

**Operational  
Policy**

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Section  
**General**

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Subject  
**Annual Indexing**

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## Policy

Every January, the WSIB indexes ongoing benefits and amounts set out in legislation. Annual indexing protects against the effects of inflation over time by gradually increasing workers' and survivors' benefits and the amounts used to calculate those benefits.

### Purpose

The purpose of this policy is to identify the circumstances in which annual indexing applies, outline the factor and method used for annual indexing, and identify the period for which an indexed benefit is applicable.

## Guidelines

### Annual indexing

#### Benefits subject to annual indexing

Annual indexing applies to the following benefit types:

- loss of earnings (LOE)
- non-economic loss (NEL) (periodic payments)
- survivors' (periodic payments)
- temporary disability
- future loss of earnings (FEL) and supplements, and
- permanent disability (PD) and supplements.

#### Amounts subject to annual indexing

Annual indexing applies to the amounts set out in the *Workplace Safety and Insurance Act, 1997* (WSIA), and also to amounts set out in the *Workers' Compensation Act* (WCA), as amended by the WSIA, that continue to apply to pre-1998 injuries/diseases (the Acts), see 18-01-02, Benefit Dollar Amounts - Accidents from 1998, and 18-01-03, Benefit Dollar Amounts - Accidents before 1998.

### Exception

The maximum amounts of fines for offences outlined in s. 158(1) of the WSIA are not indexed, see 22-01-05, Offences and Penalties - General.

### Indexing factor

The indexing factor to be applied every January 1, for all entitlement periods on or after January 1, 2018, is the amount of the percentage change in the Consumer Price Index for Canada for all items, for the 12-month period ending on October 31 of the previous year, as published by Statistics Canada.

The indexing factor is published annually in 18-01-02, Benefit Dollar Amounts - Accidents from 1998 and 18-01-03, Benefit Dollar Amounts - Accidents before 1998.

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The indexing factor is also used to update (escalate) pre-injury average earnings or average earnings at the time of most recent employment, as the case may be, for the purpose of calculating or recalculating a benefit, see 18-02-07, Calculating Net Average Earnings, 18-06-01, Calculating Temporary Total Disability Benefits (Accidents between 1985 and 1998), and 18-07-04, Calculating Permanent Disability Benefits.

**Indexing method****Benefits**

Benefits are indexed if a worker or survivor is entitled to a payment as of December 31 of one calendar year and that entitlement continues into the next calendar year.

Benefits are indexed by applying the indexing factor to the benefit amount payable. For example, if a benefit amount is \$500 per week and the indexing factor is 2 per cent, the indexed benefit amount is \$510 per week.

**NOTE**

In cases where a benefit has been reduced, the indexing factor is applied to the benefit amount prior to the reduction. Examples of this include, but are not limited to, circumstances where a benefit has been reduced due to a support deduction or due to a 50 per cent non-co-operation penalty.

Further information about indexing in the context of individual benefit types can be found in the benefit policies applicable to each benefit type (see Appendix).

**Amounts set out in the Acts**

On January 1 every year, amounts set out in the Acts are indexed by applying the indexing factor to the amounts as adjusted the preceding January 1. The indexed amounts are published annually in 18-01-02, Benefit Dollar Amounts - Accidents from 1998 and 18-01-03, Benefit Dollar Amounts - Accidents before 1998.

**Indexed benefits**

Benefits are paid based on the indexed benefit amount payable until the benefit is subject to further indexation or a recalculation, or entitlement to the benefit ends.

**Application date**

This policy applies to the identified benefits and amounts for entitlement periods on or after December 1, 2020, for all accidents.

**Policy review schedule**

This policy will be reviewed within five years of the application date.

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**Document history**

This document replaces 18-01-14 dated December 1, 2020.

This document was previously published as:  
18-01-14 dated January 2, 2018.

**References**

**Legislative authority**

*Workplace Safety and Insurance Act, 1997*, as amended  
Sections 49, 51, 52, 52.1, 107.1, 111

**Minute**

Administrative  
#24, March 24, 2021, Page 588

**Appendix**

Benefit type	OPM document
LOE	<ul style="list-style-type: none"> <li>18-03-02, Payment and Reviewing LOE Benefits (Prior to Final Review)</li> <li>18-03-06, Final LOE Benefit Review</li> </ul>
FEL and supplements	<ul style="list-style-type: none"> <li>18-04-05, Initial Determination - Workers Who are Earning at Time of Determination</li> <li>18-04-06, Initial Determination - Where Suitable Occupation has been Determined</li> <li>18-04-11, Supplements for Programs and Return-to-Work Activities Before and After 24 Months</li> <li>18-04-12, Supplement Following Significant Deterioration</li> <li>18-04-20, Final FEL Benefit Review</li> </ul>
NEL	<ul style="list-style-type: none"> <li>18-05-04, Calculating NEL Benefits</li> </ul>
Temporary disability benefits	<ul style="list-style-type: none"> <li>18-06-01, Calculating Temporary Total Disability Benefits (Accidents between 1985 and 1998)</li> <li>18-06-02, Calculating Temporary Partial Disability Benefits (Accidents between 1985 and 1998)</li> </ul>
PD and supplements	<ul style="list-style-type: none"> <li>18-07-04, Calculating Permanent Disability Benefits</li> <li>18-07-09, Section 147(14) - \$200 Additional Amount (Permanent Disability)</li> <li>18-07-10, Sections 147(2) and 147(4) Supplements (Permanent Disability)</li> </ul>
Survivors'	<ul style="list-style-type: none"> <li>20-03-04, Spouse with No Children</li> <li>20-03-06, Spouse with One or More Children</li> </ul>

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	<ul style="list-style-type: none"><li>• 20-03-07, Spouse and Children not Living Together</li><li>• 20-03-09, Apportionment of Survivors' Benefits</li><li>• 20-03-10, Children and No Spouse</li><li>• 20-03-11, Children Cared for by Parent or Other Person</li><li>• 20-03-12, Children 19 Years or Older Continuing in Education</li><li>• 20-03-14, Other Dependants</li><li>• 20-03-16, Payments to Dependants (Accidents before 1998)</li></ul>
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