



Saskatchewan
Workers'
Compensation
Board

NEWS RELEASE

For Immediate Release

June 29, 2016

The WCB to distribute excess surplus to employers *Eligible employers to receive 100% of excess surplus in 2016*

REGINA, SK – Today, the Saskatchewan Workers' Compensation Board (WCB) announced a \$281.5 million surplus will be distributed to employers in 2016 as part of the 2015 surplus announced at its annual general meeting in May.

At the WCB's 2015 year end, the funded position was 144.7 percent, which exceeded the 105 to 120 percent funding policy target range, resulting in a surplus of \$281.5 million. The surplus will be distributed to eligible employers in two instalments in July and December of 2016.

Chairperson Gordon Dobrowolsky said, after seeking input from both worker and employer representatives, and weighing several factors, the Board made the decision to distribute 50 percent of the 2015 surplus to employers in July 2016 and the remaining 50 percent by the end of this year.

"As a Board, we are legislated to ensure the present and future financial security of the compensation system in our province," Dobrowolsky said. "We carefully weighed our decision on behalf of both employers and injured workers. We considered market uncertainties and investment return volatility, a funding policy review, cash flow requirements, economic uncertainty, and changes in accounting and actuarial standards as well as the potential impacts of the Committee of Review recommendations."

Dobrowolsky said the increase in the 2015 funded position is substantially due to investment income.

"We are pleased to see that there will be a distribution to employers, which will help grow the economy," said Don Morgan, Minister of Labour Relations and Workplace Safety and Minister Responsible for the Workers' Compensation Board. "WCB has done an excellent job managing their investments and we thank them for the work they do on behalf of the working women and men of Saskatchewan."

Employers are eligible for the 2016 surplus distribution if their net premiums were

greater than their claims costs over the three-year period from 2012 to 2014. A three-year period was chosen to ensure employers were not disqualified based on one or two years of higher claim costs. The amount of the distribution that each eligible firm receives was determined based on their 2014 base premiums because 2014 is the most current year of assessed actual payroll.

The WCB's funded position is impacted by the WCB's investment performance, which fluctuates depending on world economic activity. The last similar surplus distribution from the WCB was in 2015 based on the 2014 funded position.

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Mission: Zero is an initiative to eliminate workplace injuries in Saskatchewan. Launched at the WCB's 2008 Annual General Meeting, the Mission: Zero campaign and programs drive home the impact of work injuries and the importance of workplace safety and injury prevention. The intent behind Mission: Zero is to bring about faster and deeper reductions to the provincial workplace injury rate.

The Workers' Compensation Board is committed to the elimination of workplace injuries and illnesses. Thank you for having a safe day.