

production chain will account for a portion of the collective Canadian value-added and employ a portion of the total labour required in the production process. The last industry, which is the export industry of record, might employ relatively few people compared to the value of the export, and thus appear to enjoy extremely high levels of labour productivity.

Although the data in this column are ambiguous in the sense that an individual industry's exports might not correspond very well with its level of direct employment, that ambiguity can lead to certain important discoveries. For example, a large exporting industry's contribution to the domestic economy could easily be overstated if it employs relatively few people per dollar of exports and imports many of its intermediate inputs. Then, the exporting industry is the last in a chain of production, but that chain is mostly outside the domestic economy, and the employment benefits of the export accrue to the foreign industries that provide intermediate inputs.

Column 11: Direct Jobs/\$10 million of Direct GDP Effect

As a means of addressing the potential ambiguities in the direct jobs/\$10 million of industry exports ratio, this column examines direct employment by industry relative to direct industry value-added. By changing the denominator to GDP from exports, there is no longer a concern regarding the export industry being the last in a long line of domestic or foreign input industries. There is no "collective industry effect" of cumulative value-added when we consider only the actual export industry's GDP.

In terms of export initiatives, industries with higher levels of employment are likely to be viewed more favourably. Given the perennial global focus on job creation, and the positive domestic impact that can flow from job creation, a high direct jobs/\$10 million of direct GDP effect ratio can be deemed desirable. Yet, alone, that logic would lead us to encourage exports from relatively labour-intensive industries, and ignore the issue of the quality of jobs. One must be careful to guard against unquestionably preferring an increased employment level without taking job quality into account.

Column 12: Wages, Salaries & Supplementary Labour Income/Direct Jobs

Wages, salaries and supplementary labour income/direct jobs is essentially the average wage of employees engaged in the production of exports for each industry. Labour income earned in the production of intermediate inputs is not included. For the Agricultural and Related Services Industries and Fishing and Trapping Industries, the average wage is considerably lower than that of all other industries. The reason is