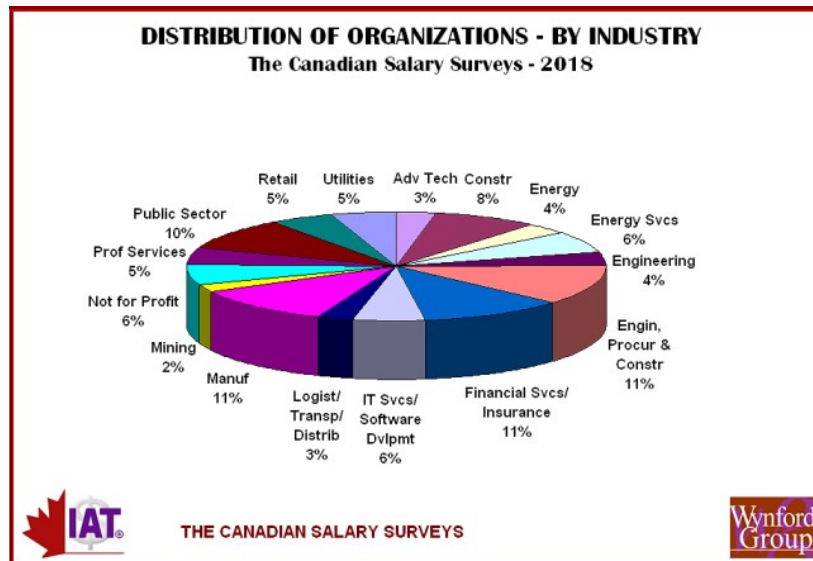
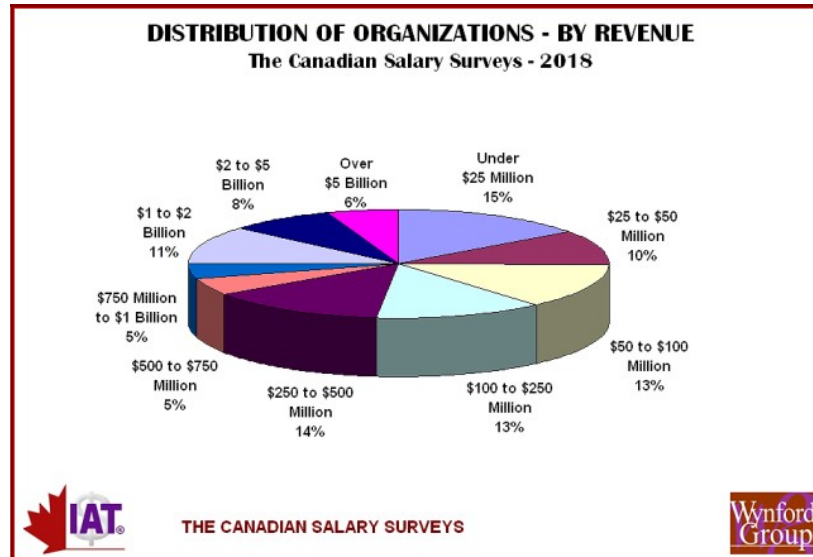


# THE CANADIAN SALARY SURVEYS - IAT® - REPORT

## COMPENSATION & EMPLOYMENT PRACTICES

### EXECUTIVE SUMMARY - FALL 2018

The 2018 Canadian Salary Surveys include data from over 250 organizations with the following distribution:



# THE CANADIAN SALARY SURVEYS - IAT® - REPORT

## Compensation & Employment Practices - Executive Summary – Fall 2018

### ECONOMIC ENVIRONMENT

- **41%** of participants indicated they expected growth in the economic environment for their organization over the next six months and **49%** indicated unchanged.

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## COMPENSATION – POLICY & STRATEGY

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### Market Pay / Target Market Compensation

- **66.67%** of reporting participants indicated they have a Market Pay/Target Market compensation policy.
- **96.47%** have not revised the policy for 2018.
- The average Base Salary Percentile used by respondents is **52.22%**.
- The average Total Cash Percentile used by respondents is **55.48%**.

### Base Salary Adjustments in 2018

- **80%** of participants indicated providing a total salary budget adjustment (including range adjustment, merit and general increases/decreases, but not promotional increases) in 2018.
- The 2018 national average salary range adjustment is **2.00%**.
- The 2018 actual base salary adjustment (based upon satisfactory performance) is **2.50%** (includes 0's).
- The highest average increases were in BC at **2.68%**, followed by Quebec at **2.62%**, and Ontario at **2.69%**, with Manitoba at **2.50%** and Alberta at **2.42%** (includes 0's).
- The highest projected average base salary increase for 2019 by industry is the Advanced Technology and Software Development sectors at **3.00%**, followed by Professional Development at **2.65%** and Energy Services at **2.55%** (includes 0's).
- The lowest projected average base salary increase for 2019 by industry is the Engineering, Procurement & Construction and Construction Sectors at **2.20%**, IT Services/Telecommunications at **2.15%** and Public Sector at **1.70%** (includes 0's).
- **77.60%** of organizations indicated their performance system is tied directly to base salary increases.
- **15.76%** of organizations indicated a redesign of base salary.

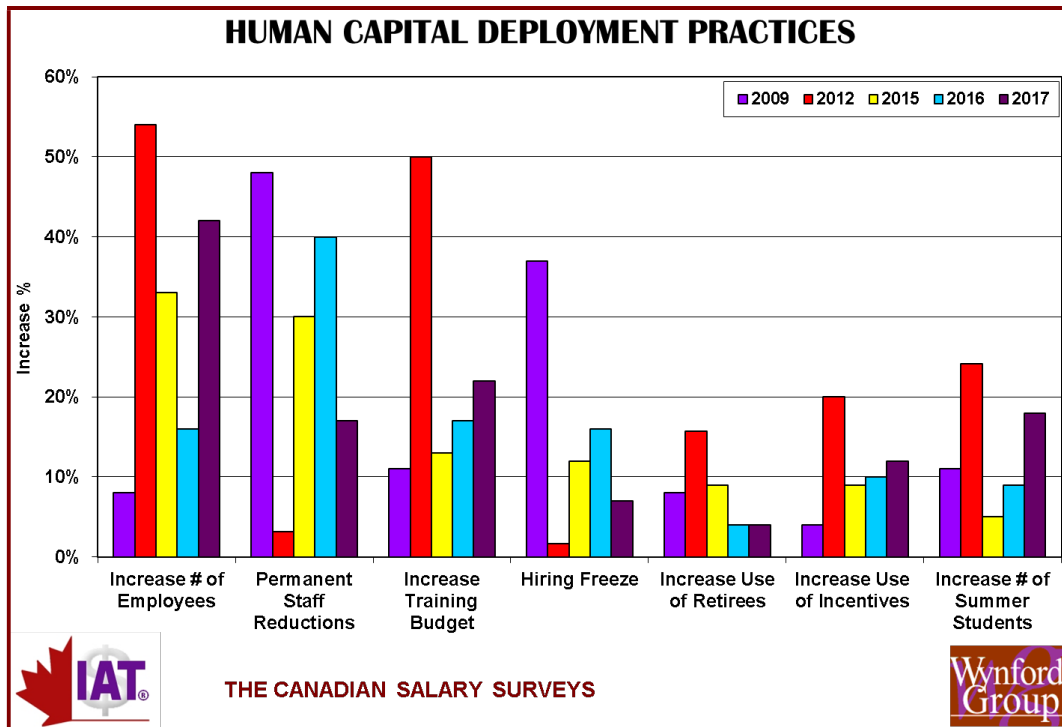
### Regional Differences

- Highest average salaries ranked nationally are:
  1. Northern AB
  2. Calgary
  3. Toronto
  4. Edmonton
  5. Vancouver
  6. Ottawa/Hull
  7. Montreal
  8. Regina/Saskatoon
  9. Southern Ontario
  10. Winnipeg
  11. Halifax

**HUMAN CAPITAL DEPLOYMENT**

The following chart indicates that our country has overcome the worst of the most recent recession, which peaked in 2016. The factors that are particularly indicative of a more stable and a positive economy include:

- Large Increase in hiring of employees and more limited staff reductions, although there may still be some adjustments to specific employee groups as organizations determine the skills required for future endeavors.
- Continuing increases in training budget and numbers of summer students and new grads are predictive indicators of positive industry and economic growth.
- The continuing increase in use of incentives, suggests a trend to pay for performance and more closely manage base pay costs.



**Top Human Capital Challenges**

Rank	Human Resource Issue
1.	Leadership Development
2.	Retaining Key Talent
3.	Attract Top Talent
4.	Keep Employees Productive & Engaged
5.	Assess Competency/Skill Gaps

## THE CANADIAN SALARY SURVEYS - IAT® - REPORT

### Compensation & Employment Practices - Executive Summary – Fall 2018

#### Benefits

- Of the total cost of benefits, the Employer currently pays an average of **78.19%**.
- **75.69%** of participants reported no change in the percentage paid from 2017 to 2018.
- **72.22%** of participants reported no projected change from 2018 to 2019.
- **72.08%** of participants allow employees to purchase additional benefits or coverage.
- Participants indicated the benefit budget is on average **15.90%** of the base salary budget.
- **6.19%** of participants provide the supporting of retirees pension (and benefits).
- Participants indicated the benefit budget of supporting retirees' pension (and benefits) is on average **6.08%** of the base salary budget.

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## INCENTIVE PROGRAMS

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#### Short-Term Incentive Plans

- **77.78%** of respondents indicated they had a short-term incentive plan in place.
- **96.08%** of organizations that have a short-term incentive program in place indicated they do not include this compensation in the base for benefits calculations.

#### Long-Term Incentive Plans (LTIPs)

- **33%** participants indicated they provide long-term incentives.
- LTIPs are most commonly provided in the following forms:
  - Stock options
  - Restricted Share Units
  - Performance Share Units

#### Employee Share Purchase Plans

- **13.5%** of survey participants indicated they provide an Employee Share Ownership Plan, (down from 18.75% in 2017).

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## ATTRACTION & RETENTION PRACTICES

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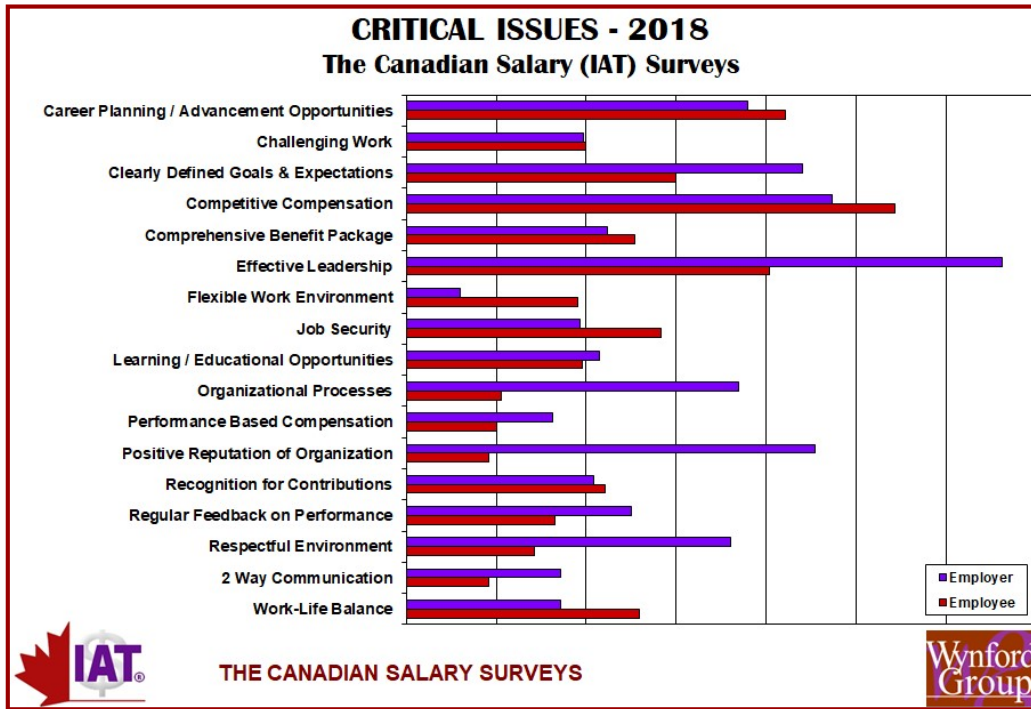
#### Cash Based Attraction & Retention Practices

- **70%** of organizations currently use a special attraction or retention program.
- The percentage of organizations using Employee Referral Bonuses is **63%**, (down from 68% in 2017).
- The percentage of organizations using Education Subsidies is **67%**, (up from 65% in 2017).

**THE CANADIAN SALARY SURVEYS - IAT® - REPORT**

**Compensation & Employment Practices - Executive Summary – Fall 2018**

**CRITICAL ISSUES**



**BENCHMARKING INDICATORS**

**Turnover**

- The 2018 involuntary turnover for all organizations is **3.54%**.

**Learning and Development Opportunities**

- **32%** of organizations indicated they have a formal Learning & Development Policy.

**Training Budgets**

<b>All Employees</b>	<b>2018</b>	<b>2017</b>
Average # of Days / Employee	2.68 days	3.37 days
Average Annual Budget / Employee	\$1,187	\$1,290
Average Group Budget (% of Base Salary Budget)	4.3%	3.4%

The Wynford Group offers a complete range of services that vary from single-position market pricing to complete rebuilding of compensation programs. Organizations of all sizes and industries choose Wynford to help successfully harness the full talents of their people. Our services include:

## **National Compensation Surveys**

- Technical
- Professional & Administrative
- Contact Centre
- Executive
- Supply Chain & Manufacturing
- Construction
- Mining
- Architecture
- Geomatics
- Small Business

## **Compensation & Total Rewards Consulting**

- Individual and job family market pricing
- Custom surveys to market price against specific comparators
- Market review and development of salary ranges
- Review and redesign of incentive programs
- Executive Compensation
- Outsourced Compensation Management

## **HR Infrastructure**

- *HR Konnectz* - Online role profile builder and web-based accountability banding
- Human capital benchmarking and analysis
- Performance management system review redesign
- Integrated HR program development
- Communication to employees

### **CONTACT US**

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