

Chapter 11 - Employee Benefits

1. What is an important reason why employers need to communicate the extent and value of the benefits they provide?
 - a. Such communication is required by the law.
 - b. The HR department needs this information for its communication outlets.
 - c. It immediately reduces the overall costs.
 - d. Employees generally underestimate the value of the benefits offered.

ANSWER: d

2. Which of the following statements is most applicable to the benefits costs to employers in Canada and the United States?
 - a. Benefits costs are higher in Canada.
 - b. Benefits costs are higher in the United States.
 - c. Benefits costs are the same in Canada and the United States.
 - d. Benefits costs are both negligible in Canada and the United States.

ANSWER: b

3. Ideally, which of the following should apply to an organization's benefits system?
 - a. It should mirror that of the competition, so as to attract top applicants.
 - b. It should be restricted to mandatory benefits.
 - c. It should be aligned to the overall strategy of the organization.
 - d. It should be more than 50 percent of payroll costs, so as to be competitive.

ANSWER: c

4. What is an important factor in determining the effectiveness of benefits programs in organizations?
 - a. level of competition
 - b. employee motivation
 - c. state of the broader economy
 - d. effective administration

ANSWER: d

5. Which of the following do employers often use to obtain employee input regarding benefits packages?
 - a. performance appraisals
 - b. market surveys
 - c. opinion surveys
 - d. psychological tests

ANSWER: c

Chapter 11 - Employee Benefits

6. Susie Jones has definite preferences in terms of the benefits offered by her employer. Susie will be able to select the benefits she values highly and avoid those she does not need or want if her employer offers which benefit format?
- an employee selection plan
 - a flexible benefits plan
 - a benefit pool
 - a modified benefits system

ANSWER: b

7. Canada's workforce is becoming increasingly diverse. How is this having an impact on benefits programs?
- Greater pension contributions are required by employers.
 - There are lower out-of-pocket costs for employees.
 - Benefit programs are becoming more family-friendly.
 - Benefits packages now cover part-time as well as full-time employees.

ANSWER: c

8. Which statement best describes flexible benefit plans?
- They are offered as a bonus to executives.
 - They are favoured by employers because they reduce administration costs.
 - They allow employees to choose benefits suited to their needs.
 - They are offered to employees who then must purchase each benefit they select.

ANSWER: c

9. Management at ABC Inc. wants to introduce a new benefit that is not required by law. What should it do first?
- develop an HRIS system to help with its administration
 - establish that there is a need for it
 - lobby the government to make it mandatory
 - hire a consulting firm to roll it out

ANSWER: b

10. ABC Corporation uses the services of professional benefits vendors to administer their benefits. What is this practice a form of?
- outsourcing
 - shared services
 - freelancing
 - delegation

ANSWER: a

Chapter 11 - Employee Benefits

11. Which of the following is a fast, convenient, and interactive way employees can learn about or change their benefits?
- employee self-service (ESS) systems
 - personal benefit profiles
 - bulletin boards in the workplace
 - benefits information packets

ANSWER: a

12. Great Parcel Inc. has numerous office locations across Canada, including isolated areas with no access to the Internet. What would be the most efficient way for the company to communicate a new benefit to all its employees?
- online modules
 - a meeting in a central location
 - trips by the organization's top executive team to all the locations
 - payroll inserts

ANSWER: d

13. A large portion of an organization's total payroll is devoted to employee benefits and this figure has risen over the past few decades. Which of the following has **NOT** contributed to this increasing cost?
- additional benefits offered voluntarily by organizations
 - legislation forcing employers to establish some benefits
 - the use of online, interactive benefits programs
 - employers trying to match the competition

ANSWER: c

14. Which of the following statements does **NOT** describe management concerns about benefits?
- Management is concerned with promoting a shift in mindset from self-responsibility to entitlement.
 - Management is concerned with the escalating cost of health care benefits.
 - Management is concerned with tax consequences.
 - Management is concerned with union demands.

ANSWER: a

15. Which of the following benefits must be provided by employers in Canada because it is legally required?
- dental benefits
 - employment insurance
 - vision care
 - out-of-country medical assistance

ANSWER: b

Chapter 11 - Employee Benefits

16. What's a major disadvantage of cafeteria benefit plans?
- They increase the complexity of the administration of the plans.
 - They are rejected by most workers.
 - Unions oppose them.
 - They increase government costs.

ANSWER: a

17. What's a major problem facing the Canada Pension Plan?
- the aging population
 - public disapproval
 - decreased subsidies from government
 - employer resistance

ANSWER: a

18. The Meat Shop, one of Canada's best employers according to a recent survey, is considering ways to contain its rising benefits costs. Which of the following is **NOT** a wise option for the Meat Shop?
- making contribution changes, such as deductibles
 - putting dollar limits on some benefits
 - instituting flexible benefits
 - making cuts to mandatory benefits

ANSWER: d

19. What are the two critical factors considered when determining the amount of employment insurance to be paid to unemployed applicants?
- their education and experience
 - the number of hours worked and their education
 - the number of hours worked in the past year and regional unemployment rates
 - the size of the firm and the salary of the employee

ANSWER: c

20. Who contributes financially to the Employment Insurance Fund that is used to support unemployment insurance claims?
- employers and employees
 - the government and employees
 - unions and employees
 - the government and employers

ANSWER: a

Chapter 11 - Employee Benefits

21. Which of the following is based on the perspective that work-related accidents and illnesses should be considered a cost of doing business and that employees should not bear the costs of their treatment?
- unpaid leave
 - medical care benefits
 - paid sick time
 - workers' compensation insurance

ANSWER: d

22. What are two of the largest health care costs in Canada for employers?
- administrative and infrastructure costs
 - drugs and administrative costs
 - drug and hospital costs
 - administrative and hospital costs

ANSWER: c

23. What are holiday pay, sick leave, and vacation pay examples of?
- categories of health care benefits
 - benefits required by law
 - payment for time not worked
 - unearned benefits

ANSWER: c

24. Bob Jones was recently permanently laid off. His company, ACME Manufacturing, has issued Bob a cheque that represents one month's pay for every year Bob worked at ACME. What does this cheque represent?
- Bob's unused vacation pay
 - Bob's unused benefits
 - Bob's unused sick leave
 - Bob's severance pay

ANSWER: d

25. A predetermined formula is used to calculate retirement benefits under what type of benefit plan?
- a defined benefit plan
 - a defined contribution plan
 - a specified benefit plan
 - a non-specified benefit plan

ANSWER: a

Chapter 11 - Employee Benefits

26. Omar Morales, an older employee, is considering an early retirement package that his employer has offered; it includes improved benefits and cash bonuses. What do we call this type of inducement?
- a silver handshake
 - a golden parachute
 - a platinum cushion
 - a severance pay

ANSWER: a

27. In a non-contributory pension plan, who makes the financial contributions?
- the employer only
 - the employee only
 - the employer and the employee
 - the employer, the employee, and the government

ANSWER: a

28. ABC Corporation allows employees the opportunity to try out retirement with a leave program, or gradually reduce their work hours as they approach retirement age. What is this an example of?
- retirement leave
 - CPP/QPP
 - family-friendly benefits
 - a preretirement program

ANSWER: d

29. Most pension plans are now viewed as providing deferred income that employees accumulate during their working life and that belongs to them after a specified number of years of service. What view is this based on?
- provincial law
 - a pay-as-you-go philosophy
 - a reward philosophy
 - an earnings philosophy

ANSWER: d

30. Logan Wolverine works for RAY Vision Inc. The employer deducts money every month from Logan's paycheque for his pension plan. RAY Vision matches this amount for his pension. What type of plan is this?
- a defined-benefit plan
 - a defined-contribution plan
 - a contributory plan
 - a noncontributory plan

ANSWER: c

Chapter 11 - Employee Benefits

31. Tommy Lee is recovering from a drug addiction problem. His employer has offered him services to help him with the recovery process. What is this service an example of?
- an employee assistance program
 - an outplacement service
 - a defined-benefit plan
 - a defined contribution plan

ANSWER: a

32. Stella Vickram will receive a pension of \$2500 per month if she continues to work with ABC Media until she retires. She is now 45 years old. What type of plan is this?
- a contributory plan
 - a noncontributory plan
 - a defined-contribution plan
 - a defined-benefit plan

ANSWER: d

33. In Canada, registered retirement savings plans (RRSPs) have grown significantly over the past few years. What is a key reason for this growth?
- Minimum wage earners now have more disposable income and they are contributing.
 - The funds accumulate tax-free until they are withdrawn.
 - The rich-poor gap is narrowing, thus people have more money to invest.
 - RRSPs are a part of stock plans, which are growing.

ANSWER: b

34. Which type of pension plan with fixed payouts is experiencing a decline in its use in Canada?
- defined-benefit plan
 - defined-contribution plan
 - contributory plan
 - registered retirement savings plan (RRSP)

ANSWER: a

35. James Callaghan has worked full-time for BC Metals for four years. He has learned from the HR manager that his earned pension benefits cannot be revoked by the employer. Why is this so?
- because the employer expects him to work until retirement
 - because the benefits are vested
 - because the union would strike if they are revoked
 - because the benefits are defined

ANSWER: b

Chapter 11 - Employee Benefits

36. From a pension perspective, what is a key issue concerning the aging of baby boomers in Canada?
- a. There are more demands for dental benefits.
 - b. Baby boomers are leaving management, thus there is a loss to the HR managers who oversee this benefit.
 - c. There are fewer contributions to the pension fund by younger generations and more withdrawals for funding pensions for baby boomers, thus putting the fund at risk of depletion.
 - d. Younger generations are demanding reduced pensions for those leaving the workforce.

ANSWER: c

37. Justin Bryant worked for ABC Corporation for ten years before leaving. He was told that his benefits have vested. What does this mean?
- a. He can withdraw the benefits at any time.
 - b. He needs to cash out his benefits immediately or he will lose them.
 - c. He has lost his pensions earned at ABC Corporation.
 - d. He has accrued pension benefits at retirement age.

ANSWER: d

38. Employer-sponsored employee assistance programs (EAPs) are created to help workers overcome hurdles in their personal lives. Which employee is the most likely to receive help under a typical EAP?
- a. John Jones, who needs assistance to overcome a chemical dependency problem.
 - b. Steve Brown, who needs legal help in a personal bankruptcy proceeding.
 - c. Cindy Savage, who needs a list of qualified daycare facilities near the office.
 - d. Kate Johnson, who needs help choosing an appropriate M.B.A. program.

ANSWER: a

39. Which of the following is related to the recent use of employee assistance programs (EAPs) in Canada?
- a. They are increasing in use.
 - b. They are decreasing in use.
 - c. They add no costs to the employer.
 - d. They are not geared for dealing with emotional problems.

ANSWER: a

40. In terms of childcare provisions, which of the following is considered the most visible and desired solution?
- a. short time-off for mothers
 - b. on-site or near-site daycare centres
 - c. short time-off for fathers
 - d. grandparents to provide care

ANSWER: b

Chapter 11 - Employee Benefits

41. Which of the following is NOT a benefit of family-friendly programs?
- a. improving productivity
 - b. reducing tardiness
 - c. increasing the risk of unionization
 - d. reducing employee absenteeism

ANSWER: c

42. Which of the following is an example of a family-friendly benefit that is increasingly being used?
- a. defined benefits
 - b. tuition reimbursements
 - c. eldercare
 - d. defined contributions

ANSWER: c

43. How are childcare programs and eldercare programs similar?
- a. Under both programs, most of the caregivers are men.
 - b. Both types of programs typically offer on-site care facilities.
 - c. Both programs are on the decline in Canada.
 - d. Both programs help to maintain or increase employee productivity.

ANSWER: d

44. The collective bargaining agreement between ACME Inc. and the union CUPA 1003 Local requires the employer to provide a limited vision care package. Workers are demanding more. Who will determine any new package?
- a. the union and the government
 - b. the government
 - c. the employer and the union
 - d. the employer

ANSWER: c

45. Canada has experienced a growth in the proportion of part-time workers (versus full-time) over the past decade. What is a key reason for this growth?
- a. Employers tend to save on compensation and benefits costs.
 - b. The government is forcing firms to hire on a part-time basis.
 - c. Unions prefer workers to have part-time jobs.
 - d. Many full-time jobs are outsourced overseas.

ANSWER: a

Chapter 11 - Employee Benefits

Scenario 11.1

Canadian Fasteners is a Mississauga-based packing firm that packages nuts, bolts, and screws for various Canadian furniture companies across the country. The company has been growing at a rapid rate in the past couple of years. Previously, all HR-related functions were extremely informal or almost nonexistent. With the rising turnover, and a constant struggle to retain employees during the company's rapid growth, Canadian Fasteners has decided to implement an HR system that not only will assist with the recruitment and selection process, but also will help to administer a pension and benefit program. The newly promoted HR manager is excited about the company's future and is looking forward to the new challenges, but hopes efforts to more effectively capture and retain the right talent will be worth it, as turnover has caused the firm to lose one of its biggest clients.

46. Refer to Scenario 11.1. Canadian Fasteners wants to take into consideration changes in the diversity and lifestyles of its workforce. Which of the following would be the best option for the company?
- implementing a defined-benefit program
 - tailoring its benefits programs to be family friendly
 - paying employees money in lieu of benefits
 - continuing with the way it is currently doing things

ANSWER: b

47. Refer to Scenario 11.1. Canadian Fasteners is a small-size firm that still needs to monitor its costs. Which of the following would be most cost-effective for the company?
- setting up its own in-house system to be administered by the new HR manager and new staff
 - hiring a full-time benefits specialist
 - hiring a professional benefits vendor to administer the plan
 - declining to provide pension and benefits to its employees

ANSWER: c

48. Refer to Scenario 11.1. Canadian Fasteners must ensure that the benefits it offers employees are fulfilling the legal requirements. Which of the following is not legally required?
- survivor benefits
 - employer contributions to the Canada and Quebec pension plans
 - employment insurance
 - workers' compensation insurance

ANSWER: a

Chapter 11 - Employee Benefits

49. Refer to Scenario 11.1. Some of Canadian Fasteners' employees have been around since its inception and are well into their late 40s. Which of the following pension plans would be most effective in allowing employees to have a decent pension when they retire?
- a noncontributory plan
 - a contributory plan
 - a registered retirement savings plans with only the employee contributing
 - a defined noncontributory plan

ANSWER: b

Scenario 11.2

Bradshaw, Petrilli & Blake Inc. (BPBI) is a Canadian financial planning firm that provides financial advice for companies across Canada and the United States. The firm offers employees great benefits and excellent salaries. Its workforce is composed of predominantly "Generation Y" employees. These employees are very tech-savvy, achievement focused, and, most importantly, family centric (they value flexible schedules and work-life balance). While they understand the demands of the job, they often get caught between the needs of the organization's clients and their family responsibilities, especially as related to their children. Currently, there is little flexibility if employees want to attend to family needs during work hours. BPBI is now looking into ways of helping its employees better meet these dual needs.

50. Refer to Scenario 11.2. Which of the following is NOT a family-friendly benefit that will help BPBI develop and maintain work-life balance?
- allowing employees to work from home
 - allowing flexible scheduling of work hours
 - facilitating employer-paid on-site or near-site childcare facilities
 - allowing time off for children's school activities

ANSWER: a

51. Refer to Scenario 11.2. BPBI would like to also set up an employee assistance program (EAP) to help employees solve their personal problems, or at least prevent those problems from turning into crises that are likely to affect their ability to work productively. Which of the following are programs offered by EAPs in today's organizations?
- seminars and workshops to help prepare for retirement
 - counselling and referral services for alcohol or drug problems, emotional problems, or financial or family crises
 - increased pension benefits or cash bonuses
 - salary continuance programs, sick leave credits, and weekly indemnity plans

ANSWER: b

Chapter 11 - Employee Benefits

52. Refer to Scenario 11.2. In order to promote work–life balance at BPBI, management has decided to adopt more creative and unusual benefits as a way to deter turnover. Which of the following would be most welcomed by “Generation Y” employees?
- a. on-site restaurants where employees can have dinner together
 - b. extended childcare when employees work later hours
 - c. free baseball tickets for families and friends
 - d. pay increases to offset the extra overtime hours worked each day

ANSWER: c

53. Employee benefits typically represent 40 percent of total payroll costs to employers.
- a. True
 - b. False

ANSWER: False

54. Some benefits are now considered rights to which employees are entitled, rather than a gift of the employer.
- a. True
 - b. False

ANSWER: True

55. Benefits programs should be based on specific objectives in line with the organization’s strategic compensation plan.
- a. True
 - b. False

ANSWER: True

56. A primary objective of most benefits programs is to increase turnover.
- a. True
 - b. False

ANSWER: False

57. Employee benefits are a form of indirect compensation.
- a. True
 - b. False

ANSWER: True

58. It would be desirable for employers to enlist employee participation in modifying a benefits program.
- a. True
 - b. False

ANSWER: True

Chapter 11 - Employee Benefits

59. Many employers provide unneeded and unwanted types of medical benefits to their employees.
- a. True
 - b. False

ANSWER: True

60. Benefit packages of any kind still help employers attract and retain quality employees.
- a. True
 - b. False

ANSWER: False

61. To reflect the social changes Canada is facing, employers are increasingly tailoring their benefits programs to be family friendly.
- a. True
 - b. False

ANSWER: True

62. Flexible benefits plans are also known as “cafeteria” plans.
- a. True
 - b. False

ANSWER: True

63. Many firms outsource their cafeteria plans to a professional vendor because of the complexity of administering the system.
- a. True
 - b. False

ANSWER: True

64. It is primarily the responsibility of the employee to remain informed about the benefits he or she receives.
- a. True
 - b. False

ANSWER: False

65. Online benefits programs allow employees self-service freedom and availability virtually any time.
- a. True
 - b. False

ANSWER: True

Chapter 11 - Employee Benefits

66. The declining cost of health care benefits provides Canadian organizations opportunities to reduce employee benefit costs.

- a. True
- b. False

ANSWER: False

67. The Conference Board of Canada has concluded that it is not possible to contain the cost of employee benefit programs.

- a. True
- b. False

ANSWER: False

68. Legally required benefits amount to 50 percent of the benefits packages that Canadian employers provide.

- a. True
- b. False

ANSWER: False

69. The Canada and Quebec Pension Plans both require employer and employee contributions.

- a. True
- b. False

ANSWER: True

70. CPP and QPP have universal portability—that is, an employee has the right to claim benefit credits wherever they are employed in Canada.

- a. True
- b. False

ANSWER: True

71. Since provincial health care benefits cover basic health care services, very few employers offer supplementary health benefits.

- a. True
- b. False

ANSWER: False

72. Employees who resign from a position or who are terminated for cause may not be eligible to collect employment insurance (EI).

- a. True
- b. False

ANSWER: True

Chapter 11 - Employee Benefits

73. Employment insurance benefits are available for illness, injury, maternity, parental, and adoption leave.
- a. True
 - b. False

ANSWER: True

74. Only employees contribute to the Employment Insurance (EI) fund.
- a. True
 - b. False

ANSWER: False

75. Workers' compensation insurance is based on a system of individual liability.
- a. True
 - b. False

ANSWER: False

76. Both employees and employers make contributions toward a workers' compensation fund.
- a. True
 - b. False

ANSWER: False

77. People who have been resident in a Canadian province for three months are eligible to receive health care benefits.
- a. True
 - b. False

ANSWER: True

78. Many employers now offer additional health care benefits such as dental and prescription drug coverage.
- a. True
 - b. False

ANSWER: True

79. The growth in health care costs can be attributed to a number of factors, including the greater need for health care by an aging population.
- a. True
 - b. False

ANSWER: True

80. Employer health plans are generally restricted to medical, surgical, and hospital expenses.
- a. True
 - b. False

ANSWER: False

Chapter 11 - Employee Benefits

81. Health care benefits are considered “discretionary” because employers are not required by law to provide them.
- a. True
 - b. False

ANSWER: True

82. Employee assistance programs and wellness programs cannot help organizations cut the costs of health care benefits.
- a. True
 - b. False

ANSWER: False

83. Canadian organizations are expected to continue to implement a wider variety of employee benefits and services.
- a. True
 - b. False

ANSWER: True

84. In the past two decades, more and more employees have been receiving dental care insurance as a benefit.
- a. True
 - b. False

ANSWER: True

85. “Payment for time not worked” includes statutory holiday pay, time off for bereavement, military duty, vacation pay, jury duty, rest periods, coffee breaks, and maternity leave (which usually involves some form of salary continuance).
- a. True
 - b. False

ANSWER: True

86. In addition to paid holidays, some employers give workers additional personal use days.
- a. True
 - b. False

ANSWER: True

87. Long-term disability plans normally provide a disabled employee with 90–100 percent of their pre-disability income.
- a. True
 - b. False

ANSWER: False

Chapter 11 - Employee Benefits

88. Severance pay is a one-time payment to employees who have been terminated.

- a. True
- b. False

ANSWER: True

89. Once extremely popular, group life insurance for employees has steadily declined in use.

- a. True
- b. False

ANSWER: False

90. In Canada, the higher the household income, the lower the retirement age.

- a. True
- b. False

ANSWER: True

91. When organizations need to reduce their workforce, “silver handshakes” are sometimes used to encourage employees to retire before they had originally planned.

- a. True
- b. False

ANSWER: True

92. Company-sponsored preretirement programs force employees to think about what their lives will be like after they leave the organization.

- a. True
- b. False

ANSWER: True

93. At the present time, employers are required to provide pension plans to all full-time employees.

- a. True
- b. False

ANSWER: False

94. With contributory pension plans, contributions are made jointly by employers and the government.

- a. True
- b. False

ANSWER: False

Chapter 11 - Employee Benefits

95. Most of the pension plans in privately held organizations are contributory.

- a. True
- b. False

ANSWER: True

96. In a defined-benefit plan, the retirement benefit is determined according to a predetermined formula.

- a. True
- b. False

ANSWER: True

97. In a defined-contribution pension plan, the amount an employee is to receive upon retirement is specifically set forth.

- a. True
- b. False

ANSWER: False

98. Canadian employees may retire at age 45 and begin drawing a reduced pension from CPP/QPP and other sources such as RRSPs.

- a. True
- b. False

ANSWER: False

99. Once employees have two years of service, they are considered, in terms of their pension fund, fully vested and locked in.

- a. True
- b. False

ANSWER: True

100. Employee assistance programs (EAPs) help employees mainly with relocation costs.

- a. True
- b. False

ANSWER: False

101. Because of added expenses and complicated governmental rules, defined-benefit pension plans are falling out of use.

- a. True
- b. False

ANSWER: True

Chapter 11 - Employee Benefits

102. Childcare, eldercare and extended leave policies are all examples of employee services.
- True
 - False

ANSWER: True

103. Approximately one-third of Canadians have eldercare responsibilities.
- True
 - False

ANSWER: True

104. What considerations should an organization make in implementing an effective benefits program?

ANSWER: Benefits are an established and integral part of the total compensation package. In order to have a sound benefits program, there are certain basic considerations. It is essential that a program be based on specific objectives that are compatible with the organization's philosophy and policies, as well as affordable. Through committees and surveys, a benefits package can be developed to meet employees' needs. Through the use of flexible benefit plans, employees are able to choose those benefits that are best suited to their individual needs. An important factor in how employees view the program is the full communication of benefits information through meetings, printed materials, and annual personalized statements of benefits.

105. Describe some of the ways employers have been trying to contain health care benefit costs.

ANSWER: The cost of health care programs has become the major concern in the area of employee benefits. Several approaches can be used to contain health care costs, including reduction in coverage, increased coordination of benefits, and increased deductibles. Employee assistance programs (EAPs) and wellness programs can also help cut the costs of health care benefits.

106. Compare and contrast the risks to the employee in regard to defined-contribution and defined-benefit pension plans.

ANSWER: In a defined-benefit pension plan, retiring employees are guaranteed a particular payment level (i.e., the retirement benefit is "defined"). However, in a defined-contribution pension plan, the only guarantee to employees is that the employer will contribute a set dollar amount on their behalf to the pension plan (i.e., the contribution is "defined"). While the pension benefits under a defined-benefit plan are fixed, the pension benefits of the defined-contribution plan vary according to the success of the plan's investments (i.e., superior investment decisions will yield greater pension payments than mediocre or poor decisions).

Under the defined-benefit plan, retiree risk is largely limited to whether the fund is properly funded and whatever effects inflation will have on their fixed pension cheques. Under the defined-contribution plan, retiree risk is associated with the general risks and rewards of investments, the quality of investment advice, and the risks commonly associated with the defined-benefit plans.

Chapter 11 - Employee Benefits

107. Explain the concept of family-friendly benefits. Name and discuss at least five of these benefits employers offer their employees.

ANSWER: Many organizations are seeking to create a family-friendly organizational environment that allows employees to balance work and personal needs. There are a wide variety of family-friendly benefits that organizations may offer. To help workers cope with a wide variety of problems that interfere with the way they perform their jobs, organizations have developed employee assistance programs. These programs provide diagnosis, counselling, and referral for advice or treatment when necessary for problems related to alcohol or drug abuse, emotional difficulties, and financial or family difficulties. Usually the organization covers—in part or totally—costs of tuition, books, and related fees. The increased employment of employees with dependent children and/or eldercare responsibilities has created an unprecedented demand for childcare and eldercare arrangements. In response, many organizations provide financial assistance and on-site childcare centres and support for eldercare. In addition, many organizations are implementing employee-accumulated leave days for dependant care and extended leave policies for child- and/or eldercare. In addition, organizations may also offer access to legal services, financial planning, housing and moving expenses, transportation pooling, credit unions, recreational and social services, and work-at-home arrangements/telecommuting to offer savings to employees and reduce stress.