

Service bulletin

Spectator Sports, Event Promoters, Artists and Related Industries



2006

Highlights

- Operating revenues for professional and semi-professional sports clubs and teams, as well as horse race tracks and other spectator sports, rebounded in 2006.
- Revenues rose by over \$600 million to \$2.2 billion in 2006. During the previous year, revenues had declined by approximately \$700 million to \$1.6 billion.
- The recovery in 2006 was partly attributable to the return to action by the National Hockey League after a 310-day lockout that cancelled the 2004/2005 season.
- Salaries, wages and benefits were also on the rise. Consequently, total operating expenses for the industry also grew, though at a lesser pace, resulting in an operating profit margin of 3.5%, an improvement over a 4.6% loss in 2005.
- Spectator sports is only one segment of the total industry. This publication also makes available estimates for another segment that covers promoters (presenters), agents and managers, and related industries.
- These other industries combined generated \$1.8 billion in operating revenues in 2006. Promoters of performing arts, sports, and similar events, which comprise both non-profit and for-profit establishments, registered an overall operating profit margin of 2.1%.
- The industry of agents and managers for artists, athletes, entertainers, and other public figures generated an operating profit margin of 10.5%.

Note: The Annual Survey of Arts, Entertainment and Recreation Services formerly covered activities related to spectator sports, event promoters, agents, artists and related industries. Beginning with reference year 2006, these companies will be covered by the Annual Survey of Service Industries: Spectator Sports, Event Promoters, Artists and Related Industries.



Statistical tables

Table 1
Summary statistics for spectator sports, Canada

	Operating revenue	Operating expenses	Operating profit margin	Salaries, wages and benefits
	millions of dollars		percent	millions of dollars
2006	2,241.1	2,163.6	3.5	947.7

Note(s): According to the North American Industry Classification System (NAICS 7112). See "Data source, definitions and methodology" at the end of tables for definition of terms.

Table 2
Summary statistics for promoters (presenters) of performing arts, sports and similar events, Canada

	Operating revenue	Operating expenses	Operating profit margin	Salaries, wages and benefits
	millions of dollars		percent	millions of dollars
2006	1,516.0	1,484.4	2.1	413.2

Note(s): According to the North American Industry Classification System (NAICS 7113). See "Data source, definitions and methodology" at the end of tables for definition of terms.

Table 3
Summary statistics for agents and managers for artists, athletes, entertainers and other public figures, Canada

	Operating revenue	Operating expenses	Operating profit margin	Salaries, wages and benefits
	millions of dollars		percent	millions of dollars
2006	292.9	262.3	10.5	78.7

Note(s): According to the North American Industry Classification System (NAICS 7114). See "Data source, definitions and methodology" at the end of tables for definition of terms.

Data sources and methodology

Description

This annual sample survey collects the financial and operating data needed to produce statistics on the Spectator sport, event promoters artists and related industries in Canada. The survey also collects detailed information on the characteristics of the businesses, such as type of revenue and type of client.

These data are aggregated with information from other sources to produce official estimates of the national and provincial economic production of the Spectator sport, event promoters artists and related industries in Canada. The results from this survey provide data to businesses, governments, investors, and associations. These data allow these groups to monitor the growth of the industry, measure performance, allow comparison across similar businesses and to better understand this industry to react to trends and patterns.

Target population

The target population consists of all establishments classified to the Spectator sports, event promoters, artists and related industries (NAICS 7112, 7113, 7114, and 7115) according to the North American Industry Classification System (NAICS) during the reference year.

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 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 2006 was 1,002 collection entities.

Definitions

- Estimates for the most recent year are preliminary. Preliminary data are subject to revision.
- **Operating revenue** excludes investment income, capital gains, extraordinary gains and other non-recurring items.
- **Operating expenses** excludes 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/Québec 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.

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 data that would divulge information obtained under the Statistics Act that relates to any identifiable person, business or organization without the prior knowledge or the consent in writing of that person, business or organization. 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 79.1%. CVs were calculated for each estimate and are available upon request.

Related products

CANSIM

Available on CANSIM: table 361-0013 - Spectator sports, event promoters, artists and related industries, summary statistics, by North American Industry Classification System (NAICS), annual (dollars unless otherwise noted) (16 series)

Survey(s)

Definitions, data sources and methods: survey number 5132 - Annual Survey of Service Industries : Spectator Sports, Event Promoters, Artists and Related Industries

Publications

Service Industries Newsletter, Catalogue no. 63-018-X.

Analytical paper series - Service Industries Division, Catalogue no. 63F0002X.

Release date: June 2008

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 ^s	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

To access this product

This product, Catalogue no. 63-246-X, is available free in electronic format. To obtain a single issue, visit our website at www.statcan.ca and select "Publications" > "Free Internet publications."

Frequency: Annual / ISSN 1916-7962

For information on the wide range of data available from Statistics Canada, please call our national inquiries line at 1-800-263-1136.

La version française de cette publication est disponible sur demande (n° 63-246-X au catalogue).

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