
WORKSAFENB'S 2019 ASSESSMENT RATE

1. Why is the average assessment rate increasing for the third year in a row?

The higher assessment rates are being driven by the still rising cost of workers' compensation claims, which has doubled from \$199 million in 2014, to a projected \$400 million in 2018. During this same period, WorkSafeNB's liabilities increased by \$800 million, though the impact of this cost increase on employer rates was partly offset by strong investment returns.

In 2018 alone, claim costs are projected to exceed revenues by approximately \$200 million.

2. Why are the workers' compensation costs rising so much in New Brunswick whereas they are flat or declining in other provinces?

Legislation introduced in 2015 created an external Appeals Tribunal, as is best practice, to provide workers and employers an independent avenue to review certain WorkSafeNB decisions. However, over recent years it has been evident that the workers' compensation system in New Brunswick, following the implementation of the 2015 legislation, is unique in Canada whereby WorkSafeNB does not have full control over policy. This has resulted in significant costs and a shift in workers' compensation claiming patterns.

For more information related to WorkSafeNB's current financial position, check out our [Third Quarter & 2019 Rate Presentation](#) and [Q3 Report](#).

3. What is WorkSafeNB doing to stabilize these rising costs and protect benefits for workers?

In July, the Ministerial Task Force on WorkSafeNB released their final report outlining 28 recommendations for legislative and policy changes needed to provide short-term solutions and long-term sustainability. WorkSafeNB supports all 28 recommendations put forward by the Task Force and urges the Government of New Brunswick implement these changes in the upcoming legislative session. These recommendations are aimed at achieving a balance to secure and improve benefits to injured workers as well as address rising costs for employers.

To learn more about the Task Force recommendations and why WorkSafeNB is in full support of their implementation, please read our [FAQ on the Task Force Recommendations](#).

In addition, WorkSafeNB has been taking action to find efficiencies and improve our service delivery through a review of all internal practices. We take this situation very seriously and are committed to doing everything we can to ensure the long-term sustainability of the system.

4. What components make up WorkSafeNB's average assessment rate?

The breakdown of the 2019 assessment rate is as follows:

2019 Assessment Rate Components	
New Accident Costs	\$1.80
Funding Required to Return Accident Fund to 110% (\$380 million payable over 8 Years)	\$0.52
Administration*	\$0.52
Reorganization & IT Systems Transformation	\$0.08
Average Assessment Rate	\$2.92

*Administration services provided include compensation, prevention, education, compliance, and case management, to name just a few.

5. Do all employers pay assessments at the average rate?

WorkSafeNB’s goal in setting assessment rates is to promote fairness and accountability. To that end, very few employers will actually pay the average assessment rate of \$2.92 per \$100 of payroll. The industry assessment rates in 2019 will range from \$0.57 to almost \$9.50 per \$100 of payroll.

An individual employer’s rate can include an experience rating surcharge or reduction and is a reflection of their own performance as well the performance and risk of their industry.

To learn more about how assessment rates are set, [watch our rate setting video](#).

6. The 2019 average assessment rate is increasing by 72%. Will each employer’s assessment rate increase by 72% over 2018?

No. Factoring in experience rating, almost all employer rates will increase, but not all will increase by 72%. The breakdown is as follows:

- 5% of employers will experience an increase by less than 52%
- 34% increase from 52% to 72%
- 56% will increase from 72% to 92%
- 5% will increase by more than 92%

7. Is there anything employers can do to lower their assessment rate?

While we understand that there are external factors impacting the assessment rates, we ask that employers remain steadfast in their commitment to health and safety by providing:

- All employees with proper safety training and ensuring workplace joint health and safety committees are operating effectively;
- Safe return to work options for injured workers as early as possible, including modified duties and gradual return to work options; and
- Proper personal protective equipment such as ear protection in noisy workplaces.

These efforts in the past have helped reduce costs and, in the current environment, have helped offset what would otherwise be larger increases in assessment rates. We thank all New Brunswick employers for their continued commitment to the safety of their workers, and for their dedication to helping injured workers return to their jobs.

Our ultimate goal is working with employers and workers so that every New Brunswicker returns home safely at the end of each work day.