

2017/11/22-02

**THE WORKERS' COMPENSATION BOARD OF BRITISH COLUMBIA****RESOLUTION OF THE BOARD OF DIRECTORS****RE: Impact of Changes to Rate Groups on Experience Rating****WHEREAS:**

Pursuant to section 82 of the *Workers Compensation Act*, RSBC 1996, Chapter 492 and amendments thereto ("*Act*"), the Board of Directors must set and revise as necessary the policies of the Board of Directors, including policies respecting compensation, assessment, rehabilitation, and occupational health and safety;

**AND WHEREAS:**

The Workers' Compensation Board has authority under sections 37(1) and 37(2) of the *Act* to create and rearrange classes, and authority under section 42 to adjust assessment rates and to experience rate employers;

**AND WHEREAS:**

In 2018 as a consequence of the consolidating of rate groups within the Employer Classification System, new rate groups were formed and employers were assigned to these new rate groups.

**AND WHEREAS:**

Pursuant to section 42 of the *Act*, the Workers' Compensation Board has adopted a system of experience rating;

**AND WHEREAS:**

General guidance on the experience rating system is provided in *Assessment Manual Item AP1-42-1*;

**AND WHEREAS:**

The Board of Directors has been made aware of concerns that the strict application of *Assessment Manual Item: AP1-42-1*'s requirement that an employer's experience rating be determined, in part, by comparing its cost to assessable payroll ratio to the cost to assessable payroll ratio of its rate group has resulted in a notable negative impact to the experience ratings of nine identified employers, as a result of the composition of the new rate groups to which these employers were assigned;

**THE BOARD OF DIRECTORS RESOLVES THAT:**

1. Nine firms identified by WorkSafeBC as having experienced deterioration in their 2018 experience rating, owing solely to the change in their industry's rate group to achieve more equitable and stable insurance rates, shall have their 2018 experience rating manually calculated to better reflect their cost rate performance.
2. This resolution is effective January 1, 2018.
3. This resolution constitutes a policy decision of the Board of Directors.

DATED at Richmond, British Columbia, November 22, 2017.

**By the Workers' Compensation Board**

A handwritten signature in black ink, appearing to read 'J. Beckett', is written over a horizontal line.

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**JOHN BECKETT, CRSP, CHRP  
CHAIR, BOARD OF DIRECTORS**