Architectural services, 2021

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Architectural services bolstered by solid housing demand in 2021

In 2021, the combined total operating revenue of the architectural services and landscape architectural services industries increased 15.7% to $6.3 billion, the strongest growth in nearly a decade. Total operating expenses for these industries rose by 14.2% to reach $5.1 billion, leading to an increase in the operating profit margin from 17.7% in 2020 to 18.8% in 2021.

The architectural services industry benefitted from pent-up household demand, as housing starts sharply increased from 217,880 units in 2020 to 271,198 units in 2021, with increases for both single-detached and multiple-unit types. Additionally, households undertook more renovation projects, spurring demand for building materials and professional services. As well, investment in public infrastructure remained elevated in 2021.

In terms of the breakdown of sales within these industries, 49.0% came from architectural services for non-residential building projects, such as office buildings, educational institutions, health care institutions, and retail stores and restaurants. Residential building projects accounted for 21.8% of sales, while the remaining 29.2% was generated by landscape architectural services, urban planning and other related services.

Geographically, companies in Ontario providing architectural and landscape architectural services generated 44.0% of total operating revenue in 2021. Quebec, the second-largest contributor, represented 20.8% of total operating revenue, while British Columbia was the third-largest contributor, at 18.7%. The majority of total sales in Canada (83.5%) occurred in these three provinces.

Industry sales to businesses represented 53.6% of total sales, followed by sales to governments, non-profit organizations and public institutions (30.9%); individuals and households (12.0%); and customers outside Canada (3.6%).

Changing conditions for architectural services industry in 2022

Demand for architectural services will continue to be strong in 2022, although housing starts eased in 2022 as several hikes in interest rates cooled household demand. The contraction in residential investment was moderate, as solid population growth spurred by net international migration still encouraged residential developments in nearly all provinces. Canada is experiencing some of its strongest population growth since Confederation in 1867. Non-residential investment did not slow down, continuing its recovery in the first three quarters of 2022. Public investment in infrastructure also did not contract over the same period.

Detailed financial statistics for the architectural services and landscape architectural services industries in 2022 will be provided following survey data collection in 2023.

Note to readers

Data for 2019 and 2020 have been revised.

Information on housing starts was taken from table 34-10-0126-01.

Information on business non-residential investment was taken from table 36-10-0108-01.

Information on housing starts and the number of units in 2022 was taken from table 34-10-0143-01.

Information on population growth was taken from table 17-10-0009-01.

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: 21-10-0036-01 to 21-10-0038-01 and 21-10-0198-01.

Definitions, data sources and methods: survey number 2420.

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**) or Media Relations (**statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca**).