

A Small Business Assessment of Workers' Compensation: Yukon Territory Summary¹

The Canadian Federation of Independent Business' (CFIB) *Small Business Workers' Compensation Index* provides a comparative analysis of all the Canadian workers' compensation systems through the lens of the small business owner. This research encompasses 35 indicators in seven major areas of workers' compensation: cost of premiums; claims management; experience rating; classification and assessment; coverage; long-term fiscal sustainability; and customer service. It should be noted that the system is inclusive of provincial workers' compensation boards and other regulatory bodies that play a role in overseeing some aspect of the workers' compensation system. This is the second edition of the *Index*; the first edition was published in 2011.

Given that both the Yukon and Northwest Territories/Nunavut workers' compensation systems serve a small number of clients, they are not included in the main comparison of the provincial systems and do not affect the provincial rankings. Rather, Appendix A of the report illustrates the relative scores for the territorial systems if they were included in the main comparison.

Overall *Index* Scores, Workers' Compensations Systems, 2015 (10 is best; 0 is worst)

Best (10)	Province	Overall Index Scores	Cost of Premiums	Claims Management	Experience Rating	Classification and Assessment	Coverage	Long-Term Financial Sustainability	Customer Service
	YT	3.50	4.8	3.5	N/A	4.6	3.8	5.0	1.1
Worst (0)	NT/NU	3.40	3.7	3.8	N/A	2.9	2.9	9.4	2.8

Competitive Advantages:

The following include some small business- friendly aspects of Yukon territory's system:

- ▶ Assessment payments are made on actual, rather than forecasted, payroll.
- ▶ Online injury reporting available for employers.
- ▶ No mandatory reinstatement for employers with ten or fewer employees.
- ▶ High percentage (80%) of claimants back to work at 90 days.
- ▶ Four payment methods available for employers' to pay their assessments.

¹ This is a summary based on the full report *Ranking Workers' Compensation Boards in Canada: 2015 Small Business Workers' Compensation Index*. www.cfib.ca/a7890e.

Areas for Further Improvement:

Each of the seven areas of workers' compensation, along with the Yukon Territory's respective scores and areas for further improvement, are outlined below.

Cost of Premiums (score 4.8)

- ▶ Regularly review the rate-setting process to ensure that rates do not fluctuate widely from year to year.
- ▶ Ensure administrative costs are controlled.

Claims Management (score 3.5)

- ▶ Establish an independent office of the employer advocate to provide meaningful support to small business owners.
- ▶ Work closely with small business owners to promote health and safety, and assist with back-to-work transition.
- ▶ Take steps to improve the professionalism and fairness of the claims process.

Classification and assessment (score 4.6)

- ▶ Take steps to ensure that classification and premium information is communicated to employers in an understandable manner.
- ▶ Ensure auditors are trained to deal professionally and fairly with small business owners.
- ▶ Provide a range of payment methods, particularly online, to allow for convenient and timely payments.

Coverage (score 3.8)

- ▶ Ensure the amount of benefits offered to injured workers does not create a disincentive to return to work.
- ▶ Introduce a waiting period.

Long-term fiscal sustainability (score 5.0)

- ▶ Maintain a funded position within the ideal funding range (95 per cent to 110 percent).
- ▶ Reduce premiums/distribute surplus assets to employers—Yukon Workers' Compensation Health and Safety Board funding position is above CFIB's ideal funding range, at 160.4 per cent in 2014.

Customer Service (score 1.1)

- ▶ Provide training to front-line staff to ensure they are knowledgeable about the needs of small business.
- ▶ Ensure useful information is provided on board websites in a user friendly manner.
- ▶ Commit to compiling and publishing appeal statistics such as number of appeals, number of successful appeals from employers and employees, timeliness of appeal decisions, etc.
- ▶ Develop an Employer Fairness Code, similar to the WorkSafeBC *Employer Fairness and Service Code* to make it simpler for employers to understand the services and requirements of the workers' compensation system.