



**YUKON WORKERS'
COMPENSATION
HEALTH AND
SAFETY BOARD**

SUBJECT: ASSESSMENTS POLICY NO.: AS - 21
 BOARD APPROVAL: [Signature]
 APPROVAL DATE: 93-11-10
 BOARD ORDER NO.: _____
 EFFECTIVE DATE: 93-11-10

REVOKED

MAY 09 2005

POLICY STATEMENT

SECTION REFERENCE: **59**

POLICY: **SECURITY FOR PAYMENT OF ASSESSMENTS**

GENERAL

The board has the authority to require an employer to post security for the payment of assessments.

All employers have the right to appeal any assessment decision provided that appeal is launched within 180 days of the decision being made.

A. REQUIREMENT FOR A SECURITY DEPOSIT

A security deposit may be required from an employer who:

- (i) has not paid or consistently refuses to comply with the assessment provisions of the Act;
- (ii) has a poor payment record;
- (iii) does not have any assets which could be attached for the payment of assessment;
- (iv) is not a Yukon resident and has no apparent assets in the Yukon;
- (v) is a new business.

B. ACCEPTABLE SECURITY

Security will be in a form acceptable to the Board, including, but not limited to, cash and irrevocable letters of credit.

C. GENERAL CONSIDERATIONS:

In determining whether or not a security deposit will be levied, the following will be considered:

- (i) the prior year's actual payroll;
- (ii) the duration of the operation;
- (iii) the number of workers employed;
- (iv) any circumstances which would indicate an employer's inability or reluctance to pay assessments;
- (v) any circumstances where there is reason to believe that the WCHSB may not be able to secure an interest.

D. NEW BUSINESSES - WAIVING THE REQUIREMENT FOR A SECURITY DEPOSIT

The Director of Assessment may consider waiving the requirement for a security deposit from a new business if the new business assumes the accident experience of the old business and if it is determined that the creation of the new business is the result of:

- (i) incorporating a company;
- (ii) the shareholders of a company incorporating a new company;
- (iii) the addition to or withdrawal from a partnership of one or more partners;
- (iv) a change in a family business with or without incorporation, that one or more of the family members still maintains ownership of the business;

The Director of Assessments may also waive the requirement for a security deposit from a new business if:

- (v) there is a degree of relatedness between the new business and the previous business.

E. AMOUNT OF SECURITY DEPOSIT

The amount of the security deposit shall be based on either three percent of the current year's payroll estimate or \$1000 dollars, whichever is greater.

The Director of Assessments may increase the amount of the security deposit required from an employer and must provide written reasons for doing so.

F. TERM DEPOSITS

Security deposits shall be put into revolving term deposits with a chartered bank with a maturity date of November 15 of the current year in the case of seasonal operations, and January 30 on all other employers.

All term deposits shall be held in the name of the Workers' Compensation, Health and Safety Board.

G. REFUNDS OF SECURITY DEPOSITS

A security deposit shall not be refunded to an employer until a payroll audit is complete.

An employer is entitled to both the security deposit principal and interest minus any assessment arrears which shall be deducted prior to any refunds being made to an employer.

Interest will not be paid on security other than cash security.