

# Automotive equipment rentals and leasing, 2022

Released at 8:30 a.m. Eastern time in *The Daily*, Monday, November 20, 2023

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## Automotive equipment rental and leasing operating revenue in 2022 eclipsed 2019 level

The operating revenue of the automotive equipment rental and leasing industry group increased by 20.8% in 2022 to \$8.6 billion. It took two years for the industry group to recover from the COVID-19 pandemic; operating revenues in 2022 were nearly 10% above 2019 levels. This industry group includes establishments primarily engaged in renting or leasing vehicles, such as passenger cars, passenger vans, trucks, truck tractors, buses, semi-trailers, utility trailers and recreational vehicles, without drivers.

Tourism activity increased in Canada as global pandemic restrictions eased, facilitating international travel. National tourism indicators show that tourism expenditures for vehicle rentals increased by 57.2% in 2022, following a 7.7% decrease in 2021.

Although the passenger car rental industry recovered, some pandemic-induced trends persisted. For instance, the price of rental of passenger vehicles was 45.1% higher in 2022 than in 2019. Smaller rental car fleet sizes persisted, despite some improvements. In a special report examining the impact of the pandemic on the rental car industry in New Brunswick, rental car inventories in 2022 were 31% lower than their average levels in 2019.

Operating expenses for the industry group increased by 17.9% from 2021 to \$7.1 billion in 2022. The cost of goods sold was the largest expense in 2022, making up 24.3% of operating expenses. Amortization and depreciation accounted for 23.9% of operating expenses, a decrease of 3.8 percentage points from 2021. Salaries, wages, commissions and benefits represented 15.0% of operating expenses, in line with the proportion observed in 2021.

The operating profit margin rose from 15.9% in 2021 to 17.9% in 2022. This is a 5.4 percentage point increase over the profit margin of 12.5% in 2019.

Across the industry group in 2022, 53.8% of sales were to businesses and 40.1% were to individuals and households, while the proportion of sales to governments was 3.4% and the proportion of sales to those outside Canada was 2.7%.

## Looking ahead

The supply of passenger vehicles is improving, as issues related to semiconductor chip shortages continue to ease. There were more new motor vehicle registrations across Canada in the first and second quarters of 2023 than during the same period in 2022. Car rental companies are slowly pivoting to electric vehicles and in some cases to shared mobility services.

Detailed financial statistics for the automotive equipment rental and leasing industry group for 2023 will be provided following survey data collection in 2024. They will provide information on the impacts of shifting trends that the industry group is facing.

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**Note to readers**

Data for 2021 have been revised.

Information on the price for rental of passenger vehicles was taken from table [18-10-0005-01](#).

Information on vehicle registrations was taken from table [20-10-0024-01](#).

Information on tourism activity was taken from table [36-10-0230-01](#).

Information on the passenger car rental industry in New Brunswick was taken from [Enduring effects of the pandemic: The case of the passenger car rental industry in New Brunswick](#).

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

**Available tables:** [21-10-0012-01](#) to [21-10-0014-01](#) and [21-10-0230-01](#).

**Definitions, data sources and methods:** survey number [2442](#).

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)).