

A Small Business Assessment of Workers' Compensation: Quebec 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 Systems, 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*, Quebec's workers' compensation system receives the second lowest overall score (4.30 out of 10) and, as it did in the 2011 *Index*, it ranks second- to- last. Additional insight as to why this score was given to Quebec's system can be found in the full report.

Competitive Advantages:

The following include some small business friendly aspects of Quebec's system:

- ▶ Assessment payments are made on actual, rather than forecasted, payroll.
- ▶ CSST is meeting all long- term financial sustainability requirements). It is the only board within CFIB's ideal funding range (95 per cent to 110 per cent), and recently adopted this ideal range as well.
- ▶ Highest score for the change in overall service during the past 3 years.
- ▶ Highest score for the overall rating of the appeals process.

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

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

Cost of Premiums (score 2.8)

- ▶ Regularly review individual industry workers' compensation rates to ensure they are comparable and reasonable relative to other provinces—Quebec's system has some of the highest industry specific premium rates.

Claims Management (score 4.4)

- ▶ Ensure employee reinstatement policies take into consideration the realities of running a small business—Quebec's system is one of the only two systems to have mandatory reinstatement in place for very small employers.
- ▶ Establish an independent office of the employer advocate to provide meaningful support to small business owners.
- ▶ Work more closely with small business owners to promote health and safety.
- ▶ Take steps to improve the professionalism and fairness of the claims process.

Experience Rating (score 5.3)

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

Classification and assessment (score 5.2)

- ▶ Provide a range of payment options for assessments to allow for convenient and timely payments
- ▶ 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.

Coverage (score 1.9)

- ▶ Ensure the amount of benefits offered to injured workers does not create a disincentive to return to work—Quebec's system is among those with the highest percentage of earnings that benefits are based on (90 per cent).
- ▶ Introduce a waiting period (e.g. 2 days) to limit frivolous claims.

Customer Service (score 5.5)

- ▶ 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 (e.g. information on injury reporting, claims process, and paying assessments).
- ▶ 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 it simpler for employers to understand the services and requirements of the workers' compensation system.