

**LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
9TH ASSEMBLY, 11TH SESSION**

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TABLED ON SEPTEMBER 8, 1983

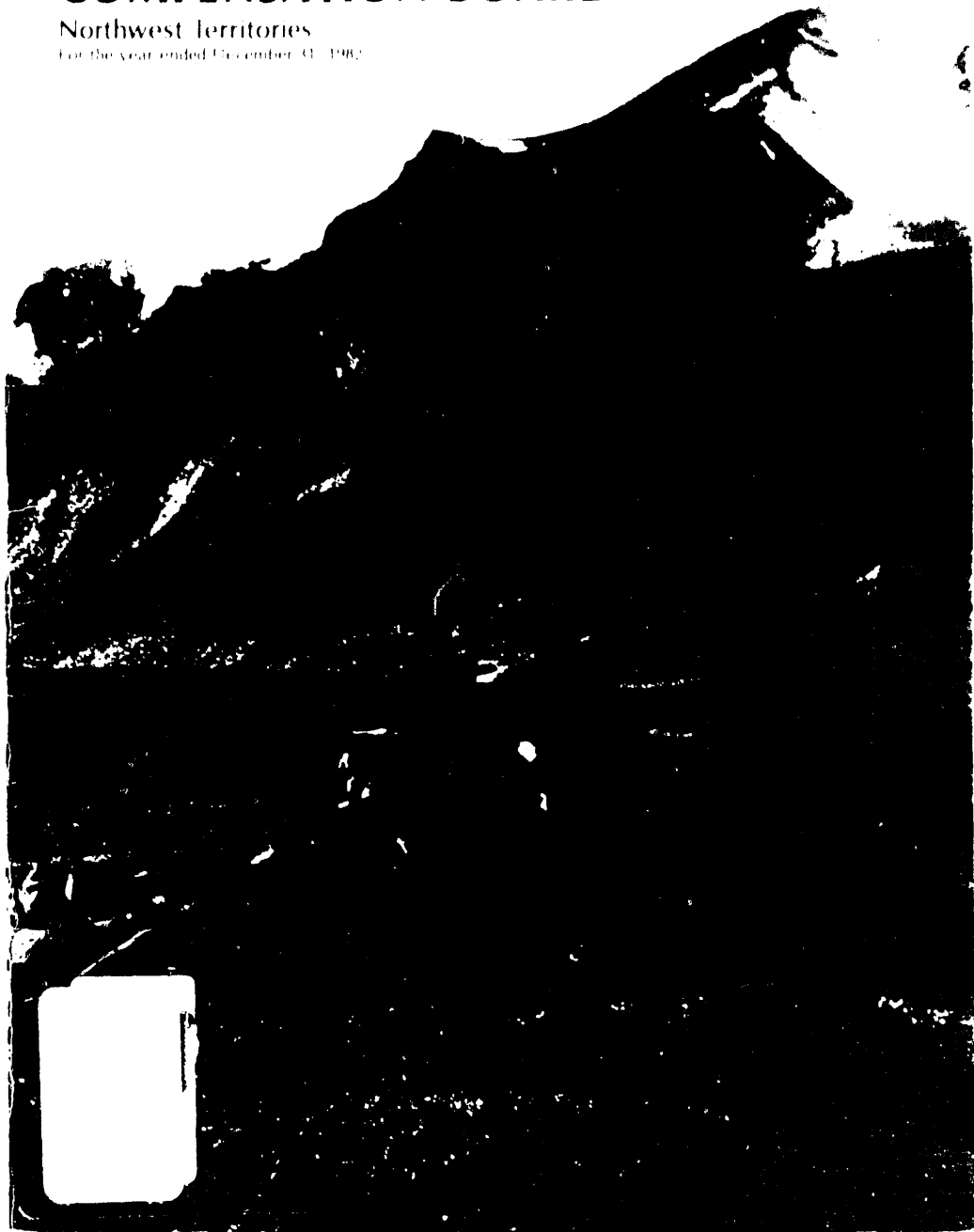
1992

Sixth Annual Report

WORKERS' COMPENSATION BOARD

Northwest Territories

For the year ended December 31, 1992





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Workers' Compensation Board
Annual Report

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The Workers' Compensation Ordinance

The purpose of the Workers' Compensation Ordinance is to provide recompense to the worker for wage loss due to disability from personal injury by accident arising out of employment, without recourse to litigation. It ensures promptness and certainty of payment to the worker or dependants without unduly burdening the employer.

It extends the worker's protection to all accidents arising out of and in the course of employment instead of merely those caused by the negligence of the employer; it places the adjudication of claims in the hands of the Workers' Compensation Board instead of the courts; and it makes the employer's liability collective instead of individual.

The Workers' Compensation Board of the Northwest Territories, is the agency responsible for the administration of the Workers' Compensation Ordinance and the adjudication of all matters arising thereunder.

J. D. C. MacLean
Chairman

D. Johnston
Board Member

Willie Adams
Board Member

R. Kuptana
Board Member

W. Berezowski
Board Member

B. C. Roberts
Board Member

W. R. Hargrave
Board Member

J. Todd
Board Member

A. R. W. Hettrick
Board Member

M. Zubko
Board Member

A. Hope
Board Member

Summary of Present Benefits — 1983

Maximum yearly earnings assessed on	\$23,200.00
Maximum yearly earnings compensated on	23,200.00
Rate of compensation	75%
Maximum yearly amount of compensation	17,400.00
Maximum weekly earnings compensated on	446.15
Maximum weekly compensation	334.62
Widow's pension — per month	638.00
Widow's special immediate allowance	928.00
Widow's re-marriage allowance — 12 monthly payments x \$638.00	7,656.00
Where fatality occurs a considerable distance from place of burial all transportation costs within the N.W.T.	
Child's pension — per month, up to age 16 or if still attending school	145.00
Maximum pension to widow and children	No limit
Dependent's pension (where no widow and children) proportionate to pecuniary loss not to exceed \$638.00 per month	
Minimum compensation for permanent total disability per month	638.00
Minimum compensation for temporary total disability per week	147.23
for average earnings of that amount or more, and actual earnings if less than \$147.23 per week	
Medical aid which includes hospitalization, surgery, drugs, etc. is also provided	
(All Compensation Benefits are non-taxable)	



**To: Hon. George Braden
Minister
Responsible for the
Workers' Compensation Board**

**And to: John H. Parker
Commissioner
Government of the N.W.T.**

May it please Your Honour: Sir, in accordance with Section 58 (2) of the Workers' Compensation Ordinance, we now submit the 6th annual report of the Board, for the year ended December 31, 1982.



Introduction

Operations

In 1982, the Workers' Compensation Board processed a total of 3,142 claims on work injuries, industrial diseases and fatalities.

The Workers' Compensation Board expenditures for compensation claims totalled \$1,149.00 in 1982. The amount allocated to the Future Claims Reserve for expenditure in the future on 1982 claims is \$5,078.00.

Level of Workers' Benefits in 1982

- (1) Year's Maximum Assessable Remuneration is \$23,200.
- (2) Permanent Partial Disability — Proportion of 75% of earnings based on the degree of disability.
- (3) Temporary Total Disability — 75% of earnings for period of disability. Minimum \$147.23 per week or earnings if less. Maximum \$1,450.00 per month.
- (4) Temporary Partial Disability — 75% of difference in earnings or proportion of 75% based on degree of disability.
- (5) Funeral Cost — \$928.00 plus the cost of transporting body — necessary costs within the Northwest Territories.
- (6) Additional expense payment consequent on death of worker — \$928.00.
- (7) Widow's or Widower's pension — \$638.00 a month, plus discretionary allowance.
- (8) Children's pension — Children who are dependants of the worker — \$145.00 per month to age 16. These payments continue to the end of the first college degree for educational purposes.
- (9) All medical aid and doctor fees.
- (10) Rehabilitation costs.

General information on the administrative features of the compensation, assessment, and finance divisions is attached as an Exhibit to this report.

Events

1. **Y.M.A.R.** The Workers' Compensation Ordinance was amended by the Legislative Assembly in 1981 effective January 1, 1982 to increase the Year's Maximum Assessable Remuneration to a maximum of \$23,200.00 from the previous level of \$20,400.00. All compensation benefits are proportionately dependent on the amount of the Y.M.A.R.

2. **Existing Pensioners:** Pensions were revised upwards and came into effect January 1, 1982 confined to those whose disability was greater than 10%, as well as to dependants of the deceased workers.

3. **Merit Rebate:** In accordance with the merit rebate plan implemented in 1979 the 1981 rebates in the amount of \$1,077,000.00 were issued to employers in 1982. The Board has decided to continue the Merit Rebate Program for another three years, and has made some administrative changes in the program in anticipation of enhancing accident prevention in the workplace.

4. **Actuarial Certificate:** The actuarial certificate is attached hereto as Exhibit II.

5. **Administration Costs:** The Board tables its administrative budget each year at the January Session of the Assembly. The Schedule of the Board's administrative and general expense for the 1982 calendar year is attached in exhibit III..

6. **Investments:** In the year 1982, the Board through its Investment Committee continued with its definitive investment policy. The Royal Trust Company of Canada continued as the Board's investment custodian and the Firm of Bolton Tremblay Inc. as counsel for the Board's investment portfolio. Details of the Board's investments are included in the financial statements.

7. **Accident Prevention:** The Accident Prevention Division continued liaison with Industry and Labour with respect to the Merit Rebate Program. Several seminars and visitations were made in an attempt to encourage safer working environments for the prevention of accidents. The Division remains actively connected with the Northwest Territories Safety Division and the Federal Government Agencies responsible for safety enforcement in the Northwest Territories.

8. **Industrial Classification:** The funding, application and operating reserve balances for the assessment industrial classifications are attached hereto as Exhibit III.

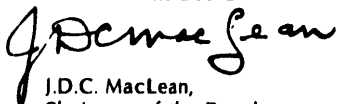
9. Statistics: A breakdown of all claims as to type of injury and geographical location of occurrence is set out in Statistics Schedules attached as Exhibit V to this report.

10. Financial Statements: Exhibit I with the accompanying financial statements thereto set out the Board's financial results for the calendar year 1982. The accounts of the Board have been audited and the report of the Auditor General is attached.

11. Treating Professionals, Hospitals: An essential part of the workers' compensation system is the contribution by the medical professionals and institutions in the treatment of the injured workers. The Board appreciates the assistance and co-operation provided by these persons and organizations.

12. Staff: The Board wishes to record its appreciation to the staff for their excellent performance throughout the year in providing prompt and courteous service to the workers, employers and other interested groups.

on behalf of the Board

A handwritten signature in cursive script that reads "J.D.C. MacLean".

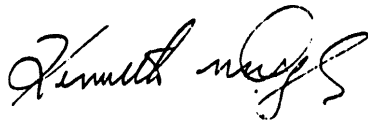
J.D.C. MacLean,
Chairman of the Board.

Exhibit I

The Commissioner
Government of the Northwest Territories

I have examined the balance sheet of the Workers' Compensation Board (Northwest Territories) as at December 31, 1982 and the statement of operations and operating reserve for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Board as at December 31, 1982 and the results of its operations for the year then ended in accordance with the accounting policies set out in Note 2 to the financial statements, applied on a basis consistent with that of the preceding year.



Kenneth M. Dye, F.C.A.
Auditor General of Canada

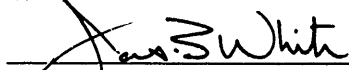
Ottawa, Ontario
May 21, 1983



Balance Sheet
as at December 31, 1982


Assets	1982	1981
	(in thousands of dollars)	
Short-term notes	\$17,169	\$10,512
Investments maturing within one year	2,000	—
Assessments receivable	2,346	2,792
Accrued interest receivable	905	759
Long-term investments (Note 3)	19,214	16,186
Fixed assets (Note 4)	<u>88</u>	<u>68</u>
	<u>\$41,722</u>	<u>\$30,317</u>
Liabilities		
Accounts payable	825	397
Assessments refundable	600	500
Merit rebates	1,535	1,050
Pension liability (Notes 5 and 8)	16,056	8,504
Future claims liability (Notes 6 and 8)	<u>11,855</u>	<u>8,834</u>
	<u>30,871</u>	<u>19,285</u>
Reserves		
Contingency (Notes 7 and 8)	8,756	9,131
Operating	<u>2,095</u>	<u>1,901</u>
	<u>\$10,851</u>	<u>\$11,032</u>
	<u>\$41,722</u>	<u>\$30,317</u>

Approved:



DIRECTOR OF FINANCE

Approved on behalf of the Workers' Compensation Board:



 CHAIRMAN



Statement of Operations and Operating Reserve
 for the year ended December 31, 1982

	1982	1981
	(in thousands of dollars)	
Revenues		
Assessments	\$15,465	\$12,095
Less: Merit rebates (Note 9)	<u>1,535</u>	<u>1,050</u>
	13,930	11,045
Interest income	<u>4,529</u>	<u>3,369</u>
	<u>18,459</u>	<u>14,414</u>
Expenses		
Claims		
Compensation	1,149	977
Medical Aid	657	449
Transfers to:		
Pension liability (Note 5)		
— provision	500	61
— interest	<u>1,942</u>	<u>1,071</u>
	<u>2,442</u>	<u>1,132</u>
Future claims liability (Note 6)		
— provision	5,078	4,285
— interest	<u>1,050</u>	<u>755</u>
	<u>6,128</u>	<u>5,040</u>
Contingency reserve (Note 7)		
— provision	4,761	3,134
— interest	<u>592</u>	<u>848</u>
	<u>5,353</u>	<u>3,982</u>
	15,729	11,580
Administration and general (Note 10)	<u>2,536</u>	<u>1,908</u>
	<u>18,265</u>	<u>13,488</u>
Excess of revenues over expenses for the year	194	926
Operating reserve, at beginning of the year	<u>1,901</u>	<u>975</u>
Operating reserve, at end of the year	<u>\$2,095</u>	<u>\$1,901</u>

Workers' Compensation Board
(Northwest Territories)

Notes to Financial Statements December 31, 1982

1. Authority and operations

The Workers' Compensation Board was established under, and is responsible for the administration of, the Workers' Compensation Ordinance, 1977, c.7.

Assessments are levied upon all employers in the Northwest Territories, on the basis of a percentage of their payroll, to meet all claims payable during the year, including costs of administration, and to provide for payment of liabilities in respect of future compensation for accidents which have occurred or may occur, and to establish reserves, thereby preventing employers in the future from being unduly or unfairly burdened with such costs.

2. Significant accounting policies

(a) Doubtful assessments receivable

No provision is made for doubtful assessments receivable. The practice of the Board is to charge assessment revenue when accounts are determined to be uncollectible. Recoveries are credited to revenue.

(b) Investments

Investments are recorded at cost at the time of purchase. Discounts or premiums are amortized on a straight-line basis over the periods remaining to the maturity dates of the investments.

(c) Fixed assets

Fixed assets are recorded at cost at the time of acquisition. Depreciation is provided over the estimated useful life of the assets as follows:

Furnishings	10% straight-line
Equipment	20% straight-line
Leasehold improvements	Straight-line over the term of the lease

(d) Merit rebates

A merit rebate plan for assessments was introduced in 1979 to encourage accident prevention practices among employers. Under this plan, merit rebates for the year to December 31, 1982 are to be allowed to employers from current assessment revenue based on favourable claims experience over the three years then ended.

(e) Pension liability

The pension liability represents the present value of future payments of pension awards as determined by actuarial valuation. Except for pension awards for industrial disease, second injury, enhanced disability, and settlements in excess of authorized limits, which are provided from the contingency reserve, all pensions awarded for the current year's claims are provided annually from operations and those awarded for prior years' claims are provided from the future claims liability.

(f) Future claims liability

The future claims liability represents the present value as determined by actuarial valuation, of future liabilities, within authorized limits, for unfinalized accident claims in process, accidents which have occurred and have not been reported, and for additional costs arising in future years in respect of prior years' claims. Amounts are transferred annually from operations to provide for the future costs of these claims.

(g) Contingency reserve

The contingency reserve represents amounts set aside, as determined by actuarial valuation, to prevent adverse financial consequences to an industry classification as a result of excessive costs of any disaster or extraordinary circumstance including claims costs in excess of authorized limits, increases in pensions awarded and claims for industrial disease, rehabilitation and retraining of injured workers, and enhanced disability including second injury.

(h) Operating reserve

The operating reserve is maintained to provide stability to the industry classes rating structure. The reserve is increased or decreased in the amount by which assessment revenue and interest income of the industry classes is over and under claims expense for settlement of accidents occurring during the year within authorized limits, administration and general expenses, and transfers to pension liability, future claims liability and contingency reserve. These transfers include interest income allocations based on the average opening and closing balances in these accounts.

(i) Administration and general expenses

These expenses, net of assessment penalties and sundry revenue, are allocated to industry classes on the basis of assessment revenue applicable to each industry class for the year.

(j) Interest income

Interest income is allocated to liabilities and reserves according to the mean account balances for the year.

3. Long-term investments

	<u>1982</u>		<u>1981</u>
	<u>Par Value</u>	<u>Amortized Cost</u>	<u>Amortized Cost</u>
(in thousands of dollars)			
Government of Canada bonds	\$13,325	\$13,257	\$11,228
Provincial bonds	2,500	2,478	982
Corporate bonds	5,500	5,479	3,976
	<u>21,325</u>	<u>21,214</u>	<u>16,186</u>
Less: Investments maturing within one year	2,000	2,000	—
	<u><u>\$19,325</u></u>	<u><u>\$19,214</u></u>	<u><u>\$16,186</u></u>

The approximate market value of investments, including those maturing within one year, as at December 31, 1982 was \$21,373,000 (1981 — \$13,969,000).

4. Fixed Assets

	1982	1981
(in thousands of dollars)		
Furnishings	\$ 80	\$ 54
Equipment	44	35
Leasehold improvements	31	26
	<u>155</u>	<u>115</u>
Less. Accumulated depreciation	67	47
	<u><u>\$ 88</u></u>	<u><u>\$ 68</u></u>

5. Pension liability

	1982	1981
	(in thousands of dollars)	
Transfers from:		
Operations	\$ 2,442	\$ 1,132
Future claims liability (Note 6)	1,289	1,279
Contingency reserve (Note 7)	<u>5,674</u>	<u>812</u>
	9,405	3,223
Less: pension payments	<u>1,853</u>	<u>1,374</u>
Increase for the year	7,552	1,849
Balance at beginning of the year	<u>8,504</u>	<u>6,655</u>
Balance at end of the year	<u>\$16,056</u>	<u>\$ 8,504</u>

6. Future claims liability

	1982	1981
	(in thousands of dollars)	
Transfer from operations	<u>\$ 6,128</u>	<u>\$ 5,040</u>
Less: Claim payments	1,818	1,066
Transfer to pension liability (Note 5)	<u>1,289</u>	<u>1,279</u>
	<u>3,107</u>	<u>2,345</u>
Increase for the year	3,021	2,695
Balance at beginning of the year	<u>8,834</u>	<u>6,139</u>
Balance at end of the year	<u>\$11,855</u>	<u>\$ 8,834</u>

7. Contingency reserve

	1982	1981
	(in thousands of dollars)	
Transfer from operations	<u>\$5,353</u>	<u>\$3,982</u>
Less: Claim payments	54	46
Transfer to pension liability (Note 5)	<u>5,674</u>	<u>812</u>
	<u>5,728</u>	<u>858</u>
 Increase (decrease) for the year	 (375)	 3,124
Balance at beginning of the year	<u>9,131</u>	<u>6,007</u>
 Balance at end of the year	 <u><u>\$8,756</u></u>	 <u><u>\$9,131</u></u>

8. Actuarial evaluation

An evaluation by the actuary indicated that at December 31, 1982:

- the pension liability of \$16,056,000 is \$1,816,000 in excess of the actuarial liability which is being retained to help provide for future pension increases; and that
- the future claims liability of \$11,855,000 and the contingency reserve of \$8,756,000 are appropriate to meet the future costs of claims that have occurred or are likely to occur.

Pension increases effective July 1, 1983 have been granted in respect of all pensions in pay to December 31, 1982. These increases will result in an additional liability of \$2,179,000 which will be funded in 1983 through the actuarial surplus for the pension liability and a transfer of \$363,000 from the contingency reserve.

9. Merit rebates

Actual 1981 merit rebates of \$1,077,000 were paid to qualified employers in 1982. The additional rebate expense of \$27,000 was charged to the industry classes during 1982.

10. Administration and general expenses

	1982	1981
	(in thousands of dollars)	
Salaries and benefits	\$1,510	\$1,121
Office accommodation, services and supplies	406	353
Computing services	195	59
Professional services	192	153
Medical services	103	70
Travel	97	56
Board members	64	40
Safety program	43	60
Task force	—	64
	<u>2,610</u>	<u>1,976</u>
Less: Assessment penalties	61	65
Sundry revenue	13	3
	<u>74</u>	<u>68</u>
	<u><u>\$2,536</u></u>	<u><u>\$1,908</u></u>

Exhibit II

Actuarial Certificate

As Consulting Actuaries to the Workers' Compensation Board of the Northwest Territories, we have reviewed the liabilities of the Accident Fund as at December 31, 1982, but have not ourselves carried out an audit, as the Fund is subject to audit by the Auditor General of Canada. However, we are satisfied from general tests of the data, that it fairly represents the position at the valuation date, and is adequate and reliable for the purpose of the valuation.

WE CERTIFY that, on the basis and assumptions set out in our Report dated April 25, 1983, the liability of the Pension Fund in respect of awards for Post-1976 accidents, and increases in pensions granted up to December 31, 1982 for Pre-1977 accidents, is \$14,239,810. As the Fund available was \$16,055,860, there is a surplus at the valuation date of \$1,816,050, and WE RECOMMEND that this should be used to provide for Supplementary Pension Increases to be granted with effect from July 1, 1983, which would cost \$2,178,717. The shortfall of \$362,667 could be covered by excess interest earned during 1983, and therefore no special transfer of funds is necessary.

WE CONSIDER that the Future Claims Provision of \$11,855,194 (including the provision for 1982 accidents of \$5,078,000) is adequate and necessary to meet both the future cost of reported claims, and the cost of possible unreported claims, in respect of Accidents that have already occurred, and that will be charged to this Reserve, excluding amounts that will be the responsibility of the Contingency Reserve.

WE ALSO CONSIDER that the balance in the Contingency Reserve of \$8,756,057 (including the appropriations from Classes during 1982 totalling \$4,760,700), together with future appropriations from Classes in respect of Pension Increases, is appropriate to meet future costs in respect of accidents that have already occurred, and arising from:

- (i) Disasters and other costs in excess of the limits set for retention and stop-loss purposes;
- (ii) Industrial Diseases (including silicosis);
- (iii) Rehabilitation of injured workers; and
- (iv) Enhancement of claims as a result of previous injuries.

for CRAWFORD E. LAING LTD.

Crawford E. Laing,
Fellow of the Canadian Institute of Actuaries
Fellow of the Faculty of Actuaries in Scotland
Fellow of the Conference of Actuaries in Public Practice
Associate of the Institute of Actuaries
Associate of the Society of Actuaries

President and Actuary

June 1, 1983

Exhibit III

Assembly of Administration and General Expense for the year ended December 31, 1982

	1982	1981
	(in thousands of dollars)	
Salaries, wages and allowances	\$1,404	\$1,043
Employer share of benefits	106	78
Data processing services	195	59
Office lease and renovations	166	151
Professional services	140	114
Medical services	103	70
Travel	97	56
Printing and office supplies	69	65
Communications	67	48
Board members	64	40
Investment portfolio management	52	39
Safety program	43	60
Administrative Services — Government of the Northwest Territories	33	27
Office furnishings and equipment	32	21
Advertising and public information	9	13
Task force	—	64
Miscellaneous	29	28
	<u>2,609</u>	<u>1,976</u>
Deduct: Assessment penalties	61	65
Sundry revenue	12	3
	<u>73</u>	<u>68</u>
	<u>\$2,536</u>	<u>\$1,908</u>

Workers' Compensation Board
(Northwest Territories)

**Schedule of Provisional Class Operations and Operating Reserve Balances
for the year ended December 31, 1982**

Industry Class	10	20	30	40
Revenues				
Assessments	120,534.43	7,994,697.46	37,025.23	2,538,861.55
Less: Estimated merit rebates	<u>10,000.00</u>	<u>726,000.00</u>	<u>6,000.00</u>	<u>162,000.00</u>
	110,534.43	7,268,697.46	31,025.23	2,376,861.55
Interest	<u>10,630.04</u>	<u>354,087.63</u>	<u>—</u>	<u>109,429.52</u>
	<u>121,164.47</u>	<u>7,622,785.09</u>	<u>31,025.23</u>	<u>2,486,291.07</u>
Expenses				
Claims				
Compensation	13,998.12	572,775.97	1,070.72	251,286.25
Medical Aid	<u>13,019.43</u>	<u>297,802.49</u>	<u>196.50</u>	<u>126,428.58</u>
	<u>27,017.55</u>	<u>870,578.46</u>	<u>1,267.22</u>	<u>377,714.83</u>
Transfers to:				
Pension liability	2,349.24	181,265.34	—	227,800.44
Future claims liability	70,000.00	2,422,000.00	4,000.00	1,074,000.00
Contingency reserve	<u>35,300.00</u>	<u>2,698,000.00</u>	<u>11,900.00</u>	<u>604,000.00</u>
	107,649.24	5,301,265.34	15,900.00	1,905,800.44
Administration and general	<u>20,596.30</u>	<u>1,099,143.45</u>	<u>8,751.91</u>	<u>456,929.57</u>
	<u>155,263.09</u>	<u>7,270,987.25</u>	<u>25,919.13</u>	<u>2,740,444.84</u>
Increase (decrease) in operating reserve	(34,098.62)	351,797.84	5,106.10	(254,153.77)
Operating reserve, beginning of year	<u>32,624.65</u>	<u>148,449.18</u>	<u>(29,211.76)</u>	<u>12,504.21</u>
Operating reserve, end of year	<u>(1,473.97)</u>	<u>500,247.02</u>	<u>(24,105.66)</u>	<u>(241,649.56)</u>

Industrial Classification

		Industry Code Industry Description		
10	Resources — renewable	50	Transportation, Commu-	
20	Resources — non-renewable	60	nication and Utilities	
30	Manufacturing	70	Trades	
40	Construction	80	Services	
			Public Administration	
			and Defence	
50	60	70	80	Total
1,725,440.42	711,649.43	733,659.73	1,603,367.12	15,465,235.37
<u>178,000.00</u>	<u>76,000.00</u>	<u>91,000.00</u>	<u>286,000.00</u>	1,535,000.00
1,547,440.42	635,649.43	642,659.73	1,317,367.12	13,930,235.37
<u>3,403.00</u>	<u>58,425.93</u>	<u>45,657.37</u>	<u>363,480.77</u>	945,114.26
<u>1,550,843.42</u>	<u>694,075.36</u>	<u>688,317.10</u>	<u>1,680,847.89</u>	14,875,349.63
111,308.46	44,829.28	88,389.01	65,760.01	1,149,417.82
<u>131,916.54</u>	<u>23,621.29</u>	<u>36,935.55</u>	<u>26,556.23</u>	656,476.61
<u>243,225.00</u>	<u>68,450.57</u>	<u>125,324.56</u>	<u>92,316.24</u>	1,805,894.43
—	47,654.23	1,328.72	40,000.00	500,397.97
641,000.00	203,000.00	292,000.00	372,000.00	5,078,000.00
<u>622,900.00</u>	<u>200,400.00</u>	<u>209,900.00</u>	<u>378,300.00</u>	4,760,700.00
1,263,900.00	451,054.23	503,228.72	790,300.00	10,339,097.97
<u>290,403.07</u>	<u>144,834.11</u>	<u>168,816.59</u>	<u>346,716.28</u>	2,536,191.28
<u>1,797,528.07</u>	<u>664,338.91</u>	<u>797,369.87</u>	<u>1,229,332.52</u>	14,681,183.68
(246,684.65)	29,736.45	(109,052.77)	451,515.37	194,165.95
<u>(549,905.26)</u>	<u>158,130.08</u>	<u>92,711.65</u>	<u>2,035,505.33</u>	1,900,808.08
<u>(796,589.91)</u>	<u>187,866.53</u>	<u>(16,341.12)</u>	<u>2,487,020.70</u>	2,094,974.03



Exhibit IV

General Administrative Information

Claims

Compensation

Under workers' compensation an injured worker is covered for personal injury by accident arising out of and during the course of employment, and if totally disabled is entitled to benefits during the period of disability computed at the rate of 75% of his average yearly remuneration. The maximum remuneration which could be used in computation of compensation for accidents occurring in 1982 was \$23,200.00 per annum. These benefits are not taxable as income.

Pension Awards

(a) Where the accident results in Permanent Disability, either total or partial, benefits are payable for life and are usually paid on a monthly basis.

(b) Where death results from a compensable injury the necessary burial expenses up to \$928.00 are paid; in addition, the necessary expenses of transporting the body within the Northwest Territories. The dependent widow or widower is also paid a contribution of \$928.00 for the additional funeral expenses incurred and thereafter a monthly payment of \$638.00 until death or remarriage. Upon remarriage a lump sum payment of \$7,656.00 is made and the monthly benefits terminated. Dependent children are entitled to a monthly pension of \$145.00 for each child to age sixteen. If education is continued the allowance may be paid to the completion of the first university degree or the completion of a technical or vocational training course.

Medical Aid

Medical aid required as a result of an injury arising out of and during the course of employment includes medical, surgical or other services provided by a physician, nursing services, hospital services, drugs, dressings, x-ray treatment, medical and physical treatment.

The injured worker is completely free to choose his own doctor, while subsequent treatment or examination or treatment by medical specialists or consultants must be arranged by the attending doctor in conjunction with the Board Medical Advisor.

Rehabilitation

Rehabilitation is the use of all appropriate sciences and disciplines to help persons handicapped by disease, disability or social maladjustment achieve maximum well being and usefulness. It is the cultivation, restoration and conservation of human resources. Nothing can replace the wish of every person who has known disability, to live and work in dignity, in free and open competition with the world.

The rehabilitee must be considered in relation to his needs and against the background of his family relations. Absence from the family group is a matter that may have significant impact upon the individual. Other considerations include the financial situation, marital relationship and home environment.

Assessment

Employers are assessed annually on the earnings of their employees to provide a fund for the payment of compensation, medical aid, vocational rehabilitation costs, and the administration of the Ordinance.

This fund called the "Accident Fund" is one and indivisible with liability placed on all industry collectively, although the industries are divided into classes and subclasses.

Separate accounting is kept of assessment revenue and the accident costs for each of the industry classifications. Each classification is really a mutual insurance association of the employers. The contingency reserve is provided to assist a class which alone is unable to bear abnormal costs in any one year. It also provides financial assistance when disability from a current injury is enhanced because of a non-related pre-existing condition.

All employers are required to file with the Board by the last day of February in each year, a return showing the actual wages paid during the immediate preceding year together with an estimate of the payroll for the current year. Assessment is then made on the estimated payroll subject to any adjustment indicated when the actual payroll is submitted the following February.

Assessment rates are established after considering the cost experience of past years, the financial position of the industry classification, the reserves necessary for outstanding claims and pensions, and the cost of administering the Ordinance.

The average rates billed in each subclass are significant as they indicate the costs actually borne by employers in each subclass and it is important not to make too drastic a change at any one time.

Appreciating the need for employers to have early advice of assessment rates for the coming year the Board provides this information by mid November.

Finance

Responsibilities

The financial responsibility of the Board in administering the Workers' Compensation Ordinance is three fold:

- (1) to guarantee that compensation and pensions awarded to injured workers or their dependants will be paid according to entitlement and as long as required.
- (2) to assess and collect sufficient funds from Employers to meet these obligations.
- (3) to minimize the cost to Employers while achieving maximum stability of rates.

The maintenance of adequate reserves is the most effective way to ensure these responsibilities are met.

Reserves and Liabilities

(a) **Pension Liability:** When pensions are awarded it is necessary to set aside adequate funds to maintain payments to the Pensioners for their lifetime. Actuarial tables are used to calculate the amount transferred from the class to the pension fund to provide sufficient capital and income for payment of the pension for its applicable term.

(b) **Contingency Reserve:** The contingency reserve has been set aside to cover enhanced disabilities, rehabilitation, industrial disease, pension increases and disasters.

(c) **Future Claims Liability:** This reserve is set up to cover pension awards and ongoing costs of claims that are still under active administration. These include claims that may be re-opened because of a need for further treatment or increased disability.

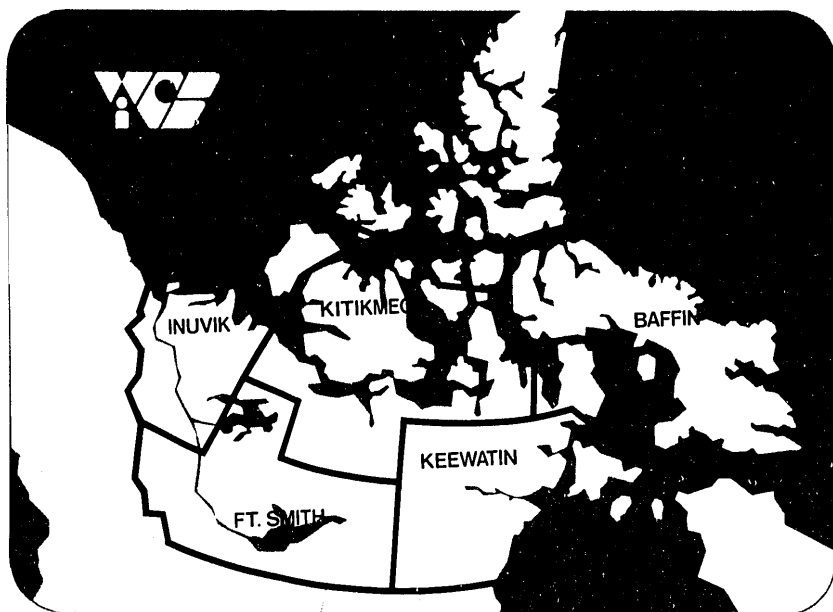
(d) **Operating Reserve:** The majority of Employers prefer a stable rate of assessment which will not fluctuate significantly from year to year. To provide this stability each class is required to build up and maintain an operating reserve. This reserve absorbs the major fluctuations which would otherwise be reflected in wide variations of rates from year to year.

Exhibit V

Statistics Schedule I

1982 Accidents Reported

Analysed by Geographical Region



	1982	1981	1980	1979	1978	1977
Fort Smith Region	1,966	2,037	1,602	1,534	1,538	1,242
Inuvik Region	700	584	556	466	456	588
Baffin Region	283	312	332	301	282	396
Keewatin Region	96	90	60	53	41	39
Kitikmeot Region	58	—	—	—	—	—
Unclassified Regions	39	86	76	40	—	—
	<u>3,142</u>	<u>3,109</u>	<u>2,626</u>	<u>2,394</u>	<u>2,317</u>	<u>2,265</u>

Specific Location of Accident in Each Region

Fort Smith Region

Location	No. of Claims
Fort Smith Regional Office	139
Buffalo River	—
Discovery	—
Dory Point	—
Echo Bay	2
Edzo	5
Enterprise	5
Fort Liard	54
Fort Providence	13
Franks Channel	—
Fort Resolution	15
Fort Simpson	42
Fort Smith	61
Fort Wrigley	1
Gov. Weight Scale — Enterprise	—
Great Slave Lake	—
Hay River	242
Hay River Reserve	—
Hyslop Lake	—
Jean Marie River	—
Kakisa Lake	—
Lac La Martre	5
Lady Evelyn Falls	—
Little Buffalo River	—
Louise Falls	2
Marion Lake	—
Motor Boat Caribou	—
Motor Vessel Johnny Berens	—
Nahanni Butte	—
Pine Point	217
Prelude Lake	—
Port Radium	2
Rae	14
Rae Lakes	—
Reid Lake	—
Reliance	2

Location	No. of Claims
Rocher River	—
Sawmill Bay	—
60th Parallel	—
Snare Lake	2
Snowdrift	3
Stagg River	—
Thompson Landing	—
Thom Bay	—
Trout Lake	2
Tungsten	133
Wellington Bay	—
Whitecap Falls	—
Willow River	—
YK Indian Village	—
Yellowknife	1,003
Total	<u>1,966</u>

Inuvik Region

Location	No. of Claims
Inuvik Regional Office	115
Aklavik	7
Arctic Red River	1
Colville Lake	2
Fort Franklin	1
Fort Good Hope	6
Fort McPherson	11
Fort Norman	4
Inuvik	105
Norman Wells	211
Paulatuk (Cape Parry)	3
Reindeer Station	2
Sachs Harbour	2
Tuktoyaktuk (Beaufort Sea)	230
Total	<u>700</u>

Baffin Region

Location	No. of Claims
Baffin Regional Office	79
Alexander Fiord	—
Arctic Bay	—
Broughton Island	3
Cape Christian	—
Cape Dorset	5
Cape Dyer	7
Clyde River	7
Ekalujad Fiord	—
Eskimo Village	—
Frobisher Bay	79
Grise Fiord	—
Hall Beach	9
Hamilton	—
Igloolik	2
Lake Harbour	2
Nettiling Lake	1
Nottingham Island	1
Padloping Island	—
Pangnirtung	7
Pond Inlet	2
Port Burwell	—
Resolute Bay	13
Resolute Island	—
Strathcona Sound	—
Nanisivik	61
Sanikiluaq	6
Total	<u>283</u>

Kitikmeot Region

Location	No. of Claims
Bathurst Inlet	—
Bay Chima	—
Cambridge Bay	21
Coppermine	7
Gjoa Haven	11
Holman Island	2
Pelly Bay	11
Spence Bay	6
Total	<u>58</u>

Keewatin Region

Location	No. of Claims
Keewatin Regional Office	51
Akudlik	—
Baker Lake	5
Belcher Islands	—
Chesterfield Inlet	7
Churchill	—
Coral Harbour	5
Daly Bay	—
Duke of York Bay	—
Ennadai	—
Eskimo Point	12
Garry Lake	—
Lynn Lake	—
Maguse River	—
Padlei	—
Rankin Inlet	11
Repulse Bay	12
Southampton Island	—
Tha Anne River	—
Whale Cove	3
Total	<u>96</u>
"Unclassified Locations"	<u>39</u>
Total all regions	<u>3,142</u>

Statistics Schedule II

Accidents Reported by Part of Body Injured and Type of Injury

Part of Body	No. of Claims	Part of Body	No. of Claims
Head	13	Hips (Pelvis, Buttocks)	20
Ear	29	Shoulder(s)	78
Ear External	1	Trunk Multiple	1
Ear Internal (Hearing)	12	Trunk N.E.C.	2
Eye(s)		Lower Extremities	—
Optic Nerves — Vision	382	Leg(s) Above Ankle	52
Face	35	Thigh	20
Jaw (Chin)	3	Knee	142
Mouth		Lower Leg	27
(Lips, Teeth, Tongue, etc.)	30	Leg, Multiple	3
Nose	8	Leg, N.E.C.	—
Face — Multiple Parts	8	Ankle	133
Face — N.E.C.-Eyebrow	11	Foot (Not Ankle or Toes)	149
Scalp	47	Toe(s)	44
Skull	35	Lower Extremities	7
Head — Multiple	6	Lower Extremities, N.E.C.	1
Head — N.E.C.	6	Multiple Parts	
Neck	46	(More than 1 major part)	127
Upper Extremities	—	Body System	3
Arm(s) Above Wrist	33	Digestive System	2
Upper Arm	10	Excretory System	—
Elbow	67	Musculo-Skeletal System	—
Forearm	50	Nervous System	1
Arm, Multiple	6	Respiratory System	28
Arm, N.E.C.	1	Body Parts N.E.C.	—
Wrist	73	Unclassified	11
Hand (Not Wrist or Fingers)	222	Eye Glasses	46
Finger(s)	506	Dentures	8
Upper Extremities — Multiple	15	Hearing Aid	1
Upper Extremities — N.E.C.	1	Prosthesis	1
Trunk	—	Non-Personal	1
Abdomen		Total	<u>3,142</u>
(Internal Organs, Groin)	46		
Back	458		
Chest			
(Ribs, Breast Bone, etc.)	74		

Type of Injury	No. of Claims
Amputation	20
Asphyxia, Drowning	1
Burn, Scald (Heat)	74
Concussion	16
Contusion, Crush, Bruise	720
Cut, Laceration, Puncture	588
Dislocation	24
Electric Shock, Electrocutation	1
Fracture	165
Hernia, Rupture	20
Scratches, Abrasions, F.B.	337
Sprains, Strains	789
Multiple Injuries	49
Occupational Injuries	1
Burn (Chemical)	40
Contagious or Infectious Disease	—
Dermatitis — Rash, etc.	25
Freezing, Frostbite, Exposure	13
Hearing Loss	28
Heat Stroke	1
Inflammation, Irritation Joints — Muscles	28
Poisoning, Systemic	32
Silicosis	2
Pneumoconiosis, N.E.C.	2
Radiation Effects (Welding Flash)	22
Occupational Illnesses, N.E.C.	8
Non-Personal Damage — Eye Glasses, etc.	58
Unclassified — Unidentified Disorder	78
Total	<u>3,142</u>



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