



A Guide for Employers:

# Bill 8, The Employment Standards Amendment Act

BC

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PENINSULA

# Bill 8, The Employment Standards Amendment Act

## Understanding Your Employer Obligations

Keeping up with changes to legislation is crucial to the success of your business. Knowing the employment laws applicable to your business allows you to manage your employees correctly and protects your business from fines, penalties, and other consequences of non-compliance. Do you know your new employer obligations under Bill 8?

The Employment Standards Act (ESA) sets the minimum employment standards for provincially regulated workplaces in British Columbia. On May 30, 2019, Bill 8, the Employment Standards Amendment Act, made changes to the ESA, impacting the responsibilities of employers. In order to stay compliant with the law, employers must adjust their business practices and recognize their enhanced obligations under this legislation.

Bill 8 made changes to several key areas of employment laws, including leaves of absence, restrictions on gratuities, and record keeping obligations. In this guide, you will find an overview of the major changes made by Bill 8.



## **How will Bill 8 affect your business?**

Bill 8 requires employers to provide employees with additional entitlements. Not all of the changes under Bill 8 have come into effect, so it is important that employers are aware of the current state of the law.

### **Changes Currently in Force**

#### **Extended wage recovery period**

The period during which employees can recover unpaid wages has been increased from six months to 12 months from either the termination date or when the complaint was made, whichever is earlier.

#### **Collective agreements must meet ESA requirements**

Previously, the provisions of collective agreements did not have to meet ESA requirements in areas such as hours of work, statutory holidays and overtime, among others, provided the collective agreements addressed these topics. However, now the main elements of collective agreements must meet or exceed the requirements of their corresponding provisions in the ESA. All new collective agreements must comply with this amendment; however, existing collective agreements do not require revision.

#### **Changes to termination pay**

If an employee has provided notice of resignation and the employer dismisses the employee without cause during the resignation notice period, the employer must pay the employee an amount equal to the lesser of the balance of the resignation notice period or the employee's minimum pay in lieu of notice pursuant to the ESA.

#### **Restrictions for employers on employee gratuities**

Unless done for the purpose of redistribution via a

tip pool, employers may not make deductions from employees' tips, withhold employees' tips, or ask employees to return their tips.

#### **New statutory leaves of absence**

Two new leaves have been added to the ESA: critical illness or injury leave and leave respecting domestic or sexual violence.

Critical illness or injury leave allows employees to take time off to care and support a family member who is critically ill or injured. Employees can take up to 36 unpaid weeks off work for family members that are younger than 19 years of age. For family members that are older than 19, employees can take up to 16 unpaid weeks off work.

Leave respecting domestic or sexual violence can be taken by employees if they or their child are experiencing or have experienced domestic violence. Employees are entitled to 10 days of unpaid leave each year, plus up to 15 weeks of additional unpaid leave.

### **Changes That Will be Effective at a Future Date**

#### **Informing employees of their rights**

Employers will soon be required to provide employees with information about their rights under the ESA. This information must be provided in a way that is either approved or provided by the Director of Employment Standards.

#### **Extended recording keeping period**

Employers will soon be required to keep certain records for four years instead of two. This applies to payroll records, agreements of employees to clean their own work clothing as well as records of the corresponding reimbursement.



## Learn More

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