



# Employment Standards Act

## Annual Vacation Pay and Vacation Time

Updated February 2020



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The *Employment Standards Act* (the Act) states that all employees are entitled to vacation pay and vacation time (see subsection 20(1) of the Act) with one exception: members of the employer's family are not entitled to vacation pay or annual vacation time (see subsection 20(2) of the Act).

An employer must start paying vacation pay after the employee has been continuously employed for 14 days (see paragraph 25(1)(b) of the Act). An employer must give vacation time within 10 months AFTER the employee has completed one year of employment (see section 22 of the Act).

Vacation pay is calculated as at least 4% of an employee's gross wages (see section 19 of the Act). Vacation time is calculated as at least two weeks for every year of completed work (see sections 19 and 21 of the Act).

If an employee starts work on January 1, they start earning vacation pay on January 15. They become entitled to vacation time as of December 31.



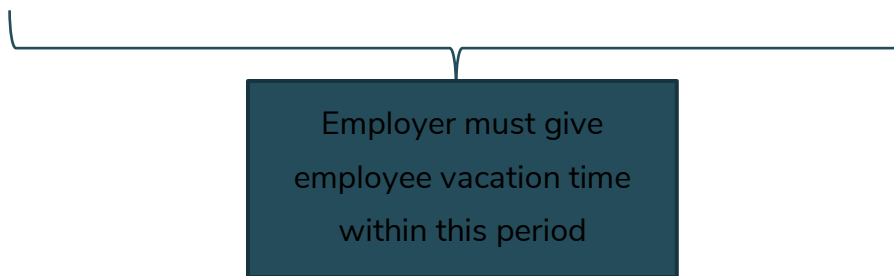
This employee's employer must give them their earned vacation time by October 31 of the second year of their employment.

(see subsection 22(a) of the Act).

The employee must receive their vacation pay no later than one day before they take their vacation time

(see subsection 22(b) of the Act).

Year 2	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
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The employee's vacation time is extended by one day for each general holiday during this time. The employer must also pay the employee any general holiday pay for which they are entitled.

If an employee's employment is terminated before a year is completed, the employer must pay the employee all their earned vacation pay within seven days from the date the employment ended (see paragraphs 25(1)(a) and (b) of the Act).

## For more information

This fact sheet is prepared for general information purposes.

Please refer to the relevant provisions of the Act, which can be found at [http://www.gov.yk.ca/legislation/acts/emst\\_c.pdf](http://www.gov.yk.ca/legislation/acts/emst_c.pdf) or contact an Employment Standards Officer at 667-5944 or by email at [employmentstandards@gov.yk.ca](mailto:employmentstandards@gov.yk.ca).