

Section	Policy
30	31.10.50

Section Title: Finance, Assessments and Administration – *Accounting and Finance*
Subject: Collections
Effective Date: January 1, 2014 - December 31, 2021

A. POLICY PURPOSE

Under workers compensation, employers pay premiums to the Workers Compensation Board (WCB) for coverage for workplace injuries and illnesses. The sound financial management of the system depends on employers paying premiums in a timely manner. *The Workers Compensation Act* contains provisions for the WCB to collect premiums from employers who do not pay.

The purpose of this policy is to describe the collections procedures for all employer payments in arrears.

B. POLICY

The WCB will commence collection actions with an employer when a balance owing remains unpaid after initial collection efforts. When collection action is undertaken, the employer will be required to pay the outstanding balance in full.

Collection Actions

When an employer fails to meet payment terms, the WCB will apply any or all of the following efforts to collect outstanding monies as deemed necessary:

- Refer the account to an external collection agency;
- Initiate legal actions including any of the following:
 - Garnishment of earnings, personal and business bank accounts, or money owed to the employer by any third party;
 - Judgment against personal or business property;
 - Seizure and sale of personal and business assets; and
 - Temporary or permanent closure of business operations.

The WCB may pursue collections from any liable party including a:

- Director of the business;
- Principal for whom the employer has performed work in the capacity of a contractor;
- Purchaser of the employer's business.

Monies payable by the WCB to an employer with an outstanding balance will be used to reduce the outstanding debt.

Costs associated with collection actions will be charged to the employer's account.

C. REFERENCES

The Workers Compensation Act, Sections 80(1) to 86(1)

The Workers Compensation Act, Sections 104 to 104.1

The Workers Compensation Act, Section 109.3

The Workers Compensation Act, Sections 89(2) & 89(3)

The Workers Compensation Act, Sections 90(1) & 90(2)

Regulation 15/2015, Interest, Penalties and Financial Matters Regulation

Regulation 132/2020, Adjustment in Compensation Regulation

Regulation 71/2021, Administrative Penalty Regulation

Adjustment in Compensation Tables

Related WCB Policies:

Policy 35.05.10, Reporting and Verifying Payroll

Policy 35.05.20, Paying and Refunding Premiums

History:

1. WCB Policy 35.00, *Reporting and Remittance of Assessments for the General Body of Employers (Employers in Class E)*, which contained a section on WCB collection actions, was established by Board Order No. 26/08 on June 26, 2008, effective July 1, 2008.
2. The section in policy 35.00 on the WCB's collection actions was removed and made a separate policy by Board Order No. 22/09 on September 29, 2009, effective January 1, 2010.
3. Minor formatting changes were made to the policy, June 27, 2012.
4. Changes to incorporate judgment as a legal method and monies payable by the WCB will be applied to outstanding balances, clarified that more than one legal effort can be used at a time for collection purposes, clarified that collection efforts apply to all outstanding obligations, replaced the term assessments with premiums, and referenced additional sections of the Act. Approved by Board Order 09/13 on April 30, 2013 effective January 1, 2014.
5. Reference section updated to reflect Manitoba Regulations 15/2015 and 204/2015, August 24, 2016.
6. Reference section updated to refer to Manitoba Regulation 01/2020, *Adjustment in Compensation Regulation*, on March 13, 2020.
7. Reference section updated to refer to Manitoba Regulation 132/2020, *Adjustment in Compensation Regulation*, on March 18, 2021.
8. Reference section updated to refer to Manitoba Regulation 71/2021, *Administrative Penalty Regulation*, and *Adjustment in Compensation Tables* on December 2, 2021.
9. Policy archived December 31, 2021.