

COALITION OF NEW BRUNSWICK EMPLOYERS

COALITION DES EMPLOYEURS DU NOUVEAU-BRUNSWICK

NEWS RELEASE

New Brunswick's Workers Compensation System Requires Immediate Overhaul *WorkSafe NB rates are not sustainable*

Saint John, NB (July 25, 2018) - Employees and employers across New Brunswick are extremely concerned about WorkSafeNB and the unsustainability of the current state of the workers compensation system. The system is clearly broken, and legislative reform is immediately required to fix it.

By 2019, workers compensation rate increases are expected to cost New Brunswick employers (excluding the self-insured Provincial Government) between \$156M and \$185M more than they did in 2016. This is a dramatic increase that is not sustainable for employers. If costs don't come under control, there will be no choice but to cut benefits for workers—not something that either employers or workers want.

“There is no way to sugar coat this—the workers compensation system in our province is in crisis mode,” states Ron Marcolin, Chair of the Coalition of New Brunswick Employers. “We need to and can do better. We need a sustainable system which benefits and protects employees and employers now and for the future, which means legislative change is required immediately”

Collectively the companies represented by the business associations in the Coalition of New Brunswick Employers employ nearly two-thirds of the province's entire private-sector workforce and pay hundreds of millions of dollars in wages, benefits and taxes annually.

The Coalition has been working collaboratively with a wide variety of partners to understand the root causes of the stress on the workers compensation system in general and applauds the recently released Task Force report.

“In 2016, New Brunswick had the second-lowest workers compensation rates in the country—a selling point for attracting businesses to locate here,” added Marcolin. “Clearly things have drastically changed and it's putting extreme pressure on businesses employing New Brunswickers. If the projected rate increases for 2019 go ahead, New Brunswick will have the highest rates in the country.”

In order to safeguard jobs and ensure the program is affordable and sustainable, the Coalition has committed to working with WorkSafeNB and the Government of New Brunswick to improve the *Worker's Compensation Act* legislation and to ensure WorkSafeNB policies are respected by the Appeals Tribunal.

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Media contact: Ron Marcolin (506) 651-2251 Cell ron.marcolin@cme-mec.ca