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## TERMINATION

Termination speaks to the ending of an employment agreement. [Organization Name] is committed to ensuring terminations are handled in a discreet and professional manner by all concerned. This policy outlines the methods and conditions for which the employment relationship may be terminated by either party. [Organization Name] is committed to ensuring that all employee terminations are handled fairly and consistently, in accordance with statutory employment practices, specifically the Prince Edward Island Employment Standards Act (ESA).

DEFINITIONS

“Termination of employment” occurs when the employment relationship between the employer and the employee is terminated.

“Layoff” means a temporary interruption of the employment relationship at the direction of the employer because of a lack of work.

“Period of employment” is any period of employment that is not interrupted by more than 14 days of employment in a row. It should be noted that if an employee is laid off for more than 14 days and then returns to work for the same company, his time will be reset.

POLICY

Should [Organization Name] end an employee's employment, it will be in accordance with the ESA and the terms of the employee's contract

Both [Organization Name] and employees themselves are free to terminate employment for any reason, but must provide proper notice of termination in full compliance with the ESA. Should [Organization Name] terminate an employee for cause, the notice requirements will not apply.

All terminations will be handled with dignity and confidentiality, regardless of the reason.

[Organization Name] will never fire or otherwise penalize an employee for inquiring about or exercising their ESA employment rights.

Notice Period

When an employee is laid off or dismissed, [Organization Name] will provide written notice.

If no warning is given, [Organization Name] will pay the employees involved the amount of notice to which they are entitled. The amount of notice required is determined by the employee's length of service with the company.

| **Employee's Period of Employment\*** | **Minimum Period of Working Notice** |
| --- | --- |
| Six months to less than 5 years | Two weeks |
| Five years or more but less than ten years | Four weeks |
| Ten years or more but less than fifteen years | six weeks |
| More than 15 years | eight weeks |

If an employee receives written notice, they may continue to work until the end of the notice period. During that time, the employee's hours of work, rate of pay, or benefits cannot be reduced. Vacation time cannot be counted as part of the employee's notice period.

[Organization Name] will not give notice for the following:

* the employee has worked for [Organization Name] for less than six months;
* the employee is laid off for a period of not more than six consecutive days;
* the employee has been given other jobs by [Organization Name];
* the employee quits; or
* there is just cause to fire the employee.

Note: When [Organization Name] provides an employee with written notice of termination or layoff but the employee continues to work for a period of one month or more after the end of the notice period, the notice is abolished, and [Organization Name] may only terminate or lay off the employee after providing a new notice.

[Organization Name] will pay the following not later than the last day of the next pay period when an employee is terminated:

* all wages owed to the employee;
* all vacation and public holiday pay owed; and
* any pay in lieu of notice (if applicable).

Probationary Employees

Employees who are within the probationary period, as established in the employment agreement, may be terminated without cause at any time, provided the legislative rights of the employee are not violated. If the employee has been employed for less than six months, the employee will not be entitled to working notice or pay in lieu of notice. If the employee is terminated after being employed for six months, but still in the probation period assigned by the employer, the employee will be provided with the required notice or pay in lieu of notice.

Termination with Cause

In specific circumstances, an employee’s employment may be terminated without cause. [Organization Name] will carefully consider all circumstances leading to termination, including condonation, progressive discipline, proportionality, and any mitigating circumstances. If an employee is terminated with cause, the employee may not be eligible for notice of termination or pay in lieu of notice.

Pay In Lieu of Notice

In the event that pay is used in lieu of working notice, [Organization Name] will pay the employee the amount of notice to which they are entitled.

[Organization Name] will calculate pay instead of notice by multiplying the employee's normal weekly wage by the required working notice.

If [Organization Name] does not wish to provide notice to the employee, [Organization Name] will provide the employee with pay in lieu of notice. This means that [Organization Name] pays the employee the same amount as if the employee had worked during their notice period.

Where wages vary, the [Organization Name] will average the wages going back 4 weeks preceding the week in which the termination occurred and divide it by 4 (four).

[Organization Name] will not give pay instead of notice for the following:

* the employee has not completed six consecutive months of employment;
* the employee quits or retires; or
* the employee is dismissed due to just cause.

It is not possible to include entitlements in the notice. [Organization Name] will not accept paid vacation time or vacation pay as a substitute for written notice or pay in lieu of notice.

[Organization Name] will also not schedule the employee to take paid regular time off from an overtime bank during the notice period.

Employee Responsibilities When Leaving a Job

Should an employee wish to resign from their employment they must provide such notice in writing. The notice must include their name, date the notice was provided and the date which they desire the resignation to become effective. The employee must provide at least the required notice as per the terms of their employment agreement and the terms of the ESA outlined below:

* Those employed for 6 (six) months or longer must provide 1 (one) week’s written notice before leaving.
* Those employed for 5 (five) years and over, must provide 2 (two) weeks' written notice.
  + The notice must reflect the employee's last day of work.

The requirement for an employee to provide written notice of resignation may be waived by [Organization Name].

Employees must return all company property back to the organization before or on the date of termination, or at a later time as established by the employer. This may include, but not limited to, keys, identification, laptops, company vehicles, credit cards, company materials and intellectual property, etc.