



HR Start-Up Employer Checklist

Starting a business and hiring your first employee is an exciting milestone, but it also introduces a new set of responsibilities that many first-time employers don't fully anticipate. From employment agreements and workplace policies to health and safety requirements, there are foundational elements that should be in place before — or shortly after — bringing someone onto your team.

The **HR with Intent Start-Up Employer Checklist** is designed to help Ontario business owners take a practical look at the key HR fundamentals every new employer should consider. It focuses on the essentials that support compliance, clarity, and a positive employee experience from the beginning.

This is not a legal audit or a complex HR manual. It is a structured, Ontario-focused checklist intended to help first-time employers understand their responsibilities, identify potential gaps, and build their people practices intentionally as their business grows.

HR Health Check Areas

1. Worker Classification
2. Hiring Employees (Ontario)
3. Using Contractors
4. Occupational Health & Safety
5. Contracts & Agreements
6. Human Rights & Fair Practices
7. HR Best Practices

1. Worker Classification

- Determine whether the worker is an **employee** or **independent contractor**
- Assess based on the *reality of the relationship* (control, tools, schedule, financial risk)

- Understand that misclassification can lead to penalties, back pay, and legal action

Reminder:

What you *call* the worker does not determine classification in Ontario.

2. Hiring Employees – Ontario Requirements

- Register for payroll deductions (CRA – income tax, CPP, EI)
- Comply with the **Employment Standards Act (ESA)**
- Provide minimum wage, vacation pay, public holiday entitlements

- Track hours of work and overtime where applicable
- Register with **WSIB** (if required for your industry)



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3. Using Contractors – Still Required

- Ensure contractors are genuinely independent
- Confirm invoicing and payment terms
- Do **not** treat contractors like employees

⚠ Important: Using contractors does **not** remove all legal responsibilities.

4. Occupational Health & Safety (Ontario OHSA)

- Understand that **OHSA applies to employees AND contractors**
- Provide a safe workplace for all workers
- Have basic health & safety policies in place
- Ensure workers follow safety procedures
- Address hazards and incidents promptly

5. Contracts & Agreements

- Use written agreements for all working relationships

Employee Agreements should include:

- Role and duties
- Hours, pay, vacation
- Termination and notice (ESA-compliant)
- Confidentiality and intellectual property

Contractor Agreements should include:

- Scope of work and deliverables
- Payment terms and invoicing
- Confidentiality and intellectual property

⚠ Important: ESA minimums cannot be contracted away.

6. Human Rights & Fair Practices

- Follow the **Ontario Human Rights Code**
- Ensure fair, non-discriminatory hiring practices
- Provide a respectful workplace

7. HR Best Practices (Strongly Recommended)

- Document everything (contracts, policies, training)
- Provide basic onboarding and role clarity
- Keep accurate employment and payroll records
- Seek HR or legal advice early when unsure



Next Steps

Hiring your first employee is an important step in the growth of any business, but it also marks the point where employment responsibilities begin to apply.

✓ **Ontario employment law applies from day one.** Even with a small team, employers must meet obligations under the Employment Standards Act, Human Rights Code, Occupational Health and Safety Act, and other applicable legislation.

✓ **Contractors are not risk-free.** Misclassification can create unexpected financial and legal exposure. It is important to ensure the working relationship reflects the correct employment status.

✓ **Strong HR foundations support sustainable growth.** Establishing clear expectations, compliant employment agreements, basic policies, and structured onboarding early helps prevent confusion, conflict, and risk as your team expands.

Taking the time to build these foundations now makes it easier to grow with confidence later.

Identifying gaps early allows you to address them proactively rather than reacting later when challenges arise

The HR with Intent Approach

At HR with Intent, the focus is on helping organizations build practical HR foundations that support both compliance and culture. Rather than overwhelming new employers with complex systems, the approach is to start with the essentials - ensuring the right structures, documentation, and processes are in place for your current stage of growth.

For start-ups and first-time employers, this often means clarifying employment agreements, establishing foundational policies, supporting onboarding practices, and ensuring legislative requirements are met.

If you are unsure whether your current HR practices reflect Ontario requirements, or simply want a second set of eyes as you build your team, a structured review can provide clarity and direction.

Sometimes a short conversation is all it takes to ensure you are starting from the right foundation.

Our goal is simple: to remove the unknown from your day and set you up for success.

✉ Explore resources or connect: www.hrwithintentconsulting.com

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