



DATE: June 28, 2010

CORRECTED

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 2009 adjustment has been determined as follows:

2009 Average	\$2,022.42	(corrected)
2008 Average	<u>\$1,877.20</u> **	(corrected)
Increase:	<u>\$145.22</u>	
Percentage Increase:	7.74%	

**Adjusted – see next page for explanation

Effective July 1, 2010, overhead rates may be increased by 7.74%, subject to the elections described above.

Yours truly,

Thomas Latta
President

PETROLEUM ACCOUNTANTS SOCIETY OF CANADA

JULY 1, 2010 WAGE INDEX DETERMINATION

* Data from Statistics Canada:

Survey 2612, Table 281-0026; Average Weekly Earnings, All Employees, Including Overtime, unadjusted for seasonal variation for the Canada, Oil and Gas Extraction Industry, classified using the North American Industry Classification System (NAICS).

<u>MONTH</u>	<u>AVERAGE WEEKLY EARNINGS*</u> Canadian Dollars
Jan 2009	2018.72
Feb 2009	2087.32
Mar 2009	2179.22
Apr 2009	2176.58
May 2009	2096.80
Jun 2009	2238.66
Jul 2009	1929.11
Aug 2009	1914.28
Sep 2009	1867.47
Oct 2009	1934.74
Nov 2009	1919.24
Dec 2009	1906.92
	TOTAL
	\$24,269.06
2009 Average	\$2,022.42
2008 Average	<u>\$1,877.20**</u>
VARIANCE (Increase/(Decrease))	<u>\$145.22</u>
% Increase from 2008	7.74%

** Adjusted from prior year's \$1,682.03 to account for a change in criteria from "All Employees excluding Overtime" to "All Employees including Overtime". Please note the adjusted wording in the heading of this table.

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
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
July 01, 2010	7.74