



Stakeholder Feedback

Online consultation on the topic below was posted from October 1 to December 2, 2019. The verbatim comments received by WCB-Alberta during online consultation are reproduced below.

Phase two - Review of employer accounts and premium policies

<i>Stakeholder</i>	<i>Category</i>	<i>Comments</i>
Pidherney's Inc.	Employer	<p>WCB Policy changes are being considered and the business 'test' suggested below is, I believe, a veiled attempt to thwart and/or usurp several Appeals Commission decisions whereby the Appeals Commission felt the operations of the business being considered properly belonged in the VOLUNTARY industry of either 86901 or 86902, both industries that carry low industry rates given the 'office' type work conducted by the businesses. If the business test contemplated below were in place today, it would result in many businesses being classified as a 'trucking' company, when they don't own trucks, employ drivers or indeed, do trucking at all.</p> <p>7. How does WCB classify a business providing support services to an industry? Businesses providing coordination, marketing, management or administration of a specific service which generates revenue from another business, will be classified in the industry it supports. For example, a fast food franchisor that provides only administration services will be classified in the restaurant industry.</p> <p>Here are 3 AC decisions that I believe the new policy is intended to circumvent</p> <p>2012-827 - sees a company that provides insurance-type services to the 'moving industry' - the WCB classified them as a trucking company even though they have no trucks, drivers, warehouse, etc. In fact, they employed about 30 people in an office setting who worked on computers to arrange insurance type services. The Appeals Commission properly directed that the operations be placed in 'business services'</p> <p>2013-0542 - sees a company that develops software to assist airlines in developing flight patterns (ie most direct route but avoiding inclement weather) classified as air and ground support services, even though they have no baggage handlers, do not do engine overhauls, aircraft servicing or refueling. The Appeals Commission properly directed that the operations be placed in 86913, drafting and designing.</p> <p>2018-0716 - sees a company that found a niche market for waste management for hotels and restaurants (ie waste, recycle, compost)</p>

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		<p>whereby they coordinate the various waste management needs of the client, placed in the industry of garbage collection, even though they have no trucks, no drivers, no warehouse, etc. and indeed, it's notable that compost and recycle aren't even part of garbage collection. The Appeals Commission properly directed the WCB to remove them from garbage collection.</p> <p>Classification philosophy suggests that employers should be classified based on 'what they do', not who they do it for. This Policy change would see an accounting firm that specializes in providing accounting services for trucking companies, classified as a trucking company instead of an accounting firm. Unless there is 'common ownership', this policy change is seriously flawed.</p>
<p>Price Solutions Ltd.</p>	<p>Paid Advocate <i>This submitter self-identified as an Employer but has been re-categorized as a Paid Advocate</i></p>	<p>WCB Policy changes are being considered and the business test suggested below is, I believe, a veiled attempt to thwart and/or usurp several Appeals Commission decisions whereby the Appeals Commission felt the operations of the business being considered properly belonged in the VOLUNTARY industry of either 86901, 86902 or 86913, all industries that carry low industry rates given the 'office' type work conducted by the businesses, and more importantly as already noted, all VOLUNTARY as opposed to compulsory. If the business test contemplated below were in place today, it would result in many businesses being classified as a 'trucking' company, when they don't own trucks, employ drivers or indeed, do trucking at all.</p> <p>7. How does WCB classify a business providing support services to an industry? Businesses providing coordination, marketing, management or administration of a specific service which generates revenue from another business, will be classified in the industry it supports. For example, a fast food franchisor that provides only administration services will be classified in the restaurant industry.</p> <p>Here are 3 AC decisions that I believe the new policy is intended to circumvent</p> <p>2012-827 - sees a company that provides insurance-type services to the 'moving industry' - the WCB classified them as a trucking company even though they have no trucks, drivers, warehouse, etc. In fact, they employed about 30 people in an office setting who worked on computers to arrange insurance type services. The Appeals Commission properly directed that the operations be placed in 'business services'</p> <p>2013-0542 - sees a company that develops software to asset airlines in developing flight patterns (ie most direct route but avoiding inclement weather) classified as air and ground support services, even though they have no baggage handlers, do not do engine overhauls, aircraft servicing</p>

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		<p>or refueling. The Appeals Commission properly directed that the operations be placed in 86913, drafting and designing.</p> <p>2018-0716 - sees a company that found a niche market for waste management for hotels and restaurants (ie waste, recycle, compost) whereby they coordinate the various waste management needs of the client, placed in the industry of garbage collection, even though they have no trucks, no drivers, no warehouse, etc. and indeed, it's notable that compost and recycle aren't even part of garbage collection. The Appeals Commission properly directed the WCB to remove them from garbage collection.</p> <p>Classification philosophy suggests that employers should be classified based on 'what they do', not who they do it for. This Policy change would see an accounting firm that specializes in providing accounting services for trucking companies, classified as a trucking company instead of an accounting firm. Unless there is 'common ownership', this policy change is seriously flawed.</p> <p>As employers we need to ensure that WCB policy changes are done for the right reasons. This isn't one of them.</p>
Baker Creek Mountain Resort	Employer	Develop a better policy around repetitive strain.
Mr	Employer	Nothing to say
Individual	Worker	Payment scheduling policies don't always align with worker needs and should be a little more flexible.....
Matrix Consulting Group Inc.	Paid Advocate	<p>Hello! Thanks for the opportunity to provide feedback.</p> <ol style="list-style-type: none"> 1. Dividends as earnings Great idea. I have no suggestions except that it's an excellent change to acknowledge current accounting practices. 2. Qualification of Incorporated/Limited Entities It's very interesting to hear that you are looking at ending "automatic business qualification" for directors of limited / incorporated companies. I appreciate that other provinces have different ways of dealing with the incorporation issue, and if Alberta wants to change it's own stance on the subject, that's fine with me. <p>Full transparency: As a one-man-incorporation myself, it is very important for me to stay abreast of these changes and understand my requirements and options, and when any changes might take place.</p> <p>HOWEVER: While I am glad that you are focused on making changes to policy that will improve transparency for stakeholders, after a review of</p>

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		<p>the materials, it's not perfectly clear to me what the outcome will be regarding coverage responsibilities and options for these one-man-corporations (like me!).</p> <p>Page 2 of the backgrounder seems to indicate that a director who's company "does not quality" will be a worker of his principal. Ok if that's true, but in the interest of transparency, I see inconsistencies in the policy Q&A that you have laid out.</p> <p>For example,</p> <p>Based on Page 2 of the backgrounder and 06-01, App 2, Q 35, I might assume that directors without PC will still be covered by the people they work for (that is, by only those clients who have such coverage in place, which 99% of the time excludes homeowners).</p> <p>A stricter reading of this policy question and answer would indicate there are 3 different statuses of directors:</p> <ul style="list-style-type: none"> A) not covered at all - either because they didn't ask for PC (or had PC terminated for non-payment), didn't pass a business test and were denied (and not covered by their client/principal - such as with voluntary industry employers, homeowners, etc.) B) obtained PC and continue to pay their bills to avoid termination C) deemed a worker or their client, under S16 <p>This is similar to how a proprietor is treated today:</p> <ul style="list-style-type: none"> A) no PC, not covered at all when working for homeowners/voluntary industry clients B) covered with their own PC C) covered via their client/principal as a worker <p>Not all of the suggested changes provide the same direction for directors. Just for example:</p> <p>06-01 App 2, Q 57 - What is the status of shareholders of a corporation?</p> <p>With your suggested text, it seems like directors without PC will continue to NOT be covered, which is the current model, but if you are moving to directors without PC are always covered by their principals, then you will need to change the answer (see the ALL CAPS text I have added to the answer below - sorry for "shouting", but that was the only way I could find to make the text stand out).</p> <p>When shareholders are also elected as directors of the corporation, their director status takes precedence for the purposes of workers' compensation coverage and they are only covered if they have personal</p>

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		<p>coverage in place, OR HAVE BEEN DEEMED BY THE WCB TO BE WORKERS OF THEIR PRINCIPAL(s) (see Policy 06-02, Part II, Application 2,Optional Coverage).</p> <p>Alternatively, maybe it won't be that simple. Will there be a test for directors, but slightly different criteria than proprietors?</p> <p>Do you remember a decade ago when WCB was denying proprietor accounts for props working for homeowners? That was quickly changed, because the WCB didn't want people working without coverage. Hopefully the same is still true for directors, and those directors out there working for clients that are not required to carry workers' compensation (like me) will still be able to get their own corporate account (again, I don't currently have PC, but I don't want people with high risk work not to be able to obtain it when they are working for clients that are not covering them).</p> <p>I'd like to acknowledge that of course I know that policies need to be broad so you can apply them to lots of different situations, but that being said, there's room for more tweaks here. BTW, I read the slides, hoping to find more clarity there, but I didn't see it. The courier example and the trucking example were great, but it would have been nice to see some mention about corporations in there somewhere, even if it had to have it's own example.</p> <p>Thanks for listening guys!</p>
Town of Blackfalds	Employer	<p>When following the business test:</p> <ul style="list-style-type: none"> * direction, control and independence * ownership of or provision of materials, tools and equipment * ability to hire workers or subcontractors * financial risk including the opportunity for business profit and loss * responsibility for investment * responsibility for business infrastructure (such as legal incorporation, website, marketing, insurance, permits and licenses) * any other information that WCB considers relevant <p>More reference or appendix to deeming order applications for the principals and those who do not meet the business test provisions, to ensure coverage for all parties. Example, municipalities hold many events throughout the year while contracting to small entities who may or may not meet the business test.</p> <p>As a consultant - the dividends as earnings question came up every year with WCB - glad this section is expanded upon.</p>

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Individual	Worker	<i>[Removed to protect the identity of the individual. This submission was entirely related to a worker's claim and unrelated to this policy review.]</i>
Individual	Worker	<p>I have some concerns about the reclassification of businesses doing business with companies that are in a higher WCB premium bracket . I could be an accountant. I have many clients. No specific type of client forms a majority. Some are owner operators, one is a sky diver, one owns a paint ball facility, others are taxi owners etc. So now if I decide I do not want to pay the WCB rate for the skydiving company, they can no longer by my client? The owner operator is a trucker.. if I do not want to pay the 4.00+ for that industry, he can no longer by my client? So, by passing this plan, you control who can work for who unless they want to pay the price? which of course has to be handed on to whoever the service is being done for? Why not just acknowledge that this is a money grab? Creating a tool to control who can do business with who, is nothing less than dictatorial-ism.</p> <p><i>[This feedback was submitted under the 2020 Policy Project Plan consultation. It is being included here as it relates to the topic of this consultation.]</i></p>
Individual	Worker	<p>I work for a company in the construction classification. We pay premiums for all employees based on this occupation, however 1/3 of the staff are office workers and do not go out into the field. We are, however paying premiums as though we are construction workers. I am sure most employers face this situation. Will there be a review to look at premiums based on job descriptions, instead of the industry of the entire company?</p> <p><i>[This feedback was submitted under the 2020 Policy Project Plan consultation. It is being included here as it relates to the topic of this consultation.]</i></p>
SIRVA Canada LP	Employer	<p>I am responding to your Employer services policy review, proposed change #2- Business providing support services. Our organization is currently classified by WCB under industry code 86901 (Business Services). We got that classification years ago from the appeals commission after going through a very long drawn out appeal process. I trust that whatever the WCB decides to do with this policy review will not change our classification from business services. If it did, it would undermine the whole appeal process. I would consider that to be an abuse of power by the WCB and quite frankly corrupt. Can you confirm for me that the WCB has no plans to overturn an Appeals Commission ruling by merely "changing the rules"?</p> <p>I understand that the WCB likes to classify business in the "industry that it supports". And for most of the business this probably works quite well.</p>

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		<p>However, for business service industries it does not always work. Call it what you like, but the premiums paid to WCB are basically insurance premiums. Those premiums should be based upon the risks inherent within the business that is operating. This is how other insurance companies would charge their customers. A fair premium would be a cost plus model. The "plus" being about a markup of 30% over that of WCB claims to cover your administration expenses. The premiums we paid prior to being classified as business services were exorbitant and grossly unfair. We were basically subsidizing an industry that did not have the same risks as we did. You really should do an independent review of each business service company to see what the risks are rather than take the easy(lazy) way out and just classify them as apart of another industry.</p> <p>I see in your review, that you mention that your approach is consistent with other jurisdictions. Our company does have WCB coverage with other provinces. All of which have classified us as business services. Not the industry that WCB Alberta used to classify us before we went through the appeal process.</p> <p>So basically, I'm asking you to do your homework. Take a look at each business service company to note the potential risks for that company. And most importantly, DO NOT discount any appeal commission rulings.</p> <p>Thank you for your time and consideration.</p>
Truck-All Depot Ltd.	Employer	<p>Truck-All Depot Ltd., employs 47 workers, 21 dock staff, 16 administrative staff, 4 drivers and 2 managers. All of us are classed in the 50714 Industry Code. The dock staff and drivers are the ones that are exposed to a higher risk of injury than the Administrative and Management staff.</p> <p>As Assistant Manger and the person is charge of Safety this is unfair to our company. We pay thousands of dollars extra in WCB premiums for staff that are at little to no risk of injury. I would like to see a split in industry codes attached to our Policy where premiums for Dock and Drivers remain under industry code 50714 and premiums for administrative and management full under an administrative code. This would seem to be a much more equitable account of our business risk.</p>
CAPP - Canada's Oil & Natural Gas Producers	Employer Association	<p>The Canadian Association of Petroleum Producers (CAPP) represents companies, large and small, that explore for, develop and produce natural gas and oil throughout Canada. CAPP's member companies produce about 80 per cent of Canada's natural gas and oil. CAPP's associate members provide a wide range of services that support the upstream oil and natural gas industry. Together CAPP's members and associate members are an important part of a national industry with revenues from oil and natural gas production of about \$109 billion a year. CAPP's mission, on behalf of the Canadian upstream oil and natural gas industry,</p>

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		<p>is to advocate for and enable economic competitiveness and safe, environmentally and socially responsible performance.</p> <p>CAPP and its members appreciate the opportunity to provide feedback on the Workers' Compensation Board's (WCB) draft revised policies; specifically:</p> <ol style="list-style-type: none"> 1. Adding a business test to determine an individual's status as either a worker or business owner (draft Policy 06-01, Part II, Application 2). 2. Including dividends as earnings for personal coverage holders when earnings are paid in lieu of salary (draft Policy 06-02, Part II, Application 2 and draft Policy 06-03, Part II, Application 4). 3. Splitting and extending personal coverage to ease the administrative burden for individuals who would like to extend personal coverage across multiple operations under one account (draft Policy 06-02, Part II, Application 2). 4. Including a provision in policy around classifying businesses providing support services to an industry to ensure transparency and consistent decision-making (draft Policy 07-01, Part II, Application 1). <p>Our WCB Committee members have completed a review of the draft policies, and are supportive of all proposed changes.</p>
Individual	Worker	<p>After working over 50 years in the workforce am still wondering why i was declined hearing aid approval when fellow workers in the same industry recieved approval (this is bias)...</p>
Alberta Federation of Labour	Labour Association	<p>AFL Recommendations Phase Two Review of Employer Accounts and Premium Policies</p> <ol style="list-style-type: none"> 1. The AFL supports a business test to help determine if someone is a worker or an employer. The criteria developed by WCB, along with a few additions, should provide a robust test to help WCB determine if individuals are workers or employers. The facts of the working relationship, as a whole, should be used to determine someone's employment status. We would recommend including a factor examining the number of clients, and the percentage of revenue coming from individual clients. In consideration with the other factors WCB has proposed, this test should help WCB workers determine whether someone is an employee or a self-employed individual. 2. The AFL supports the inclusion of all forms of compensation when determining not only personal coverage amounts, but also any wage replacement. We encourage including dividends as compensation and recommend also including capital gains when dividends are paid in lieu of salary. The entire compensation package offered is what should be

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		<p>included in personal coverage amounts, as well as, wage replacement.</p> <p>3. The AFL supports changes to personal coverage amounts that help ensure people are properly covered under WCB and that WCB remains properly funded. Special attention should be made to ensure there are no loopholes that would allow employers to pay lower rates by shifting their work activities to make it seem like a majority of their work takes place in a lower rate industry.</p> <p>4. The AFL is in favour of expanding coverage to ensure workers and employers are properly covered and compensated under WCB. We understand that the proposed policy change is a clarification of current WCB practices and we support efforts to ensure all parties are under proper WCB coverage.</p>
Merit Contractors Association	Employer Association	<p>1. Business Test</p> <p>The proposed business test question makes sense provided notice and decision rationale is given to the policy owner and WCB periodically initiates a review of the directors' status. The review should be conducted to ensure the policy is up-to-date and the status is being applied correctly.</p> <p>2. Dividends as earnings when verifying personal coverage amounts</p> <p>Under Personal Coverage section 2, the statement "Individuals who buy personal coverage for an amount higher than the Guaranteed Coverage amount and who cannot confirm their earnings will not be reimbursed for the extra premium paid" should be revised to state that overpayments will be applied to the account.</p> <p>Additionally, the policy should be expanded to define what constitutes proof of earnings. For instance, if WCB requires a level of proof for personal coverage higher than the Guaranteed Coverage, the Personal Coverage policy should clearly articulate that requirement, particularly if extra premiums paid are not reimbursed.</p> <p>3. Splitting and extending personal coverage</p> <p>Application 2: Personal Coverage, section 6.2, "If that industry cannot be determined then premiums will be assessed at the higher-rated industry in which the individual operates" should be revised to reflect a fairer approach that does not default to the highest premium rate. An average rate or median rate should be used, particularly if the individual operates several businesses in different industries.</p> <p>4. Businesses providing support services to an industry</p> <p>Policy 07-01 PART II Application 1 requires additional clarity. The proposed statement addition, as it reads, is concerning. The statement is</p>

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		<p>potentially categorizing marketing or auxiliary services to an industry group that it may not belong to. As the statement reads, a marketing or engineering company providing service to a construction company will be charged the premium rate associated with construction.</p> <p>If this policy is applied as it is proposed, higher costs may be unfairly imposed on other industry businesses.</p>
ITF Association	Employer Association	<ol style="list-style-type: none"> 1. Business Test For the specific purpose of clarifying whether an individual should be deemed a worker or a business owner, and determining who needs to provide WCB coverage, we have no concerns with the proposed criteria. These are consistent with what has been established as legal criteria in case law, as well as with the CRA definition. 2. Dividends as earnings when verifying personal coverage amounts We have no concerns with the proposed change but suggest the WCB add a question in the policy to address how this is handled when the individual receives both salary and dividends. 3. Splitting and extending personal coverage We have no concerns with the rationale for this change. However, we note in policy that an individual can change their coverage by phone but not make application by phone. We question the rationale for this difference in requirement and suggest that all applications as well as changes in coverage be in writing. This provides consistency, and also protects both the individual as well as the WCB from disputes over what was requested and/or agreed to. 4. Businesses providing support services We DO NOT support what appears to be a proposed change in policy as is outlined in Question 7. The discussion at the November 26th workshop provided some clarity in this regard, but this is not consistent with how the policy change is being interpreted. It is our view that the classification system should be based on the work that is being performed, not the industry for which the work is being performed. The proposed policy change would see an accounting firm that specializes in providing accounting services for trucking companies, classified as a trucking company instead of an accounting firm. In the majority of cases, there will be a significant difference in the premiums an organization would pay if they are being assessed based on the industry they are supporting rather than the actual work they perform. Unless there is 'common ownership', we believe this policy change represents a significant departure from the "pooled risk" philosophy that

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		<p>compensation systems are based on. For this reason, we do not support the proposed change.</p> <p>With respect to Franchises, these should be included in the industry appropriate for their business operations (e.g. a restaurant franchise should be a restaurant). However, the franchisor is typically not in the hands-on restaurant business and they do not have the same risks (i.e. food prep, cooking, serving) and therefore the franchisor should be classified elsewhere. We do not agree with your example, that a fast food franchisor providing only administration services be classified in the restaurant industry.</p> <p>There also needs to be a level playing field when comparing a restaurant franchisor with an owner of multiple restaurants. If operating a business that is standalone to the restaurant, an owner of multiple restaurants should be treated similarly to the franchisor and classified in a lower risk industry.</p> <p>Other Issues:</p> <p>Financial Administration of Safety Association Grants We note that Policy 07-03 was included in Phase 1 but not Phase 2 consultation. We had previously submitted Safety Associations all have a governance structure that includes oversight by a Board of Directors elected by their membership. These Boards approve funding and are responsible and accountable to their membership for monitoring activities of the Association. The membership is comprised of employers and other stakeholders as appropriate. There is no value add for the WCB to have any involvement in oversight of these Associations.</p> <p>Policy should recognize this relationship and a limited role for the WCB in oversight. Policy should also reflect a requirement for the WCB to periodically confirm continued employer/industry support to fund the safety association. The process for confirming ongoing industry support should be specified and include seeking written confirmation annually with the direction and strategic plan from key stakeholders for each Association.</p>
<p>Organization not provided</p>	<p>Employer</p>	<p>After reviewing the new policies being put forward its clear the WCB is just trying to find new ways to line their pockets. The last thing Alberta companies need right now is more regulations and more "taxes" on themselves and their businesses. Taxing dividends!?!?!? I'm a CAPITALIST! I run a company to make money. If you consider dividends as income....which they're not your making running a company pointless. I.E. socialism. There comes a point when it makes more sense to be the employee and this is one more move towards that day. Only problem with that is eventually all the HARD workers (business owners) will say to hell with this and let the losers (lazy workers and WCB) live off</p>

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		welfare...as long as it lasts. WCB is clearly the same. But, they can't afford to pay their growing OH&S so they're going to take it out of our pockets. This should be illegal. [Expletive] wcb and [expletive] OH&S

Online consultation posted from October 1, 2019, to December 2, 2019.