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**Auditor General clear on cause of WSIB underfunding,
OFL's Sid Ryan clear on the solution: Increase premiums to 1996 levels**

(TORONTO) - Today's report from the Auditor General of Ontario makes clear the cause of the Workplace Safety and Insurance Board's (WSIB) unfunded liability, and it certainly isn't overly generous benefits for injured workers, says Ontario Federation of Labour president-elect Sid Ryan.

"It's all there in the Auditor General's report: 'Clearly premium revenues have not increased enough to offset the costs of the benefits that are mandated under the *Act*,'" says Ryan. "This report is a tremendous vindication for the labour movement, and especially for injured workers, because it essentially echoes what we've been saying for more than a decade."

In 1996, the average premium rate was \$3 per \$100 of payroll, or 3 per cent. In the same year, the Harris Tories reduced premiums by 5 per cent, the first in a long series of premium reductions that finally levelled out at 2.26 per cent of payroll.

According to the Auditor General's report: "Clearly, the very existence of the unfunded liability demonstrates that, over the years, the province's employers have not fully funded the costs of injuries and occupational diseases, so these liabilities will need to be funded by future employers."

"The WSIB, in its own report, concluded that had the premiums been maintained at 1996 levels, the unfunded liability would have been less than a third of the \$11.5 billion that it currently sits at," says Ryan. "At the same time, compensation for injured workers remains about 20 per cent below 1995 levels. While corporations in 2009 are benefiting from 1990's level premium payments, injured workers are trying to pay their bills in 2009 on 1990's level incomes. It's truly perverse."

“In order to make WSIB fulfill its mandate, and keep injured workers out of poverty, we need to make sure that premium revenues are adequate. The Auditor General’s report makes it clear that they are not,” says Ryan. “A phased-in premium increase, eventually returning to 1996 levels, would allow the system to address the true needs of injured workers in a fair and just way.”

“It’s a shame how government inaction over many years has created this problem,” says Ryan. “But let’s be crystal clear that this is indeed a government created problem. Injured workers did not create this problem, and under no circumstances should they have to bear the costs of fixing it.”

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