

# Accounting services, 2021

Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, November 10, 2022

---

## Accounting services industry bolstered by strong demand in 2021

The operating revenue of the accounting, tax preparation, bookkeeping and payroll services industry rose 8.9% to \$23.6 billion in 2021. The demand for accounting services rose as businesses looked for help to navigate the COVID-19 pandemic.

Overall, the provincial distribution of operating revenue for accounting, tax preparation, bookkeeping and payroll services remained largely the same as in past years, with Ontario (43.6%) posting the largest share of revenue, followed by Quebec (19.0%), British Columbia (15.5%) and Alberta (12.9%).

Operating expenses increased at an even greater pace than operating revenue, up 9.7% to \$16.9 billion. In 2021, salaries, wages, commissions and benefits rose 9.3% to \$9.5 billion. The profit margin of the accounting industry had a slight decrease from 28.9% in 2020 to 28.5% in 2021. The accounting industry was relatively concentrated, with the top eight companies generating 40% of the industry's operating revenue in Canada.

Contrary to past years, management consulting services accounted for a smaller share of sales in 2021. These services accounted for 15.9% of the industry's total sales in 2021, compared with 17.4% the previous year. Similarly, the share of auditing and other assurance services dropped to 25.1% of sales in 2021 from 25.6% in 2020. Tax preparation and representation services generated the most sales, at 29.1% of all sales, a gain of 1.0 percentage point from 2020. Bookkeeping, financial statement compilation and payroll services also made up a greater share of sales, rising 2.2 percentage points to 25.2% of sales in 2021.

The business sector was the primary client of the accounting, tax preparation, bookkeeping and payroll services industry, accounting for 68.9% of total sales in 2021. This was the same percentage as in 2020. Sales to individuals and households was the category that increased in 2021, going from 15.8% of sales in 2020 to 17.4% in 2021. The remaining sales were to governments, not-for-profit organizations and public institutions (8.2%) and to clients outside Canada (5.5%). Both of these categories fell 0.8 percentage points.

## Looking ahead to 2022

Early indicators are generally positive for the accounting, tax preparation, bookkeeping and payroll services industry in 2022. Most pandemic restrictions have been lifted, and while COVID-19 is still present, life in Canada has, for the most part, returned to "normal." While some industries have experienced slowdowns in the summer months as businesses and households adjusted to higher borrowing costs, economic growth has remained positive so far in 2022. Detailed financial statistics for the accounting services industry in 2022 will be provided following survey data collection in 2023 and will inform on the impacts of these macroeconomic changes.

### **Note to readers**

*Data for 2020 have been revised.*

*These and other data related to business and consumer services can be found at the [Business and consumer services and culture statistics portal](#).*



---

**Available tables:** [21-10-0039-01](#) to [21-10-0041-01](#) and [21-10-0174-01](#).

**Definitions, data sources and methods:** survey number [4716](#).

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; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).