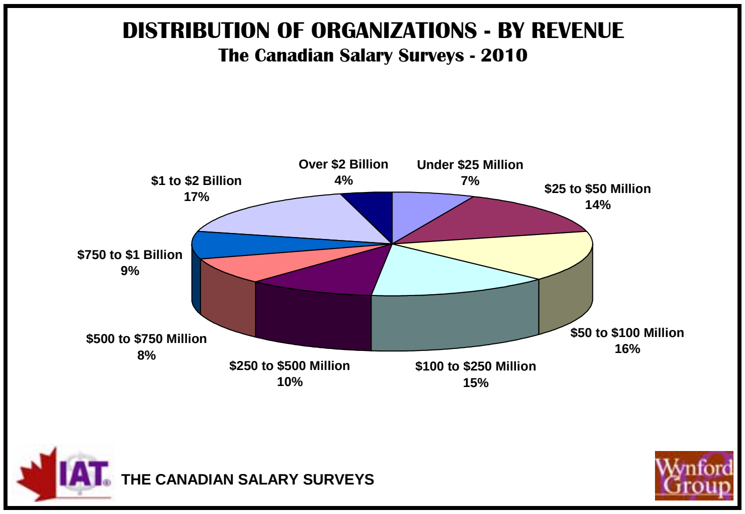
THE CANADIAN SALARY SURVEYS - IAT® REPORT

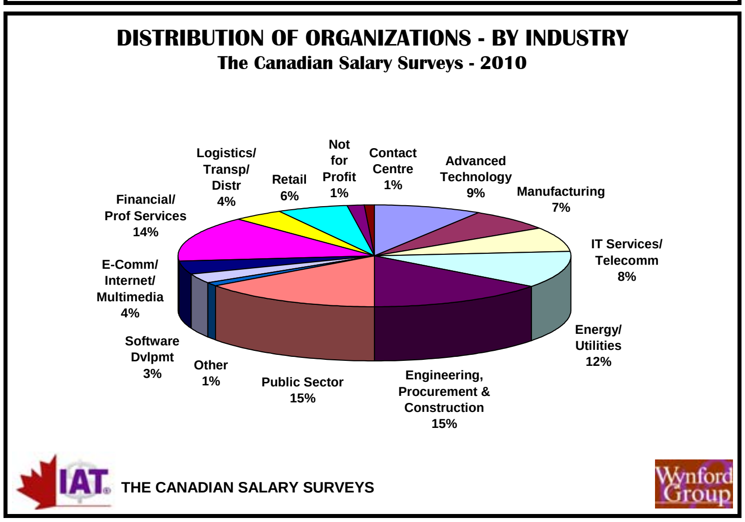
COMPENSATION & EMPLOYMENT PRACTICES

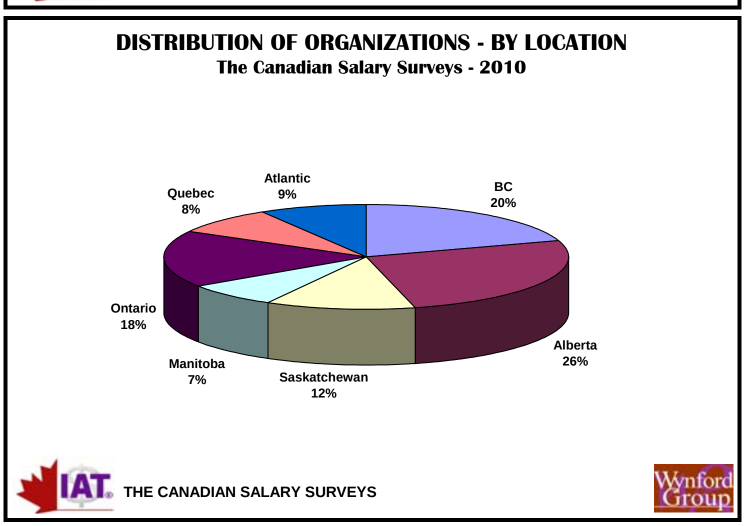
EXECUTIVE SUMMARY - FALL 2010

The 2010 Canadian Salary Surveys include data from over 250 organizations with the following distribution:

Distribution Report







COMPENSATION - POLICY & STRATEGY

Base Salary Adjustments in 2010

- The 2010 Actual Base Salary Adjustment (based upon satisfactory performance) was **2.68%** (includes 0's) and **2.99%** (excludes 0's).
- The 2010 National Average Salary Budget Adjustment was **1.90%** (includes 0's) and **2.50%** (excludes 0's).
- **14.61%** of organizations indicated a redesign of Base Salary.

2011 Projected Adjustments

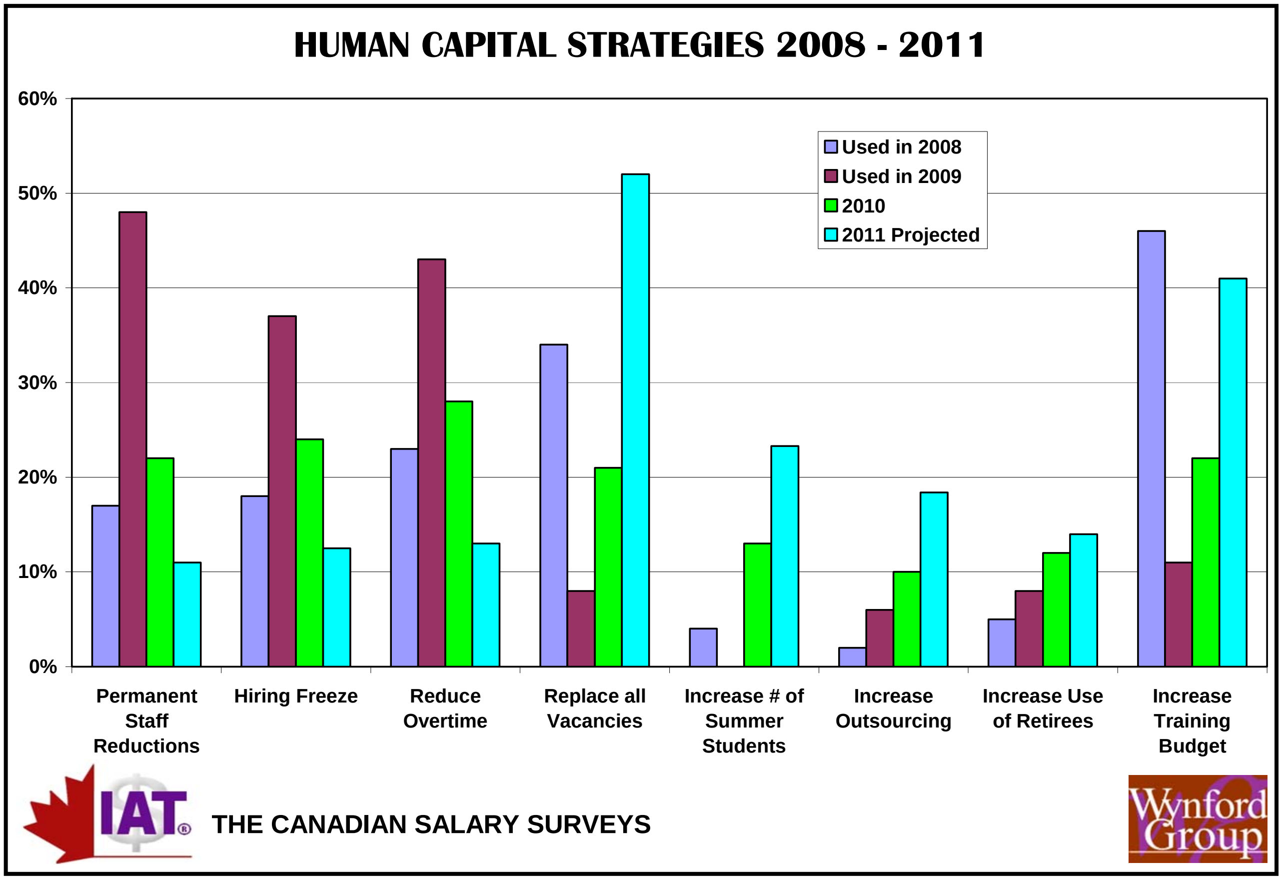
- Projected Average Base Salary Adjustment for 2011 (as of June 30, 2010) is **2.64%** (includes 0's) which is up from last year's projection of 2.53%. The highest average projected increase is in Saskatchewan at **3.0%** (includes 0's).
- The National Average Projected Range Adjustment (as of June 30, 2010) is **2.4%** (includes 0's).
- The highest Projected Average Base Salary Adjustment for 2011 (as of June 30, 2010) by industry is the Energy/Utility Sector at **3.09%** (including 0's). The lowest projected increase is the Retail Sector at **2.5%** (includes 0's).
- As of November 2010, the National Average Projected Adjustments have been adjusted to the following values:
  - Base Salary: **2.73%**
  - Salary Range: **2.15%**

Regional Differences

Highest Average Salaries Ranked Nationally:

1. Calgary
2. Toronto
3. Vancouver
4. Edmonton
5. Montreal

HUMAN CAPITAL DEPLOYMENT



The above chart identifies the major changes in the use of Human Capital strategies from 2008 through 2010.

- 2010 and projected 2011data illustrates that we are **"***Back in Business***"** as the reduction of cost containment strategies used during the recession are in significant decline. The following lead indicators foreshadow expected business growth:
  - Limited number of organizations expecting further staff reductions and layoffs.
  - Significant increase in the number of organizations expecting to replace all vacancies rather than just critical jobs.
  - Increase in number of organizations that are expecting to increase their training budgets.
  - More organizations hiring summer students.
- New trends include:
  - Increased use of retirees to increase access to flexible employee pool.
  - Increased outsourcing of some services such as help-desk and transactional HR services.

Contractors

- **58%** of reporting participants indicated they utilize contractors.

Benefits

- Of the total cost of benefits, the Employer currently pays an average of **77.24%**.
- **78.49%** of participants reported no projected change from 2010 to 2011.
- **72.04%** of participants allow employees to purchase additional benefits or coverage.
- Participants indicated the benefit budget is on average **16.23%** of the base salary budget.
- **30.23%** of participants indicated they offer a flexible benefit plan to employees.
- **62.65%** of participants are offering health-spending accounts.

INCENTIVE PROGRAMS

Short - Term Incentives

- **75.89%** of the respondents indicated that they had a short-term incentive plan in place.
- **85.88%** of the organizations that have a short-term incentive program in place had indicated they do not include this compensation in the base for benefits calculations.

Long - Term Incentives

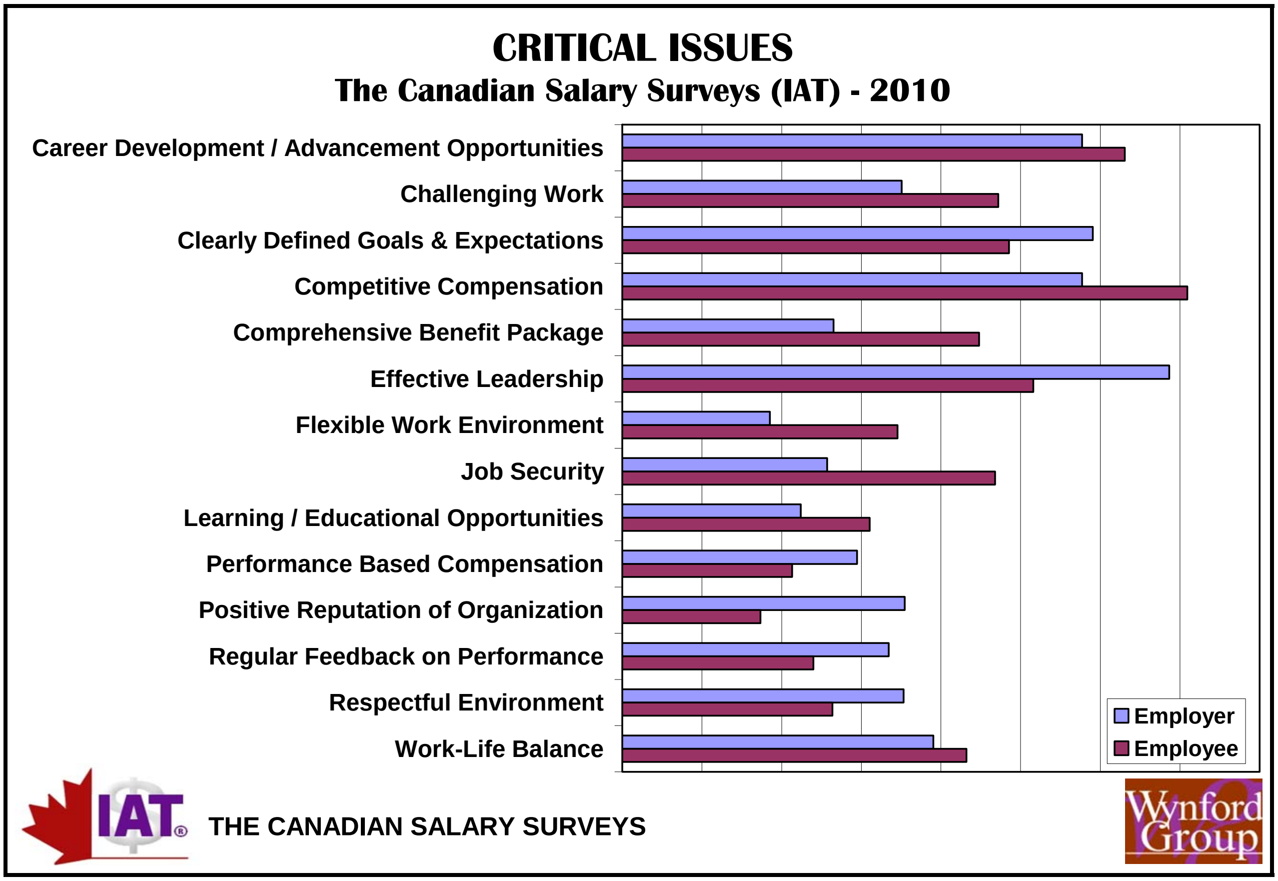
- **34%** of the respondents indicated they provide long-term incentives.
- **60%** of reporting respondents indicated if performance criteria are not achieved the unvested portions are forfeited.

ATTRACTION & RETENTION PRACTICES

Cash Based Attraction & Retention Practices

- **62.87%** of the organizations currently use a special attraction or retention program.
- The percentage of organizations using Education Subsidies is **62%** which is up from last years 60%.
- Retention bonuses have increased to **12%** this year from 10% last year.

CRITICAL ISSUES



BENCHMARKING INDICATORS

Learning and Development Opportunities

- **37%** of organizations indicated they have a formal Learning & Development Policy.

Training Budgets

All Employees	2009	2010
Number of days per employee	12.11 Days	12.53 Days
Annual budget per employee	$1329	$1441
Total group budget as a % of total base salary budget	2.49%	3.49%

Turnover

- The 2010 involuntary turnover for all organizations is **6.22%** which is down from last years figure of 9.91%

The Wynford Group Consulting Services

National Compensation Surveys

- Technical
- Professional & Administrative
- Contact Centre
- Executive & Director
- Supply Chain & Manufacturing

Other Major Surveys

- Construction Salary Survey
- Human Capital Benchmarking Survey

Compensation & Total Rewards

- Individual and job family market pricing
- Custom surveys to market price against specific comparators
- Interpretation of market survey data
- Market review and development of salary ranges
- Review and redesign of incentive programs
- Executive and Board compensation

HR Infrastructure

- HR Audits and Process mapping
- Integrated HR program development
- Performance management system review redesign
- Job classification review and redesign
- Communications to employees
- Web-based Software tools

If you would like more information on this summary or Wynford Group services, please contact:

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