



Workforce Adjustment

Frequently Asked Questions

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1. How do I know if the Workforce Adjustment Directive applies to me?

The National Joint Council's Workforce Adjustment Directive applies to CAPE EC and TR members, as well as members of several other unions. A list of the bargaining agents subject to the directive [can be found here](#).

The directive only applies to indeterminate employees. Employees on term contracts and casual workers are not covered.

2. How can I find out if my position is at risk before an official announcement?

Formal decisions are not disclosed in advance, but you may get clues from internal reports, business plans, or consultations. If you hear discussions about program changes, automation, or outsourcing, it may be worthwhile to ask management for transparency or consult your local or labour relations officer for insights.

3. What should I do if my manager informs me, off the record, that my position will likely be affected?

If your manager unofficially mentions that your role may be impacted, take the information seriously but remain cautious. Document the conversation and seek official confirmation before making any decisions. You may also want to consult your local or labour relations officer for guidance on how to prepare.

4. What does it mean to have "affected" status?

Being designated as "affected" means an employee is part of a group that may be subject to workforce adjustment or surplus status in the future. This designation does not automatically result in surplus status but serves as formal advance notice of a potential surplus situation.

5. What is the difference between “affected” and “surplus”?

An affected employee is one who is part of a group that may be subject to workforce adjustment or surplus status in the future.

A surplus employee is an indeterminate employee who has been formally declared surplus, in writing, by their deputy head.

6. What is the purpose of the Workforce Adjustment Directive?

The purpose of the directive is to ensure that, where possible, indeterminate employees affected by workforce adjustment are given every reasonable opportunity to continue their careers as public service employees.

7. How can the Workforce Adjustment Directive help me when my organization is downsizing?

Every indeterminate employee whose services are no longer required because of a workforce adjustment situation, and for whom a department *knows or can predict job availability*, will receive a written guarantee of a reasonable job offer (GRJO) elsewhere within the public service. If the department cannot offer a guarantee of a reasonable job offer, employees are given a period of 120 days, called the “opting period”, to choose one of the three possible options described in the Workforce Adjustment Directive:

Option A: a 12-month surplus period in which to secure a reasonable job offer

Option B: an offer of a transition support measure, which is a lump-sum payment tied to years of service

Option C: an offer of a sum equivalent to the transition support measure, plus an education allowance

8. What factors does the deputy head consider when determining whether to provide a guarantee of a reasonable job offer?

In principle, the department should extend a GRJO if they anticipate that another position in the public service can be found for an affected employee within a one-year period.

In practice, deputy heads have discretion on whether to extend a GRJO to employees affected by workforce adjustment.

At the request of the employee the deputy head will provide their reasons in writing for not providing a GRJO. We encourage you to ask for written reasons.

9. What constitutes a “reasonable job offer”?

A “reasonable job offer” under the directive is an offer of indeterminate employment within the core public administration, normally at an equivalent level. Surplus employees must be both trainable and mobile. Where practical, a reasonable job offer must be within the employee’s headquarters as defined in both the National Joint Council Travel Directive and Integrated Relocation Directive.

10. What constitutes a “reasonable job offer” in an alternative delivery initiative situation?

In alternative delivery situations, when the job is moved out of the core public service, a reasonable job offer is one that meets the criteria set out in Type 1 and Type 2 of Part VII of the Workforce Adjustment Directive. A reasonable job offer is also an offer from a *Financial Administration Act* Schedule V employer, providing that:

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

11. When extending a reasonable job offer, how wide is the geographic area considered for redeployment to other positions?

Where practical, a reasonable job offer will be located within the employee's headquarters area as defined in both the National Joint Council Travel Directive and Integrated Relocation Directive. Departments will be expected to confer with Public Service Commission officials responsible for the priority administration system to try to find jobs in employees' preferred areas of mobility, but employees are expected to be willing to move to where jobs are located.

12. Does a job offer from a separate employer such as the Canada Revenue Agency constitute a reasonable job offer?

Generally, a job offer from a *Financial Administration Act* Schedule V employer to a surplus employee may be considered a reasonable job offer if the job offer meets the criteria as defined in the Workforce Adjustment Directive.

In a situation resulting from an alternate delivery initiative, the terms and conditions of a job offer from a separate employer referenced in Part VII of the directive provide the basis for determining the type of offer being extended by the separate employer.

13. What is salary protection and what does it mean in relation to a reasonable job offer?

Surplus employees and laid-off persons appointed to lower-level positions under workforce adjustment will have their original salary protected. This means that their salary will be maintained until they are appointed to a position equivalent to the maximum rate of pay of their previous substantive position, or until they refuse an equivalent offer. Salary protection continues even if the employee voluntarily leaves the position to accept an equivalent or higher position, but not yet at the former level.

14. Do surplus employees have to report to work? Can they be assigned new duties?

Yes. Surplus employees are expected to continue working and may be assigned alternative duties for which they are qualified. Employees will be provided with adequate resources to support their job search.

15. How long will the guarantee of a reasonable job offer be in effect?

An employee who receives a written GRJO remains in surplus status until they are either appointed to another indeterminate position, are laid off, or choose to resign. Employees could receive a reasonable job offer as soon as the first day of their surplus period, or later, since there is no time limit.

If an employee refuses a reasonable job offer, the employee can be laid off no sooner than six months from the start of their surplus status.

16. What options do I have if I am not given a guarantee of a reasonable job offer?

Employees who do not receive a written guarantee of a reasonable job offer are known as “opting employees” and will instead be notified in writing and granted a period of 120 days during which to choose from the options described in Question 8 above.

All opting employees will also be granted \$1,200 for counselling services and should be provided with a support person by the employer to assist in career transition efforts, like retooling their resume or finding retraining opportunities.

For more details, see the specific provisions contained in Part VI of the Workforce Adjustment Directive.

17. How much is the transition support measure?

The formula for calculating the transition support measure is found in Appendix C of the directive:

Years in public service	Transition support measure (In weeks' pay)
0	10
1	22
2	24
3	26
4	28
5	30
6	32
7	34
8	36
9	38
10	40
11	42
12	44
13	46
14	48
15	50
16 -29	52
30	49
31	46
32	43
33	40
34	37
35	34
36	31
37	28
38	25
39	22
40	19
41	16
42	13
43	10
44	7
45	4

18. What is “alternation” and when is it possible?

Alternation is a provision in the directive wherein an *opting* employee who wishes to remain in the public service can exchange positions with a non-affected employee willing to leave. The non-affected employee would gain the benefit of the options being offered to the opting employee with whom they trade places, namely the surplus period, transition support measures, and/or an education allowance depending on the option chosen.

Employees should take the initiative to identify and propose alternation matches. The final decision on whether to approve a match belongs to management.

19. Has the alternation process changed since the last major downsizing exercise known as the Deficit Reduction Action Plan, or “DRAP”?

The opportunity to use alternation has recently been expanded following changes to the directive in 2019. It was previously only possible during the 120-day option period for opting employees. However, alternation is now also available to employees who have selected Option A, throughout their 12-month surplus period. In this case, the alternate’s transition support measure will be reduced by one week for each completed week of the opting employee’s surplus period.

20. Do all departments have to participate in alternation?

Yes, all departments must participate in compliance with the Workforce Adjustment Directive and must make decisions on alternation in a manner that is reasonable, in good faith and without discrimination.

21. Can alternation take place between different departments?

Yes. Alternation can occur between any departments or organizations within the core public administration where the Treasury Board serves as the employer.

22. Is retraining provided for alternation?

Opting employees must already meet the requirements of the position they are alternating into, including language proficiency. Alternation is intended for employees who can take on the new role with minimal orientation rather than requiring significant retraining.

23. Can I alternate into a higher or lower-paying position?

Typically, alternation occurs between employees at the same classification group and level. However, for alternation purposes, positions are considered equivalent if the higher-paid position's maximum salary is no more than six per cent greater than the lower-paid position's maximum salary.

24. Will employees continue to be paid while in surplus status?

Yes, employees with a guarantee of a reasonable job offer continue to receive pay until they accept a position. If they decline a reasonable offer, they may be laid off.

Opting employees receive pay until they are laid off or resign.

25. Should I be assigned work during the surplus period?

Employees are still to be assigned meaningful work during the surplus period. In practice employees are usually provided with time during the surplus period to focus on the search for a position.

26. What other protections apply when departmental work is being transferred to a separate employer?

In circumstances where departmental work is being transferred to a separate employer or outside of the core public administration, employees are provided access under the Workforce Adjustment Directive Part VII to special provisions specifically addressing three types of alternative service delivery initiatives.

27. What happens when there is a relocation of a work unit?

If an employee is declared affected because his or her work unit is to be relocated to another area beyond what is a normal commuting distance, the directive provides that the employee will receive written notice. The notice will provide the affected employee with a period of six months during which to decide whether to move with the position or to be declared surplus.

If the employee decides *not* to move with the relocated position, the deputy head will provide the employee with either a guarantee of a reasonable job offer or access to the options set out in Part VI of the directive and described in Question 8 above. It is technically possible that the employee's own relocated position could be offered to the employee as a 'reasonable job offer', if other employment cannot be found in the employee's preferred location.

28. What if an employee is on leave when a workforce adjustment situation occurs in their department?

If an employee is away on leave without pay, and if the employee's position has not been staffed indeterminately (backfilled), then the employee should be notified about the situation at the same time as other affected employees. The decision as to whether a guarantee of a reasonable job offer or access to the options will be accorded to the employee will only be made when the employee returns to work at the end of the leave period.

If an employee has been on leave without pay for more than one year, and if the employee's substantive position had subsequently been staffed on an indeterminate basis, it is then expected that the employee on leave would normally be already accorded a *leave of absence priority entitlement*. There would be no application of workforce adjustment in that circumstance.

29. What special counselling assistance is provided to employees who have been designated affected or surplus under the Workforce Adjustment Directive?

Under the directive, departments or organizations are responsible for counselling and advising affected employees on opportunities to find continuing employment in the public service. All opting employees will also be entitled to up to \$1,200 towards counselling services concerning their potential re-employment or retirement. Such counselling services may include financial and job placement counselling services.

Employer counselling might include topics such as:

1. The workforce adjustment situation and its impact on that individual
2. The Workforce Adjustment Directive
3. The Public Service Commission's Priority Administration System and how it works from the employee's perspective
4. Preparation of a curriculum vitae or resume, and preparation for an interview with the Public Service Commission
6. The employee's current situation (e.g., pay, benefits such as severance pay and superannuation, classification, language rights, years of service)
7. Alternatives that might be available to the employee

30. If employees return to the public service after having received a lump-sum payment, what rules apply?

If employees receive a workforce adjustment lump sum payment, they are required to declare that they have received such a payment should they seek to return to the public service. In that event, they will be required to repay an amount corresponding to the period from the effective date of re-appointment to the end of the original period covered by the total of the lump sum payment. Other conditions may apply in specific circumstances. Employees are advised to consult their compensation advisor for more information.

Types of lump sum payments under workforce adjustment include:

- pay in lieu of an unfulfilled surplus period
- a transition support measure
- an education allowance under the Workforce Adjustment Directive
- a lump sum payment under the Executive Employment Transition Policy
- a top-up allowance, retention payment or a special payment because of an alternative delivery initiative under the directive

31. What is a SERLO process?

SERLO stands for the Selection of Employees for Retention or Layoff and refers to the process whereby management makes such decisions. If the employer decides there are too many positions for the amount of work anticipated, there may be a need to conduct a SERLO.

32. How will I know if I am affected by a SERLO process?

Employees who are affected by a SERLO process will be formally notified in writing.

33. What criteria will be used to evaluate employees?

Employees will be evaluated based on the following factors:

- the essential qualifications that are most relevant for the work to be performed, including official language proficiency, and any additional qualifications that the employer may consider to be an asset for the work to be performed, or for the organization, currently or in the future
- any relevant current or future operational requirements or needs of the organization.

The employer must inform employees in writing of:

- the qualifications, requirements and needs that were determined under that subsection and in relation to which the employees will be assessed
- the assessment methods that will be used
- the opportunity to request accommodation measures and the process for doing so.

Before using an assessment method, the employer must conduct an evaluation to identify whether the assessment method and the manner in which it will be applied

includes or creates biases or barriers that disadvantage persons belonging to any equity-deserving group and, if a bias or barrier is identified, make reasonable efforts to remove it or to mitigate its impact on those persons.

34. What can I do if I believe that the rules were not followed during a SERLO process?

The authority of management to make lay-off and SERLO decisions is found in the *Public Service Employment Act* and the *Public Service Employment Regulations*. However, an [employer policy](#) defines the way managers are supposed to choose who to retain and who to lay off. The policy gives departments broad discretion to decide, for a given occupational group and level, the qualifications that they deem to be *most* important for selecting employee to retain, as well as using whatever assessment methods they wish, so long as the methods do not cause bias or barriers.

You may be able to file a complaint if you are affected by a SERLO and feel you have been subject to arbitrary treatment or bad faith, if you are not evaluated in the official language of your choice, if you are discriminated against, as well as other grounds.

Please contact your labour relations officer for advice if you are considering a complaint related to a SERLO.

35. Can a performance evaluation be used in a SERLO situation?

Yes, the employer may use any assessment method that they consider appropriate, such as a review of past performance and accomplishments, interviews, and examinations, to assess the employees.

36. Do acting assignments or temporary positions provide protection from workforce adjustment?

Not necessarily. If you are in an acting or temporary role, your substantive position may still be affected by a workforce adjustment situation. However, having diverse experience and qualifications may strengthen your case for retention in a different role.

37. If my program receives additional funding, does that mean my position is safe?

Not necessarily. Even if a program receives more funding, the organization may still restructure roles or introduce new work methods that impact staffing. It is important to understand how the funding is allocated and whether it supports existing positions.

38. Can I request a reclassification or job description update to protect my position?

If your role has evolved significantly, updating your job description may help clarify your value to the organization. However, reclassification alone does not guarantee job security in a workforce adjustment situation. If you believe your duties are misrepresented, consult your labour relations officer about potential options.

39. What happens if I refuse what the employer says is a reasonable job offer on the grounds that it is incompatible with my disability?

If an employee refuses a reasonable job offer, they can be laid off one month thereafter, but not less than six months from being declared surplus. They will not have access to lump sum options or the waiver of pension penalties. However, the employer has a duty to accommodate employees with disabilities based on their functional limitations. [More information on the duty to accommodate can be found here.](#)

If the employer is not providing accommodation related to workforce adjustment, please contact your labour relations officer.

40. What are my options regarding drug coverage while under a workforce adjustment process?

CAPE is not able to provide specific information on benefits and coverage options. Please consult the workforce adjustment section of the employer's information: [Life Events: Public service group insurance benefit plans.](#)

41. Will union representatives be available to attend individual meetings with managers when employees are informed of their status?

CAPE may not have the capacity to attend every meeting between management and members. If members have any specific questions or concerns, we ask members to reach out to their local or labour relations officer, either before, or after meeting with the employer.

We recommend reading available materials, including [resources developed by CAPE](#), to assist members through the workforce adjustment process.

42. How might workforce adjustment affect me as a term employee?

Term employees are **not** covered by the Workforce Adjustment Directive and the employer has more discretionary authority.

Under the Treasury Board's Directive on Term Employment, term employees must be appointed at the three-year mark to a position at level. This is often referred to as a "term rollover." Deputy heads can suspend term rollover provisions by "stopping the clock" on what counts towards a term employee reaching the three-year mark and being appointed to an indeterminate position. Term extensions are also limited to no more than six months at a time. Term employees are entitled to a 30-day written notice period if their term is not renewed or is terminated early.

43. During workforce adjustment, how might I qualify for a waiver of the reduction of my pension?

CAPE is not in a position to answer individual questions about pension entitlement. Pension entitlements typically depend on age and the years of service. More information about pension and eligibility to the waiver can be found [here](#).

You may also want to contact the [Government of Canada Pension Centre](#).

The employer has a responsibility to counsel on options and impacts under the workforce adjustment process and assign a specific resource person for opting employees. These questions will be best addressed to the appropriate employer resource person.

44. In terms of the education allowance, does this only apply to Canadian institutions or international institutions?

The Workforce Adjustment Directive does not define or prescribe specific institutions for the education allowance.

If you believe that your rights are being violated, please contact your labour relations officer.

45. Is there a window of time during which we should expect to be notified? And after which we can assume we are not affected?

The directive does not prescribe a timeline between a decision from the employer and when employees are notified. It only prescribes timelines for when bargaining agents and the Treasury Board Secretariat need to be notified by the employer prior employee notification – with certain parameters.

Employees need to be advised in writing at different steps of the process e.g. affected and surplus.

46. I have had difficulty obtaining language testing with my department. What does this mean within the context of workforce adjustment and SERLO?

The employer must inform employees in writing of:

- the qualifications, requirements and needs that were determined under that subsection and in relation to which the employees will be assessed
- the assessment methods that will be used
- the opportunity to request accommodation measures and the process for doing so

We recommend members ask this question if they are involved in a SERLO process.



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