

**POLICY NUMBER: POL-81**

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**Chapter:**  
**CLAIMS**

**Subject:**  
**ADJUSTMENTS TO PENSIONS**

**Effective Date:**  
**January 24, 2002**

**Last Update:**  
**December 16, 2024**

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**REFERENCE:**

*Workers Compensation Act R.S.P.E.I.1988, Cap. W-7.1, Section 50*

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**DEFINITION:**

In this policy:

“Pension” means an award based on a medically assessed disability awarded by the Workers Compensation Board prior to January 1, 1995 and was paid in recognition of a permanent partial or total disability.

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**POLICY:**

1. On July 1<sup>st</sup> of every year, Workers Compensation Board (WCB) pension benefits will be adjusted for increases in the cost of living in Prince Edward Island. The adjustment is based on the annual percentage change in the Consumer Price Index (CPI) to a maximum of 6%. If the percentage change in the CPI is zero or negative, there will be no adjustment to the pension.
  2. Pensions cannot be reviewed or changed, other than through annual CPI adjustments.
  3. If a worker with a WCB pension returns to work and has a new accident or a recurrence of symptoms of a previous workplace injury, they may receive wage loss benefits less
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the amount of the pension.

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**HISTORY:**

December 16, 2024 – Non-substantive changes made as a result of 60 month review.

January 1, 2023 - Non-substantive changes to reflect *Workers Compensation Act* amendments.

December 25, 2021 - Non-substantive changes to reflect *Workers Compensation Act* amendments.

May 8, 2019 - Non-substantive changes to clarify that there is no adjustment if the Consumer Price Index change is negative.

January 1, 2014 - Amended to reflect the revisions made to the *Workers Compensation Act* that became effective January 1, 2014.

February 13, 2013 - The policy was updated as a result of the 60 month policy review process. No substantive changes were made during this review.

November 30, 2007 - The policy was updated as a result of the 60 month policy review process.

July 25, 2002 - Removed reference to no indexing if increase less than 0.5%, clarified access to review, and clarified assessment of a new accident or recurrence.

January 24, 2002 - Replaces "Adjustment to Pensions Under Section 50 of the Workers Compensation Act L.P.E.I. 1995 Cap. 67" dated August 1, 1995.  
Board of Directors Approval Date: January 24, 2002