



Canada: federal workforce adjustment

After steady growth until the end of 2010, when it reached a total headcount of 283,000, Canada's federal public service underwent several restructuring programmes entailing an almost 10% cut in jobs over four years¹. The government subsequently introduced a new system, notably to facilitate mobility within the core public administration.

For the second time in its modern history, Canada has had to contend with rapid growth in its federal public service workforce (+34% between 2000 and 2010). Faced with no other option but to reduce this large slice of public expenditure, Stephen Harper's government decided to introduce workforce adjustment, involving the negotiation of a "workforce adjustment directive"² with public service unions, the primary goal of which is to maximise employment opportunities for all indeterminately-appointed public service workers whose services are no longer required through a workforce adjustment agreement (WFAA). It also provides for financial compensation in the event that this alternative is not possible within the deadlines specified in the new text.

Canadian public service employees are not guaranteed a job for life. The recruitment of federal public service employees, whose employer is the Treasury Board (responsible for managing public finances and government administration employees) regardless of the structure to which they are assigned, is overseen by the Public Service Commission³ (PSC). Public service employees recruited on an indeterminate basis may be laid off in two cases: the removal of their job from the budget or a sub-standard performance.

Ensuring, wherever possible, alternative employment opportunities

As an enhancement of the Public Service Employment Act⁴ of 2003, the goal of the workforce adjustment directive is to provide a framework for the management of federal employees who find themselves out of a job. It sets out the obligations of the administration cutting the job and the employees concerned. The directive was initiated by the Treasury Board and its application is overseen by the National Joint Council (NJC). The latter comprises public sector employer representatives (employer branch) and bargaining agents (union branch). Within the Council, a joint workforce adjustment committee⁵ was established.

The directive applies when a core public administration (CPA) or a separate body (SB) – both of these structures constitute the federal public service – decide that the services of one or more of its employees will no longer be required beyond a specified date because of a lack of work, the discontinuation of a service, or a transfer following restructuring which the employee does not wish to accept (in this case, the agent will have six months after notification of their new assignment to state whether they wish to benefit from the provisions of the directive).

¹ <http://www.tbs-sct.gc.ca/res/stats/ssa-pop-fra.asp>

² <http://www.njc-cnm.gc.ca/directive/wfad-dre/index-fra.php>

³ <http://www.psc-cfp.gc.ca/index-fra.htm>

⁴ http://laws-lois.justice.gc.ca/fra/lois/P-33_01/page-1.html

⁵ <http://www.njc-cnm.gc.ca/doc.php?did=47&lang=fra>

Optimising the management of surplus staff

The deputy head (minister) must inform by official letter each employee personally affected by workforce adjustment along with the bargaining agent representing this administration on the National Joint Council. The letter must specify the status being assigned to the employee:

- "surplus" employee. In this case, the Administration undertakes to "guarantee a reasonable job offer" (GRJO) within the core public administration. The employee will continue to be paid and shall either accept the job offer (maintaining the same salary scale if the job is of a lower grade, along with entitlement to priority consideration for appointment if a vacant position equivalent to their previous function arises) or must opt for lay-off status (a situation that cannot in any case intervene until six months after "surplus" employee status has been assigned) in which case they will receive severance pay⁶. An employee who is declared surplus must be "trainable, must cooperate in placement efforts, and must not unduly restrict his or her mobility"⁷.
- "opting" employee. In this case, the Administration cannot guarantee a reasonable job offer and gives the employee 120 days to consider one of three options. Either they ask for priority rights for appointment to another reasonable position (for a duration of one year plus, where relevant, the unused period of 120 days), or for unpaid holiday leave (maximum duration of two years) to pursue studies in which case they receive an allowance of \$11,000 (based on receipt of the necessary documentation) for educational expenses and equipment, or they resign. In this latter case they will receive the aforementioned severance payment as part of the transition support measure to which a flat rate amount capped at 52 weeks of wages will be added for employees with 16 to 29 years of seniority, along with an allowance of \$600 for investment advice and financial planning. Failure by the employee to give a response is understood to mean they have selected the first option, and if no job is found under either of the first two options, the employee is officially laid off.

Throughout the option period, employees can participate in job exchange programmes⁸ (JEP) through which they can apply for a position left vacant by an employee leaving the public sector.

A measure that is showing results and is becoming more widespread

Many federal public service employees have taken advantage of this mechanism to start a new life. Such was the case for Connie Gress⁹ who now works for the coast guard in Victoria, British Columbia, having worked at Aboriginal Affairs and Northern Development Canada (in Saskatchewan) for nearly 26 years. "Thanks to the workforce adjustment, I have, in fact, found a better job", she writes, "I decided to learn everything I could about workforce adjustment so that I could make the best possible decision".

The government anticipates 30,000 job cuts by 2017. As at 5 January 2015, 24,569 jobs were earmarked for workforce adjustment¹⁰. Due to growing criticism of the constantly increasing payments being made to employees leaving the public service, Matthew Conway¹¹, spokesman for the president of the Treasury Board, points out: "As promised, we have trimmed the public sector while reducing the impact on employees by focusing on attrition and discontinuing the use of forward contracts and through the placement of eligible employees in other positions. A slimmer, more approachable government is good for the tax payer. The Access to Information and Privacy Act¹² guarantees citizens a say in the correct use of taxes by public bodies and Canadians are watching closely the way in which public money is being administered and spent.

Central to this mechanism are the public service professional organisations, which play a key role in its implementation. They permanently distribute information to employees and negotiate collective agreements with public sector employers to ensure civil servants are treated equitably and have every reasonable opportunity to continue their careers. The Committee's bargaining agents ensure legal defence is provided for civil servants making claims to the National Joint Council for failure to comply with the directive.

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⁶ http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/TBM_11A/sp-id01-fra.asp

⁷ http://acepcape.blob.core.windows.net/media/5339/wfa_dre_qr_f.pdf

⁸ <http://www.tbs-sct.gc.ca/faq/faq-alt-ech-fra.asp>

⁹ <http://fr.une-sen.org/press/?p=2720>

¹⁰ <http://syndicatafpc.ca/reamenagement-des-effectifs-avis-envoyes>

¹¹ <http://www.lapresse.ca/actualites/politique/politique-canadienne/201308/08/01-4678386-les-mises-a-pied-de-fonctionnaires-federaux-ont-coute-cher-aux-contribuables.php>

¹² <https://atip-aiprp.apps.gc.ca/atip/welcome.do>