

Employee Handbooks go hand-in-hand with Employment Relations

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Employees are often the greatest strength of a successful business; however, they can also be the predominate source of expenditure in the operation of a business. These include salary, training costs, employee incentive programs, insurance, and other benefits.

According to the statistics released by Industry Canada, 98 per cent of businesses in Canada have fewer than 100 employees; approximately 55 per cent of businesses have between 1 and 4 employees. Whether you have a work force of 2 or 100, an employee handbook is a necessary tool to assist any business in managing its workforce in order to maximize its human capital.

An Employee Handbook works to inform employees on what is expected of them, and likewise what employees can expect from their employer. By clearly and unambiguously defining this relationship, both the employer and employee can more efficiently work together to achieve company goals. There is also less likelihood of a conflict, which can be costly to resolve.

While employee handbooks vary from company to company, depending on its size, number of employees, industry, and benefits offered, every employee handbook, however, should at least contain the following information and form:

- 1) Employee acknowledgement form
- 2) Company objectives and goals
- 3) Equal employment opportunity statement
- 4) General Policies concerning attendance, use of company property, confidentiality, dress code, safety and accident protocols, just cause for termination, sexual harassment and reporting protocols, annual review procedures, etc.
- 5) Summary of Compensation and Benefits including pay periods, work hours and reporting procedures, list of observed holidays, vacation entitlements, personal leave policies, group insurance and disability benefits, company pension programs, employee training programs, etc.

The list as set out above is not exhaustive. Each employer should have a working knowledge of the myriad of laws and regulations applicable to the employment relations in their business and industry because certain acts and regulations apply to specific professions and occupations. Additional policies and provisions should be included in the employee handbook to ensure clarity and comprehensiveness.

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Because the contents of an employee handbook may be used and relied upon by parties in a legal dispute in a court of law, it is highly recommended that employers consult with a lawyer with regards to the contents and specific policies of their employment handbooks to ensure compliance with applicable laws and regulations.