

### Establishing Initial Wage Base – Examples

Example #1 – Worker has worked 52 weeks preceding commencement of loss of earnings:

Gross earnings (for the 52 weeks preceding)	\$46,800
÷ 52 weeks (weekly gross earnings)	= 900.00
Probable deductions <sup>1</sup>	
Income tax	\$115.39
CPP	\$39.41
EI	\$13.67
Weekly net earnings	\$731.53
Compensation as per Section 68	x 90%
Weekly Wage Loss Benefits	\$658.38

Example #2 – Worker has less than 52 weeks of regular earning pattern preceding commencement of loss of earnings:

Hourly Wage	\$10.00
* Worked 40 hours/week for 36 weeks	x 40
Weekly Gross Earnings	= \$400.00
Probable deductions <sup>2</sup>	
Income tax	\$48.36
CPP	\$16.47
EI	\$6.92
Weekly net earnings	\$328.25
Compensation as per Section 68	x 90%
Weekly Wage Loss Benefits	\$295.43

<sup>1</sup> Assuming worker is married with two dependents; deductions include Canada Pension Plan premiums, Employment Insurance premiums and Income Tax payable. Probable deductions change when there is a legislated change to income tax deductions either federally or provincially.

<sup>2</sup> Assuming worker is single with no dependents; deductions include Canada Pension Plan premiums, Employment Insurance premiums and Income Tax payable. Probable deductions change when there is a legislated change to income tax deductions either federally or provincially.