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**Material Change in Circumstances - Employer**

## Policy

The WSIB takes all necessary action against employers who intentionally fail to inform the WSIB of a material change in circumstances, see 22-01-05, Offences and Penalties – General and 22-01-08, Offences and Penalties – Employer.

## Purpose

The purpose of this policy is to provide guidelines on what constitutes a material change in circumstances for an employer who has WSIB coverage.

## Guidelines

### Definitions

A **material change in circumstances** includes **any** change that may affect an employer's obligations under the *Workplace Safety and Insurance Act, 1997* (WSIA). These obligations generally include, but are not limited to:

- reporting and payment of premiums including premium adjustments
- payment of surcharges, including adjustments, under experience rating
- accurate reporting of business activity
- reimbursement of benefit costs.

Example of changes in circumstances that must be reported include, but are not limited to:

- change in business name and/or address
- change in ownership of company
- disposition of all or part of a business
- change in business activity
- change in legal affiliations with other companies (e.g., amalgamations or mergers)
- change in average earnings for the purposes of optional insurance. Changes in excess (one per calendar year) are not required to be reported
- closure of business (or divisions or branches), dissolution, bankruptcy or receivership
- change in declared status as an independent operator in construction;
- change in an individual's eligibility for an exemption from compulsory coverage in the construction industry, and/or change in qualification for the separate construction ~~rate~~ group classification, see 12-01-06, Expanded Compulsory Coverage in Construction;
- change in insurable earnings or business activities that impacts eligibility for multiple premium rates, see 14-01-07, Single and Multiple Premium Rates, ~~or~~
- for temporary employment agencies (TEAs), in addition to the above where relevant, when:
  - they begin to supply workers to perform administrative, clerical or knowledge-based labour
  - they begin to supply workers to perform any other types of labour to a premium rate setting class ~~that the TEA is~~ they are not currently classified in

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- ~~when~~ a client ~~employers'~~ ~~employer's~~ premium rate setting class changes and the TEA is supplying workers to them to perform any type of labour other than administrative, clerical or knowledge-based
- ~~when discontinuing supply~~ they discontinue the supply of administrative, clerical or knowledge-based labour, or
- they discontinue the supply of all other types of labour to a premium rate setting class, see 14-01-08, Temporary Employment Agencies.

The decision-maker determines whether the reported change has any material significance.

**Failing to inform** the WSIB of a material change in circumstances is presumed to be intentional or deliberate, and thus willful, unless the employer can demonstrate having no knowledge of the change. The decision-maker determines whether the employer reasonably ought to have been aware of the change.

**Responsibility to report**

The employer is responsible for contacting the WSIB no later than 10 calendar days from the date of the change. If notices of change are mailed or sent by courier, these must be received at the WSIB's offices within the 10-day period. The WSIB will accept notification of a change before it occurs.

**Notifying the decision-maker**

In communicating notices of material change, employers deal with different decision-makers in various areas of administration. If possible, the notice of a change in circumstances is provided to the decision-maker responsible for the area impacted by the reported change.

The employer must communicate the required information to the WSIB by:

- direct telephone contact
- delivering the notice in person
- informing a WSIB auditor or decision-maker at the time of a site visit
- using Canada Post mail or private courier, ~~or~~
- FAX to the decision-maker's attention, or
- electronic means.

**Action following preliminary investigation**

Following a preliminary review of the circumstances, the decision-maker determines whether the change has material significance. If warranted, the case may be referred to the WSIB's ~~Regulatory~~ Stakeholder Compliance Services.

**Application date**

This policy applies to all decisions made on or after January 1, ~~2020~~ 2025.

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**Document ~~History~~[history](#)**

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This document was previously published as:

[22-01-01 dated January 2, 2013](#)

22-01-01 dated November 3, 2008

22-01-01 dated February 11, 2008

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**References**

**Legislative ~~Authority~~[authority](#)**

*Workplace Safety and Insurance Act, 1997*, as amended

Sections 12.2(9), 12.3(6), 12.3(7), 77, 78, 146, 149(3), 158

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**[Approval](#)**