

## Client Services Policy Manual

Policy Number: **EN-10**  
Subject: **Interest on Delayed Compensation Payments**  
Chapter: **Entitlement**

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### Policy Statement

Interest is awarded to workers (or their dependents) where payment of compensation for loss of earning capacity is delayed, for more than 30 calendar days, due to circumstances that are in WorkplaceNL's control. This includes cases where a decision is reversed through an internal, external or judicial review. However, interest is not paid where a decision is reversed based on new information not previously available to WorkplaceNL. WorkplaceNL will determine if benefits are payable and normally issue payment within 30 days after receiving all required information.

### Benefits Subject to Interest Due to Payment Delays

Interest is paid only for delays in the payment of:

- Temporary Earnings Loss benefits, including rehabilitation benefits;
- Extended Earnings Loss benefits; and
- Dependent Monthly Allowances.

Interest is not paid for delays in the payment of:

- Permanent Functional Impairment lump-sum benefits;
- Lump-sum payments to the worker's surviving dependents where the death of a worker results from injury;
- Permanent Partial Disability benefits;
- Pension Replacement benefits; or
- Lump-sum retirement benefits.

Lump-sum retirement benefits include accrued interest on extended earnings loss benefits, in accordance with section 85 of the Workplace Health, Safety and Compensation Act, 2022. However, additional interest for delays in payment does not apply.

This policy came into effect on January 1, 1993. Interest is not awarded for any delay or benefit period occurring prior to January 1, 1993.

### Interest Period for Payment Delays

Interest is calculated from the 30th day following the date WorkplaceNL should have approved benefits, up to the day that the compensation in question is approved.

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### Interest Calculations and Funding

Simple interest is applied and the interest rate is in accordance with the provisions of the Judgment Interest Act.

The cost of interest awarded under this policy will be:

- Charged against WorkplaceNL's investment income;
- Itemized as an expense; and
- Not charged against the employer's claims cost experience.

### Merits and Justice

Where the individual circumstances of a case are such that the provisions of this policy cannot be applied or to do so would result in an unfair or unintended result, WorkplaceNL will decide the case based on its individual merits and justice as outlined by Policy EN-22 Merits and Justice. Such a decision will be considered for that specific case only and will not be precedent setting.

### Reference:

Workplace Health, Safety and Compensation Act, 2022, Sections 20, 50, 69, and 85  
Judgment Interest Act

### Amendment History

Original Effective Date	1991 01 01
Reviewed	2019 05 07
Revised	2024 06 27

Next Review Date	2029 06 01
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