DISCUSSION PAPER

October 23, 2026

2026 Statutory Review of the Workers' Compensation System

1. Introduction

As directed by the Lieutenant-Governor in Council, a Statutory Review Committee (the Committee) has been established to conduct a review of Newfoundland and Labrador's workers' compensation system. The Committee comprises Darren Roberts (Chairperson); Doug Youden (Vice-Chairperson and Employers' Representative), Heather Stamp (Employers' Representative), Bernadette Coffey Sobol (Workers' Representative) and Bob Fiander (Workers' Representative).

Under to Section 148 (2) of the **Workplace Health, Safety and Compensation Act** (the Act), the mandate of the Committee is to "…review, consider, report and make recommendations to the Lieutenant-Governor in Council upon matters respecting this Act and the regulations and the administration of each as the committee considers appropriate and upon other matters which the Lieutenant-Governor in Council or the minister may refer to the committee".

The Committee has prepared this Discussion Paper to help focus the consultation process. It outlines three broad themes which the Government of Newfoundland and Labrador has asked the Committee to focus on:

- Safety (Safe and Healthy Workplaces)
- Support (Fair and Sustainable Support for Workers and their Families)
- Simplicity (A Streamlined, Efficient and Accessible Compensation System)

While the three themes which the Government of Newfoundland and Labrador asked the Committee to focus on, the Committee welcomes feedback on matters related to the workers' compensation system not covered by these themes and reserves the right to consider matters outside the scope of the review.

The Committee is committed to hearing a wide range of perspectives to better understand experiences with the workers' compensation system and identify opportunities for improvement. Public, worker, employer and stakeholder input will play an important role in

informing the Committee's work. The Committee will consider all feedback received as part of the overall review and assessment.

To encourage broad participation, the Committee will offer multiple ways to provide input, including written submissions, virtual participation options, and in-person consultation sessions. Additional meetings with stakeholder groups or individuals may be arranged as needed to support accessibility and accommodate participant's needs.
Consultation activities will be supported by the Government of Newfoundland and Labrador's Community Engagement Branch and will include opportunities to participate through the EngageNL webpage with additional in-person consultation sessions planned in four regions of the province:

- Avalon Region (St. John's)
- Central Region (Gander)
- Western Region (Corner Brook)
- Labrador (Labrador City)

These engagement opportunities are intended to ensure that workers, employers, and other interested individuals from across the province can share their views and experiences.

2. Mandate, Principles and Funding

Newfoundland and Labrador's workers' compensation system is a mandatory, employer-funded, no-fault, work-injury insurance system developed to protect workers and employers in the event of workplace injuries.

The Meredith Principles are the foundation of the workers' compensation system and represent a historic compromise between workers and employers. These principles were developed by Judge Sir William Meredith in 1913 and are the hallmarks of a reliable, equitable and manageable compensation system. The principles are summarized in five key areas of focus:

1. No-fault compensation, which means workers are paid benefits regardless of how the injury occurred.

2. Collective liability, so that the total cost of the compensation system is shared by all employers.

3. Security of payment, with a fund established to guarantee that compensation will be available for injured workers when they need it.

4. Exclusive jurisdiction, which means only workers' compensation organizations provide workers' compensation insurance.

5. An Independent Board, that is autonomous and financially independent of government or any special interest group.

The workers' compensation system is paid for through the Injury Fund. This fund is supported entirely by employers and investment revenue generated by the fund. The Act requires all employers with one or more workers to register with WorkplaceNL and pay an annual premium based on their payroll and level of risk. The premium charged is known as the assessment rate. In return for entitlement to benefits under the Act, injured workers and dependents relinquish their litigation rights against the employer for injuries arising from their employment. WorkplaceNL follows a funding policy developed by their Board of Directors to ensure the financial sustainability of the Injury Fund.

3. Roles and Responsibilities

3.1. WorkplaceNL

Under authority of the Act, WorkplaceNL (the Workplace Health, Safety and Compensation Commission) administers the province's workers' compensation system. It is an independent agency of Government Services.

WorkplaceNL's three lines of business include (1) education on the prevention of workplace injuries, illnesses, and occupational disease; (2) claims management and benefits for workers who are injured due to their work; and (3) employer assessments for no-fault compensation

(insurance) coverage. For more details on WorkplaceNL programs and initiatives please visit https://workplacenl.ca.

WorkplaceNL has an Internal Review process to help ensure decisions made by its operating departments are fair, reasonable, and consistent. A worker, dependent, employer or authorized representative can request an Internal Review within 30 days of receiving a written decision. WorkplaceNL has a target of 45 days to issue a written response. For more details on WorkplaceNL's Internal Review process please visit: https://workplacenl.ca/workers/request-a-review-of-a-decision/

If an applicant is not satisfied with the Internal Review decision, they can apply to the Workers' Compensation Independent Review Board (WCIRB) for an External Review within 30 days. WCIRB has 60 days after the hearing to issue a written decision. For more details on WCIRB's External Review process please visit: https://www.gov.nl.ca/wcirb/

WorkplaceNL-funded independent Worker Advisors and Employer Advisors, provide free-of-charge help to workers and employers as they navigate the system or reviews.

3.2. Workers' Compensation Independent Review Board

The Workers' Compensation Independent Review Board (WCIRB) is an independent, quasi-judicial body, consisting of a panel of review commissioners. The WCIRB is an agency of Government Services and is separate and independent from WorkplaceNL.

The WCIRB reviews final decisions of WorkplaceNL for errors in the application of legislation, regulations and policies under the authority of the Act. An applicant has 30 days from the date of the final decision of WorkplaceNL to apply to the WCIRB for an External Review. An extension of time may be provided by the Chief Review Commissioner, but no extension will exceed one year from the date of WorkplaceNL's decision. Section 40 (14) of the Act states the WCIRB must process an application within sixty days. The decision of the WCIRB is the final level of review provided by the Act. The only other recourse for a dissatisfied applicant is an Originating Application to the Supreme Court of Newfoundland and Labrador.

In addition to the External Review process, the WCIRB also provides web-based distribution of its decisions; conducts research on workers' compensation issues; and collects and maintains statistical information relative to the review process. For more details on the WCIRB please visit https://www.gov.nl.ca/WCIRB/.

3.3. Worker and Employer Advisors

The Injury Fund covers the costs of five worker advisors and three employer advisors who function independently of WorkplaceNL and WCIRB. All positions are housed externally, within labour and employer groups. The five worker advisors are located at the Newfoundland and Labrador Federation of Labour (NLFL) in St. John's. They advise injured workers and their dependents as they navigate the workers compensation system at all levels including claim issues, the interpretation of legislation and polices, assist in the preparation for reviews and represent injured workers at WCIRB hearings. All these services are provided at no cost to injured workers and dependents (union and non-union).

There are three Employer Advisors located at the Board of Trade (BOT) in St. John's. The office includes a director and two Advisors. Employer Advisors provide free-of-charge, independent assistance, advice, and representation for employers on WorkplaceNL decision reviews involving both claims-side and assessment-related matters. The office represents employers at all levels, including external reviews before the Workers' Compensation Independent Review Board (WCIRB). In addition to advice and representation, the office also provides employer education sessions and assists with policy development to support regulatory compliance.

3.4. Partnerships

Collaboration, clear communication, and sound working relationships are essential to an effective workers' compensation system. WorkplaceNL works with the Occupational Health and Safety (OHS) Division of Government Services to develop educational programs respecting workplace health and safety. WorkplaceNL also works closely with the Newfoundland and Labrador Federation of Labour (NLFL) and Board of Trade (BOT) who represent injured workers and employers respectively. In addition, WorkplaceNL has established partnerships with various industry associations, government departments and agencies, unions, and health and safety coalitions at both provincial and national levels.

WorkplaceNL supports safety sector councils in forestry, manufacturing, fish processing, fish harvesting, health care and construction. These councils bring together employers, workers, labour representatives and industry professionals to address sector-specific safety issues. For a listing of these entities, including their websites, please visit https://workplacenl.ca/partner-organizations/

4. Purpose of Statutory Reviews

Section 148 (3) of the Act provides the Provincial Government with the authority to review the workers' compensation system every five years after submission of the previous committee's report. This obligation has been in place since the 1950s and refers to the requirement by law to conduct a review of the workers' compensation system and not solely a review of the statute itself.

Regular reviews are important and provide a valuable opportunity to focus stakeholders and public attention on workers' compensation matters with the objective of improving the overall system for both workers and employers.

The five most recent Workers Compensation System reviews were in 1996, 2000, 2005, 2012 and 2019. The committees have ranged in size from three to six members, always with equal representation from employers and worker stakeholder groups.

The 2019 Statutory Review Committee delivered its report in June 2021. The review, titled Striving for Balance and Compromise, was conducted by an independent committee chaired by Judy Morrow, Q.C with Bernadette Coffey Sobol and Leonard Knox as committee members. The Committee made 48 recommendations aimed at improving efficiency, balance in the provision of benefits; and financial sustainability within the workers' compensation system. The majority of those recommendations have been implemented with the exception of those that require legislative amendments.

Over the last decade, several significant changes have improved the workers' compensation system, including:

- Introduced presumptive cancer coverage for firefighters, effective December 14, 2015, for career firefighters and January 1, 2017, for volunteer firefighters;
- Increased the Income Replacement Rate for injured workers, or their dependents, from 80 to 85 per cent of pre-injury net earnings, announced in February 2018;
- Created a joint Injury Prevention Strategy 2023-2028 for Newfoundland and Labrador;
- Created a new Retirement Benefit, effective 2019 that was made available to more injured workers, announced in November 2018;
- Introduced presumptive coverage for post-traumatic stress disorder for all workers covered by the Act, effective July 1, 2019;
- Increased burial expenses from $5,000 to $10,000 for families of deceased workers, effective January 1, 2019;
- Expanded presumptive coverage for firefighters to include 8 additional cancers, effective December 18, 2019;
- Expanded presumptive coverage for firefighters to include cardiac events effective November 30, 2022;
- Increased travel reimbursement rate for injured workers to align with the Provincial Government's rates effective 2022;
- Introduced bereavement counselling for dependents following workplace fatalities effective November 16, 2023;
- Provided additional weeks of benefits to workers when employment readiness supports are required, effective 2023;
- Increased the minimum lump-sum payment for surviving dependents of deceased workers following death from an injury from $15,000 to $24,000 effective January 1, 2024, with annual increases by the CPI;
- Expanded the retirement benefit calculation to include temporary earnings loss benefits received beyond 24 months retroactive to January 2019; and
- Introduced coverage of psychological injuries from workplace harassment, effective June 1, 2026.

During this same period, the assessment rate was reduced from $2.20 per $100 of assessable payroll in 2016 to $1.73 per $100 of assessable payroll in 2026.

5. Scope of the 2026 Statutory Review of the Workers' Compensation System

The Committee recognizes that significant improvements have been made to the workers' compensation system in recent years, particularly with respect to benefits and support for injured workers. At the same time, Government has established a broad scope for the review, asking the Committee to consider the system through the themes of **Safety, Support, and Simplicity** and to identify opportunities for continued improvement across the entire workers' compensation framework.

We invite you to consider these three themes and share your feedback on the questions provided. You are also welcome to comment on other issues related to the workers' compensation system, even if they are not specifically covered in this discussion paper.

5.1 Safety - Safe and Healthy Workplaces - a theme that captures the need for strong prevention programs, safer workplace cultures, and evidence-based practices to reduce injuries and long claim durations. A focus on building healthy and safe workplaces and improving injury prevention.

Questions to consider:

1. What changes would most improve workplace health and safety in Newfoundland and Labrador?
2. What actions should be taken to better prevent workplace injuries and support healthy workplace cultures?
3. What recommendations do you have for reducing workplace injuries and helping injured workers recover and return to work safely and successfully?

5.2 Support - Fair and Sustainable Support for Workers (and their Families) - this theme unites benefit adequacy, affordability, and long-term financial stability. It reflects statutory review concerns about balancing worker benefits with employer assessment costs, while ensuring families receive meaningful support during injury and recovery periods. It also acknowledges

calls for improved income replacement and updated earnings thresholds to ensure the families of injured workers can manage rising costs of living.

Questions to Consider:

4. What changes would most improve support for injured workers and their families?
5. What actions should be taken to ensure workers receive fair, timely and effective support throughout recovery and return to work?
6. What recommendations do you have for maintaining a workers' compensation system that is both sustainable and responsive to the needs of workers and employers?

5.3 Simplicity — A Streamlined, Efficient and Accessible Compensation System - a broad theme focused on reducing red tape, simplifying processes, improving decision clarity, and making the system easier to navigate for both workers and employers. This aligns with statutory review objectives to increase efficiency in review processes within WorkplaceNL and the WCIRB with ongoing work to simplify communication and administrative steps.

Questions to Consider:

7. What changes would help reviews and appeals be resolved more quickly while ensuring decisions remain fair and well-reasoned?
8. What changes would help improve transparency and understanding of decisions made by WorkplaceNL and the WCIRB?
9. What barriers currently make the workers' compensation system difficult to understand or access?

6. Public Consultation Process

In compliance with the **Inclusive Public Engagement Policy**, the Committee is providing workers, employers, key stakeholder organizations, and the public with several options to participate in the consultation process (listed on engageNL). The Committee respectfully requests that you review this **Discussion Paper** and use it to inform your participation where applicable.