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PRINCE EDWARD ISLAND REFOMS EMPLOYMENT STANDARDS

By: Theo Anne Opie, LL.B. © CCH Canadian Limited.

On November 18, 2009, Carolyn Bertram, Minister of Labour, tabled amendments to the *Employment Standards Act* and Regulations in the P.E.I. Legislature. It has been more than a decade since the *Employment Standards Act* was last reviewed and since then, technological advances, globalization, increased competition, and changes to family and workforce demographics have resulted in new work arrangements and different requirements for employers and employees.

The establishment of the review committee was reported in the December 2005 issue of *PaySource*, No. 126. At the end of January 2006, the Prince Edward Island government released a consultation paper asking for submissions from the employer and employee communities, community organizations, as well as individual citizens about how the existing legislation can be improved. The consultation paper was summarized in the February 2006 issue of *PaySource*, No. 128. Finally, in March 2007 the report of the Review Panel was made public and summarized in the March 2007 issue of *PaySource*, No. 141.

The amendments to the Act include changes that permit greater flexibility within the legislation for employers and employees to address overtime and vacation pay compensation. The amendments also include changes that provide enhanced benefits or access to existing employment standards as well as the introduction of new standards such as directors' liability and continuity of employment provisions.

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What follows below is an overview of the more significant changes contained in the amending legislation:

- **Minimum Wage:** The amendments require that the three-hour call-in pay must be paid at the employee's regular rate. As well, the amendments specifically provide that tips and gratuities are the property of the employee to whom or for whom they are given and provide restrictions on how an employer may deal with tips, how they may be pooled and how they are to be paid. Finally, the Employment Standards Board will not only be authorized to establish a general minimum wage but will also be able to establish different minimum wage rates for classes of employees.

- **Payment of Wages, Payroll Records and Protection of Pay:** The amendments clarify which modes of payment to an employee are acceptable; require the pay statements given to employees to include the gross amounts of vacation pay and pay in lieu of vacation; authorize the use of electronic pay statements by an employer; require an employer to give an employee at least one pay period of notice before reducing the employee's regular wage rate; authorize pay deductions from an employee's pay regarding group benefit and savings plans that the employee participates in or requests; prevent an employer from withholding or deducting amounts from the pay of an employee for faulty work, damaged property or in cases where a customer didn't pay for a product or service; require an employer to record an employee's overtime hours in the employer's payroll information; and provide for the giving and reimbursement of deposits for uniforms used by employees and dealing with cash shortages during an employee's shift.

- **Vacations and Vacation Pay:** The amendments provide for an additional week of paid vacation after eight continuous years of employment and to receive six per cent vacation pay. The amendments also permit an employee who works less than 90 per cent of the normal working hours during the vacation year to waive his or her entitlement to the vacation with pay and rather only receive the vacation pay he or she is entitled to.

- **Hours of Work and Overtime:** The amendments will permit an employee to bank overtime hours worked by that employee. The overtime hours banked by the employee must be paid by the employer at a rate of 1.5 hours of paid time off for each hour of overtime worked. The employee must be given such paid time off no later than three months after the overtime hours were worked.

- **Maternity and Parental Leave:** The amendments extend the leave to employees who have worked at least 20 weeks in the preceding 52 weeks. The amendments also provide for a five week extension of such leave where the child has a physical, psychological or emotional condition requiring an additional period of parental care.

- **Other Leaves of Absence:** The amendments: grant an employee who has been employed by the same employer for a continuous period of at least ten years, one day of paid sick leave per year in addition to any unpaid leave that the employee is entitled; provides a new definition of family member with respect to compassionate care leave; grants of one day of paid bereavement leave and up to two consecutive days of unpaid bereavement leave, if the deceased person was a member of the immediate family of the employee or up to three consecutive days of unpaid bereavement leave, if the deceased person was a member of the extended family of the employee; and provides for court leave as an additional special leave under the Act. The amendments also add provisions that preclude an employer from dismissing an employee who takes a form of leave to which the employee is entitled under the Act and set out an employee's rights when on leave. One of those relates to the right of an employee on maternity, parental or adoption leave to continue to participate in a benefit plan.

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- **Terminations:** The amendments exempt employers from the requirement to give notice to certain persons, such as those who are employed to perform a definite task for a period not exceeding 12 months, those who are being laid off for a period less than six consecutive days, or those who have been offered reasonable other employment; and require an employer to give an employee a second notice of termination or layoff if the employee continued to work for the employer for a month or more after the end of the notice period applicable to the first notice that was given to the employee. The amendments also continue the current requirement for an employee to give employers one or two weeks' written notice of their intention to terminate their employment.

- Finally, the Bill adds to the Act to provide for the continuity of the employment of employees when the businesses at which they work are sold and for director liability for pay owing from the corporation to an employee up to a maximum amount equivalent to six month's pay.

The amendments are contained in Bill 2, the *Employment Standards Act, 2009* which received second reading November 24, 2009. The progress of the Bill will be noted in future Reports.

Hot News Items

2010 CPP/QPP Contributions Confirmed

In October, Revenu Québec announced the 2010 QPP figures and on November 3, 2009, the Canada Revenue Agency also announced the 2010 CPP figures which were the same as the QPP figures.

The 2010 QPP maximum pensionable earnings figure will be $47,200 – up from $46,300 in 2009. The new ceiling was calculated according to a QPP legislated formula that takes into account the growth in average weekly wages and salaries in Canada.

Contributors who earn more than $47,200 in 2010 are not required or permitted to make additional contributions to the QPP.

The basic exemption amount for 2010 remains $3,500. Therefore, maximum contributory earnings are $43,700. Individuals who earn less than that amount do not need to contribute to the QPP.

The employee and employer contribution rates for 2010 will remain unchanged at 4.95%, and the self-employed contribution rate will remain unchanged at 9.9%.

The maximum employer and employee contribution to the plan for 2010 will be $2,163.15 and the maximum self-employed contribution will be $4,326.30. The maximums in 2009 were $2,118.60 and $4,237.20.

The commentary on the 2010 CPP/QPP contributions as been revised and is located in the "CPP/QPP" section of PAYSOURCE at ¶30,355 *et seq*.

2010 EI Premiums Confirmed

On November 16, 2009, the CRA posted a draft version of its guide T4127-JAN, Payroll Deductions Formulas for Computer Programs – 91st Edition – Effective January 1, 2010. The information contained in the guide is final but according to the note on the CRA Web site, the version posted is in draft form because formatting such as margin sizing, fonts, and spacing are not finalized. The CRA has published the guide in draft to accommodate payroll professionals who need the information now. The guide contains the formulas needed to calculate federal, provincial (except Quebec) and territorial income taxes, CPP and EI deductions effective January 1, 2010.

The T4127-JAN (Draft) sets out the 2010 Employment Insurance premiums that were reported in the October 2009 issue of *PaySource*, No. 172. The 2010 EI premiums were incorporated into the Employment Insurance section of PAYSOURCE at ¶35,410.

Contribution Limits for Deferred Income Plans

The Canada Revenue Agency recently released the amounts for contribution limits to deferred income plans for 2010. The following tables are data on Rates for Money Purchase limits, RRSP limits, YMPE, DPSP limits and Defined Benefits limits used to calculate PA, PSPA and PAR. The amounts for 2009, 2010, and projected for 2011 are set out below.

	2009	*2010*	*2011*
Money Purchase	$22,000	$22,450	$22,450*
RRSP.....	$21,000	$22,000	$22,450
Year's Maximum Pensionable Earnings.....	$46,300	$47,200	
DPSP	$11,000	$11,225	

* Increased by increases in the Average Wage.

2010 WCB Maximum Assessable Earnings

As of this update, we have received confirmation of all 2010 WCB maximum assessable earnings figures except Nova Scotia.

- Alberta* – $77,000;
- British Columbia – $71,200;
- Manitoba – $89,000;
- New Brunswick – $56,300;
- Newfoundland/Labrador – $51,235;
- Ontario – $77,600;
- Prince Edward Island – $47,500;
- Quebec* – $62,500;
- Saskatchewan – $55,000
- N.W.T./Nun. – $75,200
- Yukon – $77,610.

* The Alberta and Quebec rates are now final.

The new maximum assessable earnings figures have been incorporated into PAYSOURCE in the "Workers' Compensation" tab division at ¶80,005.

Need To Know

Nova Scotia Public Emergency Leave Now Law

The July 2009 issue of *PaySource*, No. 169 included a lead article on "Payroll and the H1N1 Influenza Pandemic". Amongst other things, the article provided an overview of the Ontario and Alberta legislation that permits government declared emergency leave and noted that other provinces could pass similar legislation.

Nova Scotia is the first province to follow suit. Bill 40, *An Act to Amend the Labour Standards Code Respecting a Protected Emergency Leave* (now S.N.S. 2009 c. 18) was previously summarized in the October issue of *PaySource*, No. 172. Bill 40 received second reading October 23, 2009, third reading October 30, 2009 and Royal Assent November 5, 2009.

The new provision allow employees to take an unpaid leave during a natural disaster or public health risk in order to attend to their own needs or those of a family member.

Unpaid emergency leaves are available during public emergencies declared under Nova Scotia's *Emergency Management Act*, Canada's *Emergencies Act*, under an order or directive of a medical officer of health pursuant to the *Health Protection Act*, or by government regulation. Under the *Emergency Management Act*, a municipality may declare a state of local emergency, which would qualify as a public emergency.

An employee is entitled to an unpaid leave of absence for as long as the employee cannot perform the duties of the employee's position because of the emergency.

An employee shall give the employer as much notice as is reasonably practicable of the employee's intention to take an emergency leave or, where required to leave before notice can be provided, the employee shall advise the employer of the emergency leave as soon as possible after the leave begins.

Where the employer requests, an employee must provide the employer with evidence (that is reasonable in the circumstances) that the employee is entitled to the leave and such evidence must be provided within a reasonable time subject to the circumstances.

Emergency leave continues for as long as the emergency continues and the emergency prevents the employee from performing the employee's work duties but the entitlement ends on the day the emergency is terminated or the emergency no longer prevents the employee from performing the employee's work duties.

The emergency leave rights and responsibilities of employees and employers under the Bill are similar to those with respect to parental or maternity leaves. At the end of an unpaid emergency leave, an employer must permit an employee to resume employment in his or her former position or where that position is not available, to a comparable position at not less than the same wage and benefits and with no loss of seniority or benefits accrued up to the commencement of the leave. If the employer's operations were suspended or discontinued while the employee was on emergency leave and have not resumed

when the leave ends, the employer must comply with the notice of termination provisions, and when the operations resume, reinstate the employee in accordance with the established seniority system, if any.

Also, as with parental and maternity leaves, where an employee is denied his or her right to an emergency leave of absence or where any of the provisions with respect to return to work, seniority, or benefits is violated, the employee may make a complaint to the Director of Employment Standards. If a violation is found, the Director may require that the employer do any act to comply with the Act, or compensate or rectify any injury. The Director's powers include the power to reinstate the employee and order financial compensation.

The definition of *family member* for the purposes of emergency leave is the same as that with respect to compassionate care leave, which, in relation to the employee, is as follows: spouse or common-law partner, a parent, a spouse or common-law partner of a parent, a child, a child of the spouse or common-law partner, siblings, grandparents, grandchildren, in-laws, aunts, uncles, nieces, nephews, foster parents, wards, guardians or a gravely ill person who considers the employee to be like a family member.

The new leave has been added to the "Personal/Family Responsibility Leaves of Absence" section of PAYSOURCE at ¶6822.

Changes to the CPP Progress

In May 2009, the federal, provincial and territorial Ministers of Finance recommended changes to the Canada Pension Plan as part of the regular reviews of the Plan that they are required to undertake every three years.

The proposed changes were found to be affordable within the current CPP contribution rate of 9.9% on earnings up to average wages and could improve the long-term sustainability of the Plan. Therefore, at this time, an increase to the contribution rate is not expected.

Anyone currently receiving a CPP retirement pension, disability benefits, survivor benefits or combined benefits will not have these benefits affected by the proposed changes. Nor will they apply to anyone who receives their CPP retirement pension or other CPP benefits prior to the proposed changes taking effect, beginning in 2011.

Contribution requirements for some CPP retirement pensioners who work, and their employers, will be affected by the proposed changes.

The changes are included in Part 2 of Bill C-51, *An Act to implement certain provisions of the budget tabled in Parliament on January 27, 2009 and to implement other measures*, which was summarized in *PaySource*, No. 172. Bill C-51 received third reading in the House of Commons and first reading in the Senate November 17, 2009. The progress of the Bill will be noted in future Reports.

Recent Cases and Rulings

Termination of Supervisor Who Destroyed Employer's Trust Justified

• • • **New Brunswick** • • • Backman worked for Maritime Paper for 14 years, first as a structural designer and then as a structural design supervisor. Audits of his computer activity revealed that he was surfing inappropriate and pornographic Web sites for substantial periods of time, contrary to Maritime Paper's electronic mail and Internet use policy. Backman had received prior warnings about not accessing such Web sites, and had been warned that further incidents would result in termination. When he continued to access inappropriate Web sites at work, Backman was terminated. He brought a wrongful dismissal claim. While he acknowledged that he viewed pornography at work, he maintained that his behaviour had been condoned. The trial judge did not accept Backman's contention, and dismissed the wrongful dismissal action. The trial judge's decision was based on his finding that Backman's computer use constituted "illegal sexual harassment" even though it was not pleaded at trial. Backman appealed.

The appeal was dismissed. At no time did Maritime Paper allege that Backman was dismissed for illegal sexual harassment, and it was improper for the trial judge to determine the action on this basis. However, the characterization of Backman's conduct was not determinative of just cause for his termination. The trial judge found that Backman's repeated viewing of Internet pornography was a serious matter, and it was a pattern of behaviour that destroyed the employer's trust in him as a supervisor. In addition, condonation was not available to Backman given the warnings by his employer and the repeated conduct justifying dismissal.

Backman v. Maritime Paper Products Limited, (N.B.C.A.), 2009 CLLC ¶210-045.

Erroneously Laid-Off Employee Failed to Mitigate Damages

• • • **British Columbia** • • • Besse worked for a dental clinic for over 18 years as a full-time receptionist. There was another receptionist, who worked four days each week. Dr. Machner had purchased the clinic and the dental practice in 2007. In October 2007, Besse took a medical leave of absence for a surgery. She was fit to return to work early in January 2008, at which time business in the practice was slow. Besse was asked if she would work part-time hours along with the other receptionist, which she refused to do. Based on an error in his understanding of employment legislation, Dr. Machner laid Besse off for a period of twelve weeks plus six days. After learning that his rights as an employer did not include the right to temporarily lay off an employee, he offered Besse the opportunity to return to her job, with full pay and benefits from the date she was medically fit to return to work, but she did not accept the offer. Besse brought an action for wrongful dismissal.

The action was allowed. The *Employment Standards Act* does not confer on all employers a statutory right to temporarily lay off employees. In this situation, the employment contract did not give the employer the right to impose a temporary layoff. It was irrelevant whether Dr. Machner mistakenly or unintentionally repudiated Besse's contract of employment, as a fundamental breach of the contract occurred. The continued attendance of an employee at the place of work, for pay, is central to the employer–employee relationship. Therefore, Dr. Machner breached an essential term of Besse's contract of employment, and Besse was entitled to treat it as a constructive dismissal. But Besse failed to mitigate her loss by declining to accept Dr. Machner's offer of a return to her previous employment, since Dr. Machner was motivated solely by financial considerations, and he acknowledged his error in imposing the temporary layoff by offering Besse an opportunity to return to work. As a result, her recovery in damages was limited to the time between when she was laid off and when she was offered the opportunity to return to work.

Besse v. Dr. A.S. Machner Inc., (B.C.S.C.), 2009 CLLC ¶210-046.

Agency Hiring Employee Responsible For Termination Payments

• • • **Nova Scotia** • • • The Eskasoni First Nation was concerned about drug and alcohol abuse in its community. Maloney was hired to work to eliminate drug and alcohol use in the workplaces the First Nation controlled. Maloney helped to develop a policy, created with the approval of the Band Council, which created a program for all Eskasoni workers. Maloney was hired as the administrator of the program, and was paid through the Eskasoni Fish and Wildlife Commission Incorporated, which was a subsidiary of Eskasoni First Nation. But the new policy was unpopular, and conflict arose. As a result of protests about drug and alcohol testing, the chief of the First Nation fired Maloney, and immediately re-hired him on more favourable terms. His new contract of employment included a termination clause requiring payment of the money due under the contact, in the event of termination. This provision was also included in employment contracts for other band employees, and was considered necessary to allow employees to do things that were helpful, but would be unpopular. After the election of a new council, Maloney was fired again. Maloney brought a claim for wrongful dismissal. Eskasoni claimed that Maloney was an employee of the Eskasoni Fish and Wildlife Commission, and that he was laid off along with numerous seasonal workers for lack of work.

The action was allowed. Maloney's written contract of employment was with Eskasoni Band Council, not the Fish and Wildlife Commission. He was paid by the Commission, although he was retained by the chief to work in a program approved by the Band Council; he reported to the chief, who was also the head of the Commission; and he did work both for the Commission and the Band Council, the latter having nothing to do with the former. In determining who was his employer, the Court looked at a number of factors. Specifically, Maloney was hired and directed by the chief and the Band Council, he was paid by the Commission, both the chief and the Commission had the authority to terminate his employment, and Maloney saw himself as an employee of the First Nation and not simply the Commission. The Court found that Maloney was the employee of the Eskasoni First Nation when he was terminated the second time. With respect to whether the chief had the authority to hire Maloney and set his contract terms, the Eskasoni First Nation represented to Maloney that the chief had the authority to enter into the appropriate employment contracts, and Maloney relied on these representations. The Court believed that the chief had the proper authority. But, even if the chief did not have the actual authority to sign the contracts, he had the ostensible authority to sign the contracts, and the First Nation was bound by them.

Maloney v. The Eskasoni Indian Band, (N.S.S.C.), 2009 CLLC ¶210-048.

Fixed-Term Employee Working Past Contract Expiry Became Indefinite

• • • **Manitoba** • • • Bohn was employed by Midwest Veterinary as a merchandising manager for 12 years. For 10 of those years, she did not have a written contract. Then, Bohn informed Midwest that she would be moving out of the Winnipeg area, and she assumed that her employment would be ending. Midwest asked her to continue her employment until the end of that year, and she was given a fixed-term contract to that effect. In the meantime, Midwest hired a buyer to be trained to take over Bohn's managerial position. At the end of the year, the buyer was not yet ready to take on managerial functions. As a result, Bohn's employment continued with no changes for another year. When Midwest hired a new buyer, Bohn was terminated. She was given six weeks' notice and two weeks' pay in lieu of notice. Bohn brought an action for wrongful dismissal.

The action was allowed. Bohn worked under an indefinite term contract for ten years, followed by a six-month fixed-term contract. At that point, Bohn continued to work without an agreement as to whether the contract was for a fixed-term, or what event would bring the contract to an end. Therefore, Bohn was working under an indefinite term contact when she was terminated. Midwest was not entitled to treat the employment contract as terminated for non-disciplinary cause, namely moving out of the area, because the conduct had been condoned by the company continuing to employ her. In addition, there was no material change of circumstances related to the off-site arrangement, and if any change took place, it was foreseen. The contract was not frustrated. Therefore, Bohn was entitled to six months' notice of termination.

Bohn v. Midwest Veterinary Purchasing Cooperative Ltd., (Man. Q.B.), 2009 CLLC ¶210-049.

Minister Can Issue Requirement to Pay to Two Corporations of Tax Debtor

The taxpayer was a director and the sole voting shareholder of 1094238 Ltd. (the "Applicant's Corporation"). On November 27, 2001, the taxpayer was reassessed for 2000 for tax owing of $5,687.79, but did not file a notice of objection to this reassessment. Because he was receiving cheques from 870413 Alberta Ltd. ("Graham's Backhoe Service") the Minister sent requirements to pay to the Applicant's Corporation and to Graham's Backhoe Service, naming the taxpayer as the tax debtor (the "Requirements to Pay"). The taxpayer applied to the Federal Court for a judicial review of the Minister's decision to issue the Requirements to Pay.

The taxpayer's application was dismissed. As a procedural matter, the style of cause should be amended to name the Minister of National Revenue, rather than the CRA Collection Officer, as the respondent. The parties agreed that, by virtue of s. 302 of the Federal Courts Rules, both Requirements to Pay could be dealt with in the same judicial review application. The standard of review applicable to CRA discretionary decisions is reasonableness. Also, there was no legal requirement that the Minister provide the taxpayer with any warning prior to issuing the Requirements to Pay. In fact, however, the Minister did send the taxpayer multiple letters requesting payment of the tax owing before eventually issuing the Requirements to Pay. In addition, the Federal Court has no jurisdiction to review tax assessments, and the taxpayer did not file any notices of objection to the reassessment in issue. The Minister also has a statutory duty to collect tax, and committed no reviewable error and no acts of bad faith in issuing the Requirements to Pay.

Dingman, (F.C.C.), 2009 DTC 5144.

Motor Vehicle Travel Expenses

The CRA was asked whether motor vehicle expenses for travel between an employee's home and place of work would be deductible pursuant to s. 8(1)(*h*.1) in a situation where the employees generally perform their duties at various store locations and are assigned different store locations within a particular region, alternating on a daily basis.

Employees may deduct certain limited expenses that are expressly permitted under s. 8. Paragraph 8(1)(*h*.1) provides that expenses incurred for travelling in the course of an office or employment are deductible where the employee is ordinarily required to carry out his or her duties away from the employer's place of business or in different places, or where the employee is required under his or her contract to pay motor vehicle expenses incurred in the performance of the duties of the office or employment. Travelling between an employee's home and place of employment is considered personal travel and, therefore, the costs associated with such travel are not deductible.

In the CRA's opinion, "where an employee reports to a particular work location or at more than one particular work location for an extended period of time or frequency, each such work location will likely be considered as that employee's regular place of employment". As held in Lorne Nelson v. M.N.R., 81 DTC 190 (T.R.B.), "employer's place of business" more broadly encompasses the establishment of the employer for which the taxpayer was hired, to which he was assigned and at which he ordinarily

reports for work. As such, the CRA concluded that the expenses incurred in travelling between home and the particular store to which he or she is assigned would be considered personal.

Business and Partnerships Division, Income Tax Rulings Directorate, August 25, 2009, Document No. 2009-0313371E5.

Employer-Provided Scholarship Programs

The CRA was asked for its views on the taxability of amounts paid under an employer's scholarship program.

Specifically, the CRA was asked to comment on two scenarios. In the first scenario, the employer would fund a post-secondary scholarship program for dependent students of its full-time or part-time employees. Eligible students must meet certain pre-established eligibility requirements such as academic performance, quality of letters of reference, volunteer/community involvement, and leadership. In the second scenario, the employer would extend the scholarship program to its full-time and part-time employees.

The CRA stated that it had revised its position on certain employer-provided education costs in light of the results in *DiMaria v. The Queen*, 2008 DTC 3027 (T.C.C.), aff'd 2009 DTC 5577 (Fed. C.A.); *Bartley v. The Queen*, 2008 DTC 3012 (T.C.C.), aff'd 2009 DTC 5577 (Fed. C.A.); and *Okonski v. The Queen*, 2008 DTC 2992 (T.C.C.). These cases held that amounts received by the children of employees towards the cost of the children's university education was not taxable income to the employees.

The CRA stated that where an arm's-length employer provides a post-secondary scholarship, bursary, or free tuition to family members of an employee the amount will be included in the particular student's income under s. 56(1)(*n*) but not in the employee's income. Where the employer-provided scholarship is for attendance at an elementary or secondary school (private or otherwise), these amounts will be a taxable employment benefit to the particular employee.

In respect of amounts paid for the education of full-time or part-time employees, the CRA's view is that where the training is taken primarily for the benefit of the employer there is no taxable benefit to the employee, whether or not the training leads to a degree, diploma, or certificate. However, a taxable benefit arises where the training is primarily for the benefit of the employee. Further, where the courses are taken for maintenance or upgrading the employer-related skills and the employee will resume his or her employment after completion of the courses, the benefit will be primarily for the employer and, therefore, not taxable.

Income Tax Rulings Directorate, Business and Partnerships Division, September 1, 2009, Document No. 2009-0320591E5.

Employer-Provided Free Tuition – Private School

The CRA was asked for its views on the taxability of employer-provided tuition to a private elementary/secondary school.

The CRA stated that s. 6(1)(*a*) of the Act requires the value of any benefits received or enjoyed by a taxpayer in the year in respect of, in the course of, or by virtue of an office or employment be included in the taxpayer's income from employment.

The CRA considers that, where an employer provides free or reduced tuition to a family member of an employee for attendance at an elementary or secondary school, such amount will be treated as a taxable employment benefit to the particular employee. For example, in the case of Detchon v. The Queen, 1996 DTC 2032 (T.C.C.), the taxpayers were teachers employed at a private secondary school that provided free tuition for their children. The Court held that the teachers had received a taxable benefit from employment pursuant to s. 6(1)(*a*).

Income Tax Rulings Directorate, Business and Partnerships Division, September 2, 2009, Document No. 2009-0320591E5.

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