



Service bulletin

Food Services and Drinking Places



2006

Food services and drinking places

Total operating revenue for the Canadian food services and drinking places industry reached \$40.6 billion in 2006, up 4.5% from the previous year. This growth was slightly stronger than the 3.9% observed in 2005. A generally strong economy, with notable increases in personal disposable income and domestic tourism demand for food and beverage services, helped stimulate the growth of the industry in 2006.

Industry operating revenue increased in all provinces, but Alberta led the way with a robust growth rate of 11.0%. As in the previous year, the Western provinces continued to show strong growth in 2006 (7.5% combined), reflecting the overall economic performance of this region. Operating revenue also expanded in the four Atlantic provinces, which posted an overall growth rate of 5.3%. The industry in Quebec and Ontario observed more moderate increases than the other provinces, at 3.1% and 2.6%, respectively. Operating revenue remained relatively stable in the territories.

In the limited service sector, which is characterized predominantly by restaurants where meals are ordered and paid for at the counter, total operating revenue grew by 6.7%, the largest expansion of all four sectors of the industry. This was a marked improvement relative to its 3.3% growth in 2005. The special food services sector (comprising contractors, social caterers and mobile food services) posted a 6.2% increase in operating revenue. Full service restaurants (where patrons order and pay for meals at their table) saw moderate growth of 4.0%.

In sharp contrast, operating revenues for the drinking places sector decreased 6.2% in 2006. This marked the second consecutive year of shrinking revenues for this sector.

The industry continued to be dominated by the full service and limited service sectors, representing 44.3% and 40.4%, respectively, of total operating revenue.

Sales of food and non-alcoholic beverages accounted for 83.3% of the total sales of the industry, while sales of alcoholic beverages represented 14.3%. The major expense for owners in the industry was the cost of goods sold at 35.4%, followed by the cost of labour at 31.5%.

The operating profit margin for the industry edged up from 3.8% in 2005 to 4.3% in 2006. Increases were noted in most provinces and sectors of the industry.

Results from the 2006 Annual Survey of Food Services and Drinking Places are now available. These data provide information on the industry's operating revenue, operating expenses, salaries, wages and benefits and operating profit margin. Data for 2005 have been revised to reflect more accurate coverage of the target population for this industry.

Statistical tables

Table 1

Summary statistics for food services and drinking places industry – Total food services

	2002	2003	2004	2005 ^r	2006 ^p
	millions of dollars				
Operating revenue¹					
Newfoundland	399	437	436	447	465
Prince Edward Island	127	136	148	141	149
Nova Scotia	951	958	996	997	1,043
New Brunswick	677	721	752	754	805
Quebec	6,987	7,665	8,050	8,463	8,722
Ontario	14,803	13,511	14,343	14,665	15,049
Manitoba	995	969	1,037	1,046	1,093
Saskatchewan	946	877	927	986	1,023
Alberta	4,341	4,392	4,685	4,992	5,539
British Columbia	5,218	5,498	5,895	6,243	6,603
Yukon	32	32	33	32	31
Northwest Territories	54	55	52	51	52
Nunavut	10	10	11	8	9
Canada	35,539	35,260	37,366	38,826	40,584
Total salaries and wages²					
Newfoundland	114	133	132	131	138
Prince Edward Island	36	42	45	44	45
Nova Scotia	284	285	298	309	315
New Brunswick	205	224	228	236	249
Quebec	2,067	2,314	2,448	2,685	2,700
Ontario	4,175	3,925	4,218	4,340	4,505
Manitoba	291	289	313	315	321
Saskatchewan	264	262	273	284	285
Alberta	1,298	1,312	1,393	1,470	1,633
British Columbia	1,620	1,681	1,829	1,943	2,069
Yukon	9	10	8	9	10
Northwest Territories	22	18	17	17	17
Nunavut	3	3	4	2	3
Canada	10,388	10,496	11,207	11,785	12,290
Operating expenses³ (including cost of goods)					
Newfoundland	375	420	422	430	447
Prince Edward Island	122	130	143	135	140
Nova Scotia	899	908	948	963	996
New Brunswick	647	694	714	724	760
Quebec	6,587	7,368	7,753	8,121	8,320
Ontario	14,142	13,196	13,937	14,244	14,616
Manitoba	955	920	980	990	1,018
Saskatchewan	895	841	879	927	955
Alberta	4,119	4,214	4,433	4,704	5,175
British Columbia	5,013	5,336	5,692	6,042	6,312
Yukon	31	31	32	31	30
Northwest Territories	56	53	50	48	50
Nunavut	9	10	11	8	9
Canada	33,850	34,121	35,994	37,367	38,829

See footnotes at the end of the table.

Table 1 – continued

Summary statistics for food services and drinking places industry – Total food services

	2002	2003	2004	2005 ^r	2006 ^p
	percent				
Operating margin⁴					
Newfoundland	6.1	3.7	3.4	3.8	3.9
Prince Edward Island	3.5	4.4	3.1	4.2	6.0
Nova Scotia	5.4	5.2	4.8	3.4	4.5
New Brunswick	4.5	3.8	5.0	4.0	5.5
Quebec	5.7	3.9	3.7	4.0	4.6
Ontario	4.5	2.3	2.8	2.9	2.9
Manitoba	4.0	5.1	5.5	5.4	6.8
Saskatchewan	5.4	4.1	5.2	6.0	6.6
Alberta	5.1	4.1	5.4	5.8	6.6
British Columbia	3.9	2.9	3.4	3.2	4.4
Yukon	3.5	4.2	3.6	3.9	3.4
Northwest Territories	-4.0	3.5	3.7	6.1	4.3
Nunavut	4.1	2.2	3.3	1.9	4.0
Canada	4.8	3.2	3.7	3.8	4.3

1. Operating revenue excludes investment income, capital gains, extraordinary gains and other non-recurring items.
2. Salaries, wages and benefits include vacation pay and commissions for all employees for whom a T4 supplementary form was completed. This category also includes the employer portion of employee benefits for items such as Canada/Québec 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.
3. Operating expenses exclude write-offs, capital losses, extraordinary losses, interest on borrowing, and other non-recurring items.
4. 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.

Note(s): Due to rounding, components may not add to total (where applicable). Please note a change in the methodology: commencing with 2001, the annual data are no longer benchmarked to the Monthly Survey of Food Services and Drinking Places.

Table 2
Summary statistics for food services and drinking places industry – Full-service restaurants

	2002	2003	2004	2005 ^r	2006 ^p
	millions of dollars				
Operating revenue¹					
Newfoundland	87	122	99	105	132
Prince Edward Island	x	x	53	53	55
Nova Scotia	299	280	344	344	352
New Brunswick	204	202	222	229	246
Quebec	3,577	3,737	4,012	4,299	4,491
Ontario	6,231	5,316	5,775	5,898	6,044
Manitoba	466	459	488	493	516
Saskatchewan	490	403	467	487	503
Alberta	2,119	2,225	2,302	2,460	2,579
British Columbia	2,439	2,550	2,666	2,865	3,010
Yukon	15	14	15	x	x
Northwest Territories	17	17	20	20	18
Nunavut	x	x	3	x	x
Canada	15,993	15,380	16,466	17,271	17,962
Total salaries and wages²					
Newfoundland	26	38	30	31	39
Prince Edward Island	x	x	17	17	17
Nova Scotia	96	89	108	111	111
New Brunswick	61	65	69	76	77
Quebec	1,086	1,178	1,263	1,433	1,443
Ontario	1,869	1,547	1,720	1,763	1,793
Manitoba	140	152	154	156	162
Saskatchewan	146	130	144	148	150
Alberta	650	695	705	761	794
British Columbia	786	841	881	929	981
Yukon	4	5	5	x	x
Northwest Territories	5	5	6	6	6
Nunavut	x	x	1	x	x
Canada	4,885	4,762	5,102	5,436	5,578
Operating expenses³ (including cost of goods)					
Newfoundland	83	119	97	104	128
Prince Edward Island	x	x	52	51	53
Nova Scotia	283	270	330	333	342
New Brunswick	193	197	214	226	238
Quebec	3,378	3,599	3,901	4,165	4,334
Ontario	5,997	5,211	5,663	5,775	5,925
Manitoba	440	445	465	469	493
Saskatchewan	462	386	446	464	476
Alberta	2,001	2,161	2,189	2,334	2,449
British Columbia	2,368	2,526	2,623	2,785	2,935
Yukon	15	14	14	x	x
Northwest Territories	16	17	19	19	17
Nunavut	x	x	3	x	x
Canada	15,283	14,999	16,016	16,743	17,407

See footnotes at the end of the table.

Table 2 – continued

Summary statistics for food services and drinking places industry – Full-service restaurants

	2002	2003	2004	2005 ^r	2006 ^p
	percent				
Operating margin⁴					
Newfoundland	4.2	2.2	1.8	0.5	2.7
Prince Edward Island	x	x	2.5	3.3	4.1
Nova Scotia	5.2	3.5	4.0	2.9	2.8
New Brunswick	5.3	2.5	3.9	1.5	3.1
Quebec	5.6	3.7	2.8	3.1	3.5
Ontario	3.8	2.0	1.9	2.1	2.0
Manitoba	5.7	2.9	4.8	4.9	4.4
Saskatchewan	5.8	4.2	4.5	4.8	5.3
Alberta	5.6	2.9	4.9	5.1	5.0
British Columbia	2.9	0.9	1.6	2.8	2.5
Yukon	0.9	4.4	2.9	x	x
Northwest Territories	7.0	3.5	2.2	4.6	3.6
Nunavut	x	x	7.6	x	x
Canada	4.4	2.5	2.7	3.1	3.1

1. Operating revenue excludes investment income, capital gains, extraordinary gains and other non-recurring items.
2. Salaries, wages and benefits include vacation pay and commissions for all employees for whom a T4 supplementary form was completed. This category also includes the employer portion of employee benefits for items such as Canada/Québec 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.
3. Operating expenses exclude write-offs, capital losses, extraordinary losses, interest on borrowing, and other non-recurring items.
4. 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.

Note(s): Due to rounding, components may not add to total (where applicable). Please note a change in the methodology: commencing with 2001, the annual data are no longer benchmarked to the Monthly Survey of Food Services and Drinking Places.

Table 3
Summary statistics for food services and drinking places industry – Limited service restaurants

	2002	2003	2004	2005 ^r	2006 ^p
millions of dollars					
Operating revenue¹					
Newfoundland	200	183	203	211	213
Prince Edward Island	70	70	84	79	85
Nova Scotia	485	459	470	471	514
New Brunswick	376	407	416	415	452
Quebec	2,030	2,352	2,420	2,495	2,688
Ontario	6,513	6,225	6,532	6,705	6,926
Manitoba	425	419	457	447	473
Saskatchewan	353	366	354	388	414
Alberta	1,572	1,565	1,720	1,835	2,167
British Columbia	1,755	1,950	2,184	2,289	2,435
Yukon	x	15	14	x	x
Northwest Territories	14	13	14	12	11
Nunavut	x	5	5	x	x
Canada	13,809	14,029	14,873	15,364	16,396
Total salaries and wages²					
Newfoundland	53	53	60	60	62
Prince Edward Island	19	22	24	23	25
Nova Scotia	133	129	133	135	142
New Brunswick	116	126	123	123	135
Quebec	587	677	710	741	786
Ontario	1,707	1,739	1,814	1,870	1,961
Manitoba	115	109	130	128	125
Saskatchewan	98	107	104	111	110
Alberta	441	437	488	502	590
British Columbia	519	551	616	649	719
Yukon	x	5	3	x	x
Northwest Territories	4	4	4	3	3
Nunavut	x	1	1	x	x
Canada	3,796	3,960	4,211	4,351	4,664
Operating expenses³ (including cost of goods)					
Newfoundland	184	176	195	202	204
Prince Edward Island	66	66	80	75	79
Nova Scotia	450	432	444	453	482
New Brunswick	359	391	392	392	420
Quebec	1,925	2,261	2,305	2,369	2,542
Ontario	6,219	6,055	6,273	6,445	6,646
Manitoba	410	390	431	421	427
Saskatchewan	341	355	335	359	377
Alberta	1,487	1,477	1,628	1,713	1,990
British Columbia	1,672	1,846	2,062	2,163	2,272
Yukon	x	14	13	x	x
Northwest Territories	13	12	13	11	10
Nunavut	x	5	5	x	x
Canada	13,142	13,480	14,178	14,617	15,465

See footnotes at the end of the table.

Table 3 – continued

Summary statistics for food services and drinking places industry – Limited service restaurants

	2002	2003	2004	2005 ^r	2006 ^p
	percent				
Operating margin⁴					
Newfoundland	8.4	4.2	3.9	4.4	4.3
Prince Edward Island	4.8	5.8	4.0	5.9	7.1
Nova Scotia	7.1	5.9	5.5	3.9	6.3
New Brunswick	4.4	4.1	5.9	5.6	7.2
Quebec	5.2	3.9	4.8	5.0	5.4
Ontario	4.5	2.7	4.0	3.9	4.1
Manitoba	3.6	6.8	5.8	6.0	9.8
Saskatchewan	3.2	3.0	5.3	7.5	8.9
Alberta	5.4	5.6	5.4	6.7	8.2
British Columbia	4.7	5.3	5.6	5.5	6.7
Yukon	x	3.2	3.4	x	x
Northwest Territories	7.5	4.9	3.8	8.3	3.4
Nunavut	x	-1.8	-1.5	x	x
Canada	4.8	3.9	4.7	4.9	5.7

1. Operating revenue excludes investment income, capital gains, extraordinary gains and other non-recurring items.
2. Salaries, wages and benefits include vacation pay and commissions for all employees for whom a T4 supplementary form was completed. This category also includes the employer portion of employee benefits for items such as Canada/Québec 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.
3. Operating expenses exclude write-offs, capital losses, extraordinary losses, interest on borrowing, and other non-recurring items.
4. 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.

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Table 4
Summary statistics for food services and drinking places industry – Special food services

	2002	2003	2004	2005 ^r	2006 ^p
	millions of dollars				
Operating revenue¹					
Newfoundland	49	75	72	78	75
Prince Edward Island	x	x	x	x	x
Nova Scotia	82	104	89	100	107
New Brunswick	29	53	55	49	54
Quebec	503	694	660	741	719
Ontario	1,389	1,266	1,326	1,427	1,536
Manitoba	79	69	67	72	74
Saskatchewan	24	34	32	33	37
Alberta	324	310	325	338	415
British Columbia	417	347	451	520	545
Yukon	x	x	x	x	x
Northwest Territories	x	12	12	14	16
Nunavut	x	x	x	x	x
Canada	2,915	2,974	3,096	3,378	3,587
Total salaries and wages²					
Newfoundland	20	28	29	28	27
Prince Edward Island	x	x	x	x	x
Nova Scotia	33	37	34	41	44
New Brunswick	12	19	21	20	22
Quebec	176	239	233	261	251
Ontario	426	460	510	556	617
Manitoba	30	23	22	24	26
Saskatchewan	6	9	9	11	11
Alberta	132	109	115	119	154
British Columbia	160	137	193	240	228
Yukon	x	x	x	x	x
Northwest Territories	x	6	5	6	7
Nunavut	x	x	x	x	x
Canada	1,010	1,069	1,174	1,310	1,390
Operating expenses³ (including cost of goods)					
Newfoundland	48	71	69	72	71
Prince Edward Island	x	x	x	x	x
Nova Scotia	84	95	83	96	104
New Brunswick	30	50	52	45	51
Quebec	474	662	639	700	678
Ontario	1,284	1,230	1,298	1,386	1,509
Manitoba	81	63	60	68	68
Saskatchewan	21	29	27	31	33
Alberta	334	288	300	315	384
British Columbia	395	332	436	552	516
Yukon	x	x	x	x	x
Northwest Territories	x	12	12	12	15
Nunavut	x	x	x	x	x
Canada	2,775	2,840	2,982	3,286	3,437

See footnotes at the end of the table.

Table 4 – continued

Summary statistics for food services and drinking places industry – Special food services

	2002	2003	2004	2005 ^r	2006 ^p
	percent				
Operating margin⁴					
Newfoundland	2.2	5.7	4.1	7.5	6.1
Prince Edward Island	x	x	x	x	x
Nova Scotia	-1.7	8.2	6.5	3.9	3.4
New Brunswick	-3.4	6.2	5.3	6.4	6.2
Quebec	5.8	4.6	3.2	5.5	5.7
Ontario	7.6	2.9	2.1	2.9	1.8
Manitoba	-3.5	9.0	9.9	5.6	7.3
Saskatchewan	13.9	15.2	14.2	5.7	9.5
Alberta	-3.2	7.1	7.9	6.6	7.5
British Columbia	5.3	4.4	3.4	-6.2	5.2
Yukon	x	x	x	x	x
Northwest Territories	x	-1.7	3.9	8.1	7.6
Nunavut	x	x	x	x	x
Canada	4.8	4.5	3.7	2.7	4.2

1. Operating revenue excludes investment income, capital gains, extraordinary gains and other non-recurring items.
2. Salaries, wages and benefits include vacation pay and commissions for all employees for whom a T4 supplementary form was completed. This category also includes the employer portion of employee benefits for items such as Canada/Québec 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.
3. Operating expenses exclude write-offs, capital losses, extraordinary losses, interest on borrowing, and other non-recurring items.
4. 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.

Note(s): Due to rounding, components may not add to total (where applicable). Please note a change in the methodology: commencing with 2001, the annual data are no longer benchmarked to the Monthly Survey of Food Services and Drinking Places.

Table 5
Summary statistics for food services and drinking places industry – Drinking places

	2002	2003	2004	2005 ^r	2006 ^p
millions of dollars					
Operating revenue¹					
Newfoundland	63	56	62	53	45
Prince Edward Island	x	x	x	x	x
Nova Scotia	85	114	93	82	69
New Brunswick	68	58	58	61	53
Quebec	877	882	958	929	824
Ontario	669	704	710	635	542
Manitoba	25	22	26	33	31
Saskatchewan	78	74	74	77	69
Alberta	327	292	337	359	379
British Columbia	608	650	594	569	613
Yukon	x	x	x	x	x
Northwest Territories	x	13	7	6	7
Nunavut	x	x	x	x	x
Canada	2,821	2,877	2,932	2,813	2,639
Total salaries and wages²					
Newfoundland	15	13	13	12	10
Prince Edward Island	x	x	x	x	x
Nova Scotia	23	30	24	21	19
New Brunswick	16	14	15	17	15
Quebec	217	220	243	249	220
Ontario	172	178	174	151	134
Manitoba	6	5	6	6	7
Saskatchewan	14	15	15	14	13
Alberta	75	71	84	88	95
British Columbia	155	151	140	126	140
Yukon	x	x	x	x	x
Northwest Territories	x	3	2	2	2
Nunavut	x	x	x	x	x
Canada	697	704	719	689	658
Operating expenses³ (including cost of goods)					
Newfoundland	60	54	60	51	44
Prince Edward Island	x	x	x	x	x
Nova Scotia	82	110	91	81	68
New Brunswick	64	56	57	61	52
Quebec	810	846	908	886	766
Ontario	642	699	703	639	537
Manitoba	24	22	25	32	30
Saskatchewan	71	71	70	72	68
Alberta	297	288	316	342	352
British Columbia	578	633	571	542	589
Yukon	x	x	x	x	x
Northwest Territories	x	12	6	6	7
Nunavut	x	x	x	x	x
Canada	2,649	2,802	2,818	2,721	2,520

See footnotes at the end of the table.

Table 5 – continued

Summary statistics for food services and drinking places industry – Drinking places

	2002	2003	2004	2005 ^r	2006 ^p
	percent				
Operating margin⁴					
Newfoundland	4.3	3.0	3.4	2.8	2.0
Prince Edward Island	x	x	x	x	x
Nova Scotia	3.4	3.9	2.8	1.2	1.5
New Brunswick	5.9	3.5	2.3	0.8	2.3
Quebec	7.6	4.1	5.2	4.6	7.1
Ontario	4.0	0.6	1.1	-0.5	1.0
Manitoba	1.6	4.1	3.4	4.3	2.1
Saskatchewan	9.6	4.0	4.9	6.3	1.5
Alberta	9.2	1.6	6.3	4.7	7.0
British Columbia	4.9	2.8	3.9	4.7	4.0
Yukon	x	x	x	x	x
Northwest Territories	x	7.4	7.2	2.3	-0.2
Nunavut	x	x	x	x	x
Canada	6.1	2.6	3.9	3.3	4.5

1. Operating revenue excludes investment income, capital gains, extraordinary gains and other non-recurring items.
2. Salaries, wages and benefits include vacation pay and commissions for all employees for whom a T4 supplementary form was completed. This category also includes the employer portion of employee benefits for items such as Canada/Québec 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.
3. Operating expenses exclude write-offs, capital losses, extraordinary losses, interest on borrowing, and other non-recurring items.
4. 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.

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Table 6
Selected expense statistics (surveyed establishments only), food services and drinking places, 2006

	Total food services	Full-service restaurants	Limited-service restaurants	Special food services	Drinking places
	percentage				
Operating revenue					
Canada					
Cost of goods sold	35.4	35.8	34.7	33.8	39.9
Labour remuneration	31.5	32.2	29.5	41.3	25.7
Repair and maintenance	2.5	2.7	2.3	1.7	3.6
Rental and leasing	6.8	6.9	7.6	2.8	6.5
Utilities including telephone	2.8	3.4	2.6	1.3	2.5
Advertising and promotion	2.8	2.5	3.4	0.7	3.1
Depreciation	2.9	2.7	3.2	2.2	2.8
Total operating expenses	95.6	96.8	94.1	96.5	95.7
Newfoundland and Labrador					
Cost of goods sold	38.2	37.6	36.6	39.4	46.1
Labour remuneration	30.7	30.3	29.6	37.0	24.6
Repair and maintenance	2.4	3.3	2.3	0.9	3.8
Rental and leasing	6.2	6.0	7.6	2.9	5.7
Utilities including telephone	2.7	3.8	2.8	0.9	2.9
Advertising and promotion	2.3	2.7	2.9	0.3	2.2
Depreciation	2.4	2.7	2.5	1.3	2.7
Total operating expenses	95.8	96.8	95.6	93.7	98.9
Prince Edward Island					
Cost of goods sold	35.7	39.4	33.6	x	x
Labour remuneration	31.0	32.7	29.7	x	x
Repair and maintenance	2.9	3.0	2.8	x	x
Rental and leasing	4.3	4.3	4.5	x	x
Utilities including telephone	3.1	3.7	2.7	x	x
Advertising and promotion	3.0	2.2	3.6	x	x
Depreciation	2.4	2.4	2.5	x	x
Total operating expenses	93.6	95.5	92.4	x	x
Nova Scotia					
Cost of goods sold	36.2	36.3	35.9	33.7	43.3
Labour remuneration	31.3	32.1	28.5	41.8	27.8
Repair and maintenance	2.5	2.7	2.4	1.8	3.6
Rental and leasing	5.7	5.3	6.6	2.6	7.1
Utilities including telephone	3.1	3.9	2.9	1.5	3.2
Advertising and promotion	2.5	1.9	3.6	0.4	1.6
Depreciation	3.1	3.4	3.1	2.4	2.0
Total operating expenses	95.5	97.2	93.7	96.9	98.3
New Brunswick					
Cost of goods sold	34.9	37.4	33.9	33.1	35.8
Labour remuneration	31.4	32.4	30.0	41.5	28.5
Repair and maintenance	2.6	2.6	2.5	1.1	4.9
Rental and leasing	6.2	5.3	7.2	2.0	4.9
Utilities including telephone	3.2	4.1	3.0	0.8	3.9
Advertising and promotion	3.2	3.0	3.7	0.4	2.9
Depreciation	2.9	3.3	2.9	1.8	2.5
Total operating expenses	94.4	97.8	92.6	94.0	97.2
Quebec					
Cost of goods sold	36.3	37.4	34.6	36.2	36.1
Labour remuneration	32.2	33.0	30.2	38.4	28.6
Repair and maintenance	2.7	2.8	2.2	1.8	4.0
Rental and leasing	6.1	5.5	7.8	3.1	6.9
Utilities including telephone	2.9	3.3	2.8	1.3	2.3
Advertising and promotion	2.5	2.3	3.4	0.6	2.6
Depreciation	2.7	2.6	3.1	2.0	2.9
Total operating expenses	95.6	96.4	94.9	95.2	93.9

Table 6 – continued

Selected expense statistics (surveyed establishments only), food services and drinking places, 2006

	Total food services	Full-service restaurants	Limited-service restaurants	Special food services	Drinking places
	percentage				
Ontario					
Cost of goods sold	35.0	35.7	34.7	33.4	34.8
Labour remuneration	31.5	31.2	29.6	42.8	25.8
Repair and maintenance	2.6	2.9	2.5	1.8	4.3
Rental and leasing	7.6	8.2	8.2	2.8	8.3
Utilities including telephone	2.9	3.6	2.7	1.4	3.1
Advertising and promotion	2.8	2.5	3.4	0.8	4.4
Depreciation	3.0	2.9	3.2	2.3	3.2
Total operating expenses	97.0	97.9	95.7	99.1	99.0
Manitoba					
Cost of goods sold	34.4	35.3	33.1	32.9	43.4
Labour remuneration	30.2	32.8	27.2	34.3	24.3
Repair and maintenance	2.4	2.6	2.3	1.2	3.5
Rental and leasing	6.0	6.0	6.6	2.8	4.8
Utilities including telephone	2.8	3.5	2.3	1.0	2.3
Advertising and promotion	3.1	2.8	3.9	0.5	4.4
Depreciation	2.8	2.7	3.2	2.0	2.5
Total operating expenses	93.2	96.8	90.2	85.1	98.6
Saskatchewan					
Cost of goods sold	36.3	35.7	34.8	37.8	49.7
Labour remuneration	29.1	31.9	27.1	31.5	21.3
Repair and maintenance	2.4	2.5	2.3	1.5	2.5
Rental and leasing	5.9	6.0	6.3	2.9	4.7
Utilities including telephone	3.3	3.8	3.0	1.1	3.5
Advertising and promotion	3.0	2.6	3.9	0.8	1.6
Depreciation	3.0	2.6	3.4	2.3	3.2
Total operating expenses	93.3	95.2	90.7	90.6	99.7
Alberta					
Cost of goods sold	33.5	32.9	34.2	33.2	32.7
Labour remuneration	30.1	31.3	27.7	39.1	25.5
Repair and maintenance	2.3	2.6	1.9	1.5	3.5
Rental and leasing	6.3	6.6	6.3	3.2	7.2
Utilities including telephone	2.7	3.1	2.6	1.3	2.5
Advertising and promotion	3.4	3.3	3.7	0.7	4.5
Depreciation	3.0	2.8	3.3	2.8	2.8
Total operating expenses	93.2	94.7	91.4	93.2	92.8
British Columbia					
Cost of goods sold	36.6	35.9	35.1	31.5	48.4
Labour remuneration	32.3	33.7	30.7	44.2	23.0
Repair and maintenance	2.3	2.4	2.3	1.4	2.8
Rental and leasing	6.9	7.3	7.9	2.1	5.2
Utilities including telephone	2.5	3.2	2.2	1.0	2.0
Advertising and promotion	2.4	2.2	3.2	0.5	2.4
Depreciation	2.6	2.3	3.2	2.1	2.3
Total operating expenses	95.6	97.6	93.2	95.4	95.7
Yukon					
Cost of goods sold	33.5	x	x	x	x
Labour remuneration	33.6	x	x	x	x
Repair and maintenance	2.2	x	x	x	x
Rental and leasing	4.8	x	x	x	x
Utilities including telephone	3.4	x	x	x	x
Advertising and promotion	2.7	x	x	x	x
Depreciation	2.6	x	x	x	x
Total operating expenses	94.8	x	x	x	x

Table 6 – continued

Selected expense statistics (surveyed establishments only), food services and drinking places, 2006

	Total food services	Full-service restaurants	Limited-service restaurants	Special food services	Drinking places
	percentage				
Northwest Territories					
Cost of goods sold	35.2	33.4	43.5	29.6	40.0
Labour remuneration	33.9	33.6	30.6	42.2	21.8
Repair and maintenance	2.0	2.5	1.8	0.7	3.5
Rental and leasing	4.6	7.6	4.9	0.9	5.3
Utilities including telephone	3.7	5.4	3.8	0.5	6.2
Advertising and promotion	2.2	2.7	1.5	0.2	5.7
Depreciation	2.1	3.1	1.6	1.3	2.0
Total operating expenses	95.6	96.8	96.4	91.3	100.7
Nunavut					
Cost of goods sold	39.5	x	x	x	x
Labour remuneration	35.7	x	x	x	x
Repair and maintenance	1.1	x	x	x	x
Rental and leasing	4.7	x	x	x	x
Utilities including telephone	2.9	x	x	x	x
Advertising and promotion	0.2	x	x	x	x
Depreciation	1.1	x	x	x	x
Total operating expenses	93.7	x	x	x	x

Note(s): **Cost of goods sold** includes purchased goods that were resold during the reporting period, as well as the cost of goods and material used in manufacturing of sold products. In previous editions of this table cost of goods sold also included other supplies and materials used in the business such as plastic utensils, food containers, paper products, swizzle sticks, flowers, plants and centrepieces. **Labour remuneration** includes vacation pay and commissions for all employees for whom a T4 supplementary form was completed. This category also includes the employer portion of employee benefits for items such as Canada/Québec 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. **Repair and maintenance** include the materials/supplies, parts and associated labour related to the repair and maintenance of buildings, motor vehicles, machinery and equipment. **Rental and leasing** include expenses for rental or leasing of business locations, warehouses, and office space. The rental and/or lease of computers, motor vehicles, machinery and equipment are also included. **Utilities including telephone** include all purchased energy such as electricity, gasoline, fuel oil, propane and natural gas expenses not covered in rental leasing expenses. Telephone and other telecommunication expenses such as fax, cellular phone or pager services as well as internet access charges and purchased cable and satellite transmission of television, radio and music programs are also included. **Advertising and promotion** include such expenses as newspaper advertising, media expenses, catalogues, business promotion, presentations, planning, creating and placement services of advertising, purchase of advertising space or time other advertising services, trade fair and exhibition organization services.

Table 7
Selected revenue statistics (surveyed establishments only), food services and drinking places, 2006

	Sales of alcoholic beverages	Sales of food and non-alcoholic beverages	Sales of merchandise	Other operating revenue
	percentage			
Total revenue				
Canada				
Total food services	14.3	83.3	0.8	1.7
Full-service restaurants	21.4	77.0	0.3	1.3
Limited-service restaurants	0.6	97.5	1.4	0.6
Special food services ¹	2.8	94.6	0.3	2.3
Drinking places	71.6	16.3	1.3	10.8
Newfoundland and Labrador				
Total food services	11.6	85.0	0.9	2.5
Full-service restaurants	19.3	78.8	0.2	1.8
Limited-service restaurants	0.1	97.6	1.3	1.1
Special food services ¹	1.3	97.7	0.5	0.5
Drinking places	71.8	10.6	1.5	16.2
Prince Edward Island				
Total food services	7.8	90.5	0.9	0.7
Full-service restaurants	16.5	80.7	1.5	1.3
Limited-service restaurants	0.0	99.1	0.7	0.2
Special food services ¹	x	x	x	x
Drinking places	x	x	x	x
Nova Scotia				
Total food services	10.6	86.7	0.9	1.9
Full-service restaurants	20.0	77.1	0.4	2.4
Limited-service restaurants	0.0	98.4	1.3	0.3
Special food services ¹	1.0	97.7	0.0	1.3
Drinking places	61.5	23.3	2.4	12.9
New Brunswick				
Total food services	9.7	87.8	0.9	1.6
Full-service restaurants	18.8	80.2	0.3	0.8
Limited-service restaurants	0.1	98.2	1.3	0.5
Special food services ¹	0.6	97.4	0.3	1.6
Drinking places	72.2	10.6	1.0	16.2
Quebec				
Total food services	19.2	77.6	0.6	2.6
Full-service restaurants	23.6	74.2	0.2	1.9
Limited-service restaurants	1.3	97.0	1.1	0.5
Special food services ¹	2.0	95.3	1.2	1.5
Drinking places	73.5	10.3	0.5	15.6
Ontario				
Total food services	11.5	86.6	0.7	1.2
Full-service restaurants	22.1	76.8	0.3	0.8
Limited-service restaurants	0.3	97.9	1.2	0.6
Special food services ¹	3.8	93.1	0.1	3.0
Drinking places	74.0	15.7	0.9	9.4
Manitoba				
Total food services	9.2	87.9	0.8	2.1
Full-service restaurants	14.9	81.4	0.6	3.1
Limited-service restaurants	0.4	98.3	1.1	0.1
Special food services ¹	2.2	95.5	0.1	2.1
Drinking places	67.1	17.7	0.2	15.1

See footnotes at the end of the table.

Table 7 – continued

Selected revenue statistics (surveyed establishments only), food services and drinking places, 2006

	Sales of alcoholic beverages	Sales of food and non-alcoholic beverages	Sales of merchandise	Other operating revenue
	percentage			
Saskatchewan				
Total food services	13.7	84.0	0.8	1.5
Full-service restaurants	18.9	79.0	0.2	2.0
Limited-service restaurants	1.0	97.7	1.1	0.2
Special food services ¹	0.5	98.0	0.1	1.4
Drinking places	73.9	15.3	3.6	7.3
Alberta				
Total food services	14.5	82.9	0.8	1.8
Full-service restaurants	21.2	77.2	0.2	1.4
Limited-service restaurants	0.9	96.7	1.5	0.9
Special food services ¹	1.4	96.1	0.0	2.5
Drinking places	69.6	18.1	1.6	10.7
British Columbia				
Total food services	16.4	81.2	1.1	1.3
Full-service restaurants	19.1	80.1	0.2	0.6
Limited-service restaurants	0.4	97.1	2.1	0.5
Special food services ¹	3.3	94.9	0.1	1.8
Drinking places	70.0	21.8	2.1	6.0
Yukon				
Total food services	6.0	92.7	1.1	0.2
Full-service restaurants	x	x	x	x
Limited-service restaurants	x	x	x	x
Special food services ¹	x	x	x	x
Drinking places	x	x	x	x
Northwest Territories				
Total food services	19.1	79.0	0.2	1.7
Full-service restaurants	20.3	79.5	0.1	0.1
Limited-service restaurants	0.1	99.7	0.3	-
Special food services ¹	0.1	96.8	0.0	3.1
Drinking places	78.7	16.2	0.6	4.6
Nunavut				
Total food services	2.3	97.1	0.1	0.4
Full-service restaurants	x	x	x	x
Limited-service restaurants	x	x	x	x
Special food services ¹	x	x	x	x
Drinking places	x	x	x	x

1. The special food services industry includes food service contractors, social caterers and mobile food services.

Note(s): Estimates are preliminary. Preliminary data are subject to revision. Due to rounding, components may not add to total (where applicable).

Data sources and methodology

Description

The survey collects financial and operating data needed to produce statistics for the Food services and Drinking places industry.

The data are produced as part of Statistics Canada's Unified Enterprise Survey (UES), the main purpose of which is to ensure Statistics Canada receives consistent and integrated data from many types of surveys and sizes of businesses with enough detail to produce accurate provincial statistics.

These data are aggregated with information from other sources to produce official estimates of national and provincial economic production in Canada. The estimates are used by government for national and regional programs and policy planning and by the private sector for industry performance measurement and market development.

Target population

The target population consists of all establishments classified to the Food Services and Drinking Places industry (NAICS 722) according to the North American Industry Classification System (NAICS) during the reference year. This industry comprises establishments primarily engaged in preparing meals, snacks and beverages, to customer order, for immediate consumption on and off the premises.

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 and is updated using administrative data.

The target population consists of all statistical establishments (sometimes referred to as firms or units) classified to this industry according to the North American Industry Classification System (NAICS) during the reference year observed.

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. Characteristics such as client base and revenue by type of service 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 (province/territory)). 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 on the basis of 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 2006 was 3,237 collection entities.

Data sources

Of the units contributing to the estimate, the weighted response rate was 85.6%. CVs were calculated for each estimate. The CVs are available upon request.

Related products

CANSIM

Available on CANSIM: table 355-0005 - Summary statistics for food services and drinking places (all establishments), by North American Industry Classification System (NAICS), annual (dollars unless otherwise noted) (350 series).

Survey(s)

Definitions, data sources and methods: survey number 4704 - Annual Survey of Service Industries: Food Services and Drinking Places.

Publications

Service Industries Newsletter, Catalogue no, 63-010-X.

Analytical paper series - Service Industries Division, Catalogue no, 63F0002XIB.

Release date: May 2008

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

Information to access the product

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