

## New account holders

WCB 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](#) for more information about 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 components over the next three to five year period, you may experience a future discount or surcharge on the industry rate.

*Premium rate statements are not mailed to you.* Statements are available electronically in mid-December of each year.

*A premium invoice will be sent 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 INTERAC, Visa and MasterCard, 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.

For farming and ranching operations, there are exemptions for who isn't covered and what earnings need to be reported. Please visit the [farming coverage fact sheet](#) or contact us at 1-866-922-9221 for more details.

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](#).

All employers have a responsibility to promote workplace safety and focus on injury prevention with their employees. If a workplace injury occurs, the employer is responsible for supporting a safe and effective return to work for the injured worker.

This ensures we are achieving the best possible outcome for Alberta's workforce, while affording employers the lowest possible WCB premium.

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.

### Personal coverage

Optional [personal coverage](#) is available if you aren't automatically eligible for workers' compensation benefits. This coverage is available to:

- Business owners with or without workers.
- Partnerships with workers.
- Directors of a corporation and members of a society, board, authority, commission or foundation.

You can receive compensation benefits if you choose to purchase personal coverage. Although personal coverage is optional in Alberta, principals may require it as a condition of contract.

Personal coverage will automatically renew Jan. 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 \$25,400 to maximum \$98,700 for 2018).

**Please note dividends and shareholder loans are not covered as employment income and corporate tax returns aren't acceptable as proof of earnings.**

WCB 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—it does not re-instate 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 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 Dec. 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 Dec. 31), a 10 per cent penalty plus interest (based on the bank rate as of Jan. 1, 2018, 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 [myWCB](#) online services.

#### Example:

*Your 2017 estimate is originally \$85,000. On Oct. 3, 2017, you revise it to \$100,000. No further revisions occur and on Feb. 15, 2018, you report 2017 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 Dec. 31, 2017) 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% + bank interest rate) (from Jan. 1/18 to Feb. 15/18).

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](http://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 our [website](http://www.wcb.ab.ca). WCB also provides detailed fact sheets on all WCB procedures. To find employer fact sheets, click [here](#).

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

