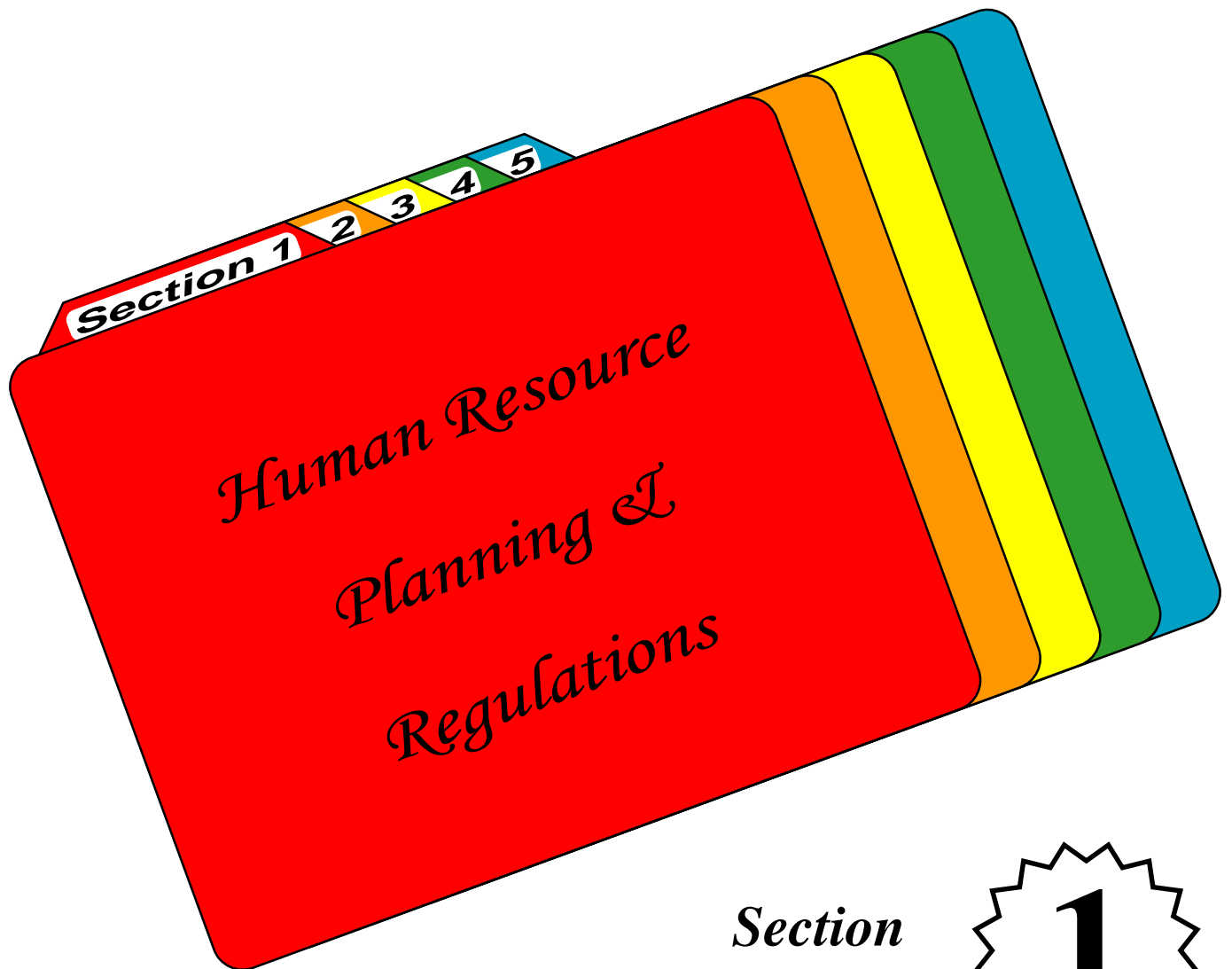


EMPLOYERS' HANDBOOK

for Agriculture & Horticulture



Section

1

Introduction

The *Employers' Handbook* is written as a guide to owners, managers and supervisors in agricultural and horticultural operations. This handbook will help you to:

- recruit better employees
- supervise, motivate and train your employees to reach desired performance
- discipline and dismiss employees should that be required.

Use this handbook to help you achieve sound human resource management practices which can result in increased productivity, reduced staff turnover, and satisfied employees and managers.

This handbook is divided into five sections. You should familiarize yourself with the contents of each section and place the handbook where it can be easily found. Make sure you refer to it when you need specific information. At the end of some sections are working copies of worksheets you may find useful.

Section One

Human Resource Planning and Regulations is Section One. It describes the human resource planning process, a process which helps you decide how many and what type of employees you require. This section also advises on regulations of which an employer needs to be aware.



REMEMBER

A TV icon, like the one you see in the left margin, tells you that information in the text is supported by extra information in the video available from CFBMC (Canadian Farm Business Management Council). A brief description of the content you will see in the video will be given in the left margin under the TV icon.

Deciding to Become an Employer

An agriculture labour specialist from Michigan State University tells the following story:



A manager wears many hats, as is portrayed in the video "HIRING" in the labour management series.

Some years ago I met a 45-year-old man who was the owner-operator of a large, very successful farm in California. When I asked him about his success, he told me this story.

"The farm was not making an adequate return so I expanded. I borrowed more money and hired more labour, but it didn't seem to help much. It just gave me more to do and more to worry about. A tightness in the chest sent me to a doctor who said I was a prime candidate for a heart attack, that I must slow down, lower the stress level. I went back to the books, considered alternatives, but nothing looked promising.

Then one night when I couldn't sleep, I lay there pondering the problems and a thought hit me: I am not a producer, I am an employer of people and those people produce the product. I am wearing the wrong hat. The next morning I got up and went out and actually purchased a new hat, then went to the library and checked out books on human resource management, business organization and business relations.

That was five years ago. Now, the farm is making big profits and I have very few problems. On the contrary, my employees are a real source of enjoyment. Of course, I haven't thrown out my producer hat; I just wear it a lot less often and my health has returned, not because of more sleep but because of low distress and good sleep."

Hiring without careful planning can lead to disappointment.

Deciding to become an employer requires careful consideration. Being a successful manager of farm labour may require changing how you operate on a day-to-day basis.

The creation of a new position must benefit both you and your employee. If the employee's needs are not met, you will suffer high turnover and training costs.

Many businesses operate with a labour force that has been readily accessible. Many owners do not consciously decide to become employers. They see themselves as business people first, employers second. As demands upon their time overwhelm them, they hire additional labour.

In analyzing the need to hire a new employee, you must take into account both economic and non-economic benefits.

Economic Benefits

Economic benefits include:

- increased operational efficiency
- more of your time for marketing, pricing and financial activities
- increased likelihood of completing tasks on time
- more efficient use of capital and overhead
- increased production for profit
- more opportunities for growth.

Non-Economic Benefits

Non-economic benefits include:

- reduced stress and pressure
- increased flexibility of time for leisure, health, family activities, etc.
- safe work environment often created by trained skilled workers.

Questions to Ask Yourself

Your objectives in hiring should be carefully thought out and written down so you can refer to them when you evaluate results.

Some questions you should ask yourself before hiring are:

- a) What type of staff help do I need?
 - a short-term employee to perform specific projects such as yard cleanup, a construction project, stone picking, harvesting hay or grain, or similar tasks
 - a part-time employee to perform specific tasks on a regular basis, for example, someone who does morning feeding only
 - a full-time seasonal employee to perform specific or a wide range of duties throughout the production season
 - a permanent employee to perform a wide range of duties on a year-round basis.

-
- b) Do I have sufficient cash flow to maintain the type of employee I need?
 - c) Will the job keep the interest of a highly motivated employee?
 - d) What is the payback associated with the addition of hired labour to me, my business, my family?
 - e) Do I have sufficient people skills and patience to train, supervise and evaluate an employee?
 - f) What type of employee is best suited to the job?

The Human Resource Planning Process

Effective human resource management creates a work environment where workers can fulfill their needs while meeting the objectives of the firm.

Planning provides a basis for seeking out employees who have the skills and personal characteristics that best meet the needs of your business. Whether you already have employees or whether you have just made the decision to hire an employee, careful and detailed planning is needed. The planning process should result in the employment of the correct number of staff, with the necessary talents and skills, doing the appropriate job, performing the right activity and above all working as a team towards the achievement of objectives.

By taking human resource planning seriously and giving the process the time and effort it requires, you will reduce problems that can arise if the most effective employee isn't hired. Not having the most effective person or team employed can have high costs. These costs include accidents and injuries, costly repairs, lost time, high employee turnover, lower yields and a variety of other problems which any manager would rather not handle.

The human resource planning process has three steps.

1. Assess your current situation:

- your goals
- yourself
- your labour needs
- your current workforce
- your working environment and labour practices.

2. Decide if your labour needs and workforce match.

3. Decide if new employees are needed and proceed with the hiring process.

Human Resource Planning Process

- Assess Current Situation
 - Goals
 - Yourself
 - Labour Needs
 - Workforce
 - Working Environment
- Is There a Match?
- Are New Employees Needed?

Step 1: ***Assess Your*** ***Current Situation***

Human Resource Planning Process

- Assess Current Situation
 - Goals
 - Yourself
 - Labour Needs
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Assess Goals

Know where you want your farm or horticultural operation to go. What is your vision for your business in one year, five years or ten years from now. Do you plan to expand, improve, change or stay the same?

The more specific you are about your goals, the more accurately you can determine your human resource needs. For example, “I want to increase my dairy herd to 65 cows” will offer much more guidance than “I want my herd to grow.”

Write down your specific goals and a time when you want to achieve them. For more information on objectives and goals, refer to Section Two, “Hiring”, in the *Employers’ Handbook*.

Assess Yourself

Self-analysis isn’t easy and often isn’t accurate, but it is an important start. What are your personal characteristics? What experience and supervisory skills do you have? What are your attitudes toward employees? How are you going to accommodate cultural and gender diversity within your workforce?

Having an employer and employee who are compatible is essential, but it is unlikely to happen by chance. Start by asking yourself the following questions. You may wish to have your spouse or another person involved in the review.

1. What are my strengths and weaknesses?
2. Am I a good teacher?
3. How am I going to develop and train staff?
4. Do I have patience to work with people with no farm background or little farm experience?
5. Am I a good listener?
6. Do I trust my employees?
7. Do I have biases which could get in the way of developing a good relationship with my employees? (e.g., tobacco, alcohol, politics, breed of livestock, race, religion)

8. Am I a perfectionist?
9. Do the current employees respect and like me?
10. Do I tend to be a pessimist or an optimist?
11. Do I delegate well?

Think about your answers to the above questions and imagine the effect they may have on a person who works for you.

Human Resource Planning Process

- Assess Current Situation
 - Goals
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Assess Your Labour Needs

How much labour do you need and when? How much do you need during various seasons?

Use a Labour Estimate Worksheet as a guide to determining your human resource needs. You'll end up with a statement of the kind and amount of work to be done. A sample of a completed worksheet is shown on pages 1-15 and 1-16 (Illustration I) and on pages 1-18 and 1-19 (Illustration II). A blank working copy of the Labour Estimate Worksheet is found at the end of Section 1.

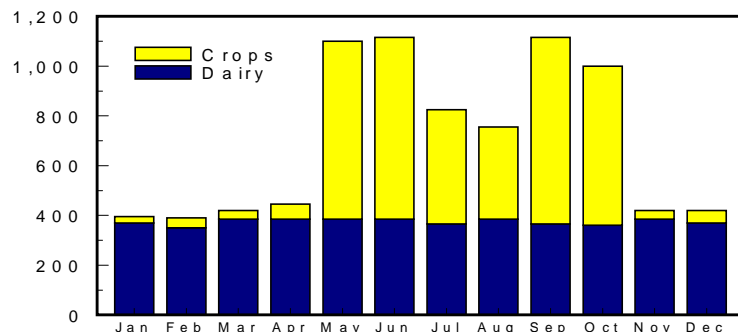
The first two sections of the worksheet (Task Analysis, pages 1-15 and 1-18) help you analyze the types of tasks that need to be done, when they need to be done and how long they take.

The third section (Total Farm or Business Requirements, pages 1-16 and 1-19) gives you a total of your farm or business requirements. Be sure to include time for management.

The fourth section (Employee Schedule, pages 1-16 and 1-19) helps you determine how many employees you need. Your own business records will be useful in completing a labour estimate worksheet. Remember, work conditions and worker skill level will affect your labour needs.

It is helpful to prepare a workload graph similar to the one illustrated at right.

Labour Required in Hours/Month



Human Resource Planning Process

- Assess Current Situation
 - Goals
 - Yourself
 - Labour Needs
 - Workforce
 - Working Environment
- Is There a Match?
- Are New Employees Needed?

Assess Your Current Workforce

As you take this inventory of your current workforce, include yourself and any family members who are actively involved in the business. First, describe the job each of these people do. An abbreviated job description form is shown below.

For a detailed worksheet, refer to the section on “Job Description” in Section Two of the Employers’ Handbook.

Secondly, think about your individual employees and assess their past experience and performance as well as their personalities, needs and desires.

Job Description

Job Title: _____

Summary Job Description: _____

Key Tasks and Responsibilities: _____

Reports to: _____

Supervisory Responsibilities: _____

Qualifications and Skill Requirements: _____

Experience: _____

Training: _____

Salary Range: _____ Work Hours: _____

Benefits: _____

Human Resource Planning Process

- Assess Current Situation
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Assess Your Working Environment

To attract good employees, your working environment needs to be attractive to the worker; it needs to be a place where your prospective employees might want to work. Efforts need to be taken to create an environment where employees are appreciated and recognized.

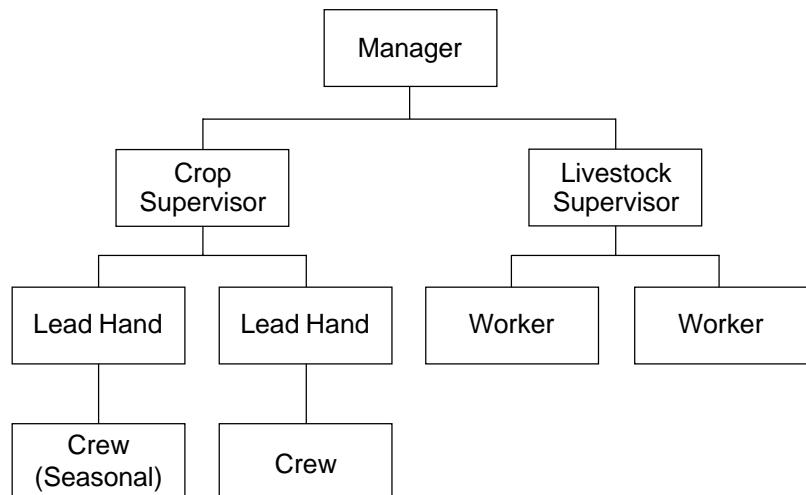
Think about your organizational structure. Who is the boss? Who reports to whom? What can each employee decide on his or her own? These questions are especially important in a family operation. Having to report to two bosses is very difficult. It is one of the major reasons employees leave.

Organizational structure must be dealt with. No two farms or horticultural operations are organized alike because managers, employees, families and the work involved vary from one business to another.

Keys to effective organizing include:

- proper planning of the organization
- clear relationships among the people in the organization
- delegation of authority
- clear limits to delegation
- authority accompanied with responsibility
- a structure that is not too complex or too simple.

Organizational structure can often be easily understood if it is charted. An example of an organizational chart follows.



How many of these advantages can you offer?

- competitive wages
- flexible work schedule
- opportunity for training
- an appealing incentive program
- a good work environment
- good people to work with
- good equipment in safe condition
- future potential—chance for growth and responsibility

The more items you were able to check, the greater your chances of attracting good employees. Look at the features you didn't check. How many of these could you incorporate into your workplace?

Step 2: Decide If Your Labour Needs and Workforce Match

Now that you've taken a look at your skills, your labour requirements, your current workforce and your work environment, you can see if your needs and your current workforce match. Look again at the labour requirements you outlined and at the abilities and skills of your current employees. There are a variety of findings your assessment might produce.

Possible Findings

1. You have a good match. Your current employees have the skills and desire to do all the jobs your operation requires.
2. You have the right number of good employees but some changes in the jobs they do would work better.
3. You have too many employees or the wrong employee for the job you need done.
4. You don't have enough employees to do the work that needs to be done.

Human Resource Planning Process

- Assess Current Situation
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 - Yourself
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If your assessment shows finding #1, your employees will continue in their present jobs.

If your assessment shows finding #2, spend some time assessing your employees and developing new job descriptions that would match your needs and their talents.

If your assessment shows finding #3, consider if an employee could be retrained. Or, you might consider expanding your operation to make use of valued employees. If neither of those options works, the dismissal of an employee may be necessary. This might be the outcome of a major change in your business where you no longer require an employee's particular skills, or it may be the result of previous unsatisfactory employee performance. Read the section on "Dismissal and Termination" in Section 5 of the *Employers' Handbook* before dismissing an employee.

If your assessment shows finding #4, proceed with the next step in the human resource planning process.

***Step 3:
Decide if
New Employees
are Needed and
Proceed with Hiring***

Before you hire a new employee, you will want to assess the job that you need done and think carefully about the qualifications an employee would require to do the job. The key is to hire employees who fit the job description in the essential areas.

How to hire an employee is discussed in detail in Section 2, "Hiring" of the *Employers' Handbook*.

**Human Resource Planning
Process**

- Assess Current Situation
 - Goals
 - Yourself
 - Labour Needs
 - Workforce
 - Working Environment
- Is There a Match?
- Are New Employees Needed?



For a glimpse on how human resource planning is approached by a sister and brother team, watch the video on "HIRING" in the labour management series.

A Case Example

James Brown is a 39-year-old dairy farmer. He is married to Nancy and has two children, Robert 16 years old and Shannon 12 years old. James enjoys good health and has to this point been able to run his operation with his wife, one full-time employee, one part-time milker and seasonal labour. His son does some work on the farm during the summer and occasionally on weekends.

James is looking to expand his operation by purchasing a 40-cow dairy operation about two kilometres away. The purchase would include land, buildings, cows and quota. James realizes that the expanded operation would be too big for him to run with his current staff and must decide what his labour requirements will be should the purchase go through.

Here's how James Brown could use the Human Resource Planning Process.

Step 1: Assess Your Current Situation

Goals

One of James' goals is to expand his current herd of 90 purebred Holsteins with 15 dry cows and calves. He knows his farm buildings and equipment are in good repair. Another of his goals is to continue to make his farm a well kept and well run operation. With his 80 hectares (200 acres) in crop (hay and grain), he aims at harvesting three cuts of hay in a good season and one crop of silage.

The farm he is looking to purchase is a 40-cow herd with only four dry cows and calves. There are 24 hectares (60 acres) of land, the farm buildings are in need of repair and the equipment is fair. If he were to purchase this farm, he would move the operation to his present location.

Self Assessment

As James thinks about his strengths and weaknesses, he sees himself as being a competent and caring employer but realizes that he may lack assertiveness. He thinks he would be a good teacher but also can see that his tendency to be a perfectionist may make him impatient with an inexperienced employee. At times in the past, he has tried to delegate jobs but has often ended up doing them himself because he thinks he can do them better. He knows he's a good listener and certainly understands the need to treat an employee well.

Labour Needs and Workforce

As James considers the implications of expanding his operation, **he asks himself some questions:**

- Will my current staff be adequate or will I have to hire more people?
- If I hire more staff, what jobs will I assign to them?
- Will I need to re-assign some duties to my current staff?
- How will this change affect my family?
- Should I bring my son into the operation?
- Is he interested in taking a more responsible role in the operation?

James starts by analyzing his current labour needs and current workforce.

1. Jeff Anderson, the one full-time employee, does one milking a day, five days per week. The rest of the time he does general farm work including feeding. He gets two days off per week, and works long days during haylage and silage harvest time without any time off. This is usually for 8 to 10 days.
2. James' wife, Nancy, does one milking a day five days per week. James has a part-time milker, Ken Norton, who comes in to do milking two days per week. Nancy would like to quit doing the one milking per day should they decide to expand the operation.
3. James himself looks after all the management duties and all of the herd health-care duties as well as assisting Jeff with some of the general farm work. He does the field preparation and planting for the grain crop. He also does all of the hay and silage cutting.

Extras: During the hay season, James hires five casual employees to help bring in the hay.

Using his current situation, James completed the Labour Estimate Worksheet. His figures are shown in Illustration 1.

Illustration 1

Task Analysis—Crop — Currently 200 Acres Hay and Grain

SECTION 1	Type of Work & When	Length of Time	Total Hours	People Required
	<i>Haylage June/July</i>	<i>3 days/ 10 hr./day</i>	<i>160</i>	<i>[2] James Jeff</i>
	<i>Hay 8,000 Bales June/July/Aug</i>	<i>3 days; 10 hr./day 2 times per year</i>	<i>60</i>	<i>[1] James</i>
	<i>Hay 8,000 Bales June/July/Aug</i>	<i>3 days; 6 hr./day 2 times per year</i>	<i>180</i>	<i>[5] Casual Employees</i>
	<i>Field Preparation April/Early May</i>	<i>4 days; 10 hr./day</i>	<i>40</i>	<i>[1] James</i>
	<i>Seeding (grains & oilseeds) May</i>	<i>4 days; 10 hr./day</i>	<i>40</i>	<i>[1] James</i>
	<i>Silage July/Aug</i>	<i>8 days; 10 hr./day</i>	<i>160</i>	<i>[2] James Jeff</i>
	<i>Spraying June</i>			

Task Analysis—Animal — Currently 90-cow herd

SECTION 2	Type of Work & When	Length of Time	Total Hours	People Required
	<i>Milking 2 X /day 3 hr./shift</i>	<i>6 hr./day X 365 days</i>	<i>2190</i>	<i>Jeff - 1 shift [3] Nancy - 1 shift Ken - 2 days / week</i>
	<i>Herd Care Daily</i>	<i>2 hr./day X 365 days</i>	<i>730</i>	<i>[1] James</i>
	<i>General - Feeding Manure Removal Daily</i>	<i>7 hr./day X 365 days</i>	<i>2555</i>	<i>James - 3 hr./day [2] Jeff - 4 hr./day</i>
<i>Farm Management</i>	<i>4 hr./day X 3 days /week</i>	<i>1248</i>	<i>[1] James</i>	

Total Farm or Business Requirements — Currently 200 acres 90-cow Herd

SECTION 3	Type of Work & When	Total Hours Per Year	Total Hours Per Week	Who Does It	# of Hours Per Week Per Person
	Milking Daily	2190	42	Jeff Nancy Ken	15 15 12
	Herd Care Daily	730	14	James	14
	General Daily	2555	49	James Jeff	21 28
	Management Daily	1248	24	James	24
	Haylage June	160	140	James Jeff	70
	Field Preparation End April/Early May	40	40	James	40
	Crop Seeding May	40	40	James	40
	Haying June/July/Aug	240	120	James 5 Casuals	30 90
	Silage July/Aug	160	140	James Jeff	70 70

Employee Schedule/Hourly Analysis — Currently

SECTION 4	Employee	# of Normal Daily Hours	# of Normal Weekly Hours	# of Daily Hours Including Overtime	# of Weekly Hours Including Overtime	# of Possible Overtime Weeks
	James	8.5	59	18.5	129	5
	Nancy	3	15	--	--	--
	Jeff	8.5	43	16	113	2
	Ken	6	12	--	--	--
	5 Casuals	6	180	--	--	--

After analyzing and graphing his current situation, James was surprised to see how many hours per week and per day he actually spends working on his farm. It is very clear to James that should he expand his operation, he will need to make significant staff changes. Next, he takes a look at his working environment.

Working Environment

As James thought about the advantages he could offer employees, he came up with the following list:

- good wages and benefits and possibly an incentive program (giving a calf to his employee)
- one day in seven and every second weekend off
- housing with the usual perks
- good work environment—his buildings and equipment are in good working condition
- willingness to listen and consult with his employee
- opportunities to include a good employee in any future growth plans.

Step 2: Decide If Your Labour Needs and Workforce Match

Having done a labour needs and workforce assessment, James see that, if he purchases the new place, he will need to make major staff changes. He discusses possible changes with his family and staff.

After considerable discussion, it was decided that James would expand his operation by purchasing the dairy farm down the road.

The staff changes would be as follows:

1. James would continue to be the manager as well as do some of the general farm duties. He would continue to do the field preparation, crop seeding, haying and silage work.
2. Jeff agreed to take on the extra responsibility of herd care and most of the general farm duties. He would also help James to bring in the silage but would no longer milk the cows.
3. A new full-time milker would be hired. That person would be responsible for milking both shifts 5 days per week. Nancy agreed to milk 2 shifts one day per week.
4. Robert, although he is still in school, agreed to take on the responsibility of milking 2 shifts one day per week, and take on some of the general farm duties during silage and haying.

Using the Labour Estimate Worksheet once again, James came up with the following figures as shown in Illustration 2.

Illustration 2 [expanded operation with staff changes]

Task Analysis—Crops — *Expanded Operation 260 Acres Hay and Grain*

SECTION 1	Type of Work & When	Length of Time	Total Hours	People Required
	Haylage June	12 days/ 10 hr./day	240	[2] James Jeff
	Hay 10,000 Bales June/July/Aug	4 days; 10 hr./day 2 times per year	80	[1] James
	Hay 10,000 Bales June/July/Aug	4 days; 6 hr./day 2 times per year	240	[5] Casual Employees
	Field Preparation April/Early May	6 days; 10 hr./day	60	[1] James
	Seeding May	6 days; 10 hr./day	60	[1] James
	Silage	12 days; 10 hr./day	240	[2] James Jeff

Task Analysis—Animals — *Expanded Operation 120-Cow Herd*

SECTION 2	Type of Work & When	Length of Time	Total Hours	People Required
	Milking 2 X /day	3 hr./day X 365 days 2-4 hr./shift/day	2920	Milker - 5 day/week [2] Nancy - 1 day/week Robert - 1 day/week
	Herd Care Daily	3 hr./day X 365 days	1095	[1] Jeff
	General - Feeding Daily	7 hr./day X 365 days	2555	James [3] Robert Jeff
Farm Management	4 hr./day X 6 days/week	1248	[1] James	

Total Farm or Business Requirements — *Expanded Operation*

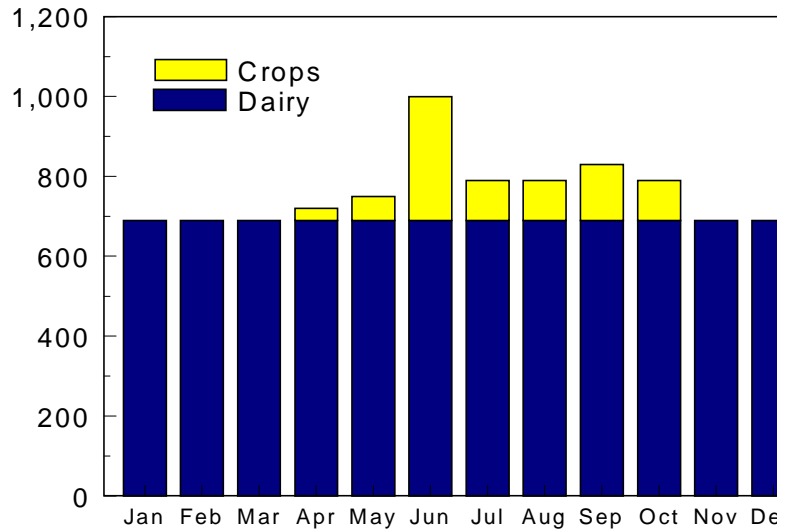
SECTION 3	Type of Work & When	Total Hours Per Year	Total Hours Per Week	Who Does It	# of Hours Per Week Per Person
	Milking Daily	2920	56	Milker Nancy Ken	40 8 8
	Herd Care Daily	1095	21	Jeff	21
	General Daily	2555	49	James Jeff (& Robert)	21 28
	Management Daily	1248	24	James	24
	Haylage June	240	140	James Jeff	70 70
	Field Preparation End April/Early May	60	60	James	60
	Seeding May	60	60	James	60
	Haying June/July/Aug	320	160	James 5 Casuals	40 120
	Silage July/Aug	240	140	James Jeff	70 70

Employee Schedule/Hourly Analysis — *Expanded Operation*

SECTION 4	Employee	# of Normal Daily Hours	# of Normal Weekly Hours	# of Daily Hours Including Overtime	# of Weekly Hours Including Overtime	# of Possible Overtime Weeks
	James	8.5	45	12	69	5
	Nancy	8	8	--	--	--
	Jeff	10	49	12	63	3
	Milker	8	40	--	--	--
	5 Casuals	6	240	--	--	--
	Robert	8 8	[milking] 8 [summer] 40	-- --	-- --	-- --

Next, James uses a workload graph to help him see how he should plan his seasonal workloads.

James' Workload Graph
Labour Required in Hours/Month



Step 3:
Decide if New
Employees are
Needed and
Proceed with Hiring

James decides that he needs one full-time employee to make expansion of his dairy herd feasible. He is confident he has or can develop the skills to be a good human resource manager. (The first ones he'll work on are assertiveness and delegation skills.) He feels that his labour environment is such that he should be able to attract a good employee. He proceeds with the hiring process.



To see the different approaches to assessing labour needs, watch the video on "HIRING" in the labour management series.

Complying With Regulations

As an employer, you are required to comply with certain regulations including mandatory payroll deductions, Workers' Compensation, and employment standards. Many of these standards have been put in place for the benefit of employees. Being covered by such regulations goes a long way to meeting their basic maintenance and security needs. In the long run, such regulations benefit both the employee and the employer.

Many computerized accounting packages are designed to automatically calculate and record employer/employee deductions.

Regulations Checklist

Employers need to comply with the following:

Mandatory Payroll Deductions

- Income Tax
- Canada Pension Plan
- Unemployment Insurance

- Workers' Compensation
- Employer Health Tax
- Safety Guidelines

Legislated Employment Standards

- Annual Vacation and Holiday Pay
 - Minimum Wage/Room and Board
 - Public Holidays
 - Payment of Wages
 - Maternity Leave
 - Termination of Employment
 - Parental Leave
-
- Human Rights Legislation
 - Landlord Tenant Act

What are your responsibilities as an employer?

Under most circumstances, you are responsible to:

- deduct income tax, Canada Pension Plan (CPP) contributions, and Employment Insurance (EI) premiums from amounts you pay your employees;
- remit these deductions along with your share of CPP contributions and EI premiums that you have to pay throughout the year on your employees' behalf; and
- report the employee's income and deductions on the appropriate information return by the end of February of the following calendar year.

For more information see CCRA's publications called Employers' Guide to Payroll Deductions - Basic Information.

Call CCRA at 1-800-959-5525, or look on internet at <http://www.ccra-adrc.gc.ca/E/pub/tg/t4001eq/README.html>

1. Income Tax

As an employer you're responsible for deducting income tax from the salaries, wages, or other remuneration you pay your employees. Since employees fall into various categories, you need various forms, such as Form TD1, Personal Tax Credits Return, to help you decide what to deduct from their pay cheques. For information on these forms see the *Employers' Guide to Payroll Deductions — Basic Information*.

2. Canada Pension Plan (CPP)

The Canada Pension Plan came into effect in 1966 as a way to provide financial assistance to Canadians when they retire from the workforce. Every person who works in Canada is eligible to get benefits when he or she retires. Both employees and employers contribute to the CPP but, you, as an employer are responsible both for deducting CPP contributions from your employees' pay cheques and for matching those contributions yourself.

Employees fall into many different categories, which determine how and when you should deduct CPP. To learn more about this see publications Employers' Guide to Payroll Deductions — Basic Information and Payroll Deductions Tables for your province or territory.

Excluded Employment

Do **not** deduct CPP contributions from payments for these types of employment:

- employment by an employer in agriculture, an agricultural enterprise, horticulture, fishing, hunting, trapping, forestry, logging and lumbering, **unless**:
 - you paid a worker \$250 or more in a year; and
 - you will be paying the worker cash remuneration for 25 or more working days in a calendar year-the twenty five days do not have to be consecutive.

(When the employee works 25 days or more, the employment is pensionable from the first day of work.)

3. Employment Insurance

Employment Insurance (E.I.) used to be called Unemployment Insurance (U.I.). It is a federally administered insurance program that gives financial assistance to people who are unemployed. It also helps people get training for jobs.

There are certain types of employment which are not considered insurable and for which you do not deduct E.I. premiums. For example, you **do not deduct** E.I. premiums when you and your employee do not deal with each other at arm's length. This includes individuals connected to you by blood relationship, marriage, or adoption.

Employment by an employer in agriculture, in an agricultural enterprise, or in horticulture, is **not subject** to E.I. premiums when:

- the person receives no cash remuneration, or
- works less than seven days with same employer during the year. (If the employee works seven days or more, the employment is insurable from the first day of work.)

**Main website for Canada
Customs Revenue Agency is
<http://www.ccr-aadrc.gc.ca/>
or call 1-800-959-5525.**

Payroll Deductions			
Item	Employee Contribution	Employer Contribution	When Submitted
<i>Income Tax</i>	<i>Calculated from Payroll Deduction Tables (refer to **CCRA T4032)</i>	-----	<i>Monthly</i>
<i>Canada Pension Plan</i>	<i>Calculated from Payroll Deduction Tables</i>	<i>Amount equal to employee contribution</i>	<i>Monthly</i>
<i>Employment Insurance</i>	<i>Calculated from Payroll Deduction Tables</i>	<i>1.4 X employee contribution</i>	<i>Monthly</i>

** Canada Customs & Revenue Agency

Workers' Compensation

With the exception of greenhouses, mushroom producers, commercial hatcheries, garden supply centers, fish or fur farms and cattle auctions or stockyards; agricultural enterprises are exempt from compulsory application of the Workers' Compensation Act, 1981. Workers' Compensation Insurance is however, available to these exempt agricultural enterprises on a voluntary basis.

For further information on voluntary coverage and premium rates call **Employer Services WCB-Alberta at 780-498-3999 (Edmonton) or 403-517-6200 (Calgary), or toll free dial 310-0000, then dial 780-498-3999, or 403-517-6200. Information is also available online at <http://www.wcb.ab.ca/>.**

In Alberta farming is an exempted industry which doesn't require coverage of employees under Workers' Compensation Board.

Health and Safety Guidelines

A number of organizations have information on Work Health and Safety topics. For specific requests, the following organizations may be contacted.

Alberta Labour

The Alberta Labour Library has a number of research materials available on safety topics. Contact the Library with a request and information on the topic will be made available on loan.

Alberta Labour, Library Services
3rd Floor, 10808 - 99 Avenue
Edmonton AB T5K 0G5
Phone: (403) 427-8533
Fax: (403) 422-0084

Alberta Labour Information Services provides statistics and case studies for workplace injuries and fatalities in Alberta.

Alberta Labour, Information Services
2nd Floor, 10808 - 99 Avenue
Edmonton AB T5K 0G5
Phone: (403) 427-8531
Fax: (403) 422-5070

Public information materials regarding job safety are available from Alberta Labour regional offices across the province. The Grande Prairie Regional Office also contains a library of booklets, brochures, posters, etc. and may be contacted as follows:

Alberta Labour, Grande Prairie Regional Office
Occupational Health and Safety Officer
Room 3103, 10320 - 99 Street
Grande Prairie AB T8V 6J4
Phone: (403) 538-5249
Fax: (403) 538-8056

Alberta Agriculture, Food and Rural Development

Alberta Agriculture, Food and Rural Development, Farm Safety Program
Senior Farm Safety Specialist
2nd Floor, 7000 - 113 Street
Edmonton AB T6H 5T6
Phone: (403) 427-4231
Fax: (403) 422-7755

Legislated Employment Standards

The Employment Standards Code requires employers and employees to meet minimum standards of employment. Farm workers are exempt from parts of the Act. They are entitled to their agreed wages; notice of termination of employment; and maternity and adoption benefits. Standards for non-farm workers are established for the following:

- **Hours of work:** sets maximum allowable hours of work per day or per week.
- **Vacation pay:** after 12 months of employment, employees are entitled to two weeks vacation with pay. Vacation pay must be at least 4 per cent of the total wages for the year for which the vacation is given.
- **Minimum wage:** spells out hourly minimum wage rates and how piece rates should be set in relation to the minimum wage.
- **Public holidays:** names the eight public holidays (New Year's Day, Christmas Day, etc.) and specifies when employees are entitled to them.
- **Overtime pay:** stipulates that at least time and one-half the regular wage rate must be paid after 44 hours per week.
- **Pregnancy and parental leave:** allows for unpaid leaves for mothers and new parents to care for newborn or newly adopted children. Employees entitled to these leaves cannot be fired or laid off because he or she is so entitled, has applied for or taken such leave.
- **Termination of employment:** specifies when written notice of termination is required and how much notice is required and provisions for pay in lieu of notice.
- **Parental leave:** circumstances are defined.
- **Severance pay:** employee entitlements, after five or more years of employment, on termination where an employer's annual payroll is in excess of \$2.5 million or if 50 or more employees are terminated in a six-month period.
- **Record keeping:** covers the type and duration for keeping payroll information.
- **Equal pay for equal work:** provides for equal treatment and wages for men and women doing the same job.
- **Business sale:** covers employee time of service and responsibilities of the seller regarding "Notice of Termination".
- **Collection of wages:** employers can be ordered to pay wages due to employees.

An Employment Standards Information Kit is available at Alberta Employment Standards Offices. Locate your nearest office by calling 310-0000 and dialing 427-3731.

Human Rights

As you go through the process of hiring an employee, you need to keep in mind some of the provisions of the Alberta Human Rights and Citizenship and Multiculturalism Act - July 1, 1996.

Section 7 of the Code states the following:

Discrimination re employment practices

7 (1) No employer shall

(a) refuse to employ or refuse to continue to employ any person, or

(b) discriminate against any person with regard to employment or any term or condition of employment,

because of the race, religious beliefs, colour, gender, physical disability, mental disability, marital status, age, ancestry, place of origin, family status or source of income of that person or of any other person.

Section 8 of the Code states the following:

Applications and advertisements re employment

8 (1) No person shall use or circulate any form of application for employment or publish any advertisement in connection with employment or prospective employment or make any written or oral inquiry of an applicant

(a) that expresses either directly or indirectly any limitation, specification or preference indicating discrimination on the basis of the race, religious beliefs, colour, gender, physical disability, mental disability, marital status, age, ancestry, place of origin, family status or source of income of any person, or

(b) that requires an applicant to furnish any information regarding race, religious beliefs, colour, gender, physical disability, mental disability, marital status, age, ancestry, place of origin, family status or source of income.

(2) Subsection (1) does not apply with respect to a refusal, limitation, specification or preference based on a bona fide occupational requirement.

RSA 1980 c1-2 s8;1985 c33 s4;1990 c23 s5;1996 c25 s10

All business staff are encouraged to obtain and read a copy of the act available on the Internet or from the Queen's Printer.

at <http://www.gov.ab.ca/qp/acts.html>

Alberta Labour Relations Code

The Alberta Labour Relations Code - November 28, 1988, states:

Application of Act

4 (2) This Act does not apply to

(e) employees employed on a farm or ranch whose employment is directly related to

(i) the primary production of eggs, milk, grain, seeds, fruit, vegetables, honey, livestock, game-production animals within the meaning of the Livestock Industry Diversification Act, poultry or bees, or

(ii) any other primary agricultural operation specified in the regulations under the Employment Standards Code

or to their employer while he is acting in the capacity of their employer;

All business staff are encouraged to obtain and read a copy of the act available on the Internet or from the Queen's Printer.

at <http://www.gov.ab.ca/qp/acts.html>

Information packages for employers and employees are available from Alberta Labour offices in Edmonton, Edson, St. Paul, Vermilion, Fort McMurray, Calgary, Lethbridge, Medicine Hat, Grande Prairie, Peace River, Red Deer and Drumheller. Check the white pages of your telephone book for the location nearest you.

Landlord Tenant Relations

Alberta statutes which may be applicable are:

1. Residential Tenancies Act - 1980.
2. The Landlord and Tenant Amendment Act - August 1, 1992.

All business staff are encouraged to obtain and read a copy of the act available on the Internet or from the Queen's Printer.

at <http://www.gov.ab.ca/qp/acts.html>

Keeping Records

Accurate employment records are a valuable aid to managers in making decisions about labour. Records show what labour was used, when and what it cost. Managers can refer to records in their human resource planning process.

Payroll Records

Good payroll management is vital to the establishment and maintenance of a good working relationship with your employees. Employees value a payroll statement which accurately accounts for all hours worked, is on time and reports the mandatory deductions of Unemployment Insurance, Canada Pension and Income Tax.

The Employment Standards Act requires that employees receive such a statement showing gross and net wages and the amount of all deductions. From a manager's point of view, there are several reasons to maintain accurate payroll records:

- to determine with accuracy the amounts owed and previously paid to employees each pay period
- to determine the proper amount that must be withheld from the earnings of each employee
- to meet government labour regulations, e.g., minimum wage, holiday pay etc., and retention of records for up to five years
- to meet Revenue Canada requirements
- to settle potential disputes.

To decide if your payroll records are adequate, ask yourself the following questions:

- Is the information I am keeping vital?
- What will occur if I don't have the information?
- Is the information used?
- What is the cost (dollars and time) to maintain my system?

If you have a computer, using it to manage your payroll could save you considerable time. Whether you use a computer or do your payroll by hand, you need to produce a statement for your employee(s) that shows the earnings and the deductions.

A sample of an Employee Earnings Statement follows on the next page.

A working copy is included at the end of this section.

Employee Earnings Statement

(Full-time and Seasonal Employees)

Name _____ Social Insurance No. _____

Address _____ Net Claim code _____

Pay Period _____

	Rate/Particulars	Amount
Basic Pay (Regular Hours)	_____	_____
+ Overtime Hours	_____	_____
+ Bonus, Incentive Pay	_____	_____
+ Housing, Room and Board	_____	_____
+ Other Taxable Benefits	_____	_____
+ Vacation Pay	_____	_____
+ _____	_____	_____
= Gross Earnings		_____
- C.P.P.	_____	_____
- Employment Insurance	_____	_____
- Income Tax	_____	_____
- Housing, Room and Board	_____	_____
- Pay Advance	_____	_____
- Other Deductions	_____	_____
	_____	_____
= Net Pay		_____

Record of Days Not Worked

Sick Days Taken _____

Vacation Days Taken _____

Work Days Off _____

Employee Earnings and Deductions Records

You will also want to have a record for your own files for each employee. The following form could be used.

Employee Name				Social Insurance Number						Date Started			
Address				Telephone Number						Date Left			
Month or Pay Period	Hours	Rate	Gross Wages	Employee Deductions						Net Wages	Employer's Contribution		Total Remittance (A+B+C+D+E)
				CPP (A)	EI (B)	Income Tax (C)	Room & Board	Advance	Other Deductions		CPP (D)	EI (E)	
Totals													

T-4 Information

Record of Employment (day, month, year)

First Day Worked _____

Last Day Worked _____

Date Issued _____

Total Earnings Before Deductions	CPP	EI	Income Tax	EI Insurable Earnings	Date Issued

Employer _____

ABC Farms Ltd.—Employee Summary

NOTE: Here is a sample from a computer accounting package which generates employee statements. The example record is for a seasonal employee on a farm.

Employee Name _____

SIN _____ Birthdate _____

Tax Table

Pay Periods 52/year
Disability Insurance 3%
EI Factor 1.4
Vacation 0%
Retained No

Regular 6.70/hr
Overtime 10.05/hr
Bonus 0.00/prd
Additional Tax 0.00/prd

Regular	3,227.75
Overtime	158.29
Bonus	204.02
Salary	0.00
Benefits	0.00
Vacation Paid	<u>0.00</u>

Gross 3,590.06

Advances Paid	0.00
Vacation Owed	0.00
EI Ins. Earnings	3,392.40

EI	104.15
CPP	66.97
Tax	0.00
Pension	0.00
Union	0.00
Medical	0.00
Misc. 1	0.00
Misc. 2	0.00

Total Withheld 171.12

Net Pay 3,418.94

Human Resource Files

Keep a human resource file for each of your employees and include the following:

- job description
- application form
- interview report
- reference check results
- letter of offer with terms and conditions of employment
- salary: starting and increases
- tax exemptions and deductions
- performance evaluations
- grievances
- disciplinary actions
- dismissal notice
- letter of resignation
- exit interview report
- other confidential information
- record of employment (for unemployment insurance claims)
- record of education and training (certificates, independent study, etc.)

No information should be stored within this employee file that you are not comfortable sharing with your employee.
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In addition to the above records, reserve a section of your filing system for the following general documents related to human resource management:

- job descriptions
- orientation handout
- policies and procedures—may be in manual or handbook form
- perspectives and values of the organization
- copies of the *Employers' Handbook*



*Employers'
Handbook*

Worksheets

Section 1

Task Analysis—Crop (horticulture, nursery, greenhouse, vegetables, crop seeding, harvesting, etc.)

SECTION 1	Type of Work & When	Length of Time	Total Hours	People Required

Task Analysis—Animal (dairy, swine, farrowing, weaner/finisher, poultry, etc.)

SECTION 2	Type of Work & When	Length of Time	Total Hours	People Required

Total Farm or Business Requirements

SECTION 3	Type of Work & When	Total Hours Per Year	Total Hours Per Week	Who Does It	# of Hours Per Week Per Person

Employee Schedule / Hourly Analysis

SECTION 4	Employee	# of Normal Daily Hours	# of Normal Weekly Hours	# of Daily Hours Including Overtime	# of Weekly Hours Including Overtime	# of Possible Overtime Weeks

Employee Earnings Statement

(Full-time and Seasonal Employees)

Name _____ Social Insurance No. _____

Address _____ Net Claim code _____

Pay Period _____

	Rate/Particulars	Amount
Basic Pay (Regular Hours)	_____	_____
+ Overtime Hours	_____	_____
+ Bonus, Incentive Pay	_____	_____
+ Housing, Room and Board	_____	_____
+ Other Taxable Benefits	_____	_____
+ Vacation Pay	_____	_____
+ _____	_____	_____
= Gross Earnings		_____
- C.P.P.	_____	_____
- Employment Insurance	_____	_____
- Income Tax	_____	_____
- Housing, Room and Board	_____	_____
- Pay Advance	_____	_____
- Other Deductions	_____	_____
	_____	_____
= Net Pay		_____

Record of Days Not Worked

Sick Days Taken _____

Vacation Days Taken _____

Work Days Off _____

Employee Earnings and Deductions Records

Employee Name				Social Insurance Number						Date Started			
Address				Telephone Number						Date Left			
Month or Pay Period	Hours	Rate	Gross Wages	Employee Deductions						Net Wages	Employer's Contribution		Total Remittance (A+B+C+D+E)
				CPP (A)	EI (B)	Income Tax (C)	Room & Board	Advance	Other Deductions		CPP (D)	EI (E)	
Totals													

Employers' Handbook Section One

T-4 Information

Record of Employment (day, month, year)

First Day Worked _____
 Last Day Worked _____
 Date Issued _____

Total Earnings Before Deductions	CPP	EI	Income Tax	EI Insurable Earnings	Date Issued

Employer _____