

The Workers Compensation Board of PEI Announces 2024 Rates and Surplus Distribution

Charlottetown, November 6, 2023 – The Workers Compensation Board (WCB) of PEI is pleased to announce an 8.8% reduction of its estimated average assessment rate for Islander employers for 2024. This brings the 2024 average rate to \$1.25, down from \$1.37 in 2023.

Assessment rates are set annually by the WCB Board of Directors and are calculated per \$100 of assessable payroll. The maximum assessable earnings, or MAE, is the maximum amount of earnings an employer would pay premiums on per worker. With the benefit enhancements introduced last year, the MAE will now be reviewed yearly to account for wage increases in PEI. As a result, more Islanders would have their full earnings eligible for coverage by the WCB. As of January 1, 2024, the maximum assessable earnings (MAE) will be \$78,400. The MAE in 2023 was \$65,000.

Based on the funding status as of December 31, 2022, the Board of Directors also approved a \$21 million surplus distribution to employers. The surplus distribution comes as a result of investment returns which fluctuate from year to year. Surplus distribution is considered on a yearly basis by the Board of Directors.

“We are pleased to continue the trend of decreasing assessment rates for Island employers,” said Jim MacPhee, Chair of the Workers Compensation Board. “The WCB’s strong funded position creates the opportunity to pursue service delivery and benefit enhancements for injured workers while continuing to reduce employer assessment rates.”

The WCB’s funding policy is designed to protect employers with affordable, stable rates for coverage, and ensure the sustainability of the accident fund. The average rate reduction is made possible by strong investment returns in 2022, growth in the Island’s assessable payroll, a focus on injury prevention and return to work efforts.

All Island employers will be advised of their individual assessment rates in December 2023. These rates are based on the cost of claims, the risks of workplace injury in their specific industries and the assessment rates by industry group. The surplus will be distributed to eligible employers in December 2023.

The WCB serves over 6,600 employers and over 84,000 workers throughout Prince Edward Island. It partners with employers and workers in building safe and healthy workplaces and supports recovery, if an injury occurs, through the administration of the Workers Compensation Act and the Occupational Health and Safety Act. Serious work-related injuries and explosions must be reported by calling the 24-hour Occupational Health and Safety Emergency Line at 902-628-7513.