

# **29th Voorburg Group Meeting**

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## **Mini Paper on Turnover/Output for Specialized Design Activities in Canada**

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## **1.0 Definition of the service**

The *Specialized Design Services* industry is defined in the North American Industrial Classification System Canada, under NAICS 5414, and covers establishments that are primarily engaged in interior design services (NAICS 54141), industrial design services (NAICS 54142), graphic design services (NAICS 54143) and other specialized design services (NAICS 54149). Establishments in this industry carry out operations necessary for “providing specialized design services, except architectural, engineering and computer systems design”.

## **2.0 Unit of measurement being collected**

Turnover is collected annually through the *Survey of Service Industries: Specialized Design*, sent to establishments. The survey is sent to four industries: interior design services (NAICS 54141), industrial design services (NAICS 54142), graphic design services (NAICS 54143) and other specialized design services (NAICS 54149). See appendix, item 1, for the survey questionnaire.

Turnover is defined as the sum of sales of goods and services, grants and subsidies, royalties, rights, licensing and franchise fees and other revenue. Value added tax and other sales taxes are excluded.

'Establishment' refers to the level at which the accounting data required to measure production is available (principal inputs, revenues, salaries and wages). The establishment, as a statistical unit, is defined as the most homogeneous unit of production for which the business maintains accounting records from which it is possible to assemble all the data elements required to compile the full structure of the gross value of production (total sales or shipments, and inventories), the cost of materials and services, and labour and capital used in production.

The turnover survey collects financial information for both revenue and expense items.

Revenue is collected for the following items:

- Sales of goods and services - defined as amounts derived from the sale of goods and services (cash or credit), falling within a business's ordinary activities. Sales should be reported net of trade discount, value added tax and other taxes based on sales.
- Grants, subsidies, donations and fundraising (including non-repayable grants, contributions and subsidies from all levels of government and revenue from private sector (corporate and individual) sponsorships, donations and fundraising)
- Royalties, rights, licensing and franchise fees
- Investment income (dividends and interest) excluding equity income from investments in subsidiaries or affiliates

Expenses are collected for the following items:

- Salaries and wages including vacation pay, bonuses and profit sharing, employee commissions, severance pay and taxable allowances (e.g., room and board, vehicle allowances, gifts such as airline tickets for holidays)
- Employer portion of employee benefits
- Commissions paid to non-employees
- Professional and business services fees
- Subcontract expenses (including contract labour, contract work and custom work)
- Charges for services provided by the establishment's head office
- Cost of goods sold (purchases plus opening inventory minus closing inventory)
- Office supplies
- Rental and leasing (e.g. rental of premises, equipment, motor vehicles)
- Repair and maintenance (e.g., property, equipment, vehicles)
- Insurance (professional liability, motor vehicles, etc.)
- Advertising, marketing and promotions
- Travel
- Utilities and telecommunications expenses (include gas, heating, hydro, water, telephone and Internet expenses)

- Property and business taxes, licences and permits
- Royalties, rights, licensing and franchise fees
- Delivery, warehousing, postage and courier
- Financial services fees
- Interest expenses
- Amortization and depreciation of tangible and intangible assets
- Bad debts
- Net profit/loss after tax and other items

The survey collects a commodity breakdown of sales representative of the various industries covered by the survey. See appendix, item 2.

The survey also tries to estimate the sector of the economy that purchased the services. Respondents are asked to estimate the percentage of revenue originating from each sector:

- Clients in Canada
  - Businesses (including sales to Crown corporations)
  - Individuals and households
  - Governments, not-for-profit organizations and public institutions
- Clients outside Canada (e.g. foreign businesses, foreign subsidiaries and affiliates, foreign individuals, foreign institutions and/or governments)

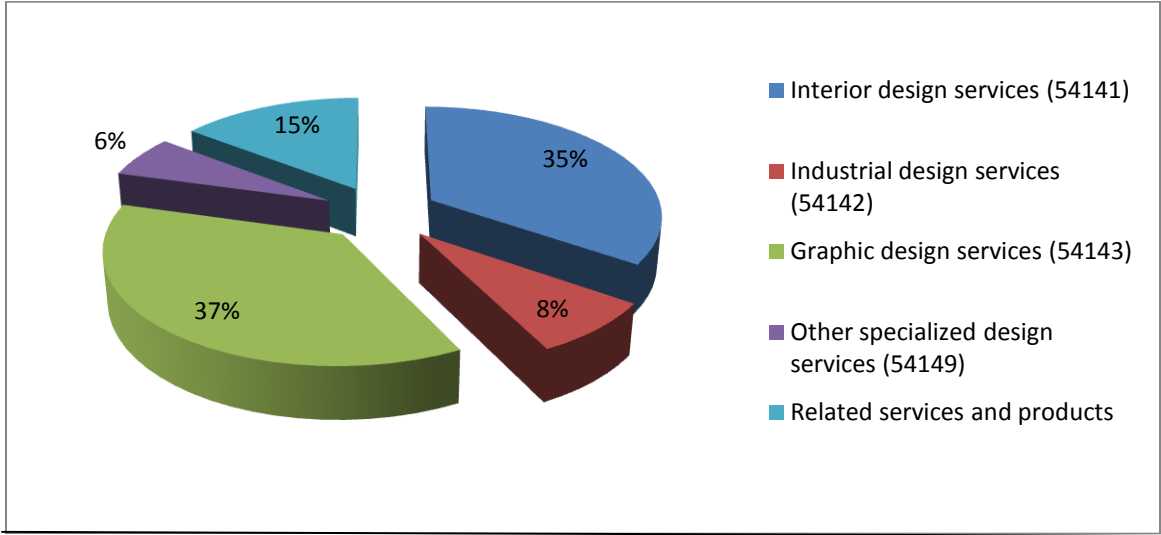
Data are also collected on the value of international transactions on goods, services, and royalties, rights, licensing and franchise fees. It covers imported services and goods purchased outside Canada as well as the value of exported services and goods to clients/customers outside Canada.

### 3.0 Market conditions and constraints

#### 3.1 Size of Industry

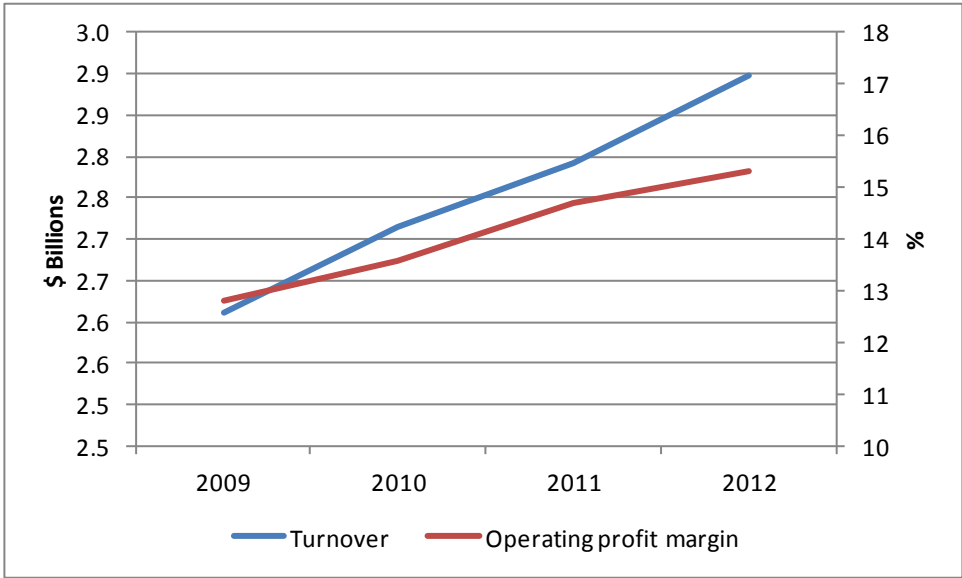
Operating revenues (turnover) generated by businesses in the specialized design services industries was \$2.9 billion in 2012. The distribution of turnover is provided in Chart 1, where the largest share of turnover is attributable to Graphic Design Services (37%) and Interior Design Services (35%), followed by Related Services and Products (15%), Industrial Design Services (8%), and Other Specialized Design Services (6%). The category “Related services and products” refers to activities such as website design and development, consulting, printing, drafting, etc., that are secondary services carried by a specialized design company.

**Chart 1: Distribution of turnover by NAICS, Specialized Design Services, 2012.**



Since 2009, the Specialized Design Services industry has seen steady growth, increasing from \$2.6 billion in 2009 to \$2.9 billion in 2012 (see Chart 2). Likewise, the operating profit margin has increased steadily over this period, up from 12.8% to 15.3% for the same period.

**Chart 2: Turnover and Profit margin, Specialized Design Services**



Since 2009, the industry has employed around 15,000 people on average throughout Canada (see Table 1). All four of the industries are labour intensive, requiring skilled and educated professional work force in each individual industry. Wages and salaries account for approximately 33% of total operating expenses, increasing 2.8% from 2011 to 2012.

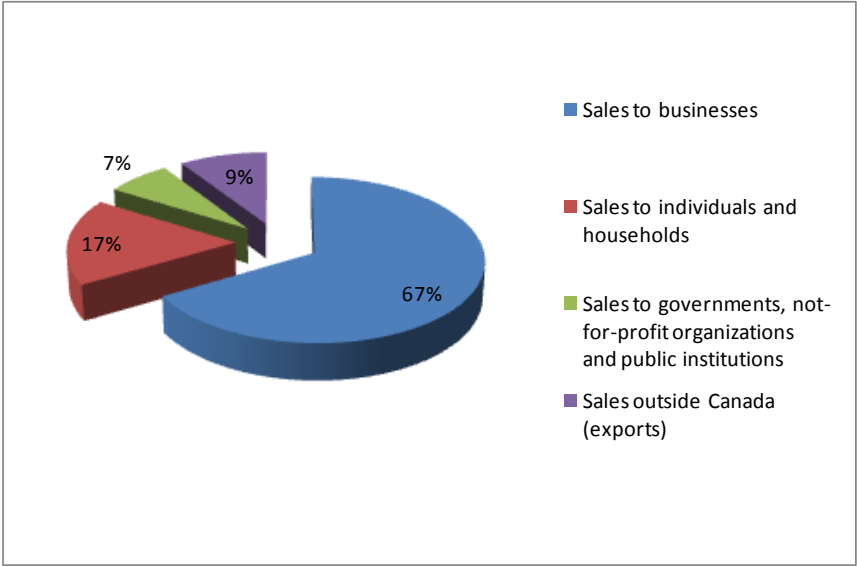
**Table 1. Salaries and Wages, Employment: Specialized Design Services**

Year	Salaries and Wages (\$ millions)	Employment
2009	768.7	14,946
2010	787.9	14,949
2011	798.8	15,242
2012	821.2	15,221

In addition, the cost of goods sold is a sizeable expense, representing on average 27% of operating expenses and reflecting the “an all-inclusive complete service”, from inception and design to the execution of the project.

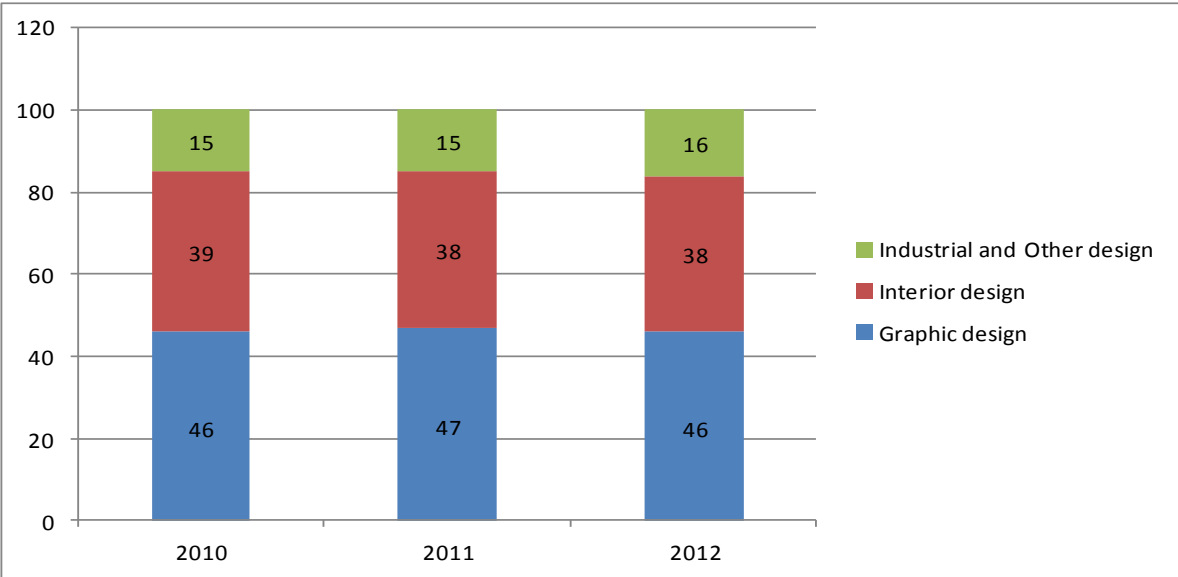
Turnover is also measured by Type of Client purchasing specialized design services. In 2012, businesses accounted for two-thirds of purchased design services, followed by individuals and households (17%), exports (9%) and government/non-profit organizations/public institutions (7%) (see Chart 3).

**Chart 3: Distribution of Turnover by Type of Client: Specialized Design Services, 2012**



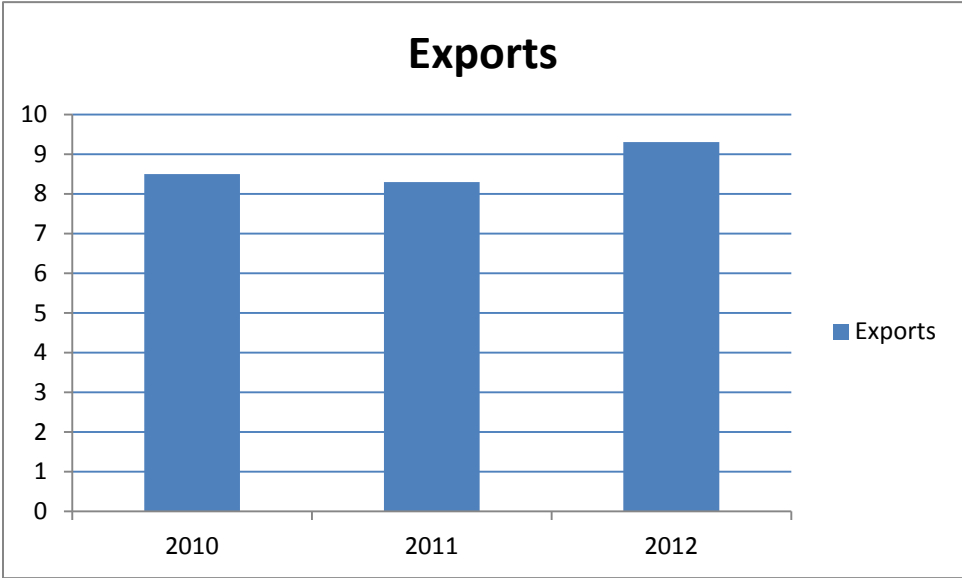
The distribution shares of turnover (sales) have remained stable from 2009 to 2012 (See Chart 4).

**Chart 4: Distribution share of Sales of Specialized design by Industry, 2010-2012**



Although domestic sales account for the majority of total sales, the industry also relies on export activity. The industry generated around 9% of its sales through exports. Export levels reached \$244 million in 2012. The level of exports relative to the overall sales remains relatively steady over the past three years, as shown in Chart 5.

**Chart 5: Exports Share of Sales: Specialized design, 2010 to 2012**



### 3.2 Special conditions and constraints

The industrial, graphic and interior design *product* is produced by more industries than just the specialized design. For example, the manufacturing and engineering industry in Canada produces a certain amount of industrial design even though design is not their primary activity. The architectural industry produces a fair amount of interior design product, and publishing and advertising industries produce some graphic design product.

There are some large companies engaging in Specialized Design industry, but they do not drive the industry estimates. The major impact on the estimates comes from the small and medium size businesses. The estimates over time have been stable and steady.



The challenge in collecting the data to develop the turnover statistics is that establishments that are classified to this service industry are often small with few or no employees to dedicate to complete the questionnaire.

With prior classification the Specialized Design industry encompassed the Landscape design as well, but with NAICS 2007 it was reclassified to the Landscape Architecture industry.

## **4.0 Standard classification structure**

### **4.1 Industrial classification**

The Specialized Design Services industry is defined in the North American Industrial Classification System (NAICS) 2012 - Canada, under NAICS 5141. It is an industry under sector 54 Professional, Scientific and Technical Services:

NAICS 2012 - Canada:

- 54 Professional, Scientific and Technical Services
- 5414 Specialized Design Services
- 54141 Interior Design Services
- 54142 Industrial Design Services
- 54143 Graphic Design Services
- 54149 Other Specialized Design Services

NAICS 5414 corresponds directly to Code 7410 in of ISIC Rev. 4.

### **4.2 Product classification**

The 2012 North American Product Classification System (NAPCS) divides Specialized Design Services into 5 categories at the 6-digit NAPCS level, with further breakdowns available at the 7-digit level for most categories. Please refer to Table 1 for a detailed classification structure. Beginning with reference year 2013, data are collected at the NAPCS 7- digit level.

**Table 1: North American Product Classification System (NAPCS) Canada 2012  
Version 1.1, Specialized Design Services**

3-Digit	6-Digit	7-Digit
•773 - Specialized design services	773111 Interior design services	7731111 Residential interior design services (except historical restoration) 7731112 Non-residential interior design services (except historical restoration) 7731113 Historic building interior design services 7731114 Interior design services (except construction management services)
	773112 Interior decorating services	7731121 Interior decorating services
	773113 Industrial design services	7731131 Product industrial design services 7731132 Model design and fabrication services
	773114 Graphic design services	7731141 Corporate identity and communications graphic design services 7731142 Advertising graphic design services 7731143 Commercial illustration services 7731144 Graphic interface and interaction design services 7731145 Broadcast and motion graphic design services 7731146 Book, magazine and newspaper graphic design services 7731147 Other graphic design services
	773115 Fashion, jewellery, footwear and other design services, not elsewhere classified	7731151 Fashion, jewellery, footwear and other design services, not elsewhere classified

## 5.0 Evaluation of standard vs. definition and market conditions

Turnover data for specialized designs (NAICS 5414) are collected from the *Annual Survey of Service Industries: Specialized Design*. The data are sampled and published by NAICS.

Turnover data for specialized designs (NAICS 5414) are collected from the *Annual Survey of Service Industries: Specialized Design*. The data are sampled and published by NAICS.

The commodities collected on the survey reflect the current structure of the NAPCS Canada (Provisional Version 1.1).

This industry group covers establishments primarily engaged in providing specialized design services, except architectural, engineering and computer systems design. It has several sub-components of services that are described in general:

- *Interior design services* - businesses mainly engaged in planning, designing and administering projects in interior spaces to meet the physical and aesthetic needs of people. The designers can work on a variety of projects, such as hospitality design, health care design, commercial design and residential design to name a few.
- *Industrial design services* – these services include creating and developing designs and specifications that optimize the function, value and appearance of products. For example, automobile industrial design services, furniture design services and industrial package design
- *Graphic design services* - covers the planning, designing and managing the production of visual communication, designing the visual layout of printed materials, web pages, packaging labels and graphics, advertising, signage systems, logos and corporate identification.
- *Other specialized design services* – includes a variety of design services such as clothing and fashion design services, shoe design services, textile design etc., and excludes engineering, landscaping, architectural and other similar professional design.

The commodities collected on the survey reflect the current structure of the NAPCS Canada (Provisional Version 1.1).

The entire turnover survey is part of a new Integrated Business Statistics Program (IBSP) framework that is being implemented in Statistics Canada beginning with reference year 2013. The IBSP framework includes a common Business Register as the frame for all business surveys; a tax data universe for the estimation of financial information; electronic data collection as the principal mode of collection; and a common editing strategy for automated and manual editing.

## **6.0 National accounts concepts and measurement issues related to GDP measurement**

In the Input-Output Accounts GDP benchmarks in nominal terms are produced, using *the Annual Survey of Industries: Specialized Design* data as the primary data source. The survey data integrates directly to the industry in the IO current dollar program and is a primary data source.

One of the common challenges to this and service industries in general is providing a “clean” estimate of the cost of goods sold. The reported estimates of the cost of goods sold (the survey question attempts to estimate the cost of goods purchased for resale) is often contaminated with direct labour costs and other operating expenses. The mixing in of labor and other expenses makes the estimation of IO industry control totals challenging for output, intermediate input and value added. Generally, the level of wages is too low relative to estimates from the reported tax data, and an adjustment needs to be made for the overhead and direct expenses embedded in the cost of sales and allocate them to intermediate input as well as compensation of employees.

In general, to calculate constant price annual value added estimates by industry from the Input-Output accounts, a double deflation method is used. The real value added by industry is derived by taking the difference between the industry gross output and the sum of industry intermediate inputs (that is, goods, services and energy) in constant prices. Deflated industry output is the summation of deflated output by commodity, and deflated industry input is the summation of deflated input by commodity. The double deflation method is applied to derive the constant price value added for *Specialized Design Services industry*. The major output commodity, Specialized Design Services of the industry is deflated using

Average Weekly Earnings from the Survey of Employment Payrolls and Hours (SEPH) because there is no SPPI for the Specialized Design Services industry.

Projections for monthly GDP by industry are undertaken directly in volume (real) terms using employment data from SEPH. This is the case for many service industries for which there is no other sub-annual information.

## **7.0 Turnover data methods**

Statistics Canada produces annual turnover statistics by industry and in current dollars at both the provincial and Canada level. Product detail is produced currently at the Canada level only. These statistics are published with a lag of about 15 months following the end of the reference period.

Turnover for the specialized design services industry is collected annually as through *the Annual Survey of Industries: Specialized Design*, sent to establishments. This survey collects data for several sub-industries: Interior Design Services, Industrial Design Services, Graphic Design Services and Other Specialized Design Services. Data collected from businesses are aggregated with information from administrative sources to produce official estimates of national and provincial economic production for these industries.

The survey questionnaire contains generic modules designed to cover several service industries, with questionnaire modules covering revenue, expense, and employment. In order to reduce respondent burden, smaller firms receive a characteristics questionnaire (shortened version) which does not include the revenue and expense modules. For smaller firms, revenue and expense data are extracted from administrative files.

The basic objective of the survey is to produce estimates for the whole industry - incorporated and unincorporated businesses. The data come from two different sources: a sample of all businesses with revenue above or equal to a certain threshold (note: the threshold varies between surveys and sometimes between industries and provinces in the same survey) for which either survey or administrative data may be used; and administrative data only (what is referred to as tax replacement) for businesses with revenue below the specified threshold. It should be noted

that only financial information is available from businesses below the threshold; e.g., revenue and expenses such as depreciation and salaries, wages and benefits. Detailed characteristics are collected only for surveyed establishments.

The list of establishments make up the survey frame, which is the basis from which the portion eligible for sampling is determined and the sample is taken. The frame provides basic information about each firm including address, industry classification and information from administrative data sources. The frame is maintained by Statistics Canada's Business Register Division and is updated using administrative data.

This is a sample survey with a cross-sectional design. Prior to the selection of a random sample, establishments are classified into homogeneous groups (i.e. groups with same NAICS codes and same geography). Quality requirements are targeted, and then each group is divided into sub-groups called strata: take-all, must-take, and take-some. The take-all stratum represents the largest firms in terms of performance (based on revenue) in an industry. The must-take stratum comprises units that are selected based on complex structural characteristics (multi-establishment, multi-legal, multi-NAICS, or multi-province enterprises). All take-all and must-take firms are selected to the sample. Units in the take-some strata are subject to simple random sampling.

The targeted sample size for reference year 2012 is 1,256 collection entities in the Specialized Design industry. The industry stratification is at the NAICS-5 level and geographical stratification at the provincial level. The size variable is either the gross business income provided on the business register, an administrative tax variable, or other specified revenue.

Sampling parameters for the Annual Survey of Specialized Design are:

RY2011 Effective Sample size = 1,244

Tax replacement only = 155

Tax replacement with characteristics questionnaire = 883

Units receiving full questionnaire = 417

The survey of Specialized Design along with other surveys is part of the electronic reporting, which Statistics Canada introduced in 2008. In 2012, over 52% of sampled units responded using the electronic questionnaire.

## **8.0 Evaluation of comparability of turnover/output data with price index practices**

Currently, there is no SPPI for the Specialized Design Services industry. There are plans to eventually develop survey price and produce an SPPI for this service.

## **9.0 Summary**

The nature and composition of the specialized design industry does not engender a frenzy of mergers and acquisitions as some other industries do. However, the frame is composed of small and medium size businesses, which from time to time change ownership, go out of business, form a new company, or business activities wind down. The resulting change in output composition can lead to changes on the frame, which in turn requires the continual maintenance of the frame to ensure up-to-date business structures.

Other than the reclassification of Landscape design away from the Specialized design industry, there have been no other changes to the survey structure, even with the introduction of NAPCS 2012 and NAICS 2012. We have not altered the sampling strategy for RY2013 and, thus, the publishing intentions for the turnover survey will continue to group the six-digit NAICS within their five-digit groupings.

## Appendix

1. Sample of the *Specialized Design Service Industries* survey questionnaire, reference year 2012



# 2012 Survey of Service Industries: Specialized Design

**This document is confidential when completed.**  
Si vous préférez recevoir ce questionnaire en français, veuillez nous appeler au numéro sans frais suivant : 1-800-972-9692.

If necessary, please make address label corrections in the boxes below.

0001	Legal name	0004	Address (number and street)	
0002	Business name	0005	City	
0021	Title of contact	0006	Province/territory or state	
0008	First name of contact	0003	Country	0007
0028	Last name of contact	0010	Language preference	
			1 <input type="radio"/> English	2 <input type="radio"/> French

This information is collected under the authority of the *Statistics Act*, Revised Statutes of Canada, 1985, Chapter S-19.  
**COMPLETION OF THIS QUESTIONNAIRE IS A LEGAL REQUIREMENT UNDER THIS ACT.**

## A - Introduction

### Survey purpose

This survey collects the financial and operating data needed to develop national and regional economic policies and programs. Your information may also be used by Statistics Canada for other statistical and research purposes, in conformity with its mandate. Please access [www.statcan.gc.ca/survey-enquete/index-eng.htm](http://www.statcan.gc.ca/survey-enquete/index-eng.htm) for more information on this survey.

### Security of emails and faxes

Statistics Canada advises of the risk of interception by a third party when transmitting information by email or fax. Once we receive your questionnaire, however, Statistics Canada provides a guaranteed level of protection, which covers all information collected under the authority of the *Statistics Act*. **Note:** Our online questionnaires are secure, so there is no risk of interception when you respond to our surveys online.

### Confidentiality

The *Statistics Act* protects the confidentiality of information collected by Statistics Canada.

### Data-sharing agreements

To reduce respondent burden, Statistics Canada has entered into data-sharing agreements with provincial and territorial statistical agencies and other government organizations, which have agreed to keep the data confidential and use them only for statistical purposes.

Information on confidentiality, data-sharing agreements and record linkages can be found on the last page of this questionnaire.

### Please return the questionnaire within 30 days.

Please mail the completed questionnaire in the enclosed envelope or fax it to Statistics Canada at 1-888-883-7999.

Lost the return envelope or need help? Call us at 1-800-972-9692 or mail to:  
Statistics Canada, Operations and Integration Division, 150 Tunney's Pasture Driveway, Ottawa, Ontario K1A 0T6

Visit our website at [www.statcan.gc.ca](http://www.statcan.gc.ca)



## B - Main business activity

1. Please describe the nature of your business.

0055


2. Please check the **one main activity** which most accurately represents your **main** source of revenue.

0252

**Interior design services:** business units primarily engaged in planning, designing and administering projects in interior spaces. Interior designers and interior design consultants work in areas such as hospitality design, health care design, institutional design, commercial and corporate design and residential design.

0253

**Industrial design services:** business units primarily engaged in creating and developing designs and specifications that optimize the function, value and appearance of products. These services can include the determination of the materials, construction, mechanisms, shape, colour, and surface finishes of the product.

0254

**Graphic design services:** business units primarily engaged in planning, designing and managing the production of visual communication, so as to convey specific messages or concepts, clarify complex information or project visual identities. These services can include the design of printed materials, packaging, video screen displays, advertising, signage systems and corporate identification.

0255

**Other specialized design services:** business units not classified to any other industry, primarily engaged in providing professional design services. Examples include: fashion design, float design, jewellery design, shoe design, textile design, costume design, set design.

0040

None of the above — Please call 1-800-972-9692 for further instructions.

## C - Reporting period information

1. Please report information for your **fiscal year** (normal business year) **ending between** April 1, 2012 and March 31, 2013. Please indicate below the period covered by this questionnaire.

from <sup>0011</sup>  to <sup>0012</sup>

2. If the reporting period does not cover a **full year**, please check the reason(s) below:

<sup>0031</sup> 1  seasonal operations    2  new business    3  change of fiscal year    4  change of ownership    5  ceased operations    6  temporarily inactive

## Reporting instructions

- Report for business unit(s) specified on the label on the front page.
- Complete only the questions that apply to your business.
- When precise figures are not available, please provide your best estimate.
- Report in Canadian dollars. Dollar amounts and percentages should be rounded to whole numbers.
- Consult the reporting guide at [www.statcan.gc.ca/guides-e](http://www.statcan.gc.ca/guides-e) for further information.

## D - Revenue

A detailed breakdown may be requested in other sections.

	CANS
1. <b>Sales of goods and services</b> (e.g., rental and leasing income, commissions, fees, admissions, services revenue) Report net of returns and allowances.	2299
2. Grants, subsidies, donations and fundraising	2068
3. Royalties, rights, licensing and franchise fees	2022
4. Investment income (dividends and interest)	2097
5. Other revenue <sup>2001</sup> (please specify):	2077
6. <b>Total revenue</b> (sum of questions 1 to 5)	2098

## E - Expenses

		CANS
	3010	
1. Salaries and wages of employees who have been issued a T4 statement		
2. Employer portion of employee benefits ( <b>include</b> employer contributions to pension, medical/life insurance plans, employment insurance, etc.)	3040	
	4466	
3. Commissions paid to non-employees		
	4315	
4. Professional and business services fees (e.g., legal, accounting)		
	3060	
5. Subcontract expenses ( <b>include</b> contract labour, contract work and custom work)		
	4555	
6. Charges for services provided by your head office		
	5721	
7. Cost of goods sold, if <b>applicable</b> (purchases <b>plus</b> opening inventory <b>minus</b> closing inventory)		
	3301	
8. Office supplies		
	4115	
9. Rental and leasing ( <b>include</b> rental of premises, equipment, motor vehicles, etc.)		
	4178	
10. Repair and maintenance (e.g., property, equipment, vehicles)		
	4350	
11. Insurance ( <b>include</b> professional liability, motor vehicles, etc.)		
	4365	
12. Advertising, marketing and promotions (report charitable donations at question 22)		
	4370	
13. Travel, meals and entertainment		
14. Utilities and telecommunications expenses ( <b>include</b> gas, heating, hydro, water, telephone and Internet expenses)		
	4084	
	4410	
15. Property and business taxes, licences and permits		
	4440	
16. Royalties, rights, licensing and franchise fees		
	4179	
17. Delivery, warehousing, postage and courier		
	4325	
18. Financial services fees		
	4630	
19. Interest expenses		
	4520	
20. Amortization and depreciation of tangible and intangible assets		
	4542	
21. Bad debts		
22. All other expenses (please specify):	4531	4569
23. Total expenses (sum of questions 1 to 22)		4699
		4600
24. Corporate taxes, if applicable		
		4601
25. Gains (losses) and other items (see reporting guide)		
		2304
26. Net profit/loss after tax and other items (see reporting guide)		

## F - Industry characteristics

Please provide a breakdown of your sales, indicating amounts in Canadian dollars or percentages.

### Interior design services

	9973	1	\$	or	2	%
1. Interior design services, including construction management	2888					
a) residential interior design services, except historical restoration	2889					
b) non-residential interior design services, except historical restoration	2890					
c) historic building interior design services, including historical restoration	8209					
2. Interior design services, not including construction management	2891					
3. Interior decorating services						

### Industrial design services

4. Product industrial design services	2593					
5. Model design and fabrication services	2594					

### Graphic design services

6. Corporate identity and communications graphic design services	2596					
7. Advertising graphic design services	2597					
8. Commercial illustration services	2892					
9. Graphic interface and interaction design services (includes video game interface)	2893					
10. Book, magazine and newspaper graphic design services	2894					
11. Broadcast and motion graphic design services	2895					
12. All other graphic design services (e.g., signage, packaging, typeface design)	2598					

### Fashion, jewellery, footwear and other design services

13. Clothing, shoe, textile, jewellery, and other specialized design services not elsewhere classified	2599					
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### Related services and products

14. Website design and development services	2768					
15. Consulting services	2769					
16. Printing services	2601					
17. Drafting services	2600					
18. Sales of merchandise purchased for resale as is	2028					
19. All other sales (please specify):	2559				2558	
20. Total sales (sum of questions 1 to 19)					2305	

G - Personnel		
1. Number of partners and proprietors, <b>non-salaried</b> (if salaried, report at question 2 below)	6321	<input type="text"/>
2. Paid employees		
a) average number of paid employees during the reporting period (see reporting guide)	6339	<input type="text"/>
b) percentage of paid employees (from question 2a) who worked <b>full time</b>	6328	<input type="text"/> %
3. Number of contract workers for whom you did not issue a T4, such as freelancers and casual workers (estimates are acceptable)	6320	<input type="text"/>

H - Sales by type of client		
Please provide a percentage breakdown of your sales by type of client.		
1. Clients in Canada		%
a) <u>businesses</u>	8112	<input type="text"/>
b) <u>individuals and households</u>	8100	<input type="text"/>
c) <u>governments, not-for-profit organizations and public institutions (e.g., hospitals, schools)</u>	8233	<input type="text"/>
2. Clients outside Canada	8140	<input type="text"/>
		<b>100%</b>

I - Sales by client location		
Please provide a percentage breakdown of your sales by client location (first point of sale).		
1. Newfoundland and Labrador	8400	<input type="text"/>
2. Prince Edward Island	8415	<input type="text"/>
3. Nova Scotia	8405	<input type="text"/>
4. New Brunswick	8410	<input type="text"/>
5. Quebec	8420	<input type="text"/>
6. Ontario	8425	<input type="text"/>
7. Manitoba	8430	<input type="text"/>
8. Saskatchewan	8435	<input type="text"/>
9. Alberta	8440	<input type="text"/>
10. British Columbia	8445	<input type="text"/>
11. Yukon	8455	<input type="text"/>
12. Northwest Territories	8451	<input type="text"/>
13. Nunavut	8452	<input type="text"/>
14. Clients outside Canada (must equal question 2 in section H)	8401	<input type="text"/>
		<b>100%</b>

## J - International transactions

### Exports

0531  
 1. Did you receive revenue from clients outside Canada for the **export** of goods, services, royalties, rights, licensing or franchise fees?  **yes, complete questions 2, 3 and 4**  
 3  **no, go to question 5** CANS

0666

2. Please report revenue received from **exports**.

3. Please provide a percentage breakdown of **exports** by: %

a) <u>goods</u>	0667	<input type="text"/>
b) <u>services</u>	0668	<input type="text"/>
c) <u>royalties, rights, licensing and franchise fees</u>	0669	<input type="text"/>
		<b>100%</b>

4. Please provide a percentage breakdown of **exports** by country: %

a) <u>United States</u>	0748	<input type="text"/>
b) <u>Mexico</u>	0749	<input type="text"/>
c) other countries (please specify):	0724	0750
<input type="text"/>	0676	0672
<input type="text"/>	0677	0673
<input type="text"/>	0678	0674
<input type="text"/>	0679	0675
		<b>100%</b>

### Imports

0715  
 5. Did you make payments to suppliers outside Canada for the **import** of goods, services, royalties, rights, licensing or franchise fees?  **yes, complete questions 6, 7 and 8**  
 3  **no, go to next section** CANS

0717

6. Please report payments made for **imports**.

7. Please provide a percentage breakdown of **imports** by: %

a) <u>goods</u>	0736	<input type="text"/>
b) <u>services</u>	0737	<input type="text"/>
c) <u>royalties, rights, licensing and franchise fees</u>	0738	<input type="text"/>
		<b>100%</b>

8. Please provide a percentage breakdown of **imports** by country: %

a) <u>United States</u>	0751	<input type="text"/>
b) <u>Mexico</u>	0752	<input type="text"/>
c) other countries (please specify):	0743	0753
<input type="text"/>	0744	0739
<input type="text"/>	0745	0740
<input type="text"/>	0746	0741
<input type="text"/>	0747	0742
		<b>100%</b>

**K - Not applicable**

**L - Contact information**

Name of person to contact about this questionnaire:

0026 1  Mr. 2  Mrs. 3  Miss 4  Ms

0054 Last name

0017 Telephone number

0027 Extension number

0013 First name

0016 Fax number

0014 Title

0020 Website address

0018 E-mail address

0015 Date completed:

9910 hour(s)   9909 minutes

How long did you spend collecting the data and completing the questionnaire?

**M - Comments**

We invite your comments below. Please be assured that we review all comments with the intent of improving the survey.

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## General information

### Confidentiality

#### Your answers are confidential.

Statistics Canada is prohibited by law from releasing any information it collects which could identify any person, business, or organization, unless consent has been given by the respondent or as permitted by the *Statistics Act*.

Statistics Canada will use information from this survey for statistical purposes.

### Data-sharing agreements

To reduce respondent burden, Statistics Canada has entered into data-sharing agreements with provincial and territorial statistical agencies and other government organizations, which have agreed to keep the data confidential and use them only for statistical purposes. Statistics Canada will only share data from this survey with those organizations that have demonstrated a requirement to use the data.

**Section 11** of the *Statistics Act* provides for the sharing of information with provincial and territorial statistical agencies that meet certain conditions. These agencies must have the legislative authority to collect the same information, on a mandatory basis, and the legislation must provide substantially the same provisions for confidentiality and penalties for disclosure of confidential information as the *Statistics Act*. Because these agencies have the legal authority to compel businesses to provide the same information, consent is not requested and businesses may not object to the sharing of the data.

For this survey, there are **Section 11** agreements with the provincial and territorial statistical agencies of Newfoundland and Labrador, Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba, Saskatchewan, Alberta, British Columbia, and the Yukon.

The shared data will be limited to information pertaining to business establishments located within the jurisdiction of the respective province or territory.

**Section 12** of the *Statistics Act* provides for the sharing of information with federal, provincial or territorial government organizations. Under **Section 12**, you may refuse to share your information with any of these organizations by writing a letter of objection to the Chief Statistician and returning it with the completed questionnaire. Please specify the organizations with which you do not want to share your data.

For this survey, there are **Section 12** agreements with the statistical agencies of Prince Edward Island, the Northwest Territories and Nunavut.

For agreements with provincial and territorial government organizations, the shared data will be limited to information pertaining to business establishments located within the jurisdiction of the respective province or territory.

### Record linkages

To enhance the data from this survey, Statistics Canada may combine it with information from other surveys or from administrative sources.

**Thank you for completing this questionnaire.**

**Please retain a copy for your records.**

**Visit our website at [www.statcan.gc.ca](http://www.statcan.gc.ca)**

Questionnaire item number	Industry characteristics (type of service provided)	NAPSC
1	<b>Information technology (IT) technical consulting services</b>	541061.1
2	Custom software design and development services	541051.1
2a	Website design and development services	541051.1.1
2b	Database design and development services	541051.1.2
2c	Customization and integration of packaged software	541051.1.4
2d	Video game design and development services	
2e	Other custom software development services	541051.1.3
3	<b>Computer systems and network design and development services</b>	
3a	Network design and development services (include network security design)	541069.1
3b	Computer system design, development and integration services	541069.2.2
4	Hosting and information technology (IT) infrastructure provisioning services (e.g., Website hosting, application service provisioning, business process management services, collocation, data storage and management)	518001.1
5	<b>IT infrastructure and network management services</b>	
5a	Network management services	518001.2.1
5b	Computer systems management services	518001.2.2
6	Information and document transformation services (e.g., imaging, data conversion, and migration)	518001.3
7	IT technical support services (for hardware or software: <b>include</b> disaster recovery services)	541069.3
8	<b>Software publishing</b>	
8a	System software ( <b>include</b> programming languages)	511031.1.1
8b	Application software	511031.1.2
8c	Video gaming software	
9	<b>Re-sale of computer hardware and software (retail and wholesale; include resale of end-use software licenses)</b>	
9a	Computer hardware	
9b	Computer software	
10	IT related training services	
11	All other sales (please specify)	
12	Total sales (sum of questions and sub-questions 1 to 11)	

The table above outlines the Industry characteristics, i.e. the type of service provided by the companies covered by this survey. The services are classified according to NAPCS. The questionnaire for this survey is designed to use only the highest level of NAPCS.

SAMPLE