

# **Ministry of Labour**

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## **2020/21 Annual Service Plan Report**

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## Minister's Accountability Statement



The *Ministry of Labour 2020/21 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2020/21 – 2022/23 Service Plan* created in February 2020. I am accountable for those results as reported.

A handwritten signature in black ink, which appears to read "H. Bains". The signature is written in a cursive style and is positioned above a horizontal line.

Honourable Harry Bains  
Minister of Labour  
August 12, 2021

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## Letter from the Minister

It is my privilege to present the Ministry of Labour's 2020/21 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. During an extraordinary year of a global pandemic, my ministry proudly introduced new legislation and programs in 2020/21 that significantly improve the lives of workers and employers throughout British Columbia.

We took action to reduce the impact of COVID-19 on our workplaces and made important improvements that support health and safety. We added unpaid job-protected leave for people who are unable to work due to circumstances related to COVID-19, and we provided a new permanent benefit of up to three days of unpaid, job-protected leave each year for people who cannot work due to personal illness or injury. We also protected jobs and kept laid-off workers connected to their employers with an online variance application that simplified the process to extend temporary layoffs. Overall, 1,000 variances protected nearly 12,000 jobs in 11 sectors.

Beyond the pandemic, we acted on priorities that support worker health and safety, fair pay for workers and economic recovery. To better protect temporary foreign workers, we established a registry for B.C. employers who wish to hire workers who come here from other countries to work. We increased the general minimum wage to better support B.C.'s lowest paid workers and kept it on track to reach \$15.20/hr by June 2021 and to eliminate the lower discriminatory liquor server wage entirely. We took action to provide up to five days of paid leave for employees who face domestic or sexual violence or are parents of a child impacted by this kind of violence. We improved the *Workers Compensation Act* for people who have a workplace injury or illness, including fast-tracking the effective date of a presumption for people who contract COVID-19 at work. Our government also implemented programs to create jobs and provide support for displaced forest workers and their families in communities in B.C.'s Interior and Coastal forest regions.

We will continue to support vulnerable workers and worker health and safety, so that we can build safer workplaces and a better future for British Columbians. We have accomplished so much and there's still more to be done. I look forward to continuing this progress in the coming year.



Honourable Harry Bains  
Minister of Labour  
August 12, 2021

## Purpose of the Annual Service Plan Report

The Annual Service Plan Report 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](#), 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 Ministry also administers programs that support displaced forest workers impacted by mill closures and curtailments.

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.

The [Bridging to Retirement Unit](#) provides support to displaced Interior B.C. forest workers by assisting mill workers who are 55 or older transition to retirement; in 2020/2021 it was expanded to include Coastal forest workers. The [Job Placement Coordination Offices](#) offer individualized assistance to displaced forest workers, contractors and owner/operators to access government services and programs and to match forest workers with job opportunities.

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 Minister Harry Bains' 2017 [Mandate Letter](#) shaped the goals, objectives, performance measures and financial plan outlined in the 2020/21 Ministry of Labour [Service Plan](#) and the actual results reported on in this Annual Report.

The global COVID-19 pandemic resulted in many shifts in priorities, structures and operations across the public sector. Any changes to Ministry of Labour goals, objectives, performance

measures or financial plan to align with the strategic direction established by Government in late 2020 are presented in the 2021/22 Service Plan.

## **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.

Most significantly, fiscal year 2020/2021 was shaped by the COVID-19 pandemic which continued to impact how the Ministry delivered services and information as well as how it interacted with clients, stakeholders and staff. In addition to broad public health implications, the pandemic has had significant implications for the economy and for employer/employee relations in a way that has required both formal and informal responses from the Ministry of Labour.

British Columbia's economy declined in 2020, as the negative impacts from the COVID-19 pandemic pushed economies all over the world into deep recessions. B.C.'s real GDP contraction of 3.8 per cent was the fourth smallest among provinces (behind Prince Edward Island, Nova Scotia, and New Brunswick). The decline in B.C.'s real GDP was almost entirely driven by service-producing industries, while goods-producing industries had modest declines. Output in the arts, entertainment and recreation, accommodation and food services and transportation were some of the main drivers of the decrease in the service sector. In B.C.'s goods producing sector declines in manufacturing and natural resources were partially offset by increases in the construction sector. Employment in B.C. decreased by 6.6 per cent in 2020. However, wages and salaries remained relatively stable compared to 2019 as low wage workers accounted for the majority of job losses. Retail trade increased by 1.3 per cent in 2020, while consumer prices increased by 0.8 per cent. Residential construction activity slowed but remained relatively strong, with housing starts declining in 2020 after experiencing all-time highs in 2019. In contrast, after declining for three consecutive years home sales reached record levels in late 2020. On the external front, global international trade experienced significant disruptions as the pandemic unfolded. B.C.'s international merchandise exports contracted in 2020 reflecting a combination of weaker global demand and lower commodity prices.

## Report on Performance: Goals, Objectives, Measures and Targets

**Goal 1: Strong and fair labour laws and standards that: reflect the changing nature of workplaces; support a growing, sustainable and innovative economy; protect vulnerable workers; and ensure world-class worker health and safety**

### Objective 1.1: Update and modernize B.C. labour laws

#### Key Highlights

- Effective May 4, 2020, the Employment Standards Regulation was amended to extend the maximum period for a temporary layoff if the layoff was due to COVID-19-related reasons and the employees agree.
- In order to expedite the temporary lay-off variance application process, effective July 20, 2020, the Employment Standards Regulation was amended to streamline the approval process for temporary layoff variance requests, which included the development of an online application tool.
- On August 14, 2020, Bill 23, the *Workers Compensation Amendment Act, 2020*, received Royal Assent. Bill 23 provides better support to injured workers and their families and enhances WorkSafeBC's ability to investigate workplace incidents.
- On August 14, 2020 Bill 5, the *Employment Standards Amendment Act, 2020*, also received Royal Assent. Bill 5 amended the *Employment Standards Act* to establish that up to five days of paid leave is to be available for employees impacted by domestic or sexual violence.
- Effective December 15, 2020, the *Temporary Foreign Worker Protection Act* was brought fully into effect. This includes a requirement that employers of certain temporary foreign workers must hold a certificate of registration. Employers may be denied registration or have their registration cancelled if they have violated the *Temporary Foreign Worker Protection Act* or other employment laws.

Performance Measure	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
1.1 Percentage of Employment Standards Branch complaints resolved within 180 days <sup>1</sup>	73%	Greater than 85%	47%	Greater than 85%	TBD

Data source: Ministry of Labour Employment Standards Branch internal data.

<sup>1</sup> This is a long-established performance measure for the Employment Standards Branch (ESB). The branch is currently undertaking a review of its complaints resolution processes as part of a business transformation. The Ministry anticipates that this review will result in a new performance measure for future years.



## **Discussion of Results**

The Ministry of Labour is committed to the timely resolution of complaints as a key aspect of providing fairness and certainty for workers and employers. As government fulfills its mandate to update and modernize labour laws, this performance measure assesses, in part, the degree to which those laws have been effectively crafted and placed within a context of fair and efficient enforcement.

In 2020/21 the percentage of Employment Standards Branch complaints resolved within 180 days declined, due to several factors including: a substantial increase in the number of complaints resulting from the increased access to branch services facilitated by Bill 8, 2019. Specifically, the removal of the “Self-Help Kit”<sup>1</sup> along with the expansion of the period during which employee wages can be recovered (from six months to twelve months) led to a near doubling of complaints received by the Employment Standards Branch. In addition, COVID-19 impacted both workers and employers resulting in an increased volume of work for staff.

Despite the reduction in 2020/21 the Ministry is taking steps to improve the timeliness of the complaints process and anticipates a return to the targeted levels for this performance measure. In 2020/21 the Branch established a temporary backlog reduction team with 13 new additional Employment Standards Officers to process more complaints.

The Branch has also engaged additional government resources through Service BC to contact complainants and initiate critical information gathering to speed up file processing. The Branch also implemented new triaging and complaints processes to better target resources based on complaint complexity. All of these initiatives will improve complaint processing times.

## **Goal 2: Ensure that labour laws are communicated and enforced through effective, client centered service delivery**

### **Objective 2.1: Develop new and update existing Ministry processes to improve service delivery**

#### **Key Highlights**

- To support workers and employers staying connected during the COVID-19 pandemic, and to avoid permanent terminations and severance payments during the COVID-19 emergency, the Ministry developed a streamlined application process to enable employers and workers to jointly apply for a “variance” - to further extend a temporary layoff beyond the August 30, 2020 deadline.

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<sup>1</sup> In May 2019, government passed legislation to remove the requirement for workers to first use a self-help kit — where they had to deal directly with their employer — before filing a complaint with the Employment Standards Branch. The more accessible and streamlined direct-to-branch process was put in place, alongside an improved website and multi-lingual services.

- The Employers Advisers' Office (EAO) and Workers' Advisers Office (WAO) continued to implement new ways to engage with clients, including e-learning, webinars and print and social media. This included the transition of EAO educational offerings over to virtual formats allowing greater accessibility to employers of all sizes, including those in more rural areas of the province.
- The Employment Standards Branch continued to offer an improved Information Line to provide service in 140 languages, so workers know their rights and employers know their obligations under B.C.'s employment standards law.
- The Employment Standards Branch continued to offer new tools, like the "guided pathway" to customize web content to meet people's needs and streamline the complaints process to help vulnerable clients access branch services.

Performance Measures	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
2.1a Number of community outreach sessions conducted annually by the Workers' Advisers Office (WAO)	12	Maintain or Improve	13	10	Maintain or Improve
2.1b Number of educational outreach sessions conducted annually by the Employers' Advisers Office (EAO)	469	460	130	470	Maintain or Improve

Data source: Ministry of Labour, Workers' Advisers Office and Employers' Advisers Office internal data.

## Discussion of Results

**2.1a** The core functions of the WAO are to advise, assist and represent workers who have been injured at work and who seek assistance and/or representation as they navigate the workers' compensation system. The WAO's community outreach sessions are aimed at stakeholders in all regions of the province and focused on four stakeholder groups: workers, workers advocates, compensation service providers and related stakeholders.

WAO's community outreach sessions directly assist workers and related stakeholders in becoming more aware and knowledgeable by providing information on the workers' compensation system and claims issues.

A significant part of WAO's community outreach efforts in 2020/21 focused on promoting the Ministry's services to Indigenous workers.

**2.1b** EAO educational outreach sessions are part of the Ministry’s efforts in improving service delivery in that they serve to directly promote awareness and understanding among employers of occupational health and safety requirements as well as the province’s workers’ compensation system. In addition, these sessions can assist employers in meeting their regulatory training requirements both under the *Workers Compensation Act* and the Occupational Health and Safety Regulations.

In light of the current COVID-19 pandemic challenges EAO in-person outreach sessions were reduced in 2020/2021. However, EAO has continued to develop new virtual educational sessions in webinar and e-learning formats. For the first time, EAO recorded webinars titled “Right-to-Refuse” and “COVID-19 Claims” and posted them to our website. These recorded webinars have been viewed over 7000 times and are accessible by employers at any time day or night.

## Objective 2.2: Establish and implement an effective B.C. Temporary Foreign Worker Protection Regime

### Key Highlights

- Effective December 15, 2020, the *Temporary Foreign Worker Protection Act* was brought fully into force. This includes a requirement that employers of certain temporary foreign workers must hold a registration certificate. Employers may be denied registration or have their registration cancelled if they have violated the *Temporary Foreign Worker Protection Act* or other employment laws.
- By the end of 2020/21, there were 208 Temporary Foreign Worker recruiter licenses issued and published and 3,615 employer registration certificates issued.
- The Employment Standards Branch continued to engage in education and outreach directly with migrant workers, associations and consulates to improve awareness and compliance with both the *Employment Standards Act* and the *Temporary Foreign Worker Protection Act* (TFWPA)

Performance Measure	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
2.2 Number of proactive investigations undertaken under the TFWPA	8	Baseline to be established	12	To be determined	To be determined

Data source: Employment Standards Branch data.

### Discussion of Results

This measure is designed to capture the Employment Standards Branch’s new ability to investigate and enforce the new protective provisions of the TFWPA.

Proactive investigations of employers that hire foreign workers and of agencies that recruit foreign workers are a key feature of ensuring the TFWPA is effective in protecting vulnerable foreign workers. 2020/2021 establishes the baseline for the ministry’s operational planning and targeting for this three-year Service Plan.

### Goal 3: Support displaced forest workers facing forest sector rationalization

The B.C. government is providing a suite of supports for Interior B.C. forest workers, contractors, employers and communities impacted by indefinite and permanent mill closures. Over a three-year period, these programs will help support strong, resilient families and communities and maximize forest sector skills retention. The latter half of 2019/20 involved the design, development and implementation of several temporary programs, while the focus has been on implementation throughout 2020/21 and into 2021/22.

#### Objective 3.1: Implement temporary programs to create and find vacancies for displaced forest workers

##### Key Highlights

- 759 Bridging to Retirement applicants received offers of funding eligibility from the Program in fiscal year 2020/21.
- In addition, 1,002 Bridging to Retirement applications were processed during that time frame.
- 615 employment vacancies were created, allowing for more junior workers to fill these positions in mills across the BC Interior and Coastal Regions.
- 7,408 outreach calls were made to impacted Forestry Workers utilizing services provided by the 5 offices located in Clearwater, McKenzie, 100 Mile House, Fort St John, and Fort St James.

Performance Measures	2019/20 Actuals	2020/21 Target	2020/21 Actuals	2021/22 Target	2022/23 Target
3.1a Number of applications to the Bridging to Retirement Program with funding offers issued	241	To be determined	759	To be determined	Program expected to be completed
3.1b Number of displaced forest workers who accessed Job Placement Coordination Office services	553	To be determined	332	To be determined	Program expected to be completed

Data source: Bridging to Retirement Program and Job Placement Coordination Office data.

### Discussion of Results

There are two streams to the Early Retirement Bridging Program: one for impacted mill workers and one for older workers voluntarily wishing to retire from a working mill to create a vacancy for a younger, impacted worker. The number of applications with funding offers is a direct measure of the number of people who will benefit from the bridging benefit.

The Job Placement Coordination Offices deliver key services aimed at connecting displaced workers with existing government programs and services in collaboration with other ministries, facilitating the employment of displaced workers within the forest sector and other industries to

keep communities strong and maximize forest sector skill retention. The Job Placement Coordination Offices also support displaced forest workers to access opportunities in B.C.'s provincial projects. The number of displaced forest workers who access these services is a direct measure of the number of people who have benefited from these services. The JPCO provides dedicated and continuous support to displaced forest workers until they have obtained new employment. A worker looking for employment may receive multiple service engagements from JPCO officers including job match searches, resume support, skills training, interview coaching, job opportunity referrals, and referral engagements of other government services that are available depending on the identified worker's needs.

3.1a - The Bridging to Retirement Benefit Program was able to respond to significant applicant demand during the 2020/21 year with \$10 Million in funding for the launch of a time limited Coastal Program and an additional \$8 Million in funding to create jobs in the Interior region for 2020/21. The performance for the Bridging to Retirement Program exceeded earlier forecasts due to a higher demand for the benefits and additional funding allocations provided for the Coastal and Interior Regions.

3.1b - Job Placement Coordination Offices experienced a decline in demand for services in 2020/21, in part due to the Covid-19 pandemic effects. However many of the existing participants from fiscal 2019/20 worked with the program for extended periods to obtain employment and waited for new training and job opportunities to become available so the program did not see a drop in actual client support engagement needs overall. The offices provide dedicated and continuous worker support until employment is achieved with multiple engagements for each worker which can include job match searches, job and skills training referrals, resume support, and other government service referrals.

## **Financial Report**

### **Discussion of Results**

The Discussion of Results reports on the Ministry of Labour's financial results for the year ended March 31, 2021 and should be read in conjunction with the Financial Summary table provided below.

The Ministry's expenditures for all program areas totalled \$35.455 million in comparison to a total budget of \$35.455 million. This included funding for the transformation of the Employment Standards Branch and development of the Temporary Foreign Worker Registry as well as other authorization funding for the Early Retirement Bridging program and costs associated with the Variance Project.

The Ministry is administering two forest worker support programs; the Early Retirement Bridging Program and the Job Placement Coordination Offices. A portion of the funding for these programs are included in the budgets of the Ministry of Forests, Lands, Natural Resource Operations and Rural Development and the Ministry of Jobs, Economic Recovery and Innovation. As such, a portion of the 2020/21 expenditures for these programs totalling approximately \$16 million and \$800,000 respectively are not included in the Financial Summary table below.

## Financial Summary

	Estimated	Other Authorizations <sup>1</sup>	Total Estimated	Actual	Variance
<b>Operating Expenses (\$000)</b>					
Labour Program	15,642	18,270	33,912	33,933	21
Executive and Support Services	1,543	0	1,543	1,522	-21
<b>Sub-total</b>	<b>17,185</b>	<b>18,270</b>	<b>35,455</b>	<b>35,455</b>	<b>0</b>
Adjustment of Prior Year Accrual <sup>2</sup>	0	0	0	-9	-9
<b>Total</b>	<b>17,185</b>	<b>18,270</b>	<b>35,455</b>	<b>35,446</b>	<b>-9</b>
<b>Ministry Capital Expenditures (\$000)</b>					
<b>Labour Programs</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>-3</b>
<b>Total</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>-3</b>

<sup>1</sup> “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.

Other Authorizations include Contingencies access of \$17.742 million for the Early Retirement Bridging Program and \$0.528 million for Temporary Layoff Variance and Employment Standards Complaints Processing.

<sup>2</sup> The Adjustment of Prior Year Accrual of \$0.009 million is a reversal of accruals in the previous year.

## Appendix A: Agencies, Boards, Commissions and Tribunals

As of August 12, 2021, the Minister of Labour is responsible and accountable for the following:

### [WorkSafeBC](#)

WorkSafeBC is established by provincial legislation as an agency with the mandate to oversee a no-fault insurance system for the workplace. WorkSafeBC partners with employers and workers in B.C. to promote the prevention of workplace injury, illness, and disease; rehabilitate those who are injured, and provide timely return to work; provide fair compensation to replace workers' loss of wages while recovering from injuries; and ensure sound financial management for a viable workers' compensation system.

### The [Labour Relations Board](#)

The Labour Relations Board is an independent, administrative tribunal with the mandate to mediate and adjudicate employment and labour relations matters related to unionized workplaces.

### The [Employment Standards Tribunal](#)

The B.C. Employment Standards Tribunal is an administrative tribunal established under the *Employment Standards Act*. The Tribunal conducts appeals of Determinations issued by the Director of Employment Standards under the *Employment Standards Act* and under the *Temporary Foreign Worker Protection Act*. The Tribunal may also reconsider any order or decision it makes.

### The [Workers' Compensation Appeal Tribunal](#)

The Workers' Compensation Appeal Tribunal is the final level of appeal in the workers' compensation system of B.C. and is independent of WorkSafeBC.