

# **Directive on Interchange Canada**

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# Directive on Interchange Canada

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## 1. Effective date

- 1.1 This directive takes effect on April 1, 2020.
- 1.2 This directive replaces the *Directive on Interchange Canada* dated June 1, 2012.

## 2. Authorities

- 2.1 This directive is issued pursuant to the same authorities indicated in section 2 of the *Policy on People Management*.

## 3. Objective and expected results

- 3.1 The objective and expected results indicated in section 3 of the *Policy on People Management* apply to this directive.

## 4. Requirements

- 4.1 The head of human resources is responsible for the following:
  - 4.1.1 Ensuring that processes and procedures are in place for the effective administration of Interchange Canada assignments in their organization;
  - 4.1.2 Identifying relevant considerations, in collaboration with other senior officials, with regard to values and ethics, codes of conduct, security, privacy, information technology, information management, legal assistance and indemnification, financial management, occupational health and safety, travel, learning/training, and compensation;
  - 4.1.3 Ensuring that employees and managers have access to information, procedures and practices about entering into an agreement and managing an Interchange assignment;
  - 4.1.4 Ensuring that employees and managers are made aware that Interchange Canada assignments are subject to review and may be terminated by either party subject to the conditions outlined in the appendix to this directive;
  - 4.1.5 Ensuring that all assignment information, including changes to assignment details, is recorded in the systems prescribed by the Chief Human Resources Officer; and

- 4.1.6 Ensuring that participants remain employees of the sponsoring organization and continue to be subject to the terms and conditions of employment applicable to their substantive position.

4.2 Managers are responsible for the following:

- 4.2.1 Ensuring that Interchange Canada assignments are authorized by means of a written agreement that complies with the requirements contained in the appendix to this directive prior to the commencement of the assignment;
- 4.2.2 Respecting organizational processes, procedures and considerations when entering into an Interchange Canada agreement;
- 4.2.3 Ensuring that the Interchange Canada agreement is completed, signed by, and provided to the participant;
- 4.2.4 Ensuring that a signed copy of the Interchange Canada agreement is retained by the department, in accordance with the appropriate information management policies and procedures;
- 4.2.5 Ensuring that all assignment information, including changes to assignment details, are recorded in the systems prescribed by the Chief Human Resources Officer;
- 4.2.6 Ensuring that the participant is informed of policies, procedures and considerations applicable during the period of the Interchange Canada assignment, including but not limited to values and ethics, codes of conduct, security, privacy, information technology, information management, financial management, legal assistance and indemnification, occupational health and safety, travel, learning/training, and compensation;
- 4.2.7 Respecting the maximum allowable assignment duration of three consecutive years, whether the assignment takes place in one or more organizations;
- 4.2.8 Respecting the two-year waiting period in between Interchange Canada assignments, unless it has been waived;
- 4.2.9 Ensuring that the incoming participant possesses the necessary reliability check or security clearance before an assignment starts;
- 4.2.10 Paying for all business expenses, including preliminary candidate interviews, business travel and formal training while the participant is on assignment;
- 4.2.11 Ensuring that all information acquired by incoming participants during an Interchange Canada assignment remains subject to the Security of Information Act and the Policy on Government Security;

- 4.2.12 Ensuring that all records produced by incoming participants or by anyone on their behalf in carrying out any duty related to an assignment remain the property of the Government of Canada and are subject to Crown copyright;
- 4.2.13 Ensuring that an assignment is not undertaken between the core public administration and a minister's office;
- 4.2.14 Ensuring that prospective Interchange Canada participants:
  - 4.2.14.1 Have the skills and abilities to perform the duties of the assignment; and
  - 4.2.14.2 Have been employees of the sponsoring organization, including a personal corporation, for a period of at least six months prior to the commencement of the assignment, unless a shorter period of employment is approved;
- 4.2.15 Ensuring that linguistic obligations relating to service to the public and language of work are addressed when participants do not fully meet the language requirements of the function or position;
- 4.2.16 Managing the performance of outgoing executive participants in accordance with the Directive on Talent and Performance Management for Executives;
- 4.2.17 Managing the performance of outgoing non-executive participants in accordance with the Directive on Performance Management;
- 4.2.18 Regularly communicating with outgoing participants and monitoring their progress and performance throughout the assignment;
- 4.2.19 Facilitating employees' reintegration into the organization following an Interchange Canada assignment;
- 4.2.20 Ensuring that, while on assignment, participants are not provided additional compensation from the host organization;
- 4.2.21 Authorizing overtime that is to be paid in accordance with the rates of the sponsoring organization;
- 4.2.22 Ensuring that the sponsoring organization continues to pay the participant's full salary during the assignment. Such payments include any adjustments that occur during the assignment period, employer-paid benefits and, if applicable, overtime, performance pay and the bilingualism bonus;
- 4.2.23 Ensuring that sponsoring organizations have paid any costs related to workers' compensation, regardless of who was designated responsible by the applicable provincial or territorial workers' compensation board;

- 4.2.24 Ensuring that the host organization refunds the sponsoring organization the costs identified in subsection 4.2.22 and that the host organization does not pay compensation directly to a participant;
  - 4.2.24.1 For incoming participants who earn more than the total compensation package of the group and level of work they perform, the salary refund should not exceed 125% of the total compensation package for that group and level, unless authorized by the deputy head of the host organization;
- 4.2.25 Ensuring that unused annual leave accumulated by an incoming participant during an assignment may be refunded to the sponsoring organization by the host organization at the end of the assignment;
- 4.2.26 Ensuring that the employer-paid benefit costs are calculated as a percentage of salary, in accordance with the rates established by the Office of the Chief Human Resources Officer;
- 4.2.27 Ensuring that terminable allowances, retention bonuses, relocation costs and travel expenses are not included in the calculation of total compensation;
- 4.2.28 Ensuring that organizations are not charging fees for managing the administrative requirements of the assignment or the participant;
- 4.2.29 Ensuring that incoming participants from a personal corporation have:
  - 4.2.29.1 Obtained private accident insurance, supplementary medical insurance and long-term disability insurance for the duration of the assignment, before the assignment starts;
  - 4.2.29.2 Demonstrated that the sponsoring organization has registered with the Canada Revenue Agency to remit the Goods and Services Tax or the Harmonized Sales Tax, Canada Pension Plan or Quebec Pension Plan premiums, Employment Insurance premiums, and income taxes, as applicable; and
  - 4.2.29.3 Provided their most recent statement of earnings;
- 4.2.30 Ensuring that, for audit purposes, assignment documentation for participants from personal corporations, including letters of agreement, addendums and the elements identified in subsection 4.2.29, are retained for six years after the end of the assignment; and
- 4.2.31 Applying the provisions related to relocation, isolated posts and posts abroad when applicable, as provided for in the appendix to this directive.

- 4.3 Employees who participate in an Interchange Canada assignment are responsible for the following:
- 4.3.1 Ensuring that they meet all requirements for eligibility as outlined in this directive prior to the commencement of this assignment;
  - 4.3.2 Complying with the Values and Ethics Code for the Public Sector, Part 7 of the Public Service Employment Act, and any codes of conduct that are in effect in their sponsoring organization;
  - 4.3.3 Adhering to all of the terms and conditions of their Interchange Canada assignment;
  - 4.3.4 Respecting the relevant terms and conditions of their employment and/or collective agreement, legislation, and Treasury Board and departmental policies while on assignment;
  - 4.3.5 Respecting the working conditions of the host organization, including working hours, designated holidays, overtime, security requirements, and the scheduling of vacation or unpaid leave;
  - 4.3.6 Completing any training required to fulfill the duties of the assignment; and
  - 4.3.7 Submitting leave requests and performance management agreements to their sponsoring organization in accordance with departmental policies.
- 4.4 Incoming Interchange Canada participants are responsible for the following:
- 4.4.1 Respecting the principles and intent of the Values and Ethics Code for the Public Sector, the *Policy on People Management* and any organizational codes of conduct;
  - 4.4.2 Protecting and managing government records and other sensitive information stored on devices and transmitted across external networks;
  - 4.4.3 Keeping government property and information safe and secure at all times;
  - 4.4.4 Informing their host manager immediately in the event that any information or Crown assets are lost, stolen or damaged; and
  - 4.4.5 Returning all government property and material, whether classified or unclassified, at the end of an assignment.

## 5. Roles of other government organizations

- 5.1 The roles of other government organizations in relation to this directive are described in section 5 of the *Policy on People Management*.

## 6. Application

- 6.1 This directive applies to the employees and organizations listed in section 6 of the *Policy on People Management*.
- 6.2 Subsection 4.4 applies to incoming participants, regardless their employer.
- 6.3 The appendix to this directive, the *Standard on the Administration of Interchange Canada*, applies to all incoming and outgoing assignments.

## 7. References

- 7.1 Legislation
  - *Security of Information Act*
- 7.2 Related policy instruments
  - *Policy on Legal Assistance and Indemnification*
  - *Policy on the Management of Executives*
  - *Directive on Performance Management Program*
  - *Directive on Terms and Conditions of Employment for Executives*
  - *Directive on Conflict of Interest*
  - *Foreign Service Directives*
  - *Isolated Posts and Government Housing Directive*
  - *Relocation Directive*
  - *Travel Directive*

## 8. Enquiries

- 1.1 For information about Interchange Canada assignments, contact the departmental Interchange Canada liaison officer.
  - 1.1 For interpretation of any aspect of this directive, contact Treasury Board of Canada Secretariat Public Enquiries.
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## Appendix: Standard on the Administration of Interchange Canada Assignments

### A.1 Effective date

- A.1.1 This standard takes effect on April 1, 2020.



## A.2 Standards

A.2.1 This standard provides details on the requirements set out in section 4 of the *Directive on Interchange Canada*.

A.2.2 Standards are as follows:

### Letter of agreement

A.2.2.1 A letter of agreement must be bilingual, unless otherwise agreed to by all parties or if the sponsoring and host organizations are located within a unilingual region;

A.2.2.2 A letter of agreement must specify at a minimum the following:

A.2.2.2.1 That the participant is an employee of the sponsoring organization and will remain so throughout the assignment, including if the sponsoring organization is a personal corporation;

A.2.2.2.2 That the participant will return to a position in the sponsoring organization;

A.2.2.2.3 The start and the end date of the assignment;

A.2.2.2.4 The compensation amounts to be refunded to the sponsoring organization by the host organization; and

A.2.2.2.5 The terms and conditions of the assignment;

A.2.2.2.6 That the assignment is subject to review and may be terminated at any time prior to the end specified in the letter of agreement if agreed to in writing by all signatories or with at least 30 calendar days' notice to all parties from one of the signatories;

A.2.2.2.7 That after an assignment has already started, any changes to the terms and conditions in the letter of agreement shall be confirmed through an addendum to the letter of agreement, which must be signed by all parties;

A.2.2.2.8 That an assignment may be temporarily interrupted for a specific period of time, with the written agreement of all parties, and that the remainder of the assignment can be postponed until the participant returns to work;

### Relocation

A.2.2.3 When approved by the manager:

- A.2.2.3.1 Outgoing non-executive participants may receive relocation assistance, from the sponsoring organization, up to the full amount of benefits available for assignments of more than one year and less than three years set out in the Relocation Directive, even when the duration of the assignment is less than one year;
- A.2.2.3.2 Outgoing executive participants may receive additional relocation assistance, from the sponsoring organization, in accordance with the *Directive on Terms and Conditions of Employment for Executives*, except for benefits relating to the sale and purchase of property;
- A.2.2.4 Host organizations may refund relocation expenses for incoming participants for assignments of more than one year and less than three years and may use as a reference either the relocation provisions established by the sponsoring organization or the provisions of the Relocation Directive;

### **Isolated posts and posts abroad**

- A.2.2.5 Outgoing participants who receive benefits and allowances because their position is located in an isolated post may continue to receive those benefits and allowances as specified in the Isolated Posts and Government Housing Directive;
- A.2.2.6 Participants whose Interchange Canada assignment is in an isolated post may receive the allowances and benefits as specified in the Isolated Posts and Government Housing Directive;
- A.2.2.7 Outgoing participants on international assignments may be entitled to receive the benefits and allowances as specified in the Foreign Service Directives, specifically FSD 3 – Application; and
- A.2.2.8 Incoming participants may receive allowances and benefits as specified in the Foreign Service Directives, specifically FSD 3 – Application, for assignments that involve working outside Canada and their home country.

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