

# Averaging Agreements

In British Columbia, the standard work day is eight hours and the standard work week is 40 hours. When these hours are exceeded, overtime is generally payable.

To meet the need for flexibility in the workplace, the Employment Standards Act allows employers and employees to enter into “Averaging Agreements” – agreements that permit hours of work to be averaged over a period of one, two, three or four weeks.

Employees may agree to work up to 12 hours in a day, averaging 40 hours in a week, without being paid overtime.

## Rules for Averaging Agreements

In order to be valid, an averaging agreement must:

- Be in writing;
- Specify the number of weeks (one to four) over which hours will be averaged;
- Specify the work schedule for each day covered by the agreement;
- Specify the number of times the agreement may be repeated;
- Specify a start date and an end date for the agreement; and
- Be signed by the employer and the employee before the start date.

The hours scheduled must not average more than 40 per week over the period of the agreement; and the employee must receive a copy of the agreement before the agreement takes effect.

Averaging Agreements do **not** have to be filed with the Employment Standards Branch

## Overtime under an Averaging Agreement

An employee working under an averaging agreement must be paid the following rates of overtime:

- Time-and-a-half for hours worked outside of the schedule after eight in a day;

**Example:** An employee whose work schedule calls for a 10 hour shift works 12 hours. The employee must be paid time-and-a half for the extra two hours added to the work schedule for that day.

- Double time for all hours worked over 12 in a day; and
- Time-and-a-half for all hours worked in excess of an average of 40 hours per week over the period covered by the agreement.

**Example:** An employee who works a schedule of four 10-hour days per week over a four-week period is asked to come in on another day for 8 hours. The employee must be paid time-and-a-half for the extra hours worked.

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## Rest periods

Employees must have 32 consecutive hours free from work for each week of the schedule and 8 consecutive hours free from work each day.

The 32-hour rest periods can be taken in the same week, in different weeks, or consecutively at any time during the term of the schedule. An employee who is required to work within the 32-hour rest period must be paid time-and-a-half for all hours worked within that period.

**Example:** In the following work schedule, all wages are paid at straight time. The employee works an average of 40 hours a week and is off an average of two days a week over the four-week period.

	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Week1	8	8	8	8	8	8	8
Week2			8	8	8	8	8
Week3	8	8	8			8	8
Week4	8	8	8				

## Changing an Averaging Agreement

At an employee's written request, an employer and an employee can agree to alter an averaging agreement as long as the total hours scheduled in the agreement remain the same.

## Averaging Agreements and Statutory Holidays

An employee who has been employed for at least 30 calendar days, and who has worked under an averaging agreement at any time within that 30-day period, qualifies for statutory holiday entitlements. (See "Statutory Holidays" factsheet.)

## Variances

The *Employment Standards Act* permits employers and employees to agree to vary the number of weeks in an averaging agreement by applying to the Employment Standard Branch for a variance. (See "Variations" factsheet.)

