

Minimum Wage In Ontario Rises Again

On March 31, 2008, the general minimum wage in Ontario became C\$8.75 per hour. This is the fifth increase in the minimum wage since 2004, and is reflected in the recent amendments to Regulation 285/01 of the *Employment Standards Act, 2000*. The amendments implement the increases to the general minimum wage that were announced in the 2007 Ontario budget. Further increases to the general minimum wage will automatically come into force on March 31, 2009 (C\$9.50 per hour) and March 31, 2010 (C\$10.25 per hour). The Regulation also increases the minimum wage rates for students, liquor servers, homeworkers, and hunting/fishing guides to the rates described below.

What is Minimum Wage?

Minimum wage is the lowest rate an employer can pay an employee. Most employees are eligible for minimum wage, whether they are full-time, part-time, seasonal employees, or are paid at an hourly rate, commission, flat rate or salary.

There are job-specific exemptions and special rules for certain industries and job categories, for example, while the general minimum wage rate applies to most employees, there are other minimum wages that apply to:

- students under 18 years of age, working not more than 28 hours per week during the school year or working during a school holiday (C\$8.20 per hour);
- employees who generally serve liquor directly to customers or guests in licensed premises (C\$7.60 per hour);
- hunting and fishing guides (C\$43.75 per day for working less than 5 consecutive hours in a day; C\$87.50 per day for working 5 or more hours in a day whether or not the hours are consecutive);
- homeworkers (i.e., employees who do paid work in their own homes for an employer) (110% of the general minimum wage).

What happens when the Minimum Wage Changes?

If the minimum wage rate changes during a pay period, the pay period will be treated as if it were two separate pay periods and the employee will be entitled to at least the minimum wage that applies in each of those periods.

For more information with respect to compliance with your obligations regarding minimum wages, please contact a member of Blakes [Labour & Employment Group](#).

Blakes periodically provides materials on our services and developments in the law to interested persons. To unsubscribe to this e-bulletin, please respond back with unsubscribe in the subject line or contact Blakes Marketing Department at 416-863-3036 or dorothy.byers@blakes.com. Additional information on our privacy practices may be obtained by contacting us at privacyofficer@blakes.com.

This e-bulletin is for informational purposes only and does not create a lawyer-client relationship. The transmission of this information does not suggest Blakes or any of its lawyers are practising law of any jurisdiction other than Canada. The information provided in this e-bulletin is summary in nature and does not constitute legal advice. We would be pleased to provide additional details or advise about specific situations if desired.

For permission to reprint articles, please contact Blakes Marketing Department at 416-863-2403 or lynn.spencer@blakes.com.

© 2008 BLAKE, CASSELS & GRAYDON LLP

MONTREAL OTTAWA TORONTO CALGARY VANCOUVER NEW YORK CHICAGO LONDON BEIJING

