



What's New in HR Law

Ontario Introduces New *Government Contract Wages Act*

April 17, 2018

BOTTOM LINE

On April 17, 2018, the Ontario government introduced Bill 53, the *Government Contract Wages Act, 2018*. The Act aims to implement minimum wages for building cleaning and security services work provided for government-owned and occupied buildings, and for construction work under contracts with government entities.

Bill 53 to update the *Fair Wage Policy*

Bill 53 is the latest of many changes introduced by Ontario's governing Liberals that would have a significant impact on Ontario's workplaces if enacted. This Bill would update the existing legislation, the *Fair Wage Policy*, which has remained unchanged since 1996.

The proposed legislation is intended to help protect worker wages by paying workers in accordance with established rates while engaged on government contracts.

It also provides that a Director of Government Contract Wages may be appointed. In this role, the Director would be able to establish different minimum government contract wages and would be granted the power to amend the wages.

Bill 53 is clear that employers may not contract out of the Act and may not treat an employee as if they were not an employee under the Act.

Enforcement of the rights and duties within the Act would be analogous to the enforcement process under the *Employment Standards Act, 2000*, which involves complaints to the Ministry of Labour. The proposed legislation is currently at the Second Reading stage and would come into force on Royal Assent.

Check the Box

If Bill 53, the *Government Contract Wages Act, 2018* passes into law, employers will be required to:

- Record the specified information about wages to which the Act applies, including information about subcontracting; and,
- Provide the prescribed information to the Director of Government Contract Wages and to subcontractors.

Need more information?

If you need more information or require advice on posting requirements, please feel free to contact Hina Saeed at 905-972-6873, or your regular lawyer at the firm.



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