Workers in Canada Pay the Smallest "Time off Tax" Since Before the Pandemic - ADP Survey

Workers in Canada still take fewer vacation days than before the pandemic but do not clock as many extra hours as they used to before and after taking time off.

TORONTO, December 13, 2023 – The "time off tax" workers in Canada incur, an indicator ADP Canada reports annually measuring the additional hours worked before and after a week of vacation, reaches its lowest level recorded since 2017.

Three in ten (30%) workers report not working any extra hours before or after taking a one-week vacation. Those who did pay the time off tax clocked an average of 18 hours of extra work to prepare and return from their vacation. This represents 2 hours less than last year and shows a significant decrease from 2020, where workers in Canada reported 34 hours of extra work.

Vacation time up in 2023

According to the survey, nearly a third (31%) of workers in Canada said they have already used all their allotted vacation time so far in 2023. While this is steady with last year's results (29%), it still falls well below prepandemic figures (48%).

At the same time, most workers in Canada (62%) reported using at least half to all their vacation time this year. Nearly a third (32%) said they took less than half, including 13 per cent that didn't take any – improvement from last year, where 17 per cent indicated not taking any time off at all.

"The year-over-year uptick in more workers taking all their allotted vacation days, paired with the dip in time off tax, indicates that Canadians are regaining their work-life balance," says Heather Haslam, Vice President, Marketing at ADP Canada. "Taking personal time is essential not only for employees' productivity and balancing work and life but also for maintaining peace of mind. As we shift into the new year, and with some workers in Canada forgoing their travel plans, employers need to ensure workers are still taking their well-deserved vacation time to disconnect and ensure mental well-being."

Cost of living halts upcoming travel plans for workers in Canada

The survey also revealed the external factors that may have impacted Canadians' ability or willingness to travel, as an average of three in ten (29%) workers in Canada are considering postponing or canceling upcoming travel plans due to the burden of the current cost of living. Despite the challenging market conditions this past year, employers are rewarding their workers as almost a quarter (24%) of workers in Canada said they are usually offered additional financial compensations (bonus) during the year.

Regarding travel during the holiday season, like last year, most (65%) workers in Canada say they will not travel, representing a 4-percentage point decrease from last year.

Survey Methodology

This Maru Public Opinion survey conducted on behalf of ADP was undertaken by the sample and data collection experts at Maru/Blue. 871 randomly selected adult Canadians who are employed from Maru Voice Canada online panelists were surveyed from November 9th to November 10th, 2023. The results of this study have been weighted by education, age, gender and region (and in Québec, language) to match the population, according to Census data. This is to ensure the sample is representative of the entire adult population of Canada. For comparison purposes, a probability sample of this sample has an estimated margin of error (which measures sampling variability) of +/- 3.4%, 19 times out of 20.

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