



DATE: June 26, 2009  
TO: ALL MEMBERS  
Re: PASC Accounting Procedures (1969, 1988 and 1996)  
Wage Index Adjustment

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 2008 adjustment has been determined as follows:

2008 Average	\$1,682.03
2007 Average	<u>\$1,550.01**</u>
Increase:	<u>\$132.02</u>
Percentage Increase:	8.52%

\*\*Adjusted – see next page for explanation

Effective July 1, 2009, overhead rates may be increased by 8.52%, subject to the elections described above.

Yours truly,

Matt Breadner  
President

PETROLEUM ACCOUNTANTS SOCIETY OF CANADA

JULY 1, 2009 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, classified using the North American Industry Classification System (NAICS).

<b>MONTH</b>	<b>AVERAGE WEEKLY EARNINGS*</b> Canadian Dollars
Jan 2008	1,668.60
Feb 2008	1,546.73
Mar 2008	1,618.30
Apr 2008	1,770.94
May 2008	1,707.78
Jun 2008	1,699.81
Jul 2008	1,701.84
Aug 2008	1,655.73
Sep 2008	1,548.94
Oct 2008	1,627.39
Nov 2008	1,709.21
Dec 2008	1,929.03
	<b>TOTAL</b>
	\$20,184.30
2008 Average	\$1,682.03
2007 Average	<u>\$1,550.01**</u>
VARIANCE (Increase/(Decrease))	<u>\$132.02</u>
% Increase from 2007	8.52%

\*\* Adjusted from prior year's \$1,509.95 to account for a Statcan change to a new estimating method. This new method should result in a more accurate number for our industry in the future.

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

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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
July 01, 2004	(0.26)
July 01, 2005	6.20
July 01, 2006	2.07
July 01, 2007	5.32
July 01, 2008	5.70
July 01, 2009	8.52