

## BILL C-86 BUDGET IMPLEMENTATION ACT, 2018

April 26<sup>th</sup>, 2019

On October 29, 2018, the Federal Government introduced Bill C-86, the Budget Implementation Act, 2018. Bill C-86 proposes amendments that have been derived from the report “Modernizing Federal Labour Standards”. This report is a summary of consultations held between May 2017 and March 2018 by the Minister of Employment, Workforce Development and Labour and officials from the Labour Program of Employment and Social Development Canada.

Bill C-86 received Royal Assent on December 13, 2018, but it is uncertain when a number of changes to federal labour standards will come into force. Most of the changes affecting federal undertakings take effect upon, either a government order in council at a future date, or on September 1, 2019. Therefore, it will be important for employers to monitor any changes and ensure that their practices comply with these new changes.

### What is Bill C-86?

This Bill makes substantial changes to the *Canada Labour Code* and enact a federal *Pay Equity Act*, among other things. These changes are to ensure that more modern and robust labour standards are put in place.

#### Changes to the *Canada Labour Code* Include:

##### Equal Treatment - The Pay Equity Act (*In Force at a Future Date*)

- 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
- Employers will be able to establish different pay rates if their systems of compensation contemplate seniority, geographic area of a workplace, merit-based compensation, etc.

### Hours of Work

- **Break (*In Force on September 1<sup>st</sup>, 2019*):** Employees are entitled to 30 minutes during every period of five consecutive hours of work. If an employee is required to be available or to be “at the employers disposal” during that period, they must be paid for the duration of the break.
- *Exceptions to this entitlement are based on unforeseen emergencies that could result in imminent or serious threats to persons, property or the employer’s industrial establishment.*
- **Rest Period (*In Force on September 1<sup>st</sup>, 2019*):** Employees are entitled to a rest period of at least eight consecutive hours between work periods or shifts. *The above exceptions apply.*
- **Notice of Work Schedule and Right to Refuse (*In Force at a Future Date*):** the employer shall 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.  
*The above exceptions apply.*

**Minimum Age (In Force at a Future Date)**

- The minimum age of employment will be increased to 18 years of age from 17 years of age, subject to certain exceptions set out in the regulations.

**NEW LEAVES AND BREAKS FOR MEDICAL REASONS**

<b>Personal Leave</b>	5 days (3 paid days)	In force at a future date
<b>Victims of Family Violence Leave</b>	5 days (paid after 3 months of service)	In force at a future date
<b>Medical Leave</b>	<ul style="list-style-type: none"> <li>▪ Up to 17 weeks unpaid.</li> <li>▪ Replaces sick leave and includes leaves for organ donation or medical appointments.</li> <li>▪ After more than 3 days, the employer can request a certificate from a health care practitioner</li> </ul>	In force on <b>September 1, 2019</b>
<b>Court or Jury Duty</b>	No maximum (unpaid)	In force on <b>September 1, 2019</b>

**In addition:**

- 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.
- **Nursing Break:** every employee who is nursing is entitled to and shall be granted any unpaid breaks necessary for them to nurse or to express breast milk.

**Vacation (In Force at a Future Date)**

- Reduce the service threshold for three weeks of vacation to after five consecutive years of employment (currently after six years)
- Introduce increased vacation and pay entitlements for employees with longer services:
  - Employees with 1 year of service: 2 weeks’ vacation and 4% vacation pay;
  - Employees with greater than 5 years of service: 3 weeks’ vacation and 6% vacation pay;
  - Employees with greater than 10 years of service: 4 weeks’ vacation and 8% vacation pay

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**Reimbursement for reasonable work-related expenses (*In Force at a Future Date*)**

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

**Notice of Individual Termination (*In Force at a Future Date*)**

- 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.

**What Could This Mean For You?**

It is fair to anticipate that many federal employers may have questions pertaining to their requirements and responsibilities.

Employers should be aware that current employment contracts need to be amended to reflect the current entitlements for:

- Hours of Work
- Leaves
- Vacation
- Reimbursement for reasonable work-related expenses
- Notice of Individual Termination

Employment contracts should be reviewed annually to ensure they reflect the most recent changes in legislation. In addition, employee handbooks or orientation procedures should be amended to provide new hires with information that reflects the new changes.

In considering that OHS responsibilities are frequently nested within Human Resources, WSPS can offer appropriate guidance to amend existing HR policies and procedures to reflect the above changes.

We encourage those interested to track updates on the [WSPS OHS Legislation Tracker](#). The [www.ontario.ca](http://www.ontario.ca) website will also offer update, and can certainly consider information requests.

For additional questions in regards to this legislation and available resources please contact:  
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