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**Michael Zacks
Director (A) and
General Counsel**

January 9, 2018

Workplace Safety and Insurance Board
Consultation Secretariat
Rate Framework Policy Consultation
200 Front Street West
Toronto, Ontario M5V 3J1
Dear Consultation Secretariat:
Re: Funding Framework Policy Submissions

Dear Consultation Secretariat:

Re: RATE FRAMEWORK POLICY CONSULTATION – INTERIM UPDATE.

The following are the OEA's submission on the interim update to the Rate Framework Policy Consultation.

A. Eligibility for Single and Multiple Premium Rates Policy: Test of Significance

The WSIB has proposed three options in response to stakeholders' concerns about the proposed two stage test:

WSIB Action: The WSIB is exploring the following options for adjusting the test of significance:

1. Modifying the percentage of Insurable Earnings (IE) threshold -
Currently the draft policy has a threshold of 25%.
2. Creating an exception for the percentage of IE threshold for large employers – This could allow large employers to have multiple rates regardless of percentage of insurable earnings in each business activity.

3. Removing the requirement to meet both criteria – Instead of requiring employers to meet both a 25% threshold for each business activity AND meeting the 5 times maximum IE ceiling threshold, employers would only be required to meet one condition to be eligible for multiple premium rates.

The OEA has concerns with all three options. In our submission the percentage of insurable earnings threshold should be based on rational objective criteria. Why was the 25% amount picked instead of 20% for example.

The OEA agrees with the concern expressed by the WSIB on the second option. Of the three options the third is a reasonable compromise, subject to a discussion about the appropriateness of the 25% threshold.

B. Associated Employers Policy: Test of Affiliation and Test of Cooperation

The OEA supports the WSIB's proposal to review the Associated Employers policy, and especially the tests of affiliation and of cooperation to ensure that the purpose of the policy and the criteria for the tests are clearly explained.

C. Associated Employers Policy: Compulsory Coverage in Construction

The OEA supports the WSIB's proposal to removal of this section of the policy.

D. Classification Structure Policy: Ancillary Operations - Scope and Definition

In response to employer concerns to the ancillary operations policy, the WSIB is proposing three options:

1. Reverting to an inclusive list of ancillary operations, as currently exists in policy.
2. Revising the definition of ancillary operations to a more general definition.
3. Revising or deleting the description of "retail operations" as ancillary.

The OEA supports the first option and the third option. The second option will remove clarity and certainty for employers. An inclusive list will allow certainty which is necessary in this area, and deleting the description of retail operations will remove what is in our submission an illogical ancillary activity.

E. Health and Safety

The OEA supports the WSIB's commitment to review the policies with health and safety in mind.

Thank you for this further opportunity to provide submissions.

Sincerely,

A handwritten signature in black ink that reads "Michael Zacks". The signature is written in a cursive style with a large, looping 'Z' and 'A'.

Michael Zacks