

Bill C-86: Proposed Changes to Federal Employment Legislation

On October 29, 2018, Bill C-86, *A second Act to implement certain provisions of the budget tabled in Parliament on February 27, 2018 and other measures* (the "Bill") was tabled. If passed, employers who are federally regulated for employment purposes (i.e. governed by the *Canada Labour Code*) will be facing major changes to employment standards legislation.

While the Bill contains numerous amendments, we have highlighted a few below which are expected to make the biggest impact on federally regulated employers:

Pay Equity Act

The Bill would introduce a federal *Pay Equity Act*. The new *Pay Equity Act* would require federal public and private sector employers that have 10 or more employees to establish and maintain a pay equity plan to identify and correct differences in compensation between predominantly female and predominantly male job classes for which the work performed is of equal value.

Minimum Age

The Bill would increase the minimum age of employment from 17 to 18 years, except in certain circumstances.

Hours of Work & Scheduling

The Bill would entitle employees to an unpaid break of at least 30 minutes during every 5 consecutive hours of work. The Bill also proposes unpaid breaks to employees for medical reasons or for employees to nurse or express breast milk. Employees will also be entitled to a minimum rest period of 8 consecutive hours between each shift.

Employers would also be required to give employees written notice of their work schedules 96 hours before the start of their first shift, otherwise employees can refuse to work. Some exceptions exist for employees governed by a collective agreement.

Leaves of Absence

The Bill would eliminate any length of service requirement for most leaves of absence as well as general holiday pay.

Employees would be entitled to the proposed new leaves of absence:

- Medical leave (up to 17 weeks unpaid) due to personal illness or injury, organ or tissue donation or medical appointment during work hours
- Provide the first 5 days of leave with pay for victims of family violence (after 3 months of employment for the paid portion)
- A personal leave of 5 days with 3 paid days (after 3 months of employment for the paid portion)
- An unpaid leave for court or jury duty

Vacation

The Bill would entitle employees to 3 weeks of vacation after at least 5 consecutive years of employment with the same employer (currently this is 6 years) and 4 weeks (8% vacation pay) if they have completed at least 10 consecutive years of employment with the same employer.

Termination

The Bill proposes an increase to the minimum notice of termination so that employees will be entitled to the following notice (or pay in lieu of notice) of (though not in the case of just cause or group terminations):

- Two weeks, if the employee has completed at least three consecutive months of continuous employment with the employer;
- Three weeks, if the employee has completed at least three consecutive years of continuous employment with the employer;
- Four weeks, if the employee has completed at least four consecutive years of continuous employment with the employer;
- Five weeks, if the employee has completed at least five consecutive years of continuous employment with the employer;
- Six weeks, if the employee has completed at least six consecutive years of continuous employment with the employer;
- Seven weeks, if the employee has completed at least seven consecutive years of continuous employment with the employer; and
- Eight weeks, if the employee has completed at least eight consecutive years of continuous employment with the employer.

The Bill also proposes changes to group terminations (i.e. termination of 50 employees or more in a 4-week period)

Equal Pay

The Bill would prohibit differences in rate of wages based on the employment status of employees.

Transfer and Retendering

The Bill addresses continuity of employment issues when a work, undertaking or business becomes federally regulated or in cases of contract retendering.

Expenses

The Bill proposes that employees must be provided reimbursement of reasonable work-related expenses.

Employment Information

Within the first 30 days of employment, employers will be required to provide employees with information regarding employers' and employees' rights and obligations and a written statement containing information relating to their employment, as well as an updated version of such materials within 30 days of any change.

Employers will have to post the materials in a place that is accessible and retain any employment statement for 36 months after the employee's employment ends and provide copies upon the employee's request.

Please keep in mind that these amendments have not yet passed and will only apply to federally regulated employers.

Stay tuned for future e2r® Alerts that will provide further information on the changes to the *Code*.

In the meantime, please feel free to contact e2r® to speak with an Advisor if you have any questions regarding how these changes will impact your workplace.