

Who do I have to cover?

Most employers in Alberta are required by law to have workers' compensation insurance for their paid and unpaid workers.* For WCB purposes, a worker is any person who enters into or works under a contract of service or apprenticeship, written or oral, expressed or implied, whether by way of manual labour or otherwise.

A worker is anyone who works:

- Full-time
- Part-time
- Temporary or casual (including foreign workers)
- Contract/subcontract, unless they maintain their own WCB account (see contractor/subcontractor section below)
- As a volunteer (see volunteer section below)

***Note:** For farming and ranching operations, there are different requirements and exemptions for workplace insurance. Please visit the [farming coverage fact sheet](#) or contact us at 1-866-922-9221 for information.

Unpaid workers (for-profit)

The definition of a worker also applies to family or unpaid workers. With the exception of proprietors, partners in a partnership, or directors of a corporation, all people actively providing a service to the business are considered workers.

If you're a for-profit organization and have people providing services who are not paid, these individuals are considered unpaid workers and are automatically covered in the event of a workplace injury or illness.

You're required to report a value for their services with the assessable earnings information you submit for your workers. This value of service should represent a fair market value for the services provided.

Volunteers (not-for-profit)

If you're a not-for-profit organization and have people providing services who are not paid, these individuals are considered to be volunteers and they aren't automatically covered. These people can only be covered through a special

request for coverage. Once your application to cover the volunteers is submitted and approved, you must include a value for their services with the insurable earnings information you submit for your workers. This value of service should represent a fair market value for the services provided.

Directors/shareholders

If you're operating as a corporation, you don't have to cover the directors of your corporation. Directors are people elected by the shareholders to manage the business and financial affairs of a corporation. The Alberta Corporate Registry officially records the names of all directors.

In order to be covered by workers' compensation, directors need to purchase optional personal coverage. Directors who don't have personal coverage are not protected from legal action resulting from workers' injuries and may be personally sued.

You're required to cover your shareholders who work for the corporation. When shareholders are elected directors of the corporation, they aren't covered by workers' compensation unless they purchase optional personal coverage.

Corporations

If you hire a corporation eligible as a business for WCB purposes, you don't have to cover their workers or directors. If we determine the corporation is not eligible as a business, you may be required to cover their workers and/or directors. Please contact our office to ensure you have the appropriate clearance letter for your contractor.

Please see the *Who can I cover?* section of this fact sheet for more information.

Partnerships

If you hire a partnership that has no workers, you must cover the partners if none of them have personal coverage. If, however, any partner has personal coverage, you do not cover any of the partners. The partner(s) without personal coverage won't receive compensation benefits if injured.

Proprietors

If you hire proprietors who don't have personal coverage, you must cover them as your workers. For WCB purposes, a proprietor is an individual who owns and operates a business and does not employ any workers. Proprietors usually perform work for more than one person at the same time.

Contractors/subcontractors

If you hire contractors or subcontractors you must cover them, except when they:

1. Have an active WCB account.
2. Are performing the work as:
 - An employer in that industry.
 - A worker of another employer.
 - A director of a corporation with personal coverage.
 - A proprietor with personal coverage.
 - A partner in a partnership with personal coverage.

For contractors/subcontractors earnings, you report 100 per cent of the amount paid if only labour is supplied. If equipment is involved, contact WCB for assistance in determining the amount to report.

Who can I cover?

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

A deeming order can cover:

- Directors of corporations, partners and proprietors.
- Workers from exempt industries.
- Individuals/learners on practicum or work assignments.
- Under certain circumstances, workers of other employers.

Deeming order [application forms](#) are available. Coverage under a deeming order takes effect following approval.

