

# Economic Spotlight

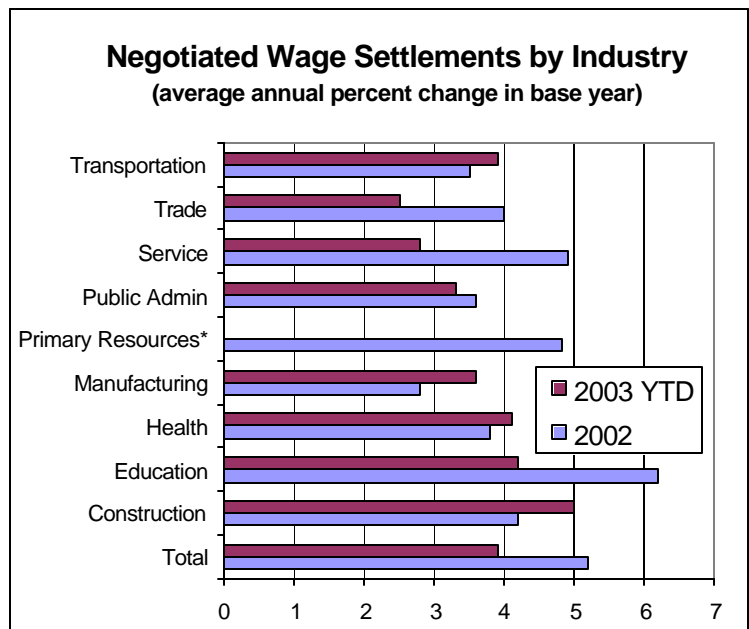
## NEGOTIATED WAGE SETTLEMENTS UPDATE

### Wage Settlements to date in 2003

Through July 2003, Alberta's year-to-date negotiated wages for all industries increased 3.9%, following a 5.2% increase for all of 2002.

Private sector wage settlements averaged 3.8%, comparable to the 3.9% increase experienced in the public sector.

So far this year, the increase in private sector settlements has been propelled by the construction industry. Here, the average wage settlement reached 5.0%. This is in contrast to manufacturing workers, who saw settlements increase 3.6% over the same period of time.



\* no agreements to date in 2003

Growth in public sector wage settlements has been concentrated in the education and health sectors, where wage settlements have averaged 4.2% and 4.1% respectively.

### AVERAGE WEEKLY EARNINGS

Through May, Alberta's average weekly earnings (AWE) increased 0.9% over the same period in 2002. Alberta was tied with Manitoba for the lowest increase in AWE among the provinces. The largest increases were observed in New Brunswick (2.8%), Newfoundland and Labrador (2.7%), and Quebec (2.1%).

The highest year-to-date provincial average AWE levels were in Ontario (\$730.98) and Alberta (\$703.15), noticeably above Canada's average of \$687.23. The lowest AWE levels were observed in Prince Edward Island (\$547.61) and Nova Scotia (\$596.51).

### LABOUR INCOME

In the first three months of 2003, Alberta's labour income increased 5.8% over the same period in

2002. This was nearly a percentage point higher than the 4.9% increase for Canada as a whole.

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

	1997	1998	1999	2000	2001	2002	2003**
<b>Alberta<sup>a</sup></b>							
All Industries							
Number of Employees	131,203	107,028	121,773	88,292	140,238	78,575	33,910
Wage Settlement (percent)	2.8	2.9	3.7	4.2	5.9	5.2	3.9
Public Sector							
Number of Employees	83,892	89,755	84,730	72,090	88,366	67,471	26,993
Wage Settlement (percent)	2.8	2.9	3.7	4.4	6.6	5.4	3.9
Private Sector							
Number of Employees	47,311	17,273	37,043	16,202	50,872	11,104	6,917
Wage Settlement (percent)	2.7	2.7	3.9	3.4	4.7	3.6	3.8
<b>Inflation (percent)<sup>b, c</sup></b>							
Alberta	2.1	1.1	2.5	3.5	2.3	3.5	6.2
Canada	1.6	1.0	1.7	2.7	2.5	2.2	3.6
<b>Average Weekly Earnings Growth<sup>b</sup></b> (including overtime)							
Alberta	3.5	2.7	1.4	3.0	2.9	2.3	0.9
Canada	2.0	1.5	1.2	2.4	1.8	2.0	1.5
<b>Wages, Salaries, and Supplementary<sup>b, d</sup></b>							
<b>Labour Income</b>							
Alberta	9.5	8.2	3.6	10.5	12.2	7.2	5.8
Canada	3.5	4.9	5.8	8.4	4.6	4.8	4.9

\* January to July 2003 unless otherwise noted.

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

<sup>b</sup> Source: Statistics Canada, Provincial Economic Accounts

<sup>c</sup> Data for 2003 is year-to-date January to June.

<sup>d</sup> Wages, Salaries, and Supplementary Labour Income information is only available for the first three months of 2003