

# **Ministry of Labour**

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## **2021/22 Annual Service Plan Report**

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## Minister's Accountability Statement



The *Ministry of Labour 2021/22 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2021/22 – 2023/24 Service Plan* created in April 2021. 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 with a horizontal line underneath.

Honourable Harry Bains  
Minister of Labour  
July 22, 2022

## Table of Contents

Minister's Accountability Statement .....	3
Letter from the Minister.....	5
Purpose of the Annual Service Plan Report.....	7
Purpose of the Ministry.....	7
Strategic Direction .....	7
Operating Environment.....	7
Report on Performance: Goals, Objectives, Measures and Targets.....	9
Financial Report.....	14
Discussion of Results.....	14
Financial Summary .....	15
Appendix A: Agencies, Boards, Commissions and Tribunals.....	16

## Letter from the Minister

It is my privilege to present the Ministry of Labour's 2021/22 Annual Service Plan Report.

Throughout a second year of a global pandemic, we continued to focus on protecting and improving the lives of workers and employers across the province. We made progress on several key priorities, mandated to me by Premier Horgan, in my role as Minister of Labour.

We built on previous COVID-19-related initiatives that protected jobs and supported health and safety in the workplace. We ensured workers could take up to three hours of paid leave for their COVID-19 vaccinations. We passed legislation to give workers up to three days of paid sick leave for circumstances related to COVID-19, from May 20, 2021 until Dec. 31, 2021. And, after extensive consultations, on Jan. 1, 2022, B.C. became the first province in Canada to implement a minimum standard of five days of paid sick leave every year, for all workers covered by the Employment Standards Act, to protect workers and businesses.

Beyond the pandemic, we acted on priorities that support fair pay for workers and economic recovery. To better support B.C.'s lowest-paid workers, we increased the general minimum wage to \$15.20/hr and eliminated the lower discriminatory liquor server wage. This was accompanied with a commitment to tie the next increase to inflation, which led to a 2.8 percent increase to \$15.65 on June 1, 2022. To further close the gender pay gap, the Province has announced consultations, led by the Ministry of Finance, with organizations, groups and businesses on reviewing the gender pay gap, and promoting pay-transparency policies.

Modernization of the Employment Standards Branch is ongoing, with a focus on improving access to the branch's services. We continue to protect temporary foreign workers through effective recruiter-licensing and employer-registration regimes. As well, supports are being provided for the forest industry and its workers impacted by old growth deferral decisions, with programs that include a bridging to retirement option administered by the Ministry of Labour, and additional programs led by other ministries for skills training for job pathways, short term and long term worker opportunities, economic diversification and community transition supports.

Worker health and safety continue to be the top priority for my ministry and WorkSafeBC. We brought in new changes to employment standards to better protect young people at work by raising the general working age in B.C. from 12 to 16 and defining the types of jobs that are appropriate for those under 16. The next step is to define the types of jobs that are too hazardous for anyone under the age of 16 or up to under 19. And in February 2022, we introduced amendments to the *Workers Compensation Act* around the handling of asbestos, to establish licensing and training for asbestos abatement contractors and workers.

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. I look forward to continuing this progress.

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

Honourable Harry Bains  
Minister of Labour  
July 22, 2022

## 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 *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](#), the [Employers' Advisers Office](#) and the [Bridging to Retirement Program](#). The Ministry 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 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 Program](#) provides support to B.C. forestry workers who are 55 or older to transition to retirement and to create opportunities for younger workers.

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 2020, Minister Harry Bains' [2020 Mandate Letter](#), and government's coordinated response to the COVID-19 pandemic shaped the goals, objectives, performance measures and financial plan outlined in the [2021/22 Ministry of Labour Service Plan](#) and the actual results reported on in this annual report.

## Operating Environment

British Columbia's economic recovery strengthened in 2021. B.C.'s real GDP growth of 6.2 per cent was the second highest among provinces (behind Prince Edward Island), following a contraction of 3.4 per cent in 2020. Growth in B.C.'s real GDP was mostly driven by service-producing industries such as real estate, rental and leasing, healthcare and social assistance, and

professional, scientific and technical services. Goods-producing industries also experienced growth with gains in most sectors, led by mining, quarrying and oil and gas extraction. While B.C.'s recovery broadened in 2021, it remained uneven as sectors such as accommodation and food services, and arts, entertainment and recreation have yet to fully recover to pre-pandemic levels. B.C.'s labour market strengthened in 2021, with employment growth of 6.6 per cent while wages and salaries increased by 11.3 per cent. Consumer spending on goods remained at elevated levels and nominal retail sales posted overall growth of 12.6 per cent. Meanwhile, inflation grew throughout the year and increased by 2.8 per cent on an annual basis, largely due to supply-chain disruptions, resilient demand for goods and services, and high energy prices. Residential construction activity reached a record high in 2021, with housing starts increasing by 25.6 per cent. At the same time, home sales also reached a record high in 2021 while the average home sale price saw double-digit increases. On the external front, B.C.'s international merchandise exports grew by 36.0 per cent, reflecting a combination of the recovery in global demand and higher commodity prices amid impacts from the B.C. floods and landslides in November 2021.

The Ministry continued to operate in an environment shaped by changing demographics, an increasingly diverse labour market and ever-evolving workplace norms and expectations.

British Columbia continued to face many challenges in fiscal year 2021/22 including COVID-19 impacts, an extreme heat event, a devastating wildfire season, and the atmospheric river in which cut-off parts of the province due to large scale infrastructure damage. These challenges continued to impact how the Ministry of Labour worked with workers, employers and other stakeholders. Additionally these challenges 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.



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

**Goal 1: Strong and fair labour laws and standards that: respond to the rise of the gig<sup>1</sup> economy and increased precarious work; support an inclusive, 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

- Continued regular increases to the minimum wage, effective June 1, 2021.
- Amended the *Employment Standards Act* and Regulation to provide 3 days of paid COVID-19-related leave (ending December 31, 2021) as well as 5 days of paid sick leave to eligible employees across the province beginning on January 1, 2022.
- Brought into force a number of sections of 2019's Bill 8, including those making the employment standards complaint process more effective; establishing new definitions of "domestic worker" and "sitter"; increasing the general age for which a director's permit is required (from under 12 to under 16) for a child to work in BC; and permitting 14- and 15-year-olds to perform "light work" without a permit but with parental or guardian consent.
- On March 10, 2022, amendments to the *Workers Compensations Act* received Royal Assent (Bill 5, 2022). The amendments require that asbestos abatement contractors be licensed to operate in B.C. and require workers and employers who perform asbestos abatement work to complete mandatory safety training and certification.

Performance Measure(s)	2020/21 Actuals	2021/22 Target	2021/22 Actuals	2022/23 Target	2023/24 Target
1.1 Percentage of Employment Standards Branch complaints resolved within 180 days <sup>1</sup>	47%	>85%	51%	TBD <sup>2</sup>	TBD <sup>2</sup>

<sup>1</sup> Data source: Ministry of Labour Employment Standards Branch internal data. Approximate metric, with a margin of error due to data extraction from two different case management systems and a changing complaint reporting system in 2021 due to legislative changes/change in Branch investigative processes.

<sup>2</sup> Future targets for this performance measure have been developed in the [2022/23 Service Plan](#).

## 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

<sup>1</sup> The term "gig economy" can include, for example, short term/temporary work as well as work conducted through internet based platforms such as food delivery and transportation services.

which those laws have been effectively crafted and placed within a context of fair and efficient enforcement.

In 2021/22 the percentage of Employment Standards Branch complaints resolved within 180 days remained similar to 2020/2021 as the Branch continues to prioritize its oldest backlog files. In addition, COVID-19 continued to impact both workers and employers resulting in an increased volume of work for staff. The Ministry is taking steps to improve the timeliness of the complaints process. In 2021/22 the Branch continued to recruit additional temporary staff to make progress on the complaints backlog. In addition, the Branch has continued to implement process improvements across the organization to improve service delivery timelines and effectiveness.

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

### **Objective 2.1: Continue to implement new and updated Ministry processes to improve service delivery**

#### **Key Highlights**

- The Employers' Advisers Office (EAO) and Workers' Advisers Office (WAO) opened new offices in Langley in the fall of 2021, providing more options for in-person access to their services for businesses and workers across the Lower Mainland.
- The EAO continues to develop a new learning management system that will increase its capacity to deliver educational services to BC employers, with a specific focus on virtual learning that will allow for an expanded reach to more regions across 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 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.

<b>Performance Measure(s)</b>	<b>2020/21 Actuals</b>	<b>2021/22 Target</b>	<b>2021/22 Actuals</b>	<b>2022/23 Target</b>	<b>2023/24 Target</b>
2.1a Number of community outreach sessions conducted annually by the Workers' Advisers Office (WAO) <sup>1</sup>	13	10	14	Maintain or Improve	Maintain or Improve
2.1b Number of educational outreach sessions conducted annually by the Employers' Advisers Office (EAO) <sup>2</sup>	130	125	104	Maintain or Improve	Maintain or Improve

<sup>1</sup> Data source: Ministry of Labour, Workers' Advisers Office internal data.

<sup>2</sup> Data Source: Ministry of Labour, Employers' Advisers Office internal data.

## Discussion of Results

**2.1a** The target for performance measure 2.1a was exceeded in 2021/22. The WAO's mandate is to advise, assist and represent workers who have been injured at work and who seek assistance in navigating 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 2021/22 focused on a series of online clinics on topics of interest to injured workers and their representatives.

**2.1b** The EAO's mandate is to provide advice, assistance, representation, and educational services to BC Employers on WorkSafeBC related claims, insurance, occupational health & safety matters. EAO provides educational services to all employers in all areas of the BC Workers' Compensation system. The goal is to increase employer understanding and compliance and to promote safe, healthy and respectful workplaces. EAO educational services also serve to build relationships, trust, and engagement with BC Employers and to promote EAO's services as a whole.

The actual results of 104 sessions for performance measure 2.1b was below the target of 125 in 2021/22. EAO's in-person educational offerings remain suspended due to the ongoing COVID-19 pandemic, which impacted the Ministry's ability to meet 2021/22 targets. The EAO responded by building its capacity to deliver educational services virtually and the reintroduction of in-person offerings are anticipated for the Fall of 2022.

## Objective 2.2: Continue to implement an effective B.C. Temporary Foreign Worker Protection Regime

### Key Highlights

- By the end of 2021/22, there were 325 Temporary Foreign Worker recruiter licenses issued and published and 2700 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(s)	2020/21 Actuals	2021/22 Target <sup>2</sup>	2021/22 Actuals	2022/23 Target	2023/24 Target
2.2 Number of proactive investigations undertaken under the TFWPA <sup>1</sup>	12	20	56	Maintain or Improve	Maintain or Improve

<sup>1</sup> Data source: Employment Standards Branch data.

<sup>2</sup> This targets fiscal period was mistakenly referred to in the 2021/22 Service Plan as "2022/22." This has been corrected in this table.

## **Discussion of Results**

This measure is designed to capture the Employment Standards Branch's ability to investigate and enforce the protective provisions of the TFWPA. Proactive investigations effectively ensure recruiters and employers are both fully informed as to their obligations under the TFWPA but also monitored for ongoing and sustained compliance.

Through improved collection and responsiveness to business intelligence and increased coordination of services across the organization, the Branch was successful in exceeding the initial 2021/2022 target in this area. Given the degree to which the target was exceeded the Ministry will review targets in subsequent Service Plans.

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

The B.C. government is continuing to provide a suite of supports to B.C. forest workers, contractors employers and communities impacted by indefinite and permanent mill closures. These programs are helping support strong, resilient families and communities and maximize forest sector skills retention.

The Bridging to Retirement Program provides support to B.C. forestry workers who are 55 or older to transition to retirement and creates opportunities for younger workers.

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

#### **Key Highlights**

- The Bridging to Retirement Program transitioned 1,129 older workers to retirement and created 660 new jobs in working mills from 2019 to 2021.
- The Job Placement Coordination Office Program helped 1,056 displaced forest workers access government programs and services. This successful program concluded March 31, 2022.
- The Job Match Program provided workers with customized opportunities based on their skills, experience and interests and to provide employers with access to experienced forest workers.
- Worked collaboratively with other ministries to connect displaced forest workers with industry needs for employment opportunities on provincial projects.

Performance Measure(s)	2020/21 Actuals	2021/22 Target	2021/22 Actuals	2022/23 Target <sup>2</sup>	2023/24 Target <sup>2</sup>
3.1 Number of applications to the Bridging to Retirement Program with funding offers issued <sup>1</sup>	680	60	389	N/A	N/A
3.2 Number of displaced forest workers who accessed Job Placement Coordination Office services <sup>1</sup>	350	200	506	N/A	N/A

<sup>1</sup> Data source: Bridging to Retirement Program and Job Placement Coordination Office data.

<sup>2</sup> Targets for fiscal years 2022/23 and 23/24 were not provided in the 2021/22 Service Plan, as programs were expected to be completed in 2021/22.

## Discussion of Results

**3.1** 2021/22 was expected to be final year for the Bridging to Retirement Program when the original targets were established. However, additional funding was provided as part of a suite of programming to mitigate the impact of Old Growth Deferrals resulting in an increase in program usage. The updated program now offers an expanded eligibility criteria including greater geographical program reach across B.C., increase in mill types that are eligible, and inclusion of forestry dependent contractor businesses and their workers. The number of applicants with funding offers is a direct measure of who have or will receive benefit from this fiscal year.

New targets are being determined for fiscal years 2022/23, 2023/24, and 2024/25 for the new Bridging to Retirement Program.

**3.2** The Job Placement Coordination Offices were successful at delivering 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 Program had offices in five Interior communities hardest hit by mill closures: 100 Mile House, Fort St. James, Fort St. John, Mackenzie and Clearwater. They provided personalized support to both displaced forestry workers and employers.

Over the final year of the temporary program the actual number of workers supported by the offices shows an increase beyond the original target for fiscal 2021/22 due to workers who may have returned to access additional support. There were instances that a worker accessed the services for skills training in the previous year and then returned to the offices to receive more services for resume building, referrals to other support programs, and/ or employment searches with their newly acquired skills. All remaining worker case files were resolved and closed due to workers finding new employment in their communities or pursuit of new educational opportunities. The Clearwater and McKenzie offices were the first to close in late June/early July 2021. Fort St. John closed in December 2021, Fort St James closed in January 2022 and the 100 Mile House office closed March 31, 2022. All offices are now closed.

## **Financial Report**

### **Discussion of Results**

The Discussion of Results reports on the Ministry of Labour's financial results for the year ended March 31, 2022 and should be read in conjunction with the Financial Summary table provided below.

The Ministry's expenditures for all program areas totalled \$36.589 million in comparison to a total authorized budget of \$36.589 million. This includes a base budget of \$17.374 million and 2021/22 Other Authorization funding of \$19.215 million for the following programs and initiatives:

#### **Pandemic and Recovery Programs Contingencies**

- Advertising the Permanent Illness and Injury Policy (\$0.665 million)
- COVID-19 Temporary Paid Sick Leave – Employer Reimbursement Program (\$15.199 million)

#### **General Programs Contingencies**

- Employment Standards Branch Complaints Backlog Elimination (\$1.03 million)
- Old Growth Response – Bridging to Retirement Program (\$2.321 million)

The Ministry continued to administer two forest worker support programs in 2021/22; The Bridging to Retirement Program and the Job Placement Coordination Office. A portion of the 2021/22 expenditures for these programs was funded by and expensed by the Ministry of Forests and the Ministry of Jobs, Economic Recovery and Innovation.

## Financial Summary

	Estimated	Other Authorizations <sup>1</sup>	Total Estimated	Actual	Variance
<b>Operating Expenses (\$000)</b>					
Labour Program	15,787	19,215	35,002	35,013	11
Executive and Support Services	1,587	0	1,587	1,576	-11
<b>Sub-total</b>	<b>17,374</b>	<b>19,215</b>	<b>36,589</b>	<b>36,589</b>	<b>0</b>
Adjustment of Prior Year Accrual <sup>2</sup>	0	0	0	0	0
<b>Total</b>	<b>17,374</b>	<b>19,215</b>	<b>36,589</b>	<b>36,589</b>	<b>0</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. <sup>2</sup> The Adjustment of Prior Year Accrual is a reversal of accruals in the previous year.

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

As of July 7, 2022 the Minister of Labour is responsible and accountable for the following:

### [WorkSafeBC](#)

WorkSafeBC is established under the Workers Compensation Act 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 arising from work-related injuries, illnesses and fatalities; and ensure sound financial management for a viable workers' compensation system.

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

The Labour Relations Board is an independent, administrative tribunal established under the Labour Relations Code with the mandate to mediate and adjudicate employment and labour relations matters related to unionization and 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