



### Mission Statement

To provide legal assistance in the form of advocacy, support and counselling for domestic workers from any country;

To educate and inform domestic workers about their rights;

To educate and inform the public about issues affecting domestic workers;

To research issues of law, health safety and employment standards important to domestic workers;

To facilitate a self-help and social network among domestic workers; and

To liaise with government and the public on issues of concern to domestic workers.

*Nannies' Voice* is produced by staff and volunteers at WCDWA and printed by the BC Federation of Labour

All information provided in the *Nannies' Voice* is for general information only; it is not legal advice. For legal advice or assistance please call WCDWA at 604-669-4482 or 1-888-669-4482.

# Accounting Services Available to LCP Employers

By Linh Tsiu, CGA

**Editor's note:** WCDWA often receives phone calls from couples who employ a live-in caregiver and require advice about their financial obligations, payroll procedures and tax issues. WCDWA employees are NOT trained accountants and are not qualified to advise employers in these matters. As such, we have asked Ms. Linh Tsiu CGA to produce this article describing payroll/accounting services she provides to those who employ workers in the Live-in Caregiver Program. Ms. Tsiu is not affiliated with WCDWA.

The purpose of this article is to outline some of the steps that employers must undertake if they wish to employ a live-in caregiver, with information about how to obtain further advice and assistance.

## Payroll/Accounting Obligations for Employers

- Employers who hire a caregiver must register for a business number through the Canada Revenue Agency (CRA). If you are looking to employ a worker in the Live-in Caregiver Program, you will need to obtain a business number before extending the offer of employment. Service Canada will not process an application for Labour Market Opinion unless the employer has a valid business number, and the live-in caregiver will not be able to obtain authorization to work for your family unless you obtain a valid Labour Market Opinion. For more information about business numbers, please refer to the CRA's website at [www.cra-arc.gc.ca/E/pub/tg/rc2/rc2-09e.pdf](http://www.cra-arc.gc.ca/E/pub/tg/rc2/rc2-09e.pdf). Information about the Labour Market Opinion application process can be found on Human Resources and Skills Development Canada's website at [www.hrsdc.gc.ca/eng/workplaceskills/foreign\\_workers/lcpdir/lcptwo.shtml](http://www.hrsdc.gc.ca/eng/workplaceskills/foreign_workers/lcpdir/lcptwo.shtml).
- All employers must remit payroll withholding taxes, including their caregiver's income tax, Canada Pension Plan (CPP), Employment Insurance (EI) and the employer's portion of CPP and EI.
- Caregivers cannot be paid on a salary since they must earn at least minimum wage - \$8 for each hour worked. It is necessary to calculate wages owed and withholding taxes on each pay cheque to ensure that each paycheque reflects actual hours worked within the pay period. Withholding taxes must be paid on time to avoid fines/penalties at CRA.
- Employers must provide an accurate T4 Statement to their caregiver at the end of each fiscal year. Employers must also file a T4 summary to CRA. Again, late filing will attract penalties (\$25 per day).
- Employers in British Columbia must follow all provincial labour standards to avoid liability under the Employment Standards Act (ESA). The ESA sets out minimum requirements for payment of annual vacation pay and statutory holidays. The ESA also demands that employers pay their caregiver at least twice a month, and that

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they provide the worker with a pay stub on each pay date that describes the number of hours worked, the pay rate, etc. Employers may become subject to administrative penalties starting at \$500 for each violation of the ESA if they fail to abide labour standards in British Columbia.

- Employers must register for Workers' Compensation coverage for all employees, including live-in caregivers. Information regarding workers' compensation coverage can be found on the WorkSafe BC website at [www.worksafebc.com/insurance/registering\\_for\\_coverage/register\\_with\\_worksafebc/default.asp](http://www.worksafebc.com/insurance/registering_for_coverage/register_with_worksafebc/default.asp)

## Hiring an Accountant

Many employers elect to hire an accountant to handle payroll and provide advice about the financial implications of hiring a live-in caregiver. I'd like to take this opportunity to offer my services as a Canadian accountant who specializes in caregiver tax services.

I have completed a Commerce Degree majoring in Marketing and Human Resources, and I am a professional accountant (CGA) with 15 years of experience in accounting and business development. My knowledge, strategies and dedication have helped my past clients to expand their market shares by over 50%. I am a creative and flexible individual with excellent interpersonal and communication skills.

I encourage you to call me directly at 604-786-2566 for a personal consultation, or visit my website for more details at [www.caregivertax.ca](http://www.caregivertax.ca)

## ANNOUNCEMENTS



### H1N1 Flu - WCDWA's Revised Triage Policy

As you are likely aware, Canada is now entering the flu season. And with the threat of the H1N1 "swine flu" pandemic on the horizon, WCDWA is asking that you **DO NOT** come to our office if you are sick or if you think you might be sick. We will make every effort to ensure that all clients can access legal service throughout the season and will gladly make alternate arrangements to assist you by telephone, email or fax. We only hope to avoid any unnecessary exposure for our employees and other clients. Thank You.

### Citizenship and Immigration Canada's "Priority Policy" for Typhoon Victims in the Philippines

On 1 October 2009, Citizenship and Immigration Canada (CIC) announced that they will be adopting special measures to facilitate immigration to Canada for victims of the recent typhoons in the Philippines. If you have an application for permanent residence in process and your accompanying family members were **directly affected** by the typhoon, you can write to CIC to request "priority processing" of that application.

