



**YUKON WORKERS' COMPENSATION  
HEALTH AND SAFETY BOARD**    **COMMISSION DE LA  
SANTÉ ET DE LA SÉCURITÉ  
AU TRAVAIL  
DU YUKON**

# News Release

For Immediate Release  
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## **YWCHSB Continues to Reduce Subsidies in 2005**

The Yukon Compensation Health and Safety Board will continue to gradually reduce subsidies to private sector and municipal employers' assessment premiums in 2005.

"We are following a plan we first discussed with employers in 2002 consultations," said Craig Tuton, Chair of the Board of Directors. "As we've told employers, it has always been our plan to eventually remove the subsidies."

Subsidies to private sector and municipal assessment premium rates will decrease from an average of 45 percent in 2004 to 38 percent in 2005.\*

Yukon government and First Nation employers have not been subsidized, but have received 50 percent discounts on claims administration expenses. To ensure equitable treatment of employers, the YWCHSB is reducing the discount to 25 percent.

This means the average subsidized assessment premium rate for all Yukon employers will increase from \$1.51 per \$100 of payroll in 2004 to \$1.74 in 2005.

Employers pay assessment premiums for workers' compensation coverage. In return, the YWCHSB provides:

- Protection from lawsuits if an employee is injured at work
- No fault insurance – which includes replacement of lost earnings, health care support and other benefits for injured employees
- Training and other programs to prevent workplace injuries
- Return to work support for employees – including health care and rehabilitation

The YWCHSB started the subsidies in 1999. It told employers it would remove the subsidies once the surplus they came from was drawn down, as planned.

In 2002, the Board consulted employers on plans for reducing subsidies. Reductions began in 2003, following the plan most employers favored.

"In the last three years, claims costs have been higher, investment income has been lower," said Tuton. "This situation needs to be addressed. We need to be in a strong financial position to ensure there are sufficient funds to cover injured workers' benefits today and into the future."

The subsidies will be the subject of further consultations in 2005.

The Yukon still has among the lowest assessment premium rates for employers and highest benefits for injured workers in Canada.

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\*The averages for 2004 are different from those published in previous years. Changes in claims experience and industry composition over time affect calculations of the averages.