

Pooling of Labour

Pooling of labour occurs when an individual (labour contractor) provides services on a contract and engages one or more helpers to complete the contract. The labour contractor may supply a vehicle as well as incidental materials and tools of the trade. The principal makes payment only to the labour contractor, who then divides the payment between him/herself and the helper(s).

When two or more individuals pool their labour to complete a contract, for WCB purposes they are considered workers of the principal rather than a partnership. Individuals who hire helpers on a casual or intermittent basis to complete a labour contract are considered **workers of the principal; they are not employers.**

Labour contract

A labour contract is an agreement, written or verbal, between an individual and a principal where the individual agrees to provide labour, services or work to complete a *specific contract*. The principal may agree that the individual can engage helpers on a casual or intermittent basis, even though payment for the work collectively provided is made to the original individual only.

Reporting earnings to WCB-Alberta

The principal must report the insurable earnings of *all individuals pooling their labour* to complete the contract. The individual who obtains the contract with the principal may be the only one paid by the principal and in turn pays the helpers. This does not alter the fact that the helpers are also workers of the principal.

