

1 (Meeting Convened Whitehorse, Yukon,
2 September 15, 2005, at 3:04 p.m.)

3 Becky Striegler welcomed everybody to the annual
4 information meeting of the Yukon Workers'
5 Compensation Health and Safety Board. Attendees
6 were requested to provide their name and contact
7 information on a sign in sheet. Questions and
8 comments were welcomed. Participation also
9 occurred via teleconference.

10 Chair Craig Tuton welcomed everyone and
11 introduced representatives of the Board of
12 Directors of the Yukon Workers' Compensation
13 Health and Safety Board, as well as the actuary,
14 Peter Muirhead.

15 **1. Opening Remarks - Chair Craig Tuton**

- 16 ▪ Purpose of the meeting is to keep
17 stakeholders informed and to advise of the
18 various initiatives over the last few
19 months.
- 20 ▪ Advised Valerie Royle is the new president
21 and chief executive officer of WCB,
22 commencing duties October 3, 2005. Since
23 2001, Ms. Royle was the Executive Director
24 of Workers Services of Work Place Health and
25 Safety Commission in Newfoundland,
26 responsible for implementing their prime
27 program, an incentive program for employers

- 1 who follow good prevention practices.
- 2 ▪ Introduction of the strategic plan,
3 something new for the board, which was
4 developed solely and entirely by the Board
5 of Directors for the future of the
6 governance of the board for the next five
7 years, expressing the board's vision, values
8 and goals. Includes the following: work-
9 related injuries and illnesses are
10 substantially reduced and all the employers
11 have effective safety management; includes
12 partnerships between the board, injured
13 workers, employers, workers, the medical
14 community and legislators; speaks to the
15 board's values, partnerships, account-
16 ability, and compassion.
- 17 ▪ The board intends to review the strategic
18 plan each year, with input from the
19 stakeholders.
- 20 ▪ **Note:** Copies of the strategic plan were
21 tabled, and it is available on the website.
- 22 ▪ Board appointments are coming up for
23 renewal. The board is composed of: two
24 representatives of labour, two
25 representatives of employers, a neutral
26 chair and a neutral alternate chair.
- 27 ▪ Announced that one of the representatives of

1 labour, Barbara Evans, has been reappointed
2 to a three-year term. Attendees were
3 encouraged to make suggestions for people
4 they would like to see on the board or
5 support the reappointment of the present
6 board members by contacting the Honourable
7 Peter Jenkins, the Minister responsible for
8 Workers' Compensation.

- 9 ▪ Final 2004 annual report was tabled and is
10 available on the website.
- 11 ▪ The most important topics over the last year
12 have been the situation with the claims
13 costs and prevention, i.e. the concern about
14 rising claims costs and the increase in
15 injuries and the duration of those injuries.
- 16 ▪ Claims costs have been rising above
17 historical levels since 2001 and have
18 increased by almost 4 million dollars in
19 2003 and 2004.
- 20 ▪ Increased claims costs means that people are
21 actually getting hurt and, in a lot of
22 cases, are taking a lot longer to recover
23 from those accidents and get back to the
24 workplace.
- 25 ▪ Chair Craig Tuton encouraged partnerships to
26 share in the responsibility in the
27 prevention, safety and in changing the

1 cultural way workplace safety practices are
2 viewed.

3 ■ Board's strategic plan slogan clearly states
4 "Safety saves, safety pays".

5 ■ One or two workers in the Yukon die every
6 year from a work-related cause.

7 ■ The total workforce in the Yukon is about
8 15,000 workers. About 1,000 workers, seven
9 percent, are injured every year, and roughly
10 half of those are injured severely enough to
11 miss work.

12 ■ Last July the board announced the creation
13 of a new 5 million dollar prevention fund,
14 to be available early in 2006, to assist
15 partners in creating a safer, healthier
16 workplace. The money from this fund will go
17 to employers to make improvements to benefit
18 the health and safety of their workplaces.

19 ■ Chair Craig Tuton reviewed the total cost is
20 about \$22,500 that comes out of the board's
21 assessment revenue with just one accident,
22 such as a simple slip off a ladder, composed
23 of huge medical costs and compensation
24 payments for wage loss benefits.

25 ■ There are also employer's costs, loss of
26 productivity of that worker and time, effort
27 and dollars to train a replacement worker.

- 1 ▪ The cost of prevention, including a 15-
- 2 minute worksite tailgate meeting on ladder
- 3 safety and a two-day training course, is
- 4 about \$540, plus \$200 for a proper ladder.
- 5 ▪ Chair Craig Tuton stressed the importance of
- 6 safety culture on every single workplace.
- 7 ▪ The prevention committee, with
- 8 representatives from labour, employers,
- 9 First Nations, youth and the board, is
- 10 dedicated to fostering safety culture in the
- 11 workplace. The board representation is
- 12 there to simply listen and provide advice.
- 13 ▪ By 2008 the prevention committee and the
- 14 board have as a common goal to see 80
- 15 percent of Yukon workplaces naming safety as
- 16 their top priority. This includes having
- 17 either a safety management system in place
- 18 or a committee.
- 19 ▪ Chair Craig Tuton announced the
- 20 establishment of a prevention consultant for
- 21 Workers' Compensation, who will be focused
- 22 on talking to employers and workers and,
- 23 most importantly, listening to employers and
- 24 workers to learn what their needs are when
- 25 it comes to prevention.
- 26 ▪ The involvement of the Board's partners or
- 27 stakeholders, who are taking part in the

1 Passport to Safety Program is continually
2 growing; and that increases the safety
3 awareness of young workers. At present
4 there are 19 employers involved with the
5 program, and interest is growing.

6 ▪ The partnership formed with the Yukon
7 Contractors Association has trained many
8 Yukon companies in safety management. Three
9 employers, Arctic Power and Communications,
10 Arctic Backhoe and Yukon Electrical, have
11 now earned their certificate of recognition,
12 which means that they have successfully had
13 independent audits done on their safety
14 program. Another 20 are registered in the
15 program.

16 ▪ The Workers' Compensation Board is in the
17 process of expanding the Yukon Contractors
18 Safety Association to a Yukon Safety
19 Association. Preliminary meetings have been
20 held with employers and labour, and a
21 meeting is being facilitated between the two
22 in the very near future to have them join
23 the Contractors Safety Association as
24 members of their board of directors.
25 Accolades went out to Brian and Melanie,
26 Yukon Contractors Safety Association.

27 ▪ The board has been subsidizing the

1 assessments from a surplus that was
2 identified in the late 1990's, but that
3 surplus no longer exists, as the board has
4 been drawing it down in a planned fashion
5 while providing those subsidies over the
6 last number of years. This year and next
7 year are the final years of the subsidy, and
8 the average assessment rate is increasing
9 from \$1.74 per \$100 of payroll this year to
10 \$2.16 next year.

- 11 ▪ Industries that have shown safety
12 leadership, such as the communications or
13 light and power industries, are going to see
14 decreases; while other industries will
15 experience moderate increases.
- 16 ▪ Once the subsidies end, for 2007 the board
17 will be bringing in an incentive program,
18 rewarding prevention and safety in some
19 form.
- 20 ▪ A summary of all the feedback received from
21 the public consultation in the spring,
22 called "working together on prevention", was
23 tabled.

24 **2a. Claims Costs and Their Impact on Assessments**
25 **- Clarence Timmons**

- 26 ▪ Via an overhead presentation, Clarence
27 Timmons reviewed "Assessment Premium Subsidy

1 Reduction", dated September the 15, 2005.

2 **2b. Determining Assessment Rates - Peter**
3 **Muirhead**

4 ■ Continuation of the overhead presentation:
5 have a lot of experience in disability
6 plans, both in Workers' Compensation and in
7 a lot of private insurance plans; a lot of
8 characteristics are very similar to the
9 private long-term disability and short-term
10 disability plans.

11 ■ Presented the principles that are utilized
12 in the ratings: pay us now or pay us later,
13 the cost of running the Workers'
14 Compensation Board is going to be determined
15 by the value of the benefits that are paid
16 out to the workers. If employers pay that
17 money earlier, it can be invested, and the
18 cost of the benefits can be offset by
19 investment earnings.

20 ■ Yukon is the smallest Workers' Compensation
21 Board in Canada and relative to reserves,
22 its contingency fund has to be much greater
23 than larger boards.

24 ■ By removing subsidies the mechanisms are
25 being put in place to go forward and put
26 meaningful incentive programs in place.

27 ■ The Board recognizes that employers need to

1 have some certainty with the rates so they
2 can budget for them.

3 ▪ Each of the industry rates are set to
4 reflect the risk of their work environment.

5 ▪ In 2004, Yukon's 2400 businesses that
6 reported payroll were grouped into 53
7 different industries; 1800 of them having
8 payrolls of less than \$100,000, i.e. a large
9 number of very small employers.

10 ▪ Three private sector groups are: resources
11 and transportation, construction and other
12 services; plus one government sector. Each
13 of the three private sector industries are
14 separated into A, B and C risk groups; and
15 the assessment rates are based on the claims
16 experience for each of the 10 risk groups.

17 ▪ The assessment staff's assessment of the
18 situation is utilized, as well as looking at
19 how other jurisdictions view the industries.

20 ▪ This year there were a number of industries
21 that, as a whole, brought their records down
22 and benefited by moving from a higher risk
23 group into a lower risk group.

24 ▪ Subsidies have been removed since 2003; and
25 although rate increases have been limited to
26 20 percent a year, they will be accelerated.

27 ▪ The duration of the claims is longer.

- 1 ▪ The Board is emphasizing prevention and
2 rehabilitation, especially in the higher-
3 risk industries. Projected increases: 20
4 percent for the low risk groups, 35 percent
5 for the moderate-risk groups and 50 percent
6 for the high-risk groups.
- 7 ▪ Increases are aimed at the non-Government
8 class only, as the Government has not been
9 receiving subsidies.
- 10 ▪ Surplus funds will be used to transition to
11 the unsubsidized rates, but they are going
12 to vanish very quickly.
- 13 ▪ Benefits paid out to people who are
14 currently disabled are just under 100
15 million dollars and is expected to grow as
16 more people become disabled.
- 17 ▪ The targeted contingency reserve is the
18 money set aside for adverse events.
- 19 ▪ Although the board has been in existence
20 longer than 1992, the computer systems and
21 the ability to track the claims only goes
22 back that far to enable general trends to be
23 examined.
- 24 ▪ Charts by risk group were available for
25 viewing for each of the 53 industry groups.
- 26 ▪ Chair Craig Tuton illustrated the financial
27 position the Board finds itself in by way of

1 using the building construction industry
2 that over a five-year period of time has
3 paid 2.6 million dollars and has benefited
4 by 11.6 million dollars on the claims side.

5 **3. Break: 4:22 p.m. to 4:40 p.m.**

6 **4. Prevention Presentation – What’s Wrong with**
7 **this Picture? – Chair Craig Tuton**

8 ▪ Chair Craig Tuton used a slide show,
9 provided by Terry Bogyo, of three loose
10 tiles that had fallen off a hotel balcony in
11 Vancouver and improper use of stepladders,
12 rather than scaffolding, to repair them; as
13 well the importance of empowering each other
14 to report unsafe workplaces and the role of
15 Prevention and Safety Committee in that
16 regard.

17 ▪ Targeting to have a prevention consultant in
18 place within the next few months.

19 **5. Questions and Answers**

20 ▪ **Alan Byrom** – suggested the Board broaden
21 their concept of prevention and apply it to
22 the quality control claims management.
23 Chair Craig Tuton – advised the Board
24 reviewed the claims management system over
25 the last few months, and they are going to
26 be effecting some changes, i.e. some
27 additions to medical staff, looking at early

1 return to work, rehabilitation, and new and
2 increased partnerships with the medical
3 community.

4 ■ **Robbie King** - asked how the Board is going
5 to deal with the fact that claims costs are
6 directly affected by the costs of the
7 treating personnel, which go up every year.
8 Chair Craig Tuton responded the Board is
9 going to encourage, through partnerships
10 with the medical and rehabilitation
11 community, the capable and valuable
12 treatment services here in the Territory,
13 rather than going Outside.

14 ■ **Sandy Babcock**, Yukon Chamber of Commerce,
15 asked for an update on progress made with
16 the Department of Education in introducing
17 the Passport to Safety Program. Chair Craig
18 Tuton advised their education person in
19 Occupational Health and Safety has recently
20 met with the Yukon Teachers Association and
21 the department to talk about the Passport to
22 Safety Program and about implementing safety
23 and prevention programs in the curriculum of
24 the school.

25 ■ **Steve Cardiff** suggested putting the Passport
26 to Safety Program into the schools would
27 clear up the problem with having to follow

1 the B.C. curriculum. Mr. Cardiff asked when
2 the Act review might be moving on to the
3 next stage of consultation, and Chair Craig
4 Tuton advised the Outside consultant has
5 completed his report and it is in front of
6 the act review panel. The credentials for
7 the consultant are he is the present CEO of
8 B.C. Workers' Compensation and was the
9 author of the Occupational Health & Safety
10 Regulations in B.C.

11 ■ **Robbie King** questioned the reason the board
12 spends the costs of taking the appeal
13 tribunal to court. Chair Craig Tuton
14 advised the cases usually involve defending
15 themselves on legislation and policies.

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18 (Meeting Adjourned at 5:15 p.m.)

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