

Service bulletin

Real Estate Rental and Leasing and Property Management



2012

Highlights

- In 2012, real estate rental and leasing and property management industries generated \$85.7 billion in total operating revenue, up 3.6% from a year ago. These industries reported operating expenses of \$68.2 billion, an increase of 2.8% over the previous year. The operating profit margin moved up slightly to 20.4% in 2012, from 19.8% in 2011. Ontario accounted for 39.1% of the total operating revenue, followed by Quebec (21.5%), and British Columbia (19.4%).
- Operating revenue for the lessors of residential buildings and dwellings industry grew by 2.3% to \$41.8 billion in 2012. Ontario had the largest share of the residential rental income at 36.6% followed by Quebec at 24.0% and British Columbia at 21.2%. Total operating expenses for the industry increased by 1.7% to \$35.2 billion at the national level. As a consequence of the higher growth of revenue relative to the operating expenses, the operating profit margin rose to 15.9% in 2012, from 15.3% in 2011.
- The total operating revenue for the non-residential leasing and rental industry increased 4.8% to \$38.3 billion in 2012. All provinces reported a positive growth in operating revenue with Newfoundland and Labrador leading the country at 7.7%. Total operating expenses increased 3.9% to \$28.5 billion in 2012. The operating profit margin increased to 25.6% in 2012 from 24.9% in 2011.
- The real estate property management industry generated \$5.5 billion in operating revenue, up 5.4% from 2011. This industry also reported operating expenses of \$4.5 billion, up 5.1% from the previous year. The operating profit margin was 18.5% in 2012, from 18.3% in 2011.

Statistical tables

Table 1

Summary statistics for the real estate rental and leasing and property management industries, provinces and territories, 2011 and 2012

	Operating revenues	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2012 ^p				
Newfoundland and Labrador	423.1	337.6	30.3	20.2%
Prince Edward Island	153.5	123.9	12.8	19.3%
Nova Scotia	1,698.1	1,331.5	121.7	21.6%
New Brunswick	844.3	659.8	54.8	21.9%
Quebec	18,411.2	14,482.0	847.7	21.3%
Ontario	33,500.6	26,851.6	2,226.6	19.8%
Manitoba	2,283.6	1,838.0	167.0	19.5%
Saskatchewan	1,386.2	1,057.1	111.9	23.7%
Alberta	10,076.1	7,854.7	770.5	22.0%
British Columbia	16,649.5	13,486.2	1,124.3	19.0%
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	85,712.8	68,208.1	5,488.7	20.4%
2011 ^r				
Newfoundland and Labrador	400.1	320.7	29.4	19.8%
Prince Edward Island	145.5	118.2	12.5	18.8%
Nova Scotia	1,626.8	1,284.4	119.2	21.0%
New Brunswick	809.7	637.1	54.0	21.3%
Quebec	17,763.1	14,095.2	834.7	20.6%
Ontario	32,504.0	26,231.2	2,183.2	19.3%
Manitoba	2,187.2	1,790.5	165.1	18.1%
Saskatchewan	1,335.7	1,023.6	109.6	23.4%
Alberta	9,578.7	7,538.0	750.6	21.3%
British Columbia	16,123.3	13,158.9	1,103.2	18.4%
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	82,710.4	66,357.2	5,379.5	19.8%

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 definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

Table 2
Summary statistics for the lessors of residential buildings and dwellings industry, except social housing projects, provinces and territories, 2011 and 2012

	Operating revenues	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2012 ^p				
Newfoundland and Labrador	196.0	166.0	7.1	15.3%
Prince Edward Island	84.9	70.2	4.8	17.3%
Nova Scotia	676.0	570.3	31.9	15.6%
New Brunswick	346.4	293.1	17.3	15.4%
Quebec	10,023.6	8,268.8	260.7	17.5%
Ontario	15,315.4	13,102.2	675.2	14.4%
Manitoba	1,039.0	853.4	38.9	17.9%
Saskatchewan	753.9	578.3	27.8	23.3%
Alberta	4,301.2	3,525.2	191.7	18.0%
British Columbia	8,883.2	7,623.5	382.3	14.2%
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	41,834.2	35,183.7	1,651.4	15.9%
2011 ^r				
Newfoundland and Labrador	188.5	159.7	6.9	15.2%
Prince Edward Island	80.9	67.5	4.7	16.6%
Nova Scotia	656.1	556.6	31.3	15.2%
New Brunswick	339.2	288.4	17.2	15.0%
Quebec	9,774.1	8,075.3	258.1	17.4%
Ontario	15,024.6	12,973.8	672.5	13.6%
Manitoba	1,009.9	837.6	38.6	17.1%
Saskatchewan	740.7	571.3	27.6	22.9%
Alberta	4,146.5	3,442.8	187.5	17.0%
British Columbia	8,744.2	7,525.4	381.0	13.9%
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	40,875.9	34,609.2	1,636.1	15.3%

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 definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

Table 3
Summary statistics for the non-residential leasing industries, provinces and territories, 2011 and 2012

	Operating revenues	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2012 ^p				
Newfoundland and Labrador	209.7	157.1	19.8	25.1%
Prince Edward Island	63.4	49.4	7.4	22.1%
Nova Scotia	894.7	654.3	66.1	26.9%
New Brunswick	460.3	334.9	31.3	27.2%
Quebec	7,215.6	5,260.3	342.0	27.1%
Ontario	15,989.1	11,975.9	1,032.0	25.1%
Manitoba	1,014.0	785.4	71.4	22.5%
Saskatchewan	537.3	401.6	59.4	25.3%
Alberta	5,068.3	3,786.8	434.2	25.3%
British Columbia	6,809.8	5,049.5	550.5	25.8%
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	38,328.9	28,503.2	2,621.3	25.6%
2011 ^r				
Newfoundland and Labrador	194.7	146.8	19.2	24.6%
Prince Edward Island	59.5	46.5	7.2	21.9%
Nova Scotia	847.6	624.0	64.4	26.4%
New Brunswick	433.7	317.5	30.6	26.8%
Quebec	6,868.1	5,104.2	336.1	25.7%
Ontario	15,418.9	11,592.6	1,003.6	24.8%
Manitoba	948.2	754.5	69.8	20.4%
Saskatchewan	503.5	377.7	57.7	25.0%
Alberta	4,768.5	3,584.0	422.0	24.8%
British Columbia	6,464.7	4,854.1	534.3	24.9%
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	36,567.1	27,446.1	2,551.4	24.9%

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 definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

Table 4
Summary statistics for the real estate property managers industry, provinces and territories, 2011 and 2012

	Operating revenues	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2012 ^p				
Newfoundland and Labrador	17.4	14.5	3.4	16.4%
Prince Edward Island	5.2	4.3	0.6	16.9%
Nova Scotia	127.4	106.9	23.7	16.0%
New Brunswick	37.6	31.8	6.2	15.3%
Quebec	1,172.0	952.9	245.0	18.7%
Ontario	2,196.1	1,773.5	519.4	19.2%
Manitoba	230.6	199.2	56.7	13.6%
Saskatchewan	95.0	77.2	24.7	18.7%
Alberta	706.6	542.7	144.6	23.2%
British Columbia	956.5	813.2	191.5	15.0%
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	5,549.7	4,521.2	1,216.0	18.5%
2011 ^r				
Newfoundland and Labrador	16.9	14.2	3.3	15.5%
Prince Edward Island	5.1	4.2	0.6	16.4%
Nova Scotia	123.1	103.8	23.5	15.6%
New Brunswick	36.8	31.2	6.2	15.2%
Quebec	1,120.9	915.7	240.5	18.3%
Ontario	2,060.5	1,664.8	507.1	19.2%
Manitoba	229.1	198.4	56.7	13.4%
Saskatchewan	91.5	74.6	24.3	18.5%
Alberta	663.7	511.2	141.1	23.0%
British Columbia	914.4	779.4	187.9	14.8%
Yukon	x	x	x	x
Northwest Territories	x	x	x	x
Nunavut	x	x	x	x
Canada	5,267.4	4,301.9	1,192.0	18.3%

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 definition of terms. Due to rounding, components may not add to total. Scaling may also affect the calculation of ratios.

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 2012 was 3,414 collection entities.

Definitions

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 information it collects which could identify any person, business, or organization, unless consent has been given by the respondent or as permitted by the Statistics Act. 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 86.1%. 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 2014

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 ^s	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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