



Tables 2 and 5

Severance Pay

What are our demands?

- Increase severance pay to 3 weeks' pay (from 2) for the first year of service in case of lay-off. Maintain the amount of 1 week's severance per year for subsequent years of service;
- Remove the limitation on maximum severance that can be received in cases of resignation, retirement, death and termination due to incapacity or incompetence;
- New proposals to allow severance to be taken as leave, and to take severance in instalments.

Why have we proposed these demands?

Severance pay should be identical, regardless of the reason why workers leave the public service. There should be no maximum, but rather a number of weeks determined by years or portion of years of service.

The employer must recognize all years of service and stop imposing a maximum limit on severance.

Workers should be able to choose how and when they receive their severance pay:

- They could decide to receive severance as a lump sum which could be spread over two fiscal years in order to reduce the tax implications;
- They could convert severance to leave equivalent to the number of weeks used in calculating severance. Workers would thus continue to receive employment benefits during the period preceding their actual departure from the public service. Since many employees will be retiring from the federal public service in the coming years, a more flexible severance program would benefit both parties and would not be more costly for the employer.

What has been the employer's response?

The employer has offered no response to this demand.

