

New Pension And Benefits Obligations For Employers Arriving In Fall 2014

written by Rory Lodge | September 23, 2014



Companies with employees in Ontario, particularly companies that sponsor or administer employee benefit plans, including extended health plans and pension plans, will be affected by the passage of Bill 21, the Employment Standards Amendment Act (Leaves to Help Families), 2014. Effective October 29, 2014, the Ontario Employment Standards Act, 2000 (ESA) will be amended, and eligible employees will be entitled to three new unpaid, job-protected statutory leaves of absence:

- **Family Caregiver Leave:** up to 8 weeks of unpaid, job-protected leave, for employees to provide care or support to specified family members if a qualified health practitioner issues a certificate stating that the family member has a serious medical condition.
- **Critically Ill Child Care Leave:** up to 37 weeks of unpaid, job-protected leave, to provide care or support to a critically ill child of the employee if a qualified health practitioner issues a certificate with prescribed information.
- **Crime-Related Child Death and Disappearance Leave:** up to 52 weeks of unpaid, job-protected leave, if a child of the employee disappears and it is probable that the child disappeared as a result of a crime; for eligible employees, up to 104 weeks of unpaid, job-protected leave, if a child of the employee dies and it is probable that the child died as a result of a crime.

These three new statutory leaves of absence join the other unpaid, job-protected statutory leaves of absence currently provided for in the ESA, such as pregnancy leave, parental leave, and personal emergency leave.

Similar to almost all job-protected leaves of absence protected under the ESA, during the period of the three new statutory leaves of absence, eligible employees continue to participate in their employer's benefit plans, including pension plans. During such periods, employers must continue to make their contributions to the benefit plans, unless the eligible employee gives her or his employer a written notice that she or he does not intend to pay the employee's contributions (if any).

All employers that sponsor or administer employee benefit plans should consider the

new legislation and assess whether any changes should be made. For example, employers may wish to update their benefits-related documents to reflect these three new statutory leaves of absence. This may include, for instance, amending employee benefit booklets or pension plan texts to integrate the three new statutory leaves of absence, if appropriate. Employers should also update their administrative practices to reflect these new statutory leaves of absence.

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Article by James Fu