

employment and average weekly earnings for 1974-76 are presented by industry, province and urban area in Table 8.16. Table 8.17 shows annual average weekly earnings by industrial division for the years 1972-76 and monthly averages for 1975 and 1976.

Hours and earnings of hourly-rated wage-earners. The monthly survey of employment, payrolls and man-hours covers statistics of hours of work and paid absence of those wage-earners for whom records of hours are maintained, plus corresponding totals of gross wages paid; these wage-earners are mainly hourly-rated production workers. Information on hours is frequently not kept by employers for ancillary workers nor, in many industries and establishments, for any wage-earners. Salaried employees are excluded by definition from the series. As a result of these exclusions, data are available for fewer industries and workers than are covered in the employment and average weekly earnings statistics.

During 1971-76 average weekly hours declined while average hourly earnings rose substantially. For the most part, upward wage-rate revisions in all industries were responsible. Technological changes, which in many cases involve the employment of more highly skilled workers at the expense of those in the lower-paid occupations, also contributed to the advance of average hourly earnings. As indicated in Table 8.18 from 1971 to 1976 average hourly earnings rose by 83.2% in mining, by 82.7% in construction and by 75.6% in manufacturing. During the same period, average weekly hours declined by 0.2% in mining, 0.8% in construction and 2.6% in manufacturing. Comparing 1976 to 1975 average hourly earnings increased by 15.3% in construction, by 13.8% in manufacturing and by 13.7% in mining; weekly hours decreased by 0.3% in construction and increased by 0.3% in manufacturing and by 0.8% in mining. Table 8.19 presents average weekly hours and hourly earnings in specified industries and selected urban areas for 1974-76.

8.3.2 Estimates of labour income

Labour income, comprising wages and salaries and supplementary labour income, is defined as all compensation paid to employees residing in Canada. By definition this includes Canadians who are employed abroad by the federal government. Not included are earnings received by self-employed persons such as independent professionals, proprietors of unincorporated businesses and farmers. Military pay and allowances which fit the definition of labour income are also excluded because they are shown as a separate item in the national income accounts.

Wages and salaries include directors fees, bonuses, commissions, gratuities, income in kind, taxable allowances and retroactive wage payments. Wages and salaries are estimated on a gross basis, before deductions for employees contributions to income tax, unemployment insurance and pension funds. Remuneration accumulating over time, for example, retroactive payments, are accounted for in the month and year in which they are paid.

Supplementary labour income, defined as payments made by employers for the future benefit of their employees, comprises employers contributions to employee welfare and pension funds, worker compensation funds and unemployment insurance.

Estimates of labour income based on the 1948 SIC have been released for the years 1926 to 1969. Data based on the 1960 SIC were first published in 1969 covering the period 1951 to 1968. These estimates were projected to the end of 1971. The entire series 1951 to 1971 has been revised and carried back to 1947 on the 1960 SIC.

8.3.3 Employer labour costs

The labour cost survey is designed to provide information on the composition of total employee compensation and to measure significance of fringe benefits. In Canada, as in most industrialized countries, there is an increasing awareness by employers, employees, labour unions and governments of the growing importance of fringe benefits. In a general way, the benefits comprise a wide variety of direct and indirect costs for non-wage items incurred by employers on behalf of their employees. At present the labour cost survey is limited to employer expenditures which comprise employee compensation — wages and salaries, additional cash payments, such as