

# Economic Spotlight

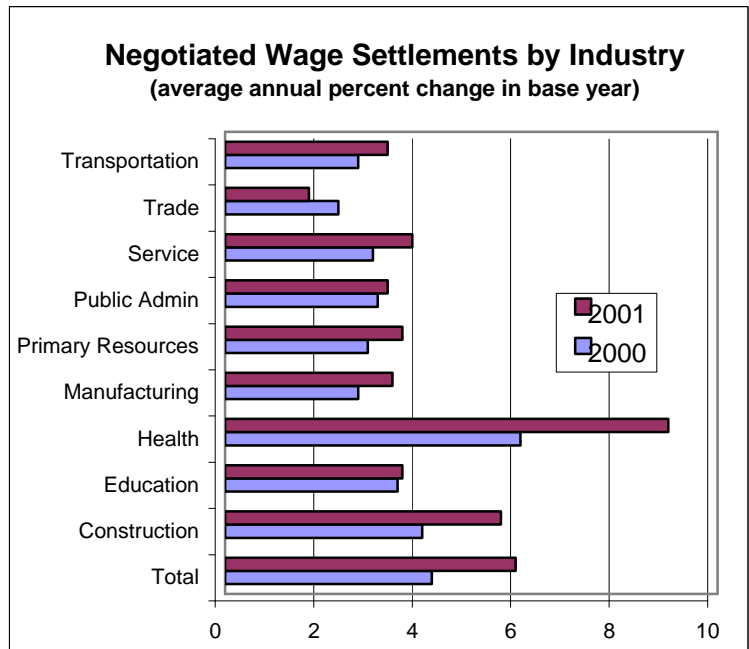
## NEGOTIATED WAGE SETTLEMENTS UPDATE

### Wage Settlements in 2001

Alberta's negotiated wages for all industries in 2001 rose 5.9%, following a 4.2% increase in 2000. In January 2002, total wage settlements increased by 3.2%, with private and public settlements increasing 2.2% and 4.2% respectively.

The 2001 4.8% increase in the private sector settlements has been propelled by the construction industry. Here, the average wage settlement reached 5.6%. This is in contrast to wholesale and retail trade workers, who saw settlements increase 1.7% over the same period of time.

In 2001, public sector wage settlements increased by 6.8%. The settlements were particularly strong during first quarter of 2001, rising by 8.3%. The strength of the public sector wage settlements came primarily from the healthcare industry, where wage settlements averaged 9.0%.



### AVERAGE WEEKLY EARNINGS

In 2001, Alberta average weekly earnings (AWE) increased 2.9% over 2000. That was the highest increase in AWE among provinces. Ontario had the second largest increase in AWE at 1.9%, followed by Quebec (1.8%), Nova Scotia (1.7%), and Saskatchewan (1.6%). Prince Edward Island had the lowest increase in AWE at 0.5%.

The highest AWE levels among provinces were in Ontario (\$710.91) and Alberta (684.06), noticeably above Canada's average of \$664.93. The lowest AWE levels were observed in Prince Edward Island (\$521.94) and Nova Scotia (\$569.08).

### LABOUR INCOME

Alberta's labour income increased 7.9% in 2001, compared to 2000. This was nearly double the 4.2% increase for Canada as a whole.

**Negotiated Wage Settlements**  
(average annual per cent change in base rates)

	1995	1996	1997	1998	1999	2000	2001
<b>Alberta <sup>a</sup></b>							
All Industries							
Number of Employees	69,919	58,780	131,203	107,028	121,773	87,516	110,074
Wage Settlement (percent)	-0.2	0.9	2.8	2.9	3.7	4.2	5.9
Public Sector							
Number of Employees	44,901	40,692	83,892	89,755	84,730	71,468	63,516
Wage Settlement (percent)	-0.5	0.6	2.8	2.9	3.7	4.4	6.6
Private Sector							
Number of Employees	25,018	18,088	47,311	17,273	37,043	16,048	46,558
Wage Settlement (percent)	0.4	1.4	2.7	2.7	3.9	3.1	4.8
<b>Inflation (percent) <sup>b</sup></b>							
Alberta	2.3	2.2	2.1	1.1	2.5	3.5	2.3
Canada	2.2	1.6	1.6	1.0	1.7	2.7	2.5
<b>Average Weekly Earnings Growth <sup>b</sup></b> <b>(including overtime)</b>							
Alberta	0.1	4.2	4.0	2.4	1.1	3.0	2.9
Canada	1.0	2.0	2.0	1.4	1.0	2.3	1.8
<b>Wages, Salaries, and Supplementary <sup>b</sup></b> <b>Labour Income</b>							
Alberta	-0.7	2.1	9.5	4.6	3.8	7.7	7.9
Canada	1.1	1.7	3.5	2.6	2.5	6.8	4.2

<sup>a</sup> Source: Alberta Human Resources and Employment – Data is prone to future revisions.

<sup>b</sup> Source: Statistics Canada