

QUEEN
HD
2346
.C2
A36
1992
c.2

Industry Canada
Library - Queen

SEP 11 2007

Industrie Canada
Bibliothèque - Queen

Reference Handbook on Small Business Statistics 1992

Entrepreneurship and Small Business Office
Industry, Science and Technology Canada



**Reference Handbook on
Small Business Statistics
1992**

Entrepreneurship and Small Business Office
Industry, Science and Technology Canada

**Reference Handbook on
Small Business Statistics
1992**

Table of Contents

Purpose ii

Highlights iii

Tables:

- Number of Businesses by Province 1
- Number of Businesses by Size, Canada and the Provinces 2
- Regional Distribution of Businesses 3
- Sectoral Distribution of Businesses 4
- Employment by Size of Business 5
- Business Start-ups and Exits 6
- Businesses Start-ups by Sector 7
- Number of New New Jobs Created by Sector 8
- Small Business Net New Jobs Created by Industry 9
- Small Business Employment Share by Industry 10
- Small Business Share of Employment 11
- Trends in Small Business Share of Total Business Sales,
 Profits and Assets 11
- Sources and Applications of Funds for Small Business 12
- Average Total Income of the Full-year Full-time Self-employed
 and Full-year Full-time Paid Workers Profile of Self-Employed 13
- Profile of Self-Employed 14

PURPOSE

The Reference Handbook on Small Business Statistics is produced to provide readers of **Small Business in Canada 1992** 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 John Skelton, Entrepreneurship and Small Business Office, at (613) 954-3601.

HIGHLIGHTS

There were 934,631 businesses (with employees) in Canada in 1990, a forty-two percent increase since 1980. Of these businesses, ninety-five percent had fewer than fifty employees and ninety-six percent had fewer than 100 employees.

In 1990, there were 351 businesses per 10,000 population in 1989 compared to only 274 per 100,000 population in 1980.

In 1990, businesses with 50 or fewer employees accounted for thirty percent of payroll compared to twenty-five percent in 1985.

Businesses with fewer than 50 employees accounted for forty-five percent of all private sector employment in 1990. This share is up from thirty-eight percent in 1980.

In 1989-90, businesses with fewer than 50 employees accounted for one hundred percent of the net new jobs created in the private sector.

Businesses with less than \$5 million annual revenues were responsible for twenty-six percent of all private sector revenues in 1989.

The significant small business contribution to the economy is largely self-financed. More than half the financing for small businesses comes from internal sources.

The number of business start-ups is highest in the business sectors, construction and other services industries.

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

Disabled persons in the labour force have a higher tendency to be self-employed (seventeen percent are self-employed compared to thirteen percent for the labour force as a whole). The self-employed tend to be better educated than the labour force as a whole.

Number of Businesses by Province, 1978 - 1990

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	2777	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	28309	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
1990	934631	21578	7238	31608	26900	233174	322119	36111	43081	105843	137106	1911	1442
Growth 80-90	41.8	86.2	57.9	47.0	43.6	40.3	41.2	27.6	32.1	35.0	42.9	55.8	39.2
Number of businesses for 1000 pers. in 1980	274	205	373	254	269	260	266	276	340	366	360	275	465
Number of businesses for 10000 pers. in 1990	351	376	556	354	372	345	331	331	431	428	439	355	553

Source: Entrepreneurship and Small Business Office; Industry, Science and Technology Canada

Number of Businesses by size, Canada and the Provinces*, 1990

	Total	Employment Size Group						% Bus. by Prov.
		< 5	5-20	20-49	50-100	100-499	> 500	
CANADA	934 533	666 936	173 644	44 749	13 704	9 496	2 002	100
NFLD	21 578	17 032	2 687	691	285	458	425	2.2
P.E.I.	7 238	5 518	985	248	103	178	206	0.8
N.S.	31 608	22 260	5 397	1 539	673	1 064	675	3.3
N.B.	26 900	19 344	4 464	1 203	505	786	596	2.8
QUEBEC	233 174	169 867	42 321	12 316	4 094	3 471	1 175	24.1
ONTARIO	322 119	224 259	65 036	19 414	6 661	5 337	1 412	33.3
MANITOBA	36 111	24 631	6 770	1 889	827	1 247	747	3.7
SASK.	43 081	32 719	6 336	1 714	716	988	608	4.5
ALBERTA	105 843	76 823	19 139	4 847	1 923	2 177	934	10.9
B.C.	137 106	99 721	24 988	6 600	2 528	2 318	951	14.2
N.W.T.	1 901	1 046	496	139	58	94	78	0.2
YUKON	1 442	889	298	76	43	56	70	0.1

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: Entrepreneurship and Small Business Office; Industry, Science and Technology Canada

Regional Distribution of Businesses, 1980 and 1990 (in percent)*

	1980	1990
Newfoundland	1.7	2.2
Prince Edward Island	0.7	0.8
New Brunswick	2.7	2.8
Nova Scotia	3.1	3.3
Quebec	24.2	24.1
Ontario	33.0	33.2
Manitoba	4.1	3.7
Saskatchewan	4.8	4.5
Alberta	21.4	10.9
British Columbia	13.9	14.1
Yukon/Northwest Territories	0.4	0.4

* Total may not add to 100 percent due to rounding and because some businesses are counted in more than one province.

Source: Entrepreneurship and Small Business Office; Statistics Canada

Sectoral Distribution of Businesses* by size, 1990 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 %
Agricultural and Related Services	59,422	2,343	99	86	99	88
Fishing and Trapping	5,569	200	99	85	99	92
Logging and Forestry	9,199	1,463	99	50	99	60
Mining, Quarrying and Oil Wells	5,180	7,688	93	13	96	17
Manufacturing	55,037	60,800	89	17	95	36
Construction	112,808	19,942	99	66	99	76
Transportation and Storage	32,037	12,480	97	24	99	31
Communication and other Utilities	4,642	6,793	94	9	97	13
Wholesale Trade	45,794	19,670	96	44	98	57
Retail Trade	934,631	39,294	98	31	99	37
Finance and Insurance	24,115	21,482	96	12	99	16
Real Estate Operator and Insurance Agents	35,690	6,599	98	58	99	68
Business Services	77,163	18,576	98	46	98	57
Educational Services	6,678	25,074	84	3	89	5
Health and Social Services	59,149	23,455	96	20	98	27
Accommodation, Food and Beverages Service	61,441	8,569	96	53	99	65
Other Service Industries	139,953	13,789	98	53	99	62
Unclassified	43,856	7,206	99	30	99	37
Total - All Industries **	923,396	295,422	97	30	99	38

* Private sector business with employees

** Excludes public administration

Source: Entrepreneurship and Small Business Office; Industry, Science and Technology Canada

Employment by Size of Business 1990 **Canada**

	Employment in 000's						
	Employment Size Group						
	Total	< 5	5-20	20-50	50-100	100-500	500 +
Agricultural and Related Services	114.4	58.1	32.3	11.5	2.3	6.3	3.9
Fishing and Trapping	10.3	4.9	3.0	1.1	0.6	0.7	-
Logging and Forestry	45.2	9.5	12.8	3.1	4.7	4.0	11.1
Mining, Quarrying and Oil Wells	180.5	5.8	11.4	11.9	8.8	35.9	106.7
Manufacturing	1,952.6	55.0	160.2	213.9	199.3	442.6	881.5
Construction	630.3	142.4	194.5	128.0	54.5	82.3	28.6
Transportation and Storage	415.3	36.0	49.0	43.2	31.8	72.9	182.3
Communication and Other Utilities	190.8	5.2	10.3	10.4	8.0	23.0	133.8
Wholesale Trade	718.3	66.9	153.0	129.2	95.2	140.4	133.6
Retail Trade	1,914.1	201.6	350.6	217.2	124.1	157.7	862.9
Finance and Insurance	683.6	27.9	38.5	36.9	29.0	59.3	492.1
Real Estate Operator and Insurance Agents	250.8	44.9	61.3	47.0	21.6	35.3	40.8
Business Services	692.7	101.7	134.0	98.8	67.6	141.5	169.0
Educational Services	783.7	7.2	13.9	18.6	20.4	118.2	605.4
Health and Social Services	1,043.1	88.0	109.6	62.3	81.7	228.2	473.2
Accommodation, Food and Beverage Services	808.8	80.5	195.9	182.0	102.7	117.3	130.3
Other Service Industries	768.1	155.7	170.0	97.4	67.8	105.2	171.9
Unclassified	275.4	49.5	33.6	21.9	17.1	42.7	110.6
Totall - All Industries *	11,477.0	1,140.8	1,734.7	1,350.7	930.5	1,813.6	4,508.2

* Excludes public administration

Business Start-ups and Exits, 1979-1990
Canada

	Start-ups	Exits	Net increase
1978-79	119 166	89 795	29 371
1979-80	127 105	92 816	34 289
1980-81	134 769	95 996	38 773
1981-82	119 126	106 653	12 473
1982-83	145 154	102 251	42 903
1983-84	138 547	117 371	21 176
1984-85	152 213	110 520	41 693
1985-86	152 472	122 828	29 644
1986-87	161 285	127 085	34 200
1987-88	161 931	135 394	26 537
1988-89	165 980	140 054	25 926
1989-90	162 347	154 680	7 667

Excludes public administration

Source: Entrepreneurship and Small Business Office; Industry, Science and Technology Canada

Business* Start-ups by Sector, 1989/90

Industry	Start-ups	Exits	Net	% Net Start-ups
Agriculture and Related Service	8,499	10,626	-2,127	0
Logging & Forestry	1,112	1,751	-639	0
Fishing & Trapping	2,014	842	1,172	4.7
Mining, Quarrying & Oil Wells	702	715	-13	0
Manufacturing	6,654	5,700	954	3.8
Transportation & Storage	5,514	4,813	701	2.8
Construction	19,144	16,355	2,789	11.1
Communication & Other Utilities	804	652	152	0.6
Wholesale Trade	6,934	5,300	1,634	6.5
Retail Trade	22,603	20,083	2,520	10.0
Finance & Insurance	3,932	3,378	561	2.2
Business Services	13,136	9,615	3,521	14.0
Real Estate Operators & Insurance Agents	4,397	4,210	187	0.7
Educational Services	889	554	335	1.3
Accommodation, Food & Beverage Services	12,551	10,235	2,316	9.3
Health & Social Services	6,285	3,819	2,466	9.8
Other Service Industries	29,183	23,383	5,800	23.1
Unclassified	17,774	32,430	-14,656	0
Total	162,347	154,680	7,667	100%

* Excludes public administration

Source: Entrepreneurship and Small Business Office; Statistics Canada

Number of Net New Jobs Created by Sector (in 000s)

Industry **	1986-1987	1987-1988	1988-1989	1989-1990
Primary	10.3	8.2	-1.8	1.3
Mining	1.5	9.2	-5.9	-3.8
Manufacturing	40.3	83.5	3.0	-129.6
Construction	45.2	62.8	39.9	-16.0
Transportation/Communications	1.4	39.7	39.5	1.2
Wholesale Trade	38.2	67.9	30.6	2.4
Retail Trade	71.8	70.5	53.6	36.7
Finance/Insurance/Real Estate	35.4	45.2	31.7	-21.7
Community Services	35.2	98.5	75.4	88.8
Business & Personal Services	119.7	136.5	89.0	89.4
To be classified *	14.4	68.4	63.4	-6.4
Total	413.4	690.4	418.5	43.3

* Includes firms whose industry classification has not yet been determined.

** 1970 Standard Industry Classification.

Source: Entrepreneurship and Small Business Office; Statistics Canada

Small Business Net New Jobs Created by Industry 1989-90

Industry	Number of Net Jobs Created (000's)	Percent created by firms	
		< 50 ALU***	< 100 ALU***
Agricultural and Related Services	1.5	100	100
Fishing and Trapping	0.6	100	100
Logging and Forestry	-0.8	-	-
Mining, Quarrying and Oil Wells	-3.8	-	-
Manufacturing	-129.8	-	-
Construction	-16.0	-	-
Transportation and Storage	1.2	100	100
Communications and Other Utilities	6.4	27	30
Wholesale Trade	2.4	100	100
Retail Trade	36.7	92	100
Finance and Insurance	-21.7	-	-
Real Estate Operator and Insurance Agents	-7.5	-	-
Business Services	10.9	100	100
Education Services	38.7	13	15
Health and Social Services	50.1	50	59
Accommodation, Food and Beverage Service	42.1	77	94
Other Service Industries	43.9	73	79
To be classified	-11.7	-	-
Total - All Industries *	43.3	100	100

* Excludes public administration

** 1980 Standard Industrial Classification

*** ALU is Average Labour Units employed per firm. It can be taken as equivalent to number of employees per firm.

- Indicates zero net job creation

Job creation data for Total - All Industries for earlier periods displayed below.

Total All Industries	1987-88	1988-89	1979-89
Net Jobs Created (000's)	690.4	418.5	2,570.0
% 50 ALU	59	75	81
% 100 ALU	68	83	86

Source: Entrepreneurship and Small Business Office; Industry, Science and Technology Canada

**Small Business Employment Share by Industry
1989-90**

	1989		1990	
	Percentage		Percentage	
	< 50 ALU	< 100 ALU	< 50 ALU	< 100 ALU
Agricultural and Related Services	88	93	89	94
Fishing and Trapping	86	92	87	93
Logging and Forestry	51	62	52	62
Mining, Quarrying and Oil Wells	16	21	16	21
Manufacturing	21	31	22	32
Construction	72	81	74	83
Transportation and Storage	29	37	31	39
Communication and Other Utilities	12	16	13	17
Wholesale Trade	46	58	48	61
Retail Trade	38	44	40	46
Finance and Insurance	13	17	15	19
Real Estate Operator and Insurance Agent	59	67	61	70
Business Services	46	56	48	58
Educational Services	5	8	5	8
Health and Social Services	24	32	25	33
Accommodation, Food and Beverage Services	55	67	57	70
Other Service Industries	54	62	55	64
Unclassified	39	46	38	44
Total All Industries *	35	44	37	46

* Excludes public administration

** ALU is Average Labour Units employed per firm. It can be taken as equivalent to number of employees per firm.

Small Business Share of Employment , 1980 and 1990 (in percent)

	< 50 Employees	< 100 employees
1980	38.1	44.5
1990	45.1	52.2

**Trends in Small Business* Share of Total Business Sales, Profits and Assets,
1986, 1987, 1988, 1989 (in percent)**

	1986	1987	1988	1989
Sales	25.6	27.9	27.8	26.0
Profits	25.1	27.1	27.1	50.9
Assets	22.8	19.4	18.6	14.2

* Businesses with less than \$5 million in annual revenues.

Source: Entrepreneurship and Small Business Office; Industry, Science and Technology Canada

**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

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	6109671	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.	10.3%	17.8%	8.3%	10.6%	10.9%	10.1%	10.4%
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.	13.2%	7.7%	6.4%	14.7%	13.7%	15.8%	13.4%
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

G
C QUEEN HD 2346 .C2 A36 1992 c
R Canada. Entrepreneurship and
Reference handbook on small

DATE DUE
DATE DE RETOUR

CARR MCLEAN

38-296

INDUSTRY CANADA/INDUSTRIE CANADA



168161

