DEAR MEMBERS AND PERMIT HOLDERS,

For good reason, the Value of Professional Services is one of APEGA’s most highly sought after publications. It provides APEGA Members — individual and corporate — with unbiased salary and benefits comparisons across a wide range of industries in Alberta. APEGA encourages the use of this resource, and any others at your disposal, to ensure fair compensation for individual practitioners and to help employers stay competitive in the labour market.

Early in May, we contacted Permit Holders to encourage participation, and we engaged the services of Aon Hewitt to administer and conduct the salary and benefits survey. Aon Hewitt also compiled the survey data for publication of the Value of Professional Services (known informally as the APEGA salary survey).

We are very pleased with the level of participation this year. The number of organizations participating was 177, the highest number since the survey’s inception. That’s up 13 per cent from 2015, when 156 employers took part.

Individual data points are up as well. The 2016 report encompasses 14,105 individual data points (about 19% of the APEGA membership), compared with 13,464 in 2015. APEGA’s 10 regional Branches and Alberta’s major industry sectors are represented.

We know from experience how popular and useful the Value of Professional Services is, and we appreciate the effort Permit Holders make each spring to complete the survey. Without your help, this service to Permit Holders and Members would not be possible.

Please feel free to contact us with your comments:

Hana Marinkovic, Acting Director of Outreach and Product Services
1-800-661-7020
salarysurvey@apega.ca

Visit apega.ca to view this summary report electronically and to purchase the full report.

HOW TO USE THE SALARY SURVEY RESULTS

Step 1: Determine your responsibility level (A- to F+)
Step 2: Determine 2016 cash compensation results based on responsibility level
Step 3: Review predicted salary increases, as reported by Permit Holders
Step 4: Review perquisites, additional cash compensation, and benefit plans

The flowchart on the following page gives an overview of responsibility levels. To determine your responsibility level more accurately, please visit the salary survey page on the website.

NOTES ON SALARY SURVEY METHODS

Again this year, APEGA engaged the services of Aon Hewitt to administer and conduct the Value of Professional Services salary survey. Invitations to participate were distributed to APEGA Permit Holders in May. Permit Holders that participated in the 2015 survey received a questionnaire with some of the fields prepopulated, simplifying the process. Results were gathered and compiled by Aon Hewitt in June and July.

A survey was completed by each participating Permit Holder’s human resources department or other applicable department. Sources and their individual data are kept confidential.

The 10 industry categories used in this report are:

• Engineering and/or Geoscience Consulting Services
• Engineering, Procurement, and Construction
• Resource Exploitation (except oil and gas)
• Resource Exploitation (oil and gas only)
• Manufacturing (durables)
• Manufacturing (non-durables)
• Not-For-Profit Service, Control, and Utilities
• For-Profit Service, Control, and Utilities
• Information and Other Advanced Technologies
INFORMATION FROM PARTICIPANTS
Participation for the 2016 survey is based on 177 companies submitting data in time for inclusion in the final report. The 2016 survey captured current compensation data for 14,105 engineering and geoscience professionals across Alberta. Engineering professionals account for 94 per cent of the total data points, and geoscience professionals account for the remaining 6 per cent.

PREDICTED SALARY INCREASE
Based on 177 responses, 36 per cent of companies (57 per cent in 2015) plan to increase salaries in the next 12 months by an average of 2.6 per cent (3.0 per cent in 2015), with a range of 1.0 per cent to 5 per cent (1.5 per cent to 10 per cent in 2015). However, 57 per cent of companies (31 per cent in 2015) have forecast a salary freeze in the next 12 months. Respondents unable to provide predicted salary increases made up 7 per cent of respondents (12 per cent in 2015).

PREDICTED 2017 PROFESSIONAL STAFFING LEVELS
Of our survey respondents, 31 per cent indicated that they expect to add to their professional staff over the next year, 63 per cent indicated that they plan on maintaining current staffing levels, and 6 per cent planned on reducing professional staffing levels.

The full version of the Value of Professional Services is available for purchase from APEGA. Visit apega.ca for more information. Included are the full salary survey results, with other information pertaining to:

- Benefits and Additional Cash Compensation Plans
- Vacation Entitlement
- Personal and Family/Sick Days
- Flexible Work Arrangements
- Overtime Policies
- Turnover
- Contract Employee Rates of Pay
- Gender
- Location
- Engineering Disciplines
- Years of Experience
- APEGA Licence
- Company Size
- Co-op Student Salaries
- Degrees

Participation in the salary survey is free and encouraged by all Permit Holders in an effort to garner the most robust and representative database possible. As survey participation grows, the representation of Member compensation improves.

Please contact us at salarysurvey@apega.ca to ensure you are sent your 2017 survey participation package next May.
For engineers (ranging from A- to F+), a review of average base salary and total compensation shows that most values have decreased for base salary, with the exception of levels C and E, while total compensation values decreased for all levels.

For geoscientists, with the exception of level A-, base salaries and total compensation values have decreased across all responsibility levels (ranging from A to F+).

The shock the Alberta economy is experiencing, due the decrease in oil prices, has resulted in what is expected to be a deeper and longer downturn than previously projected, the Province of Alberta explains in its 2016–2019 Fiscal Plan — Economic Outlook. Weakness in the energy sector is feeding through the economy, causing activity to slow in many other sectors, including construction and manufacturing. Business investment is expected to decline again this year, and as companies reduce costs, the labour market is expected to shrink further.

The July 2016 unemployment rate was 8.6 per cent in Alberta.

The Fiscal Plan — Economic Outlook mentions several factors that remain supportive of economic growth in the province. They are:

- Oil sands production will continue to expand in the near term, supporting exports
- The U.S. economy and weaker Canadian dollar will benefit export-focused industries
SALARY SURVEY

Geoscience – All Industry
Annual Base Salary by Responsibility Level

Note: Insufficient D25, D50, D75 percentile data for Level A-
Enhanced infrastructure spending will provide stimulus.
Spending on public services will be maintained.
Average income is expected to remain well above the national average.

For more information, search online for Alberta Fiscal Plan Economic Outlook.

It is encouraging to see more females in the geosciences profession, who represent just over 30 per cent of the total geosciences data sample in the 2016 survey. Base salary survey results for female geoscientists are consistent and equitable with their male counterparts for the majority of responsibility levels. Base salary survey results for females in the engineering profession continue to show a shift towards equitability for the majority of responsibility levels.
When years of experience since graduation is calculated, it is assumed that an individual enters the workforce immediately upon completing his or her last degree. This may not necessarily be the case for all individuals, but it is considered the norm from a surveying perspective.

Typically, progression to the next responsibility level is also dependent on an individual’s years of experience in the workforce. As more in-depth knowledge and specializations are gained over time, an individual’s overall level of contribution and responsibility within a company progresses as well.

The highest average base salary is not necessarily solely related to years of experience. Generally, such salaries are more directly related to level of expertise and specialization, performance, and overall contribution within the employing organization.
Responsibility level A- has been omitted in these charts, as this level falls outside of the defined parameters for years of experience since graduation.

The top four industry sectors for engineers and geoscientists, when ranked against the all-industry average at various levels for base salary, are:

1. Resource Exploitation (only oil and gas), $60,526 to $269,522 for A- to F+
2. For-Profit Service, Control, or Utilities, $77,466 to $247,492 for A to F+
3. Not-For-Profit Service, Control, or Utilities, $72,699 to $241,014 for A to F+
4. Engineering, Procurement, and Construction (EPC) $47,780 to $226,082 A- to F+

The top four industry sectors for engineers and geoscientists, when ranked against the all-industry average at various levels for total compensation — including long-term incentives — are:

1. Resource Exploitation (only oil and gas), $62,238 to $494,101 for A- to F+
2. For Profit Service, Control, or Utilities, $85,729 to $472,240 for A to F+
3. Not For Profit Service, Control, or Utilities, $74,394 to $251,143 for A to F+
4. Manufacturing (non-durable), $133,844 to $355,364 for C to F

Not surprisingly, resource exploitation (only oil and gas) consistently ranks as one of the top four industry sectors in terms of overall total compensation at all levels of responsibility.
The image contains two salary comparison charts for Engineering and Geoscience across different industries. Each chart shows the annual base salary range for various positions within the respective industries, categorized into six levels (A, B, C, D, E, F) and a 'F+' category. The charts are color-coded to represent these levels.

**Engineering**
- **Annual Base Salary – Comparison Across Industry**
  - All Industries
  - Engineering, Geological, Geophysical Consulting Service
  - Engineering, Procurement, and Construction (EPC)
  - Resource Exploitation (only oil and gas)
  - Manufacturing (durable)
  - Manufacturing (non-durable)
  - Not-For-Profit Service, Control and Utilities
  - For Profit Service, Control, or Utilities
  - Information and Other Advanced Technologies

**Geoscience**
- **Annual Base Salary – Comparison Across Industry**
  - All Industries
  - Engineering, Procurement, and Construction (EPC)
  - Engineering, Geological, Geophysical Consulting Service
  - Resource Exploitation (only oil and gas)

The charts display salary ranges from 0 to 300,000, with increments of 50,000 and 100,000 for easier visualization.
Engineering
Annual Base Salary by Gender and Responsibility Level

Geoscience
Annual Base Salary by Gender and Responsibility Level