WSIB

Multiple Classification Units (CU’s)

Segregated Payroll Earnings
In 2008 payroll for Greeley Containment & Rework Inc. was $4 million per year and WSIB premiums averaged over $120,000 annually.

The WSIB Classification Unit, “Rework”, was based on the most technical job the teams were performing using hand tools. The rate was $3.03 per $100.

Nevertheless, we estimated 80% of our work was Quality Inspection, without the use of hand tools. This rate was only $0.35 per $100.
<table>
<thead>
<tr>
<th>Classification Unit</th>
<th>Payroll Expense</th>
<th>Rate</th>
<th>Monthly Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rework</td>
<td>$348,210.00</td>
<td>$3.03</td>
<td>$10,550.76</td>
</tr>
</tbody>
</table>
## TWO RATE CODES

<table>
<thead>
<tr>
<th>Classification Unit</th>
<th>Payroll Expense</th>
<th>Rate</th>
<th>Monthly Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rework (20%)</td>
<td>$69,642.00</td>
<td>$3.03</td>
<td>$2,110.15</td>
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<tr>
<td>Quality Inspection (80%)</td>
<td>$278,568.00</td>
<td>$0.35</td>
<td>$974.99</td>
</tr>
<tr>
<td></td>
<td>$348,210.00</td>
<td></td>
<td>$3,085.14</td>
</tr>
</tbody>
</table>

**MONTHLY SAVING**

$7,465.62
In 2008, after application with WSIB, Greeley obtained approval for two rate groups. Greeley now has four.

Greeley was able to reconcile the entire 2007 year with the two new rate codes.

Greeley’s total savings from 2007 – current is estimated over $1.1 MILLION.
Refund Cheque - WSIB
Criteria for Multiple Rate Groups

WSIB review and approve of multiple rate codes.
Different jobs within your facility may fall under different rate groups.
If components that make up an assembly are sold separately.
Must allocate employee direct labour cost against each specific job.
Each specific job is allocated towards a rate group.
Final reconciliation includes salaried and auxiliary costs based on % of direct Labour.
Two passed audits by WSIB.
Rate Framework - 2020

Most companies will be assigned a predominant class if you already have multiple rate groups.

Still opportunity for multiple rate classes if insurable earnings for one rate group exceeds $440,000 annually and 25% total earnings.

A ‘projected premium rate’ will be provided based on your WSIB claims similar to claim type on your NEER statement.

To mitigate premiums and surcharges it is imperative to proactively manage your WSIB claims.