

MEDIA RELEASE

Workers' Safety and Compensation Commission Releases Assessment Rates for 2018

Yellowknife, NT (December 11, 2017) – Today, the Workers' Safety and Compensation Commission (WSCC) of the Northwest Territories and Nunavut release the 2018 employer assessment rates.

This year, the average provisional assessment rate will be \$2.05 per \$100 assessable payroll. This provisional target rate is the rate employers would pay if there was only one rate for all employers, and is the rate the WSCC uses as a starting point when setting individual subclass rates.

The 2018 average provisional assessment rate puts the WSCC in a position to maintain the same level of assessment revenue as in 2016 and 2017. Subclass adjustments are being made to ensure fairness. Industries with increased claims cost experience are paying more to fund the system, while those with reduced costs are paying less.

In 2018 the Year's Maximum Insurable Remuneration (YMIR) will remain at \$90,600. YMIR is the maximum earnings the WSCC uses to calculate compensation paid to an injured worker per year.

Once again, employers can conveniently access the individual subclass rates for all industries for the upcoming year via <u>WSCC Connect</u>, the WSCC's e-Business service. You can view the WSCC's current and historical rates by <u>Class & Subclass</u> and by <u>Specific Industry</u>.

WSCC Connect is accessible through <u>wscc.nt.ca</u> or <u>wscc.nu.ca</u>. Click on the WSCC Connect logo located at the top of the page and follow the button to View Assessment Rates.

The WSCC strives to sustain a fund that protects employers and injured workers over the long term, and continues its commitment to working in partnership with our stakeholders to ensure workplace safety, and care for workers.

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Contact:

Jacqueline Mo Acting Manager, Communications T: (867) 920-3829

TF: 1 (800) 661-0792 ext. 3829 E: <u>jacqueline.mo@wscc.nt.ca</u>

WSCC is an arm's length government agency responsible for administering the Workers' Compensation Acts, Safety Acts, Explosives Use Acts, the Mine Health and Safety Acts, and associated regulations.

Together with our partners, the WSCC provides services to almost 40,000 workers and 4,000 employers across the Northwest Territories and Nunavut. We process over 3,000 claims and conduct over 1,000 inspections annually to ensure the safety of Northern workplaces. The WSCC is unique in Canada as it is the only workers' compensation organization in the country to insure workers across more than one province or territory. We proudly offer services in the official languages of both territories.



BACKGROUNDER 2018 Assessment Rates

- All operations employing workers in the Northwest Territories and Nunavut must pay assessments to the WSCC.
- The WSCC uses assessments to provide compensation (wage replacement, medical aid, rehabilitation, and pensions) and cover the WSCC's administration costs.
- The Northwest Territories and Nunavut Health Care Plans do not pay doctor, hospital, or medical bills for work-related incidents and injuries; the WSCC pays.
- In setting Assessment Rates, the WSCC Governance Council considers what is:
 - ✓ Sustainable for claim costs;
 - ✓ Reflective of industry experience;
 - ✓ Responsive to claims experience trends; and
 - ✓ Fair to employers.
- The WSCC Governance Council calculates assessment rates in consultation with independent actuaries through past trend analysis. This determines the optimal rates to cover current expenses and future claims liabilities.

• The 2018 Average Provisional Assessment Rate will be \$2.05.

- The average provisional assessment rate is the rate employers would pay if there was only
 one rate, consistent across all employers. The WSCC uses the provisional rate as a starting
 point when setting individual subclass rates.
- The rates are calculated as a whole, and broken down by industry subclass. Assessment rates reflect each industry's actual claims cost experience.
- Each subclass contains varying numbers of employers. Across the total number of employers registered with the WSCC, 49% of employers will see a rate decrease in 2018; 37% will see an increase of 5% or less, and 14% will see increases over 5%. Only 0.9% of employers will see the maximum rate increase allowable of 20%.

Assessable Payroll:

- The WSCC calculates employer assessments by applying the specific industry subclass rate to every \$100 of the employer's assessable payroll. Assessment calculation example:
 - 1. Employer A operates a retail store.
 - 2. Employer A estimates their 2018 assessable payroll at \$100,000.
 - 3. The 2018 WSCC industry subclass rate for Retail is \$2.50 per \$100 of their assessable payroll.
 - 4. Employer A's 2018 assessment is \$2,500.00 [(\$100,000 / \$100) * \$2.50].

Year's Maximum Insurable Remuneration (YMIR)

- The 2018 YMIR will remain at \$90,600.
- The Governance Council sets YMIR every year.
- YMIR is the maximum amount of earnings the WSCC uses to calculate compensation for injured workers per year.
- YMIR affects the amount of payroll for which an employer pays assessments.
- An employer's assessable payroll is the gross payroll for each worker up to the YMIR limit.

2018 ASSESSMENT RATES

Rates for 2018		
SUBCLASS	2017	2018
10 - Outdoor Recreation & Tourism	\$7.25	\$6.65
22 – Mining Operations	\$1.62	\$1.57
27 – Mining Services	\$5.90	\$5.32
36 - Oil & Gas Well Drilling	\$1.51	\$1.57
37 – Oil & Gas Servicing, Development, Refining and Pipeline Operations	\$0.92	\$1.10
41 – General Construction	\$6.04	\$5.54
43 – Mobile Equipment Operations, Logging and Marine Construction		\$4.43
46 – Mechanical Installation and Servicing	\$3.03	\$3.40
51 – Air Transportation		\$2.68
53 – Ground Transportation	\$3.33	\$3.06
54 – Trucking (General and Long Distance) and Water Transportation		\$4.74
62 - Retail, Wholesaling and Light Manufacturing	\$2.37	\$2.50
63 – Metal Fabrication, Body Work and Alterations		\$2.74
66 - Automotive Sales and Services		\$2.74
71 – Business, Communication and Amusement Services		\$0.56
74 - Health, Welfare and Emergency Services		\$2.12
76 - Accommodation, Catering, Food and Beverage Services	\$2.07	\$2.18
81 - Government of the NWT and Nunavut and Public Utilities	\$0.89	\$0.93
82 – Authorities and D.E.W. Line	\$2.29	\$2.36



Historical Provisional Target Rates

2002	A = 0	2010	\$1.80 provisional rate One of the lowest provisional rates in Canada
0	Lowest provisional rate in Canada		rates in Canada
2003		2011	
0		0	\$1.73 provisional rate
0	Second lowest provisional rate in Canada	0	One of the lowest provisional rates in Canada
2004		2012	
0	T - 1	0	\$1.77 provisional rate
0		0	Rates comparable to other Canadian jurisdictions
0	One of the lowest provisional rates in Canada		Canadian jurisdictions
2005		2013	
0	*	0	\$2.05 provisional rate
0		0	Rates comparable to other
0	One of the lowest provisional rates in Canada		Canadian jurisdictions
2006		2014	
0		0	\$2.05 provisional rate
0	One of the lowest provisional rates in Canada	0	Rates comparable to other Canadian jurisdictions
2007		2015	
0		0	\$2.00 provisional rate
0	One of the lowest provisional rates in Canada	0	Rates comparable to other Canadian jurisdictions
2008		2016	
0	\$1.71 provisional rate	0	\$2.00 provisional rate
0	30% rebate cheque on 2006	0	Rates comparable to other
0	assessments One of the lowest provisional		Canadian jurisdictions
	rates in Canada		
2009		2017	
0	\$1.71 provisional rate	0	\$2.00 provisional rate
0	One of the lowest provisional rates in Canada	0	Rates comparable to other Canadian jurisdictions