

CTAR update Q&As

(Please note: This information is also posted to the Ministry of Finance Intranet site)

The Business-Transition Agreement

1. What is the purpose of the Business Transition Agreement?

The Business Transition Agreement will be the road map for transferring the administration, outlining how and when the business of corporate tax administration will transfer to the CRA gradually, over a number of years.

2. How will the timetables for transition be established in the Business Transition Agreement?

While negotiations on the Business Transition Agreement won't begin until the MOA is signed, the TRD and the CRA have established a number of working groups that will collect ideas from both organizations and incorporate them into plans for the transfer of administration to the CRA. Issues to be addressed by the groups include:

- Computer systems and technology
- Information sharing and exchange
- Business processes for things such as installments and misdirected payments
- Early Compliance Gains and
- Change management and communications.

One of the first tasks of these groups will be to develop timetables for developing and implementing transition strategies. These timetables will be acceptable to both the TRD and CRA, and will be incorporated into the Business Transition Agreement.

3. Will the Business-Transition Agreement outline when functions are expected to transfer from Ontario to the CRA?

Yes. The Business Transition Agreement will outline a timetable showing how and when the business functions of corporate tax administration, are expected to transfer, however it will not include information about the number and timing of job offers for employees.

The Human Resources Agreement will provide information about job offers for employees with the CRA, as well as the terms and conditions of employment for transferring staff.

4. Will TRD still have people working in corporate tax administration after the transfer is complete?

Yes. Beyond the implementation of the single return, TRD will be required to continue raising assessments and reassessments, as well as processing taxpayer returns and refunds for taxation years ending prior to 2009. Those functions will continue to be performed by TRD for three to five years, but the workload will diminish gradually over that period.

As corporate tax functions are transferred to the CRA, Ontario will start to monitor the CRA's administration and its service commitments to Ontario. While work is underway to determine how Ontario will manage its relationship with the CRA, no decisions have been made on the structure or the number of staff required.

The Human Resources Agreement

5. What is the purpose of the Human Resources Agreement?

The CRA will need a skilled workforce with Ontario experience to perform duties associated with a single corporate tax administration for Ontario.

The Ontario government has obligations and commitments to its employees in situations where a program is transferred from the provincial government to another organization. To meet these obligations and commitments, the Ontario government must begin negotiations with the CRA to secure jobs from the CRA for affected Ontario corporate tax employees as soon as the MOA is signed.

6. What will the Human Resources Agreement most likely include?

Negotiations toward a Human Resources Agreement are expected to outline arrangements for terms and conditions of employees offered employment by transferring to the CRA, such as:

- Wages
- Service and Seniority Recognition
- Probationary Period

- Benefits, such as Vacation and Sick Leave,
- Pension
- Working conditions - job security, lay-off, hours of work, termination pay and
- Process for resolution of Ontario-CRA disputes related to the HR Agreement.

7. Does the government have obligations to its employees if a program is transferred?

Yes. The government is committed to meeting all its obligations to its employees. These obligations vary depending on type of employment and whether or not an employee's position is included in an Ontario Public Service bargaining unit.

The government's obligations will also vary depending on whether the employee is classified or unclassified. A classified employee is a 'permanent' employee. An unclassified employee works under a contract with a defined term.

8. Where can I find information on the Ontario government's obligations to its employees if a program is transferred?

OPSEU employees: The Ontario government's obligations to classified employees who are members of OPSEU are defined in the OPSEU Collective Agreement.

AMAPCEO employees: The Ontario government's obligations to classified employees who are members of AMAPCEO are defined in the AMAPCEO Collective Agreement.

Management employees: The *Operating Policy for the Workforce Adjustment of Employees in the Management Compensation Plan and Excluded Category* applies to managers whose jobs are affected by the possible transfer of job functions to the CRA. The legislated severance entitlements of Section 83 of Regulation 977 of the *Public Service Act* also apply.

9. Where in the collective agreement are these obligations outlined?

OPSEU employees: The transfer of the Tax Revenue Division's corporate tax program administration falls under Appendix 18, Schedule B of the

collective agreement. Schedule B outlines the government's obligations for a "Negotiated Transfer".

These provisions of the collective agreement are commonly known as "reasonable efforts".

AMAPCEO employees: The transfer of the Tax Revenue Division's corporate tax program administration falls under the "*Letter of Understanding re: Rights on Disposition or Transfer of Bargaining Unit Functions or Jobs*" in the AMAPCEO Collective Agreement. These provisions of the collective agreement are commonly known as "reasonable efforts".

Management employees: While there are no collective agreement obligations with respect to employees in SMG and management/excluded positions, the ministry will negotiate to obtain job offers for those senior managers and managers whose job functions will be transferred to CRA.

10. What are 'reasonable efforts'?

OPSEU employees: The Employer's obligation under Schedule B, Negotiated Transfer, in Appendix 18 of the OPSEU Collective Agreement references the Employer's obligation to make reasonable efforts to obtain job offers for affected employees. In a transfer to a single corporate tax administration for Ontario, these job offers would be received from the Canada Revenue Agency (CRA).

AMAPCEO employees: The Employer must make reasonable efforts to ensure that affected employees are offered positions, in this case with the CRA, on the terms and conditions that are as close as possible to the terms and conditions of employment they enjoyed prior to transfer.

Management employees: While there are no collective agreement obligations with respect to employees in management/excluded positions, the ministry has made a commitment to negotiate job offers for managers whose job functions will be transferred to CRA. The Ministry's goal is to obtain job offers for managers on terms similar to those agreed upon for bargaining unit employees, as applicable.

11. What am I entitled to if I am an unclassified bargaining unit employee?

Unclassified employees do not currently hold entitlements under OPS collective agreements to transfer to a new employer in a divestment of

work from the OPS. Only classified employees in the bargaining unit are included in the reasonable efforts obligation.

If a position held by an unclassified employee is transferred to the CRA, the employee would receive notice of lay-off pursuant to the relevant provisions of the collective agreement and the Employment Standards Act. The length of notice may vary and will be determined on a case-by-case depending on length of unclassified employment in the OPS and application of the Mass Termination Provisions of the *Act*.

12. Who takes part in these negotiations?

The Ministry of Finance and the Ministry of Government Services will participate as the employer, for the Government of Ontario.

The Ministry of Finance team will include the Chief Negotiator, Mr. Doug Gray, who will be supported by a team of ministry and corporate human resources and labour relations subject matter experts. Senior ministry officials will instruct Mr. Gray on how to proceed when key decisions need to be made.

While OPSEU and AMAPCEO will not take part in the negotiations directly, they will be regularly consulted by members of the Ontario government's negotiations teams.

The CRA will participate with a similar negotiation team they have assembled.

13. How will we know what the results of the negotiations are?

TRD will inform all staff about the Human Resources Agreement as soon as possible after the agreement is finalized.

The results of these negotiations will be written in a Human Resources Agreement. Once this agreement has been finalized, it must be disclosed to the bargaining agents. Following disclosure, information about the agreement will be released to employees as soon as possible.

14. If I am assigned to an acting position when the Human Resources Agreement is being negotiated, will the Ministry negotiate a job offer from CRA based on my acting or my home position assignment?

OPSEU employees: In “reasonable efforts” negotiations rights and entitlements always flow from the home position in OPSEU. In this case, the ministry has an obligation to make reasonable efforts to negotiate a job offer with CRA that is based on the employee’s home position in OPSEU.

AMAPCEO employees: In “reasonable efforts” negotiations rights and entitlements always flow from the home position in AMAPCEO. In this case, the ministry has an obligation to make reasonable efforts to negotiate a job offer with CRA that is based on the employee’s home position in AMAPCEO.

Management employees: In the human resources negotiations the ministry has committed to negotiating job offers from CRA for managers based on their home position assignment in the management/excluded group.

15. If I am assigned to an acting position when job offers are being made by CRA, will my Ontario Public Service (OPS) rights and entitlements be based on my acting or my home position assignment?

OPSEU employees: The employee will have the OPS rights and entitlements of their OPSEU home position.

AMAPCEO employees: The employee will have the OPS rights and entitlements of their AMAPCEO home position.

Management employees: The employee will have the OPS rights and entitlements of their management/excluded home position.