

## **Information Sheet for the Calculation of Additional Earnings During 80-Day WCB Supplement**

The calculation sheet and information below has been created to support the Workers Compensation Supplement Directive and the Collective Agreement Article 23, on the MY APS website.

<https://www.alberta.ca/workers-compensation-supplement-directive.aspx>

<https://collective-agreement.alberta.ca/Pages/My-HR/Collective-agreement/Article-23-Workers%27-Compensation-Supplement.aspx>

### **Applicable Employees:**

This information sheet only applies to calculating additional earnings for Bargaining Unit (worksheet #1) or Opted out and Excluded employees (worksheet #2) who are paid regular and consistent overtime and/or shift differential as part of their employment earnings as defined by Workers' Compensation legislation. As Government of Alberta Management employees are not paid overtime, they excluded from these calculations.

### **How to Complete:**

1. All employees who are on an approved WCB absence are eligible for all employment income they would have received, had they not been injured. This includes overtime, shift differential, and weekend premium.
2. The calculation is based on the average of overtime, shift differential, and weekend premium that the employee earned in the 12 months preceding the date of the accident/injury. A report is run to calculate the totals within the applicable period (identified by overtime code). The report available through the HR Reporting System is called "*REP\_OVERTIME\_SUMMARY*" (For ETMS users, the report is "*Employee Overtime Detail*").
3. Based on the report, the total hours for overtime, shift differential, and weekend premium would be divided by 261 (the number of workdays per year). This will determine the average hours per day for overtime, shift differential, and weekend premium. That number is then multiplied by the number of days on approved WCB absence, per biweekly pay period.

Note: The number of days used in the calculation may not always be 261. There may be situations where the employee did not work in the preceding 12 months and would require the number of workdays to be adjusted. See the attached Q and A for instruction and example.

STO	Straight Time Overtime
THO	Time and One Half
DTO	Double Time
SDW	Shift Differential Weekend
SDN	Shift Differential Night
SDL	Shift Differential Late

4. The calculation is applied following confirmation that WCB benefits have been approved up until the point the employee is no longer eligible to receive WCB benefits or on the 80<sup>th</sup> day, whichever comes first.

The worksite is responsible to gather the applicable information, complete the calculation sheet, obtain Expenditure Officer approval and send it to the Pay and Benefits office for payment processing.

A worksheet is attached to assist with this calculation. Please note: **Once approved for WCB, the worksheet and corresponding payment should be processed each biweekly period.** Time Approvers are required to review submitted time within the biweekly pay schedule to ensure that payments are made on a timely basis.

NOTE: If the employee is scheduled to work in ETMS and the shift differential payments load automatically to the employees pay, they should not be included on the worksheet as that would create a duplicate payment.

**Example:**

Joe has been absent from work on an approved WCB absence for the period of July 1, 2015 – July 31, 2015, a total of 23 work days, based on his schedule. In the preceding 12 months (Jul.1/14 to Jun. 30/15), Joe was paid a total of 100 hours STO, 50 hours THO, and 25 hours DTO, 15 hours of SDW, 30 hours of SDN, and 10 hours of SDL.

To Calculate the Overtime:	STO	100 divided by 261=0.383 x 23 days = 8.812 hours
	THO	50 divided by 261=0.192 x 23 days = 4.406 hours
	DTO	25 divided by 261=0.096 x 23 days = 2.203 hours
	SDW	15 divided by 261=0.057 X 23 days = 1.322 hours
	SDN	30 divided by 261=0.115 X 23 days = 2.644 hours
	SDL	10 divided by 261=0.038 X 23 days = 0.881 hours

## Questions and Answers for Exceptions

### Question #1:

The employer runs the overtime detail report for the 12 months preceding the date of accident and determines there was a period of time that the employee did not work and therefore no overtime is reflected for that period. The employer has determined that when the employee is at work there is a “normal” pattern of overtime established. How would the calculation sheet be completed?

### Answer:

The employer should adjust the number of workdays to reflect the days the employee actually worked. This will ensure that the average overtime is calculating the daily rate based on the true number of days.

### Example 1:

The employee’s date of accident is June 1, 2019. The employee runs the overtime detail report for the period June 1, 2018 to May 31, 2019. The employer discovers that the employee was not physically working for 3 months within that time period and therefore there is no overtime reported during that time frame. The employer should remove those 3 months from the calculation. When completing the worksheet, use the number of workdays within the 9 month period that the overtime was earned.

For this example: Calculate 9 months @ 22 average workdays per month= 198 workdays.

Earning Code (description attached)	Total Hours Over Last Year	Average Work Days per Year	Average Hours per Day	Number of Days Absent	Total Hours Payable	Current Rate of Pay	Total Earnings Payable
STO	100	198	0.50505051	20	10.101010	\$ 25.161290	\$254.15
THO	50	198	0.25252525	20	5.050505	\$ 37.741935	\$190.62
DTO	20	198	0.1010101	20	2.020202	\$ 50.322581	\$101.66
SDW	30	198	0.15151515	20	3.030303	\$ 3.250000	\$9.85
SDN	30	198	0.15151515	20	3.030303	\$ 2.750000	\$8.33
SDL	0	198	0	20	0.000000	\$ 5.000000	\$0.00
<b>Total:</b>							<b>\$564.61</b>

Example 2:

The employee's date of accident is January 1, 2019. The employer runs the overtime detail report for the period January 1, 2018 to December 31, 2018 and completes the Overtime Calculation Worksheet. The employee remains off work for 10 months. The employee returns to work November 1, 2019 and works for 2 months. On January 1, 2020, the employee is injured and is required to be off work again on a new approved WCB claim. The employer runs the overtime detail report for the period January 1, 2019 to December 31, 2019. The employer discovers that the employee did not earn any overtime from January to October 2019 (due to the fact that the employee was off work on the 1<sup>st</sup> WCB claim). The total overtime on the report would be reflective of the 2 months the employee was at work (November-December 2019). When completing the worksheet, use the number of workdays within the 2 month period that the overtime was earned.

For this example: Calculate 2 months @ 22 average workdays per month= 44 workdays.

Earning Code (description attached)	Total Hours Over Last Year	Average Work Days per Year	Average Hours per Day	Number of Days Absent	Total Hours Payable	Current Rate of Pay	Total Earnings Payable
STO	20	44	0.45454545	20	9.090909	\$ 25.161290	\$228.74
THO	10	44	0.22727273	20	4.545455	\$ 37.741935	\$171.55
DTO	10	44	0.22727273	20	4.545455	\$ 50.322581	\$228.74
SDW	15	44	0.34090909	20	6.818182	\$ 3.250000	\$22.16
SDN	15	44	0.34090909	20	6.818182	\$ 2.750000	\$18.75
SDL	0	44	0	20	0.000000	\$ 5.000000	\$0.00
<b>Total:</b>							<b>\$669.94</b>

Question #2:

An employee is approved for a WCB claim that does not require the employee to be off work. Instead, the employee is placed on modified duties that prevent the employee from earning overtime that they would normally have received, had they not been injured. Is the employee entitled to overtime compensation?

Answer:

The employee would be eligible for overtime that they would have normally received. The employer should complete the Overtime Calculation sheet and apply the daily overtime rate to all days the employee is on modified duty (just as they would apply the number of days absent).

Example:

The employee's date of accident is October 1, 2019. The employee is placed on modified duties for 1 month/a total of 22 workdays. The employer runs the overtime detail report for the period October 1, 2018 to September 30, 2019 and divides by 261 (average works days per year). This will calculate the average daily overtime rate. The daily rate is applied for 22 days (the number of days on modified duty/not able to work/earn overtime).

Earning Code (description attached)	Total Hours Over Last Year	Average Work Days per Year	Average Hours per Day	Number of Days Absent	Total Hours Payable	Current Rate of Pay	Total Earnings Payable
STO	20	261	0.07662835	22	1.685824	\$ 25.161290	\$42.42
THO	10	261	0.03831418	22	0.842912	\$ 37.741935	\$31.81
DTO	10	261	0.03831418	22	0.842912	\$ 50.322581	\$42.42
SDW	15	261	0.05747126	22	1.264368	\$ 3.250000	\$4.11
SDN	15	261	0.05747126	22	1.264368	\$ 2.750000	\$3.48
SDL	0	261	0	22	0.000000	\$ 5.000000	\$0.00
<b>Total:</b>							<b>\$124.23</b>

Question #3:

The overtime calculation sheet uses the employee's hourly rate of pay in the calculation. How would the calculation be completed if the employee's hourly rate of pay changed in the 12 months preceding the date of accident?

Answer:

The employer should use the biweekly rate of pay in effect on the date of the accident.

Example:

The employee's date of accident is April 1, 2019. The employer runs the overtime detail report for the period April 1, 2018 to March 31, 2019. The employee received an annual increment on January 1, 2019 so the overtime earnings would be reflective of the lower rate for 9 months (April 1 to December 31, 2018) and the new/higher rate for 3 months (January 1 to March 31, 2019). The Employer would use the new/higher rate (effective January 1, 2019) for calculating the overtime payment.

Question #4:

A portion of the 12 month period preceding the date of accident includes a period of time that the employee was on wage status. Should those overtime hours be included in the overtime detail report?

Answer:

Yes. The employee's overtime earned while on wages should be included in the overtime calculation.

Example:

The employee's date of accident is July 1, 2019. The employer runs the overtime detail report for the period July 1, 2018 to June 30, 2019. The employer discovers that during this period the employee was on wages from July 1 to December 31, 2018. The employee transferred to salary on January 1, 2019. All overtime hours during the full 12 month period are included in the calculation as the employee was actively working for the same employer during the whole period.