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# Directive on Terms and Conditions of Employment

## Note to reader

As per the Info Bulletin dated November 7, 2019, the relevant collective agreement for the Personnel Administration (PE) group is the collective agreement that applies to the Economics and Social Science Services (EC) group, effective July 31, 2019.

<sup>\*\*</sup> Asterisks denote an amendment to this directive which takes effect on April 1, 2012.

## 1. Effective date

This directive takes effect on April 1, 2014.

It replaces the following Treasury Board approved policy instruments:

- Public Service Terms and Conditions of Employment Regulations, dated March 31, 1993;
- Pay Above the Minimum on Appointment from Outside the Public Service, dated July 26, 1989;
- Salary for the Month of Death, dated June 18, 1970;

- Retroactive Remuneration Directive, dated December 15, 1983;
- Regulations Respecting Pay on Reclassification or Conversion, dated December 15, 1983;
- Bi-Weekly Pay, dated January 25, 1968;
- Computation of Entitlements, dated April 27, 1956;
- Release of Pay (Official Pay Day), dated August 13, 1991; and
- Emergency Salary Advance dated October 20, 1983.

## 2. Application

- 2.1 This directive applies to persons appointed to the core public administration as defined in section 11 of the Financial Administration Act, unless excluded through specific acts, regulations or Orders in Council.
- 2.2 Furthermore, not all sections of this directive apply to persons who are subject to terms and conditions of employment that are specific to their group. In these instances, the relevant terms and conditions of employment will establish the exceptions that are applicable to that specific group.

## 3. Context

- 3.1 This directive supports the Policy on Terms and Conditions of Employment by providing direction to departments that will ensure the equitable, accurate, consistent, transparent and timely application of terms and conditions of employment across the core public administration.

For the purposes of this directive, persons appointed to the core public administration include persons appointed to a position as:

- an indeterminate;
- a term of three months or more;
- a term of less than three months;
- a casual worker;
- an as and when required basis;
- a seasonal worker;
- an excluded employee;
- in an unrepresented group;
- part-time; or
- a part-time worker

3.2 The Appendix to this directive provides direction to departments on the administration of terms and conditions of employment. It identifies mandatory requirements for the application and administration of terms and conditions of employment that are not covered under collective agreements, other Treasury Board enactments or other enactments.

3.3 With the exception of the terms and conditions of employment set out in Part 4 of the Appendix of this directive as well as those listed in the Directive on Terms and Conditions of Employment for Certain Excluded and Unrepresented Employees, when there is conflict or incompatibility between a provision of the collective agreement and the Treasury Board terms and conditions of employment policy instruments, the provisions of the collective agreement apply.

3.4 This directive is issued pursuant to sections 7 and 11.1 of the Financial Administration Act.

- 3.5 The Treasury Board has delegated to the president of the Treasury Board the authority to amend this directive.
- 3.6 This directive is to be read in conjunction with the following:
- Policy on Terms and Conditions of Employment
  - Collective Agreements
  - Financial Administration Act
  - Public Service Employment Act
  - Public Service Labour Relations Act
  - Public Service Superannuation Act

## 4. Definitions

Definitions to be used in the interpretation of this directive are provided in Part 1 of the Appendix.

## 5. Directive statement

### 5.1 Objective

The objective of this directive is to ensure sound, consistent and effective practices with respect to the administration of terms and conditions of employment across the core public administration.

### 5.2 Expected results

The expected results of this directive are:

- persons appointed to the core public administration receive appropriate monetary and non-monetary compensation;
- and

- terms and conditions of employment are administered in an equitable, accurate, consistent, transparent and timely manner.

## 6. Requirements

### **6.1 Senior departmental human resources officials or any other person named by the deputy head are responsible for the following:**

- ensuring that the organizational structure, resources, systems, service standards and controls are in place to ensure that the terms and conditions of employment set out in the Appendix are administered in a timely and accurate manner in accordance with the appropriate authorities; and
- ensuring that compensation advisors, human resources advisors or persons responsible for the day-to-day application and administration of this directive are providing accurate, consistent and timely information to persons appointed to the core public administration regarding their terms and conditions of employment.

### **6.2 Managers of persons appointed to the core public administration are responsible for the following:**

- ensuring that appropriate documented authorities are provided to the departmental human resources division in a timely manner; and
- providing persons with information regarding their terms and conditions of employment included in the Appendix,

collective agreements and other Treasury Board policy instruments.

## **6.3 Monitoring and reporting requirements**

### **6.3.1 Within departments**

Senior departmental human resources officials or any other person named by the deputy head are responsible for monitoring adherence to this directive within their organization, consistent with Section 6.2 of the Policy on Terms and Conditions of Employment by:

- establishing controls to ensure that the terms and conditions of employment set out in the Appendix are administered in accordance with the appropriate authorities;
- developing and implementing processes and procedures that will result in the efficient and effective application and administration of the terms and conditions of employment;
- reviewing, on an ongoing basis, the processes and procedures associated with the administration of terms and conditions of employment to assess the accuracy and timeliness of their application and implement corrective measures in a timely manner; and
- establishing standards for the delivery of services associated with the administration and application of terms and conditions of

employment and monitoring compliance with the provisions set out in this directive.

### **6.3.2 By departments**

Departments may be required to provide certain types of information considered necessary for assessing compliance and evaluating management practices. This information and its analysis may be included in the Management Accountability Framework (MAF) process.

On the basis of analysis of monitoring and information provided, the Secretary of the Treasury Board may require additional reports and information from the department.

### **6.3.3 Government-wide**

Treasury Board Secretariat (TBS) will review this directive and its effectiveness at the five-year mark of implementation of the directive. Where substantiated by risk-analysis, TBS will also ensure an evaluation is conducted.

## **7. Consequences**

7.1 In cases of non-compliance deputy heads are responsible for taking corrective measures within their organization with those who are identified with delegated authority pertaining to this directive. Corrective measures can range from training, to the suspension or removal of delegated authority to taking disciplinary action, or any combination of these measures.

7.2 Departments are required to pay, from their departmental budgets, any costs associated with errors or inappropriate application of the

terms and conditions of employment.

## 8. Roles and responsibilities of government organizations

- 8.1 The roles and responsibilities of government organizations described in Section 8 of the Policy on Terms and Conditions of Employment apply to this directive.

## 9. References

### 9.1 Other Relevant Legislation/Regulations

- [Accountable Advances Regulations](#)
- [Electronic Payments Regulations](#)
- [Cheque Issue Regulations, 1997](#)
- [Canada Pension Plan](#)
- [Employment Insurance Act](#)

### 9.2 Related policy instruments/publications

- [Policy on Learning, Training and Development](#)
- [Policy on the Management of Executives](#)
- [Directive on Financial Management of Pay Administration](#)

## 10. Enquiries

Please direct enquiries about this directive to your departmental headquarters. For interpretation of this directive, departmental headquarters should contact:



Core Public Administration Compensation Management  
Compensation and Labour Relations  
Office of the Chief Human Resources Officer  
Treasury Board of Canada Secretariat

E-mail: [Interpretations@tbs-sct.gc.ca](mailto:Interpretations@tbs-sct.gc.ca)

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## Appendix – Terms and Conditions of Employment

- [Part 1 — Definitions](#)
- [Part 2 — Remuneration](#)
- [Part 3 — Pay Administration](#)
- [Part 4 — Casual Workers and Terms of Less Than Three Months](#)
- [Part 5 — Continuous Employment](#)

### A.1 Part 1 — Definitions

#### **Acting appointment ( nomination intérimaire )**

Is the situation where a person is required to substantially perform the duties of a higher classification level for at least the qualifying period specified in the relevant collective agreement or terms and conditions of employment applicable to the person's substantive level.

#### **Acting pay ( rémunération d'intérim )**

Is the pay a person receives when required to substantially perform the duties of a higher classification level provided that the person meets the minimum qualifying period specified in the relevant collective agreement or terms and conditions of employment applicable to the person's substantive level.

#### **Allowance ( indemnité )**

Is compensation payable in accordance with the provisions of the relevant collective agreement or terms and conditions of employment in respect of a position, or in respect of some of the positions in a group, by reason of duties of a special nature. It may also be compensation for duties that a person is required to perform in addition to the duties of the person's position.

**As and when required ( selon les besoins )**

Is the situation whereby a person with no assigned hours of work reports when needed and usually in response to an urgent need.

**Canadian Forces ( forces canadiennes )**

Has the same meaning as "regular force" in the Public Service Superannuation Act.

**Casual worker ( personne nommée à titre de travailleur occasionnel )**

Is a person employed on a casual basis pursuant to the Public Service Employment Act.

**Classification conversion ( conversion de la classification )**

Is a change made in the method of establishing the relative value of work for an occupational group with a resultant new pay structure.

**Collective agreement ( convention collective )**

is an agreement in writing, entered into under Part 1 of the Public Service Labour Relations Act, between the employer and a bargaining agent containing provisions pertaining to terms and conditions of employment and related matters.

**Compensation days ( journées de rémunération )**

Are the days in a pay period other than the designated days of rest.

**Consolidated Revenue Fund ( Trésor )**

Has the same meaning as in the Financial Administration Act.

**Continuous employment ( emploi continu )**

Is one or more periods of service in the public service, as defined in the Public Service Superannuation Act, with allowable breaks only as provided for in the terms and conditions of employment applicable to the person.

**Continuous service ( service continu )**

Is an unbroken period of employment in the public service in the context of determining the rate of pay on appointment. Continuous service is broken when employment ceases between two periods of public service employment for at least one compensation day.

**Core public administration ( administration publique centrale )**

Refers to the departments named in Schedule I and the other portions of the federal public administration named in Schedule IV of the Financial Administration Act.

**Deployment ( mutation )**

Is the transfer of a person from one position to another position made in accordance with Part 3 of the Public Service Employment Act.

**Deputy head ( administrateur général )**

Is, in the context of this directive:

- a. in relation to a department named in Schedule I of the Financial Administration Act, its deputy minister; and
- b. in relation to any portion of the federal public administration named in Schedule IV of the Financial Administration Act, its chief executive officer or, if there is no chief executive officer, its statutory deputy head or, if there is neither, the person who occupies the position designated by the Governor in Council in respect of that portion.

**Enactment ( édit )**

Includes a regulation, order, directive or other instrument made under the authority of an act or other authority.

**Employee ( employé )**

Is, for the purpose of this directive, a person appointed to the core public administration.

**Excluded employee ( employé exclu )**

Is a person who occupies a position that has been identified by the employer in accordance with the Public Service Labour Relations Act as not being represented by a bargaining agent because of the nature of the duties of the position.

**Higher classification level ( niveau de classification supérieur )**

Is, in relation to an acting appointment, a level where the maximum annual rate of pay exceeds the maximum annual rate of pay of the person's substantive level.

**Indeterminate ( indéterminée )**

Is the indefinite period for which a person is appointed to the core public administration pursuant to the Public Service Employment Act.

**Lay-off ( mise en disponibilité )**

Is the circumstance whereby a person whose employment in the core public administration has ceased pursuant to section 64 of the Public Service Employment Act.

**Lower classification level ( niveau de classification inférieur )**

Is a position with a lower maximum rate of pay than the previous position to which the person is appointed to perform the duties; that is, a difference of \$1.00 or more for annual rates and \$0.01 or more for hourly rates.

**Overtime ( heures supplémentaires )**

Is authorized time worked by a person in excess of the standard daily or weekly hours of work and for which the person may be entitled to compensation pursuant to the provisions of the relevant collective agreement or terms and conditions of employment.

**Part-time ( temps partiel )**

Is the situation whereby a person is ordinarily required to work more than one third of but less than the normal scheduled daily or weekly hours of work established for persons doing similar work.

**Part-time worker ( travailleur à temps partiel )**

Is a person who is not ordinarily required to work more than one third of the normal scheduled daily or weekly hours of work established for persons doing similar work.

**Pay increment period ( période d'augmentation d'échelon de rémunération )**

Is, in respect of a position, the period between pay increments for the position as set out in the relevant collective agreement or terms and conditions of employment.

**Person with the delegated authority ( personne ayant le pouvoir délégué )**

Is a person identified under the departmental delegation of authorities instrument for the application and administration of terms and conditions of employment.

**Public service ( fonction publique )**

Has the meaning given to that expression in the Public Service Superannuation Act.

**Reclassification ( reclassification )**

Is the change in the occupational group, level or both of a position resulting from a review or audit of the work performed in that position.

**Relevant collective agreement ( convention collective pertinente )**

Is the collective agreement for the bargaining unit to which the person is assigned or would be assigned were the person's position represented or not excluded. For positions classified as PE, the

relevant collective agreement is that applying to the Economics and Social Sciences Group. For positions classified as OM, the relevant collective agreement is that applying to the Program and Administrative Services Group. For positions classified as PO-IMA and PO-TCO, the relevant collective agreement is that applying to the Technical Services Group.

**Remuneration ( rémunération )**

Is pay and allowances.

**Retroactive period ( période de rétroactivité )**

Is, in the context of collective bargaining, the period from the effective date of the retroactive revised rates of pay, up to and including the day before the day on which the collective agreement is signed, the arbitral award is rendered or the classification conversion is authorized.

**Revision ( révision )**

Is a change in the rate or rates of pay applicable to an occupational group or level.

**Royal Canadian Mounted Police ( Gendarmerie royale du Canada )**

Has the same meaning as "force" in the Public Service Superannuation Act .

**Seasonal worker ( travailleur saisonnier )**

Is the term used for persons performing duties of a seasonal nature.

**Salary protection ( protection salariale )**

Is the rate of pay applicable to the former classification prescribed by the person's substantive level before a reclassification or classification conversion or as a result of workforce adjustment.

**\*\*Service ( service )**

For the purpose of determining vacation leave entitlement only, any former service for a continuous period of six months or more in the Canadian Forces, either as a member of the Regular Force or of the Reserve Force while on Class B or C service, shall be included in the calculation of vacation leave credits, once verifiable evidence of such service has been provided in a manner acceptable to the Employer.

**Substantive level ( niveau de titularisation )**

Is the group and level to which a person has been appointed or deployed under the Public Service Employment Act other than an acting appointment.

**Term of less than three months ( période déterminée de moins de trois mois )**

Is a person appointed for a specified period of less than three months pursuant to the Public Service Employment Act.

**Term of three months or more ( période déterminée de trois mois ou plus )**

Is a person appointed for a specified period of three months or more pursuant to the Public Service Employment Act.

**Unrepresented employee ( employé non représenté )**

Is a person appointed to a position that is not represented by a bargaining agent.

## **A.2 Part 2 – Remuneration**

### **A.2.1 Entitlement**

Subject to the provisions of this directive and any other enactment of the Treasury Board, a person appointed to the core public administration is entitled to be paid, for services

rendered, the appropriate rate of pay in the relevant collective agreement or the rate approved by the Treasury Board for the group and level of the person's classification.

#### 2.1.1 Dual remuneration

Unless authorized by or under an act of Parliament, no payment additional to the remuneration applicable to the person's position (in other words, his or her substantive position) is to be made out of the Consolidated Revenue Fund to a person in respect of any services rendered by the person unless the person with the delegated authority of the organization in which the person occupies his or her substantive position certifies in writing that, in his or her opinion, the performance of the additional service does not impair the person's effectiveness in his or her substantive position.

### **A.2.2 Rate of pay**

The rate of pay for a person appointed to a position in the core public administration is based on the provision of continuous service and is determined in accordance with this section.

#### 2.2.1 On appointment from outside the public service

2.2.1.1 Subject to this directive and any other enactment of the Treasury Board, the rate of pay of a person on appointment from outside the public service to the core public administration is to be the



minimum rate of the pay scale applicable to the position to which the person is appointed.

- 2.2.1.2 The person with the delegated authority has the discretion to appoint a person above the minimum salary only when one of the following conditions applies:
- a. there is a shortage of skilled labour in the field involved, as evidenced by local or regional labour market surveys from recognized institutions;
  - b. there are unusual difficulties in filling the position with properly qualified candidates (for example, the minimum rate of pay is not competitive with the rates offered by local or regional employers for similar duties); or
  - c. operational conditions require the presence of a highly skilled or experienced person who can assume the full duties of the position immediately upon taking

employment (for example, there is no alternative but to pay above the minimum because training a novice person would impose an unacceptable burden on the employing organization).

## 2.2.2 On appointment from within the public service

### **On appointment or deployment**

- 2.2.2.1 The rate of pay on appointment or deployment of a person in the core public administration, a person in the public service, or a member of the Royal Canadian Mounted Police or Canadian Forces to a position to which this directive applies is to be established in accordance with the rules for promotion or deployment as set out in this Appendix.
- 2.2.2.2 Where a person is promoted or deployed on the day on which a pay increment would otherwise have become due, the person's rate of pay in that position on the day immediately before the appointment or deployment is deemed to have been the rate of pay that he or

she would have received if the pay increment had become due on that date.

### **On promotion**

- 2.2.2.3 The appointment of a person described in Subsection 2.2.1 constitutes a promotion where the maximum rate of pay applicable to the position to which that person is appointed exceeds the maximum rate of pay applicable to the person's substantive level immediately before the appointment by one of the following measures:
- a. an amount equal to at least the lowest pay increment for the position to which he or she is appointed, when that position has more than one rate of pay; or
  - b. an amount equal to at least 4 per cent of the maximum rate of pay for the position held by the person immediately before that appointment when the position to which he or she is appointed has only one rate of pay.

- 2.2.2.4 Subject to subsections 2.2.2, 2.3.1 and 4.2.7, the rate of pay on promotion is to be the rate of pay nearest that to which the person was entitled in his or her substantive level immediately before the appointment that gives the person an increase in pay as specified in Subsection 2.2.3 above or an amount equal to at least 4 per cent of the maximum rate of pay for the position to which he or she is appointed when the salary for the position to which the appointment is made is governed by performance pay.

### **On deployment**

- 2.2.2.5 A person described in Subsection 2.2.1 is deployed when the transfer to a position to which this Appendix applies does not constitute a promotion as defined in Subsection 2.2.3 above or a demotion as defined in Subsection 2.2.8 below.
- 2.2.2.6 Subject to subsections 2.2.2, 2.3.1 and 4.2.7 when the transfer of a person from one position to another position constitutes a deployment, the person is to be paid the rate of pay that is nearest to but not less than the rate of pay the person was entitled to in his or her substantive level immediately before the

deployment or, if there is no such rate, at the maximum rate of pay for the position to which he or she is deployed.

### **On demotion**

2.2.2.7 A person is demoted where, pursuant to paragraph 12(1)(c), (d) or (e) of the Financial Administration Act, he or she is appointed to a position to which this Appendix applies that has a lower maximum rate of pay than the maximum rate applicable to his or her former substantive level.

2.2.2.8 Subject to subsections 2.2.2, 2.3.1 and 4.2.7, when a person described in Subsection 2.2.1 is demoted, he or she is to be paid the rate of pay that is nearest to but not more than the rate of pay he or she was entitled to in his or her substantive level immediately before the appointment.

2.2.3 On appointment following declaration of surplus or lay-off

2.2.3.1 Except as otherwise provided, when a person who has been laid off is reappointed to a position within one year from the date of lay-off, the person is to

be paid as if, at the time of his or her appointment, he or she held a position of the same group and level as the position held when laid off and his or her rate of pay in that position was the rate of pay for that position at the time of reappointment.

### **A.2.3 Revision to pay rates**

- 2.3.1 Persons appointed to the core public administration are to be paid a revision in pay in accordance with the provisions set out in the relevant collective agreement or terms and conditions of employment.
- 2.3.2 When the revision in pay is retroactive, persons appointed to or persons who were formally employed in or, in the case of death, the estate of persons appointed to or of persons who were formally employed in the core public administration during the retroactive period are to be paid the revision in pay in accordance with the provisions set out in the relevant collective agreement or terms and conditions of employment.

### **A.2.4 Reclassification or classification conversion**

- 2.4.1 Persons appointed to the core public administration whose positions are
  - a. reclassified to a level having a lower attainable maximum rate of pay;

- b. reclassified to a level having a higher maximum rate of pay; or
- c. converted to a new occupational group, level or both or to new classification plans, pay structures or both

are subject to the applicable memorandum of understanding or, if there are no such memoranda, to the provisions set out in this Appendix.

#### 2.4.2 Reclassification to a level having a lower attainable maximum rate of pay

2.4.2.1 Before a position is reclassified to a level having a lower attainable maximum rate of pay, the incumbent is to be so notified in writing by the person with the delegated authority and advised therein of the effective date of this change.

2.4.2.2 Downward reclassification notwithstanding, an encumbered position is deemed to have retained for all purposes the former classification level. With respect to the rate of pay of the incumbent, this may be cited as salary protection status and, subject to Subsection 4.2.4 below, is to apply until the position is vacated or until the attainable maximum of the reclassified

level, as revised periodically, becomes greater than that applicable, as revised periodically, to the former classification level.

**Notes:**

1. The phrase "deemed to have retained for all purposes the former classification level" as used in Subsection 4.2.2 above (and in certain memoranda of understanding related to this subject) is to be applied as follows:

Where the position is:

- a. reclassified or converted to a level having a lower attainable maximum rate of pay;
- b. represented by the same bargaining agent both before and after



downgrading;

and

- c. subject to a memorandum of understanding providing salary protection and containing the phrase "for all purposes,"

the incumbent of the position retains the rates of pay and all other terms and conditions of employment applicable to the higher classification level.

In all other situations, on reclassification or classification conversion to a level having a lower maximum rate of pay, the expression "for all purposes" is applicable to the rates of pay only.

- 2. The term "attainable maximum rate of pay" in this Appendix means the rate attainable for fully

satisfactory performance in the case of levels covered by a performance pay plan or the maximum salary rate in the case of all other classification levels.

- 2.4.2.3 The employing organization, in collaboration with the Public Service Commission when appropriate, is to make every reasonable effort to deploy the incumbent to a position having a level equivalent to that of the former classification level of the position.
- 2.4.2.4 An incumbent who declines an offer of deployment to a position that is in the same geographic area referred to in Subsection 4.2.3, without good and sufficient reason is to be immediately paid at the applicable rate for the reclassified position.
- 2.4.2.5 Persons subject to Subsection 4.2.3 will be considered deployed (as defined in this Appendix) for the purpose of determining increment dates and the rate of pay.
- 2.4.2.6 If the classification level at which the person's salary is protected ceases to

exist, pay entitlements are to be adjusted to reflect revisions approved, from time to time, for the more recently identified position level.

2.4.2.7 On appointment to a position with a lower maximum rate of pay as a result of being declared surplus or being laid off, a person is to be paid in accordance with the salary protection provision of the relevant collective agreement, Work Force Adjustment Directive or both. The application of the salary protection provision will not be limited in any way by this directive. When the pay rules set out in this Appendix confer the greater pay benefit, however, the salary protection provisions do not apply.

2.4.3 Reclassification to a level having a higher maximum rate of pay

2.4.3.1 Where a position is to be reclassified to a level having a higher attainable maximum rate of pay, the effective date of the reclassification will be determined by the authorized classification authority, taking into consideration the date on which the current duties and

responsibilities were assigned to the position.

2.4.3.2 The rate of pay and the salary increment date of the person appointed to the new level of the position under Subsection 4.3.1 are to be calculated in accordance with the collective agreement, pay plan or this Appendix as applicable.

2.4.4 Classification conversion to a new occupational group, classification level or both or to new classification plans, pay structures or both

2.4.4.1 Notwithstanding Section 1 of this Appendix, a person whose position is converted to a new occupational group, classification level or both or new classification plan, pay structure or both is entitled to be paid a rate of pay for services rendered on the date of classification conversion as follows:

- a. the rates of pay applicable to the position held by the person in the new classification and pay plan;
- b. the rates of pay applicable to the position held by the person in the former

classification and pay plan;

or

- c. the rates of pay applicable to the position held by the person in the new classification and pay plan immediately before classification conversion to the new classification and pay plan;

whichever has the highest attainable maximum rate.

2.4.4.2 When Subsection 4.4.1 paragraphs (b) or (c) are applicable, the person's pay administration will be in accordance with Subsection 4.2 of this Appendix.

2.4.4.3 When a new occupational group, classification level or both are established, or a new classification plan and pay structure are introduced for an established occupational group, and the position is converted from the former level to a classification level in the new occupational group, the person occupying that position will be paid on the effective date of that classification conversion at the rate of pay that is nearest to but not less than the rate of

pay he or she would otherwise be entitled to receive on that date.

- 2.4.4.4 Subject to Subsection 4.4.5, the first increase in pay following the classification conversion referred to in Subsection 4.4.3 is to be calculated as if that classification conversion resulted in a deployment (as defined in this Appendix) from the position held on that date in the former occupational group, classification level or both or in the former classification and pay structure.
- 2.4.4.5 Subject to Subsection 4.4.6 when, on the classification conversion referred to in Subsection 4.4.4, a person:
- a. who is being paid at the maximum rate in the former pay scale is not paid at the maximum rate in the new pay scale; or
  - b. receives an increase upon classification conversion equal to or greater than the person would receive as a result of a promotion (as defined in this Appendix);

the first increase in pay thereafter is to be determined as if that classification conversion resulted in a promotion.

- 2.4.4.6 When a person who has been paid at the maximum rate of the former pay scale for a period of one year or more is paid at a rate which is not the maximum rate of the new pay scale, the person with the delegated authority may grant to such a person the first increase in pay thereafter on an earlier date than the date determined in Subsection 4.4.5.

## **A.2.5 Pay increments**

- 2.5.1 Subject to this Appendix and any other relevant enactment, a person holding a position for which there is a minimum and maximum rate of pay is to be granted pay increments until he or she reaches the maximum rate for the position.
- 2.5.2 Subject to any other relevant enactment, a pay increment is to be the rate in the pay scale applicable to the position that is next higher than the rate at which the person is currently being paid.
- 2.5.3 When the relevant collective agreement is silent, the pay increment period is 12 months and is calculated in accordance with this Appendix.

## 2.5.4 Pay increment period on initial appointment, promotion or demotion

Subject to Subsections 5.4.1(a), (b), (c) and (d) below, when a person is appointed to a position to which this Appendix applies, the first pay increment in that position becomes due at the end of the pay increment period for the position calculated from the date of the appointment.

### 2.5.4.1 Pay increment period on deployment

- a. When a person is deployed to a position with a pay increment period of the same duration as the former position, the first pay increment becomes due at the end of the pay increment period calculated from the date it would have been calculated in the former position.
- b. When a person performing duties of a seasonal nature is deployed to a position to which this Appendix applies and a pay increment would become due to him or her in this new position, the pay increment becomes due to



that person in the new position on the date on which a pay increment would have become due to him or her in the former position.

- c. When a person is deployed to a position where the pay increment period is longer (for example, annual) than the pay increment period for the former position (for example, semi-annual), the first pay increment for that person becomes due at the end of the pay increment period of the new position, calculated from the date from which the pay increment period would have been calculated in the former position if he or she had continued in that position.
- d. When a person is deployed to a position where the pay increment period is shorter (for example, semi-annual) than the pay increment

period for the former position (for example, annual), the first pay increment for that person in the new position becomes due 12 months from the last pay increment in the former position or after 6 months in the new position, whichever is earlier.

#### 2.5.5 Subsequent pay increments

Each pay increment for a person, after the first pay increment that he or she receives while in a position, becomes due at the end of the pay increment period for that position, calculated from the date on which the last pay increment in that position became due.

#### 2.5.6 Denial of pay increment

- a. Subject to paragraph (b) below, a person with the delegated authority may withhold a pay increment from a person if he or she is not satisfied that the person is performing the duties of the position satisfactorily.
- b. When a person with the delegated authority intends to withhold a pay increment from a person, he or she, at

least two weeks and not more than six weeks before the scheduled date of the pay increment, must give the person notice in writing of his or her intention to do so.

## 2.5.7 Pay increment period when pay increment is denied

2.5.7.1 Notwithstanding the provisions elsewhere in this Appendix, when a person is denied a pay increment on the day on which it becomes due to him or her, it shall become due to him or her:

- a. on the first day of any month specified by the person with the delegated authority, before the date on which a pay increment would next become due to that person in compliance with this Appendix; or
- b. when the person with the delegated authority does not specify a month pursuant to this section, on the day a pay increment would next become due to that person in compliance with this Appendix.

2.5.7.2 When a pay increment is granted to a person on a day specified pursuant to subsection 5.7.1(a) above, the first pay increment thereafter for that person becomes due on the day it would have become due pursuant to this Appendix if the pay increment immediately preceding it had been granted on the day on which it had been due.

2.5.8 Pay increments during a period of leave of absence with pay

Subsections 5.1 to 5.7 apply to every person who is on leave of absence with pay.

2.5.9 Pay increments during period of leave without pay

a. Subsections 5.1 to 5.7 apply to every person who has been granted leave without pay except when the relevant collective agreement or terms and conditions of employment provide that time spent on a particular type of leave without pay does not count for pay increment purposes.

b. When a person has been granted a leave of absence without pay that does not count for pay increment purposes, a pay increment becomes due to that person on the new pay increment date

calculated from the date on which the pay increment last became due less the period of leave without pay.

- 2.5.10 Pay increment following appointment from lay-off
- Except when the appointment is deemed to be a promotion, when a person entitled to a lay-off priority is appointed within one year from the date of lay-off, the period from the last increment date to the date of lay-off will be counted when determining the new increment date.

## **A.2.6 Acting appointment**

- 2.6.1 General
- When a person with the delegated authority requires a person to substantially perform duties of a higher classification level for at least the qualifying period specified in the relevant collective agreement or terms and conditions of employment applicable to the person's substantive level, the person is to be paid acting pay calculated from the date the person began to perform such duties.
- 2.6.2 Rate of acting pay
- Acting pay is the rate of pay that the person would be paid on appointment to such higher classification level, as calculated following the promotion or deployment rules set out in Subsection 2.2 of this Appendix.

## 2.6.3 Recalculation of acting pay

- 2.6.3.1 A person in receipt of acting pay is entitled to a recalculation of the acting rate of pay following the promotion or deployment rules set out in Subsection 2.2 of this Appendix when increments within and revisions to the salary range for the substantive level occur. If, following recalculation, the rate of pay in the higher classification level is less than the rate of pay received immediately before the recalculation, the person is to be paid at the rate of pay received immediately before the recalculation.
- 2.6.3.2 A person in receipt of acting pay is entitled to revisions to the salary range of the higher classification level.

## 2.6.4 Pay increments while on acting appointment

- 2.6.4.1 Notwithstanding Subsection 6.3.1 above, a person who:
- a. is being paid at the maximum rate of pay for the substantive level at the time of the person's appointment; or

- b. receives an increment in the substantive level that does not result in a higher rate of pay in the higher classification level

is eligible to receive pay increments in the higher classification level at the end of the increment period for the higher classification level, calculated from the date on which the acting appointment commenced.

2.6.4.2 Notwithstanding Subsection 6.3.1 above, a person who:

- a. has received pay increments in the substantive level that have resulted in higher rates of pay in the higher classification level; and
- b. has reached the maximum rate of pay for the substantive level

is eligible for increments in the higher classification level at the end of the increment period for the higher classification level, calculated from the date of the last pay increment received in the substantive level.

## 2.6.5 Subsequent acting appointments

A person in receipt of acting pay who is required to perform other duties

- a. of the same group and level as that for which acting pay is being paid is to
  - i. be paid at the same rate of pay; and
  - ii. be eligible for an increment at the end of the increment period for the higher classification level in compliance with the applicable provisions in Subsection 6.4 of this Appendix;
- b. of a group, level or both that is higher than that for which acting pay is being paid is to:
  - i. be paid the rate of pay that the person would be paid on appointment to such higher classification level, as calculated following the promotion or deployment rules set out in Subsection 2.2 of this Appendix—should such rate be less than the person's previous acting rate of pay, the person is



- to be paid at the rate of pay in the higher classification level that is nearest to but not less than the previous acting rate of pay; and
- ii. be paid the rate of pay that would have been paid upon reverting to the previous acting duties had the previous duties been continuously performed;
- c. of a group and level lower than that for which acting pay is being paid is to:
  - i. be paid a rate of pay as calculated following the promotion or deployment rules set out in Subsection 2.2 of this Appendix; and
  - ii. receive credit for increments from the date the acting duties in the higher level position commenced, in accordance with the provision of Subsection 6.4 of this Appendix.

## 2.6.6 Subsequent appointments or deployments in substantive level while on acting appointment

2.6.6.1 A person in receipt of acting pay who is appointed or deployed to a new substantive level that is:

a. the same as that for which acting pay is being paid is to:

- i. be paid the same rate of pay; and
- ii. be eligible for an increment at the end of the increment period for the higher classification level in compliance with the applicable provision in Subsection 6.4 of this Appendix;

b. higher than that for which acting pay is being paid is to:

- i. be paid at the rate of pay as

calculated  
following the  
promotion or  
deployment  
rules set out in  
Subsection 2.2  
of this

Appendix; and

ii. be paid at the  
rate of pay in  
the higher  
salary range  
that is nearest  
to but not less  
than the  
previous acting  
rate of pay  
should such  
rate of pay be  
less than the  
person's  
previous acting  
rate of pay;

c. lower than that for which  
acting pay is being paid is  
to:

i. be paid at the  
rate of pay  
calculated

following the promotion or deployment rules set out in Subsection 2.2 of this Appendix; and

ii. receive credit for increments from the date the acting duties in the higher-level position commenced, in accordance with the provisions of Subsection 6.4 of this Appendix.

2.6.6.2 A person who is appointed or deployed to a new substantive level having a maximum rate of pay lower than the level for which acting pay is being paid while continuing to act in the higher classification level is to have the acting rate of pay recalculated following the promotion or deployment rules set out in

Subsection 2.2 of this Appendix. When such a recalculation results in a rate of pay that is equal to or less than the person's previous acting rate of pay, the person is to retain the previously established acting rate of pay and increment date in the higher classification level.

#### 2.6.7 Performance pay

Subject to the application of the above pay provisions, the administration of acting pay in the case of a person performing the duties of a higher classification level, which is subject to performance pay, is to be in accordance with the applicable performance pay plan.

#### 2.6.8 Terms and conditions of employment while on acting appointment

##### 2.6.8.1 General

Subject to subsection 6.8.2 below, when a person temporarily performs duties at a higher classification level, the person is subject to the terms and conditions of employment of the higher classification level on one of the following:

- a. the starting date of the appointment when the

- appointment will meet the qualifying period; or
- b. the date, during the qualifying period, that the person is notified that his or her appointment will meet the qualifying period

as stipulated in the relevant collective agreement or terms and conditions of employment applicable to the person's substantive level.

#### 2.6.8.2 Executive Group

A person acting in an executive position remains subject to the non-remunerative provisions of the relevant collective agreement or terms and conditions of employment governing his or her substantive level except that he or she is not entitled to overtime, call-back, reporting pay, stand-by, shift premiums, travelling time or any other form of cash compensation which is dependent upon a person completing a specified number of hours in a normal workweek.

#### 2.6.8.3 Payment and recoveries while on acting appointment

When the relevant collective agreement or terms and conditions of employment do not specify the rate of pay at which a benefit is to be paid or recovered, such rate is to be the rate

- a. prescribed as established by the person's substantive level for the following:
  - i. the payment of severance pay;
  - ii. the payout of vacation leave credits; and
  - iii. the recovery, on termination, of vacation and sick leave that was granted in excess of credits;
- b. at which the person was being paid
  - i. when the overtime was worked for the payout of compensatory leave credits; or

- ii. when the leave credit was earned for the payout of lieu day credits.

#### 2.6.9 Termination of acting appointment

The acting appointment of a person is to cease whenever the person with the delegated authority determines that the person is no longer performing the higher-level duties.

### **A.2.7 Death benefits**

#### 2.7.1 Salary for the month of death

2.7.1.1 Salary for the full month in which a person appointed to the core public administration dies is to be provided to the person's estate when the person has been employed for a continuous period of one year or more.

2.7.1.2 The amount payable in Subsection 7.1.1 is the amount for the period worked plus the amount that would have been paid had the person worked the regularly scheduled hours during the balance of the month.



- 2.7.1.3 When a person is on authorized leave without pay and dies, the person's estate is entitled to payment for the full month of death even though the person had received no earnings in that month.
- 2.7.1.4 Salary for the full month of death is not paid during the off-season in the case of a seasonal worker, during a period when the person is under suspension or during a period when the person is absent without authorized leave.
- 2.7.1.5 Salary for the full month of death is to be made to the estate or to an individual subject to the restrictions contained in the Payments to Estates Regulations, 1996.

## 2.7.2 Death benefit gratuity

- 2.7.2.1 An amount equal to the person's salary for two months is to be paid to the surviving spouse when a person appointed to the core public administration who is not a participant within the meaning of Part II of the Public Service Superannuation Act dies after having been employed in the core public administration for at least two years. If there is no surviving spouse or

the person with the delegated authority is of the opinion the amount should not be paid to the surviving spouse, the death benefit gratuity is to be paid to a person as determined by the Treasury Board.

2.7.2.2 The following conditions apply when computing the required two years of service:

- it is based on continuous employment—in the case of seasonal workers, only the season of employment is included; and
- only service within the definition of core public administration is to be included.

2.7.2.3 The following conditions apply when determining the eligibility for the death benefit gratuity:

- absence on authorized leave without pay does not affect payment of the gratuity;
- the gratuity is to be paid in respect of a seasonal worker even though death occurs

during the off-season period provided that the person would have been eligible to return to duty at the commencement of the next season without further certification;

- absence of the person from duty on suspension at the time of death does not affect the eligibility of the surviving spouse for the gratuity;
- the fact that the surviving spouse is entitled to a gratuity pursuant to some other act does not affect entitlement to the gratuity under this Appendix.

2.7.2.4 When there is a surviving spouse and no reason is put forward for not making payment of the death benefit gratuity to the spouse, the gratuity is to be paid to that person without requesting Treasury Board approval.

2.7.2.5 When there is a surviving spouse but some other person puts forward a reason why the payment should not be

made to that person, the case is to be referred to Treasury Board for determination of the person to whom payment will be made.

2.7.2.6 When there is no surviving spouse and the Treasury Board has made a determination of the payee, the Receiver General for Canada is required, on application from the person with the delegated authority, to pay the death benefit gratuity to the executor or administrator of the estate of the deceased person or, if there is no executor or administrator of the estate, to the person who, being related to the deceased, assumes responsibility for payment of the debts and funeral expenses of the deceased person. Such persons are required to file, with the Receiver General for Canada, a statutory declaration and undertaking, Schedule I of the Payments to Estates Regulations 1996, supported by release from all other persons entitled to share in the estate, Schedule II of the Payments to Estates Regulations, 1996.

2.7.2.7 When there is no surviving spouse and the circumstances are not covered by the

blanket determination of the Treasury Board referred to in subsection 7.2.6, departments are to seek direction from the Treasury Board Secretariat.

### 2.7.3 Salary used when determining death benefit entitlements

- 2.7.3.1 When determining the salary for the month of death or for the death benefit gratuity, only those allowances that form part of compensation for the duties of the position are to be included. This includes any allowances, such as bilingual bonus, supervisory differential or terminable allowances, related to the duties of the position.
- 2.7.3.2 When the compensation is authorized at other than an annual or monthly rate, the payment for the two-month death benefit gratuity is calculated by dividing the average annual salary by six.
- 2.7.3.3 When persons work on an irregular basis, such as part-time or on an as-and-when-required basis, their salary is to be averaged over a six-month period to determine the amount of the death benefit gratuity. The six-month salary is

to be multiplied by two to calculate the average annual salary.

### **A.2.8 Hours of work**

The working day of every person appointed to the core public administration commences and terminates each day at the hours fixed by the person with the delegated authority.

### **A.2.9 Overtime**

A person is to be compensated for overtime, in accordance with the provision of the relevant collective agreement or terms and conditions of employment, only when the following conditions are in place:

- a. the person with the delegated authority has required the person to work overtime;
- b. the person does not control the duration of the period that he or she works overtime; and
- c. the person with the delegated authority has certified the duration of the overtime worked and has authorized compensation.

## **A.3 Part 3 – Pay Administration**

### **A.3.10 Biweekly pay**

- |        |          |   |
|--------|----------|---|
| 3.10.1 | 3.10.1.1 | Persons newly appointed to the core public administration after April 23, 2014 are to be paid biweekly on an arrears pay cycle. |
|--------|----------|---|

- 3.10.1.2 Persons being paid on the biweekly current pay cycle of April 23, 2014 will be paid biweekly in arrears from May 8, 2014.
- 3.10.1.3 Persons will receive their pay entitlement based on time worked in a pay period, two weeks after the end of that pay period.
- 3.10.1.4 Persons described in subsection 10.1.2 will be issued a one-time transition payment on May 21, 2014 based on their rate of pay on May 7, 2014.
- 3.10.1.5 Persons on leave without pay on May 7, 2014, who had been paid on a biweekly current pay cycle prior to their departure on leave without pay, will be issued their one-time transition payment upon return to work based on their rate of pay on May 7, 2014.
- 3.10.1.6 The gross amount of the one-time transition payment referred to in subsections 10.1.4 and 10.1.5 will be reconciled (a payment or a recovery of the difference between pay entitlement due at termination and the amount of the one-time transition payment) over the final pay periods, as applicable, when

an individual terminates employment with the public service.

3.10.1.7 Financial authority for the one-time transition payment.

The one-time transition payment issued to persons identified under subsections 10.1.4 and 10.1.5 is only to be certified by the financial authorities identified in the departmental delegation of authority instrument for the purpose of the Financial Administration Act sections 33 and 34. The Financial Administration Act section 34(1)(b) is the applicable authorization for these payments.

3.10.2 Official payday

3.10.2.1 The official payday in the core public administration is every second Wednesday.

3.10.3 Pay periods

3.10.3.1 There are 26 official pay periods each year except in every twelfth year when there will be 27 pay periods.

3.10.3.2 Every second Wednesday, a net payment for gross salary minus applicable deductions will be issued. Also,



statements of payments issued will be accessible electronically for viewing and/or printing through the self-service application administered by Public Works and Government Services Canada.

### A.3.11 Calculation of gross pay

- 3.11.1 To calculate the gross pay for a biweekly period, the Treasury Board has authorized a four-week conversion factor of 13.044. This factor is used in determining the biweekly gross pay or other entitlements that are paid on the regular pay by dividing 26.088 into the person's annual rate of pay or annual entitlement rate. The formula is as follows:

Four-week gross pay:

annual pay rate and other entitlements divided by 13.044

Two-week gross pay:

annual pay rate and other entitlements divided by 26.088

The gross pay is calculated to three decimal places.

If the third decimal place is 5 or more, the second decimal place is rounded upward. For example, \$6.055 will be rounded to \$6.06.

If the third decimal place is less than 5, the second decimal place is retained. For example, \$6.064 will be \$6.06.

3.11.2 When the rate of pay is an hourly rate it is multiplied by the normal workweek multiplied by 52.176 to establish the annual pay rate. Other entitlements that are paid on the regular pay are also converted to an annual rate.

3.11.3 Calculation for partial pay period

When a person works a partial week or when the rate payable is different for a portion of the pay period, the calculation is made using the days of entitlement exclusive of the normal days of rest. The formula is as follows:

(Days of entitlement multiplied by rate of pay)  
divided by Compensation days\*

\*A compensation day's pay is calculated by dividing the biweekly rate by the number of days of entitlement in the two-week period.

3.11.4 Days of entitlement

3.11.4.1 Days of entitlement are any compensation days for which a person is entitled to be paid; in other words, one of

the following:

- a. any standard working day on which the person was on duty or was absent on authorized leave with pay; or
- b. any day authorized as a designated holiday with pay.

3.11.4.2 A person is not entitled to be paid for a designated holiday under the following conditions:

- a. when the person is on leave without pay on both the working day immediately preceding and the working day immediately following the designated holiday;
- b. when the person is absent without leave (refer to the relevant collective agreement or terms and conditions of employment);
- c. when the person is under suspension;
- d. when the person is on Reserve Force training without pay or injury-on-duty leave without pay;

- e. when the designated holiday, for a seasonal worker, falls within the period in which the person is not required to perform the duties of the position because of the seasonal nature of the duties;
- f. when the designated holiday falls on a scheduled day of work for a person employed part-time;
- g. when the designated holiday immediately precedes the first day of employment; and
- h. when the designated holiday both follows and is contiguous to the last day of employment.

3.11.4.3 When two or more entitlements are authorized with the same effective date, the sequence for determining payments is as follows: first, pay increments; then salary revisions; then promotions, deployments and demotions.

### 3.11.5 Compensation days

- 3.11.5.1 The expression "compensation days" means the number of days in a pay period other than the designated days of rest.
- 3.11.5.2 When a person works an average of the hours in the normal workweek, within a specified period, the days of rest granted in lieu of Saturday and Sunday are excluded when calculating the number of compensation days.

### **A.3.12 Direct deposit**

- 3.12.1 Direct deposit of all regular salary and supplementary payments is mandatory for all persons employed in the core public administration. However, direct deposit remains voluntary only for those persons appointed to the core public administration prior to September 1, 1992 who have not yet opted for direct deposit.
- 3.12.2 In extenuating circumstances, upon written request and at the discretion of the delegated authority within Public Works and Government Services Canada, the use of a printed cheque may be authorized.
- 3.12.3 When the official payday falls on a holiday or on a day during which local financial institutions are not open to the public, direct deposit payments

normally made on that day are to be made on the first business day immediately preceding such a holiday or non-business day.

### **A.3.13 Release of regular salary and supplementary payments for persons exempt from mandatory direct deposit**

- 3.13.1 Subject to operational considerations related to availability, verification, distribution and any other direction from the Treasury Board, persons with the delegated authority are to release cheques on the official payday or upon receipt of supplementary payments.
- 3.13.2 Exceptions
  - 3.13.1.1 When available, regular pay cheques may be released on the working day immediately preceding the first day of authorized absence for those persons for whom one or more consecutive days of rest, travel, vacation leave or other authorized absence with pay include the official payday. Those persons are not entitled to cash these cheques, however, before the official payday.
  - 3.13.1.2 When the official payday falls on a holiday or on a day during which local financial institutions are not open to the public, regular pay cheques normally released on that day are to be distributed

and may be cashed or deposited on the first business day immediately preceding such a holiday or non-business day.

### **A.3.14 Payment to a third party**

- 3.14.1 The payment of salary and wages to someone other than the person appointed to the core public administration is prohibited. When there are legal issues related to the payment on behalf of a mentally or physically incapacitated person, however, departmental legal services is to be consulted.
- 3.14.2 Payments owing to a deceased person are to be issued to the estate of the person or to a person entitled by law to share in the estate of the deceased person. The Payments to Estates Regulations, 1996 is the general authority under which money owing to the estate of a deceased person is to be paid to an individual claimant.

### **A.3.15 Recovery of amount due to the Crown**

- 3.15.1 Overpayment of salary or wages
  - 3.15.1.1 In accordance with the Financial Administration Act, the Receiver General for Canada has the authority to recover an overpayment of salary or wages made to a person from any money payable by the Crown to that person.

3.15.1.2 Persons with the delegated authority are responsible for the recovery of all overpayments of salary, wages or pay and allowances and for ensuring that they are recovered from any sum of money that is due or payable to a person currently or formerly employed in the core public administration.

### 3.15.2 Recovery from first available funds

The following types of overpayment are to be recovered, in full, from the first available funds payable to the person:

- a. overpayments arising from the normal operation of the pay system, whereby adjustments for absences without pay are made in subsequent pay periods;
- b. overpayments on account of salary, wages or pay and allowances; and
- c. overpayments upon the termination of a person's employment.

### 3.15.3 Recovery over an extended period

3.15.3.1 The person with the delegated authority may exercise discretion where the full and immediate recovery of large overpayments will impose a financial hardship on a person. In these circumstances, persons with the



delegated authority may direct that the recovery of overpayments of salary and allowances or arrears of deductions for rent of government quarters be extended over a number of pay periods at a minimum recovery rate of 10 per cent of the gross salary entitlement per pay period.

3.15.3.2 In exceptional circumstances, persons with the delegated authority may allow for a lower recovery rate than that stated in Subsection 15.3.1.

3.15.3.3 A higher recovery rate than that stated in Subsection 15.3.1 may be applied at the person's request or where the person with the delegated authority is of the opinion that the person contributed to causing the overpayment.

3.15.4 Recovery over an extended period as a result of the implementation of Phoenix

3.15.4.1 For the purposes of recovery of overpayments resulting from the Phoenix pay system, recovery of overpayments of salary, wages and allowances is to occur over the number of pay periods equivalent to the number

of pay periods over which the overpayment occurred.

3.15.4.2 At the request of the employee, recovery can occur over a shorter period of time.

3.15.4.3 Subsection 15.3 of this directive related to cases of financial hardship continue to apply.

3.15.4.4 The person with the delegated authority may establish alternate timelines for the recovery of overpayments, as required to facilitate the effective resolution of issues related to Phoenix. Timelines may include a deferral of repayments, and may differ on a case-by-case basis.

3.15.5 Other set-off or recovery of debts pursuant to specific authorities

Pursuant to the Financial Administration Act, the set-off of debts owed to the Crown may be deducted from any sum of money owed by the employer to a person or that person's estate.

When a delinquent debtor does not opt to make voluntary arrangements to repay a debt, action to recover the debt from wages may be initiated pursuant to a specific statute or regulation that permits set-off or recovery of debts.

## **A.3.16 Standard of timeliness**

**3.16.1** Persons with the delegated authority are to adhere to the following pay timeliness standards:

- a. On initial appointment, or on return to work following leave without pay or any other salary interruption, the salary payment covering the entitlement for the first pay period, should be available by the end of the following pay period and thereafter on the regular payday.
- b. Upon termination of employment, the last salary payment should be available within 20 working days of the struck-off strength effective date.
- c. All changes in pay should be reflected in the second pay period following the one in which the authorized document is received by Compensation.

**A.3.17 Emergency salary advance**

- 3.17.1** When a regular salary payment is not issued to a person as per subsection 16.1 paragraph a. above, persons with the delegated authority are to ensure that an emergency salary advance is requisitioned by the employing organization immediately. An emergency salary advance is to be issued only for time worked in a pay period and not paid through the normal processing of that pay.

- 3.17.2 A person does not have to request an emergency salary advance. If the person indicates that he or she does not want the advance when it is offered, the department is not required to issue one.
- 3.17.3 Emergency salary advances are not to be issued under the following circumstances:
- a. for allowances or retroactive or extra-duty entitlements;
  - b. to replace missing or delayed direct deposit payments—these are to be handled in accordance with section 7 of the Electronic Payments Regulations; or
  - c. to replace lost, stolen or destroyed cheques after they have been delivered to the person—these are to be handled in accordance with section 5 of the Cheque Issue Regulations, 1997.
- 3.17.4 The amount of the emergency salary advance is to be calculated to the approximate net pay entitlement for the pay period covered and in no case is to exceed two thirds of the person's gross pay entitlement for the period.
- 3.17.5 Emergency salary advances are to be recovered from the first salary payments following the issuance of the emergency salary advance. When the emergency salary advance could not be

recovered from the first salary payments, the person in receipt of the advance is required to refund the advance by means of a money order or personal cheque. Under no circumstances can the emergency salary advances be recovered over an extended period.

- 3.17.6 Emergency salary advances constitute accountable advances within the meaning of the Financial Administration Act and, when necessary, may be recovered from any monies payable to the person concerned or that person's estate.
- 3.17.7 Emergency Replacement Pay Services or Priority Pay for Individuals Beginning Disability Insurance, Maternity or Parental Leave
  - 3.17.7.1 It is the intent of the Employer to ensure that persons suffering financial hardship while on leave without pay for disability, maternity or parental leave because of Phoenix issues are kept whole.
  - 3.17.7.2 Effective June 6, 2017, persons who can demonstrate that they meet the basic eligibility criteria (such as status and tenure of employment, service and waiting period requirements) and have applied for disability insurance under a plan applicable to persons of the core public administration or for Employment

Insurance for the purposes of sickness, or for maternity or parental leave under the terms of the relevant collective agreement, may be paid a recoverable amount (referred to as “emergency replacement pay service or priority pay”) on an emergency basis to alleviate financial hardship.

- 3.17.7.3 An emergency replacement pay service or priority pay is to approximate the person’s regular net pay entitlement, not to exceed two thirds (66%) of the person’s gross pay.
- 3.17.7.4 For periods of time in respect of which an emergency replacement has been paid and no payment has been received from either Employment Insurance for sickness, maternity or parental benefits or from the applicable disability insurance plan for disability benefits, there will be no recovery of the amount that would otherwise have been received from the appropriate insurer under these programs.

Recovery will be limited to the amount by which the payment made under 3.17.7.2 exceeds:

- a. the normal entitlement from the appropriate insurance provider for disability insurance through a Public Service disability plan; or
- b. the normal entitlement from Employment Insurance for sickness benefits; or
- c. the sum of the normal entitlement from Employment Insurance for maternity/parental benefits plus the top-up pursuant to the provisions of the relevant collective agreement

For periods of time in respect of which an emergency replacement has been paid and payments have been received from either Employment Insurance for sickness, maternity or parental benefits or from the applicable disability insurance plan for disability benefits, recovery of the full amount paid as an emergency replacement is to occur.

3.17.7.5 Recovery of the appropriate amount of emergency replacement pay service or priority pay is only to occur:

- a. When the claim is approved by the appropriate insurance provider and payment is received by the person; or
- b. When the person is subsequently determined to be ineligible for benefits based on the merit of the claim

3.17.7.6 In exceptional circumstances, a case by case review may be conducted to determine if recovery of the amount paid as an emergency replacement pay service or priority pay is appropriate, despite the criteria at 3.17.7.5(a) & (b) having been met. Rationales for non-recovery may be related, inter alia, to situations of eligibility for return to work and/or accommodation, disability, etc. If the emergency replacement is deemed non-collectible, relevant debt deletion legislative and regulatory requirements will be followed.

3.17.7.7 The rate of recovery is to occur as per subsection 3.15.4; Recovery over an extended period as a result of the implementation of Phoenix or a longer



period as determined by the delegated authority.

- 3.17.7.8 The provisions of subsection 3.17.7 will remain applicable for the same period as the Federal Court order in file number T-1021-16, dated December 22, 2016.

### **A.3.18 Struck-off strength date**

- 3.18.1 When the person with the delegated authority accepts, in writing, a person's written resignation to be effective on a specified date, the person ceases to be employed in the core public administration at the close of business on that specified date.

## **A.4 Part 4 – Casual Workers and Terms of Less Than Three Months**

### **A.4.19 Casual workers and terms of less than three months**

- 4.19.1 Except as specified in Subsection 19.2 below, this directive, including parts 1, 2, 3, 4 and 5 of the Appendix, and the relevant collective agreement, applies to casual workers and persons appointed for a term of less than three months.
- 4.19.2 Casual workers and terms of less than three months
- 4.19.2.1 Vacation leave
- Casual workers and persons appointed for a term of less than three months are not entitled to vacation leave with pay.

They are to be paid vacation pay equal to 4 per cent of the amount of the pay and compensation for overtime received.

#### 4.19.2.2 Bereavement leave

Casual workers and persons appointed for a term of less than three months are to be granted bereavement leave for a period up to three consecutive calendar days to include the day of the funeral when a member of the immediate family dies. Such leave is to be without pay in the first three months of continuous employment and with pay after the casual worker and person hired for a term of less than three months has completed three months of continuous employment. For the purpose of bereavement leave, immediate family is as defined in the relevant collective agreement or terms and conditions of employment.

#### 4.19.2.3 Sick leave

Casual workers and persons hired for a term of less than three months are to earn sick leave credits as prescribed in the relevant collective agreement. Paid

sick leave is not to be granted to casual workers and persons hired for a term of less than three months.

#### 4.19.2.4 Other leave

Except as provided in Subsection 19.2.2, casual workers and persons hired for a term of less than three months are not entitled to leave with pay but may be granted other leave without pay at the discretion of the person with the delegated authority for any purpose. Such leave is not to be extended beyond the expiry date of the specified period for which the persons were employed.

#### 4.19.2.5 Compensation for overtime and work on a designated holiday

Overtime and compensation for work on a designated holiday is to be paid in accordance with the relevant collective agreement or terms and conditions of employment, except that casual workers and persons hired for a term of less than three months are not entitled to the provisions set out in the compensatory leave clauses of the relevant collective agreement or terms and conditions of employment.

#### 4.19.2.6 Lay-off

- a. For the purpose of this Appendix, a person's lay-off status is not to be extended beyond the expiry date of the specified period wherein the person was laid off.
- b. Casual workers and persons appointed for a term of less than three months, with at least three months' continuous employment, who are laid off before the end of their term and have not been given two weeks' notice are to receive compensation in lieu of notice. The compensation is to equal two weeks' pay or pay to the end of the specified period, whichever is less. If the person should subsequently be reappointed to the core public administration before the end of the period for which compensation had been paid, he or she is to repay that part of the

compensation representing the time from the date of reappointment to the end of the original compensable period.

#### 4.19.2.7 Rate of pay

- a. Notwithstanding Subsection 2.1.1 of this Appendix, a person with the delegated authority has the discretion to authorize a rate of pay above the minimum rate when a person on leave without pay from his or her substantive level is appointed as a casual worker or as a person appointed for a term of less than three months. The rate of pay on appointment is not to exceed the rate that would have been struck if the deployment rule had applied.
- b. On appointment as a casual worker or as a person appointed for a term of less than three months within

one year from the date of being laid off from an indeterminate position, a person appointed to the core public administration is to continue to receive all pay entitlements provided by the collective agreement, the pay plan or the terms and conditions of employment applicable to the position from which the person was laid off.

#### 4.19.2.8 Acting pay

Acting pay is to be paid to a casual worker or a person appointed for a term of less than three months who is assigned the duties of a higher classification level on an acting basis for at least the qualifying period specified in the relevant collective agreement. The rate of pay is to be the rate that is nearest to but not less than the rate of pay the person was receiving immediately before the acting appointment.

#### 4.19.2.9 Other benefits

Subject to any Treasury Board enactment and subsections 19.2.1, 19.2.2, 19.2.3, 19.2.4, 19.2.5, 19.2.6, 19.2.7 and 19.2.8 above, casual workers and persons appointed for a term of less than three months are entitled to the benefits provided for and administered in compliance with the relevant collective agreement or terms and conditions of employment.

## **A.5 Part 5 – Continuous Employment**

### **A.5.20 Continuous employment**

5.20.1 For the purpose of this Appendix, the following periods count as continuous employment:

a. in respect of a person appointed to the core public administration on an indeterminate basis or on a term basis for three months or more:

- i. immediately prior service in the core public administration or the public service on an indeterminate basis or on a term basis for three months or more;
- ii. a combination of prior service in the core public

administration and the public service on an indeterminate basis or on a term basis for three months or more;

- iii. immediately prior service in the Canadian Forces or the Royal Canadian Mounted Police provided that the person was honourably released and has made or makes a valid election to contribute for that service under the Public Service Superannuation Act (the effective date will be the date the election is completed)

provided that these periods of service are not separated by more than three months;

- iv. service other than as a casual worker or as a term of less than three months in the office of a minister or leader of the opposition in the House of Commons and service in any portion



of the core public  
administration  
immediately prior to such  
service,

provided that the person ceased to be  
employed in such office because the  
person holding the position ceased to  
hold it; and

v. immediately prior service  
in the core public  
administration as a casual  
worker or as a term of less  
than three months

provided that such service is not  
separated by more than five working  
days;

b. in respect of a person appointed to the  
core public administration on an  
indeterminate basis or on a term basis  
for three months or more following  
lay-off from the core public  
administration:

i. all prior continuous  
employment at the time  
the person was laid off  
and all service between  
the date of initial lay-off  
and subsequent  
appointment on an

indeterminate basis or on  
a term basis for three  
months or more in the  
core public  
administration;

c. in respect of a person appointed to the  
core public administration as a casual  
worker or as a term of less than three  
months:

i. immediately prior service  
in the core public  
administration as a casual  
worker or as a term of less  
than three months,

provided that such service is not  
separated by more than five working  
days;

ii. immediately prior service  
in the core public  
administration on an  
indeterminate basis or on  
a term basis for three  
months or more

provided that such service is not  
separated by more than three months;  
and

iii. periods of service that  
constituted continuous

employment for such persons prior to that person's lay-off from the core public administration.

- 5.20.2 For the purpose of Subsection 20.1 above, any period of service in the public service prior to a termination for cause does not constitute continuous employment.
- 5.20.3 When a person was employed before March 13, 1967, in an organization that now forms part of the core public administration, any period of service that constituted continuous employment will continue to constitute continuous employment, provided that the person was employed in that organization on March 13, 1967, or had terminated or had been laid off from the organization and whose reappointment to the core public administration on or after March 13, 1967, would constitute continuous employment.
- 5.20.4 Vacation leave
- When a person, immediately before being appointed to the core public administration, was employed in the public service, the person with the delegated authority may grant vacation leave to him or her for the number of days equal to the number of days' vacation leave he or she had

earned in the public service but had not been granted before being appointed to the core public administration. The number of vacation leave days granted may not exceed the maximum carry-over provision set out in the relevant collective agreement.

## 5.20.5 Sick leave

5.20.5.1 When a person who ceased to be employed in the public service becomes a person subject to this Appendix and his or her employment in the public service and employment subject to this Appendix constitute continuous employment, he or she is deemed to have earned sick leave credits on appointment that had been earned but not granted during his or her period of employment in the public service.

5.20.5.2 When, in the portion of the public service in which a person described in Subsection 20.5.1 above was employed:

- a. no provision was made for the earning of sick leave credits; or
- b. no record exists of the amount of sick leave credits earned by that person

he or she is deemed to have earned one third of the leave that he or she would have earned if the employment in the public service had been employment in the core public administration.

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