

Disaster reserve

What is the disaster reserve?

[The Workers' Compensation Act, 2013 \(the Act\)](#) grants the Saskatchewan Workers' Compensation Board (WCB) the authority to establish reserves to meet losses from any disaster or other circumstance where the liability would, in the opinion of the WCB, unfairly burden the employers in any class (Section 145).

The WCB established the disaster reserve to protect employers from high-cost claims and firm premium rate volatility caused by exceptional circumstances that are considered a disaster. The reserve is also used when a single claim's costs reach a specific threshold related to the maximum wage rate.

The funding level of the disaster reserve is established through [WCB policy, POL 16/2023, Sufficiency](#).

When does a claim qualify for the disaster reserve?

A claim will qualify for relief of costs through the disaster reserve when the portion of costs on a single claim exceeds 10 times above the maximum wage rate at the time of injury.

An incident resulting in an injury to two or more workers of the same employer when the portion of costs exceeds 20 times above the maximum wage rate at the time of injury.

The WCB may also consider cost relief from the disaster reserve in work-related circumstances that would unfairly burden an employer or group of employers, but that do not meet the thresholds related to the maximum wage rate. The disaster reserve review committee will determine if a circumstance will be considered a disaster and eligible for cost relief.

What costs are eligible for the disaster reserve?

All costs exceeding 10 times the above the maximum wage rate at the time of injury will automatically be charged to the disaster reserve.

For work related circumstances that would unfairly burden an employer or group of employers that do not meet the thresholds related to the maximum wage rate, and the disaster reserve review committee has determined to be a disaster for which the employer is not responsible, the committee will determine the amount or level of cost relief.

How does this affect my experience rating?

[WCB policy, Experience Rating Program – Discounts or Surcharges \(POL 27/2016\)](#), adjusts premium rates to reflect an employer's claims and claim cost history. To minimize the impact of a large or catastrophic injury event, individual claim costs are capped at the maximum assessable coverage amount in a given year.

The WCB established the disaster reserve to protect employers from high-cost claims and firm premium rate volatility caused by exceptional circumstances that are considered a disaster.

There will be no impact to the employer's experience rating:

- When the portion of costs on a single claim exceeds 10 times above the maximum wage rate at the time of injury, or
- When an incident resulting in an injury to two or more workers of the same employer when the portion of costs exceeds 20 times above the maximum wage rate at the time of injury.

However, if cost relief is applied and transferred to the disaster reserve after having been applied to the employer's experience, an employer may request to have their previous years' experience rating reviewed under [WCB policy, Experience Rating Program – Discounts or Surcharges \(POL 27/2016\)](#).

For specific information on the disaster reserve, please refer to the WCB's policy manual at wcbask.com/policy-listing.