

October 27, 1992

TABLED DOCUMENT NO. 6 - 1 2 (3) TABLED ON NOV 18 1992

Mr. John Hill,
 Chairman, Workers' Compensation Board NWT,
 P.O. Box 8888,
 Yellowknife, NWT.
 X1A 2R3

Polaris Mine



Dear Mr. Hill:

I am writing in response to your 1993 Assessment Rate Announcement received at Polaris Mine late Friday, October 23, 1992.

I am extremely surprised and disappointed with this announcement. There is no explanation or reason given for the large increase in the rates for sub-class 22.

The YMIR increase along with the 22% in 1993 Assessment Rates results in a total cost increase of 45% for 1993 compared to the original estimated 1992 Assessment for Cominco.

You state in your Announcement that "These rate changes will more accurately reflect the true claim costs of each employer".

Following is a summary of the Polaris Mine claims and assessments over the last 3 years:

	<u>Claims</u>	<u>Assessments</u>	<u>Excess</u>
1989	143,305	485,636	
1990	188,277	513,898	
1991	<u>146,597</u>	<u>578,173</u>	_____
Total	478,179	1,577,707	1,099,528
1992 (9 months)	<u>36,825</u>	<u>709,386</u>	

We have paid over \$1 million assessments in excess of claims cost, between 1989 and 1991, this could increase to \$1.5 million by the end of 1992. Does this "reflect the true claim costs" for Cominco?

1993 Assessment Rates

Page 2

In August representatives of the mining industry met with Mr. Dennis Patterson and Mr. Bryan Roberts to discuss the proposed major increases and to present our concerns. Following the meeting I wrote to Mr. Roberts asking for clarification on a number of pertinent questions. At no time have I or the industry had any acknowledgement or response to our concerns.

What has happened to the idea of Super-Assessments and/or Merit Rebates? No mention was made in the Announcement.

Will WCB continue to try to solve all problems by increasing rates or is it going to look for the real causes of the problems? Continued increase in Assessment Rates will simply kill the initiative of employers and employees who strive for an excellent safety record. It will also have a major impact on the economics of the mining industry in the Northwest Territories and severely discourage new investment.

I would appreciate a response to my concerns.

Yours sincerely,



A.J. Keen,
Manager,
Polaris Operations.

AJK:pfs

cc: T. Hoefler, NWT Chamber of Mines