



CORRECTION NOTICE

DATE: July 10, 2003
TO: ALL MEMBERS
Re: PASC Accounting Procedures (1969, 1988 and 1996)
Wage Index Adjustment

I regret to inform you the calculation for the current year Wage Index Adjustment was incorrect. **The correct rate effective July 1, 2003 is .49% (the decimal place was off in the original calculation).** Please update your file accordingly with the following information.

In accordance with the terms of the referenced Accounting Procedures, the overhead rates chargeable under the following subclauses shall be adjusted as of the first day of July each year. (Please note that in the 1988 and 1996 Accounting Procedures this provision is an election. Therefore, in order for overhead rates to be automatically adjusted by the wage index factor, the parties need to have made an affirmative election with regard to this provision.)

1969 Accounting Procedure: Subclause 314(b)(1)
1988 Accounting Procedure: Subclauses 302(d)(2) and 302(d)(3)
1996 Accounting Procedure: Subclauses 302(e)(2) and 302(e)(3)

The adjustment shall be computed by multiplying the rate in use by the percentage increase or decrease in the average weekly wage and salary of the Canadian Petroleum and Natural Gas Industry for the last calendar year next preceding such last calendar year as reported by Statistics Canada.

The computation of the 2002 adjustment has been determined as follows:

2002 Monthly Average	\$1,254.49
2001 Monthly Average	<u>\$1,248.41</u>
Increase:	<u>\$6.08</u>
Percentage <u>Increase</u> :	0.49%

Effective 2003-07-01, overhead rates may be increased by 0.49%, subject to the elections described above.

Yours truly,

Tom Wierman
President

PETROLEUM ACCOUNTANTS SOCIETY OF CANADA

JULY 1, 2003 WAGE INDEX DETERMINATION

* Data from Statistics Canada:

Survey 2612, Table 281-0026; Average Weekly Earnings, All Employees, Excluding Overtime, unadjusted for seasonal variation for the Canada Oil and Gas Extraction Industry.

<u>MONTH</u>	<u>WEEKLY EARNINGS*</u> Canadian Dollars
Jan 2002	1228.25
Feb 2002	1237.70
Mar 2002	1249.54
Apr 2002	1271.18
May 2002	1265.83
Jun 2002	1243.78
Jul 2002	1267.62
Aug 2002	1272.97
Sep 2002	1263.04
Oct 2002	1261.81
Nov 2002	1254.72
Dec 2002	1237.38

TOTAL \$15,053.82

2002 Monthly Average \$1,254.49

2001 Monthly Average \$1,248.41

VARIANCE (Increase/(Decrease)) \$6.08

% Increase from 2001 0.49%

PETROLEUM ACCOUNTANTS SOCIETY OF CANADA
OVERHEAD RATE ADJUSTMENTS AS PER
1969 PASC ACCOUNTING PROCEDURE
SUBCLAUSE 314(b)(1),
1988 PASC ACCOUNTING PROCEDURE SUBCLAUSE 302(d)
1996 PASC ACCOUNTING PROCEDURE SUBCLAUSE 302(e)

Percentage Increase
Utilizing Average Wage and Salary
Increases (or Decreases) for the Calendar Year Beginning

July 01, 1970	6.45
July 01, 1971	6.65
July 01, 1972	7.63
July 01, 1973	7.43
July 01, 1974	6.65
July 01, 1975	13.59
July 01, 1976	16.72
July 01, 1977	11.00
July 01, 1978	9.37
July 01, 1979	9.20
July 01, 1980	10.58
July 01, 1981	13.52
July 01, 1982	16.44
July 01, 1983	16.17
July 01, 1984	5.60
July 01, 1985	4.50
July 01, 1986	5.90
July 01, 1987	0.77
July 01, 1988	3.22
July 01, 1989	(0.26)
July 01, 1990	6.61
July 01, 1991	5.99
July 01, 1992	6.85
July 01, 1993	(1.54)
July 01, 1994	4.78
July 01, 1995	1.38
July 01, 1996	3.87
July 01, 1997	1.73
July 01, 1998	(2.74)
July 01, 1999	4.09
July 01, 2000	(0.51)
July 01, 2001	5.36
July 01, 2002	1.21
July 01, 2003	.49