When it comes to occupational health and safety, the CNESST provides an essential insurance service to workers, as well as to employers established in Québec.

**Workers**

**INCOME PROTECTION**

This mandatory insurance protects workers’ income by compensating them following an employment injury. Moreover, the plan under the Act respecting industrial accidents and occupational diseases allows their rehabilitation to help restore their autonomy and earning potential as soon as possible.

**Employers**

**ASSETS PROTECTION**

Through the premium paid by employers, the insurance protects employers’ assets by assuming payment of benefits regardless of the seriousness of the claims in the employer’s file.

In addition, the plan protects employers against legal proceedings on the part of their employees.

**An equitable insurance plan**

The objectives underlying the CNESST’s rate plans are to ensure fairness among employers, encourage the implementation of preventive measures, and promote the prompt and lasting return to work of individuals who have suffered work-related accidents or occupational diseases.

Thus, an employer’s efforts to manage occupational health and safety issues in its enterprise help improve its performance in this area, all of which is taken into account in determining its premium.
THE CNESST HAS THREE RATE PLANS

1. The unit-rate plan: for small businesses

This plan is generally intended for employers whose total annual premium is less than $9,000. The premium is calculated on the basis of the rate for each unit in which the enterprise’s activities are classified, for every $100 of total insurable payroll. About 72% of employers are assessed under this rate plan.

This plan is applied collectively: when an employment injury occurs, the group as a whole bears the costs. However, if each employer takes measures to prevent or reduce the cost of employment injuries, all employers in the unit will benefit in both the medium and long term.

2. The personalized-rate plan: for medium-sized and large businesses

This plan applies to employers whose total annual premium is between $9,000 and $400,000. About 27% of employers are assessed under this rate plan.

The calculation of the premium is based on a personalized rate. In other words, the applicable unit rate(s) for a particular activity carried out by the employer is adjusted to take into account its efforts to prevent work-related injuries and to facilitate the rehabilitation of injured workers and their prompt and lasting return to work.

3. The retrospective plan: for large-scale enterprises

This plan is designed for employers whose annual assessments generally exceed $400,000. About 1% of employers are assessed under this rate plan.

Under the retrospective plan, the employer’s assessment is adjusted to take into account changes over four years in the costs of injuries that may have occurred during the relevant year. The adjustment takes into account the limit per claim determined by the employer on the basis of its insurance needs.

An initial provisional adjustment is made at the 24-month point and takes into account changes in the costs of injuries. An employer may request a second provisional adjustment at the 36-month point. The definitive retrospective adjustment occurs at the 48-month point.

Prevention mutual groups: strength in numbers

The CNESST offers small and medium-sized businesses the opportunity to form prevention mutual groups—a means of promoting the prevention of work-related accidents and occupational diseases, as well as the rehabilitation and return to work of workers who have suffered such accidents or diseases. Member employers are assessed collectively under the personalized-rate plan, which takes into account their combined performance in the area of occupational health and safety. For further information, contact us at 1 844 838-0808.

Joint sector-based associations (JSA)

Joint sector-based associations are organizations that focus on the prevention of employment injuries. They are made up of employers’ and workers’ associations in a given sector of activity, administered by a joint board of directors and financed through a specific assessment paid by these employers.

These associations provide workers and employers in the relevant activity sector with information, training and advisory services. They also provide assistance in setting up health and safety committees and developing prevention programs.

For more information, visit their website at preventionenligne.com.
Better management of health and safety: lower premiums

According to basic insurance principles, premiums vary in relation to two factors: the risks associated with the activities carried out by the employer and the cost of claims. For example, the premium for insuring the staff of a pharmacy is much lower than that for insuring factory workers.

Employers can reduce their premiums by taking measures to prevent work-related accidents and occupational diseases. The CNESST can provide assistance and advice in this regard.

If one of its employees suffers an industrial accident or contracts an occupational disease, it is in the employer's best interests to maintain the employment relationship with the employee and promote his or her prompt and lasting return to work. In this way, the enterprise can retain its experienced and qualified personnel, while reducing its premium and lowering the costs of the occupational health and safety plan.

Non-imputed costs: a significant component of an employer's premium

As a general rule, the cost of an employment injury is imputed to the employer of the injured worker. However, in a variety of circumstances, for example where a worker was already handicapped when the injury occurred, it is possible that certain costs will not be imputed to employers’ files. Those costs are called non-imputed costs (NIC). Every year, a part of the premium rate of all employers is applied to finance such costs.

The Classification Decision informs every employer of the portion of its premium rate in relation to its assigned classification units, which is used to finance non-imputed costs.

On average, non-imputed costs amount to 30% of the total cost of employment injuries.

How are contributions used?

The average premium rate is calculated on the basis of the financial requirements of the occupational health and safety plan and total insurable wages. For 2020, the CNESST anticipates that the financial requirements of the plan will be approximately $2.99 billion. As for total insurable wages, they are estimated at $161.4 billion.

The average premium rate in 2020 is $1.85 for every $100 of payroll, compared to $1.79 in 2019. The increase is mainly due to the disappointing stock market performances in 2018. Nonetheless, at $1.85, the 2020 rate is still the 4th lowest rate since 1980, the year the Commission de la santé et de la sécurité du travail, now the CNESST, was created.

1. The CNESST distinguishes between the activities that an enterprise actually carries out in-house and those that it contracts out. This more accurately reflects the risks associated with the enterprise’s activities.
**Important steps**

The following is a month-by-month summary of the steps to remember regarding the insurance premiums:

**OCTOBER 2019**

The CNESST will advise all employers of their activity classifications in a document entitled *Classification Decision*, which informs them of their premium rates for the following year and their periodic payment rate.

The employer can thus calculate the occupational health and safety-related premium it must pay Revenu Québec periodically, in the form of instalments, starting in January 2020.

**JANUARY 2020**

The CNESST informs the employer that it must produce its *Statement of Wages* and send it no later than March 14 to avoid penalties and interest charges. On that Statement, the employer must declare the insurable wages paid during the past year.

**MARCH 2020**

In March, the CNESST starts sending employers an *Assessment Notice* as well as a *Statement of Account* indicating any balance owing.

**JANUARY TO DECEMBER 2020**

All year, employers pay their occupational health and safety-related insurance premiums by making periodic payments to Revenu Québec with their source deductions and other employer contributions.

The amount of the periodic payment will be calculated using the periodic payment rate and the wages paid to their workers.