

Changes to the Ontario Employment Standards Act come into effect June 21, 2024

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As discussed in our [March 21, 2024](#) briefing note, Ontario's [Bill 149](#), *Working for Workers Four Act, 2023* amends the *Employment Standards Act, 2000* ("ESA") and the *Workplace Safety and Insurance Act, 1997*.

We remind readers that **on June 21, 2024**, the following amendments to the ESA take effect:

- If an employer has a policy in place with respect to the employer or a director or a shareholder sharing in tips, the employer must post this policy in the workplace. This policy must be retained for three years after it ceases to be in effect.
- An employer who pays an employee their tips by direct deposit must allow the employee to select into which account they want this money deposited and that account must be in the employee's name.
- An employer who pays an employee their tips by cash or cheque must ensure the cash or cheque is given to the employee at their workplace or some other place agreeable to the employee.
- A change in the language of the vacation pay provisions to clarify that a *written* agreement is required if an employer pays vacation pay in any way other than a lump sum. For example, many employers pay out vacation pay as a percentage on each pay cheque. This practice requires a written agreement with the employee.

Employers should review their existing practices and policies to ensure they remain compliant with the new legislative requirements.

To learn more and for assistance, contact your Sherrard Kuzz lawyer or info@sherrardkuzz.com.

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