

2009 Survey of Service Industries: Software Development and Computer Services

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Reporting Guide

This guide is designed to assist you as you complete the 2009 Survey of Service Industries. If you need more information, please call the Statistics Canada Help Line at the number below.

Help Line: 1-888-881-3666

Your answers are confidential.

Statistics Canada is prohibited by law from releasing any information from this survey which would identify a person, business, or organization, without their prior consent. The confidentiality provisions of the *Statistics Act* are not affected by either the *Access to Information Act* or any other legislation. **The Canada Revenue Agency cannot access identifiable survey data from Statistics Canada.**

These survey data will only be used for statistical purposes and will be published in an aggregate form only.

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B - Main business activity

1. Please describe the nature of your business.

To ensure that you have received the appropriate questionnaire, you are asked to describe the nature of your business. The description should briefly state the main activities of your business unit.

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

A "business unit" is defined as a level of the firm for which separate records are kept for revenues, expenses and employment.

The information technology industries covered by this survey are defined using the North American Industry Classification System (NAICS). The NAICS is part of an international framework to allow for the comparison of industrial performance between different countries. The three industries covered are:

- software publishers (includes packaged software development and publishing);
- data processing, hosting and related services (includes web hosting, streaming services, application hosting, processing and preparation of reports from data supplied by the customer, optical scanning, data entry etc.);
- computer systems design and related services (includes information technology consulting, systems and network design, systems engineering, customized software programming and integration, website design and development, etc.).

In order to help you choose the category that best describes the activity of your business, we include a formal definition of the inclusions and exclusions of each category below. If you require further help on this question, or if you feel that you are part of another NAICS industry, please call our help line.

Software publishers

This industry comprises commercial units primarily engaged in publishing computer software, usually for multiple clients and generally referred to as packaged software. Establishments in this industry carry out operations necessary for producing and distributing computer software, such as designing, providing documentation, assisting in installation and providing support services to software purchasers. These establishments may design and publish, or publish only.

Include:

- computer software publishing (including designing and developing), packaged;
- computer software, all formats, packaged, publishers;
- games, computer software, packaged, publishers;

- publishers, packaged computer software, all formats.

Exclude:

- mass duplication of software;
- reselling packaged software;
- publishing software exclusively on the Internet;
- providing access to software for clients from a central host site;
- custom designing software to meet the needs of specific users.

Data processing, hosting, and related services

This industry comprises commercial units primarily engaged in providing hosting or data processing services. Hosting establishments may provide specialized hosting activities, such as web hosting, streaming services or application hosting, or may provide general time-share mainframe facilities to clients. Data processing establishments may provide complete processing and preparation of reports from data supplied by the customer; specialized services, such as automated data entry; or they may make data processing resources available to clients on an hourly or time-sharing basis.

Include:

- application hosting;
- automatic data processing, computer services;
- computer input preparation services;
- computer processing;
- computer time-sharing services;
- computer time, rental;
- computer processing services;
- data entry services;
- data processing, computer services;
- disk and diskette conversion services;
- leasing of computer time;
- microfilm recording and imaging service;
- optical scanning data services;
- service bureaus, computer;
- web hosting.

Exclude:

- processing financial transactions;
- computer facilities management;
- data keying or keypunch services, text processing or desktop publishing;
- access to microcomputers and office equipment from a retail location.

Computer systems design and related services

This industry comprises commercial units primarily engaged in providing expertise in the field of information technologies through one or more activities, such as writing, modifying, testing and supporting software to meet the needs of a particular customer. This includes: the creation of Internet home pages; planning and designing computer systems that integrate hardware, software and communication technologies; on-site management and operation of clients' computer and data processing facilities; providing advice in the field of information technologies; and other professional and technical computer-related services.

Include:

- application software programming services, custom;
- CAD/CAM systems services;
- CAE (computer-aided engineering) systems services;
- computer consulting services;
- computer disaster recovery services;
- computer facilities management services;
- computer hardware consulting services;
- computer programming services, custom;
- computer programs or systems software development, custom;
- computer software consulting services;
- computer software programming services, custom;
- computer software systems analysis and design, custom;
- computer systems analysis and design services;
- computer systems design consulting services;
- computer systems integrators;
- computer-aided design (CAD) systems services;
- data processing facilities management services;
- design and system analysis, computer services (software);
- facilities management services, computer;
- facilities support services, computer;
- information management system design services, computer;
- internet page design services, custom;
- local area network (LAN) systems integrators;
- management information systems design consulting services;
- office automation, computer systems integration;
- requirements analysis, computer hardware;

- software installation services;
- systems engineering (system integration);
- systems integration, computer;
- web page developing.

Exclude:

- retailing computer hardware and software and providing support services;
- publishing packaged software;
- providing data processing services.

C - Reporting period information

Please report information for your **fiscal year** (normal business year) **ending between** April 1, 2009 and March 31, 2010. Please indicate the reporting period covered by this questionnaire.

F - Industry characteristics

Sales breakdown by products

1. Information technology (IT) technical consulting services

The provision of advice or expert opinion on technical matters related to the use of information technology. This includes advice on matters such as hardware and software requirements and procurement, systems integration, and systems security. The provision of expert testimony on IT related issues are also included here.

2. Custom software design and development services

a) Web site design and development services

This service consists of designing the structure and content of a web page and/or writing the computer code necessary to create and implement a web page.

b) Database design and development services

This service consists of designing the structure and content of a database and/or of writing the computer code necessary to create and implement a database (data warehouse). **Exclude** contracts where the design and development of a database is bundled with the on-going management of the data holdings and are classified in the data management services sub-category.

c) Customization and integration of packaged software

This service consists of adapting (modifying, configuring, etc.) and installing an existing application so that it is functional within the clients' information system environment.

d) Other custom application design and development services

This service consists of adapting (modifying, configuring, etc.) and installing an existing application so that it is functional within the clients' information system environment or creating software to meet the specific needs of the clients.

3. Computer systems and network design and development services

a) Network design and development services (include network security design)

This service consists of designing, developing and implementing customer's networks such as Intranets, Extranets and Virtual Private Networks.

b) Computer systems design, development and integration services

This service consists of assessing an organization's computer requirements, advising on hardware and software acquisitions, developing system specifications and either putting the new system in place or providing the client with the necessary specifications to put the new system in place.

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)

• **Web site hosting services**

The service of providing the infrastructure to host a customer's web site and related files in a location that provides fast, reliable connection to the Internet.

• **Application service provisioning (ASP)**

The provision of leased software applications from a centralized, hosted, and managed computing environment.

• **Business process management**

A bundled service package that combines information-technology-intensive services with labour (manual or professional depending on the solution), machinery, and facilities to support, host and manage a business process for a client.

• **Collocation**

The provision of rack space within a secured facility for the placement of servers and enterprise platforms. The service includes the space for the client's hardware and software, connection to the Internet or

other communication networks, and routine monitoring of servers. Clients are responsible for the management of the operating system, hardware, and software.

• **Data storage**

The service of administering storage and back-up management of data such as remote back-up services, storage, or hierarchical storage management (migration).

• **Data management**

The ongoing management and administration of data as an organizational resource. Services may include performing data modelling, data mobilization, data mapping/rationalization, data mining and system architecture.

5. IT infrastructure and network management services

The service of managing and monitoring a client's IT infrastructure including hardware, software and networks.

a) Network management

The service of managing and monitoring communication networks and connected hardware to diagnose networking problems and gather capacity and usage statistics for the administration and fine-tuning of network traffic. These services also remotely manage security systems or provide security-related services.

b) Computer systems management services

Providing day-to-day management and operation of a client's computer system.

6. Information and document transformation services (e.g., imaging, data conversion and migration)

The service of converting paper documents into digital or other machine-readable formats. The service generally involves the following components: 1) document preparation, 2) scanning, optical character recognition, and other data capture activities, 3) delivery or output of the information captured into a database or a physical medium.

7. IT technical support services (for hardware or software; include disaster recovery services)

• The provision of technical expertise to solve problems for the client in using software, hardware, or entire computer system.

• The provision of customer support in using or troubleshooting software and includes upgrade services and the provision of patches and updates.

- The provision of customer support in using or troubleshooting the computer hardware and software. It includes testing and cleaning on a routine basis, and repair of IT equipment. Includes technical assistance in moving a client's computer system to a new location.
- The provision of technical expertise to solve specialized problems for the client using a computer system. These specialized services include computer auditing and assessment, data recovery, and disaster recovery.
- Services of auditing or assessing computer operations without providing advice or other follow-up action. Includes auditing, assessing and documenting a server, network or process for components, capabilities, performance, or security.
- Retrieving a client's data from a damaged or unstable hard drive or other storage medium.
- Providing standby computer equipment and duplicate software in a separate location to enable a client to relocate regular staff to resume and maintain routine computerized operations in event of a disaster such as a fire or flood.

8. Software publishing

a) System software (include programming languages)

Publication of low-level software required to manage computer resources and support the production or execution of application programs but which is not specific to any particular application.

- **Operating system software**
Software that controls a computer and its peripherals. Modern operating systems such as Windows 97, 98 and 2000, and NT handle many of a computer's basic functions.
- **Network software**
Software that monitors an active communications network in order to diagnose problems and gather statistics for administration and fine-tuning.
- **Database management software**
A program that manages all facets of a database. Primary services of database management software include storage, modification and extraction of data. Database management software also regulates user access and protects data against damage.

- **Development tools and programming languages software**

Software used to assist in the development and/or authoring of computer programs. Software products that support the professional developer in the design, development, and implementation of a variety of software systems and solutions (includes all program development tools and programming languages software).

b) Application software (include entertainment and gaming software)

Any self-contained program that performs a specific function directly for the end user.

- **General business productivity and home use applications**

Software used for general business purposes to improve productivity, or in the home for entertainment, reference or educational purposes (includes office suite applications such as word processors, spreadsheets, simple databases, graphics applications, project management software, computer-based training software, games, reference, home education, etc.).

- **Cross-industry applications**

Software that is designed to perform and/or manage a specific business function or process that is not unique to a particular industry (includes professional accounting software, human resource management, customer relations management software, geographic information system software, web page/site design software, etc.).

- **Vertical market applications**

Software that performs a wide range of business functions for a specific industry such as manufacturing, retail, healthcare, engineering, restaurants, etc.

- **Utilities software**

A small computer program that performs a very specific task. Utilities differ from other software applications in terms of size, cost and complexity. Examples include: compression programs, anti-virus, search engines, font, file viewers, and voice recognition software. Software that monitors an active communications network in order to diagnose problems and gather statistics for administration and fine-tuning.

G - Personnel

To fully measure the contribution of all human capital in this industry, we require information on the number of partners and proprietors as well as the number and classification of workers.

1. Number of partners and proprietors, non-salaried (if salaried, report at question 2 below)

For unincorporated businesses, please report the number of partners and proprietors for whom earnings will be the net income of the partnership or proprietorship.

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For unincorporated businesses, please report the number of partners and proprietors for whom earnings will be the net income of the partnership or proprietorship.

2. Paid employees

a) Average number of paid employees during the reporting period

To calculate the average number employed, add the number of employees in the last pay period of each month of the reporting period and divide this sum by the number of months (usually 12).

Exclude:

- partners and proprietors, non-salaried reported at question 1 above.

b) Percentage of paid employees (from question 2a) who worked full time

Full-time employment consists of persons who usually work 30 hours or more per week. Please specify the percentage of paid employees who have been working full time by rounding the percentage to the nearest whole number.

3. Number of contract workers for whom you did not issue a T4, such as freelancers and casual workers (estimates are acceptable)

Contract workers are not employees, but workers contracted to perform a specific task or project in your organization for a specific duration, such as self-employed persons, freelancers and casual workers. These workers are not issued a T4 information slip. Please report the number of contract workers employed by your organization during the fiscal year.

H - Sales by type of client

This section is designed to measure which sector of the economy purchases your services.

Please provide a percentage breakdown of your sales by type of client.

Please ensure that the sum of percentages reported in this section equals 100%.

1. Clients in Canada

a) Businesses

Percentage of sales sold to the business sector should be reported here.

Include:

- sales to Crown corporations.

b) Individuals and households

Please report the percentage of sales to individuals and households who do not represent the business or government sector.

c) Governments, not-for-profit organizations and public institutions (e.g., hospitals, schools)

Percentage of sales to federal, provincial, territorial and municipal governments should be reported here.

Include:

- sales to hospitals, schools, universities and public utilities.

2. Clients outside Canada

Please report the share of total sales to customers or clients located outside Canada including foreign businesses, foreign individuals, foreign institutions and/or governments.

Include:

- sales to foreign subsidiaries and affiliates.

I - Sales by client location

Please provide a percentage breakdown of your total sales by client location (first point of sale).

Please ensure that the sum of percentages reported in this section equals 100%.

The percentage in question 14 must equal question 2 in section H.

J - International transactions

This section is intended to measure the value of international transactions on goods, services, and royalties and licences 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. Please report also royalties, rights, licensing and franchise fees paid to and/or received from outside Canada. Services cover a variety of industrial, professional, trade and business services.

General information

Survey purpose

Statistics Canada conducts this survey to obtain detailed and accurate data on this industry, which is recognised as being an important contributor to the Canadian economy. Your responses are critically important to produce reliable statistics used by businesses, non-profit organizations and all levels of government to make informed decisions in many areas.

The information from this survey can be used by your business to benchmark your performance against an industry standard, to plan marketing strategies or to prepare business plans for investors. Governments use the data to develop national and regional economic policies and to develop programs to promote domestic and international competitiveness. The data are also used by trade associations, business analysts and investors to study the economic performance and characteristics of your industry.

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 must 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.

Please note that Statistics Canada does not share any individual survey information with the Canada Revenue Agency.

For more information about these data-sharing agreements, please contact Statistics Canada at **1-888-881-3666** or visit our website at www.statcan.gc.ca/survey-enquete/index-eng.htm.

Thank you!