

New account holders

WCB-Alberta provides no-fault workplace disability insurance that protects both workers and employers against financial loss due to work-related injury and illnesses. Visit our website at www.wcb.ab.ca for more information about WCB-Alberta's services and your responsibilities under the Alberta *Workers' Compensation Act*.

Industry classification and premiums

Classifying your business is based on your overall operations. Your industry classification determines your premium rate, charged on every \$100 of insurable earnings and personal coverage. This rate may be adjusted yearly after reviewing the claim costs of your industry and your company. Depending on these over the next three to five year period, you may experience a future discount or surcharge on the industry rate.

Your premium invoice will be mailed to you. Please review it to confirm your business information as well as your industry rate, the estimate you provided for workers and any personal coverage requested. It will also indicate your installment amounts and dates. You can pay premiums online using Visa and MasterCard or sign up for pre-authorized debit by completing the online application form.

Your responsibilities

When you hire workers you must contact our office within 15 days of the workers' start date, or your account will be subject to a late registration penalty. Our definition of "worker" includes:

- any full-time, part-time, temporary and casual worker
- unpaid help, family members
- subcontractors operating without their own WCB-Alberta coverage

WCB-Alberta is a provincial jurisdiction. If you begin operating outside Alberta you must contact the Workers' Compensation Board or Authority in that location to determine if you are required to register there. If not, WCB-Alberta may extend coverage if certain conditions are met.

You must report a work related injury within 72 hours of injury notification. Quick reporting practices will ensure faster benefit decisions for your workers and will lower your claims and disability costs. Your worker will receive treatment quickly and return to the job sooner.

Please ensure you have a copy of our 1-2-3 poster displayed in your workplace. This poster outlines the steps to be taken if an injury occurs and can be downloaded or ordered from our website at http://www.wcb.ab.ca/employers/123_poster.asp.

Personal coverage

Optional Personal Coverage is offered to individuals who are not automatically eligible for workers' compensation benefits. This includes:

- Employers and business owners.
- Proprietors and partnerships in a business with workers.
- Directors of a corporation or members of a society, board, authority, commission or foundation.

You can receive compensation benefits if you choose to purchase Personal Coverage. The benefits of Personal Coverage include:

- Entitlement to workers' compensation benefits in the event of a workplace injury. (e.g. protection against loss of employment income, medical and rehabilitation services.)
- Lawsuit protection from other parties covered by Alberta workers' compensation insurance in the event of a workplace accident for:
 - » Directors of a corporation or members of a society, board, authority, commission or foundation.
 - » Proprietors or partnerships who do not employ workers and are not considered workers of a principal under the Workers' Compensation Act.

Although Personal coverage is optional in Alberta, principals may require it as a condition of contract.

Personal coverage will automatically renew January 1 of the next year at the same amount. If you no longer require personal coverage it is important to contact WCB and terminate your coverage. You can revise or terminate your personal coverage at any time. Changes or amendments will affect your account on the day you contact our office as they cannot be back-dated.

If you are injured on the job and your claim is accepted, you will need to verify your self-employment earnings through records such as T4 slips, tax returns, income and expense statements or payroll stubs. If your records do not match the amount of coverage purchased, compensation benefits will be based on the lesser of the amount of coverage purchased, guaranteed coverage amount (if applicable) or verified earnings (minimum \$21,000 to maximum \$86,700 for 2012).

WCB-Alberta can terminate your personal coverage due to non-payment of premiums. Even if payment is made in full on your overdue account, you must call to reactivate your personal coverage account — it does not re-open automatically.

Penalties

Late filing penalty (LFP)

On or before the last day of February each year, employers are required to report the insurable earnings paid to all workers for the last calendar year. This also includes an estimate of insurable earnings they expect to pay all workers for the current year. This information is required for each business the employer operates.

Filing your Annual Return helps ensure you have the correct WCB coverage and accurate premiums. It also informs us of any changes required on your account and whether your business still needs coverage.

An Annual Return received after the deadline is subject to a LFP. The penalty is 10 per cent of the net premium resulting from the previous year's adjustment and the current year's premium plus daily interest from the reporting deadline to the date we receive the information.

Late registration penalty (LRP)

An employer is required to establish an account within 15 days after hiring workers, when operating in an industry to which the Workers' Compensation Act applies. An employer who registers after this grace period is subject to a LRP. The penalty is an amount equal to 10 per cent of the employer's premium, plus daily interest, for each year.

Overdue charges

When an employer's premium payment is overdue 30 or more days after the due date, WCB-Alberta will add monthly interest to an employer's account. Overdue charges are calculated on each outstanding transaction from its original date, compounding monthly. Overdue charges are shown as one total for all transactions past due. The interest rate is set annually at Prime + 8 per cent.

Penalties for under-reporting earnings

Check your workers' insurable earnings estimate throughout the year. If your estimate is not accurate, you must revise it before December 31 of the current year to avoid penalties. While we provide you with a 50 per cent margin of error, penalties are assessed on earnings that exceed this margin. This means that if your actual insurable earnings exceed 150 per cent of your estimate (as of December 31st), a 10 per cent penalty plus interest (based on the bank rate as of January 1, 2012 which carries throughout the year) is levied on the premium portion that exceeds 150 per cent of the estimate. No penalties or interest apply if your actual is less than your estimate. Revisions to your insurable earnings can be made through WCB-Alberta myWCB online services at www.wcb.ab.ca.

Example:

Your 2011 estimate is originally \$85,000. On October 3, 2011 you revise it to \$100,000. No further revisions occur and on February 15, 2012, you report 2011 actual insurable earnings of \$160,000.

The portion of your earnings that exceed your margin of error:

The maximum reportable insurable earnings without penalty or interest is \$100,000 (your last estimate received by us up to December 31, 2011) X 150% = \$150,000

The excess amount is therefore \$160,000 (actual earnings reported) - \$150,000 (maximum allowed before penalty applies) = \$10,000

Penalty = [\$10,000 x (your premium rate) x 10 per cent] + interest (from Jan 1/12 to Feb 15/12).

On your next invoice, you will be assessed for the earnings that exceed your estimate [(\$60,000 x (your premium rate)], plus the above penalty and interest, with the total being due in one payment.

Using our Online Services

Visit www.wcb.ab.ca and register for a User ID to access the following Online Services:

- **File your annual return** (file your payroll (insurable earnings) information every year)
- **Maintain your account** (revise estimates, update business information, close account)
- **Obtain a clearance certificate** (confirm subcontractor coverage)
- **Obtain your account statistics/industry statistics**
- **Report an injury online**
- **Pay your WCB-Alberta premiums** (pay premiums online)
- **Access return-to-work information from your worker's physician (pink copies)**

For more detailed information on these online services visit, http://www.wcb.ab.ca/pdfs/employers/EFS_Online_services.pdf

WCB-Alberta provides detailed fact sheets on all WCB procedures. To find Employer fact sheets visit, http://www.wcb.ab.ca/employers/employers_facts.asp.

To obtain information about safety regulations, please visit the [Alberta Human Services website](#).