

Vacation Policy – Alberta



1. POLICY

ABC Company provides employees paid vacation and vacation pay as required by the Alberta *Employment Standards Code* (“ESC”), and applicable regulations. The provisions set out in this Policy reflect the minimum vacation benefits that an employee is entitled to receive under the ESC and regulations. While employees will receive nothing less, ABC Company may grant employees compensation and benefits that are more generous than those required by this Policy under the terms of collective agreements and individual employment contracts with employees.

2. SCOPE

This Policy applies to employees who are covered by the ESC. It does **not** apply to employees who are:

- Listed in the regulations as being exempt from the ESC or a part of the ESC on which a particular Section of this Policy is based; or
- Employed in an industry that is subject to specific employment terms and conditions under the *Employment Standards Regulation*.

3. DEFINITIONS

For purposes of this Policy:

“**Wage rate**” means the hourly rate of pay for wages;

“**Week**” means 7 consecutive days;

“**Work day**” means a 24-hour period ending at midnight or a 24-hour period as established by the consistent practice of ABC Company;

“**Work month**” means a calendar month or the period from a time on a specific day in a month to the same time on the same day in the following month as established by the consistent practice of ABC Company;

“**Work week**” means the period between midnight on a Saturday and midnight on the following Saturday, or 7 consecutive days as established by the consistent practice

of ABC Company;

“Year of employment” means a period of 12 consecutive months.

4. VACATION ENTITLEMENT

Employees are entitled to and will be given an annual vacation of at least:

- 2 weeks after each of their first 4 years of employment with ABC Company; and
- 3 weeks after 5 consecutive years of employment with ABC Company.

ABC Company includes the time during which employees are on leave to which they're entitled under Divisions 7 to 7.6 of the ESC in calculating an employee's years of employment for purposes of determining their vacation eligibility.

5. VACATION PAY ENTITLEMENT

ABC Company will pay employees, at a minimum, the vacation pay to which they're entitled under the ESC.

• Vacation Pay of Monthly Employees

ABC Company will pay employees who are paid by the month vacation pay equal to at least the employees' wages for their normal hours of work in a work month divided by 4 1/3.

• Vacation Pay of Non-Monthly Employees

ABC Company will pay employees who are not paid by the month vacation pay equal to at least:

- For employees entitled to 2 weeks or less vacation, 4% of their wages for the year of employment for which the vacation is given; or
- For employees entitled to 3 weeks' vacation, 6% of their wages for the year of employment for which the vacation is given.

6. VACATION ENTITLEMENTS WITH A COMMON ANNIVERSARY DATE

• Establishment of Common Anniversary Date

ABC Company reserves the right to establish a common anniversary for the purpose of calculating the vacation and vacation pay of all employees or a group of employees. If ABC Company does establish such a common anniversary date grants, it will reduce neither the vacation length or amount of pay; in other words, employees will receive at least the same length of vacation and vacation pay that they'd have received had the common anniversary date not been established.

• Annual Vacation Entitlement Under Common Anniversary Date

Employees that have a common anniversary date become entitled to an annual vacation as follows:

- On the first common anniversary date after their employment starts, at least 2

weeks' vacation or a proportionately lesser period of vacation if the employee has been employed for less than one year;

- On the 2nd, 3rd, 4th and 5th common anniversary date after their employment starts, at least 2 weeks' vacation;
- On the 6th common anniversary date after employment starts with the employer, at least: (i) 3 weeks' vacation, and (ii) vacation for the period that the proportion referred to in the first bullet, if any, bears to one week; and
- On the 7th and subsequent common anniversary dates after their employment starts, at least 3 weeks' vacation.

• **Computing 5 or More Years of Employment**

If it's necessary to determine whether an employee has been employed by ABC Company for 5 years of employment, or to determine whether the 6th common anniversary date has occurred, any break in the employee's employment of less than 90 days with ABC Company will be counted as a period of continuous employment.

7. HOW VACATION WILL BE PROVIDED

Employees will receive their annual vacation in one unbroken period no later than 12 months after they become entitled to it. However, if employees request it in writing, the ABC Company may provide the vacation in 2 or more periods, provided that each vacation period is at least one half-day long.

8. ANNUAL VACATION DATES

If ABC Company and an employee can't agree on a mutually satisfactory start date for the employee's annual vacation, ABC Company will give the employee at least 2 weeks' written notice of the date on which annual vacation is to start, and the employee must take the vacation at that time.

9. PAYMENT OF VACATION PAY

ABC Company may pay vacation pay at any time, as long as it's paid to each employee no later than the next regularly scheduled pay day after the employee starts annual vacation. If vacation pay hasn't been fully paid to an employee before the annual vacation starts, the employee may request that ABC Company pay vacation pay at least one day before the vacation starts and ABC Company will comply with the request.

Vacation pay paid to an employee in one year of employment is deemed to be wages for purposes of calculating the employee's vacation pay in the next year of employment.

When an employee is absent from work, ABC Company may reduce the 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.

10. TERMINATION OF EMPLOYMENT

ABC Company will pay employees who are terminated before becoming entitled to their first annual vacation 4% of their wages earned during the employment. If employment terminates after an employee becomes entitled to annual vacation, ABC Company will

pay the employee vacation pay of an amount equal to the vacation pay to which the employee would have been entitled in that year of employment if the employee had remained employed by the employer and:

- For an employee entitled to 2 weeks' vacation, at least 4% of wages for the period from the date the employee last became entitled to an annual vacation to the date employment terminates; or
- For an employee entitled to 3 weeks' vacation, at least 6% of wages for the period from the date the employee last became entitled to an annual vacation to the date employment terminates.

11. VACATION & LEAVE CONFLICT

If an employee is on compassionate care leave on the day by which their vacation must be used, any unused part of the vacation must be used immediately after the leave expires or, if ABC Company and the employee agree to a later date, by that later date.

12. GENERAL HOLIDAY DURING VACATION

If a general holiday to which an employee is entitled occurs during an employee's annual vacation, ABC Company will give the employee a holiday with general holiday pay at least equal to the employee's average daily wage. The general holiday must be taken:

- On what would have been the employee's first day back to work after the annual vacation, or
- By agreement with the employee, on another day after the annual vacation that would normally be a working day for the employee, and provided before the employee's next annual vacation.