influence the results. There is one further area of indirect jobs not measured by the model. The domestic re-spending of tax revenues earned by taxing profits on, and wages sustained by, export earnings is not calculated. Many jobs, especially in the "social welfare, health, and education" sectors of the economy, depend directly on tax revenues generated from taxing earnings derived from business sector exports. The results of job creation through tax re-spending is likely important, but cannot be addressed through the model used in this paper.

The inclusions of all these figures would alter the results such that, in all likelihood, approximately one job in six may depend on Canadian exports of goods and services.

Nonetheless, the primary focus of this Paper is on the job creation impact of business sector exports of goods. This approach allows us to move beyond aggregate figures to analyze results emerging at the industry level and differences apparent at the level of specific Canadian export markets. In this regard, the one in 7.5 ratio means that each billion dollars of Canadian exports of goods supported 12,016 Canadian jobs or, put differently, $83,219 of Canadian exports of goods supported one Canadian job.

Based on similar U.S. data for the year 1990, one in thirteen civilian jobs was supported by U.S. merchandise exports.[11] When U.S. figures are adjusted for the average 1991 Canada-U.S. exchange rate, each billion Canadian dollars supported 16,363 American jobs, or $60,942 Canadian supported one U.S. job. Differences between U.S. and Canadian results are substantial and reflect the differences in the structure of our industries, productivity levels, the level of technology, and differences in our export-mix and export markets. In addition, there is a substantial difference in the amount of imports used in the production process. In the U.S. in 1990, 14% of the value of total merchandise goods exported was linked to imported inputs[12]; while in Canada in 1991, this proportion was 26%.[13] In the Input-Output model, only imports directly assembled into exported products have been removed. Indirect imports (i.e., inputs of inputs) are still in the model and are an important source of leakage of Canadian jobs. Examples of industries where there is a greater import component

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[11] Lester Davis, ***Trade and Export Supported Jobs***, U.S. Bureau of Commerce, Office of the Chief Economist, June 1992.

[12] Ibid.

[13] Statistics Canada Input-Output Model