Human Resources Legislative Update

2013 Federal Budget No. 2 (Bill C-4)

Date: October 25, 2013

On October 22, 2013, the federal government introduced the *Economic Action Plan 2013 Act, No. 2*, omnibus legislation that would, if passed, implement measures from the Economic Action Plan 2013 (the 2013 Budget), as well as certain previously announced tax measures. Budget Bill items of interest to employers, human resources professionals and pension plan administrators include:

- amendments to various occupational health and safety provisions contained in Part II of the *Canada Labour Code*, including (1) amendments to the work refusal process and the investigation of continuing work refusals, (2) the transfer of investigation powers, duties and functions of a health and safety officer to the Minister of Labour, and (3) a new statutory definition of “danger”;
- amendments with respect to the collective bargaining and review systems provided by the *Public Service Labour Relations Act* (“PSLRA”) regime, including new, exclusive powers to designate “essential services” and limit the ability of essential services employees to engage in strike activity;
- amendments to reform the collective bargaining and recourse systems provided by the PSLRA, including (1) the process of dispute resolution available to collective bargaining parties, (2) the guidelines for arbitration boards (and public interest commissions) when making an arbitration award, and (3) a single, separate forum for PSLRA employees to challenge employment decisions relating to discrimination, parallel to the process outlined in the *Canadian Human Rights Act*;
- the renaming of the Department of Human Resources and Skills Development (commonly known as “HRSDC”) to the Department of Employment and Social Development;
- amendments that (1) extend electronic service and administration to temporary foreign worker programs, and (2) clarify the information that may be provided to the Department of Employment and Social Development (formerly HRSDC) with respect to the temporary foreign worker program;
- a three-year Employment Insurance premium rate freeze;
- amendments to provisions of the *Income Tax Act* (“ITA”) to streamline the process for pension plan administrators to obtain refunds of amounts contributed to pension plans as result of a “reasonable error”; and
- amendments to the prohibited investment, advantage as well as certain other investment-related provisions of the ITA respecting RRSPs, RRIFs, and TFSAs.

For a more detailed analysis of the 2013 Budget taxation and pension-related initiatives highlighted above, see our *FTR Now,* “Federal Budget 2013”.