

## Foreign Companies

Alberta employers operating in a compulsory industry are required to maintain a WCB account to cover most individuals performing work for them within the province.

This can include workers who ordinarily reside outside of Alberta (see Section 1(1) of the [Workers' Compensation Act \(WCA\)](#) under the definition of a "worker"). Companies are generally not required to cover the workers of other incorporated companies or subcontractors that maintain their own WCB accounts.

### Hiring foreign companies for local work

In certain cases, Alberta employers may subcontract work to companies based outside of Canada. These companies, and their workers, may not be eligible for workers' compensation coverage in Alberta.

If a foreign company is based outside of Canada and is performing work here on a temporary basis, its employees who ordinarily reside outside of Canada would not be considered workers as defined under Section 1(1) of the WCA.

This means that they would not have workers' compensation coverage. Workers' compensation in Alberta provides no-fault protection for workplace accidents, but only when the injured person is covered by the workers' compensation system.

Personal coverage is not available for owners or directors of a foreign company if the company is performing work in Alberta on a temporary basis.

### When does WCB consider a foreign company to be an Alberta employer?

Companies based inside of Canada, or those who carry on business in Alberta on a regular basis, would be considered "Employers" when employing workers (resident or non-resident) for work performed within the province.

Foreign companies are typically considered to have a permanent presence in Alberta if they have the following:

- A warehouse, office or place of business in Alberta.
- A resident agent or representative working on behalf of the company on a permanent basis.

- Advertising or other solicitation specific to the Alberta marketplace, with reference to the foreign company's Alberta address and telephone number(s).

Foreign based companies who carry on business in Alberta on a temporary basis would only be required to cover individuals who ordinarily reside in Canada for work performed in Alberta.

Foreign workers would be outside the Alberta workers' compensation system. Employer protection from lawsuit in the event of a workplace injury would not apply.

### Deeming Orders

In circumstances where an Alberta employer is hiring a foreign company with employees who are not protected under the WCA the Alberta employer might consider applying for a "Deeming Order".

If granted, a Deeming Order will allow persons not considered workers under the WCA to be covered under the applicant's account. This affords Alberta employers the same protection from lawsuit they receive when hiring locally.

In exchange, these individuals will be considered workers of the Alberta employer and any resulting claims would be charged to the Alberta employer's experience record.

In approving a Deeming Order, WCB will consider the interest of the worker, the employer and the WCB to ensure the most appropriate outcome. For more information regarding Deeming Orders click [here](#).

### Considerations

This fact sheet is a guide only, and there are various factors WCB considers when determining whether foreign companies are employers under the *Alberta Workers' Compensation Act*.

In general, the circumstances of each situation are reviewed on a case by case basis. Please contact WCB for any questions in regards to your requirements for coverage.

