

# The Liversidge e-Letter

An Executive Briefing on Emerging Workplace Safety and Insurance Issues

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An Electronic Letter for the Clients of L.A. Liversidge, LL.B.

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## ***“Budget Reforms” & WSIB Premium Rates*** ***The Budget Reform Process***

### ***Why employers and workers alike were let down by the Budget Reform process***

For more than a quarter century now, with all of its foibles and shortcomings, for the most part, one place where the Ontario workplace safety and insurance [“WSI”] system excelled was in the process leading to reform.

#### **The modern reform era commenced with the release of the 1980 Weiler Report**

Beginning in the early 1980s, commencing with the release of the Weiler Report [Ontario, Report to the Minister of Labour, “Reshaping Workers’ Compensation for Ontario”, Weiler, 1980], *a new way emerged*.

Subsequent reforms dealt with significant big picture issues in an open public forum. The legislative reforms of 1985 [the Tories’ Bill 101], of 1990 [the Liberal’s Bill 162], of 1995 [the NDP’s Bill 165], of 1997 [the Tories’ Bill 99], all had *one thing in common* – they triggered a massive public reform process.

In fact, several extensive public consultations were facilitated well before legislation was even drafted and tabled. This was the case with the 1985, 1990 and 1997 reforms. At a minimum, *all* significant WSI legislative amendments before the *Budget Reforms* included “stand alone” and public legislative committee hearings.

#### **A fair and open reform process was not a gift – it was a demand**

Readers should not for one second think that the processes associated with past reforms were simply the benevolent actions of the government of the day. Nothing could be further from the truth. The processes of past reforms were the fruit from decades of hard fought, hard core, *principled* advocacy. Mainly from worker groups, I should add.

#### **If the Budget Reforms cut back benefits the howls of protest would still be heard and rightly so**

Had the *Budget Reforms* adopted the identical process but cut back instead of expanding benefits, *well...* there would be hell to pay. *And, rightly so*. Without fair process, fair reforms are simply not possible, in the short or long term.

#### **This time around none of the normal processes were engaged**

There were none of the customary WSI reform processes this time around. And yet, with the exception of a few mild gasps of complaint from a few groups, no loud protests were heard. Not from workers. Not from employers.

#### **This is not representative of responsible reform**

Tellingly, there was no satisfactory explanation proffered for the process adopted. *If the proposals were credible in their own right, why not expose them to the normal level of public scrutiny?* Why not introduce them on their own, in their own bill, and invite a public discourse? Why not have these amendments debated, on their own, in a legislative committee with full public hearings *just like each and every other single WSI reform over the last twenty plus years?*

Admittedly, I may be a lone wolf on this one. The fact is there were no protests. Worker groups not only did not complain about the reform process, for the most part, they supported the reforms. Employers received a commitment that premium rates would not rise. No grass-root protests emerged from that camp either. No firestorm of protest came from either camp. *My, how things have changed.* Not that long ago, *everyone* would be riled if the government of the day shut them out – or did not openly consult.

#### **WSI is and always will be inherently political and it should be**

I am not so naïve these days as to get all aghast that politics has entered into the fray. As my readers know, I have always said that that the Ontario WSI system is *more social contract than insurance contract*, and at its core it is inherently political. And, in fact, because it is inherently political, a lot of good, solid change has come out of that. But, WSI’s political nature is a reason for impeccable, full open process, not a licence to short-shrift the reform process.

#### **I predict future fallout from the Budget Reforms**

I have seen this merry-go-round come around and go around, several spins over the years. I predict there will be future *substantive* fallout from the *Budget Reforms*, fallout that likely would have been prevented with a more public reform process that invited competing ideas from the stakeholder public. On Wednesday: “What the Budget Reforms appear to have done and what they actually did”