

Operational  
Policy

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Section  
Employer Billing

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Subject  
**Premium Remittance**

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## Policy

Employers are required to calculate, report, and pay their premiums based on either actual insurable earnings for those reporting monthly or quarterly, or on estimated earnings for those reporting annually, by due dates set by the WSIB.

### Purpose

The purpose of this policy is to describe premium remittance and reporting requirements for Schedule 1 employers.

## Guidelines

### Definitions

**Insurable earnings** - Each reporting period, employers must calculate their insurable earnings. Insurable earnings are gross earnings at or below the annual ceiling. The ceiling is indexed each year to the Average Industrial Wage.

**Classification Units (CUs)** - Employers are classified in one or more CU(s) that best describe their business activity. Employers must report premiums and claims under their respective CU(s).

**Reporting periods** - A reporting period is the period of time for which an employer calculates and pays a premium. The length of an employer's reporting period depends on the employer's premium frequency. It may be one month, one quarter, or one year.

### Reporting to the WSIB

Employers must pay a premium on each worker's gross earnings, in each reporting period, until the worker's earnings reach the annual maximum insurable earnings threshold.

Employers report earnings according to the day they are paid, not the day they are earned. For example, for an employer reporting monthly, wages earned in January but paid in February should be reported as part of February's premium. It is the employers' responsibility to ensure that all reporting and payment obligations are met.

### Multiple classifications

The WSIB separately classifies employers who carry on business activities in more than one CU, and who maintain segregated payrolls for each activity. If the CUs fall into different rate groups, the WSIB assesses the segregated parts of these employers' payrolls at different rates. See, 14-01-03, Segregated Payrolls.

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Earnings from ancillary operations or optional insurance fall under the same classification as earnings from the employer's business activity. An ancillary operation is one that supports, or is incidental to, an employer's business activity. See, 14-01-02, Single Classification.

**Zero premium**

If workers do work during one reporting period but are not paid for that work until the next period, the employer must report insurable earnings to the WSIB and show a "0" premium for the first reporting period. The employer then reports the premium in the second period.

**Revisions of estimated premium**

If employers who report and remit premiums annually find, during the year, that their estimate of insurable earnings submitted to the WSIB is not accurate, they must revise it immediately.

**Reporting and Changing payment frequencies**

Depending on the amount of insurable earnings, employers are required to report insurable earnings and pay premiums either monthly, quarterly or annually. The WSIB will consider, in exceptional circumstances and at its sole discretion, deviations to the reporting and payment frequency schedule.

The WSIB may allow employers reporting insurable earnings and paying premiums on a monthly or quarterly basis to make a lump sum pre-payment of their premium for the whole year, or the remaining part of a calendar year. See, 14-03-08, Pre-Payment of Premium.

~~The WSIB allows employers reporting and remitting payment on an annual or quarterly basis to voluntarily change reporting and payment frequencies.~~

~~The WSIB does not permit employers who have annual insurable earnings that require them to fall automatically into a monthly reporting threshold, to reduce their reporting and payment frequency. However, these employers have the option of pre-paying their premiums.~~

~~See, 14-03-08, Pre-Payment of Premium. In this case, all monthly reporting obligations still apply.~~

**Compliance****Employer non-compliance**

If employers fail to report insurable earnings and remit premiums by the WSIB's specified due dates, non-compliance interest, charges and/or prosecution may result. See, 14-02-07, Employer Non-Compliance Interest and Charges, 22-01-08, Offences and Penalties-Employer, and 22-01-01, Material Change in Circumstances-Employer.

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Non-reporting charges also apply to employers who fail to report a “0” premium.

**Application date**

This policy applies to all decisions made on or after ~~November 4, 2013~~ [January 1, 2019](#).

**Document history**

This document replaces 14-03-09 dated ~~October 12, 2004~~ [November 4, 2013](#).

This document was previously published as:

[14-03-09 dated October 12, 2004](#)

14-03-09 dated September 28, 2001.

**References****Legislative authority**

*Workplace Safety and Insurance Act, 1997*, as amended  
Sections 54, 81, 78, 87, 88, 89(1) 96

**Minute**

Administrative

~~#5, October 11, 2013, Page 512~~