

## HUMAN RESOURCES

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| <b>Subject</b>                              | <b>CONTRACTS FOR SERVICE</b><br>(formerly titled "6.02 Contracts for Service")          |
| <b>Procedure Section</b>                    | <b>12 Miscellaneous</b>   |
| <b>No.</b>                                  | 12.01   |
| <b>Exempt Employment Policy References</b>  |   |
| <b>Collective Agreement References</b>      |   |
| <b>Forms &amp; Other Reference Material</b> | See also: Procedure 12.00 - Determining Employee / Employer Relationships (Contractors) |
| <b>Status of Approval</b>                   | Approved 27-May-2013 Vicki Pannell  |

### **PREAMBLE:**

It is incumbent on the employer to determine whether or not an employee-employer relationship exists. OC has certain responsibilities as an employer under the Income Tax Act (CPP, UIC) and the failure to meet these statutory obligations could lead to interest and penalties. Additionally, it must always be kept in mind that OC has three certified bargaining units representing its employees and collective agreements may impose restrictions on the contracting out of certain activities.

### **PROCEDURE:**

1.

3. The contractor is to provide at least one of the following: W.C.B. Registration Number, G.S.T. Registration Number, or Revenue Canada Taxation Number. In instances where the individual is not a "registered company", OC is required to produce a T4A at the end of the calendar year in order to ensure reporting of the income by the individual.
4. Once the contract has been accepted by the contractor and OC, the "Service Contract" form is distributed with one copy to the originator, one copy to the contractor, and one copy to the Finance Division, along with a copy of any supplementary contract terms to which the parties have agreed.
5. The Finance Division is responsible for processing payment for the services in accordance with the terms of the contract upon receipt of the contractor's invoice.