

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.

2 pages

Is WSIB Accountability FADING AWAY?

Part 4: Fading WSIB Accountability – Final thoughts and suggestions

WSIB accountability IS fading away - but – the good news is it can be easily and quickly fixed

In the last several issues of **The Liversidge Letter**, I have lamented the decline of WSIB accountability. I posit that the extraordinary initiatives of CEOs Marshall and Teahen and Chairs Mahoney and Witmer from 2010 right up to 2022 are being “wound back or wound down over the past 30 months” ([October 8, 2024](#) issue of **The Liversidge Letter**). The undermining of WSIB accountability is, no doubt, quite inadvertent. In my opinion though, a re-directed corporate focus is easy and is required. While I do not believe that stakeholders are being deliberately starved of essential information, that is the effect. Perhaps this was thought to be a more efficient deployment of WSIB resources. It doesn't matter. Whatever the reason behind these changes, it is easy to change course and turn things back in a way to enhance WSIB accountability. Ironically, it is the Board that benefits from increased accountability measures. That became clear during the critical funding exercise commencing in 2010 under the outstanding stewardship of David Marshall, and which was triggered by the 2009 Auditor General Report. A review of my series of **The Liversidge Letter** with [David Marshall](#) makes the clear point stakeholder engagement is essential for WSIB success.

One of the most glaring missteps was the 2022 decision to stop posting detailed quarterly financial statements, a 2009 initiative of WSIB Chair Mahoney which marked the beginnings of a new era of WSIB openness (the first quarterly statements were actually published by NDP appointee Chair Odoardo DiSanto in 1991 but were suspended without explanation in 1997 – see the brief history in the [October 25, 2024](#) issue of **The Liversidge Letter**).

The Board was at its most open in immediately past eras

The Board was at its most open under the serial leadership of Chair Mahoney, CEO Marshall, Chair Witmer and CEO Teahen. Critical financial and policy information

was *publicly* available in a manner never before experienced, essential for an informed public dialogue and necessary to spark public and stakeholder interest. I offered some very simple suggestions that can be immediately implemented to not only make critical information more readily and easily available, but to send a loud and clear signal to the public that the WSIB (and government) are laser focused on ensuring a high standard of public accountability: *One*, update the [Management Board of Cabinet Directive](#) to require the posting of the WSIB annual report no later than May 31 of the following year; *Two*, that the government codify in regulation (preferred) or in the WSIB/Minister [Memorandum of Understanding](#) (second best) that the Board post detailed financial and sufficiency reports on its website no later than 60 days after the each quarter. Easy.

The WSIB Annual General Meeting should be reinstated

Much to my surprise, and in my view with no sound reason, the WSIB cancelled the WSIB Annual General Meeting in 2022, in spite of a solid commitment of the immediately past administrative regime for the AGM to be a permanent annual fixture. This is what was said in the **WSIB 2016 Annual Report** (at page 10) when the Board advised that the AGMs would be a continuing annual event:

Despite the march of technology, **there remains no substitute for direct, face-to-face interactions with those who depend on us, to ensure accountable policymaking and program development.** In 2016, we held the first WSIB Annual General Meeting in our modern era. This well-attended event was an opportunity to discuss our progress and challenges with a wide range of stakeholders, representing both workers and employers. Based on this experience we have committed to making this an annual event. (emphasis added)

The AGM, typically held mid-September, became an excellent stakeholder forum to not only hear from senior WSIB officials and be presented with the “year in review” along with the next year’s premium rates, but to engage in direct dialogue with attendees and Board officials. This was one of a few, if not the only, forums in which representatives from labour and management, along with the injured worker community, attended and engaged. That alone is reason for

the AGM to continue – to provide a forum to get stakeholders out of their respective bubbles and hear different and sometimes opposing views. This forum not only ensured that the Board was more accountable to the public, but it forced stakeholders to present thoughtful critiques that were often open for an immediate retort from a disagreeing constituency. That instills discipline and ensures thoughtful idea development. More, not less, of that is needed.

An open dialogue at the AGM assists the WSIB

On the matter of WSIB openness, I personally recall ever so vividly a massive misstep the Board made when unveiling the 2018 premium rates at the 2017 AGM. Without rehashing the full details, the Board, simply put, made a mistake. *A doozy!* Many of the premium rates were clearly and simply wrong. I observed this at the meeting, made my concerns known, and after addressing the issue, the Board admitted the error and corrected the mistake within 24 hours. This event was recounted by a major employer association in a letter to the Board in July 2022 (which in part argued for a reinstatement of the AGM):

In fact, at the 2017 AGM at the Metro Toronto Convention Centre, one of our senior members questioned the rates announced. Some of the rates announced showed very significant and unexpected rate increases. By being able to have access to this information, pose the questions directly, the Board quickly reviewed the calculations, acknowledged that an error had been made and immediately remedied the error, re-issuing of 2018 premium rates, all within 24 hours. But for the AGM, and our capacity to question the rates, this issue would not have been identified, or communicated or remedied so quickly.

Without the AGM the mess would not have been discovered until it was too late.

AGMs enhance critical stakeholder engagement

There is a plethora of information and commentary readily available that extoll the benefits of AGMs, [such as](#) enhancing and building:

- Transparency and accountability
- Shareholder (stakeholder in the case of the WSIB) engagement
- Strategic review and feedback
- Building trust and confidence

Other Canadian Boards hold Annual General Meetings

The benefits for a WSIB AGM have been set out by the Board itself in past WSIB annual reports. I also point out that other Canadian workers' compensation boards routinely hold AGMs. There is every reason for Ontario to return to this practice.

Saskatchewan:

The Saskatchewan Workers' Compensation Board held its [2023 AGM on May 14, 2024](#). Saskatchewan posted a 49 minute [YouTube video of the AGM](#) along with a [transcript](#) of the full meeting.

Prince Edward Island:

The Prince Edward Island Workers' Compensation Board held its AGM for 2023 on [June 19, 2024](#) and presented a summary of the meeting [June 20, 2024](#).

New Brunswick:

WorkSafe New Brunswick held its [AGM October 28, 2024](#), reporting on the meeting [the same day](#).

Alberta:

The Alberta Workers' Compensation Board held its 2023 AGM on June 6, 2024 and [posted](#) a detailed five-page outline of the core questions raised at the AGM. The Alberta [Workers' Compensation Act](#) actually directs the Alberta Board to hold an AGM, "*which must be open to the public.*" From the Alberta Act:

Annual meeting open to public

7.1(1) The Board shall hold an annual general meeting, which must be open to the public.

(2) The Board shall publish notice of the annual general meeting referred to in subsection (1) on the Board's website and in any other manner that the Board considers most likely to bring the notice to the attention of the public.

(3) The purpose of the annual general meeting is to discuss the reports presented under subsection (4) and any matters raised in relation to the reports by those present at the meeting.

(4) The Board shall ensure that the following reports are presented at the annual general meeting:

(a) the report of the chair on behalf of the board of directors;

(b) the report of the President;

(c) the report referred to in section 93(4) for the preceding calendar year. (**LAL Note:** Section 93(4) refers to the Alberta Board's annual report and requires the Board to submit the report to the Minister by May 31 of the succeeding year. As suggested in past issues of **The Liversidge Letter**, I recommend the same statutory instruction for Ontario.)

A few simple adjustments will restore a high standard of WSIB public accountability – it was easily done before – it can be done now

I have argued in this series of **The Liversidge Letter** that WSIB accountability benefits stakeholders by cultivating the ground for an informed, serious ongoing dialogue, and in so doing, also benefits the Board. Strong stakeholder relations assist the Board to engage the public on pressing issues when it is necessary to do so. My three basic and easy to implement suggestions: *One*, restart the publishing of detailed quarterly financial and sufficiency reports; *Two*, publish the annual report no later than May 31st of the following year; *Three*, resume the AGM. All easy.

In the next issue of **The Liversidge Letter: The funding surplus rebate: A few suggestions to make it fairer and more predictable for Ontario employers**. As mentioned in my note of [November 22, 2024](#), the Board is returning a massive funding surplus to Ontario employers. While this is great news, I have a few suggestions that will make the surplus rebate scheme fairer and easier to predict for employers. Stay tuned.