

Ministry of Labour

2018/19 Annual Service Plan Report



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Minister's Message and Accountability Statement



It is my privilege to present the Ministry of Labour's 2018/19 Annual Service Plan Report.

This past year, we made progress on several key priorities, mandated to me by Premier Horgan, in my role as Minister of Labour. We've brought in better protections for vulnerable workers, reviewed the *Employment Standards Act*, updated the *Workers Compensation Act* and improved service delivery for workers and employers — promoting fair, healthy and safe labour and employment relationships and ensuring B.C.'s labour and employment statutes reflect the needs of British Columbians.

At the start of the fiscal year, we set a path to increase minimum wages for liquor servers, live-in caretakers and live-in camp leaders and as a result we are on our way to eliminating the lower liquor server wage by 2021.

To better protect and support temporary foreign workers who are vulnerable to abuse, our government created the new *Temporary Foreign Worker Protection Act*. With the legislation in place last fall, we began planning the next steps to implement registries for recruiters and employers.

In 2018, we amended the *Workers Compensation Act* to make it easier for first responders, sheriffs and correctional officers to access workers' compensation for mental trauma caused by their work. Building on the spring 2018 updates to the *Employment Standards Act* around parental and compassionate care leaves, we held a 30-day consultation asking for public feedback on ways to further improve the Act.

On top of the legislative changes, we've made great progress to modernize the Employment Standards Branch to better serve workers and employers — such as piloting a multi-lingual phone service and hiring more staff to support doing more proactive audits and investigations.

In February 2018, I appointed a review panel who, after thorough public engagement, prepared an in-depth report with 29 recommendations on updating B.C.'s labour relations environment. We reviewed their report and public feedback and prepared to make legislative changes to the *Labour Relations Code*.

We have accomplished so much and there's still more to be done. I look forward to continuing this work in the coming year.

The Ministry of Labour *2018/19 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2018/19 – 2020/21 Service Plan* created in February 2018. I am accountable for those results as reported.

A handwritten signature in black ink, appearing to read 'H. Bains', written over a horizontal line.

Honourable Harry Bains
Minister of Labour
June 27, 2019

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Purpose of the Annual Service Plan Report

The Annual Service Plan Report (ASPR) is designed to meet the requirements of the *Budget Transparency and Accountability Act* (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, the Minister is required to report on the actual results of the Ministry's performance related to the forecasted targets documented in the previous year's Service Plan.

Purpose of the Ministry

To build a better British Columbia, the [Ministry of Labour](#) promotes fair, healthy and safe labour and employment relationships in support of a strong, sustainable and inclusive economy.

In this context, the Ministry has overall responsibility for British Columbia's labour and employment statutes – including the *Labour Relations Code*, the *Employment Standards Act*, the *Workers Compensation Act* and the recently established *Temporary Foreign Worker Protection Act* – and for the effective administration and enforcement of those statutes. The Ministry houses the [Employment Standards Branch and the Temporary Foreign Worker Protection Unit](#), the [Workers' Advisers Office](#) and the [Employers' Advisers Office](#). The Ministry also has legislative responsibility for [WorkSafeBC](#), and for the Ministry's three tribunals: the [Labour Relations Board](#), the [Employment Standards Tribunal](#) and the [Workers' Compensation Appeal Tribunal](#). The administration of the Labour Relations Board and the Employment Standards Tribunal is under the responsibility of the Tribunal Transformation Office of the Ministry of Attorney General.

The Employment Standards Branch and the Ministry's three administrative tribunals are involved in managing complaints and issues that have been brought before them. The Workers' Advisers Office and the Employers' Advisers Office provide advice and advocacy for workers and employers with respect to issues under the *Workers Compensation Act*. In all cases, timely and accurate disposition of those complaints or issues is an essential component of a fair and balanced system of labour and employment laws that is readily accessible to all stakeholders.

For more information about the Ministry's areas of responsibility and key initiatives, visit the [Ministry of Labour](#) website.

Strategic Direction

The strategic direction set by Government in 2017 and expanded upon in the Minister's [Mandate Letter](#) shaped the [2018/19 Ministry of Labour Service Plan](#) and the results reported in this ASPR.

The following table highlights the key goals, objectives or strategies that support the key priorities of Government:

Government Priorities	Ministry of Labour Aligns with These Priorities By:
Making life more affordable	<ul style="list-style-type: none"> ● Raising the minimum wage and developing strategies to close the gap between the minimum wage and “living wages”. ● Updating employment standards to ensure they are evenly applied and enforced.
Delivering the services people count on	<ul style="list-style-type: none"> ● Providing timely, accessible and reliable services to British Columbians as they engage with the workers’ compensation, employment standards and labour relations systems. ● Ensuring that British Columbia’s health and safety regime leads the country in protecting workers.
A strong, sustainable economy	<ul style="list-style-type: none"> ● Ensuring our labour laws and policy are responsive to, and supportive of, the changing nature of the workplace. ● Reviewing the <i>Labour Relations Code</i> to ensure meaningful access to collective bargaining rights and fair and effective dispute resolution.

Operating Environment

The ministry continued to operate in an environment shaped by changing demographics, an increasingly diverse labour market, and ever-evolving workplace norms and expectations. Specific developments that shaped the operating environment included:

- Recommendations provided by the Fair Wages Commission in respect to British Columbia’s minimum wage rates, including recommendations in early 2018 on establishing a path to \$15 per hour as well as the Commission’s second report, in April 2018, on wage increases for alternate minimum wage earners. Following the recommendations, government implemented increases starting on June 1, 2018, (and January 1, 2019, in the case of the minimum agricultural piece rates);
- Ongoing requests to the Ministry and Minister to support the resolution of collective bargaining disputes that may impact the health, welfare or safety of British Columbians.
- Specific workplace incidents and developments in our knowledge and understanding of physical and psychological workplace hazards can require responsive legislative or program changes to protect worker health and safety.

British Columbia’s real GDP increased by 2.4 per cent in 2018 (according to preliminary GDP by industry data from Statistics Canada), the third strongest growth among provinces. Employment in B.C. grew by 1.1 per cent, a slower pace compared to previous years. Labour market conditions tightened further, while growth in wages and salaries remained strong. Domestic spending slowed somewhat, reflected by slower growth in retail sales and further moderation in housing activity, particularly home sales. Residential construction was strong with housing starts well above the historical average. Meanwhile, foreign demand overseas helped to support solid growth overall in B.C.’s merchandise exports.

Report on Performance

Goals, Objectives, Measures and Targets

Goal 1: Modern, fair labour laws and standards that: reflect the changing nature of workplaces; support a growing, sustainable and innovative economy; and ensure the province leads the country in the health and safety of its workers

Objective 1.1: Labour laws and policy that are responsive to, and supportive of, the changing nature of the workplace

It is crucial that labour laws reflect and accommodate advancing technological developments as well as changing expectations among today's workers and employers. This can be achieved in a way that allows for flexibility in how workplaces are managed and promotes the inclusion of everyone who wants to work, but at the same time, ensures that workers are protected from exploitation, as well as unfair and unsafe working conditions. As Objective 1.1 is focused on the development of evolving law and policy, the Ministry does not assign a specific quantifiable performance measure. However, it should be stressed that this objective remains central to the Ministry's contribution to government's key priorities.

Key Highlights:

- Based on recommendations from the Fair Wages Commission, the Ministry implemented an Order-in-Council to eliminate the liquor server wage by 2021, and gradually increase the wages for specific groups of workers who are not subject to the general hourly minimum wage.
- Introduced, passed and planned the implementation of the *Temporary Foreign Worker Protection Act* (2018), which will improve protection for workers and accountability of recruiters and employers.
- Amended the *Employment Standards Act* to provide new, and extend existing, job-protected leaves to support working families and align B.C.'s leave provisions with federal employment insurance benefits.
- Engaged in a public consultation process throughout March 2019 on key issues identified by the BC Law Institute's review of the *Employment Standards Act*, as well as from the BC Employment Standards Coalition, the BC Federation of Labour, to gather public feedback from workers, employers and the public. These reports and public feedback were reviewed and contributed to preparation to make future legislative changes to the *Employment Standards Act*.
- Continued to support the work of the *Labour Relations Code* review panel, which was appointed in February 2018. The panel's report was released on October 25, 2018, for public feedback until November 30, 2018. The Ministry reviewed their report and public feedback, and prepared to make legislative changes to the *Labour Relations Code*.

- Amended the *Workers Compensation Act* to create a new mental disorder presumption for workers in five eligible occupations – firefighters, police officers, emergency medical assistants (paramedics), correctional officers and sheriffs. The Ministry also undertook further research and analysis and prepared to make regulatory changes to extend the presumption to further occupations.

Objective 1.2: Compliance with B.C. labour and employment law

Meaningful and effective enforcement of labour laws is a key component of the Ministry's role in maintaining an effective employment law regime for B.C.'s workplaces, and in supporting a growing and sustainable economy that works for all British Columbians.

Key Highlights:

- Undertook research and planning activities within the Employment Standards Branch to identify opportunities for improved service delivery to all clients, for increased enforcement activities, to ensure that employment standards are applied evenly and to support implementation of the *Temporary Foreign Worker Protection Act*.
- In January 2018, WorkSafeBC retained Paul Petrie to review its Rehabilitation and Claims Services policies. The purpose of the review was to determine whether any policies could be amended to ensure a worker-centred approach wherever practical. Mr. Petrie's report was published on April 25, 2018, and contains 41 recommendations for change. WorkSafeBC initiated implementation of the recommendations in 2018/19, and has developed a workplan for 2019-2021 to engage interested stakeholders in a process to implement as many of the recommendations as possible.
- Led a Cross-Ministry Asbestos Working Group to identify steps that the B.C. government and its agencies can undertake to further protect people and the environment from the dangers of asbestos. A report for public consultation was published in December 2018.
- Through the Workers' Advisers Office and Employers' Advisers Office, continued to promote and increase workers' and employers' knowledge, awareness and understanding of their rights and responsibilities under the workers' compensation system, with the goal of creating safer workplaces.

Objective 1.3: Clients and stakeholders are aware of and understand labour requirements and processes

Workers and employers having knowledge and understanding of existing labour standards is an important aspect of ensuring compliance. The understanding and awareness of the processes by which rights are accessed and laws are enforced is also fundamental to ensuring a level playing field for workers and employers.

Key Highlights:

- Conducted outreach, education and training and made educational materials available in relation to employment standards and the workers’ compensation system.
- Addressed potential language barriers within our client group by providing information and services in multiple languages where practical through:
 - Leveraging the Ministry’s multilingual workforce;
 - Producing information materials in multiple languages;
 - Utilizing the WorkSafeBC Language Line which allows both the Workers’ Advisers Office and the Employers’ Advisers Office to provide services in over 40 languages to injured workers and employers in B.C.; and
 - Improved accessibility to Employment Standards Branch services with a new multi-lingual service in our Info-Line to support clients in more than 140 languages.
- The Employers’ Advisers Office implemented new e-learning and webinar module training to improve employer and worker knowledge in all areas of workers’ compensation.
- Provided direct workers’ compensation assistance, guidance, representation and advisory services to workers and their families, and employers through the [Workers’ Advisers Office](#) and the [Employers’ Advisers Office](#).

Performance Measures		2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
1.3a	Number of community outreach sessions conducted annually by the Workers’ Advisers Office (WAO)	N/A ¹	8	10	Maintain or Improve	Maintain or Improve
1.3b	Number of educational outreach sessions conducted annually by the Employers’ Advisers Office (EAO)	N/A ¹	425	442	450	Maintain or Improve

Data Source: Ministry of Labour, Workers’ Advisers Office and Employers’ Advisors Office.

¹ New measure started in 2018/19.

Discussion

- WAO community outreach sessions directly assisted workers in becoming more aware and knowledgeable by providing information on the workers’ compensation system and claims issues.
- WAO also attended and participated in an additional nine public forums to inform stakeholders in the workers compensation system about WAO services.
- The core functions of the WAO involve advising and representing individual workers who have been injured at work and who seek assistance and/or representation as they navigate the workers’ compensation system. Accordingly, proactive community outreach has not been a common practice undertaken by the WAO. However, the WAO is committed to implement community outreach sessions aimed at workers in all regions of the province.

- The EAO has seen a significant increase in the number of participants attending its outreach sessions. In 2018/19, the EAO conducted 442 educational seminars with a total of 12,480 participants. This increase was due to the EAO's continued efforts to develop new in-person and virtual employer education, including webinars, webcasts and e-learning modules to deliver educational offerings to a wider employer audience.
- The EAO's continued efforts of educating employers and worker representatives on Joint Occupational Health and Safety Committees on their responsibilities under the workers' compensation legislation gave employers and worker representatives important tools and knowledge to make their workplaces safer for all workers.

Goal 2: Service excellence for workers and employers that treats all clients with compassion, respect and dignity

The Ministry is committed to service excellence in its interactions with workers and employers, as well as the general public. It is focused on ensuring that all clients are treated with compassion, respect and dignity.

Service excellence encompasses a broad range of activities so that employers have access to resources and services that best meet their workplace and business needs, and workers have access to services that reflect their unique interests and needs.

Objective 2.1: Accessible, reliable and timely services

Timely, accurate and quality decisions are critical for ensuring that fair and effective processes exist, and for the successful delivery of Ministry programs and services.

Key Highlights:

- With respect to employment standards and foreign worker protection services the ministry made substantial progress through 2018/19 on:
 - developing a new online licensing and registration system for foreign worker recruiters and employers wishing to hire Temporary Foreign Workers;
 - creating a new website for the new Registry of licensed recruiters;
 - supporting proactive enforcement by creating a new site-based inspection tool;
 - designing the new programs to implement the new *Temporary Foreign Worker Protection Act*.
 - improving educational resources by creating new website tools to help workers and employers obtain information customized to their specific interest.
- Continued to pursue and implement innovative processes at the Workers' Advisers Office and Employers' Advisers Office to allow clients more efficient access to services (e.g., toll-free phone intake system, online inquiry and worker portals).
- Encouraged diversity in our workforce and recruitment and retention processes to ensure we are representative of the population we serve.

Performance Measure	2010/11 Baseline	2017/18 Actuals	2018/19 Target	2018/19 Actuals	2019/20 Target	2020/21 Target
2.1a Percentage of Employment Standards Branch complaints resolved within 180 days ¹	78%	Greater than 79%	Greater than 80%	92%	Greater than 80% ¹	Greater than 80%

¹ In the 2019/20 three-year service plan, the targets for this measure have been increased to “greater than 85%”.

Discussion

- The timely resolution of complaints provided fairness and certainty to workers and ensured disputes did not linger in workplaces.
- Note: due to the business modernization project currently in progress within the Employment Standards Branch, new performance metrics are being developed to reflect new work and service delivery.

Financial Report

Discussion of Results

The Discussion of Results reports on the Ministry of Labour’s financial results for the year ended March 31, 2019 and should be read in conjunction with the Financial Reporting Summary Table provided below.

The total Ministry expenditures for all program areas was \$12.563 million against a total budget of \$12.638 million, resulting in a surplus of \$75,000. This included funding for operations of the Fair Wages Commission. The savings reported by the ministry are the result of immaterial savings in various operating expenses across the ministry.

Resource Summary

	Restated Estimates	Other Authorizations¹	Total	Actual²	Variance²
Operating Expenses (\$000)					
Labour Programs	11,106	0	11,106	11,098	-8
Executive and Support Services	1,532	0	1,532	1,464	-68
Sub-Total	12,638	0	12,638	12,563	-75
Adjustment of Prior Year Accruals	0	0	0	0	0
Total Ministry	12,638	0	12,638	12,563	-75
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)					
Labour Programs	3	0	3	0	-3
Total	3	0	3	0	-3

¹ “Other Authorizations” include Supplementary Estimates, Statutory Appropriations and Contingencies. Amounts in this column are not related to the “estimated amount” under sections 5(1) and 6(1) of the Balanced Budget and Ministerial Accountability Act for ministerial accountability for operating expenses under the Act.

² Actual and Variance totals may not balance due to rounding

Appendix A: List of Crowns, Agencies, Boards and Commissions

[Labour Relations Board](#)

[Employment Standards Tribunal](#)

[Fair Wages Commission](#)

[WorkSafeBC](#)

[Workers' Compensation Appeal Tribunal](#)

