

BULLETIN

August 20, 2007

Re: WCB for Loan-Out Companies

Are You A Limited or Incorporated Company? Will You Be Covered by WCB in Case of Workplace Injury or Disease?

Many members assume that it is the production's responsibility to pay WorkSafe BC (WCB) premiums on their behalf whether or not they are limited/incorporated. This leaves them with a false sense of security that they will be covered in the event of a workplace injury or disease.

Unfortunately, you may be caught in this assumption at the most inopportune time – when injured and seeking compensation from WorkSafe BC. Once you file a claim for compensation with WorkSafe BC, an assessment of your company is automatically launched. If it is determined that you are considered an employer under their policy you will have a choice to be assessed with premiums dating back to the start of the company (your wage loss will then be based on what your company pays you, not your actual earnings) or your **claim will be denied** as you were not covered at the time of the injury. It makes no difference that the production has been paying premiums on your behalf as WorkSafe BC policy stipulates that you **MUST** register and pay your own premiums.

It is important to understand that WorkSafe BC has legislation and policy defining the employment relationship that is independent of other regulating bodies. The WorkSafe BC website (www.worksafebc.ca) is a great resource to start the self-inquiry process. On this site you will find their Assessment Manual and the Assessment Practice Directives, at the links below:

http://www.worksafebc.ca/publications/policy_manuals/assessment_policy_manual/Assets/PDF/assessment_manual.pdf

http://www.worksafebc.com/regulation_and_policy/practice_directives/assessment_and_revenue_services/default.asp

The basic principles are as follows:

- 1) If you clearly supply labour only (don't supply rental equipment or materials), to only one company simultaneously, and do not have other employees, you are a worker

- 2) If you supply labour to more than one company at a time you may be considered an employer
- 3) If you supply major materials that you profit from you may be considered an employer
- 4) If you supply two or more pieces of revenue generating equipment (not incl. hand tools/personal transport vehicles) you may be considered an employer
- 5) If you hire workers and have control over their work you may be considered an employer

PLEASE, do not assume by your self-assessment that you are a worker - it may change your life forever in the event of a workplace injury or disease. The assessment process is complicated and so we urge you to contact the Assessments Department directly at 604-244-6181 or 1-888-922-2768 to have your company formally assessed.