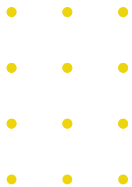


Truck Driver

PAY CATEGORIZATION GUIDE



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Prepared by



What is the Pay Reporting Guidance Document?

The Legislated Employment Equity Program (LEEP) requires federally regulated employers with 100 or more employees to report employment equity related data every year. Employers must report salary and pay data for their employees, separating the information into distinct pay categories such as salary, bonus pay, and overtime pay.

For most salaried employees, this information is relatively straightforward to report, but trucking and logistics employers must also report pay information for driver employees, who are paid in many different ways.

In recognition of the complexity of driver compensation, we created this document to offer guidance on appropriate classifications for common types of truck driver pay within the LEEP reporting framework.

Disclaimer

This document is intended as a guide, but it is not a definitive prescription for categorizing driver pay under LEEP. Examples are provided solely for illustrative purposes and should not be interpreted as exhaustive or definitive.

Fleets must exercise discretion and ensure compliance with LEEP requirements based on their own internal understanding of how their drivers are compensated, adhering closely to the definitions for each category of pay.

Ultimately the responsibility lies with individual fleets to interpret and apply LEEP regulations in accordance with their unique circumstances and practices.

What are the Categories of Pay?

The Legislated Employment Equity Program (LEEP) requires employers to report employee compensation data using the WEIMS portal. This data must be separated into one or more of the four salary categories that are recognized in the LEEP scheme.

1 // Salary, Column I

Salary represents an employee's remuneration before deductions, not including any overtime or bonus pay. You can report annual salary, or salary earned across a shorter span of time. WEIMS will automatically calculate comparable figures for all employees so that you can identify trends in your employment equity data. It includes the following types of pay:

- **Basic pay:** The sum of earnings an employee receives for their work (wages, salary, etc.);
- **Pay for piecework:** Pay an employee receives based on the tasks achieved rather than hours worked. Differential rates of pay arising from specific conditions of employment or types of freight (for example, hauling dangerous goods) can still be considered "pay for piecework." They should be reported as salary (Column I);
- **Shift premiums:** Shift premiums that are part of an employee's regular work conditions (such as night shift premiums or weekend shift premiums) should be reported as salary, using Column I.

2 // Bonus Pay, Column O

Bonus pay represents any additional remuneration an employee receives based on:

- Their productivity;
- Their performance;
- The company performance (Profit sharing);
- Commissions;
- Any other type of bonus pay, such as a signing bonus or safety bonus.

3 // Overtime Pay, Column P

Overtime pay represents remuneration for additional hours worked over and above an employee's standard hours. This would include any type of premium or piecework pay the employee receives during those overtime hours.

4 // Special Salary, Columns J & K

Special salary represents salary that falls outside the typical realm of regular salary. Column J is used for employees who receive only commission and/or pay for piecework and do not earn a regular salary. Column K is for any other salary that falls outside of regular salary, commission-only or pay for piecework-only. Employers should contact the Labour program before using this column.

What Types of Driver Pay Fall into Each Pay Category?

Using the above definitions, driver pay can be organized logically into LEEP reporting categories as follows. Note that our explanations may differ slightly from individual company pay practices. Companies must use their discretion to ensure their pay practices are categorized as accurately as possible.

Column I, Salary

TYPE OF PAY	DEFINITION
Salary	A fixed amount of money paid on a regular basis, typically annually, regardless of the number of hours worked or the quantity of work performed.
Hourly Wages	Compensation based on the number of hours worked, with a set rate of pay per hour.
Volume-Based Pay	Compensation determined by the quantity of work completed, often calculated based on factors such as kilometers traveled, number of pickups and deliveries made, and other measurable tasks
Mileage Rates	A specific dollar amount paid per kilometer or mile traveled.
Pick-Up/ Delivery Rates	Flat rates paid for each pickup or delivery made, which may vary based on factors like shipment size or weight.
Hook/Release Rates	Flat rates paid for each trailer hook or release event, typically used in situations where a trailer is dropped or hooked in a yard.
Commodity Premiums	Additional compensation — Premiums or flat rates — based on the type of cargo being transported, often applied to hazardous materials or high-value cargo.

Column I, Salary

TYPE OF PAY	DEFINITION
Volume Premiums	Additional compensation — Premiums or flat rates — based on the size or weight of the shipment, applied as a flat rate or mileage premium.
Certification Premiums	Additional compensation — Premiums or flat rates — tied to specific certifications, permissions, or security clearances held by the driver, such as hazardous materials or specialized vehicle operation.
Night Shift Premiums	Additional compensation provided for work performed during nighttime hours.
Flatbed/Step-Deck/LCV Premiums	Additional compensation — Premiums or flat rates — for operating specialized equipment like flatbeds or LCVs, often provided as a flat rate or mileage premium.
Tanker/Dump Truck Premiums	Additional compensation — Premiums or flat rates — for operating tanker or dump truck equipment.
Driver Assist/ Hand Bomb Premiums	Additional compensation — Premiums or flat rates — or physically assisting with loading or unloading cargo.
Waiting Time Premiums	Compensation provided for time spent waiting, typically applied after a specified threshold, and paid either as an hourly rate or flat rate.
Layover Premiums	Compensation provided for extended periods of downtime, usually when a driver is unable to proceed with their assigned tasks due to circumstances beyond their control, paid at a flat rate or hourly rate.

Column O, Bonus Pay

TYPE OF PAY	DEFINITION
Fuel Incentives	Additional compensation provided to drivers based on meeting specified thresholds for fuel consumption within a defined period, often paid as a flat rate or mileage premium.
Safety Incentives	Flat rate or mileage premiums awarded to drivers who demonstrate exceptional safety performance, typically based on established metrics and key performance indicators (KPIs). These incentives may be granted for maintaining accident-free records, receiving clean inspections, or consistently adhering to safety protocols.
Performance Incentives	Flat rate or mileage premiums offered to drivers as a reward for outstanding performance, often based on various performance metrics and KPIs set by the company. These incentives may be tied to factors such as on-time delivery, customer satisfaction ratings, or overall productivity levels.
Other One-Time Bonuses	One-time bonuses or incentives offered to encourage employees to work specific days in the year. These bonuses may be provided as additional compensation or perks to recognize employees for their dedication and willingness to work during times of increased demand or importance.

Column P, Overtime Pay

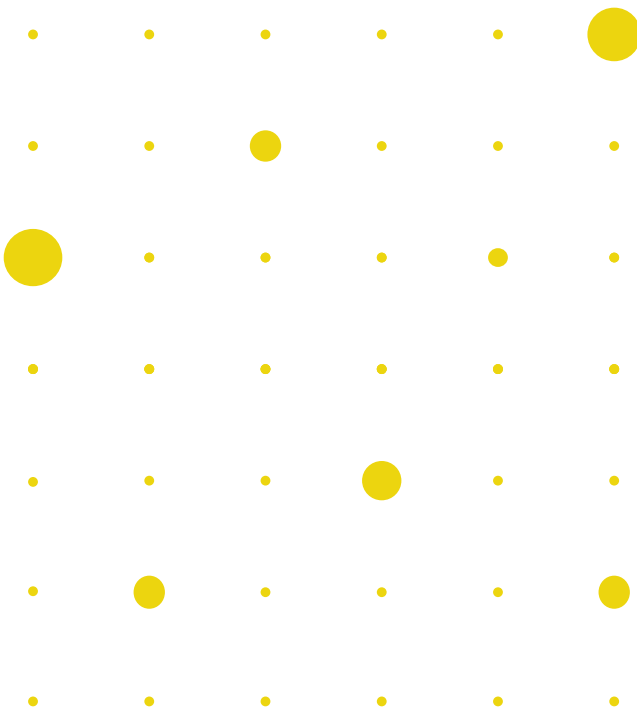
TYPE OF PAY	DEFINITION
Overtime Pay	Increased compensation provided to employees for extra time worked beyond their regular working hours. This additional pay rate is typically set at a higher rate per hour than the standard pay rate, as mandated by labor laws or company policies. Overtime pay serves to compensate employees for their additional effort and time commitment beyond the standard work schedule.

What Should Not be Reported as Pay?

There are several types of compensation that companies are not required to report as pay under any of the LEEP categories. They are listed below.

- Geography/location premiums;
- Allowances for accommodations, transportation, and meals;
- Benefits;
- Pay in the form of goods or services, rather than cash;
- Compensation for extra-duty services other than overtime, such as working in more dangerous or onerous conditions;
- Reimbursements for expenses;
- Payments made in the reporting period but for work outside of the reporting period;
- Severance;
- Supplemental pay, such as on-call pay;
- Vacation pay (no time taken)

If your company uses any of these types of pay, ensure that they are subtracted from the totals of each category before inputting the data into WEIMS.

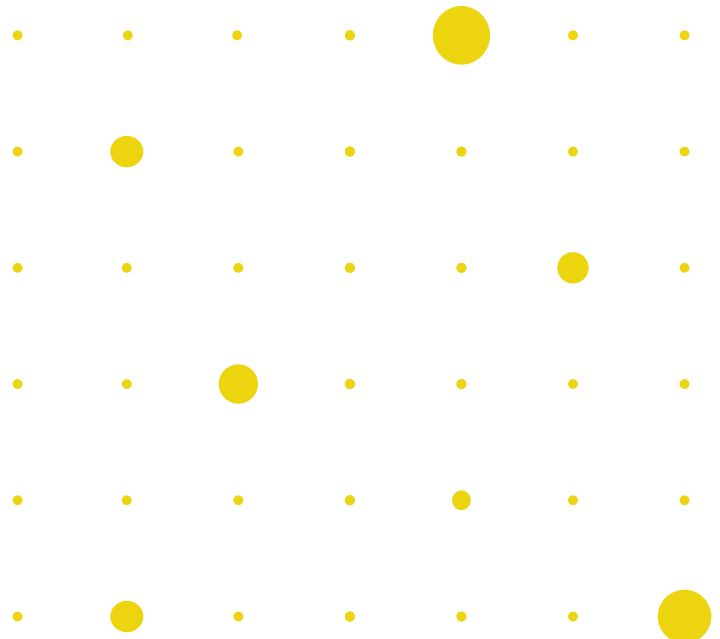


Driver Pay Categorization in Action

Here is an example of how to separate a driver's pay into the three main pay categories for LEEP reporting. The example may not exactly mirror your company's compensation model, but it should help you understand which columns to use when reporting driver pay.

Note that the salary number you report in Column I will be a combination of different types of driver pay that you may not normally think of as "salary." The number of hours you report in Column L should correspond to the compensation data you enter in Column I, even if some portion of your driver's pay is calculated on a mile, kilometre, or freight basis instead of an hourly basis. The goal is to show how much money your driver earned over a certain span of time, before deductions, so that their earnings can be compared with the earnings of other employees at your company.

In the example, the company reports the driver's earnings over one year, but you can report earnings over a shorter period of time if you wish, as long as the hours you enter in Column L, the weeks you enter in Column M and the compensation data you enter in Column I correspond to one another. In other words, if you enter the number of hours an employee worked over 4 weeks in Column L, then you must enter the compensation they earned during these 4 weeks (not in that year or that week) in Column I and enter "4" in Column M.



Categorizing Driver Pay – Example

Sam, a long-haul driver who has been with ABC Logistics for five years, earned a total of \$74,836 before deductions in the last LEEP reporting year. Using information from Sam’s electronic logging device and the company’s Human Resource Management system, Sam’s employer determined that Sam worked a total of 1,950 hours (combined driving and non-driving hours) during the year.

A large portion of Sam’s pay is determined by the company mileage rate of 0.45 cents per mile. During the reporting year, Sam drove 110,340 miles, earning \$49,653 from the mileage rate. Sam has a certification that enabled her to earn a mileage premium of \$0.02 per mile for hauling dangerous goods over 58,672 of her 110,340 miles that year, adding \$1,173 to her yearly earnings.

ABC Logistics pays drivers a flat piece rate of \$25 for pick-ups and drop-offs, and \$15 for appointments. These piece rates added up to an additional \$21,000 in earnings for Sam over the year. The company also compensates drivers for waiting time; a flat rate of \$15 per hour kicks in after the driver’s first hour onsite. Due to delays at border crossings and drop-off/pick-up locations throughout the year, Sam earned a total of \$2,160 in waiting time pay. For LEEP reporting purposes, all of these forms of pay are considered “salary.” Totals Sam earned from the various rates and premiums described above can be added together and entered in Column I.

Sam also achieved excellent performance this year and received a safety bonus of \$750 in Q2 for her time spent accident free. Since this was her fifth year with ABC Logistics, she received a \$100 bonus as a long-term service award. These two totals are bonuses and should be entered into Column O.

REGULAR SALARY (COLUMN I)

Mileage rate	\$49,653
Mileage premiums	\$1,173
Flat rates for Drop-offs/Pick-ups/	
Appointments	\$21,000
Waiting time pay	\$2,160

TOTAL \$73,986

NUMBER OF HOURS (COLUMN L)

1,950 hours
(all hours worked—driving and non-driving—that correspond to the yearly salary of \$73,396)

NUMBER OF WEEKS (COLUMN M)

52 weeks
(the salary entered in Column I is for the entire year)

BONUS PAY (COLUMN O)

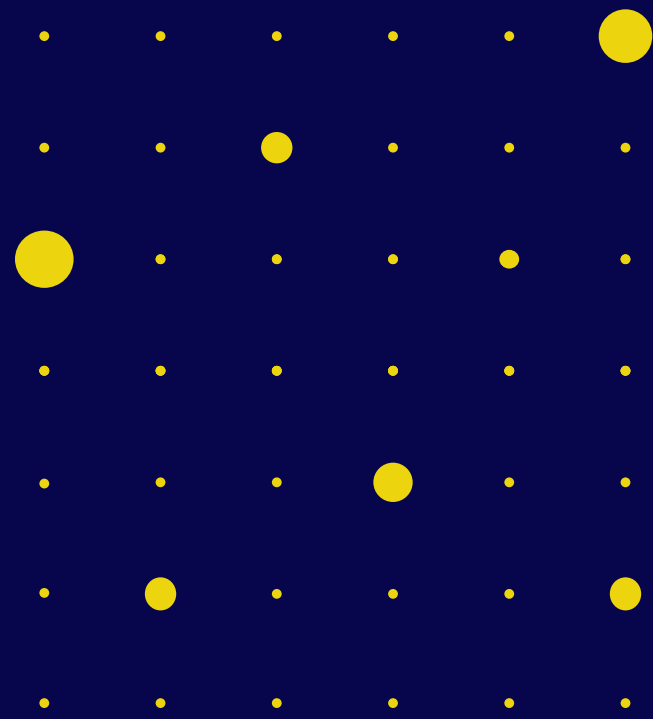
Safety Incentive	\$750
Long-term Service Bonus	\$100

TOTAL \$850

OVERTIME PAY (COLUMN P)

No overtime pay included in this example.

TOTAL \$0



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