

## Service bulletin

# Specialized Design Services

2012



### Highlights

Operating revenues generated by businesses in the specialized design services industries increased 3.8% to \$2.9 billion in 2012, from \$2.8 billion in 2011. Operating expenses grew by 3.1%, reaching \$2.5 billion. As revenue growth outpaced the growth of expenses, the operating profit margin rose to 15.3% in 2012, from 14.7% in 2011.

Ontario experienced the largest revenue growth in 2012 generating over half of the revenue for the entire industry group (51.9%), followed by Quebec (19.1%). Specialized design services comprise four industries: graphic design, interior design, industrial design and other specialized design services. The largest industry in the grouping, graphic design, accounted for almost half (45.8%) of all specialized design services revenues. Interior design generated another 38.5%, followed by industrial design (8.7%) and other specialized design (7.0%).

### Graphic design services

Operating revenues for the graphic design industry grew by 2.2%. The operating profit margin reached 16.8%. Over three-quarters (78.4%) of the graphic design industry sales were earned from graphic design activities, such as corporate identity and communication, advertising and commercial illustration. The remainder came from sales of other related services, such as website design, printing, and consulting.

### Interior design services

Operating revenues for the interior design industry grew by 4.6% in 2012. The operating profit margin stood at 12.8%. While over half of the sales (56.1%) were derived from residential interior design services, 19.2% were generated from non-residential interior design services. The residual 24.6% was generated from other activities, such as interior decorating services and resale of merchandise.

### Industrial design services

The industrial design industry experienced growths of 2.4% in revenues and 2.8% in expenses, thus slightly lowering the operating profit margin to 15.9% in 2012 from 16.2% in 2011. The product and model design services represented 89.2% of sales of the industry, while the remainder came from other services, such as drafting and consulting.

### Other specialized design services

Operating expenses for other specialized design services grew by 8.9% in 2012. Given the slightly higher growth rate for revenues of 11.9%, the operating profit margin rose from 16.0% in 2011 to 18.3% in 2012. The revenues of other specialized design businesses were driven by fashion design of consumer goods such as clothing, shoes, textiles and jewellery, theatrical set design, costume design, and the design of floats (87.3%); the remainder (12.7%) was derived from the resale of merchandise.

## Statistical tables

Table 1

Summary statistics for interior design services, by province and territory, 2010 to 2012

	Operating revenue	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
<b>2012 p</b>				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	x	x	x	x
Nova Scotia	7.6	6.2	2.0	18.4
New Brunswick	5.7	4.7	1.6	17.2
Quebec	180.9	153.1	44.8	15.4
Ontario	587.4	519.3	141.9	11.6
Manitoba	16.6	12.3	4.7	25.9
Saskatchewan	x	x	x	x
Alberta	139.6	119.9	31.8	14.1
British Columbia	168.6	149.3	43.4	11.5
Yukon	x	x	x	x
Northwest Territories	..	..	..	..
Nunavut	..	..	..	..
<b>Canada</b>	<b>1,114.3</b>	<b>971.2</b>	<b>271.5</b>	<b>12.8</b>
<b>2011 r</b>				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	x	x	x	x
Nova Scotia	7.7	6.4	2.1	16.8
New Brunswick	5.5	4.5	1.5	17.5
Quebec	175.4	147.3	43.5	16.0
Ontario	551.0	490.9	137.9	10.9
Manitoba	15.0	11.3	4.6	24.3
Saskatchewan	x	x	x	x
Alberta	136.5	117.7	29.3	13.8
British Columbia	166.0	149.2	41.7	10.1
Yukon	x	x	x	x
Northwest Territories	..	..	..	..
Nunavut	..	..	..	..
<b>Canada</b>	<b>1,065.4</b>	<b>933.9</b>	<b>262.5</b>	<b>12.3</b>
<b>2010 r</b>				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	x	x	x	x
Nova Scotia	6.9	5.9	2.2	15.6
New Brunswick	5.4	4.5	1.4	15.6
Quebec	171.1	144.3	43.9	15.7
Ontario	563.8	504.6	148.8	10.5
Manitoba	13.6	10.1	4.2	25.8
Saskatchewan	x	x	x	x
Alberta	131.2	113.7	27.7	13.3
British Columbia	157.8	134.8	39.8	14.6
Yukon	x	x	x	x
Northwest Territories	..	..	..	..
Nunavut	..	..	..	..
<b>Canada</b>	<b>1,057.0</b>	<b>923.4</b>	<b>269.5</b>	<b>12.6</b>

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) category 54141. See "Data sources, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

**Table 2**  
**Summary statistics for industrial design services, by province and territory, 2010 to 2012**

	Operating revenue	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
<b>2012 P</b>				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	..	..	..	..
Nova Scotia	x	x	x	x
New Brunswick	x	x	x	x
Quebec	51.4	43.1	21.7	16.1
Ontario	102.7	87.4	31.6	14.9
Manitoba	3.5	3.1	1.2	12.8
Saskatchewan	x	x	x	x
Alberta	72.3	60.8	21.0	15.8
British Columbia	18.9	15.5	6.3	17.9
Yukon	..	..	..	..
Northwest Territories	x	x	x	x
Nunavut	..	..	..	..
<b>Canada</b>	<b>252.3</b>	<b>212.2</b>	<b>82.4</b>	<b>15.9</b>
<b>2011 r</b>				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	..	..	..	..
Nova Scotia	x	x	x	x
New Brunswick	x	x	x	x
Quebec	50.5	42.3	19.8	16.3
Ontario	101.0	85.3	29.9	15.6
Manitoba	3.7	3.4	1.3	9.5
Saskatchewan	x	x	x	x
Alberta	69.4	57.1	20.2	17.7
British Columbia	18.6	16.1	7.4	13.2
Yukon	..	..	..	..
Northwest Territories	x	x	x	x
Nunavut	..	..	..	..
<b>Canada</b>	<b>246.4</b>	<b>206.4</b>	<b>79.5</b>	<b>16.2</b>
<b>2010 r</b>				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	..	..	..	..
Nova Scotia	x	x	x	x
New Brunswick	x	x	x	x
Quebec	48.6	40.3	16.9	17.2
Ontario	98.5	92.7	34.2	5.9
Manitoba	x	x	x	x
Saskatchewan	x	x	x	x
Alberta	63.6	53.3	18.7	16.2
British Columbia	18.8	15.6	5.8	17.2
Yukon	..	..	..	..
Northwest Territories	x	x	x	x
Nunavut	..	..	..	..
<b>Canada</b>	<b>236.3</b>	<b>207.5</b>	<b>77.6</b>	<b>12.2</b>

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) category 54142. See "Data sources, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

**Table 3**  
**Summary statistics for graphic design services, by province and territory, 2010 to 2012**

	Operating revenue	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
<b>2012 P</b>				
Newfoundland and Labrador	2.5	2.1	1.0	15.5
Prince Edward Island	x	x	x	x
Nova Scotia	10.3	7.0	1.7	32.2
New Brunswick	9.5	7.2	2.7	24.2
Quebec	283.9	234.2	89.5	17.5
Ontario	714.6	606.7	231.0	15.1
Manitoba	31.6	26.1	8.6	17.3
Saskatchewan	9.0	7.2	3.5	19.8
Alberta	102.7	82.2	29.1	19.9
British Columbia	154.9	124.3	45.9	19.8
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
<b>Canada</b>	<b>1,327.6</b>	<b>1,105.0</b>	<b>415.5</b>	<b>16.8</b>
<b>2011 r</b>				
Newfoundland and Labrador	2.3	1.9	0.7	18.4
Prince Edward Island	x	x	x	x
Nova Scotia	19.5	15.8	4.3	19.2
New Brunswick	10.1	8.2	2.9	19.3
Quebec	274.4	225.6	85.1	17.8
Ontario	691.9	590.1	224.0	14.7
Manitoba	29.0	24.6	7.7	15.1
Saskatchewan	8.7	7.0	3.4	19.5
Alberta	94.5	78.8	26.5	16.7
British Columbia	160.0	128.9	51.1	19.4
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
<b>Canada</b>	<b>1,299.0</b>	<b>1,088.7</b>	<b>408.1</b>	<b>16.2</b>
<b>2010 r</b>				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	x	x	x	x
Nova Scotia	21.4	18.5	3.4	13.7
New Brunswick	10.0	8.1	2.8	19.7
Quebec	265.8	224.1	80.7	15.7
Ontario	653.2	558.4	217.5	14.5
Manitoba	27.6	24.0	8.1	13.0
Saskatchewan	7.7	6.2	3.2	19.9
Alberta	91.8	78.7	31.0	14.2
British Columbia	158.9	137.5	52.1	13.5
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
<b>Canada</b>	<b>1,248.8</b>	<b>1,067.0</b>	<b>402.3</b>	<b>14.6</b>

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) category 54143. See "Data sources, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

**Table 4**  
**Summary statistics for other specialized design services, by province and territory, 2010 to 2012**

	Operating revenue	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
<b>2012 P</b>				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	..	..	..	..
Nova Scotia	1.8	1.2	0.2	30.7
New Brunswick	x	x	x	x
Quebec	36.1	31.3	6.6	13.3
Ontario	97.8	78.3	28.5	19.9
Manitoba	x	x	x	x
Saskatchewan	x	x	x	x
Alberta	16.7	13.5	4.6	19.0
British Columbia	46.1	37.6	10.8	18.3
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
<b>Canada</b>	<b>202.6</b>	<b>165.5</b>	<b>51.8</b>	<b>18.3</b>
<b>2011 r</b>				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	x	x	x	x
Nova Scotia	2.0	1.4	0.2	29.9
New Brunswick	x	x	x	x
Quebec	42.0	36.6	6.5	12.8
Ontario	77.7	64.5	26.9	17.0
Manitoba	x	x	x	x
Saskatchewan	x	x	x	x
Alberta	13.7	12.3	3.6	10.8
British Columbia	42.0	34.3	10.3	18.3
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	..	..	..	..
<b>Canada</b>	<b>181.1</b>	<b>152.0</b>	<b>48.6</b>	<b>16.0</b>
<b>2010 r</b>				
Newfoundland and Labrador	x	x	x	x
Prince Edward Island	x	x	x	x
Nova Scotia	x	x	x	x
New Brunswick	x	x	x	x
Quebec	41.6	35.1	5.6	15.6
Ontario	73.7	63.0	19.0	14.4
Manitoba	x	x	x	x
Saskatchewan	x	x	x	x
Alberta	12.0	10.0	2.8	17.0
British Columbia	39.4	34.2	10.3	13.2
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	..	..	..	..
<b>Canada</b>	<b>171.9</b>	<b>146.5</b>	<b>38.5</b>	<b>14.8</b>

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) category 54149. See "Data sources, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

**Table 5**  
**Operating expenses for interior design services, Canada, 2010 to 2012**

	2010 <sup>r</sup>	2011 <sup>r</sup>	2012 <sup>p</sup>
	percent		
Total labour remuneration	30.8	29.6	29.4
Commissions paid to non-employees	F	F	F
Professional and business service fees	2.7	2.9	2.9
Subcontract expenses	9.5	9.7	9.9
Charges for services provided by your head office	x	x	x
Cost of goods sold	34.9	33.9	34.0
Office supplies	2.6	2.8	2.2
Rental and leasing	4.3	4.8	4.5
Repair and maintenance expenses	2.3	2.8	2.8
Insurance	F	F	F
Advertising, marketing and promotions	1.1	1.3	1.3
Travel, meals and entertainment	2.2	2.2	2.4
Utilities and telecommunications	1.6	1.5	1.6
Property and business taxes, licences and permits	F	F	F
Royalties, rights, licensing and franchise fees	x	x	x
Delivery, warehousing, postage and courier	F	F	F
Financial service fees	F	F	F
Amortization and depreciation of tangible and intangible assets	1.4	1.7	1.7
Bad debts	F	F	F
All other expenses	3.8	3.7	4.1

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) category 54141. Data presented in this table are from the surveyed portion only. The survey portion excludes the smallest firms in terms of revenues earned. These firms account for a relatively small portion of total industry revenues and are not included in the estimates of this table. See "Data sources, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

**Table 6**  
**Operating expenses for industrial design services, Canada, 2010 to 2012**

	2010 <sup>r</sup>	2011 <sup>r</sup>	2012 <sup>p</sup>
	percent		
Total labour remuneration	39.0	40.1	40.5
Commissions paid to non-employees	F	x	x
Professional and business service fees	4.0	3.2	4.0
Subcontract expenses	6.5	8.5	7.9
Charges for services provided by your head office	F	F	F
Cost of goods sold	25.7	24.0	25.2
Office supplies	2.5	2.2	2.3
Rental and leasing	3.4	3.6	4.0
Repair and maintenance expenses	3.5	2.8	3.0
Insurance	F	F	1.1
Advertising, marketing and promotions	F	1.4	F
Travel, meals and entertainment	2.4	2.5	2.5
Utilities and telecommunications	2.2	1.7	1.5
Property and business taxes, licences and permits	x	x	F
Royalties, rights, licensing and franchise fees	x	F	F
Delivery, warehousing, postage and courier	F	F	F
Financial service fees	F	F	F
Amortization and depreciation of tangible and intangible assets	2.5	1.8	2.0
Bad debts	F	F	x
All other expenses	4.5	5.7	3.3

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) category 54142. Data presented in this table are from the surveyed portion only. The survey portion excludes the smallest firms in terms of revenues earned. These firms account for a relatively small portion of total industry revenues and are not included in the estimates of this table. See "Data sources, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

**Table 7**  
**Operating expenses for graphic design services, Canada, 2010 to 2012**

	2010 <sup>r</sup>	2011 <sup>r</sup>	2012 <sup>p</sup>
	percent		
Total labour remuneration	39.6	39.3	39.1
Commissions paid to non-employees	F	x	x
Professional and business service fees	3.0	3.4	3.3
Subcontract expenses	8.0	8.7	9.7
Charges for services provided by your head office	x	x	x
Cost of goods sold	20.3	21.5	19.9
Office supplies	2.8	2.6	2.7
Rental and leasing	5.0	4.9	4.7
Repair and maintenance expenses	3.0	3.0	3.0
Insurance	F	F	F
Advertising, marketing and promotions	1.3	1.3	1.1
Travel, meals and entertainment	2.4	2.3	2.3
Utilities and telecommunications	2.2	1.9	1.9
Property and business taxes, licences and permits	F	F	F
Royalties, rights, licensing and franchise fees	x	F	x
Delivery, warehousing, postage and courier	F	F	F
Financial service fees	F	F	F
Amortization and depreciation of tangible and intangible assets	2.6	2.2	2.0
Bad debts	F	F	F
All other expenses	6.1	5.7	7.4

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) category 54143. Data presented in this table are from the surveyed portion only. The survey portion excludes the smallest firms in terms of revenues earned. These firms account for a relatively small portion of total industry revenues and are not included in the estimates of this table. See "Data sources, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

**Table 8**  
**Operating expenses for other specialized design services, Canada, 2010 to 2012**

	2010 <sup>r</sup>	2011 <sup>r</sup>	2012 <sup>p</sup>
	percent		
Total labour remuneration	27.8	34.9	33.0
Commissions paid to non-employees	F	F	x
Professional and business service fees	4.2	3.1	4.9
Subcontract expenses	13.3	13.0	14.8
Charges for services provided by your head office	F	F	F
Cost of goods sold	25.8	23.7	20.5
Office supplies	2.9	3.0	2.4
Rental and leasing	5.3	4.5	4.1
Repair and maintenance expenses	2.5	1.7	2.4
Insurance	F	F	F
Advertising, marketing and promotions	1.9	1.9	1.7
Travel, meals and entertainment	3.7	4.1	4.8
Utilities and telecommunications	1.9	1.4	1.5
Property and business taxes, licences and permits	x	x	F
Royalties, rights, licensing and franchise fees	x	x	x
Delivery, warehousing, postage and courier	F	F	F
Interest expenses	F	F	F
Amortization and depreciation of tangible and intangible assets	1.9	1.4	1.9
Bad debts	F	F	x
All other expenses	5.1	4.0	4.7

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) category 54149. Data presented in this table are from the surveyed portion only. The survey portion excludes the smallest firms in terms of revenues earned. These firms account for a relatively small portion of total industry revenues and are not included in the estimates of this table. See "Data sources, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

**Table 9**  
**Distribution of operating revenue by type of client, for specialized design services, Canada, 2010 to 2012**

	Businesses (incl. architectural firms)	Individuals and households	Governments and public institutions	Clients in Canada	Clients outside Canada
	percent				
Interior design services					
2012 <sup>p</sup>	50.6	41.2	4.6	<b>96.4</b>	<b>3.6</b>
2011 <sup>r</sup>	52.8	39.2	3.8	<b>95.8</b>	<b>4.2</b>
2010 <sup>r</sup>	48.9	42.6	4.9	<b>96.3</b>	<b>3.7</b>
Industrial design services					
2012 <sup>p</sup>	77.4	2.2	1.6	<b>81.3</b>	<b>18.7</b>
2011 <sup>r</sup>	76.6	3.8	2.5	<b>82.8</b>	<b>17.2</b>
2010 <sup>r</sup>	76.9	4.5	3.4	<b>84.8</b>	<b>15.2</b>
Graphic design services					
2012 <sup>p</sup>	79.8	1.5	10.1	<b>91.4</b>	<b>8.6</b>
2011 <sup>r</sup>	78.4	2.4	11.2	<b>92.0</b>	<b>8.0</b>
2010 <sup>r</sup>	77.2	1.6	11.8	<b>90.6</b>	<b>9.4</b>
Other specialized design services					
2012 <sup>p</sup>	53.3	F	F	<b>65.7</b>	<b>34.3</b>
2011 <sup>r</sup>	60.5	F	F	<b>75.6</b>	<b>24.4</b>
2010 <sup>r</sup>	F	16.6	7.3	<b>F</b>	<b>F</b>

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) categories 54141, 54142, 54143 and 54149. Data presented in this table are from the surveyed portion only. The survey portion excludes the smallest firms in terms of revenues earned. These firms account for a relatively small portion of total industry revenues and are not included in the estimates of this table. Data presented in this table are from the surveyed portion only. The survey portion excludes the smallest firms in terms of revenues earned. These firms account for a relatively small portion of total industry revenues and are not included in the estimates of this table. See "Data sources, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.



**Table 10**  
**Distribution of sales by type of service provided, by industry, for specialized design services, Canada, 2010 to 2012**

	2010 <sup>r</sup>	2011 <sup>r</sup>	2012 <sup>p</sup>
	percent		
<b>Interior design services (54141)</b>			
Residential interior design	47.6	51.6	56.1
Non-residential interior design	26.0	24.5	19.2
Interior decorating	14.0	12.8	13.4
All other	12.4	11.2	11.2
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Industrial design services (54142)</b>			
Product industrial design	62.3	67.2	74.2
Model design and fabrication	22.5	17.5	15.0
All other	15.1	15.3	10.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Graphic design services (54143)</b>			
Corporate identity and communication	25.3	22.0	23.1
Advertising graphic design	16.9	19.3	20.5
Commercial illustration	2.4	3.5	3.9
Graphic interface and interaction design	2.2	4.7	4.3
Book, magazine and newspaper graphic design	7.4	7.9	7.9
Broadcast and motion graphic design	1.9	2.4	1.9
Other graphic design	20.0	17.1	16.8
All other	23.8	23.1	21.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Other specialized design services (54149)</b>			
Clothing, shoe, textile, jewellery, and other design	87.8	87.0	87.3
All other	12.2	13.0	12.7
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) categories 54141, 54142, 54143 and 54149. Data presented in this table are from the surveyed portion only. The survey portion excludes the smallest firms in terms of revenues earned. These firms account for a relatively small portion of total industry revenues and are not included in the estimates of this table. See "Data sources, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

**Table 11**  
**Distribution of sales by type of service provided for specialized design services, Canada, 2010 to 2012**

	2010 <sup>r</sup>	2011 <sup>r</sup>	2012 <sup>p</sup>
	percent		
Interior design services	35.3	34.9	34.6
Industrial design services	7.4	7.6	7.9
Graphic design services	35.7	36.5	36.8
Other specialized design services	5.7	5.4	6.1
Related services and products	15.9	15.6	14.6

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) categories 54141, 54142, 54143 and 54149. Data presented in this table are from the surveyed portion only. The survey portion excludes the smallest firms in terms of revenues earned. These firms account for a relatively small portion of total industry revenues and are not included in the estimates of this table. See "Data sources, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

## Data sources, definitions and methodology

### Description

This annual sample survey collects data required to produce economic statistics for the Specialized Design in Canada.

Data collected from businesses are aggregated with information from other sources to produce official estimates of national and provincial economic production for this industry.

Survey estimates are made available to businesses, governments, investors, associations, and the public. The data are used to monitor industry growth, measure performance, and make comparisons to other data sources to better understand this industry.

### Target population

The target population consists of all establishments classified to Specialized Design Services industry (5414) according to the North American Industry Classification System (NAICS) during the reference year. This industry comprises establishments primarily engaged in interior design services (54141), industrial design services (54142), graphic design services (54143) and other specialized design services (54149).

### Sampling

This is a sample survey with a cross-sectional design.

The frame is the list of establishments 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.

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 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.

Prior to the selection of a random sample, establishments are classified into homogeneous groups (i.e., groups with the 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 is comprised of units 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 effective sample size for reference year 2012 was 1,244 collection entities.

## Definitions

- **Operating revenue** excludes investment income, capital gains, extraordinary gains and other non-recurring items.
- **Operating expenses** exclude write-offs, capital losses, extraordinary losses, interest on borrowing, and other non-recurring items.
- **Operating profit margin** is derived as follows: operating revenue minus operating expenses, expressed as a percentage of operating revenue. The derived figure excludes corporation income tax paid by incorporated businesses and individual income tax paid by unincorporated businesses. For unincorporated businesses, operating profit margin includes unpaid remuneration to partners and proprietors, which is not recorded as salaries, wages and benefits. Therefore the profit estimate will be higher in industries where unincorporated proprietorships and partnerships are significant contributors.
- **Salaries, wages and benefits** include vacation pay and commissions for all employees for whom a T4 slip was completed. This category also includes the employer portion of employee benefits for items such as Canada/Quebec Pension Plan or Employment Insurance premiums. Salaries and wages do not include working owners' dividends nor do they include the remuneration of owners of unincorporated business. Therefore the relative level of salaries, wages and benefits will be lower in industries where unincorporated businesses are significant contributors.
- An active **statistical establishment** is one production entity or the smallest grouping of production entities which produces as homogeneous a set of goods and/or services as possible; which does not cross provincial boundaries; and for which records provide data on the value of output together with the cost of principal intermediate inputs used and cost and quantity of labour resources used to produce the output.

## Quality evaluation

Prior to dissemination, combined survey results are analyzed for overall quality; in general, this includes a detailed review of individual responses (especially for the largest companies), an assessment of the general economic conditions portrayed by the data, historic trends, and comparisons with other data sources.

## Disclosure control

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. Various confidentiality rules are applied to all data that are released or published to prevent the publication or disclosure of any information deemed confidential. If necessary, data are suppressed to prevent direct or residual disclosure of identifiable data.

## Data accuracy

Of the units contributing to the estimate, the weighted response rate was 85.4%. CVs were calculated for each estimate and are available upon request.

## Related products

### Selected CANSIM tables from Statistics Canada

360-0002	Specialized design services, summary statistics, by North American Industry Classification System (NAICS), annual (450 series)
360-0008	Specialized design services, sales by type of client based on the North American Industry Classification System (NAICS), annual (percent) (90 series)
360-0009	Specialized design services, operating expenses, by North American Industry Classification System (NAICS), annual (percent) (105 series)

Release date: January 2014

#### Symbols

The following standard symbols are used in Statistics Canada publications:

.	not available for any reference period
..	not available for a specific reference period
...	not applicable
0	true zero or a value rounded to zero
0 <sup>s</sup>	value rounded to 0 (zero) where there is a meaningful distinction between true zero and the value that was rounded
P	preliminary
r	revised
X	suppressed to meet the confidentiality requirements of the <i>Statistics Act</i>
E	use with caution
F	too unreliable to be published
*	significantly different from reference category ( $p < 0.05$ )

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