



Corporate Policy

Self-Funded Sabbatical Leave Policy

Policy #: HR.3-05

Sub-Topic: Total Rewards

Topic: Employee Attraction and Retention

Applies to: Regular Full-Time and Regular Part-Time, Non-Union Employees

Policy Statement and Strategic Plan Linkages

The Town of Newmarket recognizes the value of professional and personal growth and development opportunities to attract and retain employees. In support of these objectives, eligible employees may participate in a Self-Funded Sabbatical Leave Plan (Plan) as part of the Town's Talent Management Strategy.

Purpose

This Policy sets the framework for Self-Funded Sabbatical Leave Plans outlining employee eligibility requirements, self-funding options and leave durations.

This Policy is actioned by the Self-Funded Sabbatical Leave Procedure that outlines the responsibilities of Employees and the Employer, and the Sabbatical Participation Agreement between the Employee and Employer.

Definitions

Contribution Amount: the percentage of an eligible employee's net pay that is being retained by the Employer on the Employee's behalf to self-fund an employee's sabbatical leave.

Contribution Period: the duration of time in which an eligible employee is contributing a percentage of their net pay towards a future sabbatical leave. The time period runs between the Employee's first contribution pay period and the start of their sabbatical leave period.

Eligible Employee: a non-union, regular full-time or regular part-time employee who has completed 6 months of continuous, active employment from their hire date.

Sabbatical Leave Period: the 3, 6, 9 or 12 month duration of time an eligible employee is on a sabbatical leave from employment.

Net Pay: the amount an employee is paid after all payroll deductions are subtracted from their gross pay.

Provisions

Eligible employees participating in the Program may take a 3, 6, 9 or 12 month sabbatical leave, contributing a specified percentage of their net pay over a 2, 3 or 4 year period. The minimum contribution amount is 6% and the maximum contribution amount is 33.3% of net pay.

Eligible employees may participate in a maximum of four (4) sabbatical leaves and must have a minimum of one (1) year of continuous, active employment prior to making contributions toward their next leave, and a minimum of three (3) years of continuous, active employment between each sabbatical leave.

Participating employees must follow all Program requirements and sign a Participation Agreement with the Employer, respecting any operational demands due to the nature of the work.

Sabbatical leave period start times may be delayed up to a maximum of six (6) months. Any delay to the start of a sabbatical leave period or withdrawal from the Plan requested by an employee will be reviewed on a case-by-case basis.

Employees must not combine any other leave of absence prior to (except for pro-rated vacation) or immediately following a sabbatical leave period and must adhere to all other employment policies regarding leaves of absence.

Vacation time will be pro-rated during the year(s) of the sabbatical leave.

Contribution Period:

1. Employees' self-funded contribution portions of their net pay will be placed in an interest-bearing account through Payroll as determined by the Employer to be reviewed annually.
2. Employees cannot change their percentage deduction.
3. Employees can use accrued, pro-rated vacation time immediately prior to a sabbatical with the approval of their immediate Supervisor/Manager.

Sabbatical Period:

1. Employees will receive equal, bi-weekly payments of their contributions in accordance with regular payroll pay periods.
2. Employees are not permitted to work for the Town in any capacity or receive any salary amounts, other than their contribution amounts, from the Employer.
3. Employees are not eligible to receive an annual economic increase or pay grade step increase incurred during the sabbatical leave period. If this occurs, the increase will be applied upon their return to work and will not be retroactive.
4. Sabbatical leave time must be taken all at once and cannot be split.
5. Benefit coverage during the sabbatical leave:
 - a. The Employer will pay the Town paid premiums for the basic group benefits (health, dental, life insurance, and accidental death and

- dismemberment) for up to the first six (6) months of the Employee's sabbatical leave.
- b. Employees are responsible to pay for 100% of their basic group benefit premiums beyond six (6) months of a sabbatical leave.
 - c. To continue optional benefit coverage during the entire sabbatical leave, the Employee is responsible to pay 100% of the associated benefit premium.
6. The sabbatical leave period is considered an unpaid leave for OMERS pension purposes. The Employee will have the option to purchase the sabbatical leave period upon return to work.
 7. Employees are responsible to make arrangements through Payroll Services for other deductions.
 8. There will be no income tax, Canada Pension Plan (CPP) or Employment Insurance (EI) deducted from the contribution amounts received by the Employee.
 9. Sabbatical leave periods are not considered CPP pensionable service or an EI insurable period. Vacation is not accrued and sick leave is not available during the sabbatical leave period. There will be no adjustment to the Employee's service date.

Post-Sabbatical Period:

1. Employees must return to employment with the Town for the minimum period as the same length of the leave period, i.e. 3, 6, 9 or 12 months.
2. Employees not returning to employment for the same length of their leave will be required to reimburse the Employer the balance of the benefit premiums paid by the Employer during their leave.
3. If the Employee is not able to return to work immediately following their leave period, they may not be eligible for a future sabbatical leave.

Cross-References

Corporate Procedure

Self-Funded Sabbatical Leave Procedure #HR.03-05-001

Appendices/Other References

Self-Funded Sabbatical Leave Participation Agreement
Self-Funded Sabbatical Leave Salary Calculator
Self-Funded Sabbatical Leave FAQ

Corporate Policy

Salary Progression Policy #HR.9-02
Service Recognition Policy #HR.8-03
Sick Leave Policy #HR.11-04
Vacation Policy #HR.3-01

Other Government Legislation

[Employment Standards Act, 2000 \(ESA\)](#)
[Income Tax Act and Regulations \(6801\)](#)

Contact

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Details

Approved by: Ian McDougall, Chief Administrative Officer

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