

The Liversidge Letter

An Executive Briefing on Emerging Workplace Safety and Insurance Issues

October 15, 2024

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

2 pages

Is WSIB Accountability FADING AWAY?

Part 2: Why is the WSIB Annual Report always so late?

WSIB 2023 Annual Report posted only in late September 2024 – Why so late?

The [2023 WSIB Annual Report](#) was only recently posted by the WSIB in late September 2024. WSIB annual reports are typically released in mid-summer to late-summer. That itself is a problem. However, the 2023 Annual Report is particularly tardy. The problem of delayed comprehensive financial information is compounded since 2022 because:

- The WSIB ceased the public posting of detailed quarterly financial statements (Q1-Q3 reports are supposedly available upon individual demand, although the 2024 Q1 has not been disclosed despite several LAL requests);
- The problem is heightened as a result of a recent and curious WSIB decision to suspend production of detailed Q4 quarterly reports. They are not available even on individual request. Odd.

It is my view that the absence or extreme delay in public disclosure of key WSIB financial information hinders stakeholder engagement and diminishes WSIB accountability. And, we know where that leads. Let's just say a WSIB with limited accountability doesn't optimally perform. The Board used to be of the same view, I might add. In the Board's own words, ". . . *interim statements help strengthen accountability and increase transparency and oversight of the WSIB's operations*" (**WSIB 2010 Annual Report, at p. 28**). That Board has moved away from that notion seems clear. What is not so clear is the "why" behind this 180-degree turn. To me at least, that remains a head shaker. WSIB commitments made at the highest levels were once pretty reliable. Consultation models, disclosure commitments, annual general meetings, stakeholder outreach protocols, mid-summer stakeholder premium rate setting meetings, annual premium rate manual (no longer posted) to list a few, for the most part survived one regime to the next, especially when the governing administration announced enhancements as "permanent." Today it seems less so.

Ironically, when an incoming "new" administration so easily winds down solid initiatives of the last administration, that just makes it all the easier for the next administration to do the same (to the current administration's initiatives).

I will present a more in-depth discussion on the cessation of public posting of detailed quarterly financial statements in the next issue of **The Liversidge Letter**. Today's focus is on delayed annual reports. *Why are annual reports released so late? What can be done to fix this?*

How do other Canadian jurisdictions do?

Every Canadian jurisdiction listed below released its respective annual report *before* the Ontario WSIB did:

- **Manitoba:** 2023 Annual Report [released](#) (not clear when).
- **Saskatchewan:** 2023 Annual Report [released](#). Saskatchewan held [AGM May 14, 2024](#).
- **Alberta:** 2023 Annual Report [released](#) (not clear when).
- **British Columbia:** 2023 Annual Report [released](#) (not clear when).
- **Newfoundland & Labrador:** 2023 Annual Report [released](#) (not clear when, but perhaps in June 2024).
- **Prince Edward Island:** 2023 Annual Report [released](#). PEI held [AGM June 20, 2024](#).
- **New Brunswick:** 2023 Annual Report [released](#) (not clear when).
- **Nova Scotia:** 2023 Annual report [released](#) (not clear when, but released after August 30, 2024).

LAL trying to get the 2023 Annual Report since early June, 2024 (or at least learn of the planned release date)

I have been trying to find out when the WSIB 2023 Annual Report would be released since early June 2024. On June 3, 2024, I sent this (redacted) email to a senior WSIB official:

Good morning, (Official #1):

I hope you are well. You previously advised that the Board was anticipated to approve the 2023 Annual Report at the end of April 2024. *Can you provide a copy of the 2023 Annual Report, or advise when it will be available?* In addition, I have noticed that the WSIB has not posted 2023 Q4 results on its website. *Is it still the case that a 2023 Q4 Financial Report is not available and we must await the release of the 2023 Annual report?* Thank you in advance, LAL

WSIB reply: Q4 report “redundant” due to annual report (except delayed reporting was main reason for Q reports!)

I received this response on June 14, 2024 from a different WSIB official (even though the original addressee facilitated similar requests over the past few years - a lot of that happening recently):

Good afternoon, Les.

(Official #1) has forwarded this enquiry to me for reply.

A copy of the 2023 Annual Report has not yet been posted, but I will undertake to send one to you directly via email once we have done so.

The compliance process for our Annual Report is found in section 7 of our Memorandum of Agreement with the Ministry of Labour, Immigration, Training and Skills Development.

After Board approval, the Board must submit the annual report to the Minister for submission to LGIC and tabling before the Legislature. The Chair will ensure that the annual report is posted on the Board’s public website after it has been tabled in the Legislature.

(Official #1) and team have assured me that once this report is available to share, they will send it to me to forward on to you. Quarterly reports for Quarters 1 through 3 will also continue to be provided upon request, subsequent to approval by our Board. A Q4 report is no longer produced, consistent with prior years, as it would be redundant given the annual reporting requirement noted above.

I trust this is satisfactory for now, and I will be following up with you again shortly.

Thank You

(Official #2)

Interestingly, we discovered the posting of the WSIB 2023 Annual Report in our routine checking of the Board’s website. As it turns out, no one did send it along. This is perhaps a very forgivable oversight since from the time of my June 2024 email to WSIB Official #1 to the time of the release of the 2023 Annual Report (late September), WSIB Official #1 had left the WSIB. By the way, there’s a lot of that going on lately as well. My observation: There has been a high executive turnover rate at the Board, especially in the top financial slots. I haven’t seen anything like it before. While people leave organizations for a host of reasons, it seems to me that this is well outside the normal curve.

OK. So, back to WSIB annual reports. The takeaways from the June 14, 2024 email? *One*, “section 7 of (the Board’s) Memorandum of Agreement” with the Minister sets out certain protocols, with which, one may infer, the Board complied. (I think the writer meant WSIB/Ministry “[Memorandum of Understanding](#).”) *Two*, the WSIB Annual report isn’t posted until “after it has been tabled in the Legislature.” This excerpt is right out of the MOU:

Annual Report

7.9 As required by section 170 of the Act, the Board must submit an annual report to the Minister for submission to the LGIC and tabling before the Legislature. The Board shall provide the annual report to the Minister within 120 days of the Board’s fiscal year end. The Chair will ensure that the annual report is posted on the Board’s public website after it has been tabled in the Legislature.

Sections 170 and 170.1 of the WSIA provides the statutory direction:

Annual report

170 (1) The Board shall prepare an annual report, provide it to the Minister and make it available to the public. 2017, c. 34, Sched. 46, s. 55.

Same

(2) The Board shall comply with such directives as may be issued by the **Management Board of Cabinet** with respect to,
(a) the form and content of the annual report;
(b) when to provide it to the Minister; and
(c) when and how to make it available to the public. 2017, c. 34, Sched. 46, s. 55.

Same

(3) The Board shall include such additional content in the annual report as the Minister may require. 2017, c. 34, Sched. 46, s. 55.

Tabling of annual report

170.1 The Minister shall table the Board’s annual report in the Assembly and shall comply with such directives as may be issued by the Management Board of Cabinet with respect to when to table it. 2017, c. 34, Sched. 46, s. 55.

So, it’s not just the WSIA or the WSIB/Ministry MOU that governs the public release of the annual report, it is also the **Management Board of Cabinet** “[Agencies and Appointments Directive](#)” which sets out the requirements:

- The agency must submit the annual report to the Minister no later than 120 days after the fiscal year end. **As the WSIB operates on a calendar year-end this would be April 30, 2023.**
- The Minister must approve the report within 60 days (**in this case June 30**) and table the report within 30 days of approval (**July 31**). When the Legislative Assembly is not sitting, the report will be filed with the Clerk’s Office.

So, all-in-all, presuming that the Board followed its instructions, and the government followed its instructions, the annual report would be expected to be presented to the public at the latest August 1 of any give year. Nothing prevents an earlier release. Most other Boards *are* earlier. This year, the House rose [June 6, 2024](#) and is scheduled to return October 21, 2024, so its clear that’s not the reason for the late posting. The report was posted late-September.

The timely release of the annual report is more than important – it is now essentially the sole extensive financial document publicly disclosed. Yet, by the time it is released, the information is stale. I have a few very simple suggestions. *First*, immediately reinstate the public posting of unaudited quarterly financial statements, including the Q4 report. More on that in the next issue of **The Liversidge Letter**. *Second*, at least as far as the WSIB annual reports are concerned, the **Management Board of Cabinet** directive isn’t good enough and should be revised to ensure the posting of the annual report no later than May 31 of the following year. The report is done by then. The Minister can certainly approve it by then. **If they wanted to do better, they could. They should. Starting now. Next Issue: Reinstate posting of quarterly financial statements.**