



Practical Solutions for Equity, Diversity and Inclusion

Statutory Holidays: Best Practices for Inclusivity



May 2023

HRx acknowledges our respect for and deep gratitude to the Coast Salish Peoples, namely the səlililwətaʔt (Tseil-Waututh) and Skwxwú7mesh (Squamish) First Nations, and the xʷməθkʷəy̓əm (Musqueam) Indian Band on whose traditional territories we are honoured to operate.

About HRx

HRx was founded in June 2016 and has grown to become a leading provider of practical, data-informed solutions for equity, diversity and inclusion (EDI). Over the years, we have partnered with hundreds of organizations across North America to build stronger, more inclusive teams. Through our comprehensive suite of consulting services, interactive training programs and data analytics, we help teams at any stage of their EDI journey. We drive sustainable change, whether that's the systems and processes that shape how we work, or the behaviours of the employees and leaders who bring cultures to life.

We approach EDI as the critical organizational practice it is, by designing strategies that drive change at an institutional level and equipping individuals with the knowledge to help build inclusive cultures.

Systematic + Practical

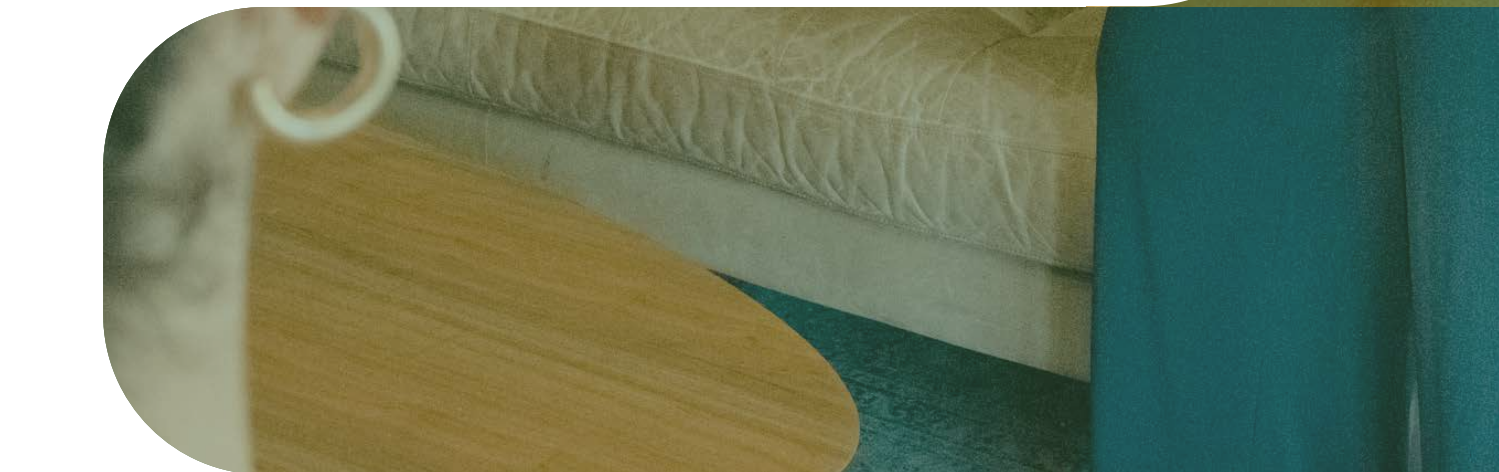
We address the right issues at the right time to ensure a coordinated, streamlined & structured approach to change.

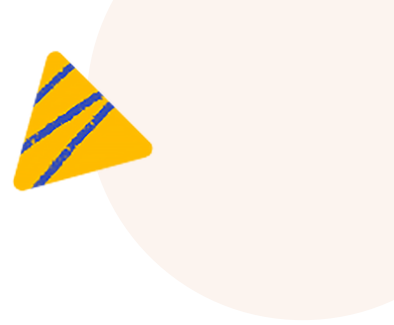
Tailored

We ensure the unique culture of each team is reflected in our work to deliver relevant and high-impact outcomes.

Data-Driven

We use data to assess the current landscape, influence decision-makers, prioritize high-impact initiatives & measure progress over time.





Statutory Holidays: Best Practices for Inclusivity

Several times a year employees across North America are granted days off to observe statutory holidays, but what are these statutory holidays about? What about folks who would prefer to take a different day off to celebrate a cultural or religious holiday that is not a recognized stat?

Statutory holidays have been set by governments because of presumed historic, national, or cultural significance. Many stat holidays, however, are rooted in assumptions about history, religion, and culture that might not reflect the beliefs or experiences of all employees. Did you know, two out of the five holidays held nationwide – Good Friday and Christmas Day – are based on Christian beliefs, despite the increasing prevalence of other religions in this country and the declining adherence to religion among younger people overall? ¹

Increasingly, companies are realizing that an inclusive approach to holidays is part of an overall strategy to create a welcoming environment where employees want to work, collaborate, and learn.

Inclusive Approaches to Stat Holidays

Employers who want to build welcoming, inclusive workspaces are turning their attention to the issue of statutory holidays. Research shows that the standard calendar year of statutory holidays may commemorate events that are irrelevant or even alienating for many employees, while overlooking days that are meaningful in their lives. Other employees might face barriers to participation or a sense of alienation around certain holidays.

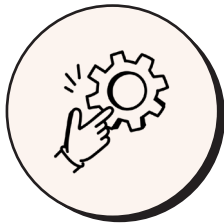
As an increasing number of employers are seeking alternatives to the “one size fits all” approach, they must often navigate many complex factors. Employment law, HR policies, and organizational structures and cultures are all involved in how an organization approaches holidays.



Four Main Principles

HRx receives regular requests for guidance on how to address holidays and paid time off (PTO) in a more open and inclusive way. We have created this resource guide to provide context and raise important considerations for Canadian companies and organizations looking to re-evaluate their approach.

Our approach is based on four main principles:



Flexibility: Most organizations find that a flexible approach to stat holidays is the best way to enhance holiday inclusivity while addressing operational needs. In this guide, we explore different ways to achieve this flexibility.



Inclusivity: Many companies are also seeking to create a more inclusive culture around holidays and special events more generally, above and beyond the issue of paid holiday days. Avoiding assumptions, considering accessibility, and acknowledging different kinds of important events in the calendar year are important ways to build a broader culture of inclusivity within which holidays are only a part.



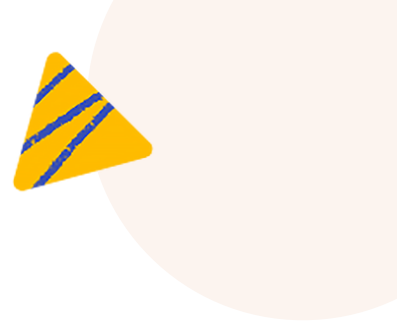
Commitment: Marking important events for employees must be part of a larger, organization-wide approach to creating comprehensive approaches to EDI. Such approaches often start with leadership and involve system-wide, strategic planning.



Learning: Overall, we recommend that companies frame any changes related to holidays within a context of ongoing learning and growth and build in structured, systematic ways of receiving regular feedback from staff.

Nothing we state here should be taken as legal advice; laws vary by region and the specific legal implications of any holiday-related changes must be understood in their specific contexts. Knowing when to ask for legal advice – such as when holidays are governed by collective agreements – is an important part of re-evaluating an overall stat holiday strategy.

We end with further resources to support ongoing learning into new and more inclusive ways of scheduling and celebrating holidays within organizations.



Statutory Holidays: An Introduction

Statutory holidays (also known as public holidays or “stats”) are holidays that governments have determined should be observed because of their perceived historic, national, or cultural significance. On average, across all Canadian provinces and territories, and across sectors, employees have 11 stat holidays per year.

On stat holidays, employers give their employees time off, with regular pay. Calculations of “regular pay” depend on how workers receive their wages. Workers will often get paid for eight hours². If workers’ hours are variable, they might receive 5 percent of what they earned in the four weeks leading up to the holiday³. Employers will also need to factor in variable earnings, like commissions.

If the holiday falls on a weekend, the employer substitutes a weekday in lieu. If a worker does end up working on a statutory holiday, they receive pay increases of time and a half or double time. Certain workers may instead receive regular pay and a day off in lieu.

Current Statutory Holidays Across Canada

In Canada, there are five holidays held nationwide: New Years Day, Good Friday, Canada Day, Labour Day, and Christmas Day.

Employees covered under federal regulations have an additional seven stat holidays: Easter Monday, Victoria Day, Civic Holiday, National Day for Truth and Reconciliation, Thanksgiving Day, Remembrance Day, and Boxing Day. Many of these days – but not all – are statutory holidays within provinces, too.

Each province has its own stat holidays, some in addition to the nationwide stat holidays. For example, the third Monday in February is a holiday in many parts of the country, marked variously in different provinces – e.g. as Family Day (in BC, Alberta, Saskatchewan, and Ontario), Louis Riel Day (in Manitoba), and Islander Day (in PEI).

Provinces also have “optional” holidays: (a) nationwide holidays such as Remembrance Day may be optional in some provinces, and (b) additional holidays, such as Terry Fox Day in Manitoba, may also be commemorated but non-statutory.

Regulations and Policies

Around Stat Holidays

Holidays are governed by several levels of law and policy. Organizations wishing to make changes to their approach to holidays should familiarize themselves with the rights of employees and the responsibilities of employers in this context.

There are differences in the rules related to federal employees, provincial employees, private-sector employees, and part-time workers.

In general, HR departments/companies re-evaluating their approach to stat holidays should investigate the four following areas of law & policy:

Federal legislation: The Canadian Labour Code defines the rights and responsibilities of workers and employers that work in federally regulated workspaces.

Provincial legislation: Stat holidays are regulated by provincial legislation, particularly “employment standards acts.” These laws protect employees and instruct employers how to treat their workers fairly. These provincial laws do in fact permit organizations to allow staff to determine their stat holidays. For example, the BC Employment Standards Act states:

(1) An employer may for one or more employees at a workplace substitute another day off for a statutory holiday if the employer and the employee or a majority of those employees, as the case may be, agree to the substitution.

(2) Any employees affected by the substitution of another day for a statutory holiday have the same rights under this Act and their employer has the same duties under this Act as if the other day were a statutory holiday.

In other words, under law, it is acceptable for employees to choose their stat holidays. Meanwhile, the employer has the same responsibilities as in the context of any other stat holiday. The agreement between employer and employee to substitute holidays must be made in writing⁴. There may be exceptions for certain kinds of industries, wherein employees may be required to work. Usually, the substitute day must be taken off within three months of the stat holiday (or, with written approval from the employer, within the year)⁵.

Collective agreements: If you have employees that are under a collective agreement, it is important to discuss any potential policy with a labour lawyer and consider if it would need to be brought into collective bargaining before the policy could be implemented.

Internal policies: Holidays are also governed by internal organizational policies. Changing these policies can take time and may require ongoing consultation across levels of the organization.





Three Main Challenges for Holiday Inclusivity

Holidays may be built on biased assumptions about shared religious or cultural values, or may exclude certain individual groups. In general, there are three main ways in which traditional approaches to stat holidays may create division and exclusion within a company or organization:

01

Stat Holidays Are Based on Assumptions about Days' Social Meaning

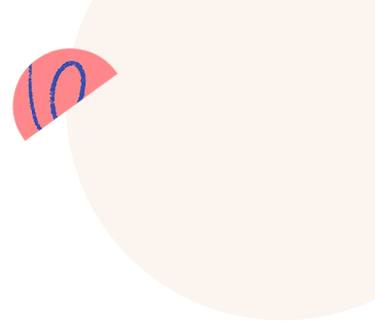
Stat holidays have been set by governments because of presumed historic, national, or cultural significance. Many stat holidays, however, are rooted in assumptions about history, religion, and culture that might not reflect the beliefs or experiences of employees.

In terms of religion, two out of the five holidays held nationwide – Good Friday and Christmas Day – are based on Christian beliefs, despite the increasing prevalence of other religions in this country and the declining adherence to religion among younger people overall⁶.

Some stat holidays mark historical events of “nation building.” Events around Canada Day and Victoria Day often commemorate colonial history and the creation of Canada in ways that ignore the historical and lasting effects of colonization on Indigenous Peoples. For example:

Canada Day: Canada Day marks the anniversary of when three territories merged into a single Nation. As Mi'kmaq senator Brian Francis says, “There is a well-documented history of dispossession, assimilation and genocide [of Indigenous Peoples], which is part of the foundation of this country and continues to affect our lives today.”⁷ In the context of the discovery of hundreds of hundreds of graves at former residential school sites, Senator Francis says, it is “unthinkable to celebrate as if nothing has happened.”

Victoria Day: Jeff Ward, who runs Animikii Indigenous Technologies in Victoria (and seeks alternative approaches to stat holidays), says it “doesn’t get much more colonial than Victoria Day.”⁸ This day marks the birthday of a queen who oversaw expansion of the British Empire until fully one quarter of the world’s population was under British control⁹. Historians have documented extensively the violence, dispossession, and exclusions faced by local populations in this empire¹⁰. Many people who grew up in former colonies now live in Canada.



02

Stat Holidays Do Not Cover Events Important to All Cultures, Religions, and Communities

A focus on Christian days of significance means that many days of importance to employees are not reflected in the calendar of statutory holidays. Days of cultural and religious significance for many employees often go unmarked.

As a growing number of people identify as Muslim, Buddhist, Jewish, Hindu, and with thousands of other religions from around the world, many companies and organizations are finding that it is no longer sufficient to organize stat holidays around the Christian calendar¹¹. Non-Christian employees need to be given time to celebrate religious holidays that are important to them and their communities.

Further, other important cultural events (such as the Day of the Dead, observed by people of Mexican descent) go unmarked.

Many communities also celebrate events that are important for reasons other than religious or cultural significance. For example, 2SLGBTQIA+ employees and their families regularly describe the importance of Pride for themselves and the broader community¹².

03

Employees often Face Barriers to Participation and a Sense of Alienation

Many holidays can be difficult for people emotionally, such as those who are grieving or bereaved or who feel socially alienated¹³.

As well, the activities of certain holiday events can create barriers for certain employees. Organizing events around alcohol consumption, for example, can exclude or alienate employees who do not drink for many reasons (such as religion, pregnancy, health, culture, a challenge with substance abuse)¹⁴. Gift giving may present barriers or challenges for people with low or fixed incomes.



Changing Approaches to Stat Holidays



Increasingly, companies are realizing that an inclusive approach to holidays is part of an overall strategy to create a welcoming environment where employees want to work, collaborate, and learn.

Companies that welcome religious diversity may even have a competitive advantage¹⁵. As the Society of Human Resources notes, several studies have shown that, in companies that recognize and accommodate diverse religious traditions, employees are more engaged and likely to remain with the company.¹⁶

Here we outline three models that companies may use to decide their approach to statutory holidays: the traditional model, the all floating model, and the hybrid model.

What works best for each company depends on their organizational needs, EDI commitments, and employee priorities and demographics. In general, however, companies are transitioning away from the traditional model toward the more “all floating” and “hybrid” models, which are more flexible.

Statutory Holidays: Reimagining an Inclusive Approach

What works best for each company depends on their organizational needs, EDI commitments, and employee priorities and demographics.

01 The Traditional Model

The organization decides which holidays will be offered to everyone.



Hybrid Model

The organization provides a set list of holidays along with a set number of flexible days

03



02 Floating Model

Employees are allocated a set number of days per year.

01 The Traditional Model

Under a traditional model, the organization decides which holidays will be offered to everyone. In most cases, these are statutory holidays, and some additional holidays. Employees are required to use their personal paid time off (PTO) or in some cases, sick days, to observe and celebrate their preferred holidays and days of importance.

In some cases, companies may retain a traditional model, while adding two or three “flex” days annually, so that employees can commemorate or observe days that are important to them.

FOR EXAMPLE

The City of Toronto retains all the official federal and provincial statutory holidays, but offers employees up to three additional holiday days that employees can use to mark or celebrate different days of significance (full-time employees are entitled to three such days per year; part-time employees are entitled to two)¹⁷. The policy states that “Floating holidays can be taken at a time that is compatible with the operational requirements of the division in which the employee works.” Employees must seek manager’s approval for days off.



ORGANIZATION HOLIDAYS



Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

02 The All Floating Model

In this model, employees are given a set number of “holiday PTO” days for a year on their own preferred days. In this approach, employees may swap any or all statutory holidays for a different day.

This is the most inclusive and flexible approach but can have administrative and operational challenges. For example, some companies have cited a preference to retain Christmas and Boxing Day as holidays because “most of the country shuts down on these days,” making operations difficult (though the extent of this difficulty varies depending on the type of work).¹⁸

FOR EXAMPLE

In 2017, Spotify radically transformed its approach to holidays. The company has employees of over 90 nationalities, spread all over the world. Spotify’s approach is that any employee can make a day-off trade for any holiday. They tell their employees to:

Work on a day that is a public holiday in the country where you are employed, and then take out another workday as a holiday instead when it fits your values, beliefs, and celebration calendar better. For example, someone working in Italy, where Christmas Day is a public holiday, can work that day and then trade it for a day off on for example Yom Kippur, or the International Day Against Homophobia, Transphobia, and Biphobia.¹⁹

Spotify reports that the policy has not cost the company anything and has been a big step in allowing “all Spottifiers to feel at home and celebrate wherever they are.”

FOR EXAMPLE

In December 2022, leaders from a Canadian consultancy reached out to HRx requesting advice on best practices relating to organizational holiday policies and procedures. As part of our work with them, they are now in the process of updating their holiday policy and processes, and are considering offering 10 paid days off to each employee on a day of their choice. In addition, they are considering offering 2 “flex” paid days in April or May on a day of choice that employees can move as needed.



03 The Hybrid Model

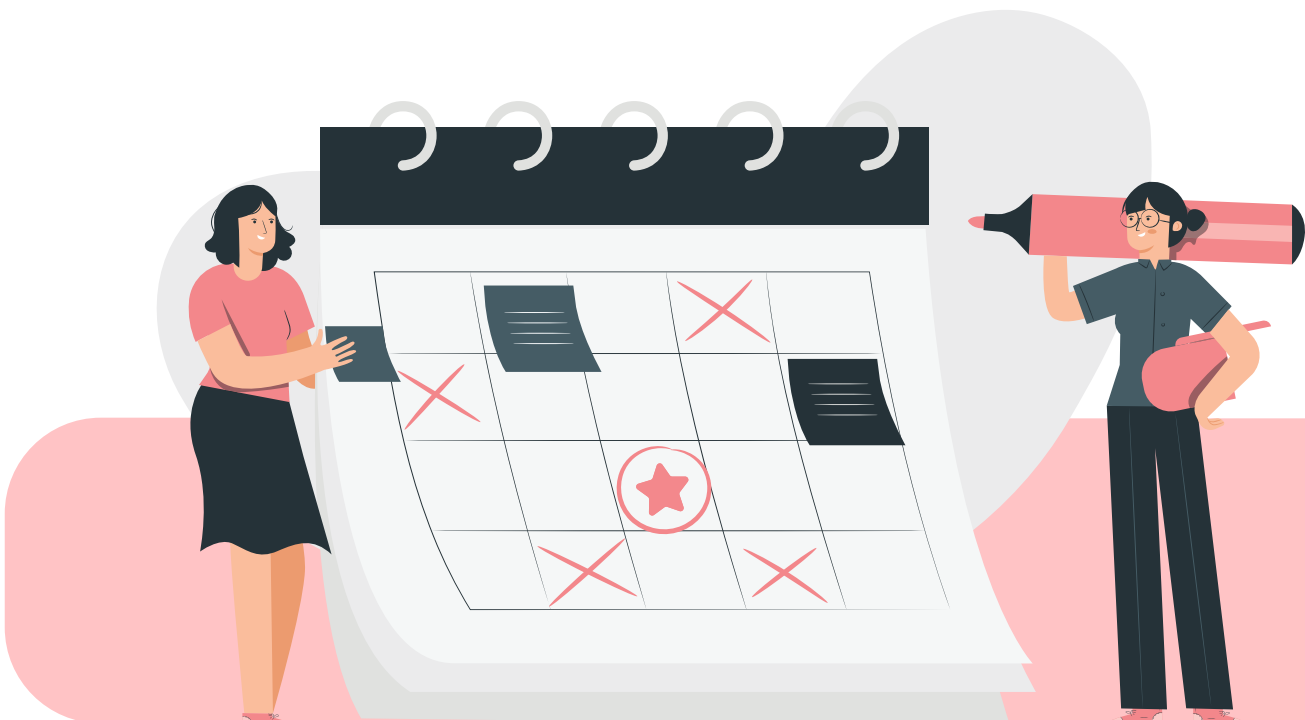
This approach combines the traditional model with floating holidays. The organization provides a set list of holidays along with a set number of flexible days. In other words, the organization provides a list of which statutory holidays are available to swap, while others remain fixed.

The decision regarding which specific holidays should be “fixed” and which should be more flexible depends on the priority and approach of the company:

- Some companies may fix certain statutory holidays for operational reasons.
- Some companies may identify statutory holidays that are more exclusionary than others, such as Easter or Christmas; employees may choose to swap these days for other days. Other potentially more inclusive days, such as Family Day, may be more fixed.
- Some companies with EDI commitments may choose to designate certain EDI-related holidays – such as the National Day for Truth and Reconciliation – as fixed.

FOR EXAMPLE

The Boys and Girls Club of BC has chosen five stat holidays as “swappable” for employees: Boxing Day, Thanksgiving, Good Friday, Victoria Day, and Canada Day can all be switched for other dates or holidays.²⁰ “These are all days that have very strong white Christian European roots to them,” said Carolyn Tuckwell, the organization’s president and CEO.



Addressing Operational Concerns

When Spotify turned to its “all floating” approach to holidays, the company received many questions. Is this approach expensive? Does it affect vacation days? What counts as a holiday? For Spotify, with its international, multi-site workforce with many work-from-home options, the answers were easy. The approach is cost neutral. No, it doesn’t affect vacation days. And what counts as a holiday is up to the employees (who may work on statutory holidays and then take off days that are significant for them).

Through our work at HRx, we have seen several companies shift to more flexible approaches to holidays – both “all floating” and “hybrid” models – and bring great benefits of inclusivity, without adding cost or dramatic operational challenges. Each employer, though, will have to evaluate its holiday policy in relation to its own structure, location, and sets of employee needs. The operations issues and questions that could arise will be distinct in each case.

Here are **four general examples** of the types of organizational issues that organizations might need to address while seeking to institute a more flexible approach to stat holidays:

→ **Coordinating with coworkers, clients, and other external stakeholders:**

If employees work on statutory holidays (and take other days off), they may be working while others are not. They may also be off when others are working. If a majority of a team’s work involves contact with others outside the organization, what will the employee do while working on a statutory holiday? As well, how will the organization

recognize and communicate about an employee’s substitute day off, so that other employees can understand and plan accordingly?

→ **Addressing issues of facility access and operation:**

If employees work on site, work on a statutory holiday might require that other employees would have to work that day. Teams such as security, IT support, facilities management, and other departments that enable employees to be safe and productive might be needed. What would the impact on those employees be? Is there a work-from-home alternative for employees on stat holidays?

→ **Considering safety:**

Is the work site safe and secure if an employee chooses to work on a stat holiday? Many companies have a check-in/check-out policy. In a more flexible approach to holidays, where an employee is working alone on a stat holiday, who will check them in and out?

→ **Developing administrative processes:**

How do employees communicate with managers or supervisors about requests to work on stat holidays and take off days of significance? The process needs to be transparent and neutral. Some employers create a form and a timeframe for employees to submit their requests (e.g. at the start of the year, for planning purposes)²¹. It is important to note, however, that this process must be neutral. Employment law stipulates that employers must not try to “unduly influence” employees’ choices regarding scheduling another day off for a statutory holiday.²²

Overall, for some employers, offering employees the chance to work on statutory holidays might be more operationally feasible on some stats than on others. In this case, employers choose a policy that offers employees the chance to swap some specific stat holidays, but not all (a “hybrid” approach). Even companies that choose to stick with a “traditional” model, for operational reasons, may offer employees a number of additional flexible holiday days that can be scheduled on days of employees’ choosing.



Creating Inclusive Cultures through Education and Awareness

Many employers are changing their approaches to holidays within a broader effort to make their companies or organizations more inclusive. In addition to re-evaluating policy, organizations are developing many ways to integrate inclusive approaches to holidays such as, building in structures for dialogue, awareness-building, and ongoing learning. For example, many companies are creating interfaith calendars, working with employees to ensure that dates of significance for employees of different faiths, communities, and cultural backgrounds are represented.²³ Others are creating interfaith resource groups and re-examining their approaches to holiday events.²⁴

Continued awareness and education are critical. Forbes writer Ashley Stahl notes that, when staff are more aware and better informed about different days of significance, “the easier it is to support and celebrate differences while planning business schedules to accommodate everyone.”²⁵ “This practice,” Stahl writes, “will help shift diversity training from a lecture into a culture.”



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