

Attention Business Editors:

New Ontario Holiday Presents Challenges for National Organizations

Employees may be working between Christmas and New Year's in order to take Family Day off in February

TORONTO, Nov. 29 /CNW/ - For Canadian organizations operating in Ontario and other provinces, Ontario's new Family Day adds complexity to efforts to apply an equitable national strategy with respect to statutory holidays. The end result for some employees may be a certain loss of flexibility in determining when to spend time off with their families, according to a survey of 265 Canadian employers conducted earlier this month by global human resources services company Hewitt Associates.

Of the employers surveyed, 71 per cent operate in Ontario and at least one other province. Of these organizations, over half (58 per cent) have a national policy with respect to statutory holidays; they give the same number of days off to workers in each province, regardless of provincial requirements. Currently, statutory holiday requirements range from a low of six per year (in Nova Scotia and Prince Edward Island) to a high of ten (Saskatchewan, the Northwest Territories and Nunavut).

Generous Statutory Holiday Policies

"Even employers that operate in Ontario alone generally exceed the minimum when it comes to statutory holidays," said Anthony Perlman, principal and senior benefits consultant with Hewitt in Toronto. "In fact, 92 per cent of employers provide 10 holidays or more per year."

These additional days are often "floating," allowing employers to designate days when the company or certain parts of the operation will close. Employees may also have some personal discretion when it comes to "floaters." Many businesses use these extra days to give employees a full week off at the end of December.

Some Will Add an Extra Day, Others Won't

There's no question of how to deal with the new Family Day for some organizations. Three-quarters of those that operate in Ontario alone or in Ontario and additional parts of the country but have a statutory holiday policy that varies by province will add another paid holiday for employees. How those with union groups will address Family Day depends on the terms of the collective agreement.

The appropriate course of action is not as clear cut for employers that operate in Ontario and elsewhere and have a national policy. "The lost-productivity costs associated with an extra day off can be staggering," stated Tim Clarke, Canadian benefits practice leader for Hewitt.

"Organizations that already provide a generous statutory holiday policy in order to ensure that all their employees, regardless of location, get the same number of non-vacation days off per year have been painted into a corner by the Ontario government."

The last-minute Ontario Liberal campaign promise to add a new statutory holiday was popular with employees. In enacting Family Day, the newly-elected government followed the lead of Alberta and Saskatchewan. Manitoba will also celebrate Family Day, known as Louis Riel Day in that province, for the first time in 2008.

"Employees are expecting to get an extra day off and may well be disappointed if employers decide to use one of the floating holidays for Family Day," said Clarke. "Nevertheless, our survey results indicate that's what half of the organizations with national policies plan to do. Another 26 per cent are undecided. Only 12 per cent of these employers have decided to add another day off."

Communication is Key to Understanding and Appreciation

Employers that are planning to eliminate one holiday in favour of using a floater to cover Family Day will need to implement a clear employee communication strategy to avoid negative reactions. "Many employees may not realize how generous their employer already is," stated Perlman. "Organizations should explain their policy carefully, pointing out how it exceeds the statutory minimum. They also have an opportunity to point out the other things they may be doing to help employees achieve work/life balance - flexible hours, additional vacation buying or sabbaticals, for example."

"It's important for workers to understand that this isn't a case of employers being miserly and saying 'Bah, humbug!' to another holiday," said Clarke. "It's a matter of finding the appropriate balance between time at home and time at work for both employees and employers."

About Hewitt Associates

With more than 65 years of experience, Hewitt Associates (NYSE: HEW) is the world's foremost provider of human resources outsourcing and consulting services. The company consults with more than 2,300 organizations and administers human resources, health care, payroll and retirement programs on behalf of more than 340 companies to millions of employees and retirees worldwide. Located in 35 countries, including Canadian offices in Toronto, Montreal, Vancouver, Calgary and Regina, Hewitt employs approximately 24,000 associates. For more information, please visit www.hewitt.com.

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