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March 4, 2011

Harry W. Arthurs, Chair  
WSIB Funding Review  
WSIB  
200 Front St West  
Toronto ON  
M5V 3J1

Dear Mr. Arthurs,

Re: The funding review of the WSIB

Please accept my submission in regards to the current review which you are conducting of how the WSIB is and should be funded.

I am contacting you as an injured worker. I believe my experiences and interactions with Ontario's workers' compensation system give me perspectives which I wish to present to you in this submission.

I sustained a permanent impairment to my back while working as a superintendent for an apartment complex in Toronto. Since then I have had an ongoing relationship with the WSIB, one that has been often worrisome. I wish to present my views to you on the subjects of funding, employer incentives, and the indexation of benefits.

### **The problem with the WSIB's Funding**

The workers' compensation system in Ontario is governed by provincial legislation, and run by an organization that is responsible to the Ministry of Labour. The WSIB is a public organization, funded by the collection of private monies. Yet, not all workers within Ontario are covered under the legislation; almost one third of workers are not eligible to receive WSIB benefits in the likeliness a workplace accident would occur, and one third of employers do not pay into the system.

The auditor general's report suggested that universal coverage, or legislating that all employers cover their workers through the WSIB system, would act as a revenue stream for the WSIB. This would drastically increase the capital flow coming into the WSIB, thus adding to the reduction of the unfunded liability.

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Furthermore, the application of the concept of universality would negate any unfair disadvantages within the economy for employers who have opted to voluntarily purchase WSIB for their workers.

Therefore, I respectfully submit that the concept of universal coverage should be considered when you are addressing the funding of our workers' compensation system.

### **Employer Incentives**

Employer incentives, or more specifically the Experience Rating program, are the second area of concern which I wish to examine. I have personally experienced how this program, which is designed to improve occupational health and safety and increase return to work and accommodations for the injured worker, can be manipulated by employers.

In my case, I noticed that I was injured and reported it to my employer. I informed them of the situation and abruptly spoken with my treating physician. However, they failed to report what happened to the WSIB. My physician sent in medical reports, including an MRI, and my employer still didn't report; I was given my Record of Employment and told to apply for Employment Insurance Sickness Benefits, a publicly funded program.

In my opinion, the reluctance of my employer to report my injury is directly related to the Experience Rating program. As surcharges increase with incidents, it is good business for the employer not to report all accidents, especially ones such as mine that are "lost-time" injuries. If they were to do so, there is a chance of a monetary penalty. If accidents are kept low, there is a chance of a monetary reward.

I argue that my employer attempted to push me away and onto the publicly funded EI system as they saw me, an immigrant with lesser knowledge of the Ontario safety net who could easily be "swept under the rug," as a financial liability, a potential increased cost of doing business. In this case, and in so many more around the province, Experience Rating does not influence health and safety outcomes or foster return to work and accommodations; it promotes illegal and unethical employer behaviours. In the business arena where profit is the motivating factor, it is expected that positive and negative reinforcements will be manipulated to further increase profit at any chance possible. Experience rating and employer incentives do not work; they promote bad behaviours while not fulfilling the desired outcomes. Furthermore, the ratio of rewards to surcharges is outstanding, further highlighting the manipulation of the Experience Rating system.

Therefore, I submit that Employer Incentives be eliminated; they are consistently manipulated for gains; they do not achieve their desired outcomes; and they are grossly expensive.

### **Benefits Indexation**

I submit that to index benefits to anything but the full annual cost of living is simply unfair and unjust.

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The wages of injured workers are already grossly reduced, to 85% of net wages. This already places financial burdens on injured workers who have lost not only a portion of their income, but the ability to earn an income. While the costs of everything increases, from transportation to food, why should injured workers benefits not keep pace with the cost of living? To not do so would actually increase the poverty of injured workers as our benefits would be worth less each year. This practice is unethical and must be rectified.

Furthermore, as the cost of living increases, as do the salaries of workers. The WSIB is funded by employers who pay a percentage of payroll as contributions to the compensation fund. As the salaries increase, the total amount paid to the WSIB increases, not the percentage of payroll. Therefore, there is no cost increase to employers if it is assumed that wages keep pace with inflation. Therefore, full cost of living indexation would not financially harm employers.

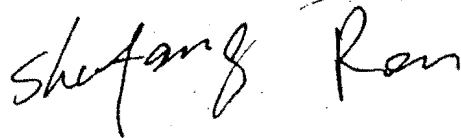
I respectfully submit that you, Mr. Arthurs, suggest that benefit indexation be legislated to be equal to the full cost of living increases annually. This is not a burden to employers, it is simply the just thing to do.

#### **Conclusion**

Mr Arthurs, I thank you for taking the time to consider my recommendations. As an injured worker, I have lived experiences with the workers' compensation system. I trust that my insights are valuable to the funding review. If you have any questions, please contact me. Thank you.

Respectfully submitted on this day, Friday March 4, 2011,

Shufan Ren

A handwritten signature in cursive script that reads "Shufan Ren". The signature is written in black ink and is positioned to the right of the typed name "Shufan Ren".