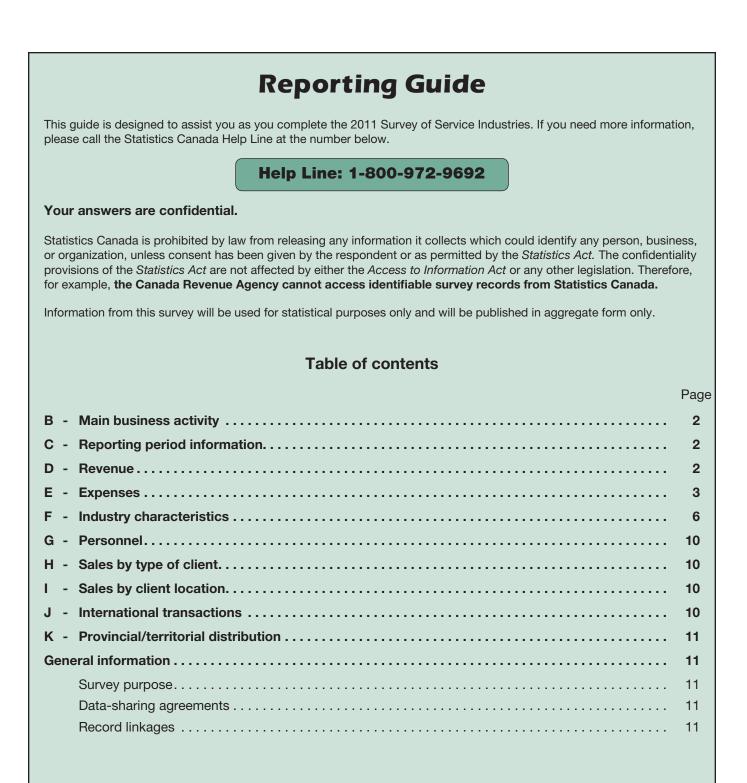
2011 Survey of Service Industries: Engineering



5-3600-15.3: 2011-11-09





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.

Engineering services

This industry comprises business units primarily engaged in applying principles of engineering in the design, development and utilization of machines, materials, instruments, structures, processes and systems. The assignments undertaken by these establishments may involve any of the following activities: the provision of advice, the preparation of feasibility studies, the preparation of preliminary and final plans and designs, the provision of technical services during the construction or installation phase, the inspection and evaluation of engineering projects, and related services.

Include:

- acoustical engineering consulting services;
- boat engineering design services;
- chemical engineering services;
- civil engineering services;
- combustion and heating engineering consultants;
- construction engineering services;
- electrical and electronic engineering services;
- engineering consulting services;
- engineering design services;
- engineers, private practice;
- environmental engineering services;
- erosion control engineering services;
- geological engineering services;
- geophysical engineering services;
- industrial engineering services;
- logging engineering services;
- marine engineering services;
- mechanical engineering services;
- mining engineering services;
- office of engineers;
- petroleum engineering services;
- traffic consultants, engineering services.

Exclude:

- design and construction of buildings, highways and other structures;
- managing construction projects;
- gathering, interpreting and mapping geophysical data;
- providing engineering surveying services;
- creating and developing designs and specifications that optimize the function, value and appearance of products;
- planning and designing computer systems that integrate existing hardware, packaged or custom software and communication technologies;
- providing advice and assistance to others on environmental issues, such as the control of environmental contamination from pollutants, toxic substances and hazardous materials.

If none of the above activities describes your main source of revenue, please call **1-800-972-9692** for further instructions.

C - Reporting period information

Please report information for your **fiscal year** (normal business year) **ending between** April 1, 2011 and March 31, 2012. Please indicate the reporting period covered by this questionnaire.

D - Revenue

A detailed breakdown may be requested in other sections.

1. Sales of goods and services (e.g., rental and leasing income, commissions, fees, admissions, services revenue) Report net of returns and allowances.

> Sales of goods and services are defined as amounts derived from the sale of goods and services (cash or credit), falling within a business's ordinary activities. Sales should be reported net of trade discount, value added tax and other taxes based on sales.

Include:

- sales from Canadian locations (domestic and export sales);
- transfers to other business units or a head office of your firm.

Exclude:

- transfers into inventory and consignment sales;
- federal, provincial and territorial sales taxes and excise duties and taxes;
- intercompany sales in consolidated financial statements.

2. Grants, subsidies, donations and fundraising

Please report contributions received during the reporting period.

Include:

- non-repayable grants, contributions and subsidies from all levels of government;
- revenue from private sector (corporate and individual) sponsorships, donations and fundraising.

3. Royalties, rights, licensing and franchise fees

A royalty is defined as a payment received by the holder of a copyright, trademark or patent.

Please **include** revenue received from the sale or use of all intellectual property rights of copyrighted musical, literary, artistic or dramatic works, sound recordings or the broadcasting of communication signals.

4. Investment income (dividends and interest)

Investment income is defined as the portion of a company's income derived from its investments, including dividends and interest on stocks and bonds.

Include interest from:

- foreign sources;
- bonds and debentures;
- mortgage loans;
- G.I.C. interest;
- loan interest;
- securities interest and deposits with bank interest.

Exclude:

• equity income from investments in subsidiaries or affiliates; these amounts should be reported in **section E,** at question 25.

5. Other revenue (please specify)

Include:

• amounts not included in questions 1 to 4 above.

6. Total revenue

The sum of questions 1 to 5.

E - Expenses

1. Salaries and wages of employees who have been issued a T4 statement

Please report all salaries and wages (including taxable allowances and employment commissions **as defined** on the T4 – Statement of Remuneration Paid) before deductions for this reporting period.

Include:

- vacation pay;
- bonuses (including profit sharing);
- employee commissions;
- taxable allowances (e.g., room and board, vehicle allowances, gifts such as airline tickets for holidays);
- severance pay.

Exclude:

• all payments and expenses associated with casual labour and outside contract workers; please report these amounts in this section, at question 5.

2. Employer portion of employee benefits

Include contributions to:

- health plans;
- insurance plans;
- employment insurance;
- pension plans;
- workers' compensation;
- contributions to any other employee benefits such as child care and supplementary unemployment benefit (SUB) plans;
- contributions to provincial and territorial health and education payroll taxes.

3. Commissions paid to non-employees

Please report commission payments to outside workers without a T4 – Statement of Remuneration Paid.

Include:

• commission payments to independent real estate agents and brokers.

4. Professional and business services fees Include:

legal;

- accounting and auditing;
- consulting;
- education and training;
- architect;
- appraisal;
- management and administration.

5. Subcontract expenses (include contract labour, contract work and custom work)

Subcontract expense refers to the purchasing of services from outside of the company rather than providing them in-house.

Include:

• hired casual labour and outside contract workers.

6. Charges for services provided by your head office Include:

• parent company reimbursement expenses and interdivisional expenses.

7. Cost of goods sold, if applicable (purchases plus opening inventory minus closing inventory)

Report cost of purchased goods that were resold during the reporting period. If applicable, report cost of goods and material used in manufacturing of sold products.

Include:

- <u>goods purchased for resale</u>: purchases during the period (including freight-in) **plus** opening inventory **less** closing inventory;
- <u>materials used in manufacturing of products</u> <u>sold</u>: report **only** the material component of cost of finished manufactured goods that were sold during the reporting period.

Exclude:

- direct and indirect labour costs (salaries, wages, benefits, and commissions);
- overhead and all other costs normally charged to cost of goods sold, such as depreciation, energy costs, utilities, sub-contracts, royalties, transportation, warehousing, insurance, rental and leasing; these expenses should be reported elsewhere in the detailed categories provided.

8. Office supplies

Include:

- office stationery and supplies, paper and other supplies for photocopiers, printers and fax machines;
- diskettes and computer upgrade expenses;
- data processing.

Exclude:

- postage and courier;
- telephone, Internet and other telecommunications expenses (please report this amount in this section, at question 14).
- 9. Rental and leasing (include rental of premises, equipment, motor vehicles, etc.)

Include:

- lease rental expenses, real estate rental expenses, condominium fees and equipment rental expenses;
- motor vehicle rental and leasing expenses;
- rental and leasing of computer and peripheral expenses;
- studio lighting and scaffolding, and other machinery and equipment expenses;
- fuel and other utility costs covered in your rental and leasing contracts.

10. Repair and maintenance (e.g., property, equipment, vehicles)

Include expenses for the repair and maintenance of:

- buildings and structures;
- vehicles (including vehicle fuel);
- machinery and equipment;
- security equipment;
- costs related to materials, parts and external labour associated with these expenses.

Also **include** janitorial and cleaning services and garbage removal.

11. Insurance (include professional liability, motor vehicles, etc.)

Include:

- professional and other liability insurance;
- motor vehicle and property insurance;
- executive life insurance;
- bonding, business interruption insurance and fire insurance.

Insurance recovery income should be deducted from insurance expenses.

12. Advertising, marketing and promotions (report charitable donations at question 22) Include:

- newspaper advertising and media expenses;
- catalogues, presentations and displays;
- meeting and convention expenses;
- tickets for theatre, concerts and sporting events for business promotion;
- fundraising expenses.

13. Travel, meals and entertainment

Include:

- passenger transportation, accommodation and meals while travelling;
- other travel allowances as well as meal, entertainment and hospitality purchases for clients.

14. Utilities and telecommunications expenses (include gas, heating, hydro, water, telephone and Internet expenses)

Include:

- diesel, fuel wood, natural gas, oil and propane;
- sewage.

Exclude:

- energy expenses covered in your rental and leasing contracts;
- vehicle fuel.

15. Property and business taxes, licences and permits

Include:

- property taxes paid directly and property transfer taxes;
- vehicle licence fees;
- beverage taxes and business taxes;
- trade licence fees;
- membership fees and professional licence fees.

16. Royalties, rights, licensing and franchise fees

Include:

- amounts paid to holders of patents, copyrights, performing rights and trademarks;
- gross overriding royalty expenses and direct royalty costs;
- resident and non-resident royalty expenses;
- franchise fees.

17. Delivery, warehousing, postage and courier Include:

- amounts paid for courier, custom fees, delivery and installation;
- distribution, ferry charges and cartage;
- freight and duty, shipping, warehousing and storage.

18. Financial service fees

Include:

- explicit service charges for financial services;
- credit and debit card commissions and charges;
- · collection expenses and transfer fees;
- registrar and transfer agent fees;
- · security and exchange commission fees;
- other financial service fees.

Exclude:

• interest expenses.

19. Interest expenses

Please report the cost of servicing your company's debt.

Include interest on:

- short-term and long-term debt;
- capital leases;
- bonds and debentures and mortgages.

20. Amortization and depreciation of tangible and intangible assets

Include:

- direct cost depreciation of tangible assets and amortization of leasehold improvements;
- amortization of intangible assets (e.g., amortization of goodwill, deferred charges, organizational costs, and research and development costs).

21. Bad debts

A bad debt is the portion of receivables deemed uncollectible, typically from accounts receivable or loans.

Include:

• allowance for bad debts.

Bad debt recoveries are to be netted from bad debt expenses.

22. All other expenses (please specify)

Include:

- amounts not included in questions 1 to 21;
- charitable and political expenses;
- research and development expenses;
- recruiting expenses.

23. Total expenses

The sum of questions 1 to 22.

24. Corporate taxes, if applicable

Include:

• federal, provincial and territorial current income taxes and federal, provincial and territorial provision for deferred income taxes.

25. Gains (losses) and other items

Include:

- realized gains/losses on disposal of assets and realized gains/losses on sale of investments;
- foreign exchange gains/losses, subsidiary/ affiliate share of income/losses and other division income/losses;
- joint venture income/losses and partnership income/losses;
- unrealized gains/losses, extraordinary items, legal settlements, and other unusual items;
- write-offs.

26. Net profit/loss after tax and other items

Total revenue **less** Total expenses **minus** Corporate taxes **plus** Gains (losses) and other items.

F - Industry characteristics

Sales by type of service

Please provide a breakdown of your sales. Please indicate if you are reporting in **either** Canadian dollars **or** percentage of total sales by ticking the appropriate box.

Engineering services

1. Residential building engineering projects

All engineering services related to new and existing homes, row housing, apartments, etc., and mixeduse buildings that are predominantly used for residential housing.

Include:

- the provision of designs, plans, and studies related to residential building projects;
- engineering advisory services that are related to a specific residential building project;
- engineering design services for residential building design-build projects that are provided on a subcontract basis.

Exclude:

- engineering advisory services that are not related to a specific project; please report this amount in this section, at question 15;
- design-build contracts, in which the contracts cover both the engineering design and construction elements; please report this amount in this section, at question 18.

2. Commercial, public and institutional building engineering projects

All engineering services related to new and existing commercial, public, and institutional buildings, including mixed-use buildings that are predominantly used for commercial, public, or institutional purposes.

Include:

- office buildings, shopping centres, hotels, restaurants, service stations, warehouses, bus and truck terminals, hospitals, schools, churches, prisons, stadiums and arenas, libraries,and museums;
- the provision of designs, plans, and studies related to commercial, public, and institutional building projects;
- engineering advisory services that are related to a specific commercial, public, or institutional building project;
- engineering design services for commercial, public, or institutional building design-build projects that are provided on a subcontract basis.

Exclude:

- engineering advisory services that are not related to a specific project; please report this amount in this section, at question 15;
- design-build contracts, in which the contracts cover both the engineering design and construction elements; please report this amount in this section, at question 18.

Industrial and manufacturing engineering projects

3. Mining and metallurgical plant and process engineering projects

All engineering services related to mining and metallurgical facilities and processes.

Include:

- integrated facility and process engineering projects;
- all engineering services related to mining and metallurgical processes, such as mineral extraction, smelting, refining and metal forming.

4. Petroleum and petrochemical plant and process engineering projects

All engineering services related to petroleum and petrochemical facilities and processes, such as oil and gas platforms, refineries, pipelines, and petrochemical plants.

Include:

- integrated facility and process engineering projects;
- all engineering services related to processes for the production of petroleum and petrochemicals, such as extraction, refining, formulation and mixing.

5. Pulp and paper plant and process engineering projects

All engineering services related to pulp and paper facilities and processes, such as pulp and paper mills.

Include:

- integrated facility and process engineering projects;
- pulp washing, screening, bleaching and drying.
- 6. Industrial machinery engineering design projects All engineering services related to the design of industrial machinery.

Include machinery design for industries such as:

- agriculture;
- construction;
- mining;
- metalworking;
- commercial and service industries;
- heating, ventilating and air-conditioning;
- power transmission machinery.
- 7. Electronic and electrical equipment engineering design projects

All engineering services related to the design of electronic and electrical equipment.

Include:

- computers and peripheral equipment;
- communications equipment;
- audio and video equipment;

- semiconductors and other electronic components;
- lighting;
- major and minor appliances, and components thereof.
- 8. Transportation equipment engineering design projects

All engineering services related to the design of transportation equipment.

Include:

- motor vehicles;
- aircraft;
- trains;
- marine vessels;
- space vehicles.
- 9. Other industrial and manufacturing engineering projects

All engineering services related to the design of industrial and manufactured products not elsewhere classified.

10. Transportation engineering projects (e.g., road, rail, air, marine)

All engineering services related to highways, roads, streets, bridges, tunnels, railways, subways, airports, harbours, canals and locks, and other transportation infrastructure.

Include:

- the provision of designs, plans, and studies related to transportation projects;
- engineering advisory services that are related to a specific transportation project;
- engineering design services for a transportation design-build project that are provided on a subcontract basis.

Exclude:

- engineering advisory services not related to a specific project; please report this amount in this section, at question 15;
- design-build contracts in which the contracts cover both the engineering design and construction elements; please report this amount in this section, at question 18.

11. Municipal utility engineering projects

All engineering services related to municipal utilities.

Include:

- the provision of designs, plans, and studies related to municipal utility projects;
- engineering advisory services that are related to a specific municipal utility project;

• engineering design services for a municipal utility design-build project that are provided on a subcontract basis.

Exclude:

- engineering advisory services that are not related to a specific project; please report this amount in this section, at question 15;
- design-build contracts, in which the contracts cover both the engineering design and construction elements; please report this amount in this section, at question 18

12. Power generation, transmission and distribution engineering projects

All engineering services related to power generating units, power transmission and distribution lines, and related infrastructure.

Include:

- the provision of designs, plans, and studies related to power projects;
- engineering advisory services that are related to a specific power project;
- engineering design services for a power design-build project that are provided on a subcontract basis.

Exclude:

- engineering advisory services that are not related to a specific project; please report this amount in this section, at question 15;
- design-build contracts, in which the contracts cover both the engineering design and construction elements; please report this amount in this section, at question 18.

13. Telecommunications and broadcasting engineering projects

All engineering services related to systems for the transmission or distribution of voice, data, and programming.

Include:

- the provision of designs, plans, and studies related to telecommunications and broadcasting projects;
- engineering advisory services that are related to a specific telecommunications or broadcasting project;
- engineering design services for a telecommunications or broadcasting design-build project that are provided on a subcontract basis.

Exclude:

 engineering advisory services that are not related to a specific project; please report this amount in this section, at question 15; • design-build contracts, in which the contracts cover both the engineering design and construction elements; please report this amount in this section, at question 18.

14. Hazardous and industrial waste engineering projects

All engineering services related to systems for the collection, treatment, and disposal of hazardous and industrial waste and the control of pollution.

Include:

- the provision of designs, plans, and studies related to hazardous and industrial waste projects;
- engineering advisory services that are related to a specific hazardous or industrial waste project;
- engineering design services for a hazardous or industrial waste design-build project that are provided on a subcontract basis.

Exclude:

- engineering advisory services that are not related to a specific project; please report this amount in this section, at question 15;
- design-build contracts, in which the contracts cover both the engineering design and construction elements; please report this amount in this section, at question 18.

15. Engineering advisory services (e.g., expert witness, forensic investigation, etc.)

The provision of advice, studies, and reports on engineering matters, except when the advice relates to a specific project. Advice, studies, and reports provided in conjunction with a project are classified based on the project type.

Include:

- policy analysis;
- regulatory studies;
- audits;
- forensic investigations;
- expert witness services.

16. Other engineering projects or services

Other projects or services provided by engineering firms that are not classified elsewhere.

Secondary activities

17. Project management services

Planning, supervising, and co-ordinating the activities involved in carrying out a project, with regard to time, cost, performance requirements, and other constraints. May also include the arrangement of finances for a project, and procurement of equipment and subcontractors. Project management services refer only to situations in which project management is offered as a stand-alone service.

18. Construction services (including designbuild contracts)

Constructing, repairing and renovating buildings and engineering works, as well as subdividing and developing land, through prime contracts or sub contracts.

Include:

- construction of buildings;
- heavy and civil engineering construction;
- specialty trade contractors.

Exclude:

- manufacturing and installing building equipment such as power boilers and manufacturing prefabricated buildings;
- operating highways, streets and bridges;
- house moving (transportation only);
- project management services, when it is a primary activity;
- maintenance of rights of way for power, communication and pipe lines;
- cleaning building exteriors after construction.

19. Environmental consulting services

The provision of objective information, advice, and guidance to clients concerning the preservation of air, water, and soil quality; natural resource development; waste management; pollution control; and other environmental issues.

Include:

 the sale or transfer of technology to a client, which often extends to assisting the client with the organization and monitoring of solution implementation.

Exclude:

• services that involve stand-alone implementation.

20. Other sales

All other engineering services not defined above.

21. Total sales

The sum of questions 1 to 20 above.

Sales by type of revenue

Please indicate if you are reporting in **either** Canadian dollars **or** percentage of total sales by ticking the appropriate box.

1. Fee income

Revenues collected by the company for professional service fees rendered.

Exclude:

- reimbursable expenses;
- sub-contract fees awarded to other companies.

2. Sub-contracts

Please report the value of sub-contracts awarded by you to other firms or consultants.

3. Reimbursables

Include:

• the cost of all contract-related materials used in a project that are billed to the client.

Exclude:

• sub-contract fees.

5. Total sales

The sum of questions 1 to 4 above.

Environment-related projects

This section collects data on sales of selected environmental engineering services:

- a) All engineering services related to facilities that generate electrical power from the following sources of renewable energy: sun, wind, water, earth's heat or biomass.
- b) All engineering services related to systems for the treatment of municipal waste water.
- c) All engineering services related to municipal garbage collection and disposal systems, including recycling facilities, composting facilities, transfer stations, resource recovery facilities, and landfill sites.
- d) All engineering services related to remediation of contaminated site, including remediation of the air, soil, ground and/or surface water (fresh or salt).
- e) All engineering services related to programs for the collection, treatment, recycling, and disposal of industrial air, water and solid wastes, generally to a level such that the remaining waste stream can be safely released to the natural environment or ordinary municipal systems.

Include:

• sales of related machinery, equipment and products sold as part of a service delivered.

G - Personnel

To fully measure the contribution of all human capital in this industry, we require information on the number of partners and proprietors as well as the number and classification of workers.

1. Number of partners and proprietors, non-salaried (if salaried, report at question 2 below)

For unincorporated businesses, please report the number of partners and proprietors for whom earnings will be the net income of the partnership or proprietorship.

2. Paid employees

a) Average number of paid employees during the reporting period

To calculate the average number employed, add the number of employees in the last pay period of each month of the reporting period and divide this sum by the number of months (usually 12).

Exclude:

• partners and proprietors, non-salaried reported at question 1 above.

b) Percentage of paid employees (from question 2a) who worked full time

Full-time employment consists of persons who usually work 30 hours or more per week. Please specify the percentage of paid employees who have been working full time by rounding the percentage to the nearest whole number.

3. Number of contract workers for whom you did not issue a T4, such as freelancers and casual workers (estimates are acceptable)

Contract workers are not employees, but workers contracted to perform a specific task or project in your organization for a specific duration, such as self-employed persons, freelancers and casual workers. These workers are not issued a T4 information slip. Please report the number of contract workers employed by your organization during the fiscal year.

H - Sales by type of client

This section is designed to measure which sector of the economy purchases your services.

Please provide a percentage breakdown of your sales by type of client.

Please ensure that the sum of percentages reported in this section equals 100%.

1. Clients in Canada

a) Businesses

Percentage of sales sold to the business sector should be reported here.

Include:

• sales to Crown corporations.

b) Individuals and households

Please report the percentage of sales to individuals and households who do not represent the business or government sector.

c) Governments, not-for-profit organizations and public institutions (e.g., hospitals, schools)

Percentage of sales to federal, provincial, territorial and municipal governments should be reported here.

Include:

 sales to hospitals, schools, universities and public utilities.

2. Clients outside Canada

Please report the share of total sales to customers or clients located outside Canada including foreign businesses, foreign individuals, foreign institutions and/or governments.

Include:

• sales to foreign subsidiaries and affiliates.

I - Sales by client location

Please provide a percentage breakdown of your total sales by client location (first point of sale).

Please ensure that the sum of percentages reported in this section equals 100%.

The percentage in question 14 must equal question 2 in section H.

J - International transactions

This section is intended to measure the value of international transactions on goods, services, and royalties and licences fees. It covers **imported services and goods** purchased outside Canada as well as the value of **exported services and goods** to clients/ customers outside Canada. Please report also royalties, rights, licensing and franchise fees paid to and/or received from outside Canada. Services cover a variety of industrial, professional, trade and business services.

K - Provincial/territorial distribution

This section is intended to collect information on the locations operated by your business during the reporting period.

Please report the number of business units or locations operating in Canada during the reporting period. Business unit is defined as the lowest level of the firm for which accounting records are maintained for such details as revenue, expenses and employment.

Please report data for the provinces or territories in which you have business units and indicate if you are reporting in Canadian dollars **or** percentages.

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.

Please visit our website at **www.statcan.gc.ca/survey**enquete/index-eng.htm or call us at **1-800-972-9692** for more information about these data-sharing agreements.

Thank you!