

# New Requirements for Employers in Ontario: *Working for Workers Four Act, 2023*

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On March 21, 2024 the Ontario government passed Bill 149, the *Working for Workers Four Act, 2023* (the "Act") which includes important amendments to the *Employment Standards Act, 2000* ("ESA") regarding pay transparency, Canadian work experience requirements, wage protection for restaurant and hospitality workers, AI disclosure and vacation pay. This *Act*, the fourth in the "working for workers" series, is aimed at supporting workers and those applying for jobs in Ontario, including newcomers.

There are several amendments that employers in Ontario should take note of.

For employers in the restaurant and hospitality industry, the *Act* amends the *ESA* in the following ways:

- Wage Deductions: employers cannot make deductions from an employee's wages in the event of a dine and dash, gas and dash, or in respect of stolen property.
- Training Includes Trial Periods: work performed during a trial period must be paid.
- Pooled Tips: employers must post in the workplace if they are sharing in pooled tips, which is only allowed if employers perform the same work as their staff.
- Payment of Tips: employers who pay tips using direct deposit must allow their employees to select which account they want funds deposited into.

The *Act* also includes amendments to the *ESA* that affect employers in Ontario more broadly.

- Compensation Transparency: employers who advertise a job publicly must disclose the expected compensation for the position or the range of expected compensation.
- Canadian Experience Requirement: Canadian experience cannot be used as a requirement in job postings and application forms.
- AI Disclosure: employers who advertise a publicly advertised job posting and who use artificial intelligence to screen, assess or select applicants for the position must include in the posting a statement disclosing the use of the artificial intelligence.
- Vacation Pay Payment: employers must have an employee's written consent to have vacation paid in a way other than in a lump sum before vacation is taken.

It is important to note that the above changes do not all come into force immediately or at the same time. The effective date of these changes varies as follows:

- Changes regarding paid trial shifts and wage deductions are in force immediately.
- Changes regarding payment of tips, pooling of tips and the agreement on vacation pay will be in force on June 21, 2024.
- Changes regarding compensation transparency, Canadian experience requirement, and AI disclosure come into force on a day

to be named by the Lieutenant Governor.

In addition to the changes above, the *Act* includes amendments to the *Digital Platform Workers' Rights Act* regarding pay periods, amendments to the *Fair Access To Regulated Professions And Compulsory Trades Act* regarding accountability to how regulated professions use third-party organizations to access international qualifications, and amendments to the *Workplace Safety and Insurance Act* to enable "super indexing" increases to WSIB benefits and improved cancer coverage for firefighters and fire investigators.

***The information and comments herein are for the general information of the reader and are not intended as advice or opinion to be relied upon in relation to any particular circumstances. For particular application of the law to specific situations, the reader should seek professional advice.***

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