

EMPLOYEES' FACT SHEET – December 2004

The following is provided by the Virgin Islands Department of Labor to aid employees of Virgin Islands firms after they are notified by their employer of a determination to close the business, layoff a large number of employees, or downsize the company's workforce.

1. My employer just notified me that they are contemplating a reduction in force, or closing the business. In the event this happens what benefits and assistance am I entitled to receive from my employer?

It is recommended that you review your Employee Handbook, employment contract, any documentation that you and the employer have jointly signed, or a written agreement concerning your conditions of employment. Look for specific language in these documents for the benefits you may be eligible for. This would include severance pay, continuation of health benefits, payment of accrued vacation or personal time, and other forms of compensation or benefits upon termination without cause. If your employer has not provided an Employee Handbook, employment contract, or other form of agreement with employees as to their working conditions, contact your supervisor and request to be informed of their plan to reduce the workforce, change the conditions of employment, or to close the business activity. In each instance, request to be informed of the benefits and assistance that will be offered employees, and you specifically, by the employer.

2. Am I entitled to receive unemployment insurance?

Once you receive notice of a planned reduction in force, transfer from full time to part time status or termination, immediately, contact the following agencies regarding your eligibility for labor relations and unemployment assistance. Also, you will be informed of the procedures to follow when applying for assistance. Ask for an appointment to address your concerns.

St. Thomas (340) 776-3700
Department of Labor Division of Labor Relations (Territorial Office)
Department of Labor Division of Unemployment Insurance

St Croix (340) 773-1440
Department of Labor Division of Unemployment Insurance

3. What other assistance is available from the Department of Labor if I am to be laid off?

The Labor Department can activate a Rapid Response Team in cases of mass layoff or business closing. Mass Layoffs affect one-third of the employees or more. Meetings will be conducted to inform employers and employees of the services available during this process of down sizing or layoff. Employees will be advised of the methods of accessing the services available to them at the Department of Labor after termination. The Team can also direct the employees to other intra-agency services that may be provided during this difficult period for the employees. Every effort will be made to help you transition into other employment.

4. Are there any requirements a company must meet before carrying out a mass layoff or closing its operation down?

Yes. Employers involved in a mass layoff, or closing of operations, must provide a written notification to the Commissioner of Labor at least 90 days prior to the effective date of such action. The Labor Department serves the Virgin Islands workforce and employers.

If there are any other questions, or concerns, please call the Labor Department, Division of Labor Relations, at 776-3700. Also, use our website, WWW.VIDOL.GOV for further information and forms in which to contact us. **HELP US HELP YOU**