

Waiver of Vacation Time in Exchange for Pay Agreement



Have employees use this template to request trading vacation time for extra pay.

One potential solution to staff shortages and uncertainties is to keep available employees on the job by allowing them to trade some or all of their accrued vacation time for additional pay. This way, you get the staffing relief you need and employees get extra cash in the bank. These so-called “vacation waiver” (sometimes referred to as vacation time in lieu of pay) arrangements are common in collective agreements. But in 8 jurisdictions (FED, NS, ON, PEI, QC and the 3 territories) you can also make them with non-union employees, provided that you comply with the jurisdiction’s employment standards laws. Here’s a template for an Employee Vacation Waiver Request that you can adapt.

Employee Request to Waive Vacation for Additional Pay

[Date]

HR Director

ABC Company

Somewhere, Canada

Re: Request to Forego Vacation Time

Dear _____:

As of today’s date, I have accrued and am currently entitled to take _____ [insert number] hours off from work as vacation time. Due to ABC Company’s current labour shortage, I am requesting that you approve my request to waive my right to take _____ [insert number] hours of this vacation time this year and receive payment instead.

I understand that if you approve this request, I will lose my right to take this vacation time forever. Instead, I will receive compensation for an equal number of days’ pay, which will be included as additional income in my next paycheque.

I understand that this request in no way affects any vacation time that I have not waived or that I may be entitled to in the future.

Sincerely,

Employee Name

Agreed to by ABC Company

Name:

Title:

Date:

[insert this if you are in Ontario or one of the territories] Approved by Employment Standards Officer

Name:

Title:

Date: