

Assessable Earnings and COVID relief programs

In response to the COVID-19 pandemic, the Government of Canada created a number of subsidy programs. This fact sheet outlines the programs available and how they can impact your WCB premiums.

What COVID relief programs were available?

In 2021, the Canada Recovery Hiring Program (CRHP), Tourism and Hospitality Recovery Program (THRP), and the Hardest-Hit Business Recovery Program (HHBRP) replaced the Canada Emergency Wage Subsidy program (CEWS).

These programs ended in May 2022.

How does a COVID relief program impact my WCB premiums?

Premiums are normally established for an employer based on their workers' earnings, regardless of the source of those earnings. That ensures that the appropriate premiums are received for the risks that are insured.

The CRHP, THRP, and HHBRP are assessable. They should be reported on your annual return as an employer receives the wage subsidies for employees who are working.

Premiums will be based on those assessable earnings.

Canada Emergency Wage Subsidy program (CEWS)

CEWS was a federal wage subsidy program to help employers retain, rehire and/or hire employees during the COVID pandemic. An employer may elect to rehire and pay its laid-off or furloughed employees.

Does CEWS impact WCB premiums in the same way that other wage subsidy programs do?

In the normal course of business, an employer is responsible for paying WCB premiums on their workers' earnings under any other government wage subsidy program or employment incentive.

The CEWS is different in that the employer has a choice and they may choose how to pass on the subsidy to its employees (currently working or returning to work).

Additionally, the employer may pay laid-off or furloughed employees, and claim reimbursement under the CEWS.

It is retroactive to the program start date of March 15, 2020, and it ended on October 23, 2021.

How does CEWS impact my WCB premiums?

If an employer is using CEWS as part of the workers' earnings, then that amount should be reported as part of the employer's assessable earnings.

The exception would be where the worker is not actually working. In the cases where an employer has received the CEWS subsidy but their employees are furloughed or not working, the employers should not include the CEWS subsidy in their assessable earnings.

When should I include CEWS in my company's assessable earnings?

If you are using CEWS to support the wages you paid your workers that are working, then the workers' full earnings including the CEWS subsidy should be reported in your assessable earnings.

Premiums will be based on those assessable earnings.

When should I not include CEWS in my company's assessable earnings?

The subsidy is not considered assessable earnings when an employer receives the subsidy and uses the amount to supplement wages for an employee who is not working or is furloughed.

Employers receiving CEWS must maintain records that identify which workers were furloughed and track the period they were off work due to the pandemic.

Completing your annual return

When you complete your annual return, you should include the amount of CRHP, THRP and HHBRP subsidies you received in 2022.

Reporting the assessable earnings of your workers for the current year and an estimate of what you expect to pay in the upcoming year will ensure that you have the correct WCB-Alberta coverage in place and that your premiums are properly calculated.

For more information about reporting assessable earnings, see our [employer fact sheet](#). The information filed in your annual return will help make sure you are paying the correct premium amount and receiving a fair and accurate invoice.

Have questions? Please contact us toll-free at 1-866-922-9221.

