	100.0%

* Small business equal firms with less than \$5 million annual revenues.
Source: Statistics Canada

The Contribution of Growing and Declining Firms to Earnings and Jobs, 1985-1989

	Number of Firms	Percentage of All Firms	Change in Payroll (\$ billions)	Change in Employment
Expanding Growth Index*				
Slow (1-5)	92121	19.6%	11.8	311980
Moderate (6-20)	31446	6.7%	12.2	349678
Fast (21 +)	23122	4.9%	45.0	1373528
Sub Total expanding firms	146689	31.2%	69.0	2035186
Contracting Growth Index*				
Slow (1-5)	312396	66.4%	4.2	-202303
Moderate (6-20)	8255	1.8%	-0.8	-151684
Fast (21 +)	3086	0.7%	-5.0	-520030
Sub Total contracting firms	323737	68.8%	-1.6	-874017
Total	470426	100.0%	67.4	1161169

* Growth Index is the absolute growth (or decrease) in the number of employees in a company times the percentage of growth expressed in decimal terms (100 percent=1).
Source: ESBO ISTC

Average Total income of the Full-year Full-time Self-employed and Full-year Full-time Paid Workers, Canada, 1986 and 1989

	1986	1989	% Growth
Number			
Paid Workers	6928931	7662178	10.6%
Self-employed Workers	1182837	1344662	13.7%
Average Income			
Paid Workers	\$27,834	\$31,819	14.3%
Self-employed Workers	\$29,091	\$34,800	19.6%

Source : Statistics Canada, Survey of Consumer Finances, unpublished data.

Profile of Self Employed*, Canada 1989

	Total Population	Aboriginal People	Visible Minorities	Disabled Persons			Non-aboriginal, non-visible minority and persons with no disabilities
				Total	Limited at work	not limited at work	
Both sexes							
Total Labour force	17868176	303425	1214502	1722017	853537	868480	14800017
Self Employed	2300855	26329	133868	296094	159902	136193	1871573
% Self Empl./Labour Force	12.9%	8.7%	11.0%	17.2%	18.7%	15.7%	12.6%
Male							
Total Labour force	9758505	152166	658654	1001624	475248	526376	8042781
Self Employed	1499464	14813	84425	193195	100102	93093	1220284
% Self Empl./Labour Force	15.4%	9.7%	12.8%	19.3%	21.1%	17.7%	15.2%
Females							
Total Labour force	8109671	151259	555847	720393	378288	342105	6757235
Self Employed	801391	11516	49443	102899	59800	43100	651288
% Self Empl./Labour Force	9.9%	7.6%	8.9%	14.3%	15.8%	12.6%	9.6%
Education							
Some post-secondary							
% of Labour force	13.5%	12.9%	14.2%	11.9%	11.5%	12.2%	13.6%
% of Self Empl.	10.1%	17.8%	8.3%	10.2%	10.7%	9.6%	10.3%
Some-secondary Certificate or diploma							
% of Labour force	21.9%	16.7%	18.6%	20.5%	17.6%	23.4%	22.4%
% of Self Empl.	19.3%	13.1%	8.9%	22.2%	20.5%	24.3%	19.5%
University							
% of Labour force	15.2%	5.7%	23.1%	9.8%	8.1%	11.5%	15.4%
% of Self Empl.	18.0%	7.6%	32.0%	12.8%	12.3%	13.4%	18.1%
Age							
16-19 % of Labour force	9.8%	13.5%	8.7%	5.4%	5.7%	5.1%	10.3%
% of Self Empl.	4.9%	11.7%	2.9%	3.6%	3.4%	3.7%	5.2%
20-24 % of Labour force	14.6%	19.4%	17.1%	10.1%	9.8%	10.3%	14.9%
% of Self Empl.	4.9%	13.9%	7.0%	4.8%	5.4%	4.0%	4.9%
25-34 % of Labour force	29.4%	36.3%	28.6%	22.3%	23.0%	21.6%	30.0%
% of Self Empl.	23.4%	24.5%	17.8%	14.7%	13.7%	15.9%	25.0%
35-44 % of Labour force	23.7%	17.2%	25.0%	24.3%	23.9%	24.7%	23.7%
% of Self Empl.	29.8%	24.4%	34.6%	25.9%	24.8%	27.2%	30.3%
45-54 % of Labour force	14.2%	9.0%	14.0%	20.7%	21.6%	19.8%	13.6%
% of Self Empl.	21.3%	13.8%	25.4%	24.8%	27.2%	22.1%	20.6%
55-64 % of Labour force	7.2%	4.6%	6.1%	14.7%	13.5%	16.0%	6.5%
% of Self Empl.	12.4%	11.2%	12.1%	16.7%	15.4%	18.2%	11.5%
65-69 % of Labour force	1.0%	0.0%	0.5%	2.5%	2.4%	2.6%	0.9%
% of Self Empl.	3.3%	0.5%	0.3%	9.5%	10.1%	8.9%	2.6%
Immigrant Status							
% of immigrant Labour force	15.4%	3.3%	78.1%	18.5%	18.2%	18.8%	10.6%
Self Empl.	17.9%	2.3%	81.8%	20.9%	22.2%	19.3%	13.7%

* Self employed here includes unpaid family workers

Source: Labour Market Activity Survey, Statistics Canada, and ESBO ISTC

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