2015 NATENG: Mercer OSPE National Engineering Compensation Survey Eastern Canada Mercer

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WEALTH WEALTH GAREER

2015 NATENG: MERCER OSPE NATIONAL ENGINEERING COMPENSATION SURVEY EASTERN CANADA

SURVEY REPORT

MAKE TOMORROW, TODAY MERCER

Published Date: September 2015 Data Effective Date: June1, 2015

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MESSAGE FROM THE CHAIR



Karen Chan, P.Eng., MBA President and Chair Ontario Society of Professional Engineers (OSPE)

Introducing the new Mercer OSPE National Engineering Compensation Survey

The Ontario Society of Professional Engineers (OSPE), in partnership with Mercer, is pleased to release the new 2015 Mercer OSPE National Engineering Compensation Survey. This new survey replaces the OSPE Employer Compensation Survey which has been conducted with Ontario's engineers for over 50 years.

OSPE recognizes that businesses in this province and across the country are increasingly regional, national and global in scope. This new survey will be the single source of premium national engineering compensation data in Canada.

As in previous years, the survey implementation was overseen by an advisory committee comprised of representatives from industry, engineering and human resources tasked with ensuring the most extensive and relevant data was collected. In 2015, we included data from 225 organizations, which includes compensation data for over 27,000 engineers across all major industry groups in both private and public sectors.

I would like to personally thank all of the organizations that took part in the survey this year, many of which are returning participants from prior years. Your support remains critical to the success of the survey.

We hope that you will find the results of the 2015 Mercer OSPE National Engineering Compensation Survey a valuable resource for your company's continued success, and we look forward to your participation in 2016.



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The use of the Survey is limited to the original buyer or recipient. The Survey is intended for the internal use of the buyer only. No management consulting firm, research agency or other comparable organization is authorized to use the Survey without the express written consent of Mercer and the Ontario Society of Professional Engineers.

Mercer

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Compensation Data

Comprehensive compensation analysis provided in an excel export file Please download the excel export separately from Mercer WIN

Participant List

Click here to open attachments panel

Classification of Engineering Responsibility Levels

| Level of Responsibility (A,B,C) | 31 |
|---------------------------------|----|
| Level of Responsibility (D,E,F) | 32 |
| Mercer Services | |

| 33 |
|--------|
| |

USING THE SURVEY RESULTS

Introduction

Mercer and the Ontario Society of Professional Engineers (OSPE) are pleased to present the results of the 2015 Mercer OSPE National Engineering Compensation Survey. This survey provides current data with respect to actual compensation levels for professional engineers across Canada.

The 2015 Mercer OSPE National Engineering Compensation Survey, conducted by Mercer in partnership with OSPE on behalf of its members and their employers, is designed to:

- Establish meaningful criteria for levels of engineering responsibility for the benefit of both engineers and employers of engineers; and
- Provide current data with respect to actual compensation levels for engineering work.

Advisory Committee

Mercer maintains a National Engineering Compensation Survey Advisory Committee comprised of both human resources professionals and professional engineers from a variety of industries. Many of the committee members are also OSPE members. We would like to thank the Committee for its efforts and continuing dedication to this survey. The 2015 Advisory Committee was comprised of the following members:

Adele Argirakis HR Director Crossey Engineering Ltd.

Christina Ridolfo Compensation & HRIS Specialist MacDonald, Dettwiler and Associates Ltd.

Dominic Macchia, CHRP Director, HR Dragados Canada Inc.

Shindy Ng Manager, Global Compensation and International Benefits Teck Resources Limited

Moji Odebunmi National Leader, Total Rewards Golder Associates Ltd.

SURVEY OVERVIEW

The 2015 Mercer OSPE National Engineering Compensation Survey results represent salary data submitted by 66 organizations covering more than 7,100 incumbents, across six engineering responsibility levels. All salary data are based on rates paid effective June 1, 2015. Incentive data included are based on the most recent awards or most recently completed fiscal year. All figures are reported in thousands of Canadian dollars for full-time equivalent employees.

2015 Mercer OSPE National Engineering Compensation Survey Profile

| Organizations Participating in the Survey |
|---|
| Engineers Represented |
| Date EffectiveJune 1sl, 2015 |

All data in these results have been reviewed and verified for accuracy. Where necessary, individual responses have been verified with participants. Mercer reserves the right to exclude data which it considers statistically invalid or which may result in a breach of confidentiality for any survey participant.

Confidentiality & Privacy

Mercer ensures all data collected for this survey are treated as confidential. In instances where these data may be used in other Mercer survey reports, such as custom analyses, company names may appear in the participant list. Summary statistics from the 2015 Mercer OSPE National Engineering Compensation Survey are published in electronic format as a PDF. In addition, summary statistics can be queried in Mercer's Reporting Tool and accessed in Excel format. In all cases, it is Mercer's policy to continue to maintain the confidentiality of all data submitted during the data collection process. Mercer is committed to protecting the privacy of employee data and to meeting its obligations under Canadian privacy law.

Mercer's confidentiality policy is to report data only where a minimum sample size guarantees that all individual inputs and salary records are fully masked and protected. In all cases, Mercer maintains the highest level of data security and ensures confidentiality of all data submitted.

About OSPE

The Ontario Society of Professional Engineers (OSPE) is the Voice of Ontario's Engineers. OSPE promotes and supports excellence in all aspects of engineering by enhancing the professional recognition of Ontario's 70,000+ professional engineers among employers and all levels of government; increasing their public profile; and advancing their economic interests by offering exemplary continuing education, career advancement and affinity programs. For more information, please visit <u>www.ospe.on.ca</u>.

If you have any questions about the history of the salary surveys or OSPE services, please contact OSPE:

- Phone: 416 223 9961 (Toll Free: 1 866 763 1654)
- Email: info@ospe.on.ca
- Mail: Ontario Society of Professional Engineers 4950 Yonge Street, Suite 502 Toronto ON M2N 6K1



To Contact Mercer

Mercer's goal is to ensure that the Mercer OSPE National Engineering Compensation Survey meets the needs of its participants. Your input and suggestions help to ensure that the survey continues to be an accurate, reliable and relevant benchmarking tool. Please feel free to contact us to share your comments and suggestions.

- Phone: 800 333 3070
- Email: info.services@mercer.com
- Mail: Mercer Information Solutions 120 Bremner Boulevard, Suite 800 Toronto, ON M5J 0A8

Mercer OSPE National Engineering Compensation Survey Results Workshop – November 4, 2015

Please join us for the complimentary Mercer OSPE National Engineering Compensation Survey Results Workshop, hosted by Mercer. Employers of engineers, who participated in the survey, are welcome to attend. The workshop, facilitated by Mercer and OSPE, will cover the following:

- Orientation to the 2015 survey results; and
- Trends and highlights analyses by engineering responsibility level, year of graduation, industry, number of
 engineers in Ontario, geography and job type.

This meeting will provide employers with an excellent opportunity to network. To register, please contact Mercer at <u>info.services@mercer.com</u> or 800 333 3070.

Using the Survey Results

Data Reported

The following compensation elements are reported for all engineering responsibility levels:

- Base salary
- Short-term incentive amounts granted (as a percentage of base salary)
- Actual total cash compensation

As in previous years, data are reported by:

- Year of graduation
- Industry
- Organization size
- Job type
- Incumbent location

New in 2015

Compensation Data - Excel export file

The comprehensive compensation data analysis has been provided separately in an excel export file to enable easier access and filtering of data.

The survey will also report on the following policies and practices elements:

- Turnover by engineering level and by gender
- · Prevalence of reasons for turnover
- · Prevalence and summary of benefits programs offered to engineers

Policies and practices information will be provided in the PDF report only.

In addition to the PDF and excel export file, the survey results are presented in an online format through Mercer's reporting tool. Participant employers may analyze the survey data in non-standard categories (i.e., define custom cuts of the data).

Example: Total cash for Level C employees that graduated in 1995 and work in High Tech organizations with revenues of less than \$150 million.

Mercer WIN® allows you to request custom peer groups by organization name. Total Number of Employees, Gender, Overtime Eligibility and Engineering Discipline scopes are available to all survey purchasers.

Mercer's Reporting Tool, Mercer WIN®

The survey results are presented via Mercer's reporting tool, an online market pricing software.

Mercer's reporting tool, a leading-edge analytical tool, provides direct, online access to the highest-quality, most comprehensive market data available from a source you can trust. Use this powerful tool to effectively evaluate your organization's competitive position and analyze market data.

Mercer's Reporting Tool, Mercer WIN® access to the Mercer OSPE National Engineering Compensation Survey provides you with all of the pre-determined statistics available within the hard copy report in an easy-to-use electronic format. You are provided with both the report statistics and the entire survey database. Mercer WIN® allows you to generate new statistics, that is, perform market pricing analyses and define parameters (such as revenue size and location) that more closely meet your needs. In addition, you can generate statistics based on custom peer groups, and access summary statistics available for download in Excel format.

Survey Methodology

Mercer follows a standardized methodology that has proven highly effective in executing surveys of national scope, as defined below:

Mercer uses a number of market data masking rules in this report and Mercer WIN® to guarantee client data confidentiality and to ensure the reported market data is as meaningful and useful as possible.

Summary of Market Data Masking Approaches

A minimum number of incumbents, organizations and distinct organizations are required to present remuneration statistics. If the minimums are not met, market data is suppressed ("masked") to protect confidentiality.

- Incumbents represent the number of distinct employees (i.e., observations) that are used to present mean, median and percentile remuneration statistics.
- Organization is defined as any entity or operating unit (e.g., divisions, subsidiaries, headquarters) providing unique incumbent remuneration data to the survey.
- A distinct organization is defined as either a stand-alone organization or a parent organization with multiple entities (i.e., divisions and/or subsidiaries). Multiple entities may provide survey data and be part of the same distinct organization which is counted only once.

We gauge whether or not an organization "dominates" the analysis, i.e., if an organization's incumbents represent a disproportionate share of the sample. We test for and report on two tiers of dominance.

- Tier 1 organization dominance alert at this level we alert the data user that a certain threshold of organization dominance has occurred and recommend that the user take this into account and/or also consider switching to organization weighted statistics.
- Tier 2 organization dominance masking at this level we mask (suppress) all statistics except mean and median.

| Mini | mum Counts to Displa | y Statistics | |
|--|----------------------|-----------------------|--------------------------------|
| Statistic | # of Incumbents | # of Organizations | # of Distinct Organizations |
| Mean (average) and frequency | | | |
| percents | 3 | 3 | 3 |
| 50 th percentile (median) | 4 | 4 | 3 |
| 25 th and 75 th percentile | 5 | 5 | 3 |
| 10 th and 90 th percentile | 10 | 5/10* | 3 |

Market Data Masking Criteria

* 5 organizations if the statistics are incumbent weighted; 10 if they are organization weighted Note – masked data is indicated in this report and Mercer WIN® with a double hyphen, i.e. "-"

| Organization Dominand | ce Criteria Thresholds | 5 |
|---|------------------------|---------------------|
| - | Tier 1 Alert | Tier 2 Data Masking |
| Percent of incumbents from one organization | 35% lo 49% | 50% + |
| Dominance indicator (symbol) | Single aslerisk | Double asterisk |

Note – The dominance indicators are displayed to the left of the "num orgs" column in Mercer WIN®. Most PDF reports do not display the indicators although the Tier 2 masking is applied.





Peer Group Confidentiality

Peer groups (client defined subsets of this survey's participants) may be created in Mercer WIN®. To protect the confidentiality of survey participants, the following rules apply to creating and modifying peer groups.

| Peer Group Min | mums |
|---|-----------|
| Criteria | Minimum # |
| Number of organizations | 10 |
| Number of dislinct organizations | 8 |
| Number of organization peer groups to vary by | 4 |

Matching Positions

When using this survey to assess your current compensation levels against market practices, try to:

- Match your positions to engineering levels based on position content. Please refer to the "Classification Guide of Engineering Responsibility Levels" section of this report for more details on the positions surveyed.
- Recognize that your incumbent need not perform all of the functions described in the survey position in order to have a valid match. If 80% of the responsibilities overlap, consider the match "Equal to". If one or several major responsibilities included in the level descriptions are not applicable to your position (or vice-versa), another match may be more appropriate.
- For hybrid positions, users of Mercer's reporting tool can blend positions easily and quickly to produce their own composite reports.
- Keep in mind that the survey has not been designed to cover every possible Professional Engineering position in your organization the engineering responsibility levels are intended to be benchmarks, so please treat them accordingly. Engineers working in positions that exceed the scope described in Level F are not covered in this survey.

Analyzing Survey Results

Once you have determined that an engineering responsibility level is an appropriate "match" for your position:

- Determine which positions are scope sensitive. Generally, the value of senior positions will vary based on organization-wide scope measures as well as individual scope measures. For these positions, comparisons should be based on the appropriate scope ranges. If a special analysis is needed, customized reports can be created in Mercer's reporting tool, at no additional charge.
- Determine which positions are location sensitive (generally the more junior positions). For these positions, consider using the regional analysis where a sufficient sample exists. In some cases, however, local and regional sample sizes are small and they may not accurately reflect the regional pay level. In such cases, additional data based on other parameters should complement the location data. It is suggested that you use all appropriate scope categories provided in the survey to analyze competitive pay levels for a particular position.
- Determine relevant compensation data salary and/or total cash. Determine the appropriate statistics. "Mean" pay is generally a higher figure than median pay, and has the advantage of being almost universally available in salary surveys. "Median" is the middle rate; most compensation professionals prefer to make comparisons on this basis since it is less easily influenced by the extremes. Your firm's pay philosophy may make it more appropriate to compare at a percentile other than the median (50th percentile).
- Make the data comparable in time. Either age the survey data to bring it to the present, or make your comparisons based on your salaries at the effective date of the survey (June 1, 2015). (This can be automated in Mercer's reporting tool.)
- Wherever possible, identify more than one reliable source of data for each position. Industry and local salary surveys are good supplementary reference points.



Using the Survey Results

Aging the Data Effective Date: June 1, 2015

Since the data were collected for this report, changes may have occurred in the marketplace. Predictions regarding salary increase budgets can be used to "age" the data over the course of a year.

The following example ages data from June 1, 2015 to January 1, 2016 and assumes an annual salary increase budget of 3%:

1. Determine the monthly salary increase budget:

3% Annual Increase= 0.002512 Months

This is the prorated monthly salary increase projection (MSIP).

 Multiply the prorated MSIP by the number of months since the effective date of the report to obtain the aging factor. To age the data to January 1, 2015 multiply the MSIP (0.0025) by the 7 months elapsed time.

$0.0025 \ge 7 = 0.0175$

This is the aging factor.

3. To calculate the 7-month salary increase, multiply the chosen base salary by the aging factor and add this amount to the chosen base salary.

(Base Salary x Aging Factor) + Base Salary = Aged Salary

This approach is a reasonable predictor of salary growth when the economy is relatively stable. When the economy fluctuates significantly (inflation/recession), figures should be adjusted to reflect those economic trends.

When using the survey results via Mercer's reporting tool, clients should refer to the "Set Aging" screen in order to apply an aging factor to the survey data. In the 2015 Mercer OSPE National Engineering Compensation Survey, the following fields can be aged: base salary, incentive granted (\$) and total cash compensation.

For salary planning budget information, Mercer's Compensation Planning Survey provides data to assist organizations in salary planning and budgeting. In addition to providing comprehensive coverage of forthcoming pay increases and structural adjustments, issues such as workforce planning, long-term and short-term incentive plan design and current economic conditions are addressed. For more information, please visit Mercer's website at <u>www.imercer.ca/cps</u>.

Terms and Definitions

| | | 0 | 0 | 8 | 4 | 6 | 6 | Ø | ß |
|-----|-------------------------------------|----------|---------|-----------|-----------|--------|----------------|-----------|------|
| | Compensation Analysis | Num Orgs | Num Obs | 10th %lle | 25th %lie | Median | , 75th %ile | 90th %ilo | Mean |
| | Annual Base Salary | | | | | | | | |
| 9- | Base Salary - Inc. Wtd. (All) | | | | | | | | |
| 10- | Base Salary - Org Wtd (All) | | | | | | | | |
| D- | Base Salary - (I/R) | | | | | _ | | | |
| | Annual Incentives | | | | | | | | |
| 2- | Incentive Granted (5) (I/R) | | | | | | | | |
| 3- | Incentive Granted (% of base) (I/R) | | | | | | | | |
| | | | | | | | | | |
| | Total Cash Compensation | | | | | | | | |
| 4- | Total Cash - Inc. Wild (All) | | | | | | | | |
| 5- | Total Cash - Org. Wtd. (All) | | | | | | | | |
| | Total Cash (I/R) | | | | | | | | |

Definitions of variables and compensation data reported in the excel export file.

1 - Num Orgs

The number of organizations reporting information for the position.

2 - Num Obs.

The number of observations or incumbents for which information is reported.

3 - 10th Percentile (Low Decile)

The data point within the sample which is higher than 10% of all data reported.

4 - 25th Percentile (1st Quartile)

The data point within the sample which is higher than 25% of all data reported.

5 – Median (50th Percentile)

The data point within the sample which is higher than 50% of all data reported (also known as the middle rate).

6 - 75th Percentile (3rd Quartile)

The data point within the sample which is higher than 75% of all data reported.

7 - 90th Percentile (High Decile)

The data point within the sample which is higher than 90% of all data reported

8 - Mean (Average)

The sum of the data reported divided by the number of data points in the sample (also known as the average).

9 - Base Salary - Incumbent Weighted (All)

Each incumbent's base salary information is given equal weight in the computation of the statistics. The results therefore reflect the influence of those organizations reporting multiple incumbents.

10 - Base Salary - Organization Weighted (All)

Each organization's base salary information for a position is averaged in order to obtain a single slatistic for the organization. The results therefore reflect equal weighting for each organization.

11 - Base Salary - (I/R)

Base salary for those incumbents who received an incentive in the past year – bonus and/or commission (excludes zero values).

12 - Incentive Granted (\$) (I/R)

Annual incentive or bonus payments granted, expressed in thousands of Canadian dollars, for those incumbents who received an incentive in the past year (excludes zero values). Incentives may include bonuses, sales commissions, project bonuses, profit and gain sharing, lump sum merit pay or other performance related variable pay.

13 - Incentive Granted (% of base) (I/R)

Annual incentive or bonus payment granted, expressed as a percentage of base salary, for those incumbents who received an incentive in the past year (excludes zero values).

14 - Total Cash - Inc, Wtd. (All)

Annual base salary and incentives, if any, for all incumbents in the sample whether or not they were eligible for or received an incentive. Each incumbent is given equal weight in the computation of the statistics. The results therefore reflect the influence of those organizations reporting multiple incumbents.

15 - Total Cash - Org. Wtd. (All)

Annual base salary and incentives, if any, for all incumbents in the sample whether or not they were eligible for incentives. Each organization's compensation information for a position is averaged in order to obtain a single rate. The results therefore reflect equal weighting for each participating organization who matched the position.

16 - Total Cash (I/R)

Annual base salary and actual incentives paid, including profit sharing, other guaranteed payments and sales incentives for all incumbents who received at least one of the following incentives; profit sharing, annual incentives or sales incentives. Data are incumbent weighted.

17 – Annual Incentive

The percentage of incumbents who are eligible for short-term incentives (bonuses).

Using the Survey Results

Eastern Canada Regions





Industry Groupings

This page summarizes the industry groupings for reporting and further analysis in Mercer's reporting tool:

| Super Sector | Sector | Subsector |
|--------------------------|--|---|
| | Apparel | |
| [| Beverage & Tobacco | |
| [| Food | |
| Consumer Goods | Personal Care & Household Products | |
| | Over the Counter Pharmaceutical | |
| | Combination Consumer Goods | |
| | Olher Consumer Goods | |
| | 14 | Branded Pharma |
| | | Generic Pharma |
| | Pharmaceutical | Medical Nutrition |
| | | Combination Pharmaceutical |
| | | Other Pharmaceulical |
| | | Capital Equipment Medical Devices |
| | | Consumable & Disposable Medical Devices |
| | | Durable Equipment Medical Devices |
| | Medical Devices & Equipment | Implantable Medical Devices |
| Life Sciences | | Combination MedIcal Devices |
| | | Other Medical Devices |
| 1 | Biotechnology | Biotechnology |
| | | Contract Manufacturing Organizations (Life Sciences) |
| | Contract Organizations (Life Sciences) | Contract Research Organizations (Life Science |
| | , i | Contract Distribution Organizations (Life Sciences) |
| | Animal Health | Animal Health |
| | Combination Life Sciences | Combination Life Sciences |
| | Chemicals Manufacturing | |
| Other Non-Durable Goods | Paper & Allied Products Manufacturing | |
| Manufacturing | Other Non-Durable Goods Manufacturing | |
| | Automobile Manufacturing | |
| Ì | Automobile Components Manufacturing | |
| Transportation Equipment | Construction, Farm Machinery & Heavy Trucks Manufacturing | |
| | Olher Transportation Equipment Manufacturing | |
| | Machinery Manufacturing | |
| Other Durable Goods | Plastics & Rubber Products Manufacturing | |
| Manufacturing | Electrical Equipment Manufacturing | |
| | Other Durable Goods Manufacturing | |
| | | Computer & Mobile Related Devices Manufacturing |
| | | Telecommunications Devices & Hardware Manufacturing |
| | | Consumer & Office Electronics Manufacturing |
| High Tech | High Tech (Manufactured Products & Hardware) | Electronic Instruments & Equipment Manufacturing |
| nigh reon | ez — netwateger I. minning († 1676-1) | Electronic Components Manufacturing |
| | | Semiconductor Manufacturing |
| | | Combination High Tech Manufactured Products Hardware |
| | | Olher High Tech Manufactured Products & Hardware |

Using the Survey Results

| Super Sector | Sector | Subsector |
|------------------|--|--|
| | | Business End User Applications Development |
| | | Consumer End User Applications Development |
| | | Systems Software Development |
| | | Design Software Development |
| | High Tech (Software & Virtual Products) | Internet Services |
| | | Gaming Development |
| | | Combination High Tech Software & Virtual Products |
| | | Other High Tech Software & Virtual Products |
| | 180 - 167 - 15 | IT Consulting Services & Solutions |
| | | IT Back Office Service (ITO) |
| | | Telecommunications Services |
| High Tech | | Engineering Design Services |
| | High Tech (Services) | Data Analytics Services & Solutions |
| | | Web Design Services |
| | | Combination High Tech Services |
| | | Other High Tech Services |
| | Combination High Tech Manufactured/Hardware & Software/Virtual Products | Combination High Tech Manufactured/Hardware & Software/Virtual Products |
| | Combination High Tech Manufactured/Hardware Products & Services | Combination High Tech Manufactured/Hardware Products & Services |
| | Combination High Tech Software/Virtual Products & Services | Combination High Tech Software/Virtual Products & Services |
| | Combination All High Tech Products & Services | Combination All High Tech Products & Services |
| | Other High Tech Products or Services | Other High Tech Products or Services |
| | | Energy Fully Integrated |
| | | Energy Exploration & Production |
| | Energy Fully Integrated and Exploration & Production | Energy Exploration |
| | | Energy Production |
| | Francisco & Drilling | Energy Services & Equipment |
| | Energy Services & Drilling | Energy Drilling |
| | Energy Pipeline/Midstream | Energy Pipeline/Midstream |
| | 2006 W | Energy Refining/Processing |
| | Energy Downstream | Energy Marketing & Distribution |
| | | Energy Fully Inlegrated Downstream |
| Елегду | Energy Trading | Energy Trading |
| | | Energy Power Generation |
| | Energy Utilities | Retail Ulility |
| | | Fully Integrated Utility |
| | | Solar Energy |
| | | Wind Energy |
| | Alternative & Renewable Energy | Other Allernative or Renewable Energy |
| | | Combination Alternative or Renewable Energy |
| | Energy Engineering, Procurement & Construction | Energy Engineering, Procurement & Construction |
| | | Public Sector |
| | Other Energy | Other Energy |
| | Base Metals Mining | minus (3) |
| | Coal, Industrial & Other Materials Mining | |
| Mining & Metals | Gold Mining | |
| mining or metals | Precious Metals & Minerals Mining (excluding Gold) | |
| | Diversified Mining | |

0

Using the Survey Results

| Super Sector | Sector | Subsector | | | | |
|-------------------------------|---|--|--|--|--|--|
| | | Apparel/Accessories Retail - Family | | | | |
| | | Apparel/Accessories Retail - Infants/Children | | | | |
| | | Apparel/Accessories Retail - Men | | | | |
| | Apparel, Fashion, Footwear & Accessories Relait | Apparel/Accessories Relail - Women Footwear/Shoes Relail | | | | |
| | | | | | | |
| | | Combination Apparel & Accessories Retail | | | | |
| | Department Stores | Department Stores | | | | |
| | | Combination Electronics etc. Retail | | | | |
| | | Electronics Retail | | | | |
| | Electronics, Entertainment, Communications & Office | Enlerlainment Retail | | | | |
| | Retail | Communications Retail | | | | |
| | | Office Supply Retail | | | | |
| | | Grocery Relail | | | | |
| | | Drug & Pharmacy Relail | | | | |
| | Grocery, Pharmacy & General Merchandise Retail | General Merchandise Retail | | | | |
| | | Combination Grocery etc. Retail | | | | |
| | | | | | | |
| | Converience Batail | Gas/Petro Retail | | | | |
| | Convenience Retail | | | | | |
| | | Combination Gas/Petro & Convenience Retail | | | | |
| | | Hardware Retall | | | | |
| Retail & Wholesale | | Building Supplies Retail | | | | |
| | Home, Hardware, Building & Garden Supply Retail | Garden Supplies Retail | | | | |
| | | Olher Home Products Retail | | | | |
| | | Combination Home, Hardware etc. Retail | | | | |
| | | Quick Service & Fast Food | | | | |
| | Restaurants | Fine Dining | | | | |
| | | Restaurant Chains | | | | |
| | | Automotive Dealers | | | | |
| | | Automotive Parts & Services Retail | | | | |
| | | Books/Music/Video Relail | | | | |
| | | Furniture & Home Furnishing Retail | | | | |
| | | Gifts/Novelties Retail | | | | |
| | Specially Poteil | Home Goods & Products Retail | | | | |
| | Specialty Retail | Jewelry Retail | | | | |
| | | Luxury Retail | | | | |
| | | Salon/Personal Care Products Retail | | | | |
| | | Sporting Goods/Hobby Retail | | | | |
| | | Other Specialty Retail | | | | |
| | | Combination Specialty Retail | | | | |
| | | Wholesale Trade & Durable Goods | | | | |
| | Wholesale Distribution | Wholesale Trade & Non-Durable Goods | | | | |
| | | Wholesale Trade - Other or Combination | | | | |
| | | Automotive Financing | | | | |
| | | Consumer Finance - General | | | | |
| | | Consumer Finance - Mortgage | | | | |
| | | Credit Union | | | | |
| | Consumer Finance & Retail Banking | Home Equity/Real Estate Finance | | | | |
| ter an analysis as we will be | | Credit Card Issuer | | | | |
| Banking/Financial Services | | Retail Bank | | | | |
| | | | | | | |
| | | Thrift (Savings Bank, Savings & Loan) | | | | |
| | Commercial Lending | Commercial Bank Commercial Finance (Commercial Loan, Commercial Real Estate) | | | | |
| | | Commercial Real Estate) | | | | |



Using the Survey Results

| Super Sector | Sector | Subsector |
|---|--|---|
| | | Investment & Asset Management |
| | investment | Investment Banking |
| | | Private Equity/Venture Capital Investment |
| Desking // Transial Convision | Trust & Private Banking | Trusl & Private Banking |
| Banking/Financial Services | Financial Services Operations | Financial Services Operations |
| | Combination Banking/Financial Services Organizations | Combination Banking/Financial Services Organizations |
| | Other Financial Services | Other Financial Services |
| - A A A A A A A A A A A A A A A A A A A | Life Insurance | Life Insurance |
| | | Property & Casualty Insurance |
| | Non-Life Insurance (Excluding Health & Medical) | Workers Compensation Insurance |
| | | Combination Non-Life Insurers |
| | Health & Medical Insurance | Health & Medical Insurance |
| Insurance/Reinsurance | | Life and Property & Casualty Insurance |
| | Combination Life & Non-Life Insurers | Life & Other Non-Life Insurers |
| | | Reinsurance - Life Insurance |
| | Reinsurance | Reinsurance - Non-Life Insurance |
| | Reinsurance | Reinsurance - Combination Life & Non-Life Insurance |
| | Business Process Outsourcing | |
| | Business/Professional Services | |
| | Education | |
| | Healthcare Services | |
| Services (Non-Financial) | Information & Data Processing Services | |
| | Government/Public Administration & other Civic, Social Political or Religious Organizations | |
| | Services - Other or Combination | |
| | Agriculture, Forestry, Fishing & Hunting | |
| | Construction | |
| | Entertainment | |
| | Hospitality | |
| Other Non-Manufacluring | Publishing | |
| | Real Estate | |
| | Research & Development | |
| | Transportation & Warehousing | |
| | Water, Sewage & Olher Systems | |
| | Combination Other Non-Manufacturing | |



Sample Overview

SAMPLE OVERVIEW

This section provides the broader market context that will enable users to gain a greater insight into this year's survey sample.

Sample Size by Engineering Responsibility Level

The following table shows the number of incumbents for whom data were received for each engineering responsibility level:

| Level | Num Orgs | Num Obs |
|------------|----------|---------|
| All Levels | 66 | 7,116 |
| Level A | 36 | 687 |
| Level B | 39 | 1,980 |
| Level C | 46 | 2,234 |
| Level D | 37 | 1,312 |
| Level E | 41 | 661 |
| Level F | 17 | 242 |

Distribution of Incumbents by Location

The incumbent distribution by geographic location is as follows:

| City (N=7,116) | % of Sample |
|----------------------|-------------|
| Fredericton | 0.7 |
| Gatineau | 0.6 |
| Halifax | 5.3 |
| Labrador Cily | 0.6 |
| Longueuil | 5.6 |
| Moncton | 0.2 |
| Montréal | 62.6 |
| Québec City | 3.3 |
| Rouyn-Noranda | 0.8 |
| Rural Eastern Québec | 0.4 |
| Saint John | 0.3 |
| St. John's | 2.3 |
| Val-D'Or | 4.7 |
| Olher | 14.3 |

Percents do not equal 100% due to rounding.

Participant Distribution by Number of Engineers in Eastern Canada

The following table illustrates the distribution of participant organizations based on the number of engineers they employ in Eastern Canada:

| % of Sample |
|-------------|
| 37.5 |
| 9.4 |
| 15.6 |
| 18.8 |
| 16.8 |
| |

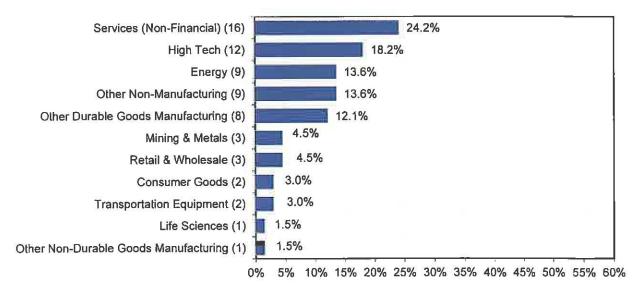
Percents do not equal 100% due to rounding.



Participant Distribution by Industry Super Sector

The distribution of participant organizations based on industry super sector is shown below. The number in parentheses indicates the sample size for each industry grouping:

Industry Super Sector (N = 66)

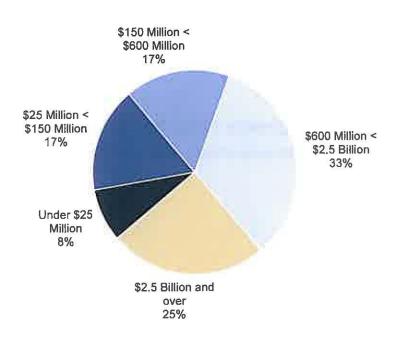


Percents do not equal 100% due to rounding.

Participant Distribution by Net Sales Revenue

The following chart displays the distribution of the participants based on Net Sales Revenue:

Net Sales Revenue (N = 60)



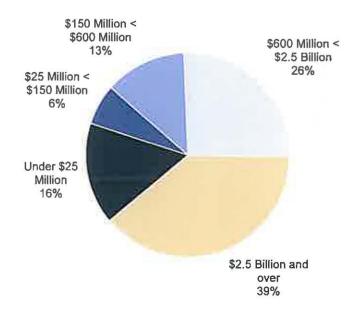


Sample Overview

Participant Distribution by Operating Expenses/Budget

The following chart displays the distribution of the participants based on Operating Expenses/Budget:

Operating Expenses/Budget (N = 31)



Spread of Actual Years from Graduation

The table below indicates the spread of actual years from graduation for each engineering responsibility level:

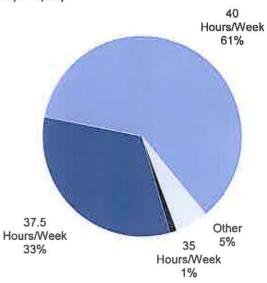
| Engineering Level | Year(s) from Graduation | | | | | | | |
|-------------------|-------------------------|-----------|----------|----------|----------|----------|----------|--|
| | # of Orgs. | # of Obs. | 10th%ile | 25th%ile | 50th%ile | 75th%ile | 90th%ile | |
| Level A | 8 | 139 | 1 | 2 | 3 | 4 | 7 | |
| Level B | 9 | 166 | 4 | 5 | 7 | 9 | 12 | |
| Level C | 16 | 229 | 6 | 7 | 10 | 13 | 19 | |
| Level D | 14 | 177 | 9 | 11 | 15 | 20 | 28 | |
| Level E | 16 | 157 | 12 | 16 | 21 | 29 | 34 | |
| Level F | 11 | 115 | 16 | 21 | 27 | 33 | 37 | |

Sample Overview

Standard Work Week

The following chart indicates the number of hours in a standard work week for engineers in Eastern Canada:

Standard Work Week (N = 7,106)







SUMMARY FINDINGS

Survey Trends and Highlights

The 2015 Mercer OSPE National Engineering Compensation Survey results represent salary data submitted by 66 organizations covering more than 7,100 incumbents, across six engineering responsibility levels. Mercer reviews all data to ensure the matches are accurate but a large change in sample can impact data.

Services (Non-Financial) is the single largest category of employer in the survey; with more than quarter (25.7%) of employees falling into this industry super sector.

Mercer's presentation of findings is based on incumbent weighted statistics, unless otherwise noted. Organization weighted statistics are available in Mercer's reporting tool. The impact of sample size is a key consideration for the interpretation of survey data. It is important to use key scoping information, including industry, geographical region and company size when analyzing survey results from year to year.

When reviewing these results, users may find that pay levels for a particular engineering responsibility level are affected by a single employer that has matched a large number of engineers. We recommend that, where possible, users review organization weighted as well as incumbent weighted data in their analyses.

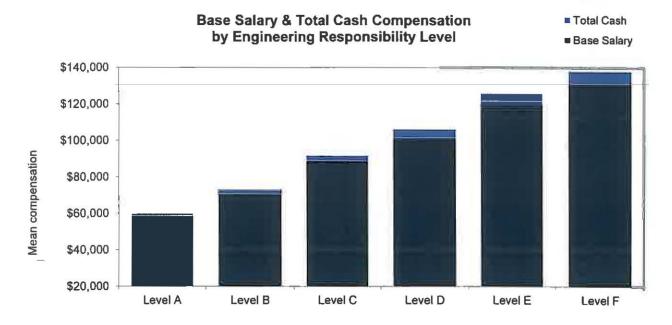
Consider the following:

 Reviewing the data for the Consulting (client-facing) job type for Engineer level E, the median incumbent weighted base salary is \$107,765 while the organization weighted base salary is \$119,878. This example demonstrates that the data reported have been impacted by one or two organizations with a few incumbent matches that are skewing incumbent weighted statistics.

Summary Findings

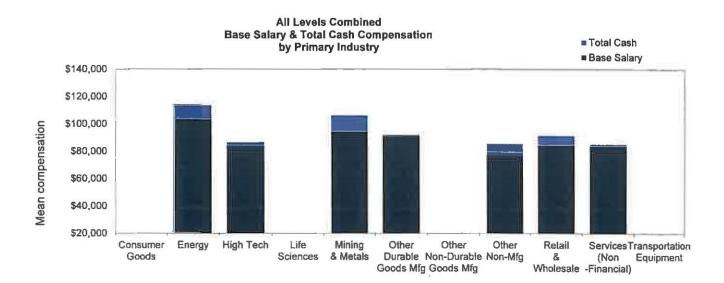
Base Salary & Total Cash Compensation by Level

The graph and table below illustrate average base salary and total cash compensation by engineering responsibility level:



Base Salary & Total Cash Compensation by Industry Super Sector

The following graph illustrates average base salary and total cash compensation by industry super sector for all engineering responsibility levels combined.

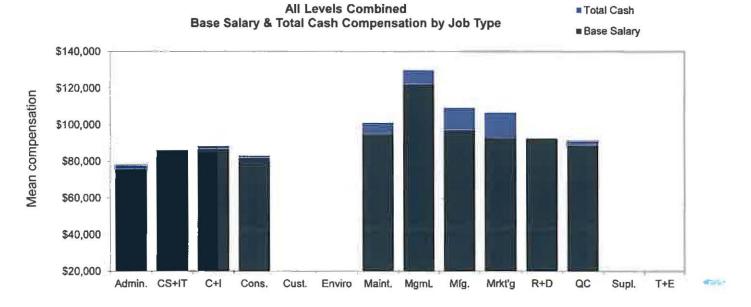


Summary Findings

NATENG (2015 Mercer OSPE National Engineering Compensation Survey

Base Salary & Total Cash Compensation by Job Type

The following graphs show mean base salary and total cash compensation by job type for all incumbents and at each responsibility level:



- Administration and Support
- Computer Systems and Information Technology
- Construction and Installation
- Consulting (client-facing)
- Customer Support Service (Post-Sales Technical Assistance)
- Environmental, Health and Safety
- Maintenance and Servicing

- Management
- Manufacturing, Operations and Production
- Marketing and Sales
- Research, Development and Design
- Quality Control and Quality Assurance
- Supply Chain Engineering (Logistics, Procurement and Contracts)
- Teaching, Training and Education

The following tables describe benefits plans and practices reported by 127 participating organizations in the survey. The categories of basic benefits in the survey (Health, Dental, Vision, Disability, and Life) are provided by the vast majority of organizations.

All participating organizations (N = 127) report that part-time engineers are eligible to receive benefits.

Thirty-nine percent of organizations self-insure health benefits, and 44% self-insure dental benefits.

Prevalence of Benefits for Engineers

| | Extended Health Coverage | | Dent | al Coverage | | Vision Care | |
|---------------------------------------|-----------------------------|-----------|------|-------------|-----|-------------|--|
| Industry Sector | N | % of Orgs | N | % of Orgs | N | % of Orgs | |
| All Data | 121 | 95% | 120 | 94% | 108 | 85% | |
| Banking/Financial Services | 0 | -% | 0 | -% | 0 | -% | |
| Consumer Goods | 0 | -% | 0 | -% | 0 | -% | |
| Energy | 15 | 94% | 15 | 94% | 15 | 94% | |
| High Tech | 19 | 100% | 19 | 100% | 19 | 100% | |
| Insurance/Reinsurance | 0 | -% | 0 | -% | 0 | -% | |
| Life Sciences | 2 | -% | 2 | -% | 2 | -% | |
| Mining & Metals | 5 | 100% | 5 | 100% | 5 | 100% | |
| Other Durable Goods Manufacturing | 7 | 88% | 8 | 100% | 6 | 75% | |
| Other Non-Durable Goods Manufacturing | 4 | 80% | 5 | 100% | 3 | 60% | |
| Other Non-Manufacluring | 10 | 91% | 11 | 100% | 9 | 82% | |
| Retail & Wholesale | 1 | -% | 1 | -% | 0 | -% | |
| Services (Non-Financial) | 52 | 96% | 49 | 91% | 45 | 83% | |
| Transportation Equipment | 6 | 100% | 5 | 83% | 4 | 67% | |

| | Short-term Disability / Salary Continuance | | Long-ter | m Disability | Basic Life Insurance | |
|---------------------------------------|---|-----------|----------|--------------|----------------------|-----------|
| Industry Sector | N | % of Orgs | N | % of Orgs | N | % of Orgs |
| All Data | 104 | 82% | 121 | 95% | 125 | 98% |
| Banking/Financial Services | 0 | -% | 0 | -% | 0 | % |
| Consumer Goods | 0 | -% | 0 | -% | 0 | -% |
| Energy | 14 | 88% | 15 | 94% | 16 | 100% |
| High Tech | 18 | 95% | 18 | 95% | 19 | 100% |
| Insurance/Reinsurance | 0 | -% | 0 | -% | 0 | -% |
| Life Sciences | 1 | -% | 2 | -% | 2 | -% |
| Mining & Metals | 5 | 100% | 5 | 100% | 5 | 100% |
| Other Durable Goods Manufacturing | 6 | 75% | 8 | 100% | 8 | 100% |
| Other Non-Durable Goods Manufacturing | 5 | 100% | 5 | 100% | 5 | 100% |
| Olher Non-Manufacturing | 9 | 82% | 11 | 100% | 11 | 100% |
| Retail & Wholesale | 1 | -% | 1 | -% | 1 | -% |
| Services (Non-Financial) | 40 | 74% | 51 | 94% | 52 | 96% |
| Transportation Equipment | 5 | 83% | 5 | 83% | 6 | 100% |

With the exception of Long-term Disability Insurance, participating companies tend to cover the entire cost of benefits offered. The table below outlines the Mean and Median company share of benefits cost. The Employee's Share of the cost can be calculated as 100% less the Company Share.

Cost Sharing of Benefits for Engineers

| | | | Extended Coverage | Dental Coverage | | | | Vision Care | | |
|---------------------------------------|-----|-------|----------------------|-----------------|--------|----------|----|-------------|----------|--|
| | | Сотра | any Share | | Сотра | ny Share | | Compa | ny Share | |
| Industry Sector | N | Mean | Median | N | Mean | Median | N | Mean | Medlan | |
| All Data | 110 | 86.4% | 100.0% | 107 | 86.0% | 100.0% | 91 | 83.5% | 100.0% | |
| Banking/Financial Services | 0 | -% | -% | 0 | -% | -% | 0 | -% | -% | |
| Consumer Goods | 0 | -% | -% | 0 | -% | -% | 0 | -% | -% | |
| Energy | 13 | 90.8% | 100.0% | 13 | 85.8% | 100.0% | 12 | 91.7% | 100.0% | |
| High Tech | 18 | 80.0% | 97.5% | 18 | 83.5% | 100.0% | 17 | 77.6% | 100.0% | |
| Insurance/Reinsurance | 0 | -% | -% | 0 | -% | -% | 0 | % | -% | |
| Life Sciences | 2 | -% | -% | 1 | % | % | 1 | -% | -% | |
| Mining & Metals | 3 | 93.3% | -% | 3 | 100.0% | -% | 2 | % | -% | |
| Other Durable Goods Manufacturing | 6 | 90.8% | 100.0% | 7 | 85.0% | 100.0% | 6 | 94.2% | 100.0% | |
| Other Non-Durable Goods Manufacturing | 3 | 95.0% | -% | 4 | 92.5% | 92.5% | 2 | -% | -% | |
| Other Non-Manufacturing | 9 | 88.3% | 100.0% | 9 | 91.8% | 100.0% | 7 | 78.6% | 100.0% | |
| Retail & Wholesale | 1 | -% | -% | 1 | % | -% | 0 | -% | -% | |
| Services (Non-Financial) | 49 | 87.9% | 100.0% | 46 | 84.7% | 100.0% | 40 | 80,9% | 100.0% | |
| Transportation Equipment | 6 | 93.7% | 100.0% | 5 | 96.4% | 100.0% | 4 | 95.5% | 100.0% | |

| | Short-term Disability / Salary Continuance | | | Lo | Long-term Disablity | | | Basic Life Insurance | | |
|---------------------------------------|---|--------|----------|-----|---------------------|----------|-----|-------------------------|----------|--|
| _ | | Compa | ny Share | | Compa | ny Share | | Compa | ny Share | |
| Industry Sector | N | Mean | Median | N | Mean | Median | N | Mean | Median | |
| All Dala | 91 | 83.8% | 100.0% | 109 | 50.0% | 50.0% | 111 | 80.9% | 100.0% | |
| Banking/Financial Services | 0 | % | -% | 0 | % | -% | 0 | -% | -% | |
| Consumer Goods | 0 | % | -% | 0 | % | -% | 0 | -% | -% | |
| Energy | 12 | 93.8% | 100.0% | 12 | 70.8% | 100.0% | 12 | 95.8% | 100.0% | |
| High Tech | 17 | 79.4% | 100.0% | 17 | 35.3% | 0.0% | 18 | 80.6% | 100.0% | |
| Insurance/Reinsurance | 0 | -% | -% | 0 | -% | -% | 0 | -% | -% | |
| Life Sciences | 1 | -% | -% | 2 | -% | % | 2 | -% | -% | |
| Mining & Metals | 3 | 100.0% | -% | 3 | 61.7% | -% | 3 | 66.7% | -% | |
| Other Durable Goods Manufacturing | 5 | 90.0% | 100.0% | 8 | 81.3% | 100.0% | 8 | 88.8% | 100.0% | |
| Other Non-Durable Goods Manufacturing | 4 | 96.3% | 100.0% | 4 | 58.8% | 67.5% | 4 | 96.3% | 100.0% | |
| Olher Non-Manufacturing | 7 | 88.1% | 100.0% | 10 | 68.5% | 84.2% | 9 | 72,2% | 100.0% | |
| Retail & Wholesale | 1 | -% | -% | 1 | -% | -% | 1 | -% | -% | |
| Services (Non-Financial) | 36 | 76.4% | 100.0% | 47 | 38.3% | 0.0% | 48 | 75.5% | 100.0% | |
| Transportation Equipment | 5 | 100.0% | 100.0% | 5 | 60.0% | 100.0% | 6 | 100.0% | 100.0% | |

Employee Share can be calculated by subtracling Company Share from 100%.

The table below outlines the prevalence of various levels of maximum annual amounts for vision care.

Maximum Annual Amount for Vision Care

| | | 0\$ | 150\$ | 200\$ | 300\$ | Over 300\$ | Other |
|---------------------------------------|-----|-----------|-----------|-----------|-----------|---------------|-----------|
| Industry Sector | N | % of Orgs | % of Orgs |
| All Data | 100 | 4% | 17% | 30% | 10% | 7% | 32% |
| Banking/Financial Services | 0 | -% | -% | -% | -% | -% | % |
| Consumer Goods | 0 | -% | -% | -% | -% | -% | -% |
| Energy | 15 | 0% | 13% | 33% | 13% | 13% | 27% |
| High Tech | 18 | 0% | 22% | 33% | 6% | 11% | 28% |
| Insurance/Reinsurance | 0 | -% | -% | -% | -% | -% | -% |
| Life Sciences | 2 | -% | -% | -% | -% | -% | % |
| Mining & Metals | 5 | 0% | 40% | 20% | 0% | 0% | 40% |
| Other Durable Goods Manufacturing | 6 | 0% | 17% | 67% | 17% | 0% | 0% |
| Other Non-Durable Goods Manufacturing | 2 | % | -% | -% | -% | -% | -% |
| Other Non-Manufacturing | 8 | 0% | 25% | 25% | 25% | 13% | 13% |
| Retail & Wholesale | 0 | -% | -% | -% | -% | -% | -% |
| Services (Non-Financial) | 40 | 10% | 10% | 23% | 10% | 5% | 43% |
| Transportation Equipment | 4 | 0% | 25% | 50% | 0% | 0% | 25% |

Fifty-six percent of organizations require their employees to make a co-payment on prescription drugs, and 12.5% indicated that they have a cap or maximum on prescription drug coverage.

Employee Co-Payments for Prescription Drugs

| | Employees Required to Make Co-Payment | | Have Cap or Max Coverage | | Max Prescription Drug Coverage Amount | | |
|---------------------------------------|--|-----------|-----------------------------|-----------|--|-------------|-------------|
| Industry Sector | N | % of Orgs | N | % of Orgs | N | Mean | Median |
| All Data | 69 | 56% | 15 | 13% | 11 | 2,078.8 | 1,200.0 |
| Banking/Financial Services | 0 | -% | 0 | -% | 0 | 9 <u></u> 9 | 1 <u></u> |
| Consumer Goods | 0 | -% | 0 | % | 0 | - | - |
| Energy | 3 | 19% | 1 | 7% | 0 | | (|
| High Tech | 8 | 42% | 1 | 5% | 1 | - | |
| Insurance/Reinsurance | 0 | -% | 0 | -% | 0 | - | <u></u> |
| Life Sciences | 0 | -% | 0 | -% | 0 | - | |
| Mining & Metals | 4 | 100% | 0 | 0% | 0 | - | |
| Other Durable Goods Manufacturing | 5 | 63% | 4 | 57% | 3 | 1,193.3 | |
| Other Non-Durable Goods Manufacturing | 3 | 75% | 0 | 0% | 0 | - | - |
| Other Non-Manufacluring | 7 | 64% | 0 | 0% | 0 | - | |
| Retail & Wholesale | 1 | % | 0 | -% | 0 | - | - |
| Services (Non-Financial) | 35 | 66% | 9 | 18% | 7 | 2,041.0 | 1,200.0 |
| Transportation Equipment | 3 | 60% | 0 | 0% | 0 | - | - |

The vast majority (85%) of participating organizations offer an Employee Assistance Plan, while 55% offer a Wellness Program. In almost all cases, the cost of the Employee Assistance Plan is covered by the employer. Wellness programs are slightly less often company paid, though the employer foots the bill for the majority of participating organizations.

Employee Assistance Plan and Wellness Program

| | Employee | Assistance Plan | Wellness Program | | |
|---------------------------------------|----------|-----------------|------------------|-----------|--|
| Industry Sector | N | % of Orgs | N | % of Orgs | |
| All Data | 105 | 85% | 66 | 55% | |
| Banking/Financial Services | 0 | -% | 0 | -% | |
| Consumer Goods | 0 | -% | 0 | -% | |
| Energy | 15 | 94% | 10 | 63% | |
| High Tech | 17 | 89% | 9 | 47% | |
| Insurance/Reinsurance | 0 | -% | 0 | -% | |
| Life Sciences | 2 | -% | 1 | -% | |
| Mining & Metals | 5 | 100% | 3 | 60% | |
| Other Durable Goods Manufacturing | 7 | 88% | 3 | 43% | |
| Other Non-Durable Goods Manufacturing | 3 | 75% | 1 | 33% | |
| Olher Non-Manufacturing | 9 | 82% | 8 | 73% | |
| Retail & Wholesale | 1 | -% | 1 | -% | |
| Services (Non-Financial) | 41 | 79% | 27 | 55% | |
| Transportation Equipment | 5 | 100% | 3 | 50% | |

Cost Coverage of Employee Assistance Plan

| | | Company Paid | Employee Paid | Shared Costs |
|---------------------------------------|-----|--------------|---------------|--------------|
| Industry Sector | N | % of Orgs | % of Orgs | % of Orgs |
| All Data | 102 | 92% | 2% | 6% |
| Banking/Financial Services | 0 | -% | % | -% |
| Consumer Goods | 0 | -% | -% | -% |
| Energy | 15 | 93% | 0% | 7% |
| High Tech | 17 | 100% | 0% | 0% |
| Insurance/Reinsurance | 0 | -% | -% | % |
| Life Sciences | 2 | -% | -% | % |
| Mining & Metals | 5 | 100% | 0% | 0% |
| Other Durable Goods Manufacturing | 7 | 86% | 14% | 0% |
| Other Non-Durable Goods Manufacturing | 3 | 100% | 0% | 0% |
| Other Non-Manufacturing | 7 | 100% | 0% | 0% |
| Retail & Wholesale | 1 | -% | % | -% |
| Services (Non-Financial) | 40 | 88% | 3% | 10% |
| Transportation Equipment | 5 | 100% | 0% | 0% |

Cost Coverage of Wellness Program

| | | Company Paid | Employee Paid | Shared Costs |
|---------------------------------------|----|--------------|---------------|--------------|
| Industry Sector | N | % of Orgs | % of Orgs | % of Orgs |
| All Data | 64 | 78% | 5% | 17% |
| Banking/Financial Services | 0 | -% | -% | -% |
| Consumer Goods | 0 | -% | -% | -% |
| Energy | 10 | 80% | 0% | 20% |
| High Tech | 9 | 67% | 11% | 22% |
| Insurance/Reinsurance | 0 | -% | -% | -% |
| Life Sciences | 1 | % | -% | -% |
| Mining & Metals | 3 | 100% | 0% | 0% |
| Olher Durable Goods Manufacluring | 3 | 33% | 33% | 33% |
| Other Non-Durable Goods Manufacturing | 1 | -% | -% | -% |
| Other Non-Manufacturing | 7 | 71% | 14% | 14% |
| Retail & Wholesale | 1 | -% | % | -% |
| Services (Non-Financial) | 27 | 85% | 0% | 15% |
| Transportation Equipment | 2 | -% | -% | -% |



Approximately two in five (39%) participating organizations offer a Healthcare Spending Account. The table below outlines the prevalence of this benefit practice and summary statistics of the maximum annual amount.

Healthcare Spending Account

| | | % of Organizations | Maximum Annual Amount | | |
|---------------------------------------|-----|---|-----------------------|---------|------------------|
| Industry Sector | N | Offering Healthcare Spending Account | N | Mean | Median |
| All Data | 126 | 39% | 40 | 904.2 | 500.0 |
| Banking/Financial Services | 0 | % | 0 | - | - |
| Consumer Goods | 0 | -% | ٥ | - | - |
| Energy | 16 | 31% | 4 | 800.0 | 350.0 |
| High Tech | 19 | 32% | 5 | 620.0 | 450.0 |
| Insurance/Reinsurance | 0 | -% | 0 | - | |
| Life Sciences | 2 | % | 0 | | .— |
| Mining & Metals | 5 | 80% | 3 | 583.3 | - |
| Other Durable Goods Manufacturing | 8 | 13% | 1 | - | _ |
| Other Non-Durable Goods Manufacturing | 5 | 60% | 2 | - | - |
| Other Non-Manufacturing | 11 | 45% | 4 | 500.5 | 625.0 |
| Retail & Wholesale | 1 | -% | 0 | - | |
| Services (Non-Financial) | 53 | 43% | 21 | 1,062.6 | 800.0 |
| Transportation Equipment | 6 | 33% | 0 | - | 1. ²⁰ |

Most (77%) participating organizations have a required minimum number of hours worked to determine eligibility for benefits. On average, the minimum requirement is 24.5 hours worked per week.

Minimum Hours Worked to Determine Eligibility for Benefits

| | % of Organizations | | Minimum Weekly Hours | | |
|---------------------------------------|--------------------|--|----------------------|--------------|-------------|
| Industry Sector | N | Requiring a Minimum Number of Hours Worked | N | Mean | Median |
| All Data | 119 | 77% | 89 | 24,5 | 24,0 |
| Banking/Financial Services | 0 | -% | 0 | _ | _ |
| Consumer Goods | 0 | -% | 0 | S | _ |
| Energy | 15 | 67% | 9 | 26.2 | 30.0 |
| High Tech | 19 | 95% | 18 | 22.4 | 20.0 |
| Insurance/Reinsurance | 0 | % | 0 | · | |
| Life Sciences | 2 | -% | 2 | 2 <u>—</u> 2 | |
| Mining & Metals | 5 | 100% | 5 | 23.8 | 20.0 |
| Other Durable Goods Manufacturing | 6 | 83% | 5 | 28.4 | 30.0 |
| Other Non-Durable Goods Manufacturing | 4 | 25% | 1 | | - |
| Other Non-Manufacturing | 9 | 67% | 6 | 22.2 | 23.3 |
| Retail & Wholesale | 1 | -% | 1 | - | - |
| Services (Non-Financial) | 52 | 77% | 36 | 24.5 | 23.3 |
| Transportation Equipment | 6 | 67% | 4 | 27.5 | 30.0 |



Thirty-four percent of organizations continue health coverage for retirees. Continued coverage for contract employees is less common, offered by 14% of organizations.

Continued Health Coverage for Retirees

| | | Drganizations Inulng Health Coverage | | Drganizations ding Reduced Coverage | | Organizations ing the Same Coverage |
|---------------------------------------|----|--|----|---|----|---|
| Industry Sector | N | % of Orgs | N | % of Orgs | N | % of Orgs |
| All Dala | 41 | 34% | 22 | 54% | 19 | 46% |
| Banking/Financial Services | 0 | -% | 0 | -% | 0 | -% |
| Consumer Goods | 0 | % | 0 | -% | 0 | -% |
| Energy | 9 | 56% | 5 | 56% | 4 | 44% |
| High Tech | 6 | 32% | 4 | 67% | 2 | 33% |
| Insurance/Reinsurance | 0 | -% | 0 | -% | 0 | -% |
| Life Sciences | 0 | -% | 0 | -% | 0 | -% |
| Mining & Metals | 3 | 60% | 2 | 67% | 1 | 33% |
| Other Durable Goods Manufacturing | 4 | 57% | 3 | 75% | 1 | 25% |
| Other Non-Durable Goods Manufacturing | 3 | 75% | 2 | 67% | 1 | 33% |
| Other Non-Manufacturing | 2 | 18% | 2 | -% | 0 | -% |
| Retail & Wholesale | 0 | -% | 0 | % | 0 | -% |
| Services (Non-Financial) | 12 | 24% | 3 | 25% | 9 | 75% |
| Transportation Equipment | 2 | 33% | 1 | -% | 1 | -% |

Continued Health Coverage for Contract Employees

| | | Drganizations inuing Health Coverage | | Organizations ding Reduced Coverage | | Organizations ding the Same Coverage |
|-----------------------------------|----|--|---|---|---|--|
| Industry Sector | N | % of Orgs | N | % of Orgs | N | % of Orgs |
| All Dala | 17 | 14% | 7 | 47% | 8 | 53% |
| Banking/Financial Services | 0 | -% | 0 | -% | 0 | -% |
| Consumer Goods | 0 | -% | 0 | % | 0 | -% |
| Energy | 1 | 6% | 1 | -% | 0 | -% |
| High Tech | 5 | 26% | 2 | 40% | 3 | 60% |
| Insurance/Reinsurance | 0 | -% | 0 | -% | 0 | -% |
| Life Sciences | 0 | -% | 0 | -% | 0 | -% |
| Mining & Metals | 1 | 25% | 1 | -% | 0 | -% |
| Other Durable Goods Manufacturing | 2 | 29% | 2 | -% | 0 | -% |
| Other Non-Durable Goods | | | | | | |
| Manufacturing | 0 | 0% | 0 | -% | 0 | -% |
| Other Non-Manufacturing | 1 | 9% | 0 | -% | 1 | -% |
| Retail & Wholesale | 0 | -% | 0 | -% | 0 | -% |
| Services (Non-Financial) | 6 | 12% | 1 | 25% | 3 | 75% |
| Transportation Equipment | 1 | 20% | 0 | -% | 1 | -% |



Engineer Turnover Rates

Failure to retain critical talent can prove to be very costly to any organization. This is especially true when referring to highly skilled or specialized employees such as engineers. The section below summarizes turnover rates as reported in this years' survey and the primary reasons engineers left their organization. Wherever possible, summary statistics are broken out by gender and engineering level.

Actual annual turnover rate, for the period of January 1, 2014 to December 31, 2014, was calculated as follows:

- (1) Calculate the average number of engineers:
- Determine the number of engineers at the end of each month in the reporting period.
- Add the number of engineers at the end of each month for the 12-month reporting period. Exclude contractor staff.
- Divide this number by 12.

(2) Divide the total number of terminations and/or separations for the period by the average number of engineers and multiply by 100.

Seventy-four percent of participating organizations have multiple paths for career advancement of engineers.

Voluntary Turnover and Multiple Career Paths

| Career Paths (N = 103) | Ν | % Orgs |
|----------------------------|----|--------|
| Single Career Path | 26 | 25% |
| Dual Career Path | 57 | 55% |
| More than Two Career Paths | 20 | 19% |

Percents do not equal 100% due to rounding.

Turnover Rates by Responsibility Level and Gender

| n - Mandar - Kabuldada - Kabula | | | | | Voluntary 1 | furnover % |
|---------------------------------|-----|-------|--------|----|-------------|------------|
| Engineering – Responsibility | 8 X | | Male | | | Female |
| Level | N | Mean | Median | N | Mean | Medlan |
| A | 33 | 2.27% | 0.00% | 32 | 1.02% | 0.00% |
| В | 40 | 1.21% | 0.00% | 35 | 0.90% | 0.00% |
| с | 43 | 2.76% | 1.00% | 35 | 1.09% | 0.00% |
| D | 40 | 1.88% | 0,30% | 31 | 0.27% | 0.00% |
| E | 35 | 0.41% | 0.00% | 27 | 0.07% | 0.00% |
| F | 33 | 1.11% | 0.00% | 26 | 1.29% | 0.00% |
| All Levels | 59 | 4.46% | 3.00% | 54 | 1.70% | 1.00% |

| involuntary | Turnover | % |
|-------------|----------|---|
|-------------|----------|---|

| Environment | | | | | myonumary | |
|---------------------------------|------|-------|--------|----|-----------|--------|
| Engineering – Responsibility | Male | | | | Female | |
| Level | N | Mean | Median | N | Mean | Median |
| A | 31 | 0.46% | 0.00% | 31 | 0.04% | 0.00% |
| В | 40 | 0.31% | 0.00% | 34 | 0.01% | 0.00% |
| С | 41 | 0.71% | 0.00% | 34 | 0.01% | 0.00% |
| D | 39 | 0.49% | 0.00% | 32 | 0.21% | 0.00% |
| E | 35 | 0.38% | 0.00% | 27 | 0.01% | 0.00% |
| F | 33 | 0.16% | 0.00% | 26 | 0.00% | 0.00% |
| All Levels | 58 | 1.59% | 0.07% | 51 | 0.36% | 0.00% |

Benefits and Turnover



Engineer Turnover Rates

| | | | | | Total 7 | Furnover % | |
|---------------------------------|------|-------|--------|----|---------|------------|--|
| Engineering – Responsibility | Male | | | | Female | | |
| Level | N | Mean | Median | N | Mean | Median | |
| A | 34 | 2.63% | 0.00% | 34 | 0.89% | 0.00% | |
| В | 42 | 1.58% | 0.00% | 37 | 0.90% | 0.00% | |
| С | 44 | 3.29% | 1.00% | 37 | 1.16% | 0.00% | |
| D | 41 | 2.17% | 0.00% | 34 | 0.58% | 0.00% | |
| E | 36 | 0.81% | 0.00% | 31 | 0.25% | 0.00% | |
| F | 36 | 1.18% | 0.00% | 31 | 1.08% | 0.00% | |
| All Levels | 64 | 6.65% | 4.00% | 57 | 2,05% | 0.58% | |

The table below indicates the primary reasons provided for Voluntary Turnover. Though the small sample size makes it difficult to draw conclusions with certainty, females appear less likely to report leaving due to Base Salary or Poor Fit with Job/Organization than males.

Reasons for Voluntary Turnover

| | | Male | | Female | | Both |
|---|----|-----------|---|-----------|----|-----------|
| Reasons for Leaving (N = 65) | N | % of Orgs | N | % of Orgs | N | % of Orgs |
| Compensation | 6 | 12.8% | 2 | 7.1% | 7 | 20.6% |
| Base Salary | 11 | 23.4% | 3 | 10.7% | 9 | 26.5% |
| Variable Pay | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| Benefits | 3 | 6.4% | 0 | 0.0% | 0 | 0.0% |
| Personal | 1 | 2.1% | 1 | 3.6% | 2 | 5.9% |
| Lack of Work/life Balance | 2 | 4.3% | 1 | 3.6% | 7 | 20.6% |
| Personal/family | 11 | 23,4% | 6 | 21.4% | 13 | 38.2% |
| Relocation | 10 | 21.3% | 6 | 21.4% | 13 | 38.2% |
| Career | 1 | 2.1% | 1 | 3.6% | 2 | 5.9% |
| Poor fit with job | 9 | 19.1% | 2 | 7.1% | 3 | 8.8% |
| Career Change | 11 | 23.4% | 6 | 21.4% | 12 | 35.3% |
| Job Satisfaction | 7 | 14.9% | 2 | 7.1% | 7 | 20.6% |
| Lack of career/training opportunities | 6 | 12.8% | 3 | 10.7% | 9 | 26.5% |
| Return to school | 5 | 10.6% | 5 | 17.9% | 7 | 20.6% |
| Organization | 1 | 2.1% | 2 | 7.1% | 1 | 2,9% |
| Job Security | 2 | 4.3% | 0 | 0.0% | 2 | 5.9% |
| Poor fit with organization | 8 | 17.0% | 1 | 3.6% | 4 | 11.8% |
| Relationship with direct supervisor/manager | 1 | 2,1% | 0 | 0.0% | 3 | 8.8% |
| Trust/confidence in leadership | 1 | 2.1% | 0 | 0.0% | 1 | 2.9% |
| Uncertainty about organization's future | 1 | 2.1% | 0 | 0.0% | 2 | 5.9% |
| Other | 12 | 25.5% | 5 | 17.9% | 6 | 17.6% |

Three responses were allowed for each respondent; therefore, the sum of the percent of organizations may be greater than 100%.

Other includes: Retirement; maternity leave, other leave; expats returned to country of origin; employee returning to home country; better opportunity at competitor; shortage of work; reorganization/retrenchment; lack of recognition; switch from consulting to industry; undisclosed.



Classification Guide of Engineering Responsibility Levels

| Level of Responsibility | LEVEL A | LEVEL B | LEVEL C | | |
|---|--|---|--|--|--|
| Median Base | \$56,227 | \$69,594 | | | |
| 25 th - 75 th %'ile | \$53,820-\$62,100 | - | | | |
| 10 th - 90 th %'ile | \$49,998-\$70,228 | - | • | | |
| Duties | Receives training in the various phases of office, plant, field or laboratory englneering work as classroom instruction or on-the- job assignments. Tasks assigned include: preparation of simple plans, designs, calculations, costs and bills of material in accordance with established codes, standards, drawings or other specifications. May carry out routine technical surveys or inspections and prepare reports. | Normally regarded as a continuing portion of an engineer's training and development. Receives assignments of limited scope and complexity, usually minor phases of broader assignments. Uses a variety of standard engineering methods and lechniques in solving problems. Assists more senior engineers in carrying out technical tasks requiring accuracy in calculations, completeness of data and adherence to prescribed lesting, analysis, design or computation methods. | Generally would be a fully qualified professional engineer. Carries out responsible and varied engineering assignments requiring general familiarity with a broad field of engineering and knowledge of reciprocal effects of the work upon other fields. Problems usually solved by use of combination of standard procedures, modification of standard procedures, or methods developed in previous assignments. Participates in planning to achieve prescribed objectives. | | |
| Recommendations, Decisions and Commitments | Few lechnical decisions called for and these will be of routine nature with ample precedent or clearly defined procedures as guidance. | Recommendations limited to solution of the problem rather than end results. Decisions made are normally within established guidelines. | Makes independent studies, analyses, interpretations and conclusions. Difficult, complex or unusual matters or decisions are usually referred to more senior authority. | | |
| Supervision Received | Works under close supervision. Work Is reviewed for accuracy and adequacy and conformance with prescribed procedures. | Duties are assigned with detailed oral and occasionally written instructions, as to methods and procedures to be followed. Results are usually reviewed in detail and technical guidance is usually available. | Work is not generally supervised in detail and amount of supervision varies depending upon the assignment. Usually technical guidance is available to review work programs and advise on unusual features of assignments. | | |
| Leadership Authority and/or Supervision Exercised | May assign and check work of one to five technicians or helpers. Does not supervise junior engineers. | May give technical guidance to one or two junior engineers or technicians assigned to work on a common project. | May give technical guidance to engineers of less standing or technicians assigned to work on a common project. Supervision over other engineers not usually a regular or continuing responsibility. | | |
| Guide to Entrance Qualifications | Bachelor's degree in Engineering or Applied Science or its equivalent with zero to two years experience. Will not likely have their P.Eng. | Bachelor's degree in Engineering or Applied Science or its equivalent, normally with two to four years working experience from the graduation level. May have a P.Eng. | Bachelor's degree in Engineering or Applied Science or its equivalent, normally with four plus years related working experience from the graduation level. Typically holds a P.Eng. | | |

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Note: Above base salary compensation data are incumbent weighted.



Classification Guide of Engineering Responsibility Levels

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| Level of Responsibility | LEVEL D | LEVEL E | LEVEL F |
|---|--|---|--|
| Median Base | \$98,152 | \$119,064 | \$128,506 |
| 25 th - 75 th %'ile | \$84,453-\$116,019 | \$102,000-\$136,032 | \$111,027-\$144,033 |
| 10 th – 90 th %'ile | \$78,190-\$129,996 | \$94,794-\$155,352 | \$103,397-\$166,590 |
| Duties | First level of direct and sustained supervision of other professional engineers OR first level of full specialization. Requires application of malure engineering knowledge in planning and conducting projects having scope for independent accomplishment and co-ordination of difficult and responsible assignments. Assigned problems make it necessary to modify established guides, devise new approaches, apply existing criteria in new ways, and draw conclusions from comparative situations. | Usually requires knowledge of more than one field of engineering OR performance by an engineering specialist in a particular field of engineering. Participates in short and long range planning, makes independent decisions on work methods and procedures within an overall program. Originality and ingenuity are required for devising practical and economical solutions to problems. May supervise large groups containing both professional and non-professional staff; OR may exercise authority over a small group of highly qualified professional personnel engaged in complex technical applications. | Usually responsible for an engineering administrative function, directing several professional and other groups engaged in interrelated engineering responsibilities: OR as an engineering consultant, achieving recognition as an authority in an engineering field of major importance to the organization. Independently conceives programs and problems to be investigated. Participates In discussions, determining basic operating policies, devising ways of reaching program objectives in the most economical manner and of meeting any unusual conditions affecting work progress. |
| Recommendations, Declsions and Commitments | Recommendations reviewed for soundness of judgment but usually accepted as technically accurate and feasible, Involved with progressively larger financial decisions. | Makes responsible decisions not usually subject to technical review on all matters assigned except those involving large sums of money or long range objectives. Takes courses of action necessary to expedite the successful accomplishment of assigned projects. Responsible for some financial decisions. | Makes responsible decisions on all matters, including the establishment of policies and expenditure of large sums of money and/or implementation of major programs, subject only lo overall company policy and financial controls. |
| Supervision Received | Work is assigned in terms of objectives, relative priorities and critical areas that impinge on work of other units. Work is carried out within broad guidelines, but informed guidance is available. | Work is assigned only in terms of broad objectives to be accomplished, and is reviewed for policy, soundness of approach and general effectiveness. | Receives administrative direction based on organization policies and objectives. Work is reviewed to ensure conformity with policy and coordination with other functions. |
| Leadership Authority and/or Supervision Exercised | Assigns and outlines work; advises on technical problems; reviews work for technical accuracy, and adequacy. Supervision may call for recommendations concerning selection, training, rating and discipline of staff | Outlines more difficult problems and methods of approach. Coordinates work programs and directs use of equipment and material. Generally makes recommendations as to the selection, training, discipline and remuneration of staff. | Reviews and evaluates technical work; selects, schedules, and coordinates to attain program objectives; and/or as an administrator makes decisions concerning selection, training, rating, discipline and remuneration of staff. |
| Guide to Entrance Qualifications | Bachelor's degree in Engineering or Applied Science or its equivalent, normally with eight plus years of experience in the field of specialization from the graduation level. Typically holds a P.Eng. | Bachelor's degree in Engineering or Applied Science or its equivalent, normally with twelve plus years of engineering and/or administrative experience from the graduation level. Typically holds a P.Eng. | Bachelor's degree in Engineering or Applied Science or its equivalent. normally with fifteen plus years of engineering experience, including responsible administrative duties. Typically holds a P.Eng. |

Note. Above base salary compensation data are incumbent weighted



MERCER SERVICES

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