

*Autumn 1989 (Vol. 1, No. 2)*

# Taking Their Leave

*Dave Gower*

In the average week of 1988, nearly 2.5 million of Canada's 12 million employed were off work. Of these, about 900,000 were absent the entire week. Employees can be absent from work for many reasons; for those away part of the week, the most common causes are illness, public holidays and family responsibilities. In contrast, vacation accounts for the largest proportion of people absent the entire week, especially during summer. In 1988, for example, nearly 1.5 million workers were on vacation in the average summer week.

Vacations are an important aspect of employment, enhancing the employee's quality of working life but also increasing costs borne by employers. In a different light, vacations are good for the economy because of money spent on travel, meals, accommodation and recreational consumer goods.

This study uses Labour Force Survey (LFS) data to investigate trends in vacation absences since the Second World War. It also looks at recent patterns by industry, age and sex, seniority and work schedule. (1) Because the proportion of workers on vacation varies widely over the year ([Table 1](#)), the focus is on summer and winter vacations. Summer - not surprisingly the most popular time for vacation - is represented by the average week in the July-August period. Winter, which is of interest because of the Canadian climate, is defined as the average week in the January-February period. Only full-week vacations are considered in this study since these account for about 90% of all vacation time taken.



## Table 1 Workers on Vacation by Month, 1984-1988 Average

*Source: Labour Force Survey*

The "average week" is perhaps an unusual perspective for the study of vacation patterns. For example, in the average week of July and August, about 14% of workers are on vacation. This measure is not the same as the proportion of workers who take a vacation at any time during the summer. The latter would obviously be much higher than 14%. The use of the "average week" is dictated by the data source used in this study. (For more details, see the [The LFS reference week](#)).

## Long-term trends

During the '50s, '60s and early '70s, vacations became steadily more common in both winter and summer. Why did this occur? Starting in the 1940s, mandatory vacation provisions for employees began to appear in provincial and federal labour laws. The minimum vacation period was increased from an initial one week per year to two or more weeks per year during the '60s and '70s. At the same time, unions strove to improve vacation provisions in contracts.

LFS vacation data, available since the early 1950s, clearly show an increasing proportion of workers on vacation through to the mid-70s. There are two remarkable developments in addition to the upward trend in vacations from the '50s through early '70s (See [chart](#)). This is due to a major revision of the LFS in 1976. The revision resulted in a decline in the proportion of workers recorded as on vacation. At about the same time, however, the *trend* in vacation rates also began to flatten out. While the drop in the level was clearly caused by modifications to the survey procedures, it appears that the change in *trend* would have occurred anyway. In other words, if the original survey had continued past the mid-70s, a levelling off in the percentage of workers on vacation would still have been observed.



**Chart Percentage of Employed on Vacation**

---

## Special groups

Vacation patterns differ widely among various worker groups. Three groups warrant particular attention: self-employed persons, students and teachers.

The **self-employed** - people who own and operate a business, farm or professional practice - are less likely to take vacations in the summer than paid workers. In the average summer week, about 8% of the self-employed are on vacation compared with 14% of paid workers; the difference in rates is somewhat reduced in the winter. <sup>(2)</sup> Among self-employed persons, the impact and even the meaning of "vacation" can vary. For example, someone working alone might have to sacrifice income to take a vacation from

work, whereas the owner of a business with employees may well be able to take an absence from work without monetary loss.

**Employed full-time students** also have a lower vacation rate than other workers. During the summer months, most full-time students are out of school and those who have a summer job are unlikely to take time off for vacation. For example, in the average summer week of the 1984-1988 period, 4% of all employed students were on vacation from their job, compared with 13% of other workers. Furthermore, about seven out of ten vacationing students were not paid during their absence, compared to just over one in ten non-students.

Another group with unusual patterns is **teachers and post-secondary instructors**. Almost 70% of these workers were on vacation in the average summer week, although this varied with the level of school taught ([Table 2](#)). Teachers also tend to have much longer vacations than other people. More than three-quarters of all people reporting vacations lasting five weeks or more were teachers.



## Table 2 Proportion of Teachers\* on Vacation, Average Week of July and August 1988

*Source: Labour Force Survey*

*\* Teachers are regarded by the LFS as employed in the summer if they say they have a job for the fall.*

---

Because of their distinctive vacation patterns, the self-employed, students and teachers have been excluded from the remainder of the study.

## Vacation patterns by industry

Vacation rates vary substantially by industry ([Table 3](#)). The highest summer vacation rates occur in the education sector, even when teachers are excluded. (Nonteaching staff includes office workers, maintenance personnel and administrators.) Well behind the education sector are manufacturing, and health and welfare industries.



## Table 3 Vacation Patterns by Industry, 1984-1988 Average

*Source: Labour Force Survey*

---

At the opposite end of the scale, industry sectors with low vacation rates in summer include agriculture, accommodation and food, personal services and construction. The low rates in these sectors may reflect the levels of vacation entitlements, as well as a summer seasonal peak of activity. The figures for the construction industry omit some persons affected by mandatory industry wide holidays (see the [The LFS reference week](#)).

Winter vacation rates, while universally lower than summer rates, have a somewhat different pattern by industry. Agriculture and trade, with low summer rates, have winter vacation rates close to the average. Conversely, winter vacation rates are below average in the education sector. So to some degree winter vacation patterns compensate for differences in summer vacations.

In most industries, the majority of vacationers are paid for their time off. Industries with a high proportion of unpaid vacations are agriculture, construction, personal services, and accommodation and food services.

## Who takes vacations?

The proportions of men and women on vacation are similar, both in summer and in winter, regardless of age ([Table 4](#)). However, the incidence of vacations increases rapidly by age for workers between the ages of 15 and 44. Compared with 1524 year-olds, people aged 35-44 are more than twice as likely to be on vacation in the summer.



### Table 4 **Vacation Patterns by Age and Sex of Worker, 1984-1988** **Average**

*Source: Labour Force Survey*

---

The percentage of workers on summer vacation declines slightly. Beyond the age of 45, but the incidence of winter vacations is much higher. Indeed, the winter vacation rate for workers aged 55 and over is nearly twice the rate for those aged 35-44. Furthermore, this "age gap" in winter vacation rates has widened over time.

The low vacation rates for young people may be partly due to the industries in which they work: young people tend to work in the service sector, where the rates are low. However, the differences by age are so

much greater than those by industry that some other factors must also be at work. One possible factor is job seniority. Young people have relatively low seniority, and in many establishments vacation entitlements rise with seniority. Indeed, both the frequency and length of vacations rise with increasing tenure ([Table 5](#)) <sup>(3)</sup>. This finding applies to both summer and winter vacations.



## Table 5 Summer Vacation Patterns by Job Tenure, 1984-1988

### Average

*Source: Labour Force Survey*

Could a difference in the proportion of part-time workers also play a role in depressing the vacation rates among young people? The vacation rate for part-time workers is slightly lower than the rate for full-time workers. However, this can be explained by differences in job tenure. In fact, looking at individual tenure groups, part-timers actually have slightly higher vacation rates than full-timers, although they are less likely to have their vacation paid.

## Unpaid vacations

Persons on paid vacation outnumbered those on unpaid vacation by more than six to one. Women, students, part-time workers and people in service sector jobs are most likely to be on unpaid leave.

The meaning of unpaid vacation is hard to interpret. Some casual or on-call employees receive vacation pay on each pay cheque or as a periodic lump-sum payment, in lieu of a regular pay cheque while they are on vacation. Thus, while their vacation absences may be unpaid, some compensation would still have been received. <sup>(4)</sup>

Unpaid vacations tend to be of longer duration than paid ones. This is true for full- and part-time workers, in both summer and winter. It is also true for both sexes and for persons with different stages of job tenure, although for workers with tenure of up to six months the difference is slight. A look at the distribution of vacations by duration reveals that very long absences - say those in excess of six weeks - tend to be unpaid. Excluding teachers, only 1.3% of paid vacations were seven weeks or longer, compared with 11% of unpaid vacations. Sometimes a long spell of unpaid leave may be an "earned" privilege. The fact that unpaid vacations are not much longer than paid ones among workers who are new on the job supports this interpretation.

## Concluding comments

Clearly, from the 1950s to the mid-1970s the proportion of workers taking vacations rose substantially. Although this trend levelled off after the mid-70s, it does not appear to have resulted from shifts in the characteristics of jobs or of the persons occupying these jobs.

For example, it is unlikely that an employment shift to industries with lower vacation rates caused the trend to flatten. Even if the industry mix had not changed over the past 13 years, the tailing off of the trend in vacation absences would still probably have occurred. (5)

Age distribution and job tenure did not cause the stabilizing of the vacation trend either. With the aging of the baby-boom generation, the proportion of workers under 25 years declined during the '70s and '80s. Since young people tend to have low levels of job tenure and thus few vacation entitlements, their diminishing share of the work force should have resulted in a higher vacation rate - but in fact it did not.

Finally, the levelling off cannot be explained by the rise in part-time employment: the difference between the percentage of part-time and full-time workers on vacation is too small.

In the absence of other evidence, one might conclude that current vacation entitlements meet the needs of most workers and that attention is now being focused on other workplace issues -among them, job security, medical plans and child care. Thus the period of rapid change observed from the '50s through to the mid-70s may have come naturally to a close.

---

## The LFS reference week

The LFS focuses on the activities of respondents during one week of each month (normally the week containing the 15th day). People who have a job during this reference week but are absent because of vacation are classified as "on vacation".

Because the LFS reference week falls mid-month, the survey does not pick up vacations taken earlier or later in the month. In most cases, the reference week should be typical of other weeks in the month, but there are exceptions. Most notably, vacations taken during the Christmas season and in late June (after school ends) are probably under-represented in the LFS data. The reference weeks for the summer months (July and August) would also miss the vacation peak at the end of July and the beginning of August.

Also, factors such as the "March break" can affect the timing of vacation. The March data appear erratic because the timing of the school break varies - sometimes hitting the LFS reference week, sometimes not. For example, the number of Ontario workers on full-week vacation jumped from 102,000 in March

1983 to 293,000 in March 1984.

Similarly, some large companies, or even whole industries (for example, the construction and motor vehicle manufacturing industries), have fixed vacation dates which apply to many of their workers. The timing of these group vacations may "play tag" with the LFS reference week. To minimize this variability, most of the data have been averaged over five years.

---

## Postscript: Vacation patterns of working couples

In the summer of 1988, there were about 2.7 million married couples with both partners employed. How many took vacations at the same time? Of the 2.7 million couples, 15.3% (417,000) had at least one of the partners on vacation in the average summer week. In 3.3% of the cases only the husband was on vacation; in a further 4.7%, the wife was on vacation but not the husband; and in 7.3%, both were on vacation. In other words, of the 417,000 couples with at least one vacationing partner, only 48% had both partners on vacation at the same time.



### Table **Vacation Patterns of Working Couples\***, Average Week of **July and August 1988**

*\* Includes common-law marriages; excludes cases where either partner is a teacher.*

---

## Notes

### *Note 1*

The definition of vacation used in this article does not necessarily imply travel. Workers who stay at home during their vacation are included in the study. Conversely, retired persons who are travelling - for example, to Florida for the winter may describe themselves as "on vacation", but would not be included because they do not have jobs to return to.

### *Note 2*

Self-employed persons (defined here as owners of either incorporated or unincorporated businesses) have increased their share of the work force in the past few decades. Although these people take fewer summer vacations than paid workers, this does not help explain the levelling off in vacation trends that occurred during the 1970s, because the numbers involved are too small: between 1976 and 1988, the increase in self-employment appears to have altered the percentage of all employed persons on summer vacation by less than 0.1 percentage point.

### ***Note 3***

In the LFS, a difference between job tenure and seniority could occur. For example, a person working for a large company who moved between branches might report a change in employer if the branches have different corporate names. In this event, job tenure as measured by the LFS would indicate that the person had started a new job. However, employment benefits linked to seniority would not likely be affected.

### ***Note 4***

Also, unpaid vacations may not always be completely voluntary. For example, an employee in a small business may have to take an unpaid absence if the business closes while the owner takes for a one- or two-week vacation break. In the LFS, a respondent's perception of the nature of the absence would influence whether he or she is coded as "on vacation" (employed) or as "temporary layoff" (unemployed).

### ***Note 5***

To investigate the effect of a change in industry distribution on the vacation rate, the 1984-1988 percentage of workers on vacation in the various industry groups was multiplied by the distribution of employment in the 1977-1981 period. The result of these calculations represents the 1984-1988 vacation percentage standardized to the 1977-1981 industry distribution of employment.

---

## **Chart reference**

***Percentage of Employed on Vacation:*** Labour Force Survey (former and revised). The data plotted represent the mid-point year of five-year moving averages.

---

## **Author**

Dave Gower is with the Labour and Household Surveys Analysis Division of Statistics Canada.

# Source

*Perspectives on Labour and Income*, Autumn 1989, Vol. 1, No. 2 (Statistics Canada, Catalogue 75-001E). This is the fourth of six articles in the issue.

---

 HIGHLIGHTS

 TABLE OF CONTENTS

 SUBJECT INDEX

 AUTHOR INDEX

 FRANÇAIS

 HELP

 HOME



Table 1

**Workers on Vacation by Month, 1984-1988 Average**

	Away full week	Away part week
Reference week in:	% of workers	
January	1.7	0.7
February	2.2	1.0
March	4.5	1.4
April	2.3	1.0
May	2.2	1.7
June	2.8	1.4
July	15.9	2.1
August	11.9	2.1
September	2.6	1.1
October	2.5	1.2
November	1.9	1.0
December	1.3	0.8
Average	4.4	1.3

*Source: Labour Force Survey*

## Percentage of Employed on Vacation

Vacation trends went up from the 50's to the 70's, then levelled off.

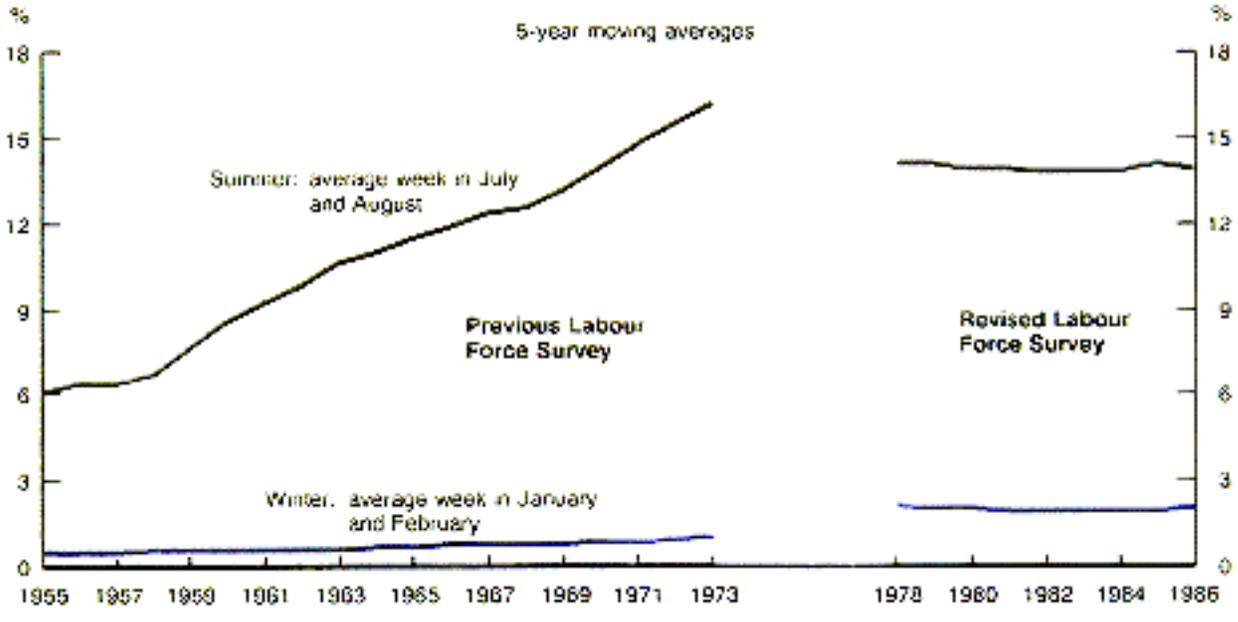


Table 2

**Proportion of Teachers\* on Vacation, Average Week of July and August 1988**

	Employed	Full-week vacation
	'000	%
Total	457	67
Elementary grades	171	82
Secondary grades	88	88
University level	70	22
Other teachers	128	57

*Source: Labour Force Survey*

*\* Teachers are regarded by the LFS as employed in the summer if they say they have a job for the fall.*

Table 3

**Vacation Patterns by Industry, 1984-1988 Average**

	All paid workers*	Away full week		
		Total	Paid	Not paid
	'000	%		
<b>Average Week of July and August</b>				
All industries	8,960	13.5	11.6	1.8
Agriculture	137	3.9	2.8	1.1
Other primary	264	13.3	11.2	2.1
Manufacturing	1,912	16.0	14.6	1.3
Construction	483	8.8	6.6	2.1
Transport, communication and utilities	811	13.2	12.2	0.9
Trade	1,487	11.4	9.6	1.8
Finance, insurance and real estate	605	12.2	10.6	1.6
Education (excluding teachers)	262	34.0	26.8	7.1
Health and welfare	908	15.5	13.2	2.3
Services to business management	383	10.9	9.1	1.8
Personal services	132	11.0	7.1	3.9
Accommodation, food and beverage	456	7.2	4.7	2.5
Public administration	782	14.1	13.3	0.9
<b>Average Week of January and February</b>				
All industries	8,379	1.9	1.5	0.3
Agriculture	89	1.8	1.1	0.8
Other primary	223	1.9	1.6	0.3
Manufacturing	1,816	1.4	1.2	0.2
Construction	337	1.9	1.1	0.8
Transport, communication and utilities	771	2.8	2.6	0.2
Trade	1,433	1.8	1.4	0.4
Finance, insurance and real estate	584	2.0	1.6	0.3
Education (excluding teachers)	297	1.3	1.1	0.2
Health and welfare	852	2.3	1.8	0.5

Services to business management	369	1.6	1.3	0.3
Personal services	127	1.2	0.7	0.5
Accommodation, food and beverages	421	1.7	1.1	0.6
Public administration	745	2.2	2.1	0.2

*Source: Labour Force Survey*

*\* Excludes teachers and full-time students.*

Table 4

**Vacation Patterns by Age and Sex of Worker, 1984-1988 Average**

	All paid workers*	Away full week		
		Total	Paid	Not paid
	'000	%		
<b>Average week of July and August</b>				
Both sexes	8,960	13.5	11.6	1.8
15-24 years	1,605	7.1	5.7	1.4
25-34 years	2,915	12.1	10.5	1.6
35-44 years	2,160	17.1	15.0	2.1
45-54 years	1,380	16.6	14.4	2.2
55+ years	900	15.7	13.4	2.4
Men	5,068	13.5	12.3	1.2
Women	3,891	13.4	10.7	2.7
<b>Average week of January and February</b>				
Both sexes	8,379	1.9	1.5	0.3
15-24 years	1,439	1.2	0.9	0.3
25-34 years	2,691	1.7	1.4	0.3
35-44 years	2,055	1.8	1.5	0.3
45-54 years	1,317	2.3	1.9	0.4
55+ years	877	3.2	2.6	0.6
Men	4,642	1.8	1.6	0.2
Women	3,737	2.0	1.5	0.5

*Source: Labour Force Survey*

*\* Excluding teachers and full-time students.*

Table 5

**Summer Vacation Patterns by Job Tenure, 1984 1988 Average**

Work schedule by tenure	Away full week, July-August average		Average length of vacation *	
	Total	Paid	Paid	Not paid
	% of paid workers		weeks	
All paid workers**	13.5	11.6	1.8	2.9
1-6 months	4.7	2.7	1.5	1.7
7-12 months	10.0	7.5	1.6	2.9
1-5 years	12.2	10.2	1.7	3.0
6-10 years	15.6	13.9	1.8	3.4
11 years and over	20.2	18.7	2.0	3.5
Full-time	13.5	12.2	1.8	2.8
1-6 months	4.6	2.9	1.5	1.6
7-12 months	9.6	7.8	1.6	2.7
1-5 years	12.0	10.6	1.6	3.0
6-10 years	15.5	14.3	1.8	3.4
11 years and over	20.3	19.1	2.0	3.5
Part-time	12.6	6.5	2.0	3.0
1-6 months	5.0	1.7	1.7	2.1
7-12 months	12.9	5.4	1.9	3.1
1-5 years	13.8	6.7	2.0	3.0
6-10 years	17.1	10.3	2.2	3.4
11 years and over	19.0	11.7	2.1	3.5

*Source: Labour Force Survey*

\* *Based on the duration up to the reference week, not on the length of completed vacations.*

\*\* *Excludes teachers and full-time students.*

**Vacation Patterns of Working Couples\*, Average Week of July and August 1988**

	Husband not on vacation	Husband on vacation
Wife not	2,312,000	90,000
on vacation	84.7%	3.3%
Wife on	127,000	200,000
vacation	4.7%	7.3%

Total number of couples = 2,728,000

*\* Includes common-law marriages; excludes cases where either partner is a teacher.*