

# Federal government introduces significant amendments to labour standards provisions under Part III of the Canada Labour Code as well as proposing new Pay Equity legislation

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On October 29, 2018, the Federal government introduced Bill C-86, referred to as *A second Act to implement certain provisions of the budget tabled in Parliament on February 27, 2018 and other measures*. Bill C-86 is omnibus legislation that will, if passed, make significant amendments to the labour standards provisions under Part III of the *Canada Labour Code* as well as introducing proactive pay equity legislation for federally-regulated workplaces.

## Canada Labour Code

Bill C-86 contains sweeping amendments to the labour standards provisions under the *Canada Labour Code* (the “Code”). The Federal government stated that this is part of its commitment to ensuring a modern and robust labour standards regime. Some of the proposed amendments and new provisions include the following:

### Hours of Work

- Break: provide for an unpaid break of at least 30 minutes during every period of five (5) consecutive hours of work. Where employers require employees to be “at their disposal” during the break period, the employee must be paid for the break, with certain exceptions
- Rest Period: provide a rest period of at least eight (8) consecutive hours between work periods or shifts
- Notice of Work Schedule and Right to Refuse: Provide employees their work schedule in writing at least 96 hours before the start of the employee’s first work period or shift under that schedule. An employee may refuse to work any period or shift in their schedule that starts within 96 hours from the time that the schedule is provided to them, subject to exceptions

### Breaks for Medical Reasons

- Grant employees unpaid breaks that are necessary for medical reasons. Employees must provide a certificate issued by a health care practitioner setting out the length and frequency of breaks needed for medical reasons

### Equal Treatment

- Prohibit differences in rate of wages based on employment status of employees (e.g. full-time v. part-time, casual, temporary, seasonal) where employees perform substantially the same kind of work, subject to certain exceptions
- Similar provisions applicable to temporary help agencies (THA) which would prevent paying a THA employee less than the rate the client pays to its employee, subject to certain exceptions

### Vacation

- Reduce the service threshold for three (3) weeks of vacation to after five (5) consecutive years of employment (currently after six (6) years)
- Introduce four (4) weeks of vacation after 10 consecutive years of employment with vacation pay at 8%

### New Leaves

- Leave for Court or Jury Duty
- Medical Leave – up to 17 weeks as a result of personal illness or injury; organ or tissue donation or medical appointments during working hours
- Personal leave – up to five (5) days each calendar year (the first three (3) days of leave are with pay for employees who have completed three (3) consecutive months of employment) to be used for: employee's illness or injury; carrying out responsibilities related to the health or care of any of the employee's family members; carrying out responsibilities related to the education of any of the employee's family members who are under the age of 18; addressing any urgent matter concerning the employee or the employee's family members; attending employee's citizenship ceremony

### Notice of Individual Termination

- Update individual termination provisions by increasing minimum notice of termination, two (2) weeks after three (3) consecutive months of continuous service up to eight (8) weeks after eight (8) years

### Reimbursement for reasonable work-related expenses

- New provisions requiring employers to reimburse employees for reasonable work-related expenses

These amendments will have a significant negative impact on federally-regulated employers. We will be issuing a further more in depth analysis of the proposed amendments in the coming days.

For further information please contact [Steven P. Williams](#) 613-940-2737 or [Jacques A. Emond](#) at

613-940-2730.

## **Pay Equity Legislation**

As part of Bill C-86, the federal government introduced pay equity legislation for federally-regulated workplaces entitled an *Act to Establish a Proactive Pay Equity Regime within the Federal Public and Private Sectors (Pay Equity Act)*.

The legislation is intended to establish a proactive process for the achievement of pay equity by redressing systemic gender-based discrimination in the compensation practices and systems of employers that is experienced by predominantly female job classes so they receive equal compensation for work of equal value. The new *Pay Equity Act* will require federal public and private sector employers that have 10 or more employees to establish and maintain a pay equity plan within set time frames.

The new Act will establish a Pay Equity Commissioner who will have both education and enforcement roles with regards to the legislation. Bill C-86 also amends the *Parliamentary Employment and Staff Relations Act (PESRA)* to extend proactive pay equity requirements to parliamentary employers “in a manner that respects parliamentary privilege”. Under the Bill, the Minister of Labour will become responsible for the administration of the Federal Contractors Program for pay equity.

We are reviewing the proposed Pay Equity legislation and will also be issuing a more detailed Focus alert in the coming days.

For further information please contact [Raquel Chisholm](#) at 613-940-2755.