



How can employers attract labour from the US to Canada?

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How employers can attract labour from the US

- Identifying the barriers to mobility
- Assessing the impact of the obvious and the not-so-obvious personal issues
- Bridging the gap through 'best practice' approaches
- Applying innovative approaches to lower barriers, reduce reluctance and embrace openness to relocating to Canada

Barriers to mobility

- Systemic barriers
- Organizational barriers
- Cultural barriers
- Personal barriers
 - Financial
 - Family-related

Systemic barriers

- Immigration requirements
 - Permanent vs. temporary transfers
 - Lead time to obtain visas
 - Spousal employment visas
 - Access to schools
- Corporate taxation
 - Impact of certain scenarios
 - Link to impact on employee

Systemic barriers (cont.)

- Individual taxation
- Family & estate laws
- Customs regulations
 - Vehicles
 - Firearms
 - Collections
- Public pension regulations
 - 401-K vs. RRSP

Organizational barriers

- Lack of expertise to handle cross-border issues
- Administrative challenges
- Payroll considerations
- Career path management
- Private pension plans

Cultural barriers

- Cultural issues previously covered

Personal barriers

- Cost of living
 - Total cost vs. select items vs. single item
- Taxation
 - Personal income taxes
 - Municipal taxes
- Housing
 - Cost comparisons
 - Styles
 - Availability
 - Equity

Personal barriers (cont.)

■ Pension plans

– 401K vs. RRSP:

- Ability to invest
- Return on investment
- Ability to benefit from plan

– Private plans:

- Reciprocal agreements
- Retirement income: amount, currency, location

Personal barriers (cont.)

- Spousal employment
 - Visas & immigration
 - Availability
 - Loss of income
 - Professional designation
 - Impact on career
- Children's education
 - Language
 - Availability
 - Criteria for grades; entry into college & university

Personal barriers (cont.)

- Other family issues
 - Elderly parents
 - Community involvement & activities
 - Teenage children & friends
 - Religion & spiritual beliefs
 - Security
- Career management
- Repatriation

“ Whether or not you reach your goals in life depends entirely on how well you prepare for them and how badly you want them.”

Ronald McNair

Bridging the gap: best practices

■ Cost of living

- Assessment of whole picture
- Assistance to offset differential

■ Taxation

- Calculation within total cost-of-living approach
- Tax protection vs. tax equalization
- Counselling
- Income tax preparation

Bridging the gap: best practices

■ Housing

- Guaranteed price & Equity loss protection
- Housing & rental search services

■ Pension plans

- 401K vs. RRSP:
 - Counselling on differences and their potential impact
- Private plans:
 - Preparation of reciprocal agreements
 - Projection of retirement income

Bridging the gap: best practices

- Spousal employment
 - Assistance with resume, interviews, job search, visa application
 - Compensation
 - Employment within corporation
- Children's education
 - Counselling
 - Assistance for children at origin
 - Tuition differential assistance

Bridging the gap: best practices

- Other family issues
 - Relocation counselling
 - Elder care counselling
 - Medical care assistance
 - Settling-in services
- Career management
 - Discussion of career path
 - Impact of transfer to Canada on career
- Vehicle loss on sale or rental

CERC 2005 Policy Survey

- Over 1/3 offer Cost of living assistance
- 59% offer housing assistance (GHSP); declined*
- 43% offer equity loss protection
- Relocation counselling for the family has doubled to 46%*
- Destination & rental search services increased to 73% each*
- Settling-in services doubled to 54%*
- Decline in tax equalization methodology*
- 10% increase in repatriation programs*

*since 2003

Innovative approaches

- Comprehensive pre-assignment preparation
 - Employee & family assessment
 - Culture, language, housing, family issues
 - Finances, taxation, career path
 - Reconnaissance / orientation / home search
- Total compensation approach
 - Base salary, benefits, pension, bonuses, stock options
 - Net income assessed with cost-of-living
- Transfer Assistance
 - Cost-of-living
 - Flexible spending accounts
 - Automobile assistance in lieu of shipment
 - Foreign exchange protection

Innovative approaches

- Impact:
 - Lower barriers
 - Reduce reluctance
 - Embrace openness to relocating to Canada
 - Meet human capital requirements

Determine effectiveness

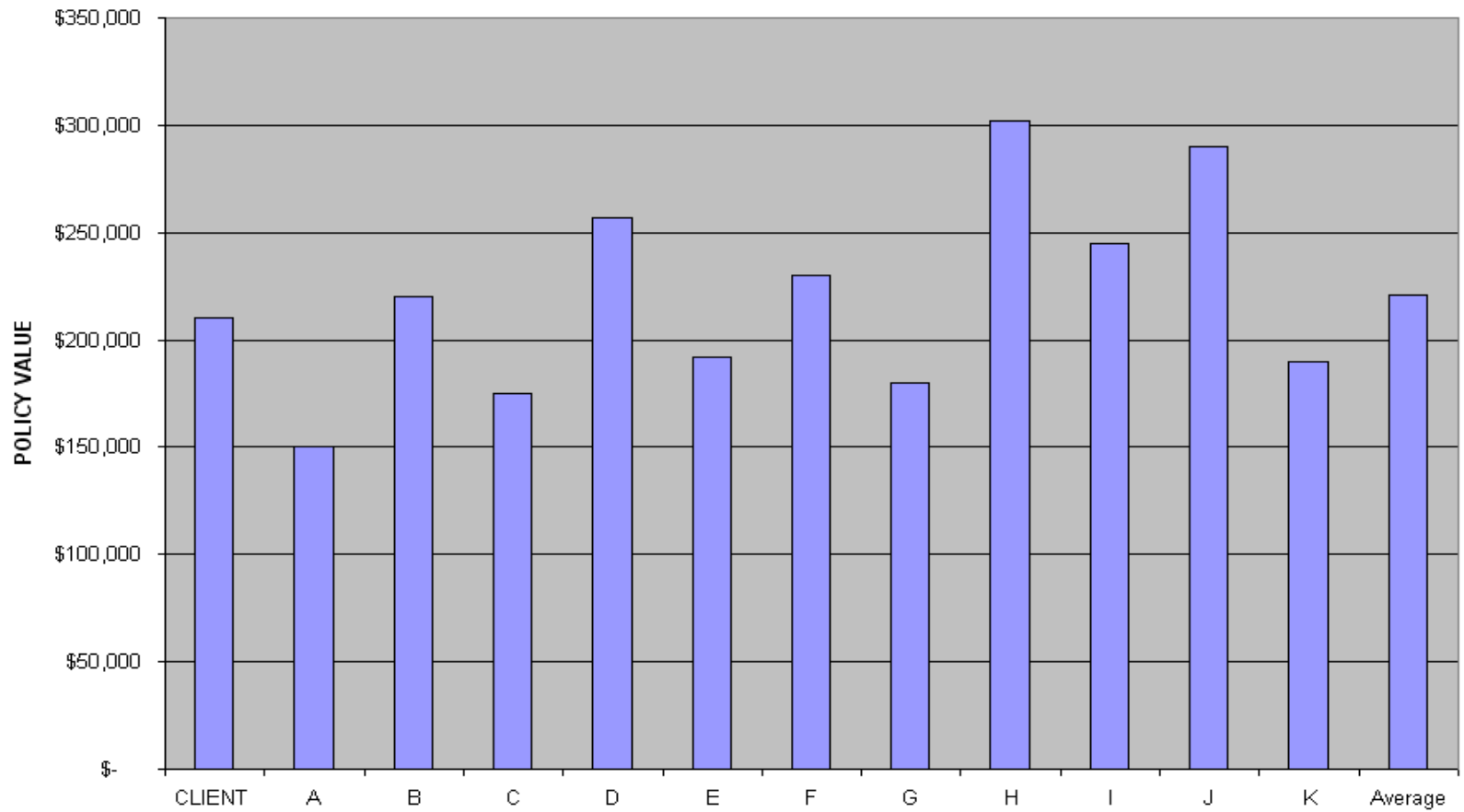
- Mobility goals
- Deployment requirements
- Employee retention
- Assignment needs
- Assignment refusals & rationale
- Specific policy components & services

Benchmark

- Critical factor in HR policies
- Degree of risk of losing employees
- Comparator Group
 - industry
 - skills-type
 - other global, Canadian or US corporations
- Measurable: Qualitative & Quantitative

Benchmark

QUANTITATIVE COMPARISON



Closing thoughts

- CERC 2005 Policy Survey reports 8% increase in moves from the US (since 2003 survey)
- Is this the target? Is this sufficient?
- Is someone is doing something right or do we still need to make changes?
- Does your policy support your mobility goals from the US to Canada?

Questions?

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