



# *Guideline 10: Record Keeping*



Human Resources  
Development Canada

Labour Program

Développement des  
ressources humaines Canada

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**Canada**

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## INTRODUCTION

This Guideline is intended to help employers understand the requirements of the *Employment Equity Act* and *Regulations* relating to developing and retaining certain records with respect to the implementation of employment equity. This Guideline clarifies what is involved in keeping these records and will help organizations to meet the requirements of the legislation.

The required records pertain to data on individual employees, the workforce survey and analysis, the employment systems review, the employment equity plan, monitoring the implementation of the plan, and communication to employees about employment equity. Reference should be made to the Guidelines addressing these areas. In addition, Guideline 11 on the Employment Equity Report, also covers data requirements. Organizations also should consult the *Act*, the *Regulations* and documents available from the Canadian Human Rights Commission (CHRC) relating to the audit process.

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## PART A: LEGAL FRAMEWORK

### Legal Requirements

Section 17 of the *Act* states that all employers covered by the *Employment Equity Act* must establish and maintain employment equity records with respect to:

- the employer's workforce;
- the employer's employment equity plan; and
- the implementation of employment equity by the employer.

Section 11 of the *Regulations* provides more details on what is required:

- a) a record of each employee's designated group membership, if any;
- b) a record of each employee's occupational group classification;
- c) a record of each employee's salary and salary increases;

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## Keeping Records

- d) a record of each employee's promotions;
- e) a sample copy of the workforce survey questionnaire that employees received and any other information the employer used in conducting its workforce analysis;
- f) the summary of the results of the workforce analysis; *See section 7 of the Regulations.*
- g) a description of the activities the employer carried out in conducting its employment systems review;
- h) the employer's employment equity plan:
- i) a record of the employer's monitoring of the implementation of its employment equity plan; and *See section 12(b) of the Act regarding monitoring.*
- j) a record of activities undertaken by the employer and information provided to employees in accordance with section 14 of the *Act*. *See section 14 of the Act regarding information to employees.*

## Other Records

Where a private sector employer has used specially designed computer software--such as the Employment Equity Computerized Reporting System (EECRS)--to generate its annual employment equity report, the employer must maintain a copy of the data base or other computer record used to generate the report for two years following the year in respect of which the report is filed. For example, the computer records for the report filed in 1998 for reporting year 1997 must be kept until Dec. 31, 1999.

*See section 12 (3) of the Regulations.*

## Retention Timeframes

The *Regulations* stipulate that employee data [(a) to (d) above], in the case of terminated employees, be kept for two years following the date of their termination. The other records [(e) to (j) above] must be kept for two years following the period covered by the employment equity plan to which the records relate.

*See section 12(1) of the Regulations.*

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### ***Keeping Records***

In other words, if the plan covers a period of one year, the records (e) to (j) must be kept for three years. If the plan covers three years, the records (e) to (j) must be kept for five years.

## **PART B: PRACTICAL APPLICATION**

### **Purpose of Keeping Records**

The main purpose of the records is three fold:

- to help organizations to develop their employment equity plans and to monitor implementation;
- to help organizations meet the reporting requirements of the *Act*; and
- to provide data for an audit by the CHRC.

A record is any piece of information that provides details, both qualitative and numerical, about the implementation of employment equity in the employer's workforce. Records can be either in hard copy or electronic format.

### **Setting Up**

The Regulations allow employers to use a system suited to their particular needs and circumstances. Some employers will keep all records electronically; some will keep all records in hard copy; and others will use a combination of systems.

In setting up a record-keeping system, it is important that records are orderly, accurate and up-to-date. It is also important to consider reporting requirements to HRDC each year.

Employers who have the computer capacity can link their human resource personnel data base with the employment equity data system for record-keeping purposes and to generate reports.

## Confidentiality of the Data

Designated group status must be kept confidential. The *Regulations* state that the self-identification questionnaire used to collect information on designated group status must be kept confidential and will be disclosed to other people within the organization only as needed to implement employment equity. Employers who keep a signed hard copy of each self-identification questionnaire should lock the questionnaires in a cabinet to which only a few people have access. The signed questionnaires should not be stored in human resource files to which most people in the human resources department usually have access.

*See section 9(3) of the Act.*

*See section 3(6)(b) of the Regulations.*

Employers who keep information on designated group status in electronic format should store this information on a separate protected field in an employment equity data base, accessible to only a few people. Numerical codes may be used to identify each employee.

## Responsibility

It is important to assign responsibility for establishing and maintaining each of the required records. Responsibility may rest with the senior executive responsible for employment equity, the employment equity co-ordinator, and/or another appointed individual. The person responsible for maintaining personal information on the designated group status of individuals will have a special responsibility for protecting the confidentiality of that data.

## Required Records

### **(a) Designated group membership**

A record of each employee's designated group status, if any, is required. Employers do not have to keep a hard copy of the signed self-identification questionnaire for each employee. Employers may keep this information in electronic format.



This record will indicate whether or not an employee is female, an Aboriginal person, a person with a disability and/or a member of a visible minority. Data for the three groups (other than women) will be acquired through voluntary employee self-identification in the workforce survey. As mentioned earlier, this information must be kept confidential. Information on gender is obtained through other employer records.

It is possible that not all designated group employees will choose to identify themselves as a member of one or more of the designated groups. While the employer is required to encourage self-identification, designated group data can only be recorded and reported in the annual employment equity report for those employees who do choose to self-identify.

Designated group information will be compiled and analysed as part of the workforce analysis. However, individual self-identification data must be retained separately.

It should be noted that there is a requirement to retain the designated group information on terminated employees for two years after they leave the organization. While the information should be removed from the active data base and overall survey results, it must be retained in the organization for at least two years. Data for current employees will be kept indefinitely and continuously updated.

**(b) Occupational group classification**

The first column of Schedule II of the *Regulations* lists the 14 occupational groups to be used in recording and reporting employment equity data for private sector employers, Crown corporations and some federal agencies. These groups are:

1. Senior Managers
2. Middle and other Managers
3. Professionals
4. Semi-Professionals and Technicians
5. Supervisors
6. Supervisors: Crafts and Trades
7. Administrative and Senior Clerical Personnel
8. Skilled Sales and Service Personnel
9. Skilled Crafts and Trades Workers
10. Clerical Personnel
11. Intermediate Sales and Service Personnel
12. Semi-Skilled Manual Workers
13. Other Sales and Service Personnel
14. Other Manual Workers

The second column in Schedule II lists the occupational unit groups that fall within each of the main groups listed above. The third column identifies the National Occupational Classification (NOC) code for each of the unit groups.

The following illustrates a small part of Schedule II:

<b>Column I</b>	<b>Column II</b>	<b>Column III</b>
<u>Occupational Group</u>	<u>Occupational Unit Group</u>	<u>NOC Code</u>
Professional Group	Chemists	2112
	Civil Engineers	2131
	Dentists	3113
	Social Workers	4152
	...and many others	

Please refer to Schedule II of the *Regulations* for a complete list.

Employers covered by the *Act* must record each employee's occupation as belonging to one of the fourteen groups listed above. However, many employers choose to record both the employee's main occupational group and the unit group (for example, employee x is a Civil Engineer and, therefore, a Professional). This is useful when undertaking a detailed workforce analysis.

See **Guideline 5: Workforce Analysis**

Occupational group information, like other records, must be kept up to date (for example, they must be updated when employees leave or change jobs).

There is a requirement to retain the occupational group information of terminated employees for two years after they leave. However, it should be retained separately from the current employee data base to facilitate analysis and monitoring.

Records for non-terminated employees must be kept indefinitely. The record will show each of the occupations in which the employee has worked while employed for that organization. This information will provide the employer with a means to track the progress of individual employees and to develop a career path for them.

**(c) *Salary and salary increases***

The *Regulations* require employers to establish and to maintain a record of each employee's current salary and salary increases that have occurred. Salary data is also required for reporting purposes.

*See Guideline 11: Employment Equity Report*

The *Regulations* define salary for private sector employers as remuneration paid for work performed by an employee in the form of salary, wages, commission, tips, bonuses and piece-rate payments, rounded to the nearest dollar, but does not include overtime wages. An annualized salary is required for reporting purposes and enables comparison for monitoring purposes. For example, if an employee left in July of any given year, the salary recorded would be what that person would have earned if she or he had worked the full year.

*See section 26(2) of the Regulations to determine when annualization should occur.*

Employers must retain records of salary for terminated employees for two years after the date of termination. Employers must also report on salaries for the previous year. Records for current employees must be kept indefinitely. In this way, it is possible to assess both the progress made by individual designated group members, and the success of the employment equity plan.

**(d) Promotions**

Employers must keep a record of the promotions for each employee. Section 1(2) of the *Regulations* defines promotion in the private sector as moving an employee permanently from one position or job in the employer's organization to another position or job that:

- i. has a higher salary or higher salary range than the salary or salary range of the position or job that the employee previously held, and
- ii. ranks higher in the organizational hierarchy of the employer,

and includes a reclassification of the employee's position or job where the reclassified position or job meets the requirements of subparagraphs (i) and (ii).

The reporting requirements demand that employees be reported only as a member of the occupational group to which or within which they have been last promoted. However, the employer should consider keeping a record of the occupational group or unit group from which the employee was promoted. Such a record over time will facilitate analysing promotion patterns and identifying potential barriers to promotion.

As with the other records on individual employees, there is a requirement to retain the promotion record of terminated employees for two years after the employee leaves. For current employees, records must be kept indefinitely.

**(e) Workforce survey and analysis**

Employers must keep both a sample copy of the workforce survey questionnaire that they used to survey employees, and any other information used in carrying out its workforce analysis. These items must be retained for at least two years following the period covered by the employment equity plan to which they relate.

Along with the workforce survey questionnaire, it is useful to keep a record of the communication activities relating to the survey (e.g. communication plan, letter from CEO, the agenda and overheads for information sessions, any brochure or letter and accompanying form, etc). In this way, the organization can help to demonstrate that it has made reasonable efforts to get a good response to the survey.

The employer also needs to establish and maintain any other information used in carrying out the workforce analysis.

The workforce analysis requires employers to compare representation of designated groups in each occupational group in the employer's workforce with the appropriate external workforce.

*See Guideline 5: Workforce Analysis*

The employer must record the data used in the comparison and summarize the findings.

Records here will include:

- internal representation of designated groups by occupational group; and
- the external representation data used for comparison, its sources and how it was developed.

Additional records here may include a comparison of internal and external data by occupational unit groups, if occupational unit groups were used as the basis for the analysis.

**(f) Workforce analysis summary**

Employers must maintain a record of the summary of the results of the workforce analysis required under section 7 of the *Regulations*. The workforce analysis summary is used to prepare the employment equity plan. The record will contain a summary of findings of the comparison of internal and external data as discussed under (e) workforce survey and analysis, above. The summary should indicate in what occupational groups underrepresentation occurred. This record must be retained for two years following the period covered by the employment equity plan to which the record relates. In many cases, this would mean the original records of the workforce analysis would be maintained indefinitely along with any additional records as the workforce analysis is updated.

**(g) Employment systems review**

The employer must keep a record of the activities related to carrying out the systems review and any updates that have been done. This record is to be retained for at least two years following the employment equity plan to which it relates. Like the workforce analysis summary, in many cases, this would mean that the original records of the employment systems review would be maintained indefinitely along with any additional records as the employment systems review is updated.

Documents to be retained here could include:

- the employment systems review strategy and methodology;

- any communications with employees about the review;
- the names and qualifications of those carrying out the review;
- questionnaires used in consulting with managers, staff and employee representatives as part of the review;
- a list of the policies and practices reviewed; and
- findings and recommendations of the review.

**(h) *Employment equity plan***

The employment equity plan is required under the law. Employers must retain a record of the plan for at least two years after the plan has expired. In practice this means that a one year plan must be kept for three years, and a three year plan for five years. No plan need be kept for longer than five years. The *Act* requires that the plan includes:

- short-term positive policies and practices;
- short-term measures to eliminate employment related barriers;
- a timetable for implementation;
- short-term numerical goals;
- longer-term goals; and
- any other related matters, such as an explanation of the process for implementing the plan.



***(i) Monitoring implementation of the plan***

Employers are required to establish and maintain a record of activities relating to monitoring the implementation of its employment equity plan, undertaken in accordance with paragraph 12(b) of the *Act*. This section states that every employer shall monitor implementation of its plan on a regular basis to assess whether reasonable progress towards implementing employment equity is being made.

As with the other non-personal records, the monitoring record must be retained for two years following the employment equity plan to which it relates.

Monitoring records should describe whether the planned activities are being implemented as scheduled and explain why if they are not. The dates and timeframes of monitoring activities should be noted.

The monitoring record may contain reports or descriptions of:

- accountability for monitoring;
- monitoring activities undertaken;
- monitoring tools and processes; and
- the timing of monitoring activities.

Employers will benefit from maintaining a record of the review of the employment equity plan indicating whether the individual activities in the employer's plan are achieving the desired results. This record—although not required by law--will help the employer develop effective plans in the future.

*See Guideline 9: Monitoring, Review and Revision.*

**(j) Information to employees**

Employers are required to establish and maintain a record of activities and information provided to employees in accordance with section 14 of the *Act*. This section requires every employer to provide information to its employees explaining the purpose of employment equity. It also requires employers to keep employees informed about the steps that have already been carried out or planned for implementing employment equity, and on the progress achieved.

These records must be retained for two years following the period of the employment equity plan to which the record relates.

Much of the information required will probably have already been documented in letters, memos, newsletters, minutes of meetings, agendas and notes for training seminars, etc. In compiling the record, the following are items to consider:

Activities associated with:

- communication strategy or plans;
- consultation with employee representatives;
- training sessions; and
- meetings.

Information on:

- the purposes of employment equity;
- any measures taken or planned to implement employment equity (including the employment equity plan); and
- progress made on implementing employment equity.

## **Records Using Computer Software**

Where a private sector employer has generated an annual employment equity report as required under subsection 18(1) of the *Act* using a specially designed computer software such as the Employment Equity Computerized Reporting System (EECRS), the employer must maintain a copy of the data base or other computer record used to generate the report for two years following the year in respect of which the report is filed.

See **Guideline 11: The Employment Equity Report**

Computerized systems usually bring together the data for most reporting requirements. The employer inputs a record of each employee identifying employment status, industrial sector, occupational group, salary, location, and designated group status. New hires, promotions and terminations in the period are also entered. The system then converts the data into the required reporting formats. It should be noted that where individual designated group data is contained in the system, special efforts are required to protect confidentiality.

### **Other records**

There are other records that an employer may wish to keep that although, not required by law, would be helpful in implementing employment equity. They include:

- training records which would provide data to determine whether designated group employees have equal access to training funds, and on the type of training they receive;
- records on consultation with employee representatives. These records will help employers prepare their annual report to HRDC, in which they are obliged to report on this matter;

- records on the steps taken to implement employment equity. These records also help employers prepare their annual report to HRDC, in which they are obliged to report on this matter as well.

## **PART C: INFORMATION DOCUMENTS**

Summary of useful records and contents

Individual	<ul style="list-style-type: none"><li>- Designated group membership</li><li>- Date of hire</li><li>- Occupational group classification</li><li>- Salary and salary increases</li><li>- Promotions</li><li>-Terminations</li></ul>
Workforce Survey and Analysis	<ul style="list-style-type: none"><li>- Workforce survey questionnaire</li><li>- Workforce survey communications</li><li>- Internal representation by occupational group (and possibly by unit group)</li><li>- Appropriate external comparison data</li><li>- Summary of comparison findings/analysis</li></ul>
Employment Systems Review	<ul style="list-style-type: none"><li>- Employment systems review strategy and methodology</li><li>- Communications relating to the review</li><li>- Names and qualifications of those doing the review</li><li>- Any questionnaires used</li><li>- List of policies and practices reviewed</li><li>- Findings and recommendations of review</li></ul>

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**Keeping Records**

Employment Equity Plan	<ul style="list-style-type: none"><li>- Short-term positive policies and practices</li><li>- Short-term measures to eliminate barriers</li><li>- Timetable for implementation</li><li>- Short-term numerical goals and measures</li><li>- Longer-term goals</li><li>- Any other related matters</li></ul>
Monitoring Implementation	<ul style="list-style-type: none"><li>- Accountability for monitoring</li><li>- Monitoring activities, tools and processes</li><li>- Monitoring tools and processes</li><li>- Monitoring outcomes (degree and areas of progress or lack thereof)</li><li>- Timing of monitoring activities</li></ul>
Information to Employees	<ul style="list-style-type: none"><li>- Communication strategy or plans</li><li>- Consultation with employee representatives</li><li>- Training sessions</li><li>- Meetings</li><li>- Documented information provided on the purposes of employment equity, measures taken or planned; and progress made on implementing employment equity</li></ul>
Other Records	<ul style="list-style-type: none"><li>- Data base or other computer records used to generate the employment equity report</li></ul>

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**Keeping Records**

The following format is an example of one that might be used to retain individual records required under the law.

Employee name: <i>Carmen, Ceta</i> Employee #: <i>G2-45</i>						
Date of last update: <i>October 30, 1997</i>						
Designated Group Membership: <i>Confidential - in protected file</i>						
Industrial Sector:						
Current Occupational Group: <i>Professional</i>						
Current Occupational Unit Group : <i>Civil Engineers</i>						
Current Internal Classification: <i>Chief Engineer</i> Promotion: <i>Yes</i>						
Date of Appointment: <i>Jan. 6, 1997</i>						
Current Annual Salary: <i>\$75,000</i> Increase: <i>\$10,000</i>						
Employee History:						
OG	OUG	Title	Promo	Date	Salary	Increase
<i>Prof.</i>	<i>Civil Engineers</i>	<i>Engineer III</i>	<i>No</i>	<i>Jan 96</i>	<i>\$65,000</i>	<i>\$3,000</i>
<i>Prof.</i>	<i>Civil Engineers</i>	<i>Engineer III</i>	<i>Yes</i>	<i>Oct 95</i>	<i>\$62,000</i>	<i>\$2,000</i>
<i>Prof.</i>	<i>Civil Engineers</i>	<i>Engineer II</i>	<i>Yes</i>	<i>Jan 95</i>	<i>\$60,000</i>	<i>\$5,000</i>
<i>Prof.</i>	<i>Civil Engineers</i>	<i>Engineer I</i>	<i>No</i>	<i>Oct 94</i>	<i>\$55,000</i>	<i>\$5,000</i>
<i>Prof.</i>	<i>Civil Engineers</i>	<i>Engineer I</i>	<i>No</i>	<i>Jan 93</i>	<i>\$50,000</i>	<i>N/A</i>