



## Reporting Guide

### General Instructions

#### 1) Reports Required

- Reports should be completed for Canadian operations and locations as described on the label.

#### 2) Dollar Amounts and Percentages

- All dollar amounts reported should be rounded to THOUSANDS OF CANADIAN DOLLARS (e.g. \$6,555,444.00 should be rounded to \$6,555)
- Percentages should be rounded (e.g. 37%, 76%, 94%)
- Your best estimates are acceptable when precise figures are not available.
- Pre-printed cell numbers 100 to 860 are for identification purposes

#### 3) Returning your Questionnaire

**By Mail To**                      **Investment and Capital Stock Division,**  
**Statistics Canada,**  
**Ottawa, Ontario K1A 0T6**

**By Fax At**                         **(613) 951-0196 or 1-800-606-5393**

Statistics Canada advises you that there could be a risk of disclosure during the facsimile communication process. However, upon receipt of your facsimile, Statistics Canada will provide the guaranteed level of protection afforded all information collected under the authority of the *Statistics Act*.

#### 4) Questions?

If you have any questions, please call us at **(613) 951-9815 or 1-800-345-2294**.

#### Data Sharing Agreements

To avoid duplicating survey activity, Statistics Canada has entered into the following data sharing agreements concerning this Survey.

**Under section 11** of the Statistics Act, Statistics Canada has entered into data sharing agreements with the statistical bureaus of Newfoundland, New Brunswick, Nova Scotia, Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. Statistics Canada only enters into section 11 agreements with provincial statistical agencies which 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.

**Under section 12** of the Statistics Act, Statistics Canada has entered into data sharing agreements with the Prince Edward Island Department of the Provincial Treasury, the Nova Scotia Department of Natural Resources, the Northwest Territories Bureau of Statistics, the Nunavut Bureau of Statistics, the Yukon Bureau of Statistics and Natural Resources Canada. The agreements we have with these agencies require that they keep the information confidential, and use it only for statistical and research purposes. Under section 12, respondents may object to the sharing of their information with any of these agencies by giving notice in writing to the Chief Statistician and by returning their letter of objection along with the completed questionnaire in the enclosed envelope.

## Pre-Printed Label

#### Type of Ownership

- Private** – less than 50% of the voting rights are controlled by the government
- Public** – more than 50% of the voting rights are controlled by the government
- **specify** Federal, Provincial or Municipal

## Definitions

#### What are Capital Expenditures

Capital Expenditures are the **gross expenditures** on fixed assets for use in the operations of your organization or for lease or rent to others. It **includes**:

- cost of all new buildings, engineering and machinery and equipment which normally have a life of more than 1 year and are charged to fixed asset accounts
- modifications, additions and major renovations
- capital costs such as feasibility studies, architectural, legal, installation and engineering fees
- subsidies
- capitalized interest charges on loans with which capital projects are financed
- work done by own labour force
- additions to work in progress

#### How to Treat Leases

- **include** assets acquired for lease to others, either as a capital lease or as an operating lease
- **exclude** assets acquired as a lessee through either a capital lease or an operating lease from others

#### Information for Government Departments

The following applies to government departments only

- Grants and/or subsidies to outside entities (i.e. municipalities, agencies, institutions or businesses) are not to be included
- Departments are requested to exclude from reported figures budgetary items pertaining to any departmental agency and proprietary crown corporation as they are surveyed separately
- Federal departments are to report expenditures paid for by the department, regardless of which department awarded the contract
- Provincial departments are to include any capital expenditures on construction (excluding outlays for land) and/or machinery and equipment, for use in Canada, financed from revolving funds, loans attached to revolving funds, other loans, the Consolidated Revenue Fund or special accounts

## Column Heading

**Assets Code (Column 1)**

Capital Expenditures are to be reported by asset type code. The code for each main asset type is located on pages four and five of this guide. These codes are to be used in Section A Column 1 and Section B Column 7.

- if you have purchased more than one asset in a particular asset group, report them separately if they had a different expected useful life (Column 6), otherwise you may combine the data
- the use of "Other" codes (i.e. ending in 99) is to be avoided, if possible. However, if an "Other" code is used, give a description of the asset on page four of the questionnaire.
- in Section A, construction and machinery and equipment type of assets are separated. This is not necessary in Section B.
- if more lines are required for Section A and/or B, please photocopy the relevant Section(s) and attach to the questionnaire.

**New Assets (Column 2)**

Report Capital Expenditures for additions of new assets. **Include imports of used assets** since they represent newly acquired assets for the Canadian economy.

**Purchase of Used Canadian Assets (Column 3)**

The object of our survey is to measure the addition of **new** fixed assets separately from **used** fixed assets in the Canadian economy as a whole. This is because the acquisition of used assets does not increase the total inventory of fixed assets, it only transfers them within the Canadian economy. Report acquisition of used assets separately in this column.

**Renovation, Retrofit, Refurbishing, Overhauling and Rehabilitation (Column 4)**

Report Capital Expenditures for existing assets being upgraded, renovated, retrofitted, refurbished, overhauled or rehabilitated.

**Expected Useful Life of Assets (Column 5)**

Report the expected life of the asset in years.

## Row Headings

**Land**

Capital expenditures for land should include all costs associated with the purchase of the land that are not amortized or depreciated. Improvements in land should be reported in Non-Residential Construction.

**Residential Construction**

Capital expenditures incurred during the reporting period for residential structures (on a contracted basis and/or by your own employees).

- **include** the housing portion of multi-purpose projects and of townsites
- **exclude** buildings that have accommodation units without self contained or exclusive use of bathroom and kitchen facilities (e.g. some student and senior citizens residences) and associated expenditures on services.

**Non-Residential Construction**

Capital expenditures incurred during the reporting period for non-residential building and engineering construction (on a contracted basis and/or by your own employees) whether for your own use or rent to others. **It includes:**

- manufacturing plants, warehouses, office buildings, shopping centres, etc.
- roads, bridges, sewers, electric power lines, underground cables, etc.
- the cost of demolition of buildings, land servicing and site preparation
- leasehold and land improvements
- additions to work in progress (see Section E)
- townsite facilities such as streets, sewers, stores and schools
- buildings that have accommodation units without self contained or exclusive use of bathroom and kitchen facilities (e.g. some student and senior citizen residences) and associated expenditures on services
- all preconstruction planning and design costs such as engineering and consulting fees and any materials supplied to construction contractors for installation

**Machinery and Equipment**

Capital expenditures incurred during the reporting period for machinery and equipment, whether for your own use or for lease or rent to others. **Include:**

- automobiles, trucks, professional and scientific equipment, office and store furniture, appliances
- motors, generators, transformers
- any capitalized tooling expenses
- additions to work in progress (see Section E)
- progress payments paid out before delivery in the year in which such payments are made
- any balance owing or holdbacks should be reported in the year the cost is incurred

**Non-Capital Repair and Maintenance Expenditures**

This question represents the repair and maintenance of assets in contrast to the acquisition of assets or the renovation of assets. **Include:**

- gross non-capital repair and maintenance expenditures on non-residential buildings, other structures and on machinery and equipment
- value of repair work done by your own employees as well as payments to persons outside your employ
- building maintenance such as janitorial services, snow removal and sanding
- equipment maintenance such as oil changes and lubrication of vehicles and other machinery

**Section B****Disposal/Sales/Write-Downs of Fixed Assets****Disposals/Sales/Write-Downs of Fixed Assets****Total Selling Price (Column 8)**

The total value, or the sum of all disposals, sales or write-down transactions for those fixed assets which were disposed of, sold, retired, destroyed or otherwise discarded (including write-downs) even if traded in for credit in the acquisition or purchase of new fixed assets. When land and buildings are sold together, please report the selling price of the land separately, along with other land sales

If you have disposed/sold similar assets with varying lives, report them separately or combine the data and provide a weighted average for the lives.

**Gross Book Value (Column 9)**

This value should represent total capital expenditures for an asset, at and since the time of original construction or purchase, including all subsequent capital expenditures for the purpose of modernization, expansion, etc. Any subsidies received should not be subtracted.

**Age (Column 10)**

Report the age of the fixed asset at the time of disposal.

**Section C****Reasons for Disposals**

If there was any disposal, sale or write-down of fixed assets, report the percent of the total (Box C or D in Section B) that applies to each of the listed reasons.

**Section D****Analysis of Capital Expenditures**

This section is used to determine the reasons for your Capital Expenditures. For each of the listed reasons, report the percent of Non-Residential Construction (Box A in Section A) and Machinery and Equipment (Box B in Section A) that applies.

**Section E****Details of Expenditures for Fixed Assets****Question (2) Work in Progress**

Work in progress represents accumulated or accrued costs during the year on capital projects not completed and which are intended to be capitalized upon completion.

**Questions (3, 4 and 5) LEASING****Operating Lease**

The lessor bears the risk of ownership and retains a significant "residual" economic interest in the leased property. The lessee has the right to temporary use of the property, for a term shorter than the economic life of the property, in exchange for regular payments. At the end of the lease, the lessee has the option of purchasing the property at fair market value.

**Sales type, Direct Financing or Operating Lease**

These leases are similar in that the lessor in effect finances the "purchase" of the leased property by the lessee and retains a security interest in the leased property. The lessee retains the leased property for substantially all of its economic life. The lessee usually has the option at the end of the lease to purchase the property at a "bargain" price.

**Section F****Changes in Capital Expenditure Plans**

Complete this section only if this report shows significant changes from the capital expenditures reported previously on the "Preliminary Estimate 1999" questionnaire. The intent of this section is to clarify the reason(s) for major changes in the capital expenditures reported and thereby reduce possible further inquiries.

**Section G****Cost Components of Expenditures**

This section request a breakdown of expenditures for work performed by contractors hired by the company and by work performed by the company's own employees.

**Amounts (Column 1)**

Copy **totals** from Section A, columns 2, 3, and 4 and amount from box 602. These are the amounts to be divided between contractors and company's own workers.

**Expenditures by Company for Work Performed by Contractors (Column 2)**

Work performed by contractors are contract billings or equivalent including holdbacks.

**Own Account Work (Column 3)**

In addition to own account work, include all materials and supplies provided free to contractors and all architects, engineering and consultants fees and similar services.

**Salaries and Wages (Column 4)**

Show the total value of salaries and wages paid to your employees engaged in the expenditures reported. Salaries and wages are gross earnings before deductions such as income tax and include incentive bonuses and vacation pay but exclude fringe benefits.

**Material and Supplies (Column 5)**

Report total cost of materials and supplies used by your own employees and those provided free to contractors relating to the expenditures reported.

**Other Charges (Column 6)**

Examples of other charges are insurance, power, telephone and also architectural, legal, and engineering fees considered to be applicable to the expenditures reported.

**Section H****Capacity Utilization**

**Capacity utilization** is the percent of maximum production that the manufacturing plant is operating at. It is calculated by taking the actual production level for an establishment (measured in dollars or units) and dividing it by its **capacity production** (defined as the establishments maximum production under normal conditions).

To calculate **capacity production**, follow the establishment's operation practices with respect to the use of productive facilities, overtime, workshifts, holidays, etc. For example, if your plant normally operates with one shift of eight hours a day, five days a week, then capacity will be calculated subject to these conditions and not on the hypothetical case of three shifts a day, seven days a week.

**Example :**

Plant "A" normally operates one shift a day, five days a week and given this operating pattern, capacity production is 150 units of product "A" for the month. In that month actual production of product "A" was 125 units. The capacity utilization rate for plant "A" is  $(125/150) * 100 = 83\%$ .

Now suppose that plant "A" had to open a shift on Saturdays to satisfy an abnormal surge in demand for product "A". Given this plant's normal operating schedule, capacity production remains at 150 units. Actual production has grown to 160 units, so capacity utilization would be  $(160/150) * 100 = 107\%$ .

## Construction

### Asset Description and Codes

The asset items and categories listed below are groupings of fixed assets generally having a similar function which can apply to various industries.

- a) **Construction** structures should be classified to an asset according to its principal use unless it is a multi-purpose structure where we would like you to separate the components. The cost of any machinery and equipment which is an integral or built-in feature of the structure (i.e. elevators, heating equipment, sprinkler systems, environmental controls, intercom systems, etc.) should be reported as part of that structure as well as landscaping, associated parking lots, etc.

**Example:** Your organization has had a new office building built during the reporting period, and the construction cost was \$8,555,400.00. The reporting of the information in Section A would be as follows.

	(1)	\$'000 (2)	\$'000 (3)	\$'000 (4)	\$'000 (5)	Years (6)
111	1   0   1   3	8,555			8,555	

Code	Industrial and Commercial	Code	Transportation
1001	Plants for manufacturing, processing and assembling goods	2201	Passenger terminals - air, boat, bus, rail and other
1002	Oil refineries	2202	Highways, roads, streets, including logging roads (also include signs, guardrails, lighting, landscaping, sidewalks, fences)
1003	Natural gas processing plants	2203	Runways including lighting
1004	Laboratories, research and development centres	2204	Rail track and roadbeds including signals and interlockers
1005	Pollution abatement and control	2205	Bridges, trestles, overpasses
1006	Warehouses, refrigerated storage, freight terminals	2206	Tunnels
1007	Grain elevators and terminals	2299	Other transportation construction
1008	Maintenance garages, workshops, equipment storage facilities		
1009	Railway shops, engine houses		
1010	Aircraft hangars		
			<b>Waterworks</b>
1011	Service stations (including self-serve and car washes)	2401	Reservoirs (including dams)
1012	Automotive dealerships	2402	Trunk and distribution mains
1013	Office buildings	2499	Other waterworks construction
1014	Hotels, motels, convention centres		
			<b>Sewage Systems</b>
1015	Restaurants, fast food outlets, bars, nightclubs	2601	Sewage treatment and disposal plants including pumping stations
1016	Shopping centres, plazas, malls, stores	2602	Sanitary and storm sewers, trunk and collection lines, open storm ditches and laterals
1017	Parking lots and parking garages	2603	Lagoons
1018	Theatres, performing arts and cultural centres	2699	Other sewage system construction
1019	Indoor recreational buildings such as sports complexes, clubhouses, covered stadiums		
1020	Outdoor recreational facilities such as parks, open stadiums, golf courses and ski resorts		
1021	Farm buildings		
1099	Other industrial and commercial construction		
			<b>Electric Power</b>
		2801	Electric power construction
			<b>Communication</b>
1201	Schools (including technical, vocational), colleges, universities and other educational buildings	3001	Broadcasting and communication buildings
1202	Student residences (exclude residential construction)	3002	Telephone and cablevision lines, underground and marine cables
1203	Churches and other religious buildings	3003	Communication towers, antennae, earth stations including dishes for satellite receiving, microwave relay
1204	Hospitals, health centres, clinics and other health care (exclude residential construction)	3099	Other communication construction
1205	Nursing homes, homes for the aged		
1206	Day care centres		
1207	Libraries		
			<b>Oil and Gas Wells, Storage and Distribution</b>
1208	Historical sites	3201	Gas mains and services
1209	Penitentiaries, detention centres and courthouses	3202	Pumping stations, oil
1210	Museums, science centres, public archives	3203	Pumping stations, gas
1211	Fire stations, halls	3204	Bulk storage tanks
1212	Post offices	3205	Oil pipelines
1213	Waste disposal facilities	3206	Gas pipelines
1214	Armouries, barracks, drill halls, and other similar military type structures	3299	Other gas and oil facilities
1299	Other institutional construction		
			<b>Other Construction</b>
2001	Docks, wharves, piers, terminals (coal, oil, natural gas container, general cargo)	5999	Other construction (not specified elsewhere)
2002	Dredging and pile driving		
2003	Breakwaters		
2004	Canals and waterways		
2005	Irrigation and reclamation projects		
2099	Other marine construction		

## Machinery and Equipment

### Asset Description and Codes

The asset items and categories listed below are groupings of fixed assets generally having a similar function that can apply to various industries.

- a) **Machinery and Equipment** are generally housed in structures and can be removed or replaced without significantly altering the structure.
- b) **Computer Assisted Assets** are assets that possess the ability to be programmed for a wide variety of functions and, to a degree, adjust their behaviour in response to changes in their physical environment. Includes robots, numerically controlled machine tool equipment and individual computerized machines.

**Example:** Your organization has purchased 200,000 dollars worth of computer software during the reporting period. The reporting of the information in Section A would be as follows:

	(1)	\$'000 (2)	\$'000 (3)	\$'000 (4)	\$'000 (5)	Years (6)
336	8   0   0   2	200			200	

Code	Transportation Equipment	Code	Office-Type and Communications Machinery and Equipment
6001	Trucks and other motor vehicles (excluding off-highway trucks, see category 6010) designed for the transport of goods	8001	Computers and related machinery and equipment (excluding software purchased separately)
6002	Buses	8002	Computer software
6003	Automobiles	8003	Office machinery and equipment (excluding fax-machines, see categories 8107)
6004	Trailers and semi-trailers for the transport of goods	8004	Office furniture
6005	Special purpose motor vehicles designed for purposes other than the transport of persons or goods; e.g. mobile cranes, vehicles with manlift baskets	8005	Other furniture, lamps, and lighting fittings; e.g. hotel, motel, restaurant or store furniture
6006	Locomotives, rolling-stock, street and subway cars, and other rapid transit equipment	<b>Computer Assisted</b>	
6007	Aircraft (excluding satellites, see category 6099)	8106	Telephone switching apparatus
6008	Ships, boats and floating structures	8107	Telephones and related machinery and equipment; e.g. fax machines, cellular phones, modems, answering machines
6009	Containers specially designed and equipped for carriage by one or more modes of transport	8108	Radio and television broadcasting apparatus
6010	Other motor vehicles and vehicles not mechanically propelled; e.g. off-highway trucks, all-terrain vehicles	8109	Radio and television reception apparatus (whether or not combined, in the same housing, with sound recording or reproduction apparatus)
6099	Other transportation equipment; e.g. engines, tires for motor vehicles, space satellites	8199	Other communication equipment; e.g. satellite dishes, radar
<b>Processing Equipment Computer Assisted</b>		<b>Conventional (non-computer assisted)</b>	
7101	Machinery, plant or laboratory equipment for the treatment of materials by a process involving a change of temperature (excluding laboratory sterilizers, see category 9012)	8206	Telephone switching apparatus
7102	Centrifuges, filtering or purifying machinery and apparatus for liquids or gases	8207	Telephones and related machinery and equipment; e.g. answering machines
7103	Machinery for cleaning, drying, filling, closing, sealing, capsuling or labelling containers, or for dish washing; machinery for aerating beverages	8208	Radio and television broadcasting apparatus
7104	Machinery for making pulp, paper or paperboard	8209	Radio and television reception apparatus (whether or not combined, in the same housing, with sound recording or reproduction apparatus)
7105	Packing or wrapping machinery	8299	Other communication equipment; e.g. aerials and aerial reflectors, radar
7106	Machinery for the industrial preparation or manufacture of food and beverages	<b>Other Machinery and Equipment</b>	
7107	Metal-rolling mills and rolls	9001	Gas generators, turbines, internal combustion engines and other motors for other than transportation equipment
7108	Machine-tools and accessories	9002	Pumps, air compressors, and fans
7109	Machinery for sorting, screening, separating, washing, crushing, grinding, mixing or kneading mineral substances in solid form	9003	Air conditioning (excluding portable air conditioners, see category 9099), refrigerating or freezing equipment
7110	Industrial robots capable of performing a variety of functions by using different tools (excluding material handling equipment, irrigation systems, and electric welding machines)	9004	Industrial or laboratory furnaces and ovens, and furnace burners and related equipment
7199	Computer assisted processing equipment	9005	Well drilling and servicing rigs (other than floating)
<b>Conventional (non-computer assisted)</b>		9106	Pulling, lifting, handling, loading or unloading machinery - computer assisted
7201	Machinery, plant or laboratory equipment for the treatment of materials by a process involving a change of temperature (excluding laboratory sterilizers, see category 9012)	9206	Pulling, lifting, handling, loading or unloading machinery - conventional (non-computer assisted)
7202	Centrifuges, filtering or purifying machinery and apparatus for liquids or gases	9007	Fork-lift trucks and warehouse trucks
7203	Machinery for cleaning, drying, filling, closing, sealing, capsuling or labelling containers, or for dish washing; machinery for aerating beverages	9008	Moving, grading, excavating, compacting, extracting or boring machinery for earth, minerals, ores or snow (excluding track-laying tractors and other tractors, see category 9099)
7204	Machinery for making pulp, paper or paperboard	9009	Electric motors and generators
7205	Packing or wrapping machinery	9010	Electric transformers, static converters, inductors, switch gear, and similar electric equipment
7206	Machinery for the industrial preparation or manufacture of food and beverages	9011	Optical instruments and apparatus, instruments and apparatus designed for certain specifically defined uses (surveying, meteorology, drawing, calculating, etc.), and machines for testing materials
7207	Metal-rolling mills and rolls	9012	Instruments and appliances for medical, surgical, dental, or veterinary use, or for related purposes
7208	Machine-tools and accessories	9013	Measuring, checking or automatically controlling instruments and apparatus (excluding gas, water, and electricity meters, see category 9099), and navigational instruments
7209	Machinery for sorting, screening, separating, washing, crushing, grinding, mixing or kneading mineral substances in solid form	9014	Hand tools
7210	Industrial robots capable of performing a variety of functions by using different tools (excluding material handling equipment, irrigation systems, and electric welding machines)	9015	Capitalized tooling
7299	Other processing equipment	9099	Other machinery and equipment; e.g. storage tanks, tractors for agricultural or forestry work, portable air conditioners, electric traffic control equipment, gas meters, water meters, electricity meters, weigh scales, central heating boilers, bedding