



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

News Release

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Board Tackles Claims Costs; Establishes Prevention Fund

The Yukon Workers' Compensation Health and Safety Board (YWCHSB)'s annual report and financial results show both improvements and causes for concern in 2004.

The YWCHSB's operating deficit has declined in the last three years – from \$24.5 million in 2002 to \$9.4 million in 2003 to \$6.8 million in 2004.

"We are pleased our deficit is decreasing," said Craig Tuton, Chair of the Board of Directors. "We remain one of the best funded compensation boards in Canada, with assessment rates among the lowest and benefits for injured workers among the best."

The main reasons for the lower deficit in 2004:

- Assessment revenue increased to \$9.7 million from \$8.4 million in 2003.
- Investment revenue increased to \$8.8 million from \$5.1 million in 2003. (Due to new accounting standards, WCBs are reporting investment gains and losses in the year they occur, effective 2004. Previously, they could spread gains and losses over five years, to reduce volatility.)
- Operating expenses decreased by about half a million dollars.

However, claims expenses increased to \$19.5 million from \$15.7 million in 2003.

"We remain very concerned about increasing claims costs and about cost control in general," said Tuton. "We are moving ahead with solutions to both problems."

Annual report statistics show the number of time loss claims (in which workers miss time from work) per 100 workers has been increasing since 2000. The average length of time loss claims has also been increasing – from 80.4 days in 2000 to 104.1 days in 2004.

“The best solution is prevention,” said Tuton. The Board of Directors has created a \$5 million Prevention Fund out of its reserves to assist partners in creating safer, healthier workplaces.

“We have seen the success of partnerships. We see this fund helping partners to prevent workplace injuries and illnesses and to assist injured workers to return to jobs safely and quickly,” Tuton said.

The Board is also taking action to improve claims management, reduce costs, increase prevention efforts and ensure results for its stakeholders. “Some of this involves hiring new staff – such as an internal auditor, medical experts to assist injured workers, a safety officer, and an investigator,” said Tuton.

“This process is well underway, but is also long overdue. It will achieve cost savings and improvements,” said Tuton. “Our deficit is heading downward, and we intend to keep it that way, for the benefit of all Yukon workers and employers.”

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