

## What are collateral benefits?

Collateral benefits are income and benefits designed to replace lost wages that you are entitled to because of a workplace injury. This includes benefits provided under the Canada Pension Plan, the Quebec Pension Plan, the Employment Insurance Act, a disability insurance plan, and employer “top-up benefits”.

## What do collateral benefits have to do with workers compensation benefits?

If the amount of collateral benefits and wage loss benefits you are entitled to receive add up to more than 100% of your net actual loss of earnings, the amount over 100% will be deducted from your wage loss benefits.

## But my collective agreement says I am entitled to top-up benefits from my employer.

The top-up will not be deducted from your wage loss benefits as long as the top-up does not provide you with more than 100% of your net actual loss of earnings.

## What’s the point in having top-up benefits if they are just deducted from my wage loss benefits?

It is important to note that collateral or top-up benefits are only deducted from your wage loss benefits when the collateral or top-up benefits plus wage loss benefits add up to more than 100% of your net actual loss of earnings.

## Are there any exemptions to what is considered a collateral benefit?

Yes, there are several exemptions. You are not required to report:

- insurance benefits that are designated for mortgages or loan payments
- retirement pension benefits, including RRSP and RRIF income
- CPP disability child benefits
- capital gains income or investment income
- survivor benefit you are receiving.

If you are unsure whether or not the income you are receiving is a collateral benefit, call your adjudicator or case manager.

