



**Contractor Safety Program –
Independent Operators
(Contractors & Consultants)**

Policy No. HSE-147
Effective Date: January 1, 2020

Purpose:

Occasionally Marwood International Inc. (Marwood) may enter into a contract for services with **Independent Operators referred to as a contractor or a consultant**. The purpose of this policy is to ensure consistency, regulatory compliance and equitable handling of all contracts with independent contractors and to define the relationship between contractors or consultants and the company.

Scope:

All contracts with contractors or consultants shall be in writing, with the terms and conditions of the contract outlined therein.

This policy applies to all contractors and consultants. For purposes of this policy there will be two types of independent contractors (Type A and Type B). Both Type “A” and “B” are defined as a person or business contracted by the company under a contract for service for a limited/defined term or to complete a defined project or task.

Definitions:

- Medium to High Risk Contract Work (Type A) – is defined as activities performed by contractors or consultants other than administrative, professional, or consulting nature that requires physical exertion or where there is exposure to potentially hazardous conditions, work processes, or substances. Typically this service is short term and very specific to a task that requires completion with outside help.

Examples of Medium to High-Risk Work
Electrical involving energized parts and LOTO, millwright and tooling services
Confined Spaces
Hot Work
Work at Heights
Preventative Maintenance

Medium to High Risk Contract Work will fall under the responsibility of the department manager. Refer to Form F0356 for training requirements by the Marwood Sponsor. Medium to High Risk Contract Work may involve the department manager but will ultimately be controlled and audited by the HSE Manager.



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- Low Risk Contract Work (Type B) – is defined as activities performed by contractors or consultants that are of an administrative, professional, or consulting nature that does not require substantial physical exertion or exposure to potentially hazardous conditions, work processes, or substances.

Examples of Low-Risk Work
Re-stocking 1 st aid kits
Re-stocking vending machines
Uniform cleaning and pick up
Floor mat replacement

Low Risk Contract Work may involve the department manager but will ultimately be controlled by HR and require the approval of the Director of HR, Director of Finance and President. HR will coordinate this type of agreement and contract using HR form F0327 – entitled “Confidentiality of Information and Non-Disclosure Agreement”.

Responsibilities:

Medium to High Risk Contract Work (Type A) - Marwood Sponsor & HR to ensure:

- Before awarding any contract, competitive quotations must be received and considered unless this provision is waived by Senior Management;
- A fair Evaluation of bid(s) and ensure that all criteria has been met prior to awarding the contract;
- Approval of Senior Management prior to the offer of contract work (see PO workflow in Plex);
- All relevant Forms are completed as listed under the Qualifications/Agreements/Forms section, and that the contractor has reviewed and understands the requirements;
- That a purchase order is approved prior to any contractor starting to perform work.
- The Contractor Orientation and subsequent “Contractor Pre-work Approval” (Form F0356) for contractors, who will perform work on site can be performed by the Marwood Sponsor. Ensure the contractor and their workers are communicated and understand:
 - Marwood’s health and safety rules specific to the workplace / work being completed;
 - Use of PPE;
 - Reporting of injury, illness, harassment & violence that occurs while on site;
 - The emergency response procedures; and
 - Consequences of unsafe behaviour, policy or procedure violations up to and including being permanently banned from Marwood sites.
- Upon completion of the orientation, send the completed form (F0356) to an HR Representative, who will review for final approval.
- For contractor work to be completed during the off-shifts, the Marwood Sponsor must make arrangements with the working GL to have the contractor complete the orientation, and the “Contractor Pre-work Approval” (Form F0356).



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- Contractors are not allowed to work on-site without direct contractor site supervision or their Marwood Sponsor. An approved Contractor Site Supervisor responsible for a site project is also responsible for first aid requirements should no Marwood Manager or supervision be present at that time.
- The Marwood Sponsor and GL Department Manager must mutually agree for the GL to oversee contractors if the sponsor is unavailable at the time work is to be performed.
- The above insurance documents must be forwarded to the Health Safety & Environmental Manager prior to commencing work.

Low Risk Contract Work (Type B) - Marwood Sponsor & HR are Required to:

- Ensure contractors have with them a contractor badge and are accompanied by a Marwood host.
- Issuance of security access card, keys and security clearance as required for the position, will be completed by an HR Representative.
- HR will advise senior management on legal compliance concerns including business travel B1 Visitor's Letter, Visas, Ontario Business #, Canadian Revenue Agency (CRA) requirements, HST;
- HR will administer and verify the accuracy of Low Risk Independent Contractor Agreements.
- Approval of Senior Management (including the President) prior to the offer of contract work (see PO workflow in Plex).
- The above insurance documents must be forwarded to the Director of Human Resources prior to commencing work.

Contractor / Consultant Responsibilities:

- To ensure Marwood's reputation is protected by adhering to applicable company policies, procedures and the Core Operating Principles.
- No unauthorized visitors are to accompany Independent Contractors on Marwood site visits unless approved by a Senior Manager. Photos are not allowed unless approved by the President-CEO.
- Acquire and maintain in full force and effect, during the term of the work or services provided, all insurance that would be necessary and appropriate in the business of an Independent Contractor. Such insurance shall include, but not limited to, all of the following:
 - (a) Commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than \$2,000,000.00 per occurrence;
 - (b) Errors and omission liability insurance insuring for liability for errors and omissions in the performance of or failure to perform the work or services under the Agreement or contract, in an amount of not less than \$2,000,000 per claim;
 - (c) In cases of federal or provincial grant money - Marwood applications the Type "B" Independent Contractor/s or Consultant's must meet all requirements and submit proposal/quote as per the government grant qualification process.
 - (d) Submit WSIB clearance certificate or registration #, or on verification of Independent Operator



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status contractor or consultant is responsible for appropriate disability insurance (if person performing work or services is not covered under WSIB coverage).

Senior Management (Directors) Responsibilities:

Out of Country (Canada) Independent Operators – (Contractor or Consultants) may be subject to withholding taxes or provide proof of a waiver to verify withholding tax exemption. Other considerations include;

- Each Marwood Director approving out of country Contractor or Consultant services at Marwood shall ensure CRA tax requirements (CRA withholding tax or waiver) are reviewed by Director of Finance and if applicable forms are submitted prior to the Marwood site visit. Agreements must be submitted to HR.
- The Director of Human Resources shall update all senior management on contract renewal. The contract is normally scheduled for a calendar year unless specified otherwise. The Human Resources Director is responsible for maintaining a current contract/agreement on record prior to services performed.
- The Director of Human Resources shall provide out of country Contractor or Consultant - B1 Visit Letters for visits to Ontario and Marwood sites.
- If applicable work visas are required, the Director of Human Resources shall coordinate out of country Contractor or Consultant LMIA and relevant Work Visas through the Marwood Immigration Lawyer for work performed in Ontario at Marwood sites.
- In the event if the individual performing services is not deemed as an Independent Operator (Contractor or Consultant) and meets the Ontario definition of an employee, HR will advise the senior and direct manager. In this case A “No Work Clearance” is issued at this time for the contractor or consultant.
- Ensure Contractor on site orientation is performed by their direct Marwood sponsor.
- Ensure all work performed is in accordance with Ontario legislation, regulation and Marwood policies procedures and standards.
- Contractor or consultant contracts will typically start on January 1st and end on December 31st unless the contract duration and services are of a shorter term. Human Resources will maintain all records.

Qualifications / Agreements / Forms:

- Contractor Safety Program Review and Approval
- F0356 - Contractor Pre-Work Approval Check Sheet
- F0327 - Confidentiality of Information and Non-Disclosure Agreement

CRA Reference Information: With Holding Tax & Waiver Forms Requirements

NR4 — Non-Resident Tax Withholding, Remitting, and Reporting

- <https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4061/nr4-non-resident-tax-withholding-remitting-reporting-2016.html>