

ISSUE IN FOCUS



Celebrating 100 Years

SASKATCHEWAN
CHAMBER *of* COMMERCE

Layoff Extension Period and Effects on Tourism & Hospitality

Background:

The layoff extension allowing employers to lay off workers for an extended period during the public emergency period has served both employers and employees well. The policy has had the effect of retaining the valuable employer-employee connection and providing a sense of stability for both parties during a time of great uncertainty.

Issue:

Within the tourism and hospitality sector, the hotel and conventions sub-sector has been particularly hard hit and its recovery will be a long way off. There are hundreds of businesses whose staff are on layoff and whose accrued liabilities for payment in lieu of notice and severance could trigger a wave of insolvencies/bankruptcies across the entire province, forcing many businesses to close their doors permanently. Those businesses could face very tough decisions if the layoff provisions resulted in triggering payments beyond their current ability to pay.

Recommendations:

1. Do not end the Public Emergency Order allowing the layoff extensions without significant advance notice to employers. While we all look forward to the point when the public health risk is gone, this public emergency order is tied to the layoff provisions.
2. Extend the period that requires an employee to be scheduled from the current two weeks to six weeks upon the end of the Medical Health officer's notice. This will allow more time for the employer to bring people back or to offer other provisions.

History:

Letter to Ministry of Labour Relations & Workplace Safety 2020