Fifth Session, Forty-second Parliament 2 Charles III, 2024 Legislative Assembly of British Columbia

BILL 2

EMPLOYMENT STANDARDS AMENDMENT ACT, 2024

Honourable Harry Bains Minister of Labour

Explanatory Notes

- CLAUSE 1: *[Employment Standards Act, section 3]* is consequential to the addition by this Bill of sections 16.1 and 16.2 to the Act.
- CLAUSE 2: *[Employment Standards Act, section 16]* is consequential to the addition by this Bill of sections 16.1 and 16.2 to the Act.
- CLAUSE 3: [Employment Standards Act, sections 16.1 and 16.2]
 - specifies a minimum wage;
 - provides that an alternative minimum wage may be established by regulation for prescribed classes of employees;
 - provides for an annual adjustment to the minimum wage and alternative minimum wage based on the change in the annual average consumer price index, if the adjustment would result in an increase to the minimum wage;
 - requires the minister to publish the adjusted minimum wages on a publicly accessible website.

BILL 2 – 2024

EMPLOYMENT STANDARDS AMENDMENT ACT, 2024

HIS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:

1 Section 3 (6) of the Employment Standards Act, R.S.B.C. 1996, c. 113, is amended by adding the following after "section 16 [employers required to pay minimum wage];":

section 16.1 [minimum wage]; section 16.2 [annual adjustment of minimum wage];.

- 2 Section 16 (1) is amended by striking out "prescribed in the regulations" and substituting "set out in sections 16.1 and 16.2".
- 3 The following sections are added:

Minimum wage

- **16.1** (1) Subject to subsection (2) and section 16.2, the minimum wage is \$16.75 per hour.
 - (2) Subject to section 16.2, the minimum wage for a prescribed class of employees is the amount specified in, or calculated in accordance with, the regulations.

Annual adjustment of minimum wage

- 16.2 (1) In this section, "consumer price index" means the annual average All-items Consumer Price Index for British Columbia, as published by Statistics Canada under the authority of the *Statistics Act* (Canada).
 - (2) Subject to this section, every year on June 1, beginning on June 1, 2024,
 - (a) the minimum wage referred to in section 16.1 (1) is adjusted in accordance with the formula set out in subsection (4) of this section, and
 - (b) the adjusted minimum wage is rounded to the nearest multiple of \$0.05 or, if the adjusted minimum wage is equidistant from 2 consecutive multiples, to the higher multiple.

CLAUSE 3: [Employment Standards Act, sections 16.1 and 16.2 – continued]

CLAUSE 4: [Employment Standards Act, section 127]

- is consequential to the amendments made by this Bill to the Act;
- provides authority to make regulations respecting the date an alternative minimum wage is to be adjusted each year and the rounding of the adjusted minimum wage.

- (3) Subject to this section and the regulations, every year on June 1, beginning on June 1, 2024,
 - (a) a minimum wage referred to in section 16.1 (2) is adjusted in accordance with the formula set out in subsection (4) of this section, and
 - (b) the adjusted minimum wage is rounded to the nearest multiple of \$0.01 or, if the adjusted minimum wage is equidistant from 2 consecutive multiples, to the higher multiple.
- (4) The following formula applies for the purposes of subsections (2) (a) and (3) (a):

adjusted minimum wage = previous minimum wage $\times \frac{\text{Index A}}{\text{Index B}}$

where

adjusted minimum wage is, subject to subsection (2) (b) or (3) (b), the new

minimum wage;

previous minimum wage is the minimum wage that applied immediately

before the adjustment under this section;

Index A is the consumer price index for the immediately

preceding calendar year;

Index B is the consumer price index for the calendar year

immediately preceding the calendar year referred to

in the description of Index A.

- (5) Subsections (2) and (3) do not apply to a minimum wage referred to in section 16.1 (1) or (2), as the case may be, in relation to a calendar year if the adjustment to the minimum wage under this section in that calendar year would result in a decrease in the minimum wage.
- (6) The minister must publish the minimum wages referred to in section 16.1, as adjusted under this section, on a publicly accessible website.

4 Section 127 (2) (g) is repealed and the following substituted:

- (g) for the purposes of section 16.1 (2), prescribing classes of employees and specifying the minimum wage, or a method for calculating the minimum wage, for a prescribed class of employees;
- (g.1) in relation to the adjustment under section 16.2 of a minimum wage referred to in section 16.1 (2),
 - (i) respecting the date each year, beginning on a specified date, the minimum wage is adjusted under section 16.2 (3), and
 - (ii) respecting the rounding of the adjusted minimum wage under section 16.2 (3) (b);.

Commencement

5 This Act comes into force by regulation of the Lieutenant Governor in Council.

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