

Tip Outs and How they are Distributed

Below is a link that covers what I believe are upcoming changes and or changes that have already been implemented.

Currently the tip pool percentages are as follows:

Kitchen 45%

Support/Host/Security/Housemen 41%

Duty Managers 14%

These percentages are approximate, and change based upon what the amount of the tip pool is.

The change that is taking place does not allow the employer (Grant, Craig & Kirk) to keep any of the tips or use any of the tips to pay for any expenses the company has. As you can see below it restricts the employer from participating unless they perform the same work as workers who share in the tip pool.

- "The legislation establishes a legal framework for regulating tips and tip pooling and protecting workers' rights with respect to tips and gratuities.
- It prohibits employers from withholding tips or other gratuities from workers, deducting amounts from them, or requiring them to be turned over to the employer.
- It permits tip pooling but specifies that the employer may not share in the tip pool except when the employer performs the same work as workers who share in the pool."

Non-wages:

Subsection (f)

Gratuities (tips) are not wages unless used to pay an employer's business costs. Gratuities are paid by customers to the person who served them in appreciation for the service. While tips are considered income for income tax purposes, they are not wages for purposes of this Act. Since tips are **not** paid by the employer to the employee for work performed, they are not wages, therefore, the Director has no jurisdiction over tips.

However, under s.21(3), an employer may not use tips to cover a business cost. Gratuities used to pay an employer's business costs are deemed by this section to be wages under the Act.

Employers can require employees to pool their tips, and to share them with those employees who work in positions that otherwise have no access to tips.

<https://news.gov.bc.ca/releases/2019LBR0013-000815>

Thank you,