



A Guide for Employers

# The Fair and Family-Friendly Workplaces Act

Alberta

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# The Fair and Family-Friendly Workplaces Act

The changes to Alberta's employment and labour laws have significant impact on the workplace. As a small business owner, it is important to be aware of how these changes affect your organization.

The Fair and Family-Friendly Workplaces Act (Bill17) came into effect on January 1, 2018 making several changes and additions to the existing Employment Standards Code.

**What does the Act mean for small business owners?**



## Changes to Existing Laws

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### Minimum Wage

On October 1st, 2018 general minimum wages was raised to \$15/hour. Those being paid a weekly minimum wage rate will receive \$598 weekly.

### Overtime

All overtime work must be calculated at 1.5x per hour for overtime banking, instead of hour-for-hour. Time may be banked for 6 months instead of 3 according to overtime agreements.

### General holiday and general holiday pay

There is no longer a differentiation between regular and non-regular days of work, in relation to the removal of the obligation to have worked 30 days in the 12 months before the holiday.

General Holiday pay is totalled based on 5% of the vacation pay, general holiday pay and wages earned in the 4 weeks right before the holiday.

### Vacations and vacation pay

Alterations were made to the Code to make clear that employees working for under 5 years must receive a vacation pay of 4% or two weeks of their total earnings. After 5 years, they will receive at least 6%. Previously being a minimum of one day, half-day vacation increments are now permitted.

### Termination and temporary layoffs

Termination notice rules were made clearer:

- All employees must receive a written notice of a temporary layoff, including effective dates of the layoff period and applicable terms.

- Notices of recall must also be written.

- If there are unexpected circumstances outside of the employer's influence the notice requirement may be waived.

During a termination notice period, entitlements such as overtime or vacation may be used by employees only with their consent. Otherwise, employers are not allowed to force this. Termination notice requirements have also increased pertaining to large groups employees, unions and the Ministry of Labour:

- o 50-100 employees: 8 weeks
- o 101-300 employees: 12 weeks
- o 301+ employees: 16 weeks

Temporary layoffs must now be confined to a 60-day period within 120 days, with indefinite layoffs no longer being permitted. If an employee agrees and is compensated with benefits and wages, layoffs may be prolonged.

Termination pay is no longer calculated based on the calendar weeks immediately before the termination. Instead, the pay will depend on 13 previous weeks in which the employee did work.

### Youth employment

Starting January 1st, 2019 youth age 12 years-old and under are no longer permitted employment. However, artistic endeavours such as theatre productions with permits are excepted.

### **Leave eligibility**

Job protected leave is available to employees after 90 days of employment instead of one year.

### **Compassionate care leave**

Non-primary caregivers are eligible for caregiver status.

The duration of unpaid Compassionate Care Leave increased to 27 weeks instead of 8 weeks. Employees may also take the leave in several weekly installments rather than the previous 2 installment limit, but it must fall within the dates specified in the medical certificate. Compassionate care leave may finish at the end of the week in which the family member dies, after 27 weeks has passed or when the employees stops being a caregiver.

Two weeks continues to be the required period of notice given to employers, however changes in the language were made to indicate that leave can be granted as soon as is reasonable. Notice of the employee's planned date of return to work may also be given one week in advance as opposed to two.

### **Maternity|parental leave**

The following amendments ensure the allowable leave agrees with the guidelines of federal Employment Insurance. Due to the week-long delay required for federal Employment Insurance benefits, unpaid job protection for maternity leave was increased to 16 weeks from 15. Likewise, the same for parental leave has been increased to 62 weeks.

Leave will not be available in cases when pregnancy terminates more than 16 weeks ahead of the due

date. If pregnancy is terminated within 16 weeks of the due date maternity leave will still be available. The end date will be 16 weeks after the leave starts or 6 weeks following pregnancy termination.

Business suspension or closure is the only instance in which an employee might be terminated.

### **Rest periods**

After 5 hours of uninterrupted work employees are permitted a paid or unpaid break of 30 minutes at the least. The break may also be split into two 15-minute installments if both employee and employer decide on this.

### **Compressed work weeks**

Renamed "Averaging Agreements", this work arrangement and all others must be agreed upon by the majority of employees it concerns or be upheld by a union collective agreement.

Employees and employers may decide upon average work hours between one to 12 weeks in order to determine eligibility for overtime. These agreements maintain that work weeks may be compressed.

A permit can be applied for by those employers that need longer cycles.

### **Deductions**

The Code was revised to make clear which deductions may be made from wages, excluding deductions for poor work and cash deficiencies resulting from events such as dine-and-dashes.

# Additions to existing leave laws

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- A new unpaid personal and family responsibility leave permits 5 days of job protected unpaid leave for individual illness, temporary care or personal emergency related to an immediate family member.
- A new unpaid long-term illness and injury leave permits up to 16 weeks of job protected unpaid leave for injury or longstanding individual illness.
- A new unpaid bereavement leave permits up to 3 days of job protected unpaid leave for the bereavement of an immediate family member.
- A new unpaid domestic violence leave permits up to 10 days of job protected unpaid leave for employees facing domestic violence.
- A new unpaid citizenship ceremony leave permits a half day of job protected unpaid leave for attending a citizenship ceremony.
- A new unpaid critical illness of an adult family member leave permits up to 16 weeks of job protected unpaid leave for employees who need leave in order to care for a sick or injured adult family member.
- A new unpaid critical illness of child leave permits up to 36 weeks of job protected unpaid leave for employees require leave to care for a sick or injured child.
- A new unpaid death or disappearance of a child leave permits up to 52 weeks of job protected unpaid leave for employees with a child missing as a consequence of a crime, or up to 104 weeks if a child died as a consequence of a crime.

## What does the Act mean for small business owners?

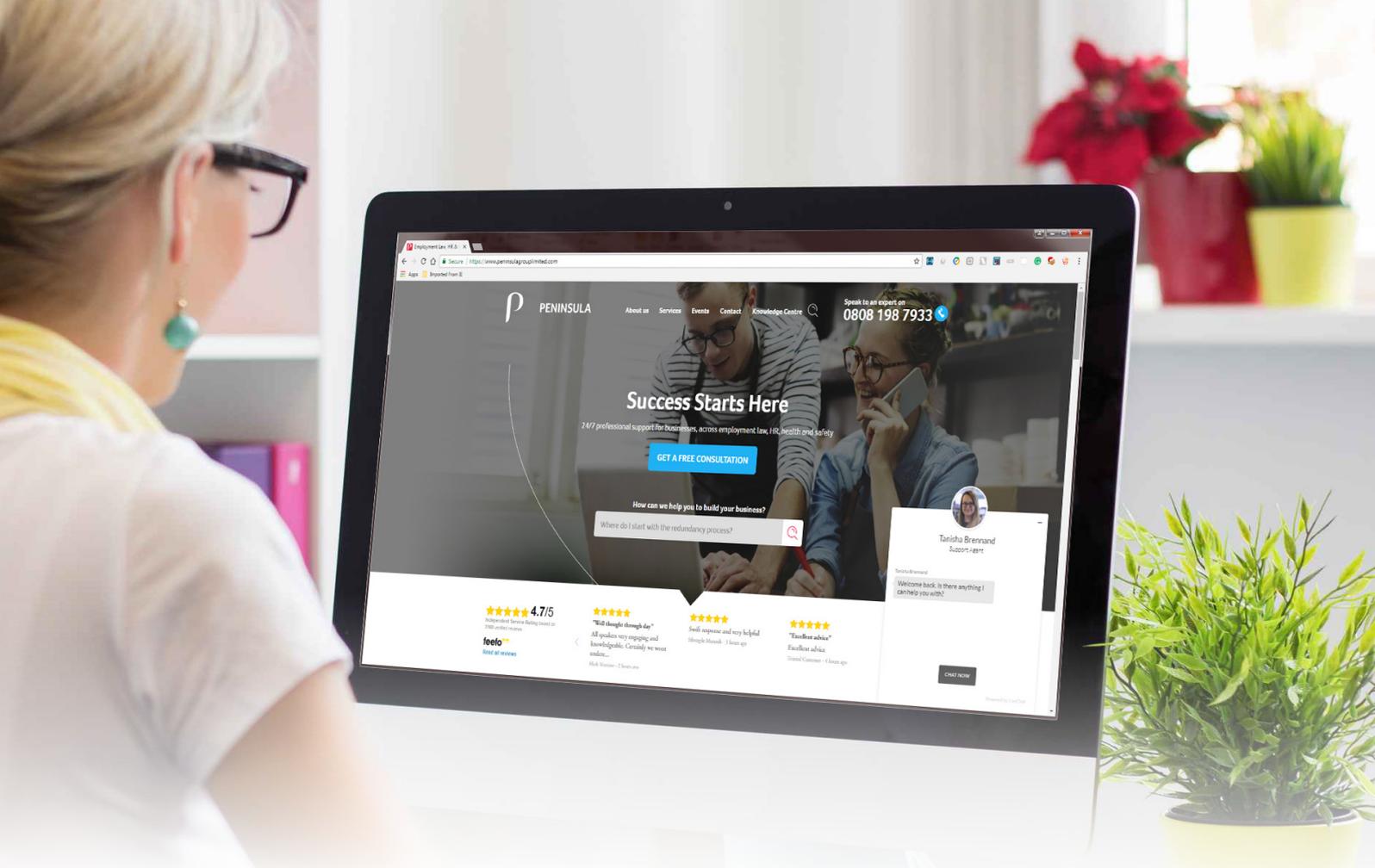
The changes to Alberta's employment and labour laws had a significant impact on the workplace. As a small business owner, it is important to be aware of how these changes affect your organization. Questions Alberta's labour laws? Ask an HR expert.

## Learn more

For more information about The Fair and Family-Friendly Workplaces Act or how to apply the changes to your business, contact our human resources team at Peninsula. We provide dedicated support to small and medium businesses. Call us today:

**1|(833) 247-3652**

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