

## Balance and Fairness in the Rates You Pay

The WCB is introducing changes to its current rate model to enhance fairness and balance. After consulting with stakeholders across Manitoba, we're moving towards an improved rate model that responds to employers' concerns.

"We gathered feedback from both employers and labour and are using it to help enhance our rate system," says Winston Maharaj, WCB President and CEO. "Over the next five years, we'll be phasing in changes to create a system that balances individual employers' claims experience with collective liability."

One of the first adjustments that employers will see in 2016 is a narrower risk category range that restricts how much rates can move above or below the category average.

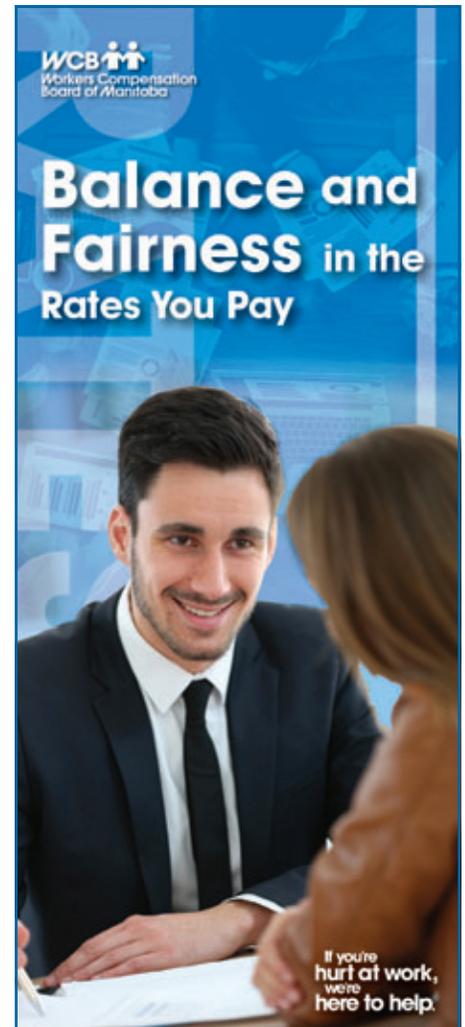
The upper boundary of the category ranges will be reduced from 200 per cent to 120 per cent of the category average for all employers. For small and medium employers, the lower boundary will rise from 40 per cent to 30 per cent in 2016.

Raising the lower boundary will mean slightly higher rates for those who are at or near the bottom of the range, but it also means enhanced shared liability and protection against the potential of a single claim drastically driving up premiums.

Another transition that employers can expect to see is a reduction in the basic annual rate change limit. Beginning in 2016, it will be capped at a maximum of 15 per cent upwards or downwards. This will help reduce volatility by regulating how much rates are allowed to go up or down in one year and also protect against large rate increases.

"We recognize that there are differences among small, medium and large employers, and we want to be responsive to their unique circumstances," says Maharaj. "Overall, the changes we're making will lead to a system that is more balanced and in line with the rest of Canada."

Employers will see further transitional changes in 2017 as we move closer to



the new assessment rate model, which will be fully implemented by 2018.

For more information, visit [wcb.mb.ca](http://wcb.mb.ca) and click on **Employers > Rate Model Enhancements**. You can also contact Assessment Services at 204-954-4505 or toll free at 1-855-954-4321, extension 4505.

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## Average Assessment Rate Set to Drop in 2016

The average WCB assessment rate in Manitoba will drop to \$1.25 from \$1.30 per \$100 of assessable payroll beginning January 1, 2016, maintaining Manitoba's rate as one of the lowest rates in Canada.

The commitment of employers and workers to prevention and recovery goals and the WCB's healthy financial situation made the rate decrease possible.

"The success of prevention and return to work efforts by the WCB, workers and employers are helping to create a competitive business advantage that comes with lower assessment rates," says Winston Maharaj, WCB President

and CEO. "Our effective financial stewardship has also contributed to a healthy reserve surplus, allowing us to decrease rates."

The average rate reduction will result in the WCB collecting 9 million dollars less from employers in 2016 than in 2015. Overall, nearly 40 per cent of employers will see a decrease in their assessment rate in 2016.

The average rate reduction will also cushion the impact on employers as the WCB transitions to a new rate model. Transition to the new rate model will be phased in over five years.

In 2016, one of the transitional

changes that will be implemented is compressing the risk category range. This range dictates the highest and lowest rate an employer can pay. The compression of the risk category range creates a more collectively pooled and fair and balanced system. However, compressing the range will result in a rate increase for those employers that are at the very bottom of their rate code category range. This increase in rate buys more protection against the potential of the cost of a single claim drastically driving up premiums.

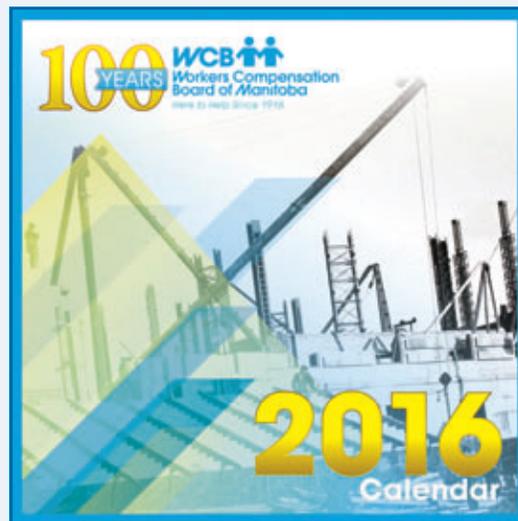
The gradual increase in the maximum assessable earnings cap also continues, with the 2016 ceiling set at \$125,000.

### WCB Centennial Calendar

The WCB will be celebrating 100 years of helping Manitobans in 2016 and we're inviting our stakeholders to join in on the festivities with our free 2016 Centennial Calendar.

The calendar features historical photos and snippets about the key figures who helped introduce worker's compensation in this province and the advances over the last century that have kept us relevant in a changing Manitoba. The calendar also highlights interesting dates in the history of our stakeholders.

Join us in celebrating 100 years of serving employers and workers. To request a free calendar, email [wcb@wcb.mb.ca](mailto:wcb@wcb.mb.ca) or call 204-954-4321 (toll free 1-855-954-4321).



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