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Project Overview

Survey of Suppliers of Business Financing (SSBF) 2000

(Response to the MacKay Task Force Recommendations)

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1. Introduction

1.1 Background

In September 1998 the Task Force on the Future of the Canadian Financial Services Sector, which was chaired by Harold MacKay, released its final report. Part of the work of the Task Force was to examine the financing of small and medium-sized enterprises (SME), firms in knowledge-based industries (KBI) and aboriginal businesses. The interest in SME and KBI firms reflected both their contributions to the economy in terms of job creation, output and innovation, and the particular difficulties they may face in obtaining financing. Several specific concerns were raised in the report.

- SME may lack adequate financing or access to financing due to their small size, young age, lack of a sound business plan, untested management, etc.
- KBI firms may lack adequate financing or access to financing due to their lack of fixed assets, the difficulty in assessing their potential, etc.
- Aboriginal businesses may lack adequate financing or access to financing due to laws that limit the assets that may be used as collateral.

However, “the Task Force’s major concern is that the available data be improved to allow more meaningful future analysis of financing issues faced by particular types of firms in (these) important sector(s).”¹ It recommended the involvement of Statistics Canada (STC) and Industry Canada (IC) in this effort.

1.2 Task Force recommendation

The key recommendation was that a program of data collection should be undertaken to provide information about the financing of SME and KBI for public policy work. More specifically:

- STC should undertake an annual program of collection and publication of information on the supply of debt and equity financing to SME and KBI. The program should cover all significant regulated and unregulated private and public sector providers of financing. The details of the program would be developed in consultation with IC and information providers and users.
- IC should coordinate an annual survey of SME attitudes about the availability of financing. This survey would be similar to the Thompson Lightstone studies funded by the Canadian Bankers Association, but would cover all significant providers of financing.
- IC should conduct a periodic survey of SME and KBI to provide comprehensive benchmark information on financing needs and sources. An initial survey should be done as soon as possible with follow-up surveys to be conducted every three to five

¹ Background Paper #4, p. 51.

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years. This survey would complement the annual information collected by STC and IC.

In June 1999 the Department of Finance issued a report entitled "Reforming Canada's Financial Services Sector – A Framework for the Future" in which the above-mentioned recommendations of the MacKay Task Force were accepted. The Department of Finance, IC and STC are working together to respond to these recommendations.

1.3 Questions to be addressed

The key concern of the Task Force with respect to financing SME and KBI firms was the lack of comprehensive and reliable information. If the information available to decision-makers is inadequate, the quality of their decisions will be affected. In the absence of good information, policy-makers may be unable to determine whether financing problems exist, what kinds of problems exist, where they exist, what policy measures may be needed and, in time, whether those policy measures have been effective.

As such, the initial objective of this project is to provide basic information concerning the financing of SME and KBI firms.² Once this has been achieved, issues that require further study can be identified and the necessary adjustments to the information outputs can be made. The following list of general information issues to be addressed was developed in late 1999 in consultation with Finance and IC.

1. How much financing have SME and KBI firms received? How significant are the different types of suppliers of financing and the various financing instruments?
2. How is the amount of financing received changing over time? How is the significance of the suppliers and instruments changing over time?
3. Is there a gap between the demand for financing and the supply of financing and, if so, how big is it?
4. If there is a gap between demand and supply, why does it exist?
5. What is the risk associated with financing SME and KBI firms?
6. What is the purpose of the financing requested by SME and KBI firms?

1.4 Information to be provided

To meet these information requirements, it was suggested that the following set of statistical outputs would be required.

1. Total value of financing outstanding at the end of the reference period by type of supplier and financing instrument.
2. Total value of new financing obtained during the past 12 months by type of supplier and financing instrument.

² It was noted at the time that financing issues related to aboriginal firms would have to be addressed separately since the nature of these businesses required a different approach to data collection.

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3. The rate of financing approvals and the proportion of the amount requested that was received.
4. The reasons why requests for financing were not approved or the amount approved was less than the amount requested.
5. Loan loss provisions and/or ratios, and write-offs.
6. The reasons for requests for financing.

To produce these statistical outputs, the following information would have to be collected from respondents.

- Financing – amounts outstanding, amounts provided, amounts authorized, number of authorizations, number of applications (for approval ratios) and loan loss provisions/ratios by amount of authorization, instrument, source/supplier, terms and purpose.

This information would have to be classified according to several key characteristics of both the businesses and their owners, as follows.

- Businesses – size, industry, age, stage of development, operating arrangements, performance, region and urban/rural.
- Business owners/operators – age, sex and education.

The deliverables of the project would take the form of a series of output tables based on various combinations of these variables. STC will develop these tables in consultation with Finance, IC and the providers and users of the information.

1.5 Approach to collecting the information

The first recommendation of the Task Force was that more complete information on the financing of SME and KBI firms be obtained from all significant suppliers of finance – the supply side. However, it will not be possible to provide all of the required statistical outputs by collecting information solely from the supply side. SME and KBI firms – the demand side – must also be surveyed for the following reasons.

- Not all suppliers of financing can be identified. Private individuals, “angels”, shareholders, foreign suppliers, etc. cannot be readily identified and surveyed. Information on the activities of these types of suppliers can only be obtained from the demand side.
- Financial institutions may not be aware of the extent to which the personal financing they provide may be used for business purposes. Business owners may use personal lines of credit and credit cards to finance some business activities. The scope of this type of financing may only be obtained from the demand side.
- Suppliers may not have full knowledge of the current characteristics of their client businesses, such as employment, revenue, performance, etc. – the information may

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be incomplete or out of date. However, this type of information can be obtained from the demand side.

2. Consultations

2.1 First round – availability of the desired variables

The first round of national consultations with stakeholders, many of whom were industry associations, took place in February and March 2000. One of the goals was to review the list of potential variables with stakeholders to determine which variables were relevant, which were available, what level of detail could be provided and whether these variables could be collected from the demand-side, the supply-side or both.

Based on this round of consultation, significant changes were made to the plan originally developed in late 1999. A major finding was that many of the variables expected to be available from suppliers of financing were either unavailable or not easily available. As a result, it was clear that more emphasis would have to be placed on the demand-side surveys than was originally expected.

The information derived from this round of consultations was also used to develop a series of tables representing the information to be collected from the initial supply-side survey. These tables covered each of the relevant variables for each of the major types of financing. In consultation with IC and Finance, these tables were transformed into a draft questionnaire.

2.2 Second round – draft supply-side questionnaire

The second round of consultations took place mainly in July and August 2000. In addition to the stakeholders from the first round, an effort was made to meet with a number of individual businesses, some of whom would be respondents to the supply-side survey. One of the main objectives of this round was to review the draft questionnaire and the general survey strategy with respondents and stakeholders and give them an opportunity to provide their feedback.

The stakeholders suggested significant changes to both the draft questionnaire and the survey strategy. A key suggestion was to use authorizations, rather than employment, as the measure of business size. Another suggestion was to collect amounts outstanding on a sub-annual basis and use them to measure net disbursements instead of collecting gross disbursements on an annual basis.

During the fall of 2000 the suggestions received during consultation were reviewed and incorporated into a draft questionnaire. Questionnaire content for the initial survey was finalized in January 2001 in consultation with IC, Finance and a few key stakeholders.

3. Questionnaire content

The final content of the questionnaire for the initial Survey of Suppliers of Business Financing (SSBF) varied considerably from the draft content prepared for the second round of consultations. The highlights of these changes are as follows.

3.1 Authorization size vs. employment size

Statistics Canada's preference from the outset was to collect and publish financing data by employment size for two main reasons. Employment size is as good as or better than other typical measures of business size (revenue or assets, for example) because it is more stable and less subject to factors such as inflation. As well, much of the comparison data available from Statistics Canada (such as Employment Dynamics and Canadian Business Patterns), or from other countries, are available on an employment size basis.

However, during the second round of consultation, most stakeholders indicated that they could not provide data by employment size – many didn't collect it, while those that did often didn't capture it. Therefore, the initial survey will collect data by authorization size rather than by employment size. However, the plan is that data will be collected by employment size at some point in the future.

3.2 Amounts outstanding vs. amounts disbursed

Prior to the second round of consultation, the plan was that respondents would provide the amount of financing outstanding at December 31 (stocks) as well as the amount of new financing disbursed during the calendar year (gross flows). Annual estimates of amounts outstanding would enable STC to measure shifts in the sources of financing by type of supplier, size of business, industry, etc. Annual estimates of gross flows of new financing would help STC analyze and understand the trends observed in the stock data.

During the second round of consultation, some stakeholders explained that they would have difficulty providing estimates of flows of new financing. They indicated that their systems were not designed to track this kind of information and that for some types of financing, such as lines of credit, conceptual and measurement problems existed. As a result, it was decided that the questions about flows of new financing would be dropped from the questionnaire. Instead, it was suggested that the survey would be conducted quarterly, that amounts outstanding only would be collected, and that outstandings would be used to measure net flows of financing on a quarterly basis. This approach would also allow for tracking of seasonality in relevant industries.

3.3 Equity financing

The strategy for collecting data on equity financing was shaped from the beginning by the presence of a private data supplier. Macdonald & Associates (M&A) has been collecting and publishing data on venture capital financing for many years and is considered to be an

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authoritative source. Both IC and Finance are M&A clients. Discussion during both rounds of consultation and several additional meetings was focused on ensuring that STC activities not duplicate those of M&A and not harm M&A business prospects. M&A estimated that they were covering about 90% of the venture capital activity with a survey of about 110 of the larger respondents. Using this list and other sources, STC created a list of about 580 enterprises that could be providing venture capital financing. This raised the concern that the M&A survey might be missing significant activity.

In the end, it was agreed that STC would focus on collecting summary information about venture capital in the first survey, such that the coverage of the M&A survey could be assessed without duplicating the M&A detail. This summary information would consist of four data points – capital under management, book value of the portfolio, market value of the portfolio and capital available for investment. STC would not collect any instrument, geography or industry detail – this would continue to be available from M&A. An assessment of the coverage of the M&A data would help STC, IC and Finance to determine how data on venture capital should be collected on subsequent surveys. If statistically feasible, the preference is for M&A to continue to provide the detailed venture capital data.

3.4 Geographic detail

The draft questionnaire reviewed with stakeholders during the second round of consultation included geographic detail consisting of each unique combination of the first two digits of the postal code – 137 combinations in all. During consultation most stakeholders indicated that they collected postal codes from their clients and that they could report this level of detail. Notable exceptions included the major banks, which indicated that they could only provide geographic detail based on the location of bank branches, rather than on the location of the clients themselves. They also argued that confidentiality would prevent STC from publishing at this level of detail and questioned whether it was then worthwhile to collect it.

An additional concern for STC was the burden this level of geographic detail would impose on respondents. With the full two-digit postal code detail, the questionnaire would consist of about 13,390 data cells vs. about 3,340 cells (a 75% reduction) if provincial/territorial geography were requested instead. STC felt that the questionnaire was too long and that administering it to all respondents could result in considerable non-response and, ultimately, the failure of the survey. As a result, a shorter version of the questionnaire was developed which, in addition to other reductions, pared the geographic detail back to the provincial/territorial level.

In January 2001, following a meeting with the Canadian Bankers Association, it was agreed that the provincial/territorial geography would also be included on the long-form questionnaire. It was also agreed that STC, IC and Finance would determine an appropriate level of sub-provincial geography to be collected on future surveys.

3.5 Short-form vs. long-form

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The short-form questionnaire was designed to collect the key information required from respondents but to keep the size of questionnaire and response burden to a minimum. The same authorization size, instrument, geography and industry detail that appears on the long-form also appears on the short-form. The key difference is that no cross-tabulations of these variables are included on the short-form. As a result, the short-form consists of just 520 data cells.

The final structure of the long- and short-form SSBF questionnaires is summarized in Table 1. Note that the variables collected for each type of financing are, generally, amounts authorized, amounts outstanding and number of clients.

Table1 – Structure of long- and short-form questionnaires

Section	Long-form	Short-form
General	<ul style="list-style-type: none"> - fiscal year end and assets - employment size of clients 	<ul style="list-style-type: none"> - fiscal year end and assets - employment size of clients
Debt	<ul style="list-style-type: none"> - instrument detail by authorization size - geography detail by authorization size - industry detail by authorization size - losses 	<ul style="list-style-type: none"> - authorization size - instrument detail - geography detail - industry detail - losses
Equity	<ul style="list-style-type: none"> - summary data 	<ul style="list-style-type: none"> - summary data
Factoring	<ul style="list-style-type: none"> - geography detail by authorization size - industry detail by authorization size - losses 	<ul style="list-style-type: none"> - authorization size - geography detail - industry detail - losses
Leasing	<ul style="list-style-type: none"> - geography detail by authorization size - industry detail by authorization size - losses 	<ul style="list-style-type: none"> - authorization size - geography detail - industry detail - losses

4. Survey design

4.1 Frame

The sample for the SSBF was drawn from Statistics Canada's Business Register (BR). The BR is a list of all enterprises in Canada – about 2 million in total – that are either incorporated or have \$30,000 or more in annual gross revenue or have at least one employee. Typically, each individual survey specifies which of the units on the BR are relevant to the survey. The specifications would include criteria such as industry, size, organizational structure, etc. Using these specifications, a Statistical Universe Frame (SUF) file is created which contains only those units of interest to the survey. The sample is then drawn from this file.

For the first SSBF, it was decided that the SUF file could be created from existing SUF files rather than created from scratch from the BR. The SUF prepared for the Quarterly Survey of Financial Statements (QFS) became the primary source. The QFS SUF was used because it was an enterprise (rather than establishment) file, it was current and it had financial stratification variables from several sources (the QFS itself, tax data and BR updates). However, not all of the units relevant for the SSBF could be found on the QFS SUF. Some additional units were obtained from the Unified Enterprise Survey (UES) SUF and the rest were added individually. In the end, about 96% of the target population came from the QFS SUF, 1% from the UES SUF and 3% were added individually.

4.2 Stratification variables

Stratification by industry was planned from the beginning since it was clear that publishing industry breakdowns, such as banks and credit unions, would be required. The financial stratification variables that were considered were assets, revenue or a combination of the two. Assets alone was eventually chosen since the key data to be collected on the survey, amounts outstanding, was aligned most closely with assets.

A relatively low asset threshold of \$1 million was chosen for the first survey. This level will enable STC to gauge the contribution of small suppliers of financing. It is expected that their contribution will prove to be quite small and that this threshold can be raised for future surveys.

4.3 Industry coverage

The North American Industry Classification System (NAICS) indicated that two 2-digit industries were relevant – Finance and Insurance (NAICS 52) and Real Estate and Rental and Leasing (NAICS 53). Further analysis, in consultation with IC and Finance, reduced the initial industry coverage to the following seven 4-digit industries.

- 5221 – Depository Credit Intermediation (banks, trust companies, credit unions, caisses populaires)

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- 5222 – Non-Depository Credit Intermediation (acceptance companies, sales finance companies, factoring companies)
- 5239 – Other Financial Investment Activities (venture capital companies, portfolio managers, investment advisors)
- 5241 – Insurance Carriers (life insurance companies, property and casualty insurance companies)
- 5269 – Other Funds and Financial Vehicles (mutual funds, investment funds, segregated funds)
- 5321 – Automotive Equipment Rental and Leasing (car leasing companies, truck leasing companies)
- 5324 – Commercial and Industrial Machinery and Equipment Rental and Leasing (construction equipment leasing companies, office equipment leasing companies)

These industries represent the higher-level aggregations of the more specific industries that were identified as relevant. Industry selection was done at this level, however, to ensure that minor NAICS coding errors wouldn't result in relevant units being left out of the sample. The first survey will enable STC to assess the contribution of each of these industries and make appropriate adjustments to the coverage for future surveys.

4.4 Target population

The target population for the survey included all enterprises with assets of \$1 million or more having one or more establishments in the in-scope industries (NAICS 5221, 5222, 5239, 5241, 5269, 5321 and 5324). Unincorporated and non-profit enterprises were excluded. The enterprise, rather than the establishment, was chosen as the statistical unit because it was felt that the information to be collected by the survey could only be collected or reported at the enterprise level.

As mentioned above, it was not possible to derive all of the relevant units from the QFS SUF alone due to some QFS exclusions and to specific SSBF requirements. The units that were added to the target population fell into four general categories – the in-scope establishments of out-of-scope enterprises, federal government business enterprises (GBE), enterprises involved with venture capital financing, and federal government departments. Unique strata were created in the target population for these additions.

In the QFS SUF, units are assigned to industries based on the dominant NAICS code at the enterprise level – no establishment level information is available. This was a problem for the SSBF since out-of-scope enterprises could have establishments that were in scope; for example, a manufacturing enterprise (out-of-scope) could have a financing establishment in scope. The UES SUF, a comprehensive and current establishment file, was used to identify these situations. A total of 203 enterprises with one or more establishments were added to the target population this way.

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The QFS SUF excludes all GBE. However, four federal crown corporations had been identified as potential respondents and had been included in consultation. These four GBE were added to the target population.

As noted above, units involved in venture capital financing received special treatment in the SSBF. STC assembled a list from various sources – respondents to recent M&A surveys, members of the Canadian Venture Capital Association and the Quebec equivalent, units coded to the venture capital industry (7125) in the old Standard Industrial Classification (SIC) structure, and units identified from media sources. All 579 of these units, regardless of asset size and NAICS, were added to the target population in a venture capital stratum. Note that a number of large units already in-scope via their NAICS codes were included in the venture capital stratum through this procedure.

The QFS SUF also excludes all government departments. Seven organizations in two federal departments were identified as potential respondents and were consulted. They will be surveyed but have not been included in the target population. Since the BR is not well equipped to support surveys of government, these respondents will be surveyed independently with a unique questionnaire. Note that these organizations do not necessarily represent a complete picture of the federal government activities – further research will be needed to ensure complete coverage of these activities.

The final structure of the target population is summarized by industry and asset size in Table 2. The GBE are included in the 5222XX industry based on their NAICS codes.

Table 2 – Population enterprises and assets (\$ millions) by industry and asset size

Industry	< \$5m		\$5m to <\$100m		\$100m +		Total	
	Units	Assets	Units	Assets	Units	Assets	Units	Assets
5221XX	232	679	1,481	46,214	234	436,954	1,947	483,847
5222XX, GBE	1,128	2,314	335	5,462	54	56,985	1,517	64,761
5239XX	10,644	22,071	2,991	45,760	142	63,411	13,777	131,242
5241XX	82	234	253	7,518	133	205,111	468	212,863
5269XX	409	989	886	29,710	687	498,877	1,982	529,576
5321XX	383	881	184	3,334	9	2,294	576	6,509
5324XX	722	1,513	163	2,533	10	10,589	895	14,635
Establishments	23	55	96	2,596	84	163,370	203	166,021
Venture capital	491	285	69	1,387	19	627,555	579	629,227
Total	14,114	29,021	6,458	144,514	1,372	2,065,146	21,944	2,238,681

5. Sample design

5.1 Strategy

An initial analysis done in December 1999 indicated that a sample size of no more than 2,000 units would be sufficient to provide good quality estimates for a survey of NAICS 5221 and 5222. As work progressed it became clear that more industries would have to be included in the survey and a larger sample size would be required. In addition, it was expected that many units could prove to be out-of-scope, i.e. they might not be engaged in providing financing to businesses. Eventually, it was decided that the sample for the initial survey should be expanded to about 5,000 units. This would facilitate covering a wide range of industries and business size categories and would allow for a significant number of out-of-scope respondents. The results of the first survey are expected to provide evidence for reducing the industry coverage and/or raising the asset threshold for future surveys.

5.2 Sample selection

A sample size of 5,311 units was selected from the target population. All units in the GBE, establishments and venture capital strata were included in the sample. Take-all, take-some and take-fewer strata were created for the other industries. Based on a distribution of the population by asset size, two statistically optimal asset boundaries were determined for each industry. Units above the higher boundary were assigned to the take-all stratum; units between the two boundaries fell into the take-some stratum while those below the lower boundary were assigned to the take-fewer stratum. All units in take-all strata and a sample of those in take-some and take-fewer strata were included in the sample. Table 3 summarizes the sample by industry and asset size while Table 4 shows the share of the target population included in the sample.

Table 3 – Sample enterprises and assets (\$ millions) by industry and asset size

Industry	< \$5m		\$5m to <\$100m		\$100m +		Total	
	Units	Assets	Units	Assets	Units	Assets	Units	Assets
5221XX	51	148	816	36,199	234	436,954	1,101	473,301
5222XX, GBE	160	348	296	5,248	54	56,985	510	62,581
5239XX	296	726	673	21,972	142	63,411	1,111	86,109
5241XX	7	20	77	4,346	133	205,111	217	209,477
5269XX	29	71	355	19,597	687	498,877	1,071	518,545
5321XX	76	178	184	3,334	9	2,294	269	5,806
5324XX	77	172	163	2,533	10	10,589	250	13,294
Establishments	23	55	96	2,596	84	163,370	203	166,021
Venture capital	491	285	69	1,387	19	627,555	579	629,227

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Total	1,210	2,003	2,729	97,212	1,372	2,065,146	5,311	2,164,361
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Table 4 – Sample as a % of the population

	< \$5m		\$5m to <\$100m		\$100m +		Total	
Industry	Units	Assets	Units	Assets	Units	Assets	Units	Assets
5221XX	22.0	21.8	55.1	78.3	100.0	100.0	56.5	97.8
5222XX, GBE	14.2	15.0	88.4	96.1	100.0	100.0	33.6	96.6
5239XX	2.8	3.3	22.5	48.0	100.0	100.0	8.1	65.6
5241XX	8.5	8.5	30.4	57.8	100.0	100.0	46.4	98.4
5269XX	7.1	7.2	40.1	66.0	100.0	100.0	54.0	97.9
5321XX	19.8	20.2	100.0	100.0	100.0	100.0	46.7	89.2
5324XX	10.7	11.4	100.0	100.0	100.0	100.0	27.9	90.8
Establishments	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Venture capital	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total	8.6	6.9	42.3	67.3	100.0	100.0	24.2	96.7

5.3 Short-form vs. long-form

The short-form version of the questionnaire was developed mainly because STC felt that the long-form would prove to be too burdensome for many respondents. As well, because of the size of the tables, it was decided that the long-form would be an electronic questionnaire in Excel format. STC felt that this approach could create processing problems if respondents altered or didn't follow the exact format of the spreadsheet when completing the questionnaire. Due to these risks, it was agreed that the long-form would be treated as a test and administered to only 500 respondents, about 10% of the total sample.

The original plan was that the largest 240 respondents, as measured by asset size, and a random selection of 260 smaller respondents would receive the long-form. Large respondents were expected to be better equipped to handle the programming needed to respond to the long-form. However, gauging the ability of small respondents to handle the data volume and electronic aspect of the long-form was also important in deciding how to evolve the long- and short-form approach in future surveys.

The sample was drawn in early December and respondents were assigned a long- or short- form based on the plan described above. However, analysis of the distribution revealed that 80% of sample assets had been assigned to the long-form while only 20% would receive the short-form. Given the risk associated with the long-form (recall that at

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this time the long-form still included the full 2-digit postal code detail) STC decided to shift some sample from the long-form to the short-form.

This was done by first assigning a long-form to the 7 chartered banks who were already reporting “long-form” type data to the Canadian Bankers Association and the 4 GBE. The rest of the sample was ranked by stratum and asset size. The other 489 long-form respondents were then selected systematically by assigning a long-form to about every 11th respondent. The result was that 39% of sample assets were assigned to the long-form and 61% to the short-form. STC deemed this to be a much more acceptable split given the risk inherent in the long-form. Table 5 summarizes the original and adjusted distribution of the sample between the long- and the short-form.

Table 5 – Distribution of the sample between the long- and short-form

	\$ millions	% of population	% of sample
Total assets of the target population	2,238,681	100.0	
Total assets in the sample	2,164,361	96.7	100.0
Total assets in original long-form sample	1,736,166	77.6	80.2
Total assets in original short-form sample	428,195	19.1	19.8
Total assets in adjusted long-form sample	847,626	37.9	39.2
Total assets in adjusted short-form sample	1,316,733	58.8	60.8

6. Survey outputs and schedule

6.1 Outputs

As specified in the *Statistics Act*, STC will publish only aggregate data from the survey. No data will be published that will identify, either directly or indirectly, the activities of an individual respondent. As well, data that are not of acceptable quality will also be suppressed. The data will be released as a series of output tables. The content and structure of the tables will be developed by STC in consultation with IC and Finance. These tables will be based on the data in the short-form questionnaire. Since all of the short-form content also appears in the long-form questionnaire, the output tables will be representative of all respondents, regardless of whether they received a long- or a short-form. STC will also try to publish as much long-form data as possible, but will be limited by the small number of long-form respondents and their ability to provide the long-form detail. Recall that the long-form is being treated as a test this time.

The variables included in the output tables will be amounts authorized, amounts outstanding and number of clients, and losses and number of clients. Data will be published by type of financing (debt, equity³, factoring and leasing). The axes of the tables will include type of supplier, authorization size, instrument, geography and industry. While it would be ideal to publish the same size, instrument, geography and industry detail that appears in the questionnaires, this probably won't be possible. Some or all of these dimensions may be collapsed to minimize the amount of data lost to confidentiality. Decisions as to which dimensions should be collapsed, and to what extent they should be collapsed, will be made in consultation with IC and Finance.

6.2 Schedule

Table 6 shows the timing of some of the major activities of the SSBF 2000. Two sets of dates are provided. The first column of dates are those that were established in August 2000, when the plan was first presented to IC and Finance. The dates in the second column are either actual or anticipated as of June 2001.

Table 6 – Schedule of activities for the SSBF 2000

Activity	August 2000 plan	Actual/current plan
Consultation	Jul – Aug 2000	Jul – Aug 2000
Questionnaire development, testing	Aug – Sep 2000	Aug 2000 – Jan 2001
Sample design, system development	Oct – Dec 2000	Sep 2000 – Mar 2001
Data collection	Jan – Apr 2001	Mar – Jul 2001
Data processing	May – Jul 2001	Jul – Aug 2001

³ Note that limited detail can be published concerning equity financing since only four data points will be collected in both the long- and short-form questionnaires.

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Data analysis and validation	Aug – Oct 2001	Sep – Oct 2001
Data release	End of Oct 2001	End of Oct 2001

7. Conclusion

This document has described the development of the initial SSBF and how the plan evolved from the first discussions with IC and Finance in the fall of 1999 until the survey went into the field in January 2001. Three more documents should be prepared in the next couple of months to help guide the evolution of the survey over the next two or three years.

- The first document will describe our experience with the initial SSBF. It will cover the results of and the issues arising from the pre-contact, mail-out, collection, processing, estimation and analysis of the first survey.
- The second document will provide recommendations for changes to the content and approach for the second SSBF, which is to be mailed out in January 2002 with a reference date of December 31, 2001. These recommendations will be based on the experience of the first survey and will cover such things as questionnaire content, long- vs. short-form strategies, target population, sample size, etc. Changes to the survey will be made in consultation with IC, Finance, and key stakeholders. Decisions will have to be made early this fall.
- The third document will outline longer-term plans for the SSBF. The issues to be covered could include the timing of increasing the frequency of the survey from annual to semi-annual to quarterly, collecting employment size data instead of authorization size data, etc.