

YUKON WORKERS' COMPENSATION HEALTH AND SAFETY BOARD

ANNUAL INFORMATION MEETING

HELD JUNE 24, 2009 AT 3:00 P.M.

At the Yukon Workers' Compensation Health and Safety Board Training Room

WHITEHORSE, YUKON

Summary Notes

CRAIG TUTON

VICKI HANCOCK

GARY ANNAU

TAMARA GOEPEL

MICHELLE KOLLA

VALERIE ROYLE

CHAIR

ALTERNATE CHAIR

REPRESENTATIVE of EMPLOYERS

REPRESENTATIVE of EMPLOYERS

REPRESENTATIVE of WORKERS

PRESIDENT/C.E.O., Y.W.C.H.S.B.

REPORTER:

DOUG AYERS

DOUG AYERS REPORTING
SERVICES

1 **Summary of the Annual Information Meeting Held**
2 **June 24, 2009, at 3:00 p.m.**

3 Ms Hancock called the
4 meeting to order at 3:05 p.m., and introduced
5 the Board of Directors who were present, as
6 well as the Board Manager and the President
7 and CEO of the YWCHSB. She pointed out that
8 copies of the Annual Report are available in
9 the back of the room, and on the website at
10 www.wcb.yk.ca.

11 Pursuant to the Act, the
12 2008 Annual Report was tabled during the
13 spring sitting of the Legislative Assembly.
14 The date for the annual meeting was chosen
15 following consultation with worker and
16 employer organizations, and the meeting is an
17 opportunity for interested parties to question
18 the Board of Directors on any areas of concern
19 or interest.

20 **MESSAGE FROM THE BOARD OF DIRECTORS**

- 21 • The Board of Directors continues to vigorously
22 pursue the objectives of reducing workplace
23 injuries through improved workplace safety,
24 better Return-To-Work outcomes and greater
25 cost efficiencies while improving service.
- 26 • In 2008, there were improvements in Return-To-
27 Work outcomes, including a reduction in time-

- 1 loss payments due to injuries and a faster
2 adjudication process. By the end of 2008, the
3 last time-loss payment was made within 90 days
4 in 86% of lost-time claims. This compares
5 with 65% in 2007.
- 6 • There was no change in assessment rates for
7 2008 to 2009.
 - 8 • The Board continues to maintain its
9 conservative approach to investments.
 - 10 • There was a \$14 million unrealized loss in
11 investments but the system is still fully
12 funded. This means YWCHSB can provide full
13 compensation benefits to all injured workers
14 currently on the system.
 - 15 • No changes are being made to the investment
16 portfolio.
 - 17 • In the current economic slowdown YWCHSB is
18 still in the top quartile of investment
19 performance. This was confirmed at a recent
20 meeting with the investment managers and
21 investment performance consultants.
 - 22 • The investments are conservative and long-
23 term. When the markets are good, the
24 investments show reasonable returns; but when
25 the markets are slow, the unrealized losses
26 are less than most organizations in a similar
27 position.

- 1 • To provide additional levels of protection to
2 the Fund, the investigator's actions have
3 resulted in further savings and cost
4 recoveries. In 2008, investigations resulted
5 in savings of more than \$2 million, with an
6 additional \$64,000 in overpayment recoveries.
- 7 • The Board continues its review of industry
8 rate groups and has been meeting with
9 employers on this issue to discuss options for
10 2010.

11 **PARTNERSHIPS**

- 12 • Through the Prevention Fund, we continue to
13 support our partners in safety.
- 14 • The Yukon Federation of Labour had 127
15 participants in training, providing education
16 about the Workers' Compensation system and
17 Return-To-Work planning, which assists injured
18 workers to get back on the job as safely and
19 quickly as possible.
- 20 • The Board also supported the Federation in its
21 Day of Mourning activities, which creates
22 awareness about the financial and human cost
23 of workplace injuries and death.
- 24 • Funding is also provided to Northern Safety
25 Network Yukon, whose mandate is to develop and
26 deliver safety training to Yukon businesses.
27 More than 900 workers and employers

- 1 participated in their programs in 2008.
- 2 • Ongoing Prevention Fund projects include:
3 Physio Plus; Yukon Mine Training Association;
4 Yukon Human Rights Commission; Property
5 Management Agency of Yukon Government; the
6 Whitehorse PARTY program (Preventing Alcohol
7 and Risk-Related Trauma in Youth) at the
8 Whitehorse Hospital.
 - 9 • All monies from the Prevention Fund have been
10 project committed through to the end of the
11 program in 2010.
 - 12 • The new *Workers' Compensation Act* and a number
13 of new policies came into effect in 2008. The
14 prime focus of the *Act* and its policies is to
15 ensure proper Return-To-Work planning and
16 programs are developed to get injured workers
17 back on the job as safely and as quickly as
18 possible.
 - 19 • Employers have a duty to cooperate in
20 providing suitable and available employment
21 for injured workers.
 - 22 • Injured workers have an obligation to mitigate
23 their injury.
 - 24 • Upon request, health care providers are now
25 legislated to provide information about the
26 functional abilities of injured workers. This
27 information is used as a guide to identify

1 suitable duties for an injured worker as part
2 of their recovery process.

- 3 • Another key policy change includes a two year
4 time limit on appeals.

5 At this point, the President, Valerie Royle,
6 provided the highlights of the Financial
7 Statement, and outlined additional actions related
8 to workplace safety.

9 **MESSAGE FROM THE PRESIDENT AND CEO OF YWCHSB**

- 10 • For the first time in six years, the number of
11 reported injuries and accepted claims has
12 declined.
- 13 • There were 2,000 reported injuries in 2008 (a
14 decline of 1% from 2007.
- 15 • There were 1,480 claims for compensation in
16 2008 (meaning there were medical costs
17 associated or time-loss); of those claims,
18 1,040 were accepted.
- 19 • There was one death in 2008, which is one too
20 many.

21 **YEAR AT A GLANCE**

22 Some of the reasons for a decline in injuries can
23 be attributed to:

- 24 1. Employers continue to sign up for CHOICES.
25 This program provides incentives for safety
26 and Return-To-Work programs in workplaces.
- 27 • In 2008, over \$221,000 were awarded to

- 1 employers under the CHOICES program; of that
2 amount, \$138,000 was reimbursed to employers
3 for costs related to controlling workplace
4 hazards; \$83,000 was paid out in cash rebates
5 to employers.
- 6 2. YWCHSB's Safety Management Consultant has been
7 working directly with 47 employers across the
8 territory to educate and assist them in
9 improving workplace safety.
- 10 3. There were four OH&S Safety Inspectors in the
11 field in 2008.
- 12 • They dealt with more than 400 inquiries and
13 carried out 115 investigations, which resulted
14 in 369 orders of compliance being issued, and
15 one prosecution initiated.
- 16 4. On direction from the Yukon Legislative
17 Assembly, OH&S, in partnership with the
18 Employment Standards Board, assessed the
19 current situation involving employment of
20 children and young people in the territory.
- 21 • Consultations were carried out with parents,
22 employers, youth and labour organizations.
23 (Report tabled in 2009)
- 24 5. In 2008, Occupational Health and Safety's
25 Young Worker Safety Coordinator presented a
26 four hour safety program (Work Shouldn't Hurt)
27 to about 600 Grade 10 students.

- 1 • Work continues with the Department of
2 Education on developing similar safety course
3 curriculum for other high school grades, as
4 well as K-7.
- 5 6. YWCHSB also partnered with four other
6 organizations to raise awareness of safety for
7 young workers by having them produce short
8 videos on common workplace hazards.
- 9 • Thanks to Yukon Energy, Skookum Asphalt, the
10 Dawson City International Short Film Festival
11 and Skills Canada Yukon for their support of
12 this initiative.
- 13 7. YWCHSB has also assigned a Return-To-Work
14 Consultant to help employers develop Return-
15 To-Work programs for their company.
- 16 • More than 100 employers took advantage of this
17 service in 2008.
- 18 • The new focus on return to work is reducing
19 the costs of time-loss payments.
- 20 • In 2008, there was a 31% improvement in claim
21 duration, as reflected by workers who are
22 receiving their last payment within less than
23 90 days, resulting in a 20% decrease in lost-
24 time payments, which is a significant savings
25 to the compensation system.

26 **FINANCIAL OVERVIEW**

- 27 • Assessment revenues increased from \$22.5

- 1 million in 2007, to \$23.9 million in 2008.
- 2 • An information sharing agreement with Canada
3 Revenue Agency led YWCHSB to collect about
4 \$35,000 in assessment premiums from employers
5 not registered as required by law.
 - 6 • Claims expenses showed a small increase, from
7 \$17.1 million in 2007, to \$17.5 million in
8 2008. This increase can be explained by a
9 number of factors: the workforce increased;
10 wages increased, as evidenced by the increase
11 in the minimum wage; medical costs increased;
12 there was an actuarial adjustment on the
13 mortality tables.
 - 14 • The operating deficit was \$18.3 million,
15 versus a deficit of \$6.6 million in 2007.
 - 16 • The major contributing factor was the \$14.8
17 million dollar loss in investment revenue,
18 which was a direct result of the severe global
19 economic downturn. This is an unrealized loss
20 as cash has not been taken out of the
21 investments to run the operations.
 - 22 • The investment portfolio posted a negative
23 return of 10.7% in 2008.
 - 24 • Investment income totaled \$5.3 million in
25 dividend payments and interest, but that was
26 offset by capital losses of \$19.7 million due
27 to large drops in all major stock market

1 indexes around the world.

2 • General administration costs increased by
3 about \$400,000.

4 • This was the result of YWCHSB finally
5 attaining full staffing, plus the annual
6 increase in wages from the collective
7 agreement.

8 • Administration costs are still below the
9 annual budgeted allotment, which is the figure
10 that determines employer rates.

11 • The Auditor General has reviewed all the
12 financial statements and accompanying notes,
13 and confirms that they are done in accordance
14 with the *Workers' Compensation Act* and
15 regulations, with the *Occupational Health and*
16 *Safety Act* and regulations, as well as the
17 *Financial Administration Act* and regulations.

18 At this point, Ms Royle invited questions from the
19 attendees at the meeting.

20 **QUESTIONS AND ANSWERS**

21 • On page 39, under "13. Commitments", there is
22 "Prevention Fund Agreements". It was
23 mentioned earlier that the Fund was committed
24 to 2010, with no future funding agreements
25 beyond that point.

26 Ms Royle explained that the Prevention Fund was
27 set by the Board of Directors as a one-time \$5

1 million fund to stimulate prevention activity.
2 This was intended as seed money for projects. The
3 money for this fund was committed for five years,
4 to the end of 2010; if the Board chooses to do
5 something else in the future, that would be a
6 decision to be made at a later time.

7 • On page 25, it says "Prevention (note 16)",
8 and it noted that Prevention has dropped
9 significantly from 2007 to 2008. This is
10 shown, as well, on page 40, "16. Prevention
11 Expenses", with regard to Contribution
12 Agreements relating to the Prevention Fund and
13 the Stabilization Reserve. Can this decrease
14 be explained?

15 Ms Royle pointed out that the Contribution
16 Agreements funded through the Stabilization
17 Reserve have actually increased from \$272,000 to
18 \$280,000.

19 In relation to the Contribution Agreements
20 funded through the Prevention Fund, the amounts
21 are determined by the monies actually applied for;
22 people are not solicited to make applications.
23 The amounts budgeted are estimates of what monies
24 would be applied for. In the earlier days, a lot
25 more money was spent, but it has now tapered down.
26 It is anticipated that the amount of \$675,000 will
27 continue for the years 2009 and 2010.

1 If the expenses for Occupational Health and
2 Safety are examined, they are about the same as
3 they were last year, with respect to the
4 administrative spending.

5 • There is a significant rise in the general and
6 administration, of \$500,000.

7 Ms Royle agreed that the increase is significant,
8 and explained that the majority of this increase
9 is due to the collective agreement increases. As
10 well, the operation was fully staffed in 2008, but
11 was not fully staffed in 2007.

12 • With reference to the Year at a Glance, it was
13 pointed out that Ms Royle mentioned injuries,
14 but the line item says "Incidents". Is there
15 a differentiation between "injuries" and
16 "incidents"?

17 Ms Royle indicated that, if she made reference to
18 "injuries", she apologizes for having done so, as
19 "incidents" are what are counted. "Incidents" are
20 any things that are reported as having occurred in
21 the workplace.

22 If people report situations that don't result
23 in a visit to the doctor, there is no lost time,
24 but is an occurrence that happened in the
25 workplace, whether they have been hurt or not,
26 that gets recorded as an incident. It becomes a
27 claim when there are costs associated with the

1 incident.

- 2 • Clarification was sought with respect to what
3 was perceived as two training positions: one
4 was a Return-To-Work Consultant; and the other
5 person was someone working with CHOICES.

6 Ms Royle explained that one person was a Return-
7 To-Work Consultant; and the other was an
8 Occupational Health and Safety Consultant who
9 works with employers to develop their OH&S
10 programs. Whereas Health and Safety Officers often
11 deal with particular hazards, incidents or
12 investigations, efforts are being made to refocus
13 on programs to address the underlying causes of
14 hazards in the workplace.

- 15 • With regard to the Safety Management
16 Consultant, how were the 47 employers
17 targeted?

18 Ms Royle indicated that the selection is done a
19 number of ways. Sometimes people ask for
20 assistance. Usually, it is the result of a review
21 of the cost history of the company, the number of
22 injuries suffered, and the type of industry
23 involved. As well, with a new employer, either a
24 Safety Officer or the Safety Consultant will go
25 out and meet with them and see if they are setting
26 up properly.

- 27 • How many employers received the rebate or

1 service back from CHOICES?

2 Ms Royle indicated that there were over 360
3 employers who received rebates; however she was
4 unsure of the exact number, and undertook to
5 determine that information and provide it later.

- 6 • With reference to "13. Commitments", "Computer
7 Software", it was noted that quite a bit of
8 money was dedicated to software improvement
9 over the next three years. The question was
10 asked whether employers can expect to receive
11 up-to-date data about what is happening as a
12 result of this new system.

13 Ms Royle answered that there is now a new claims
14 system in place. The software design referred to
15 under "13. Commitments" is in regard to a new OH&S
16 system (which is currently being done manually
17 with the use of Excel spreadsheets) and
18 assessments. The new OH&S system will talk to the
19 claims system. The assessment system is quite
20 archaic, and that is being updated.

21 The claims system will be kept updated, and
22 work is being done on a data warehouse, which will
23 make it possible to get the data out to employers
24 in a more timely and beneficial manner.

- 25 • One of the participants to the meeting
26 indicated he had a number of questions, and
27 asked if it was possible that he could pose

1 those questions at a later time via e-mail.
2 Ms Royle informed everyone at the meeting that,
3 after the meeting and following upon people having
4 a chance to do a more thorough review of the
5 Annual Report, they can e-mail their questions to
6 Pauli Gabb or Valerie Royle, and answers will be
7 provided in due course.

8 **ADJOURNMENT**

9 There being no further questions at this time, the
10 meeting was adjourned at 3:30 p.m.