



Unified Enterprise Survey-Annual

2001 Survey of Service Industries: Specialized Design

Information Booklet

*(Includes a reporting guide to
the questionnaire and other information
about this survey and Statistics Canada)*

**This guide is designed to provide additional information
as you work through your questionnaire.
If further assistance is required, please call us.
A Statistics Canada agent will be happy to assist you.**

Help Line: 1 888 881-3666



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Statistics Statistique
Canada Canada

Canada



Canada owes the success of its statistical system to a long-standing co-operation involving Statistics Canada, the citizens of Canada, its businesses, governments and other institutions. Accurate and timely statistical information could not be produced without their continued co-operation and goodwill.



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The Statistics Act

The *Statistics Act* requires businesses and individuals to provide information needed to produce official statistics. Mandatory response is required for this business survey because the results are used directly or indirectly for programs that are legally mandated by Parliament. You can consult a copy of the *Statistics Act* on the Statistics Canada Web site (go to www.statcan.ca, and follow the links "About Statistics Canada", then "Protecting confidentiality and privacy").

Name and address

Please make sure the information pre-printed on the front page of the questionnaire is correct. If incorrect, please make the necessary changes in the corresponding boxes.

Section A: General information

Survey purpose

Statistics Canada requires information on this industry in order to measure its trends in areas such as employment, revenue and income as well as its contribution to the Canadian economy. In completing this questionnaire, you are helping to measure the country's economic production—the gross domestic product or GDP. Businesses and governments depend on such information to make vital economic decisions. For example, the Bank of Canada uses the GDP to make decisions that influence interest and exchange rates, which in turn affect the cost of doing business.

This survey is part of the Unified Enterprise Survey (UES) program that incorporates several annual business surveys into a single framework using questionnaires with a consistent look, structure and content. Through the unified approach, firms operating in different industries provide similar information for each branch operation.

Benefits for you and your industry

Survey results allow **those in the specialized design industry** to:

- have current information about the size and characteristics of the industry;
- compare themselves to the entire industry using survey information as a benchmark;
- conduct market analysis;
- determine the breakdown of industry costs, operating ratios, expenditures, revenues and sales;
- better understand the importance of the industry to the Canadian economy.



Data-sharing agreements

To avoid duplicating surveys and to ensure more uniform statistics, Statistics Canada has entered into data-sharing agreements with provincial and territorial statistical agencies and with several government departments and agencies that also require your data. The objective is to share data from some surveys for those business establishments operating within their respective jurisdictions. **These agreements require that the shared data be used for statistical purposes and be kept confidential.** Survey participants are always informed at the time of collection if a sharing agreement applies to a particular survey.

There are two types of data-sharing agreements that exist under the *Statistics Act*.

Agreements under Section 11 of the *Statistics Act* allow to share information from the Unified Enterprise Survey program with the statistical agencies of *Newfoundland, Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba, Saskatchewan, Alberta* and *British Columbia*. These statistical agencies have been established under provincial legislation authorizing them to collect this information on their own or jointly with Statistics Canada. Their legislation also provides the same confidentiality protection and outlines similar penalties for disclosure of confidential information as the federal *Statistics Act*.

Agreements under Section 12 of the *Statistics Act* allow to share information from the Unified Enterprise Survey program with the statistical agencies of *Prince Edward Island, the Yukon, the Northwest Territories* and *Nunavut*. All these Section 12 agreements require that the information be kept strictly confidential.

Under Section 12, you may refuse to share your information with any of these agencies by writing a letter of objection to the Chief Statistician of Canada and returning it with your completed questionnaire. Please specify those agencies from which data shall be withheld.

Note regarding Section 12 agreements:

For business units in the manufacturing and forestry industries, Section 12 agreements also exist to share information with the following government departments and agencies:

Natural Resources Canada for all business units in the manufacturing industries.

The Newfoundland and Labrador Department of Natural Resources, the New Brunswick Department of Natural Resources and Energy, the Quebec Ministry of Natural Resources, the Ontario Ministry of Northern Development and Mines, the Manitoba Department of Energy and Mines and the British Columbia Ministry of Energy, Mines and Petroleum Resources for business units in Non-Ferrous Metal (except Aluminum), Smelting and Refining, Clay Building Material and addition to allowing the use of the information for statistical purposes, the agreements with these agencies also allow them to use the information in accordance with the provisions of their governing legislation.



The Ontario Ministry of Natural Resources, for business units in Logging, Sawmills (except Shingle and Shake Mills), Hardwood Veneer and Plywood Mills, Softwood Veneer and Plywood Mills, Wood Preservation, Particle Board and Fibreboard Mills, Waferboard Mills, Mechanical Pulp Mills, Chemical Pulp Mills, Paper (except Newsprint) Mills, Newsprint Mills and Paperboard Mills.

In cases where the information is reported on an amalgamated basis and relates to operations in more than one province or territory, Statistics Canada may allocate a portion of the reported information to those other operations. The allocated information will be shared in accordance with the Section 11 or 12 agreements of the *Statistics Act*, as described above.

In cases where there is a separate head office, Statistics Canada may adjust the reported revenues of that head office so that those revenues more fully reflect the value of the services the head office provides. In such cases, there will be a corresponding adjustment to the reported expenses of the units served. The adjusted information will be shared in accordance with the Section 11 or 12 agreements of the *Statistics Act*, as described above.

For more information about these data-sharing agreements, please contact Statistics Canada directly at our toll-free number **1 888 881-3666**.

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

Confidentiality

Your answers are confidential. The *Statistics Act* ensures the confidentiality of information collected by Statistics Canada. All Statistics Canada employees take an oath of secrecy and face penalties for any breach of confidentiality. Information cannot be disclosed under the Access to Information Act or any other Act.

Statistics Canada only publishes data as statistical summaries, tables and graphs so no released information can identify any individual business.

Reporting instructions

Note: Please provide information for **only** the business unit(s)¹ shown on the front page of the questionnaire. Some businesses may have divisions or units which operate in industries not covered by the survey (e.g. in construction, retail, manufacturing, etc.). If you cannot provide separate information for the specified business unit(s), please explain this in the comments section at the end of the questionnaire.

¹ A business unit is sometimes referred to as a location or operation.



Section B: Main business activity

You are asked to provide a brief description of the nature of your business activity for the business unit(s) specified on the front page of the questionnaire. The description should briefly state the main activities of your business unit(s).

A “business unit” is defined as the level of the firm for which there is a common set of activities and separate records are kept for such details as revenues, expenses and employment.

Please select the **one** business activity that is the main source of your revenue.

The categories to select from on the questionnaire use a coding system called the **North American Industry Classification System (NAICS)**. The NAICS system was developed by the statistical agencies of Canada, Mexico and the United States against the background of the North American Free Trade Agreement. It is designed to provide common definitions of the industrial structure of the three countries and a common statistical framework to facilitate the analysis of the three economies.

Under the North American Industry Classification System, the specialized design industry includes five types of consulting services. In order to help you select the category best describing your business activity, here is a short description of each:

541320 Landscape Architectural Services and Urban Planning Services

Establishments primarily engaged in planning, designing and administering the development of land areas by applying knowledge of land characteristics, location of buildings and structures, use of land areas, and design of landscape projects.

Inclusions: landscape architectural services; city planning services (except engineers); ski area planning services; golf course design services; offices of town planners; urban planning services.

Exclusions: landscaping services (installing and maintaining landscaping materials); retail nursery and garden centres that also provide landscape consulting and design services.

541410 Interior Design Services

Establishments primarily engaged in planning, designing and administering projects in interior spaces to meet the physical and aesthetic needs of people, taking into consideration building codes, health and safety regulations, traffic patterns and floor planning, mechanical and electrical needs, and interior fittings and furniture.

Exclusions: retail or wholesale locations that also provide interior design or decorating as a service.

541420 Industrial Design Services

Establishments 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, taking into consideration human needs, safety, market appeal and efficiency in production, distribution, use and maintenance.

Inclusions: automobile industrial design services; industrial design consulting services; furniture design services; scale modelling services; package design (industrial).

Exclusions: designers of clothing, shoes or jewellery (report in Other Specialized Design Services, below); firms applying principles of engineering in the design, development and utilization of machines, materials, instruments, structures, processes and systems (Engineering Services).

541430 Graphic Design Services

Establishments 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.

Inclusions: commercial art services; medical illustration services; silk-screen design services.

Exclusions: web page designers, printers and publishers; advertising firms (such as those creating or placing display advertising, or those purchasing advertising time or space from media owners and reselling it directly to advertising agencies or advertisers).

541490 Other Specialized Design Services

Establishments, not classified above, primarily engaged in providing professional design services such as clothing, shoes, jewelry, handbags, fashion designers, textiles, theatrical set design, floats, museum exhibits, etc.

Exclusions: computer design services.

Section C: Reporting period information

Your answers in this section identify your fiscal year, your period of operation, if less than a full year, and other changes that may have occurred during your fiscal year.

Section D: Business unit organization

Refers only to the business unit(s) shown on the front page of the questionnaire.



Section E: Personnel characteristics

1. If the business unit is an unincorporated business, please report the number of partners and/or working proprietors (non-salaried) whose earnings will be the net income of the partnership or proprietorship.

2. Please exclude partners and working proprietors (non-salaried) of unincorporated businesses from your count of paid employees.

If an individual can be classified to more than one of the following categories, count the individual in the 'highest' category described below. For example, a marketing/sales employee who is also a professional should be counted in the Professional category.

a) Professionals - Employees whose duties would normally require an undergraduate university degree or the equivalent.

Examples: consultants, land surveyors, geographers, geologists, scientists, graphic artists, graphic designers, photographers, architects, engineers, chemists, biologists, other science professionals, lawyers, financial analysts, accountants, computer professionals, editors, marketing and research professionals and project managers and supervisors, etc.

b) Technical and trades - Employees whose duties would normally require a community college certificate/diploma, vocational/trades accreditation or equivalent and who are not primarily involved in sales/marketing.

Examples: desktop publishers, computer programmers, computer systems analysts, network administrators, operating systems specialists, software designers and developers, industrial designers, lab technicians, draftspersons, GIS technologists, technical inspectors, mechanics, equipment operators, machinists, repairmen and maintenance workers, carpenters, warehousemen, etc .

c) Administrative, support staff and other - Staff providing clerical/administrative services and staff in production or maintenance positions that require no vocational/trades accreditation or the equivalent in on-the-job training.

Examples: administrative officers, bookkeepers, personnel officers, secretaries, receptionists, mail/distribution clerks, cleaning staff, transportation equipment operators (drivers), etc., and jobs that require no more than one-month's training for someone with no vocational/trade accreditation.

Also include the non-supervisory staff primarily engaged in the sales/marketing of products and or services, i.e. sales and marketing staff, account /sales representatives, telemarketers, etc. Exclude employees whose duties require a university degree or college certification or those whose duties are primarily supervisory.

The total number of paid employees is the sum of lines a), b) and c). If it is not possible for you to give a distribution of employees, please report the total number of paid employees.



3. Full time employees are defined as those who have worked the standard work week as observed by the business.
4. Employee turnover
These questions are asked to assess mobility within the specialized design industry.
5. Contract workers are defined as self-employed individuals who are engaged on the basis of a written contract that stipulates the deliverables as well as the terms and conditions of employment. Please report the number of contract workers hired by your business during the year.

Section F: Revenue

Revenue data are used to calculate economic statistics that provide an indication of the industry's contribution to the overall Canadian economy.

Please report revenue earned from each of the services defined below. Exclude federal or provincial sales taxes collected for remittance to a government agency.

1. Landscape architectural services - Include planning and design services for the aesthetic landscaping of parks, commercial and residential land, etc; preparing site plans, working drawings, specifications; cost estimates for land development; showing ground contours; cost estimates for vegetation to be planted, and facilities such as walks, fences and parking areas; inspection services for the work during construction.
2. Urban planning services - Include development services for programs concerning land use, site selection, control and utilization, road systems and servicing of land with a view to create and maintain systematic, coordinated urban development; feasibility studies; studies of environmental impact and economic assessments of urban development programs.
3. Interior design services - Include interior design services such as the planning and designing of interior spaces to meet the physical, aesthetic, and functional needs of people; interior decorating consulting and the drawing-up of designs for interior decorating.
4. Industrial design services - Include creation and development of designs and specifications that optimize the function, value and appearance of products. Include determination of materials, construction, mechanisms, shape, colour, and surface finishes.
5. Graphic design services - Include planning, design and management of the production of visual communication, so as to convey specific messages or concepts, clarify complex information or project visual identities. Include the design of: printed materials, packaging, video screen displays, advertising, signage systems and corporate identification.



6. Other design services - Include design of clothing, shoes or jewelry; fashion design; textile design services; theatrical set design; float design services; museum exhibit design, etc.
7. Sales of all other goods and services produced - Use the lines provided to specify any items that represent a large percentage of total operating revenue. Where a breakdown of these items is not available, a total dollar amount is sufficient. Sales from these other goods and services, while not generally part of your principal source of revenue, complete the financial picture of the activities of this business unit.
8. Total operating revenue - This is the sum of amounts reported at questions 1 to 7 inclusive.
9. Investment and other income - Include bad debt recoveries, interest income, dividends and gains on sales of assets.
10. Total revenue - This is the sum of amounts reported at questions 8 and 9.

Section G: Revenue by design activity

Please provide a percentage breakdown of Total Operating Revenue (reported in section F, question 8) by type of design activity performed: Design consultation; Provision of design services; Project management; Other design services. If "Other" design activities represent a large portion of your total operating revenue, please describe them on the line indicated on the questionnaire.

Section H: Expenses

1. Total wages and salaries of employees
Include: All wages and salaries, before deductions, paid to employees issued a T4 - Statement of Remuneration Paid form including vacation pay, severance pay, directors' fees, administrators' fees, taxable allowances, retroactive wage payments, commissions, bonuses (including profit sharing) and gratuities.
Exclude: All payments and expenses associated with outside contract workers and payments to casual labour without a T4 - Statement of Remuneration Paid form.
2. Employer portion of employee benefits
Include: Employers' contributions to health plans, insurance plans, employment insurance, pension contributions, workers' compensation, retiring allowances or lump sum payments to employees upon termination or retirement as well as contributions to any other employee benefits such as child care and supplementary unemployment (SUB) plans.
Exclude contributions to provincial health plans and education payroll taxes. Please report these payments at question 18, "All other expenses".



3. Total labour remuneration
This is the sum of amounts reported at questions 1 and 2. If no breakdown is available, report total labour remuneration here.
4. Cost of merchandise purchased for resale (if applicable)
Include purchases for resale to clients plus any opening inventory minus any closing inventory. Report, for example, the cost of furnishings, accessories, window coverings, lighting, etc., purchased for resale to clients. Exclude other costs, such as office supplies and materials used.
5. Telephone and other telecommunications expenses
Include: telephone, fax, cellular phone, or pager services for transmission of voice, data or image; internet access charges; purchased cable and satellite transmission of television, radio and music programs.
6. Rental and lease of office space or other real estate expenses
Include all related energy, fuel and water expenses if they can not be broken out from real estate rental and leasing expenses.
7. Other rental and leasing expenses
Include: motor vehicles, computers and peripherals, other machinery and equipment and other goods. Also include associated purchased fuel expenses.
8. Design work subcontracted to others
Include design services **purchased for clients**.
9. Other professional and business services fees
Include, for example, payments to employment agencies or personnel suppliers, data processing fees, payroll preparation, architectural, engineering, scientific and technical service fees, legal, accounting and auditing fees.
10. Insurance premiums
Include: insurance coverage for liability, auto, building and equipment.
Exclude: premiums paid directly to your Head Office, if applicable.
11. Advertising expenses
Include: advertising and promotional expenses such as newspaper advertising, media expenses, catalogues, business promotion, presentations, displays, etc.
12. Travel, meals and entertainment expenses
Include: passenger transportation, accommodation, meals while travelling, and other travel allowances, purchases for clients, performing arts events, sports events, etc.
13. Office supply expenses
Include: office supplies purchased for internal business use. Also, **if not capitalized**, include computers and computer software, printers, photocopiers, office furniture, etc.
Exclude **capital expenditures**, postage and courier expenses.



14. All other materials, components and supplies
15. Heat, light and power expenses
Include: all purchased energy, ie., electricity, gasoline, fuel oil, diesel fuel, propane, natural gas expenses.
16. Depreciation and amortization of vehicles, buildings and equipment
Include: depreciation and amortization of this business unit's assets including capital lease obligations. Note: Please report only the amount of expenses that you capitalized during the reporting period.
17. Interest expenses
Include: interest expenses on capital lease obligations plus all other miscellaneous interest expenses such as interest on loans, and the interest portion of mortgage payments.
18. All other expenses
Please specify your major expense items in this category.
Include: maintenance and repair expenses, bank charges, credit and debit card commissions and other financial service fees; management fees or any other service fees paid to head office and other business support units, royalties and franchise fees; property and property transfer taxes (not already reported at question 6 in this section), and business taxes; licences and permits expenses; contributions to provincial health and education payroll taxes; postage and courier expenses, inventory adjustments, losses on sales of assets, donations, etc.
Exclude: income taxes.
19. Total expenses
This is the sum of amounts reported at questions 3 to 18 inclusive.

Section I: Distribution of operating revenue by client location

This section is designed to measure the value of services sold to clients located within and outside the province of location of your business.

Example: If your Alberta office provided services to clients residing in Saskatchewan, generating fees representing 2% of the total revenues earned by the Alberta office, please report 2% on the Saskatchewan line.

Data on your operating revenue by client location will be used to improve information on the movement of goods and services between provinces and to other countries. We recognize that this may be a difficult question to answer and welcome your suggestions on how to improve it in the Comments section at the end of the questionnaire.



Section J: Distribution of operating revenue by type of client

1. Clients in Canada
This question is designed to measure which sector(s) of the Canadian economy purchase(s) your services.
2. Clients outside Canada (exports)
Please ensure that the percentage reported for clients outside of Canada is equal to the **sum** of the percentages reported for questions 14 to 23 in section I – Distribution of Operating Revenue by Client Location.

Data on your operating revenue by type of client will be used to improve information on the origins of demand for goods and services. We recognize that this may be a difficult question to answer and welcome your suggestions on how to improve it in the Comments section at the end of the questionnaire.

Section K: Certification

If the person completing the questionnaire is not the same person listed on the pre-printed information on the front page, please provide the information requested on this page. This will allow Statistics Canada to contact the right person, should there be any questions about the information provided by this firm.

Section L: Comments

We would be pleased to contact you to address your comments or to send you information from this survey.

Your comments and/or suggestions on our business survey program are most welcomed by Statistics Canada. All comments received are reviewed with the intent of improving the survey. Some of the topics to consider are listed below:

- events that may have caused significant changes in your financial data from the previous year
- questionnaire content
- new questions of interest to your industry
- questionnaire language
- use of business terminology
- clarity of questions, definitions, examples of inclusions and exclusions, information Booklet
- order and flow of questions



- timing of receipt of questionnaire and the period given for response
- other sources of data to further reduce response burden
- potential for electronic data reporting

**Thank you for completing
this questionnaire. Please retain
a copy for your records.**

Should there be any questions about the information provided, a representative from Statistics Canada may call you. Retaining a copy of this completed questionnaire for your records allows you to spend less time on the phone.

Thank you

We hope this booklet was helpful to you in completing the survey as well as providing some information about Statistics Canada. If you have suggestions on ways to improve this booklet, please write your ideas in the Comments section of the questionnaire.

A few frequently asked questions

How did this firm get selected?

Most firms are selected as part of a random sample to represent other specialized design firms with similar characteristics, such as size, employment, or revenue. Some are **selected because they dominate the specialized design** industry in Canada, or in a particular province or territory. Your answers are important to ensure the survey results provide an accurate and complete picture of your industry.

How are businesses selected for a survey?

The majority of Statistics Canada business surveys are sample surveys. This means that only certain businesses in a particular industry, within each province and territory, are selected to receive the survey questionnaire. Together, the sampled businesses represent the entire industry being studied. Most businesses in the sample are randomly selected to represent other businesses with similar characteristics, such as revenue or number of employees. Some businesses **must** be included in the sample because they contribute substantially to their particular industry or region.

Why are businesses required by law to respond?

Canadians need accurate and reliable information as the cornerstone of democratic decision-making. Through the [Statistics Act](#), Parliament has mandated Statistics Canada, as the national statistical agency, to produce such information. Business surveys provide important economic information. It is used by businesses, unions, non-profit organizations and all levels of government to make informed decisions in many areas. Because most business surveys feed directly or indirectly into legally mandated programs, mandatory response is required to ensure an adequate response rate and, therefore, reliable results.



How does Statistics Canada know to survey my firm?

The Business Register is Statistics Canada's list of all businesses in Canada, classified into specific industrial sectors. This list is the source of the firms to be included in the survey sample. The main source of this list is the Canada Customs and Revenue Agency which provides details of businesses that have a business number (BN). Once a month, Statistics Canada receives the current version of the Business Number file and processes it to update the Business Register. This monthly processing identifies businesses that are new or no longer active, and any changes to the name, address or size of small businesses.

Information collected from survey questionnaires is also used to update the Business Register. For example, if a business reports that it has changed its main business activity, its industrial code will be updated on the Business Register.

Large enterprises are contacted by Statistics Canada and inquiries are made about their legal and organizational structure, business activity and survey contacts. These inquiries are designed to keep the Business Register up-to-date. This activity is referred to as "profiling".

Why does this business receive more than one survey?

Your business may contribute to several aspects of the economy in different provinces, therefore, you may receive several Statistics Canada questionnaires. For example, a firm could receive separate food services questionnaires covering its restaurant operations in each province, as well as a retail questionnaire covering its grocery stores. Whether our surveys ask for information about financial statements, capital expenditures or innovations like electronic commerce; your responses are significant for understanding the complexity of the economy.

How is a business classified to an industry?

Statistics Canada assigns a classification code to your business based on the description you provided when you registered with the Canada Customs and Revenue Agency. We update the code when you provide us with new information in a survey.

The coding system Statistics Canada uses is called the North American Industry Classification System (NAICS). NAICS was developed by the statistical agencies of Canada, Mexico and the United States as described earlier.

At the highest level, NAICS divides the economy into 20 classifications or sectors. These sectors comprise hundreds of types of industries. To produce uniform statistics, most businesses are assigned only one code. However, if a business is involved in multiple activities, such as manufacturing and wholesale trade, Statistics Canada classifies the business' different units to the different industrial activities.



How to obtain Statistics Canada information

National inquiry service

- Telephone: 1 800 263-1136
- Telecommunications device for the hearing impaired: 1 800 363-7629
- Fax: 1 877 287-4369
- E-mail: infostats@statcan.ca

Statistics Canada Reference Centres across Canada

Halifax	(902) 426-5331
Montreal	(514) 283-5725
Ottawa	(613) 951-8116
Toronto	(416) 973-6586
Winnipeg	(204) 983-4020
Regina	(306) 780-5405
Edmonton	(780) 495-3027
Vancouver	(604) 666-3691

Visit the Statistics Canada's Web site at www.statcan.ca

Check out some of the most informative pages:

- **The Daily** (The latest Statistics Canada information available every day)
- **Canadian Statistics** (Over 350 statistical tables on a wide array of economic and social topics)
- **Information for survey participants** (Information on household and business surveys conducted by Statistics Canada)
- **Community Profiles** (Access 1996 Census results and other information for any city, town or village in Canada)
- **Census** (Results from the 1996 Census. Results from the 2001 Census will be available beginning in spring 2002)

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