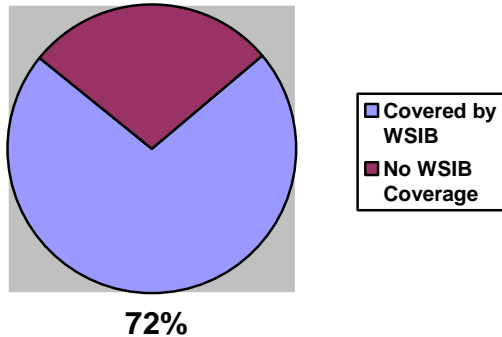


## FACT SHEET

### Universal Workers' Compensation Coverage

**% of Workforce Covered by  
Workers' Compensation**  
**28%**



#### **Protecting all workers for injury Why is Ontario a have not province?**

Most people think that all workplace accidents are covered by our compensation system. But this is not true. Ontario is the worst province in this respect. Nearly one in three workers in Ontario is not covered. Many employments have “voluntary” coverage. Your boss may decide to go for a cheaper private insurance, or not insure you at all to save the company money. You will be at risk!

#### Meredith Recommended Full Coverage

When Sir William Meredith’s Royal Commission proposed a workers’ compensation system, he found no logical reason why, if one employer must cover its workers, another should not be required to do the same. However, he noted practical and political problems. It would be easier for the new WCB to get set up if it began with some workplaces rather than every single one. And there was strong political opposition from the banking and financial industry, insurance companies, law firms and other powerful political forces in society. Their political opposition could stall an important program.

Meredith proposed a list of the industries where workers compensation seemed most needed. He left it up to the government to add industries into the system in the future.

#### Who is not covered?

Nearly 100 years passed without much updating of the list but many new types of work have grown in our economy. High tech manufacturing companies and service industries like call centres and were not around the last time the list was amended.

Is it fair that nearly one in three workers is not entitled to worker’s compensation? Are the workers with bad backs, with repetitive strain injuries and other musculoskeletal disorders happy to have the right to sue?

In addition to financial compensation, the workers’ compensation system offers access to justice. Public access to policy and an appeal system, including representation, are highly valued aspects of the system for injured workers. Uncovered workers with denied private

insurance claims do not have these components and must sue the insurance company or abandon their claim. Completely uncovered workers must sue their employers. Do they, can they realistically ever sue for a bad back or a repetitive strain injury?

### **Impact on employer rates**

Employers often point to provinces like British Columbia and Alberta. They say average rates are lower there, so Ontario needs to reduce its rates or lose jobs to other provinces. However, average rates don't tell you anything useful because the proportion of the workforce that is covered is different. British Columbia covers about 93% of its workforce, Alberta covers about 92%. Ontario covers far less.

Provinces with full coverage include the banks, call centres, high tech manufacturing and law firms where the costs are much lower. For example, in Ontario the average rate is now \$2.30 per \$100 of payroll but the rate charged to law firms is 18 cents per \$100 of payroll. Expanding coverage brings in a large number of workers in these industries with lower rates and so the average rate for all industries is much less.

An honest comparison of provincial rates must compare the rates industry by industry, not by using an average of all the rates charged regardless of who is covered. When you compare rates by industry, Ontario employer rates are very 'middle-of-the-road.'

### **The Smith Public Inquiry Recommended Full Coverage**

In 2002/03 the WSIB conducted a public review of the issue of workers' compensation coverage for Ontario's workforce. They appointed an independent expert, Brock Smith, to chair the inquiry. He reviewed the history and literature on the subject and conducted public hearings around Ontario.

The Smith Final Report (November 17, 2003) recommended that all workers and employers be covered unless specifically excluded in the Act. The Report was approved by the WSIB Board of Directors on December 10, 2003.

### **The Auditor General Recommended More Coverage**

In his December 2009 report about the WSIB's unfunded liability, the Auditor General identified 4 "levers" available to increase the WSIB funding level: reduce injured worker benefits, increase employer rates, change WSIB investments, and expand coverage of the workforce.

### **Who will stand up for the workers of Ontario?**

We had a public inquiry recommending increased coverage of the workforce. We had the Auditor General recommending increased coverage. The WSIB Funding Review website lists the report of the Auditor General as the first item on the list of resources. But the Funding Review agenda makes no mention of the need to expand coverage despite the fact that the Auditor General identified it as one of the 4 key solutions.

What happened to coverage of all workers? Who wants this off the agenda? Why is Ontario a 'have not' province when it comes to protecting workers and injured workers?