

Coverage for workers not otherwise protected under the Workers' Compensation Act

A deeming order is an effective risk management tool that protects you from legal action and provides benefits to injured workers in the event of compensable work-related injuries.

Why have a deeming order?

If a person without workers' compensation insurance is injured while working for you, they could take legal action against you and they are not protected by the *Workers' Compensation Act* (the Act).

To avoid this, you may apply to WCB for a deeming order, which declares individuals or classes of persons to be your workers for compensation purposes during the period of time they work for you.

When you hire outside individuals or companies to do work for you, the people you're contracting may not have workers' compensation coverage. Some examples of this occur in the following situations:

- You might hire a company operating in an [industry exempt](#) from workers' compensation legislation.
- You might hire someone who has purchased the required insurance for their workers, but doesn't carry personal coverage as an employer or director (which is optional).
- You might hire a director of a corporation with no workers and the director does not have personal coverage.
- We may also deem workers of one employer covered under the Act to be workers of another employer covered under the Act.

The deemed workers are covered under an order to receive compensation benefits for compensable injuries. In exchange for this coverage, they resign their right to take legal action for personal injuries they sustain against you, any other employer or any other worker covered by the Act.

Because you are affecting their legal rights, it's recommended that you advise those persons under the deeming order of the coverage in place.

Who can you cover under a deeming order?

- directors of corporations, partners and proprietors
- workers from exempt industries
- individuals/learners on practicum or work assignments
- under certain circumstances, workers of other employers

Who is typically excluded from a deeming order?

- any person covered by another employer in an industry applicable to the work they do for you
- any person holding personal coverage
- any other exclusions you may choose that are indicated on an approved deeming order

Applying for a deeming order

Deeming order application forms are [available](#). Coverage under a deeming order takes effect upon WCB's approval.

Cancelling a deeming order

You may request the cancellation or amendment of a deeming order at any time. A cancellation or amendment takes effect on the date we approve your written request.

It is recommended that you advise all affected individuals under the order before its cancellation or amendment. If a deeming order is in effect when you close your account, we will send you a written notice of withdrawal.

**If there are any changes to the operating entity identified in the deeming order (e.g. change of ownership), a new deeming order is required.*

Your Responsibilities

Premiums

You must include the earnings of all persons covered by the deeming order in the insurable earnings you report to WCB. You will be charged premiums accordingly.

Most deemed workers will be found in accounts payable rather than insurable earnings reported in Box 14 on T4s.

You must keep all earnings information in your financial records for audit purposes. It is illegal to deduct workers' compensation premiums from these (or any) workers' earnings.

Accident reporting

It is your responsibility to complete an Employer Report of Injury or Occupational Disease (C040) for any injured worker covered under your deeming order.

Claims arising from injury to workers under the deeming order will be charged to your accident experience record and can have an effect on your premium rate.

