To: Members of Executive Council

From: James Rush, Vice-President, Academic & Provost
      Dennis Huber, Vice-President, Administration & Finance
      Marilyn Thompson, Associate Provost, Human Resources

Re: International Employment

Date: Thursday, October 8, 2020

Key Information and Updates:

1. There is significant financial and legal risk to the University associated with international employment and the affected individuals may be exposed to a range of taxation and immigration issues.
2. The University requires central decision making on the jurisdictions in which its employees can work; the University needs to be able to proactively address various employment related requirements for each jurisdiction.
3. Employees working remotely should be located within Canada, with two exceptions permitted due to pandemic travel restrictions, outlined in points 4 and 5, below. Once travel restrictions relax, and there is a business need to engage in international employment, all such opportunities must be reviewed centrally with Provostial approval, prior to extending any employment commitments to individuals.
4. For the handful of employees currently “stranded” outside of Canada due to travel/visa restrictions related to the pandemic, the University needs to prioritize its efforts to assist these employees to relocate to Canada, as soon as possible.
   a. The intention is for these employees to relocate to Canada prior to the end of 2020
5. On a time limited, exception basis, faculties were approved to hire students with Canadian SINs and Canadian bank accounts to work as Teaching Assistants (TAs) and Research Assistants (RAs) from locations outside of Canada for the Fall 2020 term only, with specific language included in their offer letters.
   a. Faculties will be approved to hire students with Canadian SINs and Canadian bank accounts to work as TAs, RAs, and co-op students from locations outside of Canada for the Winter 2021 Term only, with specific updated language to be included in their offer letters.
   b. The current position enabling this involves some risk, which increases over time, and as such this remains time limited.

Further Details:

The University’s operations are designed and resourced to support employment within Canada, primarily in the province of Ontario. The use of Canadian payroll processing for employees working internationally represents significant legal and financial risks to the institution as well as to the individual. As such, in order to comply with employment and tax legislation, as well as University programs and policies, University employees should not be working from a location outside of Canada.

Due to the extenuating circumstances of the pandemic including travel restrictions and work permit delays, some international individuals have been hired but have experienced or continue to experience delays in their ability to relocate to Canada. In other cases, a business decision was made to hire international employees due to a significant business need that could not be fulfilled by Canadian residents (i.e. internationally located Graduate Students as TAs for the Fall 2020 term).

In light of these scenarios, the following framework that applies to international employees who are unable to relocate to Canada due to travel restrictions:
<table>
<thead>
<tr>
<th>Employee Category</th>
<th>Relationship</th>
<th>Canadian Tax Withholding</th>
<th>Legislated and UW Sponsored Programs</th>
<th>UW ASU Responsible for Payment to Employee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate Students (and Coop Students commencing Winter 2021 term)</td>
<td>Employee</td>
<td>Applied Only those with a SIN &amp; Canadian bank account are hired for Fall 2020</td>
<td>No CPP/EI until relocation for Fall 2020 term; CPP/EI applies for Winter 2021 term UW benefits not applicable but provincial healthcare / UHIP required upon relocation</td>
<td>HR</td>
</tr>
<tr>
<td>Regular Faculty (Professor, Associate Professor, Assistant Professor, Lecturer)</td>
<td>Employee (relocation required prior to 2021)</td>
<td>Applied Those without SIN require ITN</td>
<td>Yes – CPP, EI, and most UW programs apply from date of hire as per eligibility criteria (utilization of EHC benefit not possible until relocation with provincial healthcare / UHIP); no pension until relocation</td>
<td>HR for those with Canadian bank account Finance for those without Canadian bank account (net pay calculation by HR)</td>
</tr>
<tr>
<td>Other Academic Positions and Casual Employees, (appointment duration dependent)</td>
<td>Independent Contractor</td>
<td>Not applied until relocation</td>
<td>No CPP/EI until relocation (at which time they become an employee) UW benefits not applicable but provincial healthcare / UHIP required upon relocation</td>
<td>Foreign fund transfer of gross salary through Finance</td>
</tr>
<tr>
<td>&lt; 1 year appointment or lack of defined appointment</td>
<td>Employee (relocation required prior to 2021)</td>
<td>Applied Those without SIN require ITN</td>
<td>CPP/EI applies Life and EHC upon relocation with provincial healthcare / UHIP</td>
<td>HR for those with Canadian bank account Finance for those without Canadian bank account (net pay calculation by HR)</td>
</tr>
<tr>
<td>1 year but less than 2 years</td>
<td>Employee (relocation required prior to 2021)</td>
<td>Applied Those without SIN require ITN</td>
<td>CPP/EI applies</td>
<td>HR for those with Canadian bank account</td>
</tr>
<tr>
<td>2 years or longer</td>
<td>Employee (relocation required prior to 2021)</td>
<td>Applied Those without SIN require ITN</td>
<td>CPP/EI applies Pension, Life, LTD, EHC, Dental, EFAP upon relocation with provincial healthcare / UHIP</td>
<td>HR for those with Canadian bank account Finance for those without Canadian bank account (net pay calculation by HR)</td>
</tr>
</tbody>
</table>

1 Guidance for Graduate Student employment in TA positions for the Fall 2020 term was issued to campus in mid-August. As noted above, this position will be extended for the Winter 2021 term only; it is expanded to include Coop Students and requires EI and CPP deductions throughout, even if located internationally.

In advance of October’s pay, HR will adjust any international employees’ relationships that have already commenced to reflect the approach outlined in the above framework and will communicate any adjustments applied to the affected employees’ departments. Faculties and other units who have employees working internationally must encourage and prioritize supporting their relocation to Canada as soon as practicable (i.e. prior to 2021) and explain the treatment that will be extended to them during the interim period based on confirmation from HR. Departments are responsible for informing HR of any future changes to affected employees’ workplace location.

Please share this communication within your units. If you or others in your units have any questions or require more detailed support on implementing the guidance provided in this communication, please contact your HR Partner.