

The Liversidge e-Letter

An Executive Briefing on Emerging Workplace Safety and Insurance Issues

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WSIB Releases 2006 Preliminary Premium Rates

Construction, Forestry, Mining, Manufacturing, and Hospitals see large increases

WSIB preliminary premiums suggest rate hikes for 75% of industries; 20% see slight decline; 5% stay the same

Of increases, 27% are double digit

On July 21, the WSIB advised employers that the average premium will increase by 3% for 2006. Today, the Board released the preliminary industry premium rates.

Out of 156 rate groups, 75% (117) will see premiums rise for 2006, while only 20% will see a slight decline, with just 5% staying put. Of those increased, more than one in four (27%) will see premiums increase by more than 10% over 2005 levels. The highest rate hike is a staggering 17.2% for **Motor Vehicle Fabrics [RG 428]**, followed by 16% for **Air Transport Services [RG 553]**, 14.7% for **Natural Gas Distribution [RG 838]**, and 13.8% for **Grocery Stores [RG 606]**. More than 16 industries will see premiums rise more than 12%.

Of the decliners, there are no big winners. The biggest decline is **Signs and Displays [RG 533]** which will see its 2006 premium drop by 5.4% over 2005 levels. The remaining 31 rate groups see rates decline between 0.3% & 4.2%.

Of the larger rate groups, hospitals, automobile and steel manufacturing, forestry and mining are hit hard. **Hospitals [RG 853]**, which according to the WSIB employs more than 231,000 people, will see premiums rise 9.6%. **Automobile (& Related) Mfg. [RGs 361, 390, 419, 421 & 425]**, high wage industries with almost \$9 billion in insurable earnings, will have premiums increase 3.9%, with **Engine Mfg. [RG 420]** receiving a 4% increase.

Other high wage industries are also hit hard. Every **Mining** rate group (except **Nickel Mining RG 113** which declines 2.8%) will see premium hikes ranging from 9.4% to 11.5% [**Gold Mines RG 110** up 9.4%; **Other Mines RG 119** up 10.3%; **Aggregates RG 134** up 11.5%]. In the **Forestry Sector, Mill Products [RG 033]** receives a 7.2% rate hike.

Construction is hit hardest

But the story of the day is the **Construction Industry**, with a payroll exceeding \$11.5 billion. COCA reports that construction will receive an average premium rate hike of 5.3%. In a News Bulletin released earlier today, COCA advises that the WSIB has not been told why the WSIB is increasing construction rates by these amounts and vows to challenge the draft rates.

RG	Description	2006 Premium Rate (\$)	2005 Premium Rate (\$)	% Change
030	Logging	11.43	11.16	2.4%
033	Mill Products and Forestry Services	8.22	7.67	7.2%
036	Veneers, Plywood	4.41	4.58	-3.7%
039	Pulp, Newsprint	2.17	2.05	5.9%
041	Corrugated Boxes	2.89	2.57	12.5%
110	Gold Mines	8.53	7.80	9.4%
113	Nickel Mines	5.47	5.63	-2.8%
119	Other Mines	6.40	5.80	10.3%
134	Aggregates	6.11	5.48	11.5%
159	Livestock Farms	7.10	6.45	10.1%
167	Fruit and Vegetable Farms	2.66	2.39	11.3%
174	Tobacco and Mushroom Farms	3.49	3.12	11.9%
181	Fishing and Miscellaneous Farming	3.10	3.03	2.3%
184	Poultry Farms	2.45	2.19	11.9%
190	Landscaping and Related Services	4.77	4.69	1.7%
207	Meat and Fish Products	4.35	4.06	7.1%
210	Poultry Products	3.60	3.66	-1.6%
214	Fruit and Vegetable Products	1.83	1.86	-1.6%
216	Dairy Products	1.51	1.53	-1.3%
220	Other Bakery Products	4.01	3.93	2.0%
222	Confectionery	1.55	1.44	7.6%
223	Biscuits, Snack Foods	2.26	2.05	10.2%
226	Crushed and Ground Foods	1.64	1.58	3.8%
230	Alcoholic Beverages	1.54	1.37	12.4%
231	Soft Drinks	2.74	2.53	8.3%
237	Tires and Tubes	3.34	3.40	-1.8%
238	Other Rubber Products	3.40	3.02	12.6%
258	Plastic Products	2.44	2.27	7.5%
261	Plastic Film and Sheeting	2.17	1.95	11.3%
263	Other Plastic Products	3.04	3.09	-1.6%
273	Tanneries and Leather Products	3.44	3.11	10.6%
289	Cloth, Carpets and Textile Products	3.79	3.79	0.0%

RG	Description	2006 Premium Rate (\$)	2005 Premium Rate (\$)	% Change
301	Clothing, Fibre and Yarn	1.95	1.91	2.1%
308	Millwork and Other Wood Industries	5.61	5.44	3.1%
311	Wooden Cabinets	4.46	4.54	-1.8%
312	Wooden Boxes and Pallets	7.68	7.68	0.0%
322	Upholstered Furniture	2.86	2.80	2.1%
323	Metal Furniture	2.28	2.32	-1.7%
325	Wooden and Other Non-Metal Furniture	4.12	4.01	2.7%
328	Furniture Parts and Fixtures	3.86	3.54	9.0%
333	Printing, Platemaking and Binding	1.56	1.49	4.7%
335	Publishing	0.59	0.59	0.0%
338	Folding Cartons	2.02	1.88	7.4%
341	Paper Products	2.88	2.55	12.9%
352	Steel Refining	2.31	2.16	6.9%
358	Foundries	3.88	3.81	1.8%
361	Non-Ferrous Metal Industries	2.68	2.58	3.9%
370	Metal Tanks	4.89	4.98	-1.8%
374	Doors and Windows	3.45	3.51	-1.7%
375	Structural and Architectural Products	4.31	4.18	3.1%
377	Coating of Metal Products	4.01	3.89	3.1%
379	Hardware, Tools and Cutlery	2.56	2.37	8.0%
382	Metal Dies, Moulds and Patterns	1.73	1.68	3.0%
383	Heating & Refrigeration Equipment	2.69	2.50	7.6%
385	Machine Shops	2.48	2.39	3.8%
387	Other Metal Fabricating Industries	3.56	3.32	7.2%
389	Metal Closures and Containers	2.62	2.53	3.6%
390	Other Stamped Metal Products	2.68	2.58	3.9%
393	Wire Products	3.15	2.81	12.1%
402	Major Appliances	2.01	2.05	-2.0%
403	Other Machinery and Equipment	1.55	1.49	4.0%
406	Elevators and Escalators	2.58	2.56	0.8%
408	Boilers, Pumps and Fans	2.37	2.19	8.2%
411	Agricultural Machinery	2.91	2.99	-2.7%
417	Aircraft Manufacturing	1.33	1.18	12.7%
419	Motor Vehicle Assembly	2.68	2.58	3.9%
420	Motor Vehicle Engine	1.56	1.50	4.0%
421	Other Motor Vehicle Parts	2.68	2.58	3.9%
424	Motor Vehicle Stampings	2.68	2.58	3.9%
425	Motor Vehicle Wheels and Brakes	2.68	2.58	3.9%
428	Motor Vehicle Fabric Accessories	2.73	2.33	17.2%
432	Trucks, Buses and Trailers	4.20	3.72	12.9%
442	Railroad Rolling Stock	2.20	2.24	-1.8%

RG	Description	2006 Premium Rate (\$)	2005 Premium Rate (\$)	% Change
460	Lighting and Small Appliances	2.45	2.37	3.4%
466	Communication and Energy Wire	2.17	2.09	3.8%
468	Electronic Equipment	0.32	0.32	0.0%
477	Industrial Electrical Equipment	1.43	1.27	12.6%
485	Bricks, Ceramics and Abrasives	4.46	4.32	3.2%
496	Concrete Products	5.44	5.08	7.1%
497	Ready-Mix Concrete	3.59	3.60	-0.3%
501	Non-Metallic Mineral Products	2.55	2.37	7.6%
502	Glass Products	2.56	2.47	3.6%
507	Petroleum and Coal Products	0.91	0.84	8.3%
512	Resins, Paint, Ink and Adhesives	1.56	1.44	8.3%
514	Pharmaceuticals and Medicines	0.61	0.54	13.0%
517	Soap and Toiletries	1.36	1.25	8.8%
524	Chemical Industries	1.52	1.35	12.6%
529	Jewellery and Instruments	1.03	1.00	3.0%
533	Signs and Displays	3.14	3.32	-5.4%
538	Sporting Goods and Toys	4.51	4.71	-4.2%
542	Other Manufactured Products	2.18	2.14	1.9%
551	Air Transport Industries	1.71	1.59	7.5%
553	Air Transport Services	1.22	1.05	16.2%
560	Warehousing	2.73	2.73	0.0%
570	General Trucking	5.84	5.68	2.8%
577	Courier Services	2.54	2.62	-3.1%
580	Miscellaneous Transport Industries	4.48	4.15	8.0%
584	School Buses	2.65	2.60	1.9%
590	Ambulance Services	5.91	6.08	-2.8%
604	Food, Sales	2.24	2.28	-1.8%
606	Grocery and Convenience Stores	1.48	1.30	13.8%
607	Specialty Food Stores	3.26	3.11	4.8%
608	Beer Stores	3.92	3.73	5.1%
612	Agricultural Products, Sales	2.35	2.35	0.0%
630	Vehicle Services and Repairs	3.40	3.41	-0.3%
633	Petroleum Products, Sales	2.12	1.90	11.6%
636	Other Sales	1.24	1.19	4.2%
638	Pharmacies	0.47	0.43	9.3%
641	Clothing Stores	1.03	0.92	12.0%
657	Automobile and Truck Dealers	0.63	0.61	3.3%
668	Computer & Electronic Sales	0.41	0.37	10.8%
670	Machinery and Other Vehicles, Sales	1.62	1.50	8.0%
681	Lumber and Builders Supply	2.79	2.80	-0.4%
685	Metal Products, Wholesale	2.79	2.80	-0.4%

RG	Description	2006 Premium Rate (\$)	2005 Premium Rate (\$)	% Change
689	Waste Materials Recycling	6.38	6.71	-4.9%
704	Electrical Construction	3.25	2.94	10.5%
707	Mechanical and Sheet Metal Work	4.02	3.67	9.5%
711	Roadbuilding and Excavating	4.55	4.20	8.3%
719	Inside Finishing	6.75	6.41	5.3%
723	Industrial Construction	4.58	4.62	-0.9%
728	Roofing	12.53	11.60	8.0%
732	Heavy Civil Construction	6.26	5.84	7.2%
737	Millwrighting and Welding	6.32	6.20	1.9%
741	Masonry	11.79	11.44	3.1%
748	Form Work and Demolition	15.40	15.25	1.0%
751	Siding and Outside Finishing	8.90	8.12	9.6%
764	Homebuilding	9.72	9.66	0.6%
810	School Boards	0.70	0.65	7.7%
817	Educational Facilities	0.35	0.33	6.1%
830	Power and Telecommunication Lines	4.08	3.66	11.5%
833	Electric Power Generation	0.76	0.77	-1.3%
835	Oil, Power and Water Distribution	1.03	1.07	-3.7%
838	Natural Gas Distribution	0.39	0.34	14.7%
845	Local Government Services	1.73	1.62	6.8%
851	Homes For Nursing Care	2.74	2.67	2.6%
852	Homes For Residential Care	3.12	2.80	11.4%
853	Hospitals	0.91	0.83	9.6%
857	Nursing Services	2.41	2.17	11.1%
858	Group Homes	2.65	2.46	7.7%
861	Treatment Clinics	0.91	0.83	9.6%
875	Professional Offices and Agencies	0.62	0.59	5.1%
905	Apartments and Condominiums	2.49	2.41	3.3%
908	Other Real Estate Services	1.17	1.19	-1.7%
911	Security and Investigation Services	1.52	1.53	-0.7%
919	Restaurants and Catering	1.65	1.67	-1.2%
921	Hotels, Motels and Camping	2.54	2.58	-1.6%
923	Janitorial Services	3.26	3.16	3.2%
929	Supply of Non-Clerical Labour	4.62	4.51	2.4%
933	Equipment Rental	2.78	2.76	0.7%
937	Recreational Services and Facilities	1.67	1.56	7.1%
944	Personal Services	2.65	2.36	12.3%
956	Legal and Financial Services	0.17	0.17	0.0%
958	Technical and Business Services	0.33	0.29	13.8%
962	Advertising and Entertainment	0.94	0.88	6.8%
975	Linen and Laundry Services	3.35	3.06	9.5%

RG	Description	2006 Premium Rate (\$)	2005 Premium Rate (\$)	% Change
981	Membership Organizations	0.61	0.59	3.4%
983	Communications Industries	0.32	0.33	-3.0%