



## **CANADIAN FEDERATION OF INDEPENDENT BUSINESS**

**Submission to**

### **Workers Compensation Act Review Committee:**

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## **Introduction**

The Canadian Federation of Independent Business (CFIB) is pleased to provide this submission to the Workers Compensation Act Review Committee. CFIB has participated on many workers compensation issues in the past and welcomes the opportunity to provide our members' views at the first stage of this review. We look forward to playing an active role in the ongoing process of reviewing the Workers Compensation Act (WCA).

CFIB is a non-partisan organization that represents the views of small- and medium-sized firms across Canada. Nationally, we represent 105,000 businesses, with 4,800 members in Manitoba. Our diversified membership is comprised of firms from all regions of the province and all sectors of the economy.

It is important to begin by stating that approximately 69 per cent of Manitoba's 35,000 businesses with paid employees employ fewer than five people and 92 per cent of all businesses have fewer than 50 employees – the upper limit most often used in defining small business. Therefore, any changes in legislation must first consider the impact on small firms in Manitoba.

CFIB supports safe workplaces and recognizes the importance of having a fair and equitable workers compensation system. Given that the Workers Compensation Board of Manitoba (WCB) is 100 per cent employer funded, business owners expect the Board to provide reasonable support and service to injured workers while managing costs in a fiscally prudent manner.

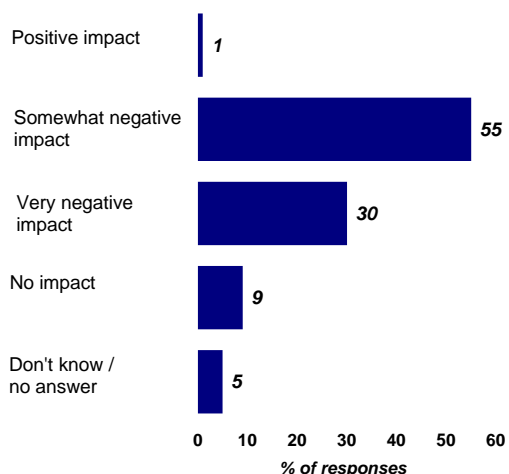
It is also important to note that low WCB premiums have been one of the few competitive advantages of owning and operating a business in Manitoba. CFIB urges the Review Committee to consider costs associated with any recommendation put forward. In addition, CFIB recommends an overall analysis of the economic impact any proposed changes would have on the economy of Manitoba. Workers compensation premiums add directly to the cost of employing people, which directly and adversely affects the capacity of smaller firms to maintain their current workforces or further their achievement in job creation.

In preparation for the review, CFIB sent out a web based survey to approximately 2,400 members, seeking their input on changes to the WCA (appendix A). Not surprisingly, CFIB received a good response to the survey. The response to the WCA survey along with earlier survey data results form the basis of the position CFIB puts forward today. In addition, attached is a sample of the comments that were sent in with the survey by employers throughout the province (appendix B).

CFIB notes that the 2004 average WCB rate increase has had a negative impact on business. In fact, recent survey results indicate that 85 per cent of business owners felt the nine per cent average premium increase has had a somewhat negative impact or very negative impact on their business. Any additional increases to employer premiums

will be detrimental to the business community. Over the years, employers' concern related to WCB has been linked to premiums. In the early 1990s, when premiums were higher, nearly half of small business owners stated that WCB premiums were the most harmful tax to their business. As premiums decreased, employers' concern reduced to less than one-third. Therefore, it is critical that the Review Committee carefully consider the impact of any recommendations on small business.

*How has WCB's recent 9 per cent average premium increase affected your business?*



Source: CFIB Manitoba WCB Survey, May 2004

In addition, CFIB worked closely with the Employers Task Force / Manitoba Employers Council (ETF/MEC) in preparing a submission on behalf of approximately 20,000 employers in Manitoba. CFIB supports the ETF/MEC submission and has provided additional comment on a number of issues that were raised. CFIB defers comment on issues of Board governance, employer access to medical information, expedited treatment of injured workers and independent medical examinations and other issues not raised in this submission to the ETF/MEC submission.

### **Fundamental Principles of WCB Reform**

It should be noted that CFIB and other employer organizations all share a fundamental vision of reform based on insurance principles. The WCB is a monopoly, no fault disability insurance corporation that provides collective liability, amortizes costs over a longer period, and helps to ensure some stability in the event of unforeseen circumstances. Over 80 years later, the CFIB still accepts the historical trade-off first established by the 1914 Meredith Commission in Ontario, which established a model system later adopted throughout all jurisdictions in Canada, including Manitoba.

Employers have accepted responsibility for full payment of WCB costs in lieu of avoiding costly litigation through the courts. In accepting this great trade-off (even though relief from litigation is equally beneficial to avoid liable suits among workers), employers do not want to see the strategic shift of WCB systems toward a more universalistic view that evolves into other forms of social welfare assistance. The historical Meredith principles never encompassed a universal disability insurance

program, nor a program of unlimited vocational education. Instead, we urge the Review Committee to support the following fundamental principles:

1. Workers compensation should insure workers only against injuries caused by work.
2. Workers compensation should be administered to serve workers and employers efficiently and effectively.
3. The system should guarantee a fair and affordable level of compensation to permanently disabled workers today and in the future.
4. The system should include incentives and programs that encourage timely return to suitable work.
5. No worker should receive a higher net income on compensation than he/she would from working.
6. All employers benefiting from a collective liability scheme should pay their fair share of its costs.
7. The system should be based on prevention first, return to work if possible, rehabilitation when needed, and appropriate compensation where necessary.
8. The system should be fully funded over a reasonable timeframe – increased assessment charges to fund large accumulated debts diverts revenues that should be fully allocated to quality services to injured workers and the most competitive rates possible.
9. The system should be designed and managed to avoid as much volatility as possible in managing employer premium costs.

Boards and governments need to re-establish the connection between WCB and workplace accident insurance. A good starting point is a quotation from the June 1997 Ontario Ministry of Labour's Highlights on Bill 99, The Workplace Safety and Insurance Act: *"To restore the worker compensation system's original mandate as a workplace accident insurance plan, the new legislation will limit benefits to injuries directly caused by work... The legislation will be modernized to be consistent with insurance principles. It will ensure greater certainty, reduce complexity and foster better service for injured workers and employers."*

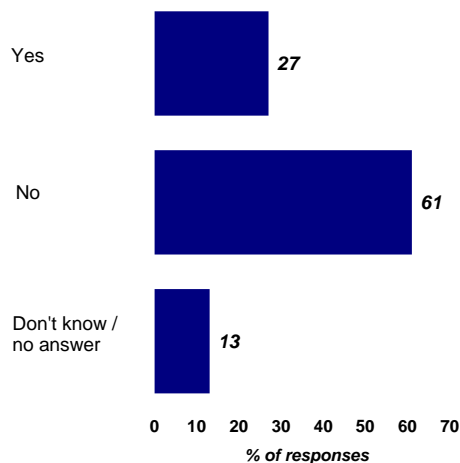
This statement from the Ontario Ministry of Labour is highly significant, and not just because the word "insurance" is used in the name of the Act and the Board – although that in itself is an important many-times-a-day reminder that this system is intended to be insurance and not a social program. The insurance approach represents a complete, and certainly refreshing change in perspective in handling workplace disabilities.

### **Expansion of Industry Coverage**

CFIB does not support the expansion of compulsory workers compensation coverage to include all workplaces in Manitoba. Alternatively, CFIB recommends government and the WCB promote voluntary coverage for employers who are not legislated.

Survey results indicate that 61 per cent of employers do not support the expansion of compulsory coverage to all workplaces in Manitoba, while 27 per cent support the notion and 12 per cent don't know. However, when considering only those employers who are currently not covered by WCB, the number who do not support compulsory coverage for all workplaces increases to 89 per cent, with only two per cent supporting the idea and 9 per cent stating 'don't know'.

*Currently, WCB coverage is compulsory for approximately 60 per cent of Manitoba businesses. Should compulsory WCB coverage be extended to cover all workplaces in Manitoba (such as agriculture and office work)?*



Source: CFIB Manitoba WCB Survey, May 2004

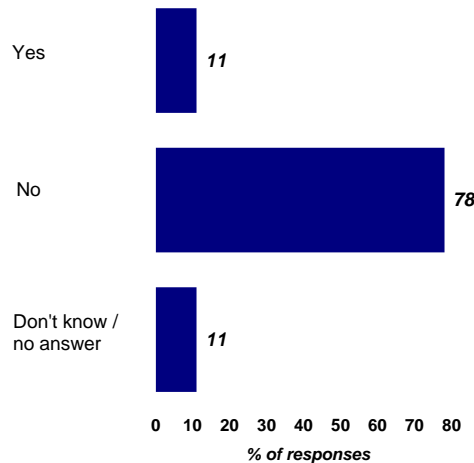
It is CFIB's position that the overwhelming majority of industries that are currently excluded from the WCA are low risk and legislating WCB premiums would be viewed as nothing more than a 'cash grab'. For example, the risk of injury to an employee in an office environment is minimal. The likelihood that an office worker would file a claim and receive wage replacement by WCB is low, while the employer would be forced to pay premiums. WCB premiums would be another cost to the business owner who would be forced to lower other costs (possibly reducing wages or benefits) or pass the cost on to the consumer or both. Furthermore, the implementation of WCB premiums would in no way guarantee or promote a safer working environment.

CFIB is committed to farm safety, the Federation's agri-business policy analyst has been working on a special committee reviewing safety in the agriculture sector. However, CFIB does not support the expansion of compulsory coverage to the agriculture sector. It is the Federation's position that WCB coverage would in no way improve farm safety or reduce accidents. CFIB supports voluntary coverage for farmers and encourages government to dedicate educational information/resources on safety to this sector. Furthermore, CFIB notes that many farms are family owned and operated. Given the nature of farming, owners and operators would not have the time to file a WCB claim and take time away from their operation. Also, given the extreme challenges farmers have faced over the past year, and continue to face today, the addition of WCB premiums may be a cost they simply cannot afford. Many farmers are struggling to make ends meet and the advent of another cost may be too much for them to absorb.

## **Stress**

CFIB supports the current definition of stress and recommends the existing legislation and practice remain unchanged. In fact, when asked if WCB should expand its coverage to include all forms of employee stress, 78 per cent of small business owners responded 'no', 11 per cent replied 'yes' and a further 11 per cent replied 'don't know'.

*WCB currently provides benefits for workers suffering from post-traumatic stress related to a workplace injury. Should WCB expand its coverage to include all forms of employee stress?*



Source: CFIB Manitoba WCB Survey, May 2004

CFIB notes that the current definition of stress is consistent with the majority of jurisdictions in Canada. Furthermore, loosening the definition of acceptable stress claims could open the door to claims of stress related to employer / employee decisions or actions that form part of the daily employment functions. For example, demotions, transfers, discipline, change of work hours or conditions and changes of productivity expectations. In addition, an employee may not be capable of coping with the duties he/she was hired to perform. It is CFIB's position that in the event these forms of stress exist for some employees, they are normal aspects of employment and should not be compensated for. Furthermore, CFIB does not support the use of WCB funds to pay for stress related claims that may fall outside of employment. For example, financial problems, domestic issues, substance abuse to name a few should not be covered through WCB.

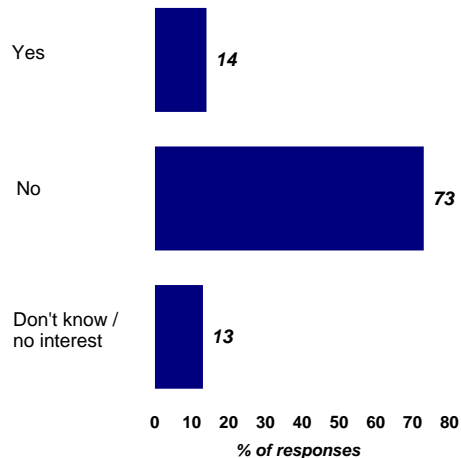
Given that WCB is 100 per cent employer funded, broadening the definition of stress would not only create significant financial pressures on the Board and employers, it is beyond the spirit and intent of the WCA. Therefore, CFIB recommends that the existing legislation/practice related to stress remain unchanged.

## **Directors' Liability**

CFIB recommends that the WCA be amended to remove the loophole under which directors of corporations can be sued by an injured worker (or by the WCB on their behalf). Given that directors often do not have a day-to-day role within the firm, making

it impossible to personally know all the technical safety requirements and monitor their implementation, it is CFIB's position that directors of corporations should only be held legally responsible for their actions. In fact, a CFIB survey conducted in January 2001, found that 73 per cent of our members were opposed to the idea of making directors of corporations criminally liable if workplace safety practices were not properly implemented.

*Should directors of corporations be held criminally liable if workplace safety practices were not properly implemented?*



Source: CFIB Mandate 201, January 2001

CFIB believes directors should not be excluded from the “no-fault” protection offered to the business itself in which issues of negligence of either the worker or the employer are not relevant to the issue of payment of benefits. Manitoba’s workers compensation was developed on the basis of the Meredith principles, which explicitly provides for a trade off, in which workers receive prompt access to defined benefits, and employers agree to fund the payments of those benefits.

The Federation is very concerned that well-qualified individuals may be reluctant to take a director position if they understand they may face legal action in the event workplace safety practices were not properly implemented. And in many small firms the owner is the director and sole shareholder on the articles of incorporation. This issue has been further complicated by the fact that the WCB has three outstanding lawsuits against directors of Manitoba small businesses. We urge you to ensure directors are protected under the WCA as has recently occurred in Ontario.

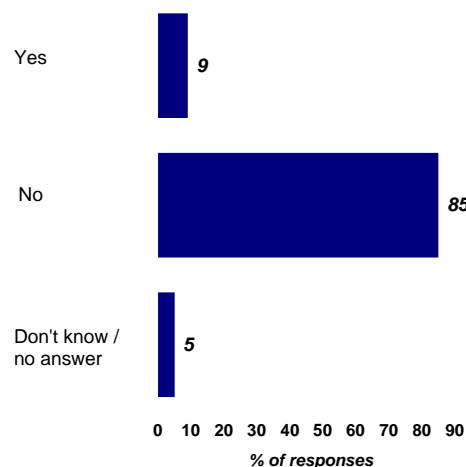
Lastly, CFIB is opposed to the current system that requires directors to purchase special coverage from WCB to ensure immunity from lawsuits. It is the Federation’s position that directors are effectively subject to double taxation by the WCB. The employer is already paying premiums based on injury experience, and should not be required to pay an additional levy for its directors.

## **Dominant Cause**

CFIB recommends the current provision of “Dominant Cause” remain a key factor in determining occupational disease. CFIB supports fair and comprehensive insurance coverage for employees when a causal link can be drawn between a workplace incident and injury. Insurance benefits should only be provided in the event it can be demonstrated that exposure to hazards in the workplace caused a disease/illness. CFIB opposes any form of presumptive legislation that does not take into consideration lifestyle choices when considering illness.

In fact, 85 per cent of CFIB members support the continuance of “dominant cause” in determining workplace illnesses and injuries. As WCB is 100 per cent funded through employer premiums, and it is ultimately employers who will absorb the cost of any presumptive legislation, it is incumbent on government to ensure a direct link can be made between a hazard in the workplace and the advent of a particular disease. Therefore, CFIB urges your government to maintain its existing practice of determining cause and provide WCB insurance only when a causal link can be drawn.

*Currently WCB legislation requires employees to prove that the workplace has been the dominant cause of an illness before accepting a worker’s claim. Should WCB remove this rule?*

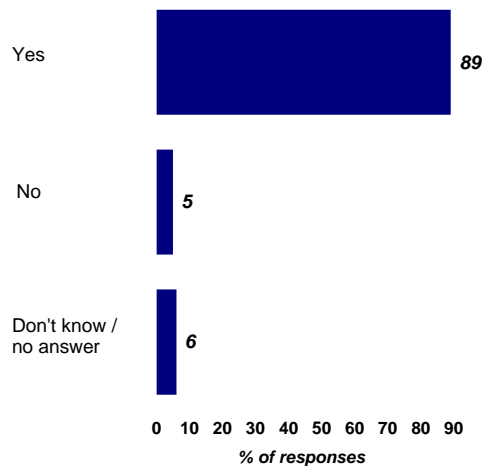


Source: CFIB Manitoba WCB Survey, May 2004

## **Job Classifications**

CFIB recommends a review of employer premiums based on work function within an organization. Therefore, employers with both high-risk job functions (e.g. mechanic) and low-risk job functions (e.g. office assistant) pay separate rates based on risk. This recommendation is strongly supported by the business community with 89 per cent of business owners agreeing that employers should be eligible to pay different premiums based on work function.

*Employers pay the same WCB premiums regardless of the type of work performed by employees in their business (e.g. WCB premiums for office staff at an auto mechanic shop are at the higher mechanic rate). Should employers be eligible to pay different premiums based on work function (e.g. mechanic and office assistant)?*



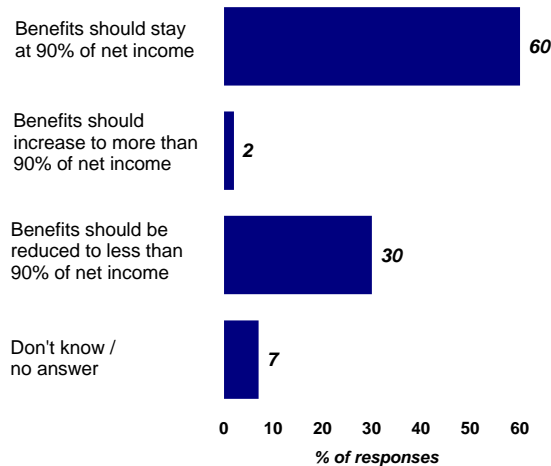
Source: CFIB Manitoba WCB Survey, May 2004

Given that there is a low risk of injury associated with many support and/or office positions in compulsory industries, it is CFIB's position that premiums should be reduced to reflect the likelihood of injury and provide cost relief to employers. CFIB recognizes that this may be administratively difficult for the Board to accommodate and offers our support in developing an appropriate and feasible system.

### **Wage Replacement**

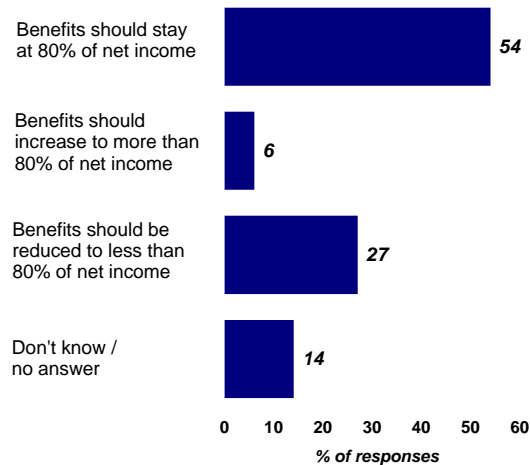
CFIB recommends wage loss benefits for injured workers remain at the existing level. While 30 per cent of employers feel benefits should be reduced below 90 per cent of net income for the first year, 60 per cent state benefits should remain the same and two per cent would like to see an increase. Just over half (54 per cent) of employers stated that injured workers should receive 80 per cent of net income after the first year of benefits, 27 per cent felt benefits should be reduced and six per cent felt wage replacement should be increased.

*In the first year after an injury, WCB benefits for injured workers are set at 90% of net income for the first year. Should the amount be changed?*



Source: CFIB Manitoba WCB Survey, May 2004

*After the first year WCB benefits for injured workers are set at 80% of net income. Should the amount be changed?*



Source: CFIB Manitoba WCB Survey, May 2004

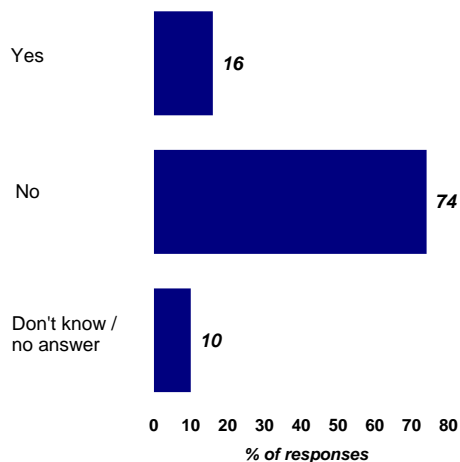
Maintaining the existing 90 per cent and 80 per cent wage loss replacement ensures workers receive guaranteed income during their recovery period without any consideration of contributory negligence and provides workers with incentive to return to work as soon as possible. Furthermore, workers will incur some savings while at home such as cost of travel, meals, clothes, etc.

### **Maximum Annual Earning**

CFIB recommends that the maximum annual earnings cap, which is adjusted yearly to reflect the Manitoba Industrial Average Wage, be retained. The existence of a cap is consistent with all other provincial jurisdictions, which are adjusted annually to reflect that particular jurisdiction economic growth during the previous 12 months.

Nearly three-quarters (74 per cent) of small business owners stated that the limit on income replacement should remain the same regardless of whether the workers normal income is higher. A further 16 per cent stated the limit should be increased while 10 per cent replied 'don't know'.

*Currently, there is a limit on income replacement an injured worker can receive (\$56,310) regardless of whether their normal income is higher. Should this limit be increased?*



Source: CFIB Manitoba WCB Survey, May 2004

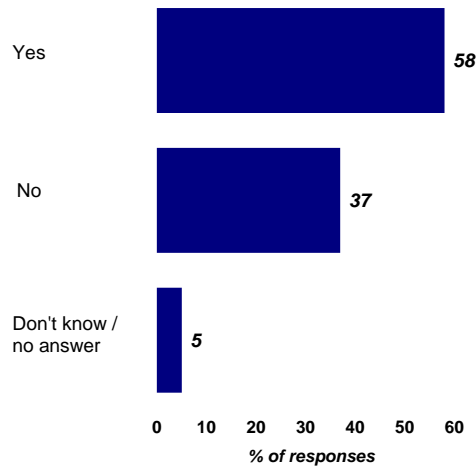
The maximum annual earnings cap of all provincial jurisdictions was \$55,434, therefore Manitoba is already above the average at \$56,310 and significantly higher than Prince Edward Island at \$41,200. Manitoba falls behind Ontario – the highest at \$66,800.

### **Waiting Period**

CFIB recommends consideration of a three-day waiting period for workers compensation claims. In an initiative such as this, an employee would wait three days before receiving any type of WCB income replacement benefit.

This type of legislation is in place in parts of Atlantic Canada and is viewed favourably by some business owners. More than half of employers (58 per cent) support the implementation of a three-day waiting period prior to injured workers receiving wage replacement while 37 per cent do not support the concept.

*Currently, an injured worker is eligible to receive benefits from the moment an injury takes place, while EI and MPI have a waiting period for benefits. Should a waiting period of three days be implemented before an injured worker is eligible for compensation?*



Source: CFIB Manitoba WCB Survey, May 2004

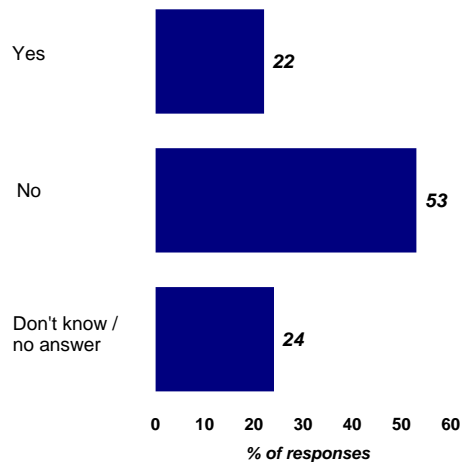
The introduction of a waiting period has the potential to reduce the number of frivolous claims. It should also be noted that such a waiting period exists in almost all other forms of private and public insurance, including Manitoba Public Insurance benefits and Employment Insurance benefits.

Exemptions to the waiting period may be considered if the injury results in hospitalization and/or if the time loss lasts longer than 20 working days (the Board would retroactively pay the claimant for the waiting period).

### **Surviving Spouse**

CFIB recommends no changes be made to the “surviving spouse” component of the WCA. Currently, a surviving spouse receives wage replacement for the next five years. CFIB supports the existing time period in which widows/widowers receive wage replacement. Just over half (53 per cent) of employers stated the five-year limit on wage replacement should not be increased, 22 per cent felt it should be increased while 24 per cent stated they don’t know if changes should be made.

*If a worker is killed on the job, the surviving spouse receives wage replacement for the next five years. Should the five-year limit be increased?*



Source: CFIB Manitoba WCB Survey, May 2004

## **Return to Work**

CFIB supports the existing WCB policy on return to work and recommends that no further requirement to accommodate injured workers be enacted in law. An employers' duty to provide reasonable accommodation to an injured worker is adequately addressed in existing human rights legislation.

CFIB encourages the WCB and government to provide information to employers regarding the benefits of return-to-work programs. In addition, CFIB urges WCB and government to recognize the challenges many small employers have when attempting to accommodate modified duties. In many instances, a small employer does not have the ability or flexibility to accommodate an injured worker.

Furthermore, CFIB notes that all work is meaningful and must be considered when attempting to return an injured worker to the workplace.

## **Funding of Agencies and Programs**

CFIB recommends that a detailed listing of all activities, paid for through the annual transfer of employers' premiums to the Department of Labour, be provided to all stakeholders. CFIB argues that WCB levies should be used solely to fund the compensation of injured claimants and not the bureaucracy within a government department.

Of particular concern is the funding allocation of the Workplace Safety and Health Branch, the Office of the Minister of Labour and Immigration and its operating department, the Worker Advisor Office, Community Initiatives and Research Program, and the Appeal Commission.

Over the past number of years, CFIB has raised its concern with the level of annual transfers of WCB premiums to fund Workplace Safety and Health, the Department of Labour and the Community Initiatives and Research Program. CFIB believes that the appropriateness of such activities do not reflect the spirit of the Act and an independent review must be conducted to determine their appropriateness.

### **Workers Compensation Board of Governance**

CFIB recommends the following for the WCB Board of Governance structure:

- (A) CFIB recommends that the role of the Workers Compensation Board Chair be structured similarly to that of other Manitoba crown corporations. The Chair should be limited to the role as provided for and contemplated by the WCA - as a non-voting Chair of Board of Director Meetings with no administrative role at the WCB offices.

We further recommend that the Chair be a part-time position that is compensated on a per-diem basis for attendance at board meetings, plus reasonable compensation for additional meetings, consultations or preparatory time.

- (B) In order to retain experience and preserve corporate memory, CFIB recommends that Board of Director's Terms of Appointment should be fixed terms of three years for a maximum of two terms. In addition, the terms should be staggered within each stakeholder group.
- (C) CFIB recommends that a Quorum consist of at least two members from each of the three representative groups, i.e. two employer representatives; two worker representatives; and two public interest representatives.
- (D) CFIB recommends that the Employer Representatives appointed to the Board should be those nominated by the employer community, through the ETF/MEC (Employer Task Force / Manitoba Employers Council), which represents the vast majority of the employers under the Act in Manitoba.
- (E) CFIB recommends that the Worker Representatives appointed to the Board should reflect the make-up of the workers under the Act. At least one of the three appointments should be a non-unionized worker.
- (F) CFIB recommends that the Public Interest Representatives appointed to the Board occur as a result of consultation with the worker and employer community and those appointments be jointly agreed upon.

## **Employer Access to Medical Information**

CFIB recommends that the existing legislation, which provides for employer access to “relevant information”, be retained and that a review be undertaken to ensure that recent Federal privacy legislation has not eroded these rights.

Both workers and employers have the right to appeal any decision of the WCB. Currently, the WCA grants the employer access to all relevant information, including medical, when they are appealing specific issues relative to the claim. The worker has an opportunity to view and object to any information being disclosed to the employer. In addition, significant penalties are provided for under WCB legislation should the employer use file information for any reason other than an appeal of a WCB issue. This is consistent with most other jurisdictions.

In order to be consistent with the principles of natural justice, access to information relevant to making a decision should be available to both parties. Full disclosure of relevant information will level the playing field, allow transparency of process and ultimately discourage appeals that may be considered inappropriate or unjustified.

## **Expedited Treatment for Injured Workers**

CFIB recommends that the Act recognize and allow the WCB to contract, purchase or arrange for expedited medical treatment or diagnostic testing for injured workers.

There is a generally accepted belief held by all stakeholders that an early recovery from injury and an early return to work is critically important to the injured worker and his/her family. Studies demonstrate that the longer a worker is out of the workforce, the less likely it is that he/she will successfully return to work. However, in many cases, the disability period is often prolonged due to delays in accessing necessary diagnostic tests or timely medical treatment. These delays often add months or years to the recovery process. It would be our sincere desire that organized labour fully support this recommendation as it has the potential to reduce the amount of time an injured worker must suffer while awaiting diagnostic testing or referral to a specialist.

The clear intent of this recommendation is to ensure injured workers receive expedited service and not to subsidize the provincial healthcare system.

## **Independent Medical Examinations**

CFIB recommends that the Act be amended to allow the employers of Manitoba the right to have an injured worker examined by a physician selected by the employer.

This recommendation is consistent with legislation already in place in other jurisdictions; for example Alberta, Ontario and Nova Scotia. The employer would make known their desire to the WCB and they would arrange for the independent assessment by a physician identified by the employer. The employer would provide the WCB with specific

questions to be posed to the examiner. The employer would not be entitled to a copy of the examination results unless accessed through the appeal process. The costs associated with this assessment would be processed no differently had the WCB arranged for the assessment without input from the employer. We believe that the primary need for such assessments would be those situations where the disability period is both prolonged and inconsistent with the perceived severity of injury. Such an amendment would, in our opinion, provide both a “fresh” assessment of the clinical findings as well as allay or validate the concerns of the employer.

### **Conclusion**

Once again, CFIB appreciates the opportunity to present our members’ views and concerns to the WCA Review Committee. We look forward to providing comment on the Committee’s final report.

CFIB reminds the Review Committee that the vast majority of small firms are concerned about workplace safety beyond the financial impact it has on their firm. In virtually every small business across Manitoba, the employer works side-by-side with his or her employees every day. Employees are often the employer’s friends – many times even family. Small business owners care about the health and well-being of their staff – as people and as the most valuable resources of the firm.

We owe both workers and employers the best and most efficient workers compensation system possible. Let us not disappoint them.



**CFIB**

Confidential

**Manitoba WCB Survey**



Name \_\_\_\_\_  
Company \_\_\_\_\_  
Member Id \_\_\_\_\_

**Your Opinion Matters!** Premier Gary Doer recently announced his government would review the Workers Compensation Act. Your input on this important matter is critical to ensure small business concerns are not overlooked.

Please give your answers by circling the appropriate letter, and then return the survey by fax to (204) 982-0811.

1. Does your firm currently pay WCB premiums?  
(Circle one)  
a) Yes                      b) No                      c) Don't Know

If no, please proceed to question 10.

2. How has WCB's recent 9 per cent average premium increase affected your business? (Circle one)  
a) Positive impact  
b) Somewhat negative impact  
c) Very negative impact  
d) No impact  
e) Don't know

3. Employers pay the same WCB premiums regardless of the type of work performed by employees in their business (e.g. WCB premiums for office staff at an auto mechanic shop are at the higher mechanic rate). Should employers be eligible to pay different premiums based on work function (e.g. mechanic and office assistant)? (Circle one)  
a) Yes                      b) No                      c) Don't Know

4. WCB currently provides benefits for workers suffering from post-traumatic stress related to a workplace injury. Should WCB expand its coverage to include all forms of employee stress? (Circle one)  
a) Yes                      b) No                      c) Don't Know

5. Currently, an injured worker is eligible to receive WCB benefits from the moment an injury takes place, while EI and MPI have a waiting period for benefits. Should a waiting period of three days be implemented before an injured worker is eligible for compensation? (Circle one)  
a) Yes                      b) No                      c) Don't Know

6. Current WCB legislation requires employees to prove that the workplace has been the dominant cause of an illness before accepting a worker's claim. Should WCB remove this rule? (Circle one)  
a) Yes                      b) No                      c) Don't Know

7. When a worker is killed on the job, the surviving spouse receives wage replacement for the next five years. Should the 5-year limit be increased? (Circle one)  
a) Yes                      b) No                      c) remain the same

8. Current benefit levels for injured workers are set at 90 per cent of net income for the first year and 80 per cent after that. Do you feel the current amount should be changed? (Circle one for each)  

<u>First Year</u>	<u>After First Year</u>
a) Remain at 90%	a) Remain at 80%
b) Increased	b) Increased
c) Decreased	c) Decreased
d) Don't know	d) Don't know

9. Currently there is a limit on income replacement an injured worker can receive (\$56,310) regardless of whether their normal income is higher. Should this limit be increased? (Circle one)  
a) Yes                      b) No                      c) Remain the same

10. Currently, WCB coverage is compulsory for approximately 60 per cent of Manitoba businesses. Should compulsory WCB coverage be expanded to cover all workplaces in Manitoba (such as agriculture and office work)? (Circle one)  
a) Yes                      b) No                      c) Don't know

11. What other changes need to be made and why?

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Appendix B

### WCB Survey Comments

- Injured workers should get early treatment even if it is through a private clinic that accepts payments from the health care system. We had one worker with a cartilage problem in his knee, who was on WCB for one year! Football players would be playing in 3-4 weeks and hockey players in 2-3 weeks!
- Please evaluate the risk level of the job, and bill WCB premiums accordingly.
- I am not sure if the wage compensation to the administrators of WCB is commensurate with the norm in similar private organizations. Nor am I sure whether WCB needs so many administrators to run the organization.
- Why is it that an employer is penalized for claims when that firm has been claim free for a number of years? Also when fraud is uncovered, why isn't a reversal of increased premiums granted?
- I believe all young potential workers entering the work force should carry a card indicating that they have passed an exam for some basic training (from school) in safety practises. This procedure would then protect somewhat, while the workers learn more specific safety practises from their employers.
- Doctors/hospitals are quick to allocate an injury as work related, rather than consider it to be a personal problem.
- WCB should not automatically pay a spouse if an employee dies without first getting an autopsy. One of our employees had a heart attack at the hospital and died. WCB immediately paid the spouse approximately \$90,000 without waiting for an autopsy. It was later discovered this employee had a heart defect since birth that was a ticking bomb. Our firm was dealt the responsibility of causing his death and that was unfair. It was very difficult to continue our business after that with the hike in WCB rates. Our firm was forced to make a big payment to WCB aside from regular premiums. Is that not what premiums are for - insurance? The business soon dissolved.
- A rate reduction should be made available (similar to the E.I. rate reduction) if the small business has a group insurance plan in place, providing many of the same benefits and coverage that the workers compensation system provides.
- If the employer feels the worker may not have a valid claim, there should be a segment on the employer portion of the claim that asks if the employer agrees with the claim. Then WCB would evaluate whether or not the employer's concern was valid, in view of the nature of the worker's claim and the physician's report.
- Currently WCB initially goes by what the employee tells the doctor and does not listen to the employer's viewpoint. I once told an employee to improve performance or find another job. That night he left in perfectly fine condition but later claimed that he hurt his back that day and filed a claim. WCB gave it to him based on what he told his doctor. WCB cut him off after about 3 weeks when they realized the claim was not valid. Unfortunately, it prompted workplace health and safety to come and do a complete investigation.
- It would be nice to pay premiums based on individual business accident experience, rather than according to the accident rate in the total industry category. We are presently in the process of becoming safety certified, which is costing us an excessive amount of time, money and extra administration. We hope that we can be recognized by WCB in the way of reduced premiums if we are COR certified.
- WCB should be held more accountable for overhead costs. Case Managers should be held more accountable for dealing with fraudulent cases very quickly (before thousands of dollars of costs are incurred).
- Better accountability is needed of medical professionals who help injured workers who "play" the system.
- WCB needs better investigation for false or abusive claims. We had a few incidents that are very questionable with regards to fake claims by an employee. And we found that the employer's voice did not have much merit.
- Let injured workers have direct access to physiotherapists so they can get well faster and get back to work sooner. This will decrease employers' time loss and wage loss, and decrease the chance of injured workers' problems becoming chronic or long term.

- WCB's administrative process of filing documents, obtaining information, and the handling of paperwork is very frustrating, and leads one to believe there are significant inefficiencies inside the organization.
- Many employers complain that the number of false claims increases their fees and the employers can't believe these people fool WCB claims adjusters. When this is added to the employer's account, premiums increase unless the employer fights tooth and nail to get the person off WCB – which takes a large amount of time and dedication.
- Making WCB mandatory only addresses the revenue side of the equation. What about the spending side?
- Our office is not mandatory for WCB. In over 20 years of business we have no incidents which would have generated a WCB claim, so to make us mandatory would only be because WCB wants our money and not to cover our workers.
- Since having group insurance for employees is a standard and expected perk in the workplace I would like to see a discount from WCB for having private insurance coverage.
- Employee claims are accepted too easily, with little or no investigation into the cause of the accident. Employers should have more say in the decision, as businesses are the sole supporter of WCB. More money should be spent on catching employees defrauding/abusing the system.
- I firmly believe that employees should pay WCB fees themselves as it is for their benefit, not for the employers. Also, I know of people on claims who get work while they are supposed to be disabled. How can this be allowed?
- Normal aging of workers and off work past times should be taken into account when assessing claims of hearing loss and some other injuries.
- Return WCB to an insurance system that protects income due to direct workplace injuries instead of a program to replace shortcomings in the health care system. Care needs to be used to avoid abuse in the area of "stress" related claims.
- Possibly rates could be kept better in line if there was a mechanism where employers could purchase equivalent private insurance that would be in competition with WCB.
- Premiums could come down, or the cost could be cost shared by the employee and the employer as an optional coverage like a group insurance plan. Half of our staff is office staff, yet we pay WCB premiums on the production rate, so at least that could be adjusted as a minimum.
- We are not presently required to register with WCB. We would probably register voluntarily except the rates are exorbitant. There should be variable rates for size of operation, etc.
- Change the length of time a worker is allowed to collect compensation. If he knows he's not returning to his previous employment, more effort should be made to retrain him as soon as possible. Anyone not making an effort to learn a new trade should have their compensation discontinued. There is also no merit placed on the employer's voice regarding claims. My firm hired legal help in wrongful charging of claims. Employers should be reimbursed if they have to seek legal aid when the WCB counsellor would not listen to the facts. Perhaps a joint representation from WCB and the employer should be used in determining the best solution for both the employee and the employer. Small businesses should not be compared to larger companies. Each situation is unique and can not be ruled as standard.
- If employees would pay a major portion of the fees, maybe they would be more careful if it was going to cost them more money.
- It would be a fairer system if the insurance was voluntary on the employee's part, and premiums paid 50/50 by employer and employee.
- The system is very slow at reducing rates for employers who are actively working at shortening the length of time an employee can be on claim. We have a progressive return to work program. The benefits are over a period of time, even though our claims are dropping dramatically, it takes years before our WCB premiums are reduced.
- It's frustrating when the employees refuse to wear the safety equipment. We work over a large area and at times only see the workers for less than an hour a day. We do the best we can by providing the safety equipment, but those efforts go out the door when the worker will not wear the equipment. Why should employers have to pay when the employee is the one at fault? The method of investigating claims should change drastically.

- Employers should be able to take an active role in the rehabilitation of the employee. Businesses are the only source of revenue for WCB and therefore should have a say in whether the employees are rehabilitated or left to a medicare system that prolongs diagnosis and treatment. Injured employees should not have to wait up to 6 months or longer to get diagnosed.
- Make it easier for interjurisdictional trucking to calculate the total assessment for any given year.
- WCB investigations should be stepped up, and doctors' decisions should be reviewed by outside doctors to catch "doctor fraud". We have been a victim of WCB's reluctance to remove a fraudulent claim because doctors keep the patient coming back.
- WCB should be abolished for some small businesses such as small retail outlets, where there is a microscopic risk of injury.
- It should not be mandatory for low-risk areas such as office work. It should be optional but all employees must be made aware if workers compensation is not offered in that setting.
- We have private insurance that covers our staff 24 hrs a day 7 days a week, whereas workers compensation only covers their time at work. I would strongly fight any enforcement of workers compensation. If a company wants it, that's great, but it should remain an option.
- Any excess money in the system should not be used for other government programs. If there are surpluses, these should be used to reduce the cost to the employer and/or help towards safety education.
- Rate assessment should be based on a firm's experience for the last five years, not just the previous year.
- Firms should not get a rate increase if they have 1 claim this year, but nothing for previous years.
- I think that if a company has a benefit package in place to protect workers, they should be able to opt out of the WCB system. These packages protect the worker 24/7 and not just at work, and are a lot more affordable.
- WCB should be made optional for all work places if they have private insurance.
- Employees bear a large responsibility for their own safety and for getting back to work after injury. The current system, where costs are borne solely by the employer, does nothing to encourage this. Premiums should be partially funded by employees. In addition, employers should have the option to pay for private insurance to cover employee injury, provided it meets the same standards as WCB.
- WCB rates should be modified to take into account companies that provide private group coverage for long- and short-term disabilities.
- I am concerned with the administration of WCB. In my experience, written evidence from third parties provided to WCB, which confirmed the health problem existed prior to the employee beginning work, was ignored.
- WCB should do more to scrutinize fraudulent claims.
- The incentive for workers to make the most of injuries and/or fake injuries is too big. A short waiting period and a reduction of the wage percentage paid out would go a long way to reduce the abuse.
- Management and owners should be covered as normal staff without requiring special coverage at special rates.
- The premiums are too high and the services and their timeliness too poor. There are a number of private plans available at much lower cost, for 24-hour coverage, and timely delivery of service when needed. Don't make a bad program mandatory.
- If a claim surfaces from a minor injury some time after the injury, worker's compensation should not be so difficult to deal with. I know of someone who had to quit work because she hurt her back at work and it worsened over time. WCB would not pay benefits as she had not reported it within the required time allotment.
- Employers should have a say in who can collect benefits and for how long.
- WCB needs to better encourage upgrading education for those with permanent injuries that will not allow them to continue working in the industry where they were injured. In this area there is too much red tape and little sympathy for those who don't live in the city!

- I have a real problem with stress issues as they are a “grey” area and one that can be abused quite easily. More control is needed.
- We need more policing of injured workers receiving benefits as many are milking the system. One of my employees drew six months of benefits for a very minor injury. WCB sent him back to work only after I made a big issue of it.
- How about a “Pay per accident” system? Businesses should be rewarded for having injury free workplaces!
- A company should not have to be on the WCB system as long as their employees are covered with equivalent benefits from private insurance. Competition would help keep the costs at a down.
- All kinds of psychological and other injuries that are supposedly caused by work place conditions should be handled by other government agencies because many of these "injuries" are or may be caused by outside activities and personal/home situations.
- I believe WCB coverage is good in many workplace situations, but would be just another brick in the very heavy load agriculture already carries.
- We, as farmers, used to have workers compensation, but the rates were very high. More farmers would carry it if some scheme could be worked out to assist farmers thereby protecting both farmer and worker.
- We should be able to review the number of times an employee goes on WCB. Also, before hiring the worker, the employer should be able to ascertain whether or not that person has received WCB benefits in the past. Employees should have to work for 90 days before any claims can be made. We feel WCB is used too loosely and is not carefully monitored.
- Why does the present employer bear the burden of a long-term disability claim, when there is a long-term health issue and the employee has worked for another employer for the majority of his time? Should it not be a spread out between companies that the employee worked for?
- We need more thorough investigation on proof of injury and better follow up requirements on employees on compensation. Also, the employer needs to have more input. Employers need to be provided with better information as to what to do when arguing a case, and to advise that the employer has the option to argue the case. Many companies do not know that and just submit the forms in order to avoid the late filing fine.
- I would like to see a very strict review of claims for serial claimants, and better enforcement.
- The rates charged to the employer are too high and provide ample income should he/she be injured. There are many insurance companies that provide income programs if he/she believes they should have more money by not working due to an injury.