December 23, 1999

To: Directors of Human Resources/Personnel
   Senior Financial Officers

Re: Payroll Policy Circular

The newly created Payroll Services Branch of PSERC has amalgamated with Benefits Policy to form a Pay and Benefits Branch. This amalgamated branch will provide central direction for payroll, leave, benefits and human resources transactions affecting payroll.

As described in the mandate, the Pay and Benefits Branch will produce an administration manual designed to assist ministry pay offices with payroll transactions. During the development of the manual, Policy Circulars will be issued in situations where policy direction is needed immediately. Subsequently, as the administrative manual is developed, the circular information will be reflected in policy.

For your information the first policy circular, relating to statutory holiday pay, is attached and has been distributed to your ministry’s payroll administrator.

If you have any questions regarding this policy or suggestions on how the new Pay and Benefits Branch can serve the needs of your ministry, please call me at 356-2210.

Carol Iverson
Manager, Pay and Benefits

SUBJECT: Calculation of Statutory Holiday Pay

APPLICATION

This circular applies only to regular part-time Management Exclusion employees, whose positions are evaluated under the Management Classification Program, including regular part time OIC Category A & C Appointees, who work less than 35 hours per week on a regular basis.

Note: All employees not covered by this circular will continue to be entitled to statutory holiday pay based on hours worked and where applicable, pro-rated based on current policy.
POLICY

1. Set schedule of less that 35 hours per week and more than 15 days in every 30
   Regular part time employees working a set schedule of less than full time, and
   who work or earn wages for at least 15 of the previous 30 days prior to the
   statutory holiday, will receive the same amount of pay as if the employee had
   worked regular hours on the day off. The calculation of pay will not be pro-rated
   based on hours worked.

   Sample schedule:

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 hours</td>
<td>7 hours</td>
<td>7 hours</td>
<td>7 hours</td>
<td>Regular day off</td>
</tr>
</tbody>
</table>

   In the example above, assuming the employee satisfies the criteria for pay under
   the Employment Standards Act, if a statutory holiday falls on the Monday the
   employee will receive 28 hours pay in that week (21 regular, 7 statutory holiday).
   In the same example, if the statutory holiday falls on the day of rest, Friday, the
   employee will receive 35 hours pay for the week (28 regular, 7 statutory holiday).

   Sample schedule:

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 hours</td>
<td>5 hours</td>
<td>5 hours</td>
<td>5 hours</td>
<td>5 hours</td>
</tr>
</tbody>
</table>

   In the example above, assuming the employee satisfied the criteria for pay under
   the Employment Standards Act, the employee will receive five hours of statutory
   holiday pay regardless of which day the statutory holiday falls.

2. Set schedule of less that 35 hours per week and less than 15 days in every 30
   Regular part time employees working a set schedule of less than full time, and
   who work or earn wages on fewer than 15 of the previous 30 days prior to the
   statutory holiday, will receive pro-rated statutory holiday compensation based on
   hours worked.

   Sample schedule:

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 hours</td>
<td>7 hours</td>
<td>3.5 hours</td>
<td>Regular day off</td>
<td>Regular day off</td>
</tr>
</tbody>
</table>

   In the example above, the employee does not satisfy the criteria for statutory
   holiday pay under the Employment Standards Act, since their schedule will not
   generate 15 working days in the previous 30. In this situation, the employee will
   receive pro-rated statutory holiday based on hours worked regardless of which
day the statutory holiday falls. This entitlement is provided in Personnel Policy
Directive 4.5.
3. Part time regular employee without a set schedule
   Regular part time management excluded employees working a fluctuating schedule will receive pro-rated statutory holiday based on hours worked regardless of which day the statutory holiday falls. This entitlement is provided in Personnel Policy Directive 4.5.

4. Temporary appointments
   In situations where an employee is serving in a position covered by this circular on a temporary assignment (T/A), the entitlement in this circular applies when the T/A start date and end date encompasses a statutory holiday(s).

5. Time off in lieu
   As an alternative to receiving statutory holiday pay, the employee may be provided with time off in lieu.

AUTHORITIES
Employment Standards Act
Policy Directive 4.5

EFFECTIVE DATE
This circular is effective January 2, 2000.

Maureen S. Nicholls
Commissioner
Public Service Employee Relations Commission