



Make Sure You Pay Your Employees on Time this Holiday Season

Toronto (December 9, 2008) – What day of the week does your organization pay its employees? If it is Thursday or Friday, do not be a “Scrooge” this holiday season; make sure you get that pay to your employees on time.

“As Christmas and New Year’s Day are on a Thursday, and Boxing Day is on Friday, payroll professionals and the payroll service providers need to be prepared to pay employees earlier if their pay date is on any one of these days,” states Richard Rousseau, Chairman of the Canadian Payroll Association (CPA).

All provinces require that employees receive their pay within a legislated time frame, and that the pay date falls within a specified number of days, or within a specific interval, after the end of the pay period, except for Ontario and federally-legislated organizations (*Canada Labour Code, Part III*).

When a pay date falls on a floating statutory holiday such as Christmas Day, Boxing Day or New Year’s Day, only one province (Quebec) requires that the payment must be paid the day before the holiday.

In all other jurisdictions, the payment must be paid within, but not after, the legislated time frame, or as illustrated in the chart below. It should be noted that Manitoba and Nova Scotia use working days as opposed to calendar days for their timing of payment.

Employers should also be aware that if they move their pay date into this taxation year to compensate for New Year’s Day, it will impact the Canada Pension Plan (CPP) and Quebec Pension Plan (QPP) exemptions, so they need to ensure that the payroll systems are adjusted to take the additional pay period into consideration.

“As a best practice, employers across Canada should use Quebec’s method and make the payment the day before the holiday, even though this practice is not required by legislation,” suggests CPA President, Patrick Culhane. “By ensuring that your staff is paid correctly and on time, employers show their recognition of the financial and emotional well-being of Canadian employees and their families during the holiday season.”

Chart: Timing of Payments by Jurisdiction

Jurisdiction	Pay Frequency	Timing of Regular Payments
Federal (<i>Canada Labour Code, Part III</i>)	No set frequency	On established day and within 30 days of entitlement
Alberta	At least monthly	Within 10 days of the end of each pay period, at least once per month
British Columbia	At least semi-monthly	Within 8 days from the end of the pay period
Manitoba	At least semi-monthly	Within 10 working days of the end of the pay period
New Brunswick	At least semi-monthly	Within 7 calendar days of the end of each pay period

Jurisdiction	Pay Frequency	Timing of Regular Payments
Newfoundland and Labrador	At least semi-monthly	Within one week of the end of each pay period
Northwest Territories/ Nunavut	At least monthly	Within 10 days of the end of a pay period
Nova Scotia	At least semi-monthly	Within 5 working days of the end of each pay period
Ontario	No specific legislation	On regularly established payday
Prince Edward Island	At least every 16 days	Must include all wages earned up to and including a day that is not more than 5 working days prior to the actual payday
Quebec	At least semi-monthly	At regular intervals of not more than 16 days, or once a month for management positions
Saskatchewan	At least semi-monthly. If the majority of employees on an hourly, daily or weekly wage desire a weekly payment, the employer must comply.	Within 6 days of the end of each pay period
Yukon	At least semi-monthly	Within 10 days of the end of the pay period

About the Canadian Payroll Association

The Canadian Payroll Association (CPA) is the national association that has been representing employers' payroll interests in Canada since 1978. Canada's 1.5 million employers annually pay \$730 billion in wages, \$230 billion in government remittances and \$80 billion in health and retirement premiums. They must also comply with more than 185 pieces of tax and employment-related legislation across Canada. www.payroll.ca

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