

**Construction Employers Coalition
(for WSIB and Health & Safety and Prevention)**



March 14, 2016

Ms. Elizabeth Witmer, Chair
Workplace Safety & Insurance Board
200 Front Street West
Toronto ON M5V 3J1

and Mr. Thomas Teahen, President & CEO
Workplace Safety & Insurance Board
200 Front Street West
Toronto ON M5V 3J1

Dear Ms. Witmer and Mr. Teahen,

Re: Request Premium Rate decrease of 15% for all Class G Rate Groups for 2017

The Construction Employers Coalition for WSIB and Health & Safety and Prevention (CEC) represents more than 2,000 firms employing approximately 80,000 workers in province. The CEC was formed in 2011 for the purpose of studying and responding to “big-picture” issues related to Occupational Health and Safety (OH&S), Prevention, and WSIB that will affect construction workers and employers in the province. The financial viability of the WSIB is one of many such issues.

Since concerns were raised about the WSIB’s financial position in the Auditor General’s 2009 Annual Report, WSIB premium rate setting policy has prohibited declines in premium rates for any sector, even when it has been earned through performance. The CEC supported this approach for the past seven years, understanding that the financial sustainability of the WSIB and the elimination of its unfunded liability (UFL) is important to the long-term health of the worker’s compensation system in the province. However, after seven years of paying heavily inflated premium rates to accommodate the WSIB’s “financial crisis,” we have now reached a point where a return to a normalized operating environment is necessary.

The lost time injury (LTI) rate in the construction industry has declined by 42% over the last 10 years, while the average construction premium rate has increased by 14%. In recognition of this significant LTI rate decline and continued payment of inflated premiums, the CEC is asking that the WSIB reduce all Class G: Construction premium rates by 15% for the 2017 year.

We recognize that there is still a significant amount of work to be done in order to completely eliminate the UFL and it is for this reason that we are *not* requesting the full extent of our earned rate reduction. A 15% decline will demonstrate to the industry that its strong performance to reduce LTIs and its support for paying down the UFL is being recognized, while still allowing the WSIB to collect well in excess of its required amount to reach its UFL targets.

We appreciate your attention to this request.

Regards,

Patrick McManus
Chair

Cc: WSIB Board of Directors