

## A Small Business Assessment of Workers' Compensation <sup>1</sup>

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. The workers' compensation 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.

New Brunswick's system ranks the best for the 2015 *Index*, and receives the highest score of 7.00 out of 10. Ontario's system is in last place with the lowest score of 3.59 out of 10 (see Table 1).

The 2015 *Index* encompasses 35 indicators in seven main areas (subindexes) of the workers' compensation system—cost of premiums; claims management; experience rating; classification and assessment; coverage; long-term financial sustainability; and customer service.

Table 1

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

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
ON	3.59	4.3	5.1	0.2	4.3	4.7	2.6	0.5

In comparing the 2015 *Index* rankings with the 2011 rankings, New Brunswick's system improved its ranking by one position, moving from second to first (see Table 2). Similar to the previous report, Ontario's system maintains its last place position. Alberta's system made the most improvement since 2011, moving up two positions from fifth to third place; conversely, British Columbia's system experienced the largest drop in ranking, moving from the third to fifth position.

<sup>1</sup> 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](http://www.cfib.ca/a7890e).

Table 2

### Small Business Workers' Compensation Index, change in overall rankings (2011 to 2015, by province)

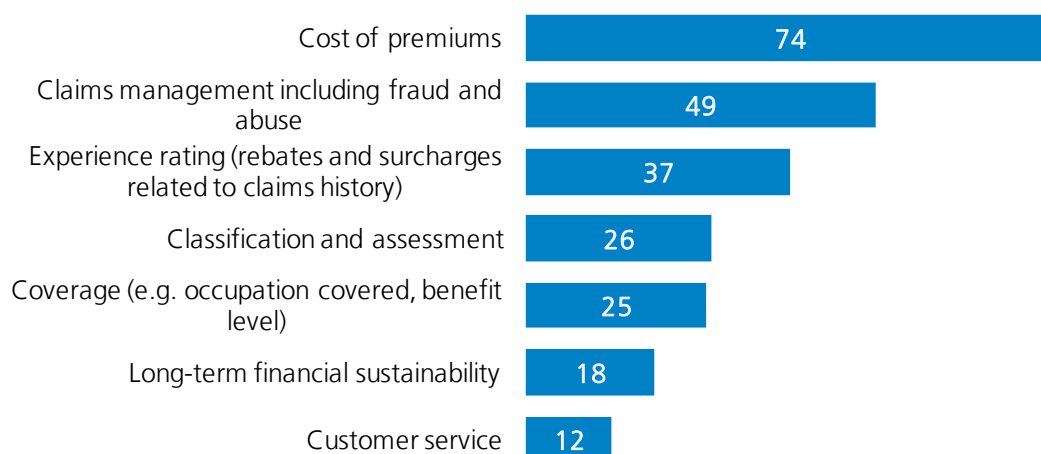
Province	2015 Rank	2011 Rank	Change in Rank (2011 to 2015)
NB	1	2	+1
PEI	2	1	-1
AB	3	5	+2
NS	4	4	0
BC	5	3	-2
NL	6	7	+1
SK	7	6	-1
MB	8	8	0
QC	9	9	0
ON	10	10	0

An index approach is used to measure and score the best and worst aspects of workers' compensation systems in the seven subindexes. The seven subindexes are not weighed equally. Rather, each subindex is weighed based on the results from CFIB's *Point of View: Workers' Compensation 2015* survey, in which business owners were asked about the priority level for each area of the workers' compensation system (see Figure 1). Using the survey results, the following weights were assigned:

31 per cent—Cost of Premiums; 20 per cent—Claims Management; 15 per cent—Experience Rating; 11 per cent—Classification and Assessment; 11 per cent—Coverage; 7 per cent—Long-term Financial Sustainability; 5 per cent—Customer Service.

Figure 1

### What should be the top priorities for CFIB action regarding workers' compensation board? (% response)



Source: CFIB, *Point of View: Workers' Compensation Survey 2015*, based on 11,702 responses, March 2015.

Based on the findings of the 2015 *Index*, CFIB has made key recommendations for an effective workers' compensation system from the SME perspective. Please see CFIB's full report for a list of these key recommendations.