

POLICY NUMBER: POL-81

**Chapter:
CLAIMS**

**Subject:
ADJUSTMENTS TO PENSIONS**

**Effective Date:
January 24, 2002**

**Last Update:
January 1, 2014**

REFERENCE:

Workers Compensation Act R.S.P.E.I.1988, Cap. W-7.1, Section 50.

DEFINITION:

In this policy:

“Pension” means an award based on a medically assessed disability awarded by the Workers Compensation Board prior to January 1, 1995 and was paid in recognition of a permanent partial or total disability.

POLICY:

1. Workers in receipt of a pension from the Workers Compensation Board for a disability resulting from an injury arising out of and in the course of employment are eligible for a cost of living increase each year.
 2. A worker’s pension paid until and including July 1, 2013 will be adjusted by an amount equal to the lesser of:
 - a) 75% of the percentage change in the Consumer Price Index for Charlottetown and Summerside for all items for the 12 month period ending on December 31 previous as determined by the Board on the basis of monthly reports published
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in that respect by Statistics Canada for that period; or

b) 4%.

On July 1, 2014 and on the first day of July thereafter, a worker's pension will be adjusted by an amount equal to the lesser of:

- (a) 80% of the percentage change in the Consumer Price Index for Charlottetown and Summerside for all items for December of the previous year and December one year earlier as determined by the Workers Compensation Board on the basis of reports published by Statistics Canada; and
- (b) 4%.

- 3. The Consumer Price Index for Charlottetown and Summerside can be found at the Statistics Canada website at www.statcan.gc.ca
- 4. Workers in receipt of a pension who return to work and who have a new accident or have a recurrence of an injury from a previous accident are to be assessed for a wage loss benefit less the amount of the pension.
- 5. Pensions are not subject to review. No change in the award of a pension, other than through indexing, is permitted.

HISTORY:

January 1, 2014 - Amended to reflect the revisions made to the *Workers Compensation Act* that became effective January 1, 2014.

February 13, 2013 - The policy was updated as a result of the 60 month policy review process. No substantive changes were made during this review.

November 30, 2007 - The policy was updated as a result of the 60 month policy review process.

July 25, 2002 - Removed reference to no indexing if increase less than 0.5%, clarified access to review, and clarified assessment of a new accident or recurrence.

January 24, 2002 - Replaces "Adjustment to Pensions Under Section 50 of the Workers Compensation Act L.P.E.I. 1995 Cap. 67" dated August 1, 1995.

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Board of Directors Approval Date: January 24, 2002