

Minimum Vacation Pay Entitlements – Know The Laws Of Your Province



Dealing with employee vacation requests and rights is tricky business, especially for organizations facing staff shortages and uncertainty. The starting point is to ensure you know the minimum vacation requirements under the employment standards laws of each jurisdiction in which you operate. Specifically, there are 8 crucial things you need to keep track of:

- What counts as a year of employment;
- The vacation entitlement, i.e., how much vacation time employees in that jurisdiction based on their number of years of employment;
- The vacation pay rate;
- How the vacation is taken, i.e., by when it must begin or end;
- How much vacation notice you must provide the employee;
- The number of periods in which employees can take their annual vacation;
- Whether employees are allowed to waive their vacation entitlement in exchange for additional pay; and
- The date by which you must pay terminated employees their vacation accrual for the year.

Here's a Summary you can use to track this crucial information no matter where in Canada you are.

Click here to access the [compliance game plan](#) for complying with vacation pay regulatory requirements.

Employment Standards Vacation Requirements Across Canada

FEDERAL

Year of Employment: Continuous employment by one employer: (a) for a period of 12 consecutive months beginning on the date employment begins or any subsequent anniversary date, or (b) for a calendar year or other year determined by the employer, in accordance with the regulations.

Vacation Entitlement: 2 weeks after 1 year; 3 weeks after 5 years; 4 weeks after 10

years.

Vacation Pay: 4% after 1 year; 6% after 5 years; 8% after 10 years.

How Taken: Must start no later than 10 months after completion of employment year for which employee became entitled to vacation.

Required Notice: If employer and employee can't agree on a mutually satisfactory start date, employer must give employee at least 2 weeks' written notice of start date and employee must take the vacation at that time.

Periods: Must be taken in 1 period unless employer approves employee's written request for 2 or more periods.

Must Be Paid: 1 to 14 days before start of any vacation time; or on regular pay day during or immediately after vacation time.

Waiver/Postponement: Employee may postpone or waive vacation *time* with employer's written agreement but not vacation *pay*.

Payment Upon Termination: Vacation pay must be paid within 30 days after termination.

(Canada Labour Code, Part III, Division IV)

ALBERTA

Year of Employment: 12 consecutive months.

Vacation Entitlement: 2 weeks after 1 year; 3 weeks after 5 years.

Vacation Pay: 4% after 1 year; 6% after 5 years.

How Taken: Must start no later than 12 months after completion of employment year for which employee became entitled to vacation.

Required Notice: If employer and employee can't agree on a mutually satisfactory start date, employer must give employee at least 2 weeks' written notice of start date and employee must take the vacation at that time.

Periods: Must be taken in 1 period unless employer agrees to 2 or more.

Must Be Paid: No later than first regularly scheduled pay day after vacation time start; or if employee requests, at least 1 day before the vacation time start.

Waiver/Postponement: Vacation pay can't be waived; not specified whether vacation time can be waived or postponed.

Reductions: Employer may reduce an employee's vacation and vacation pay in proportion to the number of days the employee was or would normally have been scheduled to work, but did not.

(Employment Standards Code, Division 6)

BRITISH COLUMBIA

Year of Employment: 12 consecutive months.

Vacation Entitlement: 2 weeks after 1 year; 3 weeks after 5 years.

Vacation Pay: 4% of total wages after 1 year; 6% of total wages after 5 years.

How Taken: Must end no later than 12 months after completion of employment year for which employee became entitled to vacation.

Required Notice: Not specified.

Periods: Must be taken in periods of 1 or more weeks.

Must Be Paid: At least 7 days before vacation starts unless parties agree in writing or collective agreement requires payment on employee's scheduled payday.

Waiver/Postponement: Vacation pay can't be waived; not specified whether vacation time can be waived or postponed.

Payment Upon Termination: Vacation pay must be paid within 48 hours after termination if employer terminates; within 6 days if employee terminates.

(Employment Standards Act, Part 7)

MANITOBA

Year of Employment: 12 consecutive months.

Vacation Entitlement: 2 weeks after each of first 4 years of employment; 3 weeks after 5 years.

Vacation Pay: 4% after 1 year; 6% after 5 years.

How Taken: Must start no later than 10 months after completion of employment year for which employee became entitled to vacation.

Required Notice: If employer and employee can't agree on timing, employer must give employee at least 15 days' notice of date on which the vacation is to begin and employee must take vacation at that time.

Periods: Employer must not require employee to take vacation in periods of less than one week.

Must Be Paid: No later than the last working day before the employee's annual vacation begins unless the employee agrees otherwise.

Waiver/Postponement: Vacation pay can't be waived; not specified whether vacation time can be waived or postponed.

(Employment Standards Code, Part 5)

NEW BRUNSWICK

Year of Employment: Not defined.

Vacation Entitlement: 2 regular weeks or 1 calendar day for each month worked (whichever is less) in first 8 years of employment; 3 weeks or 1.25 calendar days for each month worked (whichever is less) after 8 years.

Vacation Pay: 4% after 1 year; 6% after 8 years.

How Taken: Must start no later than 4 months after completion of employment year for which employee became entitled to vacation.

Required Notice: Employer must give employee at least 1 week notice of when vacation is to begin.

Periods: Not specified.

Must Be Paid: At least 1 day before vacation starts.

Waiver/Postponement: Vacation pay can't be waived; not specified whether vacation time can be waived or postponed.

(Employment Standards Act, Secs. 24 to 27)

NEWFOUNDLAND

Year of Employment: Each year an employee works for an employer at least 90% of the normal working hours in a continuous 12-month period, beginning on the date of the start of employment or upon termination of a preceding 12-month period, provided that the employment doesn't stop before the end of that 12-month period.

Vacation Entitlement: 2 weeks after 1 year and up to 15 years; 3 weeks after 15 years.

Vacation Pay: 4% after 1 year; 6% after 15 years.

How Taken: Must start no later than 10 months after completion of employment year for which employee became entitled to vacation.

Required Notice: Unless sides agree otherwise in writing, employer must give employee at least 2 weeks written notice of vacation dates and employee must take the vacation on those dates.

Periods: 2-week vacation can be taken in 1 period or 2 periods of 1 week, or sides can agree on shorter periods; 3-week vacation can be taken in 1 period or in 1-week or 2-week increments, or sides can agree on shorter periods.

Must Be Paid: At least 1 working day before vacation starts.

Waiver/Postponement: Vacation pay can't be waived; not specified whether vacation time can be waived or postponed.

(Labour Standards Act, Part I)

NOVA SCOTIA

Year of Employment: Continuous 12-month period.

Vacation Entitlement: 2 weeks for employee who works for an employer at any time during a continuous 12-month period; 3 weeks after employment of over 8 years.

Vacation Pay: 4% after 1 year; 6% after 8 years.

How Taken: Must start no later than 10 months after completion of employment year for which employee became entitled to vacation.

Required Notice: Employer must notify employee at least 1 week in advance of when the vacation will begin.

Periods: All at once unless sides agree to split the vacation into 2 or more periods.

Must Be Paid: At least 1 working day before vacation starts.

Waiver/Postponement: Employee that worked less than 90% of regular hours during a continuous 12-month period may waive vacation time by written agreement but can't waive vacation pay.

Payment Upon Termination: Vacation pay must be paid within 10 days after termination.

(Labour Standards Code, Secs. 32 to 36)

ONTARIO

Vacation Entitlement Year: A recurring 12-month period that begins on the first day of the employee's employment or an alternative vacation entitlement year.

Vacation Entitlement: 2 weeks after 1 vacation entitlement year; 3 weeks after 5 years, including both active and inactive employment.

Vacation Pay: 4% for first 5 years; 6% after 5 years.

How Taken: Must end no later than 10 months after completion of employment year for which employee became entitled to vacation.

Required Notice: Employer gets to set vacation time but notice requirements not specified.

Periods: 2-week vacation can be taken in 1 period or 2 periods of 1 week, or sides can agree on shorter periods; 3-week vacation can be taken in 1 period or in 1-week or 2-week increments, or sides can agree on shorter periods.

Must Be Paid: In a lump sum before the vacation pay start; For employees paid by direct deposit or where vacation time is taken in less than complete weeks, on the regular pay day for vacation time taken; On every pay cheque; or At a time agreed to by the employee.

Waiver/Postponement: Employee may waive vacation time with Director of Employment Standards approval but can't waive vacation pay.

Payment Upon Termination: Terminated employee must receive vacation pay within 7 days after employment ends or the day that would've been the employee's next pay day, whichever is **later**.

(Employment Standards Act, Part XI)

PRINCE EDWARD ISLAND

Year of Employment: Continuous 12-month period.

Vacation Entitlement: Employee who works for a continuous 12-month period gets 2 weeks after years 1 to 7, and 3 weeks after year 8.

Vacation Pay: 4% for first 8 years; 6% after 8 years.

How Taken: Must start no later than 10 months after completion of employment year for which employee became entitled to vacation.

Required Notice: Employer must notify employee at least 1 week in advance of when the vacation will begin **Periods:** 1 unbroken period.

Must Be Paid: At least 1 day before vacation starts.

Waiver/Postponement: Employee that works for an employer for a continuous 12-month period but who worked less than 90% of the normal working hours during that period may give employer written notice of wish to waive his/her vacation time for pay (at 4% if employee has less than 8 years' continuous employment or 6% if the employee has 8 or more years of continuous service).

Payment Upon Termination: No later than the last day of the next regular pay period after the employment ends.

(Employment Standards Act, Secs. 11 to 14)

QUÉBEC

Year of Employment: 12 consecutive months.

Vacation Entitlement: 1 day per month if employee has less than 12 uninterrupted months' service with same employer; 2 weeks after 1 year of uninterrupted service with same employer; 3 weeks after 3 years' uninterrupted service with same employer.

Vacation Pay: 4% of gross wages for first 3 years; 6% gross wages after 3 years.

How Taken: Must end no later than 12 months after completion of employment year for which employee became entitled to vacation, aka, "annual leave".

Required Notice: Employer must notify employee at least 4 weeks in advance of when the annual leave will begin.

Periods: 1 unbroken period but employee can request 2 periods, which employer can deny if it closes the establishment for a period equal to or greater than the employee's total annual leave entitlement.

Must Be Paid: Unless parties agree otherwise, in a lump sum before the beginning of the leave or in the manner applicable for the regular payment of the employee's wages.

Waiver/Postponement: No waiver of vacation pay or trading vacation time for pay unless trade is under a special provision contained in a collective agreement or decree. **Exception:** Employees with 3 weeks' vacation if the establishment closes for 2 weeks on occasion of the annual leave.

(Labour Standards Act, Division IV)

SASKATCHEWAN

Year of Employment: (a) Employee considered to have completed a year of employment if they worked for the employer for a period of 52 consecutive weeks and during that period: (i) the employee hasn't for more than 26 consecutive weeks resigned, been terminated, laid off or absent from work; or (ii) the employee was absent for more than 26 consecutive weeks: (A) with the consent of the employer; or (B) on an employment leave; and (b) Employee is considered to have completed 10 years of employment if they worked for the employer or for a period of 10 consecutive years or more and during that period: (i) the employee hasn't for more than 26 consecutive weeks in any year resigned, been terminated, been laid off or been absent from work; or (ii) the employee was absent for more than 26 consecutive weeks in any year: (A) with the consent of the employer; or (B) on an employment leave.

Vacation Entitlement: 3 weeks after 1 year of employment; 4 weeks after 10 years.

Vacation Pay: 5.77% (3/52) of the employee's wages after 1 year of employment; 7.69% (4/52) of the employee's wages after 10 years of employment.

How Taken: Must end no later than 12 months after completion of employment year for which employee became entitled to vacation.

Required Notice: If sides can't agree on timing, employer must notify employee in writing at least 4 weeks in advance of when vacation will start.

Periods: In 1 period unless: i. the vacation periods are longer than 1 week; ii. the employee gives the employer written notice of the proposed lengths of the vacation periods; and iii. the notice is provided no later than the employee's vacation entitlement date. Employer may require all employees, or all employees in part of a workplace, to take their vacation at a time when employer closes all or part of the workplace as long as those vacation periods are at least 1 week long.

Must Be Paid: On the employee's normal payday unless employee requests receiving the pay before vacation begins; employer must reimburse employee for any monetary loss suffered by the employee suffers as a result of the cancellation or postponement of the vacation if: (a) the employee has scheduled a period of vacation at a time agreed to by the employer; and (b) the employer doesn't let the employee take the vacation as scheduled.

Waiver/Postponement: Vacation pay can't be waived; not specified whether vacation time can be waived or postponed.

Payment Upon Termination: Within 14 days after the employment ends, even if employee has completed less than 1 year of employment.

(Sask. Employment Act, PART II, DIVISION 2, Subdivision 6)

NORTHWEST TERRITORIES

Year of Employment: 12 consecutive months starting on the date the employment began and each subsequent anniversary of that date.

Vacation Entitlement: 2 weeks after 1 year; 3 weeks after 5 years.

Vacation Pay: 4% of annual wages after 1 year; 6% after 5 years.

How Taken: NWT: Must start no later than 6 months after completion of employment year for which employee became entitled to vacation; NU: Must start no later than 6 months after completion of employment year for which employee became entitled to vacation.

Required Notice: Not specified.

Periods: Not specified.

Must Be Paid: At least 1 day before vacation begins.

Waiver/Postponement: Vacation entitlement can be waived by agreement for “exceptional circumstances” if Employment Standards Officer approves; vacation pay can’t be waived.

Payment Upon Termination: Must be paid “without delay” after termination.

(Employment Standards Act, Secs. 24 + 25; Employment Standards Regs., Secs. 9 + 10)

NUNAVUT

Year of Employment: 12 consecutive months starting on the date the employment began and each subsequent anniversary of that date.

Vacation Entitlement: 2 weeks after 1 year; 3 weeks after 5 years.

Vacation Pay: 4% of annual wages after 1 year; 6% after 5 years.

How Taken: Must start no later than 10 months after completion of employment year for which employee became entitled to vacation.

Required Notice: Not specified.

Periods: Not specified.

Must Be Paid: At least 1 day before vacation begins.

Waiver/Postponement: Vacation entitlement can be waived by agreement for “exceptional circumstances” if Labour Standards Officer approves; vacation pay can’t be waived.

Payment Upon Termination: Must be paid “without delay” after termination.

(Labour Standards Act, Part III; Annual Vacations Regs.)

YUKON

Year of Employment: The continuous employment of an employee by one employer for a period of 12 consecutive months beginning with the date the employment began or any subsequent anniversary date thereafter.

Vacation Entitlement: 2 weeks after 1 year.

Vacation Pay: 4% of wages after 1 year.

How Taken: Must start no later than 10 months after completion of employment year for which employee became entitled to vacation.

Required Notice: Not specified.

Periods: Not specified.

Waiver/Postponement: Employer and employee may agree in writing that employee won't take annual vacation but can't waive employee's right to vacation pay.

Payment Upon Termination: Must be paid within 7 days of termination.

(Employment Standards Act, Part 4)