

# Model Policy on Paid Vacation (Nova Scotia)

Here's a paid vacation policy you can use if you're subject to the BC Employment Standards Act ("ESA") and associated regulations. This policy is a vanilla, simple template designed to ensure compliance with the vacation pay requirements of the law. It represents a minimum standard and you'll need to adapt it if you provide more generous vacation benefits than the law requires.

HR managers in any part of the country can adapt this Model Policy for use at their own workplace.

# PAID VACATION POLICY

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## ABC COMPANY PAID VACATION POLICY

**Entitlement:** ABC Company will give employees with more than 12 continuous months of service with ABC Company a paid annual vacation of at least:

- 2 weeks if the employee has less than 8 years of service with ABC Company; or
- 3 weeks if the employee has 8 or more years of service with ABC Company.

Vacation will be provided no later than 10 months after the 12-month period in which the employee earns it ends.

**Notification:** ABC Company will notify the employee of the date his/her vacation begins at least 1 week in advance.

**Vacation pay:** At least 1 day before the vacation begins, ABC Company will pay the employee an amount equal to:

- 4% of the employee's wages for the 12-month period in which he/she earned the vacation if the employee has less than 8 years of service with ABC Company; or
- 6% of the employee's wages for the 12-month period in which he/she earned the vacation if the employee has 8 or more years of service with ABC Company.

**Vacation segments:** Employees must take their annual vacation in 1 unbroken segment unless ABC Company and the employee agree for vacations to be taken over 2 or more segments. Conditions of such agreements:

- The total time of each segment must add up to no less than the total amount of the annual vacation to which the employee is entitled were he/she to take it all in 1 continuous period so that the employee does not end up with less vacation time as a result of the segmenting arrangement;
- The arrangement must include at least 1 unbroken week of vacation.

**Pay in lieu of vacation:** Employees who work full-time must take vacation time.

Employees who work part-time, i.e., less than 90% of the regular working hours during a continuous 12-month period, may waive their vacation entitlement in writing and just collect their vacation pay. If an employee opts to waive his/her vacation entitlement, ABC Company will within 1 month after the 12-month period pay the employee:

- 4% of the employee's wages for the 12-month period in which he/she earned the vacation if the employee has less than 8 years of service with ABC Company; or
- 6% of the employee's wages for the 12-month period in which he/she earned the vacation if the employee has 8 or more years of service with ABC Company.

**Vacation pay upon termination:** ABC Company will pay any employee terminated before completing the full 12 months required to earn a vacation entitlement or pay in lieu of vacation, within 10 days after the

employee's employment terminates, all the accumulated vacation pay the employee has earned prior to termination.

**Calculation of vacation pay:** To calculate vacation pay in accordance with the above subsections, ABC Company will include the cash value of board or lodging provided by ABC Company at whichever of the following amounts is greater:

- The amount ABC Company and the employee agree equals the cash value of the board and lodging provided; or
- The amount specified in any government order issued under the LSC.

**Exception:** The above provision does not apply to any employee employed in the construction industry.

In calculating vacation pay, ABC Company will also treat the 12-month or any other period of employment as beginning on the first day the employee is employed.