

Ministry of Labour

2019/20 Annual Service Plan Report



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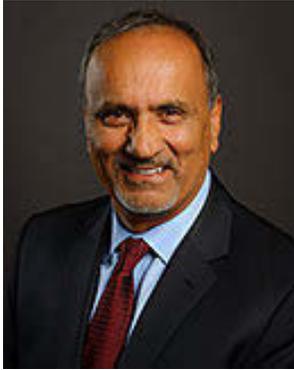
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www.gov.bc.ca/lbr

Published by the Ministry of Labour

Minister's Accountability Statement



The Ministry of Labour *2019/20 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2019/20 – 2021/22 Service Plan* created in February 2019. 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
June 24, 2020

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Letter from the Minister

It is my privilege to present the Ministry of Labour's 2019/2020 Annual Service Plan Report.

This year has presented some unexpected and unprecedented challenges — including both the COVID-19 pandemic in early 2020 and the changing economic conditions in the forestry sector at the end of 2019— and I am proud of my ministry for supporting the needs of British Columbians.

In record time, we amended the *Employment Standards Act* to provide workers with job-protected leave if they are unable to work for reasons related to COVID-19. In the same amendments, we included supports to help workers on an ongoing basis, which provide up to three days of unpaid, job-protected leave each year for people who can't work due to personal illness or injury.

We also directly supported forest workers impacted by challenges in the Interior's forest industry. My ministry launched two new programs: Job Placement Coordination Offices to match workers with available jobs, and the Bridging to Retirement Program which supports older forestry workers to transition to early retirement while creating vacancies in the workforce.

One of the ministry's key priorities is to support strong and fair labour laws and standards. During the spring 2019 legislative session, Government introduced and passed the *Employment Standards Amendment Act* to update employment standards and reflect the changing nature of workplaces. We also introduced and passed the *Labour Relations Code Amendment Act* during the same session to provide greater protections and job security for workers, and more stable and harmonious labour relations for employers and unions.

We've also made great progress on better protecting vulnerable workers. As of October 2019, all recruiters of foreign workers are required by law to be licensed with the province, which will allow us to hold recruiters accountable and issue stiff penalties where needed. We also introduced legislation in early 2020 to provide up to five days of paid leave for employees facing domestic or sexual violence, or parents of a child facing this kind of violence.

We've accomplished so much, and I look forward to continuing this work in the coming year. In particular, and especially in light of the COVID-19 pandemic, we'll be looking at how to best support B.C.'s workers and workplaces in today's quickly evolving work environment.



Honourable Harry Bains
Minister of Labour
June 24, 2020

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](#) and the [Employers' Advisers Office](#) and delivers two Forest Worker Support programs funded by the Ministry of Forests, Lands, Natural Resource Operations and Rural Development. 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 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 Minister Bains' [Mandate Letter](#) shaped the 2019/20 Ministry of Labour [Service Plan](#) and the results reported in this Annual Report.

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:

- Changing economic conditions across the province and specifically, the downturn in the forest sector which gave rise to an increasing need to offer supports and assistance to workers in forestry dependent communities in the B.C. interior.
- Ongoing requests to the Ministry and Minister to support the resolution of collective bargaining disputes, including those 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 may require responsive legislative or program changes to protect worker health and safety.
- In early March, the COVID-19 pandemic occurred, impacting how the Ministry delivered services and information as well as how it interacted with clients, stakeholders and staff. The subsequent declaration of the public health emergency on March 17, and the provincial state of emergency first declared on March 18, have had a significant impact on all aspects of the Ministry's operations as it continues to support safe, healthy and fair workplaces in light of the challenges posed by the COVID-19 pandemic.

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

- In Spring 2019, Government introduced and passed the *Employment Standards Amendment Act, 2019* (Bill 8, 2019). The legislation continued the work begun by government in 2018 to act on the Minister of Labour’s priority to update employment standards to reflect the changing nature of workplaces and ensure they are applied evenly and enforced.
- Government expanded the definition of firefighters who are eligible for the three workers’ compensation presumptions currently available to firefighters – that is, the presumptions for certain cancers, for heart disease and heart injury and for mental health disorders. The presumptions were extended to fire investigators, wildfire fighters (forest firefighters) and firefighters working for an Indigenous organization.
- Government made regulatory changes to ensure that nurses, emergency dispatchers and publicly funded health-care assistants are provided a mental disorder presumption and that they have easier access to workers’ compensation for mental-health disorders that come from work-related trauma.
- On May 30, 2019, Government passed Bill 30, the *Labour Relations Code Amendment Act, 2019* to implement the recommendations of the *Labour Relations Code Review Panel*.
- In March 2020, Government amended the *Employment Standards Act* (ESA) to provide workers with job-protected leave if they are unable to work for reasons related to COVID-19. The amendments also include up to three days of unpaid, job-protected sick leave per calendar year for workers covered under the ESA if they are unable to work due to any illness or injury.

Performance Measure	2010/11 Baseline	2018/19 Actuals	2019/20 Target	2019/20 Actuals	2020/21 Target	2021/22 Target
1.1 Percentage of Employment Standards Branch complaints resolved within 180 days ¹	78%	92%	85%	73%	Greater than 85%	Greater than 85%

Data source: Ministry of Labour

¹This 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 remains 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.

The 2019/20 reduction in percentage of Employment Standards Branch complaints resolved within 180 days is explained by 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” 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.

The Ministry anticipates a return to the targeted levels for this performance measure over the course of the three-year Service Plan. Budget 2019 provided an increase of \$13.768 million over three years to support the transformation of the Employment Standards Branch, which included the hiring of 36 new staff in 2019/20 to support the branch and complaints processes.

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

- The Employers Advisers’ Office and Workers’ Advisers Office have implemented new ways to engage with clients, including e-learning, webinars and print and social media.
- The three years of increased funding provided for the Employment Standards Branch (ESB) in 2019 have allowed ESB to begin significant improvements including:
 - Streamline the branch’s process for receiving and resolving complaints.
 - Create a proactive enforcement unit to lead site visits, investigations and audits.
 - Improve collection efforts of unpaid wages for workers.
 - Make technology upgrades to manage the new complaints process, improve data collection and reporting.
 - Improve the accessibility of services for those with different abilities and needs.
 - Implement the *Temporary Foreign Worker Protection Act*, including the creation of the registries and a new program to better protect temporary foreign workers.

- The ESB has embarked on a robust transformation project to meet an expanded mandate.
 - This has included the removal of the Self-Help Kit as a requirement to filing complaints as well as improvements made to its staffing and training processes, as well key changes to its website.
 - In addition, work is underway to develop a new integrated Case Management System and a new investigation process will be launching next year to meet the new legislative direction of Bill 8 – *Employment Standards Amendment Act*.
- To assist in Government’s response to the downturn in the forest sector, Job Placement Co-ordination Offices were opened in five interior communities hardest hit by mill closures and serve a broader catchment area of communities.
- In addition, impacted workers, contractors and communities can easily access forest worker support programs online and through ServiceBC offices across the province. This program is administered by the Ministry of Labour, and is funded by the Ministry of Forests, Lands, Natural Resource Operations and Rural Development.

Performance Measures	2016/17 Baseline	2018/19 Actuals	2019/20 Target	2019/20 Actuals	2020/21 Target	2021/22 Target
2.1a Number of community outreach sessions conducted annually by the Workers’ Advisers Office (WAO)	N/A ¹	10	Maintain or Improve	12	Maintain or Improve	Maintain or Improve
2.1b Number of educational outreach sessions conducted annually by the Employers’ Advisers Office (EAO)	441	442	450	469	Maintain or Improve	Maintain or Improve

Data source: Ministry of Labour, Workers’ Advisers Office, Ministry of Labour, Employers’ Advisers Office.

¹ New measure starting in 2018/19.

Discussion of Results

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 ten 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. The WAO is committed to continued community outreach sessions aimed at stakeholders in all regions of the province. WAO’s outreach efforts were focussed on four stakeholder groups: workers, workers advocates, compensation service providers and other stakeholders.

The EAO has seen a further increase in the number of participants attending its outreach sessions. In 2019/20, the EAO conducted 469 educational seminars with a total of 12,767 participants. The increased educational outreach has been facilitated by:

- an expanded ability to deliver educational sessions virtually (webinars, e-learning)
- an increased number of employer advisors that conduct educational sessions of (due to training and mentorship)

In addition, recent changes within the workers' compensation system (new legislation, regulation, and policy) has likely contributed to an increase in demand from employers for educational sessions from the EAO.

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.

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

The Premier's July 2017 mandate letter to the Minister of Labour included the following priority: "Create a Temporary Foreign Worker registry to help protect vulnerable workers from exploitation and to track the use of temporary workers in our economy." In response to the mandate letter priority, the Minister of Labour introduced the *Temporary Foreign Worker Protection Act* (TFWPA) into the B.C. Legislature on October 23, 2018. The TFWPA received Royal Assent on November 8, 2018.

The *Temporary Foreign Worker Protection Act* creates two new registries, one for foreign worker recruiters and one for employers wishing to recruit foreign nationals. The legislation also contains compliance and enforcement provisions, which will help protect vulnerable temporary foreign workers from exploitation and abuse.

Key Highlights

- Created a new joint compliance and enforcement team to undertake investigations and dedicated compliance work.
- Completed eight proactive investigations under the TFWPA of foreign worker recruiters.
- Proactively addressed tips and inquiries received by the Temporary Foreign Worker (TFW) Protection Unit inbox and phone line.
- Established key external stakeholder relationships with TFW organizations, support networks and Consulates.
- Completed targeted education and outreach with TFWs and migrant workers.
- Launched the Foreign Worker Recruiter Registry in July 2019.

- On October 1, 2019, the requirement for recruiters to be licenced by the Director of Employment Standards came into effect. This includes a requirement for a \$20,000 bond against future unpaid penalties or other monies owing.
- As of March 31, 2020, the Temporary Foreign Worker Protection Unit has received 164 applications for Recruiter licenses and issued 102. Information on recruiters is available on a public, searchable registry that can be accessed via the ESB website.
- The Ministry of Labour is working on the regulations necessary to establish the registry of employers. Ministry staff have been consulting with stakeholders and provincial partners in anticipation of bringing these provisions into force.

Performance Measure	2018/19 Actuals	2019/20 Target	2019/20 Actuals	2020/21 Target	2021/22 Target
2.2 Number of proactive investigations undertaken under the TFWPA	N/A	5	8	To be determined	To be determined

Data source: Employment Standards Branch data.

Discussion of Results

These results reflect partial-year data – from October’s coming into force of the TFWPA’s investigation provisions, and capture completed investigations by March 31, 2020. This measure is designed to capture the branch’s new ability to investigate and enforce the new protective provisions of the TFWPA. The Unit will continue to refine data to enrich the benchmark once a full year of data is available. We also expect that once the Employer Registry is launched, this metric will be adjusted upward.

Financial Report

Discussion of Results

The Discussion of Results reports on the Ministry of Labour's financial results for the year ended March 31, 2020 and should be read in conjunction with the Financial Summary table provided below.

The Ministry's expenditures for all program areas totalled \$15.958 million in comparison to a total budget of \$16.449 million. This included funding for the transformation of the Employment Standards Branch and development of the Temporary Foreign Worker Registry. The difference between the total budget and expenditure was the result of cross-government reductions in discretionary spending.

The Ministry is administering two forest worker support programs; the Early Retirement Bridging Program and the Job Placement Coordination Offices. 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 Development and Competitiveness. As such, the 2019/20 expenditures for these programs totalling \$10,822,000 and \$343,000 respectively are not included in the Financial Summary table below.

Financial Summary

	Estimated	Other Authorizations ¹	Total Estimated	Actual	Variance
Operating Expenses (\$000)					
Labour Program	14,910	0	14,910	14,448	(462)
Executive and Support Services	1,539	0	1,539	1,510	(29)
Sub-total	16,449	0	16,449	15,958	(491)
Adjustment of Prior Year Accrual ²	0	0	0	(3)	(3)
Total	16,449	0	16,449	15,955	(494)
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)					
Labour Programs	55	0	55	53	(2)
Total	55	0	55	53	(2)

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 The Adjustment of Prior Year Accrual of \$3,000 is a reversal of accruals in the previous year.

Appendix A: Agencies, Boards, Commissions and Tribunals

As of July 2020, 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.