



## Minimum Wage, Overtime and Minimum Reporting Wage

### 1. Does New Brunswick have a minimum wage rate?

Yes, New Brunswick does have a minimum wage rate that employers are required to pay their employees for each hour worked. As of April 1, 2021, the minimum wage rate is \$11.75 per hour.

All employees paid by salary, commission and for piece work must receive at least minimum wage for every hour worked.

In addition to the general minimum wage rate, there are special minimum wage rates for:

- certain categories of employees in government construction work (road, bridge and building construction) and;
- counselors and program staff at residential summer camps.

For more information, please contact the Employment Standards Branch.

### 2. Is there a minimum overtime wage rate, and when would it apply?

Yes, there is a minimum overtime wage rate. As of April 1, 2021, the minimum wage overtime rate is \$17.63.

### 3. Can employers require employees to work overtime?

Yes, employers have the right to require their employees to work overtime hours. However, employers must compensate employees for all overtime hours worked at the minimum overtime wage rate. Banking of hours is not permitted.

## Minimum Reporting Wage

### 1. Is there a minimum number of hours an employer must pay an employee who has been asked by the employer to report for work?

Yes, the employer must pay the eligible employee the greater of:

- three hours pay at the minimum wage or the minimum overtime rate for those hours, or
- the hours worked by the employee at their regular wage rate.

Note: Where an employment situation is covered by a collective agreement, the provisions of the *Employment Standards Act* relating to the minimum reporting wage do not apply.

### 2. How does an employee become eligible to receive pay for reporting to work for a minimum number of hours?

In order for an employee to be eligible to receive pay for a minimum number of hours, the employee must:

- have reported for work as scheduled or requested by the employer;
- have a regular wage rate of less than twice the minimum wage rate; and
- be regularly employed for more than three consecutive hours in a shift. An employee who has ongoing occasional shifts of at least three consecutive hours would be regarded as having satisfied this requirement.

### 3. Is an employee who works split shifts eligible to receive the minimum reporting wage?

Where an employee works split shifts, and the total number of hours worked in that day are greater than three hours, the employee is entitled to be paid the employee's regular wage rate for the hours worked. In this instance, the minimum reporting wage does not apply.

## Examples

### Minimum Wage and Overtime

The calculations and examples below are based on the minimum wage rate of \$11.75 per hour, and the applicable minimum overtime rate (1.5 times the minimum wage rate). As minimum wage changes, the calculations should reflect the current minimum wage.

#### Example 1:

An employee earning the minimum wage of \$11.75 per hour who works 50 hours in one week shall receive a minimum of \$622.78 in total wages for the week.

44 hrs x \$11.75/hr	\$517.00
50 hrs - 44 hrs = 6 hrs @ \$17.63/hr	\$105.78
<b>Total wages</b>	<b>\$622.78</b>

#### Example 2:

An employee earning a regular salary of \$12.50 per hour who works 50 hours in one week shall receive a minimum of \$655.78 in total wages for the week.

44 hrs x \$12.50/hr	\$550.00
50 hrs - 44 hrs = 6 hrs @ \$17.63/hr	\$105.78
<b>Total wages</b>	<b>\$655.78</b>

#### Example 3:

An employee earning a regular salary of \$18.00 per hour who works 50 hours in one week shall receive \$900.00 in total wages for the week.

50 hrs x \$18.00/hr	\$900.00
<b>Total wages</b>	<b>\$900.00</b>

In this example, the employee earns more than the minimum overtime rate of \$17.63 per hour, therefore minimum wage overtime is not applicable.

## Examples

### Minimum Reporting Wage

#### Example 1:

An employee earning \$12.50 per hour, who has worked *44 or fewer hours* for the week, reports to work and is sent home after two hours should be paid \$35.25 in wages for the shift (the greater of the two amounts).

3 hrs x \$11.75/hr minimum wage	\$35.25
instead of	
2 hrs worked x \$12.50/hr regular wage	\$25.00

#### Example 2:

An employee earning \$12.50 per hour, who has worked *more than 44 hours* for the week, reports to work and is sent home after two hours of work should be paid \$52.89 in wages for the shift (the greater of the two amounts).

3 hrs x \$17.63 /hr minimum overtime	\$52.89
instead of	
2 hrs x \$17.63/hr minimum overtime	\$35.26

In this example, the employee's regular rate of pay does not apply because the employee is entitled to the minimum wage overtime rate.

#### Example 3:

An employee earning \$25.00 per hour, reports to work and is sent home after one hour of work shall receive \$25.00 in wages for the shift.

1 hr x \$25.00/hr regular wage	\$25.00
instead of	
3 hrs x \$11.75/hr minimum wage	\$35.25

In this example, the employee earns more than twice the minimum wage rate of \$11.75 per hour; therefore doesn't qualify for minimum reporting pay. (\$11.75 x 2 = \$23.50)