



This factsheet has been prepared for general information purposes. It is not a legal document. Please refer to the *Workers Compensation Act* and the *Rehabilitation Services and Claims Manual, Volumes I and II* for purposes of interpretation and application of the law.

Factsheet #26
Updated: January 2013

INTEREST

When is interest paid by WorkSafeBC?

The *Workers Compensation Act* says that WorkSafeBC must pay interest in only one situation regarding a worker's claim:

If the Review Division finds that retroactive benefits must be paid to a worker, and an appeal is filed to the Workers' Compensation Appeal Tribunal (WCAT), payment of the retroactive benefits is suspended until the WCAT makes its decision. If the WCAT confirms the decision of the Review Division (that is, if the WCAT also says that retroactive benefits must be paid to the worker), then interest will be paid on the retroactive amount, calculated from the 41st day *after* the date of the Review Division decision.

Interest is **not** paid for any period of time prior to the 41st day after the Review Division decision.

WorkSafeBC may exercise its discretion and pay interest if:

- a retroactive payment is made to a worker for wage loss or pension lump sum; **and**
- WorkSafeBC made a "blatant Board error" when it denied or limited the worker's benefits. "Blatant Board error" is defined as a glaring error that no reasonable person should make.

How is interest calculated?

Interest is calculated from the first day of the month after the retroactive benefit starts to the end of the month before the decision is made to award interest. In no case will WorkSafeBC pay interest for more than 20 years.

What rate of interest is paid?

WorkSafeBC pays simple interest equal to the CIBC prime lending rate. Decisions issued in the first six months of a year will use the interest rate posted on the first day of January of that year, and decisions issued in the second six months of the year will use the interest rate posted on the first day of July of that year.

For more information:
Website: www.labour.gov.bc.ca/wab



Lower Mainland/Fraser Valley/Kootenays: 1-800-663-4261
Northern & Central Interior: 1-800-663-6695
Vancouver Island: 1-800-661-4066

What can I do if I am not paid interest?

If you believe WorkSafeBC should pay you interest on your retroactive benefits and WorkSafeBC disagrees, you can request a review of this decision by the Review Division. The deadline to request a review of a WorkSafeBC decision is **90 days** from the date of the decision. For more information on reviews, see the Factsheet *Reviews of WorkSafeBC Compensation or Rehabilitation Decisions*.

If the Review Division makes a decision not to pay you interest you can appeal to the WCAT. The deadline to appeal to WCAT is **30 days** from the date of the Review Division decision. For more information on appeals, see the Factsheet *Appeals to the Workers' Compensation Appeal Tribunal (WCAT)*.

Do I have to pay interest when I have to repay WorkSafeBC?

WorkSafeBC cannot require you to repay any amount which results from their own “decisional error”

However, if WorkSafeBC made a decisional error and paid you too much, but the error was even partly because:

- you withheld information from WorkSafeBC;
- you misled WorkSafeBC (“misrepresentation”); or
- you committed fraud in dealing with WorkSafeBC;

you will still have to pay interest to WorkSafeBC when you repay the overpayment. The interest is calculated the same way as set out above.

Warning: If WorkSafeBC demands repayment of an overpayment, and you request a review or appeal, collection of the overpayment is suspended during the review or appeal process. If you do not succeed, you will have to repay the amount owing, plus all accrued interest.