

# What Businesses Need to Know



A law called the **Employment Standards Act, 2000 (ESA)** establishes minimum employer obligations and employee rights with respect to rates of pay, hours of work and overtime, vacations, public holidays, leaves of absence and more. Every province and most industrialized countries have similar laws in place to protect employees. The ESA applies to most employees and employers in Ontario.

## Keys to compliance

Here are some key employment standards you should be aware of:

### ■ The Employment Standards Poster

The Employment Standards Poster describes important rights and requirements under the Employment Standards Act, 2000. The poster must be posted in the workplace where it is likely that employees will see it. Employers are also required to give every employee a copy of the poster. It is available in multiple languages and can be downloaded from the Ministry of Labour website for **free** at [Ontario.ca/ESAposter](https://www.ontario.ca/ESAposter).

### ■ Hours of Work

There are limits to the number of hours employees can work in a day and in a week. Employees can agree in writing to work more hours to meet your business needs, but if the extra hours exceed the weekly limit, approval by the Ministry of Labour is required. To learn more about hours of work rules, visit [Ontario.ca/ESAguide](https://www.ontario.ca/ESAguide) and click on “Hours of Work,” or try our Hours of Work and Overtime Tool at [Ontario.ca/ESAtools](https://www.ontario.ca/ESAtools).

### ■ Minimum Wage

Most employees are entitled to be paid at least the minimum wage. A general minimum wage applies to most employees. There are different minimum wages for students, liquor servers, homeworkers, and hunting and fishing guides. To find out the current minimum wages visit: [Ontario.ca/minimumwage](https://www.ontario.ca/minimumwage).

### ■ Vacation Time and Pay

Most employees earn at least two weeks of vacation time after every 12 months of employment and are entitled to be paid at least 4 per cent of their total wages earned in that 12-month period as vacation pay. To learn more visit [Ontario.ca/vacation](https://www.ontario.ca/vacation).

### ■ Public Holidays

Ontario has nine public holidays every year. Most employees are entitled to take these public holidays off work with public holiday pay. Try our Public Holiday Calculator and calculate the public holiday pay for your employees: [Ontario.ca/ESAtools](https://www.ontario.ca/ESAtools).

### ■ Leaves of Absence

Under the ESA, eligible employees are entitled to several types of unpaid, job-protected leaves of absence. Employees cannot be terminated for asking for or taking these leaves of absence. To learn more about the various types of leaves of absence, visit [Ontario.ca/ESAguide](https://www.ontario.ca/ESAguide).

### ■ Termination Notice and Pay

If you are terminating an employee's job, the employee generally qualifies for written notice, termination pay instead of notice, or a combination of both. The amount of notice or pay depends on how long the employee has been working for you and the number of employees being terminated in a four-week period. Try our Termination Tool at: [Ontario.ca/ESAtools](https://www.ontario.ca/ESAtools).

# Employment Standards Enforcement

## ■ Complaints and investigations

Employees who feel their rights have been violated under the Employment Standards Act (ESA) can file a complaint with the Ministry of Labour and have their complaint investigated by an employment standards officer. The employer is provided with an opportunity to participate in the investigation. They may be required to provide evidence, records or other information. If an employment standards officer determines that an employee's rights have been violated, the employer will be required to remedy the violation (for example, by paying money that is owed to the employee). In addition, the employer may be prosecuted.



*Employees cannot be punished by their employer for claiming their rights. This is known as a 'reprisal.' Businesses that commit a reprisal have been ordered to compensate employees, often for thousands of dollars.*

## ■ Proactive inspections

The ESA is enforced by employment standards officers who visit businesses throughout Ontario to help educate employers on their obligations and ensure that employees' rights are being protected. Employment standards officers proactively visit businesses even if no complaint has been filed by an employee. These officers will help you correct areas where your business is not complying with the ESA. Employment standards officers usually provide advance notice of a visit. They will review your records and speak to you and your employees. If there are issues of non-compliance, they will discuss these with you and depending on the nature of the violation, they may provide an opportunity to correct them before taking enforcement action.

## ■ Prosecutions

Each year, hundreds of prosecutions are brought against employers for violating the ESA. Some prosecutions have resulted in fines and/or court orders of tens of thousands of dollars or more. Where the employer is an individual, rather than a corporation, he or she can also face jail time. In addition, directors of corporations can be held personally liable for their company's violations and can also face monetary penalties and jail sentences. In the long run, these penalties cost businesses much more money than compliance. Some names of convicted employers and directors are posted on the Ministry of Labour's website.

### Legal Disclaimer

Note: This document is provided for your information and convenience only. It is not legal advice. For complete information, please refer to the *Employment Standards Act, 2000* and its regulations on the Ontario government e-Laws website at [Ontario.ca/laws](http://Ontario.ca/laws).

The first step to compliance is knowing what the law requires. It is easy to find information about the ESA. The Ministry of Labour's website is one of the best places to begin:

**Ontario.ca/  
EmploymentStandards**

**Ontario.ca/ESAGuide**

**Ontario.ca/  
EmploymentRights**

(for information in multiple languages)

اللغة العربية – Arabic

繁體中文 – Chinese (Traditional)

簡單的中文 – Chinese (Simplified)

हिन्दी भाषा – Hindi

Português – Portuguese

ਪੰਜਾਬੀ – Punjabi

Español – Spanish

Tagalog – Tagalog

คนไทย – Thai

اردو – Urdu



## Questions?

If you have a question and would like to speak to one of the Ministry of Labour's experts, call the Employment Standards Information Centre at:

**416-326-7160**

Greater Toronto Area

**1-800-531-5551**

Toll-free

**1-866-567-8893**

TTY for hearing impaired

Information is available in multiple languages.