

Payment of interest on retroactive premium refunds—Appeals Commission decisions

The *Workers' Compensation Regulation 18 (1) and (2)* authorizes WCB's Board of Directors to specify a class or classes of cases in which interest may be payable in respect to amounts owing by the organization.

Interest payable to employers

Under an Order of the Board of Directors, WCB pays interest to employers who, as a direct result of a decision made by the Appeals Commission (AC), become entitled to a retroactive premium refund on premiums paid.

Interest payments do not apply to other premium refunds

Interest is not available on retroactive premium refunds owing as a result of a decision made by WCB or its Dispute Resolution and Decision Review Body (DRDRB).

Calculation of interest payable

Interest is calculated as simple interest, using the following formula:

$$\text{principal amount} \times \text{interest rate} \times \text{time period}$$

For AC decisions made on or after April 30, 2024:

- principal amount: the amount owing to the employer is the difference between the amount already paid by the employer and the adjusted amount that should have been paid by the employer.
- interest rate: the rate in effect for the time period for which the retroactive premium refund will be paid (as prescribed under the *Judgment Interest Act*).
- time period: the number of days from the date the employer submits their appeal to the AC to the date WCB pays the employer the amount owing (i.e., the principal amount).

For AC decisions made on or after August 18, 2011, up to and including April 29, 2024, interest is paid as simple interest:

- according to the rates prescribed under the *Judgment Interest Act*
- commencing on a date two years before the date of the filing of the request for review or on the first date on which the retroactive amount is payable, whichever is later, and continuing until the total of the retroactive amount and all accrued interest is paid

The Judgment Interest Act

The *Judgment Interest Act* and the *Judgment Interest Regulation* are available through the King's Printer.

Timing of payment

Once the retroactive amount owing as a result of an AC decision is paid, WCB calculates the applicable interest and pays the interest amount as a separate payment.

Need more information? Please call our Contact Centre. For more information on payment of interest related to rate-based benefits, please see the [payment of interest worker fact sheet](#).

Additional links:

[Interest payment board order](#) (effective April 30, 2024)

[Interest payment board order](#) (effective August 11, 2011, to April 29, 2024)

