

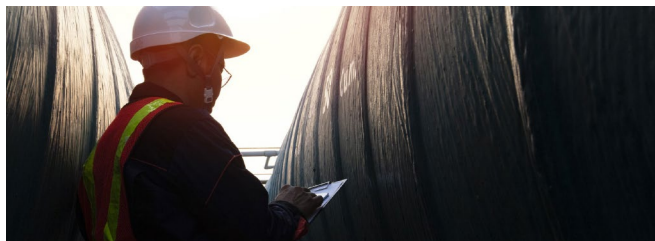
# Understanding my WorkplaceNL assessment

## The no-fault workers' compensation system is based on collective liability, where all employers share the cost of claims.

Employers pay an annual assessment for workplace injury and illness coverage for their workers.

Assessment rates are set each year to cover the projected cost of injuries expected in the year, for the life of those claims.

We communicate your next year's assessment rate in the Fall each year. You can also find your assessment rate on your invoices, employer payroll statement and via MyWorkplaceNL online services.



## The system as a whole

### Average assessment rate

- Each year we project the cost of new injuries for the upcoming year based on the five-year average cost of injuries of the whole system – using seven years and removing the highest and lowest years.
- If the five-year average cost of injuries is over two per cent higher (or lower) than the average used the prior year, the average assessment rate is adjusted up (or down). No change if it is within two per cent.
- This is the average rate across all employers needed to cover all costs (collective liability). Employer's individual rates will vary.

### Apply discount or surcharge, if applicable

The average rate may be further adjusted as WorkplaceNL aims to maintain a fully-funded Injury Fund at 110 per cent funded.

- If the Injury Fund is over 120 per cent funded, apply a temporary discount to reduce the surplus and return the fund to 110 per cent over 15 years. Employers pay less and WorkplaceNL draws from the Injury Fund to pay some claims costs.

- If it is under 100 per cent funded, apply a temporary surcharge to replenish the Fund over 15 years.
- If the Fund is within 100 to 120 per cent funded, there is no discount or surcharge.
- The total average assessment rate is the net amount (average assessment rate plus or minus the surcharge or discount, if any).



## Contact us

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**WorkplaceNL**

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# Employers' total annual assessment



## Your total annual assessment is determined by:

### Assessable Earnings

- WorkplaceNL insures earnings to a maximum annual amount per worker – called the maximum compensable assessable earnings (MCAE). The MCAE is adjusted each year by the Consumer Price Index (CPI).
- Generally, all taxable wages and benefits are assessable. You can find the current year's [MCAE](#) and a list of the different types of [assessable earnings](#) on our website.

### Industry Group assessment rate

- Employers are categorized by industry using the 4-digit Newfoundland Industrial Classification (NIC) codes when they register with WorkplaceNL. NIC codes with similar types of activity or cost experience are grouped into Industry Groups.
- All employers in an Industry Group usually have the same assessment rate, which differs from the average assessment rate for all employers.
- Your Industry Group's assessment rate is based on your group's five-year claim cost experience – stated as a ratio of the group's costs to assessable earnings (e.g., \$1.50 per \$100 of assessable earnings).
- As a result, changes in claims experience are recognized gradually over five years. The costs are weighted, as the more recent years have had less time to accumulate costs.

### Construction levy, if applicable

- Employers in the construction NIC codes pay a \$0.10 levy per \$100 of assessable earnings as automatic members of Newfoundland and Labrador Construction Safety Association (NLCSA).
- The NLCSA provides safety services to the construction industry and administers the Certificate of Recognition® Program. Visit [www.nlcsa.com](http://www.nlcsa.com) for more information.

### Practice and experience refunds or charges

- The PRIME program recognizes employers for functioning safety programs and effective return-to-work programs through the practice and experience incentives.
- Employers may receive a five per cent practice refund on their average annual assessments by having OHS and return-to-work programs in place.
- Employers with claims experience lower than their experience range may pay lower assessments (experience refund) – or may pay more if their experience is worse (experience charge). Employers get an experience refund only if they qualify for the practice refund.
- An experience charge is automatically applied, if applicable.
- Learn more about the [PRIME program](#).