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**24 September, 2015**

**PRESS RELEASE**

**Yukon Chamber Endorses YWCHSB Decision to Accelerate  
\$10 Million Rebate to Yukon Employers**

The Yukon Chamber of Commerce (YCC) endorses the decision to accelerate a \$10 Million rebate from the Yukon Workers' Compensation Health and Safety Board (YWCHSB) to be paid out to employers in 2015. Provided claims and return on investments remain stable, we expect further rebates over the next few years. This is good news for Yukon employers.

The opportunity to commence a series of rebates results from an overfunded liability position, which is the result of excellent stewardship of these funds by YWCHSB. Given the size of the surplus, YCC approached YWCHSB to propose options to accelerate the distribution of surplus funds to those employers whose assessments fund the system. The current approach by YWCHSB is to subsidize rates using excess funds. While a subsidy on rates is helpful, this method returns the surplus funds over a 10-year period. YCC advocated for a method that sees the surplus funds paid out to employers on a much timelier basis, which we believe is prudent given present economic factors in the Yukon.

YCC worked in partnership with YWCHSB to arrive at a fair and responsible manner in which the surplus could be paid out to employers sooner. The plan announced today will see employers receiving cheques before the end of December. In total, these cheques will return \$10 million to employers this year. This does not include an additional \$5.2 million that will be used to subsidize 2016 rates. Together the rebate and subsidy represents roughly one-third of the existing surplus funds that are in excess of the YWCHSB objective of having approximately 125% of projected liabilities funded. Assuming there are no major shocks over the next two years, the Chamber anticipates additional rebates to employers in 2016 and 2017. These rebates will get money back in the hands of employers considerably faster than subsidizing assessment rates.

YWCHSB has enjoyed excellent returns on its investments and the result is a surplus of approximately \$52 million over what is 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 need to be about \$2.31 per \$100 of payroll, or about \$0.46 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 towards the true unsubsidized cost.



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YCC Board Chair Rich Thompson said, “YCC is impressed that the YWCHSB stewardship of these funds has led to this substantial surplus and that they have worked with the business community to return the funds on an accelerated basis. In some cases the rebates will be substantial. In every case the rebates represent the fair and responsible return to employers of excess money not required to keep the system fully funded.”

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 have encouraged them to direct a good portion of their rebated funds into workplace safety programs as opposed to seeing the money simply find its way into general revenues. In this manner, the funds will be employed to improve health and safety in their workplace. We encourage other public-sector employers to do the same.”

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

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