

	TERMINATION OF EMPLOYMENT	Human Resource Manual
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SEVERANCE PRIORITY

PURPOSE

1. Employees identified for lay-off who have not obtained another GN position may choose Severance Priority.

APPLICATION


2. This applies to all employees of the Government of Nunavut represented by the Nunavut Employees Union.

PROVISIONS

3. Severance Priority provides severance of two weeks pay for the first complete year of continuous employment, two weeks pay for the second complete year of continuous employment and one week pay for each succeeding complete year of continuous employment, to a maximum of 28 weeks of pay. In the case of a partial year of continuous employment, the weekly rate of pay will be multiplied by the calendar days of continuous employment in the year prior to layoff, divided by 365.
4. For the purposes of this policy, “pay” means base wages and transition and conversion allowances and does not include other allowances and benefits.
5. Where the employee is being laid off for a second or subsequent time, the amount of severance will be calculated on complete years of continuous service less any period in respect of which the employee was granted severance pay.
6. An amount payable as Severance Priority for a term employee cannot exceed an amount equal to the pay that employee would have received for the remainder of the term.
7. An employee who chooses Severance Priority will have Staffing Priority status for one year from the last day of the Notice Period.
8. If, by consent of the Deputy Head, the employee is not required to work the Notice Period or any portion thereof and instead receives payment in lieu of the Notice Period or a portion of it, the employee retains Staffing Priority status for the Notice Period.

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9. Pay in lieu of the Notice Period includes allowances, in addition to base wages, whereas Severance Priority is based on base wages only.
10. Severance Priority replaces all other severance payments.
11. An employee who wishes to take advantage of the Severance Priority contacts the Department of Human Resources for further information.
12. The Department of Human Resources calculates the Severance Priority in accordance with these guidelines and advises the employee of the amount.
13. An employee who wishes to take advantage of the Severance Priority must advise the Department of Human Resources of their intention to do so prior to the end of the Notice Period.
14. An employee who receives payment in lieu of the Notice Period and who also wants to take advantage of the Severance Priority must notify the Department of Human Resources in writing. The notification must be provided within 5 working days of the start of the Notice Period.
15. The Department of Human Resources prepares a letter to the employee, confirming the Severance Priority option.
16. The employee accepts the Severance Priority option by signing the confirmation letter and returning the signed letter to the Department of Human Resources.
17. The Department of Human Resources arranges with Compensation and Benefits for the appropriate payments to be made.
18. If the employee returns to territorial public service employment while still receiving bi-weekly Severance Priority payments, the bi-weekly payments will be replaced by an immediate cash payout for the remaining amount of Severance Priority payment.

	
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AUTHORITIES AND REFERENCES

19. Collective Agreement with the NEU
Article 30, Severance Pay
20. Collective Agreement with the NTA
Article 17, Lay-off

CONTACTS

21. For further information or clarification, please contact:

Director Compensation and Benefits
Department of Finance
Iqaluit, Nunavut
975-5881