

Chapter: Benefits

Legislative authority: section 183

Prevention statement

Preventing injuries is one of the most important responsibilities in the workplace. The Workers' Safety and Compensation Act (the 'Act') establishes the responsibilities of all workplace parties to work together to ensure the physical and psychological health and safety of workers. When injuries do occur, workers and employers must continue to work together to facilitate an injured worker's early and safe return to health and work.

Purpose

This policy outlines when a worker, spouse or dependant of a deceased worker may be entitled to interest on compensation benefits and how that interest is calculated.

Definitions

Appeal Tribunal means the appeal tribunal continued under Part 5 of the Act

board means the Workers' Safety and Compensation Board

prime rate means the lowest rate of interest quoted by chartered banks to the most credit worthy borrowers for prime business loans, as determined and published by the Bank of Canada

worker means a person who performs work or services for an employer under a contract of service or apprenticeship, written or oral, express or implied and as further defined in section 77 of the Act

Policy statement

1. General

The Act states that, if compensation is payable, the board may pay interest on the compensation and may also set the rates of interest that are payable.

2. Interest on compensation benefits

2.1 Undue delay

- a. Interest is payable to a worker on eligible loss of earnings benefits that have been unduly delayed because of circumstances over which the board has control; and
- b. Interest is payable to a spouse or dependent of a deceased worker on amounts they are eligible for under the Act that are unduly delayed because of circumstances over which the board has control.

2.2 Reconsideration decisions and appeal decisions

- a. Interest will be payable to an worker following a reconsideration decision of the board or an appeal decision of the Appeal Tribunal on a retroactive award loss of earnings benefits; and
- b. Interest will be payable to a spouse or dependant of a deceased worker following a reconsideration decision of the board or an appeal decision of the Appeal Tribunal on retroactive awards of benefits payable to a spouse or dependant of a deceased worker under the Act.

2.3 Reimbursements of eligible health care assistance benefits

Interest will be payable on costs incurred by the worker for eligible health care assistance benefits including, but not limited to, medical treatment, prescriptions, massage therapy, occupational therapy, physiotherapy, and travel expenses incurred to receive medical treatment. The board determines whether the health care assistance is eligible for reimbursement. Receipts must be provided to be eligible for reimbursement.

2.4 Permanent impairment benefit

Interest is not payable, for any reason, on delays or retroactive payment of a permanent impairment benefit.

3. Calculation of interest

Interest will be calculated as simple interest at a rate equal to the prime rate.

Interest payments calculated at any time during a calendar year must be calculated at the prime rate in effect as at January 1 of that calendar year.

When interest is calculated on amounts owing from more than one calendar year, the applicable prime rate is the rate as at January 1 of the year in which the payment is actually made.

For example, if interest is calculated and paid on March 1, 2019, on a lump sum for loss of earnings benefits for the period November 1, 2018, to February 28, 2019, the prime rate applied to the interest calculation is the prime rate as at January 1, 2019.

3.1 Interest period

Undue delay: interest will be calculated from the 30th day following the date of entitlement up to the day the compensation benefit in question is paid.

Reconsideration decisions and appeal decisions: interest will be calculated from the date of entitlement up to the day the compensation benefit in question is paid.

Reimbursement of eligible health care assistance benefits: interest will be calculated from the 30th day following the date the worker submitted receipts to the board to claim the expense up to the day the reimbursement payment is made.

4. Impact on employers

The cost of interest awarded under this policy will not be charged against the claims costs experience account of the employer.

History

- EL-03 Payment of Interest on Compensation Benefits, effective July 1, 2019, revoked July 1, 2022
- EL-03 Payment of Interest on Compensation Benefits, effective July 1, 2008, revoked July 1, 2019
- CL-52 Payment of Interest on Compensation Benefits, effective April 1, 2000, revoked July 1, 2008