



# INDUSTRIAL WORKERS OF THE WORLD

VANCOUVER GENERAL MEMBERSHIP BRANCH

PO Box 4755

STN Terminal

Vancouver BC V6B 4A4

## Oil and Gas Well Drilling and Servicing Employees

*This Employment Standards Factsheet is also available in a [printable pdf format](#)*

**This Factsheet provides information on special employment standards rules for the oil and gas well drilling and servicing industry. These rules are in effect November 30, 2002.**

### Hours of work

Sections 36 of the Employment Standards Act, which provide for 32 hours in a row free from work each week does not apply to most occupations in the oil and gas well drilling industry. Other parts of the Act do apply. For example, all employees are entitled to 8 hours in a row between shifts.

### Overtime for hourly-paid employees

Hourly paid employees include:

Geophysical or seismic drillers	Heavy motorized equipment operators
Slashing and timber salvage workers	Gathering systems and facility installers
Service rig workers	Camp catering workers
First aid workers	Safety workers
Oil and gas drilling rig workers	Land survey workers
Water truck operators	

Employees in these occupations are entitled to time-and-a-half after eight hours in a day and double-time after 12 hours worked in a day.

Weekly overtime is time-and-a-half after 40 hours worked in a week.

Only the first 8 hours worked by an employee in each day are counted towards weekly overtime, no matter how long the employee works. For example, in seven days of 14-hour shifts, overtime is calculated as follows:

	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Hours	14	14	14	14	14	14	14
Straight Time	8	8	8	8	8		
1½ X	4	4	4	4	4	8*+4	8*+4
2 X	2	2	2	2	2	2	2
* weekly overtime							

Employers and employees in the oil and gas sector can also implement averaging agreements where hours of work can be averaged over 1, 2, 3 or 4 weeks. (See factsheet: Averaging Agreements)

## Salary Plus Compensation

The Employment Standards Regulation allows the oil and gas well drilling industry to pay some workers a monthly salary plus bonus, provided they are paid at least the amount of wages they would have been paid if they were hourly-paid workers.

Employees in the following occupations can approve a wage plan other than an hourly rate:

Truck drivers	Vacuum workers
Mud logging workers	Hole drilling and service rig anchoring workers
Power swivel operators	Down pumping and fracturing workers
Wireline and perforating and completion workers	Power Tong operators and snubbers
Wellhead service workers	Sump pit service workers
Well testing workers	Fire fighters
Safety workers	Tool handlers and directional drillers

The employer must provide all employees who are part of the base-salary-plus-bonus compensation structure with a detailed explanation of how wages are calculated. Employees must give their written approval in order to participate.

The employer must keep a record of all employees involved in the process and keep a record of the signed confirmation of each employee approving the plan. Records must be kept for two years after employment ends.

Where an employer adopts a monthly salary plus bonus compensation plan without the required approval in writing, the overtime provisions of section 37.5 of the Regulation would apply. As a result the employer could be liable for additional overtime wages.

If requested to do so, the employer must provide the Director of Employment Standards with information about employees involved in the salary-plus-bonus compensation structure.

## Rest periods for 24-hour on-site employees

Some employees in the oil and gas sector are often required to be on site 24 hours a day. These include first aid workers, water truck operators, camp catering workers and vacuum workers.

If a first aid worker, water truck operator or vacuum worker is scheduled to work a 24-hour shift; the shift must include a 12-hour rest period.

If a camp catering worker is scheduled to work a 24-hour shift, the shift must include an eight-hour rest period and a total of 12 hours of rest.

If a rest period is interrupted for work, the employee must be paid for a minimum of two hours or the actual time worked (whichever is greater).

If the hours worked or earned that day are 12 hours or less, the employee must be paid time-and-a-half for these hours.

If the hours worked or earned that day are more than 12 hours, the employee must be paid double-time for these hours.

## **Statutory Holidays**

The statutory holiday entitlements are set out in the Act. They cannot be varied. To be eligible, an employee must have completed 30 calendar days of employment, worked at least 15 of the 30 days before the statutory holiday\*\* and not be a manager.

An employee who works on a statutory holiday is paid:

- Time and one-half for the first 12 hours worked, and double time for all hours worked in excess of 12, plus
- An average days' pay.  
Employees who are given a day off on a statutory holiday are entitled to an average day's pay.

An average day's pay is calculated by dividing "total wages" in the 30 calendar days before the statutory holiday by the number of days worked.

Total wages includes wages, commissions, statutory holiday pay and vacation pay but does not include overtime pay.

\*\* Employees working under an Averaging Agreement at any time in the 30 days before the statutory holiday do not have to meet the 15-day minimum.