

Frequently Asked Questions WSIB Clearance Certificates

Under the *Workplace Safety and Insurance Act*, 1997, S.O. 1997, Section 141, where a person (principal) contracts with another person with workers (contractor) for work, it is the duty of the principal to ensure that any contractor or subcontractor with workers has paid their WSIB premiums. If the principal fails to do so, they are personally liable for the payment to WSIB, but are entitled to seek recourse from the contracted party.

The *Workplace Safety and Insurance Act*, 1997, S.O. 1997 states:

Contractors and subcontractors

141. (1) This section applies when a person retains a contractor or subcontractor to execute work in an industry included in Schedule 1 or Schedule 2. 1997, c. 16, Sched. A, s. 141 (1).

Deemed employer

(2) The person shall be deemed to be the employer of workers employed by the contractor or subcontractor to execute the work and is liable to pay the premiums payable by the contractor or subcontractor in respect of their workers as if the person were the contractor or subcontractor unless,

(a) the contractor or subcontractor, as the case may be, is a Schedule 1 or Schedule 2 employer in respect of the work; and

(b) the Board decides that the responsibility of the contractor or subcontractor is sufficient protection to the workers for the benefits provided under the insurance plan. 1997, c. 16, Sched. A, s. 141 (2).

Right to reimbursement

(3) Subject to subsection (4), the person is entitled to be reimbursed by the contractor or subcontractor, as the case may be, for amounts paid under the insurance plan in respect of workers employed by the contractor or subcontractor. 1997, c. 16, Sched. A, s. 141 (3).

Same

(4) The Board shall determine the extent of the contractor's or subcontractor's liability under subsection (3). 1997, c. 16, Sched. A, s. 141 (4).

Right of set-off

(5) The person may deduct from money payable to the contractor or subcontractor, as the case may be, the amount for which the contractor or subcontractor is liable under subsection (3). 1997, c. 16, Sched. A, s. 141 (5).

Obligation to pay

(6) If the person is not deemed to be the employer, the person shall ensure that the contractor or subcontractor complies with his, her or its obligations to make payments under the insurance plan. The person is liable to the extent that the contractor or subcontractor does not meet those obligations. 1997, c. 16, Sched. A, s. 141 (6).

Right of indemnity

(7) The person is entitled to be indemnified by the contractor or subcontractor, as the case may be, for payments the person makes under subsection (6). 1997, c. 16, Sched. A, s. 141 (7).

What is a Certificate of Clearance?

This document is free of charge, issued by WSIB and proves that:

1. The contractor/subcontractor is registered with WSIB.
2. The contractor/subcontractor has filed all premium and premium reconciliation forms with WSIB.
3. The contractor/subcontractor has paid all premiums owing to WSIB.

Why do I need to request the Certificate?

If you hire a contractor with workers and do not request the Certificate, you will not know if the contractor is in good standing with WSIB. If they are not, you will be personally liable for any outstanding WSIB premiums.

How long is the Certificate valid for?

Certificates of Clearance have four (4) predictable end dates. They are: February 20th, May 20th, August 20th, November 20th.

When should I request the Certificate?

Always request the Certificate before the work begins and again before you release final payment. The Certificates have an end date so if the work continues beyond the end date, you will need to request another one. Always have a current Certificate on file.

How do I go about getting a Certificate of Clearance?

By either calling WSIB or requesting the Certificate on-line through eClearance. If you have any questions, please call your nearest WSIB office and speak with an account manager. They will walk you through the process.

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