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Cross-border teleworking: Jurisdiction and choice of law challenges

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Factual background

Cross-border mobility

1- home-based teleworker working for an extra-provincial employer

2- relocation of the teleworker's residence during the course of the employment

3- the teleworker moves across borders regularly: digital nomadism



Jurisdictional challenges

The place of the work performance

- legitimate expectations
- substantial performance

Mobile workers

Transportation services

Gord's Anchor Service Ltd v Turbo Oilfield Service Ltd, 2009 SKQB 188



Mobile teleworkers

Digital services

- 1. change of the teleworker's residence
- 2. Digital nomads

Jurisdictional challenges

Carrying on business

- Actual, not only virtual presence
- Business activity in the province

Presence of workers in a fixed place of business.

Home-based teleworkers and service providers

Difeo v Blind Ferret Entertainment, 2013 NBQB 337: the agreed change of residence does not imply carrying on business in that territory.

Force One Marketing et al v Rritual Superfoods, 2022 ONSC 2877: the mere presence of the service provider's home-office does not imply carrying on business in that territory.

Knapp Consulting Inc v Continovation Services Inc, 2012 BCSC 887: the mere presence of the service provider's home-office implies carrying on business in that territory (corporate defendant's residence).

Jurisdictional challenges

The law applicable to the employment contract

- Common law
- the law chosen by the parties
- the law of the State most closely connected with the contract
- Civil Code of Quebec
- the law chosen by the parties
- the law of the workplace

Cross-border teleworkers

Common law: contextual elements

Danks v. IOLI Management Consulting, 2003 CanLII 21459 (ON SC)

Quebec: The habitual place of work in a digital context: review of the territorial approach

Choice of law challenges



 Territorial application of minimum employment standards

Quebec

- The requirement of a "physical" performance of work:
 - Holm c Groupe CGI inc, 2008 QCCRT 0492
 - Trainor c Fundstream inc, 2018 QCTAT 5714

Choice of law challenges

Territorial application of minimum employment standards

Quebec: the employer's establishment

Marchetta v Visual Training Solutions Inc, 2021 QCTAT 5451 (appeal for judicial review, 2021-12-14 (CS)

Ontario: work outside the province as continuation of the work performed in Ontario

Shu Zhang v IBM Canada Limited, 2019 CanLII 79641 (ON LRB)

Conclusion

- Impact of cross-border mobility and digitalization of work
 - Jurisdictional issues: legal certainty, predictability and access to local justice
 - Unsuitable territorial approach
 - Lack of coordination between Private international law and minimum employment standards