

**Subject:** Vacation Policy Updates**Recommendation:**

**BE IT RESOLVED THAT Council receive Report #0192, for information;**

**AND THAT Council approve the Vacation Policy S600-22, as amended.**

**Background:**

The Town has been reviewing and revising assorted People Services policies over several months to ensure compliance with legislation and enhance the policies so they better reflect current Human Resource practices. Attached to this report is an updated version of the Vacation Policy S600-22. This policy in particular requires updates for clarity and to maintain competitiveness. The amendments proposed are for non-unionized employees, as unionized employees' vacation entitlement is set out in the collective agreement.

**Analysis:**

Very few new hires are willing to accept 2 weeks of vacation, which is the legal minimum pursuant to the *Employment Standards Act*. This is especially true of the more experienced candidates with many years in the municipal sector. The Town is striving to make itself a municipal employer of choice in what has become an increasingly difficult environment to recruit and retain talented staff.

The proposed Vacation Policy amendments better reflect the Town's municipal comparators, provides administrative rules to better manage vacation usage, and allows for staff to establish a healthier work/life balance. Changes from the previous document include a change in vacation days provided based on years of service, a procedure for the timely submission of time off requests to avoid large accrual issues, and rules around vacation pay for employees absent from work and who voluntarily cease their employment with the Town. It also now includes a calculation guide for those who negotiate more than the minimum entitlement at the time of hire, which will be relevant when hiring someone with many years of experience.

**Financial Considerations:**

The additional vacation entitlements are included in employees' salaries and not paid out separately, so the financial impact is limited. The majority of staff are not replaced when they go on vacation (with the exception of some positions at the MCC) thus these policy changes are more about lost productivity than increased costs. The managerial controls within the policy will not allow excessive vacation banks to carry over or staff to ignore taking their allotted vacation time. Lack of time away from work can lead to undue stress and illness, which can have a negative effect on benefit costs to the Town.

**Alternatives Reviewed:**

Council could leave the existing policy as is. This is not recommended however as a policy offering two weeks' vacation simply does not suffice to attract and retain the best candidates. The other amendments to the policy provide additional clarity, puts the onus on managers to monitor and ensure vacation time is used, and ensures this process is managed effectively and fairly.

**Strategic Plan Relationship: Enhancing Capacity and Future Readiness**

This vacation policy is a key element of an employees' compensation package and, as such, is an important part of the Town's attraction and retention strategy.

**Consultation:**

All members of the Senior Leadership Team were consulted regarding the proposed policy changes.

**Other Pertinent Reports/Attachments:**

Appendix "A" – Vacation Policy S600-22

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