

New Federal AMPs for Wage and Other Labour Standards Violations



The cost of being cited for labour standards offences has just gone up.

The price of committing hours, minimum wage, overtime, vacations, holidays and other *Canada Labour Code* labour standards violations has gone up. Effective January 1, 2021, federally regulated employers cited for these offences now face the prospect of administrative monetary penalties (AMPs) of up to \$25,000 per violation. Here's a quick overview of what HR directors need to know.

What AMPs Are

AMPs are like traffic tickets that enforcement officials can hand out **in addition** to shutdown orders and fines. They're more commonly associated with OHS and environmental laws, but 7 jurisdictions (FED, AB, BC, MB, NB, ON, YK) also impose them for employment standards violations.

HR directors of federally regulated organizations should brief their execs on the new AMPs and let them know that corporate officers, directors and other individuals who "directed, authorized, assented, acquiesced in or participated in" the violation can be held personally liable for AMPs.

AMP amount: The baseline AMP depends on the type of offence and who commits it (as illustrated by the table below); the baseline amount can then be multiplied if the violator committed a previous offence within the past 5 years, depending on the type of offence:

New Federal AMPs for Employment Standards Offences

Type of Description Offence	Individual	Small Business	Large Business or Department
A Administrative or technical	\$200	\$500	\$5,000
B Related to calculation + payment of wages	\$500	\$1,500	\$6,000

	Related to leave or other requirements which could have an impact on financial security or health and safety	\$1,000	\$3,000	\$12,000
D	Related to the employment + protection of employees under age 17	\$2,000	\$7,000	\$25,000

Naming Names

And it's not just about money. The new federal rules leverage embarrassment as an enforcement mechanism by authorizing the MOL to publish the names of offenders, the size of the AMPs they get and the violations they committed. Clearly, this is the kind of public relations that no organization could ever want.