



## Reporting Guide



### GENERAL INSTRUCTIONS

#### 1. REPORTS REQUIRED:

- (a) Reports are required for mining operations **located in Canada**.
- (b) Separate reports should be completed by **province** for each type of **metal and non-metal mining** activity.
- (c) To be **included** in this report are:
  - 1) Potash refineries.
  - 2) Milling and pelletizing operations.
  - 3) Electric generating plant if it is installed for use mainly at the mining site.

To be **excluded** in this report are:

  - 1) Exploration and development expenditures for oil and gas.
  - 2) Metal smelting and/or refining establishments.
- (d) If the report is **NIL**, please complete page 1 and return questionnaires so that we may complete our file.

#### 2. JOINT VENTURE

In the case of joint ventures, only the company responsible for the accounting records (*the operator*) should complete a report for the venture to avoid any duplication on the reporting of expenditures.

#### 3. GRANTS, SUBSIDIES AND INVESTMENT TAX CREDITS

Grants, subsidies and investment tax credit **should not be netted** from expenditures reported in Sections 1 and 2.

#### 4. DOLLAR AMOUNTS:

- (a) All dollar amounts should be expressed in **CANADIAN DOLLARS**.
- (b) Your **best estimates** are acceptable when precise figures are not available.
- (c) Shaded areas indicate that no response is required.
- (d) Pre-printed numbers 55 to 861 are for identification purposes.

#### 5. DEFINITIONS

An asterix\* indicates that a definition is provided in the Reporting Guide.

#### 6. QUESTIONS

If additional information, questionnaires or assistance in preparing this questionnaire is required, **Please Call Collect** the appropriate government department:

- In Newfoundland and Labrador - to the Department of Mines and Energy at 709-729-6437.
- In Nova Scotia - to the Nova Scotia Department of Natural Resources at 902-424-4161.
- In Quebec - to "Ministère des Ressources naturelles", in Canada call toll free 1-800-463-3357 - in USA call 418-627-6295.
- In Manitoba - to Manitoba Industry, Trade and Mines at 204-945-6585.
- In all other provinces and territories - to Statistics Canada at 1-800-345-2294 or 613-951-9815.

#### 7. FILING OF RETURN

Please send the completed questionnaires in the enclosed envelope to the appropriate government department listed below:

- Operations in Newfoundland and Labrador - to the Department of Mines and Energy, P.O. Box 8700, St-John's, NF A1B 4J6.
- Operations in Nova Scotia - to the Nova Scotia Department of Natural Resources, P.O. Box 698, Halifax, N.S. B3J 2T9.
- Operations in Quebec - to "Ministère des Ressources naturelles", 5700 - 4<sup>th</sup> Ave West, Charlesbourg, Québec G1H 6R1.
- Operations in Manitoba - to Manitoba Industry, Trade and Mines, Winnipeg, MB R3G 3P2.
- Operations in all other provinces and territories - to Statistics Canada, Ottawa, Ontario K1A 0T6.

### DEFINITIONS

#### PAGE 1

##### ORGANIZATION IDENTIFICATION

The pre-printed label on page 1 indicates the most current identification of your organization on our files. Please use the appropriate space below the label to make any changes that would reflect a better description of your operations for this particular report.

##### LABEL INFORMATION:

##### A) Type of Ownership

Ownership is defined as the level of government, person, group of persons, agency or incorporated body controlling more than 50% of the voting rights.

NOTE: Financial assistance (*grants, subsidies, etc.*) provided by any level of government to an enterprise and/or institution does not necessarily constitute ownership of that organization.

##### B) Period Covered by this Report

Please report expenditures for the period **January 1 to December 31, 2001**.

#### PAGE 2

##### SECTION 1: Exploration, Deposit Appraisal and Mine Complex Expenditures (*Capitalized and/or expensed*)

Section 1 is now reported under form MIN-EX3R of Natural Resources Canada questionnaire.

##### SECTION 2: Capital and Repair Expenditures

##### Columns 1, 2 and 3 - Capital Expenditures

##### Column 1 - New Assets, Renovation and Retrofit

Includes both existing assets being upgraded and additions of new assets.

Report the **gross expenditures** (*including subsidies*) on fixed assets for use in the operations of your organization or for lease or rent to others. Include all capitalized costs such as feasibility studies, architectural, legal, installation and engineering fees as well as work done by your own labour force. Capitalized interest charges on loans with which capital projects are financed should be included.

## DEFINITIONS (Concluded)

**EXCLUDE:** If you are capitalizing your leased fixed assets as a lessee in accordance with the Canadian Institute of Chartered Accountants' recommendations, please exclude the total of the capitalization of such leases during the year from capital expenditures.

### Land/Mining Rights (Line 2.1)

Capital expenditures for land should include all costs associated with the purchase of the land that are not amortized or depreciated.

These costs must not already be included in general or mine-site expenditures.

### Residential Construction (Line 2.2)

Report the value of residential structures including the housing portion of multi-purpose projects and of townsites with the following **EXCEPTIONS**:

- 1) buildings that have accommodation units without self-contained or exclusive use of bathroom and kitchen facilities (e.g., bunkhouses, dormitories, camp cookeries, camps),
- 2) the non-residential portion of multi-purpose projects and of townsites,
- 3) associated expenditures on services.

The exceptions should be included in the appropriate construction (i.e., non-residential) asset.

### Non-Residential Construction (Line 2.3)

Report the total cost incurred during the year of building and engineering construction (contract and by own employees) whether for your own use or rent to others. Include also:

- 1) the cost of land servicing, demolition of buildings and of site preparation,
- 2) leasehold and land improvements,
- 3) townsite facilities, such as streets, sewers, stores, schools,
- 4) oil or gas pipelines, including pipe and installation costs,
- 5) all preconstruction planning and design costs such as engineering and consulting fees and any materials supplied to construction contractors for installation.

### Machinery and Equipment (Line 2.4)

Report total cost incurred during the year of all new machinery, whether for your own use or for lease or rent to others. Any capitalized tooling should also be included. Include progress payments paid out before delivery in the year in which such payments are made. Receipts from the sale of your own fixed assets or allowance for scrap or trade-in should not be deducted from your capital expenditures. Any balance owing or holdbacks should be reported in the year the cost is incurred. (See **EXCLUDE** above.)

### Column 2 - Purchase of Used Canadian Assets

Data is needed separately to identify the existing assets that were used previously in Canada and were already included in measurements for those previous years.

#### Purchase of Used Fixed Assets

**Definition:** Used fixed assets may be defined as existing buildings, structures or machinery and equipment which have been previously used by another organization in Canada that you have acquired during the time period being reported on this questionnaire.

**Explanation:** The objective of our survey is to measure gross annual new additions to fixed assets separately from the acquisition of gross annual used fixed assets in the Canadian economy as a whole.

Hence, the acquisition of a **used fixed asset** from within Canada should be reported separately since such acquisition would not change the aggregates of our domestic inventory of fixed assets, it would simply mean a transfer of assets within Canada from one organization to another.

**Imports of Used Assets**, on the other hand, should be included with the New Assets columns because they are newly acquired for the Canadian economy.

### Column 4 - Non-Capitalized Repair and Maintenance Expenditures

Report the gross non-capitalized repair expenditures on non-residential buildings, other structures and on machinery. Include the value of repair work done by your own employees, as well as payments to persons outside your employ. Maintenance expenditures also include the routine care of assets such as janitorial service, snow removal, salting and sanding, oil change and lubrication of vehicles and other machinery. This question represents non-capitalized expenditures in contrast to the capitalized expenditures of column 1 (New Assets, Renovation, Retrofit).

### Column 5 - Disposals/Sales of Fixed Assets

Report those fixed assets which are disposed, sold, retired, destroyed or otherwise discarded and also traded in for credit in the acquisition of 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.

**Accumulated Capital Cost** should represent total capital expenditures for an asset at and since the time of construction or purchase including capital expenditures for the purposes of modernization, expansion, etc. Any subsidies received should not be subtracted.

## PAGE 3

### SECTION 4: Changes in capital expenditures plans

Complete the section only if this report shows significant changes from the expenditures reported previously on the "Preliminary Estimate 2001". The intent of this section is to clarify the reason(s) for major changes in the expenditures reported and thereby reduce possible further inquiries.

### SECTION 5: Capacity Utilization

Capacity use (*utilization*) is calculated by taking the actual production level for a mine (*production can be measured in dollars or units*) and dividing it by the mine's capacity production level.

Capacity production is defined as maximum production attainable under normal conditions.

To calculate capacity production, follow the mine's operating practices with respect to the use of productive facilities, overtime, workshifts, holidays, etc. For example, if your mine 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

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

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