

CPI Indexing 2010

Frequently asked questions

Q. My benefits always increase in January. Why aren't they going up this year?

A. In January each year, the WCB adjusts benefits by one half of the change in the Consumer Price Index. The Consumer Price Index is essentially a cost-of-living adjustment calculated by Statistics Canada. Over the past 10 years or so, Nova Scotia's Consumer Price Index has gone up and as a result, the WCB increased your benefits. This year, Statistics Canada has determined that Nova Scotia's Consumer Price Index has gone down. As a result, the WCB will not reduce your benefits, but there will be no increase this year.

Q. Who made the decision to not increase benefits?

A. The *Workers' Compensation Act* requires the WCB to adjust (on January 1st of each year) long-term (both temporary and permanent) benefits by one half of the percentage change in the Consumer Price Index (CPI) for the preceding year. The WCB uses the annual average CPI as calculated by Statistics Canada.

Even though the Consumer Price Index went down in 2009, we have decided not to reduce benefits. As a result benefit levels will remain the same.

Q. I recently read in the newspaper that Nova Scotia's Consumer Price Index went up in 2009. Yet, the WCB says it went down. I don't understand.

A. Statistics Canada reports the Consumer Price Index in a few different ways. The WCB has always used the average Consumer Price Index for the preceding year. This year Statistics Canada determined the average CPI from January to December 2009 is negative.

Q. When will my benefits increase again?

Over the past 10 years or so, Nova Scotia's Consumer Price Index has gone up and as a result, the WCB increased workers' benefits each year. Given that the Consumer Price Index went down in 2009, we will maintain benefits at their current level this year. We will not reduce benefits but there will be no cost-of-living increase. We will continue to adjust benefit levels based on Statistics Canada's Consumer Price Index for Nova Scotia annually