Holiday Celebration

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WCBC Western Compensation & Benefits Consultants

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.

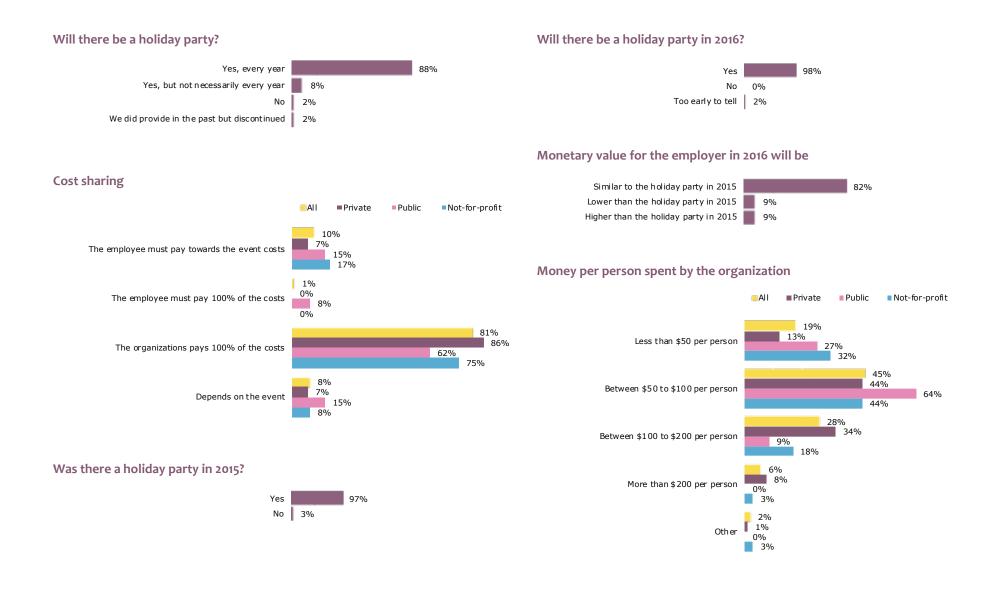
While private sector companies tend to spend a little more than public sector or not-for-profits, organizations typically spend between \$50 to \$100 per person on food, drink, transportation, rental of the facility, etc.

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.

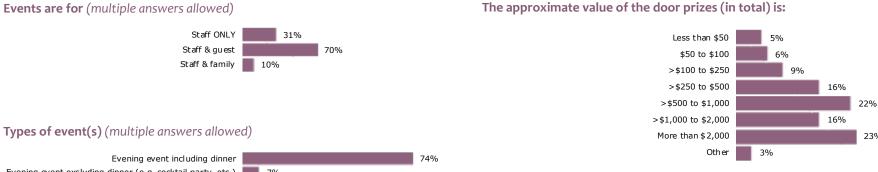
96%

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

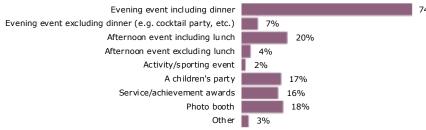
The Holiday Party



The Holiday Party



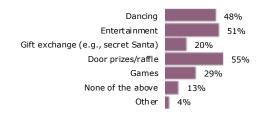
Types of event(s) (multiple answers allowed)



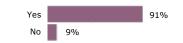
Venues (multiple answers allowed)



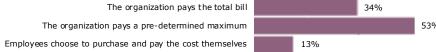
The holiday party(s) includes (multiple answers allowed)



Is alcohol available at any of the holiday party(s)?



Who pays for the alcohol?

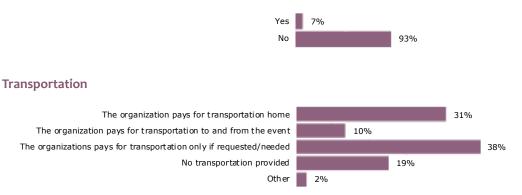


53%

23%

The Holiday Party

Have there been negative consequences from serving alcohol at the holiday event?



The practice of providing a holiday party(s) is (multiple answers allowed)



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.

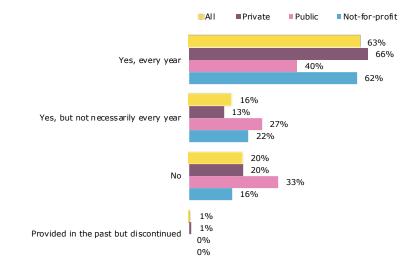


of Canadian employers believe giving time off over the holidays improves staff morale

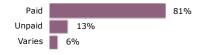
Ninety percent of organizations feel that employees appreciate the extra time off, 65% feel the practice of giving time off over the holidays improves staff morale and 33% of organizations think it is helpful in attraction and retention. Just under one-third (31%) feel that the additional time off is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

Time Off

Do organizations give additional time off over the holiday season?



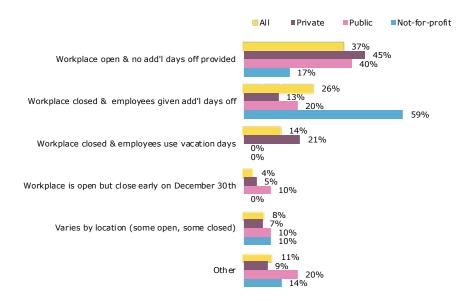
Is additional time off paid or unpaid?



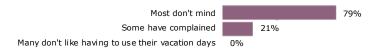
Hours of operation on Friday, December 23



Additional days off on December 28, 29 and/or 30



Are employees resentful of having to use vacation days if the office is closed?



The practice of giving additional time off over the holiday season is (multiple answers allowed)



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.

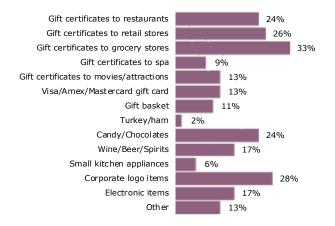
Twenty-two percent of organizations feel that employee view the holiday gift as an entitlement. One company noted: "We would prefer our rewards be based on performance, however, the gift is a tradition and it is hard to change it."

Holiday Gifts

Does your organization give employees a holiday gift?



Types of gifts given (multiple answers allowed)



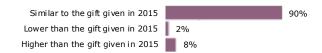
Did employees receive a holiday gift in 2015?



Will employees receive a holiday gift in 2016?



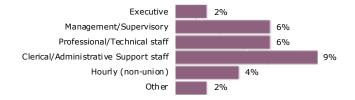
Monetary value of the gift in 2016



Are all staff eligible for a holiday gift?

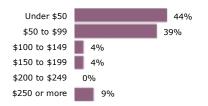


If no, employee group(s) eligible for a holiday gift (multiple answers allowed)



Holiday Gifts

Average or typical amount spent on a gift per employee



The practice of providing a holiday gift is (multiple answers allowed)



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.

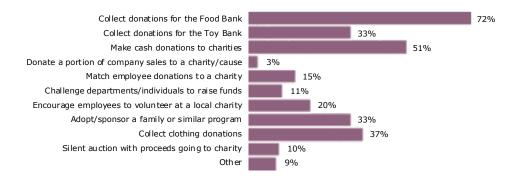
of organizations regularly participate in charitable events over the holidays

Charitable Activities

Does your organization participate in charitable events over the holidays?



If so, what types of charitable activities (multiple answers allowed)



The practice of participating in charitable activities is (multiple answers allowed)



Holiday Bonus

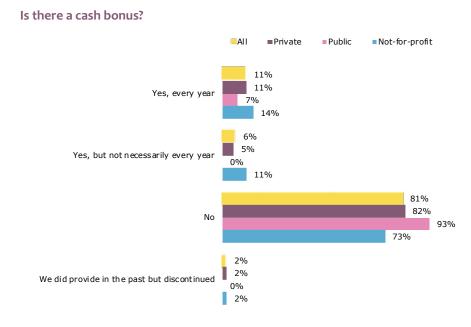
The tradition of companies paying a "Christmas" bonus has declined over the years. This year only 11% of companies reported regularly giving employees a cash bonus at holiday time. This is down 9% from last year.

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".



Holiday Bonus



Did employees receive a holiday bonus in 2015?

Yes 96% No 4%

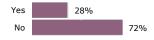
Will employees receive a holiday bonus in 2016?



Amount of holiday bonus to be paid in 2016



Does length of service (seniority) affect the amount of the holiday bonus?



Holiday Bonus

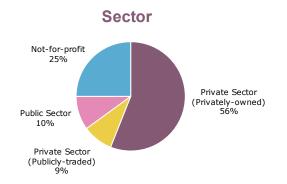
Average, or typical amount paid to each employee



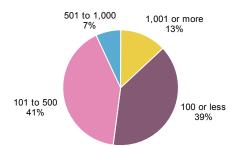
The practice of giving holiday cash bonuses is (multiple answers allowed)



Survey Participants



Number of Employees



2Paths Solutions Ltd. Access Credit Union ACQBUILT Inc. Adecco Canada Inc. AG Hair Air France KLM Canada Airport Terminal Services Alberta Children's Hospital Alberta Medical Association Alberta Teachers' Retirement Fund AMEC Foster Wheeler Ltd. Arthon Industries Limited Aspac Developments Assiniboine Credit Union Associated Engineering Group Ltd. Association of BC Forest Professionals Battle River Treaty 6 Health Centre Inc. **BC** Construction Association BC Public School Employers' Association Bishop & McKenzie LLP BlueShore Financial Credit Union Bosa Properties Inc. Bouthillette Parizeau & Associes Inc. **BrettYoung Seeds** Brian Jessel BMW Brick Group (The) Calgary Co-operative Association Limited Canada Metal Pacific Limited Canadian Dental Association

Canadian International Grains Institute Carlson Construction Group Cascade Aerospace Inc. Cascades Recovery Inc. Chartered Professional Accountants of BC Chevron Canada Limited CIMA+ City of Edmonton City of Maple Ridge Clifton Associates Ltd. College of Dental Hygienists of BC College of Pharmacists of BC College of Physicians & Surgeons of Alberta College of Physicians & Surgeons of BC College of Registered Nurses of BC Communitech Concord Pacific Developments Inc. Concord Sales Ltd. Cornerstone Credit Union COWI North America Ltd. DIALOG Doctors of BC Down Syndrome Research Foundation Dyna Holdings LP **EaglePicher Energy Technologies** Encorp Pacific (Canada) Energy+ Inc. Enns Brothers Ltd. Eramosa Engineering Inc.

Survey Participants (cont'd)

Family Services of the North Shore **FIRMA Foreign Exchange** Flair Airlines Ltd. Gateway Property Management Corporation Goodmen Roofing Great Canadian Gaming Corporation Group2 Architecture Interior Design Ltd. Grouse Mountain Resort Halifax Port Authority Heritage Pointe Properites Inc. HomeFront Society for the Prevention of Domestic Violence Horizon Distributors Ltd. Information Services Corporation Insurance Brokers Association of BC Insurance Corporation of BC Interior Savings Credit Union IPAC Chemicals Ltd. Irwin & Billings Insurance Brokers Kerr Wood Leidal Associates Limited Killam Properties Inc. Land Title and Survey Authority of British Columbia Law Society of BC Lawson Lundell LLP LEA Consulting Ltd. Ledcor Group of Companies Lynden International Logistics Co. MacKenzie Fujisawa LLP

Manitoba Blue Cross

Many Nations Financial Services Ltd. Mayfair Diagnostics McInnis & Holloway Funeral Home Ltd. Monarch Industries Ltd. Morrison Hershfield Limited Neptune Bulk Terminals (Canada) Ltd. New Car Dealers Association of BC Nintendo of Canada Ltd. North Ridge Development Corporation OceanWorks International Corporation OK Tire Stores Inc. **Ontario Securities Commission** Opus Stewart Weir Ltd. Pacific Coast Terminals Co. Ltd. Peterson Group Properties (Canada) Inc. PH Molds Limited Porter Airlines Inc. Prince Rupert Port Authority Protec Dental Laboratories Ltd. Pryke Lambert Leathley Russell LLP Pushor Mitchell LLP Quorex Construction Services Ltd. **R.V.** Anderson Associates Limited **RANA Respiratory Care Group RC Pet Products Ready Engineering Corporation** Real Estate Board of Greater Vancouver **RHC Insurance Brokers**

Ridley Terminals Inc. **Riversdale Resources** Salt Spring Coffee Saskatchewan Association Of Health Organizations School District No. 37 (Delta) Seaspan ULC SLR Consulting (Canada) Ltd. Southridge School Spectrum Society for Community Living Stantec Consulting Ltd. Teshmont Consultants LP Tetra Tech EBA Inc. Thompson-Nicola Regional District Triton Environmental Consultants Ltd. UAP Inc. **UBC** Properties Trust University of Manitoba Urban Systems Ltd. Vancouver Aquarium Marine Science Centre Vancouver Island Real Estate Board VersaBank Wakefield Canada Inc. Wavefront Wireless Commercialization Centre West End Business Improvement Zone WorleyParsons Canada Services Ltd. YMCA-YWCA of Winnipeg Zaber Technologies Inc.