

million, making a total of \$916.2 million in gross billings, an overall increase of 27% over 1975.

A further comparison with 1975 shows that total advertising billings (media billings plus production charges) increased 27.8%; total media billings 31.4%; production costs 11.8%; and expenditures on market research surveys and other services 4.6%.

**Computer service industry.** In 1976 a survey of the computer service industry revealed that 516 companies in Canada provided services involving 506 computers of various capacities, 3,063 terminals and 3,309 access ports. Total operating revenue amounted to \$1,048 million of which hardware sales and rentals accounted for \$626 million, processing for \$273 million, software for \$74 million and equipment maintenance, education and other services for \$75 million.

Of the total operating revenue, \$195 million or 18.6% was generated from computer services provided to financial institutions, \$243 million or 23.2% from forestry, mining and manufacturing, \$181 million or 17.3% from all levels of government, \$200 million or 19.1% from the wholesale, retail and service sectors, and \$229 million or 21.8% from other businesses and institutions.

A further 502 companies in other industry groups also provided computer services as a secondary activity, producing revenues of \$117 million, 53% of which was from processing, 29% from automated data processing hardware rentals and 18% from other computer services. These services were provided to financial institutions (31%), wholesale, retail and service sectors (33%) and the remaining 36% to businesses and institutions in other industry groups.

## Wholesale trade

18.1.4

In the field of wholesale statistics a program of upgrading has been implemented which includes biennial coverage of the operations of wholesale merchants begun in 1973, and of agents and brokers, begun in 1974. As well as producing more up-to-date statistics on these two types of operation, the results, in the case of wholesale merchants, will be used as the base for a new sample of monthly sales and inventory estimates.

Wholesalers are primarily engaged in buying merchandise for resale to retailers; to industrial, commercial, institutional and professional users; to farmers for farm use; to other wholesalers; or act as agents in connection with such transactions. Businesses engaged in more than one activity, such as wholesaling and retailing or wholesaling and manufacturing, are considered to be primarily in wholesale trade if the greater part of their gross margin (the difference between the total sales and the cost of goods sold) is due to their wholesaling activity.

Wholesale trade statistics measure the total volume of Canadian wholesale trade, the total volume of trade (domestic and export sales) conducted by all wholesalers operating in Canada, whether they are Canadian-owned or subsidiaries of foreign companies. The total volume of trade measured by Statistics Canada cannot be equated with the value of goods passing through the wholesale sector of the economy because at times wholesale businesses sell to each other and thus the value of the same merchandise may be recorded more than once.

According to certain common characteristics, each wholesale establishment and location (wholesale outlet) is assigned to one of the following types of operation: primary product dealers (grain, livestock, raw furs, fish, leaf tobacco and pulpwood, including co-operative marketing associations); wholesale merchants (buying and selling goods on own account); agents and brokers (buying and selling goods for others on a commission basis); manufacturers sales branches (wholesale businesses owned by manufacturing firms for marketing their own products); or petroleum bulk tank plants and truck distributors (wholesale distribution of petroleum products).

Wholesale merchants account for about 60% of the total wholesale volume of trade and had estimated sales in 1976 of \$49,988 million, up 10.2% from the 1975 volume of \$45,377 million. Industrial goods trades accounted for \$26,613 million of the 1976 total volume of trade while the remaining \$23,374 million was in consumer goods trades, which showed an accelerated growth for the year of 11.4% compared with the industrial goods increase of 9.1%. Data for 1974-76 are given in Table 18.21.