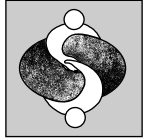




Your Guide to the Small Business Payrolls Survey



Please read this Reporting Guide BEFORE entering your information on the reporting record form. It will help you to understand the requirements for this survey. Please keep this Reporting Guide for future reference.

Every month businesses across Canada participate in the Survey of Employment, Payrolls and Hours (SEPH). The labour market information produced by SEPH is used extensively by the business community, governments, economists and academics to compare wages, monitor paid hours and index contracts. It is only with the co-operation of respondents that we can produce a timely and precise picture of employment, earnings and paid hours in Canada.

As part of our continuing efforts to ease respondent burden and reduce survey costs, we have devised a simpler method of collecting labour information from small businesses. Using the information obtained from Revenue Canada's "Remittance Form for Current Source Deductions" to collect the number of employees and the gross monthly payroll and the new Small Business Payrolls Survey, we reduced by approximately 30,000 the number of small businesses that were required to complete the monthly Survey of Employment, Payrolls and Hours.

The new **Small Business Payrolls Survey** is designed to supplement the information from Revenue Canada. Only 2,500 companies will be contacted monthly. Each respondent will be surveyed a **maximum** of four times over one twelve month period. After participating, they will be replaced by other companies of the same size and activity. This will produce the statistics that policy makers, economists and business groups require with the least amount of respondent involvement.

The Survey Reporting Record is a worksheet where you can record your employment and payrolls figures in readiness for the telephone interview. It can also serve as a written record of the information that you give to the Statistics Canada Interviewer. **Please do not mail this form to Statistics Canada.**

Reporting Period

The four columns on the survey reporting record form have been preprinted with your survey reference months. All information should relate to these periods. The periods should be the same as the periods reported on the Revenue Canada "Remittance Form for Current Source Deductions". You are only obliged to report a maximum of four times over one twelve month period.

Payroll Deduction Account Number

The information for this report should relate **only** to the payroll deduction account number printed on the reporting record form. Please be sure that this number is the same as the one that appears on your monthly Revenue Canada "Remittance Form for Current Source Deductions".

If you have more than one pay period type within an employee category, record the extra information in the "Notes" section of the form.

Example:

If, within an employee category, some employees get paid every week and others get paid every two weeks, then one payroll would be recorded in the column and the other would be recorded in the "Notes" section at the end of the form.

Start and End Dates of the Payroll Month (Item 1b)

Record the starting date of the first pay period and the last day of the final pay period for the survey reference month. These dates should be the same as those used for your Revenue Canada "Remittance Form for Current Source Deductions" for the same month.

Example:

In September, a business had four weekly pay periods: August 29 to September 4; September 5-11; 12-18; and 19-25. The start and end dates to be entered for the September gross monthly payroll would be from August 29 to September 25. (From: 29/08 To: 25/09)

Last Pay Period in the Month Start and End Dates (Items 3, 8, 13 and 17)

The last pay period in the month is the last payroll accounting period recorded in the books as an accrued expense. It does not matter that the payroll cheques have yet to be issued for this period.

- Record the start and end dates for the last complete pay period in the month for each applicable employee category. If your last pay period runs a few days into the next month, you may report that period.

Special Payments Made at Anytime During the Month Start and End Dates that the Special Payment Covers (Items 6, 11, 15 and 19)

- Report all special payments made in the survey reference month. Record the start and end dates of the period that the special payment covers. Do not give the dates when this pay was given to the employee(s).

Example:

On April 24th, non-teaching staff received a cost of living adjustment totalling \$2,200 for work performed from January 1 to March 31. The dates to be reported in Item 6 for this special payment in the April survey reference month would be from 01-01 to 31-03.

Employee:

Any person receiving pay for services rendered in Canada or for paid absence, and for whom the employer is required to complete a Revenue Canada T-4 Supplementary Form. These persons may work on a full-time, part-time, casual or temporary basis.

Non-Teaching Staff:

All employees other than teachers and academic staff. Non-teaching staff includes the president, vice-president, librarian, registrar, bursar, accountant, guidance counsellor, laboratory technicians, personnel officers, and other services such as janitors, caretakers and bus drivers.

Teaching Staff:

Those classified as teachers, instructors or academics in the payroll records, whether they teach during the day or evening. Teaching staff includes the principal, vice-principal, professors, associate professors, assistant professors, deans, heads of departments, masters, associate masters, assistant masters, and teachers. This category excludes supply or substitute teachers.

Working Owners of Incorporated Businesses:

Working directors, working owners, partners and other officers of incorporated businesses for whom the employer is required to complete a Revenue Canada T-4 Supplementary Form.

Supply or Substitute Teachers:

Teachers who are called in to teach whenever their services are needed, either to augment existing staff or as short-term replacements for full or part-time teachers.

Part-time Employees:

Any employee who works less than 30 hours a week.

Total Number of Employees (Item 1c)

- Record the total number of employees that are receiving pay for work performed or paid absence for the last pay period of the month, including working owners and paid family members.

This number should represent the same employees that were reported on the Revenue Canada "Remittance Form for Current Source Deductions" for the payroll deduction account number printed on the survey reporting record.

Number of Part-time Employees (Item 1d)

- Record the total number of part-time employees receiving pay either for work performed or paid absence for the last pay period of the month.

This is a separate count of the employees working less than 30 hours a week that were included in Item 1c, "Total number of employees..."

Number of Employees (Items 2, 7, 12 and 16)

- Select the appropriate employment category and record the number of employees that are receiving pay for work performed or paid absence for the last pay period of the month. Count the employees in one employment category only.



	Pay Periods (continued)
The Survey Reporting Record	Employees
Pay Periods	

Gross Monthly Payroll (Item 1a)

This is the total remuneration paid to employees in the survey reference month, before deductions. The amount should be equivalent to the monthly taxable employment income reported in Box 14 of the T4 slip and on the Revenue Canada "Remittance Form for Current Source Deductions".

It includes:

- regular wages and salaries;
- commissions;
- overtime pay;
- paid leave;
- piecework payments;
- special payments and
- taxable federal allowances and benefits that are recognized by Revenue Canada.

It excludes:

- the employer's contribution to pension plans, unemployment insurance and other employee benefits;
- compensation in kind;
- travel expenses; and
- non-taxable benefits, such as:
 - premiums under private health services plans;
 - recreational facilities provided by the employer;
 - moving expenses paid by the employer; and
 - certain employee counselling services such as substance abuse, stress management, job placement and retirement planning.

- Record the gross monthly payroll, including taxable federal allowances and benefits, for the payroll deduction account number printed on the survey reporting record.

Regular Gross Pay (Items 4a, 9, 14 and 18)

These are the:

- regular wages and salaries;
- regularly scheduled or incidental overtime pay relating specifically to overtime worked in the last pay period of the month; and
- regularly paid commissions or bonuses relating to the last pay period of the month (for example the production, incentive, isolation, hazard or underground bonus)

payable for work performed and paid absence for the last pay period of the month, before deductions.

It excludes:

- all payments that are not for the last pay period being reported;
- worker's compensation advances paid pending settlement of a claim;
- compensation in kind;
- taxable and non-taxable allowances and benefits;
- travel expenses; and
- fees of directors who are not employees of the company.

- Record the regular gross pay payable for the last pay period of the month for each employee category. Include any overtime pay for hours worked in the same period.

Overtime Payments (Item 4b)

These are payments for all hours worked in excess of the standard workday or workweek in the last pay period of the month. Overtime pay represents the payment due after rate factors have been applied. (Please refer to "Regular Gross Pay" and "Special Payments" for additional details.)

Special Payments (Items 6, 11, 15 and 19)

Special payments are amounts paid to employees for work performed or for other entitlements that:

- do not relate exclusively to the last pay period of the month;
- are made at any time during the month; and
- are not part of regular wages and salaries.

Special payments can be for:

- accumulated overtime covering more than the last pay period being reported;
- accumulated vacation pay;
- bonuses and commissions;
- termination, severance and retirement payments;
- cost of living adjustments;
- retroactive payments;
- "top-ups" (Supplementary Unemployment Benefits) for workers' compensation, sickness, maternity, adoption and parental leave, above and beyond Workers' Compensation Board or Unemployment Insurance compensation; and
- working owner's draw.

Note: This is not a complete list of special payment categories. If you are not sure that an amount qualifies as a special payment, ask your Interviewer for assistance.

Special payments **exclude** all remuneration recorded as regular wages and salaries, as well as taxable and non-taxable allowances and benefits. (Please refer to "Gross Monthly Payroll" for examples of non-taxable benefits.)

- Record the type of special payment, the amount paid and the period that the special payment covers.

Average Number of Working Hours in a Week (Items 5 and 10)

- Record the average number of hours of work normally scheduled in a workweek for each applicable employee category. If all the employees within the category have the same number of scheduled workweek hours, then record the average number of hours worked by these employees. Record the time in decimals.

- However, if some employees within the category work a different number of regular hours a week, then record the average number of hours worked by these employees.

Example:

If 4 full-time teachers work 40 hours a week and 2 part-time teachers work 24 hours a week, then the average for these employees would be:

$$\frac{(4 \times 40) + (2 \times 24)}{(4 + 2)} = 34.66 \text{ average hours}$$

Thank you for your co-operation!



Payments**Payments (continued)****Hours**