



# Factsheet

This fact sheet has been prepared for general information purposes. It is not a legal document. Please refer to the *Employment Standards Act* and *Regulation* for purposes of interpretation and application of the law.

November 2002

## Averaging Agreements

**New rules that allow greater flexibility in work scheduling under the Employment Standards Act are in effect as of November 30, 2002.**

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

To meet the need for flexibility in a changing work environment the Employment Standards Act allows employers and employees enter into "Averaging Agreements" – agreements that permit hours of work to be averaged over 1, 2, 3 or 4 weeks.

Employers and employees may agree to work up to 12 hours in a day and an average of 40 hours in a week without overtime.

### Rules for Averaging Agreements

An averaging agreement must meet the following conditions:

- The agreement is in writing.
- The agreement specifies a start date and an end date for the work schedule.
- The employer and the employee sign the agreement before the start date.
- The agreement specifies the number of weeks in the schedule – 1, 2, 3 or 4 weeks.
- The agreement specifies the hours scheduled for each day covered by the agreement.
- The agreement specifies the number of times the agreement may be repeated.

- The hours scheduled may not average more than 40 per week over the period of the agreement.
- The employee has received a copy of the agreement before the agreement takes effect.

Averaging Agreements DO NOT have to be filed with the Employment Standards Branch.

### Overtime for employees covered 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 10 hours worked in a day 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.
- 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.

These 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:** The work schedule below shows an acceptable schedule for rest periods in a four-week schedule.

	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Week1	8	8	8	8	8	8	8
Week 2			8	8	8	8	8
Week 3	8	8	8			8	8
Week 4	8	8	8				

## Changing an Averaging Agreement

At an employee's written request, an employer and an employee can agree to alter the averaging agreement as long as the total hours scheduled in the agreement remains 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, automatically qualifies for statutory holiday benefits.

## 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 Standards Branch for a variance.

(See factsheet: Variances)