

Engineering services industry, 2024

Released at 8:30 a.m. Eastern time in *The Daily*, Monday, February 9, 2026

Engineering services sector growth moderated in 2024 compared with recent years

The operating revenue of the engineering services industry continued to grow in 2024, increasing by 6.5% to \$46.8 billion. This represents a more moderate pace of growth compared with the 9.8% gain recorded in 2023 and the 12.4% increase seen in 2022.

The shares of operating revenue have declined in the previous two years for petroleum and petrochemical plant and process engineering projects (down to 13.5% in 2024) and commercial, public and institutional building engineering projects (down to 12.9% in 2024). At the same time, transportation engineering projects have continued to increase their share, reaching 14.2% in 2024 and becoming the leading sales category.

Operating expenses rose 6.3% to \$41.7 billion in 2024, resulting in an operating profit margin of 11.0%, its highest level since 2014. Salaries, wages, commissions and benefits remained the largest operating expense category, accounting for 47.6% of total operating expenses and increasing 8.2% to \$19.8 billion in 2024. The cost of goods sold was the second-largest expense (15.7%), followed by all other costs and expenses (12.0%) and subcontracts (8.5%).

By client type, sales to businesses continued to regain their share, reaching 64.1% in 2024 after falling to 61.2% in 2021. Sales to governments, not-for-profit organizations and public institutions accounted for 21.7% of sales in 2024, while sales to individuals and households represented 3.5%. Customers outside Canada made up 10.7% of total sales in 2024. Of these international sales, 49.0% were to the United States, with the remainder distributed between Mexico (7.3%) and other countries (43.7%).

Outlook for 2025

Preliminary indicators suggest that growth in engineering services may continue to slow in 2025. The latest available data on monthly gross domestic product and employment show year-over-year growth at about half the rate observed the previous year. At the same time, capital expenditures in the oil and gas extraction industries declined 0.9% year over year in the third quarter of 2025, despite easing interest rates. The impact of these trends on engineering services will be clearer when financial estimates for 2025 are published next year.

Note to readers

Data for 2022 and 2023 have been revised.

Information on monthly gross domestic product was taken from table [36-10-0434-01](#).

Information on monthly employment was taken from table [14-10-0201-01](#).

Information on capital expenditures for oil and gas extraction was taken from table [25-10-0054-01](#).

Information on interest rates was taken from table [10-10-0122-01](#).

These and other data related to business and consumer services can be found at the [Business and consumer services and culture statistics portal](#).



Available tables: [21-10-0163-01](#) to [21-10-0165-01](#) , [21-10-0212-01](#) and [21-10-0214-01](#).

Definitions, data sources and methods: survey number [2439](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).