

## ORAL QUESTION—KEVIN O'REILLY, MLA FRAME LAKE

### QUESTION 421-18(2): SAFE ADVANTAGE PROGRAM PREMIUM REDUCTIONS

October 28, 2016

**MR. O'REILLY:** Mahsi, Monsieur le president. Earlier today I spoke about the WSCC Safe Advantage program and the practice of refunding a portion of premiums employers whose last three years of premium assessments were \$40,000 and whose continuing premiums remain above \$32,000. Can the Minister responsible for WSCC explain why this refund feature is not available to all premium payers and only to those paying above a fairly substantial threshold amount? Mahsi, Mr. Speaker.

**MR. SPEAKER:** Masi. Minister responsible for Workers' Safety and Compensation.

**HON. GLEN ABERNETHY:** Thank you, Mr. Speaker. Mr. Speaker, the WSCC is focused on ensuring safe workplaces and ensuring that the employees have safe environments to work so that no injuries occur. The Safe Advantage program details, as the Member has indicated, with businesses over \$40,000 in assessment. It was found, Mr. Speaker, that large businesses, due to their accident records and claim costs drive the rates for all businesses in the Northwest Territories. If the WSCC can get large businesses to lower their accident rates, then it will lower assessment rates for everybody, including small businesses. So their focus is on the larger businesses who actually have the claims actually occurring and are driving costs. Thanks, Mr. Speaker.

**MR. O'REILLY:** I appreciate the response from the Minister, but what seems to be driving the bus here is reducing premiums rather than safety. So I'll again ask the Minister whether a firm's large or small, these safety programs have a cost. When small firms have to take on these programs, that's probably proportionately a greater cost. So does the Minister not agree that small employers face proportionately equal or even greater costs for safety programs and will he consider eliminating the premium threshold for refund eligibility under the Safe Advantage program?

**HON. GLEN ABERNETHY:** Mr. Speaker, the Member's statement that they're more interested in claims costs or premiums is completely off base. The corporation, the WSCC, is focused on safety. As I indicated, the vast majority of claims costs are coming from large businesses. The WSCC absolutely, without question, recognizes the value of small businesses and is working hard to help small businesses reduce their overall costs. Recently they put in a program and hired an employee who can sit down with small businesses, at no cost, to help them develop their safety plans, their safety programs.

This is a way to actually help them reduce their costs right from the start. The WSCC is also putting in a training position that can help the organizations, small businesses, with mandatory training, to help them deliver it at little to no cost to the businesses, also helping the businesses remain sustainable. Mr. Speaker, the corporation is committed to small businesses, it's committed to safety, and is committed to residents of the Northwest Territories.

**MR. O'REILLY:** I guess we have a difference of opinion here, but earlier I mentioned that COR certification can probably meet many of the same sorts of needs that the Minister spoke about, having these staff and working with small businesses and so on. But COR actually is subject to

independent audit as well, so again the issue is one of cost for small businesses. Those that have already adopted COR, can't we find a way to help them in terms of their WSCC premium? So if the Minister won't consider refunds, can he suggest financial incentives or awards for businesses that do introduce a COR?

**HON. GLEN ABERNETHY:** Mr. Speaker, yes, we clearly have a difference of opinion. The COR program is a construction-based safety program. It's a good program, there's no question. I support COR and there's a lot of organizations that are using COR to significant advantage; it helps them develop the plans they need, but it's very expensive to obtain and very expensive to maintain. It costs about \$15,000 for a small business to get registered with COR and about \$5,000 to \$10,000 a year to maintain.

So the Member's suggestion that we require COR would actually drive up the costs of small businesses. We have put in, in the WSCC, a position to help individuals, small businesses, develop their safety plans. If you go to the websites, there's tons of different programs out there offering safety programming and assistance in developing safety plans that are very affordable, in many cases free, that can be done to help those small businesses meet their obligations under the WSCC legislation. That is the direction that the WSCC has taken, they're providing support to small businesses so that they can do these safety plans for minimal to no cost, while at the same time recognizing the value of COR for those larger organizations who have the capacity and the numbers to warrant COR.

**MR. SPEAKER:** Masi. Oral questions. Member for Frame Lake.

**MR. O'REILLY:** Mahsi, Mr. Speaker. I think the Minister's misrepresenting what I was saying. I'm not talking about making COR certification a requirement for WSCC programs and so on. What I'm saying is that those small businesses that have actually entered into it voluntarily don't seem to get any recognition through WSCC in terms of having voluntarily adopted this and the extra costs that it brings on. So once again, can the Minister commit to look at the Safe Advantage program and find ways to allow for those small businesses that have voluntarily entered into COR, that they receive some sort of financial advantage, not just the big guys, we're talking about the little guys. Mahsi, Mr. Speaker.

**HON. GLEN ABERNETHY:** Mr. Speaker, by design the Safe Advantage program has a review that is done every five years. They had a review done a number of years ago after the first five years was completed that talked about the value of supports and resulted in some changes. There will be another review in a couple years, at which point they'll be able to assess whether or not the Safe Advantage program is meeting its needs to drive down costs for all employers across the Northwest Territories. I look forward to seeing that review. Thank you, Mr. Speaker.