

Newfoundland and Labrador Association of Architects

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Reference: Appendix C - Time Basis Fees

Minimum Recommended Hourly Rates 2023

As defined by Guidelines and Recommended Minimum Fees for Architectural and Engineering Projects, time basis fees are fees that are charged on an agreed-to hourly or daily (per diem) rate. This method of compensation is useful when the services are difficult to determine in advance or they are interim in nature and often short in duration.

Time-basis fees are typically used for the following:

- · services which are not well defined;
- pre-design services;
- partial services;
- additional services;
- conceptual design;
- for a particular phase of the project, such as general / field review;
- for services as an expert witness;
- renovation projects;
- preparation of record drawings (refer also to section 1.5.2);
- specialist expertise or services.

The actual hourly rates vary across the country and by the level of experience and seniority of the Architect/Engineer and staff. Architects/Engineers are professionals with extensive training (sometimes the internship and licensing process for Architects/Engineers is considerably longer than that for other professionals) and therefore the hourly rates for Architects/Engineers will correspond to the local market, and/or to the Architect's/Engineer's experience and expertise.

Hourly billing can utilize fixed dollar rates (such as \$250 per hour) or they can use a fee multiplier. There are two types of multipliers – one which is a multiplier of "Direct Salary Expenses" and another which is a multiplier of "Direct Personnel Expenses". Direct Personnel Expenses are the most common. When the rates for Architects/Engineers and their staff are based on "Direct Personnel Expenses" they include those items listed in the Definitions section of the Guidelines and Recommended Minimum Fees for Architectural and Engineering Projects.

Additional factors should be considered for overtime expenses if such work is undertaken at the Client's request or to meet scheduling demands beyond the Architect's/Engineer's control.

The hourly or per diem (daily) rates for Architects/Engineers and their staff should be agreed at the outset and, additionally, the Client and Architect/Engineer should agree upon a time period for review and adjustment of the hourly rates (perhaps annually) in order to adjust for inflation and other factors.

Please note that charging for basic architectural/engineering services on a time-basis does not mean that the total fee for services will be any lower or reduced in comparison with the corresponding percentage-based fee.



The Newfoundland and Labrador Association of Architects has endorsed the following minimum recommended hourly rates, effective January 01, 2023.

NLAA Recommended 2023 Rates *	
Architect's Experience **	Typical rate
0-2 Years	\$160
3-5 Years	\$175
6-10 Years	\$195
Over 10 Years	\$240
Specialized Consulting or Expert Witness	Double the highest hourly rate

Notes:

The importance of having a published rate is:

- 1. For the general public (potential clients), a published recommended hourly rate sets an expectation. It is one of several indicators that by which the public can understand the fees required to provide for a competent service.
- 2. For recently licensed architects, it provides a guide to help them establish appropriate fees to allow them to provide competent service.
- 3. The published recommended rates provide a piece of evidence for cases where an architect's income level is to be determined.

Yours sincerely,

Jeremy Bryant

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^{*}Beginning January 1, 2024, the proposed recommended minimum hourly rates for architectural services will increase annually based on the Canadian Consumer Price Index (CPI).

^{**}Architect's Experience, defined as post-licensure experience as an Architect licensed by a member organization of the Regulatory Organizations of Architecture in Canada.