

GLOSSARY

In addition to the terms defined in s.1(1) of the *Workers' Compensation Act, RSA 2000*, there are a number of other terms and abbreviations commonly used by WCB-Alberta. The abbreviations are listed with the full name. The sources for the definition of terms are included with each definition.

ABBREVIATIONS:

| | | | |
|--------------|---|----------------------|--|
| AC | Appeals Commission | NELP | Non-Economic Loss Payment |
| ADJ | adjudicator | NIHL | noise-induced hearing loss |
| AIRA | <i>Adult Interdependent Relationships Act</i> | NP/NOP | nature of payment code |
| BoD | Board of Directors | OAA | Office of the Appeals Advisors |
| CA | case assistant | PC | personal coverage |
| CC | Clinical Consultant | PCA | personal care allowance |
| CM | case manager | PCI | Permanent Clinical Impairment |
| CO | claim owner | PDC | Permanent Disability Compensation |
| COLA | cost-of-living adjustment | PIA | Permanent Injury Award |
| Comp | compensation benefits | PIR | Partnerships in Injury Reduction |
| DOA | date of accident | PPD | permanent partial disability |
| DRDRB | Dispute Resolution and Decision Review Body | PTD | permanent total disability |
| EACM | end of active case management | RTW | return-to-work |
| EEC | estimating earning capacity | TOJ | training-on-the-job |
| ELP | Economic Loss Payment | TP/TOP | type of payment |
| ELS | Earnings Loss Supplement | TPD | temporary partial disability |
| FFW | fit for work | TTD | temporary total disability |
| HKA | housekeeping allowance | VR | vocational rehabilitation |
| HMA | home maintenance allowance | WCA | <i>The Workers' Compensation Act, RSA 2000</i> |
| IME | independent medical examination | WC Regulation | <i>Workers' Compensation Regulation</i> |
| MA | Medical Advisor | | |
| MC | Medical Consultant | | |
| MIE | maximum insurable earnings | | |

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TERMS & DEFINITIONS:

- Accident** “Accident” is used in the usual and ordinary sense, and means an unexpected mishap or event. For the purposes of workers’ compensation, “accident” also includes the circumstances defined in the four sub clauses of s.1(1)(a) of the WCA.
(Source: Policy 02-01)
- Adult Interdependent Partner** An adult interdependent partner as defined in the *Adult Interdependent Relationships Act*
- Agent** A person who is engaged to act on behalf of another.
(Source: *Dictionary of Insurance*)
- Aggravation** An aggravation is the clinical effect of a compensable accident on a pre-existing condition, resulting in temporary or permanent clinical impairment and/or loss of earning capacity.
(Source: Policy 03-02)
- Amalgamation** Two or more corporations merging to continue as one corporation.
(Source: *Business Corporations Act*, RSA 2000, c B-9, s 181)
- Appeals Commission** The Appeals Commission is a separate appeal body with the exclusive jurisdiction to hear appeals on decisions concerning claims issues or employer accounts made by DRDRB (see entry in this Glossary), as well as determinations of the Board under s.21(3). The Appeals Commission is composed of the Chairman and Chief Appeals Commissioner, Appeals Commissioners, and Temporary Appeals Commissioners.
(Source: s.10 of the WCA and G-2: The Review and Appeal Process)

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Arm's-Length Relationship

An arm's-length relationship is one between unrelated persons each acting in their own self-interest. A related person includes but is not limited to those:

- defined in s.134 of the *WCA*, and
- legal entities under the de facto control of the same person or persons.

It is a question of fact in each case whether persons are dealing with each other at arm's length at a particular time.

(Source: Policy 07-01)

Association

A body of persons who have combined to execute a common purpose or advance a common cause.

(Source: *The Oxford English Dictionary*, 2d ed, *sub verbo* "association")

Authority

A governmental agency or corporation that administers a public enterprise. For example, a transit authority.

(Source: *Black's Law Dictionary*, 9th ed, *sub verbo* "authority")

Bankruptcy

A legal process governed by the *Bankruptcy and Insolvency Act* for a person (includes a natural person, a partnership, or a corporation that is recognized by law as having rights and duties) who can no longer pay back debt. The person who owes the debt assigns all assets – with some exceptions – to a Licensed Insolvency Trustee who sells it or uses it to help pay the debt to the creditors.

(Source: *Definitions - Office of the Superintendent of Bankruptcy Canada website*)

Board

An official or representative body organized to perform a trust or to execute official or representative functions or having the management of a public office or department exercising administrative or governmental functions, for example, the Workers' Compensation Board.

(Source: *Black's Law Dictionary*, 5th ed, *sub verbo* "board")

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Business

The business of an employer consists of all activities common to the provision, or production, and sale of related goods and services. This includes management, administration, marketing, and other functions which are supportive of, incidental, or integral to the employer's main business activities. WCB also considers activities that are contracted out when determining the industry classification assigned to an employer's business.

(Source: Policy 07-01)

Certificate of Clearance

Written confirmation that the account of the contractor/subcontractor, the vendor of a business, or the vendor of primary timber products is in good standing to the date the certificate is issued.

(Source: Policy 06-03)

Clinical

Related to or based on observation or treatment of a patient.

(Source: *Dorland's Illustrated Medical Dictionary, 24th Edition*)

Clinical Impairment

The loss of, loss of use of, or derangement of any body part, system or function. The presence and extent of impairment is determined by medical (clinical) means.

(Source: *Alberta Permanent Clinical Impairment Guide*)

Commission

A body of persons acting under lawful authority to perform certain public services. For example, the Liquor & Gaming Commission.

(Source: *Black's Law Dictionary, 9th ed, sub verbo "commission"*)

Compensable

Able or entitled to be compensated for. For example, a **compensable** job-related injury.

(Source: *Black's Law Dictionary, 9th ed, sub verbo "compensable"*)

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- Compensable Work Restrictions** Compensable work restrictions are based on an assessment of medical conditions (physical and/or psychological) which resulted from the work-related injury. Work restrictions impair a worker's ability to perform pre-accident work duties or to adapt to some other employment. For example, the worker's compensable condition prevents a return to pre-accident or comparable employment, or the worker suffers from a disabling or potentially disabling occupational disease and continued exposure would be harmful. WCB identifies work restrictions, based on medical and vocational information about the worker. The restrictions may be temporary or permanent.
(Source: Policy 04-05)
- Competitive Sports** Competitive sports include all sports played against another person or team (such as tennis, basketball, etc.) at any time, and individual sports (such as weightlifting, aerobics, etc.) when the worker is participating in a competitive event.
(Source: Policy 02-01)
- Contractor** A person who contracts to do work for another. A contractor contracts directly with the principal. A subcontractor contracts with a contractor.
(Source: Policy 06-01)
- Corporation** A corporation is:
- a separate legal entity created by the act of incorporation under the *Alberta Business Corporations Act*, the *Canada Business Corporations Act*, or any other statute,
 - capable of making contracts in its own right and performing all the acts necessary for the operation of the business, and
 - commonly called a limited company.
- When a corporation ceases to exist relative to the legislation under which it is registered, it generally ceases to operate as an employer under the WCA.
(Source: Policy 06-01)

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Cost-effective Return-to-work Services

WCB will consult with the worker to jointly develop an appropriate and cost-effective return-to-work plan that is consistent with the worker's abilities, skills, and potential. The return-to-work plan is considered appropriate if the worker has a reasonable probability of successfully achieving the vocational goal.

In most cases, WCB determines cost-effectiveness by comparing:

- a) the total estimated costs of required vocational services,
- b) the remaining compensation benefits that the worker is entitled to,
- c) the estimated cost of alternative return-to-work plans, and
- d) the estimated benefit costs if no return-to-work services are provided.

For workers with severe disabilities, other rehabilitation factors may be more important than vocational cost-effectiveness. Refer to Policy 04-07, *Services for Workers with Severe Injuries*.

(Source: Policy 04-05)

Deemed Workers

Individuals considered to be workers under s.16(1) of the WCA, or a direction or an Order of WCB.

[Source: s.1(1)(z)(iii) and s.16 of the WCA]

Directors

The directors of a corporation are persons typically appointed by the shareholders to manage the business and affairs of the corporation. Their names are normally recorded both in the corporation's minute book and with the Corporate Registry.

(Source: Policy 06-01)

DRDRB

DRDRB is the commonly used acronym for the Dispute Resolution and Decision Review Body. DRDRB is an internal review body established under s.45 and s.119 of the WCA, for the purpose of reviewing adjudicative and employer account decisions when requested to do so by a person with a direct interest in the decision.

(Source: s.45, s.46, s.119, and s.120 of the WCA, and G-2 – The Review and Appeal Process)

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Emergency Service Workers

Any person who has volunteered for Emergency Services Work, has registered with the Provincial authority and has been directed to carry out actual and immediate Emergency Services Work, by a Provincial Emergency Services Co-coordinator or a responsible official designated by a Provincial Emergency Services Co-coordinator.

(Source: An Agreement Providing for Sharing the Cost of Compensation In Respect of the Injury Or Death of Emergency Services Workers)

Exempt Industry

Any industry listed in Schedule A of the *WC Regulation*, except when performed as part of an industry to which the *WCA* applies. An industry not listed in Schedule A is considered compulsory.

[Source: s.14(1) of the *WCA*]

Foundation

A fund established for charitable, educational, religious, research, or other benevolent purposes; an endowment. For example, the Alberta Law Foundation.

(Source: *Black's Law Dictionary*, 9th ed, *sub verbo* "foundation")

Gainful Employment

When a worker is killed in a work-related accident, a dependent spouse or dependent adult interdependent partner's eligibility for benefits depends in part on his or her ability to achieve gainful employment.

"Gainful employment" is a proportion of the deceased worker's full pension. To be considered gainfully employed, the dependent spouse or dependent adult interdependent partner must have net employment earnings that equal or exceed:

- a) 75% of the worker's full pension, or
- b) the minimum pension for permanent total disability (see Appendix F)

whichever is more.

The dependent spouse or dependent adult interdependent partner's net employment earnings are calculated in accordance with the *WCA* and *WC Regulation*.

(Source: s.70 of the *WCA* and Policy 04-08)

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Guaranteed Coverage Amount

The Guaranteed Coverage amount is an amount that WCB deems as representative of a Personal Coverage applicant's annual gross earnings. The amount may be different for different industries.

The Guaranteed Coverage amount is based on WCB's determination of the annual gross earnings of similarly employed workers. WCB uses earnings information from external wage sources and its own records to determine average earnings in an industry.

If WCB has not set a Guaranteed Coverage amount for an industry, the minimum personal coverage amount is the Guaranteed Coverage amount for that industry. This may happen when, for example, average earnings in a particular industry do not differ significantly from the minimum personal coverage amount. It may also happen if there are wide fluctuations in earnings or insufficient data to determine a representative amount.

Guaranteed Coverage amounts are reviewed annually by WCB and reported to the Board of Directors.
[Source: s.5(2)(c)(ii) of the *WC Regulation* and Policy 06-02]

Guardian

One who has the legal authority and duty to care for another's person or property, especially because of the other's infancy, incapacity, or disability. When used in the context of fatality benefits (see Policy 04-08), the term refers to a person who legally has the care and management of the person, the estate, or both, of a child during its minority.

(Source: *Black's Law Dictionary*, 9th ed, *sub verbo* "guardian")

Impairment of Earning Capacity

WCB determines an impairment of earning capacity by assessing the impact permanent compensable work restrictions will have on the worker's ability to earn.

(Source: Policy 04-04)

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Industry Classification

Industry classifications are established by WCB to group employers involved in the same kind of business. This generally groups employers with similar loss expectations. For each industry classification, WCB maintains statistics on insurable earnings and claim costs to provide information for setting premium rates.

(Source: Policy 07-01)

Insurable Earnings

The gross earnings of each worker up to the annual maximum insurable amount specified by the Board of Directors (see Appendix F). Insurable earnings include, but are not limited to:

- wages, salaries and commissions
- labour portion of contract earnings
- bonuses, holiday pay, and taxable benefits
- recorded tips and gratuities
- pay in lieu of notice
- value of service
- earnings paid to workers participating in WCB's Vocational Rehabilitation Training-on-the-Job Program
- any other remuneration or allowance WCB determines is insurable

(Source: Policy 06-03)

Interdependence (Relationship of)

“relationship of interdependence” means a relationship outside marriage in which any 2 persons

- (i) share one another's lives,
- (ii) are emotionally committed to one another, and
- (iii) function as an economic and domestic unit.

In determining whether 2 persons function as an economic and domestic unit, all the circumstances of the relationship must be taken into account, including such of the following matters as may be relevant:

- (a) whether or not the persons have a conjugal relationship;

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Interdependence (continued)

- (b) the degree of exclusivity of the relationship;
- (c) the conduct and habits of the persons in respect of household activities and living arrangements;
- (d) the degree to which the persons hold themselves out to others as an economic and domestic unit;
- (e) the degree to which the persons formalize their legal obligations, intentions and responsibilities toward one another;
- (f) the extent to which direct and indirect contributions have been made by either person to the other or to their mutual well-being;
- (g) the degree of financial dependence or interdependence and any arrangements for financial support between the persons;
- (h) the care and support of children;
- (i) the ownership, use and acquisition of property.
[Source: *Adult Interdependent Relationships Act*, SA 2002, c A-4.5, ss 1(1)(f), 1(2)]

Interjurisdictional Agreement on Workers' Compensation

An agreement between the Canadian workers' compensation authorities that is intended to avoid duplicate payment of premiums and to aid injured workers in claiming and receiving compensation when two or more jurisdictions are involved.

This is more commonly referred to as the Interjurisdictional Agreement.
(Source: Policy 06-01)

Job Club

A job club is a program that uses instructional techniques in a supportive group setting. The program is designed to target suitable employment opportunities and help the worker gain the necessary job search skills to achieve employment in the shortest possible period of time.
(Source: *Facilitator's Manual for the Job Finding Club*, Human Resources Canada)

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- Learner** A person who, although not under a contract of service or apprenticeship, becomes subject to the hazards of an industry to which the *WCA* applies for the purpose of undergoing testing, training, or probationary work preliminary to employment in an industry to which the *WCA* applies.
[Source: s.1(1)(o) of the *WCA*]
- Legal Entity** Any individual, proprietorship, partnership, corporation, association, or other organization that has, in the eyes of the law, the capacity to make a contract or an agreement and the abilities to assume an obligation and to discharge an indebtedness. A legal entity is a responsible being in the eyes of the law and can be sued for damages if the performance of a contract or agreement is not met.
(Source: *Dictionary of Business and Management*)
- Liquidation** The settling of financial affairs of a business or individual, usually by liquidating (turning to cash) all assets for distribution to creditors, heirs, etc.
(Source: *Black's Law Dictionary, Fifth Edition*)
- Maximum Insurable Earnings** Maximum Insurable Earnings refers to the maximum gross annual earnings prescribed by order of the Board of Directors under Section 56(4) of the *WCA*. WCB does not levy premiums or pay benefits on the portion of workers' earnings that exceed the maximum amount.
[Source: s.56(4) of the *WCA*]
- Measurable Permanent Clinical Impairment** A permanent clinical impairment is determined by a physician, and is expressed as a percentage of total impairment. It is considered measurable if it is equal to or greater than 0.4%, based on the approved WCB rating schedule.
(Source: Policy 04-04)

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Medical Plateau

The medical plateau is normally reached when the worker's medical condition has stabilized, further significant medical improvement is unlikely, and permanent work restrictions can be confirmed.

NOTE: In cases of permanent clinical impairment, the medical plateau and medical assessment for permanent clinical impairment need not occur at the same time. Depending on the nature of the injury, WCB may recommend an additional period of time for minor changes to occur before assessing the permanent clinical impairment.

(Source: Policy 04-04)

New Evidence

New evidence is new information that may affect the outcome of a workers' compensation decision. It must meet two basic criteria:

1. the evidence is material (relevant) to the issue in question
2. the evidence is substantive – it gives new information that was not previously available to the decision maker and could affect the outcome of the decision

Information is not new evidence when it simply summarizes or reformats information that was considered by the decision maker when the decision was made. For example, a medical report is not new evidence if it consists of the same clinical findings, by the same or another physician, already taken into account by the decision maker. A medical report may be new evidence if, for example, new clinical findings lead to a change in diagnosis.

New evidence includes:

- health information
- work-relatedness
- fitness to work earnings information
- information about employer operations

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New Evidence (continued)

- administrative review findings that identify previous errors or omissions
- appeal findings
- various other relevant facts

(Source: Policy 01-08)

Non-Permanent Worker

A worker whose position is subject to lay-offs or shutdowns due to lack of work or seasonal factors, or whose position is such that the agreed term of employment is less than 12 months' duration.

(Source: *Worker's Report of Injury or Occupational Disease*, WCB form C-060 Rev Jan 2013)

Owner-Operator

An owner-operator is a worker who owns and operates mobile industrial equipment such as a tractor/trailer unit, bobcat, delivery truck, or truck-mounted mobile welding unit.

(Source: Policy 04-01)

Partnership

The relationship that subsists between persons carrying on business in common with a view to profit.

[Source: *Partnership Act*, RSA 2000, c P-3, s 1(g)]

Permanent Disability

A worker is considered to have a permanent disability when a work injury results in a permanent measurable clinical impairment or an impairment of earning capacity due to permanent compensable work restrictions, or both.

(Source: Policy 04-04)

Personal Coverage

Personal coverage is optional WCB coverage for employers, partners in a partnership, proprietors, and directors of a corporation, as set out in the *WCA* and *WC Regulation*.

(Source: ss.15 and 16 of the *WCA* and *WC Regulation* ss.4 and 5)

Physician

“Physician” means a person licensed or authorized under the *Health Professions Act* to practice any of the healing arts in Alberta.

[Source: s.1(1)(v) of the *WCA*]

Pre-existing Condition

A pre-existing condition is any pathological condition which, based on a confirmed diagnosis or medical judgment, pre-dated a work-related injury.

(Source: Policy 03-02)

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| Premium | <p>The amount paid to WCB for workers' coverage, optional personal coverage, and related charges. (Source: s.1(1)(v.1) and s.100 of the WCA; Policy 06-03)</p> |
| Premium Rates | <p>Premium rates are set for each industry classification and reflect the loss experience of the respective rate groups. They are set annually, in an amount sufficient to meet WCB's funding requirements as set out in the WCA and Funding Policy (Policy 01-01). Premium rates are expressed as a rate per \$100 of insurable earnings. (Source: Policy 07-01)</p> |
| Principal | <p>A person or a business entity that hires a contractor or subcontractor to perform work or services. (Source: Policy 06-01)</p> |
| Proprietor | <p>Individuals are considered proprietors under the WCA when they</p> <ul style="list-style-type: none">• own and operate a business,• generally perform work for more than 1 person concurrently, and• do not employ any workers. <p>Proprietors are considered to be workers of their principal unless they have an application for personal coverage approved by WCB.</p> <p>WCB may pass an order to consider any other individual or class of individuals to be proprietors. [Source: s.1(1)(w) of the WCA]</p> |
| Receivership | <p>A legal process in which a receiver is appointed to take possession and control of the property of an insolvent business. [Source: <i>Bankruptcy and Insolvency Act</i>, RSC 1985 c B-3, s 243(2)]</p> |

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Secured Creditor

A person holding a mortgage, hypothec, pledge, charge or lien on or against the property of the debtor or any part of that property as security for a debt due or accruing due to the person from the debtor, or a person whose claim is based on, or secured by, a negotiable instrument held as collateral security and on which the debtor is only indirectly or secondarily liable.

(Source: *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, s 1)

Society

A society is an incorporated group of five or more people who share a common benevolent, philanthropic, charitable, provident, scientific, artistic, literary, social, educational, agricultural, or sporting interest, or some other useful purpose, but not for the purpose of carrying on a trade or business. The [Societies Act](#) regulates societies incorporated in Alberta.

[Source: s.3(1) of the *Societies Act*]

Suitable Employment – Permanent Disability

For the purposes of estimating earning capacity, suitable employment means employment which is consistent with the worker's ability and which is within the worker's locale or may be obtainable where relocation is reasonable. WCB's assessment of ability will be based on physical, vocational, social, and psychological circumstances and such other factors as WCB may consider relevant.

(Source: Policy 04-04)

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Suitable Employment – Temporary Disability

For work to be considered **suitable modified employment**, the following conditions must be met.

The work:

- accommodates the worker's compensable medical restrictions so the worker can perform the duties without endangering his/her recovery or safety, or the safety of others
- contributes to the worker's physical and vocational rehabilitation by keeping the worker active and involved in the workplace
- promotes the gradual restoration to the worker's pre-accident level of employment
- must be a meaningful and productive part of the employer's operations
- does not create financial hardship for the worker (for example, shift changes that require additional childcare costs, unreasonable travel to another location, etc.)

[Source: Policy 04-05(definition) and Policy 04-02 (absence of suitable modified work, as defined, when considering eligibility for temporary total disability benefits)]

Trade Name

The name under which any business is carried on, whether or not it is the name of a corporation, a partnership, or an individual.

(Source: *Trade-marks Act*, RSC 1985, c. T-13, s 2)

Vocational Plateau

Generally, a vocational plateau is reached when the worker has completed the vocational rehabilitation plan and is considered employable.

If the worker is entering an apprenticeship program or other occupation with expected significant earnings in the first few years, the vocational plateau is the point when the worker is employable in the occupation or ready to start the apprenticeship program.

(Source: Policy 04-04)