

## Service bulletin

# Amusement and Recreation

2009



### Highlights

- Operating revenues for Canada's amusement and recreation industry group totalled \$7.7 billion in 2009, down 0.3% from 2008. The economic recession, coupled with less than favourable weather conditions impacting outdoor amusement and recreation activities, contributed to lower revenues.
- Operating expenses for the amusement and recreation industry group increased 1.9% from 2008 to 2009. As a result, operating profit margins for the industry group overall decreased to 5.3%.
- The amusement and recreation industry includes amusement parks and arcades, golf courses and country clubs, skiing facilities, fitness and recreational sports centres, as well as a combined group comprising marinas, bowling centres, and all other amusement industries.
- Golf courses and country clubs, the largest of the five recreation industries, generated \$2.5 billion in operating revenues, almost one-third of the industry total. In 2009, their revenues declined by 0.5% from the previous year.
- Operating revenues for the skiing industry decreased 7.5% to \$923.1 million in 2009. The operating profit margin decreased from 10.0% in 2008 to 6.3% in 2009. According to the Canadian Ski Council, skier visits were down 9.5% from a peak in 2008, which was an exceptional year for ski conditions.
- Fitness and recreational sports centres registered an increase in revenues of 5.8% in 2009. However, expenses increased at a greater pace, resulting in a decline in operating profit margin, from 5.3% in 2008 to 4.4% in 2009.

**Note:** These estimates exclude data for the gambling industry. All data are expressed in current dollars.

## Statistical tables

Table 1

## Summary statistics for the amusement and recreation industry, Canada, 2009

	Operating revenues	Operating expenses	Salaries, wages and benefits	Operating profit margin
	millions of dollars			percent
<b>2009 p</b>				
Amusement parks and arcades	422.3	369.9	127.4	12.4
Other amusement and recreation industries <sup>1</sup>	7,309.5	6,955.9	2,538.0	4.8
Golf courses and country clubs	2,496.5	2,404.3	937.7	3.7
Skiing facilities	923.1	864.7	345.6	6.3
Fitness facilities and recreational sports centres	1,936.2	1,851.3	748.6	4.4
All other amusement and recreation industries <sup>2</sup>	1,953.7	1,835.7	506.2	6.0

1. Other amusement and recreation industries combine golf courses and country clubs, skiing facilities, fitness facilities and recreational sports centres and all other amusement and recreation industries.

2. All other amusement and recreation industries combine the North American Industry Classification System (NAICS 713930, 713950 and 713990).

**Note(s):** Due to rounding, components may not add to total. According to the North American Industry Classification System (NAICS 7131 and 7139). See "Data sources, definitions and methodology" at the end of tables for definition of terms.

Table 2

## Operating expenses for amusement and recreation, Canada, 2009

	Amusement parks and arcades	Other amusement and recreation industries <sup>1</sup>	Golf courses and country clubs	Skiing facilities	Fitness facilities and recreational sports centres	All other amusement and recreation industries <sup>2</sup>
	percent					
<b>Industry expenditures</b>						
Salaries, wages and benefits	35.4	37.1	39.6	38.6	41.8	28.3
Commissions paid to non-employees	X	F	F	1.2	F	F
Professional and business services fees	2.1	2.3	1.5	2.8	3.2	2.2
Subcontract expenses	F	1.5	F	F	2.3	2.0
Charges for services provided by your head office	F	F	F	F	F	F
Cost of goods sold	11.3	13.9	16.8	12.1	4.7	20.4
Office supplies	2.2	1.7	1.9	F	1.7	2.0
Rental and leasing	7.9	7.1	2.9	5.2	12.1	8.4
Repair and maintenance	6.9	9.3	10.6	8.7	7.4	9.6
Insurance	2.1	1.5	1.2	1.5	1.2	2.2
Advertising, marketing and promotions	5.1	2.3	1.3	2.8	3.5	2.2
Travel, meals and entertainment	F	F	F	F	F	1.3
Utilities and telecommunications	3.3	4.1	3.1	4.0	5.4	4.2
Property and business taxes, licenses and permits	3.1	1.9	2.3	1.6	1.2	2.1
Royalties, rights, licensing and franchise fees	F	F	F	F	F	F
Delivery, warehousing, postage and courier	X	F	F	F	F	F
Financial service fees	F	F	F	F	1.2	F
Amortization and depreciation of tangible and intangible assets	11.1	7.8	9.5	10.0	6.6	5.7
Bad debts	X	F	F	F	F	F
All other expenses	5.1	6.4	6.7	6.6	5.5	6.8
<b>Total operating expenses</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

1. Other amusement and recreation industries combine golf courses and country clubs, skiing facilities, fitness facilities and recreational sports centres and all other amusement and recreation industries.

2. All other amusement and recreation industries combine the North American Industry Classification System (NAICS) codes 713930, 713950 and 713990.

3. Total operating expenses exclude write-offs, capital losses, extraordinary losses, interest on borrowing, and other non-recurring items.

**Note(s):** According to the North American Industry Classification System (NAICS 7112, 7113, 7114 et 7115). The smallest firms, in terms of revenues earned, are not included in these estimates. These firms account for a relatively small portion of total industry revenues. See "Data source, definitions and methodology" at the end of tables for definition of terms. Due to rounding, components may not sum exactly to totals.

## Data sources, definitions and methodology

### Description

This annual sample survey collects data required to produce economic statistics for the Amusement and Recreation 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 amusement and recreation subsector 713 (NAICS 7131, 713910, 713920, 713930, 713940, 713950, 713990) according to the North American Industry Classification System (NAICS) during the reference year. This subsector comprises establishments primarily engaged in amusement and recreation.

### 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 2009 was 1,413 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 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 81.6%. CVs were calculated for each estimate and are available upon request.

## Related products

### Selected CANSIM tables from Statistics Canada

361-0015	Amusement and recreation, summary statistics, by North American Industry Classification System (NAICS), annual (dollars unless otherwise noted) (24 series)
361-0021	Amusement and recreation, operating expenses, by North American Industry Classification System (NAICS), annual (percent) (126 series)

## Survey(s)

Definitions, data sources and methods: survey number 2425 - Annual Survey of Service Industries: Amusement and Recreation

## Publications

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

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

Release date: February 2011

### Symbols

The following standard symbols are used in Statistics Canada publications:

.	not available for any reference period
..	not available for a specific reference period
...	not applicable
0	true zero or a value rounded to zero
0 <sup>s</sup>	value rounded to 0 (zero) where there is a meaningful distinction between true zero and the value that was rounded
p	preliminary
r	revised
x	suppressed to meet the confidentiality requirements of the <i>Statistics Act</i>
E	use with caution
F	too unreliable to be published

### To access this product

This product, Catalogue no. 63-248-X, is available free in electronic format. To obtain a single issue, visit our website at [www.statcan.gc.ca](http://www.statcan.gc.ca) and browse by "Key resource" > "Publications."

Frequency: Annual / ISSN 1916-7903

For information on the wide range of data available from Statistics Canada, please call our national inquiries line at 1-800-263-1136.

Cette publication est également disponible en français.

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 2011. All rights reserved. The content of this electronic publication may be reproduced, in whole or in part, and by any means, without further permission from Statistics Canada, subject to the following conditions: that it be done solely for the purposes of private study, research, criticism, review or newspaper summary, and/or for non-commercial purposes; and that Statistics Canada be fully acknowledged as follows: Source (or "Adapted from", if appropriate): Statistics Canada, year of publication, name of product, catalogue number, volume and issue numbers, reference period and page(s). Otherwise, no part of this publication may be reproduced, stored in a retrieval system or transmitted in any form, by any means—electronic, mechanical or photocopy—or for any purposes without prior written permission of Licensing Services, Client Services Division, Statistics Canada, Ottawa, Ontario, Canada K1A 0T6.

### Standards of service to the public

Statistics Canada is committed to serving its clients in a prompt, reliable and courteous manner. To this end, Statistics Canada has developed *standards of service* that its employees observe.

To obtain a copy of these service standards, please contact Statistics Canada toll-free at 1-800-263-1136. The service standards are also published on [www.statcan.gc.ca](http://www.statcan.gc.ca) under "About us" > "The agency" > "Providing services to Canadians."

### Note of appreciation

Canada owes the success of its statistical system to a long-standing partnership between Statistics Canada, the citizens of Canada, its businesses, governments and other institutions. Accurate and timely statistical information could not be produced without their continued cooperation and goodwill.