



June 20<sup>th</sup>, 2017

Dear Editor,

I respond to your story “WorkplaceNL’s Finances Healthy” (Telegram, June 20<sup>th</sup> 2017). At issue is healthy finances at WorkplaceNL, yet injured workers in Newfoundland and Labrador continue to have one the lowest income replacement rates in all of Canada.

Workers’ Compensation was designed as a no fault, no blame system. However, injured workers pay a price. In our province, the income replacement rate for an injured worker is 80% of earnings, up to a maximum of \$63,420. This is one of the lowest rates in all of Canada. In fact, the last 2013 statutory review of workers’ compensation recommended that the income rate increase to 85%.

Neither the Progressive Conservatives nor the Liberals have yet to adopt this recommendation, despite the fact WorkplaceNL’s finances are healthy. Currently, there are 6 jurisdictions across Canada whose income replacement rates are 90% of earnings.

As to Newfoundland and Labrador having the highest maximum assessable insurable earnings in all of Atlantic Canada, at \$63,420. It should be noted that we are the best of a bad bunch. In fact, we are substantially lower than the remaining provinces and territories.

All in all, it is time the governing Liberals honour the 2013 statutory review, and increase the income replacement rate for injured workers from 80% to 85%. It is clear the workers’ compensation fund is healthy enough to handle this long overdue and very modest increase. There is no excuse for any further delays.

Regards,

Mary Shortall  
President, Newfoundland & Labrador Federation of Labour

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