



Submission to the Workplace Safety and Insurance Board

Rate Framework Modernization 2016

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Introduction

The Canadian Union of Public Employees (CUPE) Ontario is the largest union in the province with more than 250,000 members in virtually every community and every riding in Ontario.

CUPE members provide services that help make Ontario a great place to live.

Our members are employed in five basic sectors of our economy to deliver public services: health care, including hospitals, long-term care and home care; municipalities; school boards in both the separate and public systems; social services; and post-secondary education.

CUPE members are your neighbours. They provide care at your hospital and long-term care home. They deliver home care for your elderly parents. They collect your recyclables and garbage from the curb. They plough your streets and cut the grass in your parks and playgrounds. They produce and transmit your electricity, and when the storm hits in the middle of the night, they restore your power. CUPE members teach at your university and keep your neighborhood schools safe and clean. They take care of your youngest children in the child care centre and make life better for developmentally challenged adults. They protect at-risk children as well as those struggling with emotional and mental health issues.

And in all these workplaces and all of our communities, workplace health and safety and the systems designed to protect it and to ensure support for those who need it, are, for us, a top of mind priority.

Rate Framework Modernization Consultation

CUPE thanks the WSIB for this opportunity to provide input on such a critical issue as the framework for WSIB rates.

Our members and staff have a wealth of experience with workplace health and safety and compensation related issues and have helped us prepare this submission.

CUPE Ontario has serious concerns with what the WSIB is proposing as an improved rate framework regarding WSIB premiums.

We acknowledge the need for positive change toward a merit system that is current and responsive to the present day situation for employers and the WSIB when it comes to setting an appropriate premium rate. What is being proposed does eliminate the retrospective adjustment and seems to achieve that goal.

Our concerns run deeper than the appropriate timing for rate adjustments. When making premium adjustments the underlying question must always be, what justifies the reward or penalty? It appears that the WSIB is prepared to move forward with preserving the long term practise which only focuses on claims cost as the single determinative factor when setting premium rates. We do agree that the current 30 year old experience rating system needs to change. How does the proposed rate framework recognize the positive efforts of employers who truly have reduced injuries and occupational disease and have established effective return to work practises?

The health and safety of workers in this province rest in the hands of WSIB decision makers who have been charged with a responsibility to get this issue right. It is vital that the WSIB take sufficient time to explore other jurisdictions and implement new elements at the core of its system to ensure employer accountability.

WSI Act 83. (1) The Board may establish experience and merit rating programs to encourage employers to reduce injuries and occupational diseases and to encourage workers' return to work.

(2) The Board may establish the method for determining the frequency of work injuries and accident costs of an employer.

(3) The Board shall increase or decrease the amount of an employer's premiums based upon the frequency of work injuries or the accident costs or both.

The WSIB has a responsibility when creating an experience and merit system to ensure it has a positive impact on workers by encouraging reduced injuries, and occupational disease as well as encouraging effective return to work. After all its workers that have the biggest stake in this WSIB system be it the result of an injury or having to work in high risk situations.

Counting claim cost dollars does nothing to address the primary language which sets the objective for section 83 of the Act. Any decisions to adjust an employer's premiums must dig in deeper than the surface cost comparisons vs the projected average for a particular industry. There needs to be confirmation that the adjustment is warranted.

We know there is an element of claims suppression and some claims management practises that are not in keeping with what the WSIB would approve. We only have to look to the Harry Arthurs report to see where solid recommendations were put forth on how to improve the system.

It is far too easy for employers to only focus on WSIB claims management as an accounting function or as a service contracted in supplementing human resources. If an employer's objective is to lower the WSIB claims cost in order to achieve a cash reward, employers will take the path of least resistance which too often puts focused pressure on claims cost rather than workplace changes and the mechanisms of injury.

An employer's yearly claims cost experience is just one piece of information that needs to match up with the employer's meaningful efforts regarding health, safety and accident prevention in the workplace. The onus should be put on the employer to provide their Health and Safety track record results prior to any premium rate adjustment. The employer's point of contact person should be well prepared to present a detailed account of their workplace activities that warrant a premium adjustment.

There must be congruency to support the lower than average claim costs otherwise an investigation should be undertaken to discover the methods that were used to achieve a favourable or failed claims experience. One way or another the WSIB must be satisfied that they understand the actual employer behaviour that is associated with the claims experience. The system cannot be allowed to continue to function based on the assumptions of positive employer behaviour and a connotation that it's connected to improved workplace health and safety.

CUPE encourages the WSIB to coordinate its efforts with the Ministry of Labour and to work hand in hand with Chief Prevention Officers to develop standards and protocols to be used when making premium adjustment. There is a sibling relationship between WSIB and H&S that needs to be recognized.

A program of this magnitude requires a definite connection to meaningful, measureable health and safety components in order to justify premium reductions. Employers with lower than average cost claims do not achieve this without a concerted effort. Whatever the reason for this successful cost outcome it can only benefit workers and other employers alike by sharing their experience.

The WSIB has announced that January 2019 is the earliest date of implementation for a new rate framework system. There is ample opportunity to meet and explore the necessary elements that should be measured and incorporated as part of a new rate adjustment system.

CUPE would gladly welcome and participate in open discussions with the WSIB. Continuing to explore options would ensure a successful experience rating program that fairly recognizes the real life efforts made by employers. CUPE is confident that we can identify the condition elements that will form a rate framework system foundation that provides opportunity for employers to have their premiums reduced. A shifted focus from the bottom line costs will improve workplace health and safety for all workers. This financially responsible and accountable process would be in keeping with the purpose of the WSI Act while promoting health and safety in workplaces and facilitating return to work.

CUPE looks forward to the end of the old seriously flawed experience rating process and the creation of a new and improved rate framework that truly holds employer's accountable. This can be achieved through concerted efforts involving the committed staff of Ministry of Labour, Chief Prevention Officer and the WSIB.