

2005/2006 Americas Global Pay Summary

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Mercer's latest Pay Summary for the Americas shows that Mexico is still the Americas' second highest paying market for most senior executive positions. Canada takes second place (after the US) for heads of Finance, Information Technology and Human Resources. Canada, Mexico, and the US consistently take the top three positions in comparative pay across the region. Brazil and Chile occupy the next tier in regional compensation comparisons.

This analysis is based on data from Mercer's **Global Pay Summary (GPS) 2005/2006**.

HR the best paid

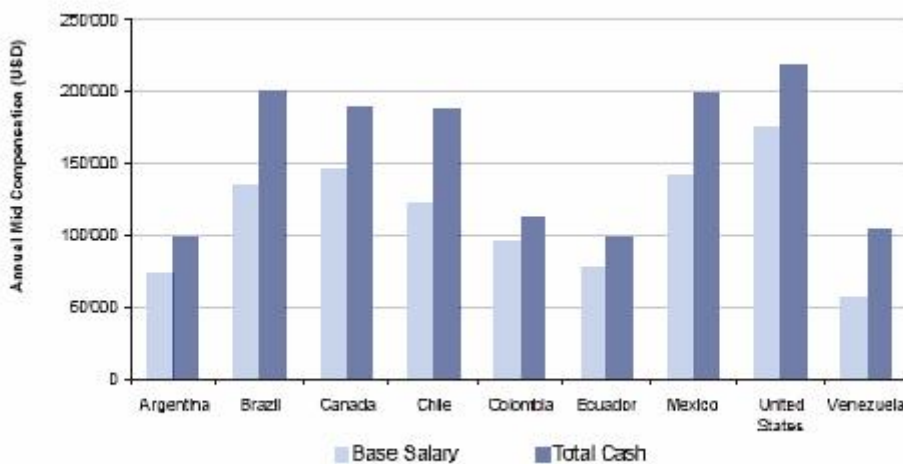
The Head of Human Resources rarely is the best-paid head of function, but the HR head fares reasonably well in cross functional comparisons.

In a comparison of 10 heads of function, HR comes out as the third highest paid in Canada and Chile, the fourth highest best paid in Argentina and Brazil and the sixth highest paid in US, Mexico, Colombia and Venezuela.

Not surprisingly, Heads of HR are compensated at the highest levels in the US. Interestingly, there is a significant overlap in the annual total cash pay range for HR heads in Canada, Mexico, Chile and Brazil. HR heads in Argentina, Venezuela, Ecuador and Colombia also receive a similar range of pay but at a much lower level than their peers in the first tier.

The difference between annual base salary and total cash compensation can be quite substantial across the region. The variance is due not only to bonus payments but also to the varying prevalence of allowance.

Regional benchmark position comparison-Head of Human Resources



The US has a reputation for a relatively high proportion of compensation paid out as variable incentives. Nevertheless, the Global Pay Summary indicates that incentive payments for top executives are on par, and even lower, than other countries in the Americas.

Head of the Human Resources – Highest paying countries

Country	Annual Base Salary US\$	Country	Annual Total Cash US\$
United States	175,000	United States	218,995
Canada	145,805	Brazil	199,985
Mexico	141,988	Mexico	199,102
Brazil	134,941	Canada	188,598
Chile	122,222	Chile	187,037
Colombia	95,064	Colombia	112,643
Ecuador	76,685	Venezuela	103,401
Argentina	73,187	Argentina	99,547
Venezuela	56,618	Ecuador	96,889

For example, annual total cash for the US Head of Human Resources is 21% more than annual base salary. By contrast, in Mexico total cash is 41% more than base salary for the Head of HR. In fact, only one country (Colombia) has a lower variance than the US.

While some of the difference is due to lower allowances in the US, the primary reason for the difference is lower relative incentive payments.

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