

Additional Reporting Instructions for Logging, Lumber and Wood Product Industries

1. My business is involved in Logging. Why did I receive a survey on manufacturing?

The Annual Survey of Manufacturing and Logging Industries (ASML) **collects information on both manufacturing and logging activities**. In fact, survey respondents represent many types of operations including those involved in less “traditional” models like service provision (e.g. contract logging), custom manufacturing, and other diverse operations.

The classifications on file might be applicable for this business or organization, even if it is not exactly how you would describe this business or organization’s main activity. If you’re still uncertain please call 1-800-858-7921 for further instructions.

2. What if my business did not operate for the full year?

If your business is currently closed and will not reopen, select **Ceased all operations** only. You should still report to this survey for the activities that took place during this reporting period.

If your business is currently closed but will reopen and/or is planning to reopen, select **Temporarily Inactive but will reopen**. “Temporarily Inactive” could be used to indicate labour actions (strike/lockouts), scheduled retooling, or international trade actions (duties/quotas) that result in a temporary cease of operations with planned resumption in the short term. You should still report to this survey for the activities that took place during this reporting period.

3. Why am I asked to provide detail on raw materials and manufactured products?

These data are used to measure and understand the flows of goods (and other economic flow) between provinces and between Canada and other countries. They are used by the business community, manufacturing associations, federal and provincial departments and international organizations to profile the manufacturing and logging industries, undertake market studies, forecast demand and develop trade policies.

4. What if my raw materials and/or my finished products are not listed on the questionnaire?

Your questionnaire will list pre-identified products (raw materials and finished goods) that are relatively common to the industry. However, there are many different possibilities for what your business uses and produces. If you are unable to find the relevant products in either section please provide the detail on these products at the bottom of each section along with a written description.

If this level of detail is not available in your records, please provide estimates.

5. *What if my business cannot report the level of detail requested for raw materials and finished products?*

This information is important, and is used to measure and understand the flows of goods between provinces and Canada. If your business does not have the details requested, please provide your best estimate for the main products used in the manufacturing process and the main products manufactured.

Example:

For logging operations other than contract logging, please provide your best estimate for the main species your business cuts. For contract loggers, see question 7.

For lumber and wood product manufactures, please provide your best estimate for the main raw materials used in the manufacturing process and the main products manufactured.

6. *Where should I report revenues from Logging operations?*

Revenues from sales of logs and wood residue, including by-products such as wood chips, sawdust, etc., should be reported as **Sales of logs, wood residue and manufactured products**. When logs are transferred to other business units or a head office of your firm, the sales value of these logs should be reported at the value shown on your books of account (i.e., book transfer value).

For revenue from stumpage sales:

If your business is mainly engaged in logging operations, this should be reported as **Revenue from stumpage sales**;

For all other businesses, this should be reported under **Sales of logs, wood residue and manufactured products**.

7. *What is the revenue from logging service fees and/or custom work?*

Some logging operations carry out their logging operations on behalf of others in return for a logging service fee. In this example the first business would harvest the timber but would not own tenure (i.e. does not pay stumpage fees).

The revenue generated from the logging services should be reported under **Revenue from logging service fees and/or custom work**. Do not report revenue from these activities as sales of logs.

Alternatively, if your business pays logging service fees to a logging service provider, this expense should be reported under **Subcontracts**. (*Note: Not all respondents receive the same questions. If this question is asked on your questionnaire it will be found in the "Expenses" section*)

8. *What if I don't alter or process the goods that I sell? Where do I report revenues for goods that I sell "as is"?*

Your business may buy and sell goods without any further processing at your business unit. These goods should be reported as **Purchases of goods for resale, as is** and **Sales of goods purchased for resale, as is**

For example, if a sawmill purchases logs, and subsequently finds some of these logs to be unsuitable for further production they may decide to sell these logs "as is".

- The original purchase should be reported under **Purchases of goods for resale, as is**, and
- The revenue generated from this sale should be reported under **Sales of goods purchased for resale, as is**

9. *How should I report if my business does not own or purchase any raw materials?*

Stumpage fees should be reported under **Crown charges (for logging, mining and energy industries only)**. This mainly applies to logging operations (including businesses that have a different main business activity)

Some manufacturers earn revenues by providing **manufacturing services** to other businesses (who may own the products and materials involved). These revenues should be reported under **Revenue from manufacturing service fees or and/or custom work**.

10. *What are stumpage fees?*

The term "Stumpage fee" refers to amounts paid for the right to harvest timber from Crown land.

11. *What if our raw materials are transferred from another branch of the same company? How should I report these?*

You should report the value shown on your books of account (i.e., book transfer value) of raw materials transferred from another branch of your company.

12. *What if this business only purchases the raw materials but does not perform any manufacturing? How do I report when I contract out this work to a manufacturer?*

If your business pays manufacturing service fees to a manufacturing service provider, this expense should be reported under **Subcontracts**. (*Note: Not all respondents receive the same questions. If this question is asked on your questionnaire it will be found in the "Expenses" section*)

You should report your raw material purchases under **Purchases of raw materials and components**

13. *How should I report expenses paid to contract loggers?*

Do not report the expenses as purchase of logs. If your business owns tenure (i.e. has paid stumpage fees) and pays logging service fees to a logging service provider, this expense should be reported under **Subcontracts**. (*Note: Not all respondents receive the same questions. If this question is asked on your questionnaire it will be found in the "Expenses" section*)

14. Where should I report logging road costs?

Please exclude logging road costs (e.g. road clearing, ploughing, and grating) from **Purchases of raw materials and components**.