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# BENEFITS GUIDE FOR FORMER CANADIAN ARMED FORCES MEMBERS



## APPOINTMENTS OF CANADIAN ARMED FORCES MEMBERS TO THE FEDERAL PUBLIC SERVICE

This document has been created to serve as a reference tool for Canadian Armed Forces (CAF) members who are accepting a civilian position within departments where Treasury Board is the employer and for HR officers responsible for the administration of the recruitment and compensation function within DND.

It is important to note that this document does not replace the Directive on Terms and Conditions of Employment, the collective agreements and pay plans in effect for specific groups.

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### Definitions:

**Canadian Armed Forces** - Has the same meaning as "regular force" in the Public Service Superannuation Act.

**Continuous employment** - Is 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 person.

**Continuous service** - Is an unbroken period of employment in the public service in the context of determining the rate of pay on appointment. Continuous service is broken when employment ceases between two periods of public service employment for at least one compensation day.

**Continuous/discontinuous service** - Is one or more periods of service in the public service, as defined by the Federal Public Sector Labour Relations Act.

**Core public administration** - Refers to the departments named in Schedule I and the other portions of the federal public administration named in Schedule IV of the Financial Administration Act.

**Deployment** - Is the transfer of a person from one position to another position made in accordance with Part 3 of the Public Service Employment Act.

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**Service** - For the purpose of determining vacation leave entitlement only, any former service for a continuous period of six months or more in the Canadian Forces, either as a member of the Regular Force or of the Reserve Force while on **Class B or C** service, shall be included in the calculation of vacation leave credits, once verifiable evidence of such service has been provided in a manner acceptable to the Employer.

## Application of continuous service

Continuous service is used to establish the rate of pay upon appointment to a civilian position. A break of one (1) compensation day is considered a break in continuous service.

### Salary on Appointment

When there is no break of service between the Canadian Forces and the Public Service employment, salary on appointment is determined in accordance with the promotion or transfer (deployment) rules of the Directive on Terms and Conditions of Employment. The exception to this rule is in cases of appointments to occupational groups where rate of pay on appointment is governed by an authority other than the Directive on Terms and Conditions of Employment (e.g. DS Pay Plan, UT Salary Administration Plan, certain collective agreements, etc.)

Example:

- ✓ Regular Force since August 31, 1994 and earned \$92,004 (maximum) per annum.
- ✓ Retires from the CAF on January 17, 2021 and accepts a position with DND beginning on January 18, 2021.
- ✓ Appointed AS-05 (rates: \$85,476; \$88,724; \$92,412 (maximum)). (Lowest increment is \$3,248).
- ✓ Since the difference between the two maximums is less than the lowest pay increment, and there is no break between the two periods of employment, the appointment constitutes a transfer and the employee is entitled to \$92,412, the rate of pay nearest to but not less than his former pay rate of \$92,004; therefore, the employee is appointed to the maximum rate of the AS-05 level.
- ✓ If the employee accepts the DND position January 19, 2021, this would constitute a break of one (1) compensation day and the employee would be appointed to the minimum of the AS-05 pay scale (\$85,476). The provisions for pay above the minimum on appointment from outside the PS could be applied if all conditions are met in accordance with 2.2.1.2 of the Directive on Terms & Conditions of Employment.

## Application of continuous employment

Continuous employment is used to establish the eligibility date for coverage under the Public Service Superannuation Act (PSSA), insurance coverage, payment of severance pay upon termination of employment, sick leave portability, and maternity/parental allowance.

In order to have CAF service recognized as **continuous employment**, an employee with former CAF service must have:

- ✓ Been honorably released from the Forces;
- ✓ Been appointed within 3 months from the date of the release;
- ✓ Make a valid election to contribute under PSSA for the CAF/Royal Canadian Mounted Police (RCMP) service (surrender CAF/RCMP pension).

### **Pension surrender**

Former CAF/RCMP service transferred to the PSSA would be deemed to be continuous employment for the purpose of:

- ✓ Increasing the number of years of service for pension purposes;
- ✓ Payment of severance pay on termination of employment in accordance to collective agreement;
- ✓ Be credited with one-third of the sick leave the former service member would have earned, if the military service had been employment in the Public Service.

Continuous employment is effective on the date the [Pension Centre](#) confirms the elective service.

**Note:** If the Pension Centre validates only a portion of the elected service, the period of elective service would only count for pension purposes.

## **Benefit plans affected by rehabilitation or terminal leave**

### **Public Service Pension Plan (PSSA)**

Employee on retirement leave from the CAF cannot contribute to the PSSA until he/she has terminated their employment with the CAF.

When appointed for a term of more than six months or as an indeterminate employee, contributions to the pension plan will begin the day after the leave ends or on date of appointment.

Contributions are capped at a maximum of 35 years of combined Canadian Forces Superannuation Act (CFSA)/RCMP and PSSA pensionable service.

- ✓ Former CAF members may continue to draw CFSA pension while contributing to PSSA.
- ✓ May rollover CFSA to PSSA (Surrender of CFSA entitlement).
- ✓ May elect to purchase former CFSA service (provided requirements have been met).

### **Supplementary Death Benefit**

When appointed in the Public Service for a term of more than six months or as an indeterminate employee, contributions begin the later of the day after retirement leave ends or on the date of appointment.

Former CAF members in receipt of a CFSA pension will need to contact CAF Pensions to have the coverage/deduction ceased from their pension.

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Upon termination of public service employment:

- ✓ If the employee is in receipt of a PSSA pension, the Supplementary Death Benefit (SDB) coverage and deduction will continue with the PSSA pension.
- ✓ If the employee is not in receipt of a PSSA pension, the employee is responsible to contact CAF Pensions to reinstate the SDB deduction from their Canadian Forces Pension.

## **Dental Care Plan**

When appointed in the Public Service for a term more than six months or as an indeterminate employee.

Coverage is effective the later of:

- The day following the expiration of the rehab leave or,
- The day following the completion of three months continuous employment from the date of appointment.

Example:

- ✓ Taken on strength: August 23<sup>rd</sup>
- ✓ Normal effective date of coverage: November 23<sup>rd</sup>
- ✓ On rehab leave from the CAF until December 15<sup>th</sup>
- ✓ Effective date of coverage: December 16<sup>th</sup>

Former CAF members in receipt of pension may choose to cease their participation in the Pensioner's dental care plan by calling CAF pensions.

## **Other benefit plans and deductions**

### **Disability Insurance Plan**

When appointed in the Public Service for a term of more than six months or as an indeterminate employee, contributions will begin the 1<sup>st</sup> day of the month following appointment.

### **Public Service Health Care Plan (optional)**

When appointed in the Public Service for a term of more than six months or as an indeterminate employee, former CAF members have the option of ceasing the deduction from their CAF pension and to apply for Public Service Health Care Plan (PSHCP) through the public service.

### **Union Dues**

Deductions begin the 1st day of the month following the date of appointment, when the appointment is to a term of 3 months or more or is an indeterminate appointment.

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## Direct Deposit (mandatory)

Regular pay cheques are deposited via direct deposit to the bank account of your choice upon appointment.

## Vacation Leave

Continuous/discontinuous service is used to establish the accumulation of leave credits.

For the purpose of determining vacation leave entitlement only, any former service for a continuous period of six months or more in the Canadian Armed Forces, either as a member of the Regular Force or of the Reserve Force while on Class B or C service, shall be included in the calculation of vacation leave credits, once verifiable evidence of such service has been provided in a manner acceptable to the Employer.

Consult the relevant [collective agreement](#) to determine the vacation leave entitlement.

## Sick leave

Consult the relevant [collective agreement](#) to determine the sick leave entitlement.

## One time leave

Employees may be eligible to a one-time entitlement of vacation leave upon reaching their 2<sup>nd</sup> anniversary of service. All periods of service counted toward vacation leave are also used to determine eligibility to the one-time leave. Consult the relevant [collective agreements](#) to determine one time leave entitlement.

## Probationary period

A probationary period is applicable, as this is an initial appointment under the Public Service Employment Act (PSEA). A probationary period is typically 1 year from the effective date of the appointment. For more information on probation periods, consult the [Regulations Establishing Periods of Probation and Periods of Notice of Termination of Employment During Probation](#) webpage.

## Relocation

CAF members may be entitled to relocation benefits from the CAF upon release. These benefits are dependent on the terms of the release and the length of service.

If the CAF member is entitled to any relocation benefits from the CAF, he/she is not entitled to benefits from the National Joint Council (NJC) Integrated Relocation Directive (IRD), issued by Treasury Board of Canada Secretariat. If the CAF member is not entitled to relocation benefits from the CAF, he/she is considered as an initial appointee and [Section 12](#) of the NJC IRD is applicable.