Replaced by PD #C9-4, March 2, 2026

Practice Directive #C9-4 (INTERIM)

Short-Term and Long-Term Average Earnings

General principles

The general rule for determining short-term average earnings is to use the worker's rate of pay by each of the employers for whom that worker was employed at the time of injury. The general rule for determining long-term average earnings is to use the worker's gross earnings for the 12-month period immediately preceding the date of the worker's injury. There are a number of exceptions to the general rules in setting a worker's short-term and long-term average earnings.

Merits and justice

WorkSafeBC must make its decision based on the merits and justice of the case, but in so doing WorkSafeBC must apply policy that is applicable.

In making decisions, WorkSafeBC must take into account all relevant facts and circumstances relating to the case before it, including the worker's individual circumstances. In doing so, WorkSafeBC must consider the relevant provisions of the *Workers Compensation Act* (the "*Act*") and the relevant policies.

If there are specific directions in the *Act* or policy that are relevant to those facts and circumstances, WorkSafeBC applies them.

Where the *Act* and policy provide for discretion, the officer is also required to exercise that discretion based upon the merits and justice of the case, in accordance with the *Act* and applicable policy.

Adjudicative guidelines

The *Act* provides two general rules for determining average earnings and several exceptions for which average earnings are calculated differently. The exceptions relate to a worker with a casual pattern of employment ("casual worker"), a person who purchased personal optional protection ("POP"), a worker with no earnings at the time of injury, a worker in a public interest undertaking, a worker who is an apprentice or learner, a regular worker who has been employed less than 12 months, and a worker with exceptional circumstances.[1]

In determining a worker's average earnings, WorkSafeBC applies one of the general rules unless one of the exceptions in the *Act* applies to a worker. If more than one exception applies to the same worker for

[1] See *Rehabilitation Services & Claims Manual*, Volume II ("*RSCM*"), Item C9-64.00, *Average Earnings – Introduction*.

the same injury, the *Act* provides that WorkSafeBC determines the section that best reflects the worker's circumstances and applies that section. In making this determination, "best" does not mean the highest rate possible, but rather, the rate that most closely reflects the actual loss incurred.[2]

Short-term average earnings

The general rule for determining short-term average earnings is to use the worker's rate of pay, by each of the employers, at the time of injury up to the maximum wage rate permitted by the *Act*.

The short-term wage rate is payable for the shorter of:

- the initial payment period, being the period starting on the date of the injury and ending on the last day of the tenth week for which compensation is payable to the worker for a temporary disability resulting from that injury;
- the period starting on the date of the worker's injury and ending on the date the worker's injury results in a permanent disability.[3]

To calculate a worker's earnings at the time of injury, an hourly, daily, weekly, monthly or yearly rate may be considered. For most workers under the general rule, the time of injury earnings are readily apparent and should be used.

Teachers

In most cases, short-term average earnings for workers employed as teachers are determined using the general rule. Permanent, full-time teachers are often paid an annual salary and may choose to have it paid over the course of a 10- or 12-month time period. Regardless of which time period the salary is paid over, WorkSafeBC determines the worker's short-term average earnings using the amount of the annual salary, unless an exception to the general rule applies.[4] Long-term average earnings are based on the teacher's 12-month prior earnings.

If a permanent, full-time teacher earning an annual salary is engaged in multiple employments and is disabled from an injury arising in and out of the course of one of them, short-term average earnings are determined as set out in policy.[5] The amount of the annual salary is used for the purposes of this determination.

Long-term average earnings

The general rule for determining long-term average earnings is to use the worker's gross earnings for the 12-month period immediately preceding the date of the worker's injury.

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[2] See Item C9-64.00, *Average Earnings – Introduction*.
[3] See section 210 of the *Act*.
[4] See Item C9-65.00, Section E, *Teachers*.
[5] See Item C9-65.00, Section C, *Worker with Multiple Employments.*

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Exceptions to both general rules for determining average earnings

For casual workers[6], persons who have purchased POP, and workers with no earnings at the time of injury, gross average earnings used to determine the short-term and long-term average earnings are set at the outset of the claim (i.e., at the time of the short-term wage rate decision). There is no review of the gross average earnings for these workers at ten weeks. However, the 10-week rate review is done solely with respect to determining the net earnings for calculating the long-term wage rate. The Individual Net Calculator is used as different deductions may apply to the gross earnings. The average net earnings may vary due to recalculating net allowable deductions after ten weeks.[7]

If an officer had previously made a decision that one of the exceptions did not apply when determining the short-term wage rate and later wishes to change the decision to apply an exception, the reconsideration provisions apply.

Personal optional protection

The average earnings for persons who have purchased POP coverage is the amount of POP purchased. While the average earnings equal the amount of POP purchased, this amount is subject to the short-term and long-term 90% net compensation rules.[8] In the event of a permanent impairment, the amount of POP purchased is used to calculate any permanent disability benefits.

For a person who has POP coverage as well as other employment, the person's average earnings are determined by combining the earnings in the non-POP employment with the amount of POP coverage purchased, up to the statutory maximum.[9]

Workers with no earnings

Generally, persons working without pay are not considered as "workers" under the *Act*. However, there are some exceptional situations for which persons working without pay are covered and for which the *Act* or WorkSafeBC has specified the earnings on which compensation is to be based.[10]

WorkSafeBC determines average earnings for a worker with no earnings at the time of injury in a manner that most accurately reflects the worker's earning capacity and loss of earnings at the time of injury, while considering the merits and justice of the particular case. Policy provides a non-exhaustive list of factors to consider in determining the average earnings for a worker with no earnings at the time of injury.[11]

If a worker was injured while engaged in non-earner activity, and that worker has other employment, Practice Directive #C9-5, *Workers with Multiple Employments* provides further guidance.

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[6] See Practice Directive #C9-9, *Casual Pattern of Employment*.
[7] See Practice Directive #C9-3, *Net System of Compensation*.
[8] See Item C9-67.00, Section C, *Personal Optional Protection*.
[9] See Item C9-65.00, Section C, *Worker with Multiple Employments*, and Practice Directive #C9-5, *Workers with Multiple Employments*.
[10] See Item C9-67.00, Section D, *Workers with No Earnings*.
[11] See Item C9-67.00, Section D, *Workers with No Earnings*.

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Workers in public interest undertakings

A person who is deemed to be a worker in a public interest undertaking under section 5 of the *Act* may be granted coverage under the *Act*. Where these workers are not regularly employed, section 213 provides WorkSafeBC with discretion to determine the amount of average earnings. Policy further explains that average earnings for these workers may be determined using the same factors that are considered in the determination of average earnings for workers with no earnings at the time of injury, as well as any terms and conditions of the coverage extended under section 5 of the *Act*.[12] Where the amounts set out in policy are used to set the average earnings, these earnings are not subject to the 90% average net earnings rule because they are less than the statutory minimum.[13]

If a worker was injured while engaged in non-earner activity (to which WorkSafeBC has extended coverage under sections 5, 6 or 7 of the *Act*), and that worker has other employment, Practice Directive #C9-5, *Workers with Multiple Employments* provides further guidance.

Exceptions to the general rule for long-term average earnings

The *Act* provides exceptions to the general rule for determining long-term average earnings: a worker who is an apprentice or learner, a regular worker who has been employed less than 12 months, and a worker with exceptional circumstances.[14]

Apprentice

Section 216 of the *Act* states that the general rule exception applies to an "apprentice in a trade, occupation or profession." Policy provides that an "apprentice in a trade" is generally considered to be an apprentice as defined under the terms and conditions in the provincial *Skilled Trades BC Act* or equivalent statute.[15] In addition, the *Industry Training Regulation* (or equivalent) provides a list of trades that require compulsory certification. SkilledTradesBC publishes a matrix of all Accredited, Recognized and Designated SkilledTradesBC Trade Programs. An officer may consult this matrix to determine whether a worker's trade is one that is defined by statute. The officer considers the trades listed in the Red Seal, Certification Designation, and BC Program columns of the matrix.

Usually, WorkSafeBC requires some form of proof that a worker is registered as an apprentice in a trade, either with SkilledTradesBC, a union, or another official training agency.[16] Discretion may be exercised, for example, where the worker is working as an apprentice in a trade, but the employer had not yet registered the worker. In such cases, the worker could still be considered an apprentice in a trade, despite that there is no proof of registration.

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[12] See Item C9-67.00, Section E, *Workers in Public Interest Undertaking*.
[13] See section 192(2) of the *Act*.
[14] Adjudicative guidance for a worker with exceptional circumstances is found in Practice Directive #C9-12, *Long-Term Average Earnings: Section 218 – Exceptional Circumstances*.
[15] See Item C9-67.10, Section A, *Apprentice or Learner*.
[16] See Item C9-67.10, Section A, *Apprentice or Learner*.

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The policy further states that an "apprentice in an occupation or profession" is generally considered to be a worker who must complete an "apprenticeship" in order to obtain the license or professional designation required to work in the occupation or profession. Certified accountants such as a chartered professional accountant (CPA), professional engineers/geoscientists and lawyers are examples of occupations that require a period of supervised or practical paid experience before full licensure is granted by their respective regulatory bodies.

In most cases, the worker should be employed under a contract of apprenticeship in a trade, occupation or profession at the time of injury. This means that there should be a formal, documented agreement between the parties specifying the terms under which the apprenticeship will be carried out, for example, as it relates to remuneration and training. It is not sufficient that the employer has hired the worker to provide labour – the employer must have specifically hired the worker to work for them as an apprentice in that trade, occupation or profession. The exception to being employed under a contract of apprenticeship in a trade may apply in some circumstances such as when an apprentice in a trade is no longer being sponsored by an employer (i.e., laid off). In these cases, the individual may retain their apprenticeship registration status with SkilledTradesBC for a period of time while they seek a new employer sponsor and may be considered an apprentice for average earnings purposes.

Learner

A "learner" is a person who is undergoing training or probationary work that is preliminary to employment. The training or probationary work must be required by the employer and make the person subject to the hazards of an industry covered by the compensation provisions of the *Act*. A person is not a learner when the person is under a contract of service or an apprenticeship.[17]

Long-term average earnings for an apprentice or learner

Where a worker is an apprentice or learner and the injury results in temporary disability that continues after the initial 10-week payment period, the amount of the worker's average earnings is based on the greater of:

- the rate at which the worker was remunerated by each of the employers for whom the worker was employed at the time of injury;
- the worker's gross earnings for the 12-month period immediately prior to the date of injury.

If the apprentice or learner's injury results in a permanent disability, the long-term average earnings are based on the earnings in the 12-month period immediately prior to the date of injury of a "qualified person employed at the starting rate in the same trade, occupation or profession by the same employer, or if no person is so employed, by an employer in the same region."[18] These average earnings are also

[17] See Item C9-67.10, Section A, *Apprentice or Learner*.
[18] See section 216(3) of the *Act*.

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used to calculate wage-loss equivalency payments while a worker participates in a vocational rehabilitation plan.

The decision as to whether the apprentice or learner exception applies to a worker's average earnings is made at the time of the 10-week rate review. Another decision is not made at the time that a permanent disability is determined.

Process for obtaining comparable earnings information for an apprentice or learner

Same employer

The officer contacts the injury employer to determine what a qualified person employed at the starting rate in the same trade, occupation or profession earns or would earn with the injury employer for the relevant 12-month period.[19]

Under policy, WorkSafeBC may use information about the starting rate of a worker currently employed by the injury employer, or previously employed by the injury employer in the 12-month period immediately preceding the worker's date of injury, who has completed the same apprenticeship or the same training and probationary work in which the injured worker was engaged.

For example, the employer may not currently employ a qualified person, but they did employ a qualified person who left the employment 10 months prior to the injured worker's date of injury. Because that qualified person was employed within the 12 months prior to the worker's date of injury, the officer can use their earnings. However, the officer confirms that the qualified person has the correct rate of pay for a first-year qualified person in the relevant period. The officer would determine what the comparable person earned or would earn in 12 months. However, the worker's own earnings cannot be used to estimate what they would have earned working with the injury employer for 12 months.

Officers must caution employers not to disclose co-workers' names (or other identifying personal information) to WorkSafeBC in order to ensure compliance with the provisions of the *Freedom of Information and Protection of Privacy Act*.

Similar employer in the region

If earnings information relating to a comparable person who is or has been employed with the injury employer is not available, the officer contacts an employer similar to the injury employer, in the same region as the injury employer, to determine what a qualified person employed at the starting rate in the same trade, occupation or profession earns.

When officers are considering contact with a similar employer to gather information upon which the worker's average earnings will be based, the officer considers factors that may distinguish seemingly similar employers, such as union status of their workers, and forms of remuneration like bonuses,

[19] See Item C9-67.10, Section A, *Apprentice or Learner*.

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overtime and vacation allowances. It should be readily apparent that the similar employer is indeed similar. If no such employer in the region exists, officers proceed to use statistical information on the average starting rate.

Statistical information on average starting rate

If earnings information of a comparable person who has been employed with an employer similar to the injury employer, in the same region as the injury employer, is not available, the officer may use statistical occupational class average information from the Data Coding Services Department, known as the regional class average. The regional class average should reflect the worker's date of injury occupation, the date range for the relevant 12-month period, the type of employment and the region where the worker worked.

When obtaining the regional class average, the "full-time" class average is used. If the worker was employed on a permanent, part-time basis, the full-time figure may be prorated accordingly. The "all workers" class average should not be used.

The officer may use statistical information from other sources such as BC Stats and Statistics Canada where it is available and is a better reflection of the worker's loss of earnings than the regional class average. For some apprentice occupations, there may be Statistics Canada information that can isolate the starting rate of a qualified person in that trade.

If statistical information is used to determine the worker's average earnings, the officer documents this information on the claim and in a decision letter.

Workers employed less than 12 months

Section 217 of the *Act* is a mandatory exception to the general rule for determining long-term average earnings. For this exception to apply, the worker must be permanently employed at the time of injury. This exception does not apply to workers employed on a casual or temporary basis[20], or to workers with no earnings and persons with POP.

Long-term average earnings for workers employed less than 12 months

Long-term average earnings for a worker employed less than 12 months is based on the gross earnings for the 12-month period immediately preceding the date of injury, of "a person of similar status employed in the same type and classification of employment by the same employer, or if no person is so employed, by an employer in the same region."[21]

[20] See Practice Directive #C9-9, *Casual Pattern of Employment*.
[21] See section 217(2) of the *Act*.

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Process for obtaining comparable earnings information for a worker employed less than 12 months

Same employer

The officer contacts the injury employer to determine what the average earnings are or would be of a person of similar status employed in the same type and classification of employment as the injured worker.

Policy provides a non-exhaustive list of factors in determining whether a worker is of similar status to the injured worker.[22] These include whether the injured worker and the similar status worker have the same or similar hours worked, job description, job responsibilities, rate of pay, training, full-time or part-time employment status, length of employment, or union status/being subject to the same collective agreement. No single factor is determinative and relevant factors not listed in policy may also be considered.

Under policy, WorkSafeBC may use information about a similar status worker currently employed by the injury employer, or previously employed by the injury employer in the 12-month period immediately preceding the worker's date of injury. For example, the employer may not currently employ a similar status worker, but they did employ a similar status worker who left the employment 10 months prior to the injured worker's date of injury. Because that similar status worker was employed within the 12 months prior to the worker's date of injury, the officer can use their earnings. The officer would determine what the similar status worker earned or would earn in 12 months. However, the worker's own earnings cannot be used to estimate what they would have earned working with the injury employer for 12 months.

Officers must caution employers not to disclose co-workers' names (or other identifying personal information) to WorkSafeBC in order to ensure compliance with the provisions of the *Freedom of Information and Protection of Privacy Act*.

Similar employer in the region

If earnings information relating to a similar status worker who is or has been employed with the injury employer is not available, the officer contacts an employer similar to the injury employer, in the same region as the injury employer, to determine what the average earnings are of a person of similar status employed in the same type and classification of employment.

When officers are considering contact with a similar employer to gather information upon which the worker's average earnings will be based, the officer considers the non-exhaustive list of factors in policy (and described in the previous section titled "*Same employer*"), to ensure that the similar status worker is indeed similar to the injured worker. It should be readily apparent that the similar employer is also similar. If no such employer in the region exists, officers proceed to use statistical information on the

[22] See Item C9-67.10, Section B, *Workers Employed Less than 12 Months*.

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average earnings of a person of similar status employed in the same type and classification of employment.

Statistical information on average earnings of a person of similar status

If earnings information of a similar status worker who has been employed with an employer similar to the injury employer, in the same region as the injury employer, is not available, the officer may use statistical occupational class average information from the Data Coding Services Department, known as the regional class average. The regional class average should reflect the worker's date of injury occupation, the date range for the relevant 12-month period, the type of employment and the region where the worker worked.

When obtaining the regional class average, the "full-time" class average is used. If the worker was employed on a permanent, part-time basis, the full-time figure may be prorated accordingly. The "all workers" class average should not be used. [23]

The officer may use statistical information from other sources such as BC Stats and Statistics Canada where it is available and is a better reflection of the worker's loss of earnings than the regional class average.

If statistical information is used to determine the worker's average earnings, the officer documents this information on the claim and in a decision letter.

Ten-week average earnings review and wage-loss benefit payments

To calculate the effective date of the 10-week average earnings review, days on which the worker received temporary total disability and/or temporary partial disability benefits are included as full days. Where a worker has returned to work on a full-time basis during portions of the 10-week period, officers count the number of days by reference to the normal work week.

Where a worker returns to their pre-injury employment on a temporary partial disability basis after the 10-week average earnings review is conducted, there is no reversion to the short-term wage rate on the claim. This is regardless of whether the worker's long-term average earnings are less than their hourly or daily earnings.

Where the 10-week average earnings review, as required by section 211 of the *Act*, is missed and benefits have been paid at the short-term wage rate set on the claim after the initial payment period of ten weeks, the review is conducted when the officer notices the error. Making the long-term wage rate decision is a new matter and the reconsideration and reopening policies do not apply. After the initial payment period concludes, compensation is paid to the worker in accordance with the long-term wage rate set on the claim. Therefore, if the review is not conducted until some time after the ten-week mark, retroactive adjustments are required.

[23] The "all" category consists of all types of workers in a particular occupation, including those who are part-time and seasonal. Using an average of multiple types of employment situations would, in effect, negate the intention of section 217, which is to find a similar status worker.

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If the worker is paid wage-loss benefits for more than ten weeks at a higher short-term wage rate, a recoverable overpayment would result.[24] The failure to conduct the rate review at the prescribed time was an error that resulted in payment being made outside the statutory authority of WorkSafeBC. The employer would be relieved of costs as benefits were paid in error.[25] Conversely, if the worker is paid wage-loss benefits at a lower short-term rate for more than ten weeks, the officer makes a retroactive payment to the worker.[26]

Cross references

RSCM Policy	C7-48.10, Section B, *When Does an Overpayment of Compensation Occur?*
	C9-64.00, *Average Earnings – Introduction*
	C9-65.00, *General Rule for Determining Short-Term Average Earnings*
	C9-67.00, *Exceptions to General Rules – Short-Term and Long-Term Average Earnings*
	C9-67.10, *Exceptions to General Rule – Long-Term Average Earnings*
	C17-114.10, *Investigation Costs*
Practice Directive	#C7-3, *Overpayments*
	#C9-3, *Net System of Compensation*
	#C9-5, *Workers with Multiple Employments*
	#C9-9, *Casual Pattern of Employment*
	#C9-12, *Long-Term Average Earnings: Section 218 – Exceptional Circumstances*

History: This Practice Directive was amended on March 31, 2005 to incorporate a change in practice regarding the ten-week rate review required by section 211 of the Workers Compensation Act (the *"Act"*.) This Practice Directive was further amended on April 14, 2005, to remove reference to the Long-Term Rate Setting Unit in section 6.2. On August 1, 2006, Appendix A was deleted in response to amendments to the policies on workers and fishers deducting business and/or equipment expenses, and replaced by content in Practice Directive #C9-10, *Workers Deducting Business and/or Equipment Expenses*. In addition, this Practice Directive rescinded and replaced Practice Directive #33A, effective August 1, 2006. On May 1, 2008, consequential changes were made in response to amendments to the *Rehabilitation*

[24] See Item C7-48.10, Section B, *When Does an Overpayment of Compensation Occur?*
[25] See Item C17-114.10, *Investigation Costs*.
[26] For more information on overpayments, see Practice Directive #C7-3, *Overpayments*.

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Services and Claims Manual ("*RSCM*"), Volume II, policy item #67.60, Exceptional Circumstances. On July 1, 2012, changes were made in response to amendments in the *Workers Compensation Amendment Act, 2011* ("Bill 14") relating to the calculation of long-term average earnings for apprentices and learners. On January 1, 2016, section 10(ii) of the Adjudicative Guidelines was removed in response to changes to policy item #66.00, *General Rule for Determining Long-Term Average Earnings*. Under the revised policy, long-term average earnings are calculated for all Federal Government employees covered by the *Government Employees Compensation Act*. This Practice Directive was amended to reflect changes to the *Act* made effective on April 6, 2020 as part of a standard statute revision process. This Practice Directive was updated on December 30, 2021 to reflect changes in WorkSafeBC's organizational structure. This Practice Directive was amended to update policy reference numbers and guidance; remove historical information that is no longer required, as well as outdated guidance that is no longer in effect (e.g., labour contractor guidance); reinforce the need for officers to consider the merits and justice of the case; remove business processes; reflect current practice on the adjudication of average earnings for apprentice/learners, workers employed less than 12 months; make minor wording changes that do not affect the adjudicative guidance, and housekeeping changes from revisions to Chapter 9 of the RSCM, made effective on July 4, 2025. This Practice Directive was amended to align with updated policy references resulting from housekeeping revisions to the RSCM made effective December 1, 2025.

Application: This item is intended to provide guidance on determining short-term and long-term average earnings, as well as the exceptions outlined in the *Act* and policy. It applies to all decision made on or after December 1, 2025.

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