





Section

Special Circumstances

Subject

**Entitlement Following Temporary Work Disruptions** 

# **Policy**

The WSIB generally maintains the loss of earnings (LOE) benefits the worker was receiving at the start of a temporary work disruption.

Workers are entitled to additional LOE benefits when evidence indicates:

- the worker would seek new employment in the general labour market to attempt to restore their loss of earnings during the temporary work disruption (i.e., if they were not injured), and
- the work-related injury/disease impacts the worker's ability to earn income through new employment.

Reference to LOE benefits should be read to include wage loss benefits for accidents prior to 1998, including temporary total disability benefits, future economic loss (FEL) supplements, and 147(2) permanent disability supplements.

## **Principles**

The WSIB may provide additional LOE benefits during a temporary work disruption if the worker experiences an additional loss of earnings during this period due to their work-related injury/disease.

## **Purpose**

The purpose of this policy is to outline the circumstances under which the WSIB may provide additional LOE benefits to a worker during a temporary work disruption.

# **Guidelines**

## Scope

This policy applies to workers who are partially impaired and fit for suitable and available work at, or subsequent to, the start of a temporary work disruption. To determine what constitutes "suitable work" see 19-02-07, RTW Overview and Key Concepts.

#### **Definitions**

Temporary work disruptions are generally expected to last less than 3 months and include:

- layoffs resulting from temporary changes in the availability of work due to economic factors (e.g., plant retooling, holiday shutdown)
- partial reduction in hours or wages due to business circumstances that affects all employees in company, plant, department, or shift (i.e., all employees continue to work)
- strikes or lockouts, and
- seasonal layoffs (regardless of the length of the off-season).

Layoffs with specific or expected recall dates beyond three months continue to be treated as temporary work disruptions if there is a strong degree of certainty that the recall will occur

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(e.g., written notice of recall date, employer's past practices, relationship between employer and employees, unique circumstances).

For more information about work disruptions that go beyond three months, see 15-06-03, Entitlement Following Permanent Work Disruptions.

## Re-employment and co-operation obligations

Re-employment and co-operation obligations are generally not an issue when the work disruption involves an entire company.

When the work disruption affects only part of the company, the WSIB considers whether the employer has met its re-employment and co-operation obligations under 19-02-08, RTW Co-operation Obligations and 19-02-09, Re-employment Obligations. If there is no evidence of an employer breach and the worker has met their co-operation obligations, the WSIB must then determine if the worker's loss of earnings during the work disruption is due to the work-related impairment.

#### Maintain current level of LOE benefits

The WSIB generally maintains the LOE benefits the worker was receiving at the start of a temporary work disruption. LOE benefits may be adjusted if the worker's level of impairment significantly improves or deteriorates during the work disruption.

## Pay additional LOE benefits

The WSIB may pay additional LOE benefits when **both** of the following criteria are met.

- There is evidence indicating the worker would seek new employment in the general labour market to attempt to restore their loss of earnings during a temporary work disruption. (i.e., if they were not injured). To make this determination, the WSIB may consider factors such as the following:
- Does the worker have a job offer?
- Has the worker obtained alternate employment in past work disruptions?
- What is the expected employment pattern among other workers of the company affected by the work disruption?
- If no prior layoffs, what is the expected or standard pattern of work within the broader industry/business during work disruptions? (i.e., employees generally don't seek new employment during short holiday shutdowns).
- The work-related injury/disease impacts the worker's ability to earn income through new employment. To make this determination, the WSIB may consider factors such as the following:
- Is the worker involved in WSIB approved active health care, which requires frequent absences for treatment of the work-related injury/disease?

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- Was the worker on a graduated return-to-work plan?
- Was the worker performing suitable work that does not exist in the general labour market (i.e., similar work not performed at other companies)? To make this determination, the WSIB may consider factors such as:
  - Tasks: Were tasks and work processes specifically accommodated for the worker's impairment to the extent they are not likely to exist with or be provided by another employer?
  - <u>Equipment: Has significant expense and/or effort gone into modifying the work or workplace for the worker?</u>
  - <u>Productivity:</u> Was the worker performing tasks at lower productivity rate than noninjured workers?
  - <u>Work schedule:</u> Had the worker returned to work at reduced hours or on a modified shift schedule?
  - o Rate of pay: Was the employer paying a wage for the suitable work that is not representative of actual earning capacity (e.g., full time wages for less than full time or full productivity work)?

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Equipment	Has significant expense and/or effort gone into modifying the work or workplace for the worker?
Productivity	Was the worker performing tasks at lower productivity rate than non-injured workers?
Work schedule	Had the worker returned to work at reduced hours or on a modified shift schedule?
Rate of pay	Was the employer paying a wage for the suitable work that is not representative of actual earning capacity (e.g., full time wages for less than full time or full productivity work)?

#### **Exceptions**

Additional LOE benefits may be paid if the worker was performing temporary suitable work at the time of the work disruption and would not have been laid off if they had been fit for the essential duties of the pre-injury job (e.g., the worker is laid off while employees performing the worker's pre-injury job continue to work during a plant re-tooling).

#### Final benefit review

Even if the conditions set out in this policy are met, the WSIB generally cannot provide additional benefits during a work disruption that starts after the final LOE or FEL benefit review, see 18-03-06, Final LOE Benefit Review, and 18-04-20, Final FEL Benefit Review.

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### **Application date**

This policy applies to all decisions made on or after March 1, 2021 January 1, 2023, for all accidents.

## **Policy review schedule**

This policy will be reviewed in 2026.

## **Document history**

This document replaces 15-06-02 dated November 3, 2014 April 9, 2021.

This document was previously published as:

15-06-02 dated November 3, 2014

15-06-01\* dated August 1, 2007

15-06-02\* dated August 1, 2007

15-06-04\* dated August 1, 2007

15-06-05\* dated August 1, 2007

\*documents were replaced by 15-06-02 dated November 3, 2014.

# References

## Legislative authority

Workplace Safety and Insurance Act, 1997, as amended Sections 40, 41, 42, 43, 107, 108, 110

Workers' Compensation Act, R.S.O. 1990, as amended Sections 37, 43, 54, 147(2)

## Minute

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