



HOUSE USE ONLY

CHAIR:

WITH / WITHOUT

2nd SESSION, 66th GENERAL ASSEMBLY
Province of Prince Edward Island
1 CHARLES III, 2022

(Bill No. 68)

An Act to Amend the Workers Compensation Act (No. 2)

Hon. Bloyce Thompson
Minister of Economic Growth, Tourism and Culture

GOVERNMENT BILL

Andrea MacRae
Acting Queen's Printer
Charlottetown, Prince Edward Island



AN ACT TO AMEND THE WORKERS COMPENSATION ACT (NO. 2)

BILL NO. 68

2022

BE IT ENACTED by the Lieutenant Governor and the Legislative Assembly of the Province of Prince Edward Island as follows:

1. **Subsection 37(1) of the *Workers Compensation Act* R.S.P.E.I. 1988, Cap. W-7.1, is amended**
 - (a) **in clause (a), by the deletion of the words “of the burial of the worker” and the substitution of the words “for the burial or cremation of the worker, or memorial services for the worker”; and**
 - (b) **in clauses (b), (c) and (e), by the deletion of the words “40%” and the substitution of the words “100%”.**

2. **Section 40 of the Act is repealed and the following substituted:**
 - 40. Wage loss benefits payable**
 - (1) Subject to subsection (2), where an injury to a worker from an accident that occurs on or after January 1, 2023, results in a loss of earning capacity for the worker after the date of the accident, the Board shall pay to the worker wage loss benefits in an amount equal to 90% of the worker’s loss of earning capacity.
Maximum wage loss benefits
 - (2) Wage loss benefits payable to a worker under subsection (1) shall not exceed 90% of the net maximum annual earnings.
Transitional
 - (3) Where, immediately before January 1, 2023, wage loss benefits are payable to a worker in an amount less than 90% of the worker’s loss of earning capacity, the Board shall, on and after January 1, 2023, pay wage loss benefits to the worker under this section in an amount equal to 90% of the worker’s loss of earning capacity, notwithstanding that the accident that caused the injury to the worker that resulted in a loss of earning capacity occurred prior to January 1, 2023.
Maximum wage loss benefits
 - (4) Wage loss benefits payable to a worker under subsection (3) shall not exceed 90% of the net maximum annual earnings.

3. Sections 40.1 and 40.11 of the Act are repealed.

4. Section 47 of the Act is repealed and the following substituted:

47. Calculation of maximum annual earnings after 2023

Effective January 1, 2024, and on January 1 of each year thereafter, the maximum annual earnings determined by the Board shall be equal to the Average Weekly Earnings Industrial Aggregate, as published by Statistics Canada, for all employees in Prince Edward Island at June 30 of the year previous, multiplied by 52 multiplied by 1.5 and rounded to the nearest \$100.

5. Subsection 48.1(3.1) of the Act is amended

- (a) in the words immediately preceding clause (a), by the deletion of the words “July 1, 2022,” and the substitution of the words “July 1, 2023,”;**
- (b) in clause (a), by the deletion of the words “Charlottetown and Summerside” and the substitution of the words “Prince Edward Island”; and**
- (c) in clause (b), by the deletion of the words “4%” and the substitution of the words “6%”.**

6. Clause 48.3(1)(e) of the Act is amended

- (a) by the deletion of the words “July 1, 2022,” and the substitution of the words “July 1, 2023,”;**
- (b) in subclause (i), by the deletion of the words “Charlottetown and Summerside” and the substitution of the words “Prince Edward Island”; and**
- (c) in subclause (ii), by the deletion of the words “4%” and the substitution of the words “6%”.**

7. Subsection 49.1(1.1) of the Act is amended

- (a) in the words immediately preceding clause (a), by the deletion of the words “July 1, 2022,” and the substitution of the words “July 1, 2023,”;**
- (b) in clause (a), by the deletion of the words “Charlottetown and Summerside” and the substitution of the words “Prince Edward Island”; and**
- (c) in clause (b), by the deletion of the words “4%” and the substitution of the words “6%”.**

8. Subsection 50(2.1) of the Act is amended

- (a) in the words immediately preceding clause (a), by the deletion of the words “July 1, 2022,” and the substitution of the words “July 1, 2023,”;**

- (b) in clause (a), by the deletion of the words “Charlottetown and Summerside” and the substitution of the words “Prince Edward Island”; and**
- (c) in clause (b), by the deletion of the words “4%” and the substitution of the words “6%”.**

9. (1) Subject to subsections (2), (3) and (4), this Act comes into force on Royal Assent.

(2) Sections 2 and 3 of this Act come into force on January 1, 2023.

(3) Sections 5, 6, 7 and 8 of this Act come into force on July 1, 2023.

(4) Section 4 of this Act comes into force on January 1, 2024.



EXPLANATORY NOTES

SECTION 1 amends subsection 37(1) of the *Workers Compensation Act* R.S.P.E.I. 1988, Cap. W-7.1 to include, where death results from injury to a worker, compensation for expenses related to the cremation of a worker or memorial services for a worker. The lump sum payment to a surviving spouse and dependant children is increased from 40% of the deceased worker's maximum annual earnings in the year the death of the worker occurred to 100% of the deceased worker's maximum annual earnings.

SECTION 2 repeals section 40 of the Act and substitutes a new section 40 to authorize the payment of wage loss benefits payable to an injured worker at 90% of the worker's loss of earning capacity for accidents that occur on or after January 1, 2023. A transitional provision authorizes this 90% payment of the worker's loss of earning capacity for all individuals receiving wage loss benefits on January 1, 2023, for accidents that occurred prior to this date.

SECTION 3 repeals sections 40.1 and 40.11 of the Act. These provisions are outdated and are no longer required.

SECTION 4 repeals section 47 of the Act and substitutes a new section 47 to set, effective January 1, 2024, and on January 1 of each year thereafter, the maximum annual earnings by the Average Weekly Earnings Industrial Aggregate, as published by Statistics Canada, for employees in the province at June 30th of the previous year with the appropriate multipliers.

SECTIONS 5 to 8 amend the noted provisions in the Act in respect of the annual indexation of wage loss benefits and the permanent partial or total disability pension. Commencing July 1, 2023, and on July 1 of each year thereafter, the 4% cap is increased to 6%. The CPI measure is amended to replace the reference to "Charlottetown and Summerside" with "Prince Edward Island".

SECTION 9 provides for the commencement of the Act.

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(No. 2)**

<i>STAGE:</i>	<i>DATE:</i>
<i>1st Reading:</i>	November 1, 2022
<i>2nd Reading:</i>	
<i>To Committee:</i>	
<i>Reported:</i>	
<i>3rd Reading and Pass:</i>	
<i>Assent:</i>	

SIGNATURES:

Honourable Antoinette Perry, Lieutenant Governor

Honourable Colin LaVie, Speaker

Joseph Jeffrey, Clerk

Hon. Bloyce Thompson
Minister of Economic Growth, Tourism and Culture

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