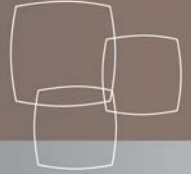




Industry  
Canada

Industrie  
Canada

Information and Communications Technologies (ICT)



## Note to Readers

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**Information and Communications Technologies Statistical Overview**

(URL: <http://strategis.ic.gc.ca/ictso>)

Information and Communications Technologies Branch  
Spectrum, Information Technologies and Telecommunications Sector  
Industry Canada

**Last Update: January 2007**

Industry Canada is pleased to present the Information and Communications Technologies Statistical Overview (ICTSO). The ICTSO web site provides the latest annual data available on the Canadian Information and Communications Technologies (ICT) sector. This site is updated on a regular basis and currently includes data and estimated figures up to year 2004 or 2005 depending on the indicator.

## **Progress in measuring the ICT Sector**

Industry Canada continues to work closely with Statistics Canada, other federal departments, the industry itself, and international organizations such as the Organization for Economic Cooperation and Development (OECD), to develop and improve statistics for the ICT sector. Progress has been made over the last few years through agreements between Industry Canada and Statistics Canada to revise current surveys and data sources associated with ICT and to introduce new surveys.

In 1998, countries within the OECD reached an important consensus on a definition of the ICT sector based on the third revision of the International Standard Industrial Classification of the United Nations (ISIC, rev. 3). Statistics Canada developed concordances to the 1980 Canadian Standard Industrial Classification (SIC) and the 1997 North American Industry Classification System (NAICS). In 2003, a concordance to the 2002 NAICS edition was also released.

Data reported in the ICTSO are based on the OECD definition of the ICT sector. For further details on the OECD definition of the ICT sector and the industry concordances, consult the *“Legend”* and the following statistical appendices: *“Defining the ICT Sector”*, *“SIC Definitions”* and *“NAICS Definitions”* for a complete description of all ICT industries.

## **Implementation of NAICS**

The North American Industry Classification System (NAICS) is an industry classification system developed by the statistical agencies of Canada, Mexico and the United States. Created against the background of the North American Free Trade Agreement (NAFTA), it was 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.

Reporting on the ICT sector continued to evolve over the last few years as the 1997 North American Industry Classification System (NAICS) has been fully implemented for all ICT industries, completing the last step in converting the data from the former 1980 Canadian Standard Industrial Classification (SIC). More recently, the 2002 edition of NAICS also replaced the 1997 edition for some ICT services industries, such as telecommunications, cable, Internet (ISPs) and data processing services. Data on revenues, employment, R&D and capital expenditures have been fully converted to the 2002 edition, while data on GDP are still based on the 1997 edition.

It should be noted that the definition of the ICT sector requires information at a detailed industry level which is not always available. For this reason, the Electronic Precision Equipment Repair and Maintenance industry (NAICS 81121) and the Web Search Portals industry (NAICS 518112) are not always included in the sector totals. All other ICT related industry exclusions or non-ICT related industry inclusions to the sector totals are indicated in the table footnotes.

In addition, some industry figures are combined with other ICT industries due to limitation in the data. This is often the case for the ICT Wholesaling, Rental and Leasing industries (NAICS 4173,

41791 and 53242). This is also the case for some ICT manufacturing and services industries. When it is the case, such combinations are indicated in the table footnotes.

Finally, due to the conversion from NAICS 1997 to NAICS 2002 edition, some figures have been revised for a number of industries and since back-casting periods vary among surveys and indicators, not all data are available back to the same year.

### ***Reporting Unit***

Except for R&D expenditures, all figures reported in this publication are based on the “establishment” as the reporting unit (as opposed to the “company” or “enterprise”). The establishment is generally used by most surveys as the primary unit of measurement. By definition, the establishment is the most homogeneous unit of production for which the business maintains accounting records from which it is possible to assemble all elements required to compile the full structure of the gross value of production (total sales and shipments, and inventories), the cost of materials and services, and labour and capital used in production. An establishment is classified to a specific industry (NAICS code) when its principal activity meets the definition for that industry. In the case of most small-and-medium-sized businesses, the enterprise and the establishment are identical. Large and complex enterprises, however, consist of more than one establishment, which may belong to different NAICS industries.

We invite the readers to consult the section on “*Sources and Technical Notes*” for further details on methodology and measurement.

### ***Important Note***

***Due to the above-mentioned changes, it is not advisable to compare the current data with data previously published. In addition, since the ICTSO is updated on a regular basis, some data may differ from data reported in previous publications due to revisions. All underlined figures in the tables are Industry Canada estimates based on Statistics Canada data. The definition of the ICT sector requires information at a detailed industry level which is not always available. For this reason, some ICT industries may be excluded in the ICT sector totals presented in this statistical overview. Conversely, some non-ICT related industries may be included in the ICT sector totals. Please refer to the “Sources and Technical Notes” for further details.***