

Injured Workers' 2007 Cost of Living Facts and Figures

Based on Statistics from the WSIB website: <http://www.wsib.on.ca>

How does the WCB/WSIB Adjust Workers' Compensation for Cost of Living? :

The Board uses a formula of $\frac{1}{2}$ the increase in the CPI (Consumer Price Index, a measure of the change in the cost of living calculated by the Canadian Government) minus an additional 1%: i.e. $\frac{1}{2}$ CPI - 1%.

Workers compensation benefits were fully adjusted for CPI from 1985 to 1995; then $\frac{3}{4}$ CPI - 1% from 1995 to 1998 (except permanent partial disability pensioners on supplements who still received full CPI during those three years). A tiny fraction of injuries - those rated at 100% - get the full CPI amount.

Jan. 1 st	benefits up	inflation up	lost to inflation
2007	0.1%	2.1%	2%
2006:	0.3%	2.6%	2.3%
2005:	0.2%	2.3%	2.1%
2004:	0.0%	1.6%	1.6%
2003:	0.6%	3.2%	2.6%
2002:	0.0%	1.9%	1.9%
2001:	0.4%	2.8%	2.4%
2000:	0.2%	2.3%	2.1%
1999:	0.0%	1%	1%
1998:	0.0%	1.5%	1.5%
1997:	0.3%	1.7%	1.4%
1996:	<u>0.8%</u>	<u>2.4%</u>	<u>1.6%</u>
Totals:	2.9%	25.4%*	22.5 %* reduction of injured workers' benefits in 10 years

Injured workers have lost more than 22% of their poverty level incomes over the past 10 years. *The actual figure is higher due to the cumulative effect.

How does this compare to changes in employer assessments for WCB Coverage?

Average assessment per \$100 of payroll:	change from year before
2007: \$2.26	-
2006: \$2.26	+3%

2005:	\$2.19	-
2004:	\$2.19	-
2003:	\$2.19	+3%
2002:	\$2.13	-
2001:	\$2.13	- 7 %
2000:	\$2.29	- 5.4%
1999:	\$2.42	- 6.6%
1998:	\$2.59	- 9.1%
1997:	\$2.85	- 5.0%
1996:	<u>\$3.00</u>	

24.7% reduction of employer cost for workers' compensation coverage over the past 10 years

Employers have received a windfall benefit in the form of a 24.7% rollback in their cost for workers' compensation coverage over the past 10 years. Not coincidentally, employers average assessments were \$2.17 in 1984, just before full cost of living adjustments became 'the law' for injured workers.

Employers are getting a bargain paying 1980's prices while the workers who are injured are forced to live in poverty on 1980's benefit levels.