Accommodation services, 2016

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Operating revenue for the accommodation services subsector increased to $19.7 billion in 2016, up 4.5% from 2015. Operating expenses rose to $17.4 billion in 2016, a 4.2% increase over the previous year. This resulted in a slightly higher operating profit margin of 11.5%.

Salaries, wages, commissions and benefits remained the largest expense item, accounting for 32.6% of operating expenses, followed by cost of goods sold (14.8%).

The accommodation services subsector is separated into two industry groups: the hotels, motor hotels and motels industry group (82.6% of the operating revenue estimate in 2016) and the other accommodation industries group (17.4%).

Hotels, motor hotels and motels

Operating revenue for the hotels, motor hotels and motels industry group increased 6.8% in 2016 to $16.2 billion. Operating expenses rose to $14.4 billion in 2016, a 6.4% increase over 2015. This led to an increase in the operating profit margin, to 11.5%, up from 11.1% in 2015.

All provinces and territories showed an increase in operating revenue, with the exception of Saskatchewan, where operating revenue fell by 3.4%. Of the four largest provinces, Ontario had the highest growth (+9.8%), followed by British Columbia (+9.0%), Quebec (+5.7%) and Alberta (+3.5%). These four provinces accounted for 84.3% of the total operating revenue in this industry group.

Room or unit accommodations contributed the majority of sales revenue, accounting for 69.2% of the total. This was followed by meals and non-alcoholic beverages (12.0%) and alcoholic beverages (5.7%).

E-commerce sales accounted for 25.5% of total sales made by this industry group.

Other accommodation industries

Operating revenue for the other accommodation industries group decreased 5.3% to $3.4 billion in 2016, while operating expenses were down 5.1% to $3.0 billion. This resulted in an operating profit margin of 11.4% in 2016, down from 11.6% in 2015 and 13.3% in 2014.

A difference can be seen between the Eastern and Western provinces, with Ontario (+5.8%), Quebec (+3.3%) and the Maritimes (+6.4%) all showing growth in this industry group, while the Prairies (-16.6%) and British Columbia (-8.8%) posted decreases.

A second year of decreased commodity prices, specifically in oil, has had negative effects on the other accommodation industries in the Western provinces, especially the rooming and boarding houses industry.

Along with rooming and boarding houses, this industry group includes bed and breakfasts, cottages and cabins, RV parks and campgrounds, hunting and fishing camps, and recreation and vacation camps.

Available in CANSIM: tables 351-0012, 351-0013, 351-0015 and 351-0019.

Definitions, data sources and methods: survey number 2418.

Data for 2014 and 2015 have been revised.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; **STATCAN.infostats-infostats.STATCAN@canada.ca**) or Media Relations (613-951-4636; **STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca**).