

**Construction Employers Coalition
(for WSIB and Health & Safety and Prevention)**



Via Email

August 10, 2026

Mr. Jeffery Lang, President & CEO
Workplace Safety & Insurance Board
200 Front Street West
Toronto ON M5V 3J1

and The Hon. David Piccini, Minister of Labour, Immigration,
Training and Skills Development
Ministry of Labour, Immigration, Training and Skills
Development
400 University Avenue, 14th Floor
Toronto, ON M7A 1T7

Dear Mr. Lang & Minister Piccini:

**Re: The WSIB's decision to end the Second Injury and
Enhancement Fund policy as at June 16, 2026**

The Construction Employers Coalition (for WSIB and Health & Safety and Prevention) (CEC) (see **Appendix A** for who the CEC is) is writing to express CEC's concern about the Board's surprise, retroactive notice that the WSIB Second Injury and Enhancement Fund (SIEF) policy is no longer active effective June 16, 2026. For the reasons we set out, we are requesting that the Board vacate this decision and instead, initiate a broad-based formal stakeholder consultation exercise in accordance with longstanding established WSIB protocol. Fairness to Ontario's employers requires nothing less.

A thumbnail sketch of SIEF

SIEF has a long and storied history with the WCB/WSIB, with some elements dating back to 1915. The "modern" SIEF policy attributes were established in 1970 to coincide with increased employer cost accountability (experience rating), a design principle which survives under the current WSIB classification and premium scheme.

SIEF is an effective employer insurance mechanism designed to moderate cost exposure arising from medical factors unrelated to the accident itself. Without getting too technical, the SIEF fairly mitigates the relationship of the thin-skull entitlement doctrine and employer accountability, a long-standing employer position, supported by innumerable decisions of the Appeals Tribunal.¹

Simply put, the Ontario workers' compensation system is rendered unfair to employers absent SIEF.

¹ See for example *W.S.I.A.T. Decision No. 2970/18 (July 3, 2019)*

SIEF has been reviewed time and time again and after employer engagement, survived intact

Over the past 56 years, SIEF has been subjected to many high-level comprehensive policy reviews. This short summary does not do justice to the depth of comment and degree of support presented by Ontario's employers. After each review, the SIEF continued unaltered, maintaining complete employer support.

The 1990 release of a WCB discussion paper, "**The Application of the Second Injury and Enhancement Fund**," triggered a four-month consultation, involving submissions from all WCB/Board stakeholders. Employers rallied behind the issue and after widespread employer engagement and strong support, the SIEF program was affirmed. Interestingly, at that time (1990), SIEF was not only supported by Ontario's employers, but by the **Ontario Federation of Labour**, which noted it served a useful role within the WCB system.

In 1994, the **WCB "Financial Improvements Package"** consultation document pushed for the elimination of SIEF, only to receive aggressive and comprehensive push-back from Ontario employers. SIEF survived intact.

In 1996 the Hon. Cam Jackson, Minister Without Portfolio for Workers' Compensation Reform, released "**New Directions for Workers' Compensation Reform: A Discussion Paper**," presenting a discussion of the SIEF program. Employers aggressively defended the program, explaining the employer equity purposes of SIEF and how absent SIEF the scheme would skew towards employer unfairness. In Minister Jackson's final report, "**New Directions for Workers' Compensation Reform**," **June 1996**, Minister Jackson affirmed that SIEF retained strong employer support. SIEF survived intact.

In the extensive **Funding Review** exercise initiated by WSIB President David Marshall and chaired by Prof. Harry Arthurs (2011 – 2012), in which the CEC (then named The **Construction Industry WSIB Task Force (CITF)**) played a leading stakeholder role, SIEF was an active issue. SIEF received extensive comment and continued strong support from Ontario's employers. SIEF survived the **Funding Review** and subsequent WSIB consideration of Dr. Arthurs' report.

During the **Rate Framework Review** consultation, commencing in 2013 and continuing until 2018, reaching its peak in 2015, SIEF again became a policy consideration. In a 2015 WSIB consultation document the WSIB again expressed a policy preference to cancel the SIEF program. Employers again rallied, and exploded at the WSIB's proposed policy direction. SIEF continued intact.

SIEF policy adjustment requires a broad public consultation

The Board's July 16, 2026, announcement via a WSIB policy update alert email "*phasing out of the Second Injury and Enhancement Fund (SIEF) - effective June 16, 2026*" was distributed well after the end of the program.

The WSIB's handling of the SIEF wind down raises significant procedural fairness concerns and amounts to a *de facto* retroactive cancellation.

More egregiously, there was no employer consultation. The WSIB moved unilaterally. This offends every modern WSIB convention, including the Board's commitment to openness and transparency, and respectfully, undermines the Board's undertaking and duty to consult.

In the Board’s 2020 document, “**Framework for operational policy development and renewal**” (January 2020), the Board presents this commitment (at **page 8**):

4.3. Consultation

When necessary, consultation will form part of the policy development process at the WSIB, contributing to transparent, evidence-based decision-making. Obtaining and considering a range of views enables the development of policies that are effective, responsive and viewed as legitimate by those they impact. This in turn contributes to better understanding and acceptance of and compliance with policies.

Beyond question, a policy such as the SIEF demands a comprehensive policy outreach process – the Board’s gold-standard approach if you will – and anything less is an affront to sound administrative practice.

The SIEF issue, based on the significance of the issue, and as importantly, the Board’s specific historic approach to SIEF policy review, is the exact type of issue that warrants a “*broad public consultation*”:

4.3.2. Broad public consultation

In some cases, the WSIB may decide to conduct a broad public consultation. Generally, during broad consultations, the WSIB will publish a consultation document (e.g., explanatory note, discussion paper) to identify and explain the policy issue and to guide feedback, which may be provided in writing and/or through planned outreach sessions.

An outsourced third-party value-for-money-audit (VFMA), the [Deloitte Value for Money Audit: Second Injury and Enhancement Fund, Full Report, April, 2026](#), does not supplant the WSIB’s duty to consult. A focus group discussion is not consultation.

A conclusion that SIEF no longer meets its intended purpose of reducing employment barriers for workers with pre-existing disabilities, presents an incomplete and frankly unsound understanding of the true employer equity purposes behind the SIEF policy.

Likely consequences of the elimination of SIEF

The closure of the SIEF program will have many impacts for Ontario employers and workers alike:

First, it will increase individual employer’s cost exposure and increase individual employer premium rates in accidents where an underlying condition caused or enhanced the disability. This is unfair as the employer is unable to mitigate against the effects of pre-existing medical conditions, other than after the fact through the SIEF.

Second, this will likely increase employer focus on individual claim entitlement for cases involving pre-existing conditions with the expected effect of increasing employer-initiated entitlement litigation.

Third, following the second point, this will have an impact on Ontario injured workers who will likely be subjected to less stable entitlement decisions through increased employer claim litigation.

CEC request

For these reasons, CEC respectfully requests that the notice of SIEF cancellation be forthwith revoked and that the WSIB engage in a full-fledged stakeholder consultation preceded by a WSIB authored policy options paper, with ample opportunity to respond (deploying at least the four-month consultation period granted in the 1990 consultation).

Yours truly,

A handwritten signature in black ink, appearing to read 'A. Pariser'.

Andrew Pariser, CEC Chair

Appendix A

The Construction Employers Coalition (for WSIB and Health & Safety and Prevention) (CEC), represents more than 2,000 construction firms employing approximately 80,000 workers. The CEC was formed in 2010 for the purpose of studying and responding to workplace safety and insurance issues related to Ontario's construction sector and was originally named The **Construction Industry WSIB Task Force** (CITF). Our antecedent organizations have been engaged in Ontario workers' compensation reform since the early 1980s.

CEC members include:

Ontario General Contractors Association (OGCA)
 Ontario Road Builders' Association (ORBA)
 Mechanical Contractors Association of Ontario (MCAO)
 Ontario Sewer & Watermain Contractors Association (OSWCA)
 Concrete Ontario
 Sarnia Construction Association
 Merit Ontario
 Ontario Home Builders Association (OHBA)
 Heavy Construction Association of Toronto (HCAT)
 Progressive Contractors Association of Canada (PCAC)
 Residential Construction Council of Ontario (RESCON)
 Ontario Residential Council of Construction Associations (ORCCA) including its members:
 Residential Tile Contractors of Ontario (RTCA)
 Ontario Concrete and Drain Contractors Association (OCDCA)
 Masonry Contractors Association of Toronto (MCAT)
 Ontario Formwork Association (OFA)
 Residential Framing Contractors Association (RFCA)
 Concrete Ontario