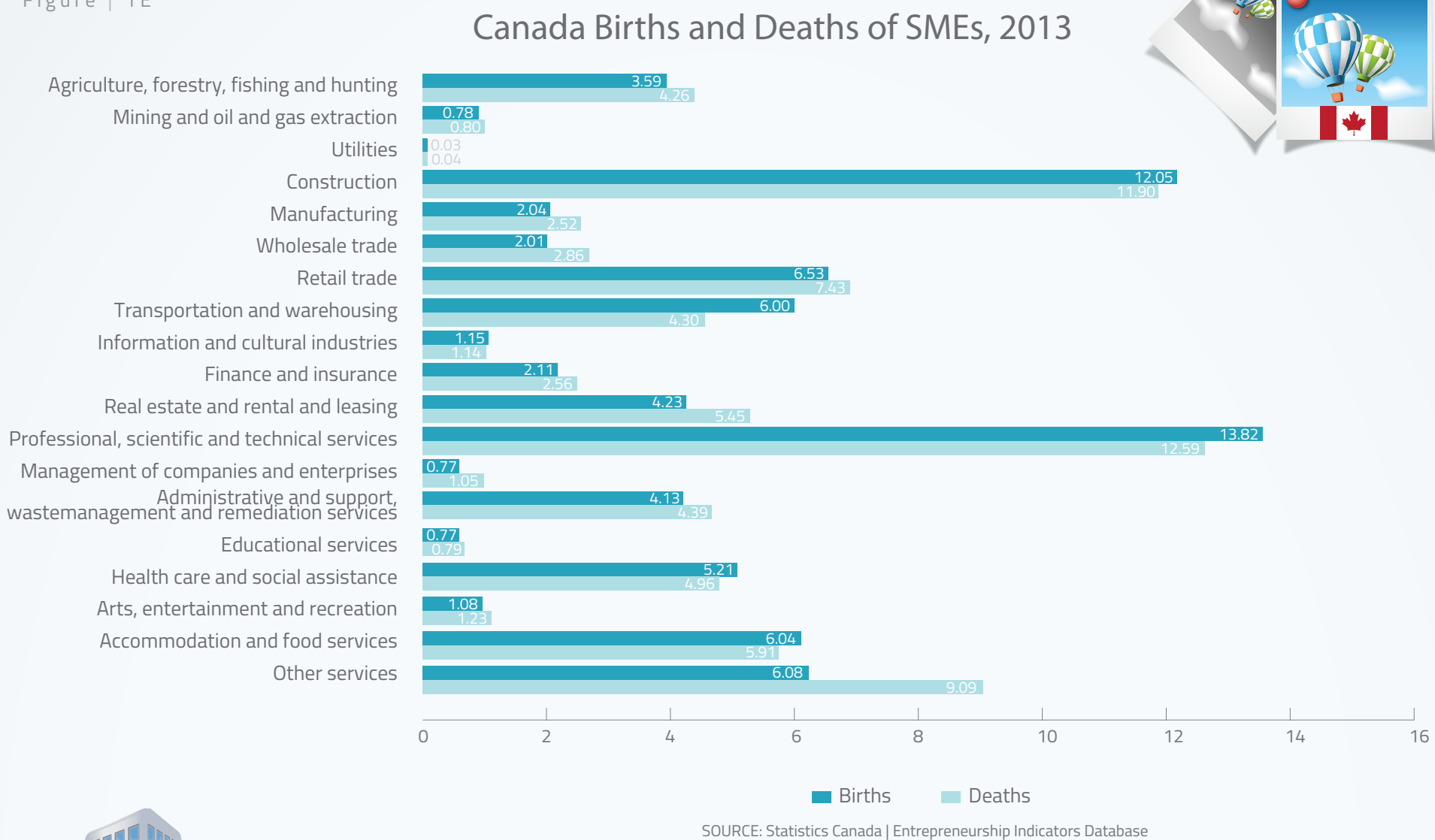


HOW MANY BUSINESSES APPEAR AND DISAPPEAR EACH YEAR?

Thousands of businesses enter and exit the marketplace throughout the year. Figure 1E shows how many SMEs appeared and disappeared in Canada in 2013. The greatest number of SME births (13,820) and deaths (12,590) occurred in professional, scientific and technical services, followed by construction (12,050 births and 11,900 deaths). Mining and oil and gas extraction had the fewest SME births and deaths (780 and 800 respectively). In 2013, the total number of SME births was 78,430, compared with 83,240 deaths, which resulted in a net decrease of 4,810 businesses.

Figure | 1E



WHAT IS THE SHARE OF HIGH-GROWTH FIRMS?

Firms that achieve high growth in a short period of time tend to make a large contribution in terms of employment and wealth creation. Although policy-makers tend to associate high-growth firms with innovative high-tech firms, the reality, as discussed below, is that they are found across all industrial sectors. Figure 1F presents percentages (%) of HGFs across different industries between 2010 and 2013 based upon revenue and employment.

As illustrated, there are HGFs in every industry. In the goods-producing sector, the greatest proportions of HGFs are found in construction (11.7%) and manufacturing (11.0%). In the service-producing sector, industries with the highest share of HGFs occur in professional and technical services (11.6%), and transportation and warehousing (10.2%). Overall, the proportion of HGFs in terms of revenue is twice as high as the proportion of HGFs based upon employment (7.4% versus 3.4% respectively).

Figure | 1F

