



Salaries Expected to Rise in 2007: Mercer

The average Canadian salary is expected to rise 3.7% in 2007 due to a robust Western Canadian economy and concern for attracting and retaining the most productive employees, according to results of the Mercer Human Resource Consulting 2007 Canadian Compensation Planning Survey.

The findings are based on data from 409 organizations, which represent more than 2.1 million unionized and non-unionized employees in Canada.

"Oil and gas and petrochemical industries, mainly located in Alberta and accounting for nearly 10% of all respondents, are projecting a 5.6% average salary increase," said Iain Morris, principal at Mercer. "This projection is considerably higher than in other industries, so it exerts a strong upward pull on the national average."

Without the western energy industries, the projected national average salary

increase would have been closer to 3.5%.

The so-called 'Alberta effect' will likely have a long-term impact on compensation nationally. Employers are also looking at other ways than increasing salaries to attract and retain people.

Signing bonuses are used very often for those employed in

sales, IT, engineering and accounting occupations. "More aggressive pay increases and spot cash awards are also employed more frequently here," he said, "because these specialized skills are harder to find, and employers are putting greater emphasis on attracting and retaining them."



Employee Communication Linked to Financial Performance

Sponsors of defined contribution (DC) plans have even more reason to ensure their communication programs are up to snuff. Companies that communicate effectively with their workers financially outperform those that do not, according to a study of Canadian and U.S. employers by consulting firm Watson Wyatt Worldwide.

Watson Wyatt's 2005/2006 Communication ROI Study found that between 2000 and 2004, companies with the most effective communication programs returned 57% more to their shareholders than companies with the least effective communication programs.

"The results confirm that communication is a critical element in creating successful business results," says Kathryn Yates, global director of

communication consulting with Watson Wyatt. "The more effectively a company communicates with its employees, the better off its shareholders will be."

The study also found that a significant improvement in communication effectiveness is associated with a nearly 20% increase in a company's market value.

Other key findings from the survey include:

Companies with high levels of communication effectiveness were 20% more likely to report lower turnover rates than their competitors.

Three-quarters of all respondents increased their use of electronic communication over the previous two years, while 30% decreased the use of print communication.

On average, firms within the financial and retail trade sectors rank among the most effective communicators. Healthcare, basic materials, telecommunications and most other service companies rank among the least effective communicators.

Plan Members Know They Have a Good Thing: Sanofi-aventis

Canadian employers deserve to pat themselves on the back for taking good care of their employees.

As much as 63% of employees who took part in 2006 sanofi-aventis Healthcare Survey said their employer-sponsored health benefits plans meet their needs "extremely well" or "very well." That's good news for plan sponsors, especially since that level has increased from 56% last year. It's also the highest rate of satisfied employees since 2002, when it was 65%. The addition of more choice in employee

plan designs and coverage levels, the convenience of drug cards and online dental claim submissions, improved service delivery and lower cost increases are likely among the reasons for the improvement.

Another piece of good news is that given the choice between receiving \$15,000 in cash every year or keeping their health benefits plans, a whopping 63% of survey respondents chose the latter, solidifying the notion that employees value their private health coverage.



Healthcare Consumerism a Growing Trend: Sanofi-aventis

Employees want more choice in their healthcare benefits and are willing to pay for it.

The trend toward accepting more personal responsibility for healthcare management is a growing trend—also known as healthcare consumerism—among benefits plan members says The sanofi-aventis Healthcare Survey 2006 edition. The Survey first investigated the issue in last year's report. This year, the report's findings indicate:

- 61% of respondents say that when it comes to their personal health

care they first do their own research, as well as consult with their doctor, and some solicit a second opinion.

- Only 39% of respondents say that when it comes to their healthcare they rely on their doctor's advice, seldom questioning it.

What employees want:

- Benefits plan members again this year endorse the value of employer-supplied educational support services. Employee assistance programs (EAPs), those

offering help with stress management, substance abuse, eldercare and children, are a priority for 79% of respondents.

- Education programs that focus on conditions such as high blood pressure, heart disease, cancer, diabetes, asthma or obesity are a priority for 77% of respondents.
- And almost two-thirds (63%) believe providing coverage for cutting-edge drugs should be a priority for an employer.

Engagement, retention driven by employee perception of managers

In order to improve organizational success, employers must focus on the top seven drivers of employee engagement and retention, according to new research conducted by WarrenShepell.

"The report's data shows links between the presence of seven top job and workplace factors and positive employee mental health, a lower rate of turnover and satisfaction," says Rod Phillips, president and CEO of WarrenShepell. "Based on the data, for every one point increase in the pres-

ence of rewarding job and workplace features, an organization could expect a 0.5 point increase in positive mental health; and an almost equal decrease in negative mental health. This is accompanied by an even greater increase in employee satisfaction, and a marked decrease in annual turnover."

The top seven drivers include whether employees:

1. Trust senior management
2. Are asked for their ideas and opinions on important matters
3. Clearly understand the organiza-

tion's vision and strategic direction

4. Trust their supervisors
 5. Receive recognition and praise for good work
 6. Have a clear say in decisions that affect their work
 7. Perceive their supervisors as caring and considerate of their wellbeing
- "What we discovered," says Phillips "is that while business leaders may recognize the importance of the top seven factors, there is still a large gap between what employees need and what is being provided in Canadian workplaces."

Tips for a Happy Heart-healthy Life

Despite risk factors you can't change, such as family history, the way you live does make a difference to your heart. The good news: Leading a heart-healthy life doesn't have to hurt. Read on for a pain-free prescription:

1. Have some fun. "People think of exercise as something you do at the gym," says Dr. Andreas Wielgosz. "But that's just one subset of exercise." The main thing is to build some activity into your schedule most days of the week. That can mean tobogganing with your kids, strolling through the park with a friend or riding your bike to work. "Make it part of your routine," he advises.

2. Aim for abs of steel. Excess abdominal fat is the leading risk factor for heart disease and stroke, reducing the average age for a first heart attack by four to eight years. Basically, your tummy is a measure of whether you're accumulating fat that can clog up your arteries. Target a midriff of less than 40 inches for men and 35 inches for women.

3. Have sex. Sexual activity can provide heart-health emotional bonding, perhaps explaining why one study shows that having orgasms at least 100 times a year (that's twice a week) is associated with longevity. That's sex in the broader context of a loving relationship. Sexual dysfunction can be a sign of heart disease. Erections can reflect the vascular health of a man's heart.

4. Sleep tight. "The heart's gene expression is different when we are sleeping versus awake," says Heart and Stroke Foundation researcher Dr. Michael Sole. "The heart actually restructures and repairs at night."

5. Moderate your diet. Aim for fist-size portions, and don't reach for seconds. If you do, you're almost certainly eating too much.



6. Relieve the pressure. Emotional stress causes physical stress. Since you can't always lower or eliminate stress, what's important is how you compensate for it. Yoga, exercise or knitting, for example, provide healthy, pleasant ways to manage your emotions, as opposed to smoking or overeating, which can contribute to heart troubles.

7. Follow your doctor's orders. Many people are uncomfortable with taking pills 'forever' to lower their blood pressure or cholesterol. They understand the need for taking medication when they feel sick, but once they feel all right they ask, "Well, why do I have to keep taking these?" The short answer: these medications have a proven ability to stave off potentially fatal heart attacks and strokes, keeping you alive longer. Stick with the program.

health tips

Medication matters

Although used to alleviate symptoms and improve health, medications do carry some risks, known as side effects. The effects of medication can be compounded when taking more than one prescription. To reduce your risk of medication-related complications, keep a list of all the prescriptions you are taking. Be sure to include vitamins and herbal medicines, even if you only use them occasionally. Then, share this list with your pharmacist and your doctor, especially when you are being prescribed a new medicine. Your doctor or pharmacist will then be able to give you the proper medication based on your needs and your current prescription.

How's your mental health?

"One of the best ways to build and maintain healthy bones is through exercise," says Professor Helmut Minne, author of a recent report on osteoporosis. Osteoporosis is a disease characterized by deterioration of bone tissue, which leads to increased bone fragility and risk of fracture. Minne adds that improving muscle strength causes a person's bones to strengthen. He recommends that people engage in brief 'load-bearing' exercises such as walking, climbing stairs, or doing household chores to build bone health.

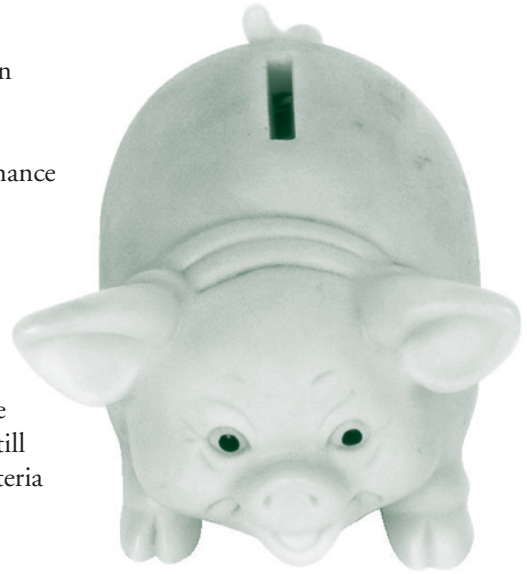
Review Finds CPP Financially Sound

A review by the federal and provincial ministers of finance shows the Canada Pension Plan (CPP) is on solid financial ground.

"Our analysis suggests that the 9.9% contribution rate will be sufficient to sustain the plan into the foreseeable future," said Jim Flaherty, minister of finance. "We have therefore agreed that the contribution rate will remain unchanged," he added. The ministers also proposed changes to how the plan operates. They include: a "full funding" provision that requires any changes to the plan's benefits be paid for in full

so that their costs are not passed on to future generations. It was also stated that the CPP Investment Board meets and/or exceeds governance practices of public and private pension plans.

A proposal was also made that any contributors with 25 or more years in the plan meet the contributory requirement for CPP disability benefits and receive some recognition for this. They would still have to meet existing disability criteria to qualify for the benefits.



Introducing Dino Costabile, Pension and Benefit Consultant

A Benefit Consultant requires impartial decision making and trustworthy attributes. As one of Bencom's Benefit and Pension Consultants, Dino's role is to build and maintain strong business relationships with our clients and partnering suppli-

ers alike. Focusing on employee Benefit and Pension needs, Bencom and our supplier relationships will assist in resolving those concerns.

His background in Actuarial Science along with 10 plus years of sales experience gives Dino the understanding

of how to combine the employer's needs with the correct product and insurance provider.

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