

**Alberta WCB
Policies &
Information**

Chapter:
**INSURANCE COVERAGE FOR WORKERS &
EMPLOYERS**

Subject:
OPTIONAL COVERAGE

Authorization:
BoD Resolution 2013/08/28

Date:
October 31, 2013

APPLICATION 1: COVERAGE FOR EXEMPT INDUSTRIES

1. *What industries are exempt from workers' compensation coverage?*

Exempt industries are those listed in Schedule A of the *WC Regulation*.

2. *When are employers and workers in exempt industries covered under the WCA?*

There are two instances when coverage is extended to employers and workers in exempt industries:

- when their work or service is performed as part of an industry to which the *WCA* applies, and
- when coverage for an employer in an exempt industry is applied for and approved by WCB.

For example, accounting is an industry that is included in Schedule A and is exempt from mandatory WCB coverage. When accounting is conducted as a separate industry (for example, an independent public accounting firm), the operations are exempt and workers are covered only if the firm has optional coverage approved by WCB. However, when a company operating in a compulsory industry has its own accounting department, the accounting operations are considered part of the employer's industry and the workers are covered under the *WCA*.

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3. *Are all workers included when an employer applies for coverage for an exempt industry?*

When an application for coverage for an employer in an exempt industry is approved, it brings the employer's operations under the WCA. This means that the same provisions that apply to mandatory industries also apply to the optional account:

- If the employer is operating a for-profit organization, paid and unpaid workers are covered and must be reported by the employer (see Policy 06-01, Part II, Application 3, Questions 2 and 3, and Policy 06-03, Part II, Application 4, Question 2).
- If the employer is operating a not-for-profit organization, all paid workers must be covered. Volunteers are not covered unless the employer specifically applies for coverage (see Policy 06-01, Part II, Application 3, Questions 2, 3, and 4).

4. *How long does the optional coverage remain in effect?*

Once approved (see Policy 06-01, *Employers and Workers*), coverage for an employer in an exempt industry remains in effect until:

- the employer or the employer's agent requests that the coverage be withdrawn, or
- WCB, after notifying the employer, withdraws the coverage.

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5. *Are there special provisions for any exempt industries?*

Yes, special provisions exist for Trade Unions and Indian Bands.

Trade Unions

An application for coverage must include a copy of the union’s resolution to request coverage for both its workers and its elected officials (see Policy 06-01, *Employers and Workers*, and Policy 06-03, *Premiums*).

For the purposes of this policy, a worker of a trade union is an individual who is:

- under the direction and control of the union,
- recorded in the payroll records of the union, and
- has all source deductions made as required by Canada Revenue Agency.

Indian Bands

Any industry conducted by an Indian or Band (or their workers) on a Reserve is exempt. Exceptions to this rule are when the industry is carried on by a corporation, or by a partnership in which one or more of the partners is not an Indian or a Band. If either of these hire workers in an industry to which the WCA applies, they must establish a WCB account (see Policy 06-01, *Employers and Workers*).

An application for coverage requires a Resolution signed by all members of the Band Council.

6. *When is this policy application effective?*

This policy application (Application 1 – Coverage for Exempt Industries) is effective January 1, 2014, except when noted otherwise in a specific policy section(s).

[Document History](#)

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Previous versions

- [Policy 0602 Part II - August 2015](#)
- [Policy 0602 Part II - December 2014](#)
- [Policy 0602 Part II - January 2014](#)
- [Policy 0602 Part II - January 2004](#)
- [Policy 0602 Part II - January 2003](#)
- [Policy 0602 Part II - June 2002](#)
- [Policy 0602 Part II - June 2001](#)
- [Policy 0602 Part II \(consolidated manual 1st Issue\) - June 1998](#)