

# The Liversidge Letter

An Executive Briefing on Emerging Workplace Safety and Insurance Issues

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An ongoing policy discussion for the clients of L.A. Liversidge, LL.B.

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## Is WSIB Accountability FADING AWAY?

**Spoiler Alert: In My View – That’s a big YES! And, based on history, that leads to future problems.**

**At the moment, on the surface, the WSIB system seems to be doing pretty well**

Today, at first blush, the WSIB seems to be doing OK. The “sufficiency ratio” (assets versus liabilities calculated on a “going concern” basis) is, as at the end of [Q1 2024](#) (the last date any financials are available) 121.5%, with the net assets being \$7.1 billion. When one recalls that it was only 15 years ago that the Auditor General of Ontario questioned the very sustainability of the system, then burdened with a massive unfunded liability (see [Chapter 3.14](#) of the **2009 Annual Report of the Office of the Auditor General of Ontario**, and the [December 18, 2009 issue](#) of **The Liversidge Letter**, “**The Auditor General Report: WSIB UFL a threat to future benefits**”), well, by any measure that’s pretty darn good.

The current financial well-being of the WSIB remains to be (so far) the lasting legacy of the impressive successive leadership of Chairs Mahoney and Witmer and CEOs Marshall and Teahen, from 2009 right up until a few years ago, to early 2022 (see **The Liversidge Letter series** detailing my interviews with CEOs Marhsall and Teahen). That, and with a little persisting luck – the valuation of the WSIB assets has increased quite a bit over the past few years.

While the financials seem to be quite good, over the past two years something else has been going on that could well undermine the capacity of the system to quickly respond to any future funding threat.

**Many of the accountability levers put in place post-2009 have been wound down – that’s a huge mistake**

Many of the remarkable accountability levers installed by Mahoney; Marshall; Witmer; Teahen have been wound back or wound down over the past 30 months. It was the unprecedented level of *informed* stakeholder engagement that set in motion the dynamics that gave rise to the collective action towards a fully funded (and since 2018 – over funded) WSIB. Simply put, timely quality information

fueled stakeholder engagement and ensured a high standard of WSIB accountability. This theme was addressed in the **WSIB’s 2010 Annual Report** (at page 28):

In the interest of openness and transparency and in order to be responsible to stakeholders in this volatile economic climate, the WSIB began releasing unaudited interim financial results on a quarterly basis beginning with the results of the fourth quarter of 2008. Interim financial reporting supplements the annual report by conveying financial progress on a more regular and timely basis.

**As well as producing more frequent updates on the financial results, interim statements help strengthen accountability and increase transparency and oversight of the WSIB’s operations.**

And yet, for reasons that eluded me then and elude me now, the detailed quarterly reports abruptly ceased in 2022. This is what I said last year (see [November 2, 2023 issue](#) of **The Liversidge Letter**):

In 2022 the Board abruptly stopped the publication and public release of quarterly financial and sufficiency statements on its website. The last WSIB quarterly statement publicly released was for the period ending [December 31, 2021](#). It was replaced by [a vastly abridged report](#), providing what can be described as very cursory information. Only two financial metrics are now being reported, the sufficiency ratio and net assets, with no supporting background. Frankly, the reason behind this move escaped me then and escapes me now.

**The situation has worsened over this past year**

The [WSIB 2023 Annual Report](#) was posted just a few weeks ago, even though it was completed in April. The last cursory quarterly statement is Q1 2024. The detailed Q1 report, while requested, has not been provided. The **2023 Annual Sufficiency Report** has not been posted. The **WSIB Annual Meeting**, promised to be a permanent fixture, was cancelled in 2022.

This issue kicks off a short series of **The Liversidge Letter**. The theme is simple. What can be done, ever so quickly and ever so easily, to enhance WSIB public accountability? It’s simple actually - just reinstate what the Board was already doing up until the beginning of 2022.

**Next issue: Why is the WSIB Annual Report always so late? Other Boards do so much better.**