

WCB Introduces Incentives to Assist Successful Return to Work

Richmond, B.C., January 20, 2004 – B.C. employers in the pulp and paper industry will soon have a strong incentive to assist injured employees in returning to work. Employers that meet specified standards in disability management will now be rewarded with discounts in their workers' compensation premium rates.

The three-year pilot project was developed in collaboration with the Workers' Compensation Board, employers and unions.

“We believe so strongly in the principles of effective rehabilitation we decided it was time to offer a positive financial incentive to the employers who will participate in the pilot project,” said WCB Chief Financial Officer Sid Fattedad. “Incentives work and if this project is successful, as we expect it will be, we will look to adapting the model to other industries.”

The pulp and paper industry was selected as the test employer because while its accident rate has dropped sharply over the last decade, the duration of absences for those injured has increased dramatically.

Under the new program, employers will undergo an audit of their disability management program by an accredited independent third-party. If they achieve a score of 80 percent or better, they will be eligible to receive an immediate 10 percent discount in their WCB benefit and administration cost rates. For a company of 800 employees, this could mean a typical savings of \$40,000 per year.

The CBDMA audit tool – chosen by the industry and acceptable to the WCB – was developed by the National Institute of Disability Management and Research (NIDMAR). As it requires workers and employers to achieve consensus, the plan has been supported by unions and employers alike.

“It's important for workers to be treated with respect,” said Dave Coles, Vice-President Western Region, for the Communications, Energy & Paperworkers Union of Canada (CEP). “We believe the audit tool leaves little room for misinterpretation or subjective judgement and we support initiatives that will help workers return to their jobs in a caring and fair way.”

Speaking on behalf of participating employers, Mike Rushby, Vice-President for human resources for Weyerhaeuser Canada, said that encouraging companies to develop effective disability management plans is simply the right thing to do.

“For the companies, it helps reduce the cost of disability premiums and it prevents the loss of valuable employees. But there's also an important human aspect that no one should overlook,” he said. “For anyone who's been off work for one year, there's only a 20 percent chance he or she will ever return to paid employment and evidence shows that

many of these people are forced to live well below the standard they'd achieved previously - sometimes in poverty.”

“Getting people back to work often requires accommodations and creativity by the employer, unions and the injured or disabled employee. We support this initiative because it recognizes the needs of everyone involved and has great potential for reducing human misery.”

Serving nearly two million workers and about 176,000 employers, the Workers' Compensation Board of B.C. is a provincial statutory agency governed by a Board of Directors. The WCB is committed to a safe and healthy workplace, to providing return-to-work rehabilitation and legislated compensation benefits to workers injured as a result of their employment, and to being responsible, accountable and financially sustainable.

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