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**SECTION 17**

**TRAVEL POLICIES**

**17.06 RELOCATION EXPENSE ASSISTANCE**

**AUTHORITY:** TREASURY BOARD

**ADMINISTRATION:** PUBLIC SERVICE COMMISSION  
TREASURY BOARD SECRETARIAT

**EFFECTIVE DATE:** JUNE 2024

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## 17.06 RELOCATION EXPENSE ASSISTANCE

### (1) PURPOSE

The purpose of this policy is to set out the eligibility and calculation of relocation expense assistance.

### (2) APPLICATION

The application of this policy is referenced to the schedules of the *Financial Administration Act* (FAA) and applies, as follows:

- Schedule “A” - Departments except the Legislative Assembly
- Schedule “B” - Crown Corporations
- Schedule “C” - Education Authorities
- Schedule “D” - Commissions

except to the extent that their enabling legislation may incorporate alternate requirements such as Ministerial or Board authority.

While this policy **does not apply** to the Legislative Assembly or reporting entities subject to alternate legislation, the **spirit and intent** of the policy should serve as a **guideline** for these corporations in developing their own internal policies.

### (3) PROSPECTIVE EMPLOYEES

#### (a) Interview Travel Expenses

The Employing Authority may pay an allowance to help defray transportation expenses for out-of-province applicants where such expenses are justified. Expenses paid must comply with these Section 17 Travel Policies of the Treasury Board Policy and Procedures Manual and must be approved in advance by the Deputy Head or delegated officer and the Public Service Commission.

#### (b) Reimbursement guidelines for Interview Travel Expenses are:

(i) **within** Prince Edward Island - Nil

(ii) from **outside** Prince Edward Island:

(A) economy airfare;

(B) for candidates using a privately-owned motor vehicle, a transportation allowance equal to 3/4 of the maximum kilometer rate provided in Section 17.02 - In-Province Travel of the Manual, from the point of departure to the point of arrival, and return, by the most direct route, plus meals and accommodation according to Section 17.03 - Out-of-Province Travel of

the Manual. The maximum of this transportation allowance will not exceed the cost of economy class airfare.

#### (4) RELOCATION EXPENSES OF NEW EMPLOYEES

(a) Policy Statement:

- (i) The Employing Authority may provide reimbursement for reasonable travel and relocation expenses to a new employee when, in the opinion of the Public Service Commission, it is deemed necessary and/or advisable to achieve the recruitment of the individual.
- (ii) Expenses incurred under this policy are the financial responsibility of the Employing Authority and will normally be paid from within existing budgetary allocations. The Public Service Commission will consult with the Employing Authority before approving entitlement(s) under this policy.
- (iii) New employees who are eligible for relocation expenses will be advised of entitlement(s) under this policy by the Public Service Commission. Where new employees incur expenses related to relocation, without receiving such prior advisement, Government shall not be liable for such expenses.
- (iv) A *Relocation Expense Reimbursement Contract* between the Employing Authority and the employee must be signed before relocation expenses may be paid (see Attachment 17.06-I).

(b) Allowable Relocation Expenses:

The Deputy Head will determine which of the allowable relocation expenses (see Schedule "A" of Attachment 17.06-I) are necessary and advisable to recruit to a hard-to-fill position.

(c) Payback of Expenses:

If expenses are paid to an employee and the employee leaves the Government service on their own volition prior to the expiry of two years from date of their joining the Government service, they must repay the Government as follows:

- (i) less than one year's service - the total combined allowances received; or
- (ii) more than one year but less than two years – half the combined allowance received.

**(5) EMPLOYEES WHO TRANSFER ON PROMOTION**

Employees who voluntarily relocate as a result of a promotion are not eligible for reimbursement of relocation expenses.

**(6) EMPLOYER-INITIATED TRANSFER****(a) Policy Statement:**

The aim of this policy is to fairly compensate employees for the expense they incur as a result of an employer-initiated transfer.

Employees who are to be involuntarily transferred shall be notified by letter as far in advance as possible, but not less than three months prior to the date of transfer or required change of residence. This notice may be waived by mutual consent.

Any employee who is hired by an Employing Authority after the announcement of the relocation of a primary workplace is not eligible for any provision of subsection (6) - Employer-Initiated Transfer, in relation to employment at the new primary workplace.

**(b) For the purposes of this policy, the following definitions apply:**

- (i) **“employee”** means a temporary or casual employee with more than three years continuous service or a classified employee;
- (ii) for purpose of subsection 6(c) and (d), **“transfer”** means an employer-initiated permanent change in an employee’s workplace or domicile under the following conditions:
  - (A) as a result of a promotion arising out of the loss of the employee’s former position during reorganization;
  - (B) as a result of an employee being required to change their domicile by the Employing Authority;
  - (C) as a result of an involuntary change in an employee’s primary workplace by the Employing Authority; or
  - (D) as a result of the application of the layoff provisions of Article 36 of the Collective Agreement between the Government of Prince Edward Island and the Prince Edward Island Union of Public Sector Employees (the “Collective Agreement”).

- (iii) for the purposes of subsection 6(e), “**transfer**” means a permanent change in an employee’s primary workplace under the following conditions:
- (A) an employee who is involuntarily transferred by the Employing Authority;  
or
  - (B) an employee who is required to change their domicile by the Employing Authority; or
  - (C) an employee’s position is reclassified and relocated as a result of decentralization and the employee is promoted through competition or reclassification; or
  - (D) an employee accepts another position as a result of the application of the layoff provisions of the Collective Agreement.

(c) Temporary Travel Allowance:

Employees who are transferred by the Employing Authority shall be compensated in accordance with the following:

- (i) The Employing Authority will pay a temporary travel allowance to an employee who is transferred if the employee has to travel more than ten kilometers further to get to work after the transfer than they did prior to the transfer. The allowance shall be payable on a per kilometer basis for any increase in the distance between the employee’s domicile and the new primary workplace versus the distance between the employee’s domicile and the old primary workplace. Such allowance shall be payable at the rates applicable under Section 17.02 - In-Province Travel of the Treasury Board Policy and Procedures Manual, for a period of one year from the date of the transfer or until the employee’s domicile is relocated, whichever occurs first. Such travel shall be considered travel on the Employer’s business.
- (ii) The Employing Authority may provide transportation from the employee’s domicile or the old primary workplace to the new primary workplace, whichever is the lesser, and return, for a period of one year from the effective date of the transfer or until the employee is relocated, whichever occurs first.
- (iii) The employee may arrange their own transportation with another party, in which case, the Employing Authority will pay the employee a travel allowance where the employee has to travel more kilometers to get to work than they did before the transfer. The allowance will be payable on a per kilometer basis for the distance which is the lesser of the distances outlined in 5(c)(i) and will be at one-quarter of the rates specified in Section 17.02 - In-Province Travel of the Treasury Board Policy and Procedures Manual, for a period of one year from

the effective date of the transfer or until the employee is relocated, whichever occurs first.

- (iv) Reimbursement under the provisions of (ii) and (iii) above requires the prior approval of the Employing Authority and the Public Service Commission.

(d) Altered Work Hours:

In situations where the employee who is transferred is required to spend more time to get to work after the transfer than prior to the transfer, time spent travelling between the employee's domicile and the new primary workplace shall be allocated as follows:

- (i) if the employee is required to travel between their domicile and the new primary workplace during the minimum three months' notice period, the employee's extra time will form part of the normal daily hours of work;
- (ii) during the first 12 months after the effective date of the transfer or until the employee is relocated, whichever occurs first, the employee's extra travel time will be equally divided between the Employing Authority and the employee, e.g., if the extra daily commuting time requires two hours, the employee will be permitted the use of one hour of the normal daily hours of work for commuting purposes; and
- (iii) after completion of 12 months from the effective date of the transfer or until the employee is relocated, whichever occurs first, all commuting from the employee's domicile to the new primary workplace shall be on the employee's own time.

(e) Relocation:

Employees who are involuntarily transferred and who change their domicile, as well as employees who are required to change their domicile by the Employing Authority, shall be covered by the following provisions:

- (i) Reimbursement of eligible relocation expenses shall be paid only when:
- (A) the move from the employee's old domicile to the new domicile takes place within 15 months of the effective date of the transfer; and
- (B) the distance between the old primary workplace and the new primary workplace is 22.5 kilometers or more; or
- (C) the commuting distance between the employee's domicile and the new primary workplace is greater than the distance between the employee's domicile and the old primary workplace; and

- (D) the commuting distance between the employee's domicile and the new primary workplace is 22.5 kilometers or more; and
  - (E) the prior approval of the Employing Authority and the Public Service Commission has been obtained.
- (ii) Eligible relocation expenses include the following:
- (A) if required and approved in advance by the Employing Authority, up to three days' leave of absence with pay, plus accommodation and meals will be provided for the purpose of obtaining a residence at the new primary workplace;
  - (B) where the employee owns their residence, reimbursement will be provided to cover the actual cost of:
    - advertising the sale of the home privately;
    - real estate agents' fee, if sold by a real estate firm;
    - legal fees; and,
    - mortgage payment penalty, if applicable.
  - (C) where the employee has been renting accommodations, reimbursement will be provided to cover the actual cost of the termination of a lease, if required;
  - (D) moving expenses, up to a maximum of \$200, which include the actual cost as indicated by receipts for:
    - packing, moving and unpacking of furniture and effects;
    - insurance in transit;
    - short-term storage of furniture and effects for up to 60 days, if required;
    - indirect moving expenses, such as fitting carpets and drapes and connecting appliances and utilities;
  - (E) travel by vehicle from previous residence to new residence to a maximum of three trips as authorized by the Employing Authority will be reimbursed at the rates specified in Section 17.02 – In-Province Travel of the Treasury Board Policy and Procedures Manual; and
  - (F) temporary accommodation and living allowances for the employee and their family will be reimbursed at the rates specified in Section 17.02 - In-Province Travel of the Treasury Bard Policy and Procedures Manual, to a maximum of \$500.

**(7) TAXABLE BENEFITS**

Reimbursements provided under this policy may be deemed to be taxable benefits by Canada Revenue Agency and may therefore, be subject to income tax. The employer shall determine which benefits are taxable and shall issue the appropriate income tax statements.

**(8) EFFECTIVE DATE**

This revised policy replaces all previous policies respecting *Relocation Expense Assistance*.

Notwithstanding the effective date of this policy, an agreement entered into between an Employing Authority and an employee, and approved by the Public Service Commission, prior to the effective date of this policy shall be honoured by both parties even though it may be based on a previous Relocation Expense Assistance policy.

**(9) INTERPRETATION**

In cases where an interpretation is required, such should be referred to the Secretary to Treasury Board or their delegated officer who will make the interpretation or refer the matter to Treasury Board, if a Treasury Board decision is deemed necessary.