

**Alberta WCB
Policies &
Information**

Chapter:

PRICING

Subject:

CLASSIFICATION

Authorization:

BoD Resolution 98/03/13

Date:

March 24, 1998

APPLICATION 3: CHANGES TO AN EMPLOYER'S CLASSIFICATION

1. *When does the WCB change an employer's industry classification?*
- The WCB changes an employer's industry classification when:
- the business changes and the industry classifications assigned are inappropriate, or
 - the business has not changed but the employer has been assigned to the incorrect industry classification.

Depending on the circumstances, the WCB may:

- assign a different industry classification to the entire business
 - add an industry classification, or
 - delete an existing industry classification (see Application 2, Q1).
2. *When a business changes and the industry classification assigned is no longer appropriate, when is the change in classification effective?*
- Generally, the change is effective the date the business changes. However, when there is a gradual change in the business and the exact date cannot be determined, the change in classification will be effective January 1 in the year the change is brought to the WCB's attention.
3. *When a business has not changed but the employer has been assigned to the incorrect industry classification, when is the change in classification effective?*
- Generally, when the business has not changed but the employer has been assigned to an incorrect industry classification, the effective date of the change depends on whether the change results in a premium rate increase or decrease.

If the change results in a premium rate decrease, the change will be effective January 1 in the year the review is requested by the employer or the WCB reviews the employer's business, whichever is earlier.

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Business has not changed but employer has been assigned to the incorrect industry classification (continued)

If the change results in a premium rate increase, the change will be effective January 1 in the year following the review.

4. *Are there any exceptions to the effective dates assigned to a change in classification?*

Generally, exceptions are made only when an employer misrepresents or fails to disclose the details of the business, and this resulted in a industry classification with a lower premium rate being assigned. In these cases, the WCB will backdate a classification change for up to six years prior to the year in which the classification was reviewed.

The WCB may consider other circumstances based on the facts presented to determine if other exceptions are warranted, (see Application 1, Q1).

5. *When is this policy application effective?*

This policy application (Application 3 – Changes to an Employer’s Classification) is effective June 1, 1998, except when noted otherwise in specific policy sections.