

What is a Temporary Layoff?

Generally - a temporary period when an employer doesn't provide work and (usually) compensation to an employee. Manitoba Employment Standards defines a layoff, where it is permitted, as a temporary break in employment where employees are likely to return to work. You need not provide notice of a lay off. However, if it is longer than 8 weeks in a 16 week period, it becomes a termination that does require notice.

Since layoffs may be legally deemed constructive dismissal, you should communicate openly with staff that is affected - let them know you hope it will be temporary, what must change to prompt a recall, and explain financial or other reasons. If you need to reduce your staff temporarily, here are some steps to take and considerations:

	Process	Factors to Consider
1	Board/Management determines who will be laid off and the effective date.	<ul style="list-style-type: none"> • Look at all positions and what are their responsibilities? Does it need to be done (an essential role)?
2	Meet individually with the impacted employee in person. <i>Remember it is a difficult time and a difficult conversation.</i>	<ul style="list-style-type: none"> • Provide employee with a letter (see Q&A below as to what to include in the letter). • Who is going to meet with the individual (best practice is direct Supervisor)? • Do you have an Employee Assistance program that can assist them?
3	Exiting the Employee	<ul style="list-style-type: none"> • It is essential to maintain their dignity and minimize distraction to the remaining staff.
4	Advise the individual who does payroll. They will need to prepare of the Record of Employment (ROE).	<ul style="list-style-type: none"> • What is the effective date? • Is accrued vacation to be paid out? • Ensure you use the right reason on the ROE: as the reason of separation (Code A - Shortage of Work, Code D - Illness or Injury, Code H - Work Sharing Program) • REFRAIN from using 'other' and having a comment in Block 18.
5	Communicate to the remaining staff <i>(if applicable)</i>	<ul style="list-style-type: none"> • Remember that this impacts all employees differently- this is a critical time to be 'available' for the remaining employees. Meet with them individually or as a team
6	Communicate to external clients/parties <i>(if applicable)</i>	<ul style="list-style-type: none"> • Who do you need to advise (clients, suppliers, etc.)?
7	Security Management	<ul style="list-style-type: none"> • Best practice is to restrict access to systems, facilities, and emails, but it will depend on your situation. Gather passwords, keys, and security cards if you will need them, from the exiting employee.

This document is intended for information purposes and to provide helpful hints. It does not replace legal advice.

Questions & Answers

I have a new employee that is scheduled to start. How do I handle this?

- You will need to contact the individual to advise that the start date will need to be postponed to a future date that will be determined once the business operations resumes.
- The offer letter will need to be amended to reflect the following: *Due to unforeseen circumstances of COVID-19, we will need to postpone your start date to a future date...*

Do you have a sample of what should be included in the letter?

- COMPANY has been impacted by the recent COVID-19 pandemic. Due to shortage of work/closure, this letter is to notify you of your temporary layoff effective DATE. We sincerely regret this decision. At this point, it is our hope that you will be recalled to work in the near future. If and when the business operations resume we will be sure to provide you with an update.

What other information to add to the layoff letter?

- Indicate how the ROE will be submitted - electronically or is it paper based?
- Provide the employee with the Employment Insurance link (see link #3 below).
- Advise the employee to be in touch if their contact information changes.
- If they have company benefits - does the coverage continue during the lay off? If so, are they required to prepay their portion of the premiums? Arrange payment of premiums. ie: request post dated cheques.

What is the waiting period when an employee is laid off?

- For Layoff: Currently the waiting period is 5 days, an eligible employee(s) would have to go at least 5 days without earnings to be eligible for EI. **NOTE:** For all other reasons ie: COVID-19 related, please direct the employees to the Service Canada website (see link #8 below).

Helpful Contact Information

Service Canada Employer Contact Centre	1-800-367-5693
Manitoba Employment Standards	204-945-3352 or 1-800-821-4307

Helpful Links

Source	URL
1) Manitoba Employment Standards	https://www.gov.mb.ca/labour/standards/index.html
2) Prime Minister's announcement March 18, 2020 Economic Response Plan: Support for Canadians and Businesses	https://www.canada.ca/en/department-finance/news/2020/03/canadas-covid-19-economic-response-plan-support-for-canadians-and-businesses.html
3) Link to provide employee in the Layoff letter - EI Regular Benefits - Apply	https://www.canada.ca/en/services/benefits/ei/ei-regular-benefit/apply.html
4) Working while on Employment Insurance	https://www.canada.ca/en/employment-social-development/programs/ei/ei-list/working-while-claim.html
8) Service Canada website	https://www.canada.ca/en/employment-social-development/corporate/portfolio/service-canada.html

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