

Promoting Safe Workplaces...

Protecting Employers & Workers

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## Workers Compensation Board of Prince Edward Island

November 26, 2004

### IMPORTANT INFORMATION FOR EMPLOYERS

#### WCB INTRODUCES CHANGES TO THE WAY ASSESSMENT RATES ARE CALCULATED

I am pleased to introduce the *Safety Matters@Work, Experience Counts* program for 2005. The *Experience Counts* program is one of a number of WCB's *Safety Matters@Work* initiatives. These initiatives focus on protecting PEI workers and employers through accident prevention and workplace safety efforts. The *Experience Counts* initiative ties the WCB focus on workplace health and safety to employer classification and rate setting.

In the Fall of 2003 and early 2004, the Board worked with employers and Employer Council Inc. (ECI) members on an independent review of employer classification and rate setting systems. ECI members and employers participated in the review process and provided input to the implementation of review recommendations. Employer input clearly indicated that they wanted to see a classification and rate setting system which increased the accountability of employers for workplace safety and a system which rewarded employers faster for positive accident prevention and workplace safety results. The *Experience Counts* program was developed based on external review recommendations and employer input.

The Board has approved an average assessment rate of \$2.33 per \$100 of assessable payroll for 2005. This represents a decrease from the 2004 rate of \$2.39. Our ability to decrease the provincial average assessment rate in 2005 is a very positive indicator with respect to a trend of reductions in both the number and cost of PEI workplace accidents.

In regard to the implementation of the *Experience Counts* program the Board is committed to a 7 year transition plan. This means that in cases where employers see assessment rate increases, as a direct result of the program, these increases will be limited to 5% each year. Detailed rate information for your firm under the *Experience Counts* program will be included in the Employer Registration Kit mailed to you in early January. Projections indicate that through implementation of the *Experience Counts* program in 2005 approximately 70% of PEI employers will see a decrease in their 2005 assessment rate over their 2004 rate while approximately 30% will see an increase.

We are committed to fostering effective communications on the *Safety Matters@Work, Experience Counts* program for all employers. This communication will include an offer to work one-on-one with employers who are at risk of a significant increase in their assessment rate over the 7 year transition period.

If you have any questions or concerns about the new program, please contact WCB Employer Services at 902-368-5680 or call toll free at 1-800-237-5049.

Sincerely,

Greg MacCallum  
Manager, Employer Services

