

WCB **Update**

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WCB holds assessment rate for third consecutive year

Injury rates must come down for low rates to continue

Manitoba employers continue to have one of the lowest workers' compensation rates in Canada, but accident rates threaten continuation of low rates.

Employers will pay an average rate of \$1.49 per \$100 of assessable payroll in 2001. This is the third straight year the WCB has held the line on assessment rates due mainly to good returns on WCB investments and having one of the lowest administration costs per claim in Canada.

The WCB introduced a new rate setting model in 2001. The purpose of the new rate model is to reward employers and industry sectors with good claims experience and to charge more to those employers and industries with high claims.



Employers in Manitoba will pay an average WCB rate of \$1.49 per \$100 of assessable payroll for the third consecutive year.

"With 13 of every 100 WCB insured workers being injured on the job, there is a serious workplace accident problem that needs to be corrected," said Pat Jacobsen, President and CEO. "Unless we reverse this accident trend we will be unable to sustain low workers' compensation rates."

Workplace accidents in Manitoba rose 3.0 percent from the beginning of 2000. The more serious time loss claims jumped 7.2 percent, greatly exceeding economic growth for the same period.

Under the new WCB rate model, 83 percent of firms saw their rates go down by as much as 11 percent for 2001. The municipalities and forestry sectors received the largest rate decreases, of 5.2 percent and 4.8 percent. Over 11,000 businesses with a payroll of less than \$100,000 saw their rates drop by an average of 9.1 percent.

The remaining 17 percent of employers received a rate increase. The increase is due to the number and severity of their claims and the experience of their industry sector.

WCB stresses need for new safety culture in Manitoba

Rate model, claims management to help reduce risk, impact of injuries

Manitoba has the highest timeloss claim rate for WCB covered workers in Canada - a fact that underlines the need for a new safety culture, WCB Vice President of Financial and Employer Services Alfred Black told the Manitoba Safety Council.

"Injury rates can and should go down, but that's not happening in Manitoba," Black said during a speech to the Council on October 25, 2000.

"I am not sure if it's related to the lack of a safety culture here or if accidents are just considered a cost of doing business. I do know that this trend can't continue. We must work together to establish a culture where safe practices become as natural as breathing."

Black lists several points that help illustrate his point.

- There were 10,314 time-loss accidents during the first six months of 2000- up 431 claims (4.4%) from the same time a year earlier. "What's most alarming is almost one out of five injured workers today is between the ages of 18 and 30," Black said.
- In Ontario, despite a large high risk manufacturing industry, injury rates and

time loss claims have been cut in half in the last 10 years.

- British Columbia has some of the most hazardous occupations across the country. They have also decreased their rates three percent since 1997.

There are a number of major changes underway at the WCB that are designed to reduce the risk and impact of workplace injuries, including the new sector-by-sector method of managing claims and rate model.

All claims are now assigned by industry sector such as mining, manufacturing or transportation. Rather than having staff working on claims from a variety of industries, they'll become more knowledgeable about one or two.

"We will learn more about what's causing accidents and can work towards preventing them," Black said. "We'll work more closely with workers, employers, labour representatives and healthcare professionals to get people back to work sooner."

"Take Standard Aero for example. Here's a company whose WCB premium rates are well below the average for that industry, because they take a very serious approach

to accident prevention. When I visited their plant, a line worker asked why I wasn't wearing safety glasses."

He added that Westeel involves their whole company in its safety initiative.

"A recent poll of their workers resulted in the identification of 519 areas where safety was a concern," Black said. "At last count all but 20 of the concerns have been addressed and I'm sure those will be eliminated soon. Management and staff worked together to make sure their workers are safe on the job."

He added that employers like Westeel will see significant benefits through WCB's new rate setting model introduced for 2001.

"The overall objective of the model is to more closely match the individual employer's assessment to the injury risk that they create," Black said.

"It relates what employers pay directly to their accident experience. Firms with good claims experience will pay less while those with a poor claims history will pay more than they have so far."

Black noted that the new rate model can't prevent accidents by itself, but it is fair and sends the right message. It rewards those businesses that focus on prevention and safety and consequently have less accidents, and it penalizes those with a bad claims history.

"But it's not just the model, what we need is a whole safety infrastructure," Black said. "We need to be talking more about safety and how we're going to prevent accidents."

WCB Unveils “New-Look” Web Site



The redesigned WCB web site (www.wcb.mb.ca) went live January 5. The site is now more interactive, user-friendly, and is being readied for e-commerce.

The site is easier to navigate, has reporting and billing forms for healthcare providers, and information on WCB rates and assessments. The site still includes features such as an online publication order form, newsletter, and several sections for employers, workers and the public.

“While the new design marks the site’s first face-lift in over three years, the driving force behind the change was to make the site more user-friendly,” says Vice President of Reengineering and Technology Terry Edgeworth.

“We also needed to prepare the site for claims reporting and other interactive services we will offer in the future.”

Edgeworth adds that healthcare

providers who submit claims to the WCB can now complete and print the forms off the web site. They can then fax all WCB related information to a fax line.

“The new forms and reporting process now make it easier and faster for healthcare providers to report to us. As a result, we can confirm the details of the accident with the worker and the employer on a more timely basis, which will hopefully return injured workers to health and work sooner.”

The new-look site marks the latest in what will become a constant evolution of the WCB’s presence in the World Wide Web.

“Our web site will become even more interactive in the future,” Edgeworth says. “We want to eventually integrate our customer service strategy with the web, which will lead to more opportunities for our stakeholders to interact with us and complete workers compensation business on-line.”

What are gross earnings for WCB purposes?

For assessment purposes, gross earnings include but are not limited to:

- Employment income (gross earnings) reported in box 14 of T4 slips
- Commission Earnings
- Maternity benefit top-up
- Vacation pay
- Bonuses
- Casual labour
- Labour portion of sub-contract payments
- Per diem allowance
- Pay in lieu of notice
- Taxable travel/vehicle allowance
- Paid sick leave
- Room and board
- Any other taxable allowance or benefits

If you have multiple industry codes, please refer to page 11 of your 2001 Employers Reference Guide, which arrives at your firm in January.

Note: Generally, the earnings of contract workers for specific jobs outside the Construction, Logging and Transportation industries are not assessable if these contract workers operate a business.

Register today for Manitoba Safety Council's Occupational Health & Safety Conference

The Manitoba Safety Council's 16th Annual Occupational Health and Safety Conference and Trade Show, "Safety & Health – Learning, Leading, Living" takes place on February 5th and 6th at the Winnipeg Convention Centre.

This is a "must attend" event for those interested in enhancing their skills, knowledge and professional development in occupational health and safety. The conference provides a practical approach to work-place health and safety issues and gives delegates useful information that they can take back to their workplace. **Attendance at the conference qualifies as a safety training course. Certificates are issued to everyone who attends.**

Why you should attend this event:

- Dynamic keynote speaker
- Leading edge presentations on current topics
- Networking opportunities and an exciting social event
- Trade show features the latest products and services from quality providers in a larger exhibit area

Who should attend:

- Senior managers, supervisors, lead hands, loss and risk managers
- Occupational health and safety specialists, health and safety specialists, health and safety committee members, safety engineers, safety directors, union safety representatives
- Human resource/employee relations professionals, staff training and development officers
- Contractors, consultants
- Government representatives

Contact the Manitoba Safety Council at 204-949-1085 (phone); 204-956-2897 (fax) for a registration form

Employers take advantage of Quarterly Reporting

Over 1,000 Manitoba employers chose to participate in the WCB's Quarterly Earnings Reporting Program for the first time in 2001. The total number of employers in the program now stands at 3,700.

The program improves your firm's cash flow by allowing you to report actual workers' earnings and make payments at the end of each quarter, instead of estimating earnings in advance. The program is available to firms with assessable earnings over \$50,000.

Although the deadline has passed to join the program this year, you can apply for the program in 2002 by contacting Don High at 204-954-4685, or e-mail dhigh@wcb.mb.ca.

Returned cheque charges

In order to help cut administration expenses, the WCB will apply a \$20 charge to any cheque returned by the employer's bank, whether the reason be NSF, ACCT. CLOSED etc. The WCB paid returned cheque charges in the past.

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