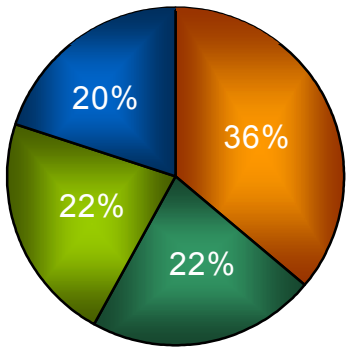
Canada

U.S. COMMERCIAL SERVICE
United States of America
Department of Commerce

Engineer
Engineering Services

Engineering Service Revenues
(% by province)



Market Overview

- In 2001 the Canadian engineering services industry generated US$7.5 billion in direct revenues of which approximately 63% (US$4.7 billion) was directly related to construction/design services.
- According to CanaData, engineering investment in 2002 was valued at US$28 billion and is expected to increase to US$34 billion in 2003 and to US$37 billion in 2004.

Competitors

- The majority of Canadian consulting engineering firms are small, privately held and Canadian-owned.
- Firms operating in each province tend to exhibit comparative strengths in particular industries. Ontario's strength lies in structural, mechanical, and electrical building services and in environmental services. Quebec's strength lies in power generation projects, mining and metallurgy industries. In the provinces of Alberta, Saskatchewan, and Manitoba the strongest fields of specialization are the oil, petroleum, and natural gas sectors. British Columbia, the Yukon, and the North West Territories generate 50% of their engineering revenue from the pulp and paper, mining, and primary resources.

U.S. Presence

- The top 20 firms in Canada are dominated by international players and earn approximately 30% of total revenues generated by this industry.
- Canadian consulting engineers have achieved considerable success on a global basis and today Canada ranks fourth in the world in terms of revenues derived from the export of consulting engineering
- Canadian engineering firms regularly form alliances with small and medium sized U.S. firms to respond to operational challenges and to form stronger strategic alliances in order to compete in other global markets.

Principal Sub-Sectors

Structural

Mechanical

Electrical

Environmental

Power Generation

Mining

Oil & Gas

Pulp & Paper

Commercial Opportunities

Engineering services requirements are expected to be strong in the industrial construction industries serving oil and gas, electricity, roads and bridges, rapid transit and local water and waste treatment systems. Several oil and gas projects will become a reality, as will several huge pipeline, highway and offshore energy projects already on the go that will create numerous spin-off projects. Electric power projects, petrochemical and transit projects are well underway across Canada with many more scheduled for the next two to three years. According to CanaData, engineering investment in 2002 was valued at US$28 billion and is expected to increase to US$34 billion in 2003 and to US$37 billion in 2004.

Largest Projects in Canada (as of November 2003)

Project	Location	Current Construction $Value (U.S.)	Status
Syncrude Oil Sands Plant Expansion	Fort McMurray	$7.17 billion	Under construction
Alaska Natural Gas Transportation Pipeline	Yukon, Northern B.C., Northern Alberta	$6 billion	Announced, project to commence in 2005
Road and Rail Expansion	Montreal, Laval	$6 billion	Under construction
Canadian Space Agency Centre	St. Hubert, Quebec	$4 billion	Under construction
Expansion of Pearson Airport	Toronto, Ontario	$4 billion	Under construction
Pollution Control Upgrades	Toronto, Ontario	$3.184 billion	Under construction, upgrades completed by 2010
Long Lake Project Oilsands Upgrading	Long Lake, Alberta	$3 billion	Announced, project to commence in 2004
Concord Pacific Place Redevelopment	Vancouver, BC	$3 billion	Under construction
Mackenzie Valley Natural Gas Pipeline	Mackenzie Valley, N.W.T., Northern Alberta	$2.7 billion	Announced
Voyageur Oilsands Development	Near Fort McMurray, Alberta	$2.5 billion	Announced, project to commence in 2004

Think Canada First!

Architectural, Construction and Engineering services in Canada are essential contributors to Canada's economy. The industry currently represents 11% of Canada's GDP and is expected to show continued growth and increased profitability for the next five years. The Canadian government has committed more than US$5 billion in infrastructure funding. In additon, the 2010 Winter Olympic Games will be hosted by Canada's most western province, British Columbia. Although the 2010 Games are still six years away, many of the infrastructure and Olympic facility projects are being initiated in the short to medium-term. Contact the U.S. Commercial Service in Canada and explore the export opportunities in this market today.

When you think of exporting, Think Canada First!

Other Resources

- U.S. Department of Commerce ACE Team Leader, Raj Dheer: raj.dheer@mail.doc.gov
- A Practical Guide for Architectural, Construction and Engineering Service Companies Working in Canada. For a free copy, contact Rita Patlan, Trade Specialist at (416) 595-5412, ext. 223 or e-mail your request Rita.Patlan@mail.doc.gov.
- Canadian Council of Professional Engineers: www.ccpe.ca
- The Canadian Construction Association: www.cca-acc.com

We hope that you find this information useful. If you would like further information, please contact Rita.Patlan@mail.doc.gov, the CS Canada National Construction, Architecture and Engineering Services Sector Specialist. Visit our website www.BuyUSA.gov/Canada to discover other commercial opportunities in Canada. (July 2004)

CONTACT US

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