



Employee Benefits and Services

Why offer benefits?

- To help employees overcome the financial challenges associated with *interruptions in income* , *unexpected expenses* or to provide access to *services* that support employee morale.

- **Unexpected expenses** are typically health-related, such as:
 - Prescription drugs
 - Physiotherapy, massage therapy, psychotherapy
 - Upgrades in hospital accommodations

- **Services** provided to employees can include:
 - Access to fitness clubs
 - Meal or clothing subsidies
 - Price reductions on company products or services.

Growth of Benefits and Services in Canada

Mandatory

CPP/QPP
Employment insurance (EI)
Workers' Compensation
Holiday and Vacation
Overtime
Leave of Absence
Termination Pay
Employees assistance programs

Voluntary

Health Insurance
Life Insurance
Dental and Vision Care
Retirement and Pension Plans
Profit Sharing
Short-term/long-term Disability
Additional paid vacations/holidays

Typical interruptions in income

Risks	Solutions
Unemployment	Employment Insurance SUBs Severance payments
Illness or Injury	Workers' Compensation Short-term Disability Long-term Disability Employment Insurance CPP/QPP

Cont...

Risks	Solutions
Time Off	Statutory Holidays Annual Vacations Seniority Based Entitlements
Retirement	CPP/QPP OAS Programs GIS Programs Private Pension Plans RRSPs

Cont...

Risks	Solutions
Death	CPP/QPP Group Life Insurance
Large Expenses	Publicly Funded Health Care Supplemental Health Insurance
Work/Life Balance	Wellness Programs EAPs

Pension Plans: Two Types

Defined Benefit Pension Plan

contains a formula for determining retirement benefits

Defined Contribution Pension Plan

employer's contribution to the employees' retirement fund is specified

Cont...

Basic Terminology

Key Terms and Concepts

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graph TD; A[Key Terms and Concepts] --> B[Contributions]; A --> C[Coinsurance]; A --> D[Deductible]; A --> E[Flexible or Cafeteria Benefits];
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Contributions

Coinsurance

Deductible

**Flexible or
Cafeteria Benefits**

Benefits Administration

Outsourcing

Communication (especially pension)

Use of technology

Communicating Total Rewards

- Comprehensive communication strategy
- Management & Employee involvement
- Combine several media

