

Overtime Policy (Non-Union)



This policy is based on Ontario law, but HR managers in any part of the country can adapt this Model Policy for use at their own workplace.

ABC Company seeks to pay in an equitable manner for work performed beyond regular working hours. It also strives to apply regulations and policies that ensure the sound and efficient management of its human resources.

1. OBJECTIVES

2. In accordance with the above principles, ABC Company's objectives are:
3. To keep overtime and additional work to a minimum;
4. To establish rules governing:
 1. Hours of work;
 2. Pay for hours of work

- Payment of overtime and additional work applicable to all regular members of support staff, without exception, except for those specified in this policy.

2. DEFINITIONS

OVERTIME: Overtime applies to the extra hours of work a support staff member puts in performing the duties of his or her position. They are paid on the basis of the hourly rate of the position occupied by the employee.

ADDITIONAL WORK: Applies to the work performed by a support staff member outside his or her normal working hours and in functions pertaining to a position other than his or her own, at ABC Company. This type of work must be paid at the employee's regular rate, with any adjustments required to take into account the total hours worked in a week and the application of an overtime rate. Such work will be allowed as long as there are no adverse effects on the work performance of the employee during his or her normal hours of work and the person's immediate supervisor is informed accordingly.

In all instances, the pay granted must comply with this policy.

3. REGULAR WORKING HOURS

For support staff receiving an annual salary, the annual average length of the normal work week is 35 hours, for a total of 1,820 hours a year. From September to May inclusively, the normal work week is thirty-six and a quarter hours (36 1/4), and the normal daily schedule is 8:45 a.m. to 5 p.m., with an unpaid hour allowed for lunch (generally from noon to 1 p.m.). From June to August inclusively, the normal work week is thirty-one and a quarter hours (31 1/4), and the normal daily schedule is from 8:45 a.m. to 4 p.m., with the same one-hour period allowed for lunch.

The normal work week for most staff is from Monday to Friday, but regular work schedules for individuals in some work units may involve regular weekend or evening work.

For staff of the XYZ Division, who are paid hourly, the average annual normal work week is forty (40) hours. The work schedules include normal workdays of eight hours divided into day, evening and night shifts, and are established by the administration of the service in question. For mail clerks, the average annual normal work week is thirty-six and a quarter hours (36 1/4).

The work schedules described may be changed occasionally, with the agreement of the staff member concerned, to meet the needs of ABC Company or those of specific employee groups. In such instances, it is important to comply with the total annual number of hours of work scheduled for the position.

The number of work hours must in all instances comply with current statutes, and in particular with the Ontario *Employment Standards Act*.

According to the *Employment Standards Act*, no employer may ask an employee to work more than eight hours a day or forty-eight hours a week without the employee's agreement; in any case, the employee must not work more than 60 hours a week. The employee and employer may cancel this agreement.

If the employee wishes to cancel an agreement to work more than eight hours a day, he or she must give two weeks' notice. The agreement cannot be cancelled if the employment contract specifies that the regular work day is more than eight hours.

The employer must give reasonable notice when wishing to cancel an agreement concerning hours that differ from those stipulated in the *Employment Standards Act*. The notice period must be determined in consultation with the Employee Relations Section of the Human Resources Service.

Employees cannot be required to work more than the number of hours specified in paragraph 8.1 without their consent, except during an emergency, as defined in the *Employment Standards Act*.

4. FLEX HOURS

ABC Company allows for flex hours. Responsibility for establishing flex hours lies with [list], who must ensure that a sufficient number of employees remain on duty to maintain essential services during working hours. Managers must remember that requests for flex hours are not to be unreasonably refused.

Flexible schedules must abide by these rules:

1. At least thirty minutes must be granted for lunch;
2. The two daily 15-minute breaks cannot be used to reduce the length of the normal ABC Company workday; and

3. The work schedule requires the HR director's approval.

Flexible schedules do not apply to staff whose regular work schedule differs from the one in article 5.1.

5. BREAKS

All support staff employees are entitled to two 15-minute breaks every day, one in each half of the workday, at a time established by the unit managers. ABC Company's goal in allowing this rest period is to reduce fatigue and stress and to boost morale and performance. However, telephone and reception services must be maintained during breaks.

6. OVERTIME TERMS AND CONDITIONS

Only overtime hours explicitly and directly scheduled and approved by the immediate supervisor are considered legitimate overtime hours and can be paid under the terms and conditions in this policy. Employees who work overtime to contend with an emergency that affects ABC Company's operation must notify their immediate supervisor accordingly without delay. Unscheduled and unauthorized hours of work by staff at their own discretion or for personal reasons are not recognized and not paid as overtime under this policy.

All support staff members in regular grade-A or lower positions, no matter what their employment category, are entitled to overtime pay in accordance with this policy.

Staff members in regular grade-B positions who are not managers (that is, employees who have no managerial or supervisory responsibility and whose position is identified as such in the HR Service database), no matter what the employment category, are eligible for overtime pay, in accordance with this policy.

Staff members in regular grade-B positions who are managers, no matter what their employment category, are not eligible for overtime pay, but are eligible for a fourth week of annual leave after three years of continuous service.

Notwithstanding the provisions of article 17, and subject to the limits established in article 8.1, and up to the maximum number of hours permitted under the *Employment Standards Act*, grade-B or higher personnel assigned to a special project involving a considerable amount of extra work but not being followed by a foreseeable workload reduction over time may by exception be compensated for the additional work.

Generally, overtime for grades B (managers) to E is managed as follows:

1. Employees in these salary classes can be called on occasionally to work some overtime without special pay or compensation.
2. However, for repetitive peak periods or for special projects and special circumstances (like in the preceding paragraph) that require a substantial amount of overtime, members and their dean or director must agree on reasonable compensation, in the form of time off or extra pay.
3. These agreements must be first approved by the HR Service, to safeguard internal equity.

7. REMUNERATION

The type of remuneration must be determined before overtime can be authorized.

Each hour of overtime work, including any performed on Sunday, is paid at the rate of time and one-half the regular hourly rate, either in money or in equivalent time off, according to the terms and conditions specified below and to the provisions of article 14 above. In the calculation of overtime, leaves of all kinds are excluded.

The calculation of overtime excludes weekend and evening premiums.

A maximum of fifty hours of overtime, including the time-and-a-half calculation, can be banked during each calendar year (January to December) and may be taken as time off, at the employee's discretion, except for positions that include time remittance and for which there is a flexible schedule. All overtime beyond these 50 hours must be paid.

When overtime is worked for emergencies, as defined in the *Employment Standards Act*, it may be added to the number of hours banked.

All banked overtime not used up by 31 December of each year is to be paid according to the number of hours logged in the databases. Furthermore, the December 31 date is deferred until March 31 for overtime accumulated between October 1 and December 31, although this remains subject to the 50-hour maximum.

Staff members with banked overtime who are transferred must be reimbursed in cash when they leave the department where the overtime was worked.

Staff having worked overtime and wishing to be paid for the hours in question must be paid no later than the month after the overtime was worked.

8. RECALL TO WORK AND ON-CALL PAY

All staff members whose job makes on-call status essential, and who have been asked to be on call, whether by means of a pager or a cell phone, and who therefore must be reachable and available at all times for a designated period are to be paid at the rate of 30 minutes for every four-hour on-call period. "On call" is defined as any period outside of normal working hours during which the person is available to answer emergency calls for his or her area and who can come to work quickly if required. On-call time cannot be accumulated when the service's operations are closed. Between 11 p.m. and 6 a.m., only staff members who provide essential services may be remunerated when necessary. Determining what constitutes essential services is the responsibility of the HR manager and department managers.

Staff members recalled to work 15 minutes or more following the end of the normal workday receive a minimum of either four hours' straight time or time-and-a-half for the hours worked, whichever is highest. When an employee is paid under this article, any accumulation of on-call time ceases for the period in question.

9. WEEKEND AND EVENING PREMIUMS

Staff whose work schedule requires working evenings or weekends are paid premiums. These are \$0.40 an hour for evening work (between 6 p.m. and 11 p.m.) and \$0.54 an hour for weekend work. The annual base pay for staff with regular evening or weekend

schedules is adjusted proportionately to take into account the hours worked during these periods. When these periods are worked sporadically, the rates specified here are used to calculate the pay owed.

For X department staff who work schedules spanning both a 24-hour-a-day period and a seven-day-a-week period, premiums are as follows:

1. From Monday to Saturday, from 4 p.m. to midnight: \$0.40, from one minute after midnight to 8 a.m.: \$0.49.
2. Saturday: from 8 a.m. to 4 p.m.: \$0.40.
3. Sunday from 8 a.m. to 4 p.m.: \$0.54; from 4 p.m. to midnight: \$0.86, from one minute after midnight to 8 a.m.: \$0.97.
4. These rates apply to regular and term employees, except for parking-lot attendants.

10. SCOPE OF APPLICATION

This policy applies to regular employees and to situations not covered by a collective agreement.

11. EXCEPTION

No exception may be made to this policy without the written consent of the ABC Company HR manager.

Signed: _____

President/CEO Date:

The ABC Company Overtime Policy should be consulted whenever there are concerns about overtime in the workplace.