

The Workers Compensation Act Legislative Review 2025-2026

Consultation Paper

November 25, 2025

PURPOSE OF THIS PAPER

Workers compensation is a system of compulsory no-fault insurance for workplace injuries. In Manitoba, the Workers Compensation Board ("WCB"), an independent body, administers the system that is set out in *The Workers Compensation Act* (the "Act").

The Act requires that a committee complete a comprehensive review of the legislation every 10 years and report its findings and recommendations to the Government of Manitoba and the WCB Board of Directors.

In June 2025, the Government of Manitoba appointed a Legislative Review Committee (LRC) to undertake a review of the Act. The LRC is composed of:

- Lawrie Cherniack, independent chair
- Aaron Dolyniuk, representing the interests of employers
- Rick Rennie, representing the interests of workers
- Lynne Fernandez, representing public interests

The purpose of the review, in the words of the Minister of Labour and Immigration in appointing the committee, is:

...to ensure the Act remains aligned with the foundational principles of workers compensation...and to evaluate how effective the workers compensation system is in meeting the needs of Manitoba's evolving economy and workforce.

Our committee will do its own research, including comparing our system in Manitoba with those in other Canadian jurisdictions. We will also engage in public consultations to gather feedback. We trust that our approach will identify areas of the Act and administration of the Act which need clarification or amendment for the benefit of Manitobans.

To that end, we have created this Consultation Paper. We have set out key areas for our public consultations based on the LRC's mandate, which can be found here. We encourage persons or organizations who have an interest in workers compensation to read this Consultation Paper and to follow the links in the Paper to get more detailed information, and then to make

submissions to our Review Committee through the methods set out later in this Paper.

CONSULTATION ISSUES

We welcome your responses to the discussion questions set out below. We encourage you to provide input on any other changes you think would improve the system overall, including identifying potential leading practices in other jurisdictions that could be adopted in Manitoba.

1. Assess whether the current workers compensation system is fair to both workers and employers, providing adequate compensation in a sustainable, no-fault, collective liability system.

Workers compensation in Manitoba is built on the foundational principles Sir William Meredith identified in 1914 when he recommended the first workers compensation system in Ontario. You can review the history of workers compensation and the

During this review, we aim to identify opportunities to amend the legislation or system in ways that are fair to both workers and employers. Any changes to the Act or administration of it must align with the Meredith Principles and support a lasting workers compensation system.

In Manitoba, workers compensation coverage is mandatory for all employers, industries and workers, unless they are excluded by regulation (found here). The system creates two groups of employers described further in the next issue. Our committee will consider if the current coverage model is fair and aligned with the Meredith Principles.

Questions for consultation:

- What changes to the workers compensation system do you recommend to ensure the system is fair to both workers and employers and remains sustainable?
- Is the current coverage model appropriate? If not, what changes to the Act or the system do you recommend regarding coverage?

2. Examine issues facing individually assessed employers, such as administrative costs.

The Act divides employers into two categories: Class E employers and Class B through D employers (collectively referred to as individually assessed employers). You can read more about these employers here.

Class E employers are all employers in Manitoba that are not excluded by regulation and are not individually assessed. It also includes employers that are excluded by regulation but have decided to purchase coverage with the WCB.

Individually assessed employers are only those employers identified by the Act or regulation. This category includes the City of Winnipeg, the Province of Manitoba and its agencies and crown corporations, Air Canada, Canadian National Railway, CPKC and Via Rail.

Class E employers and individually assessed employers contribute to workers compensation differently, via the manner of assessment. Class E employers are assessed annual premiums that are inclusive of the current and future cost of claims and the Class E employers' share of administrative costs.

Individually assessed employers are responsible for their actual claim costs plus their individual share of administrative costs. The administrative cost allocation is based on a formula approved by the WCB Board of Directors. It is used to apportion the administrative costs of the WCB amongst all classes of employers.

Questions for consultation:

- What issues impact individually assessed employers? Are changes to the Act or policy necessary to address issues impacting individually assessed employers?
- Are the administrative costs of the WCB allocated amongst the classes of employers in a fair and equitable manner? If not, what approach would achieve a fair and equitable allocation?

3. Examine emerging issues and assess the WCB's readiness to respond to them.

Our committee will examine issues impacting workers and employers. We will explore recommendations to prepare the system to respond to emerging issues such as the changing nature of claims, rise of contract and remote work, technological advancements, an aging workforce and global warming.

More Manitobans are remaining in the workforce longer than they have in the past. Global warming is impacting many workplaces. In recent years, non-traditional work arrangements have increased, including more temporary positions, online platform (gig) work and remote or hybrid roles. We have also seen significant advancements in technology, including the widespread use of artificial intelligence, that is transforming workplaces.

The nature of work has evolved significantly over the years, leading to a change in the types of claims that WCB receives. For example, there has been a substantial rise in the number of claims for psychological injuries.

Questions for consultation:

- What emerging issues do you see impacting the workers compensation system?
- What changes to the system do you recommend to respond to those issues?

4. Examine legislative provisions related to coverage specifically related to psychological injuries.

In the past, workers compensation systems focused primarily on the adjudication of physical injuries. Growing awareness of mental health and changes in the workforce have impacted the nature of claims. The number of claims for psychological injuries in Manitoba and across Canada has increased significantly in recent years.

In response to the changing nature of claims, the government has amended the Act, and the WCB has implemented policies to explicitly provide coverage for psychological injuries and to set criteria for adjudication of those injuries. You can read about how the WCB currently covers psychological injuries in Manitoba <u>here.</u>

Questions for consultation:

- Does the system adequately address coverage for psychological injuries?
- If not, what can be done to improve coverage for psychological injuries?

5. Evaluate the threshold for causation in occupational disease claims.

An occupational disease is a disease that is caused by performing a particular job or occupation. In Manitoba, the WCB uses the dominant cause standard to adjudicate occupational disease claims. This standard requires that work must be the dominant or principal cause of a worker's disease, not just a contributing factor. This differs from the standard of causation applied to all other claims in Manitoba.

Because establishing a causal link between an occupational disease and work can be difficult, the Act creates a presumption that certain occupational diseases set out in the Occupational Diseases Regulation are caused by work. This presumption may be rebutted by evidence that work was not the dominant cause of the disease. For claims not covered by the presumption, the WCB adjudicates occupational disease claims on a case-by-case basis using the dominant cause standard.

You can learn more about occupational disease claims and the different standards of causation here.

Questions for consultation:

- Is dominant cause still the appropriate standard for adjudicating both occupational disease claims covered by the presumption and those that are not covered by the presumption?
- If not, what standard is appropriate?

6. Review legislative provisions governing wage loss benefits, pensions and death benefits to assess whether the legislation adequately protects the financial security of injured workers and their families.

Once the WCB accepts a claim, a worker (or their dependants in the case of a fatality claim) becomes entitled to certain benefits. Workers most commonly receive wage loss benefits generally calculated as 90% of a worker's net pay. Workers may also receive medical aid or permanent impairment benefits. If a worker remains on claim for two years or more, the WCB may provide life insurance or pension benefits, subject to eligibility requirements.

In the event of a worker's death, a worker's spouse or common law partner, children, or other dependants, may receive benefits under the Act.

You can find a more detailed overview of the benefits available to workers and their dependants <u>here</u>.

Questions for consultation:

- Does the legislation adequately protect the financial security of injured workers and their families?
- If not, what changes to the Act do you recommend?

7. Review the Act's provisions relating to the role of healthcare advisors.

The WCB contracts with physicians and other healthcare providers to act as consultants for the WCB. The WCB healthcare advisors offer advice, opinions, and support to WCB decision-makers and healthcare provider colleagues within the community.

Under the Act, the WCB has the power to require any worker who has applied for, or is receiving, workers compensation to attend a medical examination. The WCB generally exercises this authority either by requesting that workers attend an examination conducted by a WCB healthcare advisor, or by requesting that they attend an examination with a healthcare provider in the community that has expertise in a specialized area.

You can read more about the role of WCB healthcare advisors here.

Question for consultation:

- Are changes to the Act or to policy regarding the role of WCB healthcare advisors necessary?
- 8. Examine the current structure supporting the WCB's injury prevention efforts with the aim of maximizing effectiveness to reduce workplace injuries and illnesses.

Today, preventing workplace injuries and diseases is a core principle of the workers compensation system. Under section 54.1(2) of the Act, the WCB must implement several prevention activities. Among those activities are promoting public awareness of injury and illness prevention and developing standards for workplace safety and health and training programs, including certification processes for providers.

The WCB fulfills its mandated prevention activities through SAFE Work Manitoba, a division of the WCB. You can read more about SAFE Work Manitoba here.

The Act also establishes an independent Prevention Advisory Council. This Council includes a chair, three members representing workers' interests, three members representing employers' interests and three members representing the public interest. The Council advises the WCB on the prevention activities required by section 54.1(2).

Question for consultation:

 How can the Act or system be amended to better ensure the WCB fulfills its mandate with regard to improving injury and illness prevention efforts?

PROCESS FOR PROVIDING INPUT

We invite you to submit your views by **March 31, 2026**. We will use input received to formulate our recommendations for amendments to the Act or system.

Please keep written submissions brief, ideally no more than 10 pages per submission. If the committee requires more information, we will contact the writer for clarification.

Submissions will be posted on the LRC website, subject to modification for privacy reasons. Submissions containing identifiable personal information will be anonymized or summarized.

You may file your submission electronically by following the links on <u>wcbactreview.com</u>. You may also mail your submission to: PO Box 309, Station Main, Winnipeg, Manitoba R3C 2H6. You may also contact the LRC by completing the following **contact form** located on the website.

If you are unable to make a written submission, please contact us via the website for possible alternative arrangements.