Quality of Employment in Canada

Sick leave entitlement, 2023

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Sick leave entitlement, 2023

In 2023, 64.0% of employees in Canada indicated having access to paid sick leave in their main job, a proportion which has been trending upward since 2021. The share of employees with paid sick leave increased for both men and women and across all age groups during this period.

The indicator provides information on the proportion of employees who have paid sick leave coverage in their main job. Paid sick leave can support workers through periods of illnesses, promote better health outcomes,¹ boost worker productivity² and can help increase overall labour force participation.³ In Canada—with the exception of British Columbia, Prince Edward Island, Quebec, and federally regulated industries—most jurisdictions do not require employers to provide paid sick leave to any category of employee. As such, access to paid sick leave depends in large part on employer policies and collective bargaining negotiations.

Data collection on access to paid sick leave through the Labour Force Survey (LFS) began in March 2020. Unless otherwise specified, estimates are based on annual averages for paid employees aged 15 and older.

Historical trends, 1995 to 2023

The proportion of employees with paid sick leave in 2023 was 64.0%. This was up from 61.9% in 2022 and 59.7% in 2021.

Historical data from the Survey of Work Arrangements suggest that the proportion of employees with paid sick leave has increased over the past three decades.⁴ In November 1995, when the survey was conducted, 56.6% of employees had paid sick leave.

From 2021 to 2023, the proportion of employees with access to paid sick leave increased for both men (+4.5 percentage points to 63.3%) and women (+4.0 percentage points to 64.7%).

Despite having the lowest paid sick leave coverage rate, employees aged 15 to 24 were more likely to have sick leave coverage in 2023 than in 2021. In 2023, the proportion of employees with paid sick leave was 27.2% in this age group, up 2.8 percentage points from 2021. At the same time, paid sick leave coverage increased by 4.8 percentage points to 72.2% among employees in the core-aged group of 25 to 54 and by 4.0 percentage points to 64.5% among employees aged 55 and older.

^{1.} Song, Suhang, Brian H. Calhoun, James E. Kucik, Kristin J. Konnyu and Renata Hilson. 2023. "Exploring the association of paid sick leave with healthcare utilization and health outcomes in the United States: a rapid evidence review." *Global Health Journal*, Vol. 7, no. 1, p. 9–17,

^{2.} Liangrong, Chunyu, Paolo F. Volpin and Xingchen Zhu. 2024. "Do Paid Sick Leave Mandates Increase Productivity?"

^{3.} Shinall, Jennifer B. 2022. "Paid Sick Leave's Payoff." Vanderbilt Law Review, Vol. 75, no. 6, p. 1879–1923.

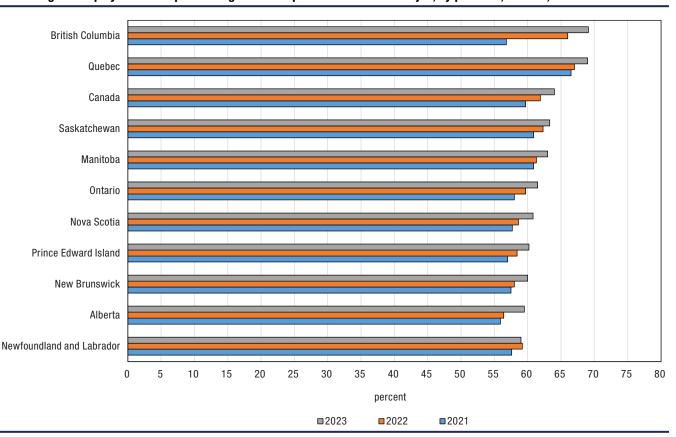
^{4.} Employee paid sick leave coverage in Canada, 1995 to 2022.

A recent snapshot

Chart 1

British Columbia and Quebec had the highest paid sick leave coverage rates in 2023

In Canada, short-term sick leave regulations are primarily under provincial jurisdiction, which has led to different policies being implemented across the provinces. Starting in 2022,⁵ employees in federally regulated private sector workplaces, such as air transportation and telecommunications, can accrue up to 10 days of paid sick leave per calendar year. British Columbia,⁶ Prince Edward Island⁷ and Quebec⁸ also require employers to provide paid sick leave to employees who reach a minimum number of continuous days worked for the same employer.





Note: Due to rounding, estimates and percentages may differ slightly between different Statistics Canada products, such as analytical documents and data tables. Source: Statistics Canada, Labour Force Survey, custom tabulation.

5. Employment and Social Development Canada. December 1, 2022. "<u>10 days of paid sick leave now in force for nearly 1 million federally regulated workers</u> across Canada". *Press Release*. (accessed August 27, 2024).

- In British Columbia employees are entitled to 5 days of paid sick leave after working for 90 days for the same employer. See: Government of British Columbia. No date. "<u>Illness or Injury Leave - Act Part 6, Section 49.1</u>". *Guide to the Employment Standards Act and Regulation*. Last updated July 10, 2024. (accessed August 20, 2024).
- 7. In Prince Edward Island, employees who work continuously for the same employer for 5 years must receive 1 day of paid sick leave. This will increase to 1 day after 12 months, 2 days after 24 months and 3 days after 36 months in October 2024. See : Government of Prince Edward Island. June 6, 2024. "Sick Leave". *Workforce, Advanced Learning and Population.* (accessed August 12, 2024).
- In Quebec, employees are entitled to 2 days of paid leave per year (to be used for sick leave, or personal or family reasons) after working for the same employer for at least 3 months. See: Éducaloi. No date. "Time Off Work for Health Reasons". The Law by Topic. (accessed August 26, 2024).

At the provincial level, British Columbia (69.1%) and Quebec (69.0%) had the highest proportion of employees with paid sick leave. In contrast, Alberta (59.5%) and Newfoundland and Labrador (59.1%) had the lowest proportion of employees with paid sick leave coverage in 2023.

In British Columbia, the proportion of employees with paid sick leave increased by 9.2 percentage points from 2021 to 2022, coinciding with the introduction of a new provision within its *Employment Standards Act*.

Skill level of job associated with differences in paid sick leave coverage

Occupations requiring higher training, education, or experience (TEER)⁹ tend to have a large proportion of employees with paid sick leave coverage. This may reflect a more comprehensive benefits package offered by employers to attract and retain more experienced or specialized employees.

In 2023, management (85.3%) and professional occupations that typically require a university degree (83.6%) had the highest proportion of employees with paid sick leave. In comparison, employees in occupations that usually do not require formal education or on-the-job training were notably less likely to have access to paid sick leave (32.7%).

While educational attainment helps improve access to jobs offering paid sick leave, the skill level of an occupation is a stronger predictor of coverage. For instance, in 2023, in occupations which required no formal education (TEER 5), 35.6% of employees with a bachelor's degree or higher had paid sick leave coverage, a figure similar to those with post-secondary education below the bachelor's degree (36.0%) and those with at most a high school diploma (29.8%).

Industries with higher average hourly wages tend to have higher rates of paid sick leave coverage

In 2023, the proportion of employees with paid sick leave varied across industries and tended to be higher in industries with higher average hourly earnings. Employees in public administration (90.3%); finance, insurance, real estate, rental and leasing (84.9%); and professional, scientific, and technical services (78.0%) were the most likely to have paid sick leave coverage in their main job. In comparison, employees in accommodation and food services had both the lowest paid sick leave coverage (21.9%) and the lowest average hourly wages.

There are notable differences in access to paid sick leave between full-time (working 30 hours or more per week) and part-time employees. In 2023, 23.3% of employees working part-time had paid sick leave compared with 72.2% of full-time employees.

Public sector and unionized employees more likely to have access to paid sick leave

Working in the public sector and coverage by a collective bargaining agreement were additional factors associated with higher rates of paid sick leave coverage. In 2023, 84.1% of public sector employees had paid sick leave coverage in their main job, compared with 57.6% of employees in the private sector. Furthermore, over four-fifths of employees covered by a collective bargaining agreement (81.2%) had paid sick leave coverage, compared with less than 6 in 10 among those not covered by a collective agreement (56.5%).

Unionized public sector employees were most likely to have paid sick leave coverage (88.5%). Public sector employees not covered by a collective agreement (69.7%) and unionized private sector employees (69.6%) had similar coverage rates. Non-unionized private sector employees had the lowest paid sick leave coverage rate (55.3%).

^{9.} Variant of the National Occupational Classification (NOC) 2021 Version 1.0 for Analysis by TEER (Training, Education, Experience and Responsibility) categories
<u>-</u>Background information.

First Nations employees less likely to have access to paid sick leave

The proportion of First Nations employees living off-reserve in the provinces who had access to paid sick leave was 55.7% in 2023, 8.5 percentage points lower than the proportion for non-Indigenous employees (64.2%). At the same time, 61.1% of Métis employees and 60.2% of Inuit employees had access to paid sick leave. While the smaller proportion of First Nations employees with access to paid sick leave partly reflects their lower average age, differences persist within most age groups. For example, among First Nations employees living off reserve aged 35 to 54, 69.8% had access to paid sick leave in 2023, compared with 74.5% of their counterparts who were not Indigenous.

Among racialized groups, Chinese and Filipino employees have the highest rates of paid sick leave coverage

In 2023, paid sick leave coverage varied by racialized group. Paid sick leave coverage among Chinese (68.1%) and Filipino (64.3%) employees was higher or on par with coverage among non-racialized and non-Indigenous employees (64.7%). The higher rate of paid sick leave coverage among Chinese and Filipino employees may be related in part to their industry of employment.

In 2023, just over 1 in 4 (26.7%) Chinese employees worked in finance, insurance, real estate, rental and leasing or professional, scientific, and technical services, two industries with high rates of paid sick leave coverage. Chinese employees were about twice as likely to work in these industries compared to their non-racialized, non-Indigenous counterparts (13.4%).

Likewise, just over 2 in 10 (21.8%) Filipino employees were employed in the healthcare and social assistance industry, where over 7 in 10 (70.3%) employees reported having paid sick leave coverage in 2023.

Information on the indicator

Description or definition

The **sick leave entitlement** indicator is the number of employees entitled to paid sick leave at their main job, expressed as a percentage of all employees.

Source

Statistics Canada, Labour Force Survey, 2021 to 2023.

Information for interpretation

For more information on the Labour Force Survey (LFS) methodology and population coverage, please consult the Guide to the Labour Force Survey, 2020.

The LFS estimates are based on a sample and are therefore subject to sampling variability. The analysis focuses on differences between estimates that are statistically significant at the 95% confidence level. Due to rounding, estimates and percentages may differ slightly between different Statistics Canada products, such as analytical documents and data tables.

The industry coding is based on the North American Industry Classification System (NAICS) 2017.

In the LFS, the concept of Indigenous group includes persons who reported being an Indigenous person, that is, First Nations (North American Indian), Métis or Inuk (Inuit). Excluded from the survey's coverage are persons living on reserves and other Indigenous settlements in the provinces as well as those living in the territories.

Other related information

Additional Statistics Canada data are available on the following subject:

Employee paid sick leave coverage in Canada, 1995 to 2022