

# Temporary Layoffs, Terminations & Your Liability Risks

written by Rory L | November 18, 2022



Workforce reductions aren't just heartbreaking but expensive. The silver lining is that structuring layoffs as temporary can be much easier on both your emotions and your budget. Temporary layoffs enable you to maintain ties with key employees and avoid or at least delay notice and other termination payments.

Here's what HR directors must do to ensure that temporary layoff arrangements are legally sound.

## **THE DIFFERENCE BETWEEN TERMINATION & TEMPORARY LAYOFF**

Temporary layoffs don't terminate the employment relationship like permanent layoffs do. That's a big deal because it avoids triggering termination notice requirements. Notice doesn't kick in unless and until the layoff continues past the deadline stated in the law (or sooner if you decide to make the layoff permanent). Result: You get a breather to resolve your financial difficulties. And if you do land that big contract or secure that key loan before the deadline expires, you can recall the employees without making termination payments. Meanwhile, employees can take advantage of EI and other emergency unemployment benefits.

Download this special report which includes a compliance cheat sheet, case studies, alternatives to temporary layoffs and more...