

2019 Premium Rates Manual

Part 3

Sections 7-11



2019 Premium Rates Manual

SECTION 7	Supporting Documentation for Schedule 1
SECTION 8	Classification Scheme Changes
SECTION 9	Non-Credible Rate Groups
SECTION 10	Glossary of Acronyms
SECTION 11	Contact Information

ISBN 978-1-4868-3179-1 (Print)
ISBN 978-1-4868-3180-7 (PDF)

ISSN 1492-0042 (Print)
ISSN 1492-0050 (PDF)

2019 Premium Rates Manual

SECTION 7

Supporting Documentation for Schedule 1



2019 PREMIUM RATES 6-YEAR HISTORICAL SUMMARY AND 2-YEAR PROJECTION

SCHEDULE 1

Year	Insurable Earnings	Maximum Insurable Earnings Ceiling	Average Insurable Earnings	Employment	Number of LTIs	Lost Time Injury Rate	Total Number of Injuries	Total Injury Rate
2012	\$166,434,974,385	\$81,700	\$38,768	4,293,094	44,500	1.04%	157,200	3.66%
2013	\$172,615,443,089	\$83,200	\$39,122	4,412,201	43,200	0.98%	156,700	3.55%
2014	\$178,463,973,344	\$84,100	\$39,882	4,474,765	42,300	0.95%	155,200	3.47%
2015	\$184,904,615,928	\$85,200	\$40,167	4,603,399	40,800	0.89%	151,400	3.29%
2016	\$189,192,004,354	\$88,000	\$41,361	4,574,139	41,900	0.92%	195,600	4.28%
2017	\$197,087,887,176	\$88,500	\$42,081	4,683,576	46,200	0.99%	163,600	3.49%
2018	\$201,082,596,749	\$90,300	\$42,506	4,730,671	46,665	0.99%	165,245	3.49%
2019	\$205,119,009,222	\$92,600	\$42,935	4,777,424	47,126	0.99%	166,878	3.49%

2019 Premium Rates
NEW CLAIMS COST BY CLASS

Class	Description	Cost per Claim (\$)	2019 Premium Rate (\$)
A	FOREST PRODUCTS	24,318	4.33
B	MINING AND RELATED INDUSTRIES	30,330	3.82
C	OTHER PRIMARY INDUSTRIES	12,419	3.14
D	MANUFACTURING	10,076	1.79
E	TRANSPORTATION AND STORAGE	19,581	3.68
F	RETAIL AND WHOLESALE TRADES	7,670	1.15
G	CONSTRUCTION	20,963	3.32
H	GOVERNMENT AND RELATED SERVICES	8,672	1.21
I	OTHER SERVICES	6,495	0.79
	SCHEDULE 1	11,088	1.65

**2019 PREMIUM RATES
SUB-COMPONENTS OF OVERHEAD EXPENSES**

SCHEDULE 1

Overhead Expenses Component	Overhead Expenses Sub-Component	Premium Rate Component
WSIB Administration		0.391
Legislative Obligations		
	WSIAT	0.010
	Office of Worker Advisor	0.005
	Office of Employer Advisor	0.002
	OHSA	0.046
	Mine Rescue	0.002
	Program Administration	0.000
	Institute of Work and Health	0.002
	Total Grants	0.001
	SWA	0.033
	Safety Groups	0.014
	Other Prevention	0.007
	WHSC	0.004
	Health Clinics	0.004
	Sub-Total	0.130
TOTAL OVERHEAD EXPENSES		0.521

2019 PREMIUM RATE COMPONENTS

SCHEDULE 1

Component	2019 Premium Rate Per \$100 Of Insurable Earnings	Percentage of 2019 Premium Rate	2018 Premium Rate Per \$100 Of Insurable Earnings	Percentage of 2018 Premium Rate
A. NEW CLAIMS COST				
1. New Claims Cost	0.910	55%	0.930	40%
B. OVERHEAD EXPENSES				
1. WSIB Administrative	0.391		0.391	
2. Legislative Obligations	0.130		0.138	
3. TOTAL OVERHEAD EXPENSES	0.521	32%	0.529	23%
C. PAST CLAIMS COST				
1. Past Claims Cost	0.219	13%	0.891	38%
D. TOTAL PREMIUM RATE (A+B+C)	1.65	100%	2.35	100%

2019 PREMIUM RATES
Summary of Premium Rate Components by Class
per \$100 of Insurable Earnings

Class	Description	New Claims Cost (\$)	Overhead (\$)	Past Claims Cost (\$)	2019 Premium Rate (\$)
A	FOREST PRODUCTS	2.469	1.256	0.605	4.33
B	MINING AND RELATED INDUSTRIES	2.032	1.287	0.497	3.82
C	OTHER PRIMARY INDUSTRIES	1.778	0.929	0.436	3.14
D	MANUFACTURING	0.961	0.591	0.233	1.79
E	TRANSPORTATION AND STORAGE	2.168	0.998	0.515	3.68
F	RETAIL AND WHOLESALE TRADES	0.602	0.395	0.148	1.15
G	CONSTRUCTION	1.881	0.971	0.463	3.32
H	GOVERNMENT AND RELATED SERVICES	0.675	0.379	0.152	1.21
I	OTHER SERVICES	0.413	0.274	0.101	0.79
	SCHEDULE 1	0.910	0.521	0.219	1.65

2019 Premium Rates Manual

SECTION 8

Classification Scheme Changes



2019 Premium Rates Manual

2019 CLASSIFICATION SCHEME CHANGES

There are no changes to the classification scheme for 2019.

Consequently, the number of rate groups in the WSIB's classification scheme remains at 155, the same as for 2018.

2019 Premium Rates Manual

SECTION 9

Non-Credible Rate Groups



NON-CREDIBLE RATE GROUPS

Ideally, each rate group defined in the Workplace Safety and Insurance Board's classification scheme should be credible, that is, large enough so that reasonably reliable estimates can be made for deriving premium rates from a rate group's own claims experience. Although this is generally the case, particular industries or services in Ontario can decline substantially as the economy undergoes changes and this can lead to a situation where a previously credible rate group becomes non-credible. In addition, some rate groups have reduced the number of injuries to a level where there is not enough information available to estimate the average cost of a claim and, as a result, the rate group becomes non-credible. As part of the ongoing activity of rate making, the Workplace Safety and Insurance Board (WSIB) monitors the credibility of rate groups.

Since the original development of the WSIB's current classification scheme, which was introduced in 1993, a number of rate groups have become non-credible. Different approaches have been used to address the issue of non-credibility (e.g. through some form of rate group merger) depending on the circumstances of each rate group.

Data supporting the 2019 premium rates shows that under current criteria twenty rate groups are not fully credible. It is possible that the experience of some of these rate groups may return to a fully credible level but the rest are likely to remain non-credible. With regards to addressing this issue, however, any modifications to the industry classification scheme will be deferred to be incorporated into the upcoming implementation of a new rate framework.

2019 Premium Rates Manual

SECTION 10

Glossary of Acronyms



2019 Premium Rates Manual

GLOSSARY OF ACRONYMS

<u>ACRONYM</u>	<u>DEFINITION</u>
CSPAAT	Commission de la sécurité professionnelle et de l'assurance contre les accidents du travail
IHSA	Infrastructure Health and Safety Association
LTI	Lost Time Injury
PSHSA	Public Services Health and Safety Association
SWA	Safe Workplace Association
UFL	Unfunded Liability
WSIB	Workplace Safety and Insurance Board
WSN	Workplace Safety North
WSPS	Workplace Safety and Prevention Services

2019 Premium Rates Manual

SECTION 11

Contact Information



2019 Premium Rates Manual

CONTACT INFORMATION

1. Premium Rates Information

For more information about the premium rates or the supporting documentation presented in this manual, please contact:

Actuarial Services Division
Workplace Safety and Insurance Board
Telephone: (416) 344-3332
Facsimile: (416) 344-2588

2. Premium Information and Data Requests

For more information about individual employer accounts, or for current data requests, contact your WSIB account representative in your local WSIB office or call:

Workplace Safety and Insurance Board
Telephone: (416) 344-1000
Toll Free: 1-800-387-0750
Facsimile: (416) 344-4684
Toll Free Facsimile: 1-888-313-7373

3. WSIB Website

For further information for both employers and employees, including prevention initiatives, return to work, forms and policy reports, please visit our website at:

www.wsib.on.ca

The information contained on the website is continuously maintained and regularly updated.

2019 Premium Rates Manual



ISBN 978-1-4868-3179-1 (Print)
ISBN 978-1-4868-3180-7 (PDF)

ISSN 1492-0042 (Print)
ISSN 1492-0050 (PDF)