

## Labour and Employment News

October 18, 2018

### Alberta Raises the Minimum Wage

The minimum hourly wage in Alberta has increased from \$13.60/hour to \$15/hour as of October 1, 2018.



### Road to the Legalization of Recreational Cannabis: What Employers Should Know

The federal government announced that the legalization of recreational cannabis is effective on October 17, 2018. Employers should prepare for this change as it will impact Canadian businesses of all sizes.

#### ACROSS CANADA

Federal Bill C-45, *An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts*, permits legal access to recreational cannabis and controls and regulates its production, distribution and sale.

Starting October 2018, these changes will come into force and apply across Canada.

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### Damages for Breach of Non-Solicitation Clause Proves Difficult for Employer An Action in Damages for Breach of Non-Solicitation Clause Dismissed

Author: [Rose Massicotte](#)

On August 20, 2018, the Court of Appeal of Québec rendered an interesting decision in the case of *Lemieux c Aon Parizeau inc.* concerning damages that may be claimed by an ex-employer in cases where a notice of resignation and non-solicitation clause and the employee's obligation of loyalty have been violated.

Mr. Guy Lemieux was a damage insurance broker. When he joined the insurance firm of Aon Parizeau inc. (Aon) in 1999, he signed a contract of employment that required him to give two weeks' notice in the event of his resignation, as well as a clause prohibiting him from soliciting Aon's customers and from competing with Aon for a term of twelve months following the termination of his employment.

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### **Saddled with an Incompetent Employee? Are You Really Obligated to Reassign Him to Another Job Before Terminating His Employment?**

Author: [Audrey Belhumeur](#)

The legal requirements for terminating an employee for incompetence have always been well-known in Québec. It was established long ago that before terminating the employment of an employee on grounds of incompetence, the employer was obliged to:

1. Inform the employee of the company's policy and the employer's expectations;
2. Point out the employee's shortcomings;
3. Offer the employee the necessary support to enable him/her to correct his/her performance and reach the objectives concerned;
4. Give the employee a reasonable time to make adjustments; and
5. Warn the employee of the risk of dismissal should there be no improvement.

These five criteria were set forth by the Court of Appeal in the *Costco* decision, and have been unanimously followed since 2005.

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### **Ontario Court of Appeal Examines Mass Termination Requirements**

Author: [Bethan Dinning](#)

In *Wood v. CTS of Canada Co.*, 2018 ONCA 758, the Ontario Court of Appeal examined employer obligations under the province's legislated requirements during mass terminations of employment. In doing so, the Court of Appeal provided guidance to employers on providing effective notice to employees, as well as on serving and providing notice to the Director of Employment Standards.

On April 17, 2014, CTS of Canada Co. gave written notice to employees that it was closing a plant and that, as a result, the employment of all employees at the plant would be terminated effective March 27, 2015. The termination date was subsequently extended to June 26, 2015. In response, a class action was brought on behalf of several employees against CTS of Canada Co. and its parent corporation CTS Corp. (collectively, CTS).

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### **Court of Appeal Affirms Exercise of Good Faith Requirement in Terminating Contractor Agreement**

Author: [Michelle Henry](#)

The Ontario Court of Appeal recently held that the rights under the termination clause must be exercised in good faith, even under an independent contractor agreement.

In *Mohamed v. Information Systems Architects Inc.*, 2018 ONCA 428, Information Systems Architects Inc. (the Company) engaged an independent contractor, Mr. Mohamed, to provide technological consulting services under an Independent Consulting Agreement (ICA) for a six-month project with Canadian Tire. After agreeing to work full-time under the ICA, Mr. Mohamed resigned from his permanent, full-time employment.

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### **Are Canadian Employees Concerned About the Right to Disconnect?**

Author: [Katherine Poirier](#)

On August 30, 2018, Employment and Social Development Canada released the results of a consultation conducted with a view to revising the *Canada Labour Code* (the Code). Part III of the Code enacts labour standards applicable to federally-regulated, private sector employers (banks, interprovincial transportation companies, telecommunications, airlines and shipping companies). In all, the working conditions of nearly 6 per cent of the Canadian workforce are governed by the Code.

While these potential amendments affect a rather limited number of employees nationally, journalists have devoted considerable space to this aspect of the proposed reform, since those consulted on that subject regard this matter as a very real concern.

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By

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