

Introducing The Professional Bakers Manual 4th Edition

INSIDE

The Baking Association of Canada is proud to introduce the all new Professional Bakers Manual 4th Edition, which the association believes to be the industry's foremost teaching text. What makes the Professional Bakers Manual 4th Edition unique is that it has been prepared by the baking industry, for students and new workers entering the industry.

The Professional Bakers Manual 4th Edition was revised with the objective of ensuring it was inclusive of all elements that would be found in today's occupational standards for the trade of baking. Each Chapter has been meticulously researched on a national and international basis. Additionally readers will find the material presented in a format that makes it easy to read and understand while taking into account the needs of today's bakers including:

- Each chapter has been expanded to provide more in-depth information per subject.
- New chapters have been added on the topics of Artisan Bread, Alternative Flour, Fermentation Cakes & Cake Make-Up and Mathematics.
- There are new illustrations on cake decorating and enhanced tables, graphs and charts.
- New glossary of terms.
- Improved paper quality and new hard cover.
- As an added value, each Professional Bakers Manual 4th Edition sold will include a unique bookmark including useful conversation tables.

BAC takes seriously its role in fostering

industry education both with students and new employees entering the workforce. With the Professional Bakers Manual 4th Edition the association believes that for the first time the industry itself has taken steps in standardizing the content and curriculum of baking education. A step much needed and long overdue.

BAC also views the Professional Bakers Manual 4th Edition as the first step or cornerstone from which its next educational efforts will flow. These may include distant learning and technology based efforts are already being developed and reviewed. The objective of these initiatives will be to deliver standardized, industry developed training programs to bakers regardless of where they live or work.

The development of the Professional Bakers Manual 4th Edition was a consultative effort involving many people and organizations both in Canada and the United States. BAC wishes to thank all members of its Education Committee for their efforts in making this project successful. The Education Committee includes: Chair: Volker Baumann, CMB CBS, Francois Brunetti, Mark Floerke, Brian Hinton, Jack Kuyer, Kate Nugent, Peter Scholtes and John Thornton. BAC would also like to offer special thanks to George Rudolph for his tireless efforts in making the Professional Bakers Manual 4th Edition possible.

The Professional Bakers Manual 4th Edition is available at a BAC member price of \$78 and \$88 for non-members. Special prices for multiple copy and school purchases are also available. For purchase information contact Tara Carman at the BAC office.

**Nutrition Labelling
Proposal Will Offer Big
Challenges to Bakers**

**Just what are they
looking for?**

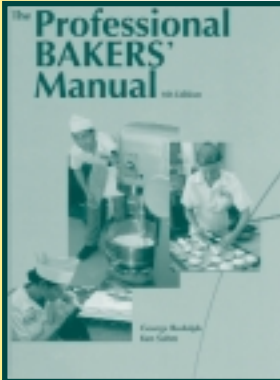
**Board Proposes
Changes to
Congress Event**

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Professional Baker's Manual 4th Edition

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President & CEO

Paul Hetherington

New Flour Dust Levels on the Horizon?

Provincial governments may be in the process of putting in place new requirements for limiting bakery workers' exposure to flour dust. The worrisome part of this is that (a) There may be absolutely no consultation with the baking industry on this requirement, and (b) The various governments might not even know they are making the changes.

How could this happen? Well it appears that a number of governments both provincial and federal allow an U.S.-based, non-accredited professional association to establish what are ultimately new regulations for Canadian businesses. The American Conference of Government Industrial Hygienists, in January of 2000 published a new Threshold Limit Value for exposure of bakery and milling workers to flour dust. Various governments, including Ontario, Manitoba and the federal government apparently adopt the thresholds as established by this American organization, without so much as a word to Canadian businesses. It does beg the questions "Do these governments know what they are doing?" and if so "Why are they short circuiting the normal regulatory process?"

As an example, under the federal regulatory system, changes in regulations are normally preceded by a formal process of consultation with affected industries (both labour and management), other commercial interests, the public and even trading partners. Furthermore this process includes the preparation of a regulatory impact analysis statement to

identify the benefits and costs of the initiative. However in this case none of this occurred.

The result federally is that Canada's flour millers, a federally regulated industry, is now faced with what may be an impossible task from a technological perspective of meeting the new flour dust threshold. This new regulatory requirement is being imposed without conclusive evidence that it is warranted from a health & safety perspective and without taking into account anticipated costs and benefits.

For retail, in-store and wholesale bakers, the concern is that this flour dust threshold may, without consultation, be adopted by provincial governments into their worker Health & Safety regulations. If so, these regulations could require all bakery workers to use mandatory respiratory devices or for owners to make costly physical changes to their store or plant operations to reduce flour dust levels in these environments. All done by governments without consultation or any idea of the potential costs/benefit they are doing to the baking trade.

Stay tuned! We understand that both the U.S. and Canadian milling industry associations are working in co-operation with the American Bakers Association to encourage the ACGIH to review its recommendation. We also anticipate some progress in Ottawa in getting an agreement to conduct an appropriate consultation and impact assessment exercise that could influence whether and how provincial departments manage this issue.

Board Proposes Changes to Congress Event

At its July meeting, the BAC Board of Directors proposed major changes to the Congress event produced by BAC. These changes would see the event alternating between a trade show and straight conference format (without formal exhibits) every two years.

The original premise of Congress was that it was to be held every odd year in varying locations, with the Bakery Showcase trade show and

conference event taking place every even year in Toronto. As BAC is a national organization it was felt that Congress should be an event that could move around the country. This would therefore allow all regions an opportunity to participate and host the event.

Congress was first held in Calgary in '99. Due to local demand, the event was modified to include a trade show

of some 65 exhibits. Building on the success of Calgary, Congress 2001 held in Vancouver grew to exceed more than 100 exhibit spaces and attracted almost 900 attendees.

The challenge faced by the Board of Directors is that Congress in its current primarily trade show format limits the number of potential host cities. Limits on the ability of the event

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The Baker's Choice Supplier Directory Launched On September 15 On BAC Web site

Tired of those paper directories cluttering up your workspace? Well, it's time to file them because BAC has a solution for you. It's the Baker's Choice Supplier Directory, launched on September 15th. This comprehensive directory provides you with details on hundreds of companies that supply products, ingredients, equipment, services and technology to the baking industry, with many more companies signing up each day. Simply go to BAC's web-site www.bakingassoc-canada.com and click the Baker's Choice link from the main page.

Flexibility and versatility are the keys to the Baker's Choice Supplier Directory. The Directory search engine allows you to search for companies by

- Product: over 700 categories and subcategories to choose from
- Business Classification: manufacturer, distributor, broker, etc.
- Region or area company sells to: eg: in one province or territory, US or Internationally
- Advanced Search: Allows you to search by company name or a key word that may be in the company description eg: proofing, cheesecake, etc.

You can also mix and match the above search criteria to make it more specific. For example, if you are looking for a company that imports and sells coconut in British Columbia start by selecting coconut within the product category. Next, under the Region heading, select BC. Finally, select importer under the Business Category. At each stage of the search process, you have the option of viewing all companies that meet

the search criteria, selecting one company to view or to continue searching. If you've made a mistake you can either start all over again or click on the back button to move to the last search selection you asked for.

Once you've got a list of companies that meet your search criteria, select All Companies to view every company listing or select the name of one company to view its listing. The company's detailed listing can include information such as address, phone, toll-free number, fax, e-mail, web-site, company description, pictures of products and hot-links to the selected company's web-site.

All you need to do now is give the company a call and place your order, or ask for more information. Remember to advise them that you found their information in the Baker's Choice Supplier Directory. This will encourage companies to keep their listings up-to-date. If you can't find a company, don't despair. Companies are joining the Baker's Choice Supplier Directory on a daily basis so check the directory often. Our goal is to make it the most comprehensive supplier directory in Canada.

Editor's Note: Suppliers to the baking industry who would like to be listed in the Baker's Choice Supplier Directory can either download the order form and product category list from the BAC web site, e-mail us at info@baking.ca or call us at 888-674-2253. A basic listing in the directory is free and includes up to 5 product categories. Option upgrades that increase the power of your listing are also available. Details are included in the order form.

Board Proposes Changes to Congress Event

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to be moved around the country was the main reason Directors decided that the event must be changed.

The Board of Directors has requested that BAC staff develop a new format proposal

for Congress that will substantially modify the exhibit format. Such modification may include moving towards a more "table top" style of displays or their outright elimination, depending on the abilities of the Host City to support the event. It is also possible that

the event may return with full style exhibits when located on the West Coast.

Directors will be reviewing format options at their October meeting. Members wishing to make comments on this issue should forward them to Paul Hetherington.

Just what are they looking for?

The keys to being audited

By Tim Curran - HMT Tax Consultant

Being audited by the government is never convenient, easy or completely stress free. But unfortunately, it's a fact of life. In fact, it's becoming more common and frequent as both the federal and provincial governments have been hiring more field auditors to perform audits.

What are they looking for?

In most cases, this is usually the first question asked. It's a fair question that can have very different answers based on which government department is doing the auditing. The items outlined below, in my experience, have resulted in tax liabilities for various clients, and are "hotspots" in which an auditor is apt to look.

GST

Taxable benefits

Standby charges for cars; gifts to employees; and in some cases, even the annual Christmas party can become a taxable benefit. A lot of taxable benefits require companies to collect and remit the GST on the value for tax.

Mis-classified revenue

It is a rude awakening when an auditor informs you that tax should have been collected on particular revenue the last four years (or more). Incorrectly classifying particular revenue as taxable at 7%, 0% or exempt can have very serious repercussions. Auditors may look in this area if you have multiple types of supplies. Organizations in the MUSH sector (Municipalities, Universities, Schools and Hospitals) are particularly vulnerable to mis-classifications.

Personal use input tax credits

Since an ITC can only be claimed if it relates to a commercial activity, personal expenses cannot generate an ITC for a company. This is an area that is explored more fully by auditors when the company is privately held or there is one controlling shareholder who has the authority to put a personal expense item through the company's books.

Restricted input tax credits

Some input tax credits are restricted, even though they may pertain to the commercial activities of a company. Since only 50% of meals and entertainment can be deducted for income tax purposes, only 50% of the GST paid on such expenses is allowed as an input

tax credit. Auditors will look to ensure that this is being done.

Imported items

If your organization files rebates for GST and is not entitled to claim full input tax credits, sourcing items from outside Canada could mean owing GST. An item transferred to you via the Internet or through the mail such as computer programs or updates to the programs will not have the GST applied to it like "normal" importations at the border. Your organization may be liable for GST on the value of the item received. This liability is the portion of GST that would not have been rebated if the item were purchased in Canada.

Retail Sales Tax Insurance

Auditors will examine a company's records to see where the insurance is being purchased. Some companies buy their insurance through their head office and re-allocate portions to other locations. There could be liability for ORST on these allocated premiums. For example: insurance is purchased in the United States and allocated to the Ontario division. Ontario retail sales tax could be owing on the allocated premiums.

Imported items

Since Customs does not collect ORST on commercial imports, and most vendors in another province would not be registered to collect retail sales tax in every province to which they ship, there is a risk that some items sourced by a company outside Ontario present ORST liability. For example, computers and computer software. Of course, items that would be exempt of tax if purchased in the respective province, would still be exempt when purchased outside.

Printing operations

If you do your own in-house printing of brochures, administrative forms, etc. you may be considered to be a manufacturer of printed items and liable for tax. If you have in-house printing facilities, an auditor will investigate this area.

Employer Health Tax (Ontario) Taxable allowances or benefits

These include the items discussed above under GST or other benefits such as maternity top up benefits.

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Blueberry Cinnamon Focaccia

Ingredient	Amount
Yeast, active dry	113 g
Honey	397 g
Water, lukewarm	2kg 495 g
Pastry flour	6kg 464g
Sugar	38g
Cornmeal	680g
Salt	38g
Vegetable oil	397g
Frozen blueberries	for focaccia topping
Margarine	for focaccia topping
Cinnamon sugar	for focaccia topping

Procedure: Dissolve yeast and honey in lukewarm water. Let rest for 10 minutes. Add flour, sugar, cornmeal, salt and oil. Mix on first speed of a 3 speed mixer for 1 minute, and on second speed for 4 minutes. Let dough rise until doubled in size. Punch dough down and let rise until doubled again. Punch down. Scale dough (8.75 oz for 8 oz rounds and 7.75 oz for 7 oz rounds) and roll out to form round flats. Dimple the dough with fingertips and brush lightly with margarine. Proof until double in size. Place frozen blueberries in dimples and sprinkle with cinnamon sugar. Bake at 400°F for approx. 20 minutes, depending on size and weight.



Approximate yield: 10.4 kg (23 lb.) dough; 40 228 g (8 oz) Focaccias.

Reprinted with permission North American Blueberry Council, Technical Bulletin, Volume XIX, Issue 7, July 1997

Just what are they looking for?

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Director's fees

This is an area which is assessed frequently.

Non-reconciled amounts

The auditor may try to reconcile payroll journals, the general ledger, the reported remuneration and possibly the financial statements to the T4 summaries. If something doesn't add up, and there isn't a reasonable explanation, then the difference may be assessed.

It helps to know what an auditor may look for during an audit and this may facilitate getting through one with less stress and aggravation. Of course, all of the items we discussed can be dealt with in your day-to-day tax accounting activities. Being savvy and aware on a continuing basis can prevent the interest and penalty an auditor may levy.

Reprinted with permission, HMT Sales Tax Consultants Inc., HMT Tax Talk, Volume 2, Issue 1, June 2001

Nutrition Labelling Proposal Will Offer Big Challenges to Bakers

If left unchanged, Health Canada's Mandatory Nutrition Labelling proposal, released in Gazette 1 in June, will present considerable challenges for Canada's bakers should it be enacted without changes. The Nutrition Labelling proposal, once enshrined in regulation will require mandatory nutrition labelling on all foods sold in Canada, with few exemptions.

BAC's analysis of the proposal has highlighted a number of major areas of concern for bakers. First, the proposal would require all companies to implement the mandatory nutrition labelling within two years. Based on the experience in the US, BAC has made strong representation that this time frame is too short and unworkable.

Next, BAC has been concerned about the potential huge costs to bakers in implementing nutrition labelling. BAC has long argued that companies should be able to use computer programs to determine nutrient values versus very expensive laboratory analysis (up to \$1,200 per product). Such computer programs require Health Canada to accept tolerance levels for the various nutrients. Unfortunately Health Canada has not addressed this issue in general (except when a claim is made – then tolerance has been set at 10%) and instead referred it to the Canadian Food Inspection Agency (CFIA) as an enforcement issue. The

CFIA has said they will "be consulting" with the food industry in the near future on the matter.

Another concern for bakers is that the proposal calls for a very strict display of the standardized nutrition panel. Restrictions for all but the smallest of product packages would require the nutrition panel to be displayed in a vertical format. Many bakeries currently providing nutrition labelling use a horizontal format as it fits more readily on bread packaging. Should this restriction remain unchanged BAC is concerned that among other issues, it will be more difficult for consumers to read. This itself will lead to more product handling and subsequent product damage as consumers "flip" the product around in order to read the label.

One of the bright lights of the proposal is that it does accept BAC's recommendation that retail operations, where the product is prepared and served on premise be exempt from the labelling requirement. This exemption will include retail bakers. However, the proposal falls short of exempting small wholesale operations (under \$1million per year) as even they would be required to undertake costly nutrition labelling under the current proposal.

BAC Technical Committee has prepared a response to the labelling proposal. Members with questions should contact Paul Hetherington.

Enhance your knowledge!



Advance your skills!

We offer:

- Bakery Technology I (Overview)
- Bakery Technology II (Bread Making Technology)
- Bakery Technology III (Cake Making Technology)

- Food Hazard Control: Implementing An Effective Sanitation Program
- Occupational Health & Safety
- Operating A Successful Bakery



For more information, or to receive a course application, please contact Tara Carman in the BAC office @ 1-888-674-2253 ext. 21 or visit our web site: www.bakingassoccanada.com



Congratulations To Our Most Recent Correspondence Course Grads!



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Bakery Technology, III

For information on correspondence courses for baking industry employees and the Certified Bakery Specialist (CBS) program, please contact Tara Carman at the BAC office or check out our website at www.bakingassoccanada.com.

A warm welcome to our newest members

Franz Hofbauer
Sarah Drummie
Samuel Richard Baah

Franz Hofbauer - Bakery Consulting
Sarah's Sweet Delights
King of Kings Bakery

For membership information, please contact Tara Carman at the BAC office.

Baking Association of Canada - Ontario Chapter 2001 Event Schedule

Tuesday, September 18th - Golf Tournament
Glen Eagles Golf Club, Bolton

Tuesday, October 9th - Dinner Meeting with
Guest Speaker
Rizzo Banquet Hall

Tuesday, November 13th - Dinner Meeting with
Guest Speaker
Rizzo Banquet Hall

Atlantic Chapter 2001 Event Schedule

Wednesday, September 26th - Golf Tournament
Magnetic Hill Golf Club, Moncton, NB

Mark these dates on your calendar.

For further information contact the BAC National office Phone: (905) 405-0288