

NAIOP: Commercial Real Estate Generated \$278.4 Billion in Economic Activity in Canada

WASHINGTON, D.C. – AUGUST 29, 2022 – A [report](#) released by the NAIOP Research Foundation found that the commercial real estate industry in Canada generated \$278.4 billion in economic activity in 2021 and projected that the underpinning Canadian economy will remain strong through 2022.

The report, authored by Altus Group Economic Consulting, identified major categories of economic contributions made by commercial real estate:

Economic Activity: The commercial real estate sector's building construction spending and ongoing operations generated \$278.4 billion of economic activity in Canada in 2021.

GDP: The commercial real estate sector's building construction spending and ongoing operations generated \$148.4 billion in net contribution to GDP in Canada in 2021. The CRE sector's contribution to Canada's GDP is on par with the oil and gas sector.

Jobs: In 2021, the commercial real estate sector created and supported 1.0 million jobs in Canada, of which 372,710 are direct jobs. Many of those jobs are high-paying, high-skilled jobs in a wide array of industries.

Wages: The CRE sector's building construction spending and ongoing operations generated \$67.5 billion in labour income for workers in 2021.

According to the report, "Canada's economic recovery is progressing on a firm footing. The economy grew 4.7% in 2021 and is forecast to increase 3.8% in 2022. Most economic sectors are expected to be at or close to capacity by the end of this year, and the economy is expanding on a path toward a normalized, sustainable pace."

"The Canadian economy is emerging from a two-year period with significant fluctuations in GDP and jobs due to the COVID-19 pandemic and the public health measures undertaken by governments to contain the infection. The commercial real estate sector could be vulnerable to long-term impacts related to the pandemic, such as the demand for office space that will continue to evolve with hybrid work practices, and the demand for retail and industrial space that will continue to evolve with shifts in e-commerce trends."

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NAIOP has chapters in Toronto, Edmonton, Calgary and Vancouver.

“As with most global economies, the pandemic has created an instability from which we’re still emerging,” said Marc Selvitelli, CAE, president and CEO of NAIOP. “Canada’s commercial real estate industry continues to be a valuable catalyst for jobs while helping to drive a strong economic recovery across the country.”

Download the full report at naiop.org/canadiancontributions22.

About NAIOP

NAIOP, the Commercial Real Estate Development Association is the leading organization for developers, owners, investors and related professionals in office, industrial, retail, and mixed-use real estate. NAIOP provides unparalleled industry networking and education and advocates for effective legislation on behalf of our members. NAIOP advances responsible, sustainable development that creates jobs and benefits the communities in which our members work and live. For more information, visit naiop.org.

Note to Editors: Please note that the complete official/legal name of the association is NAIOP.

If additional information is needed, the association can be called NAIOP, the Commercial Real Estate Development Association. The former name (National Association of Industrial and Office Properties) is no longer accurate and was changed in January 2009.

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