

## Service bulletin

# Real Estate Rental and Leasing and Property Management

2010



### Highlights

- In 2010, real estate rental and leasing and property management industries generated \$79.6 billion in total operating revenue, up 3.6% from a year ago.
- These industries reported operating expenses of \$64.1 billion, an increase of 3.3% over the previous year. The overall operating profit margin moved up slightly to 19.5% in 2010, from 19.3% in 2009.
- The province of Ontario accounted for 39.4% of total operating revenue, followed by Quebec (21.7%), and British Columbia (19.5%).
- Operating revenue for the lessors of residential buildings and dwellings industry increased by 5.3% in 2010. Most of the residential rental and leasing income was generated in the provinces of Ontario (36.6%), Quebec (24.2%) and British Columbia (21.4%). Total operating expenses, at the national level, grew from \$31.8 billion in 2009 to \$33.3 billion in 2010, an increase of 4.9%.
- For 2010, total operating revenue for the non residential leasing industry generated \$35.3 billion, an increase of 1.8%. Similarly, operating expenses grew by 1.6% between 2009 and 2010.
- For the real estate property management industry, the total operating revenue grew by 2.4%. All provinces registered an increase in operating revenue, ranging from 4.0% in British Columbia to 1.3% in Quebec. This industry also reported an increase in operating expenses of 2.2% between 2009 and 2010.

## Statistical tables

Table 1

Summary statistics for the real estate rental and leasing and property management industries, provinces and territories, 2009 and 2010

	Operating revenues	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2010 <sup>p</sup>				
Newfoundland and Labrador	379.7	306.4	28.6	19.3
Prince Edward Island	140.5	114.9	12.3	18.2
Nova Scotia	1,540.7	1,230.7	116.5	20.1
New Brunswick	778.7	615.6	53.1	20.9
Quebec	17,229.3	13,718.0	820.3	20.4
Ontario	31,345.7	25,354.7	2,138.8	19.1
Manitoba	2,106.1	1,736.2	162.7	17.6
Saskatchewan	1,251.9	970.4	106.8	22.5
Alberta	9,105.3	7,189.7	732.4	21.0
British Columbia	15,516.5	12,723.0	1,086.7	18.0
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
<b>Canada</b>	<b>79,574.7</b>	<b>64,088.6</b>	<b>5,271.5</b>	<b>19.5</b>
2009 <sup>r</sup>				
Newfoundland and Labrador	367.7	297.7	28.0	19.0
Prince Edward Island	136.6	112.1	12.2	17.9
Nova Scotia	1,500.9	1,203.6	114.3	19.8
New Brunswick	751.4	595.0	52.2	20.8
Quebec	16,680.7	13,301.8	813.0	20.3
Ontario	30,306.2	24,615.8	2,115.3	18.8
Manitoba	2,033.1	1,676.5	159.7	17.5
Saskatchewan	1,187.5	928.6	105.6	21.8
Alberta	8,737.5	6,927.9	720.0	20.7
British Columbia	14,896.7	12,217.1	1,067.0	18.0
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
<b>Canada</b>	<b>76,840.0</b>	<b>62,044.1</b>	<b>5,208.6</b>	<b>19.3</b>

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) categories 5311 and 53131. See "Data Sources, definitions and methodology" at the end of tables for definitions of terms.

Table 2

Summary statistics for the lessors of residential buildings and dwellings industry, except social housing projects, provinces and territories, 2009 and 2010

	Operating revenues	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2010 <sup>p</sup>				
Newfoundland and Labrador	180.5	154.0	6.7	14.7
Prince Edward Island	76.9	64.7	4.6	15.8
Nova Scotia	625.2	534.0	30.3	14.6
New Brunswick	331.0	281.6	16.9	14.9
Quebec	9,472.2	7,857.9	255.0	17.0
Ontario	14,337.4	12,432.1	653.8	13.3
Manitoba	971.0	814.6	38.1	16.1
Saskatchewan	695.0	542.6	27.2	21.9
Alberta	4,019.3	3,344.9	182.9	16.8
British Columbia	8,389.9	7,252.0	375.4	13.6
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
<b>Canada</b>	<b>39,198.6</b>	<b>33,349.2</b>	<b>1,594.4</b>	<b>14.9</b>
2009 <sup>r</sup>				
Newfoundland and Labrador	173.0	148.7	6.5	14.0
Prince Edward Island	73.8	62.5	4.5	15.3
Nova Scotia	599.7	515.5	29.3	14.0
New Brunswick	320.6	274.7	16.5	14.3
Quebec	9,037.1	7,502.6	251.8	17.0
Ontario	13,565.8	11,862.3	646.4	12.6
Manitoba	930.1	781.3	36.8	16.0
Saskatchewan	653.8	516.8	26.9	20.9
Alberta	3,774.5	3,160.7	180.2	16.3
British Columbia	7,941.7	6,874.4	370.2	13.4
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
<b>Canada</b>	<b>37,218.2</b>	<b>31,804.6</b>	<b>1,581.1</b>	<b>14.5</b>

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) category 531111. See "Data Sources, definitions and methodology" at the end of tables for definitions of terms.

**Table 3**  
**Summary statistics for the non-residential leasing industries, provinces and territories, 2009 and 2010**

	Operating revenues	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2010 <sup>p</sup>				
Newfoundland and Labrador	182.9	138.6	18.6	24.3
Prince Edward Island	58.7	46.0	7.1	21.7
Nova Scotia	797.8	597.0	63.2	25.2
New Brunswick	412.0	303.6	30.0	26.3
Quebec	6,670.6	4,969.5	328.2	25.5
Ontario	15,023.8	11,311.8	987.6	24.7
Manitoba	914.6	730.6	68.8	20.1
Saskatchewan	470.1	356.9	55.8	24.1
Alberta	4,460.1	3,360.8	412.0	24.6
British Columbia	6,280.9	4,742.6	531.3	24.5
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
<b>Canada</b>	<b>35,344.2</b>	<b>26,609.1</b>	<b>2,510.5</b>	<b>24.7</b>
2009 <sup>r</sup>				
Newfoundland and Labrador	178.9	135.5	18.3	24.2
Prince Edward Island	58.0	45.5	7.1	21.6
Nova Scotia	785.4	589.5	62.1	24.9
New Brunswick	396.2	290.7	29.6	26.6
Quebec	6,570.6	4,918.1	324.8	25.1
Ontario	14,803.5	11,177.1	972.5	24.5
Manitoba	890.7	711.0	67.6	20.2
Saskatchewan	449.9	343.0	55.2	23.8
Alberta	4,348.5	3,289.5	403.0	24.4
British Columbia	6,141.6	4,642.1	521.1	24.4
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
<b>Canada</b>	<b>34,707.7</b>	<b>26,197.9</b>	<b>2,469.2</b>	<b>24.5</b>

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) categories 53112, 53113 and 53119.  
 See "Data Sources, definitions and methodology" at the end of tables for definitions of terms.

**Table 4**  
**Summary statistics for the real estate property managers industry, provinces and territories, 2009 and 2010**

	Operating revenues	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2010 <sup>p</sup>				
Newfoundland and Labrador	16.3	13.8	3.2	15.3
Prince Edward Island	4.9	4.2	0.5	15.0
Nova Scotia	117.7	99.7	23.0	15.3
New Brunswick	35.7	30.4	6.2	14.8
Quebec	1,086.5	890.6	237.1	18.0
Ontario	1,984.5	1,610.7	497.4	18.8
Manitoba	220.4	190.9	55.8	13.4
Saskatchewan	86.8	70.9	23.9	18.3
Alberta	625.9	484.0	137.5	22.7
British Columbia	845.8	728.4	180.0	13.9
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
<b>Canada</b>	<b>5,031.9</b>	<b>4,130.3</b>	<b>1,166.7</b>	<b>17.9</b>
2009 <sup>r</sup>				
Newfoundland and Labrador	15.8	13.5	3.2	14.9
Prince Edward Island	4.8	4.1	0.5	14.2
Nova Scotia	115.9	98.6	23.0	15.0
New Brunswick	34.6	29.7	6.2	14.2
Quebec	1,073.0	881.1	236.4	17.9
Ontario	1,936.9	1,576.4	496.5	18.6
Manitoba	212.3	184.2	55.3	13.3
Saskatchewan	83.8	68.8	23.5	17.9
Alberta	614.5	477.7	136.7	22.3
British Columbia	813.4	700.6	175.6	13.9
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
<b>Canada</b>	<b>4,914.1</b>	<b>4,041.6</b>	<b>1,158.4</b>	<b>17.8</b>

**Note(s):** The results in this table are for firms classified under the North American Industry Classification System (NAICS) category 53131. See "Data Sources, definitions and methodology" at the end of tables for definitions of terms.

## Data sources, definitions and methodology

### Description

This annual sample survey collects data required to produce economic statistics for the Real estate rental and leasing and property management industry in Canada.

Data collected from businesses are aggregated with information from other sources to produce official estimates of national and provincial economic production for this industry.

Survey estimates are made available to businesses, governments, investors, associations, and the public. The data are used to monitor industry growth, measure performance, and make comparisons to other data sources to better understand this industry.

### Target population

The target population consists of all establishments classified to the Real Estate Rental and Leasing and Property management industry NAICS 531 according to the North American Industry Classification System (NAICS) during the reference year.

### 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 Division 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 2010 was 3,613 collection entities.

### Definition

**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 or 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.

### 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 85.6%. CVs were calculated for each estimate and are available upon request.

## Related products

### Selected CANSIM tables from Statistics Canada

352-0017	Real estate rental and leasing and property management, summary statistics, by North American Industry Classification System (NAICS), annual (dollars unless otherwise noted) (168 series)
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### Survey(s)

Definitions, data sources and methods: survey number 4705 - Annual Survey of Service Industries: Real Estate Rental and Leasing and Property Management

Release date: March 2012

### 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
0 <sup>s</sup>	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 <i>Statistics Act</i>
E	use with caution
F	too unreliable to be published
*	significantly different from reference category ( $p < 0.05$ )

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Frequency: Annual / ISSN 1916-8411

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