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|  Yukon Workers' Compensation Health and Safety Board | Part: | Earnings Loss | |
| | Board Approval: | <i>Original Signed by Chair</i> | Effective Date: July 1, 2008 |
| | Number: | EL-02 | Last Revised: |
| | Board Order: | 2008 | Review Date: |

[MINIMUM COMPENSATION](#)

GENERAL INFORMATION

In the event of a work-related injury, the *Workers' Compensation Act* S.Y. 2008 (the "Act") prescribes that a worker will receive 75 per cent (75%) of their gross earnings, up to 75 per cent (75%) of the maximum wage rate. Compensation benefits are tax free, and the 25 per cent (25%) taken off the gross earnings acknowledges the tax free status of benefits. However, workers at the lower end of the wage scale often pay little tax, and losing 25 per cent (25%) of their wages can cause extreme hardship. To avoid this, the *Act* gives the Yukon Workers' Compensation Health and Safety Board (YWCHSB) the authority to establish a minimum threshold at or below which a worker will receive 100 per cent (100%) of his or her gross salary.

PURPOSE

The YWCHSB may enact an Order of the Board of Directors prescribing a minimum amount of compensation and payable to a worker who suffers a total disability.

DEFINITIONS

- 1. Permanent Total Disability:** the injured worker will never return to work at any employment.
- 2. Temporary Total Disability:** the worker will, at some point in the future, be expected to return to work.

PREVENTION

Preventing workplace injuries is the responsibility of everyone in the workplace. To prevent work-related injuries, employers must ensure that workplaces, equipment and procedures are safe and that workers are thoroughly trained to perform their work safely. Workers must take all necessary safety precautions, comply with health and safety instructions and promptly report hazards and injuries to supervisors.

When injuries do occur, it is important for workers, employers and the YWCHSB to try to minimize the impacts by focusing on returning the worker to safe, suitable and available work as soon as it is medically possible for the worker to do so during the recovery process.

POLICY STATEMENT

For the purpose of this policy, total disability will be separated into two categories, temporary and permanent.

1. Temporary Total Disability

Injured workers earning equal to or less than the minimum compensation amount will receive 100 per cent (100%) of their weekly loss of earnings.

If earnings are more than the minimum compensation amount, an injured worker will receive 75 per cent (75%) of their weekly gross salary or the minimum compensation amount, whichever is greater.

2. Permanent Total Disability

If a worker suffers a work-related injury which impairs the worker's ability to secure any form of employment, that worker will receive, at a minimum, the absolute minimum compensation amount in effect at the time the permanent total disability is determined. The determination of a permanent total disability will be made after a functional capacity assessment, or any other way the YWCHSB may see fit.

3. Minimum Compensation Amount

The minimum compensation amount will be 25 per cent (25%) of the Maximum Wage Rate, as prescribed by Order of the Board of Directors.

4. Annuities

The *Act* states that the YWCHSB may increase annuity payments so that the worker's retirement income is equal to the minimum compensation amount. The YWCHSB, after reviewing all relevant income, may provide an annuity adjustment to the minimum compensation level for those who are permanently totally disabled.

APPLICATION

This policy applies to the Board of Directors, President/CEO and staff of the YWCHSB and to employers and workers covered by the *Act*.

Chair

APPEALS

Decisions made by the YWCHSB under this policy can be appealed directly in writing to the Hearing Officer of the YWCHSB in accordance with subsection 53(1) of the *Act*. Notice of the appeal must be filed within 24 months of the date of the decision by the YWCHSB, in accordance with section 52 of the *Act*.

ACT REFERENCES

Sections 30, 32, 52 and 53

HISTORY

CL-56, "Minimum Compensation", effective July 1, 2006, revoked July 1, 2008.