

How to complete the Record of Employment (ROE) Form

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Importance of the ROE

The ROE is the single most important document in Employment Insurance (EI). Human Resources and Skills Development Canada (HRSDC) uses the information on the ROE to determine whether a person qualifies for EI benefits, the benefit rate and the duration of his/her claim. The ROE also plays an important role in controlling the misuse of EI funds. A ROE must be issued even if the employee has no intention of filing a claim for EI benefits. This will help make sure that employees who are not eligible do not collect EI benefits. A penalty under the Employment Insurance Act for non-compliance may apply to employers who fail to issue a ROE as required.

It is mandatory that a copy of each ROE issued (whether paper ROE or ROE Laser print) be sent to Bathurst (New Brunswick).

You must ensure that ROEs, completed or blank, be maintained in a secure environment. If ROE forms are lost or stolen, you must inform your local HRSDC office immediately and quote the serial numbers. Control over ROE serial numbers is an important element of combating fraudulent EI claims. Fraud contributes to higher employer and employee premiums.

When to issue a ROE

Generally, a ROE must be issued within five calendar days of the interruption of earnings or the date the employer becomes aware of the interruption.

When does an interruption of earnings occur?

When an employee:

- quits his/her job;
- is laid off or terminated;
- has had (within the last 52 weeks or since the last ROE) or is anticipated to have seven (7) consecutive calendar days without both work and insurable earnings from the employer.

Exceptions: this seven-day rule does not apply to the two following cases:

- Real estate agents: an interruption of earnings occurs only when their license to sell real estate expires.
- Employees paid mainly by commission: an interruption of earnings occurs when the employment relationship ends.

An interruption of earnings also occurs when the salary falls below 60% of normal weekly earnings due to illness, injury, quarantine, pregnancy, the need for a parent to care for either newly born or adopted children, or the need to provide care or support to a family member who is gravely ill with a significant risk of death.

Eligibility for wage loss insurance (WLI) or workers compensation benefit (WCB) payments:

- When the WLI or WCB payments are insurable (i.e. paid by the employer), the ROE should be issued as soon as those payments drop below 100% of the normal weekly earnings.
- When the WLI or WCB payments are not insurable (i.e. paid by third party), the ROE should be issued as soon as salary falls below 60% of normal weekly earnings. Employers should issue the ROE regardless of an individual's eligibility for collection of EI benefits.

In all cases, a ROE must be issued when requested by HRSDC.

Special situations

The ROE may not have to be issued within the five-day period:

➤ **Change in Ownership:**

This is an interruption of earnings for the employees concerned. However, no ROE is required as long as these two conditions are met:

- there has not been an actual break in the employee's receipt of wages or salary between former and new employers **and**
- the former employer's payroll records are available to the new employer and the new employer agrees to issue a single ROE covering both periods of employment should the need arise.

➤ **For part-time, on-call or casual workers :**

The ROE may not be issued each time there is an interruption of earnings, but it **must** be issued in the following circumstances:

- the ROE is requested by the employee and an interruption of earnings has occurred;
- the employee is no longer on the employer's active employment list;
- the ROE is requested HRSDC;
- no work is performed for 30 days and there are no insurable earnings for that period.

➤ **Mass lay-off :**

When a large number of employees are being laid off, as in a plant closure, special arrangements can be made regarding ROE issuance. Contact your local HRSDC office for more information.

Description of Blocks 1 to 19 of the ROE

Block 1--Serial number-- Each ROE is numbered with a pre-printed serial number. It is important for the employer to keep records of the serial numbers of the ROEs that have been completed for a period of six (6) years.

Block 2--Serial number of ROE amended or replaced-- Complete this area when a ROE is issued to amend or correct information provided on a previous ROE. If an amended ROE is completed, all Blocks have to be filled out including the unchanged initial information.

Block 4--Employer's name and address--Enter the employer name and address as they appear on Canada Revenue Agency (CRA) remittance form (PD7A).

Block 5--CRA business number (BN)--Enter the BN used to report the employee's EI premiums to CRA. When there are multiple BNs used to report payroll source deductions, please ensure the correct BN is used. Your BN consists of 9 numbers followed by RP and 4 numbers. **You must enter the entire 15 characters.**

Block 6--Pay period type--Enter your pay period type as shown on the reverse side of the ROE form. For employees who are paid solely on commissions or on salary and irregularly paid commissions, use the "weekly" pay period type. For employees who are working on a contract basis and who are paid during pay periods that do not cover the entire period of the contract (e.g. teachers), use the "weekly" pay period type.

Block 10--First day worked--Enter the first day of work. If a ROE has been previously issued to the employee because of a separation from employment, **enter the date the employee returned to work or the first day of the new contract** (unless the current ROE is amending a previous ROE and Block 2 is completed).

Block 11--Last day for which paid--Enter the last day for which the employee was paid. This would normally be the last day of work. However, sometimes the employment relationship continues after the last day of work. For example:

Last day worked	January 9, 2004
One week scheduled paid vacation leave (time taken)	From January 12 to 16, 2004
Last day for which paid	January 16, 2004

In this case, January 16, 2004 is the last day for which paid (Block 11) because the employment relationship continued after the last day worked.

Where **unpaid wages** are owing to an employee on termination, you must enter the last day for which those wages are owed.

Block 12--Final pay period ending date--Enter the final pay period ending date that includes the last day for which paid (Block 11). Blocks 11 and 12 will generally be different dates, except when the last day paid corresponds to the last day of the pay period.

Block 14--Expected date of recall--If you know the date the employee will be returning, enter it. Otherwise, check the "unknown" box or the "not returning" box.

Block 15A – Total insurable hours - Enter the total insurable hours worked or paid during the required period. First, identify, according to your pay period type, the number of consecutive pay periods required to calculate this total. Refer to the chart "Insurable hours - Instructions for 15A" on page 4 (or on the reverse side of the ROE form). Then, determine the total insurable hours for the applicable period starting with the most recent pay period (the pay period which includes the date shown in Block 11). For example, where the pay period type is "weekly", provide the total insurable hours in the last 53 consecutive pay periods, or less if the period of employment is shorter.

Be careful:

- Make sure that the total includes hours worked, paid leave and Compensatory Time Off, as they represent paid insurable hours (see the Summary chart for insurable earnings and hours, page 5);
- Include part hours. **Do not round the total.**

A stand-by hour is not an hour worked and is therefore generally not considered to be insurable, unless:

- the stand-by hours are paid at a rate equal to or higher than the employee's regular rate of pay;
- the employer requires the employee to be at the workplace, in case a service is required, provided the employee is remunerated, regardless of the rate of pay.

Block 15B – Total insurable earnings - Enter the total insurable earnings for the required period. First, identify, according to your pay period type, the number of consecutive pay periods to be used to calculate this total. Refer to the chart "Insurable earnings - Instructions for 15B and 15C" on page 4 (or on the reverse side of the ROE form). Then, determine the total insurable earnings for the applicable period starting with the most

recent pay period (the pay period which includes the date shown in Block 11). For example, where the pay period type is “weekly”, provide the total insurable earnings in the last 27 consecutive pay periods, or less if the period of employment is shorter.

Note:

- Add to the total any additional insurable earnings entered in Block 17 of the ROE (e.g. wages in lieu of notice or vacation pay).
- While insurable earnings for premium purposes are limited to \$39,000 annually, there is no such maximum for EI reporting purposes. For example, if the insurable earnings for the employment period are \$56,345.02, report this amount in Block 15B.

Be careful:

- The number of pay periods to be used for Block 15B (Earnings) will be different than the number of pay periods used for Block 15A (Hours). For example, for a “weekly” pay period type, it is the total of the last 27 pay periods that must be entered in 15B as opposed to the last 53 pay periods for 15A.
- Include both dollars and cents. **Do not round the total.**

Block 15C--Insurable earnings by pay period--

Complete 15C **only** if one or more pay periods have no insurable earnings. To establish the number of **consecutive** pay periods to be entered in Block 15C, please refer to the chart “Insurable earnings - Instructions for Blocks 15B and 15C” on page 4 (or on the reverse side of the ROE form). Show the insurable earnings of **the most recent** pay period (the pay period which includes the date shown in Block 11) in **Block 15C PP1**. Also include in Block 15C PP1 all insurable earnings paid/payable on separation (e.g. vacation pay, lieu of notice pay, etc.) that are listed in Block 17. Then, enter each consecutive pay period up to the number of pay periods required and enter the word NIL for each pay period having no insurable earnings and no work. Finally, add all amounts from Block 15C and **report the total in Block 15B**.

Be careful :

- The insurable earnings shown in the last pay period (15C PP1) must include the insurable earnings entered in Block 17.
- Enter only the number of consecutive pay periods (PP) corresponding to your pay period type. A “weekly” pay period type (27 PP) requires more pay periods than a “bi-weekly” type (14 PP) or a “monthly” type (7 PP).
- It is very important, when you copy information from your payroll in Block 15C, to print the word NIL where there is a period with no work and no insurable earnings. **Do not skip to the next pay period.**
- Include both dollars and cents. **Do not round the totals.**

Special situations for Blocks 15B and 15C:

- For calculation of insurable earnings for **teachers**, use the formula. Visit our Internet site at : http://www.hrsdc.gc.ca/asp/gateway.asp?hr=en/ei/employers/teachers_formula.shtml&hs=rxr
- For **employees who are working on a contract basis** and are paid on a different period than the contract, the following method must be used to report the insurable earnings in Block 15B: Average the total of the insurable earnings paid for the contract period by dividing these earnings by the number of weeks (or part-weeks) in the contract. Then, multiply this weekly average by 27 (or less, if the period of employment is shorter), according to the “weekly” pay period type in the chart “Insurable earnings - Instructions for 15B and 15C” on page 4.
- For **employees who are paid solely on commissions or on salary and irregularly paid commissions**, the following method must be used to report insurable earnings in Block 15B: Average the total insurable earnings paid in the last 52 calendar weeks (or less, if the period of employment is shorter) by dividing these earnings by 52, or by the actual number of weeks worked if less. Then multiply this weekly average by 27 (or less if the period of employment is shorter), according to the “weekly” pay period type in the chart “Insurable earnings - Instructions for 15B and 15C” on page 4.

Block 16--Reason for issuing this ROE--Enter one of the codes corresponding to the reason for issuing this ROE from the table on the right hand side tear-off portion of the ROE. This table also appears on the reverse side of the ROE form (parts 1 and 3). If none of the reasons in the table apply, use code “K” (other). For reason “K” (other), you must provide an explanation in Block 18 “Comments”. Providing these details will help reduce calls from HRSDC.

Note: There is a new reason for separation, code “Z”, for Compassionate Care benefits. On a ROE without this code, use “K” and provide an explanation in Block 18.

Code	Explanation of the code
A	Shortage of work
B	Strike or Lockout
C	Return to school
D	Illness or Injury
E	Quit
F	Maternity
G	Retirement
H	Work sharing
J	Apprentice Training
M	Dismissal
N	Leave of absence
P	Parental
K	Other (explain in Block 18)
Z	Compassionate care (see note above)

Helpful hint: If the reason for issuing the ROE is an end of contract, an end of season, a temporary shutdown of operations or any other reason equivalent to a “shortage of work”, indicate reason code “A”.

Block 17--Payments or benefits (other than regular pay) paid in, or in anticipation of the final pay period, or payable at a later date during the interruption of earnings (permanent or not), regardless of whether or not these monies are insurable (see the “Summary chart for insurable earnings and hours”, on page 5).

17A--Vacation pay : Enter all vacation pay that meets the above.

17B--Statutory holiday pay : Enter the dates of any statutory holidays occurring after the date in Block 11 and the amounts paid/payable to the employee for these dates.

17C--Other monies : Enter any other payments, insurable or not, or amounts owing to an employee following the interruption of earnings : e.g. pension payments; both lump sum and ongoing severance payments or retiring allowances; bonuses; wages in lieu of notice; retroactive wage increases; and other.

Do not forget :

The insurable earnings (and only the insurable earnings) entered in Block 17 **must also be added** to the totals of insurable earnings in Blocks 15B and 15C PP1 (when applicable). For example, an amount of vacation pay paid on separation will be added to the totals of 15B and 15C PP1 (when applicable) but a retiring allowance, even if entered in 17C, will not be added to the totals of 15B and 15C PP1 since it’s not insurable.

Block 18--Comments--Please provide any information or observation that may help prevent an enquiry from HRSDC.

Examples of additional information :

- Details regarding the reason for leaving or separation
- Comments to specify the reason for issuing the ROE (e.g. requested by HRSDC)
- Details regarding a Supplemental Unemployment Benefit plan

Block 19--Only complete if paid sick/ maternity/ parental leave or group wage loss indemnity payment after the last physical day worked. If the employee is receiving one of these indemnities, either from the employer or a third party, enter the start date for the indemnity and the weekly or daily rate. Provide any additional details in the "Comments" section (Block 18).

Insurable Hours
Instructions for Block 15A

Pay Period Type Reported in Block 6	Number of consecutive pay periods to report for Total Hours (15A) or less if period of employment was shorter
Weekly	Last 53
Bi-weekly	Last 27
Semi-monthly	Last 25
Monthly	Last 13
13 Pay Periods a Year	Last 14

Insurable Earnings
Instructions for Block 15B and 15C (when applicable)

Pay Period Type Reported in Block 6	Number of consecutive pay periods to report for Total Earnings (15B) or Detailed Earnings (15C) or less if period of employment was shorter
Weekly	Last 27
Bi-weekly	Last 14
Semi-Monthly	Last 13
Monthly	Last 7
13 Pay Periods a Year	Last 7

Summary chart for insurable earnings and hours

- A. **For which they are paid** : allocate the earnings you pay to an employee to the pay period in which the employee earned them
- B. **In which they are paid** : allocate the earnings to the pay period in which you paid them
- C. **Last pay period of regular wages** : allocate the earnings to the last pay period that you paid regular salary, wages or commissions

Earnings	Insurable		Allocated to pay period			Notes
	Earnings	Hours	A	B	C	
1. Regular salary and wages (including unpaid wages and salary continuance)	Yes	Yes	X			<p>I. Where the actual hours of work are not known for employees paid by commission or when the worker and the employer have not agreed on what hours would be considered for insurability, the hours of work are determined by dividing the insurable earnings in the last 52 calendar weeks, or less depending on the period, by the applicable provincial minimum wage in force on January 1. When this period overlaps two calendar years, two calculations must be done, using the minimum wage in force each year, if different. The result cannot be more than 35 hours a week.</p> <p>II. Most non-taxable earnings are not insurable (e.g. travel allowances). For more information contact the Canada Revenue Agency.</p> <p>III. When work is performed on a day the employee is given paid leave, insurable hours are the greater of the hours actually worked or the otherwise normal hours of work. For example, where an employee, who normally works 7.5 hours on a working day, is paid four hours overtime on a statutory holiday, 7.5 hours are insurable. Should the same employee have worked 10 hours on that holiday, 10 hours would be insurable.</p> <p>IV. The insurable hours for overtime paid in cash are the actual hours worked. The insurable hours for time off in lieu of overtime are the hours of paid leave. When overtime hours are paid on termination of employment or after, only the earnings are insurable and have to be allocated in the last pay period of salary wages.</p> <p>V. Pay adjustments are situations where there has been a delay in recognizing, implementing or processing a change in the employee's pay. For example, an increase in wages under a union contract, agreed to three months after the end of the previous contract, gives rise to a retroactive pay increase or adjustment. By contrast, pay corrections involve errors. This may be hours missed when a previous pay period was processed or the back wages paid to an employee who was wrongfully dismissed.</p> <p>VI. On separation means: paid in, or in anticipation of the final pay period, or payable at a later date during the</p>
2. Commissions (regular/irregular)	Yes	Yes (I)	X			
3. Bonuses, tips, gratuities, cost of living allowances, shift premiums and other incentive payments	Yes	No		X		
4. Most non-cash taxable benefits	No	No				
5. Taxable benefits provided in the form of cash (II)	Yes	No		X		
6. Income taxable allowances (e.g. taxable car allowance of \$400.00/month) (II)	Yes	No		X		
7. Group term life insurance	No	No				
8. Automobile standby charge and operating expense benefit	No	No				
9. Housing, board and lodging benefits or allowances, with salary for the same pay period	Yes	No	X			
10. Housing, board and lodging benefits or allowances, without cash insurable earnings in the same pay period	No	No				
11. Paid leave for a statutory holiday, taken on the day itself, any day recognized instead of the statutory day, or any other day off with pay in place of the statutory day (III)	Yes	Yes	X			
12. Pay for a statutory holiday, occurring after the last day worked, when the employee's departure is final	Yes	No			X	
13. Pay for a statutory holiday, occurring after the last day worked, when the employee is on layoff or leave	Yes	Yes	X			
14. Overtime work paid in cash (IV)	Yes	Yes		X		
15. Time off in lieu of overtime paid (compensatory time off or CTO) or paid lay day – Leave taken	Yes	Yes	X			
16. Time off in lieu of overtime paid (compensatory time off or CTO) or paid lay day – No leave taken	Yes	No		X		
17. Pay adjustments (V)	Yes	No		X		
18. Pay corrections (V)	Yes	Yes	X			
19. Employer paid sick leave or insurable Wage Loss Insurance	Yes	Yes	X			
20. Accumulated sick leave credits paid out, on anniversary date or not, and taxable as employment income (if paid on termination see 22)	Yes	No		X		
21. All insurable payments on separation (VI)	Yes	No			X	
22. Retiring allowances, including bank of accumulated sick leave credits, severance pay, other (VII), if paid on separation	No	No				
23. Vacation pay, where vacation time is taken , however paid	Yes	Yes	X			
24. Vacation pay, where no time is taken , however paid	Yes	No		X		
25. Vacation pay, paid on separation (VI)	Yes	No			X	
26. WCB top-up and WLI (Wage loss insurable plan) top up paid by the employer (claim accepted)	No	No				
27. WCB top-up and WLI paid by the employer prior to acceptance	Yes	No		X		
28. SUB plan benefits	No	No				
29. RRSP contribution paid by employer	Yes	No		X		
30. Amount in lieu of notice paid on termination or after	Yes	No			X	
31. Salary paid for the period of the notice worked or not (salary continuance)	Yes	Yes	X			
32. Paid stand-by hours spent at the employee's place of work at the employer's request	Yes	Yes	X			



33. Stand-by hours spent elsewhere than the employee's place of work paid at a rate equivalent to or greater than the employee's regular rate	Yes	Yes	X			VII. interruption of earnings (permanent or not). Any questions on retiring allowances should be directed to the Canada Revenue Agency.
34. Stand-by hours spent elsewhere than the employee's place of work paid at a rate less than the employee's regular rate	Yes	No	X			

Frequently Asked Questions

Q1. Do I have to use the same number of pay periods to determine the total insurable hours (Block 15A) and the total insurable earnings (Block 15B) ?

A1. **NO.** There's a chart to determine the total insurable hours and there's a different one to determine the total insurable earnings.

Q2. What should I do if the period of employment of the employee is shorter than the period requested by the charts on page 4 ?

A2. Report the hours and the earnings covering the actual period of employment.

Q3. When I complete Block 15C, what do I have to do when a pay period has passed between the final pay period with insurable earnings and the date I issue the ROE ? Is it possible that the final pay period (15C PP1) shows the word NIL ?

A3. The final pay period (15C PP1) must be the final pay period with insurable earnings. As a result, the final pay period cannot show NIL.

Q4. What's the difference between the last physical day worked, last day for which paid (Block 11) and pay period ending date (Block 12) ?

A4. The **last physical day worked** is the actual last day the employee performed services (e.g. Wednesday the 10th). The **last day for which paid** is the last day for which you paid EI premiums for the employee (e.g. Friday the 12th). The **pay period ending date** is the actual end date covering the full pay period (e.g. Tuesday the 23rd).

S	M	T	W	T	F	S
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27

In this example, the pay period type used is "bi-weekly" (from Wednesday to Tuesday). The employee finished work on the Wednesday (10th) and was paid two days paid leave (11th and 12th) by the employer before the lay off occurring on Friday (12th). If I had to complete the ROE, Block 11 would show the 12th (last day for which paid) and Block 12 would show the 23rd (pay period ending date).

Q5. Under which circumstances would I have to issue an amended Record of Employment?

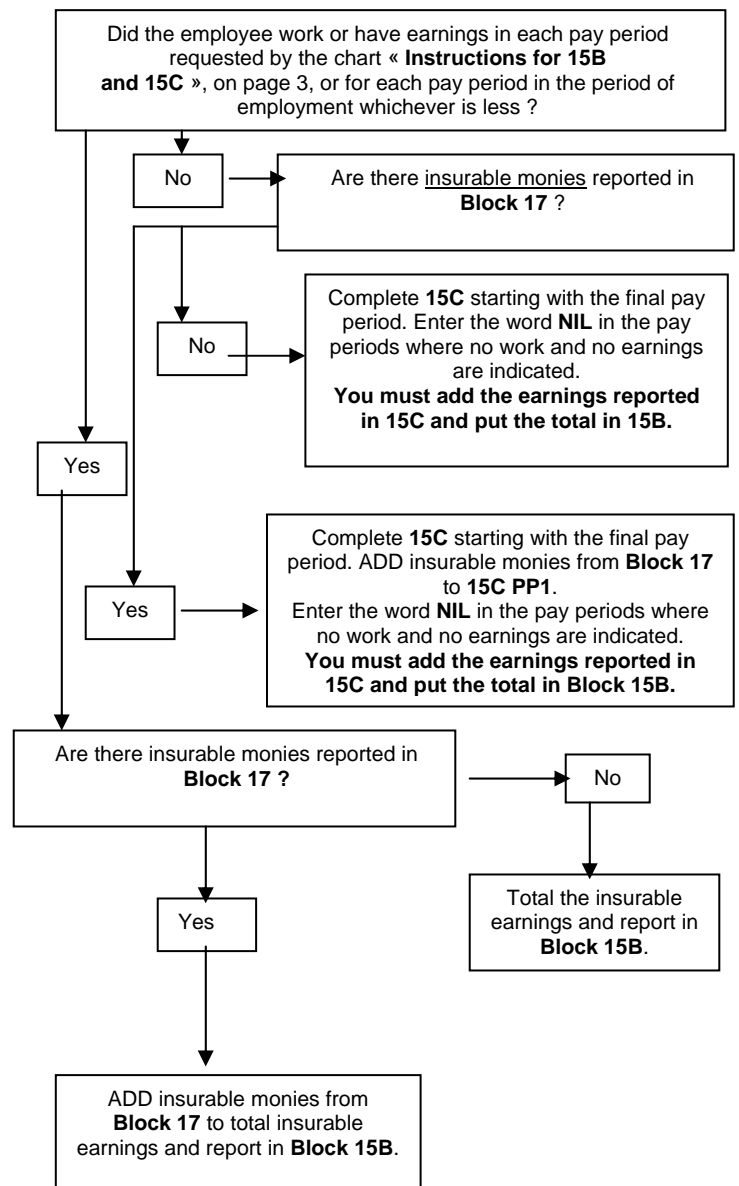
An amended Record of Employment must be issued when information needs to be changed or corrected on a previously issued ROE.

Q6. What amount (gross or net) from my payroll ledger do I use to complete my Record of Employment ?

A6. Always report "gross" amounts (before any payroll deductions). You should never report "net" amounts.

Q7. I'm still not clear about what I have to do with Blocks 15B, 15C and 17. When should I complete Block 15C ? What do I do with insurable monies from Block 17? Do I have to complete Block 15B even if I've completed 15C ?

A7. See the chart below :





Enquiries regarding insurability

These types of enquiries should be directed to the Canada Revenue Agency (CRA). Their telephone number may be found in the Government of Canada blue pages of your local telephone directory. You can also obtain more information by visiting the CRA Internet site at : <http://www.cra-arc.gc.ca/menu-e.html>

More information on EI premiums can be obtained from the following CRA sources:

- **(T4001)-- Employer Guide-Payroll Deductions Basic Information** with Chapter 3 containing details on insurable employment, earnings and hours and calculating EI premiums.
- **(T4130)-- Employer Guide-Taxable Benefits.**

Copies of these publications may be obtained from your local Taxation Services office or on CRA's Internet site.

For ROE assistance

To order ROE forms, contact your nearest HRSDC office or visit the following Internet site :

http://www.rhdcc.gc.ca/asp/gateway.asp?hr=en/ei/employers/order_roe.shtml&hs=rxr

This Internet site gives access to a full listing of the phone numbers of all HRSDC offices which have the responsibility of taking orders for ROE forms from employers. These phone numbers are grouped by provinces and territories, enabling the user to more easily identify the nearest office.

To **obtain more information** on how to complete the ROE, and/or if you want to **attend an information seminar** on the subject, you may call a REO advisor at one of the telephone numbers listed below:

ALBERTA

Anywhere in Alberta 1-800-561-3992
Fax 1-800-829-6891
Internet :

<http://www.hrsdc.gc.ca/en/ab-nwt-nu/roe/roe12.shtml>

BRITISH COLUMBIA AND YUKON

Anywhere in British Columbia and Yukon
1-888-557-7111

MANITOBA

French 1-877-342-2983
English 1-800-663-0983

NEW-BRUNSWICK

Bathurst	506-548-7458
Campbellton	506-789-4543
Edmundston	506-739-0300
Fredericton	506-452-3678
Grand Falls	506-473-3918
Miramichi	506-627-2036
Moncton	506-851-3426
Richibucto	506-523-4603
Saint John	506-636-5233
Shediac	506-533-5132
St. Stephen	506-465-2001
Woodstock	506-325-3244

NEWFOUNDLAND AND LABRADOR

Clarenville	709-466-8232
Corner Brook	709-637-4258
Gander	709-256-6533
Grand Falls-Windsor	709-292-5123
Happy Valley	709-896-6288
Marystown	709-279-5634
Stephenville	709-643-8096
Harbour Grace/Placentia/St-John's	709-772-6450

NORTHWEST TERRITORIES AND NUNAVUT

Yellowknife	867-669-5029
Other locations	1-800-561-3992

NOVA SCOTIA

Amherst	902-755-2655
Antigonish	902-755-2655
Bridgewater	1-800-268-6567
Halifax Metro	902-426-2029
Kentville	1-800-268-6567
New Glasgow	902-755-2655
Port Hawkesbury	902-755-2655
Sydney	902-564-7252
Truro	902-755-2655
Yarmouth	902-742-6830
Long distance	1-800-268-6567

ONTARIO

Toronto (Metro Area)	416-730-1260
Other locations	1-800-263-8364

PRINCE EDWARD ISLAND

Charlottetown	902-566-7768
Fax	902-368-0178
Montague	902-838-5559
Fax	902-838-3439
Summerside	902-432-6840
Fax	902-432-6808

QUÉBEC

Anywhere in Québec	1-800-318-3658
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SASKATCHEWAN

English and French	1-800-667-7554
Fax	306-780-8778