

# LEGAL ALERT

## SPRING IS HERE, THE GRASS IS UP AND SO ARE MINIMUM WAGES

Although school is not over for the year, we have been treated to a healthy dose of summer weather and students are already pounding the pavement in search of work. Since N.B., N.S. and P.E.I. will implement minimum wage increases effective April 1, 2012, it is an appropriate time for our annual update on Atlantic Canadian minimum wages.

The minimum wage rate is the lowest rate an employer is permitted to pay an employee. As a result of increases in the minimum wages throughout Atlantic Canada over the last few years, including those to be implemented on April 1, 2012, Atlantic Canada's minimum wage rates now match, and in some instances surpass, the rates in other Canadian provinces.

### **NOVA SCOTIA**

Nova Scotia continues to have a two-tiered minimum wage system for experienced and inexperienced workers. Experienced workers are those with experience in a particular area of work and/or who have been employed by the same employer for more than three calendar months. Effective April 1, 2012, N.S. minimum wage rates will increase to \$10.15/hour for experienced employees and \$9.65/hour for inexperienced.

### **NEW BRUNSWICK**

The final step in New Brunswick's four-stage plan to increase rates to the Atlantic average was to take effect on September 1, 2011. However, in August 2011 the N.B. government postponed this increase to April 1, 2012, when N.B.'s rate will increase by \$.50/hour to \$10. No further increases are currently scheduled. Furthermore, N.B. will continue to have one minimum wage rate; in February 2012, the N.B. government finally rejected a two-tiered minimum wage rate to implement a "tip differential wage".

### **PRINCE EDWARD ISLAND**

The last of a scheduled three-phase increase to P.E.I. minimum wages takes effect on April 1, 2012, bringing the rate to \$10/hour, and into line with that of the other Atlantic Provinces.

### **NEWFOUNDLAND & LABRADOR**

The minimum wage remains at \$10/hour in Newfoundland & Labrador. No further increases are currently scheduled. However, provincial legislation requires a review of the minimum wage every two years from the most recent increase. Since the last increase was effective July 1, 2010, the Newfoundland and Labrador Labour Standards Division has confirmed it expects a review soon.

### **WRAP UP**

It is important that employers are aware there are variations among provinces respecting the minimum wage rates themselves and, in some cases, the minimum wage rates applicable to different categories of workers. Employers should also note that most provinces establish a ceiling on the number of weekly hours for which employers are permitted to pay employees the minimum overtime rate, after which "overtime" may apply, and furthermore that this ceiling varies between provinces. Employers that fail to

comply with the applicable minimum wage rate legislation may face an employee complaint to the governing employment standards body.

McInnes Cooper is pleased to assist you with your workplace questions. Please contact any of our offices for further information.

McInnes Cooper offers labour and employment law services in French. We invite you to communicate with one of our bilingual lawyers\* to obtain further information on the content of this newsletter in French, or for any other question arising in your workplace.

McInnes Cooper est fier de vous offrir en français ses services en droit de l'emploi et du travail. Nous vous invitons à communiquer avec un(e) de nos avocat(e)s bilingues\* pour obtenir plus d'information au sujet du contenu de ce communiqué, ou pour toute autre question relative à votre milieu de travail.

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