

Occu-Med is a small to medium sized Ontario employer with less than 50 employees. We have a diverse group of administrative & service delivery employees. **Some** of these employees:

- work at remote locations (on contract placements at client locations);
- get paid on a fee-for-service basis with incomes that vary depending on the work being done, or
- work on a casual or "elect-to-work" basis.

The current Employment Standards Act:

- has rigid rules that create additional work, but without significant benefit
- limits our ability as employer to respond to employee requests

RECOMMENDATIONS:

Statutory Holiday Pay

Recommend	Statutory Holiday Pay – ESA should allow calculation of "average day" using full pay periods for previous 4 weeks or 1 month based on employer's pay schedule. Eg: for Bi-Weekly, allow 2 prior COMPLETE pay periods
WHY	Holiday Pay calculations are onerous for small/medium businesses due to rigid ESA rules. Calculations must often be done manually.
Problem	<ul style="list-style-type: none"> • Current ESA requires employees be paid on 'average' day based on 4 one week periods prior to the Stat holiday, dividing by 20 (# of weekdays) • For non-weekly pay schedules, this requires manual time-consuming calculations, as the relevant data can't be easily obtained from accounting system. • Calculations may require pulling records for up to 3 pay periods and use PARTIAL periods • ESA does not account for situations where workers work more than 5 days in a week
Rationale for solution	<ul style="list-style-type: none"> • Employer could take TOTAL hours in previous pay periods and divide by # of work days in those periods (not necessarily 20 days). • Bi-weekly and Semi-Monthly could use previous 2 pays; Weekly previous 4 • Could do calculations based on simple, standard reports from accounting systems • Drastic reduction in time-consuming manual work • Minimal impact on employees overall, some plus/some minus averaging out multiple Stat Holiday.

Overtime Pay

Recommend	Allow overtime to be calculated based on the PAY PERIOD used by the employer. Allow overtime to be AVERAGED over the entire pay period (subject to limits on max number of hours worked)
WHY	Overtime calculations are problematic for employers with non-weekly pay schedules.
Problem	<ul style="list-style-type: none"> • Current rules require overtime based on a CALENDAR weekdays • For non-weekly pay schedules, this calendar week may be part of 1 pay period, or even overlap with 2 pay periods. • Calculations for OT may require pulling records 2 pay periods, PLUS manual calculations • ESA is rigid in using a calculation based solely on WEEKLY hours.
Rationale for solution	<ul style="list-style-type: none"> • Overtime could be based on 20% more than a base number of hours <ul style="list-style-type: none"> • Eg: for Bi-Weekly, O/T would be paid when employee works more than 88 hours over a 2 week period • Employees (with non-weekly schedules) could easily know number of O/T hours earned • Employers can easily calculate O/T based on time sheets or other forms for EACH pay period. • Would reduce time-consuming manual work to minutes.

Payment Arrangements

Recommend	ESA should allow employers to use alternate payment arrangements (such as Interact Direct Transfer), where employee so requests, provided request for alternate payment arrangement is documented.
WHY	Current does not allow use of modern payments. Alternate arrangements are illegal even when requested by employees.
Problem	<ul style="list-style-type: none"> • Remote or off-site employees are inconvenienced by having to arrange cheque pickup, where direct deposit is not available. • Direct Deposit is often not cost-effective for small number of employees given minimum charges + costs per cheque or per transaction. • ESA officers indicate that deposit account must be known to employer. The logic for this is not clear.
Rationale for solution	<ul style="list-style-type: none"> • Would allow employers to respond to employee requests to use new technologies in some cases. • Systems such as Interact Transfer have security questions & pass-phrases to ensure that ONLY the recipient is allowed to accept a transfer. • ESA should attempt to SIMPLIFY things for employees, and not restrict new technologies unless there is risk of harm (ie: money could go astray)

**Statutory Holiday – Illustration of Calculation Problem
RE STATUTORY HOLIDAY PAY FOR NON-WEEKLY PAYROLL**

SUN	MON	TUES	WED	THURS	FRI	SAT
JUNE	1 ESA: DAY 1 OF STAT PAY CALC	2	3	4	5	6 End of Bi-Weekly Period "A"
7	8	9	10	11	12	13
14	15	16	17	18	19	20 End of Bi-Weekly Period "B"
21	22	23	24	25	26 ESA: DAY 20 OF STAT PAY CALC	27
28	29	30	1 CANADA DAY	3	4	5 End of Bi-Weekly Period "C"

FOR LABOUR DAY 2015, assuming a BI-WEEKLY Pay Period as illustrated

1. Labour Day falls on Monday, September
2. ESA requires sum of hours worked in 4 full previous weeks – JUNE 1 to JUNE 30
3. IF Pay is Bi-Weekly as above this requires:
 1. Obtain hours worked for Second half of Pay Period A
 2. Obtain hours worked for ALL of Pay Period B
 3. Obtain hours worked for First half Pay Period C
4. UNLESS payroll system as hours for **each day** then all of the above has to be done in a spreadsheet with manual entry & calculations