

Bill 18 (*Stronger Workplaces for a Stronger Economy Act, 2014*)

Ontario's Bill 18, the "*Stronger Workplaces for a Stronger Economy Act*" received royal assent on November 20, 2014. The *Act* introduces amendments to a number of employment statutes, including the *Employment Standards Act, 2000*, the *Labour Relations Act*, The *Workplace Safety & Insurance Act* and the *Occupational Health & Safety Act*. Some changes may have significant impact on "temporary help agencies" and their clients. Other changes will be of significance to all Ontario employers.

Employment Standards Act ("ESA")

Recovery of Wages

Effective February 20, 2015:

- a. the current monetary limit of \$10,000.00 on an *Employment Standards Officer's* power to order payment of wages will be removed, with no monetary limit on orders for wages that become due after February 20, 2015; and
- b. the current time limit for recovery of wages of six months (no recovery of wages that became owing more than six months prior to a complaint being commenced) will be increased to two years.

Minimum Wage

On October 1 of every year starting in 2015, the minimum wage will be adjusted according to the Consumer Price Index for the preceding two calendar years.

Temporary Help Agencies

Currently under the *ESA*, an agency that assigns a person to perform work for a client or potential client of the agency is deemed to be the "employer" of the person for the purposes of the *Act*, and the person (the "assignment employee") is likewise deemed to be the "employee" of the agency.



Peter C. Straszynski

Partner, Employment & Labour

PHONE

416 777 5447

EMAIL

pstraszynski@torkinmanes.com

Peter Straszynski is a partner in our Employment & Labour Group. He assists employers with all of their labour and employment issues, from the hiring to the post-termination stages of employment, in both the union and non-union settings.

Effective November 20, 2015:

- a. both temporary help agencies and their clients will be required to keep a record of all of the hours worked by assignment employees in each day and each week. These records must be kept for a period of three years and must be “readily available” for inspection by an *Employment Standards Officer*;
- b. where the agency fails to pay wages to an assignment employee, both the temporary help agency and the client will be jointly liable for the wages owing;
- c. if the assignment employee works for more than one client, the clients will be jointly

liable with the temporary help agency for their proportionate share of the wages owing; and

- d. for the purpose of enforcing the liability of a client, the client will be deemed to be an “employer” of the assignment employee.

Workplace Safety & Insurance Act

The *Workplace Safety & Insurance Act* will now define a “temporary help agency” as an employer “... who primarily engages in the business of lending or hiring out the services of its workers to other employers on a temporary basis for a fee”.

Where a worker is placed by a temporary help agency with “another employer” and the worker sustains an injury while working for the other

employer, the amendments to the *Act* permit the Governor in Council to make regulations:

- a. deeming wages paid by the temporary help agency to have been paid by the other employer for the purpose of experience and merit rating programs;
- b. attributing the injury and accident costs arising from the injury to the other employer; and
- c. increasing or decreasing the other employer’s premiums based on frequency of injuries or accident costs or both.

These amendments are to take effect on a date to be proclaimed by the Lieutenant Governor.