Determining compensation rates for permanent and non-permanent workers

Your compensation rate will be based on whether you were a **permanent** worker or a **non-permanent** worker at the time of your accident.

Permanent workers

Permanent workers are employed 12 months per year except for an allotted vacation period. Their position is not subject to layoffs.

Non-permanent workers

Non-permanent workers are employed less than 12 months per year and their position may be subject to layoffs, shut downs or seasonal factors. Non-permanent workers may also be called seasonal, contract or temporary workers depending on the type of work they are employed in.

How much will I receive in wage replacement benefits?

If you are losing time from work due to a work-related injury, you may be entitled to wage replacement benefits. Our compensation rates are set based on 90% of your net earnings at the time of your accident.

If your date of accident was prior to September 1, 2018, or on or after January 1, 2021, your earnings are subject to a yearly maximum. If you were injured between September 1, 2018 and December 31, 2020, there is no yearly maximum based on legislation in place at the time of your accident.

How do you know what my earnings were at the time of my accident?

In most cases, your employer provides us with your **gross earnings** for the year prior to your accident and we use those annual gross earnings to set your compensation rate.

- If you received a change in pay or job position within the last year, we may pro-rate your earnings from that date to the date of accident and use those earnings to set your compensation rate.
- If you have not been employed for one year, we may pro-rate your gross earnings from your date of hire to your date of accident and use those earnings to set your compensation rate.

Gross earnings include vacation/statutory holiday pay, overtime, shift premiums, bonuses or other taxable employment income.

We may also use your hourly, bi-weekly or monthly earnings to calculate your annual gross earnings for your compensation rate.

For example:

Your salary is $5,000 per month.

$5,000 per month X 12 months = $60,000 annual gross earnings

Once you know my gross earnings, how do you know what my net earnings are?

Every year, we receive information from the Canada Revenue Agency (CRA) that tells us the equivalent CPP, Employment Insurance and income tax amounts, which we use to determine your net earnings. Then we pay 90% of these net earnings up to a yearly maximum if your date of accident was prior to September 1, 2018 or on or after January 1, 2021. If you were hurt between September 1, 2018 and December 31, 2020 inclusive, there was no maximum compensable earnings amount in place at that time.

What if I have a second job at the time of my injury?

If you had a second job when you were injured and your injury prevents you from doing your second job, we may also consider those earnings when setting your compensation rate. We call this your concurrent rate.

If your job was not expected to last 12 months due to seasonal breaks, job shutdowns or layoffs, your compensation rate is comprised of two rates

Your temporary compensation rate

- The first rate we set for you is a temporary rate and represents what your annual gross earnings would be if you had worked at your job for an entire 12 months.
- We pay your benefits based on this rate until the last day you were expected to work had your injury not occurred. After this date, a new rate begins; we call this your base rate.

Your base compensation rate

- Your base rate begins the day your job was expected to end had your injury not occurred and becomes your permanent rate. Benefits are calculated based on this rate for the remainder of your claim unless another type of rate is set.
- This rate is calculated using the gross earnings from your temporary rate and actual employment period from your date of accident position.
- We may also consider other earnings outside your employment period (i.e., season) and add them to your base rate.

Example of a temporary and a base rate

You were injured while employed with a seasonal landscaping company from April 1 – September 30 (six months) and earned $5,000 per month. On October 1, your job will end because the season ends for this type of work.

$5,000 per month X 12 months = $60,000 annual gross earnings

Your **temporary rate** would be set based on $60,000 annual gross earnings.

On October 1, your base rate would begin. This rate is calculated using the annual gross earnings from your temporary rate and the actual employment period with the landscaping company.

$60,000 divided by 12 months X 6 months (actual period employed) = $30,000 annual gross earnings

Your **base rate** would be set based on $30,000 annual gross earnings.

Other earnings

Because your employment on the date of accident was seasonal (or non-permanent), we are able to consider other earnings outside your employment period with the landscaping company.

You submitted paystubs from the last year when you did snow removal from October to March. The paystubs confirmed gross earnings of $23,000 that were added to your base rate.

$30,000 (base rate) + $23,000 (other earnings) = $53,000

Your base rate then increased to $53,000 annual gross earnings.

I need more information, what are my resources?

Section 56 of the *Workers' Compensation Act*

Section 1(2) of the General Regulations

Appendix E from the WCB Policy Manual

WCB Policy 04-01 Part I – Establishing Net Earnings

Policy 04-01, Part II, Application 1 – Establishing Net Earnings (General)

Policy 04-01, Part II, Application 2 – Establishing Net Earnings (Special Circumstances)

90% of net earnings fact sheet