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PRESS RELEASE

**Yukon Chamber Endorses YWCHSB Release of a second annual
\$10 Million rebate to Yukon Employers**

The Yukon Chamber of Commerce (YCC) endorses the Yukon Workers' Compensation Health and Safety Board (YWCHSB) decision to release a second \$10 million rebate to be paid out this month. Subsequent to discussions held between YCC and YWCHSB regarding the surplus reserve situation identified in April of 2015, the Chamber agreed with the YWCHSB that a multi-year series of rebates should be issued to bring YWCHSB reserves down to their mandated maximum level within a prudent reserve range. Based on our continuing discussions with YWCHSB, we would expect that, if investment returns and claims remain stable, a further rebate in 2017 would be the likely result. We view the solid stewardship of reserves and the payment of these rebates as good news for Yukon employers.

YCC has worked in partnership with YWCHSB to arrive at a fair and responsible manner in which the surplus is being repaid to employers. The initial plan, announced late last fall, saw employers receiving cheques before the end of December 2015. In total, \$10 million was returned to employers last year with the promise of more, should investment returns and claims activity remain as anticipated. At that time an additional \$5.2 million was also used to subsidise 2016 rates. Together, the rebate and subsidy represented roughly one-third of the surplus funds that existed that are in excess of the YWCHSB objective of having approximately 125% of projected liabilities funded.

YWCHSB announced today that it will issue approximately \$10 million in rebates again this year. Almost every Yukon employer will receive a portion of the rebate. The guidelines for which employers are eligible and how rebates will be calculated can be found on YWCHSB's website at <https://wcb.yk.ca/rebate>

YWCHSB has enjoyed excellent returns on its investments and the result is a surplus. As of last year, the surplus was considerably above the maximum range that is estimated as required to cover all anticipated costs and maintain a cushion for unexpected events. In recent years, these surplus funds have been used to significantly reduce the assessments paid by employers. For example, to cover actual claims costs and administration without that subsidy, the average rate in 2016 would have needed to be about \$2.30 per \$100 of payroll, or about \$0.43 more than what is currently assessed. As the surplus is paid out and the fund approaches the target reserve level, the average rate will move upwards towards the true unsubsidised cost.



YCC Board Chair Michael Pealow said, “We are pleased with how YWCHSB has managed these funds, which has led to this substantial surplus. We are doubly pleased with the collaborative approach the YWCHSB has used in its relationship with the Yukon Chamber as the voice of the business community, to return the funds on an accelerated basis. These rebates represent the fair and responsible return to employers of excess money not required to keep the system fully funded. In some cases, the rebates will be substantial.”

YCC President Peter Turner pointed out, “YCC is very pleased to see this infusion of cash into the Yukon economy. The Yukon Chamber recognizes that as substantial employers, both the territorial government and municipal governments such as the City of Whitehorse will be significant beneficiaries of these rebates. We encourage them to direct a good portion of their rebated funds into workplace safety programs. In this manner, the funds will be employed to improve health and safety in their workplace. We hope other employers will do the same.”

The Yukon Chamber encourages all employers, managers, supervisors and workers to work together to ensure everyone is safe at work.

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