Prince Edward Island, Canada: New Paid Sick Leave Program

On November 29, 2023, Prince Edward Island's Bill 106, *An Act to Amend the Employment Standards Act*, received Royal Assent. Bill 106 will come into force on October 1, 2024.

Bill 106 establishes a new paid sick leave program in Prince Edward Island (PEI), which provides that employees may earn up to three days of paid sick leave as follows:

- After **12 months** of continuous employment, an employee earns one day of paid sick leave;
- After **24 months** of continuous employment, an employee earns one additional day of paid sick leave; and
- After **36 months** of continuous employment, an employee earns a third day of paid sick leave.

Hourly employees must be paid their regular rate of wages multiplied by the number of hours for which they would have worked had they not requested sick leave. Salaried employees must be paid their rate of pay for a day of work.

Employees are not permitted to carry over unused paid sick days to the following calendar year.

Employers may require employees who take three consecutive days of sick leave to provide medical certificates.

Employees are entitled to take any (available) paid sick days before any unpaid days of sick leave.

Bottom Line for Employers

Employers with operations in PEI are encouraged to review and revise their sick leave programs to ensure that they are in line with Bill 106. Employers should also ensure that their Human Resources and supervisory staff are trained on the new rules for paid sick leave use, payment calculation, and recordkeeping.

The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.

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