

Target Initiative for Older Workers

WCB Fact Sheet for Program Sponsors

Brief Summary of the Program

Sponsoring organizations can receive funds to allow them to support getting older workers reintroduced to the workforce. Funds are provided to pay these workers for classroom time. A second part of the program involves placing the workers with employers for a work experience component. The funding provided for the program includes a wage subsidy for the work experience.

Workers Placed with Employers on Work Experience

Option 1 – Worker Goes on the Payroll of the Employer They’re Placed With

Under this scenario, a worker placed on a work experience becomes the worker of this employer with whom they’re placed (say Company ABC). For the duration of the work experience, this individual is Company ABC’s worker, the same as any other worker of Company ABC, except for the fact that the sponsoring organization is reimbursing Company ABC some costs.

The individual would go on Company ABC’s payroll the same as any other workers at Company ABC, and they would receive a T4 at year end from Company ABC.

If Company ABC is registered with workers’ compensation, as employers in most industries are required to be, the worker would have the ability to file a WCB claim, which would affect the experience of Company ABC as all claims do. (The higher the cost experience of an employer, the higher their WCB rate). There is a chance that Company ABC might be in an industry for which WCB coverage is non-compulsory, for example daycare centres. In this case, the worker would not have WCB coverage in place in the event they were hurt on their work placement, which is the same as any other worker at that daycare centre.

Option 2 – Worker Goes on the Payroll of the Sponsoring Organization

Some employers might object to placing a worker on their own payroll, due to concerns about the possibility of a claim affecting their experience. For this or some other reason, a sponsoring organization might choose to keep workers on their own payroll during a work placement.

From our understanding, most of the sponsoring organizations are by nature career resource or community development type organizations, which would not be required under our legislation to register for workers’ compensation coverage. Some might be voluntarily registered, in which case the worker’s wages during the work placement period would be included in the wages reported to the WCB, and any work-related injuries would be covered with the WCB under the sponsoring organization’s policy.

For a sponsoring organization which is not registered with the WCB, they could either choose to register in order to cover the worker, or they could remain non-registered. If they choose to register, they would be registering to cover all their workers, not just the individuals being placed through the Target Initiative for Older Workers,

If they choose not to register, the placed workers would not be covered through workers' compensation. In this case, even if, for example, some kind of private insurance policy is in place, the older worker who is placed at an employer and has no WCB coverage in place is not barred from suing Company ABC in the case of a work-related injury. The workers' compensation statute does protect employers by lawsuit from covered workers only.

What Questions Do I Need to Think About As A Sponsoring Organization?

1. If I'm placing workers with employers in the community, do I want these workers to be on my payroll in either some or all cases? If so, you might want to consider registering with the WCB (if you aren't already registered).
2. If you are planning to have placed workers on your own payroll, and want to register with the WCB to provide coverage for these workers, are you prepared to cover *all* of your workers as well?

To explore these issues further or to get a sense of the potential cost of workers' compensation coverage, please contact the WCB's Assessment Services Department. If you give us a detailed description of what you do as an organization, we can quote you a workers' compensation rate.

The contact people in Assessment Services are:

Kevin Foster, Manager, Assessment Services, at 491-8313
or
Brian Field, Manager, Assessment Programs, at 491-8333