

Time Limits For Wage Complaints Under The Canada Labour Code Effective April 1



The long-awaited proclamation of several important amendments to the *Canada Labour Code* (the *Code*), have finally been announced. On March 12, 2014, the Federal Government announced that April 1, 2014 will be the day that certain sections of the *Jobs and Growth Act 2012* will come into force. The *Jobs and Growth Act 2012*, also known informally as Bill C-45, received Royal Assent in December 2012 as a means to implement parts of the 2012 Federal Budget.

Of particular note for employers in the federal jurisdiction is that the Bill C-45 amendments will establish precise time limits for complaints for unpaid wages and other alleged employment standards violations under Part III of the *Code*.

Currently under the *Code*, there is no time limit on the recovery of unpaid wages through payment orders and employers are at risk of a wage order that could extend back to an employee's hire date.

Once Bill C-45 comes into force, complaints for unpaid wages must abide by the following time limits (subject to any extensions prescribed by the regulations):

- Complaints for non-payment of wages or other amounts to which an employee is entitled under Part III of the *Code*, must be made within **six months** from the last day on which the employer was required to pay those wages or other amounts.
- In addition, any other complaint must be made within six months from the day on which the subject matter of the complaint arose.

With respect to the period of time covered by a payment order, a payment order will cover wages and other amounts owing for a period starting 12 months before the day on which the complaint was made or the 12 months before the date of termination. This period is extended to 24 months with respect to unpaid vacation pay.

The addition of time limits for making complaints under the *Code*, as well as the introduction of a fixed time period for which a payment order for unpaid wages can be made, will bring the *Code* in line with many other provincial jurisdictions (including Ontario) that have similar protections. In addition, it will clarify the determination for amounts owing on payment orders and reduce the likelihood of appeals that attempt to either extend or reduce the period covered by the payment order. Finally, employers will benefit from the protection of not having to defend dated wage complaints.

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