

Term Employment Policy

1. Effective Date

This policy will come into force in the Canada Revenue Agency (CRA) upon ratification and signing of the collective agreement that was tentatively agreed to on October 25, 2007.

The CRA, in consultation with the Agency Management Committee (AMC) and the bargaining agents, will review this policy no later than 2011.

2. Principles of Term Employment

- Term employment is one option to meet temporary business needs.
- There are valid requirements for using term employment, such as , backfilling temporary vacancies resulting from indeterminate employees on leave and acting/developmental assignments, short-term projects and fluctuating workloads.
- Individual merit is the fundamental principle of hiring all employees, including term employees, into the CRA.
- Decisions requiring the use of term employment should form part of the longer-term internal staffing, recruitment and retention strategies that are integrated with agency business planning at corporate, regional and local levels.
- Management of sunset funding should be linked to human resources plans to minimize the use of term employees.
- Term employment should not be used as a substitute probationary period for indeterminate staffing.
- Term employees should be treated fairly and responsibly (i.e. reasonable renewal/ non-renewal notice, performance feedback, appointments/re-appointments that truly reflect the expected duration of the work, and orientation upon initial appointment).

3. Policy Objective

To balance the fair treatment of term employees with the need for operational flexibility.

4. Policy Statement

There are valid operational requirements that call for the use of the term employment option. This option should be used, however, only in situations

where a need clearly exists for a limited time and is not anticipated to become a permanent ongoing need.

5. Application

This policy applies to term employees for whom the CRA is the employer.

6. Delegation, Accountability and Expected Results

CRA has the delegated authority to give effect to this policy and is accountable for the results. It is expected, through improved human resources planning and integration with business planning, to move from a short to a longer-term focus in hiring strategies.

CRA is accountable for results based on the following indicators:

- a. The frequency with which the Agency is required to convert term status to indeterminate (permanent) status;
- b. The nature and frequency of complaints through existing mechanisms where the practices are found at fault concerning:
 - i. the non-renewal of term employees near the five-year mark where there is a continuing function and where the qualifications for the job remain the same; or
 - ii. the withholding of indeterminate (permanent) status; or
 - iii. insufficient notice of renewal and of non-renewal.

The Human Resources Branch will monitor this policy to ensure its success in meeting its intended objective.

7. Policy Requirements

1. (a) Subject to section 7.2, where a person who has been employed in the Agency as a term employee for a cumulative working period (see definition in [Appendix A](#)) of five (5) years without a break in service longer than thirty consecutive calendar days, the Agency will administratively convert the employee to indeterminate (permanent) status at the level of his/her substantive position. There is no recourse provided on these conversions.

(b) A term employee who has completed 12 months of cumulative service (in any position or at any level) will have completed the requisite probationary period.

2. CRA, in determining whether a period of term employment will count as part of the cumulative working period, must take the following into consideration:

- a. a period of leave of absence without pay longer than thirty consecutive calendar days does not constitute a break in service and will not be included in the calculation of the cumulative working period for conversion to indeterminate (permanent) status under this policy;
- b. a period of part-time employment for term employees hired is equal to an equivalent period of full-time employment (not pro-rated);
- c. periods of employment as a part-time worker (persons not ordinarily required to work more than one-third of the normal work week) shall not count as part of the cumulative working period;
- d. periods worked through student employment programs established by CRA (e.g., COOP) shall not count as part of the cumulative working period. Work in a student employment program following term employment is considered as a break in service in the calculation of the thirty consecutive calendar days.

3. Periods of term employment where the source of funding for salary dollars is from external sources or reallocated within the Agency (for pilot projects or special projects established at the functional level) and is for a limited duration (sunset funding) shall not count as part of the cumulative working period. CRA must identify the program, project, or initiative as being sunset funded for the purposes of this policy. Term employees must be advised in writing, at the time that they are offered employment or re-appointed in such programs/projects/initiatives, that their period of employment will not count in the calculation of the cumulative working period for conversion to indeterminate (permanent) status.

However, periods of term employment immediately before and after such employment shall count as part of the cumulative working period where no break in service longer than thirty consecutive calendar days has occurred. In addition, where the identified project, program or initiative becomes a permanent workload as determined by the Function, the employee will be awarded the time worked on the program, project or initiative as cumulative service.

4. In circumstances where the Agency Management Committee (AMC), can demonstrate that the conversion of term employees to indeterminate (permanent) status would result in workforce adjustment situations overall, it will implement an immediate moratorium on conversion to indeterminate (permanent) status to address its own business transformation and imminent government priorities.

CRA will advise affected term employees, in writing, that any further time spent in their current position will not count in the calculation of the cumulative working period for indeterminate conversion.

5. In the situations outlined in points 3 and 4 above, bargaining agents must be informed.

6. In converting employees to indeterminate (permanent) status, CRA must ensure term employees meet the staffing requirements for their position, (i.e. security clearance, education, Official Language requirements, etc).

Performance management issues should be addressed apart from administering this policy of conversion.

7. In circumstances where it would not be advantageous for a term employee to be converted to indeterminate (permanent) status as a result of the requirements of this policy, the term employee may make a written request to his/her manager not to proceed with the conversion to indeterminate (permanent) status. With the written agreement of both parties, no action will be taken to convert to indeterminate (permanent) status.

8. Formal Notice of End of Term Employment (in cases that do not involve rejection on probation) or Extension of Term Employment

a) Where term employees are laid off on the specified date or prior to the end of their contract, Authorized Persons shall provide written notification as follows:

- A minimum of four (4) weeks of notice in situations where term employees have worked a cumulative working period of two (2) or more years without a break in service longer than thirty (30) consecutive calendar days;
- A minimum of two (2) weeks of notice in situations where term employees have worked a cumulative working period of less than two (2) years without a break in service longer than thirty (30) consecutive calendar days;
- In exceptional circumstances, and only when it is the best interest of the Agency, Authorized Persons may agree to a lump sum payment in lieu of the notice period.

b) Where term employees are extended beyond their specified date, Authorized persons shall provide a written notification of a minimum seven (7) calendar days.

c) Due to operational requirements, Taxation Centres, who have recurring and fluctuating peak workloads, are exempt from providing formal notice to term employees with a cumulative working period of less than 12 months as per this Directive. However, Authorized Persons must strive to provide reasonable notice to term employees wherever possible.

d) Periods worked under Student Employment Programs or with another federal government department or agency shall not count as cumulative working period for the purposes of providing notice.

e) Where formal notice has been provided and it later becomes necessary to extend the contract, the letter of extension shall clearly indicate that the initial formal notice continues to apply.

f) Any working period prior to a termination of employment for disciplinary reasons or misconduct does not count as part of the cumulative working period.

9. Transitional Provisions

Eligible time accumulated with CRA prior to the effective date of this policy, will count towards the calculation of the cumulative working period on the coming into force of this policy.

10. References

Agency Staffing Program

CRA Act

Public Service Staff Relations Act

11. Enquiries

Enquiries relating to this policy should be referred to the responsible local human resources advisor who, in turn, may direct questions regarding interpretation to the Resourcing Division, Human Resources Branch

Appendix A – Definitions

Break in service (*Interruption de service*) - A break between periods of employment of more than thirty consecutive calendar days. (This definition is only applicable to this policy.)

Cumulative working period (*Période de travail cumulative*) - The period of time counted in CRA to determine whether or not a term employee meets the requirement for conversion to indeterminate (permanent) status.

Sunset-funding - (*Exception du financement temporarisé-sources externes*) - Funding of a limited duration that CRA receives from external sources or reallocates within the Agency to carry out a program/project/activity of a limited duration.)

Part-time employee (*Employé à temps partiel*) - A person employed to work less than the normal daily or weekly hours of work established for a full-time employee of the same occupational group and level, and is an employee as defined in the *Public Service Staff Relations Act*.

Part-time worker (*Travailleur à temps partiel*) - A person who is not ordinarily required to work more than one-third of the normal work week and who is not an employee as defined in the *Public Service Staff Relations Act*.