

Five ways to protect yourself as an employer

1) Put it in writing

BC law does not usually require you to sign a contract with your workers but it is a good idea to set out what you expect from your employees in writing in order to avoid any problems or misunderstandings in the future. This is called an employment contract.

Make sure that all your employment contracts meet **at least** the minimum laws set out in BC employment standards law. If they don't, your employees will be entitled to receive the minimum set out in law no matter what your contract says.

For example, if your contract says you will pay your employee \$5 an hour, and BC's employment standards law says that the worker is entitled to \$8 an hour, you will not only owe an extra \$3 an hour on every hour to your worker but you could also be fined between \$500 upwards to \$10,000 for each law you break.

The fines get bigger every time your workers make a successful complaint against you for not following the laws. If you want to protect yourself and your business from increasingly heavy fines, you need to know your legal obligations as an employer.

2) Your rights and responsibilities as an employer

Rights

Under BC law, your workers have certain rights. These include such things like receiving at least minimum wage, the right to a meal break, overtime pay, paid statutory holidays, and not having to work excessive hours.

In exchange for these rights, you can expect that your workers will arrive on time for work, do a good job and be capable of performing the work you want them to do.

Responsibilities

Under law you are responsible for paying your part of income tax, unemployment insurance and pension, **as well as** sending the money that you deduct from your worker's pay for the worker's part of income tax, unemployment insurance and pension. Once again, you face serious monetary fines if you do not fulfil your responsibilities. To protect yourself and your business, you should learn and fulfil your responsibilities as an employer. **Ignorance of the law is no excuse.**

Under BC law you are also responsible as an employer to make payments to WorkSafe BC for insurance against injuries your workers might suffer at work. You cannot deduct

these payments from your workers' pay because it is your responsibility as an employer to pay for these kinds of fees.

3) Paying wages

Wages

As an employer in BC, you must pay your workers the minimum wage whether they work by the hour, by salary, or by commission.

The minimum wage is \$8.00 an hour for most workers but might increase in the future. If your employees work past their regular hours of work, you will be responsible for paying them what is called overtime wages. It is your job as an employer to supervise the work hours of your employees. If you don't want to pay them overtime wages, you must make sure they are not working past their regular hours.

BC law requires that you pay your workers at least twice every month. You must pay your workers all the money they have earned, including overtime and statutory holiday pay, within 8 days after the end of the pay period.

You must pay your workers in Canadian dollars. You can pay your workers by direct deposit into their banks accounts if your workers give you written permission. If you are paying your employees in cash, make sure to have your workers sign receipts as proof that they received their pay from you.

Payday

Every time you pay your workers, you must provide them with a pay slip. This is a document that shows how much money you've paid your workers, the number of hours they worked each day, the deductions you've taken, vacation time, and other details.

You are required by BC employment laws to keep these records for all your workers for up to 2 years after workers leave their job. You can be fined from \$500 up to \$10,000 if you do not keep these records. These records also become very important if a worker wants an explanation of their pay or files a formal complaint against you.

Deductions from wages

You are allowed to make deductions from your workers' pay for things the law requires you to deduct, like income tax, unemployment insurance, and pension. For anything else – even for cash advances or accidental overpayments – you must get your workers' **written** permission first.

4) Holidays

Vacation and Vacation Pay

After 5 days of work, all workers in BC have a legal right to paid vacation. If you hire a worker for 12 months, you must give them at least 2 weeks of vacation and 3 weeks of vacation after 5 years of employment.

All vacation pay must be paid at 4% of all gross wages earned for the first 5 years of employment and 6% after that.

Statutory holiday

There are 9 days each year where the law says that workers get days off **with pay** to celebrate special occasions. These are called statutory holidays. For a list of the statutory holidays, you should visit the website of the Employment Standards Branch at: www.labour.gov.bc.ca/esb/

You must pay your workers statutory holidays if they have worked full-time for 15 out of the 30 days before the holiday. If you get your workers' permission first, you can request that they work on a statutory holiday and provide them with another day off work instead.

If the statutory holiday falls on your workers' regular day off from work, you must provide them with another paid day off work. For example, if a worker's normal day off is Monday and the statutory holiday falls on a Monday, you must give your worker another day off with pay along with the Monday.

If you need your employee to work on a statutory holiday, and they agree, you will have to provide them with extra pay for that day **in addition** to the worker's regular day's pay. The extra pay, called Statutory Pay is your worker's regular wage multiplied by 1.5 for all hours worked up to 12 hours. Meaning a worker who you normally pay \$64 for a regular days work, you would have to pay at least \$160 for work on a statutory pay.

5) Ending a worker's job

Temporary leaves

Under BC law, you cannot deny workers' requests for reasonable time off work for things such as for illness, pregnancy, and family emergencies (serious illness or death of a family member). You must keep their job available to them if they choose to return.

Leaving permanently

You have the right to dismiss your workers at any time. However, you must give them written notice in advance. This is called Notice of Termination. The amount of advance notice depends will depend on how long your worker has worked for you. For example, if your worker has been with you for over 12 months, you must give 2 weeks of notice. If they have worked for over 5 years, you must give 5 weeks of notice.

You can also fire workers without notice but you must then pay them some money in compensation for the money they won't earn. This is called compensation. Like notice, the amount of compensation you must pay depends on how long they have worked for you.

The exception to notice and compensation is if you fire a worker for "just cause" for serious misconduct at work, like stealing, hitting another worker or deliberately damaging company property. If you choose this option, you must pay your worker all the wages that you owe them within 48 hours from the time you fire them.

Under BC employment laws, workers can quit their job without giving employer's advance notice, unless they have agreed in an employment contract to give notice. If a worker quits their job, you have 6 days to provide their last pay.

BC employment laws are too complicated to detail everything in this handout. It is your responsibility as an employer to make sure that you are following all the laws properly. To find out more, visit the website of the Employment Standards Branch at: <http://www.labour.gov.bc.ca/esb/>.

Their website can provide you with more detailed information about employment standards law in BC. Their website also has information in other languages. If you can't read any of these languages, ask a friend or a settlement worker to translate the information for you.



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