

# Accommodation services, 2024

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## Moderate growth in accommodation services as COVID-19 pandemic volatility subsides

The accommodation services subsector reached a record-high operating revenue of \$35.9 billion in 2024, representing a 2.9% increase from 2023. This marks the first year since 2019 that the subsector experienced single-digit growth, signalling a return to more typical market conditions following the COVID-19 pandemic.

Ontario (30.2%) accounted for the largest share of operating revenue among the provinces and territories in 2024, followed by British Columbia (22.2%), Quebec (17.0%) and Alberta (16.7%).

Operating expenses rose by 3.3% to \$29.5 billion in 2024. The largest contributor to these expenses was salaries, wages, commissions and benefits, which represented 27.3% of total expenses. This share increased from 25.5% in 2021 but remained lower than that recorded in 2019 (29.2%).

The profit margin was 18.0% in 2024, down slightly from 18.3% in 2023 but noticeably higher than the pre-pandemic level of 14.2% in 2019. Recent record-high profit margins likely reflect sustained price pressures and the pandemic-induced exit of less resilient establishments, resulting in the continued operation of only the more profitable businesses.

The subsector includes two industry groupings: hotels, motor hotels and motels—which include private short-term rentals—and other accommodation industries.

### Hotels, motor hotels and motels

Operating revenue for hotels, motor hotels and motels increased by 4.1% to reach \$30.0 billion in 2024. The majority of sales revenue came from room or unit accommodation for travellers (75.8%), followed by meals and non-alcoholic beverages (9.0%).

Individuals accounted for the largest share of sales, at 47.3%. This proportion has been trending downward, as the return of international tourists boosted sales to customers outside Canada from 6.8% in 2021 to 16.6% in 2024.

Operating expenses rose by 5.0% to \$24.2 billion in 2024, resulting in a profit margin of 19.1%, down from 19.8% in 2023. Salaries, wages, commissions and benefits represented 27.4% of total expenses in 2024.

### Other accommodation industries

Operating revenue for other accommodation industries declined by 2.5% to \$6.0 billion in 2024, driven by the rooming and boarding houses industry, which includes workforce lodging.

Alberta (28.8%) accounted for the largest share of revenue, followed by Ontario (25.5%), British Columbia (16.7%) and Quebec (16.2%). Alberta's leading position is driven by workforce lodging firms that accommodate employees at remote sites, a common practice in resource extraction operations, such as those in northern Alberta.

Operating expenses fell by 3.7% to \$5.2 billion in 2024, with salaries, wages, commissions and benefits representing 26.9% of total expenses. The profit margin was 12.5% in 2024.

### Outlook for 2025

Recent political tensions between Canada and the United States could influence the performance of the accommodation services subsector in 2025. While the full extent of these impacts remains uncertain, recent data on international travel to and from Canada indicate a 0.4% decrease in foreign visitors and a 16.0% decline in Canadians returning from abroad during the first eight months of 2025.

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Detailed financial estimates for the 2025 reference year, scheduled for release in 2026, will provide a clearer picture of the impact on this subsector.

**Note to readers**

Data for 2023 have been revised.

Data on international travellers come from table [24-10-0054-01](#).

The hotels, motor hotels and motels grouping contains the following standard North American Industry Classification System (NAICS) 2022 codes: 721111 (hotels), 721112 (motor hotels), 721113 (resorts), 721114 (motels), 721120 (casino hotels) and 721198 (all other traveller accommodation).

Other accommodation industries contain the following standard NAICS 2022 codes: 721191 (bed and breakfast), 721192 (housekeeping cottages and cabins), 721211 (recreational vehicle parks and campgrounds), 721212 (hunting and fishing camps), 721213 (recreational [except hunting and fishing] and vacation camps) and 721310 (rooming and boarding houses).

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:** [21-10-0237-01](#), [21-10-0239-01](#), [21-10-0252-01](#), [33-10-0102-01](#) and [33-10-0103-01](#).

**Definitions, data sources and methods:** survey number [2418](#).

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)).