

Stakeholders: WSIB premium reductions will result in increased health and safety

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VAUGHAN, ONT. — Industry stakeholders are supportive of the Workplace Safety and Insurance Board's (WSIB) recent announcement to reduce premium rates and say the savings will provide relief to construction employers who have been dealing with the impacts of the COVID-19 pandemic.

During its annual general meeting Oct. 6, the WSIB announced the five per cent reduction in premium rates in 2022, by \$168 million, bringing the total reduction in premiums since 2018 to \$2.4 billion, states a release issued by the Residential Construction Council of Ontario (RESCON).

The rate reductions are the direct result of improvements to the WSIB's sufficiency ratio which once was below 80 per cent and is now well above 115 per cent, adds the release. As a result, the WSIB system remains in a funding surplus and the change proposed by the government will have no impact on taxpayers or at the expense of injured workers.

“Today’s announcement will allow employers in the construction industry to increase their investment in health and safety and grow their businesses, allowing construction to continue to lead the economic recovery,” said RESCON VP Andrew Pariser, who is also chair of the organization’s health and safety committee, in a statement.

“Premium rate decreases highlight that health and safety efforts in residential construction are working. RESCON supports the approach that the risk should be reflected in the rate. Lower rates show our safety improvements are working.”

Legislation is expected to be introduced this fall which, if passed, would allow for a significant portion of the WSIB’s current reserve, currently valued at about \$6.1 billion, to be distributed to safe employers. The legislation would require the WSIB to return excess funds to employers once the WSIB’s surplus reaches 125 per cent, with the option to do so earlier, thus ensuring premiums paid by employers reflect the risk associated, the release indicates.

“Linking the premium ceiling to inflation protects workers and gives construction employers the flexibility they need to invest in safety, their businesses and the Ontario economy,” Pariser added. “RESCON applauds the funding corridor approach as it improves future rate predictability and balances the needs of employers and workers.”

The Progressive Contractors Association of Canada also expressed support for the reduction in premium rates.

“These changes will translate into major savings for our member companies,” said Stephen Hamilton, PCA’s director of public affairs, Ontario. “It frees up funding that can be reinvested in health and safety training, equipment and creating new jobs.”