

# Workforce Adjustment

A guide for PSAC members  
at Parks Canada

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# Introduction

Losing a job or facing relocation are stressful experiences. When job loss appears inevitable, employees have the Workforce Adjustment Appendix (WFAA) to rely on for critical protection. The WFAA provides important protection, which bargaining teams aim to improve during every round of collective bargaining.



This guidebook is designed to help you understand your rights and protections if your job is threatened. If you are reading a printed version, **scan the QR code** to access additional resources linked throughout this guide.

## Overview of the Workforce Adjustment Appendix

The Workforce Adjustment Appendix (WFAA) is the most important job protection document PSAC has negotiated with the federal government.

It outlines the obligations of the employer, the union, and employees when the employer decides that the services of one or more indeterminate employees will no longer be required beyond a specified date. This could be due to a lack of work, the discontinuance of a function, a relocation in which an employee does not wish to participate, or an alternative delivery initiative.

The WFAA is a result of collective bargaining and is included in Appendix K of your collective agreement.

A WFAA also appears in different appendices of the collective agreements for PSAC members of Treasury Board, the Canadian Food Inspection Agency and the Canada Revenue Agency. These appendices are all very similar but do differ in some important respects.

The WFAA consists of seven main parts and three annexes. While it is the primary document for job protection, it is connected to other legislation and guidelines, including:

- Other parts of your collective agreement
- *Parks Canada Agency Act*
- National Joint Council (NJC) Directive on Relocation
- [Public service pension options](#)

The following policies are also connected to the WFAA and can be found on the Parks Canada employee-facing intranet site:

- Employee Guide on Workforce Adjustment
- Directive on Terms and Conditions of Employment
- Travel Directive
- Staffing Policy
- SERLO policy and guidelines
- Priority Management Guidelines

## How the WFAA protects employees

Bargaining teams work hard to negotiate protections that minimize the negative impact of workforce adjustment on our members. This means ensuring that changes to government priorities or service delivery are implemented with minimal job loss and, where possible, through redeployment without relocation.

### The employer is obligated to:

- **Support skill development:** Employees must be as skilled as possible to increase placement prospects and job security.
- **Proactively plan human resources:** The employer must review existing work practices and discontinue reliance on contractors, temp agencies, and consultants before considering cuts to indeterminate employees.
- **Explore all options to avoid layoffs:** Voluntary departure and alternation programs should be fully utilized.

The WFAA ensures employees are fully and clearly informed of their options during workforce adjustment. The employer is responsible for providing this information and ensuring employees understand the process.

While the WFAA helps ensure that employees are treated equitably and in a consistent manner, there is room for improvement to strengthen equity and fairness.

The *Parks Canada Agency Act* allows management to determine layoffs based on a merit exercise that they carry out with little transparency, leading to arbitrary and inconsistent decisions. This process lacks fairness, accountability, and meaningful mechanisms for complaints.

PSAC remains committed to strengthening equality measures in the WFAA and continues to advocate for a seniority-based process that equitably determines layoffs.

# The role of workforce adjustment committees

Article 1.1.3 of the WFAA states:

*“The Agency shall establish joint work force adjustment committees, where appropriate, to manage the work force adjustment situations within the Agency. Terms of reference of such committees shall include a process for addressing alternation requests.”*

Workforce adjustment (WFA) committees play a critical role in ensuring the employer meets its obligations to employees who face workforce adjustment.

Joint standing WFA committees should be established proactively at the highest levels of the union, and no later than when a WFA situation is announced. By taking proactive measures, we can help the employer find less disruptive alternatives to workforce adjustments.

WFA committees develop strategies for all potentially affected employees — not just those who may lose their jobs or be forced to decide whether to accept a different job.

## **The goals of these strategies include:**

- Supporting learning, training, and development
- Promoting employee mobility and placement
- Enhancing employability

## **WFA committees are responsible for:**

- Gathering and reviewing relevant information about the WFA situation from all available sources.
- Identifying employment opportunities.
- Learning from success stories where employees received training and transitioned to new jobs.
- Developing plans to help employees transfer to new roles.
- Creating policies and strategies to support effective career transitions.
- Consulting with employee organizations and central agencies.
- Ensuring strategies are effective, equitable, and consistently applied.
- Monitoring the implementation of transition initiatives, including voluntary departure and alternation programs.
- Establishing regional or local WFA committees as needed.
- Facilitating communication between national and regional WFA committees.
- Providing employees with information and counseling sessions related to transition issues, WFA issues, and specific issues impacting surplus employees.

# Understanding the WFAA

The Workforce Adjustment Appendix is organized around key decision points. Some sections may apply to your workforce adjustment situation, while others may not.

There are many additional rights outlined in the WFAA, so it's important to read it carefully. Visit PSAC's [workforce adjustment page](#) for more information, including a glossary, flowchart, and frequently asked questions.

Once the employer determines that an individual or group will be subject to workforce adjustment, the following three questions must be addressed:

- What are the employer's obligations?
- Do Parts I to VI of the Workforce Adjustment Appendix apply to the situation?
- Does Part VII of the Workforce Adjustment Appendix apply instead?

## Employer responsibilities

Parks Canada has a range of responsibilities under the WFAA, including:

- Advise and consult with the union as soon as possible.
- Maximize employment opportunities for indeterminate employees.
- When possible, provide alternative employment opportunities and give employees every reasonable opportunity to continue their careers in the public service.
- Treat employees equitably.
- Establish joint workforce adjustment committees.
- Review the use of consultants, contractors, temp agencies, term employees, and all other non-indeterminate employees and, where practical, avoid re-engaging them to facilitate the appointment of surplus or laid off employees.
- Identify opportunities for retraining to help employees continue their careers in the public service.
- Notify employees in writing about their status and any changes to it.
- Establish voluntary departure programs for all WFA situations involving five or more affected employees working at the same group, level, and work unit.
- Maximize employment opportunities and prioritize internal placement.
- Assign a counsellor to all affected employees who have not secured indeterminate employment.

*Additional details on employer obligations are available in Part I of the WFAA.*

## Employee responsibilities

Employees facing workforce adjustment must take a proactive approach to exploring other potential employment opportunities within the agency, and even within the broader federal public service.

Once it's clear that a workforce adjustment is inevitable, you should:

- Collaborate with human resources to find new roles.
- Gather information about your entitlements under the WFAA.
- Provide resumes or other relevant information that can assist the employer in securing new work for you.
- Ensure you can be contacted easily.
- Consider training and job opportunities.
- Be aware of timelines and proactively consider your options when decisions are required.

## Workforce Adjustment Appendix: Parts I to VI

Parts I to VI of the WFAA are applicable in the following situations:

- Lack of work
- Discontinuance of a function
- Relocation of a work unit
- Closure of an office or work location(s)

Parts I to VI may apply to individuals, groups, or entire work units.



## What to expect during a workforce adjustment

The Chief Executive Officer must notify employees in writing that they are affected.

Affected status means an employee *may* be subject to WFA or surplus processes, but it does not guarantee that they will be.

Before engaging in a selection process, the employer must establish voluntary departure programs for all WFA situations involving five or more affected employees within the same group, level, and unit.

When multiple employees of the same occupational group and level, who are either employed in similar positions or performing similar duties, are affected, and the employer needs some employees to remain employed, the employer selects those who will remain. The Parks SERLO Policy and Guidelines stipulates that this decision is to be based on merit.

If a work unit is being relocated, affected employees can choose to move with the unit or be subject to WFA. Employees have six months to decide. Relocation is generally considered to occur when a workplace moves at least 40 kilometers from its original location and employees' homes.

## Guarantee of a reasonable job offer

If an employee is affected and declared surplus, they may receive a guarantee of a reasonable job offer, which they can accept or reject.

The definition of a reasonable job offer, specific to Part I to VI, is: *"an offer of indeterminate employment within the Agency, normally at an equivalent level but could include lower levels. Surplus employees must be both trainable and mobile. Where practicable, a reasonable job offer shall be within the employee's normal workplace, as defined in the Parks Canada Travel Policy."*

A reasonable job offer is also an offer from another public service employer, providing that:

- The appointment is at a rate of pay and an attainable salary maximum not less than the employee's current salary and attainable maximum that would be in effect on the date of offer.
- It is a seamless transfer of all employee benefits including a recognition of years of service for the definition of continuous employment and accrual of benefits, including the transfer of sick leave credits, severance pay, and accumulated vacation leave credits.

A reasonable job offer is defined by specific parameters in the WFAA. If employees receive a guarantee of a reasonable job offer, they are given surplus priority and paid until the employer fulfills their guarantee of a job. If required, they must be willing to be trained and they must be mobile.

If employees refuse a reasonable job offer, they will be laid off one month after refusal, but not until six months after being declared surplus.

Once laid off, employees are placed on layoff priority for up to 1 year, during which time the employer and the employee attempt to find them a job, ideally at their previous classification and level.



## Options for employees without a reasonable job offer

If an employee is declared surplus and does not receive a guarantee of a reasonable job offer, they become an opting employee and must choose one of the following three options within 120 days:

- 1. Surplus priority status for 12 months:** During this period, the agency is required to try to find them a job. If they don't receive a job equivalent to their old job within that period, they will be laid off.
- 2. Transition support measure:** Employees receive a cash payment based on their years of service (as outlined in Annex B of the WFAA) but must resign without priority rights.
- 3. Education allowance:** Employees receive the transition support measure payment, along with up to \$17,000 for reimbursement of receipted educational expenses. They may either resign immediately or take leave without pay for two years allowing access to self-funded benefits while they attend school and then resign.

All opting employees are entitled to up to \$1,200 for counselling services to support their potential re-employment or retirement. These services may include financial counselling and job placement assistance.



## Pension waiver

While a pension waiver is not part of the WFAA, it is an important tool to help older workers transition out of the workplace, if they elect to do so. A pension waiver is a special provision to waive an annual allowance reduction under the Public Service Superannuation Act (PSSA) for employees aged 55 to 59 (Group 1: hired on or before December 31, 2012) or 60 to 64 (Group 2: hired on or after January 1, 2013) who have at least 10 years of public service employment and who are declared surplus.

It removes the normal reduction to an annual allowance that would otherwise be applied because the individual, at termination, did not meet the age and service thresholds to receive an immediate annuity.

To qualify for the early pension waiver, you must be within five years of the age of eligibility for a pension, have two or more years of pensionable service, and have.

### The Chief Executive Officer must certify that:

- You are a surplus employee because of a WFA situation.
- You meet the age and tenure requirements.
- You have not received an educational allowance, guarantee of a reasonable job offer, or reasonable job offer.

If all these conditions are met, the Chief Executive Officer does not have the authority to deny waivers.

For more information on pension waivers, visit the federal government's [public service pension options](#) page. If you became a member on or before December 31, 2012, choose the "[Pension Eligibility at Age 60](#)" page. If you joined on or after January 1, 2013, select the "[Pension Eligibility at Age 65](#)" page.

## The alternation process

Employees opting for surplus status may have the opportunity to alternate positions with a non-affected, indeterminate employee who wants to leave Parks Canada. Alternation is available from the start of the 120-day decision period until the end of the one-year surplus period. The alternation must result in the permanent elimination of the employee's position, and management has final approval. Alternation can take place between employees in the same group and level or equivalent positions, as long as salary discrepancies do not exceed six per cent.

## Workforce Adjustment Appendix: Part VII

The provisions of Part VII of the WFAA are specific to alternative delivery initiatives and are an exception to Parts I to VI of the WFAA, unless otherwise specified. This means that many of the obligations in the rest of the WFAA don't apply depending on the kind of WFA being contemplated.

An alternative delivery initiative (ADI), is defined as *“the transfer of any work, undertaking or business to any employer that is outside Parks Canada.”* This includes:

- The transfer of work to another level of government.
- The creation of public-private partnerships (P3s).
- Any contracting out and/or privatization of your work.

Part VII can apply to individuals, groups, or entire work units.



## Understanding alternative delivery initiatives (ADI)

In an ADI situation, affected positions are transferred to a new employer. If an employee accepts a job with the new employer, their previous employment will typically end on the day the work is transferred.

The employer must notify the union that it is contemplating an alternative delivery initiative at least 180 days before the ADI is scheduled to begin.

Employees may still be declared affected. The meaning is the same as it is in Parts I to VI of the WFAA.

The WFAA outlines three types of ADI arrangements, each with different employer obligations.

**The meaning of a reasonable job offer is different in this part than it is in Parts 1 to VI, and many of the other obligations defined in those parts do not apply in this part.**

## Types of ADI arrangements

### Type 1 – Full continuity:

Job offers under Type 1 arrangements are considered reasonable job offers and provide full continuity of employment conditions, including pay and benefits. There is a transitional employment guarantee of at least two years with the new employer. Examples include the creation of agencies like the Canada Revenue Agency, the Canadian Food Inspection Agency, and Parks Canada.

Employees who refuse a reasonable job offer are laid off and given a four-month notice of termination.

### Type 2 – Substantial continuity:

Job offers under Type 2 arrangements are also considered reasonable job offers and provide substantial continuity. These situations typically include contracting out, devolution, or transfer to public-private partnerships. Employees may perceive these offers as unreasonable, despite meeting the technical definition of a reasonable job offer.

Employees who refuse a reasonable job offer are laid off and given a four-month notice of termination.

### Type 3 – Lesser continuity:

Job offers under Type 3 are not considered reasonable job offers. The pay and benefits are too low for employment to be considered continuous.

Issue	Type 1	Type 2	Type 3
<b>Employment rights</b>	Retain continuous employment and all related rights (e.g., job transfer from Parks Canada to the federal public service)	May or may not retain continuous service (e.g., similar to when Service Canada employees transferred to provincial governments)	Inferior working conditions which fail to meet the Type 1 or 2 criteria (e.g., contracting out custodial and food preparation services)
<b>Remuneration</b>	Same remuneration (salary and supervisory differential)	At least 85% of hourly or annual remuneration (pay and supervisory differential)	No guarantee – whatever the new employer wants to pay
<b>Tenure</b>	Guarantee of 2 years minimum employment	Guarantee of 2 years minimum employment	No guarantee of tenure
<b>Benefits</b>	Core benefit coverage (health, LTD, and dental)	Some level of core coverage	No guarantee
<b>Pension</b>	Comparable pension (6.5% payroll, no obligation for defined pension plan) – if not three-month lump sum	Comparable pension (6.5% payroll, no obligation for defined pension plan) – if not three-month lump sum	No guarantee
<b>Disability</b>	Sick leave carryover up to LTD waiting period	Short term disability benefits of some sort	No guarantee
<b>Vacation</b>	Vacation transfer or pay-out	Vacation transfer or pay-out	Vacation transfer or pay-out
<b>Severance</b>	No severance	Severance if new employer doesn't recognize continuous service	Severance
<b>Offer of employment</b>	Considered a reasonable job offer, written	Considered a reasonable job offer, written	Not a reasonable job offer, written
<b>Offer timing</b>	Minimum of 60 days to accept or decline job	Minimum of 60 days to accept or decline job	Minimum of 30 days to accept or decline job
<b>If you refuse offer</b>	Four-month notice of termination	Four-month notice of termination	You become either a surplus or an opting employee
<b>If you accept offer</b>	Move to new employer	On the day of transfer of the work or function, you receive <ul style="list-style-type: none"> <li>• Three months' pay</li> <li>• Eighteen-month top-up in exchange for difference in remuneration</li> <li>• Six-month top-up if salary is less than 80% of current wage</li> </ul>	On the day of transfer of the work or function, you receive <ul style="list-style-type: none"> <li>• Six months' pay</li> <li>• Twelve-month top-up for difference in remuneration</li> <li>• The total payment must not exceed one year's pay</li> </ul>



## Selecting employees for layoffs

Due to existing legislation, management determines who is retained and who is laid off when the employer has decided to make changes to the workforce, including job cuts.

Management has unilateral discretion to determine the process for deciding which employees retain their substantive positions. The Parks SERLO Policy and Guidelines stipulates the decision is based on merit. Unfortunately, there is limited recourse to this process which lack transparency and accountability and PSAC is challenging its legality.

PSAC has long advocated for an equitable, seniority-based process to reduce some of the stress caused by layoffs while maintaining equity considerations. We will continue to fight for fair and transparent processes that account for seniority and equity when layoffs occur.

Workforce adjustment committees must critically examine the qualifications used by management in a WFA situation and actively advocate for transparency and fairness.





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