

Section	Policy
40	44.80.80

Section Title: Benefits Administration - *Wage Loss*  
Subject: Wage Loss Supplements - Second Accident  
Effective Date: March 28, 1984

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### **A. POLICY**

When a worker has a temporary partial disability for which compensation responsibility has been accepted, and the worker returns to work but, by reason of the disability, receives weekly earnings that are less than his or her average earnings at the time of the accident, then wage loss supplements will generally be awarded to the worker.

When a worker incurs a compensable accident resulting in time loss and is currently receiving wage loss compensation as a consequence of an earlier accident, payments should be based upon the greater of:

- a) 75% of the average earnings at the time of the initial accident; or
- b) 75% of the average earnings at the time of the second accident, plus the wage loss being paid.

Any compensation payable will be restricted to the maximum compensation ceiling in effect at the time of the second accident.

### **B. REFERENCES**

*The Workers Compensation Act*, section 40(2), 44(2) (Prior to January 1, 1992)

Related WCB Policies:

31.05.10, *Cost Relief/Cost Transfers*  
43.10.30, *Functional Impairment Awards*  
44.80.10.10, *Average Earnings*

### **History:**

1. Policy approved by the Board of Directors by Board Orders 52/84 and 27/85 on March 28, 1984, effective immediately.
2. Administrative Guidelines have been revised – March 2003.
3. Minor formatting and grammatical changes were made to the policy and the history section was updated June 27, 2012.
4. Minor formatting changes were made to the policy, July 2021.

**C. GUIDELINES****I. General**

1. The following guidelines apply when the wage loss is not considered to be of a prolonged nature or the worker is in an active rehabilitation program:
  - (a) A wage loss supplement shall be paid under section 44(2) of the Act.
  - (b) Average earnings will be based on the average earnings as established at the time of temporary total disability termination or termination of rehabilitation benefits equivalent to temporary total disability.
  - (c) Post-accident average earnings are those earnings the claimant will earn following return to work and include any overtime, wage, promotional increases or company benefit being paid to the worker by reason of the compensable injury(s).
2. The wage loss supplements are to be reviewed periodically and diminished in accordance with increases in the post-accident earnings.
3. If, after a fair and honest effort by the worker at rehabilitation, the wage loss is likely to continue indefinitely, the claim should be considered for a functional disability award (See WCB policy 43.10.30, *Functional Impairment Awards*).
4. If the claim is granted a functional award, it should be considered under section 40(2) of the Act. Further, such a claim should be considered for retroactive adjustment of wage loss as if it had been initially granted a functional award.
5. Where it is initially evident that wage loss is likely to be of a prolonged nature, and there is no impairment rating, a functional award may be recommended and the earnings loss dealt with under section 40(2) of the Act.

**II. Second Accident While in Receipt of Wage Loss Supplements**

Costs relative to the second accident will be charged against the second accident employer, and the balance will be charged against the employer of the first claim, unless the second employer is eligible for cost relief under Schedule D of WCB policy 31.05.10, *Cost Relief/Cost Transfers*.