

3. COMMENTARY ON DATA SOURCES

3.1 Introduction

The purpose of this section is to comment on the data sources available in Canada on: the size and structure of each sector; their financial characteristics and capabilities; and, their export market achievements.

Specifically, the following data were searched for:

- **Sector Size and Structure:** Data showing the degree to which each cultural sector is distributed (or concentrated) by size, language, geography and country of controlling interest.

- **Financial Characteristics**
 - **Revenues:** These data indicate the economic importance of the sector and the base from which export/foreign marketing activities would be drawn.

 - **Assets, Profitability and Return on Investment (ROI):** These three financial measures can provide some insights into the sector and individual firms within it. However, they must be interpreted carefully because of serious limitations in the data and because the applicability of these traditional measures to the cultural industries sector is somewhat in dispute. These three measures are discussed, as follows.

Assets - a particularly controversial point among business people in these sectors. A component of the assets of these firms often times takes the form of completed works (a film "in the can"; printed books; etc.). Such works are customarily valued by institutions such as banks at much less than market value in an endeavour to be "prudent". Accordingly, assets may be effectively understated - although, these estimates probably reflect accurately their strength as loan collateral.