

NEW PENSION SYSTEM PROPOSAL

NOVEMBER 2021

Update for Second Round of Engagement 2021

What did we hear in the first round of engagement?

The WSCC received a robust response from Stakeholders during the first round of engagement. The findings showed 64% of respondents were in favour of the WSCC's proposal for a new pension system. Additionally, 92% of respondents said that they believed injured workers should be compensated for lost current and future earnings due to a permanent impairment. In total, the WSCC received 57 responses through an online survey, online public forums and one-on-one engagement conversations. Respondents requested more details about how the new system will operate in terms of policy and procedures. The WSCC also heard that its approach to calculating the Year's Maximum Insurable Remuneration (YMIR) was important to how Stakeholders perceived the proposed pension system.

Why are we doing another engagement?

Stakeholder feedback from the initial round of engagement highlighted YMIR as an important factor to how the pension system operates. In response, the WSCC reviewed Policy 00.04, Year's Maximum Insurable Remuneration in 2021. The WSCC's current approach was confirmed; however, the WSCC will recalibrate YMIR every five years to establish a baseline YMIR. The baseline YMIR is the amount where at least 75 percent of claimants from the past five complete calendar years, who received disability or impairment compensation, have their total gross annual remuneration fully covered.

Additionally, stakeholders requested the WSCC provide additional information on how the new pension system would operate. To respond to this feedback, the WSCC has drafted Policy Scoping Documents to outline in more detail how the proposed pension system could operate if implemented as proposed.

The purpose of the Policy Scoping Documents is to provide information for this engagement that demonstrates the pension system proposal in more detail. The final content of any approved final policies would reflect any changes established by amendments to the *Workers' Compensation Acts* and drafted through the WSCC's established Policy Development process.

How could I be impacted?

The WSCC is proposing that the current pension system will stay in place for those claimants who are already receiving pensions. Current pensioners will not have their compensation impacted if the new pension system goes ahead.

Any changes to the WSCC's pension system will require revisions to the *Workers' Compensation Acts* in Nunavut and the Northwest Territories. If Stakeholders continue to be in support of the new system, the WSCC is aiming to begin work on the legislative change process in 2022.