

# Garnishment Rules – Know The Laws Of Your Province



What moneys payable to an employee are exempt and subject to garnishment to enforce family support orders in each part of Canada:

**FEDERAL: Garnishable:** “Garnishable moneys,” which include, among other things, personal income tax refunds, unemployment insurance benefits, CPP benefits except benefits paid to the child of a disabled contributor or orphan of a deceased contributor and Old Age Security Act benefits [*Family Support Orders & Agreements Garnishment Regs.*, Sec. 3].

**ALBERTA. Garnishable:** “Wages or salary” or payments Director of Maintenance Enforcement considers equivalent including commissions and other amounts payable to employees based on sales volume; “Gross wages and salaries” also include holiday pay, vacation pay, bonus and overtime but not severance or termination pay; **Exempt:** If garnishment is a support deduction notice, 60% of employee’s gross wages per month are exempt (unless employee agrees to a lesser percentage) [*Maintenance Enforcement Reg.*, Secs. 1 & 13].

**BRITISH COLUMBIA. Garnishable:** “Remuneration,” which includes gross wages, salary and other payments for services performed, periodic benefits under workers’ comp., pension plans, superannuation plans and long- or short-term disability insurance; **Exempt:** a. 75% of “federal benefits” which includes benefits under Sec. 5 of the *National Training Act*, unemployment insurance, Secs. 3, 11, 19 or 21 of *Old Age Security Act* and CPP; b. A variable amount of wages if garnishment is for non-deductible maintenance. Employer must calculate amount exempt based on how often and size of payment and whether it’s separate from regularly scheduled payments. Example: Employees who receive regularly scheduled weekly payments are entitled to:

- A base exemption of \$150
- 75% of any remuneration above \$150 & below \$520
- 60% of any remuneration above \$520 & below \$1,155
- 55% of any remuneration above \$1,155;

and c. 65% of fees for service [*Family Maintenance Enforcement Act*, Sec. 1; *FMEA Reg.*, Sec. 13].

**MANITOBA: Garnishable:** a. “Wages,” which include salary, commissions and fees; and b. “Pension benefits,” which include periodic or lump sum payments due under pension or

superannuation plan, life or fixed term annuity policy or accident, sickness or disability insurance policy; **Exempt:** \$250, unless a regulation specifically provides for a greater amount. Need to lump together wages and pension benefits to calculate exemptions [*Garnishment Act*, Secs. 1, 7 & 14].

**NEW BRUNSWICK: Exempt:** Personal labour and services on a hiring are exempt from garnishment [*Garnishee Act*, Sec. 31]; does not apply to "Payment Orders" under the *Family Services Act*.

**NEWFOUNDLAND/LABRADOR: Garnishable:** "Money then due and accruing" from the employer to the employee; **Exempt:** Judge may specify amount of money exempt from garnishment if it would "be grossly unfair and inequitable to do otherwise" [*Support Orders Enforcement Act*, Secs. 18(1) & 25].

**NORTHWEST TERRITORIES/NUNAVUT: Exempt:** a. \$300; b. \$80 for each of the employee's dependent children; and c. mandatory deductions for income tax, unemployment insurance, compulsory pension plans, healthcare, hospital or dental plans and union dues [*Maintenance Orders Enforcement Regs.*, Sec. 9(2)].

**NOVA SCOTIA: Garnishable:** All moneys due and payable; pensions can be garnished if employee is three months in arrears on support and court has notified the employee and employer 60 days in advance [*Maintenance Enforcement Act*, Secs. 20(1) & 27F]; **Exempt:** 75% of employee's gross income and 50% of federal benefits [*Maintenance Enforcement Regs.*, Sec. 9].

**ONTARIO: Garnishable:** 50% of "net amount" owed by employer to employee. "Net amount" means total owed minus deductions for income tax, CPP, EI, union dues and "such other deductions" required by regulations. No deductions for amounts owing to pay for expenses covered by a medical, dental, health or hospital contract or plan; **Exempt:** The other 50% of the "net amount" [*Family Responsibility & Support Arrears Enforcement Act, 1996*, Sec. 23; *Wages Act*, Sec. 7].

**PRINCE EDWARD ISLAND: Garnishable:** "Remuneration" which includes wages, salary, bonuses, commissions, piece-work payments, accident, disability, sickness, retirement and pension benefits, annuities, rents and debts owing [*Maintenance Enforcement Act*, Sec. 1(f)]; **Exempt:** Prothonotary calculates monthly exemption using a monthly schedule based on number and age of kids in household to cover: a. Food; b. Clothing; c. Household & personal items; d. Housing; e. Fuel & utilities; and f. Healthcare [*Garnishee Act Regs.*, Sec. 3].

**QUEBEC: Garnishable:** Payments which include salary, wages, fees, advances, EI or supplementary unemployment benefits, certain disability and pension benefits, profit-sharing amounts, retirement allowances, severance, annuities and judgments [*Act to Facilitate Payment of Support Regs.*, Div. I, Sec. 1]; Employer contributions to pension plans, insurance or social welfare funds, transit passes and work-related travel expenses paid by employer don't count as garnishable payments; **Exemptions:** a. Benefits payable under a supplemental pension plan to which employer contributes; b. Periodic disability benefits under a contract of accident and sickness insurance; c. 70% of the excess over: i. \$180 per week plus \$30 per dependent if employee is supporting in excess of two; or, ii. \$120 per week if the employee isn't supporting anyone else [*Code of Civil Procedure*, Sec. 553].

**SASKATCHEWAN: Garnishable:** Earnings, allowances and benefits under DPSP, RRIF and RRSP. Pension "entitlements," i.e., moneys in a pension plan, garnishable if employee is 3 or more months in arrears of a maintenance order, Director thinks all reasonable steps have been taken to enforce order and 30 days' notice is served; **Exempt:** Pension entitlements not garnishable if employee or employer is required to make

contributions to plan or employee is currently receiving the benefit [*Enforcement of Maintenance Act*, Secs. 30, 36, 38 & 40.1-40.4].

**YUKON: Garnishable:** "Remuneration" which includes salary, commissions, fees, benefits under accident, disability or sickness plans, pensions, annuities and fees for services; **Exempt:** a. 70% of payable wages; b. At least \$1,000 if employee has at least one dependent and an additional \$150 for each dependent after four; c. At least \$600 if no dependents; d. Court has discretion to increase exemption to keep the employee off welfare [*Garnishee Act*, Sec. 22; *Maintenance Enforcement Act*, Sec. 1].