

Holiday Celebration Survey

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Canadian employers are in a festive mood this holiday season!

Organizations are throwing a party and providing employees with time off that goes above and beyond the required statutory holidays. They are also feeling charitable as many organizations are making donations to various charities or causes. However, the traditional “Christmas Bonus” is again on the decline with only one-in-ten organizations providing cash bonuses this holiday season.

Each year, there are questions regarding what other employers are doing for employees over the holiday season. As in other aspects of total rewards, employers want to remain competitive. However, are these holiday celebrations improving staff morale, appreciated by staff, helpful in attraction and retention or are some not achieving their objectives and viewed as an entitlement by employees?

In November 2016, Western Compensation & Benefits Consultants (“WCBC”) surveyed 142 Canadian employers on how they expect to celebrate the holidays with their employees.

The Holiday Party

A large majority of Canadian employers (96%) celebrate the holiday season with their employees by having a holiday party. The typical organization pays 100% of the costs for staff and a guest to attend a dinner that includes door prizing/raffles, entertainment and dancing. The parties typically include alcohol and a taxi ride home. Most employers pay 100% of the costs associated with the holiday party, with the tab being paid by 86% of private sector companies, 75% of not-for-profit organization and 62% of public sector employers.

While private sector companies tend to spend a little more than public sector or not-for-profits, organizations typically spend between \$50 to \$100 per person on food, drink, transportation, rental of the facility, etc.

Canadian employers feel that the expenditure on the holiday party is worth it. Ninety-six percent of organizations feel that the event is appreciated by staff and 77% find it a tool for improving staff morale. To a much lesser degree 23% of organizations even feel the holiday party is helpful in attracting and retaining staff. Eighteen percent felt that while employees appreciate the holiday party it is viewed as an entitlement.

96%

of Canadian employers
celebrate the holiday season
with their employees by
having a holiday party

Time Off


Typically, organizations allow employees to leave early on Christmas Eve. In 2016, Christmas Eve falls on a Saturday yet 72% of employers will still be closing early on Friday December 23rd.

Not-for-profit employers are most likely to reward employees with some additional days off over the holiday season with 59% closing operations on some or all days between Christmas and New Year's Day.

In contrast, the majority (66%) of private sector employers operate as business as usual on all days between Christmas and New Year's Day. In the 34% of private sector companies that do provide some additional time off, 21% of the employees must use their vacation days to cover any office closure while in 13% employees are given the additional time off. In companies where employees are required to use their vacation days, 21% of companies advise that some employees have complained about not having an option but the majority (79%) of the companies feel that most of their employees don't mind.

Ninety percent of organizations feel that employees appreciate the extra time off, 65% feel the practice of giving time off over the holidays improves staff morale and 33% of organizations think it is helpful in attraction and retention. Just under one-third (31%) feel that the additional time off is viewed as an entitlement by employees.

65%
of Canadian employers
believe giving time
off over the holidays
improves staff
morale

A woman with blonde hair, wearing a red hat with a large red flower and red gloves, is blowing a stream of colorful confetti. The background is a soft-focus bokeh of light and color.

36%

of employers give
staff a gift at holiday
time

Holiday Gifts

Just over one-third (36%) of organizations show appreciation to employees by giving a gift at holiday time. Gift certificates are popular as are corporate logo items, candies, chocolates and electronic items. The value of the gift tends to be under \$100 while there are a handful of employers (9%) who expect to give gifts of more than \$250 per employee.

Ninety-one percent of organizations feel that employees appreciate the gesture, 46% feel it improves staff morale and 17% think it is helpful in attraction and retention.

Twenty-two percent of organizations feel that employee view the holiday gift as an entitlement. One company noted: *“We would prefer our rewards be based on performance, however, the gift is a tradition and it is hard to change it.”*

Charitable Giving

Overall, Canadian employers are charitable at holiday time. Sixty-one percent of organizations regularly participate in charitable events over the holidays. Activities cover a wide range of charities and causes but collecting donations for local food banks is the most common charitable activity with just under three-quarters of organizations doing so. One half of the organizations surveyed make cash donations to charities. Other popular charitable activities include collecting clothing donations such as Coats-for-Kids, donations for the toy bank and/or sponsoring a family or similar type program.

61%
of organizations
regularly participate in
charitable events over
the holidays

Holiday Bonus

The tradition of companies paying a “Christmas” bonus has declined over the years. This year only 11% of companies reported regularly giving employees a cash bonus at holiday time. This is down 9% from last year.

Only 7% of public sector employers, 16% of private sector companies and 25% of not-for-profit organizations pay a “Christmas” bonus to their staff. The bonus is typically between \$100 and \$300.

Not surprisingly, the majority (92%) of employers which provide cash bonuses feel that employees appreciate the extra cash at holiday time and 68% feel it improves staff morale. To a much lesser degree 36% feel it is helpful in their attraction and retention endeavours. Approximately 1-in-3 companies feel that the practice of giving holiday cash bonuses was viewed by employees as an entitlement. In this regard, one company stated *“We have been paying Christmas bonuses for so long that most staff do see it as an entitlement at this point”*.

