



# GUIDE TO COMPLETION

This guide is provided to assist employers in the completion of their 2006/2007 Employer's Payroll Statement or Multiple Industry Payroll Statement. We have also provided a copy of one of the following reports with this package:

1. **Employer's Payroll Statement for 2006 and Estimate for 2007**, or
2. **Multiple Industry Payroll Statement for 2006 and Estimate for 2007** (see **Additional Information**).

## Employer's Payroll Statement or Multiple Industry Payroll Statement

All sections of the 2006/2007 Employer's Payroll Statement or Multiple Industry Payroll Statement must be completed. If a section does not apply to your business, please indicate with 'N/A' for 'not applicable'. Incomplete Payroll Statements may hold up requests for a Certificate of Compliance or clearance letters.

### Employer Number, Subclass, 2006 and 2007 Rates

This section is completed by the WCB prior to mailing.

### Changes to Employer Information

If your address or other information changed from last year, indicate in this area.

## SECTION 1

## Actual 2006 Payroll Information and Estimate for 2007

These sections must be completed by all respondents with the exception of **Multiple Industry Classification** (see **Additional Information**).

### 2006 Assessable Payroll

#### Line 1

Record the total gross earnings of all workers as per T4 Summary. Total gross earnings must be calculated separately for Northwest Territories (NWT) and Nunavut.

#### Line 2

Record the total gross earnings of :

- Executive officers, owners or partners
- Owners in a partnership or sole proprietorship

#### Line 3

Subtotal of Line 1 less Line 2.

#### Line 4

Record the amount of gross earnings in excess of the 2006 Year's Maximum Insurable Remuneration (YMIR) of \$67,500.00 per worker as set by the WCB. Do not record any gross earnings for the non-assessable payroll listed on Line 2.

#### Example:

A worker makes \$68,000.00 per year. The amount to be included in this line would be \$500.00 as \$67,500.00 is the maximum. This line is not applicable to any worker making less than \$67,500.00.

#### Line 5

Subtotal of Line 3 less Line 4

#### Line 6

Record other amounts (excluding GST):

- Paid to contractors and subcontractors whom the WCB determined to have been workers in 2006 under the *Workers' Compensation Acts*. Contract and subcontracts include the usual construction sub-trades and any other contracts your business may have, including janitorial, maintenance, management, consulting, engineering, bookkeeping, etc.
- Paid to workers for board and lodging, housing, fuel, living allowance, store certificates, credits or any other substitute for money that has not been recorded as wages.

*Should you require further clarification, please contact the WCB Employer Services Unit.*

#### Line 7

Record all casual labour not reported on T4 forms.

#### Line 8

Subtotal of Line 5 plus Line 6 plus Line 7

#### Line 9

Record gross earnings for work performed and reported to other jurisdictions.

- The WCB has an agreement with other boards in Canada whereby an employer does not pay assessments to more than one board for the same payroll. There are a number of ways to allocate costs between jurisdictions. The actual wages earned in another jurisdiction are deducted from the total amount reported to the WCB of the NWT and Nunavut. In cases where a worker is paid on an hourly basis and the hours worked outside the NWT and Nunavut are known, it is relatively easy to calculate. In other cases, a worker may be paid a salary and it may be easier to allocate a percentage of the salary based on time spent working outside of the NWT and Nunavut.
- The following formula should be used for calculation of assessable earnings for each worker whose earnings are in excess of the YMIR of \$67,500.00.

$$\frac{\text{Worker's Earnings in NWT or Nunavut}}{\text{Worker's Total Earnings}} \times \text{YMIR} = \text{Assessable Earnings}$$

#### Example:

A worker earns a salary of \$68,000.00 per year. Out of this amount he makes \$10,000.00 in the NWT.

#### Assessable Earnings are calculated as follows:

$$\frac{\$10,000.00}{\$68,000.00} \times \$67,500.00 = \$9,926.47$$

#### Excess Earnings are calculated as follows:

$$\$10,000.00 - 9,926.47 = 73.53$$

*Please note that earnings may not be prorated on a monthly basis under any circumstances.*

### Line 10

Total of Line 8 less Line 9

### Line 11

Record estimated assessable payroll for NWT and Nunavut for the year 2007 up to the YMIR (\$69,200.00) per individual worker. The Inter-Governmental Agreement on a shared WCB requires employers to maintain payroll records for both the NWT and Nunavut. Employers must report assessable payrolls based on workers' usual place of continuous employment. Please refer to the map, indicating boundaries of the NWT and Nunavut, on the cover of this guide.

Total estimated payroll for 2007 must be reported separately for the NWT and Nunavut. Record your expected assessable payroll for 2007 in each territory based on the above criteria. Remember, this does not include any amounts for executive officers, owners, or amounts in excess of \$69,200.00 per worker. Workers earning more than \$69,200.00 in 2007 must be reported in both territories on a prorated basis using the same method as outlined on Line 9.

This figure is an estimate. If you need to revise it during the year, please contact our office in writing or by phone. Subsection 63(13) of the *Workers' Compensation Act* permits the WCB to charge penalties to employers who underestimate their assessable payroll. It is your responsibility to ensure that estimated payroll figures are updated when necessary.

**If you are reporting zero payroll for both jurisdictions and for the year 2007 and have no sub contractors we will close your WCB account. If you are reporting zero payroll and have sub contractors you must remit \$50.00 with your application.**

## SECTION 2

### General Information

It is the contractor's responsibility to ensure that all sub-contractors are in compliance with the *Workers' Compensation Acts*. Section 73 of the *Acts* holds all contractors responsible for any unpaid assessments of their subcontractors. To protect yourself from liability, be sure to obtain clearance letters from the WCB prior to paying subcontractors.

List all contractors and subcontractors used in 2006, including the WCB number (if known) and the amounts of labour. Please indicate (Y/N) if these amounts are recorded on line 6 of page 1 of the Employer Payroll Statement.

Please answer the following questions in the spaces provided. If the question is not applicable, please indicate 'N/A' (attach extra sheets if required).

- Record the location and address of the accounting and payroll records for the business.
- Record the name and contact information of the person handling your claims.
- Record the various locations in both territories where the business operated in 2006. Municipal addresses are preferred, but cities, towns, hamlets, settlements or geographical descriptions are adequate.

- Describe in detail the nature of your business. As the WCB uses this information to determine an employer's Industrial Classification, please try to give as much detail as possible.
- If your operations are seasonal and do not run the full year, such as fishing, hunting lodges, etc., please indicate how many months you usually operate and the usual start up and completion dates.
- If this business was sold or the owners changed in 2006, please provide details of the sale or change in ownership.
- Answer the next two questions with either 'yes or no'.
- Please answer whether your company is under Federal or Territorial jurisdiction.

### Names of Owners, Directors or Partners

In this section, please record the names of:

- Owners, Directors and Partners whose names are on record with Legal Registries, Department of Justice. (attach extra sheets if required)

*Note: Owners, Directors and Partners may obtain optional coverage upon application. Contact our office to obtain further information and application form.*

### List all related businesses:

- name of companies with common ownership, partners or directors;
- divisions of a parent corporation; or
- businesses with which this corporation may be affiliated.

## SECTION 3

### Employment Data

We want to get an idea of how many workers you have, how many hours they work, and how many months per year they work. This allows us to calculate the injury rate, which is one of the most important statistics used by safety staff.

When entering the employment data, please do not include executive officers, or directors.

For the number of workers, we are interested in the number of positions that were filled in 2006. For example, you have ten workers:

- In 2006, one person left and you hired someone to replace them. The number of workers would be ten (not eleven)
- If you left this position vacant for more than 6 months, the number of workers would be nine, (not ten)

Two lines have been left for you to enter your numbers. A part time worker works less than the typical work week schedule. Part time workers may be summer students (working less than a full year) or they may work fewer hours a week.

If you have part time workers with different work schedules, please attach a separate list.

#### **Example 1: Basic Employer**

An employer has, at any one time, six workers that work 40 hours a week, 12 months of the year:

