

MAXIMUM EARNINGS COVERED AND METHODS OF ADJUSTMENT – SUMMARY - 2011

	<u>Annual amount</u>	<u>Effective Date</u>	<u>Method of Adjustment</u>
AB	<u>\$82,800</u>	Jan. 1, 2011	By order of the Board of Directors per section 56(4), The "method of adjustment" was changed by Board Order on May 29, 2007. The WCB now applies "a formula-based approach of setting the WCB maximum insurable earnings to cover the full earnings of 90 percent of claimants", beginning in 2008, with annual increases capped at 6 percent to allow a gradual transition to the new benchmark.
BC	<u>\$71,700</u>	Jan. 1, 2011	Sections 33(7), 33(8), 33(9) and 33(10). Annual average wage for the prior calendar year is taken from Statistics Canada figures for BC and compared to the average for 1984 (base year). Maximum wage for coming year is determined by applying that relationship to \$40,000.
MB	<u>No Maximum</u> ¹	Jan. 1, 2006	Effective January 1, 2006, there is no limit on insurable earnings. Prior to this, benefits were based on workers' earnings up to a maximum amount. Policy 35.10.120, <i>Terms and Conditions of Optional Coverage</i> , states the maximum optional/personal coverage level which can be purchased. In 2011, the optional/personal coverage limit is \$418,780 per worker or self-employed person.
NB	<u>\$56,700</u>	Jan. 1, 2011	Section 38.1(3). The maximum annual earnings are set at one-and-a-half times the New Brunswick Industrial Aggregate Earnings (NBIAE). The NBIAE is set under section 38.1(1) at \$27,323 for 1993 and increased annually by the percentage increase in the Consumer Price Index for Canada for all items for the twelve-month period ending the thirtieth day of June in each year. The increase is set on January 1 of each year under section 37.01.
NL	<u>\$51,595</u>	Jan. 1, 2011	Section 80(8) of the Act and Section 21 of the Regulations. Section 21 of the regulations states that when the annual Industrial Aggregate Wage Index for the province multiplied by 150% equals or exceeds \$45,500 in annual gross wages, the Commission shall then review the maximum compensable and assessable earnings amount annually and the Consumer Price Index for Canada as published by Statistics Canada shall be applied and the amount adjusted accordingly.
NT/ NU	<u>\$75,200</u>	Jan 1, 2010	Governance Council must make annual recommendations to the Minister, and Regulations must be amended to change the level of maximum earnings.
NS	<u>\$52,000</u>	Jan. 1, 2011	Section 41. Order in Council. Equal to 135.7% of the 'average weekly earnings, for all employees, industrial aggregate, Nova Scotia' for the 12-month period ending March 31 in the preceding calendar year (rounded to nearest \$100).
ON	<u>\$79,600</u>	Jan. 1, 2011 for accidents on or after Jan. 1, 2011	<p>Effective on the first day of January of each year beginning January 1, 1992, the maximum earnings covered for accidents occurring in each year will be 175% of the Average Industrial Wage for Ontario, determined in accordance with section 54. The calculation will be based on the most recent published material available on July 1 of the preceding year, with respect to the estimated average weekly earnings industrial aggregate for Ontario from Statistics Canada.</p> <p>Two indexing factors, as provided by sections 49 and 50, are used to increase the previous year's maximums. The first is CPI (alternate indexing factor) - based on all items for the 12-month period ending October 31 of the previous year, as published by Statistics Canada. The second is the Modified Friedland indexing formula (general indexing factor), which is calculated as (1/2 X CPI) - 1. Effective July 1, 2007, the Act was amended as follows: (1) for the two years commencing January 1, 2008 and January 1, 2009, a temporary indexing factor of 2.5% applies for the calculation of the amounts payable that would otherwise have been adjusted by the general indexing factor; and (2) the Lieutenant Governor in Council may by regulation prescribe future temporary indexing factors. On January 1, 2010, Ontario Regulation 454/09 came into force, providing a temporary indexing factor of 0.5% for the amounts that would otherwise have been adjusted by the general indexing factor for 2010.</p> <p>Effective January 1, 1998, all benefits are Modified Friedland indexed, except 100% pensions, 100% future economic loss, 100% LOE, less than 100% LOE with no modified earnings and survivors.</p>

1 While there is no limit on insurable earnings used for calculation of a worker's benefits, there is a limit on assessable earnings per worker used in the calculation of an employer's assessment. For 2011, the maximum assessable earnings level is \$96,000.

Source: Association of Workers' Compensation Boards of Canada – 2011

**These tables have been designed for general information purposes only. The AWCBC makes no representations as to the completeness or accuracy of the information (which is not exhaustive) and individual workers' compensation boards/commissions should be contacted for specific or additional information and clarification. For links to legislation, see: [here](#). For links to policy, see: [here](#).

	Annual amount	Effective Date	Method of Adjustment
PE	<u>\$47,800</u>	Jan. 1, 2011	Section 47(1). Effective January 1, 1995, the maximum annual earnings shall be equal to the Average Weekly Earnings Industrial Aggregate for all employees in P.E.I. at June 30, 1994, multiplied by 52 as published by Statistics Canada, multiplied by 1.5 and rounded to the nearest \$1,000. Section 47(2). The maximum annual earnings established under subsection (1) shall be adjusted on January 1, 1996 and on January 1 of each year thereafter by the percentage increase in the consumer price index for all items for the 12 month period ending on the June 30 previous as determined by the Board in August of each year on the basis of monthly reports published by Statistics Canada.
QC	<u>\$64,000</u>	Jan. 1, 2011	Section 66. Each year, the 1985 maximum (\$33,000) is multiplied by the ratio between the average of the Industrial Composite figures for each of the 12 months preceding July 1st of the preceding year and the same average for the 12 months ending July 1, 1984, rounded to the next highest \$500 and effective for the new calendar year.
SK	<u>\$55,000</u> (for claims on or after Sept. 1, 1985)	Jan. 1, 2005	Legislative amendment, per Sections 38 & 38.1, and Section 137(2). Adjustment to maximum wage rate (Section 38): <ul style="list-style-type: none"> • Review earnings of injured workers compensated within the 12 months preceding Sept. 30 • If 10% or more of these workers earn more than the current maximum wage rate, then the Board will increase the maximum wage rate in increments of \$1,000 until fewer than 10% of those workers' wages would be in excess of the new maximum • This new maximum wage rate will apply for injuries occurring on/after January 1 of the next calendar year
YT ²	<u>\$77,920</u>	Jan. 1, 2011	Subsection 3(1). Maximum wage rate for a year means <ol style="list-style-type: none"> a) \$74,100 as of January 1, 2008, and b) commencing January 1, 2009, and in each year thereafter, the amount resulting from adjusting the previous year's maximum wage rate by <ol style="list-style-type: none"> i) the percent change in the Consumer Price Index for Whitehorse, calculated by using the percent change between the average index for the twelve month period ending October 31st of the previous year and the same time period one year earlier; however, ii) despite clause A, if the percent change is greater than four percent, the percent change to be used will be four percent; and, if the percent change is less than zero percent, the percent change to be used will be zero percent.

² Applies to injuries caused after December 31, 1992.