



Pay Statement Guidelines

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The Canadian Payroll Association's *Pay Statement Guidelines* are a reference tool designed to assist payroll practitioners in meeting the legislative requirements regarding pay statements in the day-to-day operations of the organization. These guidelines provide our members with the latest information in an easy-to-use format.

The information was up to date at the time of writing. However, government legislation shall prevail if there are any discrepancies between the guidelines and government statutes or regulations.

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The Canadian Payroll Association's mission is to provide *Payroll Leadership through Advocacy and Education*. It is committed to providing the payroll-related services payroll professionals and their employers need to ensure compliance with the 191 legislative requirements that impact payroll.

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INTRODUCTION

As the authoritative source of payroll knowledge in Canada, one of the objectives of the Canadian Payroll Association (CPA) was to develop a set of payroll guidelines, which would act as standards of practice for payroll practitioners and their employers. In 2008, the CPA developed a set of guidelines on pay statements, based on federal and provincial legislative compliance and communication. These guidelines were later updated in 2011.

A challenge for many payroll professionals is having their employers understand that payroll is a profession based on legislative compliance with 191 provincial and federal regulatory requirements.

Research conducted by the CPA has indicated that the majority of payroll practitioners are often responsible for part or all of employment/labour standards related activities in their organizations. The CPA saw an opportunity to apply standards of practice to what should be communicated to employees on their remuneration. For example, a survey of non-unionized employees indicated that over 30 per cent could not determine basic information on their rate of pay and hours worked.

PURPOSE

The Pay Statement Guidelines are the second in a planned series of payroll guidelines that will assist payroll practitioners with day-to-day responsibilities relating to employment/labour standards, and in communicating earnings and statutory deductions. These guidelines will also contribute to the implementation of standards of practice for organizations.

The CPA has gathered comprehensive information on the applicable federal and provincial legislation for the issuance of pay statements. By incorporating charts and templates, these guidelines present a concise compilation of current legislative requirements (as of April 2011) along with standards of practice and suggested formats. These can be used as a reference tool to assess current practices and assist in the development and review of company policies and procedures. The guidelines can also provide benchmarking when implementing or designing an in-house payroll solution or preparing for a payroll audit.

KEY WORD SEARCH AND HYPERLINKS

When viewing any of the CPA's guidelines online, readers are invited to conduct an electronic search for key words appearing within the document. For example, if information is required on net pay, type in "net pay" in the search window (activated by hitting the "Control" and "F" keys simultaneously on most applications).

In addition, these guidelines contain hyperlinks within the table of contents and within the document itself. All government forms and guides discussed within the guidelines can be accessed using these hyperlinks. There is also an interactive quiz at the end of the document to test your pay statement knowledge.

Refer to the CPA website to access the electronic version these guidelines: www.payroll.ca.

PAY STATEMENT GUIDELINES

The following guidelines were created by the CPA Pay Statement Guidelines Task Force to assist practitioners in understanding multi-jurisdictional legislation and ensuring compliance within their organization. The Task Force also reviewed a cross section of multi-jurisdictional employers' current pay statement practices to aid in the development of the guidelines, resulting in a comprehensive tool with suggested templates and standards of practice.

EMPLOYMENT STANDARDS

The information reported on an employee's pay statement must comply with employment/labour standards as per the legislation of where the work is performed. For example, if an employee works at the employer's establishment in Alberta, the employer must ensure that the pay statement is compliant under Alberta's *Employment Standards Code*. An employee working out their home in Alberta would still be covered under Alberta's *Employment Standards Code*.

Employees who are covered under federal jurisdiction, for example banks and airlines, fall under the Canada Labour Code, Part III (CLC, Part III). Employees who are part of a union are covered under the terms of their collective agreement.

FRENCH PAY STATEMENTS FOR QUEBEC EMPLOYEES

Although Quebec's labour standards do not discuss the issue, the Charter of the French Language does indicate that all written communications to an employee must be provided in French:

- 41.** *Every employer shall draw up his written communications to his staff in the official language. He shall draw up and publish his offers of employment or promotion in French.*

Section 89 of the Act does provide the possibility of producing a bilingual pay statement in both French and another language:

- 89.** *Where this Act does not require the use of the official language exclusively, the official language and another language may be used together.*

Some CPA members have expressed their concern over the requirement to print French accents on capital letters. According to CPA resources, there is no requirement to include accents as long as capital letters are used.

CPA RECOMMENDED MINIMUMS

The Pay Statement Guidelines Task Force has identified reporting the following as standards of practice, even when not necessarily mandated by legislation:

• Employee Name	• Vacation Pay	• Allowances (living)
• Employer Name	• Statutory/Public/General Holiday Pay/Hours	• Other Earnings/Payments
• Pay Period Date	• Overtime Wages	• Gross Earnings
• Payment Date	• Overtime Banked Time Taken	• Itemized Deductions
• Rate/Hours	• Bonus	• Net Pay
• Regular Wages	• Commissions	

PAY STATEMENT LEGISLATIVE REQUIREMENTS CHART

The chart is a graphic representation intended to simplify the complexity of legislation reflected in these guidelines. It identifies all jurisdictions and the components of a pay statement that are **required** by the legislation, as well as those identified as recommended minimum standards of practice. When reviewing this chart please consider the following symbols:

✓	Legislative requirements (see Appendix 1 for legislation references and Appendix 2 for legislative requirements)
	No symbol indicates the absence of legislative requirements.
*	CPA recommended minimum
1	In some jurisdictions, the legislation makes general references to “other” earnings and payments. Hence, all types of earnings, even those not specifically described in the legislation, are to be included on the pay statement.
2	Legislation specific to Ontario includes vacation pay reporting requirements. This will be discussed in detail later in the guidelines. (See section on Standards of Practice.)
3	Electronic pay statements can be produced and implemented as a replacement to paper copies provided that employees have confidential access to view and print.
4	Legislation specific to Quebec requires the <i>delivery</i> of the electronic pay statement, and not simply making the e-statement <i>available</i> to employees.
5	Details of bonus or living allowances must be provided upon employee’s request.

PAY STATEMENTS LEGISLATIVE REQUIREMENTS

Legislative Requirements and/or CPA Recommended:	Canada Labour Code, Part III	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland and Labrador	Yukon	North West Territories	Nunavut
Employee Name	*	*	*	✓	*	*	✓	*	*	✓	*	*	*	*
Employer Name	*	✓	*	✓	*	*	✓	*	*	✓	*	*	*	*
Pay Period Date	✓	*	✓	✓	*	✓	✓	✓	✓	✓	✓	✓	✓	✓
Date of Payment	*	*	*	*	*	*	✓	*	*	*	*	*	*	*
Rate/Hours	✓	✓	✓	✓	✓	✓	✓	*	✓	✓	✓	✓	✓	✓
Gross Earnings	*	*	*	✓	✓	✓	✓	✓	*	✓	✓	✓	*	*
Itemized Deductions	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Net Pay	✓	✓	*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Regular Wages	*	*	✓	*	*	*	*	*	*	*	*	*	*	*
Vacation Pay	*	1	✓	✓	*	1 2	✓	*	*	✓	✓	*	*	*
Statutory/Public/General Holiday Pay/Hours	*	1	✓	✓	*	1	✓	*	*	1	*	*	✓	*
Other Earnings/Payments	*	✓	*	*	*	✓	✓	*	*	✓	*	*	*	*
Bonus	*	✓	*	*	*	1	✓	*	*	1	*	*	5	5
Commissions	*	1	*	*	*	1	✓	*	*	1	*	*	*	*
Allowances (living)	*	✓	*	*	*	✓	✓	*	*	✓	*	*	5	5
Overtime Wages	*	✓	✓	*	✓	1	✓	*	*	1	*	*	*	*
Overtime Banked Time Taken	*	✓	✓	*	*	*	*	*	*	*	*	*	*	*
Other Legislated Requirements	CLC	BC	AB	SK	MB	ON	QC	NB	NS	PEI	NL	YK	NT	NU
Overtime Banked Time		✓	✓											
Overtime Rate (1.5x or 2x)		✓	✓			1	✓			1	✓			
Declared/Allocated Tips							✓							
Employer Address		✓								✓				
Occupation							✓							
Changes in Rates/Deduction Amounts					✓									
Electronic Statement	3	3	3	3	3	3	4	3	3	3	3	3	3	3

✓ Legislative Requirements
* CPA recommended minimum

- ¹ Other earnings/payments
- ² Vacation pay reporting requirement
- ³ Employee must have confidential access to view & print
- ⁴ E-statement must be delivered to employee
- ⁵ Details of bonus or living allowances must be provided upon employee's request

STANDARDS OF PRACTICE

Standards of practice are intended to maximize the quality, accuracy, timeliness, efficiency and effectiveness of processes and procedures. They are not necessarily legislative requirements but suggested practices based on activities within the organization.

The objective of payroll is to pay employees accurately, on time and in compliance with legislative requirements. These are areas that lend themselves well to benchmarking, resulting in the development of standards of practice. These practices must continue to evolve with the introduction of new legislation, new technology, company policies, collective agreements and trends. The practice to be implemented depends on the needs of the organization and its current challenges.

The CPA proposes the following standards of practice related to pay statements:

- A** - Communication Plan
- B** - Pay Statement Sample Template
- C** - Electronic Statements
- D** - Vacation Accrual Reporting
- E** - Privacy Considerations
- F** - Sample Lexicon
- G** - Annual Statement of Compensation and Benefits

A – COMMUNICATION PLAN

Communication is a common activity of payroll, and it is critical to develop a comprehensive communication plan to ensure effective and efficient delivery with a clear understanding of pay statement information. This can be accomplished by educating employees on the various components of the pay statement and how they impact net pay.

The CPA recommends the following measures:

- Publish a template that will identify all elements of the pay statement including details of earnings and deductions.
- Explain how different exemption amounts and tax credits can impact net pay and be unique to each individual.
- Involve payroll in the orientation of new employees and include a sample lexicon in the commencement package.
- Consider the organization's broader communication strategies utilizing intranet, Internet and print publications.
- Prepare an annual statement of compensation and benefits.

B – PAY STATEMENT SAMPLE TEMPLATE

The CPA has conducted benchmarking in relation to the pay statement. Based on the feedback received from several large multi-jurisdictional employers, as well as payroll service providers, the following template was developed. The purpose of the template is to serve as an example of an effective pay statement; however, payroll solutions and software applications differ in their configuration resulting in wide-ranging visual output.

Included in the template are the multi-jurisdictional legislative requirements that must be included in all jurisdictions. The CPA has further recommended requirements that will enhance employees' ease of understanding related to earnings, deductions and calculations required to determine their net pay.

The following are CPA suggested standards of practice:

- All earnings, inclusive of taxable benefits and allowances, should clearly appear on the pay statement as separate codes.
- Statutory deductions should be clearly identified and shown, when possible, in the required order of priority.
- The pay statement should also reflect year-to-date totals for earnings, hours and deductions.

When reviewing the pay statement template, please consider the following legend:

- 1 Employee information
- 2 Pay period information
- 3 Rate and hours information
- 4 Gross earnings
- 5 Statutory deductions
- 6 Net pay

Pay Statement

<First Name> <Surname> 1

Employee ID 97000054 Dept No: 0000

Address 1

Address 2

City, Province

Postal Code

Total Exemption Amount FED: 10,527 PROV: 9,1041

Additional Withholding 0 0

EARNINGS	RATE	CURRENT HOURS	CURRENT PERIOD	YTD HOURS	YTD AMOUNT
REGULAR PAY	25.00	80	2,000.00	320	8,000.00
BONUS	0.00	0	0.00	0	679.09
VAC PAY	0.00	0	0.00	0	2,000.00
GROSS EARNINGS/ HOURS		80	2,000.00	320	10,679.09

TAXABLE BENEFITS	CURRENT PERIOD	YTD AMOUNT
BASIC LIFE	9.47	37.88
ER RRSP	60.92	243.68
TOTAL TAXABLE BENEFITS	70.39	281.56
TOTAL TAXABLE EARNINGS	2,070.39	10,960.65

Employer Name 2

Address 1

Address 2

City, Province

Postal Code

Pay Period No. 04 of 26

Period Ending 18/02/2011

Pay Date 18/02/2011

Pay Period Type Bi-weekly

STATUTORY DEDUCTIONS	CURRENT PERIOD	YTD AMOUNT
C/QPP	95.82	515.90
EI	36.68	194.43
TAXES	350.90	2,148.08
TOTAL STATUTORY DEDUCTIONS	483.40	2,858.41

OTHER DEDUCTIONS	CURRENT PERIOD	YTD AMOUNT
LTD	22.35	89.40
EE RRSP 5	60.92	243.68
OTHER DEDUCTIONS TOTAL	83.27	333.08
TOTAL DEDUCTIONS	566.67	3,191.49
NET PAY	1,433.33	7,487.60

CHEQUE // DEPOSIT NUMBER: 00002066

PAY DATE: 18-02-2011

BANK DEPOSIT \$1,433.33 6

DEPOSITED TO THE ACCOUNT OF
<FIRST NAME> <SURNAME>

THIS IS NOT A CHEQUE

NON-NEGOTIABLE

C – ELECTRONIC PAY STATEMENT

Electronic pay statements may result in cost savings for the organization and better access to information for employees. Note that the benefits of having electronic pay statements will depend on the payroll service or software provider.

When reviewing or preparing to launch pay statements electronically, there are other considerations beyond legislative requirements. If your organization is providing for remote access to pay statements, it is important to ensure that a secure Information Technology (IT) protocol is in place. For employees who are terminated or on a leave of absence, a printed pay statement should be provided if an employee's electronic access has been removed.

Other considerations may include:

PRIVACY AND ACCESS

Employees must have a confidential means to view and access their pay statement, for example, self-service kiosks in the absence of a personal workstation.

ABILITY TO PRINT

Employees must have the ability to print their pay statement within a confidential environment at the workplace or at a remote location through a secure channel.

CHOICE OF OPTING IN OR OUT

It is important to consider current employees as well as new employees. To avoid legal issues, current employees should not be forced to opt for electronic pay statements; they should be asked to **agree** to receive their statements electronically. This can, however, be made a condition of employment for new employees.

QUEBEC STILL REQUIRES DELIVERY OF PAY STATEMENT

Labour standards in Quebec require the delivery of pay statements, and not only making electronic statements available to employees. For example, simply providing employees with the link to view and print their pay statements each pay date would probably not be sufficient; notification that their latest statement was available and a resending of the link would be more acceptable.

RECORD RETENTION

Under federal legislation (*Canada Labour Code (CLC), Part III*), employers are required to keep a history of all electronic pay statements for current and past employees for a period of at least three years from the day on which the document is first provided to the employee. Such requirements vary across jurisdictions (see Appendix 4).

D – VACATION ACCRUAL REPORTING

As vacation represents a significant liability to an organization, it is important to track and report vacation based on legislative requirements or on "greater right or benefits entitlements."

Accrued vacation must be reconciled and reported on the financial statements. Vacation is also a critical component of compensation and overall job satisfaction. It can greatly influence an organization's ability to attract and retain talent.

Other considerations may include:

- Although it is not legislated in all jurisdictions that vacation be reflected on the pay statement, it is crucial to record, monitor and communicate vacation entitlement effectively.
- Section 41.1(1) of Ontario's *Employment Standards Act, 2000* requires an employer to provide a written annual statement, upon the employee's request, containing the details of each employee's annual vacation entitlement.
- The CPA recommends extending the above process or a similar process to all employees multi-jurisdictionally through the annual statement of compensation and benefits.

E – PRIVACY CONSIDERATIONS

Payroll, by its very nature, has always operated under the assumption of confidentiality and non-disclosure of employees' personal and related information. While pay statement legislation does not have specific requirements related to privacy, there are important considerations that organizations need to make related to the information contained on the pay statement and whether the information should be included.

These considerations include:

Social Insurance Number

The Canadian government uses the social insurance number (SIN) to confirm that employees can receive government benefits and services to which they are entitled. The SIN should not be recorded on the pay statement nor should it be used in any way as an identification number. For example, the SIN should not be used as the employee number on the pay statement.

Bank Account Information

Although not legislated, a standards of practice from a liability perspective would prescribe that bank account information be excluded from the pay statement due to the risk of lost or misplaced pay statements.

Distribution

When physically distributed, pay statements must be properly sealed and delivered in person. For example, pay statements must not be left in an unattended workstation.

F – SAMPLE LEXICON

The term "lexicon" is used to provide a language's inventory. The lexicon used on the pay statement is important especially as it relates to statutory deductions.

The CPA strongly recommends the use of certain codes for lexicon determination as indicated in the following table:

STATUTORY DEDUCTIONS	
Pay Statement Code	Description
CPP	Canada Pension Plan
QPP	Quebec Pension Plan
EI	Employment Insurance
QPIP	Quebec Parental Insurance Plan
Fed Tax	Federal Income Tax
Prov Tax	Quebec Provincial Income Tax
NWT Tax	Northwest Territory Payroll Tax
NU Tax	Nunavut Payroll Tax

Other considerations may include:

- It is recommended that statutory deductions appear on the pay statement in the same order of priority as the deductions are withheld in compliance with federal and provincial legislation.
- The lexicon should be clear and concise, keeping in mind the level of understanding of payroll terminology by employees and end-users.
- When possible, use a lexicon that is consistent with government terminology, for example, CPP/QPP (Canada/Quebec Pension Plan) versus GPP (government pension plan); automobile versus car allowance. Please refer to the CPA's Payroll Lexicon under the Resources section of the CPA website for commonly used payroll terms.
- Payroll systems may have varied criteria relating to field length, order of priority, number of available earning, benefit and deduction codes. For example, our research indicates that available field length could range from 6 to 15 characters. Such criteria should be taken into consideration when developing the pay statement codes. For further information, contact your payroll solution provider.
- The lexicon on a pay statement template and related documentation such as an Annual Statement of Compensation and Benefits should be consistent.

G – ANNUAL STATEMENT OF COMPENSATION AND BENEFITS

The pay statement does not include all items related to an employee's total compensation. The CPA recommends an Annual Statement of Compensation and Benefits (see Appendix 5), which will communicate additional details relevant to the total overall compensation. The example provided in Appendix 5 incorporates the practices below; however, it should be customized to your organization's requirements and policies.

- To provide consistency, the coding on the Annual Statement of Compensation and Benefits should mirror the coding on the pay statement.
- The annual compensation and salary should be inclusive of all additional compensation, for example, bonuses, retroactive pay and allowances.
- The value of employer paid benefits should include the employer portions of CPP/QPP contributions and EI and QPIP premiums, as well as any other employer paid provincial taxes, for example, the Employer Health Tax (EHT) in Ontario.

- The total value of employee paid benefits.
- The total accrual balances for vacation, sick time, overtime and any other benefits driven by company policy or collective agreement.

SCOPE AND PROCESS

The CPA gathered input from several stakeholders in order to draft the *Pay Statement Guidelines*:

- Several large multi-jurisdictional employers were consulted and asked about their current practices and existing processes.
- The Task Force identified common elements as the basis for the development of the *Pay Statement Guidelines*.
- The CPA consulted with Subject Matter Experts and payroll solution providers for review, comments and reactions.

The CPA is very pleased with the supportive feedback received from stakeholders and Subject Matter Experts. Most of the respondents indicated that the guidelines covered all the major requirements. Some provided suggestions that broadened the context of the guidelines and many of these were integrated into this document.

SUMMARY

The Pay Statement Guidelines were developed and updated to assist payroll practitioners ensure compliance with employment/labour standards, and in communicating earnings and statutory deductions to their employees. These guidelines will also contribute to the implementation of standards of practice for organizations.

Payroll practitioners can utilize the charts and templates found in these guidelines as a concise compilation of current legislative requirements (as of April 2011) along with standards of practice and suggested formats. These can be used as a reference tool to assess current practices and assist in the development and review of company policies and procedures. The guidelines can also provide benchmarking when implementing or designing an in-house payroll solution or preparing for a payroll audit.

QUESTIONS AND FEEDBACK

<p>Please direct any legislative questions to:</p>	<p>Please direct any feedback on the Guidelines to:</p>
<p> The CPA's Payroll Infoline The Canadian Payroll Association Toll Free: 1-800-387-4693 ext. 772 Phone: 416-487-3380 ext. 772 Email: infoline@payroll.ca </p>	<p> Rachel De Grâce, CPM, CEB Compliance Services Developer The Canadian Payroll Association Toll Free: 1-800-387-4693 ext. 126 Phone: 416-487-3380 ext. 126 Email: rachel.degrace@payroll.ca </p>

TEST YOUR KNOWLEDGE

Please read each scenario and select the correct answer. (The answers are provided and explained on the next page.)

1. Charles lives in British Columbia but physically reports to work at his employer's establishment in Alberta. The employer must ensure compliancy with which jurisdiction in terms of his pay statement?
 - a. British Columbia
 - b. Alberta
 - c. Both British Columbia and Alberta
2. Which legislation requires that Quebec employees receive their pay stubs either in French, or French and another language?
 - a. Quebec's *Charter of the French Language*
 - b. Quebec's *Labour Standards Act*
 - c. Quebec's *Privacy Act*
3. Reporting vacation pay on pay statements is: considered a recommended standard of practice.
 - a. Required for all jurisdictions
 - b. Not required for all jurisdictions
 - c. Not required in for all jurisdictions, but is considered as a recommended standard of practice
4. In order to distribute pay statements electronically, the following is required:
 - a. Employee must own a computer
 - b. Employer must have an intranet
 - c. Employee must have confidential access to view & print
5. Which document will communicate additional details relevant to the employee's total overall compensation?
 - a. Pay statement
 - b. Annual statement of compensation and benefits
 - c. Payroll lexicon

ANSWERS

1. Charles lives in British Columbia but physically reports to work at his employer's establishment in Alberta. The employer must ensure compliancy with which jurisdiction in terms of his pay statement?
 - a. British Columbia
 - b. Alberta**
 - c. Both British Columbia and Alberta

B is the correct answer since the information reported on an employee's pay statement must comply with the employment/labour standards of where the work is performed. (See the section Employment Standards.)

2. Which legislation requires that Quebec employees receive their pay stubs either in French, or French and another language?
 - a. Quebec's Charter of the French Language**
 - b. Quebec's Labour Standards Act
 - c. Quebec's Privacy Act

A is the correct answer as per sections 41 and 89 of Quebec's Charter of the French Language. (See the section French Pay Statements.)

3. Reporting vacation pay on pay statements is:
 - a. Required for all jurisdictions
 - b. Not required for all jurisdictions
 - c. Not required for all jurisdictions, but is considered as a recommended standard of practice**

C is the correct answer as per the CPA Recommended Minimums.

4. In order to distribute pay statements electronically, the following is required:
 - a. Employee must own a computer
 - b. Employer must have an intranet
 - c. Employee must have confidential access to view & print**

C is the correct answer as per the section Electronic Pay Statements.

5. Which document will communicate additional details relevant to the employee's total overall compensation?
 - a. Pay statement
 - b. Annual statement of compensation and benefits**
 - c. Payroll lexicon

B is the correct answer as the annual statement of compensation and benefits will communicate additional details relevant to the employee's total overall compensation.

APPENDIX 1 – LEGISLATION REFERENCES

A jurisdictional inventory of the legislation that regulates the pay statements along with the applicable names used to describe the statements is provided below.

Jurisdiction	Legislative description (name)	Legislation
Federal (CLC, Part III)	Pay statement	Section 254 (1) of the <i>Canada Labour Code, Part III</i> (http://laws-lois.justice.gc.ca/eng/acts/L-2/) allows electronic pay statements to be issue to employees effective April 17, 2008.
Alberta	Written statement in legislation. Fact sheet on Payment of earnings refer to it as a Pay Statement	Section 14 (1) and (2) of the <i>Employment Standards Code</i> (www.qp.alberta.ca/574.cfm?page=E09.cfm&leg_type=Acts&isbncln=9780779725663)
British Columbia	Wage statement	Section 27 (1) to (4) of the <i>Employment Standards Act</i> (www.bclaws.ca/EPLibraries/bclaws_new/document/ID/freeside/00_96113_01). Note: Section 27 (2) of the <i>Employment Standards Act</i> stipulates that statements may be in electronic format provided that confidentiality is maintained and the employee can print a copy.
Manitoba	Written statement in <i>Employment Standards Code</i> Referred to as Pay statement in published documents (Employer's Guide)	Section 135 (4) and (5) of the <i>Employment Standards Code</i> (http://web2.gov.mb.ca/laws/statutes/ccsm/e110e.php)
New Brunswick	Statement of pay	Section 36 (1) <i>Employment Standards Act</i> (www.gnb.ca/0062/acts/acts/e-07-2.htm)
Newfoundland and Labrador	Written statement in legislation. Referred to as Statement of earnings in fact sheet.	Section 35 (a) to (e) <i>Labour Standards Act</i> (http://assembly.nl.ca/Legislation/sr/statutes/l01.htm)
Northwest Territories	Pay Statement	Section 19 (a) to (f) of <i>Employment Standards Act</i> (www.canlii.org/en/nt/laws/stat/snwt-2007-c-13/latest/snwt-2007-c-13.html)

Jurisdiction	Legislative description (name)	Legislation
Nova Scotia	Statement in writing (legislation) A fact sheet illustrates the requirements and refers to statement as a “pay stub.”	Section 9 (1) of the <i>General Labour Standards Code made under subsection 4(2) and Section 7 of the Labour Standards Code</i> (www.gov.ns.ca/just/regulations/regs/lscgenls.htm)
Nunavut	Pay Statement	Section 48 (1) to (3) of the <i>Labour Standards Act</i> (www.canadianlabourrelations.com/support-files/labour-standards-act-of-nunavut.pdf)
Ontario	Statement re: Wages	Section 12 (1) to (3) of the <i>Employment Standards Act, 2000</i> (www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_00e41_e.htm). Note: Section 12 (3) stipulates that electronic pay statements are allowed; however, the employee must be able to print a copy.
Prince Edward Island	Pay Statement	Section 5.3 of the <i>Employment Standards Act</i> (www.gov.pe.ca/law/statutes/pdf/e-06_2.pdf)
Quebec	Pay Sheet Use of the French language	Section 46 of the <i>An Act respecting labour standards</i> (www.canlii.org/en/qc/laws/stat/rsq-c-n-1.1/latest/rsq-c-n-1.1.html) Note: Interpretation of Section 46 of the <i>An Act respecting labour standards</i> stipulates that the pay sheet can be in electronic format; however, the pay sheet must still be <u>remitted</u> to the employee every pay and not simply made available (for example, the link must be e-mailed each and every pay period). Sections 41 and 89 of Quebec’s <i>Charter of the French Language</i> (www2.publicationsduquebec.gouv.qc.ca/dynamicSearch/telecharge.php?type=2&file=/C_11/C11_A.html)

Jurisdiction	Legislative description (name)	Legislation
Saskatchewan	Written Statement	Section 48 (1) to (5) of the <i>Labour Standards Act</i> www.qp.gov.sk.ca/documents/English/Statutes/Statutes/L1.pdf Section 28 <i>Labour Standards Regulations (1995)</i> www.qp.gov.sk.ca/documents/English/Regulations/Regulations/L1R5.pdf
Yukon	Employee's Statement	Section 63 (a) to (e) of the <i>Employment Standards Act</i> www.gov.yk.ca/legislation/acts/emst.pdf

APPENDIX 2 – JURISDICTIONAL LEGISLATIVE REQUIREMENTS

The following table summarizes legislative requirements and was used to further develop the chart included in the guidelines on page 8.

Jurisdiction	Pay statement requirements
Federal (CLC, Part III) Electronic pay statements	1. Pay period dates 2. Total hours worked 3. Rate 4. Deductions 5. Net pay Note: Any or all of the above requirements may be exempted by Ministerial order. An employer may provide electronic pay statements as long as access and confidentiality exists, that copies may be printed, and that access remains for 3 years from the first use. (legislation)
Alberta Electronic pay statements	1. Pay period dates 2. Total regular hours worked 3. Total overtime hours worked 4. Wage rate 5. Overtime rate 6. Regular wages 7. Overtime wages 8. a) Overtime hours banked b) Banked overtime hours taken 9. Vacation pay 10. General holiday pay 11. Earnings paid that show each component separately 12. Deductions and details of purpose An employer may provide electronic pay statements as long as access and confidentiality exists and that copies may be printed (administrative position) .
British Columbia Electronic pay statements	1. Employer's name and address 2. Total hours worked 3. Rate and hours worked at each rate 4. Overtime hours and rate 5. Other earnings the employee is entitled to 6. Bonus or living allowance 7. Deductions and details of purpose 8. Net pay 9. Wages taken from time bank and remaining balance An employer may provide electronic pay statements as long as access and confidentiality exists and that copies may be printed (legislation) .
Manitoba Electronic pay statements	1. Total hours worked 2. Rate and changes in rate 3. Overtime hours 4. Gross wages 5. Deductions and details of purpose 6. Changes in deduction amounts 7. Net pay An employer may provide electronic pay statements as long as access and confidentiality exists and that copies may be printed (administrative position) .
New Brunswick Electronic pay statements	1. Pay period dates 2. Gross wages 3. Deductions and details of purpose 4. Net pay An employer may provide electronic pay statements as long as access and confidentiality exists and that copies may be printed (administrative position) .
Newfoundland and Labrador	1. Gross wages 2. Pay period dates 4. Total hours worked at each rate 5. Deductions and details of purpose

Jurisdiction	Pay statement requirements
Electronic pay statements	3. Rate(s) 6. Net pay An employer may provide electronic pay statements as long as access and confidentiality exists and that copies may be printed (administrative position).
Northwest Territories	1. Pay period dates 5. Deductions and details of purpose 2. Total hours 6. Net pay 3. Statutory holiday hours 7. Details of bonus/living allowance upon employee's request 4. Rate
Electronic pay statements	An employer may provide electronic pay statements as long as access and confidentiality exists and that copies may be printed. If employees object to electronic statements, employers may be required to produce printed copies (legislation).
Nova Scotia	1. Pay period dates 4. Deductions and details of purpose 2. Total hours worked 5. Net pay 3. Rate
Electronic pay statements	An employer may provide electronic pay statements as long as access and confidentiality exists and that copies may be printed (administrative position).
Nunavut	1. Pay period dates 4. Deductions and details of purpose 2. Total hours 5. Net pay 3. Rate 6. Details of bonus/living allowance upon employee's request
Electronic pay statements	An employer may make an application to provide electronic pay statements as long as access and confidentiality exists and that copies may be printed (administrative position).
Ontario	1. Pay period dates 4. Gross wages 2. Rate 5. Deductions and details of purpose 3. Other payment or living allowance such as room and board 6. Net pay
Electronic pay statements	Employers are allowed to provide electronic statements as long as access and confidentiality exists and that copies may be printed (legislation).
A record of vacation time and vacation pay containing the following should be kept for 3 years:	1) Vacation time earned but not taken before the vacation year 2) Vacation time earned during the current vacation year 3) Vacation time taken during the current vacation year 4) Vacation time earned since employment date and not taken to date 5) Vacation pay paid during the current vacation year 6) Wages on which the vacation pay paid under #5 was calculated on, and the period the wages were earned An employee may request, in writing, a copy of the above statement once per year.
Prince Edward Island	1. Name of employer and address 6. Deductions and details of purpose 2. Name of employee 7. Any living allowance or other payments 3. Pay period dates 8. Net pay

Jurisdiction	Pay statement requirements
<p>Electronic pay statements</p>	<p>4. Rate 5. Gross wages</p> <p>9. Total hours worked 10. Vacation pay paid (once amendments to <i>Employment Standards Act</i> come into effect)</p> <p>An employer may provide electronic pay statements as long as access and confidentiality exists and the employee can produce printed copies (legislation).</p>
<p>Quebec</p> <p>Electronic pay statements</p>	<p>1. Name of employer 2. Name of employee 3. Employee's occupation 4. Date of payment and pay period of payment 5. Hours paid at prevailing rate 6. Overtime hours and rate or overtime hours replaced by a leave with the applicable premium</p> <p>7. Bonuses, indemnities (such as vacation or statutory holiday pay), allowances or commissions 8. Wage rate 9. Gross wages 10. Nature and amount of deductions 11. Net pay 12. Declared gratuities 13. Allocated gratuities</p> <p>An employer may provide electronic pay statements as long as access and confidentiality exists and that copies may be printed. The employer still has a requirement to <i>deliver</i> pay statement to employee and not simply make it available. Case by case determination may need to be made in order to establish delivery method by employer (written in legislative interpretation).</p>
<p>Saskatchewan</p> <p>Electronic pay statements</p>	<p>1. Name of employer and employee 2. Pay period dates 3. Total hours worked 4. Rate of pay</p> <p>5. Gross wages 6. Deductions and details of purpose 7. Net pay 8. Public and annual holiday pay as required</p> <p>Pay statement must be easily separated from cheque or bank deposit slip. An employer may provide electronic pay statements as long as access and confidentiality exists and employees can print a copy (administrative position).</p>
<p>Yukon</p> <p>Electronic pay statements</p>	<p>1. Pay period dates 2. Total hours 3. Rate</p> <p>4. Deductions and details of purpose 5. Net pay</p> <p>An employer may provide electronic pay statements as long as access and confidentiality exists and that copies may be printed.</p>

When a provision is written in the legislation, it is considered to be law. When it is an administrative position, it is not written into law; however, it is incorporated into the practice of that particular government department.

An administrative position is not legislated; however, it will be implemented as a practice. They may also incorporate the applicable administrative provision in legislative interpretations (e.g., section 46 of Quebec's Labour Standards states that electronic pay statements may be in electronic format); however, the legislation does not. This is an illustration of an administrative position. Other jurisdictions may incorporate administrative positions in fact sheets, etc.

Some jurisdictions will legislate (write into law) provisions that others accept administratively. An example of this would be Ontario, which has legislated that an employer can produce pay statements electronically as per section 12 (3) of the *Employment Standards Act, 2000*.

APPENDIX 3 – EMPLOYMENT/LABOUR STANDARDS

ALBERTA	NOVA SCOTIA
<p>Alberta Employment Standards Sterling Place, Main Floor 9940 – 106th Street Edmonton, AB T5K 2N2 Toll Free Alberta 310-1000 and dial telephone number below; Telephone: 780-427-3731 Fax: 780-422-4349 Web: http://employment.alberta.ca/SFW/1224.html</p>	<p>Labour Standards Division Nova Scotia Environment and Labour 5151 Terminal Rd., 7th floor, P.O. Box 697 Halifax, NS B3J 2T8 Toll Free: 1-888-315-0110 (within province) Phone: 902-424-4311 Fax: 902-424-0648 Web: www.gov.ns.ca/enla/employmentrights/</p>
BRITISH COLUMBIA	ONTARIO
<p>British Columbia Employment Standards Deer Lake Centre 210-4946 Canada Way Burnaby, BC V5G 4J6 Toll Free: 1-800-663 - 3316 (in BC) Phone: 604-660-4946 Fax: 604-660-7047 Web: www.labour.gov.bc.ca/esb/</p>	<p>Ontario Ministry of Labour 400 University Avenue, 14th Floor Toronto, ON M7A 1T7 Toll Free: 1-800-531-5551 Phone: 416-326-7160 (Greater Toronto Area) Fax: 416-326-1449 Web: www.labour.gov.on.ca/english/es/</p>
MANITOBA	PRINCE EDWARD ISLAND
<p>Manitoba Employment Standards 604-401 York Avenue Winnipeg, MB R3C 0P8 Toll Free: 1-800-821-4307 (outside Winnipeg) Phone: 204-945-3352 Fax: 204-948-3046 Web: www.gov.mb.ca/labour/standards/</p>	<p>Labour and Industrial Relations 31 Gordon Drive, P.O. Box 2000 Charlottetown, PE C1A 7N8 Toll Free: 1-800-333-4342 Phone: 902-368-5550 Fax: 902-368-5476 Web: www.gov.pe.ca/sss/index.php3?number=1027629&lang=E</p>
NEW BRUNSWICK	QUEBEC
<p>New Brunswick Employment Standards 470 York Street, P.O. Box 6000 Fredericton, NB E3B 3P7 Toll Free: 1-888-452-2687 Phone: 506-453-3902 Fax: 506-453-3806 Web: http://www.gnb.ca/leb-cte/index-e.asp</p>	<p>Commission des normes du travail Hall Est, 7^e étage 400, boul. Jean-Lesage Québec, QC G1K 8W1 Toll Free: 1-800-265-1414 Phone: 514-873-7061 Web: http://www.cnt.gouv.qc.ca/en/home/index.html Charter of the French Language: www2.publicationsduquebec.gouv.qc.ca/dynamicSearch/telecharge.php?type=2&file=/C_11/C11_A.html</p>

NEWFOUNDLAND and LABRADOR	SASKATCHEWAN
Labour Relations Agency Department of Environment and Labour 3 rd Floor, Beothuck Building 20 Crosbie Place, P.O. Box 8700 St. John's, NL A1B 4J6 Toll Free: 1-877-563-1063 (within province) Phone: 709-729-2743 Fax: 709-729-3445 Web: http://www.gov.nl.ca/lra/index.html	Labour Standards Branch Department of Labour 400-1870 Albert Street Regina, SK S4P 4W1 Toll Free: 1-800-667-1783 Phone: 306-787-2438 Fax: 306-787-4780 Web: www.labour.gov.sk.ca/LS/
NORTHWEST TERRITORIES/NUNAVUT	YUKON
Labour Services Third Floor, Panda II Mall, P.O. Box 1320 Yellowknife, NT X1A 2L9 Toll Free: 1-888-700-5707 Tel: 1-867-873-7486 Fax: 1-867-873-0483 Web: www.ece.gov.nt.ca/Divisions/Labour/index.htm	Labour Services Government of Yukon P.O. Box 2703 Whitehorse, YT Y1A 2C6 Toll Free: 1-800-661-0408 Tel: 1-867-667-5811 Fax: 1-867-393-6295 Web: www.community.gov.yk.ca/labour/index.html
CANADA LABOUR CODE, PART III (federally regulated organizations)	
Link to legislative information pertaining to the <i>Canada Labour Code, Part III</i> for federally regulated organizations www.hrsdc.gc.ca/en/labour/employment_standards/index.shtml	

APPENDIX 4 – EMPLOYMENT/LABOUR STANDARDS: RECORD RETENTION

The information contained in an employee’s pay statement is regarded as a record of an employee’s earnings and deductions for a particular pay period. Each province sets its own rules as to how long such records must be retained, generally from one to five years depending on the jurisdiction. Written permission is required for destruction earlier.

It is also important to consider the six years plus current legislative requirements related to the *Income Tax Act* from the Canada Revenue Agency and the *Taxation Act* from Revenu Québec* which applies to the actual year-end slips.

CLC, Part III	36 months after worked performed
Alberta	3 years from date record made
British Columbia	2 years after termination of employment
Manitoba – general	3 years from date record made
New Brunswick	36 months after work is performed
Newfoundland and Labrador	4 years from date of last entry
Northwest Territories/Nunavut	2 years from date record made
Nova Scotia	12 months after work is performed
Ontario	3 years from date record made
Prince Edward Island	36 months after work is performed
Quebec	3 years after work is performed
Saskatchewan	5 years after termination of employment
Yukon	1 year after the work is performed

*The Ministère du Revenu du Québec received agency status effective April 1, 2011 and is now referred to as Revenu Québec.

APPENDIX 5 – ANNUAL STATEMENT OF COMPENSATION AND BENEFITS

Employee: «First Name» «Surname»

Annual Salary (YEAR) «Value»

Additional Compensation:

Discretionary Bonus «Bonus»

Retroactive Salary Increase «Retro»

Sick Leave «Sick»

Vacation «Vacation»

Total Additional Compensation «Value»

Value of Employer Paid Benefits:

Basic Life Insurance «Life»

Accidental Death & Dismemberment «AD&D»

DC Pension Plan «ER DCP»

Medical «Health»

Dental «Dental»

RRSP «ER RRSP»

Company Automobile Taxable Benefit «Auto Tx Bn»

Canada/Quebec Pension Plan «CPP/QPP»

Employment Insurance «EI»

Quebec Parental Insurance Plan «QPIP»

Workers Compensation Board «WCB»

Total Benefits «Value»

Total Salary and Benefits «Value»

Value of Employee Paid Benefits:

Basic Life Insurance «Life»

Accidental Death Insurance «ADD»

Long Term Disability «LTD»

DC Pension Plan «EE DCP»

Canada/Quebec Pension Plan «CPP/QPP»

Employment Insurance «EI»

Quebec Parental Insurance Plan «QPIP»

Total Payroll Benefit Deductions «Value»

Accruals:

Vacation Carry-Over	A	Banked Time Carry-Over	X
Vacation Current Year	B	Banked Time Current Year	Y
Vacation Taken	C	Banked Time Taken	Z
Vacation Balance	(A+B)-C	Banked Time Balance	(X+Y)-Z