

## Changes to Canada Labour Code Rules for Individual Terminations

Amendments to the [Canada Labour Code](#) (“CLC”) rules regarding individual terminations came into effect on February 1, 2024. These changes only impact federally regulated employers.

Federally regulated employers are now required to:

- Provide increased statutory notice to employees who are dismissed without just cause, and
- Provide a termination statement to each employee whose employment is terminated.

### The New Statutory Notice of Termination Entitlements

An employee whose employment is terminated without just cause is entitled to the following notice of termination, or pay in *lieu* thereof:<sup>1</sup>

Length of continuous service completed	Statutory notice entitlement
Less than three months	No entitlement
3 months or more	2 weeks
3 years or more	3 weeks
4 years or more	4 weeks
5 years or more	5 weeks
6 years or more	6 weeks
7 years or more	7 weeks
8 years or more	8 weeks

This change does not alter group termination notice entitlements nor does it impact statutory severance pay entitlements. Under the CLC, an employee is entitled to severance pay after they have completed 12 consecutive months of employment.

### New Requirement for Termination Statements

The amendments to the CLC also require a federally regulated employer to provide an employee whose employment is terminated a statement that summarizes the employee’s outstanding entitlements at the time

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<sup>1</sup> CLC at [s. 230\(1.1\)](#).

of termination.<sup>2</sup> This termination statement must set out the employee's outstanding vacation benefits, wages, severance pay, and any other benefit and/or pay arising from the employee's employment.

The CLC sets out the following deadlines for when the termination statement must be provided to the employee:

- When an employee receives working notice, the statement must be given no later than two weeks before the date of termination.
- When an employee receives wages in *lieu* of notice, the statement must be given no later than the date of termination.
- When an employee receives a combination of working notice and wages in *lieu* of notice, the statement must be given no later than two weeks before the date of termination of employment unless the period of notice is shorter, in which case the statement must be given no later than the date that notice of termination is given.

### **Other Recent Changes to the CLC**

The Federal Government has made other recent changes to the CLC, including requirements to:

- Provide up to ten paid days of medical leave per year (effective December 1, 2022)
- Provide reimbursement for reasonable work-related expenses (effective July 9, 2023)
- Provide to each employee certain Ministry of Labour materials and a written statement containing information related to the employee's employment (effective July 9, 2023).

**To learn more and for assistance, contact your Sherrard Kuzz lawyer or [info@sherrardkuzz.com](mailto:info@sherrardkuzz.com).**

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<sup>2</sup> CLC at [s. 230\(2.2\)](#).