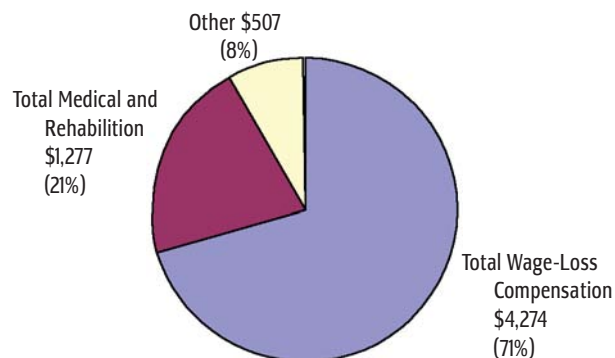


The facts on compensation benefits paid across Canada-2001

- In 2001, over \$6 billion in workers' compensation benefits were disbursed across Canada to compensate injured workers and to provide them with health-care treatment and rehabilitation.
- The majority of the benefits paid were wage-loss compensation, which includes long- and short-term disability (\$4.3 billion).
- Payments for medical and rehabilitation services provided to injured workers totalled almost \$1.3 billion.

Compensation Benefits Paid in Canada, 2001 (\$ million)



*It is important to note that the definitions of benefit categories may vary across provinces.

- The Canadian labour force in 2001 consisted of slightly over 15 million people, and 80 per cent of those workers (12 million) were covered by workers' compensation if they were injured on the job. This implies approximately 3 million workers were not covered.
- Across provinces, the proportion of the labour force covered by workers' compensation, ranged from a low of 66.5 per cent in Manitoba to a high of 96.7 per cent in Newfoundland. In Ontario, an estimated 68.4 per cent of the labour force was covered.
- The average amount of benefits paid per insured employee ranged from a low of \$305.55 in Prince Edward Island to a high of \$614.95 in Ontario. The Canadian average was \$449.87. These provincial differences are partially explained by differences between provinces in wage levels, differing employment mixes across industrial sectors, and differences in the existence and the levels of additional premiums to cover future liabilities.

Where the data came from

The data for this briefing were compiled by Roman Dolinschi, Institute for Work & Health. The data were drawn from the Association of Workers' Compensation Boards of Canada *Key Statistical Measures-2001* and the 2001 financial statements from ten of the provincial workers' compensation boards. While data on total benefits paid have been presented in the past, the data here break down the compensation benefits paid into their various components-wage-loss compensation, medical and rehabilitation services, and other (including survivor benefits and province-specific programs such as Ontario's Labour Market Re-entry Program).

Caution must be exercised when interpreting these data. Each Board has its own set of operating procedures and the acts and regulations governing compensation are not identical. Therefore definitions of benefits payments may differ, payments may be allocated into different categories, and the types of businesses covered by WCBs may vary from province to province.

It is also important to note that the benefits reported here are those paid in 2001 for current and previous injuries. They are not "total costs" for injuries that year, which would include current and future costs of injury. Those costs can be found in the AWCBC annual report. In addition, administrative expenses associated with processing claims are not included in the totals presented. The findings of this IWH briefing do not necessarily reflect the views of the AWCBC or any of its member Workers' Compensation Boards or Commissions.

Related Institute research

Campolieti M, Lavis JN. Disability expenditures in Canada, 1970-1994: trends, reform efforts and a path for the future. *Canadian Public Policy* 2000; XXVI(2):241-264.

The Institute has a number of experts who can discuss work-related health and disability issues. Contact Kathy Knowles Chapeskie at 416-927-2027 ext. 2115 or by e-mail at kchapeskie@iwh.on.ca for more information.

The Institute for Work & Health is an independent, not-for-profit organization whose mission is to conduct and share research with workers, labour, employers, clinicians and policy-makers to promote, protect and improve the health of working people. The Institute has been providing research and evidence-based, practical tools for clinicians, policy-makers, employees and managers since 1990. It operates with the support of the Ontario Workplace Safety & Insurance Board.

Workers' Compensation Benefits Paid for the Year 2001 (in millions, current \$)

	BC ¹	AB ²	SK ³	MB ⁴	ON ⁵	PQ ⁶	NB ⁷	NS ⁸	PEI ⁹	NF ¹⁰	Total
Wage-Loss Compensation											
Long-term disability	292.131	156.569	35.122	44.704	1,356.000	196.061	26.567	57.239	7.664	32.760	2,205
Short-term disability	305.749	213.454	60.706	48.121	526.000	0	38.407	39.376	4.535	34.260	1,271
Income-replacement (PQ)						798.593					
Total Wage-Loss Compensation	597.880	370.023	95.828	92.825	1,882.000	994.654	64.974	96.615	12.199	67.020	4,274
Medical and Rehabilitation											
Health Care	187.530	149.267	43.372	30.500	332.000	248.614	32.565	27.383	4.629	28.808	1,085
Rehabilitation	89.702	30.656	12.683	3.749	0.000	49.103	0 ⁷	3.019	1.180	2.077	192
Total Medical and Rehabilitation	277.232	179.923	56.055	34.249	332.000	297.717	32.565	30.402	5.809	30.885	1,277
Other											
Survivor Benefits	57.239	38.252	9.419	14.608	133.000	40.628	18.264	13.501	0	7.030	332
Labour market re-entry (ON)					161.000						
Economic and social stabilization (PQ)						14.299					
Total Compensation Benefits Paid (\$millions)	932	588	161	142	2,508	1,347	116	141	18	105	6,058
Average premium rate per \$100 of payroll ¹¹	1.78	1.31	1.57	1.52	2.13	1.89	1.58	2.49	2.29	3.22	
2001 employed labour force participants (thousands) ¹²	1,942.033	1,631.933	472.292	557.842	5,962.517	3,474.633	334.525	423.192	65.850	211.558	15,076.376
Percent of workforce covered (AWCBC) ¹¹	94.0	79.8	72.6	66.5	68.4	94.5	94.8	69.9	89.5	96.7	80.2
Number of employees covered (thousands)	1,825.511	1,302.283	342.884	370.965	4,078.361	3,283.529	317.130	295.811	58.936	204.577	12,079.987
Benefits paid per covered employee (\$)	510.73	451.67	470.43	381.93	614.95	410.32	365.16	475.03	305.55	512.94	449.87

Notes:

1. British Columbia data come from note 6 of the Financial Report for 2001.

2. Alberta data come from note 9 of the Financial Report for 2001.

3. Saskatchewan data come from note 9 of the Financial Report for 2001.

4. Manitoba data come from note 9 of the Financial Report for 2001.

5. Ontario data come from note 7 of the Financial Report for 2001.

6. Quebec data come from note 6 of the Financial Statements for 2001. Quebec uses different categories for "benefits paid" and does not have a breakdown by short- and long-term disability.

As a result, Quebec's reported results were apportioned to the table categories where possible. For example, bodily injury and permanent disability benefits were placed under long-term disability.

Death benefits were placed under survivor benefits. Income replacement could not be apportioned and therefore was pulled out as a separate category within the table.

7. New Brunswick data come from note 7 of the Financial Report for 2001. In New Brunswick, the short-term disability category also includes rehabilitation benefits ("Short-term disability and rehabilitation").

8. Nova Scotia data come from note 8 of the Financial Report for 2001.

9. PEI data come from note 7 and note 11 of the Financial Report for 2001.

10. Newfoundland data come from note 8 of the Financial Report for 2001.

11. Average premium rate and per cent of workforce covered (AWCBC) are taken from the AWCBC Key Statistical Measures - 2001.

12. Provincial 2001 employment is provided by Statistics Canada and represents annual average number employed workers age 15 years and over. These data are taken from the following CANSIM II series:

BC - V2064701; AB - V2064512; SK - V2064323; MB - V2064134; ON - V2063945; PQ - V2063756; NB - V2063567; NS - V2063378; PEI - V2063189; NF - V2063000.