

Economic Spotlight

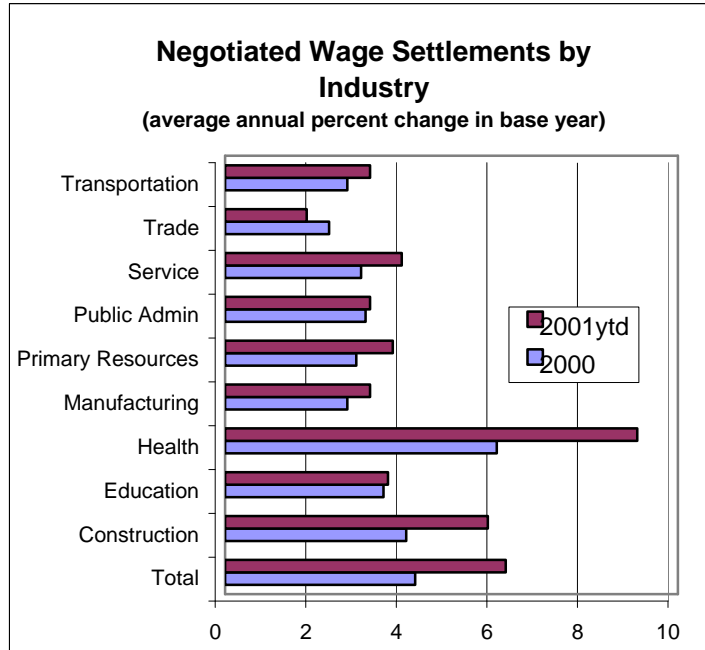
NEGOTIATED WAGE SETTLEMENTS UPDATE

Wage Settlements in 2001

Alberta's negotiated wages for all industries in 2001 q3 rose 4.8%, following a 4.7% increase in 2001 q2, and a 7.9% increase in 2001 q1. In the first ten months of 2001, wage settlements averaged 6.2%.

The year-to-date 5.2% increase in the private sector settlements has been propelled by the construction industry. Here, the average wage settlement reached 5.8%. This is in contrast to wholesale and retail trade workers, who saw settlements increase 1.8% over the same period of time.

Public sector settlements were particularly strong during first 10 months of 2001, rising by 6.9%. The strength of the public sector wage settlements came primarily from the healthcare industry, where wage settlements averaged 9.1%.



AVERAGE WEEKLY EARNINGS

In the first ten months of 2001, Alberta average weekly earnings (AWE) increased 2.7% over the same period in 2000. That was the highest increase in AWE among provinces. Ontario had the second largest increase in AWE at 1.8%, followed by Quebec, Saskatchewan, and Nova Scotia all 1.7%. Prince Edward Island had the lowest increase in AWE at 0.5%.

The highest AWE levels among provinces were in Ontario (\$708.96) and Alberta (681.80), noticeably above Canada's average of \$663.07. The lowest AWE levels were observed in Prince Edward Island (\$519.95) and Nova Scotia (\$567.05).

LABOUR INCOME

Alberta's labour income increased 7.9% in the first nine months of 2001, compared to the first nine months of 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 ^c
Alberta^a							
All Industries							
Number of Employees	69,919	58,780	131,203	107,028	121,773	87,254	91,075
Wage Settlement (percent)	-0.2	0.9	2.8	2.9	3.7	4.2	6.2
Public Sector							
Number of Employees	44,901	40,692	83,892	89,755	84,730	71,378	55,369
Wage Settlement (percent)	-0.5	0.6	2.8	2.9	3.7	4.4	6.9
Private Sector							
Number of Employees	25,018	18,088	47,311	17,273	37,043	15,876	35,706
Wage Settlement (percent)	0.4	1.4	2.7	2.7	3.9	3.1	5.2
Inflation (percent)^b							
Alberta	2.3	2.2	2.1	1.1	2.5	3.5	3.1
Canada	2.2	1.6	1.6	1.0	1.7	2.7	2.9
Average Weekly Earnings Growth^b (including overtime)							
Alberta	0.1	4.2	4.0	2.4	1.1	3.0	2.7
Canada	1.0	2.0	2.0	1.4	1.0	2.3	1.7
Wages, Salaries, and Supplementary^b Labour Income							
Alberta	-0.7	2.1	9.5	4.6	3.8	7.7	7.9 ^d
Canada	1.1	1.7	3.5	2.6	2.5	6.8	4.2 ^d

^a Source: Alberta Human Resources and Employment – Data is prone to future revisions.

^b Source: Statistics Canada

^c Values for the first 10 months of 2001 relative to the same period in 2000.

^d Values for the first nine months of 2001 relative to the same period in 2001.