

Guidance on Terminating Employees

C H E C K L I S T

When It's Necessary to Reduce the Number of Workers to Ensure Business Viability

Tourism has faced difficult economic conditions and the recovery of the industry is expected to be slow and gradual. Unfortunately, some employers face an unenviable situation and know they are unable to retain all their valued workers. This checklist provides guidance on how to carry out employee terminations while also minimizing the risk of legal action, helping employees find new work, and maintaining the engagement of remaining employees.

Information provided in this checklist is not intended to constitute legal advice. We encourage you to consult local labour laws and seek legal advice where needed.

- Identify termination or work cessation needs**, such as:
 - Type of dismissal
 - Number of affected employees
 - Timing
- Seek legal advice** on difficult employment decisions, including phased workforce reduction or major downsizing
- Review termination policies and procedures:**
 - Be familiar with required protocols
- Identify individual(s) to be dismissed or laid-off**
- Determine severance package**, including career services, health care benefits, outplacement services
- Identify outplacement services**, such as:
 - On-site support on termination day (e.g., counselling)
 - Group transition workshops
 - Information sessions on career support services available in the community
- Plan termination process:**
 - Timing
 - Logistics
 - Support for remaining employees
- Implement termination process** affecting multiple employees, as required:
 - Provide notice of group termination to Ministry of Labour
 - Notify employees as soon as possible, in writing
 - Hold information session(s) with affected employees on the lay-off process
 - Make public announcement immediately after employee notification
 - Manage social media reactions
- Prepare to inform employee(s):**
 - Review personnel file (e.g., performance documentation, disciplinary actions)
 - Prepare documentation (e.g., record of employment, payment including salary and vacation pay, termination letter, release forms, severance package, potential restrictions and/or non-compete language, legal commitments about confidentiality and company business)
 - Identify location and time for meeting
 - Arrange presence of others if required or if negative reaction is expected (e.g., union steward, security personnel)
 - Prepare responses to questions (e.g., vacation days, severance, benefits)



- Decide how and when to terminate employee's access to electronic systems (e.g., during or at commencement of meeting, if termination is effective immediately)
- **Conduct meeting**, for example:
 - Inform on reason for termination (e.g., organizational restructuring, poor performance, misconduct)
 - Outline notice period or severance settlement options (e.g., immediate departure, two weeks' notice)
 - Provide documentation (e.g., termination letter, copies of warnings, record of employment)
 - Explain documentation (e.g., confidentiality agreement, non-compete agreement, arrangement for money owed)
 - Allocate time for employee to reflect on which option to select, if applicable
 - Obtain signature (e.g., release form, severance, notice payments)
 - Explain documents to follow (e.g., final payments, expected timelines)
 - Arrange for return of company property (e.g., keys, pagers, laptops, ID badges, access passwords)
 - Handle emotional response (e.g., acknowledge situation is difficult, allow time to process)
 - End meeting on positive note, if appropriate (e.g., note contributions that were valued)
 - Offer support, if appropriate (e.g., safe transportation home, references, counselling)
 - Supervise departure, as required (e.g., collection of personal items, return of company's materials)
- **Perform activities post departure**, for example:
 - Document meeting
 - Arrange for exit interview, as required
 - Notify others who may be affected (e.g., clients, suppliers) of employee departure, without disclosing reason
 - Maintain confidentiality of discussions
 - Monitor health of remaining employees (e.g., look for signs of stress, track absenteeism)

N O T E S

