Catalogue no. 87-010-X

Service bulletin

Film, Television and Video Production

2007

Highlights

- Businesses classified to the film, television and video production industry earned just over $3.51 billion in operating revenues for 2007, up 5.6% from the previous year.
- Operating expenses rose to $3.52 billion, resulting in an industry operating loss of -0.4% in 2007.
- The main contributor to the increase in operating expenses was salaries, wages and benefits rising from $621 million to $776 million from 2006 to 2007.
- Firms located in Ontario accounted for 53% of operating revenues earned in 2007 up from 46% in the previous year. Firms located in Quebec had their share of operating revenues decrease from 25% to 22% in 2007 followed by British Columbia whose share of operating revenues also decreased from 20% to 18% in 2007.

Statistical table

Table 1
Summary statistics for the film, television and video production industry, by province and territory, 2006 and 2007[1]

	Operating revenue	Salaries, wages and benefits	Operating expenses	Operating profit margin
	millions of dollars			percent
2007				
Newfoundland and Labrador	4.3	1.2	3.8	11.1
Prince Edward Island	1.2	0.3	1.2	0.1
Nova Scotia	53.8	16.5	53.7	0.3
New Brunswick	14.5	5.3	19.3	-32.5
Quebec	785.3	144.2	739.5	5.8
Ontario	1,845.0	402.2	1,902.8	-3.1
Manitoba	36.6	10.7	42.7	-16.5
Saskatchewan	42.1	9.2	37.3	11.5
Alberta	95.2	25.7	98.8	-3.8
British Columbia	631.1	160.4	624.8	1.0
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	**3,510.9**	**775.7**	**3,525.2**	**-0.4**
2006				
Newfoundland and Labrador	5.0	0.6	5.7	-14.7
Prince Edward Island	2.1	0.5	2.2	-3.3
Nova Scotia	35.7	6.1	35.5	0.6
New Brunswick	19.0	3.9	19.8	-4.5
Quebec	834.3	180.9	816.2	2.2
Ontario	1,523.3	217.2	1,480.7	2.8
Manitoba	53.2	14.0	56.9	-6.9
Saskatchewan	47.7	5.0	42.9	10.0
Alberta	126.0	20.4	118.4	6.0
British Columbia	677.0	171.6	669.4	1.1
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	**3,325.3**	**620.5**	**3,250.4**	**2.2**

1. Data are based on a fiscal year ending between April 1, of the reference year and March 31, of the following year.

Note(s): Due to rounding, components may not add to total. Based on the North American Industry Classification System (NAICS) and includes all establishments classified under 512110 film, television and video production.

Data sources, definitions and methodology

Description

This annual sample survey collects the financial and operating data needed to produce statistics on the film, television and video production industry 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 film, television and video production industry 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 statistical establishments classified to the Film, Television and Video Production industry (NAICS 512110) according to the North American Industry Classification System (NAICS) during the reference year. This industry comprises establishments primarily engaged in producing, or producing and distributing, motion pictures, videos, television programs or commercials.

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 2007 was 457 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 and 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.

Data quality

While considerable effort is made to ensure high standards throughout all stages of collection and processing, the resulting estimates are inevitably subject to a certain degree of error. These errors can be broken down into two major types: non-sampling and sampling.

Non-sampling error is not related to sampling and may occur for many reasons. For example, non-response is an important source of non-sampling error. Population coverage, differences in the interpretation of questions, incorrect information from respondents, and mistakes in recording, coding and processing data are other examples of non-sampling errors.

Sampling error occurs because population estimates are derived from a sample of the population rather than the entire population. Sampling error depends on factors such as sample size, sampling design, and the method of estimation. An important property of probability sampling is that sampling error can be computed from the sample itself by using a statistical measure called the coefficient of variation (CV). The assumption is that over repeated surveys, the relative difference between a sample estimate and the estimate that would have been obtained from an enumeration of all units in the universe would be less than twice the CV, 95 times out of 100. The range of acceptable data values yielded by a sample is called a confidence interval. Confidence intervals can be constructed around the estimate using the CV. First, we calculate the standard error by multiplying the sample estimate by the CV. The sample estimate plus or minus twice the standard error is then referred to as a 95% confidence interval.

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 which 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 55.4%. CVs were calculated for each estimate and are available upon request.

Related products

CANSIM

Available on CANSIM: table 361-0016, Film, television and video production, summary statistics, by North American Industry Classification System (NAICS).

Survey(s)

Definitions, data sources and methods: survey number 2413, Annual Survey of Service Industries: Film, Television and Video Production.

Publications

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

Analytical paper series - Service Industries Division, Catalogue no, 63F0002XIB.

Release date: July 2009

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
0s	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 *Statistics Act*
E	use with caution
F	too unreliable to be published

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