

Guide Regarding Pastor's Resignation and Completion of the Record of Employment



Employment Insurance

The Employment Insurance program (called EI) is designed to promote job creation, adequacy, and fairness. One of the biggest aspects affecting churches/pastors is how the Voluntary Quit and Misconduct provisions are applied. The Canadian Council of Christian Charities worked on our behalf to clarify with the government how pastors should be treated recognizing that it is always more appropriate for a pastor to resign than to be fired.

EI has provided some guidelines for completion of the Record of Employment which you should be aware of. Following these guidelines will ensure that your pastor's case is adjudicated appropriately and that he/she will be eligible to claim EI benefits based on the circumstances surrounding the resignation.

When an employee resigns, the individual must show that there was "just cause" for **voluntarily** leaving in order to be eligible for EI. Legislation sets out some 40 "just cause" reasons. The following are pertinent to many situations which churches/pastors find themselves in:

- Significant unilateral changes to working conditions (duties, hours, wages)
- Formal promise of increase in wages or salary not fulfilled
- Hiring conditions not honoured
- Unjustified reduction in wages
- Loss in wages due to employer's financial difficulties
- Duties – intolerable situation
- Relation with authority – hostile atmosphere created by superiors
- Moral objections – employer's practices contrary to professional ethics
- Health adversely affected – on doctor's advice

The full list of the main reasons which may justify voluntary leaving (with descriptions and examples) can be found at http://www.esdc.gc.ca/en/reports/ei/digest/ch_6/checklist.page#a6_8_1. When the employee applies for EI, he/she may be asked to provide the explanation of the reasons; if just causes are present, the person will likely qualify to receive EI.

Record of Employment

Instructions for completing the Record of Employment (ROE) are available from Human Resources and Skills Development Canada at <http://www.hrsdc.gc.ca/eng/employment/ei/index.shtml>. PLEASE TREAT THIS AS AN URGENT MATTER.

By law, **you are required to issue the hard copy ROE within 5 days of the pastor's last day worked.** If you submit ROE electronically, you no longer need to print a paper copy for your employee. Ensure that your employees are aware that you will be submitting their ROEs to Service Canada electronically. If your pay period is weekly, biweekly, or semi-monthly, you now have up to **5 days after the end of the pay period** when an employee's interruption of earnings begins to issue an electronic ROE. If your pay period is monthly or every four weeks, you must issue electronic ROEs on one of the following dates, whichever is earlier:

- Up to **5 days after the end of the pay period** when your employees' Interruption of earnings begins; or

- Up to **15 days after the first day of the interruption of earnings.**

If the ROE is late benefits will be delayed, which could cause hardship. You should advise the pastor to file immediately after the last day worked, without waiting for the ROE if it is not yet available.

Box 16 of the ROE requests a reason for resignation. In many cases the reason will be very clear. The following reasons and corresponding codes can be used in these circumstances:

- Returning to school after summer employment – Code C
- Illness or injury – Code D
- Quit to move to another church – Code E
- Maternity or parental leave – Code F
- Retirement – Code G

When the reason is not clear or when one of the “just causes” is present, EI advises that you should use Code K – Other. Since the comments section does not provide sufficient room for an explanation, it is not necessary to provide any. EI advises that in all instances where Code K is used, an investigation will take place. It is most important that the name and phone number of a church contact is provided. This should be someone who knows and understands all of the circumstances surrounding the pastor’s resignation. This person will be interviewed by telephone and should be able to present the facts as understood by the church.

In cases of CBOQ Discipline Protocol actions

In cases of resignation because of moral indiscretion, we have experienced some reluctance by EI to provide benefits. It is recommended that the following line of reasoning be used:

- It is CBOQ policy that any pastor who admits to or is accused of moral indiscretion will meet with the Director of Leadership Development, according to the CBOQ Discipline Protocol
- The pastor’s credentials will be suspended for a prescribed period of time and a process of restoration will be established.
- It is usually recommended by CBOQ that in order to provide full opportunity for reflection and healing, the pastor resign from his/her church, especially since the trust relationship may be broken under the circumstances.
- Following completion and positive outcomes of the restoration process, the pastor’s credentials may be restored so that he/she will be available to seek placement in another church
- This process could be considered a leave of absence. If this option is chosen, it is not a true resignation because there is built into the process an expectation of future employment.

Vacation Pay

A reminder – by law, you are required to pay outstanding vacation pay upon termination of employment. This should be calculated at 8% if your church provides one month vacation. Of course, it should be prorated since the last vacation taken. This amount is to be included in the last pay period.

DISCLAIMER: This guide is provided for information purposes only and is not intended as advice to the local church. Information is current only as of the date that the guide was prepared. Readers are advised to seek professional advice for their particular situation.