

1 (The AIM was called to order September 23,
2 2008, at 3:05 p.m. in Whitehorse, Yukon)

3 **Chair Craig Tuton:** Welcome, and thanks once
4 again for attending our 2008 Annual
5 Information Meeting. I think everybody has
6 picked up the information packages that were
7 there for you at the door. Copies of our
8 2007 Annual Report are there, and we're
9 going to provide you after with the news
10 release on our first year's activity of our
11 investigator's activity, which will prove to
12 be interesting.

13 Just as a matter of
14 interest for those of you that aren't aware,
15 our Board is made up of seven people. We
16 have a neutral Chair and alternate Chair and
17 a neutral President that sits as an ex
18 officio. We have two members from the
19 workers. They are Michelle Kolla, who is
20 with us today, and Barb Evans, who is out of
21 town. Sitting beside me is Valerie Royle,
22 our President and CEO, who happens to be
23 from the province that Ramesh Ferris just
24 arrived in today on his Cycle to Walk
25 campaign. I think he has got about 150 more
26 clicks to go. It kind of makes Yukoners
27 proud to see that young fellow and his

1 achievements. It's not something all of us
2 can do or any of us can do. So, I just
3 wanted to take this opportunity, because I
4 just actually heard him speak on the radio
5 today as he was getting off the ferry.

6 So, today is an
7 opportunity for you to question the Board of
8 Directors if you have any concerns or any
9 specific interests. The audio equipment you
10 see is there so that we can put the
11 transcription of this meeting up on our
12 website later for those that didn't get an
13 opportunity to come today so they can see
14 it. If you do have a question or a comment,
15 just identify yourself with your name and
16 shoot away.

17 Today I would like to
18 provide you with some highlights of what our
19 activities have been over the past year, and
20 then, bring you up-to-date with what we have
21 been doing so far and what we intend to do
22 down the road. Obviously, we're going to
23 continue to improve safety in the workplaces
24 with our eight prevention partners. There
25 are posters at the back of the room that
26 will provide you with the details about
27 these partners and their projects and their

1 successes with their projects; and we have a
2 new addition, actually, to our prevention
3 partners today, and that's Physio Plus, who
4 just joined us as a prevention partner.
5 Their three-year prevention program is going
6 to focus on workers maintaining that
7 physical fitness and conditioning that they
8 need to perform the physical demands of
9 their job on a day-to-day basis.

10 From a financial
11 perspective, we've got mostly good news to
12 report this year. We've had an improved
13 economy in the Yukon, which, of course, has
14 led to an increase in assessment premiums,
15 so an increase in our revenues of 5.9
16 million dollars. And one of our favourite
17 topics, for the first time in five years,
18 our claims costs have declined 4 million
19 dollars in 2007. That's an accomplishment
20 that we're very proud of here. We've been
21 targeting that for quite some time, and we
22 can actually see the writing on the bottom
23 of the financial statement. So, it's good
24 news. Our direct operating costs have
25 decreased. However, we do show an operating
26 deficit in 2007 of 6.6 million dollars. The
27 major contributing factor to that,

1 obviously, was our 18.3 million dollar drop
2 in our investment revenue. If you think
3 about it for a moment on the positive side,
4 if the markets had remained positive, what a
5 great position we would have been in! But
6 we don't control that investment market.
7 The Board today, though, is looking at
8 options, various options that are available
9 to us, to best deal with that decrease in
10 our investments. Should any of you be
11 showing positive gains in your investments,
12 I'd encourage you to share those
13 opportunities with us at the Board. But
14 let's remember that this is just one bad
15 year. We don't deal in short-term
16 investments. All of our investments are
17 long term, so hopefully the situation that
18 is around Bay Street and the Dow Jones is
19 not going to last forever. I guess the main
20 thing from our perspective is if we were to
21 close our doors today, there is still going
22 to be enough money to pay all of the present
23 claims until they end in the future. So,
24 that's not a concern. We are fully funded,
25 with total reserves of 24.5 million dollars
26 in addition to that 112 million that we
27 require to cover our future costs of all of

1 our current claims.

2 We obviously had a very
3 busy year this year when we had to deal with
4 policies. We have a Policy Working Group
5 (as most of you are aware), a Stakeholder
6 Advisory Committee and our Board; and
7 successfully together, we dealt with seven
8 complex policy issues during the past year.
9 Clarification was achieved for decision-
10 makers, looking at claims submitted for
11 psychological disorders, musculoskeletal
12 disorders, arising out of and in the course
13 of the workplace, and pre-existing
14 conditions.

15 Changes to the
16 Compensation Fund Investment Policy
17 formalized the Board of Director's
18 investment objectives.

19 Negligence cost transfer
20 is a new policy that allows the transfer of
21 compensation costs from one employer's
22 industry to that of another employer; and
23 this would occur, for example, if a worker
24 was injured or killed owing to the
25 negligence of another employer or his or her
26 workers.

27 Changes to our

1 rehabilitation policy expedite return to
2 work planning, a key element within that new
3 *Workers' Compensation Act* that came into
4 effect July the 1st.

5 We'll talk a little bit
6 now about the claims duration. The
7 implementation of that new claims system
8 that we fired up last year has helped
9 shorten our claims duration and get injured
10 workers back on the job safely and quickly.
11 The duration or length of time an injured
12 worker is not on the job is a key expense
13 for our compensation system, and I've been
14 saying over the last year-and-a-half-to-two
15 years that we've got to get that down; and
16 we have significantly improved the number of
17 time-lost claims that are closed within 90
18 days. Efficiencies within the new system
19 have also aided with a 33 percent decrease
20 in the length of time it takes to begin
21 time-lost payments to injured workers, which
22 is a big improvement. Starting late in
23 2007, we began an initiative of meeting with
24 each employer industry group in the Yukon,
25 and it's not an easy task. There are 52
26 industry groups in the Yukon. We didn't
27 wrap those meetings up until June of this

1 year. Now, these sessions were very
2 invaluable to us as a Board. We were able
3 to gain a different perspective about each
4 of those industry group situations. Now,
5 arising out of those meetings with industry
6 groups, there have been a number of
7 suggestions and a number of suggestions
8 about changes that we should look at within
9 the system. A couple of recurring themes
10 that occurred over and over again was the
11 issue about super-assessments for poor
12 safety performers and a review of the entire
13 industry classification system. We're in
14 the process of doing that comprehensive
15 review now, and we are looking at the option
16 of super-assessments. It's not an easy
17 thing. It's a very complicated process,
18 because it has to not only involve the Board
19 but our actuaries, our financial consultants
20 and our stakeholders. So, we intend to show
21 the due diligence that's required, and we're
22 going to take the amount of time that will
23 be needed to properly review these issues.
24 This process won't be done in time to affect
25 2009 rates, but we certainly will have
26 something in place for 2010.

27 There are many other

1 in our partnership with the Yukon Federation
2 of Labour, one that we started a few years
3 back, in promoting the Day of Mourning,
4 which is held each year on April the 28th,
5 and I think it is doing a great deal to
6 educate Yukon workers about the need for us
7 to have safer and healthier workplaces.

8 Our new claims system,
9 that I talked about a little bit before,
10 tracks injury and safety trends, which
11 allows our enforcement officers to focus
12 their efforts. One of our fine young media
13 gentlemen was quick to report that he
14 noticed one of those bad groups today.

15 I'm pleased to report
16 today, though, that employers are now in 100
17 percent compliance with Orders issued by our
18 enforcement officers, which is a great
19 improvement. You'll remember that last
20 year, we talked about and gave notice that
21 in 2007, penalties would be assessed against
22 employers who were late in filing their
23 employer reports of injury or illness.
24 Legally, the deadline is three days after an
25 employer has been notified. In early 2007,
26 the average reporting time from employers
27 was about 30 days. Today the vast majority

1 of employers are within the three-day filing
2 deadline. So, that's great news. And if
3 you'll remember the reason that that has a
4 very significant and important time period
5 is that the sooner we can get to that claim,
6 the sooner we're going to get him off-claim
7 and back to work. However, it's just like
8 our investment; not all things are rosy. We
9 still have a couple - actually two employers
10 - who have not filed in over 100 days that
11 injury report and a third employer who
12 hasn't filed in over 60 days. Each of those
13 employers has been levied a fine of \$500.
14 Now, obviously, they have the right to
15 appeal, and there's no point in asking
16 during question period who they are; because
17 number one, I can't tell you, and number
18 two, as a Board member, we don't know.

19 We introduced Choices
20 last year, which was our way of helping
21 employers through incentives as they
22 improved their health and safety programs in
23 the workplace. We're happy to say that we
24 have 500 employers signed up today, and it
25 provides rewards - which include cash
26 rebates - to employers who improve safety in
27 the workplace, and they commit to return-to-

1 work planning for their injured workers.
2 Those who have signed up and are eligible
3 have already applied for their second round
4 of rewards, which is available now. Those
5 employers who haven't signed up can do so in
6 February of next year.

7 Our special investigator
8 has just completed a successful first year
9 of operations, and we at the Board are
10 extremely excited and happy about the work
11 that that individual has done; and I think
12 that it's important that we provide you
13 today with a detailed discussion about the
14 achievements that we have made in our
15 Investigation Department, and I'm going to
16 ask Val, our President and CEO, to give you
17 that update.

18 **Valerie Royle:** Thank you, Craig. So, I
19 have a couple of items to talk about. We
20 also note that there is a news release on
21 this issue, available from Frank at the back
22 of the room, for the media, with some
23 details, as well. So, the first thing I
24 would like to point out is the scope of the
25 investigator's position is quite broad. We
26 do have a policy on that that's approved by
27 the Board, and you would have received a

1 copy of that in your Annual Report at the
2 back of the room. The objectives are to
3 ensure there's compliance with the *Workers'*
4 *Compensation Act* and our policies, to
5 improve the quality of our decisions by
6 gathering relevant information and to ensure
7 the validity of assessment reporting,
8 employer registration, claims for
9 compensation and service provider billings.
10 So, it is very broad, and it also includes
11 things like if there was an issue with staff
12 fraud or Board of Directors fraud. It runs
13 the full gamut of the organization.

14 Virtually every
15 jurisdiction in Canada has a special
16 investigator's unit. They vary in size from
17 ours - which is one - to a full team that
18 scours their provinces. Basically, the
19 larger the work force, the larger the
20 employer base, the more healthcare
21 providers, the larger the investigation
22 unit. So, Yukon employers pay for the
23 compensation system, and we feel that we
24 have to show due diligence by ensuring that
25 the money is used properly, and part of the
26 investigator's job is to do that.

27 So, one of the questions

1 that we're asked about frequently is: Where
2 do we get the information? Where do the
3 tips come from for the investigator? We get
4 them from a variety of perspectives. Our
5 staff may pick up some unusual activity,
6 someone who perhaps was totally disabled and
7 now there's a doctor's report that says the
8 opposite. That would raise a flag obviously
9 for an investigation; but we also get
10 anonymous tips, and they come from a variety
11 of sources. They come from the ex-boyfriend
12 who is part of the break-up, isn't happy,
13 and they phone us and tell on somebody.
14 They come from people in the community who
15 see something and don't really feel it's
16 quite right. So, we do get a variety. They
17 are anonymous, and people can call our
18 general number, our 667-5645 locally or
19 toll-free 1-800-661-0443 to provide
20 information. What happens with that
21 information is our policy says that every
22 tip is investigated, but the gamut of the
23 investigation varies. Some investigations
24 will be very, very quick. If someone calls
25 in and says, "I see someone who I know is on
26 Workers' Compensation and they were out for
27 a walk." Our investigation - unless they

1 formal assistance from the police in one of
2 the cases that I talked about. Because they
3 are so few - small in number - I can't
4 provide you with details of the cases,
5 because you may be able to recognize the
6 individuals; and when we finish our
7 investigation, we turn it over to the RCMP,
8 who determine whether there should be
9 charges pressed. What we do is close the
10 file, and then, we look to determine if
11 there are any retroactive payments owing to
12 us. So, if we have documented evidence that
13 the person has been receiving benefits
14 fraudulently for two years, we stop the
15 claim, which saves us the future costs, but
16 we also go back to look and see if there is
17 any cost recovery. It's up to the police to
18 determine whether they are going to press
19 charges or not. We don't have that ability
20 to actually press charges ourselves.

21 So, on the financial
22 side of things, the budget for the position,
23 including wages, benefits, travel and
24 special equipment, is \$115,577 per year to
25 be exact. Right now our savings to the
26 Board on the seven files that have been
27 concluded is more than 2 million dollars;

1 and this is just a savings on the future
2 benefits. This does not include any money
3 that we're able to collect retroactively
4 from these individuals, but we are working
5 with each of them to try to set up repayment
6 schedules, not the types of individuals that
7 it's easy to set up repayment schedules,
8 because they were not only frauding us but
9 probably other agencies, as well, but we're
10 working on that as we speak. And right now,
11 where we go from here, our investigator has
12 a number of cases on his desk, the total
13 value of which is another 2 million dollars
14 should they be successfully concluded, and
15 he plans to finish those within the next 12-
16 month period. An investigation can take -
17 like I said - a couple of hours to a full
18 year, depending on the individual and the
19 type of activity. Tracking down individuals
20 outside the Territory is very difficult.
21 This is a big country, with lots of places
22 that you can stay and be anonymous; but the
23 cost savings, the potential reserves, are
24 very good. They're good benefits for the
25 Board. We have certainly seen the financial
26 return, but also, the message out there that
27 this type of activity will not be tolerated.

1 If a worker is entitled to benefits, we will
2 give them their full entitlement. If an
3 employer registers with us and has trouble
4 paying, we will go to the extent of what we
5 can to help them meet those obligations. If
6 a healthcare provider is providing good
7 service, we work with them to make sure
8 their payments are on time. Where there is
9 fraud, we will investigate, and we will go
10 to the full extent of our legal ability to
11 deal with those situations and save the
12 money. So, that's our message on the
13 investigation system: We will not tolerate
14 abuse of the Compensation system full stop!

15 **Chair Craig Tuton:** Thanks, Val. Now, I
16 just want to talk a bit about COR and SECOR.

17 Continuing with our
18 partnership in safety with the Northern
19 Safety Network, we would like to acknowledge
20 that there are 21 Yukon employers who have
21 gone that extra mile in creating a safe
22 workplace, and I would just like to take a
23 moment to publicly acknowledge our safety
24 leaders. They are: Arctic Power and
25 Communications, Arctic Backhoe Services, the
26 Yukon Electrical Company, Albrico Services,
27 Skookum Asphalt, Yukon Engineering Service,

1 Finning Whitehorse, Castle Rock Enterprises,
2 Norcope Enterprises, Duncan's Limited, Zral
3 Safety Services, Arcrite Northern, Trans
4 North Turbo Air, Underhill Geomatics,
5 Cardinal Construction, TSL Contractors, YTG
6 Highways & Public Works Transportation and
7 Maintenance Branch, Narrow Gauge
8 Contracting, Raven Recycling, the Yukon
9 Workers' Compensation Health & Safety Board;
10 and the 21st company to be acknowledged is
11 CMS Construction Management Services.
12 They're under the Small Employer's
13 Certificate of Recognition. It's similar to
14 COR, but it's aimed at businesses with less
15 than 10 employees. So, our hats are off to
16 these companies and all of those that are in
17 the process of becoming certified.

18 As we look ahead, the
19 new Act is all about empowering employers
20 and workers in being proactive in returning
21 to work. It's about finding ways to get
22 injured workers back on the job as part of
23 that healing process. Changes in the new
24 Act are expected to result in a significant
25 decrease in time-lost claims in the first
26 year alone. The Yukon Federation of Labour
27 - another one of our prevention partners -

1 is supporting this through its free return-
2 to-work training programs for both workers
3 and employers. Doctors and other healthcare
4 providers are also contributing to the focus
5 of the new Act by working with the
6 functional abilities form. This form is
7 filled out by the healthcare provider,
8 stating what an injured worker is capable of
9 doing safely in their workplace and not how
10 many days they're expected to be off, as was
11 the case previously. It provides a
12 guideline for an employer and a worker to
13 decide how the injured worker can safely
14 carry out his tasks.

15 The Act also puts an
16 onus on the worker to mitigate their injury
17 and fully participate in their own recovery
18 and return to work; and if the worker is
19 uncooperative in the healing process, he or
20 she could have their benefits reduced,
21 suspended or even terminated.

22 Another highlight of the
23 new Act is we now have a time limit of two
24 years to appeal any claims decisions. It's
25 now acceptable for an injured worker to
26 notify their employer verbally about their
27 injury. In the past, written notification

1 was needed. You can get more information
2 about these and others by going to the
3 website: wcb.yk.ca

4 We are also being
5 proactive this year by starting a review of
6 our Minimum First Aid Regulations. They
7 came into effect in 1986, and it's quite
8 obvious - by that date - that they are in
9 need of updating. Working with our partners
10 in prevention and safety on the Advisory
11 Group, we plan to have a draft ready for
12 public consultation next year.

13 To sum it up real
14 quickly, the priorities for 2008 and the
15 focus for the new Act is simply getting
16 injured workers back on the job safely and
17 quickly.

18 Now is a good
19 opportunity for you to ask any questions or
20 provide comments. So, remember - as I said
21 earlier - speak clearly and identify
22 yourself.

23 **Victor Istchenko:** I had one question. The
24 fraud investigations, the last time we
25 talked, you said you were planning and at
26 some point going to do something about
27 recovering the fraudulent payments. Is that

1 still nowhere?

2 **Valerie Royle:** No, we are working on
3 those payments. We're trying to set up
4 payment arrangements with the individuals in
5 question and looking at their assets and what
6 we possibly could do. At the same time, we
7 also have referred some of those files over
8 to the RCMP with respect to charges. So,
9 both things are happening at the same time.
10 We have accounted for a lot of the savings in
11 our 2007 report, almost a million dollars,
12 and there is also another million in 2008 to
13 be accounted for in our books; and then, we
14 have to go back and look at the recovery.

15 The difficulty with the
16 recovery is we do our investigation at a
17 particular point in time. So, unless we
18 found definitive evidence prior to that that
19 the person was more able than what they were,
20 we can only say "You are able to do more as
21 at this point in time." So, in those cases
22 where we have definitive, we are working on
23 payment arrangements with those individuals
24 to recover the money.

25 **Victor Istchenko:** And anything you can
26 tell us about the circumstances? I mean,
27 obviously, you're not going to give us names

1 of these people, but -

2 **Valerie Royle:** M'hmm. Well, I'll use
3 the example of one individual, who was in a
4 bar and was having a few drinks and started
5 to brag, actually, that he was frauding the
6 Yukon Workers' Compensation Board; and an
7 employer in this other jurisdiction heard it
8 and pays high assessment rates and got angry
9 and phoned the Board there, who had immediate
10 contact with us; and within a couple of days,
11 we were down there, and through a joint
12 effort were able to end that claim. And the
13 person - from a physical, medical perspective
14 - what he had told his doctors was he
15 couldn't lift a carton of milk, he couldn't
16 open a door, and was running a heavy
17 equipment business actually himself. So,
18 these are blatant cases. These aren't, "Oh,
19 maybe he had a good day" kind of deal. These
20 cases we've closed so far have been very
21 blatant situations.

22 **Victor Istchenko:** That's one. Could you
23 give us another?

24 **Valerie Royle:** Somebody who might start
25 up a sports league on the Internet who was
26 totally disabled and is playing difficult
27 sports positions like goalie or back-catcher,

1 centre-fielder, who is totally disabled. So,
2 the Internet is a great source of information
3 on -

4 **Victor Istchenko:** That's a real case?

5 **Valerie Royle:** That's real, yes.

6 **Victor Istchenko:** That's from here?

7 **Valerie Royle:** None of the six that
8 we've closed actually are in Yukon. All of
9 them are out.

10 **Victor Istchenko:** Yes, but the one that
11 you just related, the sports situation?

12 **Valerie Royle:** Outside the Yukon, yes,
13 doing this outside the Yukon.

14 **Victor Istchenko:** Someone who was injured
15 here?

16 **Valerie Royle:** Someone who was injured
17 here, and they leave; and then, it's like
18 there's nobody watching. So, I think people
19 kind of over time get a bit more bold - if I
20 may say that; but the Internet is certainly a
21 place where between Face Book, people's own
22 personal websites... The Internet is a very
23 good source of information on individuals and
24 their activities actually if you know where
25 to look.

26 **Alex Furlong:** I just have a question
27 on the investigation side. One of the

1 difficulties with claims, let's say for
2 foreign workers - as you've mentioned - the
3 workers get injured in the Yukon and move
4 somewhere else and the cost to the system of
5 paying claims to a foreign jurisdiction, does
6 the investigator have a mandate to go there
7 and check those from outside of Canada,
8 number one; and number two, would the Board
9 be looking at working with some international
10 colleagues for assistance?

11 **Valerie Royle:** The mandate would
12 include that. We don't have any right now
13 that are in that situation, but we recognize
14 it's a growing issue with a number of foreign
15 workers who may get injured, and then,
16 naturally, want to go home to recover with
17 their family and their support system; and
18 then, you lose contact with them. So, if we
19 had those issues, the mandate could include
20 that.

21 One thing I didn't
22 mention that is very important is before we
23 start any investigation and spend any money -
24 because investigations require travel and
25 surveillance. It may require contracting a
26 surveillance company to do some of this work
27 - we do a cost-benefit analysis to determine

1 if the cost is worth what the potential
2 benefit would be. So, we would have to do
3 that in those cases; because obviously, if
4 you're going into a foreign situation, the
5 costs are going to be much higher, compounded
6 by the fact that a lot of foreign
7 jurisdictions do not have any Workers'
8 Compensation authorities. So, we don't have
9 the counterparts that we have in Canada and
10 the U.S. We do have them in Europe. We have
11 one in Germany and Australia, but certainly,
12 in developing countries, those resources just
13 aren't available. But the scope could
14 include that if we had a situation. We're
15 hoping to avoid it through education and
16 working with individuals - particularly
17 foreign workers - on return to work so that
18 they don't have to go home. They can stay
19 here and recover here and get back to work
20 here under their foreign Visa.

21 **Chair Craig Tuton:** Any other questions?

22 **Heather Harris:** Do you have any method
23 of tracking, say, companies or organizations
24 or individuals that are perhaps opting out of
25 the WCB coverage and maybe getting their own
26 private insurance or simply - because of high
27 rates or whatever, just becoming a private

1 consultant or something like that? Is there
2 any way of tracking, say, in the past couple
3 of years how many have sort of dropped off
4 the table, shall we say?

5 **Chair Craig Tuton:** First of all, in the
6 Yukon, you don't have the option of becoming
7 self-insured. The only employer that would
8 have that option is Government of Yukon.
9 They used to self-insure themselves until
10 back I think it was '97 or '96.

11 **Valerie Royle:** '92.

12 **Chair Craig Tuton:** '92, in the early '90s;
13 they came into the system in '92. But any
14 other employer does not have that option.
15 They have to fall under the system. We do
16 have ways of tracking that.

17 **Valerie Royle:** Yes, we do. We have a
18 formal agreement now with Canada Revenue
19 Agency, where we compare the list of people
20 who are registered with us versus the people
21 who are registered with Canada Revenue
22 Agency; and we both use that to track
23 employers. Also, the local insurance
24 providers are aware that an employer has to
25 register with the Board and cannot – they can
26 buy it, but they're going to be paying twice.
27 So, locally, the insurance industry knows

1 that.

2 With respect to the
3 issue of maybe people who were an employer
4 and are now trying to say "I'm an independent
5 operator," that type of thing -

6 **Heather Harris:** That's what I mean.

7 **Valerie Royle:** Yes, we heard some of
8 that through the industry meetings, and we
9 had great tips actually for how to deal with
10 some of those things. For example, we go to
11 industry associations and we get their lists
12 of members and compare it to our list of
13 employers. So, in our industry meetings, for
14 example, we would send out invitations to 50
15 people, and the industry came and said,
16 "Well, we have 74 members."

17 "Well, thank you very
18 much. Would you mind giving us your
19 membership list?"

20 "Not at all," because
21 the 50 who are paying want the 24 who aren't
22 to be paying. So, we do have methods of
23 keeping track of that with the business
24 registry.

25 The other method that we
26 use is through our letters of clearance, that
27 if you want to do a contract for a number of

1 contractors, they will require you to have
2 WCB coverage and show that you have it. We
3 issue thousands of those letters a year.
4 Three years ago, it was maybe a few hundred.
5 So, contractors are becoming more aware that
6 if this person doesn't have WCB coverage, I
7 could be liable for their assessment or, in
8 the event of an injury, for the cost of that
9 injury. So, contractors are getting more
10 savvy and are asking for those letters far
11 more often. So, we're seeing improved
12 registration through that, as well.

13 **Jason Unrau:** When are assessment
14 rates going to come down, or is there a move
15 to look at that, reducing employer assessment
16 rates? They are one of the highest in the
17 nation, I think.

18 **Chair Craig Tuton:** Well, that's a good
19 question. We, at the Board, share the same
20 opinion as the business community: The rates
21 are high, and we've got to get them down.
22 But what drives the rates is the number of
23 injuries and the cost of the claims, and
24 that's the only way... I just said that we
25 were able to reduce the claims costs this
26 past year of about 4 million dollars. If we
27 continue on that trend, then that's going to

1 drive rates down. There is still that little
2 piece in the puzzle there, which is called
3 "the investment market", because - as I said
4 earlier - we're down, like, 18 million
5 dollars in that investment. So, our
6 objective is the same as the employer
7 community in the Territory. I can tell you
8 that if the Board had an ability to reduce
9 the rates tomorrow, we would do that; but
10 first, we must continue in our partnership -
11 and I can't stress that enough - our
12 partnership with employers, with workers and
13 with all of our stakeholder groups to work
14 towards safer and healthier workplaces. When
15 we can do that and we can reduce the cost of
16 injuries - which today are around 20 million
17 dollars -

18 **Valerie Royle:** No, it's 17.

19 **Chair Craig Tuton:** Oh, 17 million dollars;
20 when we can get that down to a lower number,
21 the assessment rates are going to come down.
22 There is a direct relationship between claims
23 costs and assessments.

24 **Jason Unrau:** What would be the
25 threshold it would have to reach to lower
26 assessment rates?

27 **Chair Craig Tuton:** Well, there are a number

1 - I mean, the actuarial process that they go
2 through to determine what the rates have to
3 be isn't just as simple as taking what the
4 claims costs were and reducing that against
5 the assessment revenues. It's the future
6 liability, the length of the injury, how long
7 that claim is going to be a claim, the
8 medical costs, the rehab costs. It's not a
9 simple formula. So, I can't really give you
10 a threshold; but definitely, if we can lower
11 the claims costs, then we are going to reduce
12 and lower the assessments. I wish I could be
13 more specific, but it's a very complicated
14 process to get to that number.

15 **CLOSING REMARKS & ADJOURNMENT**

16 **Chair Craig Tuton:** All in all, we had a
17 really good year. It was kind of an onerous
18 job to take on these meetings with all of our
19 industry groups; but do you know what? Every
20 minute of it and every egg sandwich, three
21 days a week over all those months - in my
22 opinion - was worth it! And what we gained
23 out of it more than anything was the need for
24 us to communicate on a regular basis with
25 employer groups; and we committed - while we
26 were going through that process - to continue
27 that this year. Now, we're not going to do

1 it individually with each 52 industry groups.
2 We're going to combine some, but we're
3 definitely going to continue that process.
4 And the progress that we have made with our
5 partners at the Whitehorse Chamber of
6 Commerce, at the Yukon Federation of Labour
7 and all of those that are part of our
8 stakeholder groups and our advisory
9 committees has just done... I mean, we, at
10 WCB, didn't do this ourselves. We had a lot
11 of advice; and as Rick and Alex can tell you,
12 we went through some tough times, trying to
13 get to the point where everybody understood,
14 you know, it isn't about just employers or it
15 isn't about just workers. It's about safety,
16 and it's about healthy workplaces. We've got
17 a relationship within those groups that we're
18 really happy with, and I think they're really
19 happy with us; and we've just got to keep
20 working to that same end, which is safer and
21 healthier workplaces; and when we can reach
22 that, the employers are going to be happy,
23 because their rates are going to go down.
24 Workers are going to be happy, because more
25 and more workers are going to be working
26 every day instead of on the injured list, and
27 that's really where we want to be. I know we

1 at the Board are committed. I know that the
2 employer groups are committed, and I know
3 that the labour groups are committed.

4 So, with that, if there
5 are no further questions, thank you, folks,
6 and you'll be hearing from us on a regular
7 basis. If anybody from the media has any
8 other questions, feel free.

9

10 (The meeting adjourned at 3:50 p.m.)

11

12

13 I hereby certify the foregoing to
14 be a true and accurate transcript
15 of the proceedings transcribed
16 to the best of my skill and ability.

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19 Joyce C. Bachli, Court Reporter

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