

Canada's anti-strike-breaker legislation

July 09, 2025

On Nov. 9, 2023, the Honourable Seamus O'Regan, newly appointed Minister of Labour and Seniors (the "Minister"), tabled <u>Bill C-58 - An Act to amend the Canada Labour</u> <u>Code and the Canada Industrial Relations Board Regulations, 2012</u>.

The bill, which received royal assent on Thursday, June 20, 2024, sets out strong measures to limit the use of replacement workers (or strike-breakers) by federally regulated employers.

Provisions in force since June 20, 2025

As discussed in an <u>earlier BLG Insight on this topic</u>, the final legislation that was adopted is quite similar to the initial bill aside from key amendments, including the scheduled coming-into-force date.

As a result, the provisions governing the use of replacement workers came into force on **June 20, 2025**.

As a reminder, the bill, which aimed to create a set of rules around the use of replacement workers during a labour conflict, removed the requirement to demonstrate intent to undermine a union's representational capacity before being able to prohibit the use of replacement workers during a legal strike or lockout.

Other key facts to remember

One of the key points in the legislation as adopted is a broad definition of "replacement worker," which now means:

a) any employee or any person who performs management functions or who is employed in a confidential capacity in matters related to industrial relations, if that employee or person is hired after the day on which notice to bargain collectively is given;

b) any contractor, other than a dependent contractor, or any employee of another employer;



c) any employee whose normal workplace is a workplace other than that at which the strike or lockout is taking place or who was transferred to the workplace at which the strike or lockout is taking place after the day on which notice to bargain collectively is given;

d) any volunteer, student or member of the public.

Points (c) and (d), which were not part of the initial bill, show our lawmakers' clear intent to strengthen employee protection against strike breakers.

Another element of note is the exception allowing the employer to use replacement workers when their services are needed to deal with:

a) a threat to the life, health or safety of any person;

b) a threat of destruction of, or serious damage to, the employer's property or premises; or

c) a threat of serious environmental damage affecting the employer's property or premises.

However, to qualify for such exceptions, the **employer must first give the employees in the bargaining unit that is on strike or locked out the opportunity to perform the necessary work**, thus further limiting the use of replacement workers.

In any event, these exceptions may only be used for conservation purposes and not for continuing the supply of services, operation of facilities, or production of goods.

Another new provision states that at the end of a strike or lockout, the employer must reinstate employees in the bargaining unit who were on strike or locked out, in preference to any other person (not just in preference to the replacement workers, as initially provided for in the bill).

Lastly, most of the provisions regarding questions or referrals to the Canada Industrial Relations Board in connection with an agreement to continue operations remain **unchanged from the June 2024 version**. As a reminder, the Board's time limit to provide a decision or issue an order is shorter than it was previously (82 days instead of 90).

Key takeaways

While the adopted legislation broadens the initial bill in some respects, its coming into force creates, above all, a changed regime for employers involved in labour conflicts. It **appears that the federal government has taken a significant step in joining Québec and** British Columbia in setting strict and detailed anti-strike-breaking laws.

As of June 20, an employer found in violation could face fines of up to \$100,000 "for each day during which the offence is committed or continued."



Further, the new rules apply to any labour conflict under way on June 20, 2025, even if it began before that. Thus, affected employers may have to stop using replacement workers, even in the middle of a labour conflict.

The new law will require adjustments, on both a short- and long-term horizon, in labour conflict management in the federal private sector.

Contact us

For assistance with understanding your obligations as a federally regulated employer, or for any other questions, contact <u>BLG's Labour and Employment group</u>. We are constantly monitoring labour relations trends, both at the provincial and federal level.

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