

Q. How have been the base salary increases for Newfoundland Power's Engineering, Professional and Managerial Employee Salary increases from 2000 to 2012 and how have the increases compared with the annual inflation rate?

A. Table 1 provides Newfoundland Power's Engineering, Professional and Managerial employees' average base salary increase expressed as a percentage for the period 2000 to 2014F compared to the annual inflation rate for Newfoundland.¹

Table 1
Engineering, Professional and Managerial Employee
Salary Increases Compared to Inflation
2000 to 2014F

Year	Average Salary Increase² (%)	Inflation (%)
2000	3.6	6.2
2001	4.6	5.1
2002	4.0	2.1
2003	4.2	2.8
2004	3.3	-0.1
2005	3.1	4.0
2006	3.6	4.9
2007	3.6	6.9
2008	4.4	9.5
2009	4.0	3.1
2010	3.6	2.8
2011	4.4	5.4
2012	4.6	4.4
2013F ³	4.0	2.7
2014F ³	4.0	3.0

¹ There is no authoritative indicator of labour inflation for Newfoundland and Labrador. The inflation rate used in this response is the labour inflation rate for Newfoundland and Labrador as measured by Annual Weekly Wages, Industrial Composite as reported by the Conference Board of Canada, February 02, 2012.

² Percentage increase is calculated based on total year-end salaries.

³ Newfoundland Power bases its managerial compensation design on market data. Market projections are not yet available for 2013 or 2014. A 4% increase is forecast for this group for 2013 and 2014.