

**Alberta WCB
Policies &
Information**

Chapter:

**INSURANCE COVERAGE FOR WORKERS AND
EMPLOYERS**

Subject:

PREMIUMS

Authorization:

BoD Resolution 98/03/13

Date:

March 24, 1998

APPLICATION 6: AUDITS

1. *What records are employers required to maintain?*

Employers must maintain detailed and accurate records of all earnings paid to workers and any other information WCB may require. These include all ledgers, journals, and other means of recording wages and other assessable amounts paid to all workers, including contractors and subcontractors. Where applicable, these should provide a breakdown of labour, equipment, and materials used.

When employers have workers in two or more businesses, they are required to keep separate records for each business (see Policy 07-01, *Classification*).

All records are subject to periodic review by WCB.

2. *What is a premium audit?*

A premium audit is a formal examination and verification of an employer’s operations and financial records. Audits are conducted by WCB to:

- ensure employers pay premiums for the correct industry classification(s),
- ensure employers report the correct assessable earnings to WCB, and
- verify an injured worker’s earnings.

3. *When are employers required to provide records for audit?*

Employers are required to provide all records, documents, and information pertaining to the operation of their business when requested to do so by WCB. All information obtained from employer records is held in the strictest confidence (see Policy 01-02, *Access and Privacy*).

WCB may take possession of, examine, remove, take extracts from, or obtain reproduced copies of the records, documents, and other pertinent information.

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4. *What are the consequences of failing to comply with a request to provide information?*

When an employer does not make these records available, WCB may issue an Order to produce the records for WCB’s examination.

WCB may apply to the Court of the King’s Bench for a Compliance Order compelling the employer to produce records for WCB’s examination at a specific time and place. Failure to obey the Order may subject the employer to contempt of court proceedings. In addition, it is itself an offence under s.19 of the *WCA* to hinder or obstruct any investigation of an employer’s affairs.

5. *When is this policy application effective?*

This policy application (Application 6 – Audits) is effective June 1, 1998, except when noted otherwise in a specific policy section(s).

Previous versions

- [Policy 0603 Part II - September 2018](#)
- [Policy 0603 Part II - April 2018](#)
- [Policy 0603 Part II - August 2015](#)
- [Policy 0603 Part II - January 2007](#)
- [Policy 0603 Part II - January 2004](#)
- [Policy 0603 Part II - June 2002](#)
- [Policy 0603 Part II - January 2002](#)
- [Policy 0603 Part II - February 1999](#)
- [Policy 0603 Part II \(consolidated manual 1st Issue\) - June 1998](#)