

# 2009 Survey of Service Industries: Real Estate Brokers

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## Reporting Guide

This guide is designed to assist you as you complete the 2009 Survey of Service Industries. If you need more information, please call the Statistics Canada Help Line at the number below.

**Help Line: 1-888-881-3666**

### Your answers are confidential.

Statistics Canada is prohibited by law from releasing any information from this survey which would identify a person, business, or organization, without their prior consent. The confidentiality provisions of the *Statistics Act* are not affected by either the *Access to Information Act* or any other legislation. **The Canada Revenue Agency cannot access identifiable survey data from Statistics Canada.**

These survey data will only be used for statistical purposes and will be published in an aggregate form only.

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## B - Main business activity

### 1. Please describe the nature of your business.

To ensure that you have received the appropriate questionnaire, you are asked to describe the nature of your business. The description should briefly state the main activities of your business unit.

### 2. Please check the one main activity which most accurately represents your main source of revenue.

Below is a description of each main activity.

#### North American Industry Classification System Description of the Real Estate Brokers

The categories to select from on the questionnaire use a coding system called the **North American Industry Classification System (NAICS)**. The NAICS system was developed by the statistical agencies of Canada, Mexico and the United States against the background of the North American Free Trade Agreement. It is designed to provide common definitions of the industrial structure of the three countries and a common statistical framework to facilitate the analysis of the three economies.

In order to help you choose the category that best describes the activity of your business, here is a short description of each category.

#### Real estate broker or real estate brokerage firm

Business units or individuals that are licenced or registered as real estate **brokers** where the **primary activity** (main source of revenue) is renting, buying and selling real estate for others on a fee or commission basis. Brokers may also assist vendors by advertising and listing properties, conducting open houses for prospective buyers, assist prospective buyers by selecting, visiting and making purchase offers. **Secondary broker activities** can include the rental or leasing of client owned properties, referrals, franchise operations, real estate advisory/consulting services and property appraisals.

**Exclude** brokers acting in the capacity of independent real estate sales persons.

#### Independent real estate sales persons

Business units or individuals that are licenced to participate in the activities of buying and selling real estate, who are obligated by contract to represent real estate brokers and are not considered to be regular employees. Independents can be identified by various names such as real estate agents, sales representatives, sales associates and associate brokers. This category also includes brokers that are acting in the capacity of independent real estate sales persons. If you are an independent real estate sales person please indicate this by completing the section "describe the nature of your business".

## Other activities

If you have selected "independent real estate salespersons" or "other activities", please complete question 1 so that we may properly classify your business unit(s) according to the primary source of revenue. Once this is done, we request that you complete page 5 and return the questionnaire.

## C - Reporting period information

Please report information for your **fiscal year** (normal business year) **ending between** April 1, 2009 and March 31, 2010. Please indicate the reporting period covered by this questionnaire.

## F - Industry characteristics

Please **exclude** any federal, provincial or territorial sales tax collected for remittance to a government agency.

### Brokerage services

#### 1. Commissions earned from real estate and lots

**Include** commissions and fees earned for the sale or re-sale of homes, buildings, businesses, lands and properties (**include** in trust amounts).

##### a) Sales of residential real estate and lots

Assisting buyers and sellers of residential real estate, acting in an agency capacity, for a fee or commission. Includes residential real estate auction services.

##### Exclude:

- advising clients on property matters, but not acting in an agency capacity (provide in question 3).

##### b) Rental of residential and real estate lots

Assisting owners of residential real estate to rent it, acting in an agency capacity, for a fee or commission.

##### Exclude:

- advising clients on property matters, but not acting in an agency capacity (provide in question 3);
- handling rentals for an owner as part of an ongoing property management service (provide in question 4).

##### c) Sales of commercial real estate and lots

Assisting buyers and sellers of non-residential real estate, acting in an agency capacity, for a fee or commission. Includes non-residential real estate auction services.

**Exclude:**

- advising clients on property matters, but not acting in an agency capacity (provide in question 3).

**d) Rental of commercial real estate lots**

Assisting owners of non-residential real estate to rent it, acting in an agency capacity, for a fee or commission.

**Exclude:**

- advising clients on property matters, but not acting in an agency capacity (provide in question 3);
- handling rentals for an owner as part of an ongoing property management service (provide in question 4).

**2. Revenue received from independent real estate associates**

**Include** commissions, fees and other revenues that are paid by independent real estate sales persons to this surveyed business. Some examples of these are desk fees, deal fees, charges for office space/use, publicity and advertising.

**3. Revenue from rental or leasing of property directly owned by the business unit**

**Include** the revenue received from the rental or leasing of property owned by this business unit only if it is earned as part of the normal real estate broker operations of the business unit.

**Exclude** income generated from the rental or leasing of properties that are owned or partially owned by the business as investment properties or other types of operations that are not related to the real estate broker operations.

**4. Real estate consulting services**

Providing advice and guidance to clients regarding real estate. Includes advice on real estate-related accountancy, financing and similar matters that are provided to the client independently of the actual provision of accountancy, financial and similar services.

**Include:**

- expert witness services related to real estate;
- commercial and industrial location finding services.

**Exclude:**

- advising clients on property matters, while acting in an agency capacity (provide in question 2).

**5. Real estate appraisal services**

Providing assessments of the value of real estate, in order to assist clients in buying, selling, or financing

the purchase of real estate, or in dealing with tax matters. Includes general real estate appraisals, reviews of others' appraisals and appraisals for taxation purposes.

**Exclude:**

- providing advice about real estate and property matters, not associated with providing an appraisal (provide in question 3).

**6. Real estate listing services**

Providing a register of real estate offered for sale in an area, in a printed directory, electronic database or other format.

**7. Other sales**

**Include** the sales of all other goods, services and revenues not previously identified such as appraisal services, referrals, auction services, real estate listing services, real estate consulting/advisory services, bad debt recoveries.

**8. Total sales**

Sum of questions 1 to 7.

**Commissions information**

**9. Proportion of commissions and fees earned from real estate sales** (as reported in question 1)

**Selected expenditure information**

**10. Commissions and fees paid to independent real estate salespersons**

**Include** all commissions and fees paid to independent real estate sales persons if they are by some means contracted to you.

**Exclude** commissions paid to your employees. These should be reported in salaries and wages, in **Section E**, question 1.

**11. Commissions and fees paid to other real estate brokers**

**Include** all commissions and fees paid to other real estate brokers for their actions in assisting in real estate transactions.

**12. Total commissions**

Sum of questions 10 and 11.

**Personnel information**

**13. Number of paid employees**

**Include** those employees who work full-time (those employees who work a standard workweek as defined by the business unit) or part-time (those employees who work fewer hours than a regular workweek or only work for a limited duration, such as seasonal, short term or employees hired for special projects).

#### 14. Number of independent real estate salespersons

**Include** persons that are licensed to sell or trade in real estate and are contracted to work for your enterprise; these independents may themselves be licensed or registered as brokers but if they are contracted to work as an independent salesperson, they are treated as such.

### General information

#### Survey purpose

Statistics Canada conducts this survey to obtain detailed and accurate data on this industry, which is recognised as being an important contributor to the Canadian economy. Your responses are critically important to produce reliable statistics used by businesses, non-profit organizations and all levels of government to make informed decisions in many areas.

The information from this survey can be used by your business to benchmark your performance against an industry standard, to plan marketing strategies or to prepare business plans for investors. Governments use the data to develop national and regional economic policies and to develop programs to promote domestic and international competitiveness. The data are also used by trade associations, business analysts and investors to study the economic performance and characteristics of your industry.

#### Data-sharing agreements

To reduce respondent burden, Statistics Canada has entered into data sharing agreements with provincial and territorial statistical agencies and other government organizations, which must keep the data confidential and use them only for statistical purposes. Statistics Canada will only share data from this survey with those organizations that have demonstrated a requirement to use the data.

**Section 11** of the *Statistics Act* provides for the sharing of information with provincial and territorial statistical agencies that meet certain conditions. These agencies must have the legislative authority to collect the same information, on a mandatory basis, and the legislation must provide substantially the same provisions for confidentiality and penalties

for disclosure of confidential information as the *Statistics Act*. Because these agencies have the legal authority to compel businesses to provide the same information, consent is not requested and businesses may not object to the sharing of the data.

For this survey, there are **Section 11** agreements with the provincial and territorial statistical agencies of Newfoundland and Labrador, Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba, Saskatchewan, Alberta, British Columbia, and the Yukon.

The shared data will be limited to information pertaining to business establishments located within the jurisdiction of the respective province or territory.

**Section 12** of the *Statistics Act* provides for the sharing of information with federal, provincial or territorial government organizations. Under **Section 12**, you may refuse to share your information with any of these organizations by writing a letter of objection to the Chief Statistician and returning it with the completed questionnaire. Please specify the organizations with which you do not want to share your data.

For this survey, there are **Section 12** agreements with the statistical agencies of Prince Edward Island, the Northwest Territories and Nunavut.

For agreements with provincial and territorial government organizations, the shared data will be limited to information pertaining to business establishments located within the jurisdiction of the respective province or territory.

#### Record linkages

To enhance the data from this survey, Statistics Canada may combine it with information from other surveys or from administrative sources.

**Please note that Statistics Canada does not share any individual survey information with the Canada Revenue Agency.**

For more information about these data-sharing agreements, please contact Statistics Canada at **1-888-881-3666** or visit our website at [www.statcan.gc.ca/survey-enquete/index-eng.htm](http://www.statcan.gc.ca/survey-enquete/index-eng.htm).

**Thank you!**