



Win the Battle for Talent with ORHMA's Group Benefit Plan



Local Touch. National Strength.™

The Battle Has Begun



Recent studies show that **total compensation** is playing a growing role in attracting and retaining talented employees.

In the Battle for Talent, you already have the human resource tools you need to win. We can show you how to make them work for your company. When aligned with your business strategy, a well-designed combination of benefits, compensation and retirement plans can be a powerful motivational tool spurring the growth of your people and your business.

Group Lockhart is here to help you attract and retain talented employees as well as reduce turnover costs. We are ready and able to provide you with the group benefit programs you need to be a winner in the Battle for Talent.

Group Lockhart



World Class Employee Benefit Services

Proudly serving the hospitality industry for over 40 years

- Specializing In The Hospitality Industry
- Services include: **Benefits, Retirement Planning, and Total Compensation**
- We strive for continued excellence in delivering world-class employee benefits services
- We enable our clients to attract, reward, and retain valued employees through professional outsourced HR solutions
- Allow our clients to be competitive within the labour market through our package of employee benefit services
- Pooled Purchasing Power | Tailored Benefits Programs | Professional Benefit Administration | Effective Employee Communication | Employee Wellness Initiatives
- Group Lockhart Inc. is proudly led by James Lockhart - an award-winning Benefits Advisor who has served Canada's Hospitality Industry for over 40 years

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- Hospitality Specialist broker partner for Navacord, a national firm 4th largest in Canada
- 40 year history working with Hotels in Canada
- Top credentials in the field as a:
 - ✓ Certified Employee Benefits Specialist
 - ✓ Graduate University degree through Dalhousie in Canada and Wharton business School in the US
 - ✓ Fellow status through the International Society of Employee Benefits Specialists Benefits Foundation, which is the top credential in the world, effectively a PHD in Benefit plans
- Awarded top industry honour through Hotelier Magazine as **“Supplier of the Year”** recognizing our achievements in developing Industry wide benefit program delivery, benchmarking total compensation, and overall success

Industry Recognition



Broker of Choice for the Employer of Choice

Being recognized in 2010 by Hotelier Magazine as a Pinnacle Award winner for our work as an Employee Benefits Broker was a validation by the Industry that we support a strong service culture. We define our client's employee value proposition as an investment in people through Group Life, Health and Retirement plans to become an Employer of Choice.

Navacord Fast Facts

- 1 *One of Canada's Largest* Insurance Brokers
- 2 *1,300+ Employees*
Majority Employee Owned (~140 partners)
- 3 *Fastest Growing*
Multi-Line Broker in Canada
- 4 *50,000+* Commercial Clients
- 5 *~\$270M Revenue*
- 6 *75% B2B* (Commercial & Benefits)
25% B2C (Personal Lines)
- 7 *~\$3.4 Billion* Annual Premium¹

¹ Including employee benefits

TOP 5 COMMERCIAL BROKERAGES IN CANADA



NAVACORD HEAD OFFICE  TORONTO

 BROKER PARTNER OFFICES	Vancouver Island, BC	Regina, SK	Toronto, ON
	Vancouver, BC	Moose Jaw, SK	Belleville, ON
	Edmonton, AB	Mississauga, ON	Laval, QC
	Calgary, AB	 London, ON	Charlottetown, P.E.I
	Saskatoon, SK	Hamilton, ON	Moncton, NB
			Saint John, NB

Hospitality Industry Strategic Partners



We are proud to be the largest administrator of hospitality group insurance programs in Canada, in partnership with our Hospitality Industry sponsors:



Local Touch. National Strength.™

Agenda



- HAC Study and Industry Trends
- Creating a Benefits Philosophy and the Benefits Experience
- Tax Effective Benefits
- Optimizing Plan Design
- Premium Cost Sharing/ Recommendations
- Legislative Framework/ ESA
- Building a Financial Budget
- Managing Premiums and Risk
- The Importance of Onboarding and Effective Communication Strategies

Hotel Workforce Growth Strategy



HAC Study



45% of surveyed candidates in a HAC study had a negative perception regarding salary and benefits in the hotel sector.

KEY TRENDS:

- Compensation and benefits in the hotel sector are not perceived to be on par with other industry offerings and standards
- Companies are discovering that benefits, rather than pay, are the most powerful motivators for the Millennial and Gen Z workforce demographic
- Solutions should be focused on recognizing and retaining talent through targeted strategies that extend beyond traditional pay and benefits, such as flexibility, cost of living support, DE&I initiatives, etc.



RESPONSIBILITIES:

Individual Employers and Owners

- Developing strategies to attract and retain employees such as offering competitive pay and benefits, providing opportunities for career development and advancement, and creating a positive work culture.
- Tailoring benefits to align with occupational demands
- Investing in employee health and well-being by offering health insurance and mental health support, promoting physical activity, creating a positive work environment, etc.

Hotel Association of Canada

- Promoting the importance of the hotel industry and its role in the economy and highlighting the benefits of working in the industry to high school students and newcomers.

What Success Looks Like



Innovative organizations go beyond foundational practices and explore creative ways to promote employee experience. They invest in diversity roles, sponsor education initiatives and industry events, use digital tools, offer unique benefits, prioritize employee feedback, and actively seek talent from different industries. These organizations also provide opportunities for growth and promotion, and support employees throughout the entire employee lifecycle.

Creating a Benefits Philosophy



A benefit philosophy statement establishes guidelines which management must operate within when planning, designing and revising a benefits program.

A well thought-out, written statement of benefit objectives and philosophy:

- Serves as a guide for evaluation of benefit changes and specific cost saving initiatives
- Provides the basic resolve to implement changes effectively
- Enables an organization to provide a consistent and well understood culture to its employees
- Explicitly defines the link between human resource goals such as attracting and retaining the kind of people essential to the organizations corporate mission and the role of the benefits program in supporting those goals
- Defines the financial parameters in making your investment in benefits rewards and cost sharing with employees

Benefits Philosophy Example



Our benefits philosophy reflects our partnership with employees.

We recognize our responsibility to reward individuals who make our organization successful by providing a company sponsored benefit program that meets financial security needs and supports the health and wellness of employees and their family members. We also recognize your personal responsibility to control health risk factors and benefit utilization with cost effective treatments that are medically necessary, as well as, a responsibility to contribute to the funding of the program.

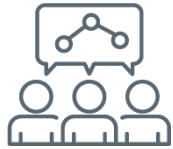
Participation in the program is not an entitlement. It is a reward for outstanding performance and commitment to the organization.

Benefits Philosophy Objectives



- To attract and retain employees essential to our corporation mission
- To enhance our total compensation to employees with tax effective benefits strategy that is market competitive for our industry
- To create an environment that encourages outstanding performance and supports personal wellness and mental health
- To be cost effective by utilizing our pooled buying power as a company and maximize the levels of benefit coverage within financial budget constraints
- To meet our company's obligation to protect employees with benefit schedules that are fair, equitable, and competitive in the labour market
- To provide tax free income protection for salaried employees at affordable premium contributions for Long Term Disability Benefits
- To minimize duplication of health and dental benefits between spousal plans and other employers with affordable contributions for your dependants
- To exercise personal responsibility to control health risk factors and benefit utilization with cost effective treatments that are medically necessary
- To provide cost effective prescription drugs
- To integrate our benefit schedules with government sponsored programs

The Benefits Experience



EMPLOYEE COMMUNICATIONS

Customized communications, providing employees with insights to help significantly reduce your benefit costs.



CUSTOM PLAN DESIGNS

New and innovative plan designs, providing exclusive benefits you won't find anywhere else.



PROVINCIAL HEALTHCARE COORDINATION

Explore how to coordinate your private prescription drug plan with Provincially funded healthcare to reduce claims and lower your costs.



SUPPLY CHAIN MANAGEMENT

Improving efficiencies by removing unnecessary layers of cost and administration.



CUSTOMIZED REPORTING

Proprietary analytical reporting, adapted to your specific needs and requirements.



PHARMACEUTICAL SUBSIDIES

FREE brand name drug manufacturer subsidy plans for private benefits programs.



FUNDING OPTIONS

Specializing in pay for use benefit strategies, we understand what real risk is.



RISK MITIGATION

Providing risk mitigation solutions through comprehensive assessments.



CLIENT CARE

Proactive leadership and day-to-day support of your benefits investment.

Group Lockhart Value Added Services



- **Professional outsourced benefits administration:**
 - Full-service vs. self-service
 - Onboarding new hires
 - Enrolment processing
 - Deliverables on eligibility date
 - Employee changes, terminations, etc.
 - Claims inquiries
 - Legislative updates

Tax Effective Benefits



Our group insurance plan is very tax effective. Company premiums are tax deductible, including RST, and are not included in the employees taxable income, except for life premiums. If the employee pays all of the premium for disability benefits that income is tax free while the employee is claiming benefits. All other claim payments are received tax free.

Optimizing Plan Design



BENEFIT OPTIONS (2-500 Employees)

Features

- Group life and accidental death
- Dependent life insurance
- Long-term disability income protection

Dental Benefits

- 80% or 100% coverage
- Current dental fee guide
- Routine dental services
- \$1,000 annual maximum

Extended Health Care Benefits

- 80% or 100% coverage
- Prescription drug card
- Semi-private hospital room
- Paramedical treatments & Visioncare
- Employee wellness assistance plans
- Out-of-Canada emergency health coverage

Tailored Plans

Member companies may choose to custom design a program to fit their specific needs. We can match coverage or add new benefits. Tailored programs are experience rated for each employer.

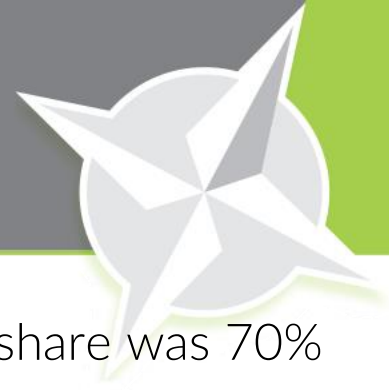
Group RRSP

Our group RRSP provides the convenience of payroll deduction combined with income tax deduction at source which allows the government tax dollars to be contributed into your RRSP on a monthly basis.

Privacy

We comply with all provincial and federal Privacy and Personal Protection and Electronic Documents (PIPEDA) legislation. Our privacy code ensures that policies and procedures are in place to protect the privacy of personal information in the course of conducting business.

Premium Cost Sharing/ Recommendations



- In our benchmark survey with the Toronto Board of trade, we found that the average cost share was 70% Employer/ 30% Employee.
- Toronto Hoteliers base more union labour challenges where union plans are 100% funded by the employer.
 - These plans can cost upwards of \$2.26 per hour for plans like the Unite Here health and welfare trust.
 - This creates a “me too” strategy, where employers may want to enhance non-union benefits to similar levels. This is not always affordable.
 - To have the most tax-effective benefit plan, employer funding should be maximized.
 - The contribution from employees should always be measured by “Is this affordable?”. This is the most important question if someone is making minimum wage.
- LTD premiums for salaried employees should always be employee-paid, so that the employee can receive the benefit tax-free if they were to become disabled.
- A popular strategy is to fund 100% of the associate cost as a single employee, which channels the employer funding to the employees on the payroll.
- Contributions toward family premium, i.e., the difference between family rate versus single rate, can be split 50%/50% for health and dental coverage.
 - Family health and dental premiums are typically 2.5 x the cost of single health and dental premiums.

Legislative Framework/ ESA

Ontario



Definition: 43. In this Part, “employer” means an employer as defined in subsection 1 (1), and includes a group or number of unaffiliated employers or an association of employers acting for an employer in relation to a pension plan, a life insurance plan, a disability insurance plan, a disability benefit plan, a health insurance plan or a health benefit plan. 2000, c. 41, s. 43.

Differentiation prohibited: 44. (1) Except as prescribed, no employer or person acting directly on behalf of an employer shall provide, offer or arrange for a benefit plan that treats any of the following persons differently because of the age, sex or marital status of employees:

1. **Employees.**
2. **Beneficiaries.**
3. **Survivors.**
4. **Dependants. 2000, c. 41, s. 44 (1); 2004, c. 15, s. 1.**

Causing contravention prohibited: (2) No organization of employers or employees and no person acting directly on behalf of such an organization shall, directly or indirectly, cause or attempt to cause an employer to contravene subsection (1). 2000, c. 41, s. 44 (2).

Building a Financial Budget



Total compensation is an incredibly effective tool to utilize when attracting top talent and informing team members about the value of their benefits from your company. Understanding what total compensation is and how it works is essential to winning and retaining top talent. Additionally, it helps companies more thoroughly assess the total cost of a hire so they can budget accordingly.

What is total compensation?

Total compensation is the collective compensation you provide to your employees in return for their services. It includes the employee's base salary (how much you pay the employee as either the hourly rate or their annual salary), the total dollar amount of the fringe benefits you offer (health insurance, paid time off, retirement plan, profit sharing, gym membership, etc.), bonuses and/or commissions.

Employers can show employees (or potential employees) the total value of the compensation and benefits they receive by supplying them with a total compensation document.

Benefit Compensation Rate Exhibit



				HRS/Eligibility/mth	Benefits Cost /HR
Total monthly Premium- Hrly	11,533.84	Hourly Ann Pay	2,370,000	138.00	1.49
Avg Cost	205.96	Hourly Count	56		
Total monthly Premium- Sal	4,620.01	Salaried Ann Pay	1,535,500	160.00	1.38
Avg Cost	220.00	Salaried Count	21		
Total monthly Premium- Exec	5,572.88	Executive Ann Pay	1,326,333	160.00	2.68
Avg Cost	428.68	Executive Count	13		
Total Monthly Premium	24,233.38	Total Enrolled/Premium	90	Total HRs Mth	Benefits Cost /HR
Total Avg Cost	269.26	Total Annual FT Payroll	5,231,833	13,168	1.73
LTD Premium EE Paid	1,489.41				

Total Monthly Premium - ER Paid	22,743.97	Monthly FT Payroll	435,986.11
Avg ER Cost- no LTD	252.71	Benefits as a % of payroll	5.2%

Managing Premiums/ Risk Management



Group Lockhart, in alliance with Manulife Financial, are here to help our ORHMA member employers retain good employees and reduce turnover costs with a competitive group benefit program. We have developed straightforward human resource management tools to help you create a positive working environment where employees feel valued.

Group Lockhart delivers World Class Employee Benefits Services and professional administration with the buying power of an underwriting pool of millions of dollars in premium within the hospitality sector.

The Importance of Onboarding



A significant amount of work goes into the implementation and servicing of a group benefits program. However, if your members don't understand the plan, perceived value and engagement will consequently drop.

With 50% of employees admitting to not understanding their plan, and 80% of those admitting to never opening benefits communications, Employee Education becomes a massive opportunity.

An effective onboarding and education approach will lead to increased engagement, enhanced workplace culture, higher productivity, less absenteeism, and business growth.

Employee Communication Strategy



Are employees optimizing their benefits?

Group Lockhart Resources for your employees:

- **Email/PDF**
 - Customized Total Compensation Statements
 - Wellness Newsletters
 - Benefits at a Glance
 - Employee Assistance Program
- **Video – Live and Recorded**
 - Wellness Webinars (Exemplify Series) hosted by a new speaker/specialist each month
 - Employee Benefits Education Sessions hosted by our Benefits Education Specialist

Benefits at a Glance



Employee
Benefits
Summary 2024

ORHMA
Ontario Retailers & Merchants
Trade & Support Association

Benefits At A Glance

As of: January 2024

Employee Value Proposition

We have excellent benefits coverage for you and your family so you can feel secure in knowing that we've got you covered and protected, whether that is standard day-to-day expenses or for unforeseen circumstances that may arise.

Benefit	Provider
Group Life	
Accidental Death & Dismemberment	
Long-Term Disability	MetLife
Extended Health Care	
Disability Care	
Employee Assistance Program	

The information provided herein is intended to provide an overview of the benefits available and is not intended to constitute an offer of insurance. For more information regarding the availability of insurance, please contact your broker or the insurance carrier.

When it comes to your benefits, get SMART!

Plan Participation

As a member, coverage for Group Life, Accidental Death & Dismemberment (AD&D), Dependent Life, Short-Term Disability (STD) and Long-Term Disability (LTD) benefits are mandatory and may not be waived. This includes Health and/or Dental Coverage for yourself and/or your family only if you have coverage for these benefits under your spouse's benefit plan. If your spouse's coverage subsequently terminates in the future, you have 31 days to apply for coverage under the ORHMA plan. If you do not apply within 31 days, your application for coverage may be declined or limited based on your state of health.

Changing Coverage

If you experience a life event, such as marriage, divorce, birth or death, you may be eligible for coverage through carrier. You must apply to change your benefit coverage under the plan within 31 days of the life event. If your application is received after that period, you are considered a new applicant, and you may not be permitted coverage without submitting evidence of insurability.

SMART!

- Search the web through coordination of benefits
- Make informed decisions
- Ask questions of your healthcare provider
- Review your usage and review if necessary
- Take action to improve your mental health

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Submitting A Claim

With Carrier claims can be submitted in four (4) different ways:



OPTION 1

Once registered and set up with Carrier's provider service network, have your health or dental care provider (i.e. dental office) submit the claim electronically on your behalf. Many health and dental care professionals are already set up to submit claims to Carrier.



OPTION 2

Register and log on to Carrier and submit claims online. Please remember to attach to your receipts for at least 12 months should you be subject to a random audit; or



OPTION 3

Download the Carrier app and submit claims via the app or



OPTION 4

Print a claim form from Carrier's website, fill it out, attach the original receipts to the form and mail it to the address listed on the claim form. Be sure to keep copies of all receipts in case something should get lost in the mail.

Note:

You can sign up for Direct Deposit through Carrier's website. If you've signed up for Direct Deposit, any reimbursement issues will be deposited directly into your bank account. If not, you'll simply receive a cheque in the mail.

Visit www.carrier.ca to register for online services and to learn more about managing your benefits.

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Marketing Resources



Investing in your Hospitality Employees

World Class Employee Benefit Services



- Monthly billings to each employer division
- Premium pooling and remittance to insurer
- Direct/confidential claims submission by employees
- Toll free claims inquiries 1-800-265-1224
- Benefit enrollment and record keeping
- Professional/experienced staff
- Customized employee booklets

TAX EFFECTIVE

Our group insurance plan is very tax effective. Company premiums are tax deductible, including RST, and are not included in the employees taxable income, except for life premiums. If the employee pays all of the premium for disability benefits that income is tax free while the employee is claiming benefits. All other claim payments are received tax free. Because of our high-quality administration, we eliminate much of the paperwork associated with providing benefits to employees.

ELIGIBILITY

Tourism employers may participate in the program with a minimum eligibility of fulltime management employees, who are owners, managers or department heads who have completed three months service. Member employers may also choose to insure full-time employees who have completed six months service. Management and employees must work an average of 25 hours per week to become eligible.

BENEFIT OPTIONS (2-500 Employees)

Features

- Group life and accidental death
- Dependent life insurance
- Long-term disability income protection

Dental Benefits

- 80% or 100% coverage
- Current dental fee guide
- Routine dental services
- \$1,000 annual maximum

Extended Health Care Benefits

- 80% or 100% coverage
- Prescription drug card
- Semi-private hospital room
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Tailored Plans

Member companies may choose to custom design a program to fit their specific needs. We can match coverage or add new benefits. Tailored programs are experience rated for each employer.

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Privacy

We comply with all provincial and federal Privacy and Personal Protection and Electronic Documents (PIPEDA) legislation. Our privacy code ensures that policies and procedures are in place to protect the privacy of personal information in the course of conducting business.

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Investing in People

It's as simple as 1-2-3 – Attract, Reward and Retain



1 ATTRACT

The tourism business is all about people. In order for your business to succeed, you need the best people doing the best job. The hospitality, tourism and recreation industry is one of Canada's largest employers and a leader in job creation. Yet prospective talent often perceives this industry as trailing behind other employers in employee compensation. So, what will make you stand out in order to keep the best and the brightest in the hospitality and tourism industry in today's competitive job market?

3 RETAIN

Looking out for your employees is the greatest vote of confidence you can give them. Without them, how will you meet your goals for profitability and growth? Investing in your employees will increase productivity and reduce turnover expenses. Knowing that management and staff are on the same page when it comes to HR and business goals can be a huge advantage in reducing turnover, retaining top performers, and attracting the skilled professionals your business requires to be successful.

2 REWARD

It's no secret that providing competitive benefit compensation for employees lowers turnover rates and increases productivity. The bottom line is happier employees, which makes for happier customers and that translates into repeat business.



In today's competitive market, money alone will not retain good employees. That's where our benefits program gives you the edge.

OUR STRATEGIC PARTNERSHIP

Group Lockhart, in alliance with Manulife Financial, are here to help our TIAO member employers retain good employees and reduce turnover costs with a competitive group benefit program. We have developed straightforward human resource management tools to help you create a positive working environment where employees feel valued. Group Lockhart delivers World Class Employee Benefits Services and professional administration with the buying power of an underwriting pool of millions of dollars in premium within the tourism sector.

TOTAL COMPENSATION STRATEGY

When aligned with your business strategy, a well designed combination of benefits and pay can be a powerful motivational tool spurring the growth of your people and your business. Recent studies show that total compensation is playing a growing role in attracting and retaining the most talented employees. In the battle for talented people, you already have the human resource tools you need to win. We can show you how to make them work for your company.



Our Hospitality Industry Strategic Partner

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Closing Remarks



- **Diversity Equity and Inclusion** - Our mission is to improve the well-being of Ontario's hospitality workforce. We will foster a culture where everyone is enabled to achieve their full potential, a culture of diversity, equity, and inclusion (DEI) where we live our values every day in the way that we treat each other, our plan members and the communities we serve.
- **Battle for Talent has begun!** - In the Battle for Talent, you already have the human resource tools you need to win. We can show you how to make them work for your company. When aligned with your business strategy, a well-designed combination of benefits, compensation and retirement plans can be a powerful motivational tool spurring the growth of your people and your business. We are ready and able to provide you with the group benefit programs you need to be a winner in the Battle for Talent.
- **Our Strategic Partnership** - Group Lockhart, in alliance with Manulife Financial, are here to help our ORHMA member employers retain good employees and reduce turnover costs with a competitive group benefit program. We have developed straightforward human resource management tools to help you create a positive working environment where employees feel valued. Group Lockhart delivers World Class Employee Benefits Services and professional administration with the buying power of an underwriting pool of millions of dollars in premium within the tourism sector.



SELECTPATH



NAVACORD®

Questions?

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