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

September 26, 2024

Jeffery Lang, President & CEO Workplace Safety & Insurance Board 200 Front Street West Toronto ON M5V 3J1 Grant Walsh, Chair Workplace Safety & Insurance Board 200 Front Street West Toronto ON M5V 3J1

Dear Messrs. Lang and Walsh:

## **Re: WSIB Sufficiency Funding Ratio: A Request for Surplus Distribution**

and

We attended a very helpful Chiefs' Advisory Committee (CAC) meeting on September 10, 2024 organized to address our request that the Board disburse funding in excess of a 120% funding ratio. We extend our thanks to your senior officials engaged in this important, and hopefully, landmark discussion.

At the April 30, 2024 CAC meeting, we learned that the WSIB sufficiency ratio was 122.5% (as at December 31, 2023). We expressed our view that a funding ratio above 120% triggers a positive obligation on the part of the Board to consider a surplus distribution to bring the sufficiency ratio to 120% or below, or publicly explain why such a distribution is not appropriate. This position is in keeping with s. 97.1 of the **Workplace Safety and Insurance Act** (WSIA) and the Board's June 9, 2023 <u>Funding and Pricing Policy</u>.

While the WSIA directs the Board to distribute funds in excess of 125% to bring funding to 115.1% (WSIA, s. 100 f.1 and O. Reg. 141/12, s. 2), the Board is granted the discretion to distribute funds when the sufficiency ratio is between 115% - 125% (WSIA, s. 97.1(1)). The Board's <u>Funding and</u> <u>Pricing Policy</u> outlines that the Board "*aims to establish and maintain the Sufficiency Ratio within the Target Funding Range of 110 per cent to 120 per cent.*"

It is clear that the statutory and policy intent is to ensure a sufficiency ratio between 110% at the low end and 120% at the high end, with the median 115% funding level being the implicit target, variable dependent on analysed circumstances.

Since the sufficiency ratio is above 120%, and has been for more than a year, and as the statutory and policy direction is to maintain the sufficiency ratio between 110% and 120%, with the optimal funding level sought being 115%, the CEC requests that the WSIB disperse excess funding such that the funding ratio will not exceed 120%, and that this dispersal be facilitated by year's end 2024.

We look forward to discussing implementation of this suggestion with the Board. I can be reached at <u>pariser@rescon.com</u>.

Yours truly,

Andrew Pariser, CEC ChairCopied:David Piccini, Minister of Labour, Immigration, Training and Skills Development

