



2020

A YEAR UNLIKE ANY OTHER

THE CANADIAN
PAYROLL
ASSOCIATION

CPA
ACP

L'ASSOCIATION
CANADIENNE
DE LA PAIE

THE CANADIAN PAYROLL ASSOCIATION 2020 ANNUAL REPORT

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The Canadian Payroll Association exists because accurate and timely payroll is the right of every employee and essential to the success of every employer and our society.

REFLECTING ON 2020

Peter Tzanetakis, President, The Canadian Payroll Association

Undoubtedly, 2020 is not a year any of us will soon forget. All Canadians were thrust into unforeseen territory with the COVID-19 pandemic — it dominated the news cycle and our lives for nearly the entire year and continues to be a transforming force in 2021.

If there is a silver lining related to the pandemic, it's that so many realized what we at the Association have long known: **payroll is essential**. Business and organizational leaders, provincial and federal governments, and employees all across the country became hyper-focused on payroll, as payroll professionals helped to keep the economy moving through the most challenging of economic times.

Unfortunately, many employers had to make difficult decisions to remove staff from their payrolls (even temporarily) or shut down completely, resulting in millions of Canadians being furloughed, laid off, or let go. At one point, Service Canada indicated it was receiving Employment Insurance (EI) claims at a rate of 300 per minute. Payroll professionals were pumping out Records of Employment at record speeds while ensuring active payrolls were still running. More than six million Canadians transitioned to remote work on account of the pandemic. Meanwhile, payroll professionals — many working remotely themselves — needed to ensure payrolls were still processed, benefits were still delivered, and compliance was upheld throughout hundreds of legislative changes impacting payroll.

In addition, payroll professionals were pivotal in administering programs such as the Canada Emergency Wage Subsidy (CEWS) and a multitude of other labour standards and relief measures that were announced and deployed throughout the year. It's no wonder that across Canada, governments recognized payroll as an essential service. I cannot state enough how proud I am to be working with a community that has proven itself to be so dedicated, professional and selfless in a time of crisis.

For our part, the Association also stepped up to support members. With our conviction that “accurate and timely payroll is the right of every employee and essential to the success of every employer and our society,” bolstering us throughout the year, we worked to support payroll professionals from coast to coast. We shifted our offerings entirely online in a matter of days and offered support resources and tools to both members and the broader business community to ensure we provided the support that Canadians needed. Truthfully, we navigated this year not just sufficiently but exceptionally.

The Association showed financial resilience, our engagement with members multiplied, and we saw record-high enrollments for certification programs. We continued to elevate the payroll profession, working closely with key stakeholders, including the government and employer groups across Canada, and continued implementing our new strategic direction that began at the start of the year. Simply pausing all major strategic

projects and initiatives would have been the easy decision, but we felt that pushing forward was critical for future success. Those initiatives, such as our major research study on the contribution of payroll, helped us further our goal of elevating the payroll profession, as did our public relations efforts, which helped us reach more Canadians than ever – over 190 million impressions from coast to coast.

Our InfoLine responded to over 52,000 inquiries, even opening to non-members to provide necessary support in uncertain times. Our membership grew. Over 15,000 payroll professionals started or continued their certification journey. And 57 advocacy wins were realized, helping to further simplify and harmonize payroll legislation across Canada.

While 2020 was unforgettably challenging, it seemed to bring out the best of the payroll profession. Thank you for rising to the challenge. Thank you for coming together in times of crisis, for remaining dedicated to this essential work. And thank you for your continued support of the Canadian Payroll Association.



Peter Tzanetakis
President, the Canadian Payroll Association

“While 2020 was unforgettably challenging, it seemed to bring out the best of the payroll profession. Thank you for rising to the challenge.”

Peter Tzanetakis, President of
the Canadian Payroll Association



2020 REFLECTIONS FROM THE CHAIR OF THE BOARD

Christian Coutu, CPM, Chair of the Board

Throughout history there have been only a few events that are remembered for decades, and even centuries to follow. I'm quite certain that we've all just experienced one such event.

But 2020 will not only be remembered for the pandemic. It will also be looked at as a turning point for the nature of work. This past year pushed organizations and employees out of their comfort zones and into a whole new world. The early 1800s, considered the Industrial Revolution, ignited massive change. I suspect that 2020 will mark the start of a new era as well.

When we take a look at the impact of the pandemic on businesses, there were many organizations that unfortunately suffered greatly. Others did quite well through these challenging times. Thankfully, the Canadian Payroll Association was one of the lucky ones. Luck, however, is the residue of design. As you'll read throughout this report, in addition to outstanding financial results, there were several exciting projects on the go throughout the year that all contributed positively to the Association's resilience – none of which would have been possible without the wonderful support of members.

As my term as Chair comes to a close, I have been reflecting on the goals I set for myself at the beginning of 2020. I started my mandate with the intent to focus on the following:

1. Innovate to meet the changing needs of members and the payroll profession. Invest in technology to enhance service delivery and engagement for all members, whether in big cities or remote towns.

2. Nurture the future of payroll by establishing the profession as essential to the success of businesses, both strategically and operationally.

3. Affect a shift in the Association's relationship with the government by being more proactive in sharing policy positions with the federal and provincial governments and taking public positions to lead policy discussions.

When I set those goals, I could not have predicted that all three would be impacted, and maybe even accelerated, by a global pandemic!

First, the Association quickly reacted to the impact of COVID-19 and was able to pivot to provide the virtual delivery of essential services to members. Whether it was the Annual Conference, National Payroll Week programming, the delivery of professional development seminars, or the certification program, everything was fully converted to an online delivery. Apart from the continuity of service, this had the added benefit of enabling members in remote regions to participate where doing so may have been difficult before. No matter the event or activation, the participation and engagement of members from coast-to-coast was absolutely phenomenal.

Second, the payroll profession was quickly recognized as being an essential service across Canada. Even when we were in a total lockdown, it was essential to pay employees on time and with no errors. As payroll professionals, we were suddenly taking part in strategic decision-making to help our companies with their

operations. We were recognized as being essential to both the employee-employer relationship and business continuity.

And finally, since the pandemic started, there have been more than 400 administrative and legislative changes to help workers and businesses across the country weather the economic fallout of necessary public health measures. This provided the Association with a unique opportunity to enhance its work with legislators throughout the year. We were able to speak on behalf of members and share our positions on more than one occasion. This resulted in a number of wins, not the least of which was fending off the requirement to fill out T2200 forms for the millions of Canadians who suddenly found themselves working from home.

We all know that, although the pandemic will hopefully be a thing of the past soon, its impact on the way we work is here to stay. As a result, we will be seeing legislative changes happening for years to come. This will, in turn, increase the demand for qualified payroll professionals to help navigate and manage these changes. And surely, the Canadian Payroll Association will be there to support the payroll profession every step of the way.

On this note, it's time for me to say goodbye and thank you. I am grateful to have served as the Canadian Payroll Association Chair through these historic moments, and I will always be proud to be part of the payroll community.



Christian Coutu, CPM
2020-2021 Chair of the Board

“Although the pandemic will hopefully be a thing of the past soon, its impact on the way we work is here to stay.”

Christian Coutu, CPM
2020-2021 Chair of the Board



COVID-19: THE DISRUPTER NO ONE EXPECTED

COVID-19 will forever be recognized as the big story of 2020. When the year began, the spectre of what would become the most disruptive force we have ever faced was starting to enter the news cycle. But the threat to Canada seemed insignificant and remote. By March, as we now know, it was a different story.

Suddenly, or so it seemed, provincial governments issued stay-at-home orders, businesses were locked down, millions of Canadian employees were thrust into remote work, and millions more were furloughed or laid off. Payroll professionals went into overdrive to support organizations and employees through this chaotic period of transition and uncertainty. They worked tirelessly to stay on top of the rapid legislative changes that affected payroll, they issued countless Records of Employment to employees who needed them, many transitioned to working from home themselves – all while ensuring payroll was being delivered without interruption.

For the Canadian Payroll Association, to ensure it was there to provide necessary support, COVID-19 meant a rapid shift in both internal operations and the planned services for members. All staff were quickly set up to work from home and have continued doing so since, ensuring minimal disruption to members. Like so many others, email, phone, and Zoom meetings became the new normal.

Overnight, the Association's efforts pivoted to ensure that members had the support and resources they needed to navigate the multitude of changes arising from the pandemic. Payroll immediately became a key player in maintaining business continuity, keeping Canadians paid, helping organizations

manage their personnel changes, and administering new support programs introduced by the government.

With legislative changes being introduced on a seemingly daily basis, the Association deployed resources to actively monitor and report every single issue impacting payroll to members. Efforts were dedicated to developing and maintaining COVID-19 resources. This included two evolving COVID-19 InfoLine FAQ documents, a province-by-province summary of legislated leaves, a provincial review of Workers' Compensation, and a Canada Emergency Wage Subsidy calculator.

The Association also took unprecedented steps to support the public good by making essential COVID-19 resources publicly available. These steps included opening email access to Payroll InfoLine to non-members and offering complimentary webinars related to COVID-19. The Association responded to more than 52,000 InfoLine inquiries, up 24 per cent from 2019.





“Demand for payroll designations grew in 2020 as the value of payroll expertise to employers was shown to be essential.”

As your voice to the government, the Association engaged daily with federal and provincial Ministers, the Canada Revenue Agency (CRA), Service Canada, Revenu Québec, and more. In sharing the unique perspective of payroll, we shaped how many of the financial support programs introduced were implemented. When the initial layoffs occurred in mid-March, the government turned to the Association to quickly publish valuable information to support the business community and relieve pressure on Service Canada staff who were processing EI claims at a record pace. In Ontario, when Premier Ford was forced to shut down businesses in the province, Association advocacy resulted in payroll being recognized as an essential service. In Quebec, the Association ensured payroll continuity for employers grappling with the payroll implications of employees working remotely. In Alberta, the government adopted many of the Association's recommendations to reduce red tape under the *Employment Standards Act*, including allowing businesses more time to provide terminated employees with their final pay to minimize errors. Federally, the Association worked with the CRA to ensure new reporting requirements arising from COVID-19 would be as straightforward as possible. This included working collaboratively with the government to simplify the requirements for more than six million new remote workers to claim work from home deductions for the 2020 tax year (see sidebar, page 8).

At the onset of the pandemic, it was integral for the Association to optimize how it provides compliance updates to members. In late March, the bi-monthly compliance e-newsletter *e-Source* was retired, and *Late Breaking Payroll News* was introduced to its website. The shift enabled the Association to share ongoing

updates as they happened. By undertaking this change, the Association has been able to report changes (including those pertaining to COVID-19) much more quickly, including updates on critical issues such as changes to the T2200 in the 2020 tax year.

Similarly, the Association worked quickly in March and April to institute fundamental program changes to align with public health guidance — pivoting from in-person to online professional development seminars and shifting networking events to at-home formats. The development of online resources continued throughout the year, and the Association added more seminar and webinar options to meet the growing demands of professionals. The annual Conference and Trade Show, planned for Whistler in June, evolved into *Payroll Connected*, an interactive and engaging digital conference, complete with fascinating keynote speakers, informative education sessions, and opportunities to connect with the payroll community.

Demand for payroll designations grew in 2020 as the value of payroll expertise to employers was shown to be essential. In all, more than 15,000 individuals registered for certification courses in 2020, the highest number ever, demonstrating the value of the Association's courses in establishing foundational payroll knowledge. Additionally, over 1,500 candidates completed their payroll certification, earning their PCP, SCPQ (now PPQ), or CPM designations.

While these changes to the Association's operations and services were essential to support the payroll community, the vital work done by payroll through the year was also communicated to external audiences. The Association undertook proactive media relations in March, sharing stories about the

impact of living paycheque to paycheque on Canadian workers, and reinforcing payroll as a critical player in shaping financial wellness. In July, with results from its 2020 employee survey, the Association highlighted the economic realities of Canadians during the pandemic and underscored the value of strong financial security through payroll. And in September, the annual National Payroll Week (NPW) public relations campaign explored how the pandemic had impacted financial stress experienced by working Canadians. Read more about the Association's public relations efforts on page 17.

As a cumulative result of these efforts, the positive perception of the Canadian Payroll Association grew. In our member census, 82 per cent of members characterized the Association's response to COVID-19 as 'good' or 'very good,' with fewer than one per cent indicating that they did not believe the Association would support them through a crisis.

The Association was able to grow throughout the year as well. Because of the incredible resilience and determination of the entire payroll community, payroll was being recognized as essential by all governments; integral to the health of every organization and critical to business continuity; and crucial to the financial wellness of employees. Although many other businesses and organizations were in a period of "wait and see," the Association understood this was not the time to slow down, but to accelerate its strategic renewal and forge a path forward. This took the form of growing the team, adding new offerings, and taking on new and exciting projects that you will hear more about throughout 2021.

We all know now that the impacts and implications of COVID-19 will extend well beyond the calendar year. Rest assured, so too will the support provided by the Canadian Payroll Association in helping payroll professionals face whatever lies ahead. As it was in 2020, payroll will continue to be strengthened by its ability to respond to change. Above all else, this year has shown the strength and commitment of the payroll community who came together to support one another through a time of crisis. The Association is inspired by its members, and is proud to be with you, through good times and bad.

T2200 POLICY REVISIONS – A WIN FOR PAYROLL

Following months of advocacy by the Canadian Payroll Association, the federal government responded to the needs of payroll professionals in the fall economic statement, by removing the requirement for employers to issue T2200 forms for new remote employees for the 2020 tax year.

How it happened:

- The COVID-19 pandemic forced more than six million Canadians to work from home, due to government mandated lockdowns and stay-at-home orders.
- The Association made recommendations to the Ministers of Finance and National Revenue, and the Canada Revenue Agency (CRA), communicating the urgent need to streamline the T2200 process for employees and employers, so that employers could continue to focus on essential business needs during such a challenging time.
- The federal government's fall economic statement introduced a new simplified approach that allowed employees who had to work from home due to the pandemic to claim modest expenses (to a maximum of \$400) without a T2200 form signed by their employer, which was a win-win-win for employees, employers and the payroll professionals who would have shouldered the bulk of this administrative work.
- The Association continued to work with the Quebec government, which harmonized their approach with the CRA's in mid-December of 2020.

BRINGING PAYROLL INTO FOCUS

This year shone a bright spotlight on payroll. Historically seen as a back-office function operating behind the scenes, the essential nature of payroll received due recognition in 2020 because of the role professionals played in helping businesses and individuals weather the pandemic. While much of the world was grinding to a halt, payroll professionals kept busy – very busy – helping Canadians access financial aid programs, issuing Records of Employment and navigating the hundreds of legislative and policy updates impacting payroll.

Despite the fact that payroll was more prevalent than ever, misconceptions of all that payroll is and does continued to linger. Many employers and employees still do not realize just how much

work goes into the delivery of accurate and timely pay, the value of professional payroll and the untapped potential of the function.

That's why, throughout 2020, the Association worked with PricewaterhouseCoopers (PwC) Canada to conduct a comprehensive study – the results of which brought the value of payroll, for organizations and our society as a whole, into focus. To develop the study, the PwC Canada team collected data through interviews and focus groups with payroll professionals in a range of roles, surveyed over 2,400 payroll professionals, and reviewed secondary sources. From this research, three thought-provoking reports were published in the fall as part of the *Payroll in Focus* series.



Each report presented findings that truly demonstrate the value, impact and potential of payroll.



› **The Economic Impact of Payroll Professionals in Canada**, launched during National Payroll Week (NPW), quantified the value that payroll adds to businesses, communities and the economy as a whole. With approximately 77,000 payroll professionals working for Canadian employers and 6,700 employees working at payroll service and software providers, the report showed that payroll professionals contribute \$8.6 billion annually to the Canadian economy.

Beyond this huge economic impact, the report discussed the influence that payroll professionals have on the productivity of organizations through key productivity initiatives. From ensuring proper auditing, to working with HR and finance to ensure the correct interpretation of legislative requirements. Perhaps most crucially, the report underscored that payroll professionals are pivotal drivers of the employee experience because they deal with one of the most sensitive aspects of work: compensation.

NPW 2020, with its *Powered by Payroll* theme, provided the perfect platform to share these findings among professionals and employers, with the report echoing the critical impact of payroll in powering individuals, businesses and the government.

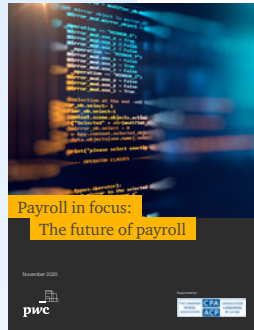


› **The Cost of Employer Compliance and Public Policy Implications**, launched in October. This report focused on the hard costs of payroll, quantifying all the costs borne by employers related to payroll compliance at a staggering \$12.5 billion per year.

The research demonstrated that the complex labyrinth of legislation that payroll professionals routinely navigate has resulted in challenges for employers and created a climate that is less than ideal for investment. The study recommended three possible policy solutions that could mitigate costs associated with the complexity of legislation:

- ▶ Simplification of taxable benefits
- ▶ Inter-provincial policy harmonization
- ▶ Digital payroll

With the Association poised to move these advocacy objectives forward in 2021, it was critical to share this vital information with key business and government audiences who could be impacted. As such, the Association held a series of exclusive stakeholder briefings to share the report's findings. Well attended by both business and government leaders, the briefings outlined actions the government could take to reduce payroll complexity at a time when Canadian businesses are trying to recover from the impacts of COVID-19. Feedback from these briefings was overwhelmingly positive, building strong interest in the report and helping to drive more than 1,300 downloads.



“As the Payroll in Focus series reinforced the value, impact and necessity of payroll now and in the future, so too did the Canadian Payroll Association.”

› **The Future of Payroll**, the most ambitious report, was launched in November. This report laid bare what we at the Canadian Payroll Association have known for years: that the “under-the-radar” nature of payroll belies its complexity and importance. It also demonstrated that there is significant room to enhance the real and perceived value of payroll by defining a more formal payroll operating model in the future.

PwC found that payroll operating models of the future will have a digital core, with payroll professionals taking a highly consultative role, seamlessly integrating with the HR, Finance, or strategic arms of the organization, and directly providing workforce and productivity insights for enhanced decision making. As a result, payroll teams will have a more formal structure, where roles and responsibilities will be more clearly defined. This will elevate and evolve the work of payroll professionals, resulting in improved use of analytics and technology, opportunities for cohesion with senior leadership, continuous improvement and growth, and the delivery of an enhanced employee experience.

As the *Payroll in Focus* series reinforced the value, impact and necessity of payroll now and in the future, so too did the Canadian Payroll Association. Results were shared widely, with professionals, businesses leaders and government through the new website, payrollinfocus.payroll.ca. The full reports were shared publicly and downloaded more than 4,400 times.

Looking ahead, these findings are being applied to the Association's offerings as well. Updates and enhancements to certification programs, seminars and webinars are already underway. In addition, there are plans to build new education opportunities in 2021 and beyond, to address key findings and ensure the curriculum is reflective of payroll job expectations, today *and* tomorrow. Members can be sure that they can turn to the Association to help up-skill or reskill to stay current with the changing demands of the profession and the payroll job market.

The Association's Government and Legislative Affairs team is also eager to continue to use these important findings to facilitate meaningful discussions with government and key stakeholders to ensure we are advocating for payroll professionals and employers, and bringing forward ideas to improve payroll legislation.

With critical research reinforcing so many deeply-held and anecdotally understood truths about payroll, the Canadian Payroll Association is ready to help the profession reach new heights. As payroll continues to evolve and take on new and exciting responsibilities within organizations, the Association will continue to be here to provide resources and support to its members, and to bring the importance of payroll into focus.

2020 IN REVIEW

▶ MOST COMMON MEMBER TRAITS, AS PER 2020 CENSUS:

- Predominantly female
- 51-60 years of age
- 11-12 years of payroll tenure
- Works on a team of 2-3 people
- Organization size of 200-499 people
- PCP certified



MEMBERSHIP



Membership grew 5.6% in 2020, bringing membership to almost 22,000

Member Services responded to more than 80,000 inquiries, up significantly due to the pandemic



CERTIFICATION



94.6%
of certification holders retained their credentials



15,126
started or continued their certification journey

Online certification enrollment grew by **17%**



EVENTS

- First ever fully virtual Conference, Payroll Connected, drew 536 full conference registrations
- 724 payroll professionals attended virtual National Payroll Week events
- First ever Facebook Live event spotlighting payroll technology attended by 501 live viewers



2020 IN REVIEW

▶ NEW TOOLS DEVELOPED TO SUPPORT BUSINESSES INCLUDED:

- Canada Emergency Wage Subsidy Calculator
- Workers' Compensation Premiums Guidance
- 2020 Tax Year and Work From Home Expense Memo
- COVID-19 Compliance FAQ



COMPLIANCE



Brand new year-end bundle offered
new 'on-demand' learning options

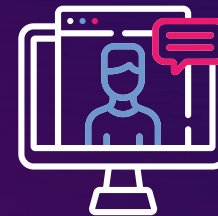
Payroll InfoLine inquiries rose 42%,
to more than 52,000 inquiries total



Late Breaking Payroll News launched

EDUCATION

3,959
people attended
online webinars
throughout the year



9,763
attended professional
development seminars
throughout the year

New seminar introduced: Payroll Administration in Ontario

COMMUNITY



190+ million
Canadians reached
through our public
relations activities

1,000+ people
competed for the 2020
Payroll Powerhouse title
during National Payroll Week



ADVOCACY

Monitored over 400
government policy
announcements arising
from COVID-19



39 government
submissions made
57 advocacy wins realized

2020 PAYROLL AWARD WINNERS

The Canadian Payroll Association continued to recognize the profession's best in 2020, honouring individuals who demonstrated unparalleled leadership, service and commitment to payroll through the Association's awards of recognition.

The Association's 2020 award winners were:



Diana Ferguson Award: Lucy Zambon, CPM

This award recognizes outstanding contributions by an individual to the advancement of the mission, objectives and values of the Canadian Payroll Association.

Lucy Zambon, CPM, has been involved with the Association for 37 years as a volunteer, subject matter expert, Branch Chair, Board Director and Chair, certification instructor and more. Over the years, she has worked in healthcare, retail and banking, and for a payroll service provider. For the last 22 years, she has worked as an Implementation Consultant, Technical Services, for Ceridian Human Capital Management.

Lucy has built a reputation as an expert in payroll systems and software, adult education, and payroll compliance. She has also championed the Payroll Compliance Practitioner (PCP) and Certified Payroll Manager (CPM) certifications as the requirement for payroll positions in Canada.

She has been an instrumental contributor to many of the Association's education task forces, including the Employment Standards Task Force, Special Payments Task Force, Professional Development Seminar Task Force, and CPM Task Force. She has also been a speaker at several National Payroll Week and Certification Recognition Events, was an instructor for PCP certification courses at Fanshawe College for 20 years, and has presented several of our professional development sessions over the years. Lucy is a consummate professional and a credit to the payroll community.



Board of Directors Award:

Professional Code of Conduct Committee

This award recognizes a group of subject matter experts who have exhibited vision, creativity and teamwork in meeting the strategic plan of the Association.

Committee Members: Alan Sinclair (Chair); Elaine Gill, PCP; Charmaine Marsden, CPM; Karen Murkar; Patricia McCue Ryan, CPM; Parissa Hayati, CPM; Steven Van Alstine, CPM

The Professional Code of Conduct Committee was established in 2008 to oversee the enforcement of the Code of Conduct. It meets regularly to reinforce its mandate, review its obligations, and develop its role in overseeing the integrity of the payroll certification programs by adjudicating misconduct cases.

Since cases started coming before the Committee in 2010, the issues have become more complex, and the Committee's scope has broadened to include investigations and written decisions. The Committee has adjudicated over 25 complaints thus far and has played a crucial role in furthering the strategies of the Association, including the keystone strategy of being THE association for the payroll profession in Canada.

NEXUSDS.COM

Partner Award: Nexus Data Systems

This award recognizes a private or public sector organization's outstanding work in assisting the Association in achieving its ongoing objectives.

Nexus Data Systems has been the Association's IT vendor for over 25 years, providing support in various areas to maintain and protect our servers and networks. They are our go-to partner for hardware and software support, network security, and professional advice for IT inquiries. They ensure the integration of our IT infrastructure and have helped successfully resolve several incidents over the years. Thanks to their knowledgeable and dedicated staff, Nexus has assisted the Association in safeguarding our systems, building member trust and advancing our strategic objectives.

Fellow of the Canadian Payroll Association

This award recognizes exemplary service to the Association, profession and community.



Kimberley Fiume, PCP, has been a member of the Board of Directors, Federal Government Relations Committee, Record of Employment Guide Task Force, Tax Simplification Subcommittee, Taxable Benefits Task Force, and more. Her 25-plus years in payroll consulting, management, practice and training, along with a thorough knowledge of a range of payroll and HR administrative and legislative issues, have enabled her to make a significant contribution in the areas of advocacy and education. Kim is a proud and robust advocate for the payroll profession.



Alan Mitchell joined the Federal Government Relations Committee in 2004 and has been Chair since 2015. As Chair, he has played a crucial role in the Guidelines Review Task Force, helping to identify how to enhance and streamline practices within the Council, including the rollout of term limits. Alan has a measured approach to leadership and has initiated many innovative ideas to advance the Association's advocacy objectives. He has actively participated on many subcommittees and task forces, and has been a mentor to members and staff alike.



Sandra Morrison, CPM, CPHR, SHRM-SCP, the 2018-19 Chair of the Board has been a subject matter expert and certification champion for almost two decades. Her commitment to the Association and its objectives and principles have been steadfast throughout. As Chair, she worked with the President on the strategic renewal project to advance the Association as THE association for the payroll profession in Canada. Her tireless efforts and commitment have helped elevate payroll and position the Association as a leader in key areas of employment standards and compliance.

ELEVATING PAYROLL AND MAKING NEWS

Without a doubt, 2020 was a breakthrough year for the Canadian Payroll Association when it comes to elevating the payroll profession. Between the essential role that payroll played in managing the pandemic and the depth of research conducted by the Association during the year, there were critical opportunities for the Association to herald the contributions of payroll beyond our immediate community.

To that end, the Association launched a number of public relations campaigns in 2020, shining a spotlight on the realities facing payroll, businesses and workers — now, and in the future.

Starting on Blue Monday in January (known as the most depressing day of the year), the Association shared insights into the financial wellness of working Canadians from a new study conducted by a team of researchers from the University of Western Ontario and Wilfrid Laurier University. One of the major findings of the study, published in an academic paper entitled *Learning about Financial Well-Being in Canada*, found that a higher income doesn't necessarily correlate to better financial wellness. In fact, it's savings habits and the ability to weather a brief financial setback that are more likely to alleviate financial stress. Using advanced machine learning techniques to analyze 11 years of survey data supplied by the Canadian Payroll Association, the research also revealed that working Canadians generally belong to one of three groups — financially stressed, financially coping, or financially comfortable — in equal number. In publicizing this research, the Association also highlighted how employers can empower payroll professionals to play a role in minimizing financial stress for employees, by implementing and managing *Pay Yourself First* programs.

In September, NPW, which has long been the Association's flagship public relations campaign, once again achieved outstanding



media coverage. This year, the campaign focused on the financial wellness of working Canadians, and how it was impacted by the ongoing pandemic. A positive break in an otherwise grim news cycle, results of the Association's employee survey showed that working Canadians had in fact improved their immediate financial outlook as a result of pandemic-forced savings. The importance of strong savings habits in capitalizing on positive financial gains and achieving long-term financial security.

But that wasn't all. With the Association bolstering its advocacy efforts in the wake of countless pandemic-related changes, we also released important news pertaining to government relations efforts in 2020. With a focus on reaching business and government audiences, the Association broadly publicized its work in supporting the government's rollout of the CEWS and CERB programs, and its success in simplifying the process to help taxpayers working from home access tax deductions while eliminating a significant burden for payroll professionals and employers. These public relations efforts celebrated and exemplified payroll's critical role in administering government programs and in supporting workers amid a changing workforce. They also clearly showcased the Association's role in working with government to reduce red tape.

This visibility is outstanding, particularly in view of the busy and captivating news cycle that these stories shouldered against. This achievement is a continued demonstration that, more than ever, the voice and perspective of payroll is valued from coast-to-coast. For members, this awareness-building is crucial to increasing acknowledgement of their value to organizations.

CHRIS PACELLA: CHAMPION FOR PAYROLL EDUCATION

The Canadian Payroll Association's PCP and CPM designations are the gold standard for payroll professionalism and expertise. But they weren't always so widely recognized.

Over the past seven years, Chris Pacella, Manager of Professional Certification has played an integral role in growing the recognition of our payroll designations within the business community.

Let's get to know a little bit more about this champion for payroll...

Tell us about yourself and your role at the Association

I'm the father of nine-year-old girl/boy twins, a part time musician, puzzle aficionado, and Manager, Professional Certification at the Canadian Payroll Association. Ultimately, I, along with my incredible, dedicated and passionate team, am responsible for the delivery of all of the certification courses offered, the credentialing aspects of the programs, certification-related customer service, as well as project work which typically focuses on modernizing and/or raising recognition of the certifications.

How long have you worked for the Association?

I was brought on board in November of 2013 after working nine years with the Certified Management Accountants of Ontario. The Association was looking to implement a Work Experience Requirement for the PCP certification and I had recently implemented a similar requirement for the Accountants. Other changes I've brought include a revamp of the Continuing Professional Education (CPE) requirement and several upgrades to the Learning Management System (LMS).

"The best part of my job is the people I work with. The certification team is one of the best anyone could hope for. No matter what the challenge or project, they go above and beyond to get the job done."

Chris Pacella, Manager, Professional Certification, the Canadian Payroll Association



What makes you passionate about your role and the payroll profession?

The best part of my job is the people I work with. The certification team is one of the best anyone could hope for. No matter what the challenge or project, they go above and beyond to get the job done.

As far as my role itself, I really enjoy the dynamic aspects of the job. With all the various projects underway — often 30 or more per year — every day is different. I'm proud that the work my team does helps payroll professionals gain the training and knowledge required to be the best they can be in their field. Every day we are changing lives and helping people to advance their careers.

What challenges did 2020 bring about for your department and how did you overcome them?

One of the main initiatives I was hired for was to modernize the certification courses, including how they are being offered. We've spent the past few years working with our partners on upgrading the LMS to ensure students have a solid and consistent experience, no matter how the course is being taken. Whether a student is in the classroom or completing a course online, all students deserve to have access to the same course material, exercises, and examinations. Because of our work completed on improving online learning for our students, we were well situated when the pandemic first hit to quickly pivot all our classroom students to an online, virtual environment. The classroom students were already registered on the same LMS as the online students so, once we researched how to

provide the lecture aspects of the classroom courses virtually using meeting software like Zoom, we were able to get all the students moving again extremely quickly.

Additionally, any process that involved the exchange of documentation or physical human interaction had to be completely reinvented almost overnight. This included things like issuing transcripts to students, processing withdrawals and transfers, and processing transfer of credit applications and documentation. As a team, we came together and developed workarounds and entirely new processes, some of which ended up being more efficient than the original.

From an education aspect, I believe the large number of students that ended up being forced to complete courses in a virtual or online atmosphere has opened a lot of eyes to the potential of this style of learning. Many people who may not have felt they would be suited to online courses have found success. Also the utilization of meeting applications like Zoom in lectures is likely here to stay.

What would you say is your team's number one goal when creating education programming for certification?

The goal of the certification team is to give payroll professionals all of the tools and knowledge they need to ensure their organization is ready and able to provide payroll professionally, according to best practices and in accordance with all legislated requirements; and to provide them with new skills to succeed as business professionals.

The certification course content goes through an extensive update every single year. We're also continuously looking at new ways to provide education by completing LMS upgrades.

“The pandemic has shown how essential payroll is to business continuity and supporting both the organization and employees during a time of crisis.”

Why do you think we have seen so many members seek certification over the past two years?

We've been experiencing significant growth since 2018. Employers are beginning to recognize our certification to be the essential credential, or the gold-standard, for payroll professionals and because of that, the certification courses are in high demand. We've also seen a particularly significant increase in enrolments throughout the pandemic. With the long lockdowns and limited options outside of the house, many professionals took this opportunity to upgrade their education and get themselves certified to further their careers.

Do you think the demand for certification will continue to grow?

Yes I do. The pandemic has shown how essential payroll is to business continuity and supporting both organizations and employees during a time of crisis. Going forward, employers will continue to look for the gold standard in payroll training – a PCP, CPM, or SCPQ (now PPQ) credential.

The demand will also be fueled by the evolution of the payroll function and corresponding updates to our certification program. As payroll increasingly contributes to facilitating business

wellness, enhancing employee experiences and more, employers will continue seeking out highly trained professionals for their payroll teams.

How will the certification programs evolve to meet the changing demands of the payroll profession?

The Future of Payroll report by PricewaterhouseCoopers Canada indicates that the administrative responsibilities that have historically been a part of payroll roles will be eliminated by technological advancements, so the payroll professional of tomorrow will need to focus on using the data available to provide analysis and be strategic to assist organizations in achieving their goals. The certification courses will evolve with the profession to provide students with the skills they need to succeed.

What can you tell us about upcoming Career Development offerings?

The Canadian Payroll Association's career development strategy is in its early stages, but the goal is to help individuals advance through all stages of their careers. For example, those new to payroll or those who have been in payroll but have not had an opportunity for guidance, would benefit from a mentor to assist them in shaping their career. Access to career resources will teach payroll professionals to more effectively climb organizational ladders, gain personal insights into their strengths and development needs, and accelerate their career advancement potential.

There will also be solutions to help those who are job hunting with improving their resumes and cover letters, interviewing skills, job search strategies, and general career advice in navigating networking, salaries, career assessments, and communication skills.

The goal of this initiative is to connect qualified job seekers with employers across Canada and connect employers to the best pool of payroll talent in Canada.

THE POWERFUL, CONNECTED, GROWING PAYROLL COMMUNITY... EVEN VIRTUALLY

The Canadian Payroll Association is its people. It's you, the payroll professionals, the organizations serving employees, the volunteers and subject matter experts. It's a diverse community, serving many needs, overseeing many jurisdictions, and handling several issues. It's also a community bound by the common thread of payroll, and propelled by the essential objective of keeping Canada paid.

In 2020, the Canadian Payroll Association's community counted more than 22,000 members, representing more than 40,000 payroll professionals in Canada. Spanning from coast to coast, in all provinces and territories. Including some 15,000 certified payroll professionals in Canada, with more beginning their payroll journey daily.

With such a robust and diverse community, the Association has traditionally embraced in-person opportunities to connect with members. Celebratory breakfasts, in-class learning and multi-day events facilitated lasting connections with and between members. 2020 changed all that. COVID-19 required person-to-person contact to cease as professionals everywhere

were relegated to a digital environment. Thankfully, payroll professionals are a resilient bunch.

The payroll community stepped up in 2020, showcasing the essential importance of the work they do in keeping businesses operating and Canadians paid. During a time that placed many in financial insecurity, payroll kept going, executing payroll business continuity plans, helping workers and businesses swiftly access subsidy programs, and managing an avalanche of shifting compliance requirements from government.

Amid this new reality, members continued to seek out ways to learn, support one another, network, and elevate the profession, even virtually. To help, the Association moved quickly to offer networking and learning opportunities online.

The Association's first ever fully digital conference, *Payroll Connected*, brought together nearly 1,000 attendees, speakers, and industry partners to explore technological impacts to payroll, industry trends and personal and professional development strategies.



POWERED BY PAYROLL



National Payroll Week also went virtual, celebrating the payroll profession by honouring how Canada is *Powered by Payroll*. Launching in August, the *Powered by Payroll* online hub served as a gathering place for professionals to engage, network and collectively raise the profile of payroll. The Payroll Powerhouse contest, a focal point of the *Powered by Payroll* activation, encouraged members to take part in challenges, contribute to discussion forums and share resources related to the value and contributions of payroll. Over 22,000 posts were generated on the discussion forums by nearly 1,000 members who were vying for the right to be recognized as “the most dedicated advocate for the payroll profession.” After more than two months of engagement, Keira Meldrum, PCP, from British Columbia took the title for 2020 (see sidebar, page 23). Rounding out the celebration for NPW was a series of seven virtual events featuring amazing keynote speakers, including Colonel Chris Hadfield and the Honourable Chantal Petitclerc. Despite the virtual environment, more than 2,000 Association members gathered together to participate in these live events throughout the week, and celebrate payroll. The events all built upon the days’ themes, which included Navigating Change, Health and Financial Wellness and Leadership and were very well received. It was truly inspiring to see so many dedicated payroll professionals take the time to maintain and build a sense of community.

In the fall, members and the broader payroll community also embraced the results from the *Payroll in Focus* series

(read more on page 9), engaging with the Association online to increase awareness of this important research conducted by PricewaterhouseCoopers Canada. Members from coast to coast attended the Association’s virtual Future of Payroll events in December to learn more about how the role of payroll will evolve to become a more strategic business partner for organizations in the future. Members shared their insights, and heard from their payroll peers, about what resolutions payroll can make to contribute to the exciting future of payroll, and play a meaningful role in the transformation of the profession.

On social media, the payroll community joined the festive spirit by engaging in the *12 Days of Payroll* contest. Members voted on their top aspirations for payroll in the new year and shared their views on how payroll can improve organizational productivity, strengthen the employee experience and use technology strategically to strengthen the payroll function going forward.

In what was, by any standard, a challenging year, it was great to see our payroll community come together on so many occasions to celebrate payroll and stay connected.

Q&A WITH KEIRA MELDRUM, THE 2020 PAYROLL POWERHOUSE

Tell us a little about yourself.

I'm an Accounting & Payroll Clerk, and payroll Subject Matter Expert for a new system implementation, living in Elkford, British Columbia (in the heart of the Rocky Mountains, near the BC and Alberta border). I work farther into the mountains at an open pit coal mine for Teck Coal Limited. I've been working in payroll for more than 13 years and am working towards my CPM designation.

Outside of work, I'm the Treasurer for our local Arts Council and, recently, my husband and I started a non-profit biking club. We have a six-year-old son who loves biking and swimming and is a big reason we are working towards the very big goal of building a local community biking skills park.

What compelled you to participate in the Payroll Powerhouse contest?

When I first heard about the Payroll Powerhouse contest through email and via the Association's Facebook page, I wasn't too sure what the contest would entail. But because of the constraints of living in a more remote area, I thought it was an excellent opportunity for me to participate and connect with the payroll community. As soon as it began, there were some great conversations and I had fun completing the payroll challenges.

What did you enjoy about the contest and about NPW in general last year?

I think payroll is essential but is often under-recognized by companies. I thought "Powered by Payroll" was a great theme because it really encouraged payroll advocacy across Canada. I really enjoyed the conversations and connections through the contest – finding many knowledgeable payroll people across the country and hearing how they were doing things was useful and informative.

What did winning the title of the 2020 Payroll Powerhouse mean to you?

Winning the title of 2020 Payroll Powerhouse was wonderful for many reasons. Just to name a few:

- It bolstered my personal confidence, reinforced my pride in the payroll profession, and gave me the courage to advocate even more for payroll in my everyday life.
- My company was extremely supportive. They even recognized my win in my annual review, and it helped me advocate even more for the importance of payroll and our department.
- I've also never had the opportunity to attend the Association's Conference due to cost and distance and was looking forward to meeting many of the connections I had made through the contest. Even though the conference will be held virtually this year, I am still excited to attend!

Overall, I am just very proud to be a part of the Canadian Payroll Association and to have won the title of the 2020 Payroll Powerhouse.



THE CANADIAN PAYROLL ASSOCIATION



Financial Statements
For the year ended December 31, 2020

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