



January 15, 2018

Submitted via email to Consultation_Secretariat@wsib.on.ca

Workplace Safety and Insurance Board
Consultation Secretariat – Rate Framework Review Policy Consultation
200 Front Street
Toronto, Ontario, M5V 3J1

RE: Rate Framework Consultation

RESCON is an association which represents the construction interests of high-rise and low-rise residential builders in Ontario, with more than 200 union and non-union member companies. As a founding member of the Construction Employers Coalition (CEC), RESCON reconfirms its support for the CEC position and would like to provide further comments.

1. **The elimination of the Unfunded Liability (UFL) should occur before the implementation of the Rate Framework.** This point is reinforced extensively in our March 31st, 2016 submission.
2. **Maintain Rate Group 755 and address issues of predictability.** The Rate Framework process allows for huge increases to executive officers if the rate group is collapsed and moved to G1, G2, and G3 expanded. This is complicated by the fact that subcontracting in residential construction limits the size of residential construction employers. This creates a double hit, as a majority of employers are faced with potentially losing Rate Group 755 and will be less than 10 % predictable. This means an above average safety record will have, at best, an extremely limited impact on their overall premium rate.
3. **Revisit and lower the threshold for multi-rating in construction.** As outlined in several submissions, the construction sector is unique and operates with a governance model which has been adopted for efficiency. The current policy related to multi-rating does not reflect on-the-ground practicalities and will potentially create incentives for business to change their business models on a going forward basis. The threshold should be two-part, incorporating a dollar amount threshold, as well as a percentage of business threshold. This would provide the flexibility of both large and small employers and allow for a consistent business structure on a going forward basis.
4. **Shadow Rates should be released as soon as possible and well in advance of any 'go-live' date.** Shadow rates will be key to implementation. When published, understanding of the new system will increase exponentially. This will expose unintended consequences that need to be

addressed before full implementation in 2020. Any delay prevents a full understanding of rate framework and therefore prevents practical solutions to problems as they are identified.

5. **RESCON requests that the WSIB release and discuss the revised rate framework policies with the CAG's before they are publicly released.** This will allow for a final discussion and forum to further review any changes before implementation.

As always, RESCON appreciates having the opportunity to provide input into this consultation process. Please do not hesitate to contact Andrew Pariser at pariser@rescon.com for questions or require information regarding RESCON and its membership.

Sincerely,

Andrew Pariser
Vice President
RESCON