

# Employee Benefit News Canada

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## Benefits help Alberta firms compete with oil patch

*By Stephenie Overman*

Alberta companies outside the oil-rich Fort McMurray area frequently can't match the high salaries paid there, but find they are able to compete for employees by promoting the quality-of-life benefits and flexibility they can offer.

The competition is fierce because the worker shortage in Alberta "is moving into acute status. It's not just a skills shortage ... there's a shortage of even unskilled workers," says Dan Kelly, vice president for Western Canada of the Canadian Federation of Independent Business.

### *Help wanted, badly*

Kelly cites a recent CFIB study that estimates there were 37,000 positions (5.3%) in small- and medium-sized businesses in Alberta unfilled for at



least four months in 2005. That compares to 3.2% for the rest of the country.

"Three-quarters of Alberta business owners reported they were concerned about employee shortages," according to Kelly. Concern was highest in the construction and transportation sectors, but "all parts of the Alberta economy were deeply affected by the shortage of labour."

With the unemployment rate (See **Help Wanted** on p. 10)

## Help wanted

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under 4%, “the exception is for a company not to have a help-wanted sign. The shortages in some cases are quite desperate.”

### Promoting quality of life

Outside the oil reserves area, companies “can’t offer the wages of Fort McMurray ... so they’re promoting themselves on quality of life,” Kelly reports. “They’re trying to attract people to come back, to move to a community where they can afford to buy a home, instead of perhaps living in a work camp.”

To compete, a business outside the petroleum industry needs to make itself known as an employer of choice, Kelly says, and that means giving employees the ability to balance their work and family needs: “Can you attend your kids’ ball games, do you have access to the boss? Do you have flexibility, the ability to take vacation time when you like?”

Studies demonstrate, he adds, that small businesses “do a better job of offering flexible work practices.”

But to attract employees, work/life benefits need to be “well publicized and promoted,” says Gervais Goodman, a representative of Strategic Capability Network. “The issue is communication. I’m not sure benefits alone are an attracter or retainer, but they can be a very important part of the total rewards plan.”

At Fort McMurray, employees “are really trading off money there for a future quality of life,” Goodman says. To counter the short-term monetary advantage, an employer should look at “the whole package — compensation, benefits, health care, pension, time off, what it’s like at work, how people are treated.”

### New grads seek development

In discussions with MBA graduates in their late 20s and early 30s, Goodman finds they “want a holistic environment, not just a financial environment. They have to know there is an opportunity [with a company]. They need it explained concisely — they need to know what the company employee engagement strategy is. In the past, companies could just throw more money at them, but now better companies spend time developing the employee value proposition.”

Bruce Halliday finds much the

same attitude with the full-time MBA students he counsels at the Haskayne Business School at the University of Calgary.

“They do put a high value on salary, because they haven’t earned any money for 20 months, but they are transitioning to a new area and may be willing to move sideways in salary,” he says, “Salary is a tie-breaker as opposed to being number one.”

Many of these students are in their early to mid 30s, Halliday says, and “that age group represents the generation to whom the fit, the culture is very

important. They want development and future earning potential. They want flexibility, challenge and fun. Companies are paying attention to that. They are trying to see what that looks like. New graduates have turned down opportunities because they didn’t have some of those elements,” he says.

These graduates are really looking for a commitment from a company, “they look for evidence that the system will support them, not just employ them,” according to Halliday. “They’re from the generation that saw their parents laid off. They’re willing to engage but only if the company is willing to keep developing them. If within a couple years they’re not seeing development opportunities, they will walk across the street.”

### Ski trails, not career paths

Young, non-professional workers can be especially hard to attract and retain. Many come to Alberta for the skiing opportunities, not career prospects.

“Workers between 18 and 30 are not the type looking for long-term employment and advancement within their careers,” says Jessie Fonseca assistant manager of the High

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Country Inn in Banff. The inn offers a longevity bonus to keep housekeepers and reservationists. Now at the end of the program’s first year, “we haven’t seen a great change in the length of average employment. We don’t expect to see a drastic change,” Fonseca says. “It’s a transient town.”

McDonald’s Canada promotes itself as a flexible workplace, which is “a big draw for anybody who is living a busy life. A job at McDonald’s adapts itself to any kind of lifestyle,” says spokesperson Ron Christianson.

This flexibility extends to allowing employees to transfer from one location to another, when they’ve finished their ski break, he adds. “We are looking for long-term employees. Traditionally we have provided comprehensive package pay and benefits. There are regular performance and wage reviews.”

Employees across the country are eligible for discount cards at local, regional and national retailers; for prizes and incentives; and for food discounts at McDonald’s. The food discounts are usually good only for

the restaurant where the employee works, but in Alberta the company has extended the perk, giving employees discounts for meals at locations throughout the province.

Some businesses are lucky enough to appeal to people who head to Alberta for its recreational activities. Ski resorts often attract workers with offers of free ski passes.

Greg Bury, owner of Altitude Sports, a retail store in Canmore, Alberta, does have to compete with those ski resorts, but “we’re fortunate because we’re in a little more sexy industry. It’s a horrible time to be looking for chambermaids,” he says.

Bury doesn’t find attracting workers to be the problem. “We seem to find people; we put ads in the papers. We find people because we’re a sports shop.” Keeping them is the real issue. “We offer a little higher starting salary and special prices on things in the store. We have sales-oriented contests. People who do a good job can win up to about \$200.”

He pays his six to 10 employees about \$10 an hour.

“I’ve tried to do health and dental but for the most part it doesn’t make any difference. Money is not the thing that entices.” Whatever is offered, “we’re lucky to keep them three to six months. There’s high turnover; they leave to go home. They’re here to go skiing or do the summer thing.” — **E.B.N.C.**

*Stephanie Overman is a freelance business writer and frequent contributor to EBNC.*



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