

Council of Construction Associations
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COCA Update on WorkSafeBC Activities #508 May 19, 2011

Deadline Looms for Comments on Experience Rating Review

Contractors and construction associations who have not yet sent a letter to WorkSafeBC on this critical issue are reminded that the deadline for sending a letter is May 30, 2011.

ER varies the base assessment rate that the individual employer pays. The rate increases or decreases from the base rate according to the employer's claim costs.

Currently, the Construction Industry has a maximum merit rate of 33.3% and a maximum demerit rate of 33.3%. As of 2000, all other BC industry was changed to a maximum merit rate of 50% and a maximum demerit rate of 100%. There is strong pressure from the WorkSafeBC administration to move the Construction Industry to the merit/demerit of 50/100.

The COCA Directors strongly believe that the 33/33 levels should be made permanent. Our industry has a highly transient workforce that moves from project to project; soft tissue injuries are very difficult to diagnose and to manage; the recent recession has dramatically increased the duration of claims and created major financial challenges. We are in a fragile recovery stage; this is not the time to make a major change to serve the convenience of the WorkSafeBC administrative process.

Please take the time to email a letter to WorkSafeBC.

Here are two Sample Letters: a Short Sample Letter and a Detailed Sample Letter

Short Sample Letter

Send by email to: policy@worksafebc.com
Attention: Cameron Angus
Senior Policy Analyst
Policy and Research Division
WorkSafeBC

Dear Mr. Angus:

I am writing to oppose any change to the current Experience Rating system with its maximum discount level of 33.3% and the maximum surcharge level of 33.3%.

I believe that the variation at 33/33 is at the right level for our industry and I oppose any change to make the maximum discount 50% and the maximum surcharge 100%.

Thank you for considering my opinion.

Yours truly,

Detailed Sample Letter (you may chose to use all or parts of this letter)

Send by email to: policy@worksafebc.com
Attention: Cameron Angus
Senior Policy Analyst
Policy and Research Division
WorkSafeBC

Dear Mr. Angus:

I am writing to give my opinion on the proposed change to the WorkSafeBC Experience Rating system that seeks to increase the maximum discount and the maximum surcharge.

I respectfully ask that you maintain the current maximum discount level of 33.3% and the maximum surcharge level of 33.3%. I believe that a maximum discount of 50% and a maximum surcharge of 100% is far too large a swing.

Our industry has been at the 33/33 level for 11 years. We now have the lowest average assessment rate in the history of the Construction Industry. We also have the lowest ever Injury Rate.

We need a practical approach to Experience Rating, not a “one size fits all” theoretical change. As an industry, we know best what works for us.

The current maximum discount and surcharge of 33.3% -- which is a swing of 100% --already provides a major financial incentive to invest in safety.

This is not the time to be making changes. We are recovering uncertainly from a massive global recession. At a time of major financial upheaval, we need stability, not a major change in Experience Rating.

Our industry is has special challenges that make it more difficult to achieve prompt return to work and fairly limit the length of time on workers' compensation.

Our industry has no fixed worksites; projects start and finish and workers may lose employment at the end of each project. A project may last only days or weeks before it is time to move on.

Soft tissue injuries make up 43% of all injuries in construction – and the injuries can be carried from one employer to the next. The employer has no way of knowing whether the injury took place on their worksite.

A change to a 50/100 Experience Rating system will drive more people to the underground economy – where safety receives little attention.

We ask that you permanently establish the construction industry at the 33/33 maximum discount and surcharge for Experience Rating.

Yours truly,