



Parks
Canada

Parcs
Canada



Annex F.1

*Collective Agreement between the Parks Canada Agency
and
the Public Service Alliance of Canada
Expiry date: August 4, 2014*

APPENDIX "K"

WORK FORCE ADJUSTMENT

Part VII

Special provisions regarding Alternate Delivery Initiatives

Preamble

The administration of the provisions of this part will be guided by the following principles:

- a) fair and reasonable treatment of employees;
- b) value for money and affordability; and
- c) maximization of employment opportunities for employees.

7.1 Definitions

For the purposes of this part:

Reasonable job offer is an offer of employment received from a new employer in the case of a Type 1 or Type 2 transitional employment arrangement, as determined in accordance with paragraph 7.2.2.

Termination of employment is the termination of employment as a result of a decision to transfer work or functions of the Agency in whole or in part to an external employer pursuant to the Parks Canada Agency Act, Section 13.

7.2 General

The Agency will, as soon as possible after the decision is made to proceed with an ASD initiative, and if possible, not less than 180 days prior to the date of transfer, provide notice to the Alliance.

The notice to the Alliance will include:

1. the program being considered for ASD,
2. the reason for the ASD, and
3. the type of approach anticipated for the initiative.

A joint WFA-ASD committee will be created for ASD initiatives and will have equal representation from the Agency and the Alliance. By mutual agreement the committee may include other participants. The joint WFA-ASD committee will define the rules of conduct of the committee.

In cases of ASD initiatives, the parties will establish a joint WFA-ASD committee to conduct meaningful consultation on the human resources issues related to the ASD initiative in order to provide information to the employee which will assist him or her in deciding on whether or not to accept the job offer.

1. Commercialisation

In cases of commercialisation where tendering will be part of the process, the members of the joint WFA-ASD committee shall make every reasonable effort to come to an agreement on the criteria related to human resources issues (e.g. terms and conditions of employment, pension and health care benefits, the take-up number of employees) to be used in the request for proposal (RFP) process. The committee will respect the contracting rules of the federal government.

2. Creation of a new Agency

In cases of the creation of new agencies, the members of the joint WFA-ASD committee shall make every reasonable effort to agree on common recommendations related to human resources issues (e.g. terms and conditions of employment, pension, and health care benefits) that should be available at the date of transfer.

3. Transfer to existing Employers

In all other ASD initiatives where an employer-employee relationship already exists the parties will hold meaningful consultations to clarify the terms and conditions that will apply upon transfer.

In the cases of commercialisation and creation of new agencies consultation opportunities will be given to the Alliance; however, in the event that agreements are not possible, the Agency may still proceed with the transfer.

7.2.1 The provisions of this Part apply only in the case of alternative delivery initiatives and are in exception to other provisions of this appendix. Employees who are affected by alternative delivery initiatives and who receive job offers from the new employer shall be treated in

accordance with the provisions of this part and, only where specifically indicated will other provisions of this appendix apply to them.

7.2.2 There are three types of transitional employment arrangements resulting from alternative delivery initiatives:

a) **Type 1 (Full Continuity)**

Type 1 arrangements meet all of the following criteria:

- (i) legislated successor rights apply. Specific conditions for successor rights applications will be determined by the labour legislation governing the new employer;
- (ii) recognition of continuous employment in the Public Service, as defined in the adopted Public Service Terms and Conditions of Employment for purposes of determining the employee's entitlements under the collective agreement continued due to the application of successor rights ;
- (iii) pension arrangements according to the Statement of Pension Principles set out in Annex A, or, in cases where the test of reasonableness set out in that Statement is not met, payment of a lump-sum to employees pursuant to paragraph 7.7.3;
- (iv) transitional employment guarantee: a two-year minimum employment guarantee with the new employer;
- (v) coverage in each of the following core benefits: health benefits, long term disability insurance (LTDI) and dental plan;
- (vi) short-term disability bridging: recognition of the employee's earned but unused sick leave credits up to maximum of the new employer's LTDI waiting period.

b) **Type 2 (Substantial Continuity)**

Type 2 arrangements meet all of the following criteria:

- (i) the average new hourly salary offered by the new employer (= rate of pay + equal pay adjustments + supervisory differential) for the group moving is 85 percent or greater of the group's current Agency hourly remuneration (= pay + equal pay adjustments + supervisory differential), when the hours of work are the same;
- (ii) the average annual salary of the new employer (= rate of pay + equal pay adjustments + supervisory differential) for the group moving is 85 percent or greater of Agency annual remuneration (= percent or greater of Agency annual remuneration (= pay + equal pay adjustments + supervisory differential), when the hours of work are different;

- (iii) pension arrangements according to the Statement of Pension Principles as set out in Annex A, or in cases where the test of reasonableness set out in that Statement is not met, payment of a lump-sum to employees pursuant to paragraph 7.7.3;
- (iv) transitional employment guarantee: employment tenure equivalent to that of the permanent work force in receiving organizations or a two-year minimum employment guarantee;
- (v) coverage in each area of the following core benefits: health benefits, long-term disability insurance (LTDI) and dental plan;
- (vi) short-term disability arrangement.

c) Type 3 (Lesser Continuity)

A Type 3 arrangement is any alternative delivery initiative that does not meet the criteria applying in Type 1 and 2 transitional employment arrangements.

7.2.3 For Type 1 and Type 2 transitional employment arrangements, the offer of employment from the new employer will be deemed to constitute a reasonable job offer for purposes of this part.

7.2.4 For Type 3 transitional employment arrangements, an offer of employment from the new employer will not be deemed to constitute a reasonable job offer for purposes of this part.

7.3 Responsibilities

7.3.1 The Agency will be responsible for deciding, after considering the criteria set out above, which of the Types applies in the case of particular alternative delivery initiatives.

7.3.2 Employees directly affected by alternative delivery initiatives are responsible for seriously considering job offers made by new employers and advising the Agency of their decision within the allowed period.

7.4 Notice of alternative delivery initiatives

7.4.1 Where alternative delivery initiatives are being undertaken, the Agency shall provide written notice to all employees offered employment by the new employer, giving them the opportunity to choose whether they wish to accept the offer.

7.4.2 Following written notification, employees must indicate within a period of 60 days their intention to accept the employment offer, except in the case of Type 3 arrangements, where the Agency may specify a period shorter than 60 days, but not less than 30 days.

7.5 Job offers from new employers

7.5.1 Employees subject to this appendix (see Application) and who do not accept the reasonable job offer from the new employer in the case of Type 1 or 2 transitional employment arrangements will be given four months notice of termination of employment and their employment will be terminated at the end of that period or on a mutually agreed upon date before the end of the four month notice period except where the employee was, at the satisfaction of the Chief Executive Officer, unaware of the offer or incapable of indicating an acceptance of the offer, he or she is deemed to have accepted the offer before the date on which the offer is to be accepted.

7.5.2 The Chief Executive Officer may extend the notice of termination period for operational reasons, but no such extended period may end later than the date the transfer to the new employer.

7.5.3 Employees who do not accept a job offer from the new employer in the case of Type 3 transitional employment arrangements may be declared opting or surplus by the Agency in accordance with the provisions of the other parts of this appendix.

7.5.4 Employees who accept a job offer from the new employer in the case of any alternative delivery initiative will have their employment terminated on the date on which the transfer becomes effective, or on another date that may be designated by the Agency for operational reasons provided that this does not create a break in continuous service between the Public Service, including the Agency, and the new employer.

7.6 Application of other provisions of the appendix

7.6.1 For greater certainty, the provisions of Part II, Official Notification, and section 6.4, Retention Payment, will apply in the case of an employee who refuses an offer of employment in the case of a Type 1 or 2 transitional employment arrangement. A payment under section 6.4 may not be combined with a payment under the other section.

7.7 Lump-sum payments and salary top-up allowances

7.7.1 Employees who are subject to this appendix (see Application) and who accept the offer of employment from the new employer in the case of Type 2 transitional employment arrangements will receive a sum equivalent to three months pay, payable upon the day on which the Agency work or function is transferred to the new employer. The Agency will also pay these employees an 18-month salary top-up allowance equivalent to the difference between the remuneration applicable to their Agency position and the salary applicable to their position with the new employer. This allowance will be paid as a lump-sum, payable on the day on which the Agency work or function is transferred to the new employer.

7.7.2 In the case of individuals who accept an offer of employment from the new employer in the case of a Type 2 arrangement whose new hourly or annual salary falls below 80 percent of their former hourly or annual remuneration, the Agency will pay an additional six months of salary top-up allowance for a total of twenty-four (24) months under this paragraph and paragraph 7.7.1. The salary top-up allowance equivalent to the difference between the remuneration

applicable to their Agency position and the salary applicable to their position with the new employer will be paid as a lump-sum payable on the day on which the Agency work or function is transferred to the new employer.

7.7.3 Employees who accept the reasonable job offer from the successor employer in the case of a Type 1 or Type 2 transitional employment arrangement where the test of reasonableness referred to in the Statement of Pension Principles set out in Annex A is not met, that is, where the actuarial value (cost) of the new employer's pension arrangements are less than 6.5 percent of pensionable payroll (excluding the employer's costs related to the administration of the plan) will receive a sum equivalent to three months pay, payable on the day on which the Agency work or function is transferred to the new employer.

7.7.4 Employees who accept an offer of employment from the new employer in the case of Type 3 transitional employment arrangements will receive a sum equivalent to six months pay payable on the day on which the Agency work or function is transferred to the new employer. The Agency will also pay these employees a 12-month salary top-up allowance equivalent to the difference between the remuneration applicable to their position and the salary applicable to their position with the new employer. The allowance will be paid as a lump-sum, payable on the day on which the Agency work or function is transferred to the new employer. The total of the lump-sum payment and the salary top-up allowance provided under this paragraph will not exceed an amount equivalent to one year's pay.

7.7.5 For the purposes of 7.7.1, 7.7.2 and 7.7.4, the term "remuneration" includes and is limited to salary plus equal pay adjustments, if any, and supervisory differential, if any.

7.8 Reimbursement

7.8.1 An individual who receives a lump-sum payment and salary top-up allowance pursuant to paragraphs 7.7.1 to 7.7.4 and who is reappointed to the Agency at any point during the period covered by the total of the lump-sum payment and salary top-up allowance, if any, shall reimburse the Receiver General for Canada by an amount corresponding to the period from the effective date of re-appointment to the end of the original period covered by the total of the lump-sum payment and salary top-up allowance, if any.

7.8.2 An individual who receives a lump-sum payment pursuant to paragraph 7.6.1 and, as applicable, is either reappointed to the Agency or hired by the new employer at any point covered by the lump-sum payment, shall reimburse the Receiver General for Canada by an amount corresponding to the period from the effective date of the reappointment or hiring to the end of the original period covered by the lump-sum payment.

7.9 Vacation leave credits and severance pay

7.9.1 Notwithstanding the provisions of this agreement concerning vacation leave, an employee who accepts a job offer pursuant to this part may choose not to be paid for earned but unused vacation leave credits, provided that the new employer will accept these credits.

7.9.2 Notwithstanding the provisions of this agreement concerning severance pay, an employee who accepts a reasonable job offer pursuant to this part will not be paid severance pay where successor rights apply and/or, in the case of a Type 2 transitional employment arrangement, when the new employer recognizes the employee's years of continuous employment in the Public Service for severance pay purposes and provides severance pay entitlements similar to the employee's severance pay entitlements at the time of the transfer.

7.9.3 Where:

- a) the conditions set out in 7.9.2 are not met,
 - b) the severance provisions of the collective agreement are extracted from the collective agreement prior to the date of transfer to another non-federal public sector employer,
 - c) the employment of an employee is terminated pursuant to the terms of paragraph 7.5.1,
or
 - d) the employment of an employee who accepts a job offer from the new employer in a Type 3 transitional employment arrangement is terminated on the transfer of the function to the new employer, the employee shall be deemed, for purposes of severance pay, to be involuntarily laid off on the day on which employment in the Agency terminates.
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Statement of pension principles

1. The new employer will have in place, or Her Majesty in right of Canada will require the new employer to put in place, reasonable pension arrangements for transferring employees. The test of “reasonableness” will be that the actuarial value (cost) of the new employer pension arrangements will be at least 6.5 percent of pensionable payroll, which in the case of defined-benefit pension plans will be as determined by the Assessment Methodology developed by Towers Perrin for the Treasury Board, dated October 7, 1997. This Assessment Methodology will apply for the duration of this agreement. Where there is no reasonable pension arrangement in place on the transfer date or no written undertaking by the new employer to put such reasonable pension arrangement in place effective on the transfer date, subject to the approval of Parliament and a written undertaking by the new employer to pay the employer costs, Public Service Superannuation Act (PSSA) coverage could be provided during a transitional period of up to a year.
2. Benefits in respect of service accrued to the point of transfer are to be fully protected.
3. Her Majesty in right of Canada will seek portability arrangements between the Public Service Superannuation Plan and the pension plan of the new employer where a portability arrangement does not yet exist. Furthermore, Her Majesty in right of Canada will seek authority to permit employees the option of counting their service with the new employer for vesting and benefit thresholds under the PSSA.