

Second, as a result of this trend, the growth in gross export flows has exceeded the growth in the domestic value-added content of exports. In 1986, total exports of goods and services were equivalent to 27.9 percent of GDP; the domestic value-added content of those exports meanwhile was 21.5 percent of GDP. By 1996, total exports as a share of GDP had grown to 38.4 percent — an increase of 10.5 percentage points — while the domestic value-added content had increased to 26.3 percent, a gain of 5.2 percentage points or roughly half as much. Extrapolating these trends to 1999 when the share of GDP of total exports of goods and services reached 43.1 percent, the domestic value-added content would have risen to the neighbourhood of 30 percent of GDP.

Third, the domestic value-added and job content of exports depends very much on the sectoral composition of exports. For example, the domestic value-added content of exports of motor vehicles is only about 36.5 percent, whereas for auto parts it is about 62.3 percent (based on 1996 data). Moreover, the job content is very different: \$1 billion of exports of motor vehicles supports about 4580 jobs, whereas an equivalent volume of exports of motor vehicle parts supports 9280 jobs (again based on 1996 data). At the other end of this spectrum, in private educational services, domestic content is 89 percent and \$1 billion of exports would support 25 110 jobs in this industry (although the volume of exports in this category falls well below the billion dollar mark). In health and social services exports, domestic content was 89.7 percent and \$1 billion of exports would support 22 238 jobs (again, the volume of exports in this category falls well below the billion dollar mark).

As a result of this trend, a growing volume of exports is required to support a given number of jobs (other factors are, of course, working in the same direction: e.g. growth in productivity due to capital investment and efficiency gains have the same effect). In 1986, \$1 billion worth of exports supported approximately 12 800 jobs; in 1996, the latest year for which the data are available, \$1 billion worth of exports supported an estimated 10 400 jobs. Extrapolating this trend to 1999, the job content of exports last year would have been on the order of 10 000.

**Figure 3: Import Content of Exports, 1986-1996**

