
e2r Alert!

Summer, tis the season (for vacations & holidays)

As the extreme heat melts our brains, we take this opportunity to provide a REFRESHER on the most commonly asked summertime questions:

Vacation Time & Pay

- **Vacation Pay vs. Vacation Time** - Vacation time is the right to take time off from work. Vacation pay is a right to receive certain payments which accrue over time. However, these two entitlements accrue at different rates. Employees earn vacation pay as they earn wages; whereas, vacation time only accrues in blocks as soon as it is earned upon completing a vacation entitlement/reference year.
- **Vacation Pay (Ontario)** – A reminder that as of June 2024, Ontario employers are required to have employees sign an agreement to allow for "alternate pay arrangements". This can be satisfied within an employment agreement and is intended to ensure employees are aware that their written agreement is required if vacation pay is paid in any way other than a lump sum before their vacation.
- **Vacation Time (New Hires + Fixed-Term/Seasonal Employees)** - An employee who does not complete either the full vacation entitlement/reference year or the stub period does not qualify for vacation time under most employment standards' legislation. This means that employers are typically not required to provide vacation time off work of to those hired on fixed-term contracts of 12 months or less as well as permanent employees in the first 12 months of employment.

Statutory Holidays

- **August long weekend** – the first Monday of August is treated differently across Canada ...
 - In **Ontario, Quebec, Newfoundland and Labrador, and Prince Edward Island** it is not a statutory holiday meaning it's an optional day that can

be observed at the employer's discretion*. For employers who do not give their employees the day off, there is no obligation to pay public holiday pay on August 1 – business continues as usual.

- In **British Columbia, Saskatchewan, New Brunswick, Nunavut, and the Northwest Territories** the Monday is a statutory holiday which means businesses can close (with eligible employees receiving the day off with pay) or they can remain open (with employees who work receiving pay for working a public holiday)
- In **Alberta, Manitoba and Nova Scotia**, it is public holiday (but not statutory) which means it's at the employer's discretion whether or not to recognize the Monday as an additional holiday and if they do, all employment standards rules related to general holiday pay apply.
- It is not a statutory holiday for **federally regulated employees**
- ***Special note for those with employees in Ontario, Quebec, Newfoundland and Labrador, and Prince Edward Island...** although not a designated holiday by statute, if employers have given their employees the day off in the past, it may not be so simple to just take away that anticipated long weekend from their workforce. For employers who wish to change their practices regarding the August long weekend (or any other holiday provided to employees outside of the statute), it will typically be best to provide advance notice of the change to their employees as early as possible.

If you would like to discuss the any of the above summer circumstances or need any other assistance please don't hesitate to reach out to speak to an e2r™ Advisor.