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**THE MANITOBA
EMPLOYERS COUNCIL**

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Via E-mail and Regular Mail

July 4, 2014

Workers Compensation Board of Manitoba
333 Broadway Ave
Winnipeg MB R3C 4W3

Attention: Winston Maharaj, CEO

Dear Mr. Maharaj:

**Re: WCB Assessment Rate Model Review
Submission on behalf of the Manitoba Employers Council**

The Manitoba Employers Council (MEC) appreciated the opportunity afforded on May 27, 2014 to meet with Mr. Douglas Stanley and his colleagues in order to receive and discuss his presentation flowing from the "Discussion Paper on the Rate Setting Model".

After our discussions, we can advise of a consensus within MEC regarding the following points which are relevant to the rate setting review:

1. The first priority for the rate setting model or formula is to collect money required from today's employers for today's costs versus shifting to any intergenerational sharing of responsibility.
2. A second priority is to ensure that all employers pay their fair share; that is encourages safe workplaces (injury prevention and reduction) and early and safe return to work practices with appropriate incentive.
3. Although no single formula exists there should be a balance between collective liability and experience rating reflecting employer responsibility.
4. We acknowledge that the existing rate setting model is overly volatile with rates rising too quickly, too high and lasting for too long a period of time. These unintended negatives need to be smoothed out with a variety of adjustments including considering capping costs, duration of elevated payments all in the context of fair share and balance between collective and individual employer responsibility for costs.

5. Experience rating models can have a negative impact on stakeholder buy in and can contribute to negative claims management experience. We agree that the rate setting model requires adjustment as per the above but so too must the case management process within the WCB so that claim duration is not prolonged and the case management experience is improved for employers and injured workers.
6. Long term financial sustainability requires that revenues generated from assessed employers should be allocated only to WCB operations and not the costs of any arm's length government department. We echo the recommendations made in the WCB Act Review Report and repeat our support for the elimination of WS&H Branch funding from WCB revenues.
7. Finally, we consider that the vast majority of employers genuinely care for their employees and wish to do everything reasonably practicable to avoid time loss accidents and when accidents do occur, ensure a quick return to health and work. Given the current focus by the WCB on claims suppression, it would be helpful if guidelines could be prepared and published so that employers intending to act appropriately could avoid being considered to have committed claims suppression.

In summary, MEC suggests that a fair, balanced, collectively shared liability coupled with experience rating and a positive injury case management experience within the WCB are the key ingredients to stakeholder buy in and long term support of the WCB for the benefit of injured workers and their employers.

We would welcome further discussion should the opportunity present itself.

Yours very truly,

Manitoba Employers Council

Per:


William S. Gardner
Chairperson

cc: Michael Werier, Chairperson
Alice Sayant, Vice-President, Strategy and Assessment Services
MEC Members