



RÉMUNÉRATION DES SALARIÉS. ÉTAT ET ÉVOLUTION COMPARÉS 2010

MAIN FINDINGS

PART I

SALARIES AND TOTAL COMPENSATION

All other Quebec employees

In 2010, the average salaries of Quebec government employees¹ are 10.4% lower than those of other Quebec employees when all the benchmark jobs covered by the comparison are considered. In all, 61 of the 76 jobs are behind; these jobs represent 77% of the employees covered. All the occupational categories except service employees have lower salaries in the Quebec government, with differentials varying from - 10.5% for office employees to - 27.8% for manual workers. Service employees in the Quebec government are on a par with their counterparts in the rest of the labour market.

When total compensation is compared, Quebec government employees are behind other Quebec employees by 5.6% in the benchmark jobs overall. They have lower total compensation in 49 of the 76 jobs, representing 53% of the employees covered, and in four of the five occupational categories studied. Service employees are ahead by 9%. In the benchmark jobs overall, the Quebec government is further behind for salaries than for total compensation, despite lower costs for benefits in that sector, because employees have fewer hours at work than their counterparts in the rest of the labour market.

Private sector

Quebec government employees' salaries are 7% lower than those of their counterparts in the private sector in the benchmark jobs overall. The Quebec government is behind in 42 of the 72 jobs studied; these jobs represent 38% of the employees covered. Four occupational categories have lower salaries in the Quebec government, with differentials ranging from - 6.5% to - 31.0%. Service employees in the Quebec government are ahead by 6.8%.

With regard to total compensation, the Quebec government is on a par with the private sector for the benchmark jobs overall. This status is present in 28 of the 72 jobs studied; these jobs represent 31% of the employees covered. Professionals, technicians and office employees in the two sectors are on a par, while service employees in the Quebec government are ahead by 14.5% and manual workers are behind by 27.7%. For the benchmark jobs overall, Quebec government employees are behind the private sector for salaries but on a par for total compensation because they have fewer hours at work.

1. The Quebec government includes the Quebec public service, the education sector (school boards and colleges) and the health and social services sector (hospitals and other establishments).

“Other public” sector

The salaries of Quebec government employees are behind those of their counterparts in the “other public” sector² by 16.7% in the benchmark jobs overall. Lower salaries are noted in 69 of the 73 jobs studied; these jobs represent 95% of the employees covered. All the occupational categories are behind, with differentials varying from - 15.3% for professionals to - 25.2% for manual workers.

With regard to total compensation, Quebec government employees are behind those in the “other public” sector by 22.2% in the benchmark jobs overall. Lower total compensation is noted in 68 of the 73 jobs, representing 95% of the employees covered. As in the salary comparison, the Quebec government is behind in all the occupational categories, with differentials varying from - 18.9% to - 39.0%. In the benchmark jobs overall, the Quebec government is further behind for total compensation than for salaries, despite the fact that Quebec government employees have fewer hours at work, because the costs for benefits are lower in that sector.

Municipal government sector

In the benchmark jobs overall, salaries in the Quebec government are 16.3% lower than those in the municipal government sector. The Quebec government is behind in 55 of the 57 jobs; these jobs represent 99% of the employees covered. Quebec government employees’ salaries are lower in all the occupational categories, with differentials varying from - 11.6% to - 30.7%.

When total compensation is compared, the Quebec government is behind the municipal government sector by 29.6% in the benchmark jobs overall. Lower total compensation is noted in 56 of the 57 jobs, representing almost all the employees covered. As in the salary comparison, the Quebec government is behind in all the occupational categories, with differentials varying from - 27.7% to - 41.0%. In the benchmark jobs overall, the Quebec government is further behind for total compensation than for salaries because costs for benefits are lower in that sector and Quebec government employees have more hours at work than their counterparts in the municipal government sector.

“Government business enterprises” sector

Quebec government employees’ salaries are 17.2% lower than those in the “government business enterprises” sector in the benchmark jobs overall. The Quebec government is behind in all the occupational categories and in 52 of the 61 jobs, representing 90% of the employees covered. The differentials range from - 13.4% for service employees to - 33.1% for manual workers.

With regard to total compensation, Quebec government employees are behind their counterparts in the “government business enterprises” sector by 27% in the benchmark jobs overall. In all, 52 of the 61 jobs have lower total compensation in the Quebec government; these jobs represent 91% of the employees covered. All five occupational categories are behind, with differentials varying from - 16.4% to - 51.0%. The Quebec government is further behind for total compensation than for salaries because costs for benefits are lower in that sector.

2. For the purposes of the compensation comparison, the “other public” sector includes the business enterprises of the three levels of government in Quebec, as well as universities, municipal governments (populations of 25 000 or more) and the federal government in Quebec.

University sector

In the benchmark jobs overall, Quebec government salaries are behind those in the university sector by 8%. Lower salaries are observed in 39 of the 51 benchmark jobs studied; these jobs represent 87% of the employees covered. Quebec government employees' salaries are lower in all five occupational categories, with differentials varying from - 5.8% for technicians to - 11.1% for manual workers.

When total compensation is compared, the Quebec government is behind the university sector by 10.2% in the benchmark jobs overall. In all, 44 of the 51 jobs studied have lower total compensation in the Quebec government; these jobs represent 93% of the employees covered. All five occupational categories are behind, with differentials varying from - 5.9% to - 14.5%. In the benchmark jobs overall, the Quebec government's comparative position is weaker for total compensation than for salaries because employees have more hours at work and the costs for benefits are lower in that sector.

Federal government

Quebec government employees' salaries are 18.2% lower than those of their federal counterparts in Quebec in the benchmark jobs overall. The Quebec government is behind in the 52 jobs studied. All five occupational categories are behind; the differentials vary from - 17.0% for professionals to - 24.8% for manual workers.

With regard to total compensation, Quebec government employees are behind their federal counterparts by 18.3% in the benchmark jobs overall. They have lower total compensation in all 52 jobs studied. All five occupational categories are behind, with differentials varying from - 15.9% to - 26.8%. Quebec government employees are further behind for total compensation than for salaries, despite the fact that they have fewer hours at work than their federal counterparts, because costs for benefits are lower in the Quebec government.

Other unionized Quebec employees

In the benchmark jobs overall, Quebec government employees' salaries are 15.4% lower than those of other unionized Quebec employees. The Quebec government is behind in 63 of the 73 jobs studied; these jobs represent 85% of the employees covered. All the occupational categories, except service employees, have lower salaries in the Quebec government, with differentials varying from - 14.8% for technicians to - 29.6% for manual workers. Service employees in the two sectors are on a par.

When total compensation is compared, Quebec government employees are behind other unionized Quebec employees by 18.3% in the benchmark jobs overall. Lower total compensation is noted in 60 of the 73 jobs, representing 84% of the employees covered. Four of the five occupational categories are behind, with differentials varying from - 15.6% for technicians to - 32.6% for manual workers. Service employees in the two sectors are on a par. In the benchmark jobs overall, Quebec government employees are further behind for total compensation than for salaries, despite the fact that they have fewer hours at work, because their employer spends less for benefits.

Non-unionized Quebec employees

Quebec government employees' salaries are 3.5% lower than those of non-unionized employees in the rest of Quebec's labour market in the benchmark jobs overall. This status is observed in 39 of the 71 jobs studied; these jobs represent 33% of the employees covered. Quebec government professionals, technicians and manual workers are behind, with differentials ranging from - 7.9% to - 18.8%. Office employees are on a par in the two sectors, while service employees are ahead by 15.3%.

With regard to total compensation, Quebec government employees are ahead of non-unionized Quebec employees by 6.9% in the benchmark jobs overall. Their total compensation is greater in 25 of the 71 jobs, representing 53% of the employees covered. Quebec government technicians, office employees and service employees are ahead, by 3.6%, 8.6% and 24.2% respectively. Manual workers are behind by 10.9%, while professionals in the two sectors are on a par. In the benchmark jobs overall, Quebec government employees are on a behind for salaries but ahead for total compensation because they have fewer hours at work.

Unionized private sector

In the benchmark jobs overall, Quebec government employees' salaries are 13.4% lower than those of unionized employees in the private sector. Lower salaries are observed in 35 of the 56 jobs studied; these jobs represent 63% of the employees covered. The Quebec government is behind in three occupational categories, with differentials varying from - 10.3% to - 33.4%. Professionals and service employees in the two sectors are on a par.

When total compensation is compared, Quebec government employees are behind unionized employees in the private sector by 11.5% in the benchmark jobs overall. They have lower total compensation 33 of the 56 jobs, representing 61% of the employees covered. The Quebec government is behind in three occupational categories: technicians (- 8.0%), office employees (- 20.3%) and manual workers (- 31.8%). Professionals and service employees in the two sectors are on a par. In the benchmark jobs overall, lower costs for benefits in the Quebec government are offset by fewer hours at work in that sector.

Non-unionized private sector

In the benchmark jobs overall, Quebec government employees' salaries are 3.2% lower than those of non-unionized employees in the private sector. Lower salaries are observed in 36 of the 70 jobs studied; these jobs represent 32% of the employees covered. Quebec government professionals, technicians and manual workers are behind, by 9.7%, 7.1% and 18.8% respectively. Office employees in the two sectors are on a par, while service employees in the Quebec government are ahead by 15.5%.

With regard to total compensation, the Quebec government is ahead of the non-unionized private sector by 7.8% in the benchmark jobs overall. Greater total compensation is noted in 28 of the 70 jobs, representing 55% of the employees covered. Three of the five occupational categories are ahead: technicians (4.8%), office employees (9.3%) and service employees (24.4%). Professionals in the two sectors are on a par, while manual workers in the Quebec government are behind by 10.7%. In the benchmark jobs overall, the Quebec government is behind for salaries but ahead for total compensation because employees have fewer hours at work in that sector.

Salary scales

The job rates (normal maximums) of the salary scales of Quebec government professionals, technicians and office employees are lower than those of other Quebec employees as a whole. The Quebec government is also behind for salaries in the three occupational categories considered. Quebec government professionals' comparative position is more favourable for job rates than for salaries. The opposite is true of Quebec government technicians and office employees: they are further behind for job rates than for salaries, as they are positioned higher within their salary scales than other Quebec employees in the same occupational categories.

The job rates of Quebec government technicians and office employees are lower than those of their counterparts in all the sectors studied. Office employees in the Quebec government are in a more favourable position for salaries than for job rates in comparison with 8 of the 11 sectors. This situation is explained by the fact that Quebec government office employees are positioned higher within their salary scales than their counterparts in the sectors concerned.

For technicians, the comparison of the situation of the Quebec government with regard to job rates and salaries produces more diverse results. There is no significant difference between the differentials noted for job rates and for salaries in comparison with six sectors. The comparative situation of the Quebec government is more favourable for salaries than for job rates in relation to four sectors, while the opposite is true in relation to one sector. Quebec government technicians are positioned higher within their salary scales than their counterparts in most of the sectors studied (7 of the 11 sectors).

Quebec government professionals have lower job rates than their counterparts in all sectors except those in the unionized private sector, with whom they are on a par. Their position within their salary scales is similar to that of their counterparts in six sectors, while they are positioned lower within their scales than professionals in five sectors. However, Quebec government professionals are in a more favourable position for job rates than for salaries in comparison with ten sectors. There is no significant difference between the differentials observed for job rates and for salaries in comparison with the unionized private sector.

Approximately 58% of the professionals, 42% of the technicians and 35% of the office employees in the private sector who are paid according to a salary scale benefit from merit maximums. However, Quebec government salary scales have no merit maximums.

Benefits and paid time off

The employer's total costs for benefits and paid time off in the Quebec government are similar to the amounts spent on those elements for other Quebec employees as a whole. The Quebec government's expenditures are greater (39.3% of the salary) than the amounts spent for employees in the private sector and the non-unionized private sector and for non-unionized Quebec employees. Costs in those sectors vary from 33.4% to 35.9% of the salary. On the other hand, the Quebec government's total costs are lower than those in the following sectors: other unionized employees in Quebec, the unionized private sector, and the "other public" sector and its components. Costs vary from 40.5% to 51.0% of the salary in those sectors.

When benefits are considered separately from paid time off, the employer's costs in the Quebec government (23.0%) are lower than the amounts spent by employers in the following sectors: other Quebec employees as a whole, other unionized employees in Quebec, the unionized private sector, the "other public" sector, the municipal government sector, the university sector, the federal government and government business enterprises. Costs for benefits represent 24.3% to 33.4% of the salary in those sectors. This situation is explained by higher costs for insurance plans in all those sectors and higher pension-plan costs.

The Quebec government's costs for benefits are similar to those of the private sector. However, the Quebec government spends more for benefits than the employers of non-unionized Quebec employees as a whole and non-unionized employees in the private sector. This difference is explained mainly by higher costs for pension plans and reimbursement of unused sick leave in the Quebec government.

With regard to paid time off, the Quebec government's expenditures, at 16.3% of the salary, are higher than the amounts spent on this element for other Quebec employees as a whole, non-unionized Quebec employees and private-sector employees (unionized and non-unionized). On the other hand, the Quebec government spends less in this regard than employers in the "other public" sector and three of its components. The Quebec government spends the same amount for paid time off as employers of other unionized Quebec employees and employers in the university sector.

Hours of work

Quebec government employees have a normal workweek of nearly 36 hours, nearly one and a half hours shorter than that of other Quebec employees as a whole. Quebec government employees' normal workweek is shorter than that of all other unionized and non-unionized Quebec employees and those of the private sector (unionized and non-unionized), the "other public" sector, the federal government and the "government business enterprises" sector. However, it is longer than that of the municipal government and university sectors.

Hours at work (obtained essentially by subtracting paid time off from normal hours of work) amount to 30 hours per week in the Quebec government. Quebec government employees have more hours at work than their counterparts in the municipal government and university sectors. They have fewer hours at work than their counterparts in all the other sectors studied. The greatest difference (approximately three and a quarter fewer hours per week for the Quebec government) is observed in comparison with the non-unionized private sector.

Evolution of the comparison

Quebec government employees' comparative situation with regard to salaries weakened in relation to other Quebec employees as a whole between 2009 and 2010 in the benchmark jobs overall (- 1.7 percentage point). It also weakened in relation to all unionized and non-unionized employees, non-unionized employees in the private sector, and employees in the "other public" sector and all its components

The most pronounced weakening is noted in comparison with the federal government (- 4.2 percentage points). In comparison with the other sectors, the changes in the differentials vary from - 2.2 percentage points in relation to other unionized Quebec employees to - 3.4 percentage points in relation to the municipal government sector and the university sector.

In comparison with the private sector and with unionized employees in that sector, the Quebec government's comparative situation with regard to salaries remained stable between the two years in the benchmark jobs overall.

Quebec government: agreement in principle and data presented in this report

The agreement in principle negotiated in the Quebec government provides for a salary adjustment of 0.5% to be paid retroactively to April 1, 2010. As the collective agreements were not yet signed at the time of printing of this report, the results presented do not take this adjustment into account.

Based on a brief analysis of the results of this report incorporating the 0.5% adjustment into the salary data for the Quebec government, the results in terms of comparative status (ahead, behind, on a par) for the benchmark jobs overall would not change: for salaries, the Quebec government would remain behind all the sectors studied; for total compensation, the Quebec government would remain behind other Quebec employees as a whole and ahead of the private sector. However, the salary and total compensation differentials for the benchmark jobs overall would generally differ by 0.4 to 0.6 percentage point from the differentials presented in this report.

PART II

THE ECONOMIC ENVIRONMENT AND THE LABOUR MARKET

Quebec's economy: return to growth in 2010

In the first half of 2010, Quebec's real gross domestic product (GDP) grew by 2.7%, following a 1.0% decline in 2009. Recent conditions indicate four consecutive quarters of economic growth. The growth observed in 2010 is supported by consumer spending, business investment in residential construction, and government spending; however, it is slowed by the persistence of a serious foreign-trade balance deficit. Analysts expect the economy to continue to grow in 2010, followed by a slowdown in 2011, largely attributable to weaker growth of the final demand components.

Consumer spending increased at a slower rate in 2009 (+ 0.9 %). However, the trend has reversed, with 3.7% growth in spending in the first half of 2010. For next year, analysts are forecasting growth, but at a slower rate than in 2010.

The increase in investments in the first half of 2010 (+ 9.4%) marks a reversal from 2009 (- 3.6%). This recovery is attributable mainly to business investment (particularly in residential construction), but also to government investment. Analysts predict a marked progression in investment spending in 2010, followed by a slowdown in 2011.

Government current expenditures have increased by 3.1% in 2010, their strongest growth since 2003 (+ 3.4%). This is their thirteenth consecutive year of growth. Analysts anticipate growth of less than 3 % in 2010, and a slowdown in 2011.

The foreign-trade balance deficit continues to be a drag on GDP growth in 2010. In the first half of the year, imports grew (+ 6.5%) far more than exports (+ 0.7%), largely on account of the persistent strength of the Canadian dollar. Analysts are forecasting weak export growth in 2010, followed by slightly stronger growth in 2011, while import growth is expected to be strong in 2010, but moderate in 2011.

In 2010, the Canadian dollar has remained near par with the American dollar. For the first nine months of 2010, it was at 96.6 cents US, a strong revaluation compared with the beginning of 2009 (low of 79.1 cents in March 2009).

For the first nine months of 2010 (+ 1.2%), inflation was higher than in 2009 (+ 0.6%), but still lower than in 2008 (+ 2.1%). At the beginning of 2010, energy prices caused an acceleration in overall price growth, but their effect has diminished during the year. Inflation slowed between the first quarter of 2010 (+ 1.9%) and the third (+ 0.7%).

The rate for three-month Treasury Bills rose from 0.4% in 2009 to 0.5% for the first nine months of 2010. The trend is upward between the first quarter of 2010 (+ 0.2%) and the third (+ 0.7%).

According to analysts, inflation should be modest in 2010, and on the rise in 2011. An increase in interest rates is also forecast in 2011. The Canadian dollar, already high, is expected to be very close to parity with the US dollar in 2011.

Resumption of employment growth

Employment grew by 1.8% between the first nine months of 2010 and the corresponding period of the previous year, following a decline of 1.0% in 2009. There was a net gain of 69,500 jobs in 2010, and the average number of jobs was 3,910,200 on a seasonally adjusted basis.

Only the services sector contributed to this job growth (+ 77,900), and the increase in this sector is sufficient to compensate for the losses registered in 2009 (- 15,600). The goods sector lost 8,600 jobs in the first nine months of 2010, for a second consecutive year of losses. This sector was severely affected by the recession, which resulted in the loss of 21,800 jobs in 2009. The goods sector has shown a roller-coaster performance since the beginning of the decade; most recently, it registered gains in 2008 but losses in 2007. In the services sector, the year 2010 shows a return to the general trend observed since data became available in 1976, that is, gains each year except 1982, 1992 and 2009.

For the first nine months of 2010, net job creation is shared nearly equally between part-time jobs (+ 35,500; + 4.9 %) and full-time jobs (+ 33,900; + 1.1 %). Part-time employment reached an all-time high of 760,100 jobs, while the gains in full-time jobs were insufficient to allow a return to the pre-recession level (3,150,000 for the first nine months of 2010 and 3,158,000 in 2008).

This job creation largely benefited men, who obtained 50,200 new jobs (+ 2.5 %), while they experienced nearly all the job losses in 2009. Women gained 19,100 jobs (+ 1.0%) in the first nine months of 2010. The 25 and over age group obtained the largest share of the net job creation (+ 52,400), while young people aged 15-24 obtained 17,100 jobs; however, the percentage increase is two times greater in the younger age group (+ 3.2%) than in the 25 and over age group (+ 1.6%).

For the year 2010 as a whole, analysts are forecasting employment growth of 1.8% to 2.1%. For 2011, they anticipate a slight slowdown in employment growth, but they are divided as to its pace; the anticipated growth rates range from 1.0% to 2.0%.

The average unemployment rate for the first nine months of 2010, at 8.0%, is lower by 0.5 point than the rate for 2009 as a whole. However, it remains higher than the 2008 and 2007 rate (7.2% for both years, the lowest ever recorded). For the first nine months of 2010, Quebec's unemployment rate is lower than Canada's (8.1%); if the trend continues, 2010 could be the first year, since the beginning of the chronological series in 1976, in which the unemployment rate is higher in Canada than in Quebec. For the year 2010 as a whole, analysts are forecasting an unemployment rate between 7.9% and 8.2%. It is expected to be between 7.1% and 7.9% in 2011.

For the first nine months of 2010, the employment rate was 60.1%; this is slightly higher than the rate for the year 2009 as a whole (59.7%). On a monthly basis, the employment rate exceeded the 60% threshold in April and has remained above that level since; it had been under 60% since June 2009. The labour-force participation rate was 65.3% for the same months in 2010, slightly higher than the rate for the year 2009 as a whole (65.2%).

Salary trends

Positive real salary growth for all unionized employees in 2010

The analysis of salary growth in 2010 pertains only to employees outside the Quebec government. Although the agreement in principle negotiated in the Quebec government provides for a salary adjustment of 0.5% to be paid retroactively to April 1, 2010, the collective agreements are not yet signed at the time of printing of this report; therefore, the results presented do not take this adjustment into account.

For unionized employees outside the Quebec government, data for the first nine months of 2010 show a salary increase of 2.3%, down from 2009 (2.5%). Increases in 2010 are lower than in 2009 in the private sector (2.3% versus 2.6%) and in the federal sector³ (1.6% versus 2.3%). Salary-scale increases in the other three subsectors of the “other public” sector are higher in 2010 than in 2009: Quebec government business enterprises (2.7% versus 2.2%), the university sector (2.8% versus 2.4%) and the municipal sector⁴ (2.4% versus 2.1%).

In 2010, according to three consulting firms, the average salary-scale increases for non-unionized employees (mainly in the private sector) range from 1.6% to 2.1%; in 2009, the rates of increase varied from 1.6% to 2.4%. Thus, the average salary-scale increase for non-unionized employees in 2010 (1.8%) is lower than that of their unionized counterparts (2.3%).

Data for the first three quarters of 2010 show a 1.1% gain in purchasing power for unionized Quebec employees outside the Quebec government, based on the increases allocated to their salary structures. Positive real growth (a gain in purchasing power) is observed in all the sectors analyzed. The gains in purchasing power vary from 0.4% in the federal sector to 1.6% in the university sector. The situation with regard to purchasing power was more favourable in 2009 than in 2010 in all the sectors studied. This finding is largely attributable to the weak growth of the consumer price index (CPI) in 2009 compared with 2010 (0.6% versus 1.2%).

According to the salary clauses in effect in the first three quarters of 2010, 92.0% of unionized Quebec employees outside the Quebec government benefit from salary increases equal to or greater than the growth of the CPI; a similar proportion was observed in 2009 (94.0%). All employees in the university and federal sectors received this level of salary increases; in 2009, this was also the case for the federal sector, while the proportion of employees in the university sector benefiting from this type of increase was lower (83.7%). Nearly all employees in the municipal sector (99.3%) and Quebec government business enterprises (98.3%) obtained increases equal to or greater than the CPI in 2010; these proportions are similar to those of 2009. The proportion of unionized employees in the private sector who received this type of increase is lower in 2010 (86.6%) than in 2009 (92.2%). The percentage of unionized employees outside the Quebec government receiving increases lower than the CPI is 2.8% in 2010, compared with 0.7% in 2009. The proportion whose salaries are frozen or reduced in 2010 is essentially unchanged from 2009 (5.1% and 5.3% respectively).

Unionized Quebec employees as a whole benefited from a gain in purchasing power (positive real salary growth) of 0.9% for the period from 1986 to 1995. A larger gain (2.4%) is registered for the period from 1996 to 2010. Moreover, for the latter period, employees in all sectors, except the Quebec government (variation from 1996 to 2009 for that group), obtained positive real salary growth of at least 3% (from 3.0% to 10.6%).

3. For the purposes of Part II, the federal sector includes the federal government and federal government business enterprises in Quebec.
4. For the purposes of Part II, the municipal sector includes municipalities and municipal business enterprises.

Slight acceleration of growth according to recently signed agreements for unionized employees outside the Quebec government

For unionized Quebec employees outside the Quebec government, the agreements signed in the first nine months of 2010 award an average annual increase of 2.1%, up from the 1.9% observed in the agreements renewed in 2009. In all sectors except the private sector, the average annual increase in 2010 is greater than in 2009; however, it must be noted that, in the federal sector, no collective agreements were deposited in the databank of the Ministère du Travail in 2009 or in 2010.

In the agreements signed in 2010, 71.8% of unionized employees outside the Quebec government benefit from average annual increases of 1.5% or more; this proportion is slightly higher than in the agreements signed in 2009 (67.3%). In fact, a difference is noted mainly with regard to employees receiving increases of more than 3%; the proportions are 23.9% in 2010 versus 14.1% in 2009. The proportion of unionized Quebec employees outside the Quebec government whose salaries are frozen or reduced is slightly higher in 2010 (5.5%) than in 2009 (3.4%); all the salary freezes and reductions observed are in the private sector, both in 2009 and in 2010.

According to the salary projections established by the Institut, unionized Quebec employees outside the Quebec government are expected to receive salary-scale increases of 2.3% in 2010 and 2.2% in 2011. The same increases are anticipated for employees in the private sector. For Quebec government business enterprises, the projection is higher for 2010 than for 2011 (2.7% and 2.1% respectively). In the municipal sector, the projected increase is 2.4% in 2010 and 2.5% in 2011. For 2010 as a whole, the projection for the university sector is 2.8%, while an increase of 1.6% is projected for the federal sector. However, no projection can be calculated for 2011 in these two sectors. For non-unionized employees, the anticipated salary-scale increases are lower: 1.8% in 2010 and 2.0% in 2011. When Quebec employees outside the Quebec government are considered as a whole (unionized and non-unionized), the Institut predicts that the average salary-scale increases will be similar in 2010 (2.0%) and 2011 (2.1%).

Taking inflation forecasts into account, these projections indicate a gain in purchasing power (real growth of salary structures) of 0.7% in 2010 and a loss of 0.2% in 2011 for Quebec employees outside the Quebec government considered as a whole (unionized and non-unionized). Positive real growth is projected for employees in all sectors in 2010, with gains varying from 0.3% to 1.5%. On the other hand, in 2011, several sectors are expected to lose purchasing power, with the exception of the municipal sector where a slight gain is anticipated. For non-unionized employees, the projections indicate a gain of 0.5% in 2010 and a loss of 0.3% in 2011.

November 2010