Reporting Guide

Annual Motor Carriers of Freight Survey, 2006

Survey Objective

This survey collects data which are essential to report on the economic performance of for-hire trucking and the impact of this industry on the Canadian economy. The data are to be used for statistical purposes only and published in aggregate form in the Surface and Marine Service Bulletin, Catalogue No. 50-002-XIB and in Trucking in Canada, Catalogue No. 53-222-XIB.

Authority

This survey is conducted under the authority of the Statistics Act, Revised Statutes of Canada, 1985, Chapter S19, and applicable provincial statutes and regulations. Completion of this questionnaire is a legal requirement under the Statistics Act.

Confidentiality

The data are kept confidential, as outlined in the confidentiality provisions of the Statistics Act. The confidentiality provisions of the Statistics Act are not affected by either the Access to Information Act or any other legislation.

Reporting Procedures

Please complete and return this questionnaire by **May 31, 2007** using the enclosed return envelope or by facsimile to (613) 951-0579. This reporting guide provides definitions, explanations and instructions to assist you in completing the enclosed questionnaire. If you require further information, please contact:

Peggy Moffatt
Transportation Division
Tel: 613-951-6080 (collect)
Facsimile: 613-951-0579

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BEFORE YOU START...

- Ensure this questionnaire is forwarded to and completed by the appropriate person(s) within your company.
- Information reported should **include** all activities of your Canadian trucking subsidiaries and associated operations relating to your for-hire trucking operations in Canada. Please include your for-hire trucking operations and work completed by owner operators on your behalf.
- All revenue and expense figures should be reported in **Canadian dollars**, excluding the Goods and Services Tax (GST).
- Do not combine data for two or more detail lines.
- Round amounts to the nearest whole number or dollar (do not report decimals or cents).

REPORTING PERIOD

To ensure consistent accurate statistics, please report your information for the 12-month period, January 1, 2006 to December 31, 2006. If you are unable to provide data for this time frame, please specify the fiscal year period that the information represents. Note that:

- the fiscal period should be no longer than 12 months and no shorter than 3 months;
- the **end** of the fiscal period should fall between April 1, 2006 and March 31, 2007.

I. BALANCE SHEET

Total Current Assets (line 10)

Include cash and those assets which in the normal course of business will be turned into cash in the near future, generally within a year from the date of the balance sheet, such as ***marketable securities*** (temporary investment of excess or idle cash reported at lower of cost or market), ***accounts receivable*** (amounts not yet collected from customers, after provision for bad debts) and ***prepaid expenses*** (payments made in advance from which your company has not yet received benefits, but for which it will receive benefits in the next fiscal year).

Fixed Assets (lines 11 and 12)

Include assets not intended for sale that are used over and over again in your for-hire trucking operations, such as land, buildings, machinery, equipment and furniture. The value should represent the cost minus the depreciation accumulated as of the date of the balance sheet.

Note that in **line 11** you should report fixed assets from the for-hire trucking operations and in **line 12** the fixed assets from all other types of businesses (non-trucking).

Other Assets (line 13)

Include intangibles, investments, deferred charges, etc. Intangibles are assets having no physical existence yet having substantial value to the company.

Total Current Liabilities (line 15)

Include ***accounts payable*** (amounts that the company owes to its regular business creditors from whom it has bought goods or services on open account), ***notes payable*** (amounts borrowed from a bank or other lender), ***accrued expenses payable*** (amounts owed and unpaid as of the date of the balance sheet--salaries and wages, insurance premiums, interest on loans, attorney fees, pensions, etc), and ***federal income tax payable***.

Long Term Debt (line 16)

Include debts due after one year from the date of the balance sheet. Usually these are ***deferred income taxes*** (for example, accelerated depreciation deductions for investments in plant and equipment) and ***debentures*** (a bond based on the company's credit rather than assets).

Owner's Equity (line 18)

This is the company's net worth after subtracting all liabilities. Include ***capital stock*** (preferred and common stock), ***capital surplus*** (the amount paid in by shareholders over the par or legal value of each share), and ***accumulated retained earnings*** (sometimes called surplus).

II. TOTAL ANNUAL OPERATING REVENUE (line 20)

This is the amount earned by the company during the 2005 calendar year from ***for-hire motor carrier freight services*** rendered to its customers, excluding allowances for reduction of prices and other carriers' portion of revenue on interlined shipments. Include revenue generated by part-time and full-time owner operators. Any **other revenue** (non-motor carrier of freight operations) earned should be reported in **Section 6**, Income Account.

Exclude GST.

III. TOTAL ANNUAL OPERATING EXPENSES (line 30)

Total annual operating expenses include:

- salaries and wages paid to your employees (including related benefits);
- fuel (including fuel tax);
- owner operator expenses;
- vehicle rental and leasing costs;
- purchased transportation (e.g., driver services, contract hauling and piggyback);
- maintenance and repairs (including tires and tubes, purchased repair for parts and labour);
- terminal expenses; depreciation of revenue equipment (trucks, tractors, and trailers) and buildings;
- marketing expenses;
- insurance (vehicle, cargo loss and damage, and other insurance);
- safety and compliance expenses; and
- other expenses (any additional expenses incurred regarding trucking operations).

Do not include interest expenses or GST.

IV. NET TRUCKING OPERATING REVENUE (line 40)

Net trucking operating revenue is calculated by subtracting Total Annual Operating Expenses **(line 30)** from Total Annual Operating Revenue **(line 20)**.

This amount should be transcribed to the top of page 2 of the questionnaire for ease of calculating **line 66**, “Income before taxes”.

V. TRUCKING ACTIVITY

Local Trucking (line 51)

According to the new classification system, The North American Industry Classification System (NAICS), *local trucking* is trucking activity within a metropolitan area, all activities not defined in *long distance trucking* below.

Long Distance Trucking (line 52)

Long distance trucking is trucking activity between metropolitan areas corresponding to one or more of the following characteristics:

- Drivers do not usually return to their home terminal each evening;
- "Line haul" is commonly used to describe shipments or trips;
- Drivers are required to maintain daily trip logs (National Safety Code);
- Most trips are more than 80 km. (50 miles) in radius from point of departure;
- Highway tractor trailers (sometimes equipped with sleeper cabs) or highway trailers are used.

Long distance trucking does **not** include pick-up and delivery activities using straight trucks.

Note: A carrier may carry out both *local and long distance* trucking activities.

VI. INCOME ACCOUNT

2005 Net trucking operating revenue (line 40)

Please copy the amount from page 1, question 4, **line 40**.

Non-trucking operations (lines 60 and 61)

Provide income and expenses of any operations that are NOT related to trucking operations.

Non-operating income (line 62)

Report additional sources of revenue from the company's investments in stocks and bonds as well as profits from the sale of property.

Non-operating expense (line 63)

Terminal losses, recaptured depreciation, revaluations or write-downs not treated as extraordinary items.

Interest expense (line 64)

Report interest paid to bondholders for the use of their money. This is a fixed charge paid whether the company is profitable or not.

Total other net income (line 65)

Compute the net amount of "Income (Non-trucking)" and "Expenses (Non-trucking)", "Non-operating income" and "Interest expense" **(lines 60 to 64)**, observing the minus and plus signs in your calculations.

Income (loss) before taxes (line 66)

Add "Net motor carrier freight operating revenues" **(line 40)** and "Total other net income" **(line 65)**.

Provision for income taxes (line 67)

Report the federal and provincial taxes paid or owed for 2005, after credits, depreciation write offs and capital gains items have been deducted.

Income (loss) after taxes (line 68)

Calculated by subtracting "Provision for Income Taxes" **(line 67)** from "Income before taxes" **(line 66)**.

Extraordinary items (line 69)

Gains, losses and provisions for losses which are not typical to the normal business activities. Include discontinuance of a business program, i.e., abandonment of a plant; intervention by regulatory bodies such as expropriation of property; losses resulting from floods, earthquakes, fires or other catastrophes.

Net income (or Net loss) (line 70)

Calculated by subtracting "Extraordinary items" **(line 69)** from "Income (loss) after taxes" **(line 68)**.

VII. FUEL CONSUMPTION FOR THE YEAR

May be reported in litres or gallons.

Record the amount of fuel which was used by company drivers and others (such as driver services personnel) while conducting normal motor carrier freight operations using your revenue equipment. Include fuel taxes.

Exclude amount of **lubricating oil and heating oil** as well as fuel consumed by **owner operators** (should be included in Question 3, Total Annual Operating Expenses).

VIII.SEMI-TRAILERS & OTHER EQUIPMENT OPERATED

This section refers to the number of trailers and other equipment by type and size, owned OR leased on a long-term basis, by your company at the end of 2005, regardless if operated by owner operators on your behalf. Report the number of units your company had in service (i.e., in use, available for use, or in the shop for routine maintenance). Exclude maintenance equipment.

Van/Semi-trailer – *non-temperature controlled* (line 90)

A road trailer or semi-trailer, non-temperature controlled, is used in carrying freight and equipped with one or more axles towards the rear with its front resting on a road tractor. When not in use, the front of a trailer rests on jacks.

Van/Semi-trailer – *temperature controlled* (line 91)

A road trailer or semi-trailer as described above, but equipped with a system to control the temperature inside the semi-trailer body, designed for transporting perishables or other products.

Full trailers – *"Pups"* (line 92)

Similar to trailers except that they are constructed with axles on both their front and rear ends, they will balance on their wheels without a jack.

Flatdeck – *platform / rack trailers* (line 93)

Flatbed truck or trailer body with a floor but without sides and permanent top or roof. It may have temporary sides or racks.

Dump trailers – *Hoppers* (line 94)

Dump bodies or semi-trailers mostly used for dry bulk transport. Dump body can be tilted to discharge its load backwards or sideways or, if a hopper body, it can release its cargo through a bottom opening without tilting.

Container-Chassis (line 95)

A semi-trailer chassis onto which a container may be securely attached.

Tank (lines 96 and 97)

Enclosed truck trailer designed for the transportation of liquid commodities, such as petroleum and chemical liquid, or dry commodities in bulk. Report all sizes of owned and leased tanks. Specify in comments the various tank sizes; for example, the number by volume or weight capacity of each type.

Other (line 98)

Include auto carriers, containers, converter dollies (Types A, B and C), or others. specify in comments the relevant sizes or weights of other equipment.

IX. CERTIFICATION

The information provided in this area is important as it will assist us in contacting the proper person within your firm if further information or clarification regarding this questionnaire is required.

FEDERAL-PROVINCIAL AGREEMENTS

To reduce response burden and to provide consistent statistics, Statistics Canada has entered into data sharing agreements:

A. Under Section 11 of the **Statistics Act** with the Newfoundland Statistics Agency and the Quebec Bureau of Statistics. Statistics Canada only enters into section 11 agreements with provincial statistical agencies that have statistics acts similar to the federal act. These agencies have the authority to collect this information and the same provisions for confidentiality and penalties for disclosure of information as the **Federal Statistics Act;**

B. Under Section 12 of the **Statistics Act** with the Newfoundland Department of Works, Services and Transportation, the Nova Scotia Board of Commissioners of Public Utilities, the Quebec Department of Transportation, the Ontario Ministry of Transportation and Transport Canada (see section C below). The agreements we have with these agencies require that they keep the information confidential and only use it for statistical and research purposes. Under section 12, respondents may object to the sharing of their information by giving notice in writing to the Chief Statistician and returning their letter of objection along with the completed questionnaire in the enclosed envelope;

C. Further to the section 12 agreement with Transport Canada, the following applies to federally regulated carriers. Statistics Canada is collecting the information for itself pursuant to the **Statistics Act** and on behalf of Transport Canada pursuant to the **Canada Transportation Act** and the Carriers and Transportation Undertakings Information Regulations. In this case, respondents do not have the right to object to sharing their information since the party to the Agreement is authorized by law to require the respondent to provide the information.

We thank you for your participation in this survey and would appreciate any comments on its content.