

The Liversidge e-Letter

An Executive Briefing on Emerging Workplace Safety and Insurance Issues

December 07, 2009

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

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A Plan for Change

Reform of the Ontario WSIB (Part III of III)

Will, Commitment, Opportunity The Key Ingredients to Change

The case for change makes itself

In the November series of *The Liversidge e-Letter*, “*The Case for a Large Scale Review of the Ontario WSIB*” the facts speak for themselves. While the Workplace Safety & Insurance Board [“WSIB” or “Board”] of late has been targeting the “*global financial crisis*” as the “prime suspect” of the Board’s current financial malaise, as I showed, the warning signs were present long before.

I prefer an ongoing review, not a one-shot inquiry

While I made the case for a large scale review of the Board, a broadly focused **Royal Commission** type inquiry, spanning years and consuming endless resources simply to rack up a ton of recommendations many of which would likely go nowhere, is not the way to go. I suggest something very different. In the November 16 and December 1 issues of *The Liversidge e-Letter*, “*A Plan for Change*”, **Parts I & II**, I outlined the immediate system design changes and most importantly the process changes, that can lead to ongoing, dynamic incremental change.

A “Stakeholder-Centric” approach is suggested

These recommendations can put an end to the “*on again, off again*” approach of the past 35 years. A more vibrant “*stakeholder centric*” model empowers the main interests to work towards perpetual improvement replacing a top down WSIB monopoly on controlling change. This is achieved while respecting and complementing existing WSIB structures, particularly the Board of Directors. This model will not eliminate stakeholder conflict or disagreement. It will though channel energy more productively into thoughtful suggestions for change. It will still be up to the Board to make the call, *but the Board must expect more of its stakeholders and stakeholders more of the Board.*

Stability, Sustainability, Empowerment

In recent issues I have suggested three main planks around which to organize change. Many of those suggestions can be implemented immediately.

On Stability: The “*Back to Basics*” theme starts with an immediate commitment to do just that – not with words, but with actions. By the end of the 1st Quarter 2010, the Board should have a list of programs destined for the chopping block, and unveil a recalibrated approach to prevention. An announcement to *hold premiums steady until at least 2012* should be made in the New Year. The *Strategic Administrative Review* should start *now*, with a formal report on March 31, 2010, and quarterly reports thereafter.

On Sustainability: The “*Funding Summit*” must start now, with the Board committing to an 18-24 month open process. *Guidelines for Future Benefit Indexing* should be presented to the Government by March 31, 2010. A commitment that all programs will be viewed against the backdrop of the *Unfunded Liability* should form an integral part of **Chair Mahoney’s Report**. A commitment to form an external “*Claims Persistence Task Force*” should be made by year’s end, with mandate set by March 31, 2009, an interim report scheduled for September 30, with the final recommendations by March 31, 2011. The *Labour Market Re-entry Bi-partite Task Force* can be struck immediately and report by June 30, 2010.

On Empowerment, a *New Board of Directors* with full time expert worker and employer members requires no legislative change. The establishment of *Permanent Stakeholder Advisory Committees* is easy. Most already exist, and simply require formal recognition and a new approach. *Enhancing WSIB Accountability* can be done tomorrow by publishing a **Business Plan** on the WSIB website. While the government must also commit to *a new way for future reforms*, the Board can strike the *WSIB Legislative Reform Advisory Committee* in early 2010.

All said and done, the main ingredients to change are *will, commitment*, and one more, *opportunity*. The stars have aligned. *First*, the numbers speak for themselves. *Second*, the Board’s Chair is soon to report. *Third*, later today, the Auditor General will comment on the WSIB’s unfunded liability. *Fourth*, just Friday the WSIB announced that a new President has been nominated. *History will report if this moment was seized. I expect a strong effort.*