

Funding distribution

FAQ about funding distribution credits

1. What is the funding distribution?

WCB's targeted funded level is between 114 per cent and 128 per cent. If our funded level is in this range, then we are properly funded. In 2016, higher-than-expected investment returns resulted in a funded level of 133.8 per cent.

As a result, WCB's Board of Directors approved a funding distribution of approximately \$355 million to be credited to employer accounts in December 2017.

2. Why did this year's funding distribution take place so late in the year?

The Board of Directors deferred their decision regarding funding distribution until the findings of the WCB Review Panel had been fully considered. The Board now has enough information and has approved the release of the distribution to eligible employers.

3. Why was the funding distribution applied as a credit, instead of issued as a cheque?

Applying the amounts directly as credits allowed us to process them more quickly. This approach is also much less costly in terms of the administration required. The funds will be applied towards each eligible employer's first installment in 2018.

4. Why doesn't WCB lower employer premium rates instead of issuing a funding distribution?

The funding distribution is solely the result of higher-than-expected investment returns in 2016. Premium rates are set to ensure there is a direct link between what employers pay today, and the cost of today's accidents.

5. Why is the funding range between 114 per cent and 128 per cent?

This funding range is defined in our funding policy, and is set to ensure there are sufficient funds available in the Accident Fund to cover all current and future compensation for injured workers. For more specific information, please refer to our [funding policy](#).

6. Do all employers receive a funding distribution?

The majority of employers who paid premiums in 2016 will receive a distribution credit. However, employers will not receive one if they meet any of the following criteria:

- In the fifth year or greater of the Poor Performance Surcharge (PPS).
- A small business account with 10 or more claims for the 2016 experience period.
- In serious breach of the *Workers' Compensation Act*.
- Pay only the \$200 minimum premium.
- Have an account with an outstanding bad debt (other than having overdue interest charges applied to the account).
- Have outstanding insurable earnings to report for 2016.

7. Still have questions about the funding distribution?

You can contact WCB's Employer Account Services team at 780-498-3999 or 1-866-922-9221 for additional information.