

Section Title: Finance, Assessments and Administration – Assessments
Subject: Requests for Individually Assessed Employer Status
Effective Date: January 1, 2022

A. POLICY PURPOSE

This policy restricts the movement of Class E employers into any of the individually assessed employer classes provided in *The Workers Compensation Act* (the Act), and describes circumstances in which an employer's class may be reassigned.

B. POLICY

For assessment purposes, Section 73 of the Act groups covered employers into four broad classes (Classes B to E), which can be described as follows:

- Class B - individually assessed employers listed on a schedule that the Board of Directors makes by regulation;
- Class C - the Province of Manitoba and agencies of the government;
- Class D - the City of Winnipeg;
- Class E - all other covered employers not included in classes B to D.

Class E employers receive coverage through a system of collective funding and liability. Under the collective liability system, the WCB pays compensation to workers while spreading individual claim costs among all employers insured by this system.

By contrast, each employer in Classes B, C and D is individually liable to pay the claim costs of their workers plus their share of the administration expenses of the WCB.

Although the Act only expressly describes Class B employers as "individually assessed", employers in Classes C and D are also identified as individually assessed employers for the purpose of this policy. This is because employers in these three classes are each individually liable for their own claim costs.

This policy confirms the Board of Directors' continued commitment to collective liability. The Board of Directors will not approve requests for individually assessed employer status from Class E applicants.

At its own discretion, the Workers Compensation Board (WCB) may reassign any employer to a different class in the event of a sale, transfer, privatization or misclassification. Reassignment may also occur if the WCB determines that a different class more accurately reflects the employer's undertaking. The Board of Directors will also consider requests from individually assessed employers to move into Class E.

C. REFERENCES

The Workers Compensation Act, subsection 73(2), sections 76.2 to 76.7, 78, 79
Manitoba Regulation 278/91, Individually Assessed Employers Regulation

History:

1. Policy 35.20.50, *Requests for Self-Insured Employer Status*, was approved by Board Order No. 12/20 on April 17, 2020. This new policy takes effect January 1, 2022. It clarifies that the Board of Directors will not approve requests for self-insured employer status from Class E employers and outlines the circumstances in which the WCB may reassign a covered employer to a different employer class. Original policy 35.20.50, *Requests for Self-Insured Status*, was repealed on January 1, 2022.
2. In September 2022, policy revisions respond to a change in terminology that was introduced by amendments to the Act by *The Minor Amendments and Corrections Act* (MACA) 2022. The term "self-insured employer" was replaced with "individually assessed employer" wherever it occurs. The title of the policy was renamed to *Requests for Individually Assessed Employer Status*. Manitoba Regulation (MR) 278/91 was amended by MR 71/2022 and retitled from *Self-Insured Employers Regulation* to *Individually Assessed Employers Regulation*. Minor grammar changes were also made.