

## **SECTION 10**

### **TERMINATIONS**

#### **10.01 LAYOFFS AND RECALL**

**AUTHORITY:** COLLECTIVE AGREEMENT BETWEEN THE PROVINCE  
OF PRINCE EDWARD ISLAND AND THE UNION OF  
PUBLIC SECTOR EMPLOYEES  
*CIVIL SERVICE ACT AND REGULATIONS*

**ADMINISTRATION:** PEI PUBLIC SERVICE COMMISSION  
GOVERNMENT DEPARTMENTS/AGENCIES

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## **1. PURPOSE**

- 1.01 Layoff and recall provisions are contained in Section 35 of the *Civil Service Act* and Article 36 of the current collective agreement for unionized employees.
- 1.02 The Deputy Head may issue a notice of layoff pursuant to Article 36 of the collective agreement for classified employees (*Civil Service Act s.9*) and 36.07 - 36.10 for casual division employees (*Civil Service Act s.10*)
- 1.03 The layoff of a classified employee may be necessitated by: a shortage of work or funds; or the abolition of a position; or a material change in duties, or organization; or where an employee's medical condition is such that they are unable to fulfill the functions of their position and cannot be accommodated under the provisions of Article 39 of the current collective agreement.
- 1.04 Where a Deputy Head intends to layoff an employee in the classified division, they shall notify the employee, the Union and the Commission in writing.

## **2. APPLICATION**

- 2.01 This applies to all employees within the Civil Service with the exception of executive division, contract and student employees.

## **3. POLICY**

- 3.01 Once notified of an intended layoff, an employee has fourteen (14) calendar of receiving the notice of intent to layoff to notify the Deputy Head in writing of their intent to:
- 1) accept transfer,
  - 2) take early retirement, if eligible
  - 3) accept layoff, or
  - 4) exercise the displacement option within the same department, or agency, in the same classification series, in the same or lower classification level.
- 3.02 An employee wishing to exercise their right under transfer or displacement, may meet with a representative of their department and the Commission to review vacant positions, for which they have preference over if they are qualified and eligible, as well as positions which may be available if

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displacement rights are exercised. The department and the commission shall explore all transfer opportunities prior to moving to displacement, as the transfer opportunities are least disruptive. However, if no position can be secured as a transfer option before the end of the Notice of Layoff provision, pursuant to Article 36.03, the Commission and department shall provide a list of all positions within the same department, or agency, in the same classification series, and in the same or lower classification level as the employee's substantive position.

- 3.03 Pursuant to 36.02(c), if an employee has notified the Deputy Head of their intent to displace another employee within the same department or agency, the following principles apply: employees shall be retained on the basis of qualifications, knowledge, skills and abilities to perform the duties of the positions available; and where it is determined that the employees are relatively equal, the employee with the greatest continuous service will be retained.
- 3.04 Pursuant to Article 36.02(d), an employee of the classified division may displace an employee of the unclassified division if they have the qualifications and ability to perform the duties of the unclassified employee. An employee who displaces an unclassified employee continues to be an employee of the classified division. When the terms of employment for the displaced unclassified employee expires, the classified employee can displace another unclassified employee.
- 3.05 Where the Deputy Head is satisfied that the layoff is necessary pursuant to Article 36.01 and is in accordance with Article 36.02, the Deputy Head shall cause a written notice of layoff to be given to the employee and the Union (120) one hundred and twenty calendar days in advance of the layoff date excepting cases of employees laid off under Article 36.01 (a)(iv) (medical condition), who shall receive notice of at least (60) sixty calendar days in advance of the layoff date.
- 3.06 During the notice period, an employee who chooses the transfer option shall continue to be given preference over new employees or employees who have not been affected by layoff, for appointment to vacant positions for which they are qualified at the same or lower classification level.
- 3.07 Pursuant to Article 36.04, an employee subject to layoff who accepts a position with a lower maximum rate of pay than the maximum rate of pay for the employee's current position shall retain the current rate of pay until such time as the rate for the lower paid position equals or exceeds the current

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rate, i.e, red-circling. The ability to be red-circled applies to positions received before the effective layoff date.

- 3.08 After the effective layoff date, an affected employee has the right to recall under Article 36.06(a)&(b). Additionally, a medical layoff has further rights under Article 36.06(c): an employee laid off under the provisions of Article 36.01 (a)(4) shall be placed on the appropriate recall list for a period of (18) eighteen months from the date the employee indicates that they are available for work providing that such indication is received by the Commission within two (2) years from the date of layoff.
- 3.09 Article 36.06(d) states that employees on a recall list shall be given preference over new employees or employees who have not been affected by layoff for appointment to vacant classified positions. Appointments from the recall list shall be made on the basis of qualifications, relative ability, knowledge and skills. Where two (2) or more employees are considered relatively equal, the employee with the greatest length of continuous service shall receive the first offer of appointment. No new employees shall be hired unless employees on the recall list have had the opportunity to be recalled. Recall shall not result in promotion.
- 3.10 Once an employee is placed on the recall list, the employee no longer retains protected salary. Pursuant to Article 36.06(i)(1) recall employees who accept a position in the classified or casual division which they have the qualifications, knowledge, skills and abilities to perform the duties of the positions available shall be paid at the rate of pay for the position occupied.
- 3.11 Article 36.06(e) states that employees on a recall list be given the first option of filling jobs normally filled by casual division employees providing they have the qualifications and ability to perform the available work. If an employee accepts such casual work,
- (i) the employee shall remain on the recall list;
  - (ii) the period of casual employment shall be counted towards continuous service; and
  - (iii) the employee will not be provided with a further notice of layoff on the completion of the period of casual employment.
- 3.12 Article 36.06(f) states that an employee recalled shall be credited with the period of continuous service immediately prior to being placed on a recall list plus any additional work in the casual division pursuant to Article 36.06

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(e)(2).

- 3.13 Article 36.06(g) states that an employee recalled shall be credited with sick leave accumulation and vacation leave entitlement as of the date of being placed on the recall list.
- 3.14 Article 36.06(h) notes that employees are eligible for severance pay (Article 18 of the collective agreement) following the (18) eighteen month recall period, or at any time during the recall period providing the employee waives their recall rights.
- 3.15 Article 36.06(i) states that where continued coverage is provided under group insurance plans employees shall have the option to continue group insurance coverage while on the recall list. If employees continue coverage the Employer agrees to continue cost-sharing arrangements.
- 3.16 The Deputy Head may layoff a casual division employee in accordance with the schedule outlined in Articles 36.07 - 36.10.