

## Standards for employees of Agricultural Service Providers

On June 30, 2008 changes made to *The Employment Standards Code* regarding employees working in agriculture came into effect. Different standards apply depending on the type of employment. This fact sheet provides information regarding employees who for business that provide services in the agriculture industry.

### Employment Standards in Agriculture at a glance

The chart below lists the most common Employment Standards provisions and to whom they apply in agriculture:

| Employment Standards Provision      | Workers employment by agricultural companies that provide services to farms | Farm workers in climate controlled facilities | Farm workers, employed on a farm, by a farmer | Farm workers employed by family members |
|-------------------------------------|---|---|---|---|
| Equal wages                         | yes   | yes   | yes   | yes                                     |
| Payment of wages                    | yes   | yes   | yes   | yes                                     |
| Employment records                  | yes   | yes   | yes   | yes                                     |
| Minimum wage                        | yes   | yes   | yes   | no                                      |
| Termination notice                  | yes   | yes   | yes   | no                                      |
| Child employment                    | yes   | yes   | yes   | no                                      |
| Vacations                           | yes   | yes   | yes   | no                                      |
| Weekly day of rest                  | yes   | yes   | yes   | no                                      |
| Work breaks                         | yes   | yes   | yes   | no                                      |
| Unpaid leaves                       | yes   | yes   | yes   | no                                      |
| Restrictions on deductions from pay | yes   | yes   | yes   | no                                      |
| Hours of work and overtime          | yes   | yes   | no  | no                                      |
| Reporting pay                       | yes   | yes   | no  | no                                      |
| General Holidays                    | yes   | yes   | no  | no                                      |

## **What are agriculture companies that provide services to farms and farmers?**

These are businesses that provide services to farms, but do not own the farms where the work is being done. This includes businesses that provide services like custom combining, chicken catching crews, manure removal or other services in the agriculture industry. Employees of this type of employer are covered by all provisions of *The Employment Standards Code*. The limited exclusion of farm workers is for employees who work on one farm, for one employer (farmer) who owns that farm, directly in the production of agricultural products.

## **How often must employees be paid?**

Employees must be paid at least 2 times per month. They must be paid within 10 days of the end of a pay period.

## **What records are employers required to maintain?**

Employers must keep records for all employees that show:

- name, address, date of birth and occupation
- date the employee starts work
- regular wage and overtime wage when employment starts, the dates of changes to the wage and the new wage
- regular and overtime hours of work, recorded separately and daily
- dates wages are paid and the amount paid on each date;
- deductions from wages, dates and reasons for each deduction
- dates of time off taken instead of overtime wages
- dates each general holiday is taken
- dates and wages paid for hours worked or required to be worked on a general holiday;
- start dates of annual vacations, dates work resumes, period of employment in which it is earned, amount of vacation allowance paid and date paid
- amount of outstanding vacation allowance paid upon termination, and payment date
- copies of documents on maternity leave, parental leave, compassionate care leave or other leaves, including dates and number of days taken as leave
- dates of termination of the employment

Employment Standards requires employers to keep these records for at least 3 years. It is important to note that other agencies, such as the Canada Revenue Agency, may require employers to keep different types of records, for different lengths of time.

## **What are the rules regarding equal pay?**

Generally employers determine the wage rate for their employees. Employers can not have separate wage schedules for male and female employees if the kind or quality of work and the amount of work required and done by, the employees is the same or substantially the same.

## What is the minimum wage?

Minimum wage is \$10.00 per hour in most industries. On October 1, 2012, minimum wage will increase to \$10.25 per hour.

## Do employees need to give notice of termination?

Yes. The amount of notice depends on how long they've been employed by the same employer:

|   |           |
|---|-----------|
| at least 30 days but less than one year | one week  |
| at least one year                       | two weeks |

## Do employers need to give notice of termination?

Yes. The amount of notice depends on how long employees have worked for the same employer:

|   |             |
|---|-------------|
| at least thirty days but less than one year   | one week    |
| at least one year and less than three years   | two weeks   |
| at least three years and less than five years | four weeks  |
| at least five years and less than ten years   | six weeks   |
| at least ten years                            | eight weeks |

Employers can either allow the employee to work out this notice period, or pay wages in lieu of notice, for the same number of weeks, or a combination of both.

## How much notice of termination must employers give to their employees?

The amount of notice employers must provide employees depends on the length of time that employee has worked for them.

| Period of employment                          | Notice period |
|---|---------------|
| at least thirty days but less than one year   | one week      |
| at least one year and less than three years   | two weeks     |
| at least three years and less than five years | four weeks    |
| at least five years and less than ten years   | six weeks     |

at least ten years

eight weeks

Employers can still either allow the employee to work out this notice period, or pay wages in lieu of notice, for the same number of weeks, or a combination of both.

## **Can employers pay wages instead of providing notice of termination?**

Yes, employers can either allow employees to work out the notice period, or pay wages in lieu of notice. Employers can also allow employees to work part of the notice and pay wages in lieu of notice for the remainder.

## **Is there a period when no notice is needed?**

Yes, employers and employees do not need to give notice when the employee has worked less than 30 days. Employers are not allowed to extend or change this period, unless it is negotiated in a collective agreement with a union.

## **Are there situations when employers or employees do not need to give notice of termination?**

The following are some cases where notice of termination is not required:

- when employment is for a specific length of time or a specific task or job
- if the employee has substantial control over whether they accept shifts or not and are not penalized by employers for choosing not to work
- when the employer can prove just cause, see Just Cause fact sheet
- when employees are placed on a temporary layoff
- if the employer acts in a manner that is improper or violent toward the employee
- when the employee works in the construction industry

\*\*\*Employers must consider each situation on a case by case basis when deciding to provide a notice period to an employee.\*\*\*

## **Are employers required to give notice to seasonal employees?**

It depends. Employers are not required to provide notice of termination at the end of the season, if the employees are told when they are hired that the position is subject to seasonal layoffs and the job will end at the end of the season. However, if an employee is terminated before the end of the season the appropriate notice would apply. Employers are not under any obligation to rehire an employee who was released at the end of the season.

## **How is the period of employment calculated in regard to termination for seasonal employees?**

Employees who are laid off at the end of the season and are rehired at the beginning of the next season are considered to have continuous employment for termination. Therefore, if an employee worked for the same employer for 6 seasons, and in the middle of the seventh season was terminated they would be entitled to notice or pay in lieu of notice of six weeks.

## **How old must a person be to work?**

Generally, children under 12 years old are only allowed to work for an employer in exceptional circumstances. Employees under 16 years old must have a permit from the Employment Standards Branch before they can work.

## **How do I apply for a Child Employment Permit?**

An application form can be found on the web site at [www.manitoba.ca/labour/standards/forms.html](http://www.manitoba.ca/labour/standards/forms.html) or by contacting the Employment Standards Branch. The application requires information from the applicant, a parent/guardian and the employer. The completed form can be taken, mailed, or faxed to the nearest Employment Standards Branch office.

## **How long is a vacation?**

After completing one year with an employer employees must receive two weeks of vacation. After completing their fifth year of work with the same employer, employees must receive three weeks of vacation.

## **What are employees paid while on vacation?**

Vacation pay is calculated based on the earnings in the previous year. For each week of vacation, employees earn two per cent of their gross wages as vacation pay. For example: employees who earn two weeks of vacation receive four per cent of their gross wages as vacation pay. Employees with three weeks vacation receive six per cent of their gross wages as vacation pay.

## **Can employers pay vacation pay on every pay cheque?**

Employers may pay vacation pay on every pay cheque. Employees are still entitled to take time off as vacation, but do not receive any additional vacation pay while they are off, because it has already been paid on each cheque.

## **How is the period of employment calculated in regard to vacation for seasonal employees?**

Employees who are laid off at the end of the season and are rehired at the beginning of the next season are considered to have continuous employment for vacation. Therefore, an employee is entitled to 2 weeks vacation and 4% of their wages as vacation pay after the first four seasons, and is entitled to 3 weeks of vacation and 6% of

their wages as vacation pay once they have completed 5 seasons with the employer.

## How often must employees receive a break?

Employees are entitled to a 30 minute unpaid break after 5 hours of work. The employee must be free from duties while on their break. Some employees choose to work through the break period, employers should be clear that an employee can take an unpaid break if they wish after working for 5 hours. If the employer and employee agree that the employee will work through the break, the employee must be paid for the time worked.

## How often must employers provide a day of rest?

Employees are entitled to one day of rest each week. The week is a seven day period, so an employee could work up to 12 days in a row without a day of rest. Employees can choose to work, instead of taking their day of rest if requested to do so by their employers; however they must be given a day of rest if they wish.

There is no requirement for the day of rest to be scheduled. If employees are unable to work one day of the week because of weather, that day would be their weekly day of rest.

## What types of leave are available to employees?

There are eight unpaid leave options for employees

| <i>Type of leave</i>                  | <i>Length of leave</i>  | <i>Purpose of leave</i>  |
|---------------------------------------|-------------------------|--|
| <u>Maternity Leave</u>                | 17 weeks                | for an employee expecting to give birth to a child                       |
| <u>Parental Leave</u>                 | 37 weeks                | for parents to care for their new child                                  |
| <u>Family Leave</u>                   | 3 days                  | for an employee to deal with family responsibilities or personal illness |
| <u>Compassionate Care Leave</u>       | 8 weeks                 | for an employee to care for a very ill family member                     |
| <u>Leave for Organ Donation</u>       | 13 weeks                | for an employee to donate an organ or tissue                             |
| <u>Bereavement Leave</u>              | 3 days                  | for an employee to deal with the death of a family member                |
| <u>Leave for Reservists</u>           | When needed for service | For an employee in the Canadian Forces Reserve who needs time to serve   |
| <u>Leave for Citizenship Ceremony</u> | 4 hours                 | For a new Canadian to receive their certificate of citizenship           |

## **How long must employees work before they qualify for the leave?**

For Family Leave, Bereavement Leave, Leave for Organ Donation, Compassionate Care Leave and Leave for a Citizenship Ceremony, employees must work for the same employer for 30 days to qualify for leave. For Reservist, Maternity and Parental leave, employees must work for the same employer for seven consecutive months to qualify for leave.

## **Does the employer need to pay during the leave?**

No, the legislation only requires employers to provide time off and allow employees to return to their job when the leave has ended. Employers are not required to pay wages during the leave. Employers can, and often will, give greater benefits than those provided for in the legislation.

## **What can be deducted from employees' wages?**

Employers can correct payroll errors, recover cash advances, and make any deduction required by provincial or federal law (statutory deductions). In addition employees can agree to pay for things they consider a direct benefit, like meals or purchases from the employer.

## **What types of things cannot be deducted from employees wages?**

Employers cannot charge interest or fees for cashing cheques or providing payroll advances. Employers cannot recover business expenses from the wages of employees. For example an employer cannot deduct for cash or inventory shortages, uniforms, or damages.

## **What are the general holidays in Manitoba?**

There are eight general holidays throughout the year:

- New Year's Day
- Louis Riel Day (3<sup>rd</sup> Monday in February)
- Good Friday
- Victoria Day
- Canada Day
- Labour Day
- Thanksgiving Day
- Christmas Day

Most employees are paid general holiday pay for these days whether they work or not.

## How is general holiday pay calculated?

General holiday pay is five percent of an employee's total wages in the four-week period immediately before the holiday. Overtime should not be included in this calculation.

For a part-time employee, this amounts to a percentage of his/her regular day of pay. For example: a part-time employee may work about 25 hours each week at \$10 per hour, but his/her schedule is different each day. In the four weeks before the holiday, he/she earned \$1,000. General holiday pay is \$1,000 times five per cent, or \$50.

For an employee that works the same number of hours, every day, five days a week, the five per cent calculation will equal his/her regular day of pay. For example: an employee worked 8 hours a day, 5 days a week at \$10 per hour, for the previous 28 days, he/she earned \$1,600. General holiday pay is \$1,600 times five per cent, or \$80.

## Do all employees receive general holiday pay?

All employees receive general holiday pay unless:

- They are absent from work on a general holiday that is normally a workday and they are expected to work.
- They are absent from work on their last scheduled workday before the holiday or their first scheduled workday after the holiday, unless they are absent with the employer's consent.

## What if employees work on the general holiday?

Employees who work on a general holiday are normally entitled to 1 ½ times their regular rate of pay for the hours worked. In addition they also receive their general holiday pay.

## Do all agricultural businesses need to pay 1 ½ times the regular wage for work on a general holiday?

There is an exception for employers operating a continuously operating business, a climate-controlled agricultural business or a seasonal business. They can instead allow the employee to work the general holiday, and pay them for their regular hours worked, if they provide another day off, with general holiday pay within the next 30 days. The employer and employee can agree to a longer period before the employee's next annual vacation if they wish.

## How much are employees paid for reporting to work?

- If they were scheduled to work more than 3 hours, and work more than 3 hours but not their entire scheduled shift, they must be paid for all hours worked.
- If they were scheduled to work more than 3 hours, but work less than 3 hours, they must be paid for at least 3 hours.
- If they were scheduled to work less than 3 hours they must be paid for their entire scheduled shift.

## What are the standard hours of work?

Standard hours of work are the hours employees work for their regular wage. It is usually eight hours in a day and forty hours in a week. Hours worked over standard hours are overtime hours, and need to be paid at 1 ½ times the regular wage. There are exceptions in some construction industries, or by collective agreement or averaging permit. More information on the standard hours of work can be found on the [Overtime](#) page.

## What are employees paid for overtime?

Employers who ask or allow employees to work longer than the standard hours of work must pay these employees 1 ½ times their regular hourly wage for each hour worked during overtime.

## How are overtime hours determined?

Overtime is determined by the number of hours worked in a day and the number of hours worked in a week. Days where overtime hours are worked are shown in bold:

| Sun | Mon       | Tue | Wed       | Thu | Fri       | Sat      | Total | Regular | Overtime |
|-----|-----------|-----|-----------|-----|-----------|----------|-------|---------|----------|
|     | 8         | 8   | 8         | 8   | 8         | <b>8</b> | 48    | 40      | <b>8</b> |
|     | 8         | 6   | 6         | 8   | <b>10</b> |          | 38    | 36      | <b>2</b> |
|     | <b>10</b> | 6   | <b>10</b> | 6   | <b>10</b> |          | 42    | 36      | <b>6</b> |
| 7   | 6         | 8   | 7         | 7   | 8         |          | 43    | 40      | <b>3</b> |

## Who decides when overtime will be worked?

Employers control scheduling in the workplace. Employees cannot work overtime without the knowledge or permission of their employers. If employers ask, allow or acknowledge the overtime work, it must be paid at 1½ times their regular wage rate.

Employees and employers can agree as part of the terms of employment, that a certain amount of overtime is required. Except in declared emergencies, overtime is voluntary or by agreement.

More information can be found on the [Overtime](#) page.

## Can employees bank overtime and take time off later?

Yes, employers and employees can agree in writing, to bank overtime. They can make their own rules regarding how this time is provided or paid out as long as the agreement recognizes these minimum rules:

- For each hour of overtime worked, employees get 1 ½ hours off work with regular pay;
- Employers must schedule time-off during regular hours;
- Employers must provide the time-off within three months of it being earned, unless the Director of Employment Standards authorizes a longer period.

## **Employer Flexibility**

*The Employment Standards Code* establishes the minimum standards for employees and employers in the workplace. The legislation does consider that a degree of flexibility is required in the workplace and that employers need to be able to administer the wages and benefits they provide in a way that makes sense for them.

Generally employers and employees can agree to terms and conditions of employment, provided they do not go below the protections in *The Employment Standards Code*.

The following sections provide information on employer rights and flexibility in the workplace that allow employers to manage their operations.

### **Who controls scheduling of the hours of work?**

Generally employers control all scheduling in the workplace. They determine when employees should work and how often they should work. Often the scheduling is done in co-operation with the employees, but ultimately it is the employer's decision. Since employers control scheduling, they also control the weekly day of rest and when employees receive breaks.

### **Does an employee decide when they are going on vacation?**

The employer controls scheduling, and this includes when an employee will take their vacation. Operational needs may require that employees take their vacation during slow periods. The employer and employee often discuss when an employee wants to take vacation, but in the end it is the employers decision.

If the employee and employer can not agree when the employee will take their vacation, the employer can tell the employee when they will take their vacation. The employer must provide at least 15 days notice of when the employee will take their vacation. When an employer tells an employee when their vacation will be, that vacation can not be shorter than one week.

### **Can a salary include some overtime?**

Yes, employers and employees can agree on a salary that includes a specific amount of overtime. Agreements should be made before any overtime is worked. The agreement must clearly identify what the employees are paid for working more than the agreed standard hours. Written agreements can save future disagreements.

For example: employees who earn a salary of \$550 per week and are expected to work a 50-hour week are paid \$10 per hour for the standard hours (40) and \$15 for each hour of overtime (10). If the employees work more than 50 hours, they are paid the overtime rate of \$15 per hour.

### **Changing the Standard Hours of Work for Overtime**

Employers are responsible for scheduling employees, according to the standard hours of work (eight hours in a day and 40 hours in a week). Work beyond these hours is overtime. When the needs of the business cannot be

accommodated within these standards, employers may apply to Employment Standards for a permit to modify the daily hours or the weekly hours. For example an employer can apply to extend the work day to 10 hours before paying overtime, or they could apply for a permit that would allow the employer to average the hours over a 4 week period to better meet the needs of their business. For Employment Standards to consider a permit, the agreement of a significant majority of the affected employees is usually required.

## **How do I apply for a permit?**

An application form can be found on the web site at [www.manitoba.ca/labour/standards/forms.html](http://www.manitoba.ca/labour/standards/forms.html) or by contacting the Employment Standards Branch. The employer applies providing the rationale and information about the workplace environment and proof of the employees agreement with the proposal. The completed form can be taken, mailed or faxed to the nearest Employment Standards Branch office.

## **Can employees and employers choose to use a different day as a general holiday?**

Yes, sometimes employers and employees would rather move a general holiday to a different day. The employer, with the written agreement of the majority of the employees, or by their collective (union) agreement can choose to substitute a different day in the place of a general holiday. For example, an employer and the employees could choose to substitute December 27 for Victoria Day. In this example Victoria Day would become a regular workday, and December 27 would be deemed a general holiday.

## **Is there flexibility in non-monetary issues like breaks and weekly day of rest?**

Yes, the employer does control scheduling and has some flexibility regarding when employees take their break or get a day off. Some employees do not want to take their breaks or, especially in seasonal industries, want to work on their day off if there is work available. When employees, if requested by the employer, choose to work through their breaks, or do not take a day off, they must be paid properly. Employers should discuss the importance of the rest period and breaks with their employee, and should they still wish to work through the break clearly determine how it will effect their pay.

## **For more information contact Employment Standards:**

Phone: 204-945-3352; or toll free in Canada 1-800-821-4307

Fax: 204-948-3046

E-mail: [employmentstandards@gov.mb.ca](mailto:employmentstandards@gov.mb.ca)

Website: [www.manitoba.ca/labour/standards](http://www.manitoba.ca/labour/standards)

This is a general overview and the information used is subject to change. For detailed information, please refer to current legislation including *The Employment Standards Code* and *The Worker Recruitment and Protection Act*, or contact Employment Standards to ask for advice.

Date Published: September 6, 2012