

Service bulletin

Food Services and Drinking Places

2007



Highlights

- Total operating revenue for the food services and drinking places industry in Canada reached \$42.4 billion in 2007, up 4.1% from 2006. This continues the trend of increases starting in 2004, but the pace in 2007 was more moderate than the 4.9% observed the year before.
- The overall good economic conditions in 2007, including increases in personal disposable income and in household spending on food purchased from restaurants (4.6% and 5.0%, respectively), helped maintain the growth.
- Operating revenue increased in all provinces except Prince Edward Island (-2.1%). Alberta led the way again in 2007, this time with a 7.2% growth rate. The western provinces continued to show strong growth, up 5.9% combined. The Atlantic Provinces followed with a combined increase of 3.5%, with 6.2% posted in Newfoundland-Labrador. Québec and Ontario growth rates were close to the ones observed the year before, at 2.3% and 3.4%, respectively. The three Territories combined posted an increase of 4.5% in 2007.
- Together, the full-service and the limited-service sectors represented 84.9% of total operating revenue of the industry (44.6% and 40.3%, respectively). Full-service restaurants (where patrons order and pay for meals at their table) showed a 4.7% increase in 2007. The limited-service sector, where meals are ordered and paid for mainly at the counter, posted a 3.9% growth, down from the 6.9% observed in 2006. The special food services sector, which includes food contractors, caterers and mobile food services, showed the strongest growth in the industry, up 6.8%. The drinking places sector dropped for the third consecutive year, down 2.8%. However, this decrease is less than the -4.7% observed in 2006.
- Sales of food and non-alcoholic beverages continued to generate the majority of operating revenue in the industry (82.5%), followed by sales of alcoholic beverages at 14.3%. Cost of goods sold and cost of labour are still the two main components of expenses, representing 34.2% and 32.2%, respectively, of total operating revenue. Minimum wage hikes in several provinces, combined with a labour shortage, especially in Western Canada, may have contributed to the increase of 7.5% of total salaries and wages in the industry.
- The overall operating margin for the industry is slightly down from 2006, at 4.0%. The Prairies showed the highest rates among the provinces, ranging between 5.7% and 6.7%.
- Results from the 2007 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 and 2006 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

	Operating revenue	Operating ¹ expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2007 p				
Newfoundland and Labrador	492	482	154	2.1
Prince Edward Island	146	139	46	4.8
Nova Scotia	1,084	1,029	337	5.1
New Brunswick	806	764	252	5.2
Quebec	8,871	8,534	2,930	3.8
Ontario	15,679	15,282	4,762	2.5
Manitoba	1,183	1,116	362	5.7
Saskatchewan	1,095	1,025	326	6.3
Alberta	6,000	5,596	1,868	6.7
British Columbia	6,958	6,652	2,181	4.4
Yukon	35	34	11	4.0
Northwest Territories	56	53	19	4.3
Nunavut	8	8	3	8.4
Canada	42,414	40,714	13,252	4.0
2006 r				
Newfoundland and Labrador	463	447	138	3.5
Prince Edward Island	149	140	45	6.0
Nova Scotia	1,043	996	315	4.5
New Brunswick	788	742	243	5.8
Quebec	8,672	8,279	2,689	4.5
Ontario	15,158	14,724	4,528	2.9
Manitoba	1,118	1,043	328	6.7
Saskatchewan	1,033	965	288	6.6
Alberta	5,599	5,210	1,643	6.9
British Columbia	6,642	6,365	2,086	4.2
Yukon	33	32	11	3.1
Northwest Territories	53	50	17	4.3
Nunavut	9	9	3	4.0
Canada	40,760	39,004	12,333	4.3
2005 r				
Newfoundland and Labrador	441	425	129	3.7
Prince Edward Island	141	135	44	4.2
Nova Scotia	997	963	309	3.4
New Brunswick	754	724	236	4.0
Quebec	8,463	8,121	2,685	4.0
Ontario	14,665	14,244	4,340	2.9
Manitoba	1,060	1,003	320	5.4
Saskatchewan	996	936	287	6.0
Alberta	4,992	4,704	1,470	5.8
British Columbia	6,243	6,042	1,943	3.2
Yukon	33	32	9	4.0
Northwest Territories	52	49	17	5.9
Nunavut	10	9	3	2.2
Canada	38,847	37,387	11,792	3.8

1. Operating expenses include cost of goods.

Note(s): According to the North American Industry Classification System (NAICS 722). See "Data source, definitions and methodology" for the definition of terms. Due to rounding, components may not add to total. 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

	Operating revenue	Operating ¹ expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2007 P				
Newfoundland and Labrador	141	139	44	1.3
Prince Edward Island	59	56	20	3.6
Nova Scotia	362	353	116	2.3
New Brunswick	260	253	86	2.6
Quebec	4,610	4,488	1,646	2.6
Ontario	6,322	6,226	1,932	1.5
Manitoba	554	530	181	4.2
Saskatchewan	539	519	170	3.8
Alberta	2,768	2,592	907	6.4
British Columbia	3,252	3,147	1,048	3.2
Yukon	x	x	x	x
Northwest Territories	20	19	6	4.7
Nunavut	x	x	x	x
Canada	18,903	18,340	6,162	3.0
2006 r				
Newfoundland and Labrador	128	124	38	3.0
Prince Edward Island	55	53	17	4.1
Nova Scotia	349	339	110	2.8
New Brunswick	246	238	77	3.1
Quebec	4,475	4,319	1,438	3.5
Ontario	6,063	5,943	1,798	2.0
Manitoba	523	501	163	4.3
Saskatchewan	504	477	150	5.3
Alberta	2,606	2,477	802	4.9
British Columbia	3,067	2,988	998	2.6
Yukon	x	x	x	x
Northwest Territories	18	18	6	3.4
Nunavut	x	x	x	x
Canada	18,050	17,493	5,603	3.1
2005 r				
Newfoundland and Labrador	105	104	31	0.5
Prince Edward Island	53	51	17	3.3
Nova Scotia	344	333	111	2.9
New Brunswick	229	226	76	1.5
Quebec	4,299	4,165	1,433	3.1
Ontario	5,898	5,775	1,763	2.1
Manitoba	493	469	156	4.9
Saskatchewan	487	464	148	4.8
Alberta	2,460	2,334	761	5.1
British Columbia	2,865	2,785	929	2.8
Yukon	x	x	x	x
Northwest Territories	21	20	6	4.3
Nunavut	x	x	x	x
Canada	17,271	16,744	5,436	3.1

1. Operating expenses include cost of goods.

Note(s): According to the North American Industry Classification System (NAICS 7221). See "Data source, definitions and methodology" for the definition of terms. Due to rounding, components may not add to total. 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

	Operating revenue	Operating ¹ expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2007 P				
Newfoundland and Labrador	243	237	74	2.3
Prince Edward Island	80	76	23	5.7
Nova Scotia	541	503	154	7.0
New Brunswick	442	412	130	6.8
Quebec	2,709	2,564	787	5.3
Ontario	7,237	6,956	2,049	3.9
Manitoba	528	493	146	6.7
Saskatchewan	435	395	125	9.2
Alberta	2,334	2,186	674	6.4
British Columbia	2,507	2,361	732	5.8
Yukon	x	x	x	x
Northwest Territories	11	11	3	4.8
Nunavut	x	x	x	x
Canada	17,087	16,211	4,904	5.1
2006 r				
Newfoundland and Labrador	229	221	67	3.8
Prince Edward Island	85	79	25	7.1
Nova Scotia	514	482	142	6.3
New Brunswick	435	403	131	7.3
Quebec	2,624	2,491	775	5.1
Ontario	7,017	6,735	1,978	4.0
Manitoba	503	455	135	9.6
Saskatchewan	414	377	110	8.9
Alberta	2,167	1,990	590	8.2
British Columbia	2,435	2,272	719	6.7
Yukon	x	x	x	x
Northwest Territories	11	10	3	3.4
Nunavut	x	x	x	x
Canada	16,453	15,533	4,680	5.6
2005 r				
Newfoundland and Labrador	211	202	60	4.4
Prince Edward Island	79	75	23	5.9
Nova Scotia	471	453	135	3.9
New Brunswick	415	392	123	5.6
Quebec	2,495	2,369	741	5.0
Ontario	6,705	6,445	1,870	3.9
Manitoba	468	440	135	5.9
Saskatchewan	388	359	111	7.5
Alberta	1,835	1,713	502	6.7
British Columbia	2,289	2,163	649	5.5
Yukon	x	x	x	x
Northwest Territories	12	11	3	8.3
Nunavut	x	x	x	x
Canada	15,387	14,639	4,358	4.9

1. Operating expenses include cost of goods.

Note(s): According to the North American Industry Classification System (NAICS 7222). See "Data source, definitions and methodology" for the definition of terms. Due to rounding, components may not add to total. 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 4
Summary statistics for food services and drinking places industry – Special food services

	Operating revenue	Operating ¹ expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2007 P				
Newfoundland and Labrador	64	60	25	5.6
Prince Edward Island	x	x	x	x
Nova Scotia	114	105	48	7.5
New Brunswick	51	46	21	9.8
Quebec	760	720	275	5.3
Ontario	1,611	1,590	655	1.3
Manitoba	78	70	29	10.3
Saskatchewan	40	35	12	13.9
Alberta	507	450	188	11.4
British Columbia	563	533	255	5.3
Yukon	x	x	x	x
Northwest Territories	18	17	8	6.0
Nunavut	x	x	x	x
Canada	3,815	3,634	1,520	4.7
2006 r				
Newfoundland and Labrador	61	59	23	4.3
Prince Edward Island	x	x	x	x
Nova Scotia	107	104	44	3.4
New Brunswick	52	49	21	5.7
Quebec	719	678	251	5.7
Ontario	1,536	1,509	617	1.8
Manitoba	67	63	24	5.1
Saskatchewan	37	33	11	9.5
Alberta	442	384	154	13.1
British Columbia	527	516	228	2.0
Yukon	x	x	x	x
Northwest Territories	16	15	7	7.9
Nunavut	x	x	x	x
Canada	3,574	3,419	1,383	4.3
2005 r				
Newfoundland and Labrador	72	67	26	7.0
Prince Edward Island	x	x	x	x
Nova Scotia	100	96	41	3.9
New Brunswick	49	45	20	6.4
Quebec	741	700	261	5.5
Ontario	1,427	1,386	556	2.9
Manitoba	72	68	24	5.6
Saskatchewan	33	31	11	5.7
Alberta	338	315	119	6.6
British Columbia	520	552	240	-6.2
Yukon	x	x	x	x
Northwest Territories	14	12	6	8.1
Nunavut	x	x	x	x
Canada	3,372	3,281	1,308	2.7

1. Operating expenses include cost of goods.

Note(s): According to the North American Industry Classification System (NAICS 7223). See "Data source, definitions and methodology" for the definition of terms. Due to rounding, components may not add to total. 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

	Operating revenue	Operating ¹ expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
2007 P				
Newfoundland and Labrador	45	45	11	-1.3
Prince Edward Island	x	x	x	x
Nova Scotia	68	67	19	1.1
New Brunswick	53	53	15	-0.3
Quebec	792	761	222	3.8
Ontario	509	511	126	-0.3
Manitoba	23	22	6	0.8
Saskatchewan	80	77	19	3.8
Alberta	391	369	98	5.6
British Columbia	636	610	146	4.1
Yukon	x	x	x	x
Northwest Territories	6	6	1	-2.5
Nunavut	x	x	x	x
Canada	2,608	2,529	665	3.1
2006 r				
Newfoundland and Labrador	45	44	10	2.0
Prince Edward Island	x	x	x	x
Nova Scotia	72	71	19	1.7
New Brunswick	56	52	15	6.2
Quebec	854	792	225	7.3
Ontario	542	537	134	1.0
Manitoba	24	24	6	2.3
Saskatchewan	79	78	16	1.1
Alberta	385	359	97	6.6
British Columbia	613	589	140	4.0
Yukon	x	x	x	x
Northwest Territories	7	7	2	-0.2
Nunavut	x	x	x	x
Canada	2,684	2,560	667	4.6
2005 r				
Newfoundland and Labrador	53	51	12	2.8
Prince Edward Island	x	x	x	x
Nova Scotia	82	81	21	1.2
New Brunswick	61	61	17	0.8
Quebec	929	886	249	4.6
Ontario	635	639	151	-0.5
Manitoba	27	25	5	4.8
Saskatchewan	87	82	17	6.0
Alberta	359	342	88	4.7
British Columbia	569	542	126	4.7
Yukon	x	x	x	x
Northwest Territories	6	6	2	2.3
Nunavut	x	x	x	x
Canada	2,816	2,724	690	3.3

1. Operating expenses include cost of goods.

Note(s): According to the North American Industry Classification System (NAICS 7224). See "Data source, definitions and methodology" for the definition of terms. Due to rounding, components may not add to total. 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 6
Operating expenses by selected expense statistics for the food services and drinking places industry¹, by province and territory, 2007

	Total food services	Full-service restaurants	Limited-service restaurants	Special food services	Drinking places
	percent				
Canada					
Cost of goods sold	35.7	35.3	36.0	32.8	41.3
Labour remuneration	33.6	34.7	31.3	43.4	26.7
Repair and maintenance	2.6	2.7	2.4	1.6	3.8
Rental and leasing	7.0	6.9	8.0	3.4	6.7
Utilities and telecommunications	2.9	3.3	2.6	1.5	2.8
Advertising and promotion	2.7	2.6	3.4	0.6	3.0
Depreciation	2.9	2.7	3.2	2.2	2.6
Newfoundland and Labrador					
Cost of goods sold	37.7	37.8	38.4	32.5	40.9
Labour remuneration	32.6	32.9	31.2	42.2	26.3
Repair and maintenance	2.8	3.5	2.4	1.4	4.2
Rental and leasing	6.0	5.7	7.3	3.1	3.7
Utilities and telecommunications	2.9	4.2	2.5	1.1	4.0
Advertising and promotion	2.5	2.0	3.3	0.4	3.2
Depreciation	2.7	3.5	2.4	1.9	3.1
Prince Edward Island					
Cost of goods sold	36.5	37.2	36.2	x	x
Labour remuneration	34.1	37.1	31.4	x	x
Repair and maintenance	3.0	3.1	2.9	x	x
Rental and leasing	3.8	3.6	4.0	x	x
Utilities and telecommunications	3.3	4.2	2.7	x	x
Advertising and promotion	3.2	2.8	3.7	x	x
Depreciation	2.5	2.7	2.5	x	x
Nova Scotia					
Cost of goods sold	36.2	34.8	37.8	29.3	41.9
Labour remuneration	33.6	33.3	31.6	46.8	28.4
Repair and maintenance	2.7	2.7	2.6	1.9	4.1
Rental and leasing	6.4	5.9	7.6	2.5	7.1
Utilities and telecommunications	3.3	4.1	3.1	1.7	3.7
Advertising and promotion	2.6	2.4	3.3	0.4	2.0
Depreciation	3.1	3.7	3.0	2.4	2.2
New Brunswick					
Cost of goods sold	36.6	36.8	37.3	29.7	36.4
Labour remuneration	33.5	34.8	31.9	47.6	28.5
Repair and maintenance	2.6	2.8	2.3	1.1	5.1
Rental and leasing	5.5	5.3	5.8	2.0	7.0
Utilities and telecommunications	3.4	4.4	3.0	0.8	4.3
Advertising and promotion	3.1	2.9	3.5	0.4	3.4
Depreciation	2.8	3.2	2.6	1.9	3.4
Quebec					
Cost of goods sold	35.3	34.3	36.2	36.4	37.4
Labour remuneration	35.4	37.9	31.3	40.0	30.2
Repair and maintenance	2.7	2.9	2.4	1.8	4.3
Rental and leasing	6.4	5.8	8.2	4.3	5.4
Utilities and telecommunications	2.9	3.3	2.7	1.6	2.8
Advertising and promotion	2.6	2.5	3.2	0.7	2.8
Depreciation	2.9	2.6	3.4	1.8	3.5
Ontario					
Cost of goods sold	35.8	36.5	35.9	32.9	35.9
Labour remuneration	32.6	32.5	30.6	43.0	25.2
Repair and maintenance	2.5	2.7	2.4	1.6	3.9
Rental and leasing	7.4	7.3	8.3	3.1	10.6
Utilities and telecommunications	2.9	3.5	2.7	1.5	3.6
Advertising and promotion	2.7	2.6	3.3	0.6	3.5
Depreciation	2.8	2.8	3.0	2.1	2.8

See footnotes at the end of the table.

Table 6 – continued

Operating expenses by selected expense statistics for the food services and drinking places industry¹, by province and territory, 2007

	Total food services	Full-service restaurants	Limited-service restaurants	Special food services	Drinking places
	percent				
Manitoba					
Cost of goods sold	35.9	35.2	37.0	31.9	40.1
Labour remuneration	33.3	35.1	30.1	43.9	26.9
Repair and maintenance	2.6	2.6	2.7	1.6	3.0
Rental and leasing	7.0	7.4	7.3	3.6	6.0
Utilities and telecommunications	2.9	3.5	2.4	1.8	2.3
Advertising and promotion	2.8	1.8	4.1	0.6	4.3
Depreciation	2.8	2.6	3.2	1.9	3.0
Saskatchewan					
Cost of goods sold	36.4	34.4	35.5	35.0	50.4
Labour remuneration	33.1	34.8	32.5	36.6	25.3
Repair and maintenance	2.5	2.5	2.6	1.5	2.7
Rental and leasing	6.5	6.7	7.2	3.2	3.9
Utilities and telecommunications	3.1	3.4	2.9	1.4	2.8
Advertising and promotion	3.1	2.7	4.2	0.8	1.9
Depreciation	3.0	2.8	3.4	2.3	2.0
Alberta					
Cost of goods sold	34.4	33.8	35.7	30.7	35.6
Labour remuneration	33.9	35.7	31.5	43.3	27.0
Repair and maintenance	2.5	2.6	2.2	1.7	4.0
Rental and leasing	6.8	6.3	7.6	4.7	8.1
Utilities and telecommunications	2.8	3.2	2.4	1.9	3.1
Advertising and promotion	2.9	2.8	3.2	0.7	4.2
Depreciation	3.2	3.1	3.5	3.1	2.2
British Columbia					
Cost of goods sold	36.8	35.5	35.4	30.3	51.6
Labour remuneration	33.8	34.1	32.8	49.0	23.9
Repair and maintenance	2.5	2.5	2.6	1.4	3.1
Rental and leasing	7.3	8.1	8.2	2.4	5.1
Utilities and telecommunications	2.6	3.1	2.4	1.2	2.1
Advertising and promotion	2.7	2.6	3.5	0.4	2.1
Depreciation	2.6	2.3	3.5	1.9	1.9
Yukon					
Cost of goods sold	35.7	x	x	x	x
Labour remuneration	33.6	x	x	x	x
Repair and maintenance	2.6	x	x	x	x
Rental and leasing	6.8	x	x	x	x
Utilities and telecommunications	3.6	x	x	x	x
Advertising and promotion	3.1	x	x	x	x
Depreciation	2.6	x	x	x	x
Northwest Territories					
Cost of goods sold	35.0	36.3	39.1	29.8	38.6
Labour remuneration	36.3	32.2	32.5	47.9	22.8
Repair and maintenance	2.0	3.0	1.3	0.6	3.5
Rental and leasing	5.0	8.7	5.2	1.3	3.9
Utilities and telecommunications	3.6	5.9	3.5	0.8	4.8
Advertising and promotion	1.8	2.5	1.8	0.2	4.6
Depreciation	2.0	2.8	1.8	1.3	1.6
Nunavut					
Cost of goods sold	44.2	x	x	x	x
Labour remuneration	36.3	x	x	x	x
Repair and maintenance	1.1	x	x	x	x
Rental and leasing	4.2	x	x	x	x
Utilities and telecommunications	3.0	x	x	x	x
Advertising and promotion	0.5	x	x	x	x
Depreciation	1.3	x	x	x	x

1. The smallest firms, in terms of revenues earned, are not included in the estimates. These firms account for a relatively small portion of total industry revenues.

Note(s): According to the North American Industry Classification System (NAICS 722). See "Data source, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not add to total. Estimates are preliminary. Preliminary data are subject to revision. 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 7
Distribution of total revenue for the food services and drinking places industry¹, by province and territory, 2007

	Sales of alcoholic beverages	Sales of food and non-alcoholic beverages	Sales of merchandise	Other revenue
	percent			
Canada				
Total food services	14.3	82.5	0.8	2.4
Full-service restaurants	20.4	77.1	0.4	2.2
Limited-service restaurants	0.6	97.3	1.4	0.8
Special food services ²	2.8	92.9	0.2	4.1
Drinking places	70.2	17.9	1.3	10.6
Newfoundland and Labrador				
Total food services	10.4	85.2	1.2	3.3
Full-service restaurants	15.4	80.6	0.3	3.7
Limited-service restaurants	0.0	97.9	1.6	0.5
Special food services ²	1.3	96.1	0.7	1.9
Drinking places	62.8	14.9	2.5	19.8
Prince Edward Island				
Total food services	6.5	91.7	0.9	0.8
Full-service restaurants	15.0	82.7	0.8	1.4
Limited-service restaurants	0.0	98.7	1.0	0.3
Special food services ²	x	x	x	x
Drinking places	x	x	x	x
Nova Scotia				
Total food services	9.7	87.4	0.6	2.4
Full-service restaurants	16.4	79.8	0.1	3.7
Limited-service restaurants	0.3	98.5	1.0	0.2
Special food services ²	1.2	96.0	0.0	2.8
Drinking places	61.1	26.7	0.6	11.6
New Brunswick				
Total food services	8.0	88.8	0.8	2.5
Full-service restaurants	11.9	85.6	0.3	2.3
Limited-service restaurants	0.0	98.3	1.2	0.5
Special food services ²	0.4	95.3	0.1	4.2
Drinking places	66.5	13.7	0.6	19.2
Quebec				
Total food services	16.1	79.8	0.8	3.3
Full-service restaurants	17.9	79.6	0.2	2.3
Limited-service restaurants	0.8	96.0	2.1	1.1
Special food services ²	2.4	93.2	0.2	4.2
Drinking places	74.8	9.2	0.1	15.8
Ontario				
Total food services	12.4	84.8	0.8	2.0
Full-service restaurants	23.0	74.6	0.6	1.8
Limited-service restaurants	0.5	97.6	1.1	0.9
Special food services ²	3.4	91.4	0.2	5.0
Drinking places	73.4	15.4	0.5	10.6
Manitoba				
Total food services	9.0	87.8	0.7	2.6
Full-service restaurants	15.3	80.7	0.3	3.7
Limited-service restaurants	0.8	97.5	1.2	0.5
Special food services ²	2.8	91.4	0.0	5.7
Drinking places	76.2	12.8	0.5	10.5
Saskatchewan				
Total food services	15.4	79.1	1.2	4.3
Full-service restaurants	20.5	73.2	1.1	5.2
Limited-service restaurants	0.1	98.5	0.8	0.6
Special food services ²	1.2	93.4	0.1	5.3
Drinking places	66.0	14.8	3.7	15.6

See footnotes at the end of the table.

Table 7 – continued

Distribution of total revenue for the food services and drinking places industry¹, by province and territory, 2007

	Sales of alcoholic beverages	Sales of food and non-alcoholic beverages	Sales of merchandise	Other revenue
	percent			
Alberta				
Total food services	15.8	80.9	0.6	2.7
Full-service restaurants	21.5	75.7	0.2	2.6
Limited-service restaurants	0.9	97.2	1.2	0.7
Special food services ²	1.4	95.4	0.3	2.9
Drinking places	66.6	21.3	0.9	11.3
British Columbia				
Total food services	17.3	80.1	1.2	1.4
Full-service restaurants	19.9	78.4	0.3	1.5
Limited-service restaurants	0.6	96.9	2.0	0.5
Special food services ²	3.7	93.5	0.5	2.3
Drinking places	68.0	25.5	3.0	3.4
Yukon				
Total food services	7.1	86.4	2.0	4.5
Full-service restaurants	x	x	x	x
Limited-service restaurants	x	x	x	x
Special food services ²	x	x	x	x
Drinking places	x	x	x	x
Northwest Territories				
Total food services	14.9	82.1	0.3	2.8
Full-service restaurants	17.7	79.6	0.5	2.2
Limited-service restaurants	0.0	99.5	0.2	0.3
Special food services ²	0.2	95.1	0.0	4.7
Drinking places	73.3	23.2	0.4	3.1
Nunavut				
Total food services	1.8	97.4	0.1	0.7
Full-service restaurants	x	x	x	x
Limited-service restaurants	x	x	x	x
Special food services ²	x	x	x	x
Drinking places	x	x	x	x

1. The smallest firms, in terms of revenues earned, are not included in the estimates. These firms account for a relatively small portion of total industry revenues.
2. The special food services industry includes food service contractors, social caterers and mobile food services.

Note(s): According to the North American Industry Classification System (NAICS 722). See "Data source, definitions and methodology" for the definition of terms. Due to rounding, components may not add to total. Estimates are preliminary. Preliminary data are subject to revision. 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.

Data sources, definitions 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.

Definitions

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.

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.

Depreciation are charges related to depreciation and amortization of tangible and intangible assets to include buildings, vehicles, other machinery and equipment and goodwill.

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.

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.

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.

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.

Utilities and telecommunications 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.

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 2007 was 3,002 collection entities.

Data sources

Of the units contributing to the estimate, the weighted response rate was 86.2%. 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, 63-018-X.

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

Release date: May 2009

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

To access this product

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