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Directive on Executive Compensation

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Directive on Executive Compensation

1. Effective Date

1.1 This directive takes effect on July 16, 2007.

1.2 This version of the directive incorporates updates effective July 1, 2012.

1.3 It replaces the following:

- Salary Administration Policy for the Executive Group, dated September 1, 2002;
- Terms and Conditions of Employment for Executives, dated January 1, 1989.

1.4 Transitional measures are as follows:

- Appendix C, Non-Salary Elements of Executive Compensation: Executives appointed from outside the core public administration prior to the effective date of this policy and its directives can be offered, at the discretion of the deputy head, the provision of Section 5.2.4 (c) provided they meet the criteria stated therein.
- Appendix E, Special Deployment for Executives: Departments in excess of their EX quotas have two years after the effective date of this policy and directives to conform with the quota for special deployments.

2. Application

2.1 This directive applies 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 Specifically, the directive and Appendix B – Salary Elements of Executive Compensation apply to excluded employees in the following groups and levels:

- EX-01 to EX-05
- DS-7A, 7B, 08

2.3 Appendix C – Non-Salary Elements of Executive Compensation applies to excluded employees in the following groups:

- EX-01 to EX-05
- DS-7A, 7B, 08

2.4 Appendix D – Elements of compensation for executives employed as casual workers, applies to executives employed as casual workers in the following groups:

- EX-01 to EX-05
- DS-7A, 7B, 08

2.5 Appendix E – Special Deployment for Executives, applies only to the EX Group, EX-01 to EX-05.

2.6 For the purpose of this directive, the term:

- “executive” refers to the groups and levels listed above.
- “executive position” refers to positions classified in the groups and levels listed above.

3. Context

3.1 The sound management of executive compensation is an essential component in the effective management of executives and the cost-effective, efficient delivery of government policies, programs and services.

3.2 Executive compensation is to be administered in accordance with the Values and Ethics Code for the Public Service which includes dealing with respect and fairness and in such a way as to uphold the public trust.

3.3 The purpose of this directive is:

- to provide for an equitable and consistent application of both salary and non-salary elements of executive compensation;
- to define the requirements for the administration of compensation for executives; and
- to support the temporary operational requirements of organizations through the special deployment of executives to positions that have not been classified or that are classified at a lower level than the executive’s substantive group and level while protecting the executive’s indeterminate status to meet specific, temporary operational requirements.

3.4 Executive compensation is based on the principle of total compensation. Total compensation consists of both salary and non-salary elements. Salary elements include base salary and performance awards. Non-salary elements include the provisions found in Appendix C.

3.5 Performance awards are covered in the Directive on the Performance Management Program for Executives.

3.6 This directive is issued pursuant to a delegation of the Treasury Board to the Chief Human Resources Officer (CHRO) of the Treasury Board Secretariat (TBS) authorized by s. 6(4.1) of the Financial Administration Act.

3.7 This directive is to be read in conjunction with the:

- Policy on the Management of Executives
- Directive on the Performance Management Program for Executives
- Public Service Health Care Plan
- Provincial Health Insurance Plans
- Public Service Management Insurance Plan
- Dental Insurance Plan
- Public Service Superannuation Plan
- Travel Directive
- Hospitality Policy
- Relocation Directive
- Directive on Leave and Special Working Arrangements
- Self-funded Leave Policy

3.8 Treasury Board has delegated authority to the Chief Human Resources Officer (CHRO) of the Treasury Board Secretariat (TBS) to make technical amendments to this directive.

4. Definitions

4.1 Definitions to be used in the interpretation of this directive are attached in Appendix A.

5. Requirements

5.1 Departments are responsible for:

- Complying with the requirements for the salary elements of executive compensation as set out in Appendix B.

- Complying with the requirements for non-salary elements of executive compensation as set out in Appendix C.
- Complying with the requirements for elements of compensation for executives employed as casual workers as set out in Appendix D.
- Complying with the requirements for special deployment for executives as set out in Appendix E.

5.2 Delegated managers are responsible for approving the following in accordance with Appendix C:

1. Personal leave
2. Vacation leave
3. Maximum carry-over of vacation leave credits
4. Sick leave with pay and advancing sick leave credits
5. Family related responsibilities
6. Care of family leave
7. Exceptional leave with pay
8. Bereavement leave
9. Relocation of spouse of common-law partner

5.3 Requirements for executives:

- Executives agree to being deployed as a condition of employment upon appointment to EX-4 and EX-5 positions.
- Executives consult with their human resources advisors to determine the financial and career implications of leave without pay.

6. Monitoring and Reporting Requirements

- Monitoring and reporting requirements are described in section 6 of the Policy on the Management of Executives.
- Detailed instructions for reporting on special deployment can be found in Appendix E.

7. Consequences

Consequences of non-compliance with this directive or inconsistency in its application are described in section 7 of the Policy on the Management of Executives.

8. Roles and Responsibilities of Other Government Organizations

Not applicable

9. References

9.1 Other Relevant Legislation/Regulations

- [Employment Equity Act](#)
- [Financial Administration Act](#)
- [Public Service Employment Act](#)
- [Official Languages Act](#)
- [Public Service Labour Relations Act](#)
- [Public Service Employment Regulations](#)
- [Public Service Superannuation Act](#)
- [Employment Insurance Act](#)
- Quebec Parental Insurance Plan

9.2 Related policy instruments/Publications:

- [Values and Ethics Code for the Public Service](#)
- [Policy on the Terms and Conditions of Employment](#)
- [Policy on Classification System and Delegation Authority](#)

10. Enquiries

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

Executive Management Policies
Office of the Chief Human Resources Officer
Ottawa, Ontario
K1A 0R5

E-mail: EMP-PGCS@tbs-sct.gc.ca

Fax: 613-943-5205

Appendix A - Definitions

casual worker (personne à titre d'employé occasionnel)

a person employed on a casual basis pursuant to the Public Service Employment Act. The period of employment of a casual worker may not exceed ninety (90) working days in one calendar year in any particular department or other organization.

common-law partner (conjoint de fait)

(See also **Spouse**) a person living in a conjugal relationship with an employee for a continuous period of at least one year.

continuous employment (emploi continu)

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 employee.

demotion (rétrogradation)

the placement of an employee in a position that has a lower maximum rate of pay than the maximum rate of pay applicable to the employee's former position for reasons of discipline, unsatisfactory performance and reasons other than breaches of discipline or misconduct.

deployment (mutation)

the movement of an employee from one position to another position made pursuant to the Public Service Employment Act.

deputy head (administrateur général)

for purposes of Schedule I of the Financial Administration Act, the deputy minister, and for purposes of Schedule IV, the chief executive officer or the person who occupies such a position.

executive group, EX group, Executive (EX) Group - (groupe de la direction, Groupe EX)

the occupational group as defined in the Canada Gazette, Part 1, March 27, 1999.

executive appointed on a term basis (cadre supérieur nommé pour une période déterminée)

an employee appointed to the executive group for a specified period.

family (famille)

1. for the purpose of care of family leave:

- spouse or common-law partner resident with the employee;
- children (including foster children or children of spouse or common-law partner);
- parents (including step-parents and foster-parents); and,
- any relative residing in the executive's household or with whom the executive permanently resides.

2. for the purpose of bereavement leave :

- spouse or common-law partner resident with the employee;
- children (including foster children or children of spouse or common-law partner), stepchildren, son-in-law, daughter-in-law and grandchildren;
- parents (including step-parents and foster-parents), father-in-law, mother-in-law and grandparents;
- brothers and sisters, brothers-in-law and sisters-in-law;
- any relative residing in the executive's household or with whom the executive permanently resides.

in-range salary movement (progression à l'intérieur de l'échelle salariale)

an increase in annual salary within the minimum and maximum salary applicable to the employee's group and level.

lower level position (niveau de poste inférieur)

position with a lower maximum rate of pay than the previous position to which the employee is assigned to perform the duties, i.e. a difference of \$1.00 or more for annual rates and \$0.01 or more for hourly rates.

lump sum performance award (montant forfaitaire au titre de la rémunération au rendement)

a performance award for the achievement of key commitments (at-risk pay and bonus).

public service (fonction publique)

as defined in section 11 (1) of the Financial Administration Act.

reclassification (reclassification)

a change to either or both the occupational group and level of a position resulting from significant change in the work. A reclassification may be upward or downward.

resignation (démission)

the voluntary separation of an employee other than at the end of a specified term for reasons other than retirement or lay-off.

retroactive period (période de rétroactivité)

the period commencing on the effective date of implementation of the revision of rates of pay. Where no effective date of implementation is noted, the retroactive period ends on the day prior to the date formal notification of the revision is issued to departments.

salary (salaire de base)

the fixed recurring portion of an employee's cash compensation received for the performance of the regular duties of a position, exclusive of allowances, performance awards or other compensation or gratuities.

salary maintenance (maintien du traitement)

the treatment under the Directive on Career Transition for Executives given to the total compensation of an executive who is appointed to a position with a lower salary maximum while on surplus status,

or,

the treatment under the Directive on Executive Compensation given to the total compensation of an executive who is appointed to an executive position which has a lower salary maximum than the salary the employee received in the former position.

salary protection for executives (protection salariale pour les cadres supérieurs)

the treatment given to the total compensation of an employee whose position has been reclassified or converted to a level with a lower salary maximum.

service (service)

means continuous and discontinuous employment with any organization that is subject to the Financial Administration Act or with any organization in which the individual was a contributor under the Public Service Superannuation Act, Canadian Forces Superannuation Act or the Royal Canadian Mounted Police Superannuation Act.

spouse (conjoint)

(See also **Common-law partner**) the person married to the employee.

substantive position (poste d'attache)

the position to which an employee has been appointed or deployed, or from which an employee is being appointed or deployed within the public service, in accordance with the Public Service Employment Act.

Appendix B - Salary Elements of Executive Compensation

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9. Executives acting in non-executive positions
10. Non-Executives acting in executive positions

1. Application

1.1 This appendix applies to employees in excluded positions in the following groups and levels:

- 1.1.1 Executive (EX) group, levels 1 to 5
- 1.1.2 Defence Scientific Service (DS) group, levels 7A, 7B, and 8

1.2 For the purpose of this appendix, the term:

- 1.2.1 “executive” refers to the groups and levels listed above. It excludes the Medical Officers group, (MD-MOF-04 and 05) and the Medical Specialists group (MD-MSP-03).
- 1.2.2 “executive position” refers to positions classified in the groups and levels listed above. It excludes the Medical Officers group, (MD-MOF-04 and 05) and the Medical Specialists group (MD-MSP-03).

2. Salary Entitlements

2.1 An indeterminate and term executive, as well as an executive employed as a casual worker, is paid in accordance with this appendix and related Treasury Board decisions affecting executive salaries.

2.2 A part-time executive receives salary pro-rated to the number of hours of work per week as indicated in the letter of appointment.

2.3 All salary calculations pursuant to articles of this appendix are rounded to the nearest multiple of \$100. Salary calculations ending in \$50 are rounded up to the next multiple of \$100.

2.4 An executive is not entitled to payment for overtime.

2.5 An executive cannot receive payment from the Consolidated Revenue Fund for a second public service position, unless authorized by or under an Act of Parliament, or when the deputy head of the organization where the executive's original position resides certifies in writing that the performance of the duties of the second position does not impair the executive's effectiveness in his/her original position.

2.6 When an executive with one or more years of service dies while on strength, the executive's beneficiary or estate will receive the executive's salary for the full month in which he/she dies, minus any salary payments already made in the month of death.

3. Revisions

3.1 Executive salary ranges are revised periodically, as authorized by the Treasury Board.

3.2 An executive whose performance on Ongoing Commitments was assessed at Level 1 (Did Not Meet) is not eligible for revisions in the fiscal year immediately following the year in which the rating was obtained. This means that the executive's salary can fall below the minimum of the salary range of the executive position.

3.3 Subject to 3.2, an executive absent on leave with or without pay is eligible for the full percentage increase of the revision.

3.4 The salary of an executive on leave without pay is recalculated for record purposes only to maintain the same position relative to the new salary maximum that existed within the old salary range.

3.5 The salary-based allowance (e.g. maternity, parental, education allowance) of an executive on leave without pay is adjusted to reflect the revision.

4. Payment of Retroactive Revisions

4.1 Retroactive remuneration is paid in an amount equal to what would have been paid to the executive had the revision been approved on the effective date.

4.2 A retroactive revision in salary ranges applies to executives, former executives or in the case of death, the beneficiary or estate of former executives employed during the retroactive period.

4.3 In order for former executives, or in the case of death, for the former executive's beneficiary or estate to receive payment in accordance with paragraph 4.2, the employer notifies by registered mail, such individuals at their last known address that they have thirty (30) days from the date of receipt of the registered letter to request in writing such payment, after which time any obligation upon the employer to provide payment ceases.

4.4 No payment or notification is made for one dollar (\$1) or less.

4.5 Unless otherwise specified, the non-salary elements in Appendix C of this directive are recalculated as though the revision had been approved on the effective date.

4.6 When a retroactive revision is announced, the revised salary of an executive in one of the situations listed below is calculated according to either 4.6.1 or 4.6.2. The calculation that provides the higher revised salary is applied.

- a. Promoted, demoted, or reclassified during the retroactive period,
- b. Commenced an acting appointment during the retroactive period, or
- c. Commenced an acting appointment prior to the start of the retroactive period but continued the acting appointment during the retroactive period.

4.6.1 Compare the higher of the revised salary under either a. or b. below to the salary calculated in 4.6.2:

- a. Recalculate the executive's substantive salary, (and in acting situations, also recalculate the executive's acting salary), based on the revised executive salary maximum applicable to the position,
- or
- b. Maintain the executive's substantive salary (or acting salary) earned prior to the revision.

4.6.2 Apply the percentage increase to the executive's substantive salary, (and when applicable, to the acting salary).

5. Salary on Appointment

5.1 Appointment to an executive position from outside the public service

5.1.1 Persons recruited to executive positions from outside the public service can be appointed at any rate of pay within the applicable salary range of the executive position as determined by the delegated manager.

5.1.2 In exceptional circumstances, to facilitate recruitment and retention of executives from outside the public service, where a person's previous salary exceeds the salary maximum of the executive position, the deputy head can authorize a one-time lump sum payment. This authority cannot be sub-delegated. This lump sum is payable at the beginning of the executive's second year in the core public administration and is based on successful completion of agreed-upon commitments. The lump sum is established within the following limits:

- 10% of the salary maximum of the position for EX-01, EX-02, EX-03, DS-7A, DS-7B,
- 15% of the salary maximum of the position for EX-04, EX-05, DS-8,
- The amount of the lump sum is to be pro-rated against the number of hours worked for executives hired on a part-time basis.

5.1.3 Factors such as the following are to be considered when determining the rate of pay and the percentage of the lump sum awarded on appointment:

- a. Internal salary relativities, i.e. the relationship of the proposed salary to that of immediate manager, subordinates and peers,
- b. Requirement to relocate (within Canada only), i.e. regional economic differences,
- c. Any automatic revisions that would have been granted to the executive in the former position during the balance of the calendar year in which the appointment occurs,
- d. The position of the salary in the new range so as to leave room for future in-range salary movement,
- e. Cash compensation (salary, performance awards) received prior to joining the core public administration, and
- f. Shortage of skills.

5.2 Appointment to an executive position from other occupational groups within the public service. For clarification, this also includes persons appointed from the Royal Canadian Mounted Police and the Canadian Forces.

5.2.1 An increase in salary of 5% of the salary maximum of the executive position is the norm. The salary on appointment is at least the salary minimum of the executive position.

5.2.2 In exceptional circumstances, the deputy head can authorize an increase in salary of up to 10% of the salary maximum of the executive position. This authority cannot be sub-delegated. If the increase causes the new salary to exceed the salary maximum, the amount above the salary maximum is paid as a one-time lump sum on appointment. The amount of the increase is determined by considering such factors as:

- a. Internal salary relativities, i.e. the relationship of the proposed salary to that of immediate managers, subordinates and peers,
- b. Requirement to relocate in cases of employer initiated relocation (within Canada only), i.e. regional economic differences,
- c. Any automatic salary revisions that would have been granted to the executive in the former position during the balance of the calendar year in which the appointment occurs,
- d. The position of the salary in the new range so as to leave room for future in-range salary movement, and
- e. Shortage of skills.

5.2.3 When a non-executive who is already receiving acting pay accepts a permanent appointment to an EX position at the same level or higher than the position for which acting pay was being received, without a significant break between the two appointments, the executive is paid at the same rate of pay that was paid for the previous acting appointment, if it is greater than the salary as calculated in 5.2.1 or 5.2.2.

5.3 Appointment to a higher level executive position

5.3.1 An increase in salary of 5% of the salary maximum of the higher executive position is the norm. The salary on appointment is at least the salary minimum of the higher executive position.

5.3.2 In exceptional circumstances, the deputy head can authorize an increase in salary of up to 10% of the salary maximum of the higher executive position. This authority cannot be sub-delegated. The amount of the increase is determined by considering such factors as:

- a. Internal salary relativities, i.e. the relationship of the proposed salary to that of immediate managers, subordinates and peers.
- b. Requirement to relocate in cases of employer initiated relocation (within Canada only), i.e. regional economic differences.

- c. Any salary revisions that would have been granted to the executive in the former position during the balance of the calendar year in which the appointment occurs.
- d. The position of the salary in the new range so as to leave room for future in-range salary movement.
- e. Shortage of skills.

5.3.3 If the increase in salary in articles 5.3.1 or 5.3.2 causes the new salary to exceed the salary maximum, the amount above the salary maximum is paid as a one-time lump sum on appointment.

5.3.4 When an executive who is already receiving acting pay accepts a permanent appointment to an EX position at the same level or higher than the position for which acting pay was being received, without a significant break between the two appointments, the executive is paid at the same rate of pay that was paid for the previous acting appointment, if it is greater than the salary as calculated in 5.3.1 or 5.3.2.

5.4 Appointment or deployment to a position at the same level

5.4.1 There is no salary increase on appointment or deployment to a position at the same level.

5.4.2 In cases of employer requested appointments or deployments involving relocation within Canada, the deputy head can grant an increase in salary of up to 5% of the salary maximum of the executive position. This authority cannot be sub-delegated. Geographic factors such as high cost of living or remoteness can be taken into account in determining whether to invoke this exceptional provision. Any such increase is paid as salary up to the salary maximum and the balance, if any, is paid as a one-time lump sum payment on appointment or deployment.

5.5 Appointment of an EX-04 and EX-05 to a different EX Group position level

5.5.1 When appointing an EX-04 or EX-05 to an EX Group position at a different level, the Deputy Head can continue to pay the executive at his/her personal classification level.

5.5.2 Every reasonable effort is to be made to ensure coincidence, where possible, between the classification level of the executive at the EX-04 or EX-05 level and that of the position to which he/she is appointed.

5.5.3 Appointment to a position classified at a different level should be an exception, not the norm. These appointments should address contingencies such as special projects, furthering the development of the executive, broadening exposure in a different functional area or a different geographical setting.

5.6 Demotion or voluntary transfer to a lower level position

5.6.1 An executive who is demoted or accepts a transfer to a lower level position for personal reasons (career change, preference for work location, etc) is not entitled to salary protection or salary maintenance under articles 6 and 7 of this Appendix.

5.6.2 When the appointment or deployment is to a lower level executive position, the executive's salary is the lesser of:

- a. The salary maximum of the new position, or
- b. The executive's current salary.

5.6.3 When the appointment or deployment is to a lower level non-executive position:

- a. the demotion or deployment rules under the Directive on Terms and Conditions of Employment apply to the executive.
- b. The Policy on the Management of Executives and its associated directives cease to apply from the effective date of the appointment or deployment to the non-executive position.

5.7 Retroactive reclassifications

5.7.1 In the event of retroactive reclassifications, the salary elements of the new group and/or level are effective as of the date of appointment. The non-salary elements applicable to the new group and/or level are effective on the date the reclassification decision is authorized.

5.8 Retroactive Promotions

5.8.1 In the event of a retroactive promotion, salary and non-salary elements are effective as of the date of appointment.

6. Salary Protection

6.1 When an executive's position is reclassified to a group and/or level with a lower salary maximum, the executive's salary is protected in accordance with this section and the Directive on Terms and Conditions of Employment.

6.2 The executive's salary is protected:

- a. as long as the executive continues to occupy the lower level position, or
- b. until the salary maximum for the lower level position matches or exceeds the salary maximum for the higher level.

6.3 The non-salary elements of the lower-level position apply from the effective date of the reclassification. When this lower level position is a non-executive position, non-salary elements cease to apply on this date.

6.4 The salary elements continue to apply to salary-protected executives. Subject to article 3.1, all salary-protected executives are eligible for the full amount of executive salary range revisions.

6.5 The Directive on the Performance Management Program (PMP) for Executives applies to salary-protected executives. All salary-protected executives are eligible for in-range movements, in accordance with the PMP.

7. Salary Maintenance

7.1 Salary maintenance is provided when:

- a. An executive is declared surplus under the Directive on Career Transition for Executives and is subsequently appointed to a lower level position while his/her salary is above the salary maximum of this lower level position, or
- b. The salary of a non-executive appointed to an executive position is greater than the salary maximum of the executive position the non-executive is appointed to.

7.2 When an executive is declared surplus and is subsequently appointed to a lower level executive position while his/her salary is above the salary maximum of this lower level position:

- 7.2.1 The executive's salary is maintained at the rate in effect on the date of the appointment to the lower level executive position until such time as it falls within the salary range of this new position.
- 7.2.2 If the executive later moves to a different position with a lower salary maximum, whether at management's request or on the executive's initiative, the maintained salary continues to apply until such time as the executive's salary falls within the salary range of the new lower level position.
- 7.2.3 The salary elements, non-salary elements and PMP applicable to the lower level executive position apply.

- 7.2.4 If the executive salary range is revised, and the executive's maintained salary is still above the salary maximum of the lower level position, the dollar amount of the executive range revision to the salary maximum of the new position is paid to the executive as a bi-weekly lump sum throughout the duration of the period that the range increase is in effect. If a subsequent revision is announced, the executive will receive the dollar difference between the most recent salary maximum and the newly revised salary maximum in the form of bi-weekly lump sum payments. The two revisions are not compounded.
- 7.2.5 If the executive salary range is revised and the executive's maintained salary is within the revised salary range, salary maintenance ceases; however, the revision is not applied to the executive's salary. The executive receives this last revision in the form of bi-weekly lump sum payments throughout the duration of the period that this revision is in effect.

7.3 When an executive is declared surplus and is subsequently appointed to a lower level non-executive position while his/her salary is above the salary maximum of this lower level position:

- 7.3.1 The former executive's salary is maintained at the rate in effect on the date of the appointment to the lower level position until such time as it falls within the salary range of this position.
- 7.3.2 If the former executive later moves to a different position with a lower salary maximum, whether at management's request or on the executive's initiative, the maintained salary continues to apply until such time as the executive's salary falls within the salary range of this new lower level position.
- 7.3.3 The salary elements, non-salary elements, and PMP applicable to the executive position, cease to apply.
- 7.3.4 If the salary of the non-executive position is revised and the former executive's maintained salary is still above the maximum of the non-executive position, the dollar amount of the revision to the salary maximum of the non-executive position is paid to the former executive as a bi-weekly lump sum throughout the duration of the period that the revision is in effect. If a subsequent revision is announced, and the former executive's maintained salary is still above the revised maximum of the non-executive position, the former executive will receive the dollar difference between the most recent salary maximum and the newly revised salary maximum in the

form of bi-weekly lump sum payments. The two revisions are not compounded.

- 7.3.5 If the non-executive position salary range is revised and the former executive's maintained salary is within the revised salary range, salary maintenance ceases; however the revision is not applied to the former executive's salary. The former executive receives this revision in the form of bi-weekly lump sum payments throughout the duration of the period that this revision is in effect.

7.4 When a non-executive's salary is maintained upon appointment to an executive position:

- 7.4.1 The "new" executive is subject to article 5.2 (Appointment to executive positions from other occupational groups) of this appendix.
- 7.4.2 The "new" executive's salary is maintained at the rate this person was receiving immediately prior to being appointed to the executive position until such time as it falls within the salary range of this executive position. The "new" executive's maintained salary will not change until executive salary ranges are revised such that the new executive's maintained salary falls below the salary maximum of the executive position.
- 7.4.3 The salary elements, non-salary elements, and PMP applicable to the executive position apply.
- 7.4.4 If the salary of the executive position is revised, and the new executive's maintained salary is still above the revised maximum of the executive position, the dollar amount of the revision to the salary maximum of the executive position is paid to the new executive as a bi-weekly lump sum throughout the duration of the period that the revision is in effect. If a subsequent revision is announced, and the executive's maintained salary is still above the revised maximum of the executive position, the new executive will receive the dollar difference between the most recent salary maximum and the newly revised salary maximum of the executive position in the form of bi-weekly lump sum payments. The two revisions are not compounded.
- 7.4.5 If the salary range of the executive position is revised and the new executive's maintained salary is within the revised range, salary maintenance ceases; however, the new executive's salary is not adjusted according to this last announced revision. The new executive receives this last revision in the form of bi-weekly lump sum payments throughout the duration of the period that this revision is in effect.

8. Executives acting in higher level executive positions

8.1 An executive at the EX-04 or EX-05 level is not eligible for acting pay.

8.2 An executive in the Accelerated Executive Development Program (AEXDP) is not eligible for acting pay.

8.3 An executive is eligible to receive acting pay once the three conditions below are met. Acting pay is then retroactive to the date the executive began the acting appointment.

- a. The executive's substantive level is: EX-01, EX-02, EX-03, DS-7A, DS-7B
- b. The executive substantially performs the duties of a position with a higher maximum salary.
- c. The executive has acted for at least three consecutive months.

8.4 In organizations where rotational pools, developmental programs and/or appointment-to-level prevail, deputy heads can elect not to provide acting pay to participating executives.

8.5 Acting appointments are not to exceed 12 months. In exceptional circumstances, deputy heads can approve acting pay situations that exceed this duration and this authority cannot be sub-delegated.

8.6 The acting salary of an executive is determined as if the executive had been appointed to the higher level.

8.6.1 The executive's substantive salary is increased by 5% of the salary maximum of the acting position. The acting salary is at least the minimum of the salary range of the acting position.

8.6.2 In exceptional circumstances, the deputy head can authorize an increase in acting salary of up to 10% of the salary maximum of the acting position. This authority cannot be sub-delegated. If the rate of increase causes the new salary to exceed this salary maximum, the acting salary is limited to the salary maximum. No lump sum is paid for any amount that surpasses the salary maximum. The amount of the increase is determined by considering such factors as:

- a. Internal salary relativities, i.e. the relationship of the proposed salary to that of immediate managers, subordinates and peers,
- b. Requirement to relocate in cases of employer initiated relocation (within Canada only), i.e. regional economic differences,

- c. Any revisions that would have been granted to the executive in the former position during the balance of the calendar year in which the appointment occurs,
- d. The position of the salary in the new range so as to leave room for future in-range salary movement, and
- e. Shortage of skills.

8.7 In accordance with 3.0, an executive who receives acting pay is eligible for revisions applicable to the position in which he/she is acting.

8.8 In accordance with 4.0, a retroactive revision in remuneration applies to executives, former executives or in the case of death, the beneficiary or estate of former executives who were acting in the executive positions during the retroactive period.

8.9 When an executive who is already receiving acting pay accepts another acting appointment at the same level as the previous acting appointment, without a significant break between the two acting appointments:

- 8.9.1 A new 3-month qualifying period does not have to be served to be eligible for acting pay in this subsequent acting appointment.
- 8.9.2 The executive will be paid at the same rate of pay that was paid for the previous appointment.

8.10 When an executive who is already receiving acting pay accepts a second, lower or higher, acting appointment, without a significant break between the two acting appointments:

- 8.10.1 A new 3-month qualifying period does not have to be served to be eligible for acting pay in this subsequent acting appointment.
- 8.10.2 To determine the acting pay, the executive's substantive salary is increased by 5% of the salary maximum of the second acting position. The acting salary is at least the salary minimum of the second acting position.
 - The acting salary for a second lower acting appointment is determined according to 8.6. Furthermore, any in-range movement received during the first acting appointment is taken into consideration when determining the second acting salary.
 - The acting salary for a second higher acting appointment is not to be less than the acting salary the executive was receiving in the first acting appointment.

8.11 Upon reverting to the previous acting appointment, without a significant break

between the acting appointments:

- 8.11.1 A 3-month qualifying period does not have to be served to be eligible for acting pay.
- 8.11.2 The executive is paid the rate of pay that would have been paid had the previous duties been continuously performed. This previous acting salary is adjusted according to revisions announced and any in-range salary movement awarded in the second acting appointment.

9. Executives acting in non-executive positions

9.1 An executive is eligible to receive acting pay when temporarily appointed to and substantially performing the duties of a non-executive position that has a higher salary maximum than the executive's substantive executive salary. An executive who is temporarily performing the duties of a non-executive position can be:

- a. Assigned these duties without receiving acting pay, in which case, the executive remains subject to the Policy on the Management of Executives and its associated directives, or
- b. Appointed with acting pay, in which case, the executive is subject to the applicable collective agreement or terms and conditions of employment of the non-executive position.

9.2 An executive appointed to a non-executive position on an acting basis (receiving acting pay) becomes subject to the collective agreement or terms and conditions of employment governing the non-executive position. The salary elements, non-salary elements and PMP cease to apply for the duration of the acting appointment. For greater clarity:

- The instructions for acting pay that appear in the Directive on Terms and Conditions of Employment apply.
- Where applicable, the executive will start paying the relevant union dues.
- The executive is eligible for the non-executive position revisions to the acting salary.
- The executive is eligible for executive salary range revisions. Any revision to the executive's substantive salary causes the acting salary to be recalculated.
- The executive is not eligible for PMP, but may become eligible for overtime.

- Although PSMIP coverage continues to apply, the employer ceases to pay the insurance coverage under this plan, and the executive will be responsible for paying the requisite insurance premiums.

9.3 The substantive salary of an executive acting in a non-executive position cannot exceed the salary maximum of the non-executive position. Acting pay ceases when the executive's substantive salary exceeds the salary maximum of the non-executive position.

10. Non-executives acting in executive positions

10.1 A non-executive acting in an executive position remains subject to the collective agreement governing his/her substantive position.

10.2 The instructions for acting pay that appear in the Directive on Terms and Conditions of Employment continue to apply to a non-executive acting in an executive position. Notwithstanding these instructions, the following exceptions and clarifications apply:

- To determine the acting pay, the non-executive's substantive salary is increased by 5% of the salary maximum of the executive position. The acting salary is at least the salary minimum of the executive position.
- In exceptional circumstances, the deputy head can authorize an increase of up to 10% of the salary maximum of the executive position. This authority cannot be sub-delegated. If the rate of increase causes the acting salary to exceed the salary maximum, the acting salary is limited to the salary maximum. No lump sum is paid for any amount that surpasses the salary maximum. The amount of the increase is determined by considering such factors as listed in article 5.2.2.
- Acting pay ceases when the non-executive's substantive salary exceeds the maximum salary of the executive position in which the non-executive is acting.
- A non-executive acting in an executive position is not entitled to overtime pay.
- A non-executive who receives acting pay and whose substantive salary is below the salary maximum of his/her substantive non-executive position, is eligible to receive increments (lock step structures) or in-range increases (performance pay ranges), as well as any salary range revisions for the substantive level, in accordance with the applicable collective agreement or terms and conditions of employment.

- f. When an increment or in-range increase to the non-executive's substantive salary occurs, the acting salary is recalculated and any resulting increase is paid to the non-executive.
- g. A non-executive who is already receiving acting pay in an executive position and who assumes the duties of a yet higher acting executive appointment without first resuming the duties of the substantive position is eligible for acting pay at the higher acting level immediately.

10.3 A retroactive revision in remuneration applies to a non-executive who was acting in an executive position during the retroactive period, in accordance with article 4 of this Appendix.

10.4 A non-executive acting in an executive position can become eligible to apply for coverage under the Public Service Management Insurance Plan (PSMIP) during the acting appointment. In that event:

- 10.4.1 The non-executive is responsible for paying the requisite employee share of the insurance premiums and the employer only pays the employer share.
- 10.4.2 Eligibility commences on the effective date of the acting appointment, or on the date on which the appointment is authorized, whichever is later.

Appendix C - Non-Salary Elements of Executive Compensation

Contents

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1. Application

1.1 This appendix applies to excluded employees in positions in the following groups and levels:

- 1.1.1 Executive (EX) group, levels 1 to 5
- 1.1.2 Defence Scientific Service (DS) group, levels 7A, 7B, and 8

1.2 For the purpose of this appendix, the term:

- 1.2.1 “executive” refers to the groups and levels listed above. It excludes the Medical Officer (MD-MOF) group, levels 4 and 5 and the Medical Specialist (MD-MSP) group, level 3.
- 1.2.2 “executive position” refers to positions classified in the groups and levels listed above. It excludes the Medical Officer (MD-MOF) group, levels 4 and 5 and the Medical Specialist (MD-MSP) group, level 3.

1.3 Executives appointed for a specified term are entitled to the elements of this appendix, unless otherwise indicated.

1.4 Part-time executives are entitled to the elements of this appendix. Elements are prorated against 37.5 hours.

1.5 Executives employed as casual workers are entitled to certain elements under this appendix as indicated in Appendix D.

1.6 Executives acting in non-executive positions are not entitled to the elements of this appendix.

2. Hours of Work

2.1 The hours of work for full-time executives are not less than an average of 37.5 hours per week and are established taking into account the need for work-life balance.

2.2 An executive is not entitled to payment for overtime.

2.3 There is no provision for a compressed workweek for executives or for non-executives acting in executive positions.

2.4 Executives who work beyond their normal working hours and through a normal meal period, can be reimbursed for meal expenses in accordance with the Treasury Board Secretariat (TBS) Travel Directive and Special Travel Authorities.

3. Statutory Holidays

3.1 The following days are paid holidays:

- New Year's Day
- Good Friday
- Easter Monday
- Victoria Day
- Canada Day
- Labour Day
- Thanksgiving Day
- Remembrance Day
- Christmas Day
- Boxing Day
- One provincial or civic holiday

3.2 When a statutory holiday coincides with a day of rest, the holiday is moved to the first scheduled working day following the day of rest.

3.3 An executive is not paid for a statutory holiday when that executive is:

- 3.3.1 on leave without pay on both the working day immediately preceding and the working day immediately following the designated holiday
- 3.3.2 absent without approved leave; and
- 3.3.3 a part-time employee and the holiday falls on a scheduled day of work.

4. Personal Leave

4.1 Upon request, on approval of the delegated manager, and subject to operational requirements, executives are entitled to two days of leave with pay for reasons of a personal nature in each fiscal year. This leave cannot be split and cannot be carried over to the next fiscal year.

5. Vacation Leave

5.1 Executives are encouraged to use the vacation leave credits during the fiscal year in which they are earned, subject to the delegated manager's approval and operational requirements.

5.2 Entitlement

For each calendar month in which an executive has earned at least ten (10) days' pay, the executive earns:

- 5.2.1 First level of vacation leave credits on appointment to an executive position and until the executive qualifies for the second level of vacation leave credits: one and two-thirds ($1 \frac{2}{3}$) days per month (4 weeks per year)
- 5.2.2 Second level of vacation leave credits: two and one-twelfth ($2 \frac{1}{12}$) days per month (5 weeks per year) beginning the month of the earliest attainment of:
 - a. 10 years' service in an executive position or equivalent*
 - b. 15 years' service of which five or more are in an executive position or equivalent*
 - c. 20 years' service
- 5.2.3 Third level of vacation leave credits: two and one-half ($2 \frac{1}{2}$) days per month (6 weeks per year), beginning the month of the attainment of 28 years' service.
- 5.2.4 Exceptions:
 - a. Employees who were appointed to an executive position from another group in the core public administration on or after April 1, 2004, and previously earned vacation leave credits greater than one and two-thirds ($1 \frac{2}{3}$) days per month (4 weeks per year) continue to earn vacation leave credits at the rate of entitlement on the day prior to appointment, until they qualify to earn the next level of entitlement under the executive provisions.
 - b. Employees appointed to an executive position from outside the core public administration, who are included in the definition of service, as defined in Appendix A, Directive on Executive Compensation and who were entitled to vacation leave credits greater than one and two-thirds ($1 \frac{2}{3}$) days per month (4 weeks per year) while employed outside the core public administration, are entitled to keep earning their vacation leave credits at the same rate as prior to being appointed to an executive position, provided that the vacation

entitlement rate does not exceed two and one-half (2 1/2 days) per month (6 weeks per year).

- c. Employees appointed to an executive position from outside the core public administration to whom the definition of service as defined in Appendix A of the Directive on Executive Compensation does not apply, who were entitled to vacation leave credits greater than one and two-thirds (1 2/3) days per month (4 weeks per year) while employed outside the core public administration, are eligible, at the discretion of the Deputy Head, to keep earning their vacation leave credits at the same rate as prior to being appointed to the executive position, provided that:
 - the executive demonstrates that his/her vacation entitlement was greater than one and two-thirds (1 2/3) days per month (4 weeks per year) while employed outside the core public administration, and
 - the vacation entitlement rate does not exceed two and one-half (2 1/2) days per month (6 weeks per year).

5.3 Maximum carry-over of vacation leave credits

5.3.1 The maximum carry-over of vacation leave credits is the greater of the executive's:

- a. current annual entitlement, or
- b. accumulated but unused vacation leave credits the executive had on appointment to the executive position if greater than one year's entitlement. In this case, the executive and the delegated manager must make arrangements for the liquidation of the excess vacation leave credits within three years of the appointment to the executive position.

5.3.2 In exceptional circumstances,

- a. if an executive is not able to take all of his/her vacation leave in the year it is earned, and
- b. if the executive has already accumulated the maximum vacation leave credits allowed,
- c. with the approval of the delegated manager, the executive can carry over up to one additional year's entitlement of earned but unused vacation leave credits beyond the individual's permitted maximum accumulation.

Any vacation leave carried over under this exception must be used within the immediate fiscal year or be subject to mandatory cash-out at the end of the fiscal year.

5.4 Liquidation of vacation leave credits

Vacation leave credits over the maximum accumulations are reduced by:

5.4.1 Scheduling leave over a period of time not exceeding three years, and using leave as scheduled.

5.4.2 Mandatory cash-out: On March 31st of each year, any earned but unused leave entitlement over the maximum accumulation will automatically be paid in cash, unless a request for carry over has been made and approved in accordance with subsection 5.3.2.

5.4.3 Voluntary cash-out: Subject to the delegated manager's approval, an executive can cash-out a portion of or all accumulated vacation leave credits at any time.

5.4.4 Both mandatory and voluntary cash-out are based on current base salary (not including performance awards and allowances). For mandatory cash-out the executive's current base salary is what the executive was earning on March 31 of the year in which the leave is being cashed out. For voluntary cash-out the current base salary is what the executive was earning on the date the request for voluntary cash-out was made.

5.4.5 Termination of employment: Except as provided under the portability provisions in subsection 5.5 below, earned but unused vacation leave credits are also automatically paid in cash on termination of employment in the core public administration.

5.5 Portability of vacation leave

Prior accumulated vacation leave credits from employment in organizations under the definition of service in Appendix A of the Directive on Executive Compensation is accepted for use in the core public administration.

5.6 Recovery of salary for advanced leave

When employment is terminated for any reason other than death or layoff, salary paid during any unearned vacation leave taken by the executive is subject to recovery.

5.7 Cancellation of vacation leave or recall from vacation leave

An executive recalled to duty from vacation leave, or whose vacation leave is cancelled without notice will be reimbursed reasonable expenses incurred by the recall or cancellation subject to the presentation of such documentation as the responsible manager may require.

6. Sick Leave with Pay

6.1 Credits

An executive earns sick leave credits at the rate of one and one-quarter (1 1/4) days (9.375 hours) for each month the executive receives at least 10 days' pay.

6.2 Granting of Sick Leave

An executive is granted sick leave with pay when unable to perform his/her duties because of illness or injury provided that the necessary sick leave credits are available. A medical certificate is required when requested by the delegated manager.

6.3 Special Sick Leave (discretionary)

Only at the discretion of the deputy head can executives be granted up to 130 days sick leave once during the course of their career. This leave:

- a. can be granted to an executive who has insufficient sick leave credits to cover the entire period of an illness,
- b. is granted after an executive has used all accumulated sick leave credits,
- c. can be granted in several periods as required depending on the executive's progress towards recovery,
- d. will not be recovered from future leave credits, and
- e. requires a medical certificate.

The deputy head can authorize the use of any balance of the 130 days used previously for a subsequent serious illness.

6.4 Portability of sick leave credits

Unused sick leave credits earned in organizations included in the definition of service in Appendix A to the Directive on Executive Compensation can be transferred in on appointment to an executive position in the core public administration.

6.5 Sick leave credits on appointment

With deputy head approval, executives recruited from organizations other than those included in the definition of service in Appendix A to the Directive on Executive Compensation can be credited 25 days of sick leave on appointment to an executive position.

6.6 Advancing sick leave credits

When an executive has insufficient or no credits to cover the granting of sick leave, the delegated manager can advance sick leave credits for a period of up to 25 days, such advanced leave is deducted from any sick leave credits subsequently earned.

7. Family Related Responsibilities

7.1 Leave with pay (discretionary)

7.1.1 Subject to approval of the delegated manager, an executive can be granted up to 5 days' leave with pay during any fiscal year for family related responsibilities. This leave is meant to be used for situations such as:

- a. care of a sick member of the family,
- b. needs related to the birth or adoption of a child, and
- c. to take a member of the family to a medical or dental appointment.

7.2 Maternity and Parental Leave without Pay (mandatory)

7.2.1 An executive who has completed at least six (6) months of continuous employment and who requests Maternity and/or Parental Leave will be paid a maternity and/or parental allowance in accordance with the Supplemental Unemployment Benefit (SUB) Plan as described in sections 7.2, 7.3 and 7.4 of this directive on the condition that the executive:

- a. agrees to return to work for a period equal to the period of receipt of maternity and/or parental allowance, and

- b. provides the immediate manager with proof that he/she has applied for and is eligible to receive maternity, paternity, parental or adoption benefits under the Employment Insurance or Quebec Parental Insurance Plan.

If the executive fails to return to work, for reasons other than death, layoff, or having become disabled as defined in the Public Service Superannuation Act, on a date specified by the immediate manager and for a period of work equivalent to the time for which maternity and/or parental allowances were paid, then all monies received by the executive as maternity and/or parental allowance, equivalent to the period for which the executive fails to return to work, will be recovered.

However, if an executive is appointed for a specified period of employment and if the period of employment expired while the executive was on Maternity or Parental Leave, the executive who is rehired in any portion of the core public administration as specified in the Public Service Labour Relations Act within a period of ninety (90) days or less is not indebted for the amount if the new period of employment is sufficient to meet the obligations of returning to work for a period equal to the period of receipt of maternity and/or parental allowance.

Periods of leave with pay count as time worked to fulfill the obligations of the period equal to the period of receipt of maternity and/or parental allowance. Periods of leave without pay during the employee's return to work will not count as time worked but interrupt the period of obligations to work for a period equal to the period of receipt of maternity and/or parental allowance without activating the recovery provisions.

7.2.2 The maternity and/or parental allowance to which an executive is entitled, as specified below, is limited to that provided under the SUB Plan and an executive will not be reimbursed for any amounts that he/she is required to repay pursuant to the Employment Insurance Act or the Quebec Parental Insurance Plan.

7.2.3 The weekly rate of pay referred to in the SUB Plan is the rate to which the executive is entitled for his/her substantive level; however, if on the day immediately preceding the commencement of maternity or parental leave without pay an executive has been on an acting assignment for at least four (4) months, the weekly rate is the rate he/she was being paid on that day.

7.2.4 An executive who fails to satisfy the eligibility requirements under the Employment Insurance or Quebec Parental Insurance Plan, for maternity, paternity, parental or adoption benefits, solely because of a concurrent entitlement to benefits under the Long-Term Disability (LTD) Insurance Portion of the Public Service Management Insurance Plan (PSMIP) or the Government Employees

Compensation Act, is paid, for each week the executive would have received a maternity or parental allowance had the executive met the eligibility requirements, the difference between ninety-three percent (93%) of his/her weekly rate of pay and the gross amount of his/her weekly disability benefit.

7.2.5 Maternity and Parental Leave without Pay counts for the calculation of service for the purpose of calculating severance pay and vacation leave.

7.3 Maternity Leave Without Pay and Allowance (mandatory)

7.3.1 An executive who becomes pregnant will, at her request, be granted maternity leave without pay for a period beginning before, on or after the date of childbirth, and ending no later than eighteen (18) weeks after the date of childbirth or the expected date of childbirth, provided that she has completed six (6) months of continuous employment before the commencement of her maternity leave.

7.3.2 An executive who has not commenced maternity leave without pay can elect to use her sick leave credits up to and beyond the date that her pregnancy terminates, subject to the provisions set out in article 6 on sick leave credits.

7.3.3 Where the executive's new-born child is hospitalized, and where the executive has proceeded on maternity leave without pay and then returns to work for all or part of the period during which her newborn child is hospitalized, the immediate manager can extend the period of maternity leave without pay beyond the date falling eighteen (18) weeks after the date of termination of pregnancy by a period equal to that portion of the period of the child's hospitalization during which the executive was not on maternity leave, to a maximum of eighteen (18) weeks. The extension will end not later than fifty-two (52) weeks after the termination of pregnancy.

Maternity allowance payments made according to the SUB Plan will consist of the following:

- where an executive is subject to a waiting period of two (2) weeks before receiving Employment Insurance maternity benefits, ninety-three per cent (93%) of her weekly rate of pay for each week of the waiting period, less any other monies earned during this period; at the executive's request, a payment will be estimated and advanced to the executive and adjustments will be made once the executive provides proof of receipt of Employment Insurance or Quebec Parental Insurance benefits,
- for each week that the executive receives a maternity benefit under the Employment Insurance or Quebec Parental Insurance Plan, she is eligible

to receive the difference between ninety-three per cent (93%) of her weekly rate and the maternity benefit, less any other monies earned during this period which can result in a decrease in her maternity benefit to which she would have been eligible if no extra monies had been earned during this period.

7.4 Parental Leave Without Pay and Allowance (mandatory)

7.4.1 An executive who becomes a parent through the birth of a child or adoption of a child is granted parental leave without pay for a single period of up to thirty-seven (37) consecutive weeks within the fifty-two (52) week period beginning on the date of the child's birth, or the date of acceptance of custody of the child for adoption. At the request of the executive and at the discretion of the immediate manager, the leave can be taken in two periods.

7.4.2 The period of parental leave without pay ends no later than fifty-two (52) weeks after the child is born or the acceptance of custody.

Where a period of maternity leave without pay has been extended due to the hospitalization of the new-born child and is followed by a period of parental leave without pay, the period of parental leave without pay will end no later than one hundred and four (104) weeks after the day the child is born.

7.4.3 Parental allowance payments made according to the SUB Plan will consist of the following:

- where an executive is subject to a waiting period of two (2) weeks before receiving Employment Insurance parental benefits, ninety-three percent (93%) of his/her weekly rate of pay for each week of the waiting period, less any other monies earned during this period; at the executive's request, a payment will be estimated and advanced to the executive and adjustments will be made once the executive provides proof of receipt of Employment Insurance or Quebec Parental Insurance benefits,
- for each week the executive receives parental, paternity or adoption benefits under the Employment Insurance or the Quebec Parental Insurance Plan, he/she is eligible to receive the difference between ninety-three per cent (93%) of his or her weekly rate and the parental, paternity or adoption benefit, less any other monies earned during this period which can result in a decrease in his/her parental, paternity or adoption benefit to which he/she would have been eligible if no extra monies had been earned during this period,

- where an executive has received the full eighteen (18) weeks of maternity benefit and the full thirty-two (32) weeks of parental benefit under the Quebec Parental Insurance Plan, and thereafter remains on parental leave without pay, she is eligible to receive a further parental allowance for a period of two (2) weeks, ninety-three per cent (93%) of her weekly rate of pay for each week, less any other monies earned during this period.

7.4.4 The maximum combined maternity and parental allowances payable to a public service couple, where one of the two employees is subject to these provisions, is not to exceed fifty-two (52) weeks.

8. Care of Family Leave (mandatory)

8.1 Leave without pay

An executive is entitled to leave without pay for the care of a family member, provided that:

- a. the executive notifies the immediate manager at least four (4) weeks in advance of the commencement date of such leave, unless such notice cannot be given because of an urgent or unforeseeable circumstance,
- b. the leave is for a period of at least three (3) weeks,
- c. the total leave granted under this clause does not exceed five (5) years during an executive's total period of employment in the core public administration.

8.2 Counting leave for care of family towards service

For the purpose of calculating vacation leave entitlement and severance pay, only the first three months of leave for care of family is counted as service.

9. Court Leave (mandatory)

Executives are entitled to leave with pay for:

- a. jury duty, and
- b. appearing before any body authorized by law to compel the attendance of witnesses, when summoned or subpoenaed to do so.

10. Exceptional Leave with Pay (discretionary)

10.1 Executives are eligible for exceptional leave with pay, as the delegated manager considers appropriate, for a period of up to five (5) days in one fiscal year. Examples of such leave are situations where executives are required to work excessive hours over a prolonged period of time (when it is not a normal requirement of the position), for marriage, for volunteering, or for any purpose not otherwise specified in this directive.

10.2 Under exceptional circumstances, the deputy head can approve exceptional leave with pay for a period exceeding the five (5) days referred to in 10.1. This authority cannot be sub-delegated. The request for such leave needs to be substantiated.

10.3 Leave granted as exceptional leave with pay can be carried over into the next fiscal year, and is to be used within six months of being granted.

11. Bereavement Leave (mandatory)

When a member of an executive's family dies, the executive is entitled to leave with pay of a duration considered appropriate by the delegated manager.

12. Special Leave without Pay (discretionary)

With deputy head approval, an executive is eligible for leave without pay for any purpose not otherwise specified in this directive. This authority cannot be sub-delegated. Examples where such leave might be granted include assignments with an international organization, or to accept an appointment in a Minister's office.

12.1 Counting special leave without pay towards service

For the purpose of calculating vacation leave entitlement and severance pay:

- If the leave is primarily in the interest of the employee, only the first three months of special leave without pay is counted as service.
- If the leave is primarily in the interest of the department, the whole duration of the special leave without pay is counted as service.

13. Education Leave without Pay (discretionary)

13.1 The deputy head can approve education leave without pay for a period of up to one (1) year to pursue learning activities. This authority cannot be sub-delegated. This period can be renewed by mutual agreement.

13.2 An executive on education leave without pay is eligible for an allowance in lieu of salary. This allowance is normally up to fifty per cent (50%) of the executive's base salary. In exceptional circumstances, and depending on the degree to which the education leave is deemed to be directly relevant to organizational requirements, the allowance can be greater than fifty per cent (50%) and up to one hundred per cent (100%) of the executive's base salary. Only at the discretion of the deputy head can tuition fees and course material also be partially or fully reimbursed.

13.3 Education leave without pay with an allowance in lieu of salary cannot exceed 24 months in an executive's career.

13.4 An executive who requests education leave meets all of the following conditions:

- a. is a full time indeterminate executive,
- b. has at least 5 years experience in executive positions,
- c. has met both Ongoing and Key Commitments in the two years prior to requesting education leave,
- d. demonstrates the value of the learning project, and
- e. in the case of education leave with an allowance in lieu of salary, gives a written undertaking prior to the commencement of the leave to return to the service of the department granting the leave or an organization in the core public administration for a period of not less than 1.5 times the amount of leave granted.

13.5 If the executive fails to complete the course successfully, or does not resume employment as stipulated in 13.4 above, except by reason of death or lay-off, the executive will repay all allowances paid to him or her during the education leave or such lesser sum determined by the deputy head.

13.6 Given that education leave without pay affects the executive's entitlement to certain benefits, he/she must consult his/her compensation advisor to determine the impact prior to the beginning of the leave.

13.7 Counting Education Leave without pay towards service

For the purpose of calculating vacation leave entitlement and severance pay:

- If the leave is primarily in the interest of the employee, only the first three months of special leave without pay is counted as service.
- If the leave is primarily in the interest of the department, the whole duration of the special leave without pay is counted as service.

14. Relocation of Spouse or Common-Law Partner (mandatory)

14.1 At the executive's request, the delegated manager approves leave without pay of up to one year if the executive's spouse or common-law partner is permanently relocated, and up to five years if the spouse or common-law partner is temporarily relocated.

14.2 For the purpose of calculating vacation leave entitlement and severance pay, only the first three months of such leave count.

15. Severance Benefits

15.1 Entitlement

15.1.1 Executives earn one week's pay for each year of service to a maximum entitlement of 28 weeks, payable on termination of employment.

15.1.2 In the case of a partial year of service, the payment is prorated to the number of days of service in the last year, up to a maximum of twenty-eight (28) weeks' pay.

15.1.3 The maximum entitlement of 28 weeks' pay is reduced by the number of weeks of severance pay, retiring leave, or cash gratuity in lieu of retiring leave, previously paid out.

15.2 Portability of accumulated severance credits

If an executive is leaving the core public administration for another organization outside the core public administration, severance will only be paid out if the new employer does not have an identical severance plan or will not accept the accumulated severance liability.

16. Additional benefits

Executives can be entitled to other benefits for which the employer is responsible. Benefits of most common interest are referenced in section 3.7 of the Directive on Executive Compensation.

Appendix D - Elements of Compensation for Executives Employed as Casual Workers

Contents

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7. Bereavement Leave
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1. Application

1.1 This appendix applies to executives employed as casual workers in the following groups and levels:

- 1.1.1 Executive (EX) group, levels 1 to 5
- 1.1.2 Defence Scientific Service (DS) group, levels 7A, 7B, and 8

1.2 For the purpose of this appendix, the term:

- 1.2.1 “executive” refers to executives employed as casual workers at the groups and levels listed above. It excludes: the Medical Officer (MD-MOF) group, Levels 4 and 5 and the Medical Specialist (MD-MSP) group, level 3.
- 1.2.2 “executive position” refers to positions classified in the groups and levels listed above. It excludes: the Medical Officer (MD-MOF) group, levels 4 and 5 and the Medical Specialist (MD-MSP) group, level 3.

1.3 Part-time executives are entitled to the elements of this appendix. Elements are prorated against 37.5 hours.

1.4 Executives acting in non-executive positions are not entitled to the elements of this appendix.

2. Hours of Work

2.1 The hours of work for full-time executives are not less than an average of 37.5 hours per week and are established taking into account the need for work-life balance.

2.2 There is no provision for overtime compensation for executives or for non-executives acting in executive positions.

2.3 There is no provision for a compressed workweek for executives or for non-executives acting in executive positions.

2.4 Executives who work beyond their normal working hours and through a normal meal period, can be reimbursed for meal expenses in accordance with the Treasury Board Secretariat (TBS) Travel Directive and Special Travel Authorities.

3. Statutory Holidays

3.1 A full time executive is entitled to be paid for a statutory holiday provided he or she is not on leave without pay the working day preceding and the working day following that holiday.

3.2 A part time executive is paid a premium of 4.25% of all hours worked in lieu of statutory holidays.

4. Vacation Leave

An executive is not entitled to vacation leave with pay. An amount of four percent (4%) of salary is payable when the executive ceases to be employed as a casual worker.

5. Sick Leave

An executive earns sick leave credits at the rate of one and one-quarter (1 1/4) days for each month the executive receives at least 10 days' pay. However, the executive is not entitled to use these earned sick leave credits while employed as a casual worker. Should the executive become an employee of the core public administration, the executive can carry forward the sick leave credits earned while employed as a casual worker.

6. Court Leave

An executive employed as a casual worker is granted leave with pay, for:

- Jury duty; and
- Appearing before any body authorized by law to compel the attendance of witnesses, when summoned or subpoenaed to do so.

7. Bereavement Leave

When a member of the family of an executive dies, the executive is entitled to bereavement leave for a period considered appropriate by the delegated manager. Such leave is without pay in the first three months of continuous employment and with pay after the executive has completed three months of continuous employment.

8. Non-Applicable Elements

The following elements of executive compensation that apply to executives covered under Appendix C do not apply to executives employed as casual workers:

- 8.1 Personal leave
- 8.2 Family related responsibilities
- 8.3 Care of family leave
- 8.4 Exceptional executive leave with pay
- 8.5 Special leave without pay
- 8.6 Education leave
- 8.7 Spousal relocation
- 8.8 Severance benefits

Appendix E - Special Deployment for Executives

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10. Performance Management Program (PMP)
11. Use of Assistant Deputy Head (ADM) Titles
12. Language Requirements
13. Monitoring and Reporting

1. Application

- 1.1 This directive applies to employees appointed to the Executive (EX) Group.
- 1.2 For the purpose of this appendix, the term “executive” refers to employees appointed to the Executive (EX) Group.
- 1.3 Employees coming from or going to Ministerial Staff positions are not to be deployed under this Appendix.

2. Context

- 2.1 The intent of Special Deployment is to provide deputy heads with the flexibility to accommodate temporary operational requirements by quickly deploying executives to duties that have not been classified or that have been classified at a level lower than their substantive level for a temporary period of time while paying them at their substantive salary.
- 2.2 Special Deployments are made in accordance with the Public Service Employment Act.

3. Authorization

- 3.1 Special deployments and extensions of special deployments for executives are only authorized by the deputy head and this authority cannot be sub-delegated.

4. Consent to Special Deployment

- 4.1 EX-01 to EX-03: executives in positions at these substantive levels, consent to being deployed in accordance with section 51 (6) of the Public Service Employment Act.
- 4.2 EX-04 and EX-05: for executives in positions at these substantive levels, consent to being deployed is not required if the executive has agreed to being deployed as a condition of employment in his/her current position in accordance with the Directive on Executive Compensation.

5. Special Deployment Situations

Special deployments may be used to deploy executives out of their position to meet the following specific temporary operational requirements:

- special projects (other than pre-retirement): to conduct or participate in a specific temporary project not forming part of the usual and continuing functions of the department.
- training or development: to increase the knowledge and skill of executives for the future advantage of both the executive and the core public administration.
- knowledge transfer (other than pre-retirement): to facilitate the sharing of program context, history and guidance.
- pre-retirement: to permit executives approaching retirement to apply their knowledge of the department's objectives, programs and procedures in a managerial or advisory role and to share their knowledge and experience to assist new executives or their replacement.

6. Special Deployment Duration

A special deployment is initially for a period up to two (2) years. In exceptional cases, deputy heads can extend the special deployment up to one additional year for a maximum of three years in total. This authority cannot be sub-delegated.

7. Conclusion of Special Deployment Assignment

7.1 Due to the temporary nature of special deployments, the intent (except in the cases of pre-retirement) is that the executive's employment will continue.

7.2 The executive's indeterminate status is protected during the period of time they are on special deployment. Departments plan ahead and do not declare the employee surplus at the conclusion of the special deployment.

8. Letter of Offer

8.1 The department provides the employee with a letter of offer detailing:

- The work requirements, location, duration and conditions of the special deployment,
- That the executive's indeterminate status will be protected for the duration of the special deployment.

- The department's commitment to deploy or appoint the executive to another position at the executive's group and level at the end of the special deployment, except where the executive is to retire.
- The executive's consent to be deployed or appointed to a classified position at his or her substantive group and level at the end of the special deployment if that option is presented.
- The executive's treatment under the PMP during the period of the deployment.

8.2 An executive who accepts a pre-retirement special deployment must submit, with the signed letter of offer, a signed letter of resignation effective immediately after the special deployment.

9. Modifications and Interruptions

9.1 Special deployments may be modified or extended.

9.2 If a special deployment is interrupted for an extended period of time, for example for sick leave, and the duties are still required upon the return of the employee, the period of the deployment may be extended.

10. Performance Management Program

Instructions related to PMP for executives on Special Deployments are found in the Directive on the Performance Management Program for Executives.

11. Use of Assistant Deputy Head (ADM) Titles

Normally, ADM or other Assistant Deputy Head titles are only used for classified positions in accordance with the Directive on Executive (EX) Group Organization and Classification. However, if an executive who is already an ADM by virtue of having been appointed to an EX-04 or EX-05 ADM or other Assistant Deputy Head position, is placed on a special deployment, the ADM title can continue to be used.

12. Language Requirements

All special deployments must be made in accordance with the Treasury Board Directive on the Staffing of Bilingual Positions and the Official Languages Act.

13. Monitoring and Reporting

13.1 Departments establish individual records for each special deployment and provide these records to the Office of the Chief Human Resources Officer upon request. The records must include the following information:

- Identification of the executive, including his or her substantive level;
- The reason for the special deployment;
- The start and end date of the special deployment and any extensions;
- Evidence that the executive was appointed or deployed to a classified position at the end of the deployment, or retired.

Footnotes

- ❏ For the purpose of determining vacation entitlement, the following groups and levels are considered equivalent: DM, GX, MD-MOF-4 and MOF-5, and MD-MSP-3. Employees who were considered Executive Group equivalent for vacation entitlement as of April 1, 1989 (equivalent of 10 years' service in the executive group) or April 1, 1990 (15 years' service of which five or more are in the executive group) retain their entitlement.

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