



YUKON WORKERS'  
COMPENSATION  
HEALTH AND  
SAFETY BOARD

SUBJECT: ASSESSMENTS

BOARD APPROVAL:

APPROVAL DATE: December 6, 2005

EFFECTIVE DATE: January 01, 2006

POLICY NO.: AS - 25

**REVOKED**

**JUL 01 2008**

## POLICY STATEMENT

POLICY:     EMPLOYERS IN MORE THAN ONE INDUSTRY

### Application

This policy applies to the Workers' Compensation Health and Safety Board ('the board') and to employers who are engaged in more than one industry and who are subject to assessment under Part 7 of the *Workers' Compensation Act*, R.S.Y. 2002 ('the Act').

### Section Reference

Section 68 of the Act allows the board to establish classes and sub-classes of industries for the purpose of assessments. It also provides that the board shall assign every employer to an appropriate class or sub-class based on the industry in which the employer operates.

Section 76 of the Act requires each employer to provide the board with a statement of total earnings paid in the preceding year and an estimate of earnings that will be paid, the nature of the industry and any additional information the board may require. Subsection 76 (7) also states that if the business of an employer is carried on in more than one industry, the board may require separate statements for each industry.

Section 80 of the Act requires each employer to keep an account of all earnings paid to its workers and any other particulars of the employer's operations the board may request.

Section 81 of the Act allows for auditing of employers' books and accounts and requires employers to provide information to the board upon request.

Section 82 of the Act allows employers to appeal any decision made by the board relating to assessment to the Board of Directors.

**General Information**

Some employers work in more than one line of business. In these situations, it must be determined whether all of the employer's businesses will be assigned to one industry classification, or whether separate classifications are justified. The purpose of this policy is to assist in determining the circumstances in which the employer must be assigned to more than one industry classification. The intent of this policy is to support an industry classification system that provides for fair and equitable assessment rates.

This policy will not apply to a casual worker, defined in section 4(1)(a) of the Act to be "a person employed on a casual basis, otherwise than for the purposes of the employer's industry". Further information is included within Policy AS-18, Optional Coverage, regarding coverage of these casual workers on the application of an employer.

**Policy Statement**

**A. DEFINITIONS**

**(a) BUSINESS**

An undertaking being carried on that constitutes a particular activity in an industry classification.

**(b) CAPITAL CONSTRUCTION**

The expansion or addition of physical facilities used in a business.

**B. MULTIPLE CLASSIFICATION INTENT**

The Workers' Compensation Act classifies employers based on their industry, not based on the occupations of their staff. Multiple classifications will not be granted based solely on the occupation of employees.

Employers operating in more than one business where each business is of sufficient size to be in competition with other employers carrying on in those industries should pay the same assessment rates as their competitors.

Each business of an employer considered for multiple classification, must be separate so that it does not contribute to the risk of injury or illness in another business of the same employer.



**C. RESPONSIBILITY FOR PROVIDING INFORMATION**

When the board requests information from the employer to change the industry classification or assign more than one industry classification to an employer, the employer shall provide the information within 10 days of receiving notice, as provided in Section 81(3) of the Act.

When an employer's business changes it is the responsibility of the employer to notify the board so that appropriate classification can occur.

**D. CRITERIA FOR MORE THAN ONE INDUSTRY CLASSIFICATION**

In order for an employer to qualify for more than one industry classification, the different businesses must be distinct and independent operations. The employer's records must demonstrate, to the satisfaction of the board, that all the criteria below have been satisfied.

- (a) The employer must employ a separate and distinct group of employees for each business, with a minimum of one worker dedicated to each.
- (b) There must be separate equipment, inventory and work locations such that employees in one business are not exposed to the hazards of the other business(es).
- (c) Each business must be capable of operating independently of the other(s) with separate and distinct sources of revenue.
- (d) The business in question does not exist to serve or support the primary business of the employer, or be an ancillary part of the employer's primary business.
- (e) Each business must meet one of the following conditions:
  - i. generate an annual assessable payroll that is at least 10 percent of the gross annual assessable payroll of all the employer's businesses; or
  - ii. generate an annual revenue that is at least 10 percent of the gross annual income of all the employer's businesses.
- (f) The board may use other criteria, on a case by case basis, which will assist in determining when it is appropriate to classify an employer in more than one industry.



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**E. SUPPORT OR MANAGEMENT STAFF**

The board shall, where there is common support and/or management staff, prorate the support and/or management staff. Usually the board will use assessable payroll as the basis for proration of common staff; however, other criteria may be used as appropriate.

**F. CAPITAL CONSTRUCTION**

If an employer undertakes capital construction using their own workers to expand, modify or replace facilities necessary for the operation of the business, this construction will be classified separately.

**G. INTERMINGLED BUSINESSES**

When two or more businesses of the same employer cannot be classified separately because of intermingling, they will be combined into one classification. The highest rated classification will be used if it accounts for at least 40% of the assessable payroll of the intermingled businesses.

**H. ANNUAL REPORTING**

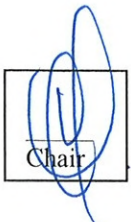
Employers who are classified in more than one industry shall provide the board with separate employer payroll returns for each classification, utilizing the approved method of prorating common support and/or management staff.

**I. APPEAL**

An employer may appeal, in writing, any assessment decision to the Board of Directors within 180 days of the decision being made.

**Reference**

AS – 18 Optional Coverage

  
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