

*This letter is provided for information but does not form part of the Collective Agreement.*

## **INSTRUCTIONS TO FACULTY MEMBERS AND ACADEMIC ADMINISTRATORS**

### Introduction

The Public Service Alliance of Canada **on behalf of** its Local 60550, the Union of Graduate Student Workers, is the sole and exclusive bargaining agent for Employees of the University of New Brunswick who are Graduate Students working as **Graduate Student** Teaching Assistants (**GSTA**) and, or **Graduate Student** Research Assistants (**GSRA**). It is **mandatory** that **this** Collective Agreement between the University and Union be respected.

### Purpose

The following instructions have been prepared to guide you in understanding:

1. whether the **remuneration** that you are providing to a Graduate Student is considered "Scholarship" or "Employment" income;
2. if the Graduate Student is a member of the Bargaining Unit; and
3. whether the matter constitutes an "academic" issue **or** an "employment" issue.

### Background

Graduate students at the University often receive **remuneration** from a variety of sources. These may include:

1. the University operating budget;
2. a faculty member's grants/contracts;
3. scholarships or bursaries, including NSERC/SSHRC/CIHR, Vanier Scholarships, Trudeau Scholarships, etc.

### Scholarship vs. Employment Income

The Canada Revenue Agency (**CRA**) requires that **remuneration** to students be designated as either Scholarship or Employment income. Scholarship income is generally not considered to be taxable income and therefore statutory withholdings for such things as Federal Tax, Provincial Tax, EI and CPP are not required.

The determining factors in assessing whether **remuneration** to a Graduate Student is a "scholarship **award**" or "employment **income**" are found in **Canada Revenue Agency's Income Tax Folio S1-F2-C3: Scholarships, Research Grants and Other Education Assistance**. (<http://www.cra-arc.gc.ca/tx/tchncl/ncmtx/fls/s1/f2/s1-f2-c3-eng.html>).

While it might be tempting for a faculty member and a Graduate Student to characterize **remuneration** as a “scholarship **award**” rather than as “employment **income**” there can be serious tax consequences **and, or, serious Union-Management consequences** to misrepresenting the nature of income, the student is denied the benefits of Bargaining Unit membership and the **University** has no basis upon which to expect **work to be performed by** the **Graduate Student**.

It is intended that scholarship **remuneration** provided to a Bargaining Unit member should not be reduced by a supervisor as a way to offset wage increases negotiated and agreed to by UNB and PSAC.

Faculty members are encouraged to contact the Human Resources & Organizational Development department if they have any questions.

### Membership in the Bargaining Unit

All Graduate Students who are working as **Graduate Student Teaching Assistants (GSTA) and, or Graduate Student Research Assistants (GSRA)** are members of the Bargaining Unit since **receiving GSTA and, or GSRA** income is by **CRA** definition, “employment”.

### Employment Activities

It is crucial to understand that the **GSTA and GSRA Employment Contract Forms** located at **Appendices B1 and, or, B2** respectively, **MUST** be used to establish the Employment Contract; and any changes to the Employment Contract **MUST** be made utilizing **Appendices C1 and, or C2**.

In accordance with **Article 13 (Clause 13.02)** a full **GSTA** appointment is considered to be **130 hours** in an Academic Term (average 10 hours per week time (x) 13 weeks).

In accordance with **Article 15 (Clause 15.07)** an Employee shall not be required to work more than **fifteen (15) hours** in a week without the Employee’s consent.

A full time Graduate Student will not normally be employed as a **GSTA and, or, GSRA** for more than **520 hours** over a 12 month period.

A **GSTA and, or a GSRA’s** employment duties may, but need not, be directly related to their academic studies.

### Questions

Please direct any questions to your **Director of Graduate Studies**, the Dean of Graduate Studies or the HR & OD department.