

## **Second Quarter Prescribed Interest Rates Set**

The prescribed rate for taxable benefits to employees and shareholders from interest-free and low-interest loans is 5% from April 1, 2023 to June 30, 2023. The rate is one percentage point higher than it was in the previous quarter.

The interest rate for unpaid source deductions, overdue taxes and insufficient instalments is 9% for the second quarter.

## **CLC Amendments Raising Minimum Age in Force June 12**

Amendments to the *Canada Labour Code* that raise the minimum age of employment from 17 years to 18 years will come into force on June 12, 2023, the federal government has announced.

The amendments were included in the *Budget Implementation Act, 2018, No. 2* (Bill C-86), which received royal assent on December 13, 2018. Related amendments to the Canada Labour Standards Regulations will also take effect on June 12, 2023.

The amended regulations, published in the March 29, 2023 *Canada Gazette Part II* (Vol. 157, No. 7), stipulate that an employer may only employ someone under 18 years of age in a federal work, undertaking or business if the work is not listed as a hazardous occupation, is not likely to be injurious to the person's health or safety and the individual is not required to be in school.

In addition, the regulatory amendments do not allow a person under 18 years of age to work between 11:00 p.m. and 6:00 a.m. The amendments also require employers to keep records of the age of employees who are under 18 years old.

## **Federal Government Releases Report on Gig Worker Consultations**

In March, the federal government released a report on consultations it held on workplace protections for gig workers in federally regulated workplaces.

The report, called *What We Heard Report on Developing Greater Labour Protections for Gig Workers*, summarizes consultations that officials with the federal Labour Program held with stakeholders, including employers, gig workers, labour groups, and academics in 2021 and 2022.

During the consultations, stakeholders discussed the opportunities of gig work, such as flexibility and freedom from traditional ways of working, as well as the challenges, including job misclassification, low pay, risk of being paid late or not at all, and unpredictable schedules and earnings.

The consultations also considered extending labour protections for gig workers, with some stakeholders suggesting new definitions and more clarify be added to the *Canada Labour Code* to better classify workers. Employers generally argued against extending the Code's protections

to gig workers.

The report also focused on discussions during the consultations about ways to ensure more transparency and fairness in the gig economy and how to improve the quality of information for better policy-making.

In response to the report, the government said it would take the results of the consultations into account as it plans to move forward with improvements to labour protections for gig workers.

We will continue to follow this story and will report on further developments in upcoming releases.

### **Reminder: Upcoming Statutory Holidays**

Just a reminder... The following dates are statutory holidays:

- Fri., Apr. 7: All jurisdictions—Good Friday (In Quebec, employers may choose to observe the holiday on Good Friday or Easter Monday.)
- Mon., May 22: Alberta; British Columbia; Manitoba; Northwest Territories; Nunavut; Ontario; Quebec; Saskatchewan; Yukon; and under the *Canada Labour Code*—Victoria Day (National Patriots Day in Quebec) (In New Brunswick, the day is a holiday under the *Days of Rest Act*)
- Wed., Jun. 21: Northwest Territories and Yukon—National Indigenous People's Day (N.W.T.)/National Aboriginal Day (Yukon)
- Sat., Jun. 24: Quebec—National Holiday
- Sat., Jul. 1: All jurisdictions—Canada Day (Memorial Day in Newfoundland and Labrador)
- Sun., Jul. 9: Nunavut—Nunavut Day

### **Reminder: Minimum Wage Rates Rising on Apr. 1**

Just a reminder... Minimum wage rates went up in a number of Canadian jurisdictions on April 1, 2023:

- *Canada Labour Code*: \$16.65/hour (previously: \$15.55)
- Manitoba: \$14.15/hour (previously \$13.50)
- New Brunswick: \$14.75/hour (previously \$13.75)
- Newfoundland and Labrador: \$14.50/hour (previously \$13.70)
- Nova Scotia: \$14.50/hour (previously \$13.60)
- Yukon: \$16.77/hour (previously \$15.70)

### **Alberta Government Releases Minimum Wage Report**

In March, the Alberta government made public a minimum wage report that its authors submitted more than three years ago.

While the report recommended several changes to the province's minimum wage structure, Minister of Jobs, Economy and Northern Development Brian Jean said the government was not planning to make any adjustments.

In August 2019, the government of former premier Jason Kenney appointed an expert panel to review a previous government's minimum wage increases and its elimination of a separate minimum wage rate for liquor servers. The panel submitted its final report in February 2020, but the government did not release it until mid-March this year.

In its report, the panel recommended that the government re-introduce a separate minimum wage rate for liquor servers, return to indexing the minimum wage to the consumer price index or to changes in Alberta's average annual weekly earnings, and consider expanding the student minimum wage rate or implementing a training or entry-level minimum wage rate.

"My biggest takeaway from the panel report is that making large, unexpected changes to minimum wages can actually hurt employment. These changes require significant consultation and deliberation," Jean said in a statement.

"Maintaining the current minimum wage gives employees and employers predictability and stability during a time of economic growth and labour shortages," he added.

For more information on the report, see <https://open.alberta.ca/dataset/279d997f-f573-4e47-bea4-daffbc87af9f/resource/1bfa9f7a-b0f1-4e79-94a6-18d37009f8c2/download/jend-report-of-minimum-wage-expert-panel.pdf>.

### **B.C. Minimum Wage Rates Going up June 1**

Effective June 1, 2023, the provincial government will raise the general minimum wage rate from \$15.65 an hour to \$16.75, Labour Minister Harry Bains recently announced.

The rate increase is tied to the province's average annual inflation rate.

Other minimum wage rates will also rise on June 1, 2023:

- The rate for live-in camp leaders will increase from \$125.06 for each day or partial day worked to \$133.69.
- The rate for live-in home support workers will rise from \$116.68 for each day or partial day worked to \$124.73.
- The rate paid to resident caretakers working in apartment buildings with nine to 60 suites will rise from \$937.82 per month plus \$37.58 per suite to \$1,002.53 per month plus \$40.17 per suite.
- The rate paid to resident caretakers working in apartment buildings with more than 60 suites will go up from \$3,194.43 per month to \$3,414.85.

The minimum piece rates for farm workers who hand-harvest certain crops will rise to the following amounts on January 1, 2024:

- apples: \$23.14/bin (currently \$21.65)

- apricots: \$26.63/1/2 bin (currently \$24.91)
- beans: \$0.317/pound (currently \$0.297)
- blueberries: \$0.537/pound (currently \$0.502)
- Brussels sprouts: \$0.221/pound (currently \$0.207)
- cherries: \$0.305/pound (currently \$0.285)
- daffodils: \$0.186/bunch (10 stems) (currently \$0.174)
- grapes: \$24.60/1/2 bin (currently \$23.01)
- mushrooms: \$0.319/pound (currently \$0.298)
- peaches: \$24.60/1/2 bin (currently \$23.01)
- pears: \$26.06/bin (currently \$24.38)
- peas: \$0.396/pound (currently \$0.370)
- prune plums: \$26.06/1/2 bin (currently \$24.38)
- raspberries: \$0.483/pound (currently \$0.452)
- strawberries: \$0.466/pound (currently \$0.436)

*\* Note: Piece rates for hand-harvested crops include 4% vacation pay, with the exception of daffodils, which require vacation pay to be paid on top of the piece rate.*

### **Manitoba Minimum Wage Rising Oct. 1**

The province's minimum wage rate will rise from \$14.15 an hour to \$15.30 on October 1, 2023, Labour and Immigration Minister Jon Reyes recently announced.

### **Ontario Bill Proposes ESA Amendments affecting Mass Terminations and Reservist Leave**

Proposed amendments to Ontario's *Employment Standards Act, 2000* would require employers to include employees who only work from home in their headcount for the Act's mass termination provisions.

The change would entitle remote workers to the same eight weeks' minimum notice of termination or pay in lieu of notice as employees who work in house at the employer's place of business when the employer terminates the employment of 50 or more employees at their establishment in the same four-week period.

The proposals were included in Bill 79, the *Working for Workers Act, 2023*, which passed first reading in the provincial legislature on March 20, 2023. For mass terminations, the amendments would modify the phrase "location at which the employer carries on business" in the definition of "establishment" to include an employee's private residence if the employee works there and does not work at any other location where the employer carries on business.

The amendments would also require employers to provide the Act's required mass termination information in a form approved by the director of Employment Standards to affected employees who work from home on the first day of the notice period.

The bill also proposes amendments to the reservist leave provisions in the Act, including the following changes:

- The leave would be extended to employees who are in treatment, recovery or rehabilitation for a physical or mental health illness, injury or medical emergency related to their participation in a Canadian Forces operation or skills training activity.
- The eligibility period for taking the leave would be reduced from three consecutive months to two consecutive months for employees taking leave for a deployment outside Canada, for military skills training, for the proposed leave for treatment, recovery, or rehabilitation, or for other prescribed circumstances. There would be no eligibility period for reservists deployed to emergency operations inside Canada.

In a news release announcing the proposals, the government also said it would amend regulations under the *Employment Standards Act, 2000* to require employers to provide employees with information about their job, such as pay, work location and hours of work, and the date by which that information would have to be provided (e.g., before their first shift).

If passed, the amendments affecting mass terminations would come into force on July 1, 2023 or the date the bill received royal assent, whichever is later. The reservist leave amendments would take effect on the date the bill received royal assent.

The bill also proposed amendments to the Act affecting licensing applications for temporary help agencies. In addition, the bill would make employment-related changes to several other acts, including imposing significant fines under the *Employment Protection for Foreign Nationals Act, 2009* for corporations or individuals convicted of illegally taking and keeping a foreign national's passport or work permit.

### **Ontario Minimum Wage Rising Oct. 1**

On October 1, 2023, the general minimum wage rate in Ontario will rise from \$15.50 per hour to \$ 16.55, the province's Ministry of Labour recently announced.

Other minimum wage rates will also go up at that time:

- Homeworkers (110% of general rate): \$ 18.20 per hour (currently \$17.05)
- Students under 18 working fewer than 28 hours per week (or more than 28 hours during school vacation): \$ 15.60 per hour (currently \$14.60)
- Hunting/fishing/wilderness guides
  - working for fewer than five consecutive hours a day: \$ 82.85 (currently \$77.60)
  - working five or more hours, whether or not consecutive: \$ 165.75 (currently \$155.25)

The increases are tied to changes in the Ontario Consumer Price Index.

### **Quebec Bill Proposes Changes to Child Employment Rules**

In March, the Quebec government tabled legislation that would put more restrictions on employment of children under the age of 14 years.

Bill 19, *An Act respecting the regulation of work by children*, passed first reading in the National

Assembly on March 28, 2023. The bill would amend the *Act respecting labour standards* and the Regulation respecting labour standards to prohibit employers from employing children under age 14, except in the following jobs:

- a creator or performer in a field of artistic endeavour;
- a person who delivers newspapers or other publications;
- a babysitter;
- a tutor or a person who provides help with homework;
- an employee of a family business with fewer than 10 employees if the child is a child of the employer or the employer's spouse or a child of the director (for a corporation) or partner (for a partnership), or the director's or partner's spouse;
- an employee working for a non-profit organization with a social or community purpose, such as a vacation camp or recreational organization; and
- an employee of a non-profit sports organization who helps another person or provides support, such as an assistant instructor, assistant coach or a scorekeeper.

For the exceptions for family businesses and non-profit social, community and sports organizations, the child employees would have to be supervised at all times by someone 18 years of age or older.

Before employing children in these jobs, employers would have to complete a Commission des normes, de l'équité, de la santé et de la sécurité du travail form that specified the child's main tasks, maximum number of hours of work and periods of availability. The child's parents or guardian (referred to as a "tutor" in the legislation) would have to sign the form to provide their consent for employment. If there were any changes to the information provided on the form, the employer would have to complete an updated form and obtain new written consent from the parents or the guardian. Employers would have to keep the consent form on file for at least three years.

The amendments would also prohibit children who are required to attend school from working more than 17 hours a week or more than 10 hours from Monday to Friday. An exception would apply to periods of more than seven consecutive days where school is not open. This amendment would come into force on September 1, 2023.

The maximum fine for contravening the child employment provisions in the *Act respecting labour standards* would increase from \$1,200 to \$6,000 for a first offence and from \$6,000 to \$12,000 for a subsequent conviction.

The amendments putting restrictions on employment for children under age 14 would come into force on the date that the bill receives royal assent. No later than 30 days after that date, employers who employ children under 14 would have to give them written notice of termination. The minimum notice would be one week for children with three months to less than one year of uninterrupted service, two weeks for one year to less than two years of uninterrupted service, and three weeks if the child has two or more years of uninterrupted service.

The employer could have the child work during the notice period or provide a compensatory indemnity (pay in lieu of notice) equal to the child's regular wages, excluding overtime pay, for

the notice period. For commission-based employees, pay in lieu of notice would be the child's weekly wage calculated over complete pay periods in the three months prior to the termination. The employer must pay the indemnity when it terminates the child's employment.

### **Reminder: Quebec Minimum Wage Rising May 1**

Just a reminder... The province's general minimum wage rate will rise from \$14.25 an hour to \$15.25 on May 1, 2023.

Other minimum wage rates in Quebec will also go up on May 1, 2023:

- Employees who receive tips: \$12.20/hour (currently \$11.40)
- Raspberry pickers: \$4.53/kilogram (currently \$4.23)
- Strawberry pickers: \$1.21/kilogram (currently \$1.13)

### **Newfoundland and Labrador Government Consulting before Drafting Pay Equity and Pay Transparency Regulations**

The Newfoundland and Labrador government is holding consultations on drafting regulations for its new *Pay Equity and Pay Transparency Act*.

The Act (Bill 3), which received royal assent last November, requires public-sector employers with at least 10 employees to establish and maintain pay equity in their workplace. The public-sector pay equity requirements came into force on April 1, 2023. The government has said it would consult with private-sector employers on implementing pay equity in the private sector.

The Act also includes new pay transparency requirements for both public- and private-sector employers. The government has not yet announced a date for implementing the new rules. Once they are in force, the new rules will prohibit employers from requesting pay history information from job applicants, require employers who publicly advertise a job to include information about the expected pay or pay range in the job posting, and mandate certain employers to prepare and post pay transparency reports. They will also prohibit employers from punishing employees or applicants for discussing pay or the employer's pay policies.

In March, the Office of Women and Gender Equality, the Department of Environment and Climate Change, and the Treasury Board Secretariat asked for public input on the following issues for drafting regulations under the Act:

- preparing pay equity reports in the public sector;
- prescribing the time period in which public-sector employers must submit pay equity reports;
- prescribing the employers or classes of employers who must prepare pay transparency reports;
- prescribing what information employers should collect for pay transparency reporting purposes;
- prescribing the information employers must include in a pay transparency report; and
- prescribing on what capacity employers have to report on pay transparency and how that

may affect time lines for reporting.

The deadline for submitting input is April 23, 2023. The government said the regulations would be finalized and made public by the end of the year.

We will continue to monitor this story and will report on further developments in upcoming releases.

## **Provincial/Territorial Budget Round-up**

**Alberta:** Feb. 28/23. No new payroll-related changes proposed.

**British Columbia:** Feb. 28/23. No payroll-related changes proposed.

**Manitoba:** Mar. 7/23. The budget proposed the following changes:

**1. Basic Personal Amount Rising:** The basic personal amount would increase from \$10,855 to \$15,000, effective for the 2023 tax year.

**2. Changes to Personal Income Tax Brackets:** The province's personal income tax income bracket thresholds would increase, beginning January 1, 2024, as follows:

- The upper limit of the tax bracket for the 10.80% tax rate would rise from \$36,842 to \$47,000.
- The tax bracket for the 12.75% tax rate would rise from \$36,842.01 - \$79,625 to \$47,000.01 - \$100,000.
- The tax bracket for the 17.40% tax rate would rise from \$79,625.01 and over to \$100,000.01 and over

**3. Payroll Tax Thresholds Rising:** The thresholds that apply to the province's Health and Post-Secondary Education Tax Levy would increase next year. The tax applies to employers who have a permanent establishment in the province.

Beginning January 1, 2024, the threshold for registering for the levy would rise from \$2 million of annual remuneration to \$2.25 million. The thresholds that determine which tax rate employers pay would also go up.

Beginning January 1, 2024, employers with an annual payroll between \$2.25 million and \$4.5 million would pay the tax at a rate of 4.3% of accumulated payroll exceeding \$2.25 million. Currently, this rate applies to employers with an annual payroll between \$2 million and \$4 million. Employers with an annual payroll of more than \$4.5 million would pay the tax at a rate of 2.15% of monthly payroll. Currently, the 2.15% rate applies to employers whose annual payroll is more than \$4 million.

The government also proposed reducing the tax rates for the levy next year if the province's fiscal performance is better than expected. The tax rates would be reduced from 4.3% to 4% on



payroll between \$2.25-million and \$4.5-million and from 2.15% to 2% on total payroll if payroll exceeds \$4.5-million. Any changes would be announced before January 1, 2024.

For more information on the budget, see <https://www.manitoba.ca/budget2023/index.html>.

**New Brunswick:** Mar. 21/23. No new payroll-related changes proposed.

**Newfoundland and Labrador:** Mar. 23/23. The budget proposes to increase the threshold for determining which employers must pay the province's Health and Post-secondary Education Tax from \$1.3 million to \$2 million, effective January 1, 2023. The tax rate would remain 2% on annual payroll exceeding the threshold.

**Northwest Territories:** Feb. 8/23. No payroll-related changes proposed.

**Nova Scotia:** Mar. 23/23. No payroll-related changes proposed.

**Nunavut:** Feb. 23/23. No payroll-related changes proposed.

**Ontario:** Mar. 23/23. No payroll-related tax changes proposed. The budget did include the following FYI items:

- The government reiterated its intention to eliminate a requirement in the *Employment Standards Act, 2000* for employers to pay employees for up to three days of COVID-19 leave as of March 31, 2023.
- The government plans to review the province's tax system, focusing on competitiveness and long-term growth, fairness and effectiveness of tax relief and supports, and modernizing administration tools.
- The budget proposes to provide \$224 million through its Skills Development Fund in 2023–24 to develop and expand training centres to train more workers for careers in the skilled trades and other in-demand jobs.

**Quebec:** Mar. 21/23. The budget proposed the following changes:

**1. Personal Income Tax Rates Going Down:** The tax rates for the first two taxable income brackets would go down, effective for the 2023 tax year. The rate for the first income bracket would go down from 15% to 14%. The rate for the second income bracket would decrease from 20% to 19%.

Revenu Québec will publish updated source deduction tables and formulas for Quebec income tax that will apply as of July 1, 2023 to incorporate the tax rate reductions and their mid-year implementation.

The rate changes would also affect tax rates for lump-sum payments (e.g., retiring allowances, certain payments from a pension plan or deferred profit sharing plan, etc.). The rate for single

payments that do not exceed \$5,000 would decrease from 15% to 14%, while the tax rate for lump-sum payments that are more than \$5,000 would be reduced from 20% to 19%.

With a change in the lowest tax rate, the conversion rate used to calculate certain personal tax credits claimed on a *Source Deductions Return* (TP-1015.3-V) would decrease from 15% to 14%.

The rate change would also affect the amount of income tax deducted at source from a self-employed fisher's remuneration. Deductions at source would be equal to 14% of the fisher's remuneration instead of 15%.

The changes to the rates would apply to wages and other amounts paid after June 30, 2023.

**2. Tax Rate for Bonuses and Retroactive Increases Going Down:** The tax rate employers use to calculate income tax deductions on a bonus or a retroactive pay increase for employees whose estimated annual pay, including the bonus or retroactive increase, does not exceed an annual threshold (\$17,183 for 2023) would be reduced from 8% to 7%. The change would apply to amounts paid after June 30, 2023.

**3. Maximum Amount for Certain Tax Credits Increasing:** The maximum amount that employees may claim on a *Source Deductions Return* (TP-1015.3-V) for certain personal income tax credits in 2023 would increase to ensure that the amount that they can claim is not reduced because the conversion rate for tax credits is decreasing from 15% to 14%. For example, the maximum amount for a child under 18 enrolled in vocational training or post-secondary studies (per term) would increase from \$3,301 to \$3,537 to ensure the maximum tax reduction remained \$495. The amount for other dependants would increase from \$4,810 to \$5,154 to retain a maximum tax reduction of \$722. Beginning in 2024, the tax credit amounts would again be annually indexed.

**4. Changes proposed to Tax Credits for Volunteer Firefighters and Search and Rescue Volunteers:** The amount used to calculate tax credits for volunteer firefighters and search and rescue volunteers would increase from \$3,000 to \$5,000, effective for the 2023 tax year. Beginning in 2024, the amount would be indexed. With the government proposing to reduce the tax rate for the first taxable income bracket from 15% to 14%, the rate used to determine the tax credits for volunteer firefighters and search and rescue volunteers would also decrease from 15% to 14%.

**5. Changes to QPP Contributions for Older Workers:** The budget proposes to make Quebec Pension Plan (QPP) contributions optional for workers aged 65 years and older who are receiving a QPP or Canada Pension Plan (CPP) pension and to eliminate contributions for workers over 72 years old. The changes would take effect in 2024.

i) Optional QPP Contributions for Older Workers

Beginning January 1, 2024, employees who are at least 65 years old and receiving a CPP or QPP retirement pension may opt to stop paying QPP contributions. A similar option exists under the

CPP for workers who are at least 65 but under 70 and receiving a CPP or QPP retirement pension.

To make an election to opt out of QPP contributions, employees would have to complete a form (to be provided by Revenu Québec) and submit it to their employer. Employers would have to file the form with Revenu Québec if requested. If an employee submitted the form to opt out, the election would take effect on the first day of the month after the date the employee gave the form to the employer. Employers would stop deducting QPP contributions (and making employer QPP contributions) as of the first pay of the month following the month in which the employee submitted the form. An election to stop contributing to the QPP would remain in effect until the day the employee revokes it or until December 31 of the year in which the employee turns 72. Employees who change jobs would have to make a new election with their new employer.

Employees would be permitted to revoke the election and restart QPP contributions. If they chose to revoke the election, QPP deductions would begin on the first day of the month following the month they revoked the election. The revocation would remain in effect until the date the employee filed a new election to stop contributing to the QPP.

Employees would only be allowed to make an election once a year. Although they would be allowed to revoke an election, they could not do it in the same year they made the election.

#### ii) Elimination of QPP Contributions for Workers over 72

Beginning January 1, 2024, employees over 72 years of age would no longer be required to make QPP contributions. As a result, all wages and earnings paid to workers as of January 1 in the year they turn 73 would not be subject to QPP contributions.

#### iii) Other QPP Proposals

The budget proposes amendments to the *Act respecting the Québec Pension Plan* to ensure that if older workers opt to work part-time and subsequently have a lower income at the end of their career, their years of low earnings as of age 65 do not reduce the average earnings used to calculate their QPP retirement pension.

Other amendments would increase the maximum retirement pension eligibility age from 70 years to 72 years, beginning January 1, 2024.

**6. Revenu Québec Developing Electronic Payroll Service:** Budget documents state that Revenu Québec is developing an electronic payroll service that will allow employers to transmit digital data directly from their payroll systems to Revenu Québec each pay period. The initiative would reduce the administrative burden on employers by replacing the numerous statements and forms that employers are currently required to produce (e.g., RL-1s, RL-2, etc.). Revenu Québec plans to hold consultations on the project with its stakeholders.

## 7. FYI

- **HSF Contribution Holiday for Large Investment Projects:** The budget proposes a new 10-year holiday from employer contributions to the Health Services Fund (HSF) for qualifying corporations or partnerships that carry out large investment projects in Quebec. It would replace the tax holiday for large investment projects announced in the province's 2012 budget.
- **Tax Fairness and Fraud Prevention:** The budget proposes to provide \$116.9 million over five years to better ensure tax fairness, upgrade service delivery at Revenu Québec and prevent tax fraud.
- **Expanded Mandate for Retraite Québec:** The budget proposes to expand the mandate of Retraite Québec to include research into the financial situation of retirees and the retirement system in general.

More information on these proposals can be found on the Ministry of Finance's website at [http://www.finances.gouv.qc.ca/Budget\\_and\\_update/budget/index.asp#documents](http://www.finances.gouv.qc.ca/Budget_and_update/budget/index.asp#documents).

**Saskatchewan:** Mar. 22/23: No payroll-related tax changes proposed.

**Yukon:** Mar. 2/23: No payroll-related tax changes proposed. The government did announce that it would continue to fund a paid sick leave rebate program to ensure that employees and self-employed workers can afford to stay home from work when ill and that paying for sick leave does not cost employers more as they recover from the COVID-19 pandemic. It was scheduled to expire on March 31, 2023. For more information on the program, see <https://yukon.ca/en/paid-sick-leave-rebate-employers#about-the-program>.

## Payroll Q & A

**Question:** We are changing our pay period type from biweekly to semi-monthly. Do we have to issue *Records of Employment* (ROEs) to employees for this even if they have not had an interruption of earnings or can we wait until there is an interruption of earnings?

**Answer:** If an employer changes its pay period type, it must issue ROEs for all employees for the employment period up to the change in pay period type even if they do not have an interruption of earnings. Service Canada requires that ROEs only cover one pay period type (e.g., weekly, bi-weekly, semi-monthly, monthly, etc.). If an employee has an interruption of earnings at a later time, the employer must issue another ROE covering the period from the pay period change to the interruption of earnings. In block 10, the employer would report the date of the first day after the pay period change.