Consulting Engineers Rate Guideline 2015

As a recommendation the Consulting Engineers of Alberta are holding the recommended 2014 rates.

This suggested rate guideline was developed to provide a list of standard hourly rates for engineers and technicians/technologists involved in providing professional services in Alberta. These guidelines should be used in conjunction with the APEGA document entitled “Development of Consulting Rate Structures and Contracts: Guideline for Professional Members”. These rates are intended as a guideline for professional services on standard projects. Members will not face sanction if they do not follow these guidelines. Unfair methods of competition in terms of providing fees for service or obtaining clients must not be engaged in, particularly as prohibited under federal competition legislation. Unfair methods of competition can include, but not be limited to, price-fixing, conspiring to allocate customers and the under-scoping of projects.

CEA recommends using a Qualifications Based Selection (QBS) system for choosing consultants on a project when sole sourcing is not appropriate. For more information on QBS please refer to the InfraGuide available from www.thebestpractice.ca

Salary Multipliers
The Office of the Information and Privacy Commissioner has advised CEA the practice of disclosing salary multipliers to clients is not reasonable if a less privacy intrusive practice can be used. Hence, CEA recommends member firms do not provide project fees based on multipliers of salary. Divulging salary information of specific staff may contravene the Privacy Act in Alberta and the security of such information may be at risk.

For the most part, the practice of basing fees on salaries is not common outside of consulting engineering. For example, the legal and medical professions have a history of using predetermined rates, resulting in a less intrusive approach. Where fees need to be based on a per diem basis, CEA recommends member firms use the hourly rates shown in this rate guideline.

Disbursements Specific to the Project
Minor disbursements — recommended to be charged as a percentage of fees (5 – 10%) include:
• Local communication costs (phone, cell phone, fax, etc.)
• Routine production of drawings and documents
• Courier and messenger services
• Long distance phone expenses
• Local travel expenses (up to 25 km from office)
• Standard software and computer costs

Examples of other disbursements to be reimbursed at cost plus an agreed percentage (10% recommended) administration fee include:
• Travel from or outside the local area (suggested current government mileage rate) or vehicle rental costs
• Approvals, permits, licenses, and specific taxes applied to fees
• Specialized, project specific computer software and/or services
• Project specific insurance if required by the client
• Tender documents and other non-routine documents
• Living expenses for personnel approved by the client
• Use of specialized equipment
• Any other third party expenses paid by the consultant on the client’s behalf
• Project related advertising costs
• Testing Services

Typical Distribution of Consulting Fees

- Salaries, Wages: 35%
- Net Profit: 9% for reinvestment, retained earnings, shareholder equity
- Overhead: 37%
- Staff Benefits: 19%
- Computers, rent, utilities, communication, maintenance, property & business taxes, depreciation, insurance, interest, training, legal & accounting services, supplies, dues & registrations
Consulting Engineers Rate Guideline

Industry Standard Hourly Rates 2014

<table>
<thead>
<tr>
<th>PROFESSIONAL SERVICES</th>
<th>TECHNICAL SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td>A- Engineering Student</td>
<td>T1 Technician</td>
</tr>
<tr>
<td>University co-op or summer student.</td>
<td>Under close supervision, carries out straightforward duties such as preparing uncompleted or repetitive drawing, maintaining drawing files and assisting with field survey. Little independent judgment required. Acts according to standardized procedures. No previous experience required.</td>
</tr>
<tr>
<td>A Member-In-Training</td>
<td>T2 Technician/Technologist</td>
</tr>
<tr>
<td>University graduate from an accredited engineering program.</td>
<td>Under close supervision supports engineering personnel in field, design and/or ACAD drafting. Performs clearly defined, straightforward tasks. Acts according to standardized procedures. Carries out straightforward computational work using standard accept formulae and manuals.</td>
</tr>
<tr>
<td>B Assistant Project Engineer</td>
<td>T3 Technician/Technologist</td>
</tr>
<tr>
<td>E.G.G. assignments of limited scope and complexity. Work supervised in detail. May give guidance to members-in-training, technicians, technologists, contractor employees, etc.</td>
<td>Under direct supervision supports engineering personnel in field, design, drawing production and/or construction specifications and quality control. Performs variety of defined assignments with some independent judgment required. May provide technical advice to less experienced technicians/technologist in same area of specialty.</td>
</tr>
<tr>
<td>C Project Engineer</td>
<td>T4 Technician/Technologist</td>
</tr>
<tr>
<td>Independently puts out responsible and varied E.G.G. assignments. Work not generally supervised in detail. May give guidance to 1 or 2 other E.G.G.’s but supervision of other E.G.G.’s is not usually a continuing responsibility.</td>
<td>Under minimal supervision carries out design tasks and/or complex ACAD assignments and/or performs field quality control functions. Analyzes, provides recommendations and makes decisions with regard to technical problems encountered. May provide technical advice or supervise the daily activity of all lower level technical staff with regard to processes and procedures. Verifies accuracy and adequacy of their work.</td>
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<tr>
<td>D Supervisory Engineer</td>
<td>T5 Technician/Technologist</td>
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<tr>
<td>First level of direct and sustained supervision over E.G.G.’s.</td>
<td>Independently manages design functions on projects. Supervises the activities of other staff in execution of projects. Assists in recruitment and management of personnel as required. May assume role of Project Manager on projects. Registered Professional Technologists (R.P.T.) may take technical responsibility for projects within the limits of the approved scope of practice. Assists with marketing and client services on a regular basis.</td>
</tr>
<tr>
<td>Specialist Engineer</td>
<td>T6 Technician/Technologist</td>
</tr>
<tr>
<td>First level of full specialization in complex engineering applications (research, design, product application, sales, etc.).</td>
<td>Independently represents the company with clients on an ongoing basis. Manages and supervises staff on a continual basis. Manages major projects. Responsible for identifying and pursuing market opportunities in area of specialization. Registered Professional Technologists (R.P.T.) may take technical responsibility for projects within the limits of the approved scope of practice. Responsible for assisting in recruitment, career reviews and salary reviews for staff under their direction supervision. Typical role is that of Group Manager or Discipline Lead.</td>
</tr>
<tr>
<td>E Management Engineer</td>
<td>T7 Technician/Technologist</td>
</tr>
<tr>
<td>Has authority over supervisory E.G.G.’s or a large group containing both professionals and non-professionals. Advanced Specialist Engineer</td>
<td>Independently manages design functions on projects. Supervises the activities of other staff in execution of projects. Assists in recruitment and management of personnel as required. May assume role of Project Manager on projects. Registered Professional Technologists (R.P.T.) may take technical responsibility for projects within the limits of the approved scope of practice. Assists with marketing and client services on a regular basis.</td>
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CONSULTING ENGINEERS OF ALBERTA
Suite 701, 101A Ave Edmonton AB T5J 3G2
T: 780.421.1852 · info@cea.ca · www.cea.ca

Updated December 2014