



# Information for Employers





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# Overview

This guide is an overview of Workers Compensation Board (WCB) programs and services for employers. For more information about the WCB, visit [www.wcb.pe.ca](http://www.wcb.pe.ca). You can also contact us at 902-368-5680 or toll-free in Atlantic Canada at 1-800-237-5049.

## ***What is the WCB?***

The WCB promotes safe workplaces through education and enforcement of safety legislation. We also protect both you, as an employer, and your workers through a sustainable accident insurance program. The program offers financial help and medical aid to workers in case of an accident. It also protects you against lawsuits related to workplace injuries.

## ***How does workers compensation benefit me as an employer?***

Under the workers compensation system:

- Your workers receive benefits and services to help recover from workplace injuries.
- Your business is protected from lawsuits related to workplace injuries.

## ***Who pays for workers compensation?***

The workers compensation system is funded entirely by employers. All employers share the cost of the system by contributing to an accident fund. In the case of a workplace injury or illness, we use the accident fund to compensate the worker.

As an employer, you pay a specific amount based on your assessment rate, your industry, and the size of your payroll.

# Coverage

## ***Does workers compensation cover all industries?***

Most businesses must have coverage under the WCB if they employ one or more workers. The *Workers Compensation Act* does not cover employers in all industries automatically. If you are an employer in an excluded industry, you can purchase coverage.

## ***Who is covered?***

If you have WCB coverage, it covers all of your workers, including temporary or part-time workers, seasonal workers, or family members on your payroll.

You do **not** have coverage automatically if you are an owner, an individual operator, an executive officer of corporation, or a director of a business. If this is the case, you may want to purchase WCB coverage.

## ***What happens if I have workers outside of PEI?***

If you are based in PEI and have workers outside of the province, you must submit a written request to the WCB to extend coverage. You should report to the WCB for the province or territory where they will be working. You may need to register with the WCB in those provinces or territories.

If you must pay the WCB in another jurisdiction, you will not have to pay for the same payroll in PEI. You can deduct those wages from the total payroll that you report to us.

## ***What happens if I hire contractors or subcontractors?***

You should ask the WCB for a clearance letter before hiring any contractors. A clearance letter is confirmation from us that the contractor's account is in good standing.

If you do not get a clearance letter from us, and the contractor's account is not in good standing, you may be liable for any amounts owed by the contractor.

You can request a clearance letter through the WCB's Online Services at [www.wcb.pe.ca](http://www.wcb.pe.ca). You can also contact us at 902-368-5680 or toll-free in Atlantic Canada at 1-800-237-5049 for a clearance letter.

## ***Do I need to notify the WCB if I use contractors?***

You must notify us, in writing, within seven days of awarding work to a contractor. The notice should include the following information:

- Name and address of the contractor
- Nature of the work
- Amount the work will cost

- Whether you are paying the amount at one time or in installments; if you are paying in installments, provide the details of the installments
- The expected length of the contract

## **Registration**

### ***Who has to register?***

You must register with the WCB if you employ one or more workers on a regular, part-time, or contract basis. All businesses must register, including both new and existing businesses.

### ***How do I register a new business for the first time?***

You can register your new business in one of two ways:

- Use the WCB's Online Services at [www.wcb.pe.ca](http://www.wcb.pe.ca). This secure site provides you with access to your account at any time. After you sign up, complete the Employer Registration Form.
- Call WCB Employer Services at 902-368-5680 or toll-free in Atlantic Canada at 1-800-237-5049. We will send you the forms that you need to open an employer account. You can also find the forms on our website at [www.wcb.pe.ca](http://www.wcb.pe.ca).

### ***What do I need to provide as part of registration?***

We will ask you to estimate your payroll for the year and include the number of workers that you employ. When calculating your payroll estimate, use the calendar year – January 1 to December 31.

You must also include a description of your business operations. We use this information to classify your business.

We combine your industry classification with your estimated payroll to calculate the amount that you pay for coverage.

### ***What happens if I do not register?***

It is important that you register with us if you are running a business. If you do not, you may be charged penalties.

# Renewal

## ***Do I have to register again?***

You must renew your WCB registration by February 28 each year. When you renew you must report your actual payroll for the previous year and an estimated payroll for the current year. When calculating your payroll actuals and estimates, use the calendar year – January 1 to December 31.

## ***How do I renew my registration?***

You can renew your registration in one of two ways:

- Use the WCB's Online Services at [www.wcb.pe.ca](http://www.wcb.pe.ca). After signing in to your account, complete the Employer Registration Renewal Form.
- Complete an Employer Registration Renewal Form and return it to us:
  - By mail: PO Box 757, Charlottetown, PE, C1A 7L7
  - In person: 14 Weymouth Street, Charlottetown
  - By fax: 902-368-5705

## ***Why do I have to provide a payroll estimate?***

We base your assessment on your payroll estimates. It is important to estimate your payroll as accurately as possible to avoid penalties. We send you a written reminder every year to review your annual payroll estimate. You can revise your estimate before November 1 so that we can adjust your assessment.

## ***What happens if I close or sell my business?***

If you close or sell your business, please let us know. We will ask you for your total payroll so that we can adjust and close your account.

# Rates

## ***How much are my assessment rates?***

Each year, we review your industry experience and calculate your rates. The amount you pay is based on your annual payroll and the group rate for your industry.

When you register each year, we bill you based on your estimated payroll costs for the current year. Then we make adjustments based on your actual

payroll from the previous year, up to the maximum earnings level for the year. If you pay your workers more than the maximum, the excess is not included in the calculation.

### ***What are the group rates based on?***

The rates are based on the relative cost of injuries, the payroll for all employers in each rate group, and the cost of managing the compensation system. The group rates are per \$100 of assessable payroll.

### ***How does the WCB verify that my payroll is accurate?***

We do not verify the payroll of every business but may audit your records at any time. An audit may consist of reviewing your payroll records and any other relevant information.

## **Industry Classification**

### ***How is my business classified?***

WCB coverage is a type of group insurance. We use an employer classification system to group your business by the industry in which it operates. We determine your class using the detailed description of your business operations that you provide when you register. We group businesses within each class with other businesses that share similar activities and risks. These businesses are further grouped into industry groups to set rates.

### ***How am I classified if my business operates in more than one industry?***

When you register, we create an employer account for you. Usually, an employer has a single operation associated with the employer account. However, if you work in different industries, different rates may apply for different business activities.

## **Experience Rating Program**

### ***What is the Experience Rating Program?***

The Experience Rating Program spreads the costs of workers compensation fairly across employers within each rate group. We use your business experience or history of claims to determine your rate. If you are an employer with a lower cost of claims than other employers in your industry, you receive a discount on your rate. If you have a higher cost of claims, your rates are higher.

## ***Do I have to participate in this program?***

You must participate in this program if you are an employer that requires WCB coverage, and you paid a total of \$3000 or more to the WCB over the last three years.

## ***How can I improve my experience rating?***

If you invest in workplace safety and return to work programs, you can reduce your WCB claims costs and improve your experience rating. The changes may take some time, but with continued effort you could see a reduction in your rate.

## **Payment**

### ***How can I pay?***

You can pay through the WCB's Online Services at [www.wcb.pe.ca](http://www.wcb.pe.ca) or through any chartered bank or credit union (either in person or online.) We also accept payment by cheque, credit card, cash, debit, or pre-authorized debit. Call 902-368-5680 or toll-free in Atlantic Canada at 1-800-237-5049 to make a credit card payment over the phone.

### ***When is my payment due?***

Your payment is due 30 days from the date of your statement. To avoid late penalties, please pay your assessment by the due date.

You do not need to wait for your statement to find out your account balance. Using the WCB's Online Services, you can view your account status at any time.

### ***What are my payment options?***

You can pay your assessments annually, semi-annually or monthly.

- **Annually**

After you register or renew, you will receive an annual statement for your account. It includes your assessment and the amount due. Please submit your payment in full, within 30 days of the statement date.

You may choose to pay your bill in installments throughout the year. However, outstanding balances are subject to a service charge at the rate of 1.5% per month.

- **Semi-annually**

If you submit your payroll estimate before the deadline of February 28, and your assessment is \$1000 or more, you qualify for semi-annual billing.

The first half of the bill is due when you submit your payroll estimate. The second half of the bill is due in August of the current year.

- **Monthly**

We also offer a voluntary monthly assessment payment option (MAPO). This program allows you to pay monthly, based on your actual payroll. You do not need to estimate your payroll or pay in advance.

Each month, you must complete a calculation worksheet that helps you determine how much you need to pay. You use your actual payroll amount from the previous month and submit your payment to us.

We mail you the calculation worksheets each month. If you are using Online Services, you can complete the worksheet and submit your payment online.

## **Occupational Health and Safety**

### ***What is the Occupational Health and Safety Act?***

The *Occupational Health and Safety Act (OHS Act)* and its *Regulations* set the minimum standards for occupational health and safety in the workplace. The legislation defines the general safety principles for provincially regulated workplaces in Prince Edward Island.

The basis of the *OHS Act* is the Internal Responsibility System. This means that everyone in the workplace has a role to play and a duty to actively ensure workers are safe.

The *OHS Act* specifies the right and responsibilities for all members of a workplace. It also specifies how they can maintain health and safety requirements. The *OHS Act* covers employers, workers, contractors, constructors, and service providers. It also outlines the rights and responsibilities of self-employed people, owners, architects, and engineers.

## ***Who enforces the OHS Act?***

The Occupational Health and Safety (OHS) division of the WCB supports the Internal Responsibility System. The OHS team establishes and clarifies the responsibilities of each party and helps them maintain safe workplaces. They also intervene when parties are not carrying out their responsibilities as specified by the *OHS Act*.

The team includes OHS Officers and OHS Education Consultants.

## ***What do OHS Officers do?***

OHS Officers inspect workplaces to make sure that employers are following the health and safety standards set by the *OHS Act*. OHS Officers also respond to any concerns about occupational illnesses or unsafe workplaces. After a workplace inspection, OHS Officers may issue orders to correct an unsafe situation or an order to stop work if there is immediate danger.

## ***What do OHS Education Consultants do?***

Education consultants provide education on the *OHS Act*. They may bring safety awareness to specific industries, such as healthcare or farming, or target a specific audience, such as young workers. They provide research on best practices for a workplace safety culture and help safety committees or representatives maintain safe workplaces.

## ***What are my responsibilities under the OHS Act?***

As an employer, you must maintain all materials and equipment safely. You must also provide training and supervision to keep the workers safe and cooperate with the safety committee or representative. You are responsible for operating the business in a way that does not expose your workers to hazards.

## ***What are my workers' rights under the OHS Act?***

Workers have the following rights under the *OHS Act*:

- The right to know what hazards exist and how to protect themselves
- The right to participate in finding solutions
- The right to refuse unsafe work

## ***How does Occupational Health and Safety differ from WCB coverage?***

While Occupational Health and Safety sets safety standards for workplaces and helps educate both you and your workers about safety, WCB coverage is available if an accident does occur.

## **Workplace Injuries**

### ***How do I report a workplace injury?***

A worker must immediately report an injury that occurs during employment. When the worker notifies you of the accident, you must complete the Employer's Report – Form 7 within three days. You may be fined if you do not complete the form on time.

You must report all injuries or accidents, including those that result in lost time from work or those that require medical attention or therapy.

### ***How do I submit the Employer's Report?***

There are two ways to submit the Employer's Report – Form 7 to report an accident:

- Use the WCB's Online Services at [www.wcb.pe.ca](http://www.wcb.pe.ca).  
- or -
- Complete the form and return it to the WCB.
  - By mail: PO Box 757, Charlottetown, PE, C1A 7L7
  - By fax: 902-368-5705

Copies of the form are available at our office or online at [www.wcb.pe.ca](http://www.wcb.pe.ca).

### ***What does the worker have to do?***

The worker must also complete a form – the Worker's Report – Form 6. The worker must make sure that we receive this form. Please do not ask the worker to leave the original copy of this form with you.

### ***What do I need to do if there is a serious workplace accident?***

You must report all serious workplace accidents to the WCB Occupational Health and Safety Division immediately. You can reach the WCB Director of Occupational Health and Safety at 902-628-7513. The WCB must receive a written notice of the accident within 24 hours.

## ***What does the WCB consider as a serious workplace accident?***

A serious workplace injury is an accident at work that:

- Is or may be fatal
- Results in the loss of a limb
- Produces unconsciousness
- Results in a substantial loss of blood
- Involves a fracture
- Involves the amputation of a leg, arm, hand, or foot
- Consists of burns to a large portion of the body
- Causes the loss of sight in an eye

## ***How do I report a serious workplace accident?***

To report a serious workplace accident, call the 24-Hour OHS Emergency Line at 902-628-7513.

## **Return to work**

### ***What happens when the worker is on claim?***

Stay connected with the worker. Be an active and cooperative participant in the worker's return to work plan. A worker does not have to be able to perform pre-injury duties to return to the workplace. You can arrange an ease back program or find alternative or modified work until the worker is able to return to full duties.

We can work with you and the worker to develop this kind of individualized return to work plan. By focusing on timely recovery and safe return to work, you can help the worker recover faster. You can also reduce your claim costs, which may reduce your assessments.

## **Appeals**

### ***What are my options if I do not agree with the decision made by the WCB?***

If you do not understand or agree with a decision, the first step is to contact us for an explanation. The contact information appears on the decision letter. If you do not have a name or phone number, call 902-368-5680 or toll-free in Atlantic Canada at 1-800-237-5049.

## ***What if I have new information?***

If you have new evidence that we did not consider, you can ask us to review the decision. You must make the request in writing. The new evidence may be new information about your operations or your payroll. For more information, see the New Evidence Policy on our website at [www.wcb.pe.ca](http://www.wcb.pe.ca).

## ***If I have talked to the WCB and I still do not agree, what is the next step?***

After you talk to us, if you still disagree with the decision, you can appeal it through the Internal Reconsideration Office. To do so, you must complete a Request for Internal Reconsideration Form and send it to us. We must receive this form within 90 days of the date that we notified you of the decision. For more information, contact the Internal Reconsideration Office at 902-368-5680 or toll-free in Atlantic Canada at 1-800-237-5049. You can also review WCB policy, Internal Reconsideration, on our website.

## ***Who can I ask for help?***

The Office of the Employer Advisor is a free program to help employers with appeals. You can reach the Employer Advisor by phone at 902-368-6132 or 902-620-3519 or by email at [employeradvisor@gov.pe.ca](mailto:employeradvisor@gov.pe.ca)

## **For more information**

### ***For more information, contact us:***

- **Online:** [www.wcb.pe.ca](http://www.wcb.pe.ca)
- **In person:** 14 Weymouth Street, Charlottetown
- **By mail:** PO Box 757, Charlottetown, PE, C1A 7L7
- **By phone:** 902-368-5680 or  
toll-free in Atlantic Canada at 1-800-237-5049
- **By fax:** 902-368-5705

The WCB offers a variety of programs and services, including Online Services for those employers who prefer the convenience of conducting business electronically. Visit [www.wcb.pe.ca](http://www.wcb.pe.ca) or contact us at 902-368-5680.



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