Human Resources Legislative Update

CLC Amendments Increasing Fines and Requiring Federal Employers to Insure LTD Plans to Come into Force July 1, 2014

Date: May 8, 2013

Sections 434 to 439 of the Jobs, Growth and Long-term Prosperity Act ("JGLPA") have been proclaimed into force effective July 1, 2014.

The JGLPA is omnibus legislation giving effect to certain initiatives contained in the federal Budget 2012. Sections 434 to 439 amend the Canada Labour Code ("Code") to, among other things:

- require every federal employer that provides benefits under a long-term disability plan to its employees to insure the plan, on a go-forward basis, with an entity that is licensed to provide insurance under the laws of a province, subject to any prescribed exceptions; and
- increase the maximum fines for violations of the minimum standards established under Part III (Standard Hours, Wages, Vacations and Holidays) of the Code.