

## Bill 148 – A Brief Synopsis

Most of the main changes come into effect on January 1, 2018 - except for the “Employee Misclassification” which is already Ontario law.

As of November 22, 2017, it’s a crime for employers to engage the services of an **Independent Subcontractor** or Sole Proprietor that may not meet the standards of independence set out by the Canada Revenue Agency and the Ministry of Labour. It’s the employer’s responsibility to make sure that the “independent” is truly independent. For example:

- Do they use their own equipment?
- Do they have more than one client?
- Are their hours of work dictated?
- Are they supervised?
- Do they have business insurance?

If the Subcontractor fails to meet a majority of their test, they will be deemed an employee. That may result in fines of up to \$50,000 and imprisonment. Employers need to review their subcontract and sole proprietorship agreements ASAP.

### Major Changes as of January 1, 2018

- **Minimum wage** will increase to \$14.00 per hour on January 1, 2018; and to \$15.00 per hour effective January 1, 2019.
- **Employees with 5 years of service** are entitled to 3 weeks’ vacation or 6% vacation pay, including temporary employees with 5 years since their start date with a staffing firm.
- **New public holiday provisions** include a formula that is based on the wages paid to the employee in the pay period prior to the holiday, divided by the days worked in the pay period. This means that casual employees will benefit from higher public holiday pay than full-time workers.
- **Domestic violence and sexual assault leave** comes into effect on January 1, 2018 which provides for 5 paid days after 13 weeks of employment for reasons related to domestic violence or sexual assault, including the threat of violence. The employee is entitled to up to 15 weeks leave in each calendar year for these reasons.
- **Personal Emergency Leave (PEL)** is similar to sick leave. It applies to all employers of all sizes. It allows for two days of sick leave pay after one week of work has been performed, and another 8 days unpaid, with NO medical note required. That means an employee can work for a week and have their job held for two weeks with no note. An employer can require evidence of the need for leave but not a doctor’s note.

### As of April 1, 2018

- **Equal pay for Equal work** applies to students over 18 years old, part-time workers, casual employees and temporary employees who will be entitled to the same pay rate as full-time employees doing approximately the same job. A distinction in pay rate is allowed where there is a seniority system, or a merit system, or the quantity of work is different. E.g.: This requires the demonstration that the incumbent may be performing 80% of the work for 80% of the pay.

There are several other provisions that all employers will want to read and implement. [Read the Bill Here](#)

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Article courtesy of ALTIS HR