

A Small Business Assessment of Workers' Compensation: Manitoba Summary¹

The Canadian Federation of Independent Business' (CFIB) 2015 *Small Business Workers' Compensation Index* provides a comparative analysis of all the Canadian workers' compensation systems through the lens of the small business owner. This research encompasses 35 indicators in seven major areas of workers' compensation: cost of premiums; claims management; experience rating; classification and assessment; coverage; long-term financial sustainability; and customer service. It should be noted that the system is inclusive of provincial workers' compensation boards and other regulatory bodies that play a role in overseeing some aspect of the workers' compensation system. This is the second edition of the *Index*; the first edition was published in 2011.

Overall Index Scores, Workers' Compensations Boards, 2015 (10 is best; 0 is worst)

Best (10)	Province	Overall Index Scores	Cost of Premiums	Claims Management	Experience Rating	Classification and Assessment	Coverage	Long-Term Financial Sustainability	Customer Service
	NB	7.00	8.5	4.5	6.8	8.3	7.1	6.9	5.4
	PEI	6.69	5.2	10.0	4.0	10.0	5.1	5.7	8.6
	AB	6.35	8.7	4.5	6.7	6.6	2.9	7.0	3.8
	NS	5.86	4.2	7.0	7.4	6.5	8.3	3.6	3.5
	BC	5.70	5.6	5.4	9.4	5.8	1.6	7.7	1.8
	NL	5.61	4.1	6.7	7.3	4.1	5.6	9.8	3.0
	SK	5.17	6.6	4.8	4.1	6.0	3.3	5.0	3.5
	MB	5.15	6.9	4.2	6.9	3.7	1.6	6.8	1.8
	QC	4.30	2.8	4.4	5.3	5.2	1.9	10.0	5.5
Worst (0)	ON	3.59	4.3	5.1	0.2	4.3	4.7	2.6	0.5

For the 2015 Index, The Manitoba's workers' compensation system receives the third lowest overall score (5.15 out of 10), and achieves the same overall score and rank as it did in the 2011 *Index*. Additional insight as to why this score was given to Manitoba's system can be found in the full report.

Competitive Advantages:

The following include some small business friendly aspects of Manitoba's workers' compensation system:

- ▶ Second highest percentage of claimants back to work at 90 days—81.6 per cent.
- ▶ Some of the lowest premium rates across sectors.
- ▶ Achieved a -26.7 per cent downward trend in its average premium rate from 2006 to 2015.
- ▶ Online injury reporting available for employers.
- ▶ No mandatory reinstatement for employers with ten or fewer employees.
- ▶ Least number of years for a small business to obtain an experience discount.

¹ This is a summary based on the full report *A Small Business Assessment of Workers' Compensation: 2015 Small Business Workers' Compensation Index*. www.cfib.ca/a7890e.

Areas for Improvement

Each of the seven areas of workers' compensation, along with the respective scores and areas for improvement for Manitoba's system are outlined below.

Cost of Premiums (score 6.9)

- ▶ Highest frequency of lost time claims—Manitoba's system should work closely with small business owners to provide advice on promoting health and safety.
- ▶ Regularly review rate-setting process to ensure rates do not fluctuate widely from year to year.

Claims Management (score 4.2)

- ▶ Establish an independent office of the employer advocate to provide meaningful support to small business owners.
- ▶ Improve assistance with back-to-work transition of an injured worker.
- ▶ Take steps to improve the professionalism and fairness of the claims process.

Experience Rating (score 6.9)

- ▶ Set proportional surcharge and discount levels—appropriate levels promote safety in the workplace, as well as control costs for employers.

Classification and assessment (score 3.7)

- ▶ Allow employers to pay assessments based on actual rather than estimated payroll.
- ▶ Take steps to ensure that classification and premium information is communicated to employers in an understandable manner.
- ▶ Ensure auditors are trained to deal professionally and fairly with small business owners.
- ▶ Work to improve the online payment process for employers.

Coverage (score 1.6)

- ▶ Ensure the amount of benefits offered to injured workers does not create a disincentive to return to work—Workers' Compensation Board of Manitoba is the only board that has no limit on insurable earnings used for calculation of a worker's benefits.
- ▶ Introduce a waiting period.

Long-term fiscal sustainability (score 6.8)

- ▶ Reduce premiums/distribute surplus assets to employers— Workers' Compensation Board of Manitoba's funding position is significantly above the ideal funding range (95 per cent to 110 percent), at 137.8 per cent in 2014.

Customer Service (score 1.8)

- ▶ Provide training to front-line staff to ensure they are knowledgeable about the needs of small business.
- ▶ Ensure useful information is provided on board websites in a user friendly manner.
- ▶ Commit to compiling and publishing appeal statistics such as number of appeals, number of successful appeals from employers and employees, timeliness of appeal decisions, etc.
- ▶ Develop an Employer Fairness Code, similar to the WorkSafeBC *Employer Fairness and Service Code*, making simpler for employers to understand the services and requirements of the workers' compensation system.