

Service bulletin

Repair and Maintenance Services

2006



Highlights

- Total operating revenues of businesses that primarily provide repair and maintenance services increased 4.4% to \$19.0 billion in 2006.
- Automotive repair and maintenance services accounted for the majority (62%) of revenues. The rest came from electronic, commercial and industrial machinery and equipment repair services. (This survey excludes vehicle repairs provided by gasoline stations, retailers such as car dealers and retail chain stores.)
- Modest increases in operating revenues for automotive repair and maintenance firms left profits relatively unchanged from the previous year.
- Businesses that focus on electronic, commercial and industrial machinery and equipment repair enjoyed strong growth for the fourth year in a row. Operating revenues reached \$7.2 billion, up 10.9% from 2005.
- Firms in most of the provinces earned more revenues in 2006 than in the previous year. Those in Alberta (+22.0%), British Columbia (+18.6%) and Saskatchewan (+12.0%) all posted double-digit operating revenue increases. These western provinces benefited from upturns in primary industries, such as agriculture, mining and oil and gas extraction.

Statistical tables

Table 1

Summary statistics for repair and maintenance services, Canada, 2005 and 2006

	Total operating revenue		Salaries, wages and benefits		Total operating expenses		Operating profit margin		Number of establishments	
	2006 ^P	2005	2006 ^P	2005	2006 ^P	2005	2006 ^P	2005	2006 ^P	2005
	millions of dollars						percent		number	
Newfoundland and Labrador	185.1	178.2	57.2	49.5	176.1	172.0	4.8	3.5	533	530
Prince Edward Island	50.9	50.3	14.7	11.4	46.6	46.4	8.4	7.8	233	229
Nova Scotia	353.1	345.7	96.3	91.9	330.8	325.2	6.3	5.9	1178	1159
New Brunswick	297.5	298.4	73.0	75.5	279.2	283.8	6.1	4.9	1238	1258
Quebec	4,275.0	4,331.6	1,086.0	1,124.4	3,993.0	4,031.1	6.6	6.9	11660	12033
Ontario	5,913.9	5,914.3	1,626.8	1,679.6	5,566.8	5,605.5	5.9	5.2	16280	16671
Manitoba	555.6	524.2	173.9	148.9	519.6	489.1	6.5	6.7	1596	1541
Saskatchewan	560.9	513.1	169.5	140.9	521.6	465.1	7.0	9.3	1938	1892
Alberta	4,244.0	3,661.1	1,222.2	1,045.0	3,782.1	3,346.5	10.9	8.6	8728	8288
British Columbia	2,533.6	2,353.5	772.4	729.5	2,324.9	2,204.2	8.2	6.3	6795	6607
Yukon	x	x	x	x	x	x	x	x	x	x
North West Territories	x	x	x	x	x	x	x	x	x	x
Nunavut	x	x	x	x	x	x	x	x	x	x
Canada	18,994.9	18,198.3	5,299	5,104	17,562.7	16,993.9	7.5	6.6	50,267	50,299

Note(s): According to the North American Industry Classification System (NAICS 811). See "Data source, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total.

Table 2

Summary statistics for automotive repair and maintenance, Canada, 2005 and 2006

	Total operating revenue		Salaries, wages and benefits		Total operating expenses		Operating profit margin		Number of establishments	
	2006 ^P	2005	2006 ^P	2005	2006 ^P	2005	2006 ^P	2005	2006 ^P	2005
	millions of dollars						percent		number	
Newfoundland and Labrador	112.3	111.9	36.6	30.7	108.3	108.2	3.5	3.3	388	387
Prince Edward Island	41.3	41.0	12.1	8.9	38.1	38.0	7.7	7.2	188	187
Nova Scotia	228.9	225.7	57.3	55.2	214.0	211.7	6.5	6.2	894	891
New Brunswick	205.1	211.8	46.9	50.9	192.9	202.8	6.0	4.3	922	943
Quebec	2,930.8	2,977.7	692.7	731.6	2,732.4	2,777.8	6.8	6.7	8,429	8,799
Ontario	4,126.1	4,205.2	1,116.9	1,191.0	3,913.1	4,037.8	5.2	4.0	11,717	12,091
Manitoba	436.5	410.2	136.8	114.2	408.9	383.6	6.3	6.5	1,130	1,078
Saskatchewan	367.7	340.5	123.2	99.0	358.3	318.1	2.6	6.6	1,097	1,086
Alberta	1,644.7	1,530.1	501.5	444.3	1,498.9	1,440.7	8.9	5.8	3,360	3,359
British Columbia	1,711.3	1,660.2	527.7	523.7	1,596.7	1,573.2	6.7	5.2	4,315	4,312
Yukon	x	x	x	x	x	x	x	x	x	x
North West Territories	x	x	x	x	x	x	x	x	x	x
Nunavut	x	x	x	x	x	x	x	x	x	x
Canada	11,822.2	11,731.4	3,256.4	3,254.3	11,076.7	11,107.4	6.3	5.3	32,493	33,181

Note(s): According to the North American Industry Classification System (NAICS 8111). See "Data source, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total.

Table 3

Summary statistics for electronic, precision equipment and commercial and industrial machinery and equipment repair and maintenance, Canada, 2005 and 2006

	Total operating revenue		Salaries, wages and benefits		Total operating expenses		Operating profit margin		Number of establishments	
	2006 ^P	2005	2006 ^P	2005	2006 ^P	2005	2006 ^P	2005	2006 ^P	2005
	millions of dollars						percent		number	
Newfoundland and Labrador	72.8	66.4	20.6	18.7	67.8	63.8	6.8	3.9	145	143
Prince Edward Island	9.6	9.3	2.6	2.5	8.5	8.4	11.2	10.3	45	42
Nova Scotia	124.3	120.0	39.0	36.7	116.8	113.5	6.0	5.5	284	268
New Brunswick	92.3	86.6	26.1	24.6	86.3	81.1	6.5	6.4	316	315
Quebec	1,344.2	1,353.9	393.3	392.8	1,260.6	1,253.4	6.2	7.4	3,231	3,234
Ontario	1,787.7	1,709.1	509.9	488.6	1,653.7	1,567.7	7.5	8.3	4,563	4,580
Manitoba	119.1	114.1	37.1	34.7	110.7	105.5	7.0	7.5	466	463
Saskatchewan	193.2	172.5	46.3	41.9	163.3	147.0	15.4	14.8	841	806
Alberta	2,599.3	2,131.0	720.7	600.7	2,283.3	1,905.8	12.2	10.6	5,368	4,929
British Columbia	822.3	693.3	244.7	205.8	728.2	631.0	11.4	9.0	2,480	2,295
Yukon	x	x	x	x	x	x	x	x	x	x
North West Territories	x	x	x	x	x	x	x	x	x	x
Nunavut	x	x	x	x	x	x	x	x	x	x
Canada	7,172.8	6,466.9	2,042.3	1,849.9	6,486.0	5,886.5	9.6	9.0	17,774	17,118

Note(s): According to the North American Industry Classification System (NAICS 8112 and 8113). See "Data source, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total.

Table 4

Operating expenses for automotive repair and maintenance services, Canada, 2006

	Operating expenses
	percent
Salaries and wages of employees who have been issued a T4 statement	27
Employer portion of employee benefits	2
Commissions paid to non-employees	0
Professional and business services fees	2
Subcontract expenses	2
Charges for services provided by your head office	0
Cost of goods sold	44
Office supplies	1
Rental and leasing	4
Repair and maintenance	4
Insurance	1
Advertising, marketing and promotions	1
Travel, meals and entertainment	0
Utilities and telecommunications	2
Property and business taxes, licenses and permits	1
Royalties, rights, licensing and franchise fees	0
Delivery, warehousing, postage and courier	0
Financial service fees	1
Amortization and depreciation of tangible and intangible assets	2
Bad debts	0
All other expenses	4
Total operating expenses	100

Note(s): According to the North American Industry Classification System (NAICS 8111). Surveyed portion only. See "Data source, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total.

Table 5

Distribution of operating expenses for electronic, precision and commercial and industrial machinery and equipment repair and maintenance services, Canada, 2006

	Operating expenses
	percent
Salaries and wages of employees who have been issued a T4 statement	29
Employer portion of employee benefits	2
Commissions paid to non-employees	0
Professional and business services fees	2
Subcontract expenses	5
Charges for services provided by your head office	0
Cost of goods sold	37
Office supplies	1
Rental and leasing	3
Repair and maintenance	2
Insurance	1
Advertising, marketing and promotions	1
Travel, meals and entertainment	1
Utilities and telecommunications	2
Property and business taxes, licenses and permits	0
Royalties, rights, licensing and franchise fees	0
Delivery, warehousing, postage and courier	0
Financial service fees	0
Amortization and depreciation of tangible and intangible assets	4
Bad debts	0
All other expenses	7
Total operating expenses	100

Note(s): According to the North American Industry Classification System (NAICS 8112 and 8113). Surveyed portion only. See "Data source, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total.

Data source, definitions and methodology

Description

This annual sample survey collects the financial and operating data needed to produce statistics on the Repair and Maintenance Services industry in Canada. Commencing with reference year 2005, the survey also collects detailed information on the characteristics of the businesses, such as type of revenue and type of client.

These data are aggregated with information from other sources to produce official estimates of the national and provincial economic production of the Repair and Maintenance Services industry in Canada. The results from this survey provide data to businesses, governments, investors and associations. These data allow these groups to monitor the growth of the industry, measure performance, allow comparison across similar businesses and to better understand this industry to react to trends and patterns.

Target population

The target population consists of all statistical establishments (sometimes referred to as firms or units) classified as Repair and Maintenance (NAICS 811) according to the North American Industry Classification System 2002 (NAICS 2002) during the reference year. The Repair and Maintenance sector covers five NAICS 2002: Automotive Mechanical and Electrical Repair and Maintenance (NAICS 81111), Automotive Body, Paint, Interior and Glass Repair (NAICS 81112), Other Automotive Repair and Maintenance (NAICS 81119), Electronic and Precision Equipment Repair and Maintenance (NAICS 81121) and Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance (NAICS 81131).

This subsector comprises establishments primarily engaged in repairing and maintaining motor vehicles, machinery, equipment and other products. These establishments repair or perform general or routine maintenance on such products, to ensure that they work efficiently.

Sampling

This is a sample survey.

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 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 2006 was 4603 collection entities.

Definitions

- **Operating revenue** excludes investment income, capital gains, extraordinary gains and other non-recurring items.
- **Salaries, wages and benefits** include vacation pay and commissions for all employees for whom T4 slips were 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.
- **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.
- An active **statistical establishment** is one production entity or the smallest grouping of production entities which produces as homogenous 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 88%. The coefficients of variation (CVs) were calculated for each estimate and are available upon request.

Related products**CANSIM**

Available on CANSIM: table 361-0006 - Definitions, data sources and methods: survey numbers, including related surveys, 4720, 4721 and 4722.

Publications

Service Industries Newsletter, Catalogue no. 63-018-X.

Analytical paper series - Service Industries Division, Catalogue no. 63F0002X.

Release date: June 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

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