

What is an Employer's Obligation to a Terminated Employee?

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Question: Reuven terminates Shimon's employment without justification, what are his obligations to him?

Answer: There are two grounds to hold the employer liable to compensate the terminated employee.

The first basis for a liability is if the employee has already begun the job or gone down to the job site. Beginning the job is considered a form of *kinyan* that binds the employer and obligates him to pay the worker whatever he would have been paid to do the job.

An additional factor at play that would obligate the employer to provide compensation is if the worker lost out on other opportunities because of his commitment to this job. If the worker had other opportunities that he missed out on because he was relying on this job, the employer is considered to have caused him a loss and is obligated to reimburse him under the law of "*garmi*", which is the type of indirect damage one is required to pay for. According to this reasoning, the employer would only be obligated to pay the worker the amount he lost by not taking the other job, not necessarily the amount he would have paid him if he had worked for him.

There is one caveat to this liability. At the end of the day, the employee is not working, so it would not be fair to force the employer to pay him the full amount; therefore, the general rule is that we reduce his pay and adjust it downward somewhat from what he would have earned for the day's work.