

### **Fourth Quarter Prescribed Interest Rates Set**

The prescribed rate for taxable benefits to employees and shareholders from interest-free and low-interest loans is 2% from October 1, 2018 to December 31, 2018. The rate is unchanged from the previous quarter.

The interest rate for unpaid source deductions, overdue taxes and insufficient instalments is 6% for the third quarter.

We have updated Tables 7.4, Prescribed Interest Rates on Loans, and 8.4, Prescribed Interest Rates on Loans, to include the fourth quarter loan benefit rate.

### **2019 Maximum Assessable/Insurable Earnings**

The following workers' compensation bodies have announced their maximum assessable/insurable earnings for 2019:

British Columbia	\$84,800 (2018: \$82,700)
Manitoba	\$127,000 (2018: \$127,000)
New Brunswick	\$64,800 (2018: \$63,600)
Nova Scotia	\$60,900 (2018: \$59,800)
Ontario:	\$92,600 (2018: \$90,300)
Quebec:	\$76,500* (2018: \$74,000)

\*Proposed

### **Reminder: Minimum Wage Increasing in Three Provinces**

Just a reminder... Three Canadian jurisdictions raised their minimum wage rates on October 1, 2018 to the following amounts:

Alberta	\$15.00/hour <sup>1</sup>
Manitoba	\$11.35/hour
Saskatchewan	\$11.06/hour

<sup>1</sup>The rate for specified salespersons is \$598/week. The rate for domestic employees who live in their employer's residence is \$2,848/month.

## Nova Scotia's New Labour Standards Rules for Leaves in Effect

Effective October 11, 2018, the Nova Scotia government implemented labour standards changes affecting pregnancy, parental, and critical illness leaves.

The changes relate to amendments contained in Bill 29, the *Labour Standards Code (amended)*, which received royal assent on October 11, 2018. Among the amendments included in the bill:

- The length of pregnancy leave is reduced from 17 weeks to 16 weeks.
- The length of parental leave is increased from 52 weeks to 77 weeks.
- Eligibility for leave for a critically ill or injured child is broadened to include family members other than the child's parents.
- A new 16-week unpaid leave is available to employees with at least three months of service who need to take time off work to care for a critically ill adult family member.

Labour and Advanced Education Minister Labi Kousoulis said the government made the amendments in order to align the *Labour Standards Code* with recent federal changes to Employment Insurance (EI) rules. The EI changes, implemented last year, included reducing the waiting period for benefits from two weeks to one week and allowing parents to choose between receiving EI parental benefits for up to 35 weeks, paid at a rate of 55% of insurable earnings (to a maximum amount) or for up to 61 weeks, paid at a rate of 33%. Other changes include allowing family members beyond a child's parents to claim EI benefits for caring for a critically ill child and creating a 15-week benefit for individuals caring for a critically ill adult family member.

## Payroll Q & A

**Question:** The company I work for recently hired several new employees. All but one of them has provided me with their social insurance number (SIN). He has told me he will give it to me, but he keeps forgetting. What should I do?

**Answer:** Inform the employee that he is required by law to provide the SIN to the employer. In order to be employed in Canada, an individual must have a valid social insurance number. Employees can provide their employer with the SIN by showing the employer their SIN card, their SIN confirmation letter from Service Canada, or another document that shows the SIN. If an employee does not have a SIN, the employer must instruct the employee to go to a Service Canada office to apply for one. Employers must request an employee's SIN within three days of the employee beginning work. Employers who are unable to obtain an employee's SIN should contact Service Canada within six days of the individual beginning work.

If an employee does not provide a SIN, the employer must be able to show that it made a reasonable effort to obtain the number (e.g., keep copies of written requests for the SIN). Employers who do not make a reasonable effort to get a SIN may be fined \$100 for each time they fail to obtain a SIN. Employees who fail to provide their SIN may also be penalized \$100 for each time they fail to provide it. Even if an employee refuses to provide his or her SIN, employers must still make the required source deductions.