push

HANDY GUIDE TO

Statutory Holidays
in Canada

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INTRODUCTION

General holidays, also known as statutory holidays, are fun - for the most part. They're occasions for family and friends to come together to celebrate something; and these events usually consist of a big holiday meal. Meaning, holidays don't quite mean the same for restaurant businesses.

To make matters more difficult, statutory holiday eligibility rules, and calculations vary from province to province.

In efforts to make general holiday calculations easier for you and your team, our team of payroll experts has put together a quick guide on everything you need to know about statutory holiday calculations!

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British Columbia

First things first: what constitutes as a statutory holiday in British Columbia (BC)?

The holidays that do qualify are:

1. New Year's Day
2. Family Day
3. Good Friday
4. Victoria Day
5. Canada Day*

6. B.C. Day
7. Labour Day
8. Thanksgiving Day
9. Remembrance Day
10. Christmas Day

*If Canada Day falls on a Sunday, the following Monday will be observed as the statutory holiday.
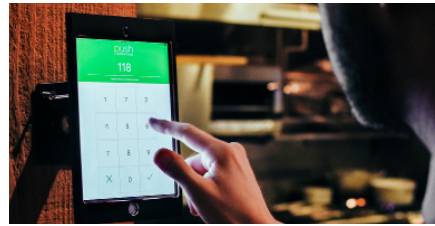
Now, who is eligible for statutory pay?

ı For normal non-union environments, employees must qualify for both of the following:

ı Must be employed for at least 30 days prior to the statutory holiday.

ı Have worked at least 15 out of 30 days preceding the holiday.

However, if an employee is working under an averaging agreement or variance at anytime before the 30 days prior to the holiday, they are not required to meet the

How do you calculate statutory holiday pay in B.C.?

Eligible employees (who work 15 out of the last 30 days preceding the holiday) are entitled to general statutory pay, which is equivalent to an average day's pay.

Here's the equation:

Amount Paid ÷ Number of Days Worked = **General Statutory Pay**

The amount paid or "total wages" refers to: Wages earned in past 30 days preceding the statutory holiday.

This includes: regular wages, commissions, statutory holiday pay and annual vacation pay and excludes overtime.

Days worked refers to: Number of days worked or earned wages within 30 calendar days.

This includes: days on paid annual vacation, paid statutory holidays

For example: Peter worked 22 days, earning $5,280, including $480 in overtime, in past 30 calendar days preceding the statutory holiday.

To calculate his statutory holiday pay:

ı ($5280 – $480) / 22 days worked = $218.18 in general statutory pay (average day's pay)

If Peter is given the day off on a statutory holiday, he is still entitled to $218.18. But if he works on the statutory holiday, then he is also paid:

ı 1.5x regular wage for the first 12 hours worked

ı or 2.0x regular wage for hours worked above 12 hours

For example, if Peter works 8 hours on a statutory holiday, he will be paid:

ı (1.5 x $30) x 8 hours + $218.18 = $579.18

For those who do not qualify for statutory holiday pay, but work on a statutory holiday, they will be paid their regular earnings, without any additional pay.

ALBERTA

Alberta

What days qualify as statutory holidays in Alberta?

Only the following:

1. New Year's Day
2. Alberta Family Day
3. Good Friday
4. Victoria Day
5. Canada Day*

6. Labour Day
7. Thanksgiving Day
8. Remembrance Day
9. Christmas Day

*If Canada Day falls on a Sunday, the following Monday will be observed as the statutory holiday.

And exactly who is eligible?

There are four factors that an employee must have to qualify for general holiday pay:

- They must work scheduled days before and after the stat holiday.
- They must also work on the stat holiday if they are scheduled.

- They must have worked for the same employer for at least 30 days in the last 12 months prior to the holiday.
- The stat holiday falls on their regular day of work.

Working on a statutory holiday:

If an eligible employee works on a stat holiday, they are entitled to one of two options.

- An average daily wage (general holiday pay) AND 1.5 x employee's daily wage for hours worked (premium pay), or
- Their regular hourly wage including OT (if applicable) PLUS a future day off, with pay of at least their average daily wage and before their next annual vacation.

If an employee does not work on a stat holiday, they are only eligible for general holiday pay.

If an employee does not work and the stat does not fall on a regular day of work, they will not eligible for general holiday pay.

Calculating General Holiday Pay in Alberta:

The formula is as follows:

Regular Wages, Vacation Pay, and General Holiday Pay earned during previous 4 weeks* preceding the holiday x 5% (0.05)

Here's an example:

Joe earned $4,320 in the last 4 weeks. Though he does not have a "regular" schedule, as Joe has worked the last 5 Mondays, and the stat falls on a Monday, the stat is qualified as a regular workday for Joe. He has also worked his scheduled shift before the holiday and will work the day after the holiday.

To calculate his stat pay:

- $4,320 wages earned x 0.05% = $216 in general holiday pay

If he is working the stat holiday, he is entitled to premium pay in addition to his general holiday pay.

Therefore:

- $4,320 wages earned x 0.05 = $216 in stat pay
- PLUS ($20 x 1.5) x 8 hrs = $240 in premium pay

In total, Joe earned $456 when he worked on a statutory holiday.

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SASKATCHEWAN

Saskatchewan

In Saskatchewan, everyone is eligible for general holiday pay!

The following holidays are observed as statutory holidays:

1. New Year's Day
2. Family Day
3. Good Friday
4. Victoria Day
5. Canada Day*
6. Saskatchewan Day
7. Labour Day
8. Thanksgiving Day
9. Remembrance Day
10. Christmas Day

*If Canada Day falls on a Sunday, the following Monday will be observed as the statutory holiday.

General Statutory Average Pay Calculation

Stat holiday average pay is calculated by taking an employee's wage (including commisions and vacation pay but excluding overtime pay, bonuses, and tips),earned in the four week period (28 days) prior to the holiday and multiplying it by 5% (0.05).

Again, all employees are eligible for stat pay even if they don't work the holiday. However, their statutory holiday pay must be paid in the same pay period that the holiday lands in.

The equation for stat holiday pay is:

Total Wages *x 5 Percent (0.05) = Stat Holiday Pay.*

An employee's total wage refers to: An employee's salary, commission, and any other form of monetary compensation, work or services, excluding overtime pay, paid in the last four weeks before the holiday.

Here's an example: In the last four weeks, Joe earns a regular wage of $500 per week. He also makes $200 in commission, and takes a paid one week vacation of $500. He does not work the holiday, but the holiday falls within the same pay period.

To calculate his earnings:

- ($500 + $200 + $500) x 5 percent (0.05) = $60 in stat holiday pay.

All employees, including managers, who work on a public holiday, are entitled to both stat holiday average pay and a premium holiday pay.

The equation for premium statutory holiday pay is:

- Hourly wage x 1.5 = premium stat pay

Here's an example: John works an 8 hour shift on Victoria Day. He has an hourly wage of $12/hour, and in the last 4 weeks he's earned $1,920.

For his stat holiday average pay, he will receive:

- $1,920 (total wage) x 5 percent (0.05) = $96 in stat holiday pay

In addition, to his regular stat average pay, the premium stat pay he'll receive is:

- ($12 x 8) x 1.5 = $144

In total, John earns:

- $96 regular stat average pay + $144 premium stat pay = $240 total pay

MANITOBA

Manitoba

The eight holidays observed in Manitoba are below:

1. New Year's Day

2. Louis Riel Day (3rd Monday in February)

3. Good Friday

4. Victoria Day (the Monday preceding May 25)

5. Canada Day

6. Labour Day (first Monday in September)

7. Thanksgiving Day (second Monday in October)

8. Christmas Day

9. Remembrance Day**

*If Canada Day falls on a Sunday, the following Monday will be observed as the statutory holiday.

**Most industries are not allowed to operate on Remembrance Day but restaurants are an exception. It is not a requirement to pay all employees regular stat pay. Only eligible employees who work the holiday are entitled to at least half of a normal work day at 1.5x their regular wage. In addition, they are also entitled to general holiday pay of an average day's wage or 5% of their gross earnings in the 28 days preceding the holiday.

Employee Eligibility:

All employees are eligible for statutory holiday pay unless:

- They are absent from their last scheduled workday before the holiday***

- Do not work their first scheduled workday after the holiday*

How do you Calculate Statutory Holiday Pay in Manitoba?

Those who consistently work the same amount of hours on a weekly basis receive a regular day of pay.

For example: if John works 40 hours a week, 5 days a week for 8 hours, at $20/hour. He is entitled to:

- 40 hours ÷ 5 days = 8 hours (1 regular day of work)

- 8 hours x $20 = $160 in general holiday pay

For employees who work hours that vary, their general holiday pay is calculated at 5% of their wages over the course of 4 weeks (not including overtime), preceding the holiday.

For example: In the last 4 weeks, Jessica has worked 120 hours prior to the stat holiday at the rate of $15/hour. To calculate her stat pay:

- $15 x 120 hours = $1800

- $1800 x 0.05 % = $90 of general holiday pay

For eligible employees that work their scheduled shift on the actual day of the stat holiday, they are also entitled to premium pay of 1.5 x their hourly wage.

For example: in the last 4 weeks, Tom worked 140 hours at $22/hour. On a stat holiday, he works a scheduled 8 hour shift. To calculate his general holiday pay and work pay:

- (140 hours x $22) x 0.05 = $154 general holiday pay, PLUS

- ((1.5 x $22) x 8 hours) = $264 general holiday work pay

- $154 (general holiday pay) + $264 (general holiday work pay) = $418 Tom's total general holiday pay

Alternatively, if an employees chooses to receive regular wages on the holiday, they will be provided with a day off with general holiday pay (within the next 30 days) in return.

Ontario

Ontario's general holiday rules have been amended *again*, as of July 1st 2018. Though employee eligibility has remained the same, the method of Ontario's statutory holiday calculations has been changed. Below, you'll find everything you need to know about Ontario's general holiday rules.

Did you know? Ontario is the only province in Canada where Boxing Day (December 26) qualifies as a statutory holiday!

Here are the statutory holidays in Ontario:

1. New Year's Day
2. Family Day
3. Good Friday
4. Victoria Day
5. Canada Day*

6. Labour Day
7. Thanksgiving Day
8. Christmas Day
9. Boxing Day

*If Canada Day falls on a Sunday, the following Monday will be observed as the statutory holiday.

Employee Eligibility

To be eligible for stat holiday pay in Ontario, employees simply have to follow the "first and last" rule – there are no restrictions on how long an employee has worked for an employer. Employees must work their last scheduled shift before the stat holiday, and the first scheduled shift after the stat holiday, unless they have missed their shift due to reasonable cause or have their employer's consent.

For example: Joe works Monday to Friday, and the next stat holiday falls on a Friday. Joe is scheduled to work on the Thursday before the holiday, and the Monday after the holiday. He must work these entire shifts to be eligible for stat average pay.

- But Joe has requested Monday off to extend his weekend. His manager approves his request, therefore Joe is still eligible for stat average pay.

- However, if Joe's request is not accepted, and he does not show up, he will only be paid stat premium pay for the hours he has worked on the stat holiday.

How do you Calculate Statutory Holiday Pay in Ontario?

Statutory pay is calculated by taking "the total amount of regular wages in the last 4 weeks before the week of public holiday, divided by 20." The four weeks before the public holiday is based on the employer's work week. For example, instead of a Monday to Sunday work week, it could be a Sunday to Saturday work week.

Here's an example: In the last 4 weeks, Peter is paid $14/hour and worked 30 hours. As he also worked his last scheduled shift before the holiday, and will be working the first shift after, he is eligible for both regular and premium stat pay.

To calculate his total stat pay:
- Regular wages earned in the last 4 weeks = $14 x 30 hours = $420 + $16.80 (vacation pay, paid out per cheque)
- $436.80 / 20 = $21.84 in regular stat pay
- In total, Peter will be paid $133.84 in regular statutory pay

Stat Premium Pay Calculation

In addition to stat holiday pay, employees who work on the day of the statutory holiday, they are also entitled to premium pay. This is calculated by multiplying their regular hourly wage by 1.5.

For example: Last pay period, Jane is paid $12/hour and works four 8 hour shifts. She also works an 8 hour shift on a stat holiday. As she also worked her last scheduled shift before the holiday, and will be working the first shift after, she is eligible for both regular and premium stat pay.

To calculate her total stat pay:
- Regular wages earned in the last 4 weeks = $12 x 32 (8×4) hours = $384 + $15.36 (vacation pay, paid out per cheque)
- $399.36 / 20 = $19.97 in regular stat pay

PLUS
- 1.5 x ($12 x 8 hours) = $144 in premium pay
- In total, Jane will be paid $163.97 in statutory pay

CONCLUSION

Statutory holidays can be confusing and a headache to calculate. If you're doing it manually, make sure you're double, or triple checking your provincial statutory holiday eligibility guide, to ensure everything is calculated accordingly. Statutory holiday rules vary province to province and it can cost you thousands if you aren't careful.

After that long read, your thoughts on calculating statutory holiday could only go two ways:

"wow, I think I get it!" or *"... I need to read that again."*

If you've got it – awesome! If you haven't, automating payroll will save you a load of time. Statutory holiday calculations are a breeze when they're automated! Let us do the heavy lifting – contact **Push Operations** for further information on automating stat holiday calculations.

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DISCLAIMER

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SOURCES:

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