

# Paying Wages

## Paydays

All employees must be paid at least twice a month. All money earned in a pay period, including overtime and statutory holiday pay, must be paid within eight days after the end of the pay period, except annual vacation pay and wages credited to an employee's time bank. A pay period may not exceed 16 days.

## Forms of payment

Wages must be paid in Canadian currency. Wages can be paid in cash, by cheque, bank draft or money order, or by direct deposit to an employee's bank account.

Payment by direct deposit must be authorized in writing by the employee or by a collective agreement.

Farm labour contractors **must** pay wages directly to an employee's bank account.

## Wage statements

On paydays, an employer must give each employee a written wage statement for the pay period, which includes the following information:

- The employer's name and address;
- The hours worked by the employee;
- The employee's wage rate, whether hourly, salary, flat rate, piece rate, commission or other incentive basis;
- The employee's overtime rate(s);
- The hours worked at the overtime rate(s);

- Any money, allowance or other payment the employee is entitled to. (This would include vacation pay or statutory holiday pay);
- The amount and purpose of each deduction;
- If the employee is paid other than by the hour or by salary, how the wages were calculated;
- The employee's gross and net wages;
- Any amounts withdrawn from the employee's time bank and how much time remains;

A wage statement must be a document separate from an employee's pay cheque, so that it can be kept by the employee if desired.

If a wage statement would be the same as one given in a previous pay period, another need not be given until a change occurs.

## Electronic wage statements

Wage statements can be provided electronically as long as the employer provides:

- Confidential access to the electronic wage statement at the workplace; and
- A means of making a paper copy of that wage statement.

## Deductions

An employer can only deduct money required or permitted by the *Employment Standards Act*, or by another Act of either British Columbia or Canada.

*continued...*

Examples of required deductions include income tax, Canada Pension Plan contributions and Employment Insurance premiums.

Any other deductions, such as union or professional dues, require the employee's written permission.

### Damage, breakage or loss

An employee is not required to pay any of the employer's business costs, including damage, breakage or loss.

### Wage deductions requested by employees

An employee may request in writing that the employer pay part of his or her wages to a third party. This is called an 'assignment' of wages. An employer **must** pay assigned wages to:

- A trade union under the *Labour Relations Code* (union dues);
- A charitable or other organization;
- A pension or superannuation plan;
- An insurance company for medical or dental coverage;
- A person to whom the employee is required to pay maintenance under the *Family Maintenance Enforcement Act*.

An employer **must** recognize an assignment of wages authorized by a collective agreement, and **may** recognize a written assignment by an employee to pay a debt. Assigned wages must be remitted within one month of being deducted.

To cancel an assignment, an employee must give notice in writing to both the employer and the person or organization being paid.

### Employer payments to funds and insurers

An employer who agrees under an employment contract to pay an amount on behalf of an employee to a fund, insurer or other person must pay the amount in accordance with the agreement.

### When employment ends

If an employer terminates the employment of an employee, the employer must pay the employee all outstanding wages within 48 hours.

If an employee quits or retires, the employer must pay all outstanding wages within six calendar days.

If an employee cannot be located, the employer must pay the wages to the Director of Employment Standards within 60 days after the wages become payable. The Director holds these wages in trust for the employee.

