

2005/03/22-01

THE WORKERS' COMPENSATION BOARD OF BRITISH COLUMBIA
RESOLUTION OF THE BOARD OF DIRECTORS

RE: Construction Industry Experience Rating Program

WHEREAS:

Pursuant to section 82 of the *Workers Compensation Act*, RSBC 1996, Chapter 492 and amendments thereto ("*Act*"), the Board of Directors ("BOD") must approve and superintend the policies and direction of the Workers' Compensation Board ("WCB"), including policies respecting compensation, assessment, rehabilitation and occupational safety and health, and must review and approve the operating policies of the WCB;

AND WHEREAS:

Section 42 of the *Act* authorizes the WCB to adopt a system of experience rating in order to establish differentials in the rates between the industries or plants within a class or subclass;

AND WHEREAS:

Effective January 1, 2000, the Panel of Administrators approved the Construction Sector Experience Rating Pilot ("Pilot"), a three-year experience rating pilot for the construction sector, that provides for maximum experience rating surcharges and discounts of 33.3% (Resolution #2000/01/21-02);

AND WHEREAS:

In 2002 the Council of Construction Associations requested an extension of the Pilot to the end of 2003, and the WCB granted that request and extended the Pilot until December 31, 2003 (Resolution #2002/10/16-04);

AND WHEREAS:

In 2003 the Council of Construction Associations requested an extension of the Pilot to the end of 2004, and the WCB granted that request and extended the Pilot until December 31, 2004 (Resolution #2003/08/12-03);

AND WHEREAS:

In 2004 the Council of Construction Associations requested an extension of the Pilot to the end of 2005, and the WCB granted that request and extended the Pilot until December 31, 2005 (Resolution #2004/10/26-04);

AND WHEREAS:

The Council of Construction Associations and other construction industry representatives have requested that the maximum experience rating surcharges and discounts of 33.3% be continued for the Construction Sector;

THE BOARD OF DIRECTORS RESOLVES THAT:

1. The Pilot be concluded on December 31, 2005.
2. Effective January 1, 2006, the Construction Industry Experience Rating Program be created within and form part of the WCB's experience rating plan; and all components of the WCB's experience rating plan will apply to the Program save that maximum experience rating surcharges and discounts will be limited to 33.3%.
3. Contingent upon firms in the Construction Sector participating fully in WCB initiatives and/or special programs which have the purpose of reducing the frequency and/or cost of work-related injuries, diseases, and deaths, effective January 1, 2006, firms in the Construction Sector will be placed into the Construction Industry Experience Rating Program.
4. The WCB Administration will identify firms in the Construction Sector with significantly higher than average claim costs. The industry will be required to work proactively with the WCB to improve health and safety in those firm's workplaces through education and enforcement, with a view to reducing their injury rate and claim costs.

5. The Assessment Department will evaluate the effectiveness of the Construction Industry Experience Rating Program and will report the results of the evaluation to the BOD by no later than December 31, 2010.
6. This resolution is effective January 1, 2006.
7. This resolution constitutes a policy decision of the Board of Directors.

DATED at Richmond, British Columbia, March 22, 2005.

By the Workers' Compensation Board

**DOUGLAS J. ENNS, CHAIR
BOARD OF DIRECTORS**